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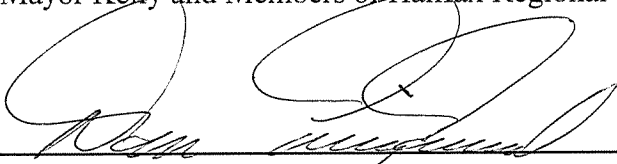


PO Box 1749
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Halifax Regional Council
May 30, 2006

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



Dan English, Chief Administrative Officer



Geri Kaiser, Deputy Chief Administrative Officer

DATE: May 16, 2006

SUBJECT: Reserves Business Cases

ORIGIN

The Reserves Policy approved by Council December 01, 1998, requires that each Reserve have a Business Case and that the authority for establishment of Reserves will be by Council Resolution. Recent changes in organizational alignment and CAO goals around Fiscal accountability have prompted a review of existing Reserves.

RECOMMENDATION

It is recommended that:

1. Council approve the establishment of the following new Reserves to be funded through re-allocation of existing funds within Operating and Reserve accounts, as described in the Reserve Business Cases.
 - Operating Cost of Capital
 - Alderney Gate Recapitalization/Leasehold Improvement
 - Police Emergency/Extraordinary Investigation
 - Police Officer On the Job Injury

RECOMMENDATIONS CONTINUED. . .

2. Council approve the final business case for Bedford South CCC Interchange Reserve Q133, which has been operating with a draft business case.
3. Council approve the Reserve budgets for 2005/06 as shown below:

| | |
|---|--|
| Operating Costs of New Capital | M317 Operating Costs for New Capital unexpended funds at March 31, 2006. |
| Alderney Gate Recapitalization/Leasehold Improvement | Contribution of \$344,400 (savings identified in the purchase vs status quo model) |
| Police Emergency/Extraordinary Investigation Reserve | Contribution of \$581,258 (transfer from Q205 Police Vehicle Reserve) |
| Police Officer on the Job Injury (Compensation) Reserve | Contribution of \$420,328 (transfer from Police Operating Accruals account 2080) |
| Bedford South CCC Interchange Reserve | Contribution of \$552,275 plus \$450,000 from Fiscal Services as per the financing model attached to the business case |

BACKGROUND

Reserves have long been used by HRM and its predecessor units to assist in planning, saving and smoothing of expenditures. In December 1998, Council approved the Reserves Policy as part of the Multi-Year Financial Strategy whereby “each Reserve will have a specific Business Case developed by the appropriate Director in conjunction with the Director of Financial Services” and that “reserve funding is incorporated into a financial plan as an integral part of the operating and capital budgets.” Financial Services is engaged in reviewing existing reserves, and reserve requirements, with an objective to have clear policies and procedures in place, and to close any reserves which are deemed to be redundant. Objectives that must be balanced are flexibility and ease of administration, versus transparency, accountability and control. Having many smaller reserves for specific purposes with narrow applications promotes greater transparency, accountability and control, but does reduce the flexibility of reserve utilization.

DISCUSSION

The Police Emergency/Extraordinary Investigation Reserve, Police Officer on the Job Injury (Compensation) Reserve and Alderney Gate Recapitalization/Leasehold Improvement Reserve were established in 2005/06. As shown in the table on page 2 of this report, the initial year funding for these reserves was to come from the Police Vehicle Reserve Q205, Police Operating Accruals and Alderney Gate purchase vs status quo savings, respectively.

The Operating Costs of New Capital Reserve is also being established in the 2005/06 fiscal year to provide a mechanism to carry forward funds for the implementation and initial ongoing operating

costs of new capital unexpended at the end of each fiscal year, as these must otherwise be budgeted again in the following fiscal year.

Council previously approved the establishment of the Bedford South CCC Interchange Reserve and the reserve business case is now being brought forward for final approval.

The purpose of this report is to obtain Council approval for the on-going operation of the reserves as outlined in the attached reserve business cases.

BUDGET IMPLICATIONS

There are no incremental budget implications associated with this report, however these Reserves will be a funding source for future projects/initiatives that would ordinarily be accommodated within the Capital and Operating envelopes. These Reserves will facilitate saving for large capital project or extraordinary events that are difficult to accommodate in the normal capital and operating budgets. Funding for new Reserves identified in this report will be transferred from existing accounts within the Operating and Reserve budgets.

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

HRM Council could elect to modify or reject any or all of these reserves. Any changes to the reserve approach will impact available options for future operating and capital budgets.

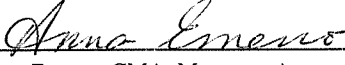
ATTACHMENTS


- Attachment A: Operating Cost of Capital Reserve Business Case
- Attachment B: Alderney Gate Reserve Business Case
- Attachment C: Police Emergency/Extraordinary Investigation Reserve Business Case
- Attachment D: Police Officer On the Job Injury Reserve Business Case
- Attachment E: Q133 Bedford South CCC Interchange Reserve Business Case

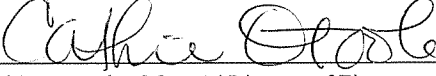
**Reserves Business Cases
Council Report**

May 30, 2006

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: 
Anna Emeno, CMA, Manager, Accounting Operations, Financial Services 490-7222

Financial Review: 
Debbi McCaig, CMA, A/ Manager Budgets and Financial Analysis 490-4280

Report Approved by: 
Cathie O'Toole, CGA, A/ Director of Finance 490-6308

Reserves Business Case

Halifax Regional Municipality • Financial Analysis and Budgets • Finance Department • 490-6470 • Fax: 490-6238

Date: May 4, 2006
Contact: Director, Finance

Operating Costs of New Capital

Purpose

To provide a mechanism to carry forward funds earmarked in the operating budget for the implementation and initial ongoing operating costs of new capital assets. Any initial implementation and operating costs associated with the new capital asset are budgeted in the same year as the capital project. For a variety of reasons, completion of capital projects may occur later than the end of the year in which they are approved. Without a mechanism to carry forward operating funds, any implementation and initial ongoing operating funds unexpended at the end of the fiscal year must be re-budgeted in the following fiscal year. This will produce a favorable variance in the current fiscal year, while putting pressure on the operating budgets in subsequent years. The Reserve can thus be used to smooth fluctuations in expenditures due to the timing of completion of capital projects.

Source of Funds

At the end of each fiscal year, an amount will be transferred to the Reserve from Fiscal Services cost centre M317 "Operating Costs for New Capital". This amount will be determined through Finance's review of the unexpended implementation and initial ongoing operating budgets associated with specific capital projects which remain as work-in-progress at the end of the fiscal year.

Application of Funds

At project implementation, any funds earmarked to support the implementation of the specific project will be transferred as required. Upon project completion, any ongoing funds earmarked in the Reserve for that specific project will be transferred to the appropriate cost centre in the operating fund. Any funds earmarked but not required will be transferred to the operating fund as a year end surplus.

Interest received in the account will be used to offset inflation costs on a prorata basis where appropriate.

Time Line

The Reserve is intended to be permanent subject to annual review as to its usefulness to the organization in accordance with the Reserves Policy.

Approval Process

At the end of each fiscal year, Finance will complete an analysis of all the capital projects which remain as work-in-progress. The total of the implementation and initial ongoing operating budgets remaining unexpended for those projects will be compared to any funds remaining unexpended from cost centre M317. Based on this information, the Director of Finance will recommend to Council the amount of the transfer from cost centre M317 to the Reserve. The recommendation will be included as part of the report recommending approval of the year-end financial statements.

Attachments

Because it is difficult to predict which projects will be delayed, it is not possible to show a projection of annual contributions, withdrawals, and balances. Instead, the balance will be reviewed on an annual basis in conjunction with the approval process outlined above to determine if it is appropriate for the projects which remain outstanding to be completed. In addition, should Finance determine there to be excess funds in this reserve, a recommendation will be made to Council regarding the appropriate use of such funds.

Approval

CAO

Reserves Business Case

Halifax Regional Municipality • Finance •

Date: May 4, 2006
Contact: Director, Transportation & Public Works Services

Alderney Gate Recapitalization/Leasehold Improvement Reserve

Purpose

This reserve will be used to cover costs to preserve the structural integrity of the Alderney Gate building and systems, maintenance items that are not directly recoverable from tenants, leasehold improvements and/or tenant allowances to retain tenants or attract new tenants at the expiration of leases, etc.

Source of Funds

Per the Alderney Gate purchase vs status quo model, the savings identified in 2005/06 in the amount of \$344,400 will be the initial contribution to this reserve. An amount of 1.5% of the 2005 purchase price of the building, escalated to reflect inflation over the period, will be the annual contribution to the Reserve from the Alderney Gate Operating Budget, W203.

Interest will be paid to the Reserve in accordance with the HRM Reserve Policy.

Application of Funds

Through the annual budget and business planning cycle, projects will be identified that will preserve the structural integrity of the Alderney Gate building and systems, maintenance items that are not directly recoverable from tenants, leasehold improvements and/or tenant allowances to retain tenants or attract new tenants at the expiration of leases, etc.

Time Line

The Alderney Gate Recapitalization/Leasehold Improvement Reserve will be ongoing, with annual review.

Approval Process

All requests for withdrawals must be initiated by Transportation and Public Works Services. Finance is responsible for ensuring availability of funds and appropriateness of expenditures prior to Council approval. These approvals are primarily done through the annual budget process or on an individual basis prior to being approved by Council.

Attachments

Detailed budget showing projection of annual contributions, withdrawals and balances.

Approval

CAO

**Alderney Gate Recapitalization / Leasehold Improvement Reserve
Source and Application of Funds
Beginning in Fiscal Year 2005/06**

| | 05/06 | Proposed 06/07 | Proposed 07/08 | Proposed 08/09 |
|-----------------|-----------|-------------------|-------------------|-------------------|
| Opening Balance | | \$344,400 | \$613,060 | \$898,405 |
| Contribution | \$344,400 | \$351,300 | \$358,300 | \$365,500 |
| Withdrawals | | (\$100,000) | (\$100,000) | (\$100,000) |
| Interest Earned | | \$ 17,360 | \$27,049 | \$37,336 |
| Closing Balance | \$344,400 | \$613,060 | \$898,405 | \$1,201,237 |

Projected Projects:

2006/07

| | | |
|-------------------------|------------|----------|
| Elevator locking device | Est. 4,000 | |
| Roof anchoring system | Est 80,000 | |
| Signage | Est 15,000 | \$99,000 |

2007/08

| | | |
|---------------------------------------|------------|-----------|
| Supply Air Unit racks | Est 3,700 | |
| Security/Controls Server and software | Est 12,000 | |
| Exhaust System on roof | Est 40,000 | |
| Security Cameras and Digital Storage | Est 4,000 | |
| Parkade & Parking Lot Upgrades | Est 40,000 | \$100,000 |

Reserves Business Case

Halifax Regional Municipality • Corporate Services • Finance Division • 490-6470 • Fax: 490-6238

Date: May 4, 2006
Contact: Chief of Police

Police Emergency/Extraordinary Investigation Reserve

Purpose

To provide a source of funds for an emergency event or extraordinary investigation which could not be covered by the normal budgeting process.

The cost of responding to such an event such as 9/11 would not be included in the Operating budget as by its nature, it would hopefully be non-recurring and low probability.

Also, there could be an unanticipated cost of investigating major crime which is both very time consuming and complex. These investigations can extend over several years and the cost could exceed the amount that would normally be available in the Operating Budget.

Source of Funds

Initially, the Reserve will be created by a transfer of \$581,258 from the Police Vehicle Reserve Q205. Future contributions will be from the Police operating budget to the extent that funds are available within both Regional Police and HRM's fiscal year end position. The reserve will grow to a ceiling of \$1,000,000. Once a withdrawal has occurred the funding sources will be accessed again until the reserve is replenished to the ceiling figure. This Reserve will also earn interest per the Reserve Policy.

Application of Funds

The Reserve is primarily intended to provide funding of services, supplies or equipment for an emergency situation or major investigation which could not be covered by the Operating Budget.

Time Line

Ongoing with annual review.

Approval Process

All requests for funds from this Reserve must be initiated by the Chief of Police. Confirmation will be made by Financial Services as to the availability of funds prior to going to Council for authorization.

Recommendation

It is recommended that this fund be used in emergency situations or for major criminal investigations only.

Approval

CAO

Reserves Business Case

Halifax Regional Municipality . Corporate Services . Finance Division . 490-6470 . Fax: 490-6238

Date: April 7, 2006

Contact: Chief of Police

Police Officer On the Job Injury (Compensation) Reserve

Purpose

To create an internal fund to provide financial assistance for sworn officers injured on the job for those injuries not covered by Long Term Disability insurance. Sworn officers with Halifax Regional Police opted out of the Province's WCB insurance and provide 100% self coverage.

Source of Funds

The Reserve will be initially funded from a transfer from Operating Police Accruals account 2080 in the amount of \$420,328. Pending operating budget approvals, the reserve will be reimbursed for the laptop purchase through cost centre P310: 06/07 - \$20,500, 07/08 - \$93,500, 08/09 - \$100,000. Police have already reimbursed the accruals account \$180,800. This is included in the opening balance of \$420,328. Further contributions will be from the Police WCB operating account to the extent that funds are available. This reserve will also receive interest per the Reserve Policy.

Application of Funds

The Reserve funds would be used to supplement the salary or assist with Sworn Officer expenses incurred as the result of officers injured on the job, as provided by Article 44 of the 2003 MAPP collective agreement.

Time Line

The Reserve is intended to be permanent, subject to annual review as to its usefulness to the organization in accordance with the Reserves Policy. Also, the cash flow will be reviewed based on annual usage.

Approval Process

All requests for funds from this Reserve must be initiated by the Chief of Police. Confirmation will be made by Financial Services as to the availability of funds prior to going to Council for authorization.

Recommendation

It is recommended that this fund be used for the benefit of members injured on the job.

Attachments

None.

Approval

CAO

Police Officer On the Job Injury (WCB) Reserve

| | Budget 06/07 | Budget 07/08 | Budget 08/09 | Budget 09/10 | Budget 10/11 | Budget 11/12 | Budget 12/13 | Budget 13/14 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Opening Balance | 420,328 | 515,240 | 584,841 | 561,704 | 536,043 | 507,726 | 476,615 | 442,569 |
| Interest (4850) | 14,711 | 18,033 | 20,469 | 19,660 | 18,762 | 17,770 | 16,682 | 0 |
| Transfers from Operating (8031) | 145,500 | 118,500 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Transfers to Operating (8030) ** | (65,300) | (66,933) | (68,606) | (70,321) | (72,079) | (73,881) | (75,728) | (77,621) |
| Closing Balance | 515,240 | 584,841 | 561,704 | 536,043 | 507,726 | 476,615 | 442,569 | 389,948 |

* Interest rate assumed to be 3.5%

** Transfers to operating have been estimated to reflect approximately 1.0 FTE per year utilizing this program beginning in 2006/07

*** A minimum of \$25,000 will be transferred to the Reserve from Police operating per year

Reserves Business Case

Halifax Regional Municipality • Corporate Services • Finance Division • 490-6470 • Fax: 490-6238

Date: May 4, 2006
Contact: Director Finance

Bedford South CCC Interchange Reserve

Purpose

To fund HRM's share of an interchange to be built as per the Bedford South Charge Area plan and as outlined in the time line and cost estimates provided in the Capital Cost Contribution Charge plan for this Charge Area.

Source of Funds

An initial contribution of \$552,275 will be made to the reserve from the recovery of funds previously spent by HRM in this area towards the benefit of the charge area. A contribution will be made annually from Fiscal Services in the amount of \$450,000 with interest earned at an assumed rate of 3.5% which is the current rate of interest being paid to reserves. This contribution will stop once the required amount of \$3,855,000 is fully funded. This contribution will be made as per the financing model for this charge area (see attached) from Capital Account CDS00274. The contribution amount will be subject to change dependent on the amount of interest paid to the reserves annually.

Application of Funds

The spending of these funds is outlined in the attached Capital Cost Contribution Charge calculation for Wentworth Estates/Bedford South Project 00558 financial plan. The spending requirements are for oversized infrastructure which benefits existing communities in the areas surrounding the charge area. The funds for those existing communities are paid for by HRM.

Time Line

The reserve will be in place until approximately 2011 as per the attached reserve cash flow.

Approval Process

The Director of Transportation and Public Works will include the capital project requirements in each fiscal year as per the attached plan for Bedford South. Construction of the interchange will be managed by HRM through the capital project tender process.

Attachments

Capital Cost Contribution Reserve Cash Flow Bedford South
February 25, 2003 Council report wherein approval to establish this reserve was given.
Capital Cost Contribution Charge calculation
Implementation/Phasing Plan Bedford South

Approval

CAO

ATTACHMENT A


**Reserve Cash
Flow**

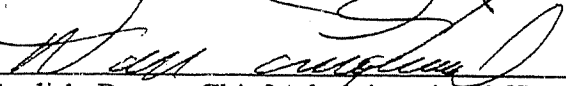
| | Reserve | 3.50% | Reserve | Net Reserve |
|----------------|---------------------|-----------------|--------------------|--------------------|
| | Contribution | Interest | Withdrawals | Balance |
| 2005/06 | 552,275 | | | 552,275 |
| 2005/06 | 450,000 | 15,750 | (47,417) | 970,608 |
| 2006/07 | 450,000 | 33,971 | (9,872) | 1,444,707 |
| 2007/08 | 450,000 | 50,565 | (13,518) | 1,931,754 |
| 2008/09 | 450,000 | 67,611 | (0) | 2,449,365 |
| 2009/10 | 450,000 | 85,728 | (28,517) | 2,956,576 |
| 2010/11 | 450,000 | 103,480 | (0) | 3,510,056 |
| 2011/12 | 53,518 | 122,852 | (3,686,426) | 0 |

Halifax Regional Council
February 25, 2003

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:


George McLellan, Chief Administrative Officer


Dan English, Deputy Chief Administrative Officer

DATE: February 20, 2003

SUBJECT: Capital Cost Contribution - Wentworth/Bedford South (Project 00558)

ORIGIN:

- On July 2, 2002, Regional Council approved a Capital Cost Contribution Policy to recover infrastructure charges in respect of the capital costs associated with new development.
- On July 9, 2002, Regional Council approved MPS amendments for the Wentworth/Bedford South master plan area which include policies to establish this as a Capital Cost Contribution area.
- On December 9, 2002, North West and Chebucto Community Councils approved a development agreement for Neighbourhoods A and C of the Wentworth/Bedford South master plan area.

RECOMMENDATIONS:

It is recommended that Halifax Regional Council:

- Give First Reading to the proposed Subdivision Bylaw amendments which apply to the former City of Halifax and Town of Bedford, as presented in Attachment 1, and Schedule a Public Hearing date for March 25, 2003.
- Adopt in principle the proposed amendments to Bylaw S-106, Respecting Sewer Charges, as presented in Attachment ~~2~~ 3
- Establish a Capital Cost Charge Reserve to meet the funding requirements for HRM's share of the Capital Infrastructure Costs for the Wentworth/Bedford South Charge Area, and that a formal business case be brought before Council in accordance with the Reserves Policy.

PLEASE RETAIN REPORT FOR PUBLIC HEARING

EXECUTIVE SUMMARY

This report addresses the Capital Cost Charges required before development within the Wentworth/Bedford South master plan area can proceed. The report:

- defines where the charge area is located;
- identifies the total infrastructure costs for this development;
- identifies the oversized infrastructure elements/costs in the development which will be funded by the Capital Cost Charge;
- illustrates how the charge was calculated;
- discusses risk management issues and how these have affected the proposed charge; and
- specifies HRM's share of the oversized infrastructure

The report's recommendations:

- Propose amendments to the Halifax and Bedford subdivision bylaws in order to implement a Capital Cost Charge for this area. These amendments specify an average Capital Cost Charge for the area and the formula to calculate how much is payed at the time of subdivision. The formula and charge are based upon the proposed population of each lot. (e.g. a lot for a single family dwelling is charged substantially less than a lot for a 20 unit apartment building).
- Propose how HRM's share of the Capital Cost Charge for the oversized infrastructure will be funded. Initially, this will be done by allocating a recovery of cost already spent by HRM in the charge area to a newly established Capital Cost Charge Reserve Account. Staff will return to Council in the near future to propose further funding sources for this reserve.
- Propose amendments to the Sewer Redevelopment Bylaw so that this charge will be waived in a Capital Cost Charge area if money has already been collected through a Capital Cost Charge for oversized wastewater or stormwater infrastructure.

BACKGROUND

This report focuses on:

- the legislative mechanics required to implement the CCC policy; as well as
- the financial analysis and management practices required to implement the CCC policy.

Despite this focus we should not lose sight of the fact that Regional and Community Councils have approved a comprehensive community design for Wentworth/Bedford South and this has received broad-based support in the community. This design identifies key infrastructure components which are required in order for the master plan area to be successful while minimizing negative impacts upon existing communities. In fact, many of these infrastructure elements will benefit citizens in nearby existing communities as well as future developments in the area. It is for this reason that HRM pays a share of the oversized infrastructure costs and why a portion of these costs may be recovered from future developers.

DISCUSSION

Overview

Regional Council has approved a policy for Capital Cost Charges (CCC) and has approved the Wentworth/Bedford South Master Plan. The North West and Chebucto Community Councils approved a development agreement for the first two of six residential Neighborhoods. **Prior to this development proceeding, Regional Council has to set the Capital Cost Charge for the entire Master Plan Area.** This requires amendments to the Halifax and Bedford Subdivision Bylaws (see maps included with Attachments I and II for the Halifax and Bedford amendments respectively).

The Capital Cost Charge is used to fund oversized infrastructure such as collector roads, interchanges, and trunk sewers which are needed in the master plan area. Key objectives of the CCC Program are to:

- Provide adequate infrastructure, when it is needed by requiring the payment of the CCC prior to subdivision approval; and
- Ensure that the cost of infrastructure is borne by those who benefit from the infrastructure.

The total cost of infrastructure which is required by this development exceeds 40 million dollars.

- Of this amount, developers will pay approximately \$36 million (\$30 million for local roads and services and \$6.1 million for oversized infrastructure). These costs include engineering, contingencies, and escalation factors which consider the year in which the infrastructure will be built.
- HRM's share is \$4.7 million. This is for the oversized infrastructure that people who live outside of the master plan development will use. In other words this is the infrastructure demand which is not being created by new development within the master plan area.
- Approximately \$2.1 million of HRM's share may be recoverable from future developers outside of the charge area who may use some of the oversized infrastructure in this development. HRM's non-recoverable cost will therefore be between 2.6 - 4.7 million dollars. Under the former Cost Sharing Policy HRM's non-recoverable cost would have been \$9 million for the oversized infrastructure in this area.
- The average Capital Cost Contribution required from developers, including interest costs, is approximately \$10,900 per acre.
- HRM will recover approximately \$550,000 of previously spent funds from this charge area. These funds will be placed in a new Capital Cost Charge Reserve for this area and staff will return to Council with further recommendations for funding sources for the HRM share of oversized costs.

HRM currently levies a sewer redevelopment charge when a building is constructed to fund the upgrade and replacement of trunk sewers. Since the Capital Cost Contribution includes new and expanded trunk sewers required by the charge area, it would be an unfair burden on the cost of a new home to pay both the sewer redevelopment charge as well as a capital cost charge. As previously discussed with Council during adoption of the Capital Cost Charges policy, it is recommended that the sewer redevelopment charge be eliminated in a CCC area which has oversized wastewater and stormwater infrastructure (see Attachment III).

Infrastructure Components and Apportioned Costs

The CCC Policy provides a mechanism by which the costs associated with new oversized infrastructure can be recovered from subdividers (and other Stakeholders including HRM) who benefit from the infrastructure. The following table outlines the infrastructure and the sharing of the costs between HRM and the developers.

| Infrastructure | Oversized Costs | Developers' Share | HRM's Share |
|---------------------------------------|----------------------------|--------------------|--------------------|
| New or expanded wastewater facilities | \$1,562,921 | \$1,282,274 | \$ 280,647 |
| New or expanded stormwater systems | \$ 710,479 | \$ 710,479 | \$ 0 |
| New or expanded streets | \$1,926,614 | \$ 574,134 | \$1,352,480 |
| Upgrading intersections/interchange | \$6,440,645 | \$3,453,852 | \$2,986,793 |
| New traffic signs and signals | \$ 150,627 | \$ 75,314 | \$ 75,313 |
| New transit bus bays | None for this charge area | N/A | N/A |
| New or expanded water systems | Charged separately by HRWC | See note* | See note* |
| Total | \$10,791,286 | \$6,096,052 | \$4,695,234 |

* Note: HRM contributes 37% of costs for new water service extensions under the Halifax Regional Water Commission's Capital Cost Contribution policy as approved by the NS Utility and Review Board. This contribution is for oversizing of water pipes to meet fire protection requirements.

A charge for interest costs during construction is added to the above, (see ~~Appendix C~~) in the amount of \$213,362. ATTACHMENT V

As mentioned earlier the developers of this area are also investing an additional \$30 million for local roads, sidewalks, storm and sanitary sewer etc. Approximately \$2.1 million of HRM's share may be recoverable from future developers outside of the charge area who use some of the oversized infrastructure in this development. The most significant element which will likely be used by future developers is the new interchange.

Infrastructure Charge Calculation

The Capital Cost Charge for this area has been calculated to be \$10,893 per acre (See Attachment IV). The calculation of this charge incorporates the cost of the required oversized infrastructure, financial risks to the Municipality, timing of contributions, phasing of development, costs of financing the cash flows and any other considerations having a financial impact on the project. The cost includes \$487,670 financing costs at 6% interest for cash flow funding provided by HRM over the life of the project.

The charge for each single family home and each unit in a semi detached home or townhouse will therefore be approximately \$1,800. For each apartment building unit it will be approximately \$1,200.

Assessment of Risks

The Capital Cost Charge is the basis for recovery of costs as the project progresses. While the positive impacts of this have been noted, there are certain risks. The Primary Risk factors which were evaluated for this Charge Area and are managed within the CCC policy are described below.

1. Capital Cost Estimates

A standard engineering contingency of 15% (\$1,234,548) on the project and a 2.7% inflation factor (\$1,393,638) have been applied for a total contingency of \$2,628,186. These two measures create conservative cost estimates which will mitigate the risk of cost overruns. Nevertheless, the party responsible for constructing an infrastructure element is also responsible for managing cost overruns. The interchange is the only infrastructure component which will be constructed by HRM. Should costs exceed estimates the cost overruns will be borne by the developers. If actual costs exceed cost estimates on all other infrastructure elements these cost overruns will be borne by the developer.

2. Alternative Development Scenarios

Staff examined five scenarios to test the risks associated with project delays or changes in assumptions. Time delays in the build out of the development created only small fluctuations in the charge per acre. This indicates that time delays in build out of the master plan area create only a small risk exposure for HRM. The development build out times which were examined ranged from 13-25 years. A 7% interest rate during construction and a 6% financing rate of over the life of the project were also used. The financing rate is in keeping with long term bond rates in Canada. Given the total area of development anticipated over the next 20 years and the projected population growth, a 15 year time frame is a reasonable period of time to develop this area.

In the event the development is delayed beyond the anticipated time line, cash inflows will be delayed and HRM will carry the outstanding costs already incurred. The table below illustrates two worst case scenarios. The first row shows the maximum amount of HRM's risk exposure at the point in the development where the highest negative cash flow exists. The second row of the table reflects the additional cost to HRM if following construction of the interchange in 2009, there is a complete work stoppage and HRM is required to repay the debt plus financing charges. Both of these scenarios include an analysis of risk exposure if there is no Provincial cost sharing for the interchange. It should be noted however that the Province has committed one-third cost sharing, with the remaining two-thirds split equally between HRM and the developers.

Worst Case Risk Exposure Scenarios

| Scenario | 15 yrs | 18 yrs | 18 yrs If There is No Provincial Cost Sharing for Interchange |
|---|-------------|-------------|---|
| <i>Risk Exposure:</i> Highest Point of Cost to HRM | \$3,284,056 | \$3,296,997 | \$3,859,843 |
| <i>Risk Exposure:</i> If Project Stops in 2009 and Repayment of Completed Infrastructure Occurs Over 10 Years | \$4,367,794 | \$4,385,006 | \$5,133,591 |

Funding HRM's Share of Oversized Infrastructure

HRM's ability to fund our commitment to the project at key points is a risk faced by both HRM and the developers. The total HRM commitment to this project over its life is \$4,695,234. A Capital Cost Charge Reserve is proposed to reduce the risk. Staff recommends that we provide for HRM's share of the infrastructure costs in a planned approach and thereby, reduce the risk to the development. Staff will return to Council with a formal reserve business case and/or further recommendations for funding of HRM's share in the very near future.

A portion of HRM's share of the interchange costs can be recovered from future developments in the area. This amount will be based upon trips generated by new developments which utilize the new interchange. This amount is currently estimated to be \$2,090,000. It may be subject to change as future developments become more specific and Charge Areas and Charge Rates are established for them.

Royale Hemlocks and Bedford Highway Trunk Sewer

HRM invested funds towards oversized infrastructure in Royale Hemlocks subdivision and the Halifax Trunk Sewer in the Bedford Highway. This was done through the Cost Sharing policy. Council instructed staff to recover as much of this as possible from developers when the Capital Cost Charge policy was to implemented.

It has been determined that \$552,275 of HRM's investment benefits the Wentworth/Bedford South area. This money will therefore be recovered through the Wentworth/Bedford South Capital Cost Charge. This amount will form the first contribution to Capital Cost Charge Reserve.

Sewer Redevelopment Charge

It is proposed that the Sewer Redevelopment Bylaw be amended so that this charge is waived in a Capital Cost Charge area if money for oversized wastewater or stormwater sewers has already been paid through a Capital Cost Charge. The Sewer Redevelopment Charge is levied on all new buildings and additions in serviced areas. This one-time capital charge is required from new users of the sewer systems to assist in upgrading and replacing trunk sewer systems within developed areas.

The CCC Policy imposes a fair charge which is related to the direct impact of the new development upon infrastructure. New development is therefore paying for upgrades to existing sewer systems which are directly a result of their development. Imposing the Sewer

Redevelopment Charge in a CCC area which has already paid for their impact upon the sewer system would amount to double billing. Furthermore, the money collected for Sewer Redevelopment would be used to upgrade infrastructure elsewhere in the Region. Collecting both the Capital Cost Charge and Sewer Redevelopment Charge in a CCC area would be inconsistent with principle of "fairness" which underlies the CCC policy.

Eliminating the Sewer Redevelopment Charge in CCC areas where money is being collected for new sewers will not have a negative impact upon the Sewer Redevelopment Account. Since 1998, revenues from the Sewer Redevelopment Charge have doubled due to increased development activity. The Sewer Redevelopment Charge could be eliminated in areas subject to a Capital Cost Charge and the current balance of the Sewer Redevelopment Account will augment any potential shortfall.

The Sewer Redevelopment Charge will be studied in more detail during the coming year both in terms of the method of calculating and the timing of the charge.

BUDGET IMPLICATIONS

Current Year

Council has approved money in the Capital Budget to fund studies related to capital cost contribution charge areas as well as for recoverable expenditures for new infrastructure. There are no other current year budget implications.

Multi-Year

Capital project amounts totaling \$3,902,418 will be required from 2003/04 until 2013/14 with the bulk of the commitment occurring in the year of the building of the interchange now planned for 2009/10.

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. The Municipality will establish infrastructure charges to be applied to land developers and also the share of expenditures which form a regional benefit and accrue to existing taxpayers. The Municipality will identify infrastructure investment and cost-sharing through its capital budgetary process.

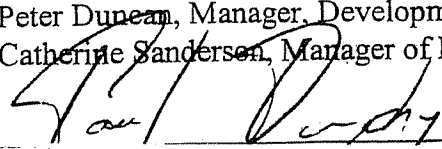
ATTACHMENTS

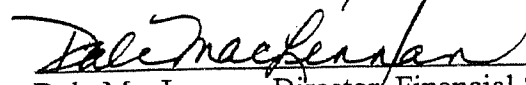
| | |
|-----------------|---|
| Attachment I: | A Bylaw to Amend the City of Halifax Subdivision By-law |
| Attachment II: | A Bylaw to Amend the Town of Bedford Subdivision By-law |
| Attachment III: | A Bylaw to Amend Bylaw S-106, Respecting Sewer Charges |
| Attachment IV: | Capital Cost Charge Calculation |

Additional copies of this report, and information on its status, can be obtained by contacting the office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report prepared by: Peter Dunnean, Manager, Development Engineering, 490-6252
Catherine Sanderson, Manager of Revenue 490-6470

Report approved by:


Paul Dunphy, Director, Planning & Development Services


Dale MacLennan, Director, Financial Services

**ATTACHMENT I:
A BYLAW TO AMEND THE HALIFAX SUBDIVISION BYLAW**

The Halifax Subdivision Bylaw is hereby amended by adding the following as Schedule "A":

SCHEDULE "A": THE WENTWORTH CHARGE AREA

1. The area known as the Wentworth Charge Area is designated as a Charge Area in which an Infrastructure Charge is to be levied ("the Wentworth Charge Area").
2. The Wentworth Charge Area includes all undeveloped lands within the area generally bounded by the Bicentennial Highway (Highway No. 102) to the west, the boundary of the former Town of Bedford to the north, the Bedford Highway (Highway No. 1) to the east and Royale Hemlocks Subdivision to the south, being the boundaries more particularly illustrated on Figure A-1.
3. The Infrastructure Charge within the Wentworth Charge Area is levied to recover Capital Costs associated with new streets and street intersections, traffic signs and signals, stormwater systems and wastewater facilities required to service the Wentworth Charge Area.

4. (1) The Infrastructure Charge for the Wentworth Charge Area shall be \$10,893 per acre based on an average density of 20 persons per acre and is adjusted for the estimated density of land being subdivided in accordance with the following formula:

$$\text{Infrastructure Charge} = \$10,893/\text{per acre} \times \text{Gross Area} \times \frac{\text{Population Density}}{20 \text{ persons per acre}}$$

- (2) For the purposes of subsection (1):
 - (a) Gross Area means the area in acres within the external boundaries of the lands (including streets, walkways and park parcels) proposed for each phase of subdivision approval;
 - (b) Population Density means the Total Projected Population divided by the Gross Area; and
 - (c) the Total Projected Population within the Gross Area shall be calculated based on the following table:

| Land Use | Projected Population |
|--|--|
| Single Unit, Two Unit or Town House Unit | 3.35 persons/unit |
| Multiple Dwelling Unit Building | 2.25 persons/unit |
| General Commercial Building | 50 persons per acre, or part thereof, for each lot |
| Community Commercial, Community Facility, Institutional or Mixed Use/Business Campus | 30 persons per acre, or part thereof, for each lot |

THIS IS TO CERTIFY that the by-law of which this a true copy was duly passed by a majority vote of the whole of Halifax Regional Council at a duly called meeting of the Halifax Regional Municipality held on _____ A.D., 2003.

GIVEN under the hand of the Municipal Clerk under the corporate seal of the said Municipality this ____ day of _____ A.D., 2003.

Vi Carmichael
Municipal Clerk

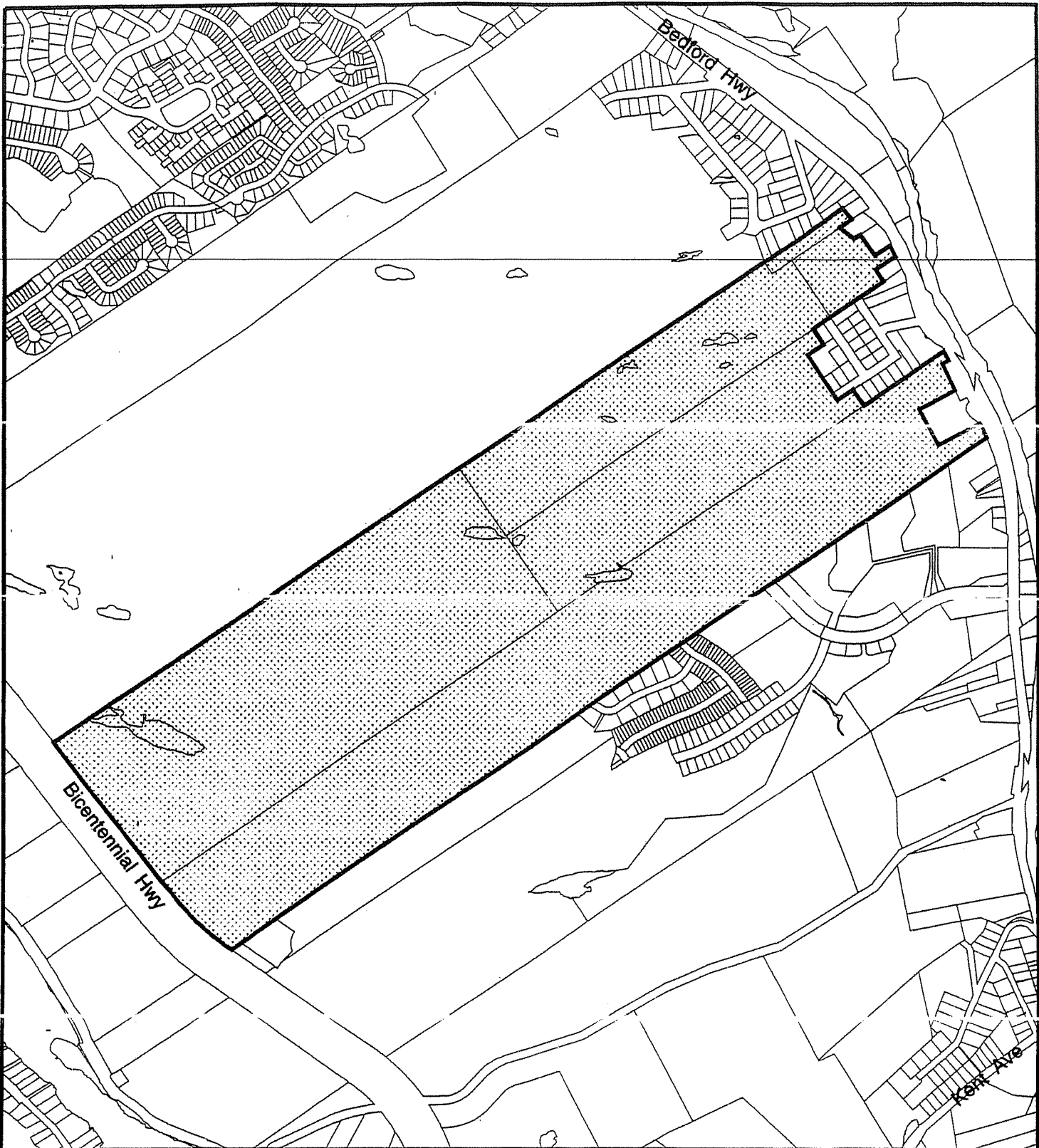



Figure A-1
Wentworth
Infrastructure Charge Area


 Lands subject to an Infrastructure Charge

HALIFAX
 REGIONAL MUNICIPALITY
 PLANNING AND
 DEVELOPMENT SERVICES

Note:
 HRM does not guarantee the accuracy
 of any representation on this plan.



500 0 500 1000 Feet



| Land Use | Projected Population |
|--|--|
| Single Unit, Two Unit or Town House Unit | 3.35 persons/unit |
| Multiple Dwelling Unit Building | 2.25 persons/unit |
| General Commercial Building | 50 persons per acre, or part thereof, for each lot |
| Community Commercial, Community Facility, Institutional or Mixed Use/Business Campus | 30 persons per acre, or part thereof, for each lot |

THIS IS TO CERTIFY that the by-law of which this a true copy was duly passed by a majority vote of the whole of Halifax Regional Council at a duly called meeting of the Halifax Regional Municipality held on _____ A.D., 2003.

GIVEN under the hand of the Municipal Clerk under the corporate seal of the said Municipality this ____ day of _____ A.D., 2003.

Vi Carmichael
Municipal Clerk

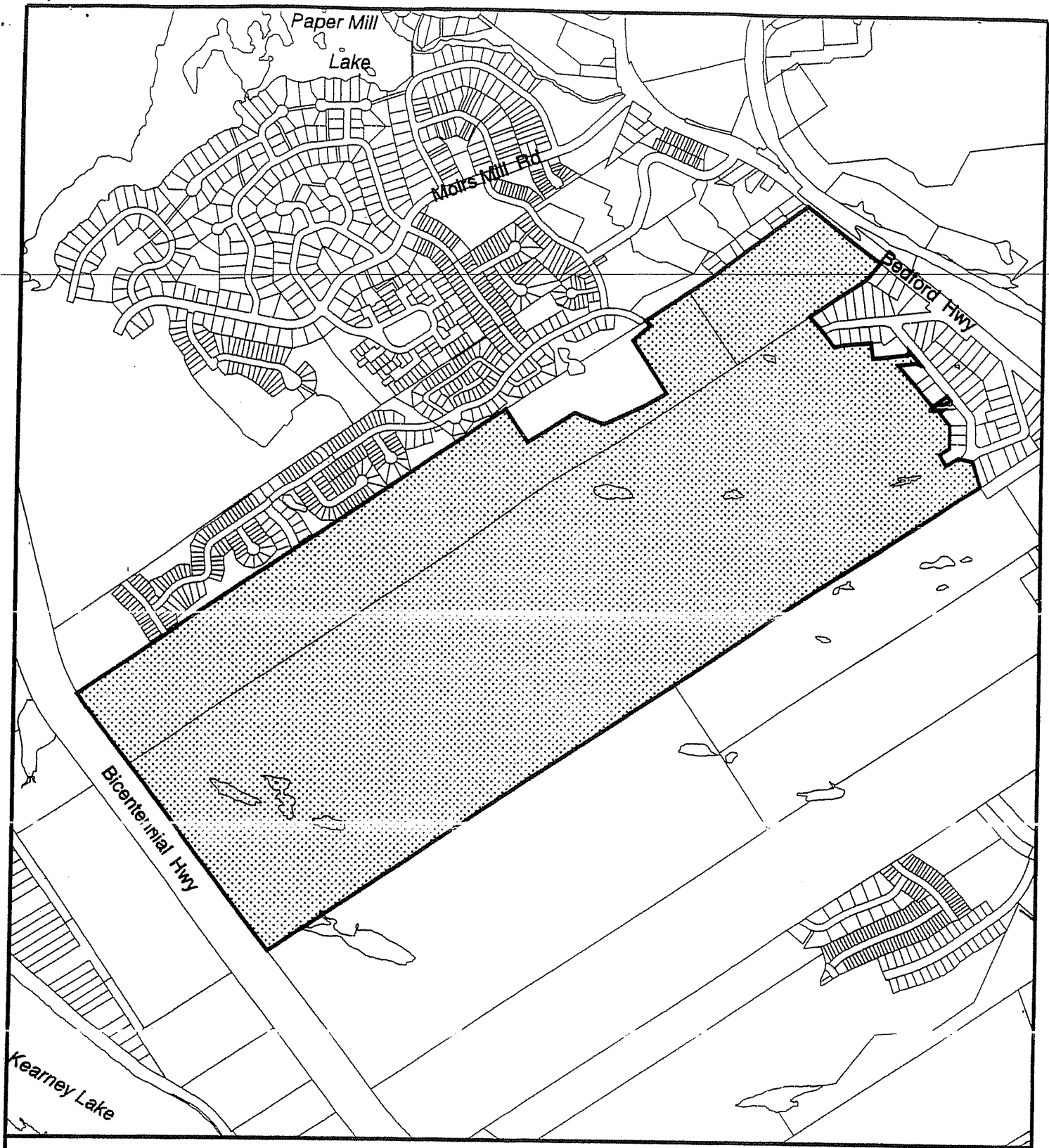



Figure B-2
Bedford South
Infrastructure Charge Area

 Lands subject to an Infrastructure Charge

HALIFAX
 REGIONAL MUNICIPALITY
 PLANNING AND
 DEVELOPMENT SERVICES

Note:
 HRM does not guarantee the accuracy
 of any representation on this plan.



500 0 500 1000 Feet



Attachment III

HALIFAX REGIONAL MUNICIPALITY

BYLAW NUMBER S-106

RESPECTING SEWER CHARGES

BE IT ENACTED by the Council for the Halifax Regional Municipality that By-Law S-100, the Sewer Charges Bylaw, is hereby amended as follows:

1. The said Bylaw is amended by adding the following definition:

“Infrastructure Charge” means a charge levied as a condition of subdivision approval pursuant to a by-law adopted under the authority of Section 274 of the *Municipal Government Act*.

2. Section 11 of said Bylaw S-100 is amended by adding immediately following subsection (5) the following subsection:

(6) Notwithstanding subsection (1), the payment of a sewer redevelopment charge shall not apply to buildings or building additions which are located on a parcel of land which was subject to an Infrastructure Charge containing a component related to new or expanded wastewater facilities or stormwater systems.

MAYOR

MUNICIPAL CLERK

I, Vi Carmichael, Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above-noted by-law was passed at a meeting of the Halifax Regional Council held on

Vi Carmichael, Municipal Clerk

**ATTACHMENT II:
A BYLAW TO AMEND THE BEDFORD SUBDIVISION BYLAW**

The Bedford Subdivision Bylaw is hereby amended by adding the following as Schedule "B":

SCHEDULE "B": THE BEDFORD SOUTH CHARGE AREA

1. The area known as the Bedford South Charge Area is designated as a Charge Area in which an Infrastructure Charge is to be levied ("the Bedford South Charge Area").
2. The Bedford South Charge Area includes all undeveloped lands within the area generally bounded by the Bicentennial Highway (Highway No. 102) to the west, Crestview Subdivision to the north, the Bedford Highway (Highway No. 1) to the east and the boundary of the boundary of the former City of Halifax to the south, as more particularly illustrated on Figure B-2.
3. The Infrastructure Charge for the Bedford South Charge Area is levied to recover Capital Costs associated with new streets and street intersections, traffic signs and signals, stormwater systems and wastewater facilities required to service the Bedford South Charge Area.
4. (1) The Infrastructure Charge for the Bedford South Charge Area shall be \$10,893 per acre based on an average density of 20 persons per acre and is adjusted for the estimated density of land being subdivided in accordance with the following formula:

$$\text{Infrastructure Charge} = \$10,893/\text{per acre} \times \text{Gross Area} \times \frac{\text{Population Density}}{20 \text{ persons per acre}}$$
- (2) For the purposes of subsection (1):
 - (a) Gross Area means the area in acres within the external boundaries of the lands (including streets, walkways and park parcels) proposed for each phase of subdivision approval;
 - (b) Population Density means the Total Projected Population divided by the Gross Area; and
 - (c) the Total Projected Population within the Gross Area shall be calculated based on the following table:

ATTACHMENT IV

Wentworth Estates Capital Cost Contribution Calculation

| | San & Storm | Traffic | Total |
|---|------------------------|--------------------|---------------------|
| A. Total Cost of Upsized infrastructure | \$2,273,399 | \$8,517,887 | \$10,791,286 |
| TOTAL | \$2,273,399 | \$8,517,887 | \$10,791,286 |
| B. Interest based on avg 1 yr construction 7% | \$69,746 | \$143,615 | \$213,362 |
| C. Total Cost of Infrastructure Installed | \$2,343,146 | \$8,661,502 | \$11,004,648 |
| D 1) Portion that Benefits HRM | \$280,647 | \$4,414,587 | \$4,695,234 |
| SubTotal | \$2,062,499 | \$4,246,915 | \$6,309,414 |
| E. Interest Charge | \$0 | \$487,670 | \$487,670 |
| F. Net cost to developers | \$2,062,499 | \$4,734,585 | \$6,797,084 |
| G. Gross area of land (acres) | 624.0 | | |
| H. Area of land not developable | 0.0 | | |
| I. Area of developable land | 624.0 | 624.0 | |
| J. Development Charge per acre | | | \$10,893 |
| K. Total Density based on 20 ppa | 12,480 | | |
| L. Avg Density | 20.0 | | |

ATTACHMENT IV

Wentworth Estates Capital Cost Contribution Calculation

| | San & Storm | Traffic | Total |
|---|--------------------|--------------------|---------------------|
| A. Total Cost of Upsized infrastructure | | | |
| | \$2,273,399 | \$8,517,887 | \$10,791,286 |
| TOTAL | \$2,273,399 | \$8,517,887 | \$10,791,286 |
| B. Interest based on avg 1 yr construction 7% | \$69,746 | \$143,615 | \$213,362 |
| C. Total Cost of Infrastructure Installed | \$2,343,146 | \$8,661,502 | \$11,004,648 |
| D 1) Portion that Benefits HRM | \$280,647 | \$4,414,587 | \$4,695,234 |
| SubTotal | \$2,062,499 | \$4,246,915 | \$6,309,414 |
| E. Interest Charge | \$0 | \$487,670 | \$487,670 |
| F. Net cost to developers | \$2,062,499 | \$4,734,585 | \$6,797,084 |
| G. Gross area of land (acres) | 624.0 | | |
| H. Area of land not developable | 0.0 | | |
| I. Area of developable land | 624.0 | 624.0 | |
| J. Development Charge per acre | | | \$10,893 |
| K. Total Density based on 20 ppa | 12,480 | | |
| L. Avg Density | 20.0 | | |

Implementation Phasing Financial Model

| Phase | Year | Project | Waste | San & Storm | Est. Factor | Est. Water | Fire Protection | Sched. Util - HRM Share | Est. San. SL | HRM Share | Est. HRM Share | Subtotal (Cost - Unit Cost) | Subtotal Water, San, Storm | CCC | (6) | (7) | (8) | (9) | 10% | Table of Cost Sharing | |
|-------|--------------------------|------------------------------------|-------|-------------|-------------|------------|-----------------|-------------------------|--------------|-----------|----------------|-----------------------------|----------------------------|-----|-----|-----|-----|-----|-----|-----------------------|-------------|
| | | | | | | | | | | | | | | | | | | | | | Esc. Factor |
| 1a | 2002 | Hedden Truck Sewer | 0 | 0 | 1.000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| | 2002 | Royce-Hemlock Overlaid | 0 | 0 | 1.000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2002 | Phase 1 Sub-total | 0 | 0 | 1.000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2003 | Bedford Truck Sewer | 0 | 0 | 1.027 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2003 | Intersection Rd 1 & Bedford | 0 | 0 | 1.027 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1b | 2003 | Phase 1b Sub-total | 0 | 0 | 1.027 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2004 | Fernleigh Storm Water Facility | 0 | 0 | 1.055 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2004 | Intersection of Road 1 & Fernleigh | 0 | 0 | 1.055 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2004 | Phase 2 Sub-total | 0 | 0 | 1.055 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2005 | Mt. Cook Storm Facility | 0 | 0 | 1.045 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2 | 2005 | Phase 2 Sub-total | 0 | 0 | 1.045 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2006 | Haystack Lake Rd. Intersection | 0 | 0 | 1.033 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2006 | Phase 3 Sub-total | 0 | 0 | 1.033 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2007 | ULB Overlaid | 0 | 0 | 1.112 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2008 | ULB Overlaid | 0 | 0 | 1.142 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 | 2009 | ULB Overlaid | 0 | 0 | 1.205 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2009 | Interchange & Romo | 0 | 0 | 1.205 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2009 | Intersection of Road #1 & ULB | 0 | 0 | 1.205 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2009 | New Mt. Cook Overlaid | 0 | 0 | 1.205 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2009 | Intersection - Hwy 102 Connec | 0 | 0 | 1.205 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2009 | ULB Local Road Overlaid | 0 | 0 | 1.205 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2009 | ULB Local Road Overlaid | 0 | 0 | 1.205 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2009 | ULB Local Road Overlaid | 0 | 0 | 1.205 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2009 | ULB Local Road Overlaid | 0 | 0 | 1.205 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2009 | ULB Local Road Overlaid | 0 | 0 | 1.205 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2009 | ULB Local Road Overlaid | 0 | 0 | 1.205 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2009 | ULB Local Road Overlaid | 0 | 0 | 1.205 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2009 | ULB Local Road Overlaid | 0 | 0 | 1.205 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2009 | ULB Local Road Overlaid | 0 | 0 | 1.205 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2009 | ULB Local Road Overlaid | 0 | 0 | 1.205 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2010 | Overlaid Starboard Drive | 0 | 0 | 1.238 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 2011 | Overlaid Starboard Drive | 0 | 0 | 1.271 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 2012 | Overlaid Starboard Drive | 0 | 0 | 1.305 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 2013 | Overlaid Starboard Drive | 0 | 0 | 1.341 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 2014 | No Overlaid Required | 0 | 0 | 1.377 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 2015 | No Overlaid Required | 0 | 0 | 1.414 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 2016 | No Overlaid Required | 0 | 0 | 1.452 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 2017 | No Overlaid Required | 0 | 0 | 1.491 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 2018 | No Overlaid Required | 0 | 0 | 1.532 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 2019 | No Overlaid Required | 0 | 0 | 1.573 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 2020 | No Overlaid Required | 0 | 0 | 1.615 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 2021 | No Overlaid Required | 0 | 0 | 1.659 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 2022 | No Overlaid Required | 0 | 0 | 1.704 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |

Notes:
 Col. (6) & (7) - escalation factors based on ...
 Phase 1a
 Sub-totals in Bold Print are plugged into spreadsheet instead "CCC Calc"