



PO Box 1749
Halifax, Nova Scotia
B3J 3A5, Canada

Item No. 11.1.3
Halifax Regional Council
March 2, 2010

TO: Mayor Kelly and Members of Halifax Regional Council

A handwritten signature in cursive script, appearing to read "Wayne Anstey".

SUBMITTED BY:

Wayne Anstey, Acting Chief Administrative Officer

A handwritten signature in cursive script, appearing to read "Mike Labrecque".

Mike Labrecque, Deputy Chief Administrative Officer - Corporate Service and Strategy

DATE: February 18, 2010

SUBJECT: Canada Nova Scotia Infrastructure Program

ORIGIN

This report originates with staff.

RECOMMENDATION

It is recommended that Halifax Regional Council approve the Canada Nova Scotia Infrastructure Program (CNSIP) funding reallocation as per the Discussion Section of this report.

BACKGROUND

The purpose of this report is to ensure that HRM leverages the maximum amount of federal and provincial funds under the Canada-Nova Scotia Infrastructure Program (CNSIP). To do this, it is necessary to reallocate funding amongst already approved projects to align funding with actual expenditures. This is HRM's final opportunity to reallocate funding as the program wrapped up March 31, 2008 and the final date to receive funding is March 31, 2010.

The program requirements state that all funds must be spent by March 31, 2008. Five CNSIP projects were not able to spend the amount currently allocated, by March 31, 2008, therefore it is prudent to reallocate existing CNSIP funding to other projects where expenditures have occurred.

DISCUSSION

Upon receiving appropriate approvals from Regional Council and the CNSIP Management Committee, staff will execute a reallocation of funding. This reallocation will provide HRM with the flexibility to maximize available CNSIP funding and maintain the overall integrity of the projects on the approved CNSIP list.

This request is to reallocate \$319,500 in CNSIP funding from the Beaverbank Water, Sewer and Reservoir projects, the Herring Cove Project and the Artificial Soccer Field Project to the Highway 111 Interchange Project as shown in the chart below. The Highway 111 Interchange project has capacity to absorb these funds. The above mentioned projects were completed as planned but expenditures were less than originally budgeted thus funding is not required.

It is important to note that this is not new funding, nor does it add funding to any of the projects.

Proposed Funding Reallocation:

CNSIP Project	HRM Project	Approved Fed/Prov Share	Amount to be De-committed	Revised Fed/Prov Share
05-01-0153 Beaver Bank Reservoir	Various	\$1,950,000	\$173,100	\$1,776,900
05-03-0094 Herring Cove	CGU00645	\$2,470,800	\$15,228	\$2,455,572
05-01-0157 Beaver Bank Sewer	Various	\$2,078,332	\$39,056	\$2,039,276
05-01-0156 Beaver Bank Water	Various	\$1,597,718	\$75,428	\$1,522,290
05-00-0318 Artificial Soccer Field	CPG00581	\$2,079,356	\$16,688	\$2,062,668
Total			\$319,500	

CNSIP Project	HRM Project	Approved Fed/Prov Share	Amount to be Reallocated	Revised Fed/Prov Share
05-00-0199 Hwy 111 Interchange	CTU00530	\$3,940,998	\$319,500	\$4,260,498

A portion of the Highway 111 Interchange project will be funded from capital cost contributions paid by developers in the Morris/Russell Lake Master Plan Area. A significant portion of the un-developed land within the master plan area is owned by the Department of National Defence and was slated for development. HRM has been notified by DND that the land will be held for air defense purposes rather than development. A report is coming to Council in the near future regarding the implications on the funding of the interchange as well as the future development of the master plan area.

BUDGET IMPLICATIONS

There are no direct budget implications associated with the recommendation at this time. The recommendation re-allocates existing funding to support the requirements of the existing projects. However, this transaction helps mitigate a budget risk around CCC revenues for this 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.

ALTERNATIVES

There are no viable alternatives. If funding is not reallocated, HRM will lose funding.

ATTACHMENTS

There are no attachments.

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: Louis de Montbrun, Manager, Accounting Operations, 490-7222



Financial Approval by: _____
Cathie O'Toole, CGA, Director of Finance, 490-6308



Report Approved by: Phillip Townsend, Director, Infrastructure and Asset Management, 490-7166