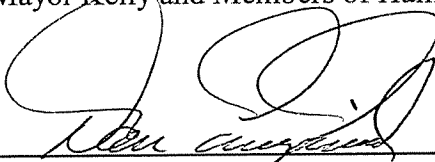


Halifax Regional Council
October 11, 2005
October 18, 2005

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:


Dan English, A/Chief Administrative Officer


Wayne Anstey, A/Deputy Chief Administrative Officer

DATE: September 16, 2005

SUBJECT: Oil Spill Remediation Billy Bollong Memorial Park

ORIGIN

The demolition of the HRM owned facility at 19046 Highway # 7, Spry Harbour revealed extensive oil contamination of the property and adjacent private lands.

RECOMMENDATION

It is recommended that Council

1. approve an increase to the 2005/06 Capital Budget in the amount of \$221,387 for a new capital account, Oil Spill Remediation Billy Bollong Memorial Park with funding from Parkland Reserve Q107, as outlined in the Budget Implications section of this report;
2. approve withdrawal from the Parkland Reserve Q107 in the amount of \$221,387;
3. approve the remediation and monitoring costs at 19046 Highway #7 in the amount of \$221,387 including net HST, as per the Budget Implications section of this report.

BACKGROUND

On January 20, 1998 Regional Council approved the purchase of 19046 Highway # 7, Spry Harbour for \$25,000. This site was the former location of the Spry Harbour Atoms Athletic Club. In 1997 the SHAAC dissolved and they offered to sell the 1 acre property to HRM. This site was adjacent to HRM's 7 acre Billy Bollong Memorial Park which, along with other park amenities, features a softball diamond. Acquisition of this property provided a parking area as well as improved access to the park and most importantly improved public access to the ocean, a much needed amenity in this area due to the surprising lack of public boat launch access to the ocean along HRM's eastern shore. This property was seen as a strategic purchase for HRM.

DISCUSSION

Although the site has been heavily utilized since its purchase, the Athletic Club buildings were never used again by the community and continued to fall into disrepair. During an inspection of the buildings in 2002 to determine repair or demolition costs it was discovered that the exterior oil tank had failed and a minor oil leak had occurred. That leak was substantially remediated at that time, however as part of that remediation traces of a previous leak were discovered. As the clean-up would involve undermining the building foundations and a future building demolition was being considered, the work was not addressed at that time, but postponed until a final disposition of the building was determined.

Discussions with the community re the proposed demolition of the facility and availability of funds postponed the eventual demolition and remediation moving forward until May of 2003 when one building was demolished and October 2004 when the larger building was demolished. In both instances oil contamination from spills predating HRM ownership were discovered and remediated. In the case of the later demolition the leak was found to have entered the septic tank and had travelled into the on site septic field partially contaminating adjacent properties.

Under the direction of the Nova Scotia Department of Environment extensive remediations were carried out and are now complete. Approximately \$9,000 of the costs of the initial consulting services and remediations were paid from Real Property and Asset Management's capital funds but the extent of the work soon proved to be beyond the funding capacity of that source and have been accrued until final clearance on the site was received. Additional work on the site is required by DOE that includes installation of monitoring wells and a monitoring program to ensure that the remediation efforts have contained the contamination.

BUDGET IMPLICATIONS

Based on the approval of recommendation #1 and 2, the total remediation costs in the amount of \$221,387 including net HST is available from the withdrawal of Parkland Reserve Q107. The budget availability has been confirmed by Financial Services.

Budget Summary: **Capital Project-Oil Spill Remediation Billy Bollong Memorial Park**

Funding Provided from Parkland Reserve Q107	\$ 221,387
Less: Payments made to date to G & R Kelly (they have a standing offer with HRM for oil remediation)	\$ 167,493
Less: Payment to Environmental Solutions (a branch of Cunningham Lindsay Insurance)	
- for monitoring work to date	\$ 22,865
- for future monitoring work	<u>\$ 31,029</u>
	\$ 0

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating budget, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation. If approved, this will increase the 2005/06 Capital Budget and withdrawals from the Reserves.

ALTERNATIVES

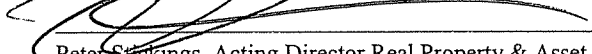
There are no reasonable alternatives to this recommendation. All other sources of funds for this work would result in a reduction of services or delivery of capital work.

ATTACHMENTS

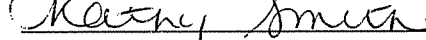
N/A

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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Financial Review: 
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