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Halifax Regional Council
November 28, 2006

TO: Mayor Kelly and Members of Halifax Regional Council

A handwritten signature in black ink, appearing to read "Brad Anguish".

SUBMITTED BY: _____
Brad Anguish, Director of Environmental Management Services

DATE: October 24, 2006

SUBJECT: Harbour Solutions Project - Quarterly Report (July to September/06)

INFORMATION REPORT

ORIGIN

This report originates from the Council session of October 22, 2002 when staff was authorized to submit quarterly reports for the duration of the project.

BACKGROUND

HRM has entered into four contracts to date for the implementation of the Halifax Harbour Solutions Project, namely:

- an infrastructure development agreement for the construction of the three Wastewater Collection Systems on October 15, 2003 with Dexter Construction
- a development agreement for the construction of three advanced primary Wastewater Treatment Facilities on June 15, 2004 with D&D Water Solutions, Inc.; and
- a development agreement for the construction of a Biosolids Processing Facility on November 30, 2004 with SGE Acres Limited, and
- an operating and maintenance agreement for the Biosolids Processing Facility on November 30, 2004, with N-Viro Systems Canada Inc.

DISCUSSION

Halifax

The Halifax Wastewater Collection System (WWCS) work during the second quarter of 2006 continues to concentrate on the remaining mechanical and electrical work, carpentry, miscellaneous metals work, etc., at the various pumping stations and flow diversion chambers. The on-shore portion of the Halifax Wastewater Treatment Facility (WWTF) outfall including the connection to the Halifax facility was completed. Preliminary commissioning activities were also initiated at several of the flow regulation structures (e.g., Atlantic School of Theology Pumping Station and Balmoral Pumping Station).

Regarding the Halifax WWTF work, the concrete placement was completed and masonry work continued with solid progress. Major equipment continues to arrive and be installed such as the fine screens and Fournier Press. The sections of the climber screen damaged during the previous quarter has been repaired and installed.

The commissioning staff from the contractor has arrived and the commissioning planning is underway. The wet commissioning of the Halifax facility is anticipated to start in late January 2007 with full completion and operation expected by April 2007.

Dartmouth

The real estate acquisition continues to progress as a number of acquisition agreements were finalized. Regulatory approvals are also keeping pace with the work progress. All design packages are now completed. Construction work continues with four crews performing interception pipe installation. Work continued at a number of the regulation structures.

Regarding the Dartmouth WWTF work, concrete form work continued and approximately 85% of the concrete work has been completed. The overall shortage of skilled workers on Rebar installation is causing some challenges for the contractor. It is too early to tell if it may have a negative impact on the overall schedule.

Completion of the Dartmouth Wastewater Collection System and Wastewater Treatment Facility is expected by March and August 2007, respectively.

Herring Cove

Design engineering work continues with the design of the Herring Cove Pumping Station and the Herring Cove Wastewater Treatment Facility outfall is underway. Real estate acquisition activities continue and are close to completion. The access road for the Herring Cove facility, as well as the pressure sewer main installation, has been completed.

Regarding the Herring Cove WWTF work, civil drawings and general arrangement drawings are progressing well. Site preparation work including blasting is substantially completed and the site is ready for building work to begin.

Completion of the Herring Cove Wastewater Collection System and Wastewater Treatment Facility is expected by March and June 2008 respectively.

Biosolids Processing Facility

The Biosolids Processing Facility is approximately 90% complete and is expected to carry out a dry commissioning in November 2006 and will be ready to process biosolids when the Halifax facility starts to operate.

The specialty trailers for the transportation of dewatered biosolids from the three Harbour Solutions Project facilities are being fabricated and will be ready when the Halifax facility begins to operate.

Safety

There were no lost time on incidents on any of the Halifax Harbour Solution sites during the quarter. Nova Scotia Department of Environment and Labour inspections were carried out on July 5, 2006 and September 21, 2006 with compliance orders issued on July 5, 2006 and these were complied with immediately.

On the Occupational Health and Safety side, E. Coli counts within the wet well at the Halifax facility were recorded. These occurred after surcharging of the existing municipal services occurred during heavy precipitation events. Ongoing tests for E. Coli show decreases in the levels. This issue is under control and does not have any impact on the scheduling of the project.

Summary

Although the shortage of certain skilled construction workers is causing some challenges for the Design/Build contractors, the overall Harbour Solutions Project remains on schedule and within budget as of the end of the 2nd quarter (September 30, 2006). Due to the considerable time lag between the end of a quarter and submission of a quarterly report, HRM staff wish to advise that staff from Degremont have arrived in Halifax to plan the Halifax WWTF commissioning procedures and review final construction schedules. Staff will advise as soon as possible of any changes to the current WWTF commissioning schedule.

BUDGET IMPLICATIONS

The Harbour Solutions Project spent \$24.59 million in the second quarter of 2006/07, \$34.97 million in fiscal year 06/07 and a total of \$174.94 million to September 30, 2006. Projections to meet the capital budget of \$332.7 million are still on target.

Inflation remains the most significant financial risk of the project. History of the Halifax Non-Residential Construction Index over the past twenty years shows average annual inflation of just over 2%. Staff conservatively estimated annual inflation at 2.8% for budget purposes, while fiscal years 2004/05 and 2005/06 brought inflation of 7.87% and 4.31% respectively. In the first quarter of 2006/07, annual inflation was 5.41%, while in the second quarter this figure has increased again to 5.88%. Staff have revised the inflation estimate to 6% per year over the life of the contract and has committed a substantial portion of the \$18.2 million contingency to address this issue.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

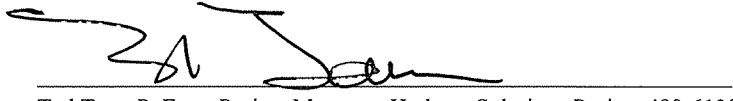
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ATTACHMENTS

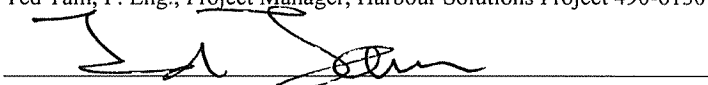
Halifax Harbour Solutions Project -2nd Quarterly Report - From July 1, 2006 to September 30, 2006, Attachment 1.

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

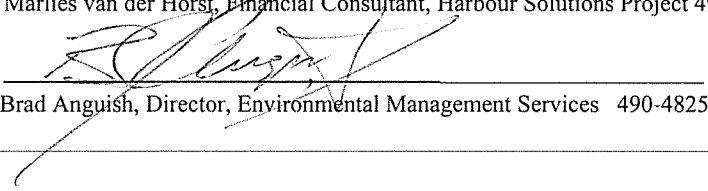
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November 28/06

Halifax Harbour Solutions Project

**Second Quarterly Report
July 1 to September 30, 2006**

Introduction

The intent of this document is to provide Council and staff with a general overview of the Harbour Solutions Project Quarterly Report covering the period between July 1 and September 30, 2006.

It is presented in sections:

Section 1 - Wastewater Collection Systems

Section 2 - Wastewater Treatment Facilities

Section 3 - Biosolids Processing Facility

Section 4 - Pollution Prevention Program

Section 5 - Water Quality Sampling Program

Section 6 - Financial Information

Section 7 - Public Involvement and Information Program

Section 8 - Construction Safety

Section 1

Wastewater Collection Systems

Halifax Wastewater Collection System

Work during the 2nd quarter of 2006 comprised:

- completing the remaining mechanical and electrical work, carpentry, miscellaneous metals work, etc., at the various regulation structures
- substantially completing the on-shore portion of the Halifax Wastewater Treatment Facility outfall, including the connection to the Halifax facility
- continuing the work on the modifications to the Duffus Street Pumping Station, and initiating diversion piping construction, e.g., Pier A Pumping Station.
- preliminary commissioning activities were also initiated at several of the regulation structures, i.e., AST Pumping Station, and Balmoral Pumping Station.

The remaining work will be focused on the installation of diversion piping that connects the mainline interceptors and the pumping stations and diversion chambers to the Halifax Wastewater Treatment Facility. In order to convert the Duffus Street Pumping Station from pumping raw sewage into the Narrows to its new role of directing the raw sewage to the Halifax Wastewater Treatment Facility, it was necessary to take the station off-line. The result was significant sewage overflows at upstream outfalls, causing odour problems throughout the area around Fairview Cove. Through joint efforts of Harbour Solutions and Technical & Underground Services, the situation was alleviated via bypassing the Duffus Street station during the ongoing modifications.

At Inglis and Barrington streets, the intersection was closed to allow for major diversion connections to the Pier A Pumping Station, renewal of old sewer lines and realignment of the intersection.

Although the completion of the Inglis and Barrington work will take approximately two weeks longer than anticipated, the realigned intersection will open up in the 3rd quarter. Other 3rd quarter diversion work at the AST Pumping Station will be off-street.

Dartmouth Wastewater Collection System

Real estate acquisition continues to progress as a number of property acquisition agreements were finalized during the quarter. Regulatory approvals are also keeping pace with the work progress.

Engineering design work was finished during the quarter with all design packages now completed.

Construction work continued with four crews performing interceptor pipe installation work in a number of areas including Woodside Ferry terminal to Melva Street, Shore Road, Dartmouth Cove to the Dartmouth Wastewater Treatment Facility, and Jamieson Street to Lyle Street.

Work continued at a number of regulation structures, including the Jamieson Street Pumping Station, Melva Street Pumping Station, Wallace Street, Ferguson Street, Grove Street and Lyle Street diversion chambers.

During the 2nd quarter of 2006, pipe installation work started on Alderney Drive and King Street diversion pipe, as well as continuing in other areas previously started, e.g., Woodside Ferry Terminal to Melva Street, Shore Road, etc. Work on the flow regulation structures also continues.

The 3rd quarter will see completion of the on-street work on Shore Rd. and Alderney Dr. with final reinstatement completed in the spring.

Herring Cove Wastewater Collection System

Design engineering work continues with the design of the Herring Cove Pumping Station and the Herring Cove facility outfall underway. Real estate acquisition activities continue. The property owner of the Herring Cove Pumping Station location has agreed to the proposed subdivision and the easement agreement is being finalized.

The grading work for the Herring Cove facility access road is substantially completed, as well as the pressure main installation.

During the 3rd quarter, the Herring Cove facility's access road will be completed to the sub-grade and the potable water piping will be installed. In addition, a portion of the gravels will be laid down to protect the sub-grade over the winter season.

Section 2

Wastewater Treatment Facilities

Halifax Wastewater Treatment Facility

During the 2nd quarter of 2006, concrete placement was completed and masonry work continued with solid progress being made on exterior and interior walls. Backfilling and landscaping work was advanced on the west side of the building (facing Barrington Street) during the quarter as well. Architectural work (i.e., door frames, etc.), miscellaneous metals (i.e., stairway installation) continue.

Injection of the Wet Well walls and the Grit Tank walls was initiated and continues. Surface preparation of the channels that convey the wastewater from the screening area through the process tanks to the UV disinfection system was initiated in advance of coating activities.

Mechanical and electrical work is progressing in several areas of the Halifax facility with piping and cabling activities underway. Major equipment continues to arrive and be installed such as the fine screens and Fournier Presses. The damaged sections of the climber screen have been repaired and are being installed, and therefore have no impact on the schedule.

The commissioning staff has arrived and commissioning planning is underway. HRM has received the first draft of the commissioning plan as well as a sample Operations & Maintenance Manual. These documents will be updated continually as commissioning proceeds. The wet commissioning of the Halifax facility is anticipated to start in the late January 2007 with completion (except planting of trees and shrubs on the East side of the plant) and operation expected by April 2007.

Dartmouth Wastewater Treatment Facility

Concrete formwork continued during the 2nd quarter of 2006. All slabs, walls, and columns are substantially completed. Approximately 85% of the concrete work has been completed.

In July 2006, the use of underground conduit to supply power to the Dartmouth Wastewater Treatment facility was approved and the installation of underground conduit is close to completion. It is expected that the switch to underground power will take place in the spring of 2007.

Completion of the Dartmouth Wastewater Collection System and Wastewater Treatment Facility is expected by March and August 2007, respectively

Herring Cove Wastewater Treatment Facility

Civil Guide and General Arrangement drawings were being advanced during the quarter. Site preparation is substantially complete, drilling and blasting completed and material moved. The site is ready for building work to begin.

Completion of the Herring Cove Wastewater Collection System and Wastewater Treatment Facility is expected by March and June 2008 respectively.

Section 3

Biosolids Processing Facility

The Biosolids Processing Facility is approximately 90% complete and is expected to carry out a dry commissioning in November 2006 and will be ready to process biosolids when the Halifax facility starts to operate. As well, the full impact on the costs for the operation of the Biosolids Processing Facility, as a result of the completion delay at the Halifax facility to April 2007, is not totally established yet.

The specialty trailers for the transportation of dewatered biosolids from the three Harbour Solutions Project Plants are being fabricated and will be ready when the Halifax facility begins operations.

Section 4

Pollution Prevention Program

In support of the Harbour Solutions Project and as a requirement of provincial legislation, HRM initiated a Source Control Strategy, now referred to as the Pollution Prevention (P2) Program. This program has been designed and implemented to reduce the levels of organic and inorganic compounds, toxins and other matter currently entering the municipal stormwater and wastewater sewer systems, and ultimately, freshwater and marine environments including Halifax Harbour.

At the Regional Council meeting of July 17, 2001 (Item No. 9.1), Council approved the adoption of By-Law W-101 respecting the “Discharge of Wastewater into Public Sewers”. This by-law regulates the discharge of specified substances that may comprise paints, inks, solvents and other hazardous, metal-rich and toxic products and wastes to the municipal sewer systems. The P2 program requires compliance with the Wastewater Discharge By-Law through planning, education, inspections and monitoring at the source of these discharges from all industrial, commercial and institutional locations within HRM. Additionally, educational information is provided through various mediums for the residential sector to allow direct participation by the public in the protection of our natural marine and freshwater resources. Staff have previously provided updates to Council on the status of this program. Since the last update provided to Regional Council at its meeting of August 8, 2006, activities that P2 staff have undertaken or completed include the following:

- Staff, during this reporting period, have continued with inspections of businesses within the Dartmouth WWTF sewershed for compliance with HRM’s By-Law W-101. These inspections were initiated within the Burnside Business Park area and will extend to all businesses within the Dartmouth sewershed. It is the intent of staff to have this phase of activities completed prior to the completion and commissioning of the Dartmouth WWTF. To date, 442 inspections in Dartmouth have been completed and it is estimated that an equal amount remain to be inspected. Currently this work is on schedule and it is anticipated that this objective will be met on time.
- Staff have been actively negotiating with industries and businesses that have historically been a direct discharger of wastewater to Halifax Harbour. An intended objective of the Harbour Solutions Project is the elimination of all private outfall sewage discharges to the waters of Halifax Harbour. Industries or business that have a direct discharge were contacted and advised of the provision of and requirement to connect to the municipal wastewater system. To date, 23 private outfalls have been identified, 7 have connected, 11 are in the process of connecting, 4 are serviced by private wastewater treatment facilities and 1 property is vacant with no wastewater discharge. Those properties with private wastewater systems will be identified and forwarded to the attention of NSDEL and confirmation of their satisfactory operation will be requested to be confirmed by the province.

- P2 staff responded to 47 environmental incidents or related investigations since the previous report. The majority of these events consisted of hydrocarbon products entering into HRM storm sewer systems and sediments entering into watercourses. Most frequently, these events occur as a result of vehicular or transportation related accidents, improper or illegal disposal of unwanted liquid products, home fuel storage tank malfunctions and the impacts of urban drainage during stormwater runoff conditions. On going activities by staff to develop and implement stormwater management processes as well as continuous pollution prevention education will assist in the management and reduction of these impacts to the environment.
- Staff from Technical & Underground Services (TUGS) have continued to observe and report a reduction in the number of sewer problems such as blockages or accumulations related to fat, oil and grease. This reduction has been attributed by TUG's staff to P2 activities in the food preparation sector. Reduction of the amount of fat, oil and grease (FOG) that is discharged to municipal sewer systems will correspond to a reduction in soluble and total BOD influent loadings to the HSP WWTF's and may result in a reduction of sewer system operation and maintenance costs. P2 staff will continue to focus on the reduction at source of FOG within food preparation facilities and HRM restaurants.
- As a result of inspections conducted to date, approximately 14 % of industries and businesses within HRM are or have been in non-compliance with HRM's By-Law W-101. In order to achieve compliance, these locations are undertaking significant financial expenditures and physical modifications to existing processes to meet compliance with the provisions of the by-law. A program to recognise and document significant undertakings by industry has been developed. On July 11, 2006, Maritime Paper Products, a local manufacturer of corrugated packaging was the first recipient of HRM's Environmental Stewardship Award. In response to HRM's Pollution Prevention Program, Maritime Paper installed a fully self-contained wastewater treatment system to permit this company to be fully in compliance with HRM's By-Law W-101. These improvements are estimated to have cost in excess of one million dollars to complete. Wastewater previously discharged from this company exceeded the by-law limits for BOD, SS and other parameters as regulated by the by-law.
- Currently, there are 2 industries which have been identified by P2 staff to be in non-compliance with HRM's By-Law W-101. These industries have undertaken consultant reviews in search of viable solutions to treat at source, their over strength wastewater which is discharged to HRM's sanitary sewer system. To date, no viable pretreatment options have been identified due to either technology or physical space availability. Continued discharge of these waste waters to the municipal wastewater system may pose risks to the efficiencies of HRM wastewater treatment systems. It is the intent of staff to address Regional Council in the near future to discuss options for dealing with these two industries.

- A large producer of milk and cream products within the Dartmouth WWTF sewershed successfully completed a one month in house pollution prevention trial during which time no violations of HRM's By-Law W-101 occurred. This was achieved through trial processes which captured and diverted waste streams away from the sewer system to alternate end users as well as employing a complete capture and packaging of their dairy product which resulted in almost no discharge to the sewer system. Dairy products typically contain BOD levels in the range of 10,000 to 50,000 mg/l. HRM's By-Law W-101 permits a maximum discharge limit of 300 mg/l. This firm is undertaking making these process changes permanent and should have this work completed by January 2007.

P2 staff continue to produce and deliver pollution prevention television advertisements and four radio advertisements which are currently on air. Additionally, newspaper articles including regular use of HRM's Naturally Green newsletter, public presentations and industry seminars to educate and promote pollution prevention to ICI locations and to the general public have been ongoing. Educational information will be continued to be provided through related media opportunities to provide for public education and enhanced stewardship of our surface water resources.

Section 5

Harbour Water Quality Monitoring

The Harbour water quality monitoring program was initiated June 2004. Samples are collected at 35 stations in the harbour, from the head of Bedford Basin to the harbour mouth past McNabs Island. Stations are located down the centre of the harbour, and at various additional points including areas of recreational use such as the yacht clubs. During 2006, additional samples have been taken in Dartmouth Cove, Fairview Cove, and new sampling sites were established at Herring Cove. Weekly sampling for bacteria has been discontinued, and the savings have been used to initiate high-sensitivity analyses for metals, which had been undetectable using normal analytical methods. This will allow determination of true background metals levels.

Samples are collected at the surface and 10 metre depth, and analysed bi-weekly for bacterial levels, chemistry and nutrients. The data is compiled into bi-weekly and quarterly summary reports. Bacterial levels throughout the inner Harbour exceed the recreational guideline limits, particularly in winter months. Testing for oils and biochemical oxygen demand (a measure of organic constituents in the water) has been discontinued at regular sampling sites due to levels which are routinely below detection limits. Methods for more sensitive detection of metals have been instituted. The program remains on schedule and below budget.

The purpose of the program is to establish existing baseline water quality conditions in the harbour, and to track changes as each of the three new treatment plants is commissioned in 2007 (Halifax and Dartmouth) and 2008 (Herring Cove). The program is scheduled to continue through 2009. Water quality objectives have been established for various portions of the Harbour, and the sampling program will allow assessment of progress toward those objectives as sewage discharge to the Harbour becomes treated.

Conclusions to date:

Fecal coliform bacteria levels are high throughout the middle and inner harbour, exceeding the swimming guidelines. Levels in the Northwest Arm and Basin are periodically elevated. Metals levels are low throughout the harbour, as are BOD levels. Oxygen levels are depressed in the deeper waters of Bedford Basin at various times, likely due to decomposition of organic materials. Oxygen levels are often too low, below the desired objective. Overall, water quality objectives in the harbour are not currently met except in the outer harbour, based on various parameters measured.

Quarterly reports and weekly/bi-weekly data reports and spreadsheets are available online at: <http://www.halifax.ca/harboursol/waterqualitydata.html>.

Section 6

Financial Information

As of September 2006, the Harbour Solutions Project has spent \$174.94 million of its \$332.7 million capital budget. Spending for the quarter just completed was \$24.59 million which is largely comprised of \$9.41 million for the Wastewater Collection System, \$8.09 million for the Wastewater Treatment Plants, and \$3.48 million for the new Biosolids Processing Facility. Contract management, the Public Involvement & Information Program, Aggressive Pollution Prevention, water quality monitoring, inflation, and administration totalled \$2.38 million. The remaining \$1.22 million was attributed to the Community Liaison Committees.

In October 2002, Council granted approval in principle to commence a series of increases, not to exceed \$0.29, to the Environmental Protection Charge as a means of funding the Harbour Solutions Project. The first \$0.05 increase was implemented in October 2003. In January 2005, Council approved the schedule of remaining increases necessary to fund the Project. The second and third \$0.05 increases became effective in March 2005, and October 2005, respectively. The next increase of \$0.05 will become effective in October 2006. The table below shows the implementation dates for the increases totalling \$0.29 for the Harbour Solutions Project:

Date	Environmental Protection Charge-HSP portion	Increase
October 2003	\$0.42	\$0.05
March 2005	\$0.47	\$0.05
October 2005	\$0.52	\$0.05
October 2006	\$0.57	\$0.05
October 2007	\$0.66	\$0.09
Total Increase		\$0.29

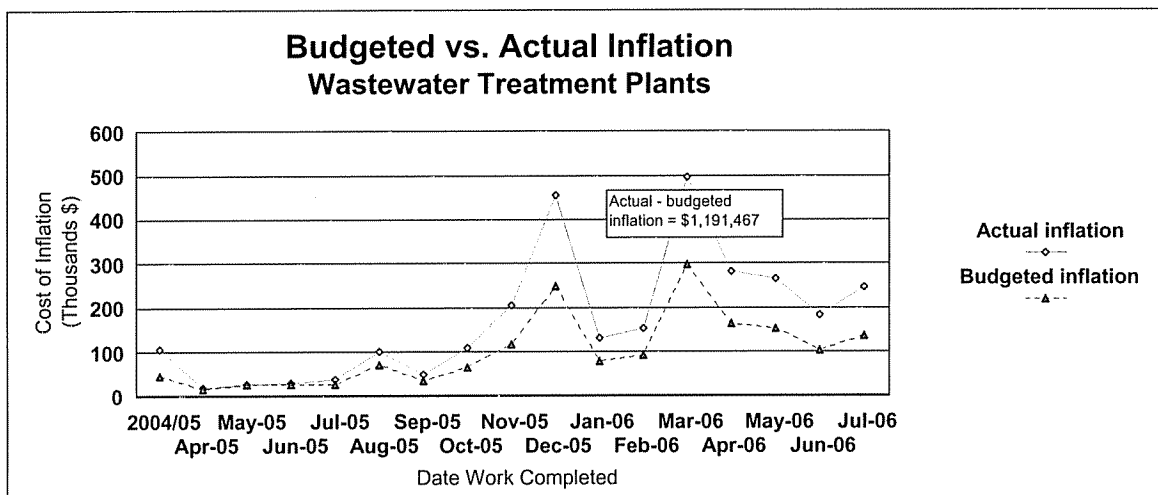
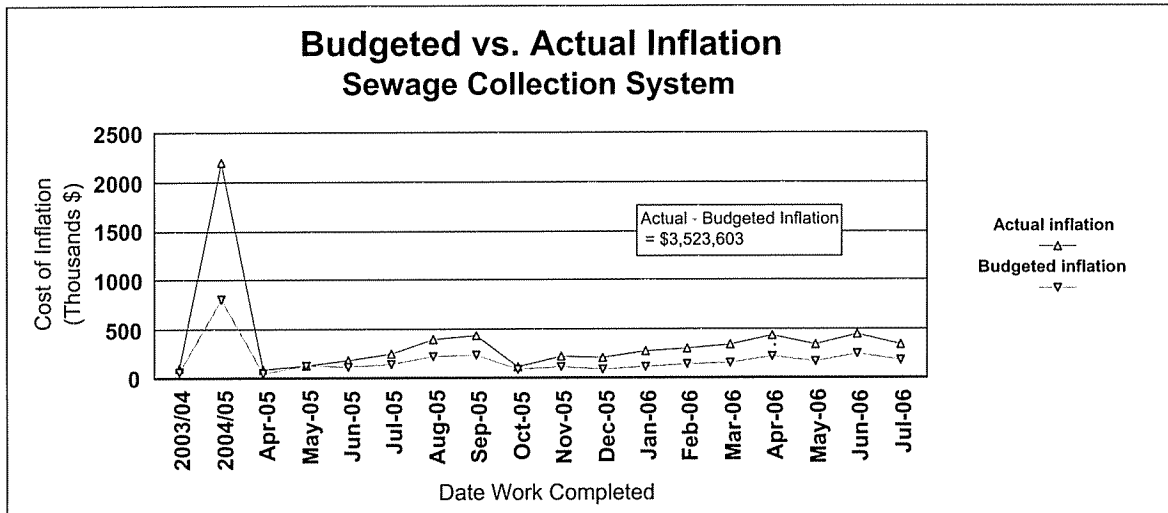
The above rates attributable to Harbour Solutions are just one portion of the Environmental Protection Charge. The charge also funds expenses associated with already existing infrastructure.

All revenues collected are recorded in the Environmental Protection Reserve. Staff maintains an administrative split of reserve balances.

Inflation

Over the life of the project, 2004/05 was an extraordinary year for construction-related inflation in HRM in terms of its strong increase. In 2005/06 the inflation trend stabilized somewhat, and was lower than the revised inflation projection of 6% (4.31% vs. 7.87% in 2004/05). The first quarter of 2006/07 saw inflation of 5.41%, while the second quarter saw an increase to 5.88%. As the initial downward swing seems to be followed by an upward swing, it would not be prudent to revise estimates over the Project's life down from the projected 6% annual inflation.

The impact of inflation in terms of dollars is demonstrated in the two charts below for the Wastewater Collection System and the Wastewater Treatment Plants. The difference between the actual and budgeted inflation represents the amount which must be taken from the contingency funds. As of September 2006, \$4.72 million over and above budgeted inflation has been spent on these two contracts.



Contingency Spending:

The contingency budget of \$18.20 million is largely set aside for addressing inflation beyond budgeted levels. The contingency is also being used to fund small items that have arisen through the contract amendments. Actual and planned spending of contingency funds is as follows (shown in millions):

Realized inflation in excess of budget	\$4.72
Projected inflation in excess of budget	9.95
Contract amendments to date *	0.83
Future contract amendments **	0.31
Proposed undergrounding power to Dartmouth STP	0.50
Uncommitted	<u>1.89</u>
Total	\$18.20

* Additional contract amendments to date include the Salter Street outfall replacement, placement of an additional buried gate valve on the forcemain from the Park Avenue Pumping Station, installation of a SCADA repeater on the MacKay Bridge, as well as installation of ultrasonic level sensors in the overflow chambers at certain CSOs.

** Since the last quarterly report, potential future contract amendments have arisen, including \$200,000 for an elevator in the Halifax facility, which needs to be installed for safety reasons. As well, possible future obligations which cannot be estimated at this time include potential claims by the contractors as a result of larger on-site storage requirements for certain chemicals requested by HRM.

Harbour Solutions Project
 2nd Quarter 2006/07
 (in millions of dollars)

	2nd Quarter	Year to Date	Project Total	Budget
Firm Price Contracts				
Sewage Collection System	9.41	13.02	87.42	112.3
Sewage Treatment Plants	8.09	12.48	48.49	136.9
Biosolids Processing Facility	3.48	4.23	8.18	12.5
Net HST	-	-	-	9.6
Community Liaison Committees	1.22	1.86	4.53	7
Land	-	-	4.92	4.8
Pre-Construction Contract	-	-	7.11	7.1
Total Firm Price Costs	22.21	31.6	160.66	290.2
Variable Costs				
Admin., Contract Mgmt., Communication	0.74	0.77	5.52	12
Contingency	-	-	-	18.2
Inflation	1.64	2.61	8.76	12.3
Total Variable Costs	2.38	3.37	14.28	42.5
Harbour Solutions Project Total Cost	24.59	34.97	174.94	332.7
Funding				
EP Reserve Levies	18.65	41.32	136.63	160.2
Long-term debt: N.S. Municipal Finance Corporation	-	-	110	110
Federation of Canadian Municipalities	-	-	20	20
Cost Sharing: Province*	-	-	6.01	10
Canada Strategic Infrastructure Fund	-	-	18.01	30
Potential short-term debt	-	-	-	2.5
Total Funding	22.67	22.67	271.99	332.7

- The Province of Nova Scotia has committed \$30 million to the Project over a 15 year span. The \$10 million shown above in the table represents the portion that will be received during the construction period.

Section 7

Public Information and Involvement Program

The Marketing, Design and Print Services section of the Corporate Communications Office assumed responsibility for the Public Information and Involvement Program for the Harbour Solutions Project in the fall of 2003.

Public Messaging

Harbour Solutions continues to be a major player in the Naturally Green Newsletter. This environmentally focussed in-house produced piece is distributed to approximately 162,000 households in HRM. The latest edition was released in October 2006. The next edition is scheduled for February 2007.

Corporate Communications had another edition of the award winning “Special Harbour Edition of Naturally Green” published in early September. The public response to the newsletter has been very positive.

Corporate Communications recently completed production and airing of a 30 second Harbour Solutions television advertisement on ATV. The advertisement has been very well received and continues to make the link between the Harbour Solutions Project and the Pollution Prevention Program.

Corporate Communications designed a user-friendly map outlining the various harbour related activities that will be possible once the HSP is up and running. The map was published in the recent “Special Harbour Edition of Naturally Green”. Corporate Communications is presently looking at other options for distributing the map to a wider public audience.

Community Liaison Committees (CLC)

The Halifax CLC and the Herring Cove CLCs continue to meet regularly to deal with the integration of the Wastewater Treatment Facilities into their communities.

The Herring Cove CLC, working with Councillor Adams, Corporate Communications, Environmental Management Services and the Halifax Regional Water Commission staff, brought the long awaited first phase of municipal services to parts of Herring Cove. The next phase is scheduled to get underway in 2007. The Herring Cove CLC is close to a final design concept on the WWTF’s exterior and is now focussing its efforts on landscaping. Corporate Communications staff will continue to regularly attend meetings to help this process move along.

HRM staff continue to liaise with and attend Halifax meetings when requested by the CLC's. The Halifax CLC is considering a way to see if their Community Integration Fund of one million dollars can be used in a way that maximizes opportunities for employment, business development, and capacity building within their downtown community. Staff are investigating if a partnership can be developed with the new and improved Greater Halifax Partnership/Regional Development Agency (GHP/RDA) organization in order to develop and implement a community benefits maximization strategy.

In Dartmouth, construction continues on the Wastewater Collection System and WWTF. The new trail system is essentially complete. The recent landscaping and has greatly improved the trail and surrounding area.

Residents continue to be kept informed of work in their specific area through notices delivered door to door. Residents are also kept up to date on the overall project through publications such as Naturally Green and the HSP website.

Communication Plan

PIIP staff developed and continue to implement a detailed communication plan for the Project.

Presentations

A presentation was made at the National Infrastructure Conference in Toronto by the Project Director, where HHSP was recognized as one of Canada's top ten infrastructure projects.

Presentations are developed on an on-going basis for conferences, workshops and community groups. The presentations are updated regularly to correspond with project progress. These presentations have all been made available on compact discs as well.

Three new Harbour Solutions display units continue to be used at public meetings, trade/home shows and other events. The new display units focus on the positive message of the project, stewardship and integrating of messaging with HRM's Pollution Prevention Program. They were on display at the Harbourfest in September as well as HRM's Leadership week event.

As part of our presentation materials, Mayflower Models has been contracted to construct three (3) scale models of the new wastewater treatment facilities. These will prove a valuable tool in explaining the advanced primary treatment process. The Halifax WWTF, the first model, is complete and has been on display at the Harbourfest as well as City Hall. A video is presently being developed around the model to better explain the advanced-primary treatment process involved in all 3 new WWTF's.

Harbour Solutions Website

The Harbour Solutions website has been redesigned to provide a "user friendly" up to date source of information on the Project. PIIP staff continue to maintain the site for Harbour Solutions. The site features a large photo gallery, reference materials, construction notices informing residents of any

possible traffic impacts and a large collection of information related to the wastewater collection systems, wastewater treatment facilities and biosolids processes.

Construction Communications

A PIIP staff member attends the Harbour Solutions construction meetings weekly to liaise with Dexter Construction and D&D Water Solutions, as well as, other HRM departments to stay informed about construction that could impact the public/businesses, and ensure communications are developed to address these impacts. A PIIP member also attends, where required, meetings with businesses and residents that may be directly impacted by HSP related construction activity.

Weekly construction updates continue to be emailed to stakeholders and posted on the website, along with notices of impending construction and their impacts. Newspaper and radio ads, media releases and web postings continue to be developed for construction that may impact on traffic.

Signage

PIIP staff liaised with the federal and provincial governments to design, produce and install signage for the sites of the three Wastewater Treatment Plants.

Signage is being updated for the three WWTF sites to include images of the final exterior designs.

Correspondence

As requested and/or required, letters and e-mails are drafted to address concerns/enquiries from citizens regarding the Project. PIIP staff also regularly respond to numerous requests for HSP information from the general public, interest groups, media, HRM Councillors, staff and others. Letters are also drafted for the CLC's and other levels of government.

Section 8

Construction Safety

There were no lost-time incidents on the sites during the quarter.

There were two (2) Nova Scotia Department of Environment and Labour inspections during the quarter. An inspection of the Dartmouth facility occurred on July 5, 2006. Four compliance orders were issued :

- to ensure temporary ramp is constructed in such a way that it can sustain four times the maximum load and secured to prevent movement
- securing of temporary flooring to ensure it can sustain four times the maximum load
- ensure top, mid and toe rails are installed on the guiderail
- ensure that ladders extend 1 metre above the platform or landing being accessed.

These orders were completed immediately.

Regarding the Occupational Health and Safety side, E.Coli counts within the wet well at the Halifax facility were recorded. These occurred after surcharging of the existing municipal services occurred during heavy precipitation events. Directions were given to all personnel relative to hygienic practices and clean-down by spraying was undertaken on a regular basis. On going testing for E.Coli show decreases in the levels. This issue is under control and does not impact the scheduling of the project.