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Item No. 3

**Halifax Regional Council
January 20, 2009**

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:

A handwritten signature in blue ink, appearing to read "P. Townsend".

Phillip Townsend, Assistant Director, Infrastructure & Asset Management

DATE: January 12, 2009

SUBJECT: Advanced Funding for the 2009/10 Capital Budget

INFORMATION REPORT

ORIGIN

September 16, 2008 report entitled, "New Policy for Advanced Funding of Capital Projects"

BACKGROUND

Early approval of selected projects within the proposed Capital Budget is a desirable goal of staff to ensure an earlier start on project implementation as it relates to design, land acquisitions (where required), and utility and regulatory approvals - all of which translates into a more timely tendering of projects and real cost savings.

DISCUSSION

On September 16, 2008, Council approved a change in the process for addressing early approval of a portion of the Capital Budget. The Capital Steering Committee, a committee of senior staff, was granted the authority to approve advanced funding where projects meet the criteria outlined in the Advanced Capital Project Funding Policy, included as Attachment A. Advanced capital funding approval allows HRM to:

1. Take advantage of lower tendered prices from contractors which historically is the case with those projects tendered in the early period of the year. This results in financial savings.
2. Take advantage of the full summer construction period to implement projects which are sensitive to time and weather, such as those of an environmental nature requiring the dry summer season of the year or those within school zone areas where implementation and completion become desirable during the summer school break.
3. Tender projects which require a lengthy lead time to order equipment that will significantly delay the construction or implementation of services.

Advanced funding requests for each budget category represent no more than 50% of the capacity funding approved in principle as part of the 2008-09 Capital Plan. This constraint recognizes the need to maintain flexibility in the capital budgeting process to ensure Council priorities identified in the Council Focus Area discussions are addressed.

The projects approved by the Capital Steering Committee are listed on Attachment “B” and are included in year 2 of the Approved 2008/09 Capital Budget (2009/10 Capital Plan). The normal public tendering process followed with Council’s approval of the contract award will still apply.

BUDGET IMPLICATIONS

The requested advanced funding amounts totalling \$19,820,000 would be the first charges against the upcoming 2009/10 Capital Budget. All projects are funding through debt, capital from operating, or other broadly available funding sources. Funding and total amounts for each project may be adjusted as part of the proposed 2009/10 Capital Budget. The amount of the Advanced Capital for 2009/10 has been limited to maintain some flexibility and capacity to address any realignment of the capital budget as a result of Council Focus Area discussions.

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 - Advanced Capital Project Funding Policy

Attachment B - Advanced Capital Project Listing

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.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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Report Approved by: Peter Duncan, Manager, Infrastructure Planning Office, 490-5449

Attachment A

Advanced Capital Project Funding Policy

All capital projects using Advanced Funding must meet the following criteria:

- , the project must be included in the proposed capital budget for the new fiscal year (Year 2 of the currently approved capital budget)
- , advanced funding for each project must not exceed 50% of the proposed capital budget for that project for the upcoming fiscal year
- , project manager must provide justification to business unit director for the need for advance funding
- , business unit director and capital steering committee must confirm that the project continues to be a part of the capital budget for the new fiscal year
- , approval for advanced funding cannot be given prior to October 1st (i.e. 6 months before the commencement of the new fiscal year)
- , no advanced capital requests can be approved after December 31st
- , the normal procurement process for contracts still applies

Projects which have not been included in the previous year's capital plan and any requests for additional funding beyond the limits established above, must be approved by Council.

Attachment B

2009/10 Advanced Capital Funding

The following projects form part of the Proposed 2009/10 Capital Budget. All projects are included in Year 2 of the Capital Plan, as shown in the 2008/09 Capital Budget.

Project #	Project Name	Advance Funding (\$000)	Capital Plan (\$000)
EQUIPMENT & FLEET			
CWU01071	Otter Lake Equipment	255.9	2,048
Subtotal Equipment & Fleet		255.9	2,048
FACILITIES			
CBX01050	Major Facilities Upgrades	1,845	3,690
Subtotal Facilities		1,845	3,690
PARKS & PLAYGROUNDS			
CPX01060	World Canoe Championships-Lake Banook	500	1,000
Subtotal Parks & Playgrounds		500	1,000
ROADS & STREETS			
CRU01077	Bridge Repair Program	1,250	2,500
CRU01078	Main Artery Patching	600	1,200
CRU01079	Other Related Road Works	350	700
CYU01081	Paving Renewal Program	2,366.7	4,750
CZU01080	New Paving HRM Subdivision Streets	750	1,500
CZU01082	Resurfacing Program	5,332	11,000
Subtotal Roads & Streets		10,648.7	21,650
SIDEWALKS, CURBS & GUTTERS			
CJU01083	New Sidewalk	1,250	2,500
CKU01084	Sidewalk Renewals	1,125	2,250
CYU01076	Curb Renewals	300	600
Subtotal Sidewalks, Curbs & Gutters		2,675	5,350
TRAFFIC IMPROVEMENTS			
CTR00908	TDM Program	200	400
CTU00337	Controller Cabinet Replacement	125	250
CTU00419	Traffic Signal Rehabilitation Program	265	530
CTU00420	Bikeway Master Plan	250	500

Project #	Project Name	Advance Funding (\$000)	Capital Plan (\$000)
CTU00422	Traffic Signal Compliance Program	50	100
CTU00886	LED Traffic Signal Conversion Project	125	250
CTU01006	Roadway Oversizing-Bedford West CCC	2,000	4,000
CTU01085	Traffic Signal Installation	330	660
CTU01086	Intersection Improvement Program	550	1,100
Subtotal Traffic Improvements		3,895	7,790
TOTAL		19,819.6	41,528

Roads & Streets - Details

Main Artery Patching

	<u>District</u>
Main St (Helene to Caledonia Rd)	6
Windmill Rd (Springhill Rd to Fernhill)	9
Highfield Park (Joseph Young to Hwy 111)	9
Quinpool Rd (Armview to Connaught)	13/14
Herring Cove Rd (Cowie Hill to Highfield)	17
Herring Cove Rd (Sylvia to Sussex)	18
Hammonds Plains Rd (Voyageur to Lucasville Rd)	23
Hammonds Plains Rd (Bedford Hwy to Basinview)	21
Windgate (Beaver Bank Rd to Terry)	2
Sackville Dr (Beaver Bank Connector to Beaver Bank Cross Rd)	19

Paving Renewals

	<u>District</u>
Deerbrooke Dr (Durham to Colby Dr)	4
Skyridge Ave (Dickey to Pinehill)	20
Rankin Dr (Glendale to Civic 91)	19
Balsam Circ (Riverside to Civic 94)	20
Black St (Gottingen to Fuller)	11
Seaforth St (Dublin to Oxford)	14
Downs Ave (Brook to Winter)	17
Springfield Ave (Sackville Dr to End)	19
Hines Rd (Civic 201 to Caldwell Rd) Ph 1	8
Beaver Bank Rd (Tucker Lake Rd to Rosley)	2

New Paving

	<u>District</u>
Autumn Dr (existing pavement to end)	8
Harmes Dr (end to end)	8
Patricia Rd (Cow Bay Rd to Harmes Dr)	8
Bonn Dr (St George Blvd to cul de sac)	23
Brackstone Ct (existing pavement to end)	20

<u>Resurfacing</u>		<u>District</u>
Shoreview Dr (Sunrise Hill to Rutledge)	21	
Windsor St (Connaught to Maxwell)		11
King St (Ochterloney to Portland)		5
Almon St (Robie to Agricola)		11
Slayter St (Thistle to School)		9
Queen St (Wentworth to Pine)		5
Poplar Dr (Sirius to Otago)		7
Kingston Cres (Lawnsdale Dr to Guy St)		5
Purcells Cove Rd (Wenlock Gr Sth to Civic 376)		17
St Margaret's Bay Rd (NWA Dr to Prospect)		18
Bedford Hwy (Millview to Southgate)		21
Cherry Brook (Trunk 7 to Johnson Rd)		3
Dunbrack St E&W (Willett to Lacewood)		10/15
Horseshoe Lake/Chain Lake Dr E&W (Susie Lake to Lakelands)	10	
Surface Sealing (various locations)		
Thin Overlays (various locations)		
Crack Sealing 9various locations)		

Sidewalks, Curbs & Gutters - Details

<u>New Sidewalk</u>		<u>District</u>
Deerbrooke Dr (Durham to Colby)		4
Skyridge Ave (Dickey to Pinehill)		20
Beaver Bank Rd (Danny Dr to 1012)		2

<u>Sidewalk Renewals</u>	<u>Side</u>	<u>District</u>
Slayter St (Thistle to School)	W/E	9
Black St (Northwood to Gottingen)	N/S	11
Seaforth St (Dublin to Oxford)	N/S	14
King St (Ochterloney to Portland)	W/E	5
Fern St (May to North End)	W	11
Newton Ave (Fourth to Chebucto)	W	14
Gladstone St (Summit to Windsor Terr)	W	14
Williams Lake Rd (Acorn to Rainforth)	S	18
Drummond Ct (Merson to Leaman)	N	11
Regina Terr (Beaufort to Civic 1689)	N	13

<u>Curb Renewal</u>		<u>District</u>
Pleasant St (St Georges Ln to Linden Lea)		5
Pleasant St (Old Ferry Rd to Tupper)		8
Thistle St (Pine St to Victoria)		5
Bedford Hwy (Convoy Run to Hammonds Plains Rd)		21
Robie St (Inglis to South)		13

Bridge Repairs

Various Locations

Other Road Related Works

Materials Testing
Retaining Walls
Guiderails