



# **Crown Corporation**

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

### FOR THE FISCAL YEAR 2009–2010

Nova Scotia Lands Inc.  
***Business Plan 2009–2010***

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# Message from the Minister and President

When Sydney Steel (Sysco) was decommissioned, two new corporations were established by Executive Council in 2006. This will be the third year of operation for Nova Scotia Lands Inc. (NSLI) and Harbourside Commercial Park Inc. (HCPI). Much progress has been achieved in the first two years. The steel plant demolition has been completed, and environmental plans are well under way, to assist in turning this land into an active commercial park.

Significant progress was made in addressing the contamination in the northern end of the site and advancing the rejuvenation of the southern end of the park. Over 150 000 tonnes of soil have been remediated, and a large portion of the Phase III road development has been completed.

Former Sysco properties located in the Sydney Mines area have been investigated, and the first phase of the environmental assessment process has been initiated on the original steel plant property in Sydney Mines (Princess Mine site) and numerous abandoned mine sites in the Tobin Road land holdings.

The former water supply for the coke ovens has been assessed for its potential to replace the aging Sydney River water system. Funding has been put in place, and engineering designs are under way to reactivate the Grand Lake water supply. This work is being carried out in consultation with the Cape Breton Regional Municipality, to ensure that it is complementary to the existing municipal water supply system in place in the park.

In 2009–2010, the principal role of Nova Scotia Lands Inc. will be to continue the remediation activities at the former Sysco site, recycle any remaining products of value and put in place the necessary infrastructure for redevelopment of the site into a viable commercial park facility. Working in collaboration with HCPI, we will continue to assist in marketing this park to regional, national, and international interests. NSLI will also put to use the substantial environmental cleanup experience to deal with other provincially owned contaminated sites, as well as assisting the Sydney Tar Ponds Agency in advancing their \$400 million project adjacent to the NSLI properties.

Nova Scotia Lands will continue to focus its efforts on redevelopment of the main former Sysco plant site, along with other former Sysco properties. Co-operative efforts are under way with the Cape Breton Regional Municipality to plan for viable reuse of former Sysco land and assets. It is anticipated that these redevelopment efforts will have positive impacts on the continuing efforts to assist the Cape Breton Regional Municipality to rebound from the loss of major industry.

The Honourable Bill Estabrooks  
Minister of Transportation and  
Infrastructure Renewal

Gary Campbell  
President,  
Nova Scotia Lands Inc.



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## Mission

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

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## Link to Strategic Goals

The goals and objectives of Nova Scotia Lands Inc. (NSLI) are designed to assist government in protecting its interest and fiscal position regarding environmentally challenged sites. The remediation of the former Sydney steel plant site, being carried out under the supervision of NSLI, supports the government in its goal of being a leader in clean and green economy.

A number of the techniques that are being used in the remediation of the former site are innovative. Once the remediation has been completed, it is anticipated that these industries will remain active in Nova Scotia, thereby contributing to a cleaner and greener economy and environment.

## Planning Context

As a Crown corporation, NSLI reports to a board of directors. The minister responsible for the Crown corporation is the Minister of Transportation and Infrastructure Renewal. NSLI maintains its office at Sydney, Nova Scotia, along with a presence at the department's head office in Halifax.

In recognition of the planned windup of Sydney Environmental Resources Ltd. (SERL) and the major reduction in the mandate for Sydney Steel Company (Sysco), it was determined that future activity related to the continued remediation of Sysco's property would be conducted by NSLI. NSLI was incorporated in August 2006 and began operations effective April 1, 2007. Approximately 100 acres (40 hectares) of the former Sysco site has been completely decommissioned and remediated. The remainder of the Sysco site will be remediated, over time, by NSLI.

As more land is remediated, it is anticipated that Harbourside Commercial Park Inc. (HCPI), another provincial Crown corporation, will purchase the assets and use the land as part of its inventory for further development of the park. NSLI has entered into a management agreement with HCPI, whereby NSLI supervises the operations of the commercial park, as well as assisting in marketing the park.



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

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

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

## Strategic Goals

NSLI's overall strategy is to advance its objectives with respect to decommissioning, remediation, and future use of the former steel plant site, as well as other provincially owned properties. The underlying goal of NSLI will be to protect the province's interests and its fiscal position regarding environmentally challenged sites.

More specifically, NSLI will

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

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

## Core Business Areas

### ***Former Sysco Site Rehabilitation and Redevelopment***

Demolition of the site infrastructure has been completed, and the environmental remediation of the property is well advanced. The majority of steel plant assets have been sold or disposed of. Some areas require continued environmental site assessment (ESA) studies and may need further remediation.

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

### ***Environmental Assessment and Remediation of Other Sites***

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

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

### ***NS Sites Security and Safety***

NSLI will adhere to high standards of health and safety in order to minimize the risk to its workers, visitors, tenants, suppliers, and others. The corporation will also undertake initiatives to prevent the loss and/or damage of provincial property by protecting site assets.

### ***Reuse of Blast Furnace Slag, By-products***

Slag materials were produced as a by-product of the steelmaking process. Presently, there remain several hundred thousand tonnes of these products on the former steel mill site. It has been demonstrated that several of these products are valuable as construction aggregates, filter media, and cement aggregates. NSLI will encourage and assist private-sector companies to reuse these products for construction activities and in stabilization and solidification of the Sydney Tar Ponds.



## Priorities for 2009–2010

### ***Former Sysco Site Rehabilitation***

- Complete Phase II and III ESAs in the tank farm area
- Finish remediation of isolated contamination areas
- Remediate other areas (pending ESA results)
- Oversee disposal activities at electric arc furnace dust pit
- Remediate high dump sludge
- Complete final portion of underground fuel pipe removal initiative

### ***Former Sysco Site Redevelopment***

- Complete installation of rail through the east/central area of site
- Complete installation of Phase III roads (southern half of the north end of the site)
- Landscape areas adjacent to new roads
- Complete development of park area (soccer/rugby field and running track)
- Open No. 5 gate (Henry Street) to the public
- Continue grading and levelling of ore field area

### ***NS Sites Review and Prioritization***

- Complete review of all available documentation related to sites
- Continue to meet with those with vested interests (Natural Resources, Public Works and Government Services Canada, etc.) who may have knowledge of the sites and may have already identified issues or have had assessments done
- Where possible, physically visit and walk throughout any identified sites where health and safety issues could be of concern
- Update priority project list for future remediation consideration

### ***Environmental Assessment and Remediation of Other Sites***

- Complete physical assessments, if required, on selected sites
- Complete CCME-based Phase I ESAs, if required, on selected (higher priority) sites
- If issues are identified, develop a priority list to remove public safety hazards and environmental concerns at prioritized sites

### ***NS Sites Security and Safety***

- Ensure that all policies and procedures are in place to maintain the lowest possible accident rate



- Hold “toolbox” meetings with area supervisors and staff, at least weekly and document meetings
- Perform at minimum monthly health and safety inspections on work areas
- Establish health and safety committee(s), where appropriate, ensuring that such committees are dynamic and effective in maintaining or improving health and safety
- Secure assets associated with sites, in order to minimize the province’s potential for loss



## Budget Context

|                                     | <b>Budget<br/>2008-09<br/>(\$ 000s)</b> | <b>Actual<br/>2008-09<br/>(\$ 000s)</b> | <b>Budget<br/>2009-10<br/>(\$ 000s)</b> |
|-------------------------------------|---|---|---|
| <b>Revenue</b>                      |   |   |   |
| Management fee from HCPI            | 112                                     | 86                                      | 115                                     |
| Other                               | 128                                     | 487                                     | 545                                     |
| <b>Total revenue</b>                | <b>240</b>                              | <b>573</b>                              | <b>660</b>                              |
| <b>Expenses</b>                     |   |   |   |
| Payroll                             | 1,190                                   | 926                                     | 1,260                                   |
| General and administrative expenses | 1,277                                   | 198                                     | 800                                     |
| Project management                  | 560                                     | 573                                     | 100                                     |
| Security services                   | 320                                     | 305                                     | 275                                     |
| Site reconstruction                 | 5,900                                   | 2,745                                   | 10,015                                  |
| Cleanup and containment             | 7,325                                   | 5,388                                   | 2,945                                   |
| <b>Total expenses</b>               | <b>16,572</b>                           | <b>10,135</b>                           | <b>15,395</b>                           |
| <b>Recovery from Sysco</b>          | <b>16,400</b>                           | <b>9,561</b>                            | <b>14,850</b>                           |
| <b>Net income</b>                   | <b>68</b>                               | <b>1</b>                                | <b>115</b>                              |
| <br>                                |   |   |   |
| FTEs                                | 11                                      | 11                                      | 11                                      |

# Outcomes and Performance Measures

## Core Business Area 1

*Core Business Area 1: Former Sysco site rehabilitation and redevelopment—Deploy resources to execute projects, manage engineering and services, and assure regulatory compliance.*

| Outcome  | Indicator                           | Measure                                     | Target: 2009–10                                       | Strategies to Achieve Target          |
|--|-------------------------------------|---|---|---------------------------------------|
| <i>Deploy resources to execute projects, manage engineering and services, and assure regulatory compliance</i> |                                     |   |   |                                       |
| Continue with ESA (environmental site assessment) studies  | Receive ESA reports                 | Percentage of ESA reports accepted          | 85%   | Prepare RFPs and manage ESA contracts |
| Remove all final scrap metals  | Contracts for removal and recycling | Removal is complete                         | 100% (pending market conditions)                      | Prepare RFPs for sale of material     |
| Continue with solidification/stabilization (Hazco) contract  | Contaminated material treated       | Percentage of contaminated material treated | 100%  | Manage existing contract              |
| Remove underground piping  | Contract awarded                    | Material is recycled                        | 100%  | Manage contracts                      |
| Continue development of infrastructure for commercial park   | Commercial lots available for sale  | Commercial lots available for sale          | Additional 30 acres (12 ha) available for development | Manage contracts                      |



**Core Business Area 2** *Environmental assessment and remediation of other sites*

| Outcome  | Indicator                                 | Measure                             | Target: 2009-10 | Strategies to Achieve Target                             |
|--|---|-------------------------------------|-----------------|--|
| Carry out inventory of other former Sysco lands                    | Files identified and reviewed             | Number of sites identified          | All properties  | Review Sysco and DNR files                               |
| Identify potential health and safety issues related to other lands | Field health and safety reports completed | Health and safety issues identified | All properties  | Aerial photography and site visits of various properties |

**Core Business Area 3** *NS sites security and safety*

| Outcome                              | Indicator               | Measure             | Target: 2009-10 | Strategies to Achieve Target                 |
|--------------------------------------|-------------------------|---------------------|-----------------|--|
| Update Master Health and Safety Plan | Comments from reviewers | Final plan accepted | 100%            | Completion and approval by senior management |

**Core Business Area 4** *Reuse of blast furnace slag, by products*

| Outcome   | Indicator                              | Measure                               | Target: 2009-10 | Strategies to Achieve Target                      |
|---|--|---------------------------------------|-----------------|---|
| Identify opportunities for reuse of slag material | Interest from private-sector companies | Tonnes of material processed and used | 100 000 tonnes  | Promotion and support to companies using material |