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Item No. 11.1.3

**Halifax Regional Council
September 8, 2009**

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:

Dan English, Chief Administrative Officer

Wayne Anstey, Deputy Chief Administrative Officer - Operations

DATE: August 14, 2009

SUBJECT: Project Substitutions - Municipal Rural Infrastructure Fund (MRIF)

ORIGIN

On November 24, 2005 the Municipal Rural Infrastructure Fund (MRIF) agreement was signed and HRM Council submitted a prioritized project listing encompassing the Conrad Bridge to Mic Mac Blvd., as one of three urban Active Transportation Trail Projects.

On July 7, 2009 a report to Council requesting the substitution of the Burnside Drive trail corridor and the Bedford West active transportation trail corridor for the original Conrad Bridge to Mic Mac Blvd. project was approved (Attachment 1).

RECOMMENDATION

It is recommended that Regional Council:

- 1) Approve reallocating \$257,000 Municipal Rural Infrastructure Fund monies planned for the Shubenacadie Corridor trail section between Conrad Bridge to Mic Mac Blvd , Capital Account CDG00984, to the Prospect Community Centre, Capital Account CBG00720;
- 2) Approve reallocating \$149,190 Municipal Rural Infrastructure Fund monies planned for the Potable Water - Rural Fire Stations, Capital Account CHJ00882, to the Prospect Community Centre, Capital Account CBG00720;
- 3) Transfer \$406,190 debt funding from CBG00720 - Prospect Community Centre to CRESPOOL; and
- 4) Transfer \$257,000 debt funding from CRESPOOL to CDG00984 - Regional Trails Active Transportation.

BACKGROUND

On July 7th, 2009 staff sought Council approval to substitute the Burnside Drive trail and the Bedford West trail for the Conrad Bridge to Mic Mac Blvd. section of the Shubenacadie Corridor, which had been approved for cost-sharing under the Municipal Rural Infrastructure Fund (MRIF). The budget for the Shubenacadie Corridor was \$450,000, with \$257,000 of this amount to be funded through the MRIF program, with the remaining \$193,000 budgeted by HRM.

It was not recognized at the time the report was submitted that the Burnside Drive trail and the Bedford West trail were new projects. While the intention was to substitute an active transportation trail with two new active transportation trails, this would trigger a new project application to MRIF. MRIF is not accepting any new applications. Therefore, HRM's appropriate course of action is to request a reallocation of funds to another project that has been approved for MRIF funding.

The Prospect Community Centre is an \$8.5 million facility that is an MRIF-approved project and is currently under construction. The Centre currently has \$2 million in approved funding under the MRIF program. Approximately \$6.3 million will be contributed by HRM and community sources/area rate with the remaining \$250,000 coming from the Building Facilities Infrastructure Together (B-FIT) fund. Under the MRIF program, the combined Federal/Provincial contribution cannot exceed 2/3 of the project cost. Therefore, the Prospect Community Centre project can accept up to \$3.6 million of further Federal/Provincial funding under these guidelines.

The Potable Water for Rural Fire Stations project was established to bring a safe source of drinking water to approximately 30 rural fire stations served by wells. The project was aimed at improving working conditions for staff and volunteers at the stations as well as serving as a resource during major emergencies. The project was initially estimated at \$500,000. The project is nearing completion and is forecast to come in under budget at a final cost of just over \$275,000. MRIF approved two-thirds funding for the project and now \$149,190 is available to transfer to another project.

DISCUSSION

It is staff's opinion that the Prospect Community Centre project should be presented to the Provincial Steering Committee which oversees the implementation of MRIF cost shared envelope, as the appropriate project to substitute for the Conrad Bridge to Mic Mac Blvd. section of the Shubenacadie Corridor in place of the ineligible Burnside Drive Bedford West trails approved on July 7, 2009 and for the MRIF savings on the Potable Water project. The expectation is that provincial approval will be forthcoming.

Subject to the approval of the Provincial Steering Committee of the reallocation of the MRIF funding, at the same time, \$406,190 in previously approved debt funding for the Prospect Community Centre (being the same amount as MRIF monies) would be returned to CRESPOOL. Staff is recommending that \$257,000 then be transferred from CRESPOOL to CDG00984 - Regional

Trails Active Transportation account to complete the Burnside Drive and Bedford West active transportation trail corridors. This would then enable the same outcome as contemplated by the July 7, 2009 staff report to be accomplished.

The Bedford West trail is set to proceed now, in coordination with other construction activities in the area. HRM's contribution to this trail is estimated at \$100,000 and is available through the amount budgeted to leverage MRIF funds on the Shubenacadie Corridor.

The Burnside Drive trail is a desirable complement to the pedestrian bridge currently under construction. The bridge is anticipated to be operational in late fall. This trail project is estimated at \$350,000 and would require approval of the funding swap by Council and the Provincial Steering Committee. If approval is received, a tender would be called for late fall construction of the trail and paving in the spring.

BUDGET IMPLICATIONS

Budget Summary:

Account No. CBG00720 - Prospect Community Centre

Approved Funding	\$8,547,194
Add: MRIF reallocation (potable water)	\$149,190
Add: MRIF reallocation (trails)	\$257,000
Less: Debt transfer to CRESPOOL	<u>(\$406,190)</u>
Total approved funding	\$8,547,194

Account No. CHJ00882 - Potable Water - Rural Fire

Approved Funding	\$500,000
Less: MRIF reallocation	<u>(\$149,190)</u>
Total approved funding	\$350,810

CRESPOOL

Add: Debt transfer from CBG00720	\$406,190
Less: Debt transfer to CDG00984	<u>(\$257,000)</u>
Total impact on CRESPOOL	\$149,190

Account No. CDG00984 - Regional Trails Active Transportation

Approved Funding	\$1,058,000
Add: Debt transfer from CRESPOOL	\$257,000
Less: MRIF reallocation	<u>(\$257,000)</u>
Total approved funding	\$1,058,000

The debt funding provided for CDG00984 is for the Burnside Drive trail corridor only, as this trail is owned by HRM and only owned trail is a tangible capital asset and qualifies for debt funding.

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 could choose not to approve the transfer from CRESPOOL the debt capacity transferred from the Prospect Community Centre to carry out the trails projects discussed in this report and retain the capacity for other priorities.

ATTACHMENTS

July 7th, 2009 Council report, "Project Substitution - Municipal Rural Infrastructure Fund (MRIF)

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.

Report Prepared by: Holly Power-Garrett, Asset Management Program Coordinator, 490-4488



Report Approved by: _____
for Phil Townsend, Director, Infrastructure & Asset Management, 490-7166

Financial Approval by: _____
Catherine Sanderson, Senior Manager, Financial Services, 490-1562



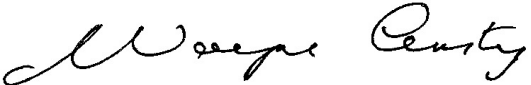
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Attachment 1

Item No. 11.1.7

**Halifax Regional Council
July 7, 2009**

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: 
Wayne Anstey, Acting Chief Administrative Officer

DATE: June 24th, 2009

SUBJECT: **Project Substitution - Municipal Rural Infrastructure Fund (MRIF)**

ORIGIN

On November 24, 2005 the Municipal Rural Infrastructure Fund (MRIF) agreement was signed and HRM Council submitted a prioritized project listing encompassing the Conrad Bridge to Mic Mac Blvd., as one of three urban Active Transportation Trail Projects.

RECOMMENDATION

It is recommended that Regional Council approve substitution of the Burnside Drive trail corridor in Burnside Industrial Park and Innovation Drive active transportation trail corridor located in the Bedford West Development, on the Municipal Rural Infrastructure Fund priority list. Both projects would replace the Shubenacadie Corridor trail section between Conrad Bridge to Mic Mac Blvd.

BACKGROUND

The Conrad Bridge to Mic Mac Blvd. section was one of three urban active transportation trail projects identified for the cost shared MRIF agreement. Council approved the three trail projects as the urban component of the agreement. In the case of the Mic Mac Trail Section the goal was to complete one of the last remaining gaps from Mic Mac Mall to Halifax Harbour. Estimated project costs totalled \$450,000.

Staff originally put forward the Shubenacadie Corridor (Mic Mac section) because of written support in principle from the private landowner and the MRIF provided the opportunity to construct particularly difficult trail sections which typically fall outside normal funding processes. However, negotiations to acquire a formal trail easement over the private property recently failed due to other legal issues associated with the same property.

The two active transportation project alternatives being put forward for Council consideration are the Burnside Drive trail and Bedford West regional trail. Both have been planned and designed over the past several months, but have not been put forward for funding approval. Both projects connect to existing AT trail infrastructure developments and are extensions of AT projects currently under development.

The Burnside Drive trail is a continuation of the connection along side the Highfield Drive overpass. This three metre wide trail will enable residents to cross from the west side of Highway 111 over the Burnside Drive area and into Dartmouth Crossing. This is part of a multi-use project that will see trail developed the length of Burnside Drive.

The Bedford West regional trail system has been designed to accommodate the needs of the immediate and greater communities. The system is both off-road and on-road. This part of the trail is being developed as a 3.0 metre wide multi-use facility that will be paved and able to accommodate all modes of active transportation including cycling, walking, inline skating and wheelchairs. It is part of a much broader system that will connect residents from Clayton Park to Jack's Lake Park and areas in between.

DISCUSSION

The recommended substitution of the two urban trail components fits with the original intention of Council, that the AT trail elements form the urban components of the Municipal Rural Infrastructure Fund agreement. Remaining MRIF components of the agreement are situated in sub-urban and rural communities.

From a regional perspective the new projects advance the Active Transportation Plan, approved by Council in 2006, the Regional Plan and connect with the main arterial corridors of the Regional Trails Plan.

The two substituted trail sections financially fit within the approved budget envelope of \$450,000 dollars. \$350,000 is proposed for allocation to the Burnside Drive project and \$100,000 for the Innovation Drive multi-use trail section. The scope of work planned for both projects will complete functional units of the larger network.

One of the recent changes that occurred on the private property adjacent to the Conrad Bridge was the construction of the North Dartmouth Trunk Sewer / Multi-use trail. This outstanding segment of shoreline trail was intended as a secondary connector that would support and tie into the planned main regional AT corridor along the 111 Highway. However, the result is it partially provides an alternative off-road, on road connection between the Bridge and Mic Mac Mall. As well it functionally enhances the link to the Shubenacadie Canal Corridor and Shubie Park.

Pending Council approval, Staff will present the new projects to the Provincial Steering Committee which oversee the implementation of MRIF cost shared envelope. Subject to Council approval, the expectation is that provincial approval will be forthcoming.

With the majority of the 09 construction season remaining IAM Staff are optimistic that the tender process can be initiated and the projects delivered by the March 2010 deadline for expending the cost shared agreement monies.

BUDGET IMPLICATIONS

The Shubenacadie Corridor trail is budgeted within capital project CDG00984 Regional Trails for \$450,000 (\$257,000 MRI \$193,000 HRM). The Burnside Drive trail corridor and Innovation Drive active transportation trail corridor will be substituted for the Shubenacadie Corridor trail along with its budget. Therefore there are no budget adjustments necessary as all activity will take place in the same account. Prior financial commitments to the MRIF cost shared funding agreement will remain the same. The target active transportation project priority list will change pending Council approval.

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 not approve the substituted active transportation projects as recommended and reallocate the \$450,000 dollars to another MRIF Project.

**Project Substitution - Municipal Rural
Infrastructure Fund (MRIF)
Council Report**

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July 7th, 2009

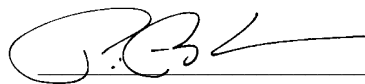
ATTACHMENTS

None

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.

Report Prepared by: Paul Euloth, Regional Trails Coordinator, 490-4415

Report Approved by:



Peter Bigelow, Manager Real Property Planning, AIM 490-6047

Financial Approval by:



Cathie O'Toole, Director of Finance, 490-6308

Report Approved by:



Phil Townsend, Director, Infrastructure and Asset Management 490-7166