

AUDIT AND FINANCE STANDING COMMITTEE
MINUTES

May 15, 2013

PRESENT: Councillors: Bill Karsten, Chair
Russell Walker, Vice Chair
Mayor Mike Savage
Gloria McCluskey
Tim Outhit
Barry Dalrymple
Linda Mosher

REGRETS: Councillors: Lorelei Nicoll
Stephen Adams

STAFF: Mr. Greg Keefe, Director of Finance and Information,
Communications & Technology/CFO
Ms. Marian Tyson, Acting Director, Legal Services
Mr. Matt Godwin, Legislative Assistant

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1. CALL TO ORDER

The Chair called the meeting to order at 9:31 a.m. in Halifax Council Chambers, Halifax City Hall.

2. APPROVAL OF MINUTES – April 24, 2013

MOVED by Councillor McCluskey, seconded by Councillor Walker that the minutes of April 24, 2013 be approved as presented. MOTION PUT AND PASSED.

3. APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS

MOVED by Councillor Walker, seconded by Councillor McCluskey that the agenda, as presented, be approved. MOTION PUT AND PASSED.

4. BUSINESS ARISING OUT OF THE MINUTES – NONE

5. MOTIONS OF RECONSIDERATION – NONE

6. MOTIONS OF RECISION – NONE

7. CONSIDERATION OF DEFERRED BUSINESS – NONE

8. CORRESPONDENCE, PETITIONS & DELEGATIONS – NONE

9. REPORTS

9.1 STAFF

9.1.1 LED Streetlight Conversion Reserve

MOVED by Councillor Dalrymple, seconded by Councillor Walker that the Audit & Finance Standing Committee recommend that Halifax Regional Council:

- 1. Approve the establishment of the LED Street Light Conversion Reserve (Q327), as per the attached Reserve Business Case;**
- 2. Approve the strategy to reallocate operational savings realized from energy and maintenance efficiencies due to LED street light technology conversion into the LED Street Light Conversion Reserve (Q327) including issuing debt outside the HRM debt targets; and**
- 3. Approve the recovery of accumulated LED Street Light Conversion Reserve (Q327) savings to fund the capital investment required to purchase NSPI**

stranded assets within HRM and convert all HRM street lights to LED technology.

Councillor Dalrymple, Chair of the Environment and Sustainability Standing Committee, noted that that committee reviewed the costing and efficiencies of the item and concluded this is the only realistic way to proceed.

Councillor McCluskey asked if this includes street lights in Dartmouth, with Mr. Keefe, CFO, responding that this does include lights in the old City of Dartmouth.

Councillor McCluskey asked if the \$2.7 million increase is for upgrades Nova Scotia Power Inc. (NSPI) have already conducted, with Mr. Keefe replying that this is the case.

The Mayor asked what the process was for the negotiations with NSPI, with Mr. Keefe responding that negotiations were extensive. He further noted that getting information on individual types of lights was challenging as all lights had been batched together in one, large asset account.

The Mayor asked who the supplier for the lights is, with Mr. Keefe responding that the result of the tendering process was LED Roadway.

Councillor McCluskey asked, if HRM owns all of the lights, then who will be expected to replace them, with Mr. Keefe responding that a staff report will be coming forward to address this issue. The report will suggest implementation and tendering options.

Councillor Dalrymple indicated his displeasure with the process, with the Province mandating this change, but with HRM having to shoulder the cost. That said, he noted the significant benefit to the environment and the ability for HRM to control replacement timelines.

Councillor Outhit noted that there are many burnt out lights throughout HRM, and there will be a great deal of costs to get to a higher standard. Mr. Keefe concurred with this, but noted that the new technology accompanying these changes will allow staff to fix issues sooner and improve the overall level of service.

Councillor Mosher entered the meeting at 9:43 a.m.

MOTION PUT AND PASSED.

9.1.2 Amendment to Changes to Cost Sharing for Capital Projects Policy

MOVED by Councillor McCluskey, seconded by Councillor Walker that the Audit & Finance Standing Committee recommend that Halifax Regional Council adopt as policy the amendment to the “Changes to Cost Sharing for Capital Projects Policy” as outlined in Attachment “A”.

The Chair indicated his support for this motion.

MOTION PUT AND PASSED.

9.1.3 Award - Tender No. 13-100, EMP MiniHybrid Kits

MOVED by Councillor Mosher, seconded by Councillor Walker that the Audit and Finance Committee:

- 1. Recommend that Regional Council approve an increase to CM020006 Emission Reduction — Public Transit Buses, by S 130,331.43 (net HST included), with funding from Sustainable Communities Reserve (Q127); and**
- 2. Recommend that Regional Council approve Award Tender No. 13-100, EMP MiniHybrid Kits, to the lowest bidder meeting specifications, Cummins Eastern Canada, for a Total Tender Price of \$130,331.43 (net HST included), with funding from CM020006 Emission Reduction — Public Transit Buses, as outlined in the Financial Implications section of this report.**

Councillor Outhit asked why this item has arrived at the Audit and Finance Standing Committee, with Mr. Julian Boyle, Strategic Energy Initiatives & Policy Manager, Planning and Infrastructure responding that the withdrawal is coming from a reserve, which require this committee's approval and, in addition, all expenditures outside the budget process must also come to the Audit and Finance Standing Committee.

Councillor McCluskey asked what the nature of the changes are, with Mr. Boyle noting that staff are making the buses' cooling system more efficient, allowing it use less diesel fuel and reduce load on the engine.

MOTION PUT AND PASSED.

9.2 MEMBERS OF THE STANDING COMMITTEE

9.3 OFFICE OF THE AUDITOR GENERAL – NONE

9.4 SUB-COMITTEES

9.4.1 Grants Committee

9.4.2 Investment Policy Advisory Committee

9.4.3 Special Events Advisory Committee

10. MOTIONS – NONE

11. ADDED ITEMS – NONE

13. IN CAMERA – NONE

14. NEXT MEETING DATE – May 15, 2013

13. ADJOURNMENT

The meeting was adjourned at 9:51 a.m.

Matt Godwin
Legislative Assistant