



Crown Corporation

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

FOR THE FISCAL YEAR 2012–2013

Nova Scotia Lands Inc.

Business Plan 2012–2013

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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 Corporation (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. Also, NSLI has taken the lead on a number 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 in 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 2012–2013, the principle role of NSLI will be to continue the redevelopment activities at the former Sysco site, recycle any remaining products of value, and put in place the necessary infrastructure for continued 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 contaminated sites that are provincially owned, as well as assist the Sydney Tar Ponds Agency in advancing its \$400 million project adjacent to Sysco and Harbourside Commercial Park properties.

Co-operative efforts will continue with the regional municipalities in planning for viable reuse of provincially owned properties in order to assist municipal governments to rebound from the loss of a 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 (TIR). NSLI maintains an office in Sydney, Nova Scotia, along with a presence at TIR's head office in Halifax. NSLI's website address is <http://www.nslands.ca>.

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 pertain to 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 damaged 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 and redevelop provincial lands for future uses in an environmentally sound manner, meeting the Province's obligations and strengthening relations with local communities
- maintain adequate security on sites to prevent the loss of provincial property and site assets, as well as maintaining safe conditions
- actively manage and market Harbourside Commercial Park as a viable location to establish commercial and 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 and 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 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, Remediation and Redevelopment Other Sites

Some other former Sysco and non-Sysco properties require environmental site assessments or additional physical assessment. Physical assessment may include locating buried hazards, underground tunnels, or areas of surface soil subsidence.

Remediation or restoration and redevelopment 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. Redevelopment may include rehabilitation of existing infrastructure.

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 the stabilization and solidification of the Sydney Tar Ponds.

Priorities for 2012–2013

Former Sysco Site Rehabilitation

- Complete Phase III ESA in the tank farm area, August 2012
- Finish remediation of isolated contamination areas
- Remediate other areas (pending ESA results)
- Decommission south substation



- Bioremediate high dump sludge, December 2012
- Decommission fuel cell building
- Do general maintenance, monitoring well checks
- Continue slag quarry
- Monitor air, sample groundwater

Former Sysco Site Redevelopment

- Complete North End final cover, North End final paving, November 2012
- Continue grading and levelling of ore field area, September 2012
- Install second leg of Fire system (Stable Drive)

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 problems 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 problems 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

- Support Pictou wharf rehabilitation
- Support DSME Trenton work

***Decommissioning of the
Sydney River Water System***

- Plan for operation of the Sydney River dam and fish ladder



Budget Context

	Budget 2011-12 (\$ 000)	Forecast 2011-12 (\$ 000)	Budget 2012-13 (\$ 000)
Revenue			
Management fee from HCPI	105	105	100
Miscellaneous recoveries	4,050	9,404*	7,630
Miscellaneous revenue	3	132	3
Recovery from Sysco	4,878	3,395	5,191
Total revenue	9,036	13,036	12,924
Expenses			
Payroll	1,003	945	1,050
General and administrative expenses	490	380	496
Project management	100	75	75
Security services	95	90	95
Site reconstruction	4,463	5,904	3,473
Cleanup and containment	2,700	5,483	7,535
Total expenses	8,851	12,877	12,724
Net income	185	160	200

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*Includes unbudgeted projects. The recovery is offset by additional expenditures.

Outcomes and Performance Measures

Core Business Area 1

Sysco Site Rehabilitation and Redevelopment

Outcome	Measure	Base Year	Trends	Target 2012-13	Strategies to Achieve Target
Continue with final environmental site assessments	Complete final two areas Phase 3 pending	2008-09	2008-09: 75% 2009-10: 90% 2010-11: 90% 2011-12: 98%	100%	Phase II for last remaining area completed
Water system upgrades	Fire suppression system	2011-12	2011-12: 30%	100%	
Finalize solidification (Hazco) contract	Complete North End site project	2007-08	2008-09: 50% 2009-10: 90% 2010-11: 95% 2011-12: 100%	Work completed	
Ore field grading	Final levelling of area	2011-12	2011-12: 0%	100% completed	Final grading of ore field
Continue soil remediation activities	Complete final two areas of site One area remaining	2006-07	2006-07: 20% 2007-08: 40% 2008-09: 60% 2009-10: 80% 2010-11: 85% 2011-12: 95%	Complete high dump area 100%	Bioremediate sludge area



Core Business Area 1 *Sysco Site Rehabilitation and Redevelopment*

Outcome	Measure	Base Year	Trends	Target 2012-13	Strategies to Achieve Target
South sub decommissioning	Complete decommissioning	2011-12	2011-12: 30%	100%	Based on potential sale of building and equipment
SPAR Road/CBRM	Sidewalk to be constructed along SPAR, partnering with CBRM	2012-13		100%	Construct sidewalk along SPAR, CBRM the lead
Digitization of post-2000 construction drawings	Digitize all drawings post-2000 for our archives	2012-13		100%	Tender contract

Core Business Area 2 *Support to the Tar Ponds Project*

Outcome	Measure	Base Year	Trends	Target 2012-13	Strategies to Achieve Target
Long-Term Monitoring Plan		2011-12	2011-12: 10%	100%	Develop plan for monitoring
Manage operation of contaminated material cell		2010-11	2010-11: 30% 2011-12: 45%	Work ongoing	Oversee placement of material to ensure no damage to cell liner
Coke Ovens capping		2011-12			
Engineering over site			2011-12: 50%	100%	Complete capping
Coke Ovens CO6B	South	2011-12	2011-12: 30%	100%	Complete capping
Coke Ovens CO6A	North	2011-12	2011-12: 80%	100%	Complete capping

Core Business Area 3 Environmental Assessment of Other Provincially Owned Sites

Outcome	Measure	Base Year	Trends	Target 2012-13	Strategies to Achieve Target
Identify health and safety issues	Document problems and develop action plan	2009-10	2009-10: 20% 2010-11: Ongoing as per needs 2011-12: Ongoing as per needs	All main H & S issues dealt with	Use internal resources to repair problems presenting a safety concern
Pictou Wharf engineering and assessment	Develop plan	2011-12	2011-12: 0%	100%	Rehabilitation of wharf area
DSME Trenton paving and hydro seeding	Prepare 30-acre operations and storage area	2011-12	2011-12: 95%	100%	Complete final grading

Core Business Area 4 Grand Lake Water Supply

Outcome	Measure	Base Year	Trends	Target 2012-13	Strategies to Achieve Target
Shut down Sydney River system	Prepare decommissioning plan	2010-11	2011-12: 100%	Completed	