



**METROPOLITAN HALIFAX  
CHAMBER OF COMMERCE**  
*Strong Business. Strong Community. Since 1750.*

Copy delivered via facsimile: 490-4012, original to follow by mail.

February 21, 2000

His Worship Mayor Walter Fitzgerald  
Halifax Regional Municipality  
P.O. Box 1749  
Halifax, NS B3J 3A5

Re: Harbour Solutions

Dear Mr. Mayor:

Over the past 3 decades, several attempts have been made in earnest to find a lasting solution to the sewage discharge problems facing Halifax. The Metropolitan Halifax Chamber of Commerce has followed the debate closely and has taken an active role where required - the Chamber was represented on the Harbour Solutions Advisory Committee.

We are pleased that the Harbour Solutions project has moved forward to the stage it is at today - Council is to be applauded for its efforts to move this very important project forward. In March, 1997, approved soliciting proposals for a partnership with the private sector to design, construct, finance and operate the sewage treatment facilities. This process has progressively moved forward, with Council's approval, through the Request for Qualifications stage, and is about to enter the Request for Proposals stage. We felt at the time, and continue to hold the view today, that a partnership approach combines the strengths of the public and private sector.

The public sector involvement ensures that the public interest in the project is protected - a responsible and sustainable solution to sewage disposal. The private sector brings creativity, discipline and broad experience in similar projects to ensure that the project is completed and managed in the most efficient manner consistent with required standards. These partnerships have been successful in the past and will continue to provide a practical and efficient means of developing infrastructure. In short, it is our view that the taxpayer is better served by combining the skills and creativity of the private sector with the public interest protected by the public sector.

Other projects of similar nature around the world, including cities such as Hamilton, Ontario, and Indianapolis, Indiana, report lower costs and enhanced capital investment over the longer term. Our financial situation makes it imperative that these factors remain paramount in our minds.

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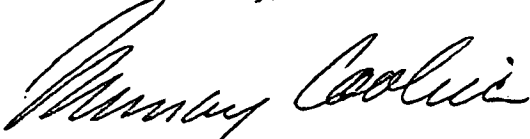
The decision to engage in a partnership approach to the design, construction, finance and management of the Harbour Solutions sewage treatment facility has attracted worldwide attention. Indeed, it is one of the larger stand-alone public sector infrastructure projects slated for construction over the next few years. We have been fortunate to attract several world class and scale companies to the project. These companies have formed alliances with local businesses, alliances which no doubt will lead to greater opportunities for these companies in other parts of the world.

Recently, however, reports in the local media suggest that consideration is being given to removing the ongoing management of the treatment facility from the partnership component of the Harbour Solutions. The management of the treatment facility would then be handed over to the Halifax Regional Water Commission. This is unfortunate. The Water Commission was specifically excluded from the Harbour Solutions bidding process at the outset because of concerns over conflict of interest. Regardless of whether you agree with that approach, to arbitrarily pull back a significant aspect of the Harbour Solutions project at this time and award it to the Water Commission, without competition, flies in the face of this decision.

We are concerned that a decision now to begin hiving off parts of the project and leave only a rump will send an unfortunate signal to the companies which have invested considerable resources to date. That message is that HRM is not going to conduct itself in a manner consistent with usual commercial practice. It would be unfortunate if these businesses were to withdraw from the Harbour Solutions project at this time. Not only will the taxpayers lose the benefit of the involvement of world class companies and the expertise that they bring to our community, but their local partners will lose the opportunities which could flow from successful partnerships.

In closing, we urge you to move forward with the partnership approach followed to this point in the Harbour Solutions project. There is much to gain, both now and in the future, from building partnerships with the private sector. We are on the verge of solving one of our communities most pressing problems. We offer you our support as you move forward.

Yours sincerely,



Murray Coblican  
President

c: Halifax Regional Municipality Councillors