



Crown Corporation

B U S I N E S S P L A N S

FOR THE FISCAL YEAR 2011–2012

Nova Scotia Lands Inc.
Business Plan 2011–2012

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Message from the Minister and President

Since its establishment in 2006, Nova Scotia Lands Inc. (NSLI) has achieved very steady progress in several major environmental and site redevelopment areas. The decommissioning of the Sydney Steel (Sysco) plant has been completed, and the environmental cleanup of the 185 hectare site is in the final stages. The first two phases, totaling 48 hectares (120 acres) have been completely serviced and turned over to Harbourside Commercial Park Inc. (HCPI) for commercial development. On the remaining portion of the former Sysco steel plant site, significant progress has been made in addressing heavily contaminated soils, with over 150,000 tonnes having been remediated. NSLI has also taken the lead on a couple of major projects under the federal-provincial Tar Ponds cleanup agreement and was able to significantly save time and project costs. As well, the first phase of environmental assessment has been completed on two substantial former Sysco properties within the community of Sydney Mines.

Since NSLI has identified a major liability to the province in the continued operation of the approximately 100-year-old Sydney River water supply, built to service the former steel plant, the design and construction for a new industrial water supply at Grand Lake to service the Harbourside Commercial Park tenants has been completed. The new plant is now operational. This work was carried out in consultation with the Cape Breton Regional Municipality to ensure that it is complementary to the existing municipal potable water supply to the commercial park.

In 2011–2012, the principle role of NSLI will be to continue the remediation/redevelopment activities at the former Sysco site, recycle any remaining products of value, and put in place the necessary infrastructure for development of the site into a viable commercial park facility. Working in collaboration with HCPI, we will continue to assist in marketing this park to regional, national, and international interests. NSLI will also put to use its substantial environmental cleanup experience to deal with other provincially owned contaminated sites, as well as assisting the Sydney Tar Ponds Agency in advancing its \$400 million project adjacent to Sysco and Harbourside Commercial Park properties.

Co-operative efforts will also continue with the regional municipality in planning for viable reuse of provincially owned properties in order to assist the municipal government to rebound from the loss of major industry.

The Honourable Bill Estabrooks
Minister of Transportation and
Infrastructure Renewal

Gary Campbell
President,
Nova Scotia Lands Inc.

Mission

To prioritize for action, assess, and, where necessary, remediate provincially owned properties, with the objective of returning these lands to reusable condition, with no substantial safety or environmental concerns.

Planning Context

As a Crown corporation, NSLI reports to a Board of Directors consisting of senior provincial officials. The minister responsible for the Crown corporation is the Minister of Transportation and Infrastructure Renewal. NSLI maintains an office at Sydney, Nova Scotia, along with a presence at the department's head office in Halifax.

NSLI was incorporated in August 2006 and began operations effective April 1, 2007. In recognition of the planned windup of Sydney Steel Corporation (Sysco), it was determined that future activity related to the continued remediation of Sysco's property would be conducted by NSLI. Approximately 48 hectares (120 acres) of the former Sysco site has been completely remediated to industrial standards and is being developed as a major industrial park facility. The remainder of the Sysco site will be remediated over time by NSLI and will eventually be available for commercial redevelopment.

As more land is remediated, it is anticipated that Harbourside Commercial Park

Inc. (HCPI), another provincial Crown corporation, will purchase the land at fair market value as part of its inventory for further development of the park. NSLI has entered into a management agreement with HCPI whereby NSLI supervises the operations of the commercial park as well as assisting in marketing the park.

Throughout its operations, NSLI will be guided by important key principles. These principles include strict attention to environmentally safe practices, a strong commitment to the health and safety of workers, respect for local communities, adherence to fiscal responsibility and public accountability, and the practical use of local labour and supplies.

Some of the challenges that NSLI faces in managing the remediation of the former Sysco site is the changing environmental regulations. While extremely important, they do have an impact on the timing of the cleanup of the former site. Determining the extent of the environmental remediation required on sites owned by the former Sydney Steel Corporation that are outside the Sysco site also presents a challenge.

In addition to conducting the remediation of the Sysco property, NSLI will work in partnership with provincial government agencies and departments as it plays a new role in providing management, operation, security, and administrative services in the remediation of environmentally challenged sites under the control of the Province of Nova Scotia.



Strategic Goals

NSLI's overall strategy is to advance its objectives with respect to decommissioning, remediation, and future use of the former steel plant site as well as other provincially owned properties. Further, NSLI staff will continue to provide their considerable environmental experience in support of the federal-provincial program to clean up the Tar Ponds and Coke Ovens sites. The underlying goal of NSLI will be to protect the province's interests and its fiscal position regarding environmentally challenged sites.

More specifically, NSLI will

- continue remediation activities at the former Sysco site, until completed
- continue to put in place the required infrastructure to allow for redevelopment of the site as a viable commercial park facility
- continue to co-operate with the Cape Breton Regional Municipality in planning activities for viable reuse of former Sysco lands and assets, including necessary water supply, in efforts to increase the municipal tax base
- assist in prioritizing provincially owned sites under its mandate to ensure that present public safety issues or serious environmental concerns are high on the action list
- assess and, where necessary, remediate provincial lands for future uses in

an environmentally sound manner, meeting the province's obligations and strengthening relations with the local communities

- maintain adequate security on sites to prevent the loss of provincial property and site assets as well as maintaining safe conditions
- actively market Harbourside Commercial Park as a viable location to establish commercial and light industrial enterprises

Core Business Areas

Former Sysco Site Rehabilitation and Redevelopment

Demolition of the plant infrastructure has been completed, and the environmental remediation of the property is well advanced. Some areas require continued environmental site assessment (ESA) studies and may need further remediation and future monitoring.

As the former Sysco site is remediated, work will continue to redevelop the property into useful and valuable commercial real estate.

Support to the Tar Ponds and Coke Ovens Project

With the former extensive Sysco property separating the Tar Ponds and Coke Ovens

sites, much of the federal-provincial cleanup agreement activity is staged on the NSLI managed property. Also, since much of the Tar Ponds / Coke Ovens remediation activity is very similar to the work already completed by NSLI on the former Sysco site, support to the Tar Ponds project has logically grown. Furthermore, remediated areas of the former Sysco site, as well as the Tar Ponds and Coke Ovens sites, will require long-term monitoring activity. NSLI will be well positioned to oversee this required monitoring activity.

Environmental Assessment and Remediation of Other Sites

Based on prioritization, some other former Sysco properties require environmental site assessments or additional physical assessment. Physical assessment may include locating buried hazards, underground tunnels, or surface soil subsidence.

Remediation or restoration plans will be developed and implemented as required. Remediation may include removal of hazards, site levelling and grading, soil and seed application, tree planting, remediation of contaminated soils, redirection or treatment of ground waters, and other activities.

Reuse of Blast Furnace Slag, By-products

Slag materials were produced as a by-product of the steelmaking process. Several hundred thousand tons of these

products are on the former steel mill site. It has been demonstrated that several of these products are valuable as construction aggregates, filter media, and concrete aggregates. NSLI will continue to encourage and assist private-sector companies to reuse these products for construction activities and in stabilization and solidification of the Sydney Tar Ponds.

Priorities for 2011–2012

Former Sysco Site Rehabilitation

- Complete Phase II and III ESAs in the tank farm area, August 2011
- Finish remediation of isolated contamination areas
- Remediate other areas (pending ESA results)
- Decommission south substation
- Remediate high dump sludge, December 2011
- Modify standpipe
- Clean up fuel cell building
- Rebuild fire system
- Do general maintenance, monitoring well checks
- Level slag quarry
- Do air monitoring, groundwater sampling



Former Sysco Site Redevelopment

- Complete north end final cover, north end final paving, November 2011
- Continue grading and levelling of ore field area, September 2011
- Maintain concrete pilings in the docks area

Support to the Tar Ponds and Coke Ovens Project

- Provide management support on CO site for grading and capping
- Serve on and support the federal-provincial Project Management Committee
- Oversee disposal within the NSLI landfill cell of un-recyclable debris removed from the Tar Ponds
- Co-chair the Environmental Management Committee

NS Sites Review and Prioritization

- Complete review of all available documentation related to other former Sysco sites
- Continue to meet with those with vested interests (Natural Resources, Public Works and Government Services Canada, etc.) who may have knowledge of the sites and may have already identified issues or have had assessments done

- Where possible, physically visit and walk throughout any identified sites where health and safety issues could be of concern
- Update priority project list for future remediation consideration

Environmental Assessment and Remediation of Other Sites

- Complete physical assessments on selected sites
- Complete CCME-based environmental assessments on selected (higher priority) sites
- If issues are identified, develop a priority list to remove public safety hazards and environmental concern at prioritized sites
- Continue other ongoing assessments
- Carry out other work as contracted from other government departments

Decommissioning of the Sydney River Water System

- Liaise with CBRM water utility in the shutdown of the Sydney River system
- Plan and implement the decommissioning of the Sydney River water system
- Plan for operation of the Sydney River dam and fish ladder

Budget Context

	Budget 2010–11 (\$ 000)	Forecast 2010–11 (\$ 000)	Budget 2011–12 (\$ 000)
Revenue			
Management fee from HCPI	115	104	105
Miscellaneous recoveries	3,500	3,945	4,050
Miscellaneous revenue	0	92	3
Recovery from Sysco	7,383	5,815	4,878
Total revenue	10,998	9,956	9,036
Expenses			
Payroll	1,260	1,126	1,003
General and administrative expenses	490	489	490
Project management	100	58	100
Security services	125	85	95
Site reconstruction	3,098	2,343	4,463
Cleanup and containment	5,710	5,737	2,700
Total expenses	10,783	9,838	8,851
Net income	215	119	185

FTEs	11	11	9
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Outcomes and Performance Measures

Core Business Area 1 Sysco Site Rehabilitation and Redevelopment

Outcome	Measure	Base Year	Trends	Target 2011-12	Strategies to Achieve Target
Continue with final environmental site assessments	Complete final two areas	2008-09	2008-09: 75% 2009-10: 90% 2010-11: 90%	100%	Contract final two environmental assessment studies
Finalize solidification (HAZCO) contract	Complete North End site project	2007-08	2008-09: 50% 2009-10: 90% 2010-11: 90%	Work complete	Manage final contract work
Remove final aboveground and underground piping	Remove hazardous material pipeline	2007-08	2010-11: 100%	Complete removal activity	Tender and award work
Continue soil remediation activities	Complete final two areas of site	2006-07		Complete high dump area	Tender and award work

Core Business Area 2 Support to the Tar Ponds Project

Outcome	Measure	Base Year	Trends	Target 2011-12	Strategies to Achieve Target
Tar cell area remediated and redeveloped	Finalize last major contract	2009-10 2010-11	2009-10: 30% 2010-11: 100%	Work completed	Manage awarded contract
Manage operation of contaminated material cell		2010-11	2010-11: 30%	Work ongoing 2011-12: 45%	Oversee placement of material to ensure no damage to cell liner

Core Business Area 3 Environmental Assessment of Other Provincially Owned Sites

Outcome	Measure	Base Year	Trends	Target 2011-12	Strategies to Achieve Target
Finalize two EA studies	Approve final reports	2009-10	2009-10: 80% 2010-11: 100%	Reports complete	Comment on and accept final reports
Identify health and safety issues	Document issues and develop action plan	2009-10	2009-10: 20% 2010-11: Ongoing as per needs	All main H&S issues dealt with	Use internal resources to repair any issues presenting a safety concern



Core Business Area 4 *Grand Lake Water Supply*

Outcome	Measure	Base Year	Trends	Target 2011-12	Strategies to Achieve Target
Finalize construction and commission water supply	Final contracts complete	2009-10	2009-10: 80% 2010-11: 100%	Water system in use	
Shut down Sydney River system	Prepare decommissioning plan	2010-11	2011-12: 100%	Sydney River system shutdown & decommissioning	