

April 9, 2014

# Issues, Comments, Questions and Metro Vancouver Responses

## Lions Gate Public Advisory Committee Phase 1: Project Definition Wrap-Up Meeting

March 11, 2014, 6:00 p.m. – 8:00 p.m.  
Alex Mahood Room, Capilano Rugby Club  
305 Klahanie Court, West Vancouver, BC

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SERVICES AND SOLUTIONS FOR A LIVABLE REGION



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## 1. Agenda Review/Objectives

John Forsdick, Context, Process Facilitator, called the meeting to order at 6:06 p.m. and welcomed the Lions Gate Public Advisory Committee (LGPAC) members to the wrap-up meeting for Phase 1: Project Definition.

Mr. Forsdick reviewed the agenda and noted the meeting objectives:

- Review key milestones since November 2013
- Provide project update
- Review LGPAC input on draft strategies for moving forward and consider Metro Vancouver (MV) recommendations in response to the input
- Review next steps for LGPAC

## 2. Milestones Since November 2013

Christine Banham, Chair, LGPAC, reviewed the milestones that have occurred since the LGPAC submitted its report to the MV Utilities Committee in November 2013:

- The LGPAC report was presented to the MV Utilities Committee and was very well received
- The Utilities Committee forwarded the LGPAC report to the MV Board and the report was accepted as presented
- The MV Board endorsed the indicative design for the Lions Gate Secondary Wastewater Treatment Plant (LGSWWTP) in November 2013
- The MV Board decided on the cost allocation methodology for primary and secondary wastewater treatment in November 2013
- A meeting of the LGPAC was held on December 3, 2014 to debrief on the LGPAC process
- The MV Board selected the Design Build finance (with extended warranty) (DBf) procurement model for the LGSWWTP project in February 2014 and MV staff was directed to proceed with planning the design and construction contracting, procurement and development of funding strategies

## 3. Project Update

Fred Nenninger, MV, Manager, Policy Planning, Analysis and WWTP Upgrade, provided a presentation titled "Project Update" during which he highlighted:

- Project definition phase work streams and key dates
- Greater Vancouver Sewerage and Drainage District (GVS&DD) Board endorsement of the indicative design
- GVS&DD Board decision on cost allocation of future wastewater treatment plant capital projects
- Senior government funding programs
  - New Building Canada Plan
  - P3 Canada Fund
- The value-for-money test

- Procurement options for value-for-money analysis
  - Design Bid Build (DBB) was the base case
  - Design Build finance (extended warranty) (DBf)
  - Design Build Finance Operate Maintain (DBFOM)
- Conclusion of the value-for-money analysis conducted by KPMG was that DBf will provide the greatest value
- Recommendation of the Board subcommittee for the LGSWWTP to the GVS&DD Board regarding the procurement approach and application for grant funding under the New Building Canada Plan
- Next steps

**Break**

The meeting recessed at 6:55 p.m. and reconvened at 7:03 p.m.

#### **4. LGPAC Input into Draft Strategies**

Mr. Forsdick re-capped the prior discussion, where the following issues were raised:

- The procurement model going forward
- How the community interests included in the indicative design will be retained during the design and construction process
- Ensuring local economic opportunities through the procurement and construction phase

Mr. Forsdick provided a presentation titled “LGPAC Input into Draft Strategies” during which he highlighted:

- LGPAC debrief recommendations classified into six key themes:
  - Terms of Reference/mandate
  - Type and availability of information
  - Information flow
  - LGPAC member expertise
  - Mitigation planning
  - Meeting frequency and format
- MV recommendations to address the input in the six key areas

#### **5. Next Steps for LGPAC**

Andrea Winkler, MV, Policy Coordinator, Public Involvement, reviewed the next steps that will be taken with respect to the LGPAC during March to May 2014:

- Proposing new Terms of Reference
- New membership structure
- Developing educational opportunities in conjunction with planned liquid waste management awareness events

## 6. Closing Remarks

The LGPAC members provided the following closing comments with respect to LGPAC process:

- Appreciated the whole process
- Learned a great deal and hoped the effort was valued
- Glad to have participated
- Thanked fellow community members for bringing their knowledge to the process
- Fascinating experience
- Significantly different from the drinking water project process
- Was able to express differing opinions
- The information flow improved as the process went on
- Having an independent facilitator was valuable
- This process was much more open ended and responsive than other processes
- The process could have been started earlier
- Good variety of expertise and experience on the LGPAC
- It was a pleasure working with all the LGPAC members
- Thank you to Metro Vancouver and Context

Marie Griggs, Manager, Public Involvement, thanked the LGPAC members for their participation and dedication to the process. The mentoring concept for new LGPAC members, suggested earlier, will be very beneficial and MV will be contacting LGPAC members regarding their interest in providing mentorship at the beginning of the next LGPAC process.

Chair Banham thanked the LGPAC members and commented that the success was the result of the mix of views and opinions around the table. The reflection of community values allowed all LGPAC members to raise their level of thinking. Chair Banham commented on her hope that the LGPAC process will set a new bar for community engagement on future projects and public policy.

The meeting concluded at 8:10 p.m.

## 7. Issues, Comments, Questions

The following table summarizes MV's responses to questions and concerns provided by attendees, organized by topic, throughout the meeting:

| Issue, Comment, Question   | MV Response   |
|--|---|
| <b>Cost Allocation</b>   |   |
| Will North Shore taxpayers bear the cost of the effluent line from the LGSWWTP to the outflow? | The effluent line is part of the LGSWWTP and cost will be allocated as approved by the GVS&DD Board in November 2013. |

| Issue, Comment, Question   | MV Response   |
|--|---|
| <b>KPMG Value-for-Money Report</b>   |   |
| Is it possible to get copies of the KPMG report and the other reports provided to the GVS&DD Board about the procurement model?                | Yes. The Board and KPMG reports are on the MV website, and MV will send the relevant reports to members of the LGPAC.   |
| <b>KPMG Value-for-Money Report</b>   |   |
| Who do I contact if I require clarification on the reports?  | Questions and requests for clarifications can be emailed to MV staff.   |
| <b>Procurement Model</b>   |   |
| The LGPAC would like more information on the decision to proceed with the DBf procurement model.   | The specifics of the recommendation are well documented in the KPMG report. For this project, the value is not in long-term operating and maintenance work.   |
| Public sector projects are often over budget and this has negative impact on ratepayers. Did the Board take the risk of overruns into account? | The Annacis Island and Lulu Island Wastewater Treatment Plants were under budget and on time. Metro Vancouver delivers numerous wastewater capital projects, small and large.   |
| What federal and provincial funding options are ruled out by taking a DBf approach instead of P3?  | In our estimation we are not ruling anything out. The Building Canada Plan could fund 33% of the project. If the Province participated equally, there is potential to fund 66% through the Building Canada process. The most funding available through P3 Canada is 25%.  |
| Does the project have to be P3 to be eligible for federal funding?   | Projects must go through a P3 screen but if there is no value-for-money from a P3, it will be eligible for consideration for funding.   |
| Would MV like to hear the LGPAC's thoughts on the procurement process decision?  | The LGPAC had the opportunity and did provide input on the procurement model through its final report. If members wish to provide further input, it should be submitted individually to the Utilities Committee. The LGPAC, as it is currently constituted, is now at an end, and further reports cannot be submitted as a committee. |
| <b>RFQ/RFP Process</b>   |   |
| Is the bidding process open internationally?   | Companies from around the world could bid. The KPMG report includes information on the market sounding that represents some of the interest we will see.  |

| Issue, Comment, Question  | MV Response   |
|---|---|
| <b>Community Benefits</b>   |   |
| Who will make decisions if the community benefits that are to be included in the plant need to be stripped away to save cost? There is concern that MV will eliminate community benefits and enhancements to reduce the project cost. | All the things that are included in the indicative design are requirements. The next version of the LGPAC will have insight into the design and construction and will be able to continue to advocate for community benefits. |
| How can we be assured that the interests of the community that were factored into the indicative design are followed through? This is an important function of the next version of the LGPAC.   | MV will work with the next LGPAC and the public to be clear about the connection between the indicative design that was developed through 2013 and the design and construction phase  |
| During construction, will MV be approaching organizations who could potentially partner with them to provide community benefits?  | This could happen at any time in the process or after the plant is built.   |
| Will MV take a passive or active approach regarding potential partners?   | Partners would have to come forward. The Board has a mandate for wastewater treatment only.   |
| <b>Local Economic Opportunities</b>   |   |
| Will there be any requirements for local procurement?   | There are trade agreements that probably prevent this. In a practical sense, many materials, trade labour and services will likely be sourced locally.  |
| <b>Funding Strategy</b>   |   |
| If funds are not provided through the Building Canada Plan, is P3 funding still a potential option?   | That will not be known until we are through the P3 screen.  |
| <b>Funding Strategy</b>   |   |
| What start and completion dates are required to be eligible for funding?  | We anticipate that design and construction is all part of the funding, which is a ten-year program. We will not see the formal requirements until the intake process starts at the end of March.                              |
| What does the RFQ/RFP design build contractor phase entail?   | It entails a number of contracts. We will probably have a contract for an owner's engineer, legal advice and other services that are internal to MV's needs. We will develop an RFQ and the RFP for a Design Build process.   |
| Is the conveyance to the outfall separate from the LGSWWTP project and under a separate contract?   | The conveyance to the outfall will be done through a traditional Design Bid Build contract. It is being handled by the MV engineering staff.  |

| Issue, Comment, Question   | MV Response  |
|--|--|
| <b>Funding Strategy</b>  |  |
| Taking advantage of funding when and if it becomes available requires those seeking funding to respond quickly.  | When the Building Canada Plan rules are announced, we will submit an application.  |
| <b>MV Recommendations on Terms of Reference/Mandate</b>  |  |
| It is important to have a third party facilitator at LGPAC discussions.  | Comment noted.   |
| The LGPAC needs a facilitator who can help navigate different opinions and interests to find agreement.  | Comment noted.   |
| In order for the LGPAC consultation process to be effective, it is important not to constrain topics by being too explicit about them or by not allowing certain topics to be discussed. | While topics are established at the beginning of the process, they evolve and change over time. It's important to be flexible while helping the group understand key topics at the outset.                                   |
| Establishing clear terms of reference at the beginning is important, but they must be flexible enough to address outside issues into the conversation.                                   | Comment noted.   |
| <b>MV Recommendations on Type and Availability of Information</b>  |  |
| Is it possible to find a better way to address the needs of one, or a few, individuals that would not infringe on the time of the whole group?   | It is a question of balancing needs to ensure everyone gets what they want. If something is of interest to just two or three people, it would be better to take that conversation off-line rather than taking up group time. |
| <b>MV Recommendations on Type and Availability of Information</b>  |  |
| It would be helpful to create a list of documents that have been provided to the LGPAC so far.   | Comment noted.   |
| Education is needed on things like the value and benefit of source control. This should be considered going forward.   | Comment noted.   |
| <b>MV Recommendations on Information Flow</b>  |  |
| It would be helpful to know about information MV is unable to share with the LGPAC due to confidentiality provisions, etc.   | Comment noted.   |

| Issue, Comment, Question   | MV Response   |
|--|---|
| <b>MV Recommendations on Information Flow</b>  |   |
| Despite the lengthy report from the LGPAC to the MV Board, the Board decided to investigate community integration but did not explicitly encourage it.                   | Community integration and engagement with education organizations on the North Shore will be carried forward into the indicative design report. |
| There was an expectation that more weight would be given to the recommendations regarding community engagement and integration.  | Comment noted.  |
| <b>MV Recommendations on Mitigation Planning</b>   |   |
| Mitigation planning is helpful but timing is important to take advantage of the opportunities.   | Comment noted.  |
| The LGSWWTP Project should use mitigation planning for transportation management and issues of public access.  | Comment noted.  |
| <b>MV Recommendations on Meeting Frequency and Format</b>  |   |
| A predictable meeting schedule will allow LGPAC members to plan appropriately. It is preferable to block out meeting dates and cancel the meeting if it is not required. | Comment noted.  |
| Two hour meetings are preferable.  | Comment noted.  |
| Meeting length depends on the topics being discussed. One longer meeting may sometimes be preferable to avoid losing momentum.   | Comment noted.  |
| Is it correct to say that LGPAC meetings are open to the public but the public cannot participate?   | Yes, the public can observe LGPAC meetings.   |
| <b>MV Recommendations on Meeting Frequency and Format</b>  |   |
| It would be good to advertise the fact that LGPAC meetings are open to the public.   | Comment noted.  |
| <b>Next Steps for LGPAC</b>  |   |
| Will the LGPAC have an opportunity to provide input into the Request for Quotation and Request for Proposals design process?   | The contracts will be reviewed with the next iteration of the LGPAC.  |

| Issue, Comment, Question   | MV Response  |
|--|--|
| <b>Next Steps for LGPAC</b>  |  |
| Will current LGPAC members have to re-submit their membership interest for Phase 2?  | Yes. We will be sending the application information for Phase 2 to current LGPAC members.  |
| It may be helpful to have a work plan before you develop LGPAC member criteria. It might be useful to have members who can assist with particular community aspects of the project, as well as partners like School Board representatives. Perhaps a summary of the key community values could be included in the LGPAC recruitment brief. | Comment noted.   |
| What are the key consultation objectives for the next phase of the project?  | The general objectives for the Design and Construction Phase are to obtain input into mitigation measures, develop educational opportunities, awareness and continue to build community support for the project. |
| It may be helpful to link new LGPAC members with previous members for mentoring.   | Comment noted.   |
| What is the expected time of the next LGPAC? Will there be a third version of LGPAC?   | This will have to be determined as we move forward in the project. We will review annually.  |

## Reference Material Distributed

1. Agenda for LGAC Meeting Phase 1: Project Definition Wrap-Up Meeting – March 11, 2014 (Orbit No. 8538087)
2. LGPAC Phase 1: Project Definition Debrief Summary (Orbit No. 8440705)

## Attendance

**LGPAC Members:** Christine Banham (Chair), Darlene Clarke, John Crockewit, Dave Dunbar, John Hunter, Arlene King, David Knee, David Lane, Adrian Rowland, Diana Sollner (Vice Chair), Peter Thompson, Jan Timmer

**Guests:** Councillor Robin Hicks