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Item No. 6

Halifax Regional Council
September 30, 2008

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



Paul Fleming, Manager, Budget and Financial Analysis

DATE: September 30, 2008

SUBJECT: Public Transit Funding Allocation

INFORMATION REPORT

ORIGIN

On February 1, 2007, the Transit Funding Agreement between Halifax Regional Municipality and the Province of Nova Scotia was signed, providing for the transfer of federal funding to the municipality. Under the terms of this agreement, HRM must submit, each year, a list of capital projects selected for funding under the program along with a list of all capital projects eligible for funding. Funding under the agreement ends March 31, 2010.

Transit funding was included in the 2008-09 Capital Budget and five year Capital Plan, but funding was not allocated to specific projects at the time. It does not represent additional funding. All projects selected here to receive transit funding were approved as part of the capital budget and 5 year plan.

BACKGROUND

On November 24, 2006, the Province of Nova Scotia and the Government of Canada signed a bilateral agreement to transfer Public Transit Funding to municipalities within Nova Scotia. On February 1, 2007, HRM signed a municipal funding agreement with the Province. That agreement formalised the criteria and requirements, and details the responsibilities of the partners.

On May 15, 2007, Council approved a list of eligible projects for the 2007-08 fiscal year, and selected projects for funding under the program. This list was submitted to the Infrastructure Secretariat, who administers the program, and HRM received \$8,023,000 for the 2007-08 fiscal year. What is now required is: a list of all projects eligible under the Public Transit funding program; and a list of capital projects put forward for funding in the fiscal years 2008-09 and 2009-10.

Strategic Transit Agreement Highlights

The following is a brief summary of terms and conditions contained within the Transit Funding agreement.

Municipal Requirements:

- to provide access to records related to funded projects as requested
- to comply with the communications protocol outlined
- to retain title to the resulting infrastructure for at least 10 years
- to invest any funds received in advance of the Municipality incurring and paying Eligible Costs in accordance with Section 100 of the Municipal Government Act
- to provide a Transit Strategy document, as approved by Council, incorporating Transportation Demand Management measures

Reporting:

- HRM will provide a capital budget, including a list of proposed capital projects, with eligible projects identified prior to fund transfer
- an annual expenditure report will be provided each year by July 31, which must include a report on amounts held by the Municipality at year end to be spent on Eligible Projects.

Eligible Projects include:

- rapid transit infrastructure
- rolling stock
- intelligent transport systems
- related capital infrastructure
- accessible transit

Eligible Costs include:

- capital costs
- fees to professionals
- environmental assessments

DISCUSSION

HRM is expecting to receive approximately \$15.9 million over the next 2 years under the Public Transit Funding Agreement, with \$7.97 million anticipated in 2008/09 and \$7.92 million in 2009/10. Funding is conditional upon HRM's full compliance with all terms of the agreement.

BUDGET IMPLICATIONS

HRM's actual funding amount under the Transit Funding Agreement may vary slightly in 2008-09 and in 2009-10. Actual amount is based on a formula calculated by the Infrastructure Secretariat which administers the program and final numbers have not been received by HRM. This funding will have no net impact on the approved 2008/09 Capital Budget.

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.

ATTACHMENTS


Attachment A: Capital Projects Selected for Public Transit Funding 2008-09

Attachment B: Capital Projects Funded in 2006/07 and 2007/08

Attachment C: Capital Projects Eligible for Public Transit Funding

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.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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Approved by : 
Cathie O'Toole, Director of Infrastructure Asset Management, 490-4825

Attachment A

Public Transit Funding Allocation 2008-09

Project Number	Project Description	2008-09 (000's)	2009-10 (000's)
CB200427	Satellite Garage Facility	3,600	3,400
CMU00975	Peninsula Transit Corridor	0	2,019
CVD00434	Conventional Transit Bus Expansion	4,370	0
CVD00435	Conventional Transit Bus Replacement	0	2,500
	Total	7,970	7,919

Attachment B

Capital Projects Funded in 2006/07 and 2007/08

Project Number	Project Description	2006-07 (000' \$)	2007-08 (000' \$)
CHD00060	Farebox Replacement	\$2,000	\$ -
CMU00973	Rural Express Transit	-	3,100
CVD00429	Access-A-Bus Expansion	120	400
CVD00430	Access-A-Bus Replacement	440	440
CVD00434	Conventional Transit Bus Expansion	3,915	
CVD00435	Conventional Transit Bus Replacement	4,414	4,083
Total		<u>\$10,889</u>	<u>\$8,023</u>

Attachment C

Eligible Public Transit Capital Projects

Project Description		2008-09 (000's)	2009-10 (000's)
CB200427	Satellite Garage Facility	16,600	3,400
CBX01034	200 Iislsey Avenue-Safety Upgrades	320	340
CBX01044	Ferry Terminal Pontoon Protection (Bundle)	350	350
CBX01057	Transit Facilities Upgrades (Bundle)	667	339
CBT00432	Bus Stop Accessibility	0	125
CBT00437	Bus Shelters-Replacement	0	105
CIU00875	Scheduling Software Upgrades	560	130
CMU00974	Downtown Shuttle	1,200	0
CMU00975	Peninsula Transit Corridor	800	4,214
CMU00981	MetroLink	3,000	0
CMU00982	Transit Security	100	362
CMU01095	Transit Strategy	280	0
CMU01124	Woodside Ferry Midlife Rebuild	0	0
CMX01104	Rural Community Transit	445	2,100
CMX01109	New/Expanded Transit Stations	0	750
CMX01110	Farebox Technology	0	1,900
CMX01123	New Conventional Ferry	200	0
CV300751	Harbour Link	1,000	11,000
CVD00429	Access-A-Bus Vehicle	0	0
CVD00430	Access-A-Bus Replacement	440	440
CVD00431	Midlife Bus Rebuild	620	655
CVD00433	Service Vehicle Replacement	60	60
CVD00434	Conventional Transit Bus Expansion	6,000	0
CVD00435	Conventional Transit Bus Replacement	3,000	2,500
CVD00436	Ferry Refit	550	470
Total		36,192	29,240