



**AUDIT & FINANCE STANDING COMMITTEE  
MINUTES  
July 23, 2014**

PRESENT: Councillor Bill Karsten, Chair  
Councillor Russell Walker, Vice-Chair  
Mayor Mike Savage  
Councillor Barry Dalrymple  
Councillor Lorelei Nicoll  
Councillor Gloria McCluskey  
Councillor Linda Mosher  
Councillor Steve Adams  
Councillor Tim Outhit

REGRETS:

STAFF: Mr. Greg Keefe, Chief Financial Officer  
Mr. Richard Butts, Chief Administrative Officer  
Mr. John Traves, Municipal Solicitor  
Mr. Liam MacSween, Legislative Assistant

*The following does not represent a verbatim record of the proceedings of this meeting.*

*The agenda, supporting documents, and information items circulated to the Audit & Finance Standing Committee are available online: <http://www.halifax.ca/boardscom/SCfinance/140723afsc-agenda.php>*

*The meeting was called to order at 10:00 a.m., the Standing Committee adjourned at 11:06 a.m.*

**1. CALL TO ORDER**

The Chair called the meeting to order at 10:00 a.m. in Council Chambers, 3<sup>rd</sup> Floor City Hall, 1841 Argyle Street, Halifax.

**2. APPROVAL OF MINUTES – June 5, 2014 Joint Special Meeting with the Community Development and Economic Development Standing Committee**

**MOVED by Councillor McCluskey, seconded by Councillor Dalrymple, that the minutes of the June 5, 2014 Joint Special Meeting with the Community Development and Economic Development Standing Committee be approved as circulated.**

**MOTION PUT AND PASSED.**

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

Additions:

Item No. 12.1 - Elections and Electronic Voting (E-Voting) Citizen Engagement

The Chair requested that Information Item No. 1 be moved up on the agenda for discussion.

Item No. 12.2 - Memorandum from the Director of Finance and Information Communication Technology dated June 18, 2014 re: Lake Charlotte Area Heritage Society: Capital and Operating Funding Request

**MOVED by Councillor Adams, seconded by Councillor Walker that the agenda be approved as amended. MOTION PUT AND PASSED.**

**4. BUSINESS ARISING OUT OF THE MINUTES**

**5. MOTIONS OF RECONSIDERATION – NONE**

**6. MOTIONS OF RESCISSION – NONE**

**7. CONSIDERATION OF DEFERRED BUSINESS – NONE**

**8. CORRESPONDENCE, PETITIONS & DELEGATIONS – NONE**

**9. REPORTS**

**9.1 STAFF**

**9.1.1 Regional Parking Strategy & Urban Core Improvement Reserve Q329**

The following was before the Committee:

- *A staff recommendation report dated July 7, 2014*

**MOVED by Councillor McCluskey, seconded by Councillor Nicoll that the Audit & Finance Standing Committee recommend that Halifax Regional Council approve the establishment of the Regional Parking Strategy & Urban Core Improvement Reserve (Q329), as per the attached Reserve Business Case as outlined in the July 7, 2014 staff report.**

Councillor McCluskey requested further information 'pay by plate' technology.

Ms. Jane Fraser, Director of Planning and Infrastructure, explained that pay by plate technology involves using electronic hand held devices, a smart phone application or utilizing a parking kiosk as opposed to tradition parking meters. She commented that the technology is utilized in other jurisdictions for parking enforcement. She further advised that that 'pay by plate' would involve the user entering their licence plate number in to a system which would allow for payments to be made directly or by credit or debit card.

Mayor Savage inquired how much money will be committed to the initiative.

Mr. Greg Keefe, Chief Financial Officer, noted that the cost for the program is anticipated to be approximately \$ 1 million per year.

Mayor Savage inquired if the proceeds from Metropark will go toward funding this program. Mr. Keefe replied in the affirmative and noted that revenue from Metro Park is put in to a reserve account for downtown improvement projects, of which this program will be funded.

Councillor Nicoll commented that she likes the accountability structure of the program. She inquired if there will be further technological integration with that of transit and transportation services.

Ms. Fraser replied in the affirmative and noted that a steering committee comprised of senior management staff from Halifax Transit, Transportation and Public Works, Planning and Infrastructure and Community and Recreation Services has been formed to oversee the integration of new technologies used in the urban to improve services in the urban core.

Councillor Dalrymple inquired if the downtown improvement initiative will incorporate rail service for the downtown.

Ms. Fraser replied that the intention is for staff to look at all modes of transportation and assess how they will work for the municipality.

Councillor Outhit entered the meeting at 10:14 a.m.

#### **MOTION PUT AND PASSED.**

##### **9.1.2 Halifax Regional Water Commission Dividend Agreement**

The following was before the Committee:

- *A staff recommendation report dated June 5, 2014*

**MOVED by Councillor Nicoll, seconded by Councillor Walker that the Audit & Finance Standing Committee recommend to Halifax Regional Council approval of the proposed Dividend Agreement between the HRM and the HRWC, as shown in Attachment 1 of the staff report dated June 5, 2014, for the five-year period of April 1, 2015 to March 31, 2020, subject to approval of the Nova Scotia Utility and Review Board (NSUARB).**

The Chair noted that the dividend agreement is rather early and requested further information as to why this is the case.

Mr. Greg Keefe noted that the Chief Financial Officer for the Halifax Regional Water Commission expressed interested to initiate this matter to assist with planning.

#### **MOTION PUT AND PASSED.**

##### **9.1.3 Award – Quotation No. Q14M069 Solar Wall Installation at Dartmouth Sportsplex**

The following was before the Committee:

- *A staff recommendation report dated July 12, 2014*

**MOVED by Councillor McCluskey, seconded by Councillor Nicoll that the Audit & Finance Standing Committee recommend that Regional Council:**

- 1. Approve a budget increase of \$124,284.96 to Project Account No. CB000002 – Major Facilities Upgrades, with funding from the 2014/15 Operating Account D948 – Sustainable Community Projects, to reflect additional funding required for Solar Wall Installation at Dartmouth Sportsplex.**
- 2. Award Quotation No. Q14M069 – Solar Wall Installation at Dartmouth Sportsplex, to Markland Associates at a cost of \$104,284.96, net HST included, with funding as outlined in the Financial Implications section of the staff report dated July 12, 2014.**

Councillor McCluskey expressed her support for the recommendation and noted that the solar wall for the Dartmouth Sportsplex will be the first for HRM.

Councillor Nicoll echoed Councillor McCluskey's comments and noted that she is glad to see that other HRM facilities will be considered for the same type of infrastructure.

Councillor Dalrymple extended his thanks to Richard MacLellan, Manager of Energy and Environment, for his work on this project. He noted that the solar wall will save up to \$10,000 yearly in fuel costs and is more energy efficient.

Mayor Savage noted that funding for the project comes from an FCM grant and inquired how much money came from the grant

Mr. MacLellan, Manager of Energy and Environment commented that FCM provides an interest free loan under the Sustainable Communities Reserve. He commented that the annual interest savings for this year has been approximately \$ 250,000 of which this program was funded.

Mayor Savage noted his support for the recommendation and thanked Mr. MacLellan for his work on this matter.

Councillor Outhit inquired if the installation of the Solar Wall will impact the planned renovations of the Dartmouth. Mr. MacLellan stated that the installation of the solar wall will not affect the planned renovations to the facility.

**MOTION PUT AND PASSED.**

**9.2 OFFICE OF THE AUDITOR GENERAL – NONE**

**9.3 GRANTS COMMITTEE**

**9.3.1 (i) HRM Rural Transit Funding – Grants Committee Report**

The following was before Committee:

- *A Grants committee report dated July 2, 2014*

**MOVED by Councillor Walker, seconded by Councillor Nicoll that the Audit & Finance Standing Committee recommend that Regional Council approve the HRM Rural Transit Funding Program (Attachment a) as described in the April 4, 2014 report, which will replace the HRM Community Based Transit Funding Program approved by Regional Council on March 26, 2013.**

**MOTION PUT AND PASSED.**

**9.3.1 (ii) HRM Rural Transit Funding – Supplementary Staff Report**

The following was before Committee:

- *A supplementary Staff report dated June 23, 2014*

**MOVED by Councillor Walker, seconded by Councillor Nicoll that the Audit and Finance Standing Committee recommend that Regional Council adopt Administrative Order Number 2014-012-ADM Respecting Grants for Rural Transit (Attachment 1 of the staff report dated June 23, 2014), and repeal the HRM Community Based Transit Funding Program approved by Regional Council on March 26, 2013.**

Councillor Dalrymple commented that a great deal of work has been put in to this and noted that the two main groups, MusGO and BayRiders, will be helped tremendously by the program. He stated that he hopes that more groups will take advantage of this program which is a great benefit to HRM's rural communities.

Councillor McCluskey inquired as to where the funding for the Rural Transit Program originates.

Ms. Patricia Hughes, Supervisor of Service Designs and Projects, Halifax Transit noted that the funding for the program originates from an account dedicated for Transportation Demand Management which is administrated by Planning and Infrastructure. She commented that the revenue is derived from parking permits in the urban core.

In response to a follow up question from Councillor McCluskey, Ms. Hughes noted that the program is managed by a board of volunteers.

Councillor Adams inquired if this program will adversely affect existing rural services. Ms. Hughes noted that it will not. Councillor Adams further inquired if the program will affect the tax structure for rural residents. Ms. Hughes noted that it will not.

In response to a follow up question from Councillor Adams, Mr. Dave Reage, Manager of Planning and Scheduling, Halifax Transit noted that staff cannot create a funding program that will restrict Council's ability to provided budgeting or funding and that any decision to fund the program would ultimately have to be a decision of Council.

Further discussion ensued.

Councillor Outhit expressed his support for the recommendation and inquired about the liability that is involved with perspective vendors that may provide services under this program.

Mr. John Traves, Solicitor noted that Legal Services would have to examine the arrangements with the outside parties that are in place but stated that normally speaking, HRM is not liable for contracted services.

Councillor Adams inquired if there is anything within the proposed Administrative Order that prevents another carrier from coming in to an area which offers a competing service.

Ms. Hughes noted that HRM will only provide funding for one operator per area and would not fund competing services. She further commented that if that situation were to take place, staff would have to investigate it on a case by case basis and forward a recommendation to Regional Council.

**MOTION PUT AND PASSED.**

**9.4 SPECIAL EVENTS ADVISORY COMMITTEE – NONE**

**9.5 INVESTMENT POLICY ADVISORY COMMITTEE – NONE**

**10. MOTIONS – NONE**

**11. IN CAMERA – NONE**

**12. ADDED ITEMS**

**12.1 Elections and Electronic Voting (E-Voting) Citizen Engagement**

The following was before the Committee:

- *A staff recommendation report dated July 16, 2014*

**MOVED by Councillor Nicoll, seconded by Mayor Savage that the Audit and Finance Standing Committee recommend that Halifax Regional Council:**

- 1. Approve the revised Reserve Business Case for Q313 – Municipal Elections as per attachment 1 of the staff report dated July 16, 2014.**
- 2. Approve an operating budget increase of \$55,000 to A125 with funding as a withdrawal from the Municipal Elections Reserve, Q313 to conduct a public engagement initiative with regard to using Electronic Voting (e-voting) for upcoming elections in Halifax.**

Councillor Nicoll requested further information about the public engagement initiative.

Ms. Cathy Mellett, Municipal Clerk noted that the engagement process at a high level is outlined on page 2 of the staff report dated July 16, 2014. She noted that staff has been in discussions with the Dalhousie School of Public Administration to work on an engagement process which includes a base-line survey that explores the use electronic voting across Canada, a one day stakeholder engagement session with citizens and key stakeholders, and a report conducted by the School of Public Administration which will assist in forming the recommendation to Council about the use of Electronic Voting.

Councillor McCluskey inquired about the benefits of proposed public engagement initiative.

Ms. Mellett commented that the main benefit of the proposed project is the reengagement of the public and reaffirmation of that public engagement to Regional Council about the use of electronic voting.

Councillor McCluskey inquired how much voter turnout has increased since electronic voting has been introduced.

Ms. Mellett noted that voter turnout is complex and that the main priority for the Election Office is to ensure that voting services are accessible. She commented that it is the roll of the candidates to engage the public on the issues that they are interested in. She further noted that the public interest in voting is important and is a concern for both elected official and staff.

In response to a follow up question from Councillor McCluskey, she noted that the public gathering of stakeholders will be webcasted if approved and that staff from Corporate Communications have been engaged to assist in this matter

Councillor Walker noted he is more concerned about the process of voting itself and does not see the benefit of the program as it stands. He commented that he needs more convincing to know that this project displays value for money.

Mayor Savage thanked Ms. Mellett for her comments. He noted that he understands the concern with the cost as illustrated by other members of the Committee. He stated that he believes that more jurisdictions will be using e-voting and that he is supportive of the recommendation. He inquired if the cost is absolutely necessary.

Ms. Mellett noted that staff has looked at this several times and noted that staff would not be before the committee if they did not think it would be necessary. She noted the cost associated with compiling the survey and webcasting and noted that staff will be very diligent in how the money is spent if approved.

Councillor Outhit noted that he is big supporter of electronic voting and inquired if there is an opportunity to engage the School of Public Administration on ways to increase voter participation.

Ms. Lori McKinnon, Election Coordinator, commented that staff can approach the School of Public Administration to discuss the broader perspective of increased voter participation.

Further discussion ensued.

**MOTION PUT AND PASSED.**

Councillor Mosher entered the meeting at 10:55 a.m.

**12.2 Memorandum from the Director of Finance and Information Communication Technology dated June 18, 2014 re: Lake Charlotte Area Heritage Society: Capital and Operating Funding Request**

The Chair noted that this item was address at the July 22, 2014 meeting of Regional Council.

**14. DATE OF NEXT MEETING – September 17, 2014**

**15. ADJOURNMENT**

The meeting was adjourned at 11:06 a.m.

Liam MacSween  
Legislative Assistant

**INFORMATION ITEMS**

1. Memorandum from the Director of Finance and Information Communication Technology dated June 18, 2014 re: Lake Charlotte Area Heritage Society: Capital and Operating Funding Request