



## Staff Report

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**Report To:** Dan Best, Chief Administrative Officer  
**From:** **Don Giberson, Environmental Services Director**  
**Date:** May 22 2018  
**Report:** ESD.18.26  
**Subject:** 2018 OCIF Top-Up Application Funding

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### **Recommendations:**

**That** South Huron Council receive the report from Don Giberson, ESD Director RE: 2018 OCIF Top-Up Application Funding, AND;

**That** South Huron Council endorses the Exeter Wastewater Treatment Facility Upgrades as the top priority project for the 2018 Intake of the Ontario Community Infrastructure Fund Top-Up Application Funding program.

### **Purpose:**

The purpose of this report is to obtain Council endorsement of the top priority capital project for the 2018 Intake of the Ontario Community Infrastructure Fund Top-Up Application Funding program.

### **Background and Analysis:**

Correspondence from the Minister of Agriculture, Food and Rural Affairs and the Minister of Infrastructure regarding the 2018 Ontario Community Infrastructure Fund (OCIF) program was previously provided to Council.

This program has the same eligibility requirements as the previous 2017 Ontario Community Infrastructure Fund (OCIF) Top-Up Application Funding program and is for projects to be completed in 2018 – 2019. It is a competitive grant funding program for core infrastructure such as Roads, Bridges, Water and Wastewater that requires an application and Council

endorsement of the top priority project. The Minister's letter confirmed that the Municipality of South Huron is eligible to apply for up to **\$638,339**.

Staff reviewed several Transportation and Environmental Services projects that meet the eligibility criteria, were within the funding limits and had a high probability of success under this grant funding program. A bridge project was the obvious choice for this OCIF grant program. The highest priority bridge projects were reviewed and unfortunately all were located on low traffic volume roads. We anticipate that this would result in a low ranking by the Funding Agency. The low probability of success of an application for a bridge project was further evidenced by the lack of success of other grant applications for bridges (other than Main Street Bridge).

Road reconstruction projects (such as Waterloo Street and Sherwood Crescent) meet the eligibility criteria. Accordingly, all road reconstruction projects in the five year capital forecast were reviewed. A review of successful 2017 OCIF Top-Up applications confirmed that few road reconstruction projects were selected by the grant funding agency. The Municipality was also unsuccessful with our 2017 OCIF Top-up application for the Huron Street East Reconstruction project and there is little reason to believe that another street reconstruction project would be successful.

Upgrades at the Exeter Wastewater Treatment Facility meet the eligibility criteria, are within the funding limits and have a high probability of success in obtaining a grant. The proposed project involves upgrades to the sewage lagoon sand filters and installation of a UV disinfection system. These upgrades would ensure compliance with effluent quality criteria in our current Environmental Compliance Approval (ECA) and would improve water quality in the receiving water course. The recent review of the sand filters by GMBluePlan confirms that this asset is in very poor condition and a high priority for replacement. The order of magnitude of Capital Budget for this project also fits well with the amount of the grant funding allocated to South Huron.

Staff believe that the upgrades at the Exeter Wastewater Treatment Facility has the highest probability of success of obtaining a grant under this program.

### **Operational Considerations:**

There were no alternatives considered.

## **South Huron's Strategic Plan:**

Section 6.2.2 of the Municipality of South Huron 2015- 2019 Strategic Plan identifies key objectives that are reflective of the collective perspectives of the strategic planning process.

The recommendations and actions outlined in this report are reflective of the following strategic objectives:

Administrative Efficiency and Fiscal Responsibility

Increased Communications and Municipal Leadership

Transparent, Accountable and Collaborative Governance

Dedicated Economic Development Effort

## **Financial Impact:**

The estimated cost of the upgrades at the Exeter Wastewater Treatment Facility project is approximately \$1,515,000 and this project has been identified in the five year forecast, as a potential 2019-2022 capital project. Staff are recommending an application for the full \$638,339 eligibility amount in the OCIF 2018 intake and fund the balance through the capital replacement reserves.

## **Legal Impact:**

There are no legal implications for the Corporation resulting from the proposed recommendation.

## **Staffing Impact:**

There are no staffing implications for the Corporation resulting from the proposed recommendation.

## **Policies/Legislation:**

1. South Huron Asset Management Program
2. South Huron Capital Budget (Five Year Forecast)
3. 2017 Water and Wastewater Master Plan
4. Exeter Wastewater Treatment Plant - Tertiary Filtration and Disinfection - Technical Memorandum (GMBluePlan Engineers)

**Consultation:**

Manager of Financial Services/Treasurer

Water/Sewer Foreman

Chief Administrative Officer

**Related Documents:**

1. Correspondence from the Minister of Agriculture, Food and Rural Affairs and the Minister of Infrastructure received on May 3, 2018.

Respectfully submitted,

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the bottom, enclosed within a large, hand-drawn oval.

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**Don Giberson, Environmental Services Director**