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Item No. 6
Halifax Regional Council
November 17, 2009

TO: Mayor Kelly and Members of Halifax Regional Council

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

SUBMITTED BY: _____
Phillip Townsend, Director, Infrastructure and Asset Management

DATE: November 17, 2009

SUBJECT: Public Transit Funding Allocation

INFORMATION REPORT

ORIGIN

On November 24, 2006, the Province of Nova Scotia and the Government of Canada signed a bilateral agreement to transfer Public Transit Funding to municipalities within Nova Scotia. On February 1, 2007, HRM signed a municipal funding agreement with the Province. That agreement formalized the criteria and requirements, and details the responsibilities of each party.

BACKGROUND

On February 1, 2007, the Transit Funding Agreement between Halifax Regional Municipality and the Province of Nova Scotia was signed, providing for the transfer of federal funding to the municipality. Under the terms of this agreement, HRM must submit, each year, a list of capital projects selected for funding under the program along with a list of all capital projects eligible for funding. Funding under the agreement ends March 31, 2010.

Transit funding was included in the 2009-10 Capital Budget and five year Capital Plan, but funding was not allocated to specific projects at the time. It does not represent additional funding. All projects selected here to receive transit funding were approved as part of the capital budget and 5 year plan.

DISCUSSION

What is now required is: a list of all projects eligible under the Public Transit funding program; and a list of capital projects put forward for funding in the fiscal years 2009-10. It is important to note that this is the last year of this funding agreement and all funds must be spent by March 31, 2010.

Strategic Transit Agreement Highlights

The following is a brief summary of terms and conditions contained within the Transit Funding agreement.

Municipal Requirements:

- to provide access to records related to funded projects as requested
- to comply with the communications protocol outlined
- to retain title to the resulting infrastructure for at least 10 years
- to invest any funds received in advance of the Municipality incurring and paying Eligible Costs in accordance with Section 100 of the Municipal Government Act
- to provide a Transit Strategy document, as approved by Council, incorporating Transportation Demand Management measures

Reporting Requirements:

- HRM will provide a capital budget, including a list of proposed capital projects, with eligible projects identified prior to fund transfer
- an annual expenditure report will be provided each year by July 31, which must include a report on amounts held by the Municipality at year end to be spent on Eligible Projects.

Eligible Projects include:

- rapid transit infrastructure
- rolling stock
- intelligent transport systems
- related capital infrastructure
- accessible transit

HRM is expecting to receive approximately \$7.38 million in 2009/10 and use \$13 million in carry forward for the Satellite Garage Facility for a total spending of \$20.38 million in 2009/2010. Funding is conditional upon HRM's full compliance with all terms of the agreement.

BUDGET IMPLICATIONS

The 2009-10 capital budget, as approved by Council, includes projected revenue of \$7.38 million under the Public Transit Fund Agreement. This funding will have no net impact on the approved 2009/10 Capital Budget.

HRM's actual funding amount may be slightly higher than the allocation from the Canadian-Nova Scotia Infrastructure Secretariat (CNSIS) due to interest earned while the funds are in the reserve. Once the final interest is at the end of the year these funds can be allocated to eligible projects and offset some debt funding in an eligible project.

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: Capital Projects Selected for Public Transit Funding 2009/10

Attachment B: Capital Projects Funded in 2006/07, 2007/08 and 2008/09

Attachment C: Capital Projects Eligible for Public Transit Funding

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 : Mike Matheson, Financial Consultant

490-5338

Attachment A

Public Transit Funding Allocation 2009-10

Project Number	Project Description	2009-10 (000's)
CB200427	Satellite Garage Facility	13,000
CQU01223	Access Road for Satellite Garage Facility	2,715
CBT00437	Shelters Replacement/Expansion	305
CVD00431	Mid life Bus Rebuild	655
CVD00435	Conventional Transit Bus Replacement	2,500
CBT00432	Bus Stop Accessibility	125
CIU00875	Scheduling Software Upgrades	450
CMX01109	New/Expanded Transit Stations	635
	Total	20,385

Attachment B

Capital Projects Funded in 2006/07 and 2007/08

Project Number	Project Description	2006-07 (000' \$)	2007-08 (000' \$)	2008-09 (000' \$)
CB200427	Satellite Garage Facility			3,600
CHD00060	Farebox Replacement	2,000	-	
CMU00973	Rural Express Transit	-	3,100	
CVD00429	Access-A-Bus Expansion	120	400	
CVD00430	Access-A-Bus Replacement	440	440	
CVD00434	Conventional Transit Bus Expansion	3,915		4,370
CVD00435	Conventional Transit Bus Replacement	4,414	4,083	
	Total	<u>\$10,889</u>	<u>\$8,023</u>	<u>\$7,970</u>

Attachment C

Eligible Public Transit Capital Projects

	Project Description	2008-09	2009-10
		(000's)	(000's)
CB200427	Satellite Garage Facility	16,600	3,400
CB200428	Transit Terminals Upgrades and Expansion	0	2,620
CBX01034	200 IIsley Avenue-Safety Upgrades	320	340
CBX01044	Ferry Terminal Pontoon Protection (Bundle)	350	350
CBX01057	Transit Facilities Upgrades (Bundle)	667	339
CBT00432	Bus Stop Accessibility	0	125
CBT00437	Bus Shelters-Replacement	0	105
CIU00875	Scheduling Software Upgrades	560	130
CMU00974	Downtown Shuttle	1,200	0
CMU00975	Peninsula Transit Corridor	800	4,214
CMU00981	MetroLink	3,000	0
CMU00982	Transit Security	100	362
CMU01095	Transit Strategy	280	0
CMU01124	Woodside Ferry Midlife Rebuild	0	0
CMU01203	VT&C Equipment Replacement	0	350
CMU01209	Transit Bike Racks	0	122
CMX01104	Rural Community Transit	445	2,100
CMX01109	New/Expanded Transit Stations	0	750
CMX01110	Farebox Technology	0	1,900
CMX01123	New Conventional Ferry	200	0
CMX01229	FFE Ragged Lake Transit Facility	0	2,200
CV300751	Harbour Link	1,000	0
CVD00429	Access-A-Bus Vehicle	0	0
CVD00430	Access-A-Bus Replacement	440	440
CVD00431	Midlife Bus Rebuild	620	655
CVD00433	Service Vehicle Replacement	60	60
CVD00434	Conventional Transit Bus Expansion	6,000	0
CVD00435	Conventional Transit Bus Replacement	3,000	2,500
CVD00436	Ferry Refit	550	470
	Total	36,192	23,532