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Halifax, Nova Scotia
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Item No. 11.1.4

Halifax Regional Council
February 26, 2008

TO: Mayor Kelly and Members of Halifax Regional Council

A handwritten signature in black ink, appearing to read "Dan English".

SUBMITTED BY:

Dan English, Chief Administrative Officer

A handwritten signature in black ink, appearing to read "G. L. Kaiser".

Geri Kaiser, Deputy Chief Administrative Officer - Corporate Services
and Strategy

DATE: February 21, 2008

SUBJECT: Canada Nova Scotia Infrastructure Program

ORIGIN

This report originates with staff.

RECOMMENDATION

It is recommended that Regional Council approve the CNSIP funding reallocation as per the Discussion Section of this report.

BACKGROUND

The purpose of this report is to ensure that HRM leverages the maximum amount of federal and provincial funds under the Canada-Nova Scotia Infrastructure Program (CNSIP). To do this, it is necessary to reallocate funding amongst already approved projects to align funding with actual spending opportunities/project time lines. This is HRM's final opportunity to reallocate funding as the program wraps up effective March 31, 2008.

The program requirements state that all funds must be spent by March 31, 2008. For the Mainland Common and Beaver Bank Reservoir projects, it may not be possible to spend the amount currently allocated by March 31, 2008, therefore it is prudent to reallocate CNSIP funding to other projects.

In addition, funding will need to be reallocated within the existing CNSIP project list due to some projects being delivered with savings (this program closed to new projects on December 31, 2005). Some of these reallocations were approved by Council on September 4, 2007 but approval to finalize reallocations is required.

DISCUSSION

On September 4, 2007, Council approved a reallocation of CNSIP funding as follows:

Funding From:	Funding To:	Amount	Funding Source
Mainland Common	Highway 111	\$1,176,318	Mainland Common Funds to be replaced with Debt Funding from Highway 111
Mainland Common	Artificial Turf	\$107,364	Mainland Common Funds to be replaced with Capital from Operating funding from the Artificial Turf
Other Projects' Surplus	Herring Cove Water and Sewer	\$400,000	Additional funding as approved by Council on February 20, 2007.
Other Projects' Surplus	Artificial Turf	\$362,451	CNSIP funding to be moved into the project, allowing Capital from Operating Funding to be closed to Crespool supporting the 2008-09 Capital Budget.

In October, a request to reallocate the funding for the first three items was sent to the Infrastructure Secretariat. As the Federal Government approvals are still outstanding, there is a risk that the requested reallocations may not be approved. This reallocation assumes that HRM will receive approval but if that is not the case, staff will have to return to Council.

The request to reallocate the funding for the fourth item was not sent to the Secretariat as the surpluses were estimates. It was decided to wait until this final reallocation to ensure that the Federal and Provincial funding was maximized. It is proposed that the reallocation requested in item 4 in the September 4, 2007 Council report be superceded by the proposed funding reallocation below.

For projects that are not yet closed, estimates have been provided by staff. Considerable work has gone in to making these estimates as accurate as possible, given that the program is wrapping up March 31, 2008.

Proposed Funding Reallocation:

Funding From:	Funding To:	Amount	Funding Source
Various Projects (Details in Attachment A)	Artificial Turf	\$371,991	Project funding to be replaced by Capital from Operating as required.
Various Projects (Details in Attachment A)	Highway 111	\$263,682	Project funding to be replaced by debt funding and Capital from Operating from Highway 111 as required.

Upon receiving appropriate approvals from Regional Council and the CNSIP Management Committee, staff will execute a series of funding swaps. These swaps will provide HRM with the flexibility to maximize available CNSIP funding and maintain the overall integrity of the projects on the approved CNSIP list.

It is important to note that this is not new funding, nor does it add funding to any of the projects.

BUDGET IMPLICATIONS

There are no budget implications associated with the recommendations. The recommendation reallocates existing funding to support the requirements of the existing projects.

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

There are no viable alternatives. If funding is not reallocated, HRM will lose funding.

ATTACHMENTS

Attachment A: Canada Nova Scotia Infrastructure Program - Project List and Status.

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.

Report Prepared by: Dawn Keizer, CA, Manager, Budget and Financial Analysis

Report Approved by:



Catherine Sanderson, CMA, Senior Manager, Financial Services 490-1562

(Original signed)

Report Approved by:

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Report Approved by:

Cathie O'Toole, CGA, Director, Infrastructure and Asset Management 490-4825

Attachment A
Canada Nova Scotia Infrastructure Program
Project List and Status

Project Name	Eligible Project Costs	CNSIP (Pending Approval)	Projected Final Cost Mar 31/08	Revised CNSIP Feb 08	Adjustment Required	Status
Completed Projects						
Little Salmon River	1,132,000	751,478	1,127,330	751,478	0	Project complete, final payment received
Maplewood Water, Phase I	450,000	277,977	416,925	277,933	-44	Project complete, final payment received
Miller Lake Water	200,000	133,333	200,000	130,217	-3,116	Project complete, final payment received
North Preston Community Centre	2,972,000	1,981,332	3,115,993	1,981,332	0	Project complete, final payment received
Moser River Fire Station	876,022	416,666	847,881	416,666	0	Project complete. Final payment received Oct 07
						Project complete, proceeding with administrative requirements to close project.
Harbour East Artificial Turf	4,950,000	1,707,364	4,940,000	2,079,355	371,991	0
MacIntosh Run - Sanitary Sewer Upgrade	1,000,000	488,837	735,941	488,837	0	Project complete. Final payment received Jan 07
						Project complete, proceeding with administrative requirements to close project.
Maplewood Water, Phase II	615,000	410,000	694,192	410,000	0	Project complete, proceeding with administrative requirements to close project.
						Project complete, proceeding with administrative requirements to close project.
Prince's Lodge Water & Sewer	1,620,000	930,000	1,362,684	894,752	-35,248	0
						Project complete, proceeding with administrative requirements to close project.
Herring Cove Water and Sewer	3,706,200	2,470,800	4,092,141	2,470,800	0	Project complete, proceeding with administrative requirements to close project.
						Project complete, proceeding with administrative requirements to close project.
Highway 111/Woodside Connector	9,359,033	3,677,316	9,923,336	3,940,998	263,682	0
Sub Total Completed Projects	26,880,255	13,245,103	27,456,422	13,842,368	597,265	
Projects in Progress						
Mainland Commons Rec Facility - Phase I	4,025,523	1,400,000	1,800,000	1,200,000	-200,000	Project deadline has been extended to March 31, 2008.
Sub Total Projects in Progress	4,025,523	1,400,000	1,800,000	1,200,000	-200,000	
Beaver Bank Group						
Beaver Bank Road Trunk Sewer Upgrade	750,000	496,439	749,796	496,439	0	Project complete, received final payment May 10/05
Beaver Bank Sewer - Phase IV AB & C	4,411,500	2,894,006	4,368,106	2,894,006	0	Project complete, received final payment Mar 6/06
Beaver Bank Water - Phase IV, BC	2,250,000	1,450,126	2,177,405	1,450,126	0	Project complete, final payment received
Beaver Bank Water, Phase IV, A	428,200	284,138	426,250	284,138	0	Project complete, received final payment May 10/05
						Project complete, proceeding with administrative requirements to close project.
Beaver Bank Sewer Service - Phase IV, DE	3,492,650	2,269,992	3,117,499	2,078,333	-191,659	Project complete, proceeding with administrative requirements to close project.
						Project complete, proceeding with administrative requirements to close project.
Beaver Bank Water Service - Phase IV, DE	2,717,650	1,753,324	2,396,577	1,597,718	-155,606	0
Beaver Bank Water Reservoir	3,000,000	2,000,000	2,930,000	1,950,000	-50,000	Construction underway, completion expected June 2008
Sub Total Beaver Bank Group	17,050,000	11,148,025	16,165,633	10,750,760	-397,265	
Total CNSIP	47,955,778	25,793,128	45,422,056	25,793,128	0	