C.O.T.W. AGENDA

32/2013/COTW

The Corporation of the Village of Cumberland

Committee of the Whole Meeting
December 2, 2013
Closed Portion at 5:30 p.m.
Open Portion at 6:00 p.m.
Village Council Chambers

1. Approval of Agenda

1.1 Agenda for the Committee of the Whole meeting of December 2, 2013.

Recommend THAT Council approve the Agenda for the Committee of the Whole meeting, December 2, 2013.

2. Closed Portion (5:30 p.m.)

Recommend THAT pursuant to Section 90 (1) of the Community Charter Council close the meeting to the public to consider:

- negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public.

3. Reports (6 p.m.)

3.1 Background information: New Building Canada Program; previous Building Canada Program; Gas Tax Fund Application Program; and Infrastructure Planning Grant Program 1

Recommend THAT Council receive the Background information: New Building Canada Program; previous Building Canada Program; Gas Tax Fund Application Program; and Infrastructure Planning Grant Program for information.

3.2 Federal Grant Funding – Project List 10
Prepared by Rob Crisfield, Manager of Operations

i) ***Recommend THAT Council receive the Federal Grant Funding – Project List report.***

ii) Recommend THAT Council provide staff with direction on which project to prioritize for possible federal grant funding.

3. **New Business**

4. **Question Period**

5. **Adjourn**

Item 3.1

Subject: FW: Important update on Building Canada Fund

From: FCM Communiqué [mailto:communique@fcm.ca]
Sent: Friday, October 04, 2013 5:35 PM
To: Sundance Topham
Subject: Important update on Building Canada Fund

Voir la version française. | View email in your browser.

FCM FEDERATION OF CANADIAN MUNICIPALITIES FÉDÉRATION CANADIENNE DES MUNICIPALITÉS

FCM Update

October 4, 2013

Important update on Building Canada Fund

Dear Members:

Last week, the Government of Canada announced an infrastructure investment that would draw on the new Building Canada Fund (BCF). Since that announcement we have been talking to senior government officials and can now clarify what this means for members. The government has confirmed that:

- All new federal infrastructure investments, including this one, will be subject to the rules of the new BCF, which have not yet been established.
- The new BCF will be in place by March 31, 2014.
- The government will consult with FCM on the design of the new BCF program.

This is an aggressive timeline and we anticipate that calls for applications could come quickly and with short turnaround times. Therefore, we urge members to set local priorities and identify potential projects **as quickly as possible**.

Meanwhile, we have communicated FCM's principles for the new BCF to the government. Our principles will shape our consultations with the government on the new BCF design.

We will continue to update members on the status of the new BCF as we learn of new developments.

Sincerely,

Brock Carlton
Chief Executive Officer

Future Infrastructure Programs

In Budget 2013, Canada unveiled the New Building Canada Plan, which includes a renewed Gas Tax Fund and Building Canada Fund. This follows federal legislation in 2011 making provisions for the Gas Tax Fund in the post-2014 period and the 2012/13 Long-Term Infrastructure Plan process lead by the federal government, intended to inform federal infrastructure programming after the 2014 expiry of the Building Canada Fund. UBCM was involved in the LTIP process. See links at the bottom of the page for UBCM LTIP materials.

This table sets out a summary of the various New Building Canada Plan programs as identified in Budget 2013:

Fund	Components	Funding Commitment	Details
Community Improvement Fund	GST Rebate	$10.4 billion over 10 years	• This represents a continuation of the current GST rebate available to local governments across the country.
	Gas Tax	$21.8 billion over 10 years	• Represents current annual investment plus 2% per annum indexing. • Eligible projects expanded to include: highways, local and regional airports, short-line rail, short-sea shipping, disaster mitigation, broadband and connectivity, brownfield redevelopment, culture, tourism, sport, and recreation infrastructure. • Agreements by March 2014.
Building Canada Fund	National Infrastructure Component	$4 billion over 10 years	• Supports projects of national significance particularly those that support job creation, economic growth and productivity (highways, public transit, and gateway and trade corridor-related infrastructure). Investments in disaster mitigation infrastructure projects will also be eligible.
	Provincial-Territorial Infrastructure Component	$10 billion over 10 years	• Supports projects of national, regional and local significance in a broader range of categories including highways, public transit, drinking water, wastewater, connectivity and broadband, and innovation (including infrastructure at post-secondary institutions that supports advanced research and teaching). • Includes base funding for each province and territory. • Details on allocations to be announced later; FCM specifically cited as being involved in discussions around program parameters. • P3 screen required for any project with capital costs over $100 million.
P3 Canada Fund	P3 Canada Fund	$1.25 billion over 5 years	• Includes $10 million to support P3 assessments by provinces/territories or local governments, where these are required (see above); will fund 50% of costs to a maximum of $200,000 per project.
Total federal funding component $47.5 billion nationally			

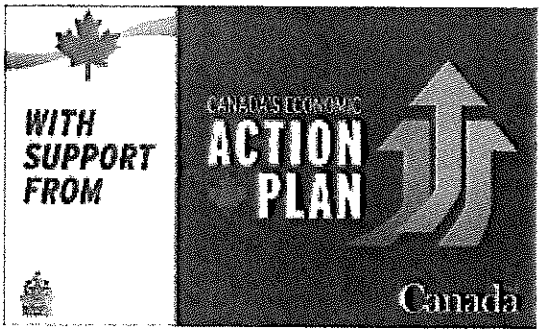
Related Materials:

- July 25, 2012 Member Release - Long Term Infrastructure Survey
- August 10, 2012 Member Release - Long-term Infrastructure Plan (LTIP) and Gas Tax Permanency Discussions

Infrastructure Canada (2007)

Building Canada Fund

The $8.8 billion Building Canada Fund was established under the 2007 Building Canada plan to fund projects from 2007 to 2014.



The Fund addresses national, regional and local infrastructure priorities and supports projects designed to deliver results in three areas of national importance:

- a **stronger economy**;
- a **cleaner environment**; and
- **strong and prosperous communities**.

How the Fund Works

The Fund works by making investments in public infrastructure owned by provincial, territorial and municipal governments, and in certain cases, private sector and non-profit organizations. Funding is allocated to each province and territory based on population.

Cost-sharing

All projects funded through the Building Canada Fund are cost-shared, with the maximum federal contribution to any single project being 50 per cent.

Generally speaking, municipal projects are cost-shared on a one-third basis—the maximum federal share is limited to one-third, with matching contributions from the province and municipality.

For projects where the asset is owned by a private sector entity, the maximum federal contribution is 25 per cent.

In the territories, funding is administered through the Provincial/Territorial Base Fund.

Components of the Building Canada Fund

The Building Canada Fund is made up of two components: the **Major Infrastructure Component** and the **Communities Component**.

Funding for research, knowledge, planning and feasibility studies is also available for projects financed under these components.

Building Canada Fund–Major Infrastructure Component (MIC)

The Major Infrastructure Component of the Building Canada Fund targets larger, strategic projects of national and regional significance.

Under the MIC, at least two-thirds of funding supports projects that address national priorities and improve the lives of Canadians. These include projects related to:

- drinking water;
- wastewater;
- public transit;

- the core National Highway System; and
- green energy.

Canada's Economic Action Plan, announced in 2009, improved the MIC program by simplifying federal approval processes so that more projects could get underway quickly.

Building Canada Fund–Communities Component (CC)

The Communities Component of the Building Canada Fund targets projects in communities with populations of less than 100,000.

The Fund recognizes the unique infrastructure needs of Canada's smaller communities and focuses on projects that meet environmental, economic and quality of life objectives.

Originally a $1 billion fund, Canada's Economic Action Plan expanded the Communities Component fund with a top-up of $500 million.

The program has funded more than 1,400 smaller-scale projects that improve water, wastewater, public transit, local roads and other types of community infrastructure.

Date modified: 2011-10-26

Infrastructure Canada (2007)

Building Canada Fund - Funding Categories

The Building Canada Fund focuses on projects that deliver **economic**, **environmental** and **community** benefits to Canadians.

A Stronger Economy

A strong economy is essential to maintaining Canada's competitiveness and long-term prosperity. *Building Canada* is helping build a stronger Canadian economy by investing in infrastructure projects that contribute to increased trade, efficient movement of goods and people, and economic growth.

Infrastructure projects that support economic growth fall into the following categories:

- **National Highway System**
- **Connectivity and Broadband**
- **Local and Regional Airports**
- **Tourism**
- **Short-sea Shipping**
- **Short-line Railways**

A Cleaner Environment

Building Canada is funding infrastructure projects that contribute to cleaner air, water and land. After all, a healthy and sustainable environment is fundamental to the health and prosperity of Canadians.

Infrastructure projects that support a cleaner environment fall into the following categories:

- **Wastewater Infrastructure**
- **Green Energy**
- **Solid Waste Management**

Strong and Prosperous Communities

Building Canada promotes strong and prosperous communities by investing in critical infrastructure. Strong, modern infrastructure positively impacts life in Canadian communities, making them healthy, prosperous and safe. Better public transit and roads keep Canadians on the move, treatment plants supply clean water to keep families healthy, and cultural and recreational facilities contribute to vibrant communities.

Infrastructure projects that contribute to strong and prosperous communities fall into the following categories:

- **Drinking Water**
- **Public Transit**
- **Local Roads**
- **Disaster Mitigation**
- **Sport**
- **Recreation**
- **Culture**
- **Brownfield Redevelopment**

In addition to capital infrastructure investments, *Building Canada* funds **collaborative projects** such as

long-term plans, joint knowledge and research projects, feasibility studies, and capacity-building endeavours.

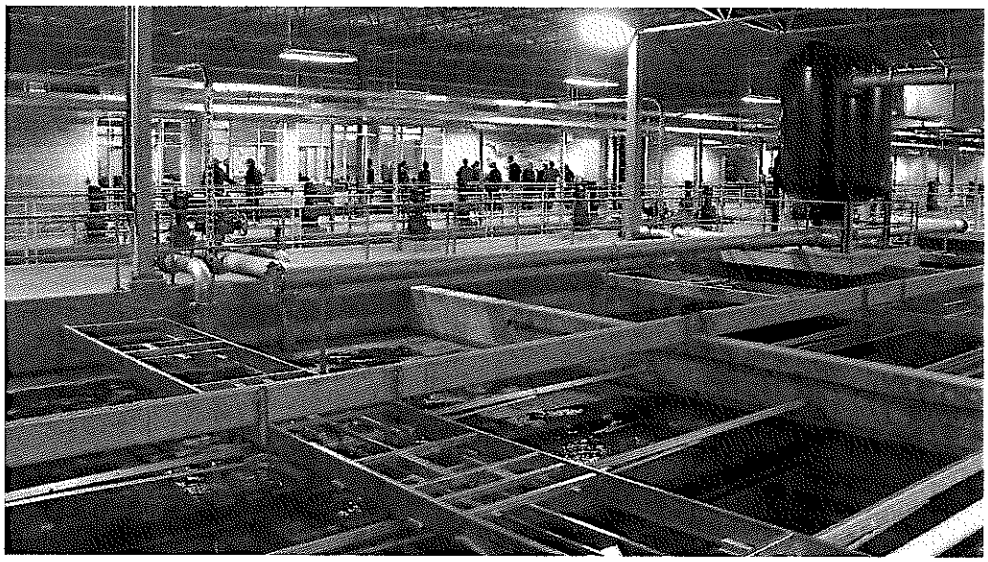
Date modified: 2011-10-26

Gas Tax Fund

- likely application intake in 2014

General Strategic Priorities Fund and Innovations Fund

General Strategic Priorities Fund (Tier 1 and 2): An application-based program to support environmental sustainable projects that are larger in scale or regional in impact.



North Okanagan - Duteau Creek Water Treatment Plant (GSPF)

Innovations Fund (all Tiers): An application-based program to support environmental sustainable projects that are innovative.

Both the General Strategic Priorities Fund (GSPF) and the Innovations Fund (IF) provide investments towards capital projects that improve public transit, local roads, bridges and tunnels, active transportation, community energy, water, wastewater or solid waste infrastructure that reduce greenhouse gas (GHG) emissions, or provide cleaner air or cleaner water. GSPF and IF also provide investments towards certain capacity building and Integrated Community Sustainability planning projects.

Within these investment goals, funding is specifically targeted in the **GSPF** program towards strategic investments that are larger in scale or regional in impact and in the **IF** program towards projects that reflect an innovative technology or approach.

Eligible Projects are those that result in tangible capital assets in BC primarily for public use or benefit, owned by an eligible recipient, that improve the quality of the environment and contribute to reduce GHG emissions, cleaner air and cleaner water.

Both the GSPF and IF grants are awarded up to the lesser of 100% of the actual eligible project costs and 100% of the eligible project costs identified in their application.

Since 2005, over $256 million of gas tax funding has been awarded through these programs for a total of over 180 projects. UBCM has run a number of intakes for these programs, most recently in the spring of 2012.

All applications are reviewed by a Gas Tax technical assessment team and scored based on criteria set out in the program guides (eg. sustainable community outcomes, environmental outcomes, large in scale, regional in impact or innovative technology or approach).

These reviews are forwarded to the Gas Tax Management Committee, which approves projects based on technical scores. The Gas Tax Management Committee consists of senior staff appointed by Infrastructure Canada, BC Ministry of Community, Sport, and Cultural Development, and UBCM.

For information on the latest General Strategic Priorities Fund and Innovations Fund intake, click here.

Please Note: The following information has been provided in both PDF and excel formats, with the later being provided so that users are able to sort and present information according to their individual needs. UBCM takes no responsibility for the accuracy of information downloaded from this site, and subsequently printed, distributed or otherwise used by individual users.

View a list of all approved GSPF and IF projects to date:

Approved GSPF and IF Projects [XLSX - 22 KB]
Approved GSPF and IF Projects [PDF - 121 KB]

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- soft deadline February 2014.
- second intake July if funds available

1 Program Overview

1.1. Purpose

To assist local governments in developing sustainable infrastructure that will improve public health and safety, protect the natural environment and strengthen local and regional economies.

1.2. Amount of Grant

The maximum grant for approved projects is $10,000 according to the following formula:

Approved Project Costs	Provincial Grant
First $5,000 or less	100% of approved costs
Next $10,000 or less	50% of approved costs

2 Eligibility

2.1. Eligible Applicants

An eligible applicant is a local government, defined as a municipality or a regional district. Local governments can submit applications on behalf of improvement districts, registered utilities or other small water systems and should include the letter of request from that organization.

2.2. Eligible Projects

The Program supports a range of initiatives related to improving water, sewer, drainage and other environmental infrastructure. Eligible projects are those that promote sustainable infrastructure including, but not limited to:

Plans

- Liquid Waste Management Plans
- Integrated Stormwater Management Plans
- Community Energy Plans
- Water Conservation Plans
- Water Master Plans
- Asset Management Plans

Studies

- Infrastructure condition assessments
- Economic evaluations of universal metering and conservation rate structures
- Water audits and development of water demand management strategies
- Low impact development technologies and green building design evaluations
- Innovative pilot projects and capacity building programs
- Wastewater reclamation and water reuse studies

Item 3.2

COUNCIL REPORT

REPORT DATE: November 28, 2013
MEETING DATE: December 2, 2013

TO: Mayor and Council

FROM: Rob Crisfield, Manager of Operations

SUBJECT: Federal Grant Funding – Project List

RECOMMENDATION

THAT Council receive the Federal Grant Funding - Project List report;

AND THAT Council provide staff with direction on which project to prioritize for possible federal grant funding.

SUMMARY

In order to position the Village of Cumberland in a 'ready state' for expected federal grant funding announcements, staff has prepared this report for Council's consideration and direction.

BACKGROUND

With the possibility of federal grant funding for municipal infrastructure projects being announced for 2014, staff has prepared the following project list for Council's consideration. In order to take advantage of any future grants, the Village should be prepared with 'shelf ready' projects. Past federal grant programs and more specifically the 'Building Canada Fund' was focused on infrastructure projects related to drinking water, wastewater, public transit, and green energy. While we don't specifically know what the new guidelines and criteria will be, we can assume that infrastructure projects that target such items such as improvements to water quality, reduced GHG's, and improvements to the environment, could be more heavily favoured. In addition to the Building Canada Fund there is also the possibility that Gas Tax Funds may also be available in 2014.

This list is for Council to consider, discuss with staff, and hopefully provide staff with direction on which project it feels the municipality should prioritize for any future grant funding announcements.

1. **Water Supply** – This will lump a number of projects together as summarized below:

    - **Twinning of the 'supply line'** $668,800
      Notes:

- This project is a DCC project and has a 1% municipal assist factor
- Will improve the reliability of water delivery to town and reduce the velocity of flow in the pipes reducing risk and increasing water quality.
- May need a pre-design to look at routing and other design challenges. This could be in the range of $20,000 - $30,000.

- **UV Treatment and Chlorination Building Upgrades**
  Notes: $290,000
  - We'll need to complete a pre-design to better understand the scope of work including the requirement for power line upgrades, building location, and associated costs. Estimated cost for this work could be $5,000 - $10,000.

- **Steven's Lake Dam Re-construction** $527,000
  Notes:
  - Identified in our 5 year capital plan, but will need to borrow money to fund this work.
  - Currently working on the design and looking at an alternative to the full re-construction of the dam which may reduce the amount of funds needed. The dam design could be accelerated and ready in time for a funding application.

- **Second Dam Re-construction** $450,000
  Notes:
  - Same as above with design work currently slated for 2014 and construction in 2015.
  - Would require a topog survey which may present some challenges once winter sets in. While a pre-design is not suited for this project, we could have a geotechnical consulting firm provide suggested re-construction methods and associated high level costs estimates for a grant application.

Water Supply total costs **$1,935,800**

It should be noted that we could take a multiyear or phased approach on this work using the assistance of an engineering consulting firm to assist us with pre-designs and the funding application. Currently we have very little DCC funds to assist with those projects tied to the DCC's (Twinning of Supply Line) and may need to consider borrowing funds, or should the grant application prove successful, alter the currently borrowing bylaw to include this project.

Based on previous federal BCF grants funds could be available from 50 to 80 percent of total project costs. This equates to funding towards this project in the neighborhood of $967,940 up to $1,548,640. However there may be a maximum limit of funds available to a

community of our size which would greatly reduce the figures referred to above. This information is currently not available.

2. **Dunsmuir Avenue Upgrade – Downtown Revitalization** **$4,290,600**
    - Unit costs have been used to calculate a 'high level' cost estimate for upgrades to Dunsmuir Avenue between Sutton Road & Fifth Street. Upgrades include new sanitary and storm pipe including service connections, sidewalks, roadwork, street trees, and the relocation of overhead utilities to underground.
    - Could look at leveraging additional ICET funds up to $200,000.
    - One third funding for the relocation of BC Hydro overhead power lines to underground. Based on high level costs this could equate to approximately $230,000 of the estimated $700,000 component of the upgrade project.
    - Would require a pre-design to address the look and feel of the street view and could be used in public consultation and as part of the grant funding applications. Would also confirm a high level budget figure to move forward with. Costs associated with this could be in the range of $50,000 - $100,000.
    - Could take a multiyear approach and complete the upgrade work in phases or reduce the scope of work to just downtown business core (First Street to Fourth Street) reducing the costs by approximately half.

    Again as noted under the first project, we're not certain what the potential BCF funding allocation will look like and if a maximum contribution based on community size would be in effect. Based on full projects costs above, there is a potential to receive multiple funds from various sources reducing Village capital costs.

3. **Inflow & Infiltration** **$2,000,000**
    - Identified in our current DCC's with a 1% municipal assist factor, split evenly between sanitary sewer and storm drainage. This project would see the elimination of inflow and infiltration of storm water through the installation of new storm sewer and sanitary sewer mains, thereby greatly reducing storm water that currently enters the sanitary sewer collection system.
    - We could complete a pre-design of the remaining areas needing storm sewer separation and sanitary sewer upgrades, and provide a high level costs as part of any grant submission. Pre-design costs could range from $50,000 - $100,000.
    - There are currently some DCC funds available as matching funds.

4. **Wet Weather Flow Treatment** **$1,500,000**
    - This project would parallel the Regional South Sewer project to specifically treat wet weather flows above average daily flows that would not be accepted at the

regional plant. If the municipality were to accelerate the Inflow and Infiltration, this would possibly negate the need for any wet weather flow treatment.

FINANCIAL IMPLICATIONS

Past federal grant programs such as the Building Canada Fund have contributed up to 80% of project costs, while other grant programs covered 50% and 67% or total project costs. Until the new guidelines have been published we won't know what the cost sharing formula will look like.

STRATEGIC OBJECTIVE

None

ATTACHMENTS

None

CONCURRENCE

Michelle Mason, Chief Financial Officer

OPTIONS

1. Direct staff as to which project it feels should be a priority to move forward with and prepare for possible federal grant funding.
2. Any other action deemed appropriate by Council.

Respectfully submitted,

Rob Crisfield
Manager of Operations
Village of Cumberland

Sundance Topham
Chief Administrative Officer