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# HALDIMAND COUNTY

## Report ECW-01-2020 Investing in Canada Infrastructure Program (ICIP) – Green Stream Grant Application



For Consideration by Council in Committee on January 14, 2020

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### OBJECTIVE:

To receive Council approval of the project for submission to the Investing in Canada Infrastructure Program (ICIP) Green Stream Grant Application.

### RECOMMENDATIONS:

1. THAT Report ECW-01-2020 Investing in Canada Infrastructure Program (ICIP) – Green Stream Grant Application be received;
2. AND THAT the 2020 Cayuga Cast Iron Watermain Replacement program be submitted for funding under the Investing in Canada Infrastructure Program (ICIP) – Green Stream Grant Application.

**Respectfully submitted:** Tyson Haedrich, M. Eng., P. Eng., General Manager of Engineering & Capital Works

**Approved:** Craig Manley, MCIP, RPP, Chief Administrative Officer

### EXECUTIVE SUMMARY:

Staff are recommending that the 2020 Cayuga Cast Iron Watermain Replacement program be submitted to the Investing in Canada Infrastructure Program (ICIP) – Green Stream Grant Application as this project meets both the technical and financial requirements of the current grant application.

### BACKGROUND:

In March 2019 the governments of Canada and Ontario announced the Investing in Canada Infrastructure Program (ICIP) which is a federal program designed to create long-term economic growth, build inclusive, sustainable and resilient communities and support a low-carbon economy.

The Investing in Canada Infrastructure Program (ICIP) is a cost-shared infrastructure funding program between the federal government, provinces and territories, and local communities. This program will provide more than \$30 billion in combined federal, provincial and other partner funding in four priority areas; Public Transit; Green Infrastructure; Community, Culture and Recreation; and, Rural and Northern Communities.

The Green Stream includes up to \$7 billion in combined federal, provincial and other partner funding over 10 years for projects that advance outcomes associated with climate change mitigation, environmental quality and disaster mitigation.

The province is a cost sharing partner in these programs and under the Green Stream, Ontario is prioritizing projects that address critical health and safety issues associated with water, wastewater and stormwater infrastructure.

As part of the current intake, which is limited to communities with a population of 100,000 or less, the province has capped the maximum total project cost for each municipality. Haldimand County's maximum total eligible project cost is set at \$1,631,760 with a cost sharing formula of federal funding (40.00%), provincial funding (33.33%) and municipal funding (26.67%).

The province has also indicated that there will be additional intakes for the Green Stream with increased project limits for more substantive infrastructure initiatives. The next intake is scheduled for release in mid-2020.

### **Assessment Criteria**

The province will assess and prioritize projects for federal nomination and funding based on the following criteria:

#### **Criteria 1 - Initial Technical Review**

Ontario will conduct a scope, eligibility and technical review of all applications and projects must meet eligibility requirements, be technically viable and able to be completed within the proposed timelines.

#### **Criteria 2 - Criticality of health and/or safety risk**

Critical health and safety aspects of a project will be evaluated based on technical assessment criteria used for each project type relative to industry standards. For drinking water projects (e.g. treatment plants, reservoirs, local pipes, pump stations) human health and/or safety issues (including continuity of service) related to water systems will be assessed within the framework of the standards, policies and requirements of the Ministry of the Environment, Conservation and Parks (MECP).

#### **Criteria 3 - Funding need for the proposed project**

Projects will be assessed according to their relative funding need, including the cost of the proposed project per person served by the organization's water/ wastewater services, as well as median household income and weighted property assessment per household.

In general, applicants with greater funding need relative to other applicants (i.e., higher project cost per user, lower median household income, lower weighted property assessment per household) will be more competitive in the evaluation process. However, applicants must demonstrate that they are able to fund their share of all project costs and potential cost over-runs to be eligible for funding.

The Green Stream grant submission is a one stage project submission process requiring the County to submit the application by January 22, 2020. The province will notify applicants if their project has been selected for nomination to the federal government for review and approval in Winter 2020 and the applicants will be notified of the federal funding decision in Spring 2020. The project must be completed by October 31, 2026.

### **ANALYSIS:**

The County has a multi-year cast iron watermain replacement program with the initial objective of replacing all undersized (i.e. less than 150 mm diameter) cast iron watermain within the County. The 2020 program is focused on Cayuga and will replace approximately 1,100 metres of 100 mm (4 inch) cast iron watermain.

The 2020 program includes cast iron watermain replacements on seven roads in Cayuga, however, under the project eligibility only contiguous connected pipes can be included in the application and, as a result, the section of McKay Street East from Thorburn Street to Fishcarrier Street is not included in the application.

It should also be noted that the program eligibility is fairly restrictive as related to the funding of the restoration/replacement of surface works (i.e. roads, sidewalks, etc.) and therefore only the watermain replacement cost has been included in this application.

The proposed project submission includes the following projects:

<b>Project Number</b>	<b>Project Description</b>	<b>Project Cost (Watermain Component)</b>
475006	Ouse Street South – Talbot to Tuscarora	\$350,000
475007	Chippewa Street West – Ottawa to Cayuga	\$250,000
475008	Seneca Street South – Tuscarora to McKay	\$220,000
475009	Cayuga Street South – Seneca to Brant	\$150,000
475010	Brant Street – Ouse to Cayuga	\$120,000
475022	McKay Street West – Seneca to Ottawa	\$100,000
<b>Total Green Fund Grant Application</b>		<b>\$1,190,000</b>

## **FINANCIAL/LEGAL IMPLICATIONS:**

As discussed previously, the Green Fund grant program is a tripartite funding agreement with the following cost allocation for the proposed project:

<b>Grant Application</b>	<b>Federal Funding (40%)</b>	<b>Provincial Funding (33.33%)</b>	<b>Municipal Funding (26.67%)</b>
\$1,190,000	\$476,000	\$396,600	\$317,400

The projects included in this grant application are currently included in the 2020 Rate Supported Capital Forecast which will be presented to Council at Committee of the Whole on January 28, 2020. These projects are currently funded entirely from the Federal Gas Tax Reserve Fund. Should this grant application be approved, a budget amendment will be required, per the breakdown noted above.

## **STAKEHOLDER IMPACTS:**

Not applicable.

## **REPORT IMPACTS:**

Agreement: No

By-law: No

Budget Amendment: No

Policy: No

## **ATTACHMENTS:**

None.