



Canada: Ottawa River Project

Lucy Latka
Erik Nattkemper
September 2009

Summary

The metropolitan area of Ottawa-Gatineau, also known as the Canadian National Capital Region (NCR), is committed to addressing the growing problem of sewage pollution in the Ottawa River. On July 6, 2009 the City Council of Ottawa approved a 5-year Ottawa River Protection Plan, which increases the Ottawa River Fund by nearly 50 per cent, from US\$125 million to US\$187 million, in order to reduce overflows from the region's aging sewage and wastewater system; enhance local wastewater treatment capacity; and complete other related storm-water and environmental management projects in the NCR. A significant number of projects under the expanded Ottawa River Fund will be open to bidding by U.S. consultants and contractors through [MERX](#), a government electronic tendering service used widely across Canada. For further information on these projects and accessing MERX, U.S. firms are invited to contact the U.S. Commercial Service in Canada using the contact information provided at the end of this report.

Business Opportunities

Resolving the pollution problem in the Ottawa River will require work in three stages: research and planning, contracting and construction, and purchasing and supply. U.S. firms may find opportunities at all stages of the Plan.

Research and Planning

Currently, much work is being done to develop and refine action plans, such as the Ottawa River Protection Plan. For example, as of August 13, 2009, the City of Gatineau has pledged a minimum of US\$90,000 over the next three years for a study to measure the amount of sewage released into the Ottawa River, whereas current measurement is conducted on the frequency of releases. To address possible concerns regarding the credibility of the study, the assistance and advice of 3rd party environmental impact consultants will be highly valuable. Because such studies require highly specialized knowledge, U.S. expertise is frequently sought.

Once the environmental problem is quantified, NCR municipalities will benefit from further assistance in developing project plans to solve it. Though the input of environmental impact consultants is valuable at the planning phase, infrastructure engineering is specialized enough to require additional help. Again, U.S. consultants will have an opportunity to demonstrate their expert knowledge and ability in Ottawa-Gatineau.

Contracting and Construction

After the problem has been identified and a solution developed, the challenge of managing a major infrastructure project requires the services of construction companies and contractors. For example, on July 8, 2009, Doran Contractors Ltd., a subsidiary of the Taggart Group and based in the Ottawa area, received a US\$7 million contract to expand the Robert O. Pickard Sewage Treatment Plant in Ottawa. Contracts such as these often draw competition not only from local and Canadian companies but from U.S. firms.

Purchasing and Supply

When any firm wins a construction contract, the need for materials and support services offer U.S. companies significant opportunities. Although Doran Contractors Ltd. won the full US\$7 million contract above, the opportunity for U.S. suppliers of raw materials, tools, and specialized services such as engineering, project management, and accounting remains. Additionally, U.S. export companies experienced in the Canadian market could find their services valuable to both U.S. and Canadian construction firms.

Overcoming International Challenges

In most cases, U.S. companies will face little legal difficulty working in Ottawa or Canada thanks to the existence of the North American Free Trade Agreement (NAFTA) and related treaties ensuring free access to Canadian markets. The governments of Ottawa, Gatineau, and the National Capital Commission (NCC) must comply with international trade law, including NAFTA, which makes procurement and contracting opportunities available to U.S. companies.

Though some restrictive provisions are made with regards to the international movement of labor, temporary workers with specialized skill-sets – such as project managers, engineers, and analysts – regularly obtain temporary work visas, especially with the sponsorship of a local company and when following proper procedures.

The greatest potential challenge to U.S. firms interested in the NCR market is access to information. Local firms may have contacts and unofficial sources of information about upcoming opportunities that outsiders do not share. To that end, creating business connections is very important. More general information can be obtained through media sources such as the [Ottawa Citizen](#) and the [Ottawa Business Journal](#).

Securing a Contract

Procurement can take two forms depending on source: by government and by private enterprise. Typically, government procurement is more heavily regulated and standardized in Canada than private procurement. In all cases, leveraging contacts and using targeted promotion has the greatest benefit. The U.S. Commercial Service can assist U.S. firms in gaining contacts, vetting potential partners, and organizing directed promotions.

Government Procurement

The government of the NCR is quite complex, spanning two municipalities in two provinces with the additional influence of the federal government. Depending on the value of the procurement, the National Capital Commission (NCC), the City of Ottawa, and the City of Gatineau may separately post all significant procurement efforts on [MERX](#), a government electronic tendering service used widely across Canada.

When a procurement effort is valued at or under approximately US\$45,000., a purchase may be made from a preexisting list of approved suppliers without putting the opportunity to open bid on MERX. Above that limit, all opportunities, whether Requests for Tender or Requests for Proposal, must be made available electronically.

Access to the directories of the [Ottawa Construction Association](#) (OCA) could also provide valuable contacts and information regarding upcoming opportunities. Some Requests for Bids are posted on the OCA bulletin board as a complement to posting on MERX. Finally, MERX, OCA directories, and the NCC Library (available only at a physical location in Ottawa) contain information about contracts already awarded, which can help U.S. firms stay abreast of major actors in the NCR. The U.S. Commercial Service can offer general assistance to U.S. firms in the government bidding process and can provide firms with useful contacts.

Private Procurement

Well-maintained business contacts can assist U.S. firms gain awareness and access to procurement opportunities. Though some companies in the NCR may post opportunities on MERX or OCA bulletin boards, there is no clear standard and other sub-contracting methods may also be used. Often the aid of a local agent can effectively sell the services or products of a U.S. firm. The U.S. Commercial Service can assist U.S. firms in selecting an appropriate agent and in investigating potential partners in Ottawa.

For More Information

The U.S. Commercial Service in Ottawa, Canada can be contacted via e-mail at: lucy.latka@mail.doc.gov;
Phone: 613 688-5219; Fax: 613 238-5999; or visit our website: www.buyusa.gov/canada.

The U.S. Commercial Service — Your Global Business Partner

With its network of offices across the United States and in more than 80 countries, the U.S. Commercial Service of the U.S. Department of Commerce utilizes its global presence and international marketing expertise to help U.S. companies sell their products and services worldwide. Locate the U.S. Commercial Service trade specialist in the U.S. nearest you by visiting <http://www.export.gov/eac>.

Comments and Suggestions: We welcome your comments and suggestions regarding this market research. You can e-mail us your comments/suggestions to: Customer.Care@mail.doc.gov. Please include the name of the applicable market research in your e-mail. We greatly appreciate your feedback.

Disclaimer: The information provided in this report is intended to be of assistance to U.S. exporters. While we make every effort to ensure its accuracy, neither the United States government nor any of its employees make any representation as to the accuracy or completeness of information in this or any other United States government document. Readers are advised to independently verify any information prior to reliance thereon. The information provided in this report does not constitute legal advice. The Commercial Service reference to or inclusion of material by a non-U.S. Government entity in this document is for informational purposes only and does not constitute an endorsement by the Commercial Service of the entity, its materials, or its products or services

International copyright, U.S. Department of Commerce, 2009. All rights reserved outside of the United States.