

THE FIRST MEETING OF THE POLICY COMMITTEE OF THE CITY OF GREATER SUDBURY

Council Chamber
Tom Davies Square

Wednesday, January 19, 2011
Commencement: 6:05 p.m.

Chair

COUNCILLOR CLAUDE BERTHIAUME, IN THE CHAIR

Present

Councillors Cimino; Barbeau; Dutrisac; Dupuis; Rivest; Belli; Craig; Caldarelli; Kett; Landry-Altmann; Mayor Matichuk

City Officials

Doug Nadorozny, Chief Administrative Officer; Greg Clausen, General Manager of Infrastructure Services; Catherine Matheson, General Manager of Community Development; Roger Sauvé, Acting General Manager of Growth & Development; Rob Smith, Acting Chief of Emergency Services; Eliza Bennett, Acting Executive Director, Administrative Services; Lorella Hayes, Chief Financial Officer/Treasurer; Kevin Fowke, Director of Human Resources & Organizational Development; Eric Labelle, Acting City Solicitor; Kevin Shaw, Director of Engineering Services; Nick Benkovich, Director of Water/Wastewater Services; Agnes Beck, Manager of Supplies & Services; Paddy Buchanan, Manager of Accounting; Brad Johns, Facilities Engineer, Water/Wastewater Services; Akli Ben-Anteur, Projects Engineer, Water/Wastewater Services; Dan Miron, Supervisor II, Wastewater; Ian Wood, Co-ordinator of Convention & Visitor Services; Ted Durbacz, Recreation Co-ordinator; Brian Bigger, Auditor General; Angie Haché, City Clerk; Poppy Pelletier, Video-Audio Operator; Franca Bortolussi, Council Secretary

News Media

CBC Canada; EastLink News; Le Voyageur; Northern Life; Rogers; Sudbury Star

Declarations of
Pecuniary Interest and
the General Nature
Thereof

None declared.

Introductory Remarks
by the Chair

Councillor Berthiaume made an electronic presentation to introduce the role of the Policy Committee. He advised that the Policy Committee makes recommendations regarding Council's strategic policy and priorities; creates or enhances policies in accordance with the strategic priorities of Council; is the primary forum for public participation and consultation and for receiving community delegations; and monitors and evaluates service delivery. He further advised that, in some instances, a Policy Committee meeting is dedicated to discuss in more detail strategic topics of interest to Council, review specific services delivered in the community or learn more about CGS departments and services.

PRESENTATIONS

Item 1 Biosolids Management Plan Update & Finalization of Procurement Model

Report dated January 14, 2011 was received from the General Manager of Infrastructure Services regarding Biosolids Management Plan Update & Finalization of Procurement Model.

Doug Nadorozny, Chief Administrative Officer; Oscar Poloni, KPMG; and Lorella Hayes, Chief Financial Officer/City Treasurer made an electronic presentation regarding the Biosolids Project.

The Chief Administrative Officer introduced the subject stating that the City is proceeding with the development of a new biosolids processing facility to be located on the site of the Sudbury Wastewater Treatment Plant. He advised the presentation will provide an overview of the biosolids project, overview of alternative procurement models and recommended procurement approach.

Oscar Poloni presented an overview of the Biosolids Project on behalf of the whole project team who he introduced. He provided information on sludge management in Greater Sudbury and in Ontario. He explained the current biosolids management process and the proposed biosolids management process. He displayed the construction components and explained the key risks.

Oscar Poloni also presented an overview of alternative procurement models and detailed the options available. He explained the Canadian prevalence in alternative procurement. He outlined in detail the common concerns of alternate procurement and the responses.

Oscar Poloni continued by providing the procurement recommendations. He explained why alternatives should be considered. He also explained the determining of risks transferred under alternative procurement and the types of risks. He outlined the determination of Value-For-Money. He concluded by stating that the recommendation is to undertake procurement using a Design, Build, Finance, Operate and Maintain approach and explained the reasoning for this recommendation.

The Chief Financial Officer/Treasurer advised of funding opportunities from the Federal and Provincial governments, Development Charges and FCM Green Fund. She explained that the financial plan which includes funding opportunities and debt financing with the annual debt repayments to be paid by Wastewater User Fees. She stated that the City enjoys a low level of debt and the use of debt financing for the biosolids project is aligned with the Long Term Financial Plan principles. She compared the financial plan with and without PPP Canada funding. She concluded with the estimated impact on water and wastewater rates and advised that the Ten-Year Water and

PRESENTATIONS (cont'd)

Item 1
Biosolids Management
Plan Update &
Finalization of
Procurement Model

Wastewater Financial Plan will be presented to Council during the 2011 budget deliberations.

Vincent Nazareth and Shawn Scott of R. V. Anderson Associates Limited responded to questions from Committee Members.

The following recommendation was presented:

2011-01 Belli-Craig: WHEREAS the odour issues at the Sudbury Waste Water Treatment Plant and at the Vale tailings ponds in Lively cannot continue;

AND WHEREAS the City of Greater Sudbury is required to cease the practice of disposing of sewage sludge in the Vale tailings ponds by December 31, 2012;

AND WHEREAS it has been established that a Biosolids treatment facility is required

AND WHEREAS the best value for money is achieved under a Design, Build, Finance, Operate and Maintain (DBFOM) procurement model;

AND WHEREAS Council approval of the DBFOM procurement model is required by PPP Canada for the project to be eligible for funding;

AND WHEREAS it is anticipated that a portion of the eligible project capital costs will be funded by PPP Canada, subject to its terms and conditions, thereby providing significant value for the taxpayers of the City of Greater Sudbury;

THEREFORE BE IT RESOLVED THAT Council accepts the report dated January 14, 2011 from the General Manager of Infrastructure Services and authorizes Staff to proceed with the issuance of the Request for Proposal and procurement of the Biosolids Management Project using the recommended procurement model of Design, Build, Finance, Operate, and Maintain with a twenty year concession period;

AND THAT staff be authorized to enter into an agreement with PPP Canada, outlining the terms for financial support.

CARRIED

CORRESPONDENCE FOR INFORMATION ONLY

Item 2
Off-Leash Dog Park in
Minnow Lake

Report dated January 12, 2011 was received from the General Manager of Community Development regarding Off-Leash Dog Park in Minnow Lake for information only.

Adjournment

2011-02 Craig-Belli: THAT this meeting does now adjourn. Time:
8:51 p.m.

CARRIED

Councillor Claude Berthiaume, Chair

Angie Haché, City Clerk