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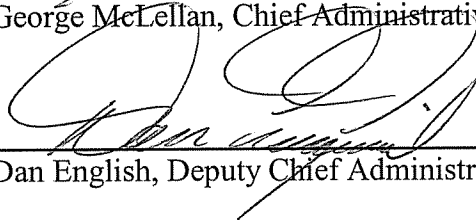
PO Box 1749  
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Halifax Regional Council  
June 17, 2003

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

**SUBMITTED BY:**

  
\_\_\_\_\_  
George McLellan, Chief Administrative Officer

  
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Dan English, Deputy Chief Administrative Officer

**DATE:** June 1, 2003

**SUBJECT:** Capital Project CWI00442, Cell Closure Clay Plug

**ORIGIN**

Capital Project CWI00442 is to construct a wedge-shaped clay barrier at the Otter Lake Residuals Disposal Facility surrounding Cell #1, #2 and #3. The project was approved in the 2003-04 Capital Budget (see attached Capital Project Supplementary Report). Since the work was substantially completed in the previous fiscal year, a Council resolution is required to adjust the capital budget accordingly.

**RECOMMENDATION**

It is recommended that Council change the fiscal year from 2003-04 to 2002-03 for Capital Project CWI00442, Cell Closure Clay Plug in the amount of \$250,000, with funding from the Otter Lake Landfill Closure Reserve, Q120.

## **BACKGROUND**

The outer boundary of the waste containment cells at the Otter Lake Residuals Disposal Facility (RDF) is supported by a wedge-shaped barrier of clay. This barrier supports the sides of the cells, and the capping layers needed to close the cell once filled.

## **DISCUSSION**

In undertaking the work to establish Cell #3 at the RDF last Spring, MIRROR advised HRM that it had advanced one element of the anticipated closure work for the site, the establishment of a clay plug around the disposal cells. HRM agreed to budget for the Clay Plug as part of its 2003-04 program, and MIRROR were prepared to wait for that process to be completed before payment.

The project, CWI00442 was approved earlier this year as part of the 2003-04 budget cycle, and an invoice was prepared for payment. Upon further review with Finance staff, it was agreed that (in accordance with the Generally Accepted Accounting Principles, GAAP) the project should be transferred to the 2002-03 budget year. The invoice information identified the work as being substantially completed during that fiscal period, in spite of the arrangements made for project approvals and payment.

The Clay Plug project is funded from the Otter Lake Landfill Closure Reserve Q120. The proposed change in fiscal year assignment for this project will have little impact on the Reserve in terms of cash flow and interest earned.

## **BUDGET IMPLICATIONS**

This report recommends a change of the fiscal year from 2003-04 to 2002-03 for an approved project with no change in the amount allocated for the project itself.

## **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

No alternatives are proposed.

ATTACHMENTS

Capital Project Supplementary Report  
Otter Lake Landfill Closure Q-120 Capital Reserve Account, Continuity Schedule

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: Brian T. Smith, General Manager of Solid Waste Resources 490-6606

Report Approved by:   
for Brian T. Smith, Acting Director of Environmental Management Services 490-6606

Capital Project Supplementary Report

Project Name: Cell Closure - Clay Plug	
Business Unit Solid Waste Resources	Project Number CW100442
Category Solid Waste	Priority Number 1
Project Manager: Brian T. Smith	District # 23
Asset Life Expectancy 25 years + (Long Term)	Base or Capability: Base
Start Date: April 2003	Completion Date: June 2003

Project Objective, Description & Justification (include deliverables):

Initial work for closure is a clay plug at the base of the cap that is placed on the first three cells. Needed to bring up to height for final filling.

Capital Funding Description	Previous Years (Office Use Only)	2003-04 (000's \$)	2004-05 (000's \$)	2005-06 (000's \$)	Future Years (000's \$)	Total (000's \$)
External Cost Sharing Describe:						0
Reserves Name: Otter Lake Landfill Closure Acct Q-120		250	TBD	TBD	TBD	0
Other (Area Rated, LIC) Describe:						0
Total Known Funding	\$0	\$250	\$0	\$0	\$0	\$250

Total Gross Budget:		\$250				\$250
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## Capital Project Supplementary Report

<b>Project Name:</b> Cell Closure - Clay Plug	<b>Project #</b> CWI00442
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### Operating Costs (Implementation & On-going)

Expenditures & Savings	2003-04 (000's \$)	2004-05 (000's \$)	2005-06 (000's \$)	Future Years (Yrs 4-10) (000's \$)	Total (Yrs 1 - 10) (000's \$)
Implementation Costs (Operating)					0
On-Going Operating Costs					0
Less: Savings					0
<b>Total Operating Costs (Net of Savings)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Impact on Operating Budget:**

No specific impact on the operating budget, the cost of operation of Otter lake Facilities already part of operating budget

**Impact on Other Business Units:**

N/A

**Technology Requirements:**

N/A

**How is this project linked to the Business Plan?**

Closure of cells part of waste resources management system and contractual obligation.

Figure 1

May 2/03

Otter Lake Landfill Closure  
Q-120

Capital Reserve Account      Continuity Schedule

	98/99	99/00	00/01	01/02	02/03
Opening Balance of Fund	\$0	\$240,400	\$1,376,172	\$2,417,773	\$3,715,276
Annual Accrual from Operating	\$240,400	\$1,135,772	\$951,985	\$1,180,000	\$1,100,004
Cost of Cell Closure					
Clay Plug Project (CW100442)					
Interest earned-appropriated from Operating	\$0	\$0	\$89,616	\$117,503	\$104,211
<b>Closing Balance of Fund</b>	<b>\$240,400</b>	<b>\$1,376,172</b>	<b>\$2,417,773</b>	<b>\$3,715,276</b>	<b>\$4,919,491</b>

	03/04	04/05	05/06	06/07
Opening Balance of Fund	\$4,919,491	\$1,757,639	\$3,114,867	\$4,511,192
Annual Accrual from Operating	\$1,038,923	\$1,270,000	\$1,270,000	\$1,270,000
Cost of Cell Closure	-\$4,000,000 (Cell #1)			-\$3,750,000 (Cell #2)
Clay Plug Project (CW100442)	-\$250,000			
Interest earned-appropriated from Operating	\$49,225	\$87,228	\$126,325	\$58,524
<b>Closing Balance of Fund</b>	<b>\$1,757,639</b>	<b>\$3,114,867</b>	<b>\$4,511,192</b>	<b>\$2,089,716</b>