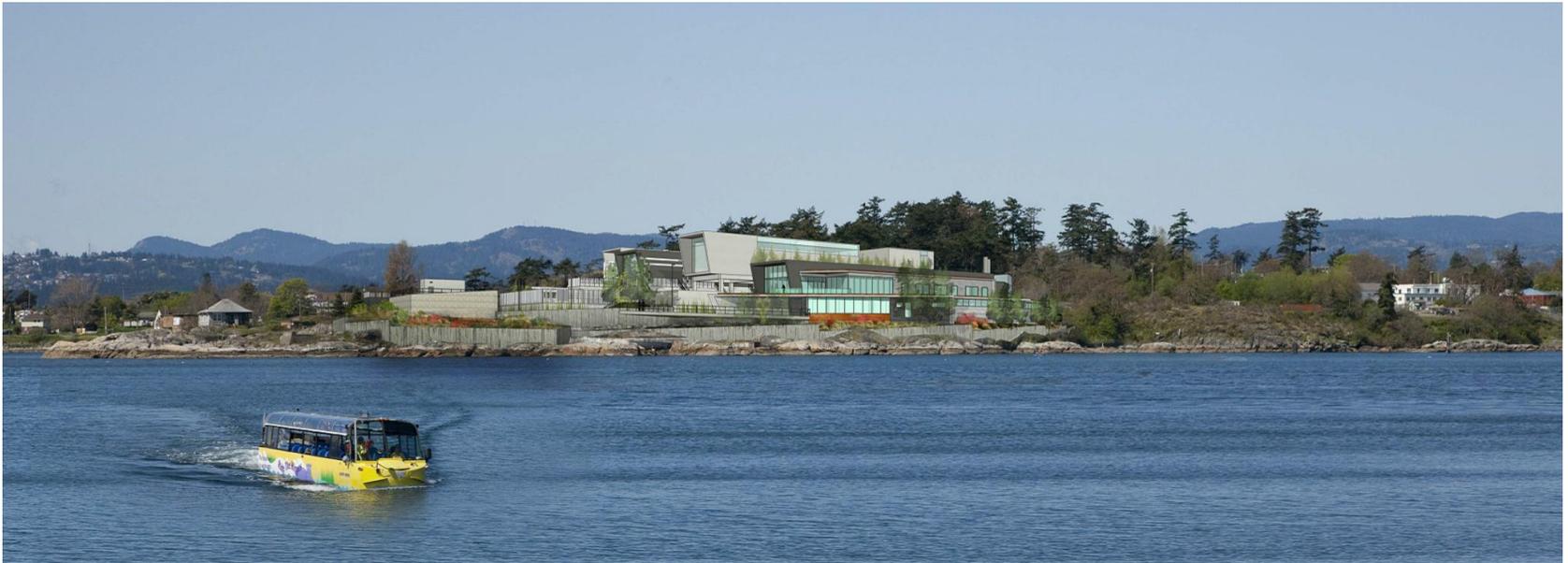


# Core Area Wastewater Treatment Project Board



Quarterly Report (Reporting Period: April, 2017 to June, 2017)  
September 05, 2017

# Quarterly Report - Summary

The Project is progressing as planned.

- Construction of the **McLoughlin Point Wastewater Treatment Plant (WWTP)** progressed in accordance with overall schedule.
- The **Residuals Treatment Facility** procurement process advanced from the Request for Qualifications to the Request for Proposals stage
- The **Conveyance System**'s two design build contracts entered the procurement phase:
  - The RFP for the Clover Point Pump Station was issued; and
  - The RFQ for the Macaulay Point Pump Station and Forcemain was issued.
- The five design-bid-build **Conveyance System** contracts are in the engineering phase. The Project Team will procure design consultant services for these contracts. Planning for the procurement of these services progressed for each of the Arbutus Attenuation Tank, Clover Point Forcemain and the Residual Solids Conveyance Line.

# Project Dashboard

The dashboard below indicates the high level status of each project Component with regards to the six Key Project Indicators (“KPI”) that were defined within the Project Charter.

Key Performance Indicators		WTP Project Overall	WWTP	RTF	Conveyance System	Comments
<b>Safety</b>	Deliver the Project safely with zero fatalities and a total recordable incident frequency (TRIF) of no more than 1*.					No recordable incidents; corrective actions identified and taken on a safety-related incident.
<b>Environment</b>	Protect the environment by meeting all legislated environmental requirements and optimizing opportunities for resource recovery and greenhouse gas reduction.					No environmental issues.
<b>Regulatory Requirements</b>	Deliver the Project such that the Core Area complies with provincial and federal wastewater regulations.					No regulatory issues.

# Project Dashboard (Cont.)

The dashboard below indicates the high level status of each project Component with regards to the six Key Project Indicators (“KPI”) that were defined within the Project Charter.

Key Performance Indicators		WTP Project Overall	WWTP	RTF	Conveyance System	Comments
Stakeholders	Continue to build and maintain positive relationships with First Nations, local governments, communities, and other stakeholders.					Extensive engagement activities were completed in the reporting period related mainly to the Ogden and McLoughlin Point construction activities. Significant efforts will continue to be made to provide accurate and timely information to stakeholders.
Schedule	Deliver the Project by December 31, 2020.					Casing installation work at Ogden Point started two weeks later than initially scheduled but this is not anticipated to have any impact on the overall Project schedule.
Cost	Deliver the Project within the Control Budget (\$765 million).					Project expenditures within Control Budget

# Safety

**The increase in construction work on the Project resulted in an increase in safety activities:**

- Site safety inspections increased in frequency starting in May.
- HRP's Health, Safety and Environmental Plan was reviewed and accepted.
- McLoughlin Point site specific safety plan was reviewed and approved.
- HRP's Rock Blasting and Property Protection Plan was reviewed and rejected (this plan was revised by HRP and resubmitted for review in June).
- Two safety related incidents were investigated and one hazard identification was issued (please see April to June Quarterly Report for details).
- Asbestos was found and dealt with in the appropriate manner prior to and during the demolition of the Anglers Hut at the Ogden Point site.
- Project Team member participated in two CRD safety coordination meetings (please see April to June Quarterly Report for details).

# Safety

Summary of Safety information for the reporting period and cumulative for the Project from January 1, 2017.

	Reporting Period (Q2 2017)	Project Total to-Date (from January 1, 2017)
<b>Person Hours</b>		
PMO	7,093	10,070
Project Contractor	16,736	20,949
Total Person Hours	23,829	31,019
<b>Number Of Employees</b>		
PMO	22	
Project Contractors working on Project site	54	
Total Number Of Employees	76	
<b>Number Of Occurrences</b>		
Near Miss Reports	1	1
High Potential near Miss Reports	0	0
Report Only	0	0
First Aid	0	0
Medical Aid	0	0
Medical Aid (Modified Duty)	0	0
Lost Time	0	0
Total Recordable Incidents	0	0
<b>Frequency Rates</b>		
First Aid Frequency	0	0
Medical Aid Frequency	0	0
Lost Time Frequency	0	0
Total Recordable Incident Rate	0	0

# Environment

## **Environmental work progressed as planned over the reporting period:**

- The draft archaeological permits for the Clover and Macaulay Force mains were sent to the Project's archaeological advisors for review.
- Project Team reviewed HRP's Early Works Construction Environmental Protection Plan.
- HRP prepared Environmental Protection Plans in anticipation of construction activities.
- Project-wide environmental management plan was prepared
- Baseline environmental assessment work was reviewed and shared with HRP, Stantec, Millennia and proponents.
- Initiated preparation of the Heritage Conservation Act Inspection Permit Application for submission to the Province.
- Began a bi-weekly meeting between the CRD Parks and Environmental Services staff and the Project Team to ensure coordination of Project activities with CRD policies and requirements
- HRP completed ocean floor sampling activities to inform environmental-related permitting requirements for the outfall.

# Regulatory Management

Regulatory management work progressed as planned over the reporting period:

- A key focus is the progression of various project permits.
- Project team continued to engage with municipal, provincial and federal government departments including the District of Saanich, the City of Victoria, the Environment and Climate Change Canada.
- Heritage Act permits and operational permits were progressed
- Archeological (Heritage Conservation Act) permits from the Ministry of Forests, Lands and natural Resource Operations for the Project are in development by the Project Team's archaeological advisor.
- The Project Team continued to meet the CRD's commitments under Project-related agreements.

Please see the Table 3 in the April to June Quarterly Report to review the status of key Project permits.

# Regulatory Management

Key regulatory activities undertaken by HRP included:

- Updated blasting notification sent to Nav Canada and Transport Canada
- A request for review was submitted to Fisheries and Oceans Canada for all works in water
- Application was sent to Department of National Defence to amend the previously approved Environmental Effects Determination allowing for the widening of Victoria View Road.
- Transport Canada approved the Facility Alteration Permits for the Horizontal directional drilling installation of the casing and pipe for the cross harbour forcemain.
- Transport Canada is reviewing the Facility Alteration Permit and Transport Canada licence for the McLoughlin Point outfall.

# First Nations

First Nations communication and engagement were ongoing and progressed as planned over the reporting period.

- The CRD submitted the First Nations engagement log to Transport Canada as part of the permit approval process for the harbour crossing and outfall application.
- A site specific permit was submitted to the Archaeology Branch and a mandatory 30 day referral process to neighbouring Nations was initiated. The permit was received within the reporting period.
- Millennia was retained as the Project's archaeological advisor, and were tasked with providing archaeological consulting services for the Project, including First Nations cultural protocol development.
- Seven letters were sent to neighbouring First Nations to give notice of the pending construction on the Project and inviting further discussions. One Nation (Pauquachin) requested an opportunity for further discussion. The CRD has made several efforts to follow up with the Pauquachin Nation and will continue with those efforts.

# First Nations (Cont.)

- The Project was discussed at the June WSANEC Leadership Committee.
  - No issues were raised during the meeting.
  - A request was made by one of the Saanich First nations to have Saanich archaeological monitors work alongside Esquimalt and Songhees archaeological monitors during the geotechnical investigations on Dallas Road
  - This request was not supported by the Esquimalt and Songhees nations as this is the core of the Lekwungen territory.
  - The CRD Aboriginal Relations team and the Ministry of Forest Lands and Natural Resource Operations with assistance from the First Nations Liaisons are working together to avoid potential conflicts and develop an archaeological monitoring protocol that is acceptable to all parties.
- Initial Planning meetings were held with Esquimalt and Songhees administrators to discuss the two First Nations Project Liaison positions.
  - The decision was made that the Liaison positions will operate cooperatively, but as separate and independent positions
  - The Songhees First Nations Liaison position was filled in this reporting period.

# Stakeholder Engagement Activities

- The Communications and Engagement Plan was approved in April and the Project Team began implementing the plan.
- The key focus of the communications and engagement activities is to keep residents and stakeholders informed of Project plans, progress and construction information, and to receive and respond to questions.
- A variety of materials and methods were used to implement the Plan:
  - A public inquiry program, including the launch of a 24 hour a day public information phone line
  - Distribution of Project Updates #1 and #2
  - Development and release of information sheets associated with various aspects of the project
  - Project website was regularly updated
  - Construction notices were prepared and distributed
  - Community and stakeholder meetings were held
  - Media Releases were issued

For details regarding these activities please see section 2.4 in the Quarterly report.

# Resolutions from Other Governments

The Project Board received a number of resolutions over the reporting period from:

- the Core Area Liquid Waste Management Committee's (CALWMC) April 12<sup>th</sup> meeting;
- the Integrated Resource Management Advisory Committee's (IRMAC) April 12<sup>th</sup> open and closed meetings;
- the City of Victoria Council's May 11<sup>th</sup> meeting;
- and the District of Saanich's Bicycle and Pedestrian Mobility Advisory Committee's May 18, 2017 meeting.

The resolutions have been reviewed and discussed by the Project Board previously.

The Project Board's responses and/or Project Team's plans to address the resolutions are detailed in section 2.5 of the April to June Quarterly Report.

# Project Schedule

The schedule is unchanged from the April and May monthly reports and remains subject to optimization as the Project and planning progress.

## Wastewater Treatment Project Schedule



**LEGEND**

- Procurement
- Construction + Commissioning

# 30 day look ahead

## Safety

- Provide safety orientations to any new Project Team staff
- Conduct daily site inspections at all active Project work sites
- Review incident reports: as incident reports are submitted by Project contractors they will be reviewed to ensure that appropriate measures are put in place to prevent a recurrence
- Participate in Joint Occupational Health and Safety Committee meeting
- Participate in bi-weekly CRD safety meetings.

## Environment and Regulatory Management

- Review various HRP environmental plans
- Review HRP permit applications prior to submission to regulators

## First Nations

- Appoint Esquimalt First Nations Liaison position
- Continue to attempt to engage Pauquachin Nation

# 30 day look ahead cont.

## Stakeholder Engagement

- Distribute Project Update #3
- Finalize Incident Communications Plan

## Cost Management and Forecast

- Cost loading of Project Schedule

## Construction

- Ogden Point
  - Complete Harbour Crossing casing installation
  - Commence drilling HDD pilot hole (375mm diameter)
- McLoughlin Point
  - mobilize equipment and construct McLoughlin Point workspace
  - installation of temporary dewatering and water treatment system
  - installation of gate
  - connection of temporary power
  - Commence blasting and detailed excavation

# 30 day look ahead cont.

## Construction (cont.)

- McLoughlin Point (cont.)
  - Remove fill behind existing retaining wall and demolition of retaining wall
  - Prepare Area A Laydown area
  - Establish trailer complex in Area A
  - Prepare Area E Parking Lot
  - Remove and dispose of hydrocarbon contaminated soils

## Engineering

- McLoughlin WWTP 30% Design Review Workshop
- Review and respond to 30% Design comments

## Procurement

- commence RFP process for Clover Forcemain design consultant services
- commence RFP process for Residual Solids Conveyance Line design consultant services
- close RFQ for Macaulay Point Pump Station and Forcemain

# 60 day look ahead

## Environment and Regulatory Management

- Receipt of Heritage Inspection Permit anticipated for the field portion of the Archaeological Impact Assessment work
- Receipt of a Road Allowance Construction Permit from the Township of Esquimalt and a Borehole Permit from the District of Saanich for geotechnical investigations anticipated
- Receipt of 'Notice from a Director' that construction of the McLoughlin facility may proceed is anticipated

## Construction

- continue drilling of HDD pilot hole (expected to reach McLoughlin Point by end of September)
- Continue blasting and excavation at McLoughlin site throughout August (estimated completion date mid-September)
- Setup trailer complex including office, crew and sanitary facilities (estimated move-in to site in September)
- Continue with removal and disposal of hydrocarbon contaminated soils

# 60 day look ahead cont.

## Engineering

- Begin 50% design of the McLoughlin Point Wastewater Treatment Plant

## Procurement

- Close RFP for Clover Point Pump Station
- Select short-list to participate in the Macaulay Point Pump Station and Forcemain RFP.

# Cost Management and Forecast

- The monthly cost report for June and quarterly cost report are shown in Appendices AA and BB of the April to June Quarterly Report.
- The Project expenditures for the reporting period were as expected. No contingency or program reserve was drawn upon during the reporting period.
- The main Project expenditures were associated with: WWTP construction activities; third-party commitments; communications and engagement activities and PMO-related costs.

## Cost and Finance System Set Up

- The allocation of the Project's Control Budget, and associated implementation of the Prolog Project cost management software system was ongoing
- In May the allocation formulas were defined in Prolog to enable reporting on the Project on the three major Project Components.
- In June the allocation set up was completed and tested and HRP's financial model was reviewed and the workflow for draft invoicing was prepared.

# Cost Management and Forecast

## Colwood Reserve Fund

- \$2,000,000 of the Wastewater Treatment Project Control Budget has been fully committed for the Colwood Reserve fund to be used to conduct studies for wastewater treatment in Colwood once the McLoughlin Point Wastewater Treatment Plant is within an estimated five years of capacity.
- These funds cannot be used for other matters.
- Once the Project is completed these funds will be converted to a reserve.

## Expenses and invoicing

- The Project expenditures were within the budget allocations for each of the budget areas, with no variance to the planned budgets during the reporting period.

## Contingency

- No contingency funds were drawn during the reporting period.

# Risk and Key Issues

The below table summarizes the highest-level risks and the mitigation steps identified and/or undertaken over the reporting period.

Risk No.	Risk	Risk Status	Risk mitigation activities undertaken or planned in the reporting period	Assessed risk level	Trend in risk level from previous reporting period
2	First Nations engagement	The assessed risk level reflects the Project Team’s priority of establishing strong and effective relationships with First Nations interfacing with, or interested in, the Project.	First Nations engagement activities remained ongoing over the reporting period (see section 2.3 for further details).	M	No change
3	Project Team Start up: development and implementation of systems, plans and processes	The roll-out of the PMO systems and the development of the Project Management Plan and key subsidiary plans was ongoing over the reporting period.	The majority of the Project Team management positions were recruited by the end of the reporting period and project chartering and delivery workshops were held. The development of Project management plans and supporting systems implementation remained ongoing over the reporting period.	L	Risk level reduced

# Risk and Key Issues cont.

Risk No.	Risk	Risk Status	Risk mitigation activities undertaken or planned in the reporting period	Assessed risk level	Trend in risk level from previous reporting period
4	Project Team Start up: Hiring of staff	The hiring of key staff remained a priority with a number of senior staff operating in interim capacities across a number of functional and project management roles.	Hiring of project office staff continued over the period, with the Project Team FTEs increasing to 22. Two Project Team leadership roles were filled in late June (Conveyance and WWTP project managers)	L	Risk level reduced
6	Divergent interests between multiple parties and governance bodies whose co-operation is required to successfully deliver the Project	As detailed in section 2.5 a number of local government authorities and management committees met over the period and passed resolutions.	The Project Board considered and responded to resolutions from other governments. The Project Team hosted technical working group meetings with Saanich and Victoria.	M	No change
7	Misalignment between Project objectives/scope and stakeholder expectations	The assessed risk level reflects the Project Team's priority of establishing strong and effective community stakeholder engagement.	Community engagement activities were on-going over the reporting period. Esquimalt liaison committee established and two community information meetings were held in the period, as well as updates to the website and responses to the phone line and e-mail inquiries.	M	No change

# Risk and Key Issues cont.

Risk No.	Risk	Risk Status	Risk mitigation activities undertaken or planned in the reporting period	Assessed risk level	Trend in risk level from previous reporting period
10	Senior government funds issue delayed	The assessed risk level reflects the Project Team's priority of ensuring project funding commitments are honoured.	Responsibility for meeting funding commitments have been assigned and are being monitored.	M	No change
18	Provincial or Federal government/agency permit requirements not met	Provincial or Federal permit conditions are not met by Project Contractors resulting in delays or work stoppage.	The Project Team will compile and maintain a permit compliance register to monitor and manage Project permit condition compliance by the Project Contractors. The Project Team will meet with Federal and Provincial agencies to fully understand requirements.	M	No change

# Project Status: WWTP

- The McLoughlin Point Wastewater Treatment Plant (WWTP) moved into the construction phase which progressed in line with schedule. HRP's main focus was furthering design, mobilizing materials and equipment, and preparing construction sites.
  - At Ogden Point preparation work for the Harbour Crossing was ongoing with the demolition of the anglers hut, erection of the noise wall and installation of the HDD casing. Pre-construction structure surveys were completed for neighbouring homes
  - Work was completed on the DND temporary works yard, Marine geotechnical investigations were completed for the marine outfall, and pre-construction structure and road surveys were completed.
  - Design progressed as planned: 30% design package was submitted



# Project Status: RTF

The Residuals Treatment Facility (RTF) was in the procurement phase and has progressed as planned:

- A proponent kick off meeting was held
- Two addendums were released
- Two rounds of collaborative meetings were held
- Enquiries from proponents were responded to

# Project Status: Conveyance System

The Conveyance System was in the engineering and procurement phase.

- Two design-build conveyance system contracts entered the procurement phase:
  - the RFP for the Clover Point Pump Station was issued. Collaborative meetings were held with each proponent and an addendum issued
  - the RFQ for the Macaulay Point Pump Station and Forcemain was issued.

The five design-bid-build Conveyance System contracts are in the engineering phase.

- Stantec (as the owner's engineer) progressed the indicative design over the reporting period.
- For each of the design-bid-build contracts the Project Team will procure design consultant services (including the “Engineer of Record” role).
- Planning for the procurement of these services progressed for each of the Arbutus Attenuation Tank, Clover Point Forcemain and the Residual Solids Conveyance Line.