



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 14.2.3
Halifax Regional Council
December 1, 2015

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed

SUBMITTED BY: _____
Councillor Linda Mosher, Vice-Chair, Audit & Finance Standing Committee

DATE: November 20, 2015

SUBJECT: Budget Increase CP110002 – Cole Harbour Turf

ORIGIN

November 18, 2015 meeting of the Audit & Finance Standing Committee, Item No. 9.1.4.

LEGISLATIVE AUTHORITY

Audit & Finance Standing Committee Terms of Reference section 3.8, which states "to review and make recommendations on proposals coming to Halifax Regional Council outside of the annual budget or tender process including but not limited to:

- New Programs or services not yet approved
- Programs or services that are being substantially altered
- Proposed changes in operating or budget items
- Committing of funds where there is insufficient approved budget, or,
- New or increased capital projects not included in the approved budget
- Increases in project budget due to cost sharing
- Creation or modification of reserves and withdrawals not approved in the approved budget

RECOMMENDATION

It is recommended by the Audit & Finance Standing Committee that Halifax Regional Council direct staff to include additional funding in the amount of \$1,600,000 for Project No. CP110002 – Cole Harbour Turf for consideration in the 2016/17 capital budget.

BACKGROUND

A staff report dated November 4, 2015 pertaining to a budget increase to the 2016/17 Capital Budget for the construction of the Cole Harbour Artificial Turf was before the Audit & Finance Standing Committee at its meeting held on November 18, 2015.

For further information please refer to the attached staff report dated November 4, 2015.

DISCUSSION

Staff noted that the increase to the budget for the construction of the Cole Harbour Artificial Turf, since the initial project estimate in 2014 is related to; the manner in which large capital projects are currently budgeted which requirement for all components of the project to be placed in one budget, a negative change in the exchange rate between Canadian/US dollars, and site specific building requirements most specifically related to site preparation and drainage. A typo was also noted in the Financial Implications section of the report (pg 2). Staff noted that project spending will occur in 2015/2016 if approved. The Audit & Finance Standing Committee, having reviewed this matter at its November 18, 2015 meeting forwarded the recommendation to Halifax Regional Council as outlined in this report.

FINANCIAL IMPLICATIONS

As outlined in the attached staff report dated November 4, 2015. Please note the correction to the project spending as clarified by staff at the November 18, 2015 Audit & Finance Standing Committee meeting and outlined in the discussion section of this report.

COMMUNITY ENGAGEMENT

All meetings of the Audit & Finance Standing Committee are open to the public. The agenda and reports are posted online in advance of the meeting.

ENVIRONMENTAL IMPLICATIONS

As outlined in the attached staff report dated November 4, 2015.

ALTERNATIVES

The Audit & Finance Standing Committee did not discuss alternatives.

ATTACHMENTS

1. Staff report dated November 4, 2015.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Liam MacSween, Legislative Assistant, 902.490.6521.



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Attachment 1
Audit & Finance Standing Committee
November 18, 2015

TO: Chair and Members of Audit & Finance Standing Committee

Original Signed

SUBMITTED BY:

Richard Butts, Chief Administrative Officer

Original Signed

Brad Anguish, Director, Parks and Recreation

DATE: November 4, 2015

SUBJECT: Budget Increase CP110002 – Cole Harbour Turf

ORIGIN

- March 11, 2015, Item 3(i), Motion of Council:
"1. Approve the Cole Harbour Artificial Turf project for funding in the 2015-16 Capital Budget in the amount of \$2.3 million to be cash flowed over two years..."
- Approved 2015/16 Project Budget.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Council approved, Dec 11, 2012, that all budget increases are to be presented to the Audit and Finance Standing Committee, prior to submission to Council.

HRM Charter, Section 93(1) - The Council shall make estimates of the sums that are required by the Municipality for the fiscal year; *HRM Charter*, Section 79(1) - Specifies areas that the Council may expend money required by the Municipality; *HRM Charter*, Section 35(2)(d)(i) - The CAO can only authorize budgeted expenditures or within the amount determined by Council by policy; *HRM Charter*, Section 120(6) - The Municipality may maintain other reserve funds for such purposes as the Council may determine; Halifax Regional Municipality policy on Changes to Cost Sharing for Capital Projects - Changes requiring Council approval; and the Halifax Regional Municipality Reserve Policy - No reserve funds will be expended without the CAO's recommendation and Council approval.

RECOMMENDATION

It is recommended that the Audit and Finance Standing Committee recommend that Halifax Regional Council direct staff to include additional funding in the amount of \$1,600,000 for Project No. CP110002 – Cole Harbour Turf for consideration in the 2016/17 capital budget.

BACKGROUND

The Cole Harbour Recreation Needs Assessment was provided to Regional Council on January 15, 2013 that outlined the potential value of the municipally-owned Gordon Bell Annex site as an option for a future regulation size artificial turf community sport field, for all relevant regular season sport usage. Staff undertook a site analysis and identified the Gordon Bell Annex lands as the most viable location for an artificial turf field in the community of Cole Harbour. On February 11, 2014, Council approved the retention of the Gordon Bell site to be used as a future site for an artificial field and directed staff to include the project for consideration in the 2015/16 capital budget process to be prioritized against other capital priorities. Council approved the Cole Harbour Artificial Turf project for funding in the 2015/16 Capital Budget in the amount of \$2,300,000 to be cash flowed over two years. In preparation for this project, the Gordon Bell Annex was demolished in April, 2015.

DISCUSSION

The preliminary project cost estimate of \$2,300,000 was based on past projects of a similar nature and the recent project costs for the turf installation at the Charles P. Allen school in Bedford; however, the Bedford field site was graded and services (water/sanitary) provided as part of the school construction activities.

During 2015/16 budget deliberations, staff informed Council in a report presented at the March 11, 2015 Committee of the Whole, that once detailed design was complete, staff would confirm the project costs. Once funding was approved for design work in the Spring of 2015, staff engaged the services of WSP Canada Inc. to conduct a geotechnical investigation and detailed construction drawings, cost estimates and specifications. Detailed design activities by WSP Canada Inc. have revealed that the site preparation costs at the Gordon Bell Annex lands are estimated at approximately \$1,000,000 and that the full scope of the costs associated with the project is approximately \$3,900,000 (HST fully refundable). These costs include:

- Supply and installation of the Artificial Turf
- Site Preparation, Drainage System and Turf Base Installation
- Site Servicing and Lighting Towers
- Parking Lot and Accessible Pathways
- Field Perimeter Fencing
- Equipment (goals, bleachers, etc.)
- Electronic Scoreboard and Base
- Engineering fees
- Landscaping and Retaining Walls
- Contingency Allowance

Construction is scheduled to begin in the Spring of 2016 and be completed by the Fall of that year.

FINANCIAL IMPLICATIONS

\$2.3M was approved for Project Account No. CP110002 – Cole Harbour Turf as part of the 2015/16 multi-year discrete capital projects budgets on April 28, 2015 with spending of \$100K in 2015/16 and \$2.2M in 2016/17.

The planned December 2, 2015 Committee of the Whole meeting will be seeking approval for multi-year discrete capital projects budgets and estimated annual spending plans. The increased budget of \$1.6M for the Cole Harbour Turf project will be included as part of that submission which will provide the approval necessary to proceed with the Procurement process. Once tendered the project spending will span two fiscal years, 2016/17 and 2017/18.

COMMUNITY ENGAGEMENT

Community at large along with representatives from sport organizations were consulted with during the Cole Harbour Recreation Needs Assessment in 2012/13.

ENVIRONMENTAL IMPLICATIONS

In 2015 Dillon Consulting completed the Cole Harbour Floodplain Assessment Report for HRM. As described in the report, the Gordon Bell site is within the subwatershed that drains into Upper Bissett Run; however it is outside of the 100-year maximum water level boundary. The proposed site storm drainage system has been designed to minimize peak flows and to detain stormwater on site using Best Management Practices (BMP's) including depression storage and bioswales.

ALTERNATIVES

1. The Audit and Finance Standing Committee could recommend that Regional Council not approve the recommendation in the report. This is not recommended as the additional funding is required in order to proceed with construction of the artificial field that is needed within the Region.
2. The Audit and Finance Standing Committee could recommend that Regional Council request staff to explore an alternative site to potentially reduce the site preparation project costs. Staff has reviewed potential alternative sites in the Dartmouth/Cole Harbour area to determine if project costs could be reduced. There are no alternative sites that staff would recommend to provide better certainty for a reduced budget.

ATTACHMENTS

None

A copy of this report can be obtained online at <http://www.halifax.ca/boardscom/SCfinance/index.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Margaret Soley, Manager, Parks Capital Projects, 902.490.5591

Report Approved by: Original Signed
Jane Fraser, Director of Operations Support, 902-490-7166

Financial Approval by: Original Signed
Amanda Whitewood, Director of Finance and Information Technology/CFO, 902.490.6308
