



PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Item No. 11.1.4**

**Halifax Regional Council  
September 8, 2009**

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

A handwritten signature in black ink, appearing to read "Dan English".

**SUBMITTED BY:** \_\_\_\_\_  
Dan English, Chief Administrative Officer

A handwritten signature in black ink, appearing to read "Wayne Anstey".

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Wayne Anstey, Deputy Chief Administrative Officer - Operations

**DATE:** August 4, 2009

**SUBJECT:** Halifax Water Cost Sharing - Capital Budget Increase

**ORIGIN**

This report originates from staff.

**RECOMMENDATION**

It is recommended that Council approve an increase to Capital Account No. CZU01082 - Resurfacing Program in the amount of \$213,200.40 (net HST included) and Capital Account No. CYU01081 - Paving Renewal Program in the amount of \$275,000.00 (net HST included) funded through cost sharing with Halifax Water.

## **BACKGROUND**

On July 23, 2009, the Halifax Water (HW) reimbursed HRM in the amount of \$488,200.40 relating to adjustments to HW hardware during the 2008/09 construction season. This reimbursement represents 50% of the total costs to HRM for the construction season. The remainder of the costs will be advanced to HRM upon HW's verification and approval of the total work. This report is to obtain Council's approval as required by HRM's Cost Sharing Policy to have the funds reimbursed to the appropriate paving accounts.

## **DISCUSSION**

The implementation of Design & Construction Services approved 2008/09 Capital Budget requires the adjustment of HW owned water valves, manhole frames and covers and catchbasin frames and grates. These hardware adjustments were included as unit prices within HRM tenders, and at the time, cost sharing agreements were not in place prior to award of the tenders. Since the tenders were based on unit price contracts, the number of adjustments were unknown until the projects were completed and the actual quantities were measured and approved by the HRM Project Manager and the HW. As a result of agreed actual quantities, the HW has submitted payment for approved quantities on various projects that required hardware adjustments.

## **BUDGET IMPLICATIONS**

Based on the final construction quantities and the unit prices of various 2008/09 paving projects, HW has submitted cost sharing in the amount \$488,200.40 (net HST Included) to HRM. Budget increases are required to Capital Account's CZU01082 - Resurfacing Program and CYU01081 - Paving Renewal Program to accommodate this additional cost sharing. The budget availability has been confirmed by Financial Services.

### **Budget Summary: Capital Account No. CZU01082 - Resurfacing Program**

Cumulative Unspent Budget	\$ 104,267
<b>PLUS - HW Cost Sharing</b>	<b>\$ 213,200</b>
Balance	\$ 317,467

### **Capital Account No. CYU01081 - Paving Renewal Program**

Cumulative Unspent Budget	\$ 70,223
<b>PLUS - Additional HW Cost Sharing</b>	<b>\$ 275,000</b>
Balance	\$ 345,223

The balance of the funds will be used to implement the remaining 2009/10 Resurfacing and Paving Renewal projects approved by Council.

**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. If approved, this report will increase the gross capital budget but not the net.

**ALTERNATIVES**

There are no recommended alternatives to this course of action.

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 at 490-4208.

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Report Approved by:   
For David Hubley, P. Eng., Manager, Design & Construction Services at 490-4845

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

Report Approved by:   
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DA/pm