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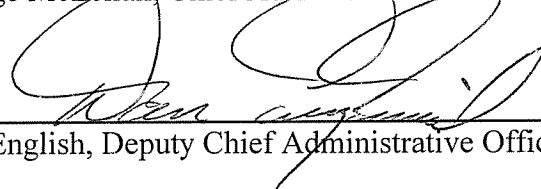
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Halifax Regional Council  
July 13, 2004

**TO:** Mayor Kelly and Members of Halifax Regional Council

**SUBMITTED BY:**

  
\_\_\_\_\_  
George McLellan, Chief Administrative Officer

  
\_\_\_\_\_  
Dan English, Deputy Chief Administrative Officer

**DATE:** June 29, 2004

**SUBJECT:** Underground Tank Replacement Woodside Ferry Terminal

**ORIGIN**

2000/01 Approved Capital Budget. A failure of the underground fuel storage tank at the Woodside Ferry terminal required that the tank be replaced and that the contaminated soil resulting from the failure be removed.

**RECOMMENDATION**

It is recommended that Regional Council approve the reduction of Capital Account No. CBR00747-200 Ilsley Ave. Underground Tank Replacement, in the amount of \$38,681.00 and transfer these funds to new Capital Account No. CB300648-Woodside Ferry Terminal Underground Tank Replacement.

**BACKGROUND**

Late in 2003 the vent on the 5000 litre underground fuel storage tank at the Woodside Ferry Terminal stopped working resulting in the oil supplier refusing delivery to that tank. A temporary above ground tank was installed for the remainder of the winter. In the spring of 2004 the underground tank was excavated to determine the cause of the vent failure and it was found that the tank had leaked and had to be replaced.

**DISCUSSION**

The failure of the underground fuel storage tank had lead to contamination of the surrounding soil which required remediation as per provincial regulations. The removal and replacement of the tank cost \$6,615 and was funded from account CBR00050 Facilities Upgrade. The soil remediation cost of \$37,398.59 plus net HST for a total of \$38,681 is currently unfunded.

Capital Project CBR00747 - the replacement of the underground fuel tanks at 200 Ilsley Avenue, the Metro Transit Garage, was put on hold to coordinate with possible exterior fuel line renovations to accommodate air quality issues. Also investigations into the use of Bio fuel may impact the need to replace all or some of these tanks. Currently there is no indication that the existing tanks have failed although they are due for replacement based on provincial guidelines if they continue to be used for fuel oil and diesel fuel.

If the tank replacement proves to be required at the transit garage any additional funds required will be identified for Council's approval in a future budget year.

**BUDGET IMPLICATIONS**

Funding is available in Capital Account No. CBR00747-200 Ilsley Ave, Underground Tank replacement in the amount of \$37,398.59 plus net HST for a total of \$38,681.00 to be transferred to new Capital Account No. CB300648-Woodside Ferry Terminal Underground Tank Replacement. This has been confirmed by Financial Services.

**Budget Summary:**                      **Capital Account CBR00747 - 200 Ilsley Avenue - Underground Tank Replacement**

Cumulative Unspent Budget	\$149,851.81
Less: Transfer to CB300648	<u>\$ 38,681.00</u>
	\$111,170.81

**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**


Council can choose to not approve the recommendation. This will require that the funding for this expenditure will be funded from emergency capital funds. Based on past experience and anticipated expenditures this year, it is possible that those funds would then be depleted before the end of the fiscal year.

**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.

Report Prepared by: Phil Townsend, Manager Capital Projects, Real Property and Asset Management

Report Approved by:  \_\_\_\_\_  
Peter Stickings, Acting Director Real Property & Asset Management (490-7129)