

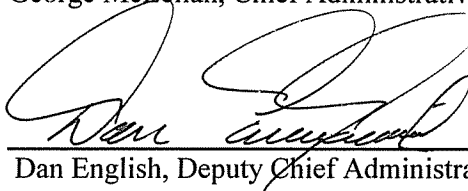
Halifax Regional Council
April 12, 2005

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



George McLellan, Chief Administrative Officer



Dan English, Deputy Chief Administrative Officer

DATE: April 8, 2005

SUBJECT: **Infrastructure Projects Update**

ORIGIN

This report provides an update on HRM's applications for Canada-Nova Scotia Infrastructure funds and the current status of individual projects. It also includes information on a specific opportunity for additional federal funds available towards funding a potential Halifax West Auditorium (HWA).

RECOMMENDATION

- 1. IT IS RECOMMENDED THAT Council approve the allocation of surplus infrastructure funds in the amount of \$512,000 from Little Salmon River Water, \$149,000 from MacIntosh Run Sanitary Sewer Upgrade project and \$22,000 from Maplewood Water Phase I totaling \$683,000 to the Mainland Common Recreation Facility (CB100091).**
- 2. IT IS RECOMMENDED THAT Council authorize the Mayor to request that Federal infrastructure funding of \$367,000 be allocated towards a Halifax West Auditorium as per this report.**

BACKGROUND

The Federal Government's 2000 budget included a federal/provincial Canada-Nova Scotia Infrastructure Program (CNSIP). Under this program the Federal and Provincial Government funded up to two-thirds of a capital project and HRM funded the other third. HRM's original share of federal/provincial funds is \$25.8 million. The program expires March 31st, 2006 and any funds not expended at that time are returned to the Federal and Provincial governments.

Since that time HRM has an approved list of 19 projects under the Canada-Nova Scotia Infrastructure Program. Due to its size and complexity, Beaver Bank Water and Sewer was allocated seven separate projects.

At the same time the CNSIP was established there was also a Strategic Infrastructure Program set up using federal/provincial funds. Unlike CNSIP, funds were not allocated for specific municipal use. To date, no Strategic Infrastructure Funds have been approved for HRM's use.

DISCUSSION

During 2004/2005 Council altered its infrastructure approvals at the request of the other funding partners. As a result, \$1,810,000 of federal/provincial funds were transferred from the Mainland Common (\$810,000) and the Highway 111 Connector (\$1 million) to Prince's Lodge Water & Sewer (1,080,000), Maplewood Water Phase II (\$400,000) and Herring Cove Sewer and Water (\$320,000). These federal/provincial funds were moved on the understanding that any subsequent surplus would be used to replenish the projects to their original state.

Of the 19 approved projects, 9 projects have been completed and are awaiting their final audits. These projects include Little Salmon River Water, Maplewood Water Phase I, Miller Lake Water, MacIntosh Run and the North Preston Community Centre. Three of these projects did not use all of the allocated infrastructure funds. These are Little Salmon River (\$512,000), MacIntosh Run (minimum \$149,000) and Maplewood Water Phase I (\$22,000) for a combined total of \$683,000. Remaining projects are expected to be sufficiently completed between November 2005 and March 2006 to recoup the allocated infrastructure funds. In addition, 4 of the 7 Beaver Bank projects are now complete. As a group all seven Beaver Bank projects are expected to be completed on time and to use all allocated infrastructure funds. Between now and the expiry of the program staff intend to provide regular updates on the program.

Staff are recommending that \$683,000 surplus be allocated to Mainland Commons Recreation Facility. This will allow for infrastructure funding for Mainland Commons of \$2,683,000. (The 2005-2006 Capital Budget allowed for infrastructure funding of \$2,712,000.) The recommended transfer returns the Mainland Commons Project almost to its originally requested amount. (The Highway 111 Connector now includes \$1 million in additional debt funding due to the 2004/2005 transfer and is unaffected by this recommendation.)

Halifax West Auditorium

In addition to the 683,000 surplus available, the community now has an opportunity to secure additional infrastructure funds over and above the CNSIP. The Federal Government has agreed to provide \$367,000 of its funding as a contribution towards a new Halifax West Auditorium, located within Halifax West High School and to be operated by the Halifax West Theatre Society. This represents new funds which would be otherwise unavailable to the community and is only available for the auditorium. These funds are in addition to HRM's current allocation of \$25.8 million under CNSIP. The funding is being made available due to time use requirements for spending under the program and to meet a federal commitment to the project. HRM is not required to provide matching funding although the Halifax West Theatre Society is expected to fund raise the remainder of the total project cost.

The auditorium offers a unique opportunity for a cultural investment and complements existing and future infrastructure investments in the Mainland Common project. The auditorium will provide facilities for community meetings, speakers, conventions, workshops, and programming for other non-profit organizations. It will provide a much needed venue for various multicultural and community groups that would use the facility during evenings and weekends. It will complement the new Mainland Common Recreation facility (swimming pool/leisure & tot pool, fitness centre) and help anchor the community both socially and culturally. In light of the recent focus on immigration, the availability of the facility for use by multicultural groups would also be a tangible sign of efforts by HRM to become a more welcoming community for new immigrants to the area.

The transfer is subject to HRM reaching an agreement with the Halifax West Theatre Society for the community use of the facility.

BUDGET IMPLICATIONS

There are no net budget implications to HRM.

The Halifax West Auditorium will receive a total of \$367,000 in Federal funding. The Mainland Commons Recreation Facility will receive an additional \$393,000 in CNSIP funding plus \$290,000 in Strategic Infrastructure funding for a total of \$683,000.

Pending federal approval, the infrastructure funds for the Halifax West Auditorium will be forwarded to the Halifax West Theatre Society.

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.

REGIONAL PLANNING IMPLICATIONS

This report is in compliance with regional planning principles.

ALTERNATIVES

Council can choose not to allocate the surplus funds to the Mainland Common Project. Council can choose not to authorize the Mayor to request that federal infrastructure funding of \$367,000 be allocated toward a Halifax West Auditorium. Such a decision will negate the community's ability to access the new federal infrastructure funds being made available for a Halifax West Auditorium and thus the community access to the facility.

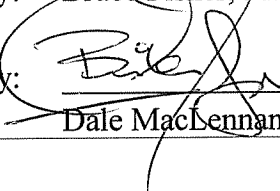
ATTACHMENTS

- Projects approved for funding under the Canada/Nova Scotia Infrastructure Program.
- Infrastructure Program as presented on page 452 on the Proposed 2005-06 Budget.

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.

Report Prepared by:  Bruce Fisher, Manager of Financing Planning,
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Report Reviewed by: Bruce Fisher, Manager, Financial Planning

Report Approved by:  Dale MacLennan, Director, Financial Services

Canada Nova Scotia Infrastructure Program

Project Name	Approved CNSIP	Projected CNSIP April 7/05	Variance	Status
Completed Projects				
Little Salmon River	1,266,666	754,196	512,470	Project complete, awaiting final audit
Maplewood Water, Phase I	300,000	277,977	22,023	Project complete, awaiting final audit
Miller Lake Water	133,333	133,333	0	Project complete, awaiting final audit
North Preston Community Centre	1,981,333	1,981,333	0	Project complete, awaiting final audit
MacIntosh Run - Sanitary Sewer Upgrade	666,666	517,477	149,189	Project substantially complete, projected completion July 05
Sub Total Completed Projects	4,347,998	3,664,316	683,682	
Projects in Progress				
Maplewood Water, Phase II	410,000	410,000	0	Finalizing design, tender in April 05, complete Nov 05
Prince's Lodge Water & Sewer	1,078,000	1,078,000	0	Finalizing design, tender in April 05, complete Nov 05
Herring Cover Water and Sewer	2,070,800	2,070,800	0	Design 90% complete, projected completion Dec 05 Design stage, tender, late spring, early summer, 4-6 month
Moser River Fire Station	416,666	416,666	0	construction, completion Dec - Feb 06 Design phase, completion June 2006, CNSIP funds to be
Harbour East Artificial Turf	1,600,000	1,600,000	0	expended prior to Mar 06 Design phase, 2 tenders early fall totalling \$7.5m, project
Mainland Commons Rec Facility - Phase I	2,000,000	2,000,000	0	completion Oct 06; able to spend \$3.8m by Mar 06
Highway 111/Woodside Connector	2,500,000	2,500,000	0	Contract not signed, land acquisition issues
Sub Total Projects in Progress	10,075,466	10,075,466	0	
Beaver Bank Group				
Beaver Bank Road Trunk Sewer Upgrade	500,000	496,489	3,511	Project complete, awaiting final audit Phase 4D under construction, 4E tendered, projection
Beaver Bank Sewer Service - Phase IV, DE	1,800,000	2,328,433	-528,433	completion Dec 05
Beaver Bank Sewer Upgrade	4,000,000	2,941,000	1,059,000	Project complete, awaiting final audit
Beaver Bank Water - Phase IV, BC	1,362,000	1,500,000	-138,000	Project complete, awaiting final audit Design phase, land acquisition complete, projected
Beaver Bank Water Reservoir	1,666,666	2,000,000	-333,334	completion Dec 05 Phase 4D under construction, 4E tendered, projection
Beaver Bank Water Service - Phase IV, DE	1,600,000	1,811,767	-211,767	completion Dec 05
Beaver Bank Water, Phase IV, A	438,000	285,467	152,533	Project complete, awaiting final audit
Sub Total Beaver Bank Group	11,366,666	11,363,156	3,510	
Total CNSIP	25,790,130	25,102,938	687,192	

Canada / Nova Scotia Infrastructure Program

Projects Approved For Funding

Requested Projects	Total Cost	Federal/ Provincial Share
Maplewood Water, Phase I	450,000	300,000
Beaverbank Water - Phase IV, A	657,000	438,000
Miller Lake Water	200,000	133,333
Beaverbank Sewer Services - Phase IV AB&C	6,000,000	4,000,000
Sanitary Sewer Upgrade - MacIntosh Run	1,000,000	666,666
Beaverbank Road Trunk Sewer Upgrade	750,000	500,000
Beaver Bank Water - Phase IV, BC	2,043,000	1,362,000
Beaver Bank Sewer Services - Phase IV D&E	2,700,000	1,800,000
Beaver Bank Water Services - Phase IV D&E	2,400,000	1,600,000
Beaver Bank Water Reservoir	2,500,000	1,666,666
Little Salmon River Water	1,132,000	754,666
North Preston Recreation Centre	2,972,000	1,981,333
Herring Cove Water & Sewer *	3,106,200	2,070,800
Artificial Outdoor Soccer Facility *	3,500,000	1,600,000
Mainland Commons Recreation Facility (Phase I) */**	7,912,000	2,512,000
Moser River Fire Station *	625,000	417,000
Prince's Lodge Water & Sewer *	1,620,000	1,080,000
Maplewood Water Phase 2 *	615,000	410,000
Highway 111/Woodside Connector *	7,000,000	2,500,000
Totals	\$47,182,200	\$25,792,465

* These 7 projects were approved by Regional Council on March 9, 2004 to be recommended to the CNSIP for funding. This completes the allocation of funding available to HRM under the Program.

** \$768,000 of capacity and \$512,000 of Federal/Provincial funding have been reallocated to this project from Little Salmon River Water. This change requires approval from the Federal and Provincial Governments as well as Regional Council.