

HALIFAX REGIONAL MUNICIPALITY

HALIFAX REGIONAL COUNCIL COMMITTEE OF THE WHOLE MINUTES July 09, 2002

PRESENT:

Mayor Peter Kelly
Deputy Mayor Robert P. Harvey

Councillors: Steve Streach
Gary Hines
Keith Colwell
Ron Cooper
Harry McInroy
Brian Warshick
Condo Sarto
Bruce Hetherington
Jim Smith
John Cunningham
Jerry Blumenthal
Dawn Sloane
Sue Uteck
Sheila Fougere
Russell Walker
Diana Whalen
Linda Mosher
Stephen D. Adams
Brad Johns
Len Goucher
Reg Rankin
Gary Meade

STAFF:

Mr. George McLellan, Chief Administrative Officer
Ms. Jan Gibson, Deputy Municipal Clerk
Ms. Chris Newson, Assistant Municipal Clerk

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1. CALL TO ORDER

The meeting was called to order at 1:00 p.m.

2. APPROVAL OF THE MINUTES OF - JUNE 11, 2002

Councillor Warshick noted the minutes of June 11 on Page 5, paragraph 2 regarding comments by Mr. Tibbo should read "newspapers " not "blue bags".

MOVED by Councillor Blumenthal , seconded by Councillor Sloane, that the minutes of June 25, 2002 be approved. MOTION PUT AND PASSED UNANIMOUSLY.

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

ADDITION:

Councillor Cooper - Tax Structure Information.

MOVED by Councillor Warshick , seconded by Councillor Sloane, that the Order of Business be approved as amended. MOTION PUT AND PASSED UNANIMOUSLY.

4. TAX STRUCTURE

Councillor Cooper commented that staff had prepared a brief report regarding the monetary effects of the proposed Tax Structure to be presented by Bruce Fisher and Cathy Nearing.

Mr. Fisher reported that draft documents circulated to Council include the following: rural fire service and recreation, four tables as outlined below:

- < Table One - modest impact on general rate and local improvement charges by rural, suburban and urban.
- < Tables Two & Three - similar information broken down by District and includes all other area rates.
- < Table Four - Commercial Impact

Councillor Johns pointed out that the Lucasville Community Center is in District 22 not District 19 as shown on the Recreation Facilities draft document. Staff will make the correction.

Deputy Mayor Harvey took the Chair at 1:10 pm.

Councillor Hines commented that the Dutch Settlement Riverline Activity Center is in

District 2 not District 3 as shown on the Recreation Facilities draft document. Staff will make the modifications.

Deputy Mayor Harvey commented that this issue would be discussed in more detail at the next Regional Council meeting.

Mayor Kelly resumed the chair at 1:30 pm.

5. HARBOUR SOLUTIONS

Mr. McLellan, CAO commented that this matter will be discussed Incamera and then a public statement made prior to the evening session of Regional Council.

Mr. Labrecque, assisted by Dan O'Halloran and Suzan Fraser, provided the Committee with further information on the following points:

- < Public availability of documents - refer to CAO comments above.
- < List of private outfalls - a list is on file with staff. Information report available next week.
- < Sludge use for cover elsewhere - information report will be circulated by staff for Councillors. Staff reported that information from the Enviro component of HREP advised that in Middlesex, NJ, USA, the sludge solids product was generated to be used for daily and intermediate cover in the landfill in that community in the amount of 400 tonnes daily. Secondly, the Enviro Sludge Product has been used in the Sarnia Landfill Facility (120 tonnes as cover material).
- < Ownership Structure of HREP - holding companies now identified and included in the agreements (they will be wholly owned subsidiaries of the parent company as per HRM's request). There is a covenant in the agreement that there would be no change in the ownership without HRM's prior written approval.

Councillor Uteck requested clarification on the arbitration process. Staff reported that HRM would choose one (arbitrator/mediator), HREP would choose one and the two together would choose a chairman. Failing agreement by the two parties, there would be an application to the court to appoint a chairman.

- < Risk management and Sludge Transportation (OMN) - notification procedure and manner in which driver would deal with a potential issue will be reviewed by staff and changes made to draft documents.
- < Payments and Payment Schedule - the RFP stated that monthly payments would be made on the sewage collection system. There is a monthly schedule included with the RFP which outlines the maximum monthly payments that HRM would make. HRM would have ten business days to review the invoice and ten business days to pay it.
- < 2021 flows given recent growth in HRM - Staff explained that an extensive Waste

Water Characterization study was done in 1990-91 and this data is accurate. Considerable growths were included with the exception of Mill Cove and Eastern Passage which are treated separately. The 2011 allowed growth rate was 3% per year which is higher than the actual growth. The 2011 to 2041 allowed a growth rate of 1½% per annum. Staff is satisfied that the figures produced then provide a very good foundation for this project. The sewage treatment plants are being sized for the 2021 projected flows. The Halifax and Dartmouth facilities will hydraulically accommodate the flows for 2041 but, these facilities would need additional process equipment when the 2021 flows are exceeded.

MOVED by Councillor Walker, seconded by Councillor Goucher, that Committee of the Whole recommend that Halifax Regional Council approve the Project Agreement regarding Halifax Harbour Solutions:

WHEREAS it is proposed that the Halifax Regional Municipality (“HRM”) enter into seven agreements with the Halifax Regional Environmental Partnership and others with respect to the Halifax Harbour Solutions Project, namely a Development Agreement, Halifax Operating and Maintenance Agreement, Halifax License, Dartmouth Operating and Maintenance Agreement, Dartmouth License, Herring Cove Operating and Maintenance Agreement and Herring Cove License (collectively, the “Project Agreements”);

AND WHEREAS on May 7, 2002, Council agreed in principle to enter into the Project Agreements substantially in the form of the draft agreements dated April 10, 2002 reviewed by Council, subject to the following conditions precedent:

- 1. Advice from the Federal Government and the Province of Nova Scotia that HRM’s requests for funding have been approved; and**
- 2. Receipt of a decision from the Responsible Authorities that the environmental effects of the Project are acceptable under the Canadian Environmental Assessment Act;**

AND WHEREAS Council has received and reviewed revised drafts of the Project Agreements (drafts dated June 28, 2002) which incorporate the conditions precedent;

NOW THEREFORE BE IT RESOLVED as a resolution of Council that HRM enter into Project Agreements for the Halifax Harbour Solutions Project substantially in the form of the June 28, 2002 drafts presented to and reviewed by Council.

Councillor Smith requested clarification on what changes were made in the sludge transportation issue. Staff responded that currently the draft document states that any

small spills would be cleaned up by the driver. Staff will modify the document so that all spills will be reported and proper cleanup procedures maintained.

Councillor Mosher requested that staff assess the environmental enhancements regarding the wet weather flows to which staff responded in the positive.

Councillor Sloane commented that she is concerned with sludge transportation and asked for a description of the trucks that would be used for transporting the sludge. Staff reported that the project requirements state the trucks will be completely enclosed and sealed before transportation takes place.

Councillor Sloane also expressed concern with heavy metals and residue from medications if this product is placed on a field where an animal could ingest it. Staff responded that the sludge product is a class "A" and is a better class product than was originally specified. The heating process and the addition of lime, has the effect of reducing pathogens and also converts metals that are in the sludge to an insoluble form. Staff is confident that the product that will be produced from this project will be the best and highest grade of sludge. Councillor Sloane requested more information regarding topsoil, composting and other beneficial uses for this product. Staff reported that there is more information available that will be provided to Council.

Councillor Uteck requested clarification regarding the areas indicated on the map in Section "S" page 2 of the Halifax Harbour Solutions Project binder. Staff identified the areas and will provide a drawing with this information to Council.

Councillor Goucher inquired whether the methodology for sludge transportation in the new facilities will be the same as those used at the current Mill Cove facility. Staff reported that the sludge is being processed on site at Mill Cove but the proposed facilities have no sludge treatment in the plant. Councillor Goucher inquired as to the methodology for loading the vehicles and staff reported that the standards in the new plants will be much higher. Councillor Goucher commented that there have been no problems reported from the Mill Cove plant.

Councillor Whalen requested clarification on the \$315.8 million dollar cost and asked for the guaranteed maximum for this contract. Staff reported on the costs to HRM:

- < \$263,854,000.00 contract HRM is negotiating with HREP
- < costs incurred since 1997 = Sewage treatment plant sites, HRM is responsible to assemble the lands for these sites, maximum \$11,700,000.00 subject to negotiations with the province.
- < Community Integration fund - \$8,000,000.00 (based on four plants)
- < Construction Phase Support Costs - HRM's cost - \$2-\$3,000,000.00
- < HRM risk - 3 - 4% of total project costs - (\$8 - \$10, 000,000.00).
- < Costs to date for HRM \$6 million over last 5 years.

Staff will supply more detail for the next Regional Council meeting.

Councillor Hetherington asked if there had been any formal dialogue with Provincial or Federal Governments regarding their contributions to this project. Mayor Kelly confirmed that there was some discussion and a response is expected in the fall.

Councillor Sloane asked if there was anything in the agreement to deter importation of sludge from other areas. Staff confirmed that only HRM sewage would be going into the treatment plants and only HRM sludge going to the sludge treatment plant. HRM must consent to have others empty their sludge at the plants.

Councillor McInroy commented on the Federal funding issue and asked if there was a movable deadline for the \$450,000.00. Staff advised that there was a condition precedent that HREP receive in order to cover a portion of their burn costs with their subcontractors.

MOTION PUT AND PASSED.

6. ADJOURNMENT

Meeting adjourned at 2:15 pm.

Jan Gibson
Deputy Municipal Clerk