



STAFF REPORT – Request for Council Decision

DATE: August 10, 2020
SUBJECT: Investing in Canada Infrastructure Program – Rural and Northern Communities
TO: Mayor and Council
FROM: Mark Tennant, Director of Finance/Deputy CAO

PURPOSE:

To seek Council's direction on which project to apply for to the Investing in Canada Infrastructure Program – Rural and Northern Communities grant.

BACKGROUND:

At the July 13 meeting of Council, staff presented Council with an information report on the Investing in Canada Infrastructure Program. There are currently 2 funding streams open which are the Rural and Northern Communities stream (application deadline October 22, 2020) and the Community, Culture, and Recreation stream (application deadline of October 1).

On August 6th I attended a virtual meeting with Richard Toperczer (Regional Manager of Rural Development – FLNR) and two Infrastructure Resource Officers from Municipal Affairs and Housing to provide them with information on our infrastructure needs and to gain a better understanding of what they are looking for in the grant applications. They suggested to only apply for one funding stream, because in all likelihood only one project will be approved if multiple applications are received. Based on our current projects that we have identified as priorities they recommended applying for the 1st Ave culvert replacement or water capacity upgrades (additional well and reservoir). Both projects would qualify for 100% funding. They did inform me that during the last round of funding, water projects that received the most support were related to improving public health and protecting water sources rather than capacity upgrades.

As far as priorities go between the two projects, the water capacity upgrades are our highest priority, but both projects need to be done in the near term. A rough estimate for the 1st Avenue Culvert is in the \$2 million range. We do not know the extent of water capacity upgrades required at this stage; however, we expect it to be in the \$1.5 to \$2 million range. I've spoken with engineers on both projects in regard to the grant. WSA can provide updated shelf ready drawings and a detailed budget within 4-6 weeks for the culvert. 9dot are not as far along in the planning process for the well and reservoir, however they stated that they would provide as much information as they can and assist with the grant. A decision on grant approval would happen in 2021 and if approved the project start date would be in late 2021 or early 2022.

Our estimated reserve funds that are eligible for each project at the end of 2020 are as follows:

Water capacity upgrades

- Water reserves and surplus - \$1,185,000
 - Community Works (gas tax) Fund - \$ 300,000
- \$1,485,000

1st Avenue Culvert

- Community Works (gas tax) Fund - \$ 300,000

Based on the amount of funding available in water reserves, we could proceed with both projects over the next few years if we apply for funding for the culvert, which is not necessarily the case if we apply for funding for the water capacity upgrades without taking on debt.

ALTERNATIVES:

Option 1 – Apply for the 1st Ave culvert project (Eligible for 100% grant funding).

Option 2 – Apply for the water capacity upgrades (Eligible for 100% grant funding).

Option 3 – Apply for an alternative project.

RECOMMENDATION:

THAT Council direct staff to apply for grant funding for the 1st Avenue Culvert project through the ICIP - Rural and Northern Communities Program.

Respectfully submitted,

Mark Tennant
Director of Finance/ Deputy CAO