

Dawson Wastewater Treatment Project

January 14, 2009

“ I am very pleased with the progress we have made since our last court hearing. We are working with the government to explore all treatment options and ensure that sustainable operation and maintenance costs are a top priority in considering a suitable wastewater treatment choice. ”

Mayor John Steins

“ The Government of Yukon together with the City of Dawson is committed to providing the resources and expertise necessary to ensure a long-term, sustainable wastewater treatment solution for residents of Dawson City. ”

Steve Nordick
MLA for the Klondike Region

Community Update

Yukon Government and City of Dawson project managers continue to pursue both mechanical and lagoon wastewater treatment options.

We are now half-way through the process of determining whether a feasible mechanical solution can be constructed. Currently, five contractors have proven their qualifications and have been asked to propose a plan and costs for a mechanical solution.

Once these proposals have been collected, the mechanical solution will be assessed and compared to the four sewage lagoon options currently under study. These are located at:

- The bench above Tr’ochëk, also known as “South Bench”;
- The Dome Road Bench;
- The Callison Industrial Area;
- Site near the mouth of the Bonanza Creek Valley south of Guggieville.

Examining several potential solutions at once allows for more direct comparison between options, prepares us with a contingency plan, and allows for a better informed outcome in the end.

Yukon Government and City of Dawson also secured an extension from the Crown on the deadline for final construction of the project. A wastewater treatment solution must now be constructed and operational by December 31, 2011.

The next update to the courts is scheduled to take place February 19, 2009.

For further details please contact:

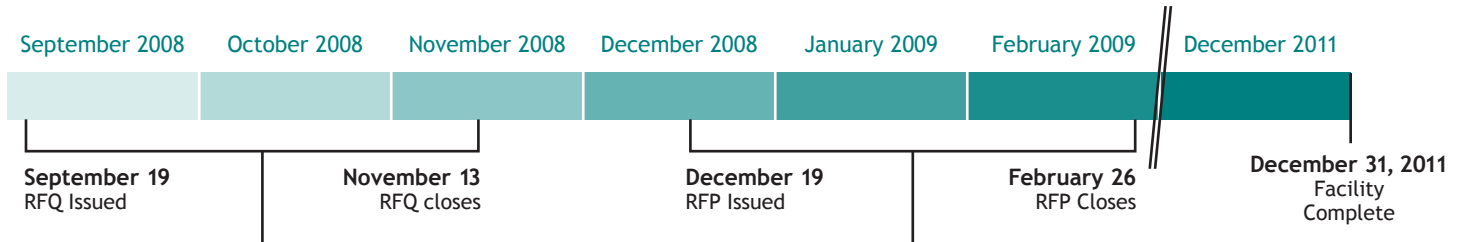
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Procurement Process Overview

Yukon Government and City of Dawson are using a two-part process to explore a mechanical wastewater treatment solution for Dawson. This process is a best practice for finding the right firm to do the job on large and complex projects. The benefit of this two-step process is that it allows governments to screen for proponents who have the experience and ability to complete such a project. Also, proponents will know that they have been screened-in when they decide to pay the upfront costs of preparing a large proposal.



Step 1 - Request for Qualifications (RFQ)

Process:

- This process is complete.
- Invites a wide pool of competitors to participate.
- Evaluates whether a firm has the experience and qualifications to propose a successful solution.

Asked competing firms to establish:

- Experience on similar projects.
- Proven ability to stay on time and budget.
- Technical competence.
- Special knowledge pertinent to the project (such as northern infrastructure issues).

Step 2 - Request for Proposals (RFP)

Process:

- This process is underway.
- Invites pre-qualified firms from the RFQ process to participate.
- Evaluates proposed solutions and costs based on a set of criteria and may determine successful proponent.

Asked competing firms to establish:

- Design details.
- Team member details.
- Cost details.
- Project management details (planning and permitting, quality assurance, safety program, environmental and warranty considerations).
- Further details about the firms experience and knowledge.

Project Factors

Yukon Government and City of Dawson project managers are committed to mapping all of the factors that affect the suitability of the wastewater treatment options under consideration. This approach will allow us to better compare our options and identify the solution that best meets Dawson's long-term wastewater needs. Here are some of the factors currently under study:

Land

- Tenure
- Suitability (geological and geographical factors)
- Space limitations

Construction

- Timelines
- Costs (location, type of facility etc.)

Permitting

- Permit limitations or implications

Social Values

- Public Values (safety, costs)
- Dawson's historical aesthetic
- First Nations partnership and values
- Proximity to existing buildings or infrastructure

Northern Infrastructure & Engineering

- Melting permafrost
- Freezing wastewater
- Bleeders
- Other technical issues