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PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Halifax Regional Council**  
**February 21, 2006**

**TO:** Mayor Kelly and Members of Halifax Regional Council

**SUBMITTED BY:**

A handwritten signature in black ink, appearing to read "Linda Mosher", written over a horizontal line.

Councillor Linda Mosher, Chair - Energy and Underground Services Committee

**DATE:** February 21, 2006

**SUBJECT:** Underground Wiring - Project Criteria

**ORIGIN**

1977 HRM Council Report to Create the Short Term Pole-Free Zone  
May 19, 2005 HRM Council Report - Underground Feasibility Study  
October 18, 2005 HRM Council Report - Pole Free Areas

**RECOMMENDATION**

It is recommended that Regional Council:

- Approve the criteria to assess the merits of underground wiring projects, prioritize projects and allocate resources as described in the attached staff report.

**BACKGROUND**

On October 18, 2005 HRM Council passed a motion authorizing staff to develop criteria to assess the merits of underground wiring projects as a tool to prioritize projects and allocate resources, with priority to be given to the Capital District area.

**DISCUSSION**

Criteria are required to set priorities and assess underground wiring projects within the Capital District Pole Free Area, to assist with allocation of resources through the business planning/budget process. The proposed criteria were reviewed by the Capital District Taskforce at their January 11, 2006 meeting, and modified to reflect the input from the Capital District Taskforce.

**BUDGET IMPLICATIONS**

There is no defined funding program for underground wiring within HRM. Projects are funded as opportunities arise, subject to availability of funding. There is a capital account (#CDV00736) funded in the 2005/06 budget/business plan with \$725,000 toward underground wiring. The attached assessment criteria for underground wiring projects will be used to identify priority projects to be funded from #CDV00736. As underground projects are identified in conjunction with other capital projects or developments, they will be submitted for consideration during the HRM Business Planning/Budget process.

**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**

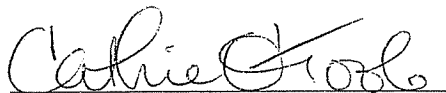
The EUGS Committee could suggest amendments to the proposed criteria.

**ATTACHMENTS**

Staff report - Underground Wiring - Project Criteria

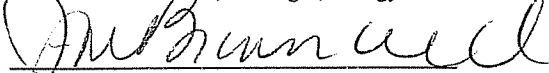
A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by :



Cathie O'Toole CGA, Manager, Energy & Utilities 490-7061

Financial Review :



Joan Broussard, MBA, Financial Consultant, EMS 490-6267

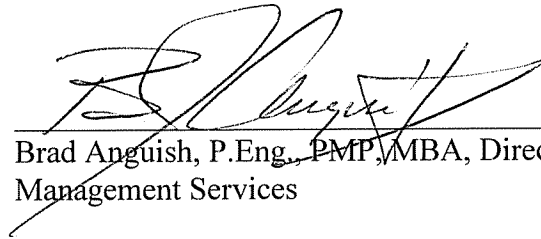


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**HRM Regional Council**  
**February 21, 2006**

**TO:** Energy and Underground Services Committee

**SUBMITTED BY:**

A handwritten signature in black ink, appearing to read "Brad Anguish".

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Brad Anguish, P.Eng., PMP, MBA, Director, Environmental  
Management Services

**DATE:** February 21, 2006

**SUBJECT:** Underground Wiring - Project Criteria

**ORIGIN**

1977 HRM Council Report to Create the Short Term Pole-Free Zone  
May 19, 2005 HRM Council Report - Underground Feasibility Study  
October 18, 2005 HRM Council Report - Pole Free Areas

**RECOMMENDATION**

It is recommended that Energy and Underground Services Committee

- Approve the attached criteria to assess the merits of underground wiring projects as a tool to prioritize projects and allocate resources.

**BACKGROUND**

In May 2005 the results of the Underground Feasibility Study prepared in 2005 by Kinetrics was presented to HRM Regional Council along with a staff report containing recommendations designed to build a strong foundation to enable the municipality to move forward toward 1) requiring underground wiring in new developments, 2) enabling wiring in some existing over head wiring areas such as the Capital District, to be moved under ground as opportunities arise.

In August 2005, HRM reached a mediated agreement with Nova Scotia Power regarding vegetation management easements, and as part of the mediation it was agreed that undergrounding utilities in new developments is the best solution to eliminate tree/utility conflicts. Nova Scotia Power agreed

to support HRM’s intention to move to underground utilities in new developments, and agreed to cost share on a 50/50 basis (to a maximum of \$30,000) development of the joint trench standard, joint trench agreement, and development of financing recommendations. An RFP to engage a consultant to work with HRM and the utilities on “Common Trench Best Practices” including these deliverables was issued in Fall 2005. Neill & Gunter was the successful proponent, and the anticipated completion date is March 2006. Some features of the Common Trench Best Practices may make it more economical and feasible to move existing overhead wires underground.

Three actions are required to enable underground wiring projects to move forward within the Capital District:

1. Agreement on criteria to assess potential projects
2. Completion of the “Common Trench Best Practices” work
3. Approval of funding for underground wiring projects as part of HRM’s budget /business planning process to fund HRM’s share of any cost shared projects.

Once the policies and administrative processes have been established, Capital District staff will be the lead for identification, assessment, and management of underground wiring projects within the Capital District, with support from Transportation Public Works and Environmental Management Services.

On October 18, 2005 HRM Council passed four motions with respect to pole-free areas, and efforts to move toward underground wiring versus overhead wiring in new developments, and in areas designated “pole-free”.

The motions passed by HRM Council, and their status, are described in the table below.

| <b>Motion</b>  | <b>Status</b> | <b>Comment</b>   |
|--|---------------|--|
| May 2005 - HRM develop a Joint Trench Agreement in cooperation with the utilities  | In Progress   | Underway. NSP and HRM are cost sharing development of “Common Trench Best Practices” utilizing Neil & Gunter. Anticipate completion by March 31, 2006. |
| May 2005 - Pending adoption of a Joint Trench Agreement, prepare recommendations regarding the type of developments which should have underground services as well as the type of services to be placed underground: and | In Progress   | Underway. The “Common Trench Best Practices” will provide recommendations developed jointly between HRM, utilities, and the development community.     |

|  |                                     |   |
|--|-------------------------------------|---|
| <p>May 2005 - Develop a plan to expand the existing pole-free zone; giving priority to the Capital District, pending negotiation of cost sharing agreements, and delineation of responsibilities amongst utilities and HRM. All of these recommendation are in progress, or completed.</p> | <input checked="" type="checkbox"/> | <p>Oct. 18, 2005 HRM Council approved the motions in the “Pole Free Area” report.</p>   |
| <p>Oct. 2005 - Continue current administrative practices with respect to existing pole-free areas in Halifax, Dartmouth, and Bedford;</p>  | <input checked="" type="checkbox"/> | <p>Implemented, however Energy and Underground Services Committee of Council have requested staff clarify at a future EUGS meeting, how the existing administrative practices work.</p> |
| <p>Oct. 2005 - Expand the boundaries of the current Short Term Pole Free Zone to include the entire secondary boundary area of the Capital District.</p>   | <input checked="" type="checkbox"/> | <p>October 18, 2005 motion by HRM Council</p>   |
| <p>Oct. 2005 - Direct staff to negotiate extensions of the current cost sharing agreements for the Short Term Pole Free Zone with Nova Scotia Power and Aliant to include the expanded Pole Free Area</p>  | <input checked="" type="checkbox"/> | <p>Aliant and Nova Scotia Power have confirmed the cost sharing agreements. (Attachments 2 &amp; 3)</p>   |
| <p>Oct. 2005 - Direct staff to develop criteria to assess the merits of underground wiring projects as a tool to prioritize projects and allocate resources, with priority to be given to the Capital District area.</p>   | <input checked="" type="checkbox"/> | <p>Criteria have been prepared, reviewed with the Capital District Task Force, and with the Energy and Underground Services Committee (Attachment 1)</p>                                |

**DISCUSSION**

On January 22, 2002 HRM Council adopted the Capital District vision, and recognized the role of the Capital District as the centre of economy and culture for the region. In 2004 HRM Regional Council also approved Streetscape Guidelines and Plans for the five commercial districts within the Capital District, which recommend undergrounding within the Capital District. For the same reasons the Capital District area was designated for specific attention, Council elected to designate the Capital District (up to the secondary area boundary) as an intended Pole-Free Area.

Establishment of Pole-Free Zones provides a tool to enable HRM to capitalize on opportunities to underground wiring as a result of new developments or major street reconstructions and capital projects. It is proposed that new developments within Pole-Free areas should have to provide

underground secondary connections at the expense of the developer. Currently, underground wiring projects are not funded on an annual basis through HRM's capital budget process, but take place as opportunities arise in conjunction with other projects.

Criteria are required to set priorities and assess underground wiring projects within the Capital District Pole Free Area, to assist with allocation of resources through the business planning/budget process. The proposed criteria (Attachment 1) were reviewed by the Capital District Taskforce at their January 11, 2006 meeting, and were reviewed by the Energy and Underground Services Committee of Council at their February 17, 2006 meeting.

### **BUDGET IMPLICATIONS**

There is no defined funding program for underground wiring within HRM. Projects are funded as opportunities arise, subject to availability of funding. There is a capital account (#CDV00736) funded in the 2005/06 budget/business plan with \$725,000 toward underground wiring. The attached assessment criteria for underground wiring projects will be used to identify priority projects to be funded from #CDV00736. As underground projects are identified in conjunction with other capital projects or developments, they will be submitted for consideration during the HRM Business Planning/Budget process.

### **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**

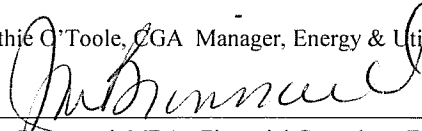
- HRM Council could reject or modify the assessment criteria for underground wiring projects.

### **ATTACHMENTS**

Proposed Assessment Criteria for Underground Wiring Projects  
Cost Sharing letter from Nova Scotia Power  
Cost Sharing letter from Aliant

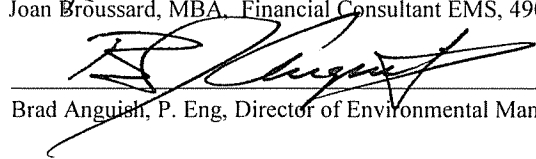
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Report Prepared by: Cathie O'Toole, CGA Manager, Energy & Utilities 490-7061



Financial Review: Joan Broussard, MBA, Financial Consultant EMS, 490-6267

Report Approved by:



Brad Anguish, P. Eng, Director of Environmental Management Services 490-4825

**DRAFT CRITERIA**

|   | <b>Criteria</b>   | <b>Max. Weight</b> | <b>Score</b> |
|---|---|--------------------|--------------|
| 1 | <b>Aesthetic / Heritage Impact</b><br>. Proximity to/and impact upon culturally / architecturally significant, or designated historic sites or streetscapes/waterfronts.  | 30                 |              |
| 2 | <b>Benefit to Pedestrian Realm</b><br>. Potential impact upon the pedestrian experience of the site. Review of existing spatial opportunities/constraints found within the public realm; e.g. enhanced pedestrian safety and snow removal operations, sidewalk width, pedestrian/vehicular counts, facade characteristics, pedestrian/vehicular visibility restrictions, existing public amenities/signage. | 15                 |              |
| 3 | <b>Urban Forest Impact</b><br>. Review of existing tree stock with an evaluation of the potential for increasing the urban forest. An appraisal of the capacity for an increased urban forest to aid in storm water intercept, prevent asphalt degradation, prevent significant tree loss within new development areas.   | 20                 |              |
| 4 | <b>Economic Impact</b><br>. Based upon commercial assessments, the level of economic /commercial activity existing within the subject area. Priority to be given to major commercial corridors. Review of the condition of existing infrastructure and power plant reliability within area.   | 15                 |              |
| 5 | <b>Capital Project Opportunity Coordination</b><br>. Funding partnerships and Capital project coordination between HRM business units and external agencies; e.g. BIDs developers, NSPI, Aliant, and HRM owned development.   | 20                 |              |
|   | <b>Total</b>  | 100                |              |





October 18, 2005

Ms. Cathie O'Toole  
Manager  
Environmental Performance (Energy & Utilities)  
Halifax Regional Municipality  
P.O. Box 1749  
Halifax, NS B3J 3A5

Dear Ms. O'Toole:

**RE: HRM Pole Free Areas**

This letter is to confirm that Nova Scotia Power supports HRM's request to extend the current cost sharing agreement to include projects within an expanded and defined pole free area of HRM's Capital District. Specific areas to be further defined and outlined through future discussions.

Nova Scotia Power understands this cost sharing agreement would allocate 100% of the civil costs, for both the primary and secondary underground services, as the responsibility of HRM (or the Project Developer) and would only occur as opportunities arise in conjunction with street openings or major re-developments. Nova Scotia Power would be responsible for the cost of wiring with the underlying principle that Nova Scotia Power would not be responsible for more than 50% of the total project costs.

Inherent in Nova Scotia Power's support for this cost sharing agreement is as follows:

- Nova Scotia Power's investments are subject to existing regulations and approval by the Nova Scotia Utility and Review Board. Our policy with respect to underground is guided by our current regulations, which would require that the proponent pay for any additional costs over and above the cost of the low-cost (overhead) option. Additionally there would be costs associated with the early retirement of the existing assets. These costs are a function of the "sacrificed life" of the plant and the salvage value of the assets. NSPI would need UARB approval to deviate from this current practice to ensure we are prudent and are in compliance with the regulations.

Cathie O'Toole  
October 18, 2005

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- Underground redevelopment projects will need to be submitted to the UARB for approval as part of our Annual Capital Expenditure program.
- Adequate timelines are in place to ensure capital planning cycles are met.
- Joint planning, including normal and longer term growth provisions, are included with all utilities especially as it applies to common trench standards.

Nova Scotia Power feels the previous collaborative work on pole free areas has been very positive and welcome the opportunity to extend this relationship.

Sincerely,



Dan Muldoon, P. Eng.  
General Manager  
Customer Operations

c.c. Ralph Tedesco  
Tim Leopold  
Peter Doig

**Aliant** 

1505 Barrington St.,  
P.O. Box 880,  
Station Central, RPO  
Halifax N.S.  
B3J 2W3

October 12, 2005

Ms. Cathie O'Toole  
Manager, Environmental Performance (Energy & Utilities)  
Halifax Regional Municipality  
PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

Dear Ms. O'Toole,

In response to your letter dated October 5 2005 Aliant will support HRM by confirming the existing pole free areas, and agreeing to its expansion to include the entire Capital District. Aliant is of the understanding that underground projects would only occur as opportunities arise in conjunction with other street-openings or major re-developments.

Aliant also confirms the existing cost sharing arrangement with respect to underground wiring projects. According to the existing agreement regarding the short term pole-free zone, HRM (or the project developer) bears 80% of the cost of the civil work and Aliant bears the other 20% of the civil work plus the cost of the wiring. Aliant understands that the underlying principle is that we will not be responsible for more than 50% of total project costs.

Aliant also accepts the invitation to participate in the development of best practices for design and management of a common trench; recognizing that a common trench is necessary to minimize incremental costs associated with underground wiring.

Yours Truly,



Geoff Moore  
Aliant  
Regional Manager Access Engineering

Cc: Andrew Hines, Director Access Engineering & Construction, Aliant