



P.O. Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Environment & Sustainability Standing Committee  
May 2, 2013**

**TO:** Chair and Members of Environment & Sustainability Standing  
Committee

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**SUBMITTED BY:** \_\_\_\_\_  
Ken Reashor, Director, Transportation & Public Works  
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Jane Fraser, Director, Planning & Infrastructure

**DATE:** March 18, 2013

**SUBJECT:** Update: Stormwater Infrastructure Funding

**INFORMATION REPORT**

**ORIGIN**

Regional Council, February 26, 2013, Item 8.1: Three Motions were put forth as per the December 6, 2012, Recommendations: All three MOTIONS PUT AND PASSED.

**LEGISLATIVE AUTHORITY**

Part IV, Finance, Power to expend money, 79, (1), (p), (al)

## **BACKGROUND**

On February 26, 2013, Halifax Regional Council approved an interim Stormwater Infrastructure Funding Interim Solution to initiate remedy of public expectation of stormwater infrastructure required to remedy private property flooding impacts that are not funded through either the tax rate or the utility rate.

The approved interim solution is described as follows:

- HRM maximum funding: \$3 million annually;
- HRM Funding shall be sourced from the annual Halifax Water dividend;
- Two year period;
- Projects are mutually agreed on by delegated authorities of the General Manager of Halifax Water and the Chief Administrative Officer of HRM;
- Local residents are expected to participate in funding solutions through an imposed Local Improvement Charge; and have demonstrated reasonable homeowner mitigation efforts including landscaping, sump pump installation, and backwater valves, would not remedy the risk;
- A Community Affordability Feature is included whereby a resident will not be charged in excess of 10% of assessment for any Local Improvement Charge;
- Halifax Water will contribute 1/3 funding where the project involves the construction of a deep storm sewer system which will enable private property owners to cease discharging stormwater into the wastewater system by connecting to the new deep stormwater system;
- HRM and Halifax Water will jointly develop a five-year Capital Project list during the interim solution duration.

### ***Stormwater Infrastructure Framework:***

Projects will be evaluated on how well they meet the following criteria:

- Residential/Utility/Municipal Experience (flooding, claims, roadway icing)
- Solution feasibility
- Diversion from wastewater system
- Opportunities for secondary funding from any sources (Provincial, Federal, Utility)
- Severity of impact on the community
- Project integration opportunity

### ***Community Affordability feature:***

The maximum Local Improvement Charge exposure for a resident is 10% of their property assessed value.

## **DISCUSSION**

This report is the first update to the Environment & Sustainability Standing Committee (ESSC) as directed by Regional Council.

Project Lead: The Technical Lead for the majority of projects, specifically including the deep storm sewer projects and major storm system projects, will be Halifax Water. There will be instances where it makes sense for HRM to lead projects (such as small catch basin and streets/road works or integrated parkland projects providing overland flow remedy). Halifax Regional Municipality staff will lead the Local Improvement Charge (LIC) process.

What Projects have been identified: The first three projects identified by staff include: a deep storm sewer installation in Cow Bay; A major storm system modification in Sackville; and an integrated infrastructure project in Rockingham:

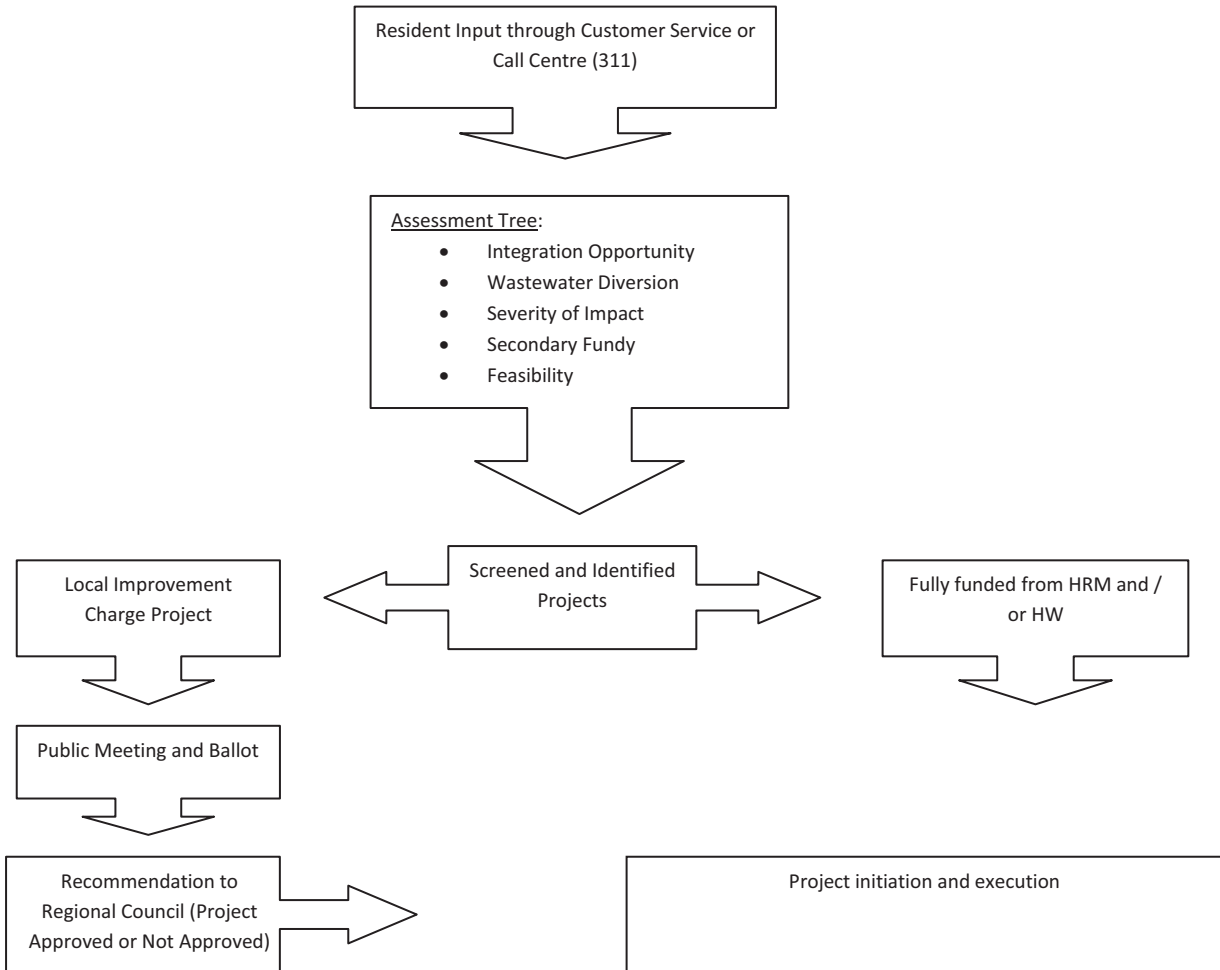
- Project 1: The design and construction engineering consultant project for the Cow Bay deep storm sewer project was procured and has been awarded by Halifax Water. Engineering is anticipated to be ready for May 2013, which will result in a Public Information Meeting to present the project budget and present the community with the option to initiate this project with a Local Improvement Charge.
- Project 2: Conceptual solutions for the flooding problem in First Lake are under development by staff. The project is anticipated to be deliverable by summer or fall 2013.
- Project 3: An integrated project with Halifax Water presented an opportunity to provide stormwater infrastructure on Dipper Street to alleviate some street flooding.

Identification of Interim Period Projects: In addition to the three projects identified, staff has identified six locations that can be integrated with roadworks, which offers a substantial project economic benefit. These streets can be seen in the table on page 5. The next steps for these streets are the feasibility assessment, preliminary budget identification, severity assessment, and solution identification. This work will be completed during the next several months, and will be available for an update to ESSC in late 2013. It would be anticipated that these locations would provide for the candidate pool for 2014/2015 projects. The opportunity to identify integrated project opportunities (with road works) provides substantial financial incentive and will be a key filter for early projects during the interim period and five year capital program. In addition to the project opportunities present with HRM roadworks, Halifax Water staff is reviewing priority project areas for wastewater diversion.

Identification of 5 Year Capital Program Projects: This activity has not yet started; however, staff is compiling requisite data and information for those discussions. It is anticipated that the larger pool will start to be identified in the late 2013 update.

Project Selection and Assessment process:

The project identification, assessment, initiation and execution process is illustrated as follows.



Current Assessment Table:

| Project                        | Solution Description                    | Cost Estimate | Funding Sources             | Integration Opportunity | Severity of Impact | Secondary Funding | Wastewater Diversion | Technical Feasibility |
|--------------------------------|-----------------------------------------|---------------|-----------------------------|-------------------------|--------------------|-------------------|----------------------|-----------------------|
| Cow Bay                        | Deep Storm Sewer                        | \$3,000,000   | LIC/HW/HRM                  | Low                     | High               | No                | Yes                  | High                  |
| First Lake                     | Eastment / Culvert                      | \$50,000      | LIC / HRM                   | Low                     | Medium             | No                | No                   | High                  |
| Dipper Ave                     | Culvert, Deep Storm Sewer               | \$100,000     | HW / HRM                    | High                    | Medium             | No                | Yes                  | High                  |
| First Street                   |                                         |               |                             | High                    |                    | No                |                      |                       |
| Wanda Lane                     |                                         |               |                             | High                    |                    | No                |                      |                       |
| Galaxy                         |                                         |               |                             | High                    |                    | No                |                      |                       |
| Sherbrooke                     |                                         |               |                             | High                    |                    | No                |                      |                       |
| Melwood                        |                                         |               |                             | Medium                  |                    | No                |                      |                       |
| Riverside                      |                                         |               |                             | High                    |                    | No                |                      |                       |
| <b>Technical Feasibility</b>   |                                         |               |                             |                         |                    |                   |                      |                       |
| High                           | Design Solutions Identified and Exist   |               | <b>Secondary Funding</b>    |                         |                    |                   |                      |                       |
| Medium                         | Solutions need investigation            |               | Yes                         |                         |                    |                   |                      |                       |
| Low                            | No practical solution identified        |               | No                          |                         |                    |                   |                      |                       |
| <b>Severity of Impact</b>      |                                         |               | <b>Wastewater Diversion</b> |                         |                    |                   |                      |                       |
| High                           | Frequent occurrence / high # of homes   |               | Yes                         |                         |                    |                   |                      |                       |
| Medium                         | Low # of homes or infrequent occurrence |               | No                          |                         |                    |                   |                      |                       |
| Low                            | Infrequent occurrence / minimal impact  |               |                             |                         |                    |                   |                      |                       |
| <b>Integration Opportunity</b> |                                         |               |                             |                         |                    |                   |                      |                       |
| High                           | Important projects                      |               |                             |                         |                    |                   |                      |                       |
| Medium                         | Low priority projects                   |               |                             |                         |                    |                   |                      |                       |
| Low                            | No integration projects                 |               |                             |                         |                    |                   |                      |                       |

Municipal and utility staff is continuing to investigate integration project opportunities and community priority projects. This work will continue through the spring and summer of 2013.

**FINANCIAL IMPLICATIONS**

The HRM portion of the two-year interim solution will be funded by the annual Halifax Water dividend, to a maximum of \$3 million per year. This budget includes any portion of the residents' LIC for which the municipality agrees to take responsibility, as it relates to the Community Affordability feature.

Project No. CR000001 – Storm Sewer Upgrades, has 2012/13 approved budget of \$1.2 million, plus a 2013/14 proposed budget of \$200,000, for a total of \$1.4 million. The budget availability has been confirmed by Finance.

**COMMUNITY ENGAGEMENT**

Communities offered the opportunity to participate in LIC Funded project will be offered a public meeting and ballot on the project.

**ATTACHMENTS**

None

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/cc.html> then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by :

**Original Signed**

Richard MacLellan, Manager, Energy & Environment, 490-6056

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