

HANSARD

NOVA SCOTIA HOUSE OF ASSEMBLY

COMMITTEE

ON

PUBLIC ACCOUNTS

Wednesday, November 19, 2014

LEGISLATIVE CHAMBER

Department of Transportation and Infrastructure Renewal

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Public Accounts Committee

Mr. Allan MacMaster, Chairman

Mr. Iain Rankin, Vice-Chairman

Ms. Margaret Miller

Ms. Suzanne Lohnes-Croft

Mr. Brendan Maguire

Mr. Joachim Stroink

Mr. Tim Houston

Hon. Maureen MacDonald

Hon. David Wilson

In Attendance:

Mrs. Darlene Henry
Legislative Committee Clerk

Mr. Gordon Hebb
Chief Legislative Counsel

WITNESSES

Department of Transportation and Infrastructure Renewal

Mr. Paul LaFleche, Deputy Minister

Mr. Bruce Fitzner, Chief Engineer Highway Programs

Mr. Peter Hackett, Executive Director Engineering and Construction

Mr. Will Crocker, Bridge Maintenance Engineer



HALIFAX, WEDNESDAY, NOVEMBER 19, 2014

STANDING COMMITTEE ON PUBLIC ACCOUNTS

9:00 A.M.

CHAIRMAN
Mr. Allan MacMaster

VICE-CHAIRMAN
Mr. Iain Rankin

MR. CHAIRMAN: Good morning, everyone. I call this meeting to order. Today we have the Department of Transportation and Infrastructure Renewal with us to discuss tenders for roads and bridges.

I'd like to begin with introductions by committee members, beginning with Mr. Maguire.

[The committee members and witnesses introduced themselves.]

MR. CHAIRMAN: We do have a couple of members who are still on their way in, due to the roads, condition of the roads - due to weather conditions related to the roads.

I just give a friendly reminder for everyone to make sure their phones are on silent for this meeting. Mr. LaFleche, please begin with your opening comments and then we'll proceed with questions.

MR. PAUL LAFLECHE: Good morning and thank you for the opportunity to talk about our tendering process and to update you on where we are with our provincial bridge infrastructure. I have several colleagues with me here today but once again, the chairman has rendered this paragraph of my speech useless because we've done that.

I'm going to address each of the two parts of why we're here separately. Let me first start talking about the bridges. When we were here last time we introduced the idea of not replacing some of our bridges. Actually I've always blamed Mr. Fitzner for doing that and thanked him for relieving me of the heat, but we, the department, did that apparently.

I want to address this right off the top: if a bridge has to be closed, it's only closed for safety reasons, not for other reasons, not because we just want to close a bridge; it's actually closed because it's unsafe. We have many options then. We can either repair it or replace it - or possibly, in some circumstances, not replace it, where there are suitable alternative routes.

Bridges don't also just mysteriously close instantly for safety reasons. Some do, some are downgraded in terms of their carrying capacity and they progressively move lower and lower in terms of their ability to carry loads. So in many cases it's not a sudden closure but rather a slow closure over many years.

Last time we met we said we would work with some of the representatives here or elected officials and our other elected officials - there are seven here so there are 44 left, if I got the math correct. We would work with them and also with the elected officials in municipalities and towns and the communities affected, to make sure that if we decided not to replace a bridge, it would not be a sudden surprise but rather there would be consultation that was adequate for the purpose at hand.

As I said previously, we will only close a bridge for safety reasons and this is really a last resort. We don't want to close bridges. We're not out there to close bridges. When a bridge is closed, that triggers the decision on what to do for the future.

We are mindful of our responsibility, though, to ensure that all our bridges are safe and of course any time you have a structure there is always risk, even though it is infinitesimally small with a new bridge, and it rises as bridges get older, but we're mindful that we want to have a suitable level of risk so that the public itself, its safety, is not put at risk. So we don't take easily the decision to close but on the other hand, if a bridge is risky, we will close it for public safety.

We also want to ensure that the tax dollars that you, the politicians, raise through the tax system from the public are wisely spent. We've got a lot of bridges, we've got a lot of infrastructure; we've got 4,300 bridges and structures under the provincial jurisdiction. As an example, Ontario has 2,100 under provincial jurisdiction because they have a lot of bridges and structures owned by municipalities. So our job on bridges and structures is roughly twice the mandate of the Government of Ontario, not the government of the whole province but the provincial Government of Ontario.

More than half of our bridges are more than 50 years old and many are coming due for replacement in the near future, simply because of their age and their design. A lot of

those are single-lane bridges, some of them may be little more than culverts, and some may be on abandoned roads, so there are many special circumstances.

We are looking at our inventory now with a critical eye, because from both a safety and budget perspective and from a practical perspective, we need to ensure we are doing the best we can for Nova Scotians. It's a challenge to maintain 4,300 bridges, and we have a duty to ask ourselves from time to time, as we did the last time we were here, do we need all of these structures? Do we need all of these bridges? Another way to look at it is to say that if a bridge had never existed, would we consider building one there today? That's a good question to ask, because it's a different question than do the citizens of the area want a replacement?

The needs of the motoring public today are vastly different than they were a century ago. Our roads are faster, our vehicles are faster; in some cases, our vehicles are not pulled by horses, as they were when some bridges were built. So the time for a drive around has now shrunk, and not all the bridges serve the same functions they once did. Many that we have inherited from a century ago are single-lane bridges and don't adequately serve today's purposes. If we replaced them, they would be much more costly to replace because we would naturally build modern load-bearing, double-lane bridges.

Some of our bridges are on abandoned roads and are only used by recreational vehicles at this point. In some cases we have multiple bridges crossing the same waterway, separated by only a few kilometres. Yet all of those things are in our bridge inventory of 4,300, and we are responsible for ensuring all of them are safe. Even if it's old and it's on an abandoned road, if it's in our inventory, we have to make sure it's safe.

We have a bridge rating system that our inspectors use, and it helps us prioritize all the work that needs to be done. As with our 23,000 kilometres of roads, we don't necessarily address the worst first. Along with the 0-9 rating, which Will Crocker over here can explain if you want him to, we look at other factors such as where and how a bridge is being used, the traffic volumes, and the type of traffic flowing over the bridge or the overpass. Some of our little-used structures are actually used for commercial activities that require a lot of load-bearing capacity, so those are important bridges from the point of view of jobs and economic activity. It's not a simple equation to decide when a bridge needs to be replaced and what needs to be done to it. All of those factors need to be considered.

We also consider input from our own staff - our district directors, our area managers, and our own workers in the field, who are located across the province. They know the community, they interact with the elected officials - many of you here know those area managers and district directors, you know your operational and maintenance supervisors, and you work with them on issues you have, because it's a lot easier than working with us here, and a lot faster. So you develop relationships. Those people know your needs and they know the community's needs, so their knowledge is factored in the prioritization that we do.

I want to assure the committee that Nova Scotia's bridges are indeed safe. Everything is about risk, but we manage the risk, as all other jurisdictions do, by national engineering standards, so that our bridges can be considered safe. Some of our bridges have reached the point where we need to restrict their weight capacity; others we've simply closed until repairs or a decision on replacement can be made.

These would typically be on our lower-volume roads. We have two closed bridges right now, and we have a number that are probably nearing such a decision in the near future, but we are committed to continuous improvement and are constantly looking at ways to build better bridges. Last time we were here, Will talked about a bridge, a new innovative design using timber that we've done on Dr. Bernie MacDonald Drive, an innovation at the Perennia Innovation Centre in Bible Hill. Different types of structures serve different purposes, and if we can do it better and cheaper, we will look at innovation in the system.

When we build a new bridge, we're also using stronger, longer-lasting materials and new techniques that hopefully will allow us to combat the rough climate that we have in the Maritimes. We experienced some of that rough climate today, and I'll have a few words about that in my sum-up, Mr. Chairman.

One of our biggest challenges, of course, is the effect of salt on the structure, whether it's salt in the air or salt in the water or salt we put on the structure, and of course the freeze/thaw cycle that we have. Because a lot of our climate, unlike much of Canada, is near zero degrees, we go through the freeze/thaw zone constantly, in fact many cases many times a day. That does not happen in places like Alberta where it goes low, below zero and it just stays there; it's a totally different climatic phenomenon, and even though it's much colder and some people would consider the conditions much harsher, it's not as rough on structures and roads as going through the freeze/thaw cycle hundreds of times over a winter, or several times a day.

Some of the material you got have pictures of structures, pictures of the damage that can be done, and I hope you'll take a look at them. Our provincial bridge engineers are being more proactive than ever in trying to prevent premature aging. So we don't just wait for things to happen, we don't wait till the last minute when the bridge is nearing the need to be closed, we actually look at how can we do preventative maintenance, how can we fix the decks, how can we fix the structure so it lasts another 10 or 20 years and we save money on our replacement. We're very proactive at that. We stay current with national best practices. Will, for example, sits on several national committees, as do several of our other bridge and structure engineers and they look at the experience that other people have in other areas and they learn.

Choosing not to replace a bridge is a tough decision and while practically speaking it may not make sense to replace a bridge in many cases on a low volume road, there isn't anybody on that road, maybe except a person bothered by traffic, who doesn't think their

bridge needs to be replaced. So it's always a tough political decision for you, the elected members. I would suggest that we are in very challenging times, given our fiscal situation and it requires innovative solutions. Luckily we do have the staff who are capable of coming up with such solutions. I would also suggest that thinking about our bridge situation in a serious way, and at time to time not replacing a bridge despite the public's cry to replace it, is required. It's a tough decision but it's something that we have to look at. As one Nova Scotia report tells us, we can't continue to do things in the same way as we've always done them and expect a different result.

Let me briefly move on to the second topic, which is tendering, I am pleased to report, and Peter and will have a lot to say about this if you want to ask him, we're getting tenders out the door earlier than ever before. It took me a couple of years to get around to it, never got around to getting the grants out in Agriculture earlier, I apologize for that - six years - I think my predecessors are still working on that, or my successors. But we have finally, I think, done a great job. Peter is new in the job; he's been there about a year, and we know it's very important not only for road builders but also for our cost structure to get out tenders earlier and to look at different ways of bundling tenders. It helps companies plan. It helps people, workers, make decisions to stay in the province if they know work is coming and this year we've done a pretty good job of it.

We recently met with Grant Feltmate and his colleagues on the Nova Scotia Road Builders Association; Grant is the CEO. We met with the executive and earlier tendering has always been a big ask of them, the members, so that they could plan better and they could keep their work crews, they could know where to put their equipment, and they could know how what type of work is coming up and they could bundle their bidding a bit better. So on behalf of his membership Mr. Feltmate indicated this year he was very pleased to see how the tenders were going out. So far we have eight tenders that are either out or in the queue.

We have also continued to issue tenders such that smaller contractors have an opportunity, so we're not only focused on the big ones, because we know that in many cases the smaller contractors could also do towns and municipalities, that do private residences and businesses in local areas, they need to maintain their existence and have work so we're very, very sensitive to the fact that tenders need to be issued in such a way that they can compete, that those businesses can grow.

Overall, tender prices are holding steady over the past few years, and this year's pricing remains very competitive with the province receiving good value for tender on all of our projects. While there are many factors that can impact contract pricing, the most important factor is competition in the industry. In the previous two times I have been here, I've talked about that - there are many ways to influence competition. We are pleased with the number of bidders, we're pleased that a couple of companies have made decisions to purchase asphalt plants or to get into the business, and the fact that new bidders have entered from New Brunswick and P.E.I., we feel is a good thing.

I know that in some cases local people have looked upon that in a negative way, but we feel that is ensuring we get good competitive prices and that our own companies here stay sharp. Also, our own companies earn more business in those other provinces than those provinces' companies make here. It wouldn't be good to cut that off.

With that, I'll wrap up my formal remarks, and I will have some at the end, Mr. Chairman, on a slightly different topic, but we are free to take questions.

MR. CHAIRMAN: You will have a brief period at the end.

MR. LAFLECHE: Brief, not as long as this one.

MR. CHAIRMAN: Not as long as that one.

MR. LAFLECHE: But I've borrowed time from my previous four presentations.

MR. CHAIRMAN: Okay we will begin with questions.

MR. LAFLECHE: I want to say that I have an Alberta pin here I found on this desk, I think it's the Honourable Karen Casey's. We have no bidders from Alberta that I know of, do we? I don't know where this came from, it's not my pin.

I did feel nervous here knowing I would be coming to Karen Casey's desk, as the Elm River Trailer Park flooded last night and I was watching videos of it, so I'm already feeling the heat, I don't know if there are heaters on these seats, but I will have to be thinking about that later in the day - another subject for another time.

MR. CHAIRMAN: Okay, hopefully they are okay today.

We will move to Mr. Houston for 20 minutes.

MR. TIM HOUSTON: Thank you for those very informative opening remarks. I do appreciate that actually. I want to start off - I'm looking at the five- year improvement plan here, the five- year highway improvement plan. On Page 8 it has the projects approved start for 2014-15, and it goes for a couple of pages. How are you doing on those approved projects - have all those been tenders . . .

MR. LAFLECHE: I will pass the questions to the appropriate person, and that would be my colleague, the high-scoring forward to my right - we're going to the left.

MR. SPEAKER: Mr. Fitzner.

MR. BRUCE FITZNER: For the projects on the 2014-15, that's the current construction season that's just ending now, we will do an assessment at the end of the year

as to what percentage of those have been tendered and awarded. In the last few years, and I expect it to be similar this year, it will be somewhere in the 93 to 97 per cent of the projects that were listed there have actually gone to tender and work has started or the work has been entirely completed. There is the odd tender project from time to time that gets delayed or deferred for a number of different reasons - it could be a bridge that has environmental issues or design issues crop up, and this type of thing.

I would make a guess - and it will be confirmed when we put out our new report in December, we always go back and report on the previous year - I would suspect a very high percentage of those projects will have been completed.

MR. HOUSTON: So, most of them get done?

MR. FITZNER: Yes.

MR. HOUSTON: The ones that don't get done, what types of reasons could it be that something didn't get done?

MR. FITZNER: It may be, for instance, a paving job where the municipality all of a sudden notifies us they're going to do a water line on that road, so it would make no sense for us to pave it and then to cut it up and do a water line; it could be a bridge and environmental concerns crop up when we're getting our permit and it delays the project for a number of times; and sometimes it could be the price came in much higher than we had anticipated and then we have to see how we can manage to find the funding to do the project on time.

MR. HOUSTON: So this list, you'll be soon starting to compile the next list of projects for approval, I guess, and those suggestions come from the area managers?

MR. FITZNER: We take in information from the public; we get a lot of letters; we have our own field staff who are constantly reviewing the roads and know the roads in their areas. We may meet with boards of trade; we talk to municipal councils; we talk with the MLAs - in fact, we've met with most of the MLAs and I think we have a meeting with you today, actually.

We take all these requests in and then what we do - as you probably realize, the requests far exceed what we can do in a single year - we go out and we do an assessment on those roads. We have an ARAN vehicle, and it measures the roughness and the cracking and this type of thing. We do the traffic data and then we score the projects and then we try to use that scoring to put the program together.

MR. HOUSTON: So you get suggested projects from a variety of sources, and then some of them are approved. I'm just trying to figure this out - so this is a list of approved projects, but they're approved based on a rough estimate of what the department thinks it

will cost. You're trying to approve projects to meet with the cash you have available, but you have to do that without knowing what the actual project is going to cost - is that right?

MR. FITZNER: Yes, but we have a tracking system. Every year we track the unit bid prices and it goes into a database so when our engineers do a rough estimate up, they can draw on the unit prices we've been getting in a certain area. Some areas it changes, depending on the location of pits and quarries and this type of thing. Usually the estimates are within reason of what the thing actually comes in at; there are exceptions, but they generally do.

For instance, we'll have a Fall capital budget coming out this Fall. In that budget, it'll tell us how much we have to work with for next year and then we put together the program based on that amount.

MR. HOUSTON: Right, so in the department this list of approved projects would appear like this, except you'd have another column that would have your estimated cost of that project, basically.

MR. FITZNER: Oh yes, we would have a lot more data.

MR. HOUSTON: And then when you actually issue the tender, somebody in the department is looking at what's coming in and comparing it to what the estimate was. How do those tenders usually come in - are you usually surprised one way or the other, compared to your estimate?

MR. FITZNER: Maybe I'll pass that one to Peter. He's the guy who looks after the tenders.

MR. PETER HACKETT: So when the tenders come in - as you said, we have an already estimated value, and then the actual value coming in. So for this year for instance - and this is pretty typical of the way the market works out there for construction - for this year, for about the first two or three months, maybe a little longer than that, you're getting tenders out in January, so about April or May, tenders were coming in a bit lower than our estimated values. Then getting into the summer season when contractors get their capacity up to how much work they can actually do, you see the tenders kind of going up a bit in value.

So we look at those trends as they come in and figure out why the tenders are lower or why the tenders may be higher. Some of the reasons are the fact of how many bidders are out there, it may be the prices of materials like oil and stuff like that. So we do a little bit of an analysis as we go through. If they're consistently low, then we look at that; if they're consistently high, then we have some issues and may have to readjust our budgets.

MR. HOUSTON: So you've been able to build a correlation that the quicker you can get the tenders out, the cheaper they come in?

MR. HACKETT: Yes, that's pretty true for the most part. And then, like I said, as the contractors get to their capacities - and also time, because in this province we're done our construction season now because of the weather, so we only have a certain amount of time to get our work done. The later we get our tenders out, the more time constraint for the contractor who had to do the work, and so obviously it'll come in at a higher value.

MR. HOUSTON: Right, and did I hear Paul say that you have a lot more tenders out at this stage in the year than you would have in prior years - we're getting them out earlier?

MR. HACKETT: Yes. Like Paul mentioned, there's probably about eight either on the street or in the queue to go out to tender; there are more to come so they keep adding in. So this year we have about eight out - probably somewhere between \$15 and \$20 million of our program is out on the street so far, which is probably around \$190 million, I guess, Bruce, with about \$30 million to be carried over to next year.

MR. HOUSTON: It makes perfect sense to me that if the contractors can bid earlier and start to fill their order book, that would get us preferential pricing as a province. Do you have any indication - like, is it usually 5 per cent cheaper, historically, on the earlier ones, or do you have some feel as to how much we can possibly save by getting the tenders out earlier?

MR. HACKETT: I don't have a number on that at the moment. I mean, obviously this is the earliest we've been out in October, because normally we probably get them out in January. Sometimes they are in December, but normally it's January, so we haven't really looked at what October is going to bring us to get them out this early. So far, the few bids that have come in have been pretty close to our estimates or a little bit below, so it's fairly competitive right now.

As time goes on, we may have a look at that evaluation but, historically, the earlier they get out, as the deputy minister mentioned, the earlier we get out, particularly for next year the contractors are able to sort of build their inventory, and that means materials, equipment, and men. So if they know the people are going to stay home, they're going to be able to work, they can bid accordingly. If they don't know if they are going to have those people to work, then they may have to bid the jobs a bit higher.

MR. HOUSTON: So what would the goal of the department be? Right now, I think you said we've got maybe \$15 million or \$20 million worth of work out there on the street or ready to go, part of roughly \$200 million. So would there be a goal in the department to try and say, well, next year let's try and have 50 percent out at that stage - would something like that ever be possible?

MR. FITZNER: What the contractors tell us is that the more we can get out before the roads close in the Spring - because these are all projects for next year, so they don't actually do much work until next year, but they can mobilize a crusher or something. If they know before the roads close, they can move that crusher and maybe start doing some of the crushing.

We would like to see - I think our goal, ideally, would be to get everything out, 100 per cent, before the next construction season starts. That would be the ultimate where we want to get; realistically, I think the road builders have asked us to get 50 per cent out before the roads close, so I think that's the goal we're trying to work toward this year.

MR. HOUSTON: And maybe even this year you'll hit that. You're kind of on target, I guess I would say, right? So what about rural roads? In the opening comments, there was some reference to always looking for new techniques and being innovative and stuff. I'm just wondering, has there ever been any consideration of taking like a bundle of rural roads in a certain area and just packaging them together and putting the whole thing out for tender to a private company to look after that road - snow removal, grading, ditching, all that stuff? Has there ever been any kind of thought process to if that would be more cost effective in the scheme of things? What type of plans do you have on rural roads?

MR. FITZNER: We've had that discussion. In the past we have tendered out single pieces of equipment in different counties. I suspect that in Pictou County there are a few. They come and they work for us, an operator and a machine, but they are privately owned.

MR. HOUSTON: For snow removal, I think that's done quite a bit.

MR. FITZNER: For snow removal, yes, and sometimes for grading in the summer. But they more or less work like our own workers would work for us, except they own their own piece of equipment and they are independent.

We have talked about looking at packaging up an area and putting it out for tender and having the contractor do the maintenance year-round. I think a number of provinces - B.C., especially Alberta - out west have done this. They are probably on their eighth or ninth rounds of contracts. They've improved them over the years, so there is a model for doing it.

You need to be cautious when you do it, if you go too far with it, because once a department gets rid of all their equipment and all their bases, then you're pretty well going to have to accept what the bid prices are. If there's a large company that's geared up and has that now, sometimes the competition isn't what you would need it to be.

I think right now we have an agreement with CUPE that we're limiting the amount of private gear that we do to forty-two pieces. I think we're going to have to look in some

subdivisions, and that type of thing, as you suggest, may be a better way to go in the future if the price is cost effective. Our focus is really the subdivisions, although you guys get all the calls from those, they are really lower on our priority list. We are on the 100-Series and the trunks and routes first and then we do the subdivisions.

If you had a private sector person who was just given a subdivision, that would be their first priority, so it may be a way to equalize the service level a little bit. It's something we're thinking about, but we've made no decisions to do it yet.

MR. LAFLECHE: A good example of the opposite of that, actually the reverse - and Bruce mentioned that we're not great at the subdivisions but we are good at the 100-Series - is the Cobequid Pass. Highway 104 Western Alignment Corporation, in fact contracts us to do, what you were just talking about a private contractor would do, because that is our area of expertise. We actually do the maintenance and the plowing for Highway No. 104. But as Bruce mentioned, looking at subdivisions - I think we've got a pilot going this year, Bruce, do we not?

MR. FITZNER: I think we're hoping to.

MR. LAFLECHE: Yes, we're trying to get a pilot out in one area this year to see how it would work and to see if we can get better plowing, more responsive to the local population, and better pricing for us.

MR. HOUSTON: Is that specifically for winter maintenance?

MR. LAFLECHE: That's winter maintenance only, not overall maintenance.

MR. HOUSTON: What I'm thinking about is something like a rural gravel road, I mean there's nothing wrong with a good gravel road as long as it's graded and kept up a little bit with good ditching. I think what happens with a lot of rural roads is they don't get graded enough or they don't get graded deep enough when they do get graded.

What I was wondering is if you had somebody who is responsible solely for the maintenance of that road, they would probably invest up front in giving it a good grade and getting it going and then they would be able to maintain it a little better. I was wondering about not just winter maintenance but year-round maintenance for things like that, is that something that - I think I heard you have been thinking about that as a department and maybe started to do a bit of costing on that?

MR. FITZNER: Yes.

MR. HOUSTON: So there has been some costing done and it's something that . . .

MR. FITZNER: Yes, we tracked our cost now, like we have what we call a RIM program that you may be familiar with, and it's basically maintenance work that we do on the roads. We track all the bid prices that we get from that. We also know our internal costs so we know in some cases that the bid prices, especially in certain areas, aren't great but we know that in other areas they're really great so we could take advantage of some of those areas.

The other issue we're having, too, and it's not uncommon in the industry, is just keeping operators. There are fewer equipment operators around. A lot of them are attracted out West for the higher wages and so we have certain areas of the province now where just getting people to sit in the seat is becoming a challenge. These may be areas where we try one of these pilots to see - let's put a package out and see what kind of pricing we get.

MR. HOUSTON: Did you say you're looking at a pilot at the moment?

MR. FITZNER: Yes.

MR. HOUSTON: So maybe for next summer - for summer, maybe?

MR. FITZNER: Start with the winter - I think we're looking at.

MR. HOUSTON: Okay, that's interesting, I appreciate that. What do you see happening with the RIM program - is the RIM program effective?

MR. FITZNER: Yes, the RIM program when it was originally conceived, there was a gap in between large capital projects and the day-to-day stuff that our own guys do, which is very small work. They go out and do a couple of culverts or whatever. So it was something that was a little bigger than that, but not as big as a capital project.

We felt that it met a need for gravelling roads, ditching, bush-cutting, all areas where we have a lot of challenges. It met that need very nicely; we were able to do something a little more substantive. I know we have people who wait for a year for us to come out and do something and they'd say gee, they were there for the morning and then they left - is that it? This would be more of a two- or three-day or a four-day process where the thing came in, so it's a very popular program. Our staff like it and most of the MLAs I've talked to like that program. It lets us move around quite a bit and pick up a lot of maintenance issues.

MR. HOUSTON: But the RIM budget has come down over the year, I think, right?

MR. FITZNER: It actually started at \$9 million when it was first put in; it went to \$10 million; it rose to \$20 million for a few years; two or three years ago it dropped back to \$15 million; and last year, this current year, it got raised another million, to \$16 million. So it's currently at \$16 million.

MR. LAFLECHE: I was going to go over the history of the funding, but I point out after several years of being squeezed we did get another million added in the budget last year. The previous million - the previous year we found a million in year, sometimes we do that and I know various people like the Auditor General don't like us to reallocate money in year, but the RIM is felt to be a very important program. It gets the things done that the MLAs and their constituents want to get done - in year emergencies that happen, so any time we can put some more money into RIM we feel it's really money well spent.

Some of it is maintenance and that saves money on capital in the long run, but I want to say something about the budgeting of RIM. One of the problems - it's just a conceptual budgeting issue with things like RIM - is that it is that sort of maintenance money that doesn't provide the big political bang of repaving or building a new road. So when it's budget time it's very hard for elected officials to look at RIM and say we'd like to stabilize or increase RIM. It's very, very hard to do that versus putting money into new construction which creates a lot of enthusiasm in the media. So I would speak for RIM.

MR. HOUSTON: RIM is a very effective program, and I think it's good for rural Nova Scotia. Have there been any changes to the tendering process over the last year - any substantive changes, the way things are done, or does it work pretty good?

MR. HACKETT: No, things are working pretty good, we haven't changed too much. Like I said, we just tried to get things out earlier this year. We got things out a little bit normal last year and prices this year were relatively a bit lower than we've seen before overall, so that has been pretty good, but as far as the tendering and how we've tendered, it hasn't really changed very much.

MR. CHAIRMAN: Order. The time has expired for that round of questioning. I move to the NDP and Mr. Wilson.

HON. DAVID WILSON: Thank you, Mr. Chairman. I apologize for being tardy. I don't think it was because of the road conditions from your department but definitely there were some road conditions today that caused a one hour and 40-minute commute for 28 kilometres or 30 kilometres or so - it was quite the drive.

I appreciate and thank you for some of the information we received prior to the meeting today. I know tenders for paving around the province has been an issue and something the department has worked hard on over the last 10 years to try to ensure that we're getting good results for taxpayers' money, and we know that trying to get tenders out early so that there's interest there and that hopefully we have more than one bidder on tenders.

Some of the information we did receive, kind of up to the end of 2013, so some questions are just kind of from there on, from November last year to about now. I know that we were provided the information, but maybe you'll be able to shed some light on some of

our questions around tenders so far this year - are you able to indicate to us how many tenders were issued since November 2013 until now? Do you continue to keep track of the number of tenders? I assume you do. Are you able to provide us or give us how many tenders have been issued this year since November 2013 up until now?

MR. HACKETT: Yes, we would have that information, I mean roughly each year we're probably running around 150 tenders total for the province but that could fluctuate between 130 to - oh, I have the number right here. So for this year, that was the year of 2013-14, 166 tenders went out last year. But that's pretty common for the last few years just because our capital program has stayed relatively stable. So that number, around 166 or 150, is pretty common for the last number of years.

MR. WILSON: Was there any reason why we couldn't get that in the package? I know we had asked if we could get a snapshot of about the last 10 years, because I think that would really reflect the trends over those years. Was there any reason why we couldn't get that in the package that we received for today?

MR. FITZNER: We have a new system relatively, to us, our only good data that we have in it probably goes back only about five years. After that to go put information together it would all be manual and you would have to go dig up the old records, so in the time we had to get ready for this, I think we provided information for the past five years.

MR. DAVID WILSON: Thank you, I wouldn't want to be the cause of any overtime in your department so I appreciate that and I understand that. Out of those 150 to 166 tenders so far this year have any of them had to be cancelled or reworked to try to either get the work done or there were no bidders on the tenders - have any of those been cancelled or reworked?

MR. HACKETT: I don't recall us cancelling any. There was at least one I know of right at the moment, a bridge tender that is out there that has been delayed just because, as Bruce mentioned earlier about some environmental issues. We've had some tenders come in a little higher that we've had to re-evaluate to look for the funding for them but we were able to find to the funding and move forward. So as far as cancelling, I don't think we've done any this year, but we did have to find some funding for some of the tenders that came out over budget.

MR. DAVID WILSON: Compared to previous years how have you - I mean I know the major issue was mostly around some of the rural areas, right, trying to get people to bid on some of the rural jobs that are out there. Have you found over the last year or so that you've been able to get the bids that are appropriate and being able to get that work done?

MR. FITZNER: I did a little bit of a look back again to 2009 because our system allows us to do that and the average number of bids that we were getting at that time was about maybe an average of two. We had a significant number of bids where we were only

getting one bid in some areas. So over the last three years that average amount of bids has been over three for our tender so it has gone up significantly and the number of single bids has dropped dramatically and that held over the last three years.

MR. DAVID WILSON: I notice, I think it was a comment from my colleague about trying to get them out earlier. Are you able to give a percentage of those bids that you were able to get out early so that we could get the work done? Can you break it down percentage-wise of the bids that were out by October of last year, for example, compared to the previous year? I know year after year - I mean the key is to try and get them out early and there are delays for whatever reason. Are you able to give some kind of percentage, compared to the previous year, on how many bids were out previous to October?

MR. HACKETT: I don't have that number, but I would say there were none before October of last year; we didn't have anything prepared to go out the door at that time. Our 2014-15 construction season, the earliest bids went out in January of last year, so percentage-wise I believe I can remember between January and the end of February we probably had about 20 per cent out at that time, maybe going into March. But that's all based on how many we actually do, so that's of 166 tenders whatever 20 per cent would be.

This year, as I mentioned, we have about eight either out the door in the queue and that's showing right up until the first of December and based on 150 projects or so, so that would be the percentage, eight over 150 I guess would be the percentage. But the thing to be more valuable is to see what happens in February, how many we have out by February, that would be the comparison to last year because that's basically where we were last year.

MR. DAVID WILSON: I think one of the things that determines how much work you can do is, of course, the cost of those tenders and how much we're paying for the work to be done. Do you keep track of the counties on the tender prices and can you identify those areas that tend to have a higher cost to do the work? I would assume you can and can you maybe indicate the top two or three areas of the province that those tender prices are actually higher, probably, because of the area in which the work needs to be done?

MR. FITZNER: We do - again our system can give us a report on what they call a competitive report and it just tells you how many bids you're getting in certain areas of the province. I would

MR. FITZNER: We do - again our system can give us a report on what they call a competitive report and it just tells you how many bids you're getting in certain areas of the province. I would suggest when you get into areas like northern Inverness and Victoria Counties, you sometimes only get one or two bids; Guysborough County used to be one of them but actually Nova Construction bought an asphalt plant so now we're starting to get a bit more competition down that way. Areas like Pictou County are always very competitive in around the centre of the province, that's one where there is usually a lot of competition.

Sometimes down the South Shore, in Shelburne, those ones we would get less bids and sometimes around Yarmouth.

MR. DAVID WILSON: You mentioned that some of the bids came in a little higher but you were able to find the funds for that. Are you able to indicate which projects you were referring to?

MR. HACKETT: I don't know the projects offhand but I certainly can find the information if you are looking for it.

MR. DAVID WILSON: If you could provide that at a later date. Since the last five-year road plan was released, I know one of the areas where we saw some concerns were the bids or budget being increasingly higher than what the initial tenders were.

Have any of the tenders come in 100 per cent over-budget, for example? I know that is the maximum, so I might as well start with the maximum. Have any of the tenders been 100 per cent over-budget since the last five-year road plan was released?

MR. HACKETT: Yes, there have been some over 100 per cent – I think there have been some almost 200 per cent, actually. I can't tell you which ones they are offhand but I remember seeing some of them that were higher. Like I say, I don't know which ones they would be, we can find them, but there are a lot of factors involved in that and it could be – as Bruce mentioned – it could be competition where it is located, but it could also be the time of year it is sent out, it could be the type of project, how many bidders we have on it, and whether or not the prices at the time are up or down, based on materials and that sort of thing.

MR. DAVID WILSON: I would like that information if you could. I mean, especially if you have a project that is 200 per cent over-budget. To me, there is a project that has to come off the books, if the cost of one project is double, so if you could provide that.

Are you saying that because of the time of year – I mean, there is a lot of expertise in the department who know the history of what some of the work should cost, how could we be off by that much, or how could a project come in 200 per cent over-budget with the support of the department, trying to figure out what the best price should be. Could you elaborate a little bit on why we would see a project 200 per cent over-budget.

MR. FITZNER: Just to put a little perspective on it; there may be one of the 166 that came in like that. It wouldn't be a paving project, we usually know the numbers on there fairly closely so there would be no wide swings. These would tend to be on a unique project like a bridge project or whatever, where in some cases, we just went back and were able to do the analysis on each bid and see what people are bidding for those. It may be a new type of item that we're using in the tender that is not a common thing to use. So when

the engineer out in the field puts it together he makes an educated guess but when it comes in we find that the cost of that work was much more.

So it is usually on some particular issue, a new type of thing and we don't have a history of prices for that particular type of work and so we just have to sort of use our best guess on what that would cost. But it is very remote when that type of thing happens, it is not all the time.

MR. DAVID WILSON: Would any of those have been like a chip-sealing tender? I know that has been an area where it has been expensive compared to other jurisdictions like New Brunswick, for example. I know information the department provided a number of years ago, and of course, to go towards the idea of having a chip-sealing plant in a province, I think the data that was provided at the time, in New Brunswick, for example, the average cost of single-sealed chip-sealing was \$15,000 roughly, per kilometre, and Nova Scotia's around \$32,000, so it's quite a difference from New Brunswick's cost to ours. So you don't think any of those were chip-sealing tenders, maybe?

MR. FITZNER: I don't recall that, to tell you the truth, but we'll do a review.

MR. DAVID WILSON: You can provide that information.

MR. FITZNER: We'll do a review, yes.

MR. DAVID WILSON: Okay. All right. So I think the last time we were here I was able to question you a little bit, and I think the hot topic was the chip-sealing plant. We all know that the province sold that plant, and at the time, I asked the department, how did that come about? How did the province come to own a chip-sealing plant? It was indicated that it was actually an initiative from the department, that the department was trying to find ways of paving more for less, or maximizing the budget. It was the department that brought that to the government of the day, to try to get more paving done. Am I correct with that one?

MR. FITZNER: Are you specific to the chip seal, or are you talking about the asphalt plant?

MR. DAVID WILSON: Asphalt plant. I did say chip sealer, but asphalt plant. Sorry.

MR. FITZNER: So yes, at the time - 2007, 2008, 2009 - we were starting to see spiking in the contract prices. It was also around the time when we were having the stimulus program, and I think partially what starts to happen with supply and demand things, if there's lots of work and not that many contractors, the prices go up, and when there's not that much work and a lot of contractors, the prices go down. So we were having discussions about how we could mitigate that, especially in some remote areas where our

number of bids was not enough to get good competition. That was the genesis of the idea, to start up a department asphalt plant that could go into some of these areas, be able to sort of sit there, and basically put together a bundle of smaller roads that you could do all in one summer. We'd only move the plant, say, once or twice a year, and be able to do that type of thing.

MR. DAVID WILSON: Okay. Under what conditions would the department reduce the amount of advertised road work? What was put in the five-year road plan? It was put out there so Nova Scotia could see where the work is going to happen over the next number of years. What is the process of changing that and deciding to do something different? I have an example - so moving from reducing paving from two kilometers to 700 metres. An example of this would be in Yarmouth. Additional funding was made available for Cemetery Road and Leighton Street by cutting back work scheduled for Newell Road, which was published in the five-year road plan.

How did that come about, that you would go and say, okay, we're not going to do what was published in the five-year road plan, and we'll do more roads? Is that the area supervisor who said this road is in more need? How did that process happen, that the advertised paving that was supposed to be done is different from what actual work was done? Who oversees that? Who okays that? Who approves that?

MR. FITZNER: I am surprised if that has happened, because in general, once we publish something, we normally don't change the amount of work that we do, with a few exceptions. In some cases, maybe we change the methodology that we were going to do on a road, so maybe we've got \$800,000 to do a road, and once the guys get out there in the summer to do the work, they look at it and they say, I don't think the method that we picked is going to do the job properly. So we go to another method that might cost more, and subsequently we don't have enough money to do the whole piece, and we shorten the piece. That could be one reason that something might change a little bit over what we have published, but I'd have to look that up. I mean, I'd be surprised that we did that.

MR. LAFLECHE: I was going to say, we're not aware here at this table of that specific case, so what I'd like to do is talk to the area manager and get back to you. I will note that the area manager's name is Greg Newell, so he obviously decided not to pave the road named after him. We'll look into this little tale of . . .

MR. DAVID WILSON: Hopefully he can appreciate it. We may not have a representative in that area, but we do hear from people. Supposedly the work was 2.1 kilometres and it went down to 700 metres. To people that's important, especially when they see it. I mean, I think even in my own riding I've indicated that almost all my roads, other than the highways beside it are all municipality, but I think people can live with the fact if they know that in three years my road will be paved instead of wanting it done tomorrow. So it's important when that's published. I appreciate you looking into that.

MR. LAFLECHE: Bruce has a follow-up, I think.

MR. HACKETT: That was for this year, 2014-15.

MR. DAVID WILSON: I believe so.

MR. HACKETT: Do you know if the job was advertised at 2.1 kilometres and they only did 700 metres - or it was advertised at 700 metres?

MR. DAVID WILSON: No, I believe it was 2.1 kilometres, that's what I'm going with, and 700 metres were completed.

MR. HACKETT: Sometimes we have changed the length, even though it is published at a certain length and we go out and actually in the field - we realize don't do it any further, so we might do it a little shorter that way, but we'll check on that particular job.

MR. DAVID WILSON: What I'm hearing, though, is that there's no real good reason to divert from what the road plan has.

MR. HACKETT: I guess what I'm just saying is that if it was 2.1 kilometres and that's what it was tendered at, then that might - I have to figure out what that reason was. If it was 2.1 kilometres not tendered and we actually tendered at 700 metres, then we may have found that the other 1.4 kilometres was probably already done and there was some reason why we didn't want to go in and do it, because of the service. But we'll check up on it.

MR. LAFLECHE: Someone answered your own question - you asked who made this decision and obviously the fact that none of us here know anything about it, that's unfortunate. It's not that we're a bunch of dummies. I think what happens is that some of these are engineering decisions made in the field with the contractor, for very good reasons, and I would suspect the local construction manager would have made this decision, if it is as you said. So that gives you an idea of where it comes from.

Sometimes things get elevated when they're more serious, then they would come to Peter's level or Bruce's or my level, and decisions would be made there. Generally a lot of decisions are made in the field by our regional construction managers.

MR. CHAIRMAN: Order. Time has expired. We'll now move to Mr. Rankin and the Liberal caucus.

MR. IAIN RANKIN: My questions are going to revolve around pricing and competition, which was spoken about earlier. You speak about competition in the industry, which I agree is really the key to all this, and I wasn't really going to mention the asphalt plant, but since it was brought up.

I don't have the data in front of me like we had the last time you were here. Was that asphalt plant really effectively competing against bids that were coming from the private sector? I do recall the pricing on that grid that you provided last time, and it seemed to me that they were much higher than coming from the private sector. I was just wondering if you can comment if that asphalt plant, owned by government, really did have any competitive ability against the private sector.

MR. FITZNER: The way it was set up is basically we assigned a budget to the asphalt plant, so they would have - I think it was approximately \$10 million of work to do in the summer. That's what we felt would be enough to make the operation efficient.

We didn't go and actually bid against the contractors on the work in that way, so we weren't competing in that sense. I guess the competition piece of it would have only been at the end of the year we shared with the road builders what we were doing it for and we knew what they were doing it for because we tracked it. So there would just be sort of that type of competition - they would know that they would have to, you know, if we were doing it cheaper than they were and they would have to wonder why, right?

Over the course of the thing - and the thing only really worked about one partial season and one full season - it would be hard to make a full assessment of what the impact of that would be because it really wasn't up and running that long. Over the course of the time that we did it, the contractors still consistently had lower prices than what we were doing it with our own plant.

MR. LAFLECHE: The real important question that your question stimulates is how are we doing in managing pricing in our system? That's what really matters to Nova Scotians, how many road kilometres are we getting per dollar? That's the key and that's a very complicated formula. When we were here over the last few years, we kept getting asked the question you just asked. In fact the former Leader of the Official Opposition asked the question and he has moved on to another job apparently; as well, many others asked the question.

The answer that we keep giving is that it all depends on how many bidders we have out there. How many people do we have hungry for work? How many people do we have who are not interested in work because they've got too much work? How much work is being done in other provinces or municipalities nearby that would pull out the bidders? It's a very, very complex system to manage our pricing system.

Of course we don't want to make road builders too lean. We want to ensure that they don't get all rich on the taxpayer, on the taxpayer's back, but on the other hand if we make them too lean we get into the crisis we got into a few years ago where we were down to a couple of bidders and then we don't get good pricing. So we have to manage that whole system and we have to manage it with P.E.I. and New Brunswick, in fact.

You've probably heard that the new Premier of New Brunswick is promising a large stimulus program and so we are looking at that saying what does that mean? Does that mean New Brunswick is going to return to the work levels it had in the Frank McKenna era, which created a lot of work in New Brunswick, which caused a lot of disinterest by contractors in Nova Scotia, because there was so much work to get a very good value in New Brunswick for them? So we suffered from very high tender prices in that era. Are we going back to that?

Now thankfully our officials here - we've had discussions with New Brunswick - they are very aware of that. They're very aware that they have to introduce a capital program in such a way that they get bang for their buck and they just don't cause prices to rise. So everybody in the Maritimes, even the municipalities, the larger ones like HRM and CBRM, we're all cognizant of the fact that we have to work together to get the very best pricing structure.

A small part of that was whether or not we have an asphalt plant and that's what we kept saying. Some of it is about are we allowed to open aggregate pits so that we can access a material which is a big part of the asphalt component, which is a big part of the cost structure. If we get shut down in every community on opening aggregate pits, because nobody wants them and nobody wants the noise, the dust, or whatever or the pristine environment destroyed, then our costs are going to rise because we have to import aggregate. So all of those things go into pricing and we have to look very carefully at all of those and manage them carefully.

We don't want too many aggregate pits so they devalue those people who have already put money into aggregate pits but we don't want to be shut out so that when we go into an area, we have to truck long distances. It's a complex formula. There is no easy answer to it, and the staff here, particularly Peter and his construction managers in all the districts, they have to manage that system so that we get as many kilometres as we figure we can get without killing the golden goose, i.e. squeezing the companies out of business so that we don't have enough of them.

MR. RANKIN: Actually pretty much it's a good conduit to my next few questions, you almost answered it here. I do think we need to make sure that we're open. As you say, new bidders are a good thing, so the competition mix for labour is certainly important but also the competition mix for commodity pricing. Relative to the aggregate material costs it seems to me that miles to the market would be the most important thing, so quarry development along the 100-Series Highways, especially around Highway No. 103 now, if we're going to twin that highway or we're going to look at improving that highway, would it not be a positive thing to promote more quarries and that would allow for more producers of asphalt? It seems to me that would drive prices down. Can you comment on that?

MR. LAFLECHE: That is true, but there are many community groups that do not want those quarries along Highway No. 103, so there is always a tension between those two

groups. In fact I've gotten letters in from people who are against any quarries opening anywhere along Highway No. 103 but they also want the government to immediately twin the highway, the same person. That's the quandary that you, as elected politicians face, because it's hard for you to twin the highway in any event, let alone with any source aggregate. How do we do that?

MR. RANKIN: But is there any salience to their arguments when they say they don't want a quarry as long as they're following the proper procedures and meeting the guidelines of industrial approval, other than people just don't want it for the sake of not wanting something? Isn't it in the best interest of Nova Scotians if they get a lower price because that's really what we're trying to achieve here?

MR. FITZNER: Yes, to my mind there would be no reason at all, providing that the companies that operate the quarries follow all the environmental regulations and any that are under us, they have to. That gets the source close to the project and the prices go down so I think, ultimately, it's the best thing for everybody but again, as the deputy mentioned, if people live anywhere close, it gets to be a bit of an issue more so, it seems, with the truck traffic in the local area. They don't like the trucks going by all the time.

On Highway No. 103, that section, the next piece between Exits 5 and 6 that we want to get twinned, there's excellent aggregate in that area and it was on the former Bowater lands. There's nobody really living anywhere near that area, so to me it would be a logical place to establish some quarries, providing that you have safe access to the highway. That would be the big issue with us.

MR. RANKIN: I guess from the perspective of HRM we just have to be careful that Musquodoboit and Hubbards and some of these areas aren't the same as downtown Halifax, and I certainly think there are opportunities to further explore some of the reasons where we can work with the private sector a little bit closer. I'll pass on my comments for now.

MR. CHAIRMAN: Mr. Stroink.

MR. JOACHIM STROINK: Thank you very much. I guess what I want to touch on is kind of a big issue for Nova Scotia and road builders: the twinning of highways. My understanding is that twinning of highways like Highway No. 103 is the *crème de la crème* of solutions to getting people and traffic back and forth. Based on the numbers that you guys have, are there any other solutions that we can use besides twinning that won't be as big a cost burden on taxpayers but will still keep drivers safe?

MR. LAFLECHE: Yes, there are other solutions and I'm glad you asked that, and we're going to try one - hopefully we might get one going next summer. There are two things people are looking at. One is traffic volume, and in many cases traffic volume needs to be addressed when there's just too much traffic for a single-lane highway and there's a

need to twin. In some cases it's more of a safety issue, it's frustration from slow cars and passing so you need passing lanes. In other cases it's the head-on, high-speed, 110 kilometres an hour, or 100 kilometres an hour head-on, there's no divided median. So the median is really the issue to create the safety.

We have to look at each individual case and decide, where does the volume really require the full-meal deal, i.e. twinning - a very expensive solution, \$3 million a kilometre. Where could we spend - and I'm going to pick a rough figure - \$1 million a kilometre and do something that has been done in many other jurisdictions, the two-plus-one highway where you have a constant passing lane, 50 on one side and 50 on the other and a divided median. So you get the separation and the safety from the median and you do have sufficient passing. That's about - it could be \$1 million a kilometre, maybe a little more or a little less, depending on the circumstances.

Where do you just need more passing lanes, not only on hills but just to relieve frustration? We have to look at each situation, it's all different. Unfortunately the Nova Scotia model, until now, has been, twin and large median barrier or nothing. It's the Cadillac, the full-scale model, or it's the single-lane highway - and there are solutions in between. We have some of them in some spots, roughly, we have cable barriers at some spots; in fact, the Canso Causeway has a cable barrier but it's on the exteriors. Those are used for a metre or less deflection of light vehicles, pickup trucks - normal pickup trucks.

In many circumstances in Europe and North America we could be using more of that instead of twinning. It would be a tremendous cost difference, it would increase safety dramatically to the level we want and we would be able to do a lot of that quicker. Unfortunately, the public vernacular, what they're talking about all the time is twinning so it's very hard to get away from that. What we would like to do is put in a two-plus-one highway somewhere in Nova Scotia by augmenting an existing highway. We've got to find an ideal candidate in the near future so someone can see one and see how it works and say okay, given that traffic volumes are low on that highway, they don't require twinning, this is a good solution to increase the safety and not have head-on collisions or allow frustration passing to be done.

We are looking at those solutions; it's a good question. My predecessor, David Darrow, who was in here to talk to you about the Bluenose II situation, is a big advocate of this type of highway. He has seen it work elsewhere. It works in Europe, so we'd like to look at it and give it a shot. We would like to look at cable barriers in the centre, more of those types, where we don't have the room because of railways or rivers or streams or whatever - and you know what area or the province I would be talking about - can we do something like a cable barrier? Of course it wouldn't deal with the large, large trucks but it would deal with the cars and pickups drifting over into them.

Those are possible solutions that we have to look at in the near future. That's the type of innovation that we need out of our construction staff and that we're getting.

MR. STROINK: Great, thank you very much. That was my one question I had, so I'll pass it on to Margaret.

MR. CHAIRMAN: Ms. Miller.

MS. MARGARET MILLER: Thank you so much. First of all I think I'd like to take the opportunity to thank your department for what they do. I have had nothing but positive responses from the Department of Transportation and Infrastructure Renewal and I really appreciate that. Locally we've been working with Brad MacInnis and Peter Taylor, amazing men to work with. They've really helped resolve all the issues in my area and I really appreciate that. Certainly the fact that you meet with us, too, on a regular basis and discuss what our priorities are, I think all the MLAs really do appreciate that as well.

I did have a call recently from somebody who wants to have a meeting and talk about tendering with building bridges or doing repairs, whatever, work on bridges. His concern seemed to be that work was being done in-house. Is there a fair amount done in-house, the Department of Transportation and Infrastructure Renewal staff who do the work, or is everything tendered out?

MR. LAFLECHE: Well I was at a reception last night - I guess it was the first one of the season - with Peter, CBCL contracting, and I spoke to them and they are doing a lot of our work and are very pleased to be doing it. One of the advantages of that is we contract out a lot of our work, both in the buildings and the highway side, and my interest was is this company just getting our work or is it getting export work - in other words, is it doing projects in other jurisdictions? Because those are jobs here in Halifax for Nova Scotians and bringing money into our economy, so are we, by helping them by tendering out some of our construction design, helping them build a business like Quebec has done with SNC-Lavalin - though I don't want to talk about them too much because they are in another venue - and it seems we are.

It seems we are having a multiplier effect from tendering out some of our work. Peter would be better able to answer how much we do and why we do it, and what we do in-house and why we do some things in-house.

MR. HACKETT: Yes, I might be able to ask Will for some numbers on how much we do in-house. I think we probably do - and you can correct me, Will - around \$4 million or \$5 million worth of work on our own internal bridge crews, which are one in each district, so it's maybe \$6 million, is that pretty close?

MR. WILL CROCKER: It's \$6 million.

MR. HACKETT: Yes, \$6 million we do internally and that's with our bridge maintenance crews. So our bridge maintenance crews do a lot of small work, a lot of small bridge repairs, a few bridge replacements and a lot of stuff that's not really well contracted

out because when it gets contracted out of the small size, it comes in at a big price. So we found that a lot of our internal folks doing our internal work, mostly on bridge repairs, can do it at a better price competitively.

When you get into bigger bridge projects, bigger bridge replacements, bigger bridge repairs or rehab projects, it's better to go to the private sector because they have the better expertise and more equipment and more men and can give us a better price to go private. Does that answer your question?

MS. MILLER: It does, it's great. One other question I'd like to ask, we also have a bridge in our area now, going into a subdivision that has a weight restriction. It is slated to be fixed very soon, but the residents have been concerned about emergency vehicles. Do you put a bridge like that, that is servicing an area like a subdivision, a residential area, on a higher priority list because of the - obviously if there's a weight restriction, you know, a fire truck can't get over there, things like that, does that bring it up on the priority list?

MR. HACKETT: I can answer some of that, and if I don't answer it entirely, Will can answer a bit of it, or Bruce. Normally when we get into a weight restriction and there's only one entrance or it's a longer way to get into that subdivision, maybe by a second entrance, normally the field folks, our operation staff, will meet Emergency Health Services and the fire department and the police department about how they're going to get into that area based on the restricted loads, and what would be the quickest way to get in. That's usually a meeting between those groups when we get into that situation because we don't like to leave anybody stranded, obviously, and we don't want to leave anybody in a situation where Emergency Health can't get involved or the fire department can't get involved if there's an emergency, so those conversations probably should have been had.

If there's a weight restriction for a fire truck involved - I'm not sure what bridge it is, actually, but are you familiar with any of that, Will?

MS. MILLER: This one is the Garden Road Bridge that I'm talking about.

MR. HACKETT: I'm familiar with that bridge. Yes. I'm not sure when the replacement is on that bridge.

MR. CROCKER: The Garden Bridge is on the five-year program and it's within another year or two . . .

MS. MILLER: I think it's next year.

MR. CROCKER: Next year, so design is currently underway pre-engineering and getting engineering done to have that replacement design done and it will be tendered in line with the five-year plan. In the meantime, obviously, like you said, we need to look at emergency response to make sure public safety is ensured. And so there's a balance

between maintaining the public safety by putting the weight restriction on because the bridge isn't safe to carry a larger loads, and then we also balance whether there are alternative routes into the location and what effect that may have on emergency services. That all is taken into account in any decision we make regarding weight restrictions postings, or any of that stuff.

MR. CHAIRMAN: Ms. Miller, you have just about one minute left.

MS. MILLER: All right, I have one quick question. Shubie Bridge - how's it coming, are we almost done?

MR. HACKETT: We're on schedule for the two Shubie bridges, yes. You mean on the 102 - those bridges? Yes, so we are on schedule. The second bridge we finished this summer. I think the schedule is for September, I believe. Is that correct?

MR. CROCKER: Total project.

MR. HACKETT: The total project will be done in September. So it's going pretty good.

MR. LAFLECHE: That was a very interesting one because we did have someone who threatened to go to the media because they thought we only needed to keep one side open and reduce the Trans-Canada to one lane, and he was all frustrated because he had done this design and he was going to report us to Don Connelly and everybody if we actually put the Bailey bridge in the centre, which we did. I can't imagine, if we hadn't done that, how we would have survived the summer. It was a big project; it required that special Bailey bridge and we had to keep two lanes open each side.

MR. CHAIRMAN: Order. I do apologize, but we'll move to Mr. Houston for 12 minutes.

MR. HOUSTON: Thank you, Mr. Chairman. Just on bridges, I think you referred to there being 4,300 bridges in the province, and some are on abandoned roads and there are all kinds of different little factors on each one of those, but does the department have any sense of the right number of bridges in the province - 4,300 sounds like it's probably too many - have you done some analysis on the right number?

MR. FITZNER: Basically, our bridge system evolved over probably two or three hundred years, and so bridges just got put at places where people needed to get across the river, right? And up until a hundred years ago, that's basically what happened. There'd be local crossings. They built more steel bridges and this type of thing, so we have a system basically that just evolved on local needs and you can have bridges in communities where the community is not even really there anymore, right? It's just a place back in the woods somewhere.

MR. HOUSTON: So there are too many bridges in the province?

MR. FITZNER: I'm saying we haven't done a study to say what are the correct number of bridges. You'd need to set criteria to say, okay, what's the maximum distance you can send somebody before they have to have a bridge or whatever, and we don't have that kind of criteria, no.

MR. HOUSTON: But your gut sense says there are too many bridges.

MR. FITZNER: I think, yes, just for - what the deputy said earlier - cars go a lot faster now and you can move around a lot quicker, so the distance to get to the next bridge is not as significant as it used to be. There are probably a lot of bridges that you could do without.

MR. HOUSTON: A lot of bridges, okay, but it is something the department is actively looking at?

In terms of tenders, are all tenders advertised or is there a certain dollar threshold where it can be sole-sourced and awarded?

MR. HACKETT: Most of the tenders that we do in the capital program are advertised, but there are some that we can sole-source, particularly for maintenance-type work. I think maybe it's anything under \$100,000 we can do, or \$50,000 - it is all procurement related - that we can do as invitation, and we can invite three bidders to do that.

A lot of that comes under the operations side more than the capital side. If you were looking at a small maintenance on a project and you need the private sector to do it for you, it would be an invitation. But most of the capital projects that we do, almost all of them are by tender and advertised by tender.

MR. HOUSTON: When you say "most" of them, I'm assuming that it's almost 100 per cent?

MR. HACKETT: Anything really over \$100,000, we're going to be putting public, and there is not - the capital program, we don't have a lot of small tenders that go out. Most of the stuff that goes out, I think actually to be under TCA thresholds for highways is \$500,000, and bridges is \$250,000. So those numbers would have to be tendered.

MR. HOUSTON: On the bridge work, I think you said about \$6 million of bridge work is done in-house. There's also a portion of roadwork that's done in-house, obviously. Do you have any sense of how much roadwork is done in-house as a percentage of all the roadwork done - does the department do 20 per cent of its own?

MR. HACKETT: When you're saying roadwork, you're sort of saying more on the maintenance side of roadwork?

MR. HOUSTON: On the construction.

MR. HACKETT: Oh, you're talking about consulting and design work? A good chunk of our work is done in-house. Most of our design work is done through our highway engineers for highway design. Getting to bigger projects like the Antigonish highway or the 125 twinning in Sydney, those were done through consultants. They were bigger jobs to be done and they wanted the work done a lot quicker, to get it out, so we had to team up with consultants to do that. Most of our bridge work, smaller bridges are designed in-house, but many of our bigger bridges are designed by consultants. So a good chunk of our structural program was done by consultants.

MR. HOUSTON: I'd like to follow up on something my colleague asked about, the cancellation of tenders. Does it happen that you put a tender out, and the department is not happy with the responses so they do the work themselves?

MR. HACKETT: It depends on the type of project. That might happen more on the maintenance side than on the capital side. For instance, if we put a bridge out and the bridge came in 100 per cent over what we thought the actual cost was going to be, if it wasn't capital, that type of structure would probably be retendered at a different stage. We'd probably send it back out again.

If it were a maintenance type of project, and it was tendered and the price came in higher, then if maintenance could do the work they might do it in-house themselves for a cheaper price. That's happened before too.

MR. HOUSTON: How do they decide what they should do in-house and what they should tender out, on the maintenance side?

MR. HACKETT: It depends on the size of their crews and what their crews can actually do. For instance, if they have a small bridge and they want to replace all the girders on the bridge, if they haven't got the resources to actually take all the girders out and replace them, then they'd have to tender that out. If they did have the resources to do it - maybe a smaller bridge and smaller girders - then they would be able to do it.

It's based on the amount of resources that they would have to do the work, I would think.

MR. HOUSTON: Does it happen much that a certain number of projects are bundled together into one tender?

MR. HACKETT: We do a little bit of that now. We try to bundle mostly for proximity. We're going to try to do a bit more of that, particularly in some of the areas that have a little less competition than others, and try - we get three or four projects in one area, we may bundle it as one bigger project to get a little more interest from other contractors that may not normally go into that area. There's a fairly big mobilization cost for some folks not to want to travel in some areas of the province, but if we can make it more attractive to bundle jobs, we're going to look into that.

MR. HOUSTON: Is that two changes in the tendering process - one is trying to get them out earlier, and number two is try and get more projects together under one?

MR. HACKETT: The bigger bundling part would certainly be a bigger change. Like I said we have bundled jobs together - two projects that were almost next to each other, so we've put those together. But to actually go out and look at projects that are identified for certain areas and maybe move some ahead on the program and pull it all together to make it more attractive, we haven't quite done that yet. That's what we're looking at trying to do with going forward.

MR. HOUSTON: And that should save money.

MR. HACKETT: We hope it does, yes.

MR. HOUSTON: Both of those initiatives should save money.

MR. HACKETT: Realistically in the province - and it doesn't take anybody to sit in my chair to figure this out - from anywhere from an hour outside the city, or any major centre, up to two hours you really have good competition, and everything kind of outside that can be sporadic. It depends on how many folks are in that particular area so we kind of look at that as trying to attract the contractors that are in and around an hour or two hours outside the city to want to be able to go further and we try to bundle them together, we might be able to make that attractive for them.

MR. HOUSTON: Is there any talk in the department of trying to get community partnership on projects? Like I think in some departments the province will pay 75 per cent of the project if the community comes up with 25 per cent - I think I've seen that in Health and Wellness. Is there any thought of doing that on some transportation projects?

MR. FITZNER: I know last year down in Kings County there were a lot of the old J-Class subdivision-type roads that hadn't been paved in many years. So the municipality put forward a sort of cautionary proposal to us to go in and do a bunch of those - actually I think there were 30 small streets that we did, which was a major bundling of a project - and we cost shared that with them 50/50 and they recovered basically their cost through their area rates, or however they did it.

So that was an example - we're certainly interested in that. We had another example where we widened some bike lanes on a road that was part of a municipal AT plan and they kicked in 25 or 30 per cent of the cost, I think, for that type of thing.

MR. HOUSTON: That's fine. I'm think I'm short on time - what time do I have?

MR. CHAIRMAN: You have until 10:35 a.m.

MR. HOUSTON: Until 10:35, I can't possibly leave this meeting and go back to Pictou East and face my good friend, Joe MacDonald, without asking about Highway No. 104. I did hear some reference to maybe a cable barrier as an additional safety on some of those highways, and you referred to a highway that is bounded by railway and a river. So I'm wondering, have you put a tender out for the safety review report for the 104?

MR. LAFLECHE: Yes, the tender for the safety review report is out. I think that is due back in January?

MR. HACKETT: It should be done probably by February or early Spring but it's out now.

MR. HOUSTON: And with the cable barrier technology and the possible pilot project, is that something that would be considered for that stretch of highway? You mentioned the possible pilot on that.

MR. HACKETT: It could be. I guess the first thing we'll do is wait until we get the safety report back and see what the safety report identifies. The 104 is interesting because when you get in from Sutherlands River to Barney's River, or Marshy Hope, the road is fairly straight there and if that's identified as something we might be able to do in the future, to do a two-plus-one type of lane, we'll certainly look into it.

Once you get passed that and into actual Barney's River, it gets more difficult because of the constraints between the mountain and the railway and the river through there. That may be looked at a little differently, but we'll have a look at it and look at those options when we get the safety report back.

MR. HOUSTON: That's good; I appreciate that. That safety report in February will be interesting.

So I want to give Paul a chance, you wanted to talk about the community share.

MR. LAFLECHE: I just wanted it understood that those J-Class roads are already cost-shared roads under the 1994 service exchange, and municipalities have the responsibility for 50 per cent of the upgrade, so what Bruce is referring to is where municipalities or towns or villages came in, not individual community groups. So not

private citizens or private community groups, which I think you might have been referring to on the hospital side. We haven't had that, nor I don't think we've seen any sign of that, so it's always been legal municipal units.

MR. CHAIRMAN: Order. We'll now move to the NDP, and Mr. Wilson. You have 12 minutes.

MR. DAVID WILSON: I just want to go back to something Mr. Fitzner had indicated in his answer to one of the previous questions.

You indicated that the Guysborough tenders are down due to - I believe that you said Nova Construction purchased an asphalt plant. Is this an indicator that a plant presence, no matter where it is in the province, helps with the prices, whether it is owned by the province or owned by a private company? Is the presence of such a plant an indicator that helps bring those tender prices down?

MR. FITZNER: In the case of Guysborough it would, definitely, because any contractors bidding there now would know there's another player there that they have to contend with, so they would have to sharpen their pencil a little more if they wanted to get that work because now there's a local contractor that wasn't doing asphalt before and is now in the asphalt business, looking for work.

MR. DAVID WILSON: I think that's really at the essence of some of the issues in trying to get the tenders addressed or come in on good budget. Hopefully those who are in the business will sharpen their pencil so that we, as a province, can get the biggest bang for our buck when it comes to paving. I think the more paving we do the better, because we know there are issues all across the province.

I know I indicated earlier some of the information that you might be able to get to me around the 200 percent over budget and stuff. I appreciate our request of over the last 10 years that there's a new system that came into play in 2009, I believe you mentioned, around tender results.

So I'll ask one more time and then I'll move on to something else - is it possible to get maybe another two years of information prior to 2009, just an analysis on the trends of the tenders, so that the Public Accounts Committee can really get a true picture of a good timeline on the value that we are getting for what we spent? I'll leave that. Can you answer that, maybe? I don't want to put any overtime on your department, but is it possible to get maybe two additional years?

You did an amazing job at some of the information we got, but even just a quick analysis of the tenders trend over the two years prior, and then we'll be able to put that with the information we have now.

MR. FITZNER: We can certainly check to see how far back initial information goes. It may go back a little bit before 2009; there might be one more year, maybe two.

MR. DAVID WILSON: Okay, I appreciate that. I want to turn to, again, I think an important topic for many, and that's the bridges in the province. I know in the five-year road plan there had been some indication of work that was going to be done. Have any of the projects under the current - well I don't know if it's current because we are waiting for the new five-year road plan, right? - under the previous five-year road plan, have any of those projects been deferred that were mentioned in the five-year road plan, the bridge projects?

MR. HACKETT: Not that I know of at the present time, that there has been anything deferred - like you mean not showing up on the plan or not showing up for next year?

MR. DAVID WILSON: Not being done . . .

MR. HACKETT: No, I don't think we have anything deferred. Will, there's nothing?

MR. CROCKER: Delayed but not deferred.

MR. HACKETT: There might be some delays, but I don't think there would be anything deferred off the plan . . .

MR. LAFLECHE: If I can just say we are examining - we have two closed bridges right now for safety reasons and we are examining several others. I think at least one, or maybe more, of those either closed or being examined might be in the five-year plan. So in the future we might have a different answer for you, like in three months, so I just don't want to let you go away, because if it turns out that something we thought was a minor repair ends up being a complete replacement, we might have to change the plan but we don't know that yet.

MR. DAVID WILSON: You mentioned that some may be delayed, and you may not have that at your fingertips today, but can you provide us with any of the projects that are delayed and, when that happens, is there any notification that goes out to the community?

Of course as I said before, similar to road paving, I think people in Nova Scotia understand that we can't just pave everything; we can't repair every bridge. So if there's a delay or if something is deferred potentially down the road, is there an opportunity or does the department contact the community - is there any way of communicating to those residents in that area that will be affected, why there's a delay or maybe why the project may be deferred for work down the road?

MR. FITZNER: For the most part if there's a change in the plan it shows up in the next addition of the plan and you can see that something has been bumped to the next year, or whatever, but in other cases we do have inquiries, oftentimes from MLAs themselves, about the bridge and when it's going to start and this type of thing, and then that gets relayed back to the community through their representatives.

I know there was a case, even at the last Public Accounts in June when we talked about bridges, one of the questions was asked about a bridge down in Shelburne and why that hadn't gone out to tender yet. We did provide the answer to that in the follow-up information that we provided.

MR. DAVID WILSON: Wouldn't you agree that it might be more beneficial to make sure the community knows? I mean I believe all my colleagues work extremely hard as MLAs but if we're in session, for example, we may not be completely aware of what's going on back in our community, so would you feel that potentially there should maybe be more communications through to the community when a project is delayed - or what's your thought on that?

MR. FITZNER: I don't think there would be anything wrong with doing that and it's probably not a bad suggestion to keep that in mind.

MR. DAVID WILSON: We know that out of the 300 bridges that were identified as in poor or worse condition, in that category, have any of them been designated as, what I would call - I don't know if it's the right term - at the end of their life? Is there a process for decommissioning, I guess, a bridge and have you identified any of those 300 bridges that are under the poor or worse conditions, they're past the point of repair, and we have to make a decision either to replace it or just close it off? Have you identified any of those 300 bridges to be at end of life?

MR. CROCKER: There hasn't been a specific list created regarding whether or not we're going to replace particular bridges or whether or not, like the deputy mentioned earlier, as a general process we may reduce the weight capacity of a particular bridge. So before a bridge is completely removed from service it could get posted for a lower limit to still allow small vehicles like trucks and pickup trucks, cars and such, to still travel across the bridge, but larger vehicles such as tractor-trailers would be restricted from crossing over. But no, there hasn't been a particular list or particular locations identified.

MR. DAVID WILSON: Is there a process within the department that, you know - have we ever closed a bridge - is there a process that you follow when a decision is, I mean Mr. Fitzner just mentioned that there probably are bridges that should close, so do we have a process in place right now? If not, have you requested from the minister or your department that we need a process - and I would hope that that would include consultation with the community - so maybe a comment on that?

MR. LAFLECHE: We haven't closed many bridges - I can't remember a bridge - and not replaced them, if that's what you're talking about. If it's closing for repair that's different, but closing and not replacing, I don't know if we have any examples in the recent past, or do we? (Interruption)

MR. LAFLECHE: No, not try. (Laughter) Have we actually done one?

MR. CROCKER: There are bridges on abandoned roads which have essentially been left to deteriorate to the point where they're closed, and if they are closed there are signs put up saying that the bridge is closed to traffic - generally we put up barricades. These are bridges that sometimes inspectors going out to inspect these bridges have to walk five kilometres into the woods because they simply cannot drive their vehicles in. That's the type of bridge that would be in that situation currently.

MR. LAFLECHE: So the answer is we haven't closed any in recent memory on open high-traffic roads. We have a couple of bridges closed right now for safety reasons which we have to make decisions on. We have a few more probably coming. So last time the MLA for Halifax Needham, my MLA in fact, asked the question, do we have a list, et cetera, and the answer is: we have no list because we hope bridges don't have to be closed for safety reasons, but when they do and we start to develop some that are closed, we're going to have a systematic look at it, and that's what has actually happened now.

We have two closed. We have, probably, a few more on the way and we're going to look at a number of them together and we're developing a consultation mechanism with the community on whether we need a replacement and if so, what right type of replacement do we need - and bear in mind, I'm talking about non-repairable bridges here. Is a drive-around a possibility? If so, are there improvements that need to be made to the drive-around, et cetera. Are there other issues we need to know about? Someone mentioned emergency vehicles earlier. All of that will factor in to our discussions on replacement or not of some of these low-volume, rural, mainly single-lane bridges, which have been closed or will be closed for safety reasons, and we will have a process in place.

MR. DAVID WILSON: Okay, and I hope the consultation is definite. I know I have only one minute so I'll go directly to a status of construction - the status of Highway No. 125 pedestrian overpass in Sydney. It was in the design phase June, 2013. Did it ever go to tender or can you give me any update on whether that pedestrian overpass will be done?

MR. LAFLECHE: As you know, that pedestrian overpass was originally a vehicular overpass and it was changed by the previous minister. We went with a roundabout design and we got rid of the overpass. We then heard from the active transportation community - I was at a meeting of them yesterday - that they were really depending upon that vehicular bridge for active transportation access across Highway No.125 at that point. So we relooked at that and the current minister made a commitment to bring an active transportation overpass - mainly meaning pedestrians, roller-bladers,

bikers, et cetera - back. That's what we've agreed to. I don't believe we've tendered that yet.

MR. CHAIRMAN: Order. I do have to stop it at that. I've let it go over a bit. I will now move to the Liberal caucus and Ms. Lohnes-Croft.

MS. SUZANNE LOHNES-CROFT: Thank you for being here. I just happened to be with the Minister of Transportation and Infrastructure Renewal when a bridge in my area was washed out in a storm last winter; it was a timely day. Anyway, I want to ask a question about successful bidders and who supervises their work. Is there someone from the Department of Transportation and Infrastructure Renewal who is on the site?

MR. HACKETT: Yes, we have a fairly structured inspection program and contract administration program with each one of our contracts on our capital project so on our site we have inspectors who oversee the work and the quality control and the quality assurance of the contractors. We check all their grades and their lines to make sure that the project is being built to the design it is supposed to be built on, and that's done by some of our surveyors and some of our field staff.

We then have a project engineer who oversees each and every project. Some engineers have more than one project on the go, but they see the overall contract administration and the budgets and the costs for each one of those jobs. From there, we have a construction manager who oversees the entire construction program for their district, the four districts: Western, Northern, Central and Eastern, and then the district directors, and then ultimately it comes up to me. It's a fairly detailed structure of how we do our quality assurance on our projects to get the best bang for our dollar.

MS. LOHNES-CROFT: So if one of these supervisors or inspectors, notice unsatisfactory practices or work being done on a project, what route would they take in dealing with that situation?

MR. HACKETT: Well, we do have a lot of things in place, obviously. If the contractor doesn't do the work properly, they don't get paid. That's pretty much written out in our standard specifications for all projects, that they have to follow the guidelines and the standards as outlined, and if they don't, they won't get paid to do the work. If they find something unsatisfactory, they often go in and get the contract repaired, dig it out, replace it. We've had them take out bridge decks. We've had them remove highways in the event that they haven't met the standards that they're supposed to build the roads to.

MS. LOHNES-CROFT: At their expense.

MR. HACKETT: At their expense, yes.

MS. LOHNES-CROFT: Some of these people who are awarded contracts have subcontractors, as well. That would include truckers, I would think? Okay. So what happens with them if they're not used for a project? Are they still paid?

MR. HACKETT: Well, the subcontractors are all hired directly by the general contractor. We know who they are, because they have to come into the bids of who those people would be, but if they're not hired for a particular job, then they wouldn't get paid on that particular job.

The Truckers Association of Nova Scotia has their own association. There's an actual specification in our contracts that they're to do a certain amount of work in each one of our contracts. That's a clause called the 80-20 rule, so 80 per cent of the vehicles used on the project for hauling granular material or anything, processed material, would be used on that project, and they would get paid accordingly, whatever the cost would be.

MR. CHAIRMAN: Mr. Maguire.

MR. BRENDAN MAGUIRE: First, I want to thank everybody for coming out today. I'm going to change it up a bit and I'm going to talk about snow. As we've seen today, I guess this would be our first snowstorm of the year. Some of us - I don't think everybody here today has provincial roads, but I would say the majority of us do have provincial roads.

I want to talk about what measures were taken to prepare for this snowstorm - I don't even know, I guess we could call it a storm, but - and if there's an update on where we're at on the cleanup. I know as the day progresses it's going to get warmer, and also I've talked to the department quite a bit over the last year, and there are some different ideas out there, in particular, on how to deal with the storm before it happens. I want to know where you guys are on that, and also - I have a whole list of questions, actually. I'll let you go from there, and then maybe we can just continue.

MR. FITZNER: Basically, winter can come in Nova Scotia virtually any time, as we all know. The planning for that starts back in the summer months, when the work is starting to wind down. They start preparing the trucks for winter, getting the proper equipment on them, getting the plows all welded and ready, planning the routes, that type of stuff. That has been going on for some time now. Getting all our salt in the salt silos, getting them all filled up, having meetings with our operators, developing our work plans - and so we're just at that point where we don't have all our operators back for the full contingent, but we have plenty of operators who are still on standby who we can get at any time.

We also have a network we call RWIS sites around the province. Most people see them as the web cameras or whatever that are out on the highway. You get a picture of the road, and that's what the public sees, but we have a lot of sensors. It's meteorological type

of information that gets fed to us, and we have a contract with a company called AMEC that does various site-specific forecasts. So where Cindy Day will get on and talk about general forecasts around the province, we can get a forecast for each weather station, and we have those all distributed in various microclimates that have slightly different weather. For instance, Mount Thom people will often get snow when other areas of the province don't get it. So we can get a forecast for Mount Thom, the Cobequid Pass, we can get a separate one.

We have our staff monitoring those right now. Those forecasts start up in October, and our crews are looking at them all the time. Basically, we would have road patrollers, so if we see something coming like this morning, we would have road patrollers out. Generally it's the bridge decks that you start getting at this time of year, and the bridge decks will freeze a little sooner, so we have groups that go out and do road patrolling and that type of thing. I don't have any specifics on today's event, because I just basically passed through it on my way here and haven't been in touch with anybody since.

We're also exploring some new technology, which we call anti-icing. We purchased a number of large tankers that distribute a salt brine solution on the roadways prior to a planned storm. What that basically does is they put it out there - you have to have it at the right concentration, otherwise you'll cause a skating rink, but if you have it done right it goes out there, the salt is distributed in the brine, it dries, and it leaves the residue on the pavement. That will stay there for approximately 24 hours, at which time when the snow starts, it starts to break the ice bond so it gives us a little head start on getting the ice off the road. Once you get an ice bond on the road it gets very difficult to get it melted off with salt, so it's sort of a preventive maintenance. This year I think we plan to do the majority of our 100-Series Highways that way and use that anti-icing technique.

MR. MAGUIRE: I received a lot of calls and emails and texts so I assume that your offices were bombarded with people calling in. With the brine solution, was there research done? I'm assuming you guys did your homework in advance, to see if this is a technology that works and that would not have a major impact on communities in regard to environment and things like that?

MR. FITZNER: Yes, that's right, it would actually use a lot less salt than our typical distribution rates. It is good that way; it wouldn't have any negative environmental impacts, other than the general ones. Salt can harm the environment, if you get enough of it. We've had cases where we've had people's wells get too much salt in them and they're not safe for drinking standards and that type of thing. But in those types of cases we'll tend to go to a sanding zone only to prevent that. In most cases the technology we're using would have no significant impact on the environment.

MR. MAGUIRE: You brought up wells and for myself and the people in my riding there's a large majority of us who have wells so I'm assuming that the tests were done if

you're going into an area with wells. I'm assuming you're measuring the depth of the wells and the proximity to the roads and things like that?

MR. FITZNER: Yes, we would check - generally most of this has been sorted out over the years so any places where there were people having trouble, we would do a study; we would do well sampling. In some cases we've had to pay claims where we have damaged wells but that has not happened very much anymore but in the past we ended up paying for drilled wells for people in some cases.

MR. MAGUIRE: I guess the reason why I'm asking is if people see this new technology being used, obviously like you stated, it's less salt so it's going to have less of an impact on the environment, if I understand you correctly.

MR. FITZNER: Yes.

MR. MAGUIRE: And you've done your due diligence so if I have a well and I see you going by with the - I'm assuming the truck, the brine machine - I can assure the people in my riding and myself that you know that this is going to have little to no impact on my well.

MR. FITZNER: Yes, absolutely, the premise being that it takes far less salt to prevent the bond from initially happening than it does to melt the ice with salt after it has already formed. The more proactive we can be, the less salt we ultimately use.

MR. MAGUIRE: I guess my final question is, is it okay if I forward my constituency office number to your headquarters during the winter?

MR. FITZNER: Sure.

MR. MAGUIRE: Thank you very much.

MR. CHAIRMAN: Mr. LaFleche, I give you a quick 60 seconds to provide closing comments.

MR. LAFLECHE: Okay, I just want to follow up on Mr. Maguire's comments there. Today was obviously a bad day and I have a lot of hardworking staff. It is very difficult to drive a plow and do salting and all that. A lot of them get abused on days like this; in fact the phone lines were on fire this morning with people swearing at everybody and really mad at us. That's very demoralizing for the people who go out there and work hard.

Luckily there's only a small number of people who actually do that, it's just that it's the same ones every time there's a storm and they are never going to get it. I biked in today;

I passed a couple of hundred cars that were stuck in traffic and I know they were all frustrated.

I do want to mention that the vast majority of citizens of Nova Scotia are very appreciative of the work of our staff and that really motivates the staff and makes them happy. I want to show you one community that gave us some new equipment. Now we wish we had the bigger models but they do have little appreciation notes on them. This came from a community on the South Shore for a chip seal job we did. They had not had work in a lot of years.

That type of thing goes a long way towards motivating our staff, so if the people who want to swear at us get off the phones and the other people want to give us plastic tractors and trucks, that would really work well. My staff do a lot of hard work and they're trying to do their best to keep the roads clean and to build the best bridges and maintain them and build the best roads. Thank you.

MR. CHAIRMAN: Thank you, Mr. LaFleche and we'd like to thank your department for all the work they do, and wish them a safe winter season as they're keeping our roads safe from the storms that are no doubt to come.

With that, our next meeting will be on November 26th with the Nova Scotia Liquor Corporation, and they'll be providing a financial update and discussion on their structure.

With that, we stand adjourned.

[The committee adjourned at 11:00 a.m.]