



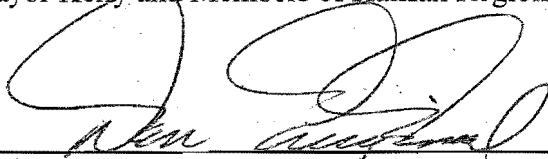
PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 10.1.1

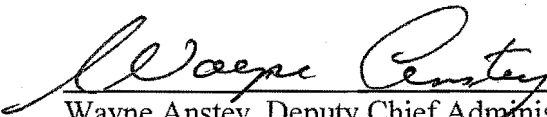
**Halifax Regional Council
December 15, 2009**

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



Dan English, Chief Administrative Officer



Wayne Anstey, Deputy Chief Administrative Officer - Operations

DATE: December 7, 2009

SUBJECT: Unsolicited Proposal - Harbour Ferry

ORIGIN

Unsolicited proposal submitted to Halifax Regional Municipality by WaterLink Transportation.

RECOMMENDATION

It is recommended that Regional Council endorse, in principle, a proposal by WaterLink Transportation to provide a high-speed watercraft service between Bedford and downtown Halifax and direct staff to work with the proponent to explore a possible project partnership to be presented to Halifax Regional Council at a later date.

BACKGROUND

Following preliminary exploratory discussions with HRM staff, WaterLink Transportation submitted a draft document titled "Harbour Ferry Proposal" dated November 10, 2009. In a letter to the Chief Administrative Office dated December 7, 2009 (Attachment A) a request was made for a declaration of support in principle for the project by Regional Council with no other conditions attached.

DISCUSSION

The proponent, WaterLink Transportation, has submitted a draft proposal to HRM staff describing a plan to operate a hovercraft between Mill Cove in Bedford and downtown Halifax. This service will operate for a pilot period of two years and may be ready for start-up as early as February 1, 2010. WaterLink owns the vessel it intends to employ in this service and has engineered vessel enhancements to improve speed and operational envelopes, and to reduce noise.

Several bodies have jurisdictional authority over such marine operations, including Transport Canada, the Halifax Port Authority, and the Navy, all of whom the proponent has engaged in dialogue. The proponent has also established relationships with other partners in connection with the provision of parking facilities and landing areas.

Although HRM does not appear to have any role in the approval of this operation, the proponent is nonetheless seeking the endorsement of Regional Council to ensure that his planned pilot operation is not in competition with any HRM planning or is viewed as stealing existing transit ridership. It is staff's view that, to the contrary, this pilot operation will be of immense value in gauging the potential market for this and other harbour ferry connections. If ridership on existing Bedford-to-Halifax bus routes is reduced as a result of this pilot, there may be an opportunity to redeploy buses to maintain current revenue.

At the direction of Regional Council, HRM staff is prepared to continue to work with the proponent towards developing a project partnership that may include a sharing of the operational costs. To prepare for presenting such a proposal to Regional Council, staff will undertake it's due diligence and work with the proponent to develop a detailed financial plan and business case.

BUDGET IMPLICATIONS

There are no implications to approval in principle of this proposed operation.

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

Regional Council may choose not to endorse this project. Legally, this may have no bearing on the ability to implement the service, although the proponent has indicated that they would not go against the wishes of Regional Council and would place the vessel in a different market.

ATTACHMENTS

Attachment A: Letter from Jay Hasson, WaterLink Transportation

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:
Report Approved by:



David McCusker, Manager Strategic Transportation 490-6696



Report Approved by:

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

WATERLINK TRANSPORTATION

T 902-221-5642
F 902-482-5012
E hoverlink@gmail.com

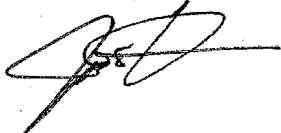
December 7, 2009
Mr. Dan English, Chief Administrative Office
Halifax Regional Municipality
P.O. Box 1749
Halifax, NS B3J 3A5

Dear Mr. English,

Several weeks ago, I submitted a document titled **Harbour Ferry Proposal**, November 10, 2009 to HRM staff who have now reviewed the document and provided some preliminary feedback. I look forward to continuing to work with your staff to develop a successful watercraft pilot operation **between Bedford and Halifax** that I believe will provide a good demonstration of potential for this type of service.

Before more effort is put into this pilot venture, I need to be confident that this project is viewed as supporting HRM's planning objectives and not competing with them. I would have that comfort with a resolution of Regional Council supporting this pilot project in principle. With that endorsement, I can continue to work with your staff to develop a business case. If that business case includes any funding request or other concession from HRM we would return to Council for their approval at that time.

Best Regards,



Jay Hasson, President

Waterlink Transportation