



Staff Report

Report To: Dan Best, Chief Administrative Officer
From: **Don Giberson, Environmental Services Director**
Date: September 5 2017
Report: ESD.17.24
Subject: 2017 OCIF Top-Up Application Funding

Recommendations:

That South Huron Council receive the report from Don Giberson, ESD Director RE: 2017 OCIF Top-Up Application Funding, AND;

That South Huron Council endorses Huron Street East Reconstruction from Edward to East Town Limit as the top priority project for the 2017 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 2017 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 2017 Ontario Community Infrastructure Fund (OCIF) program was previously provided to Council.

This program has the same eligibility requirements as the previous 2016 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 **\$875,778**.

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).

Upgrades at the Exeter Sewage Lagoons 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. However, this project was recently turned down for the 2016 OCIF Top-Up Application funding and Staff believe that it may not be successful under this new grant funding program.

Road reconstruction projects (such as Huron Street East and Sherwood Crescent) meet the eligibility criteria. Accordingly, all road reconstruction projects were reviewed. A review of successful 2016 OCIF Top-Up applications confirmed that Road Reconstruction projects, combined with infrastructure replacements, were selected by the grant funding agency. The Asset Management Plan indicates that the water infrastructure on Huron Street is rated as poor/very poor and a high priority for replacement. The 2015 BM Ross Roads Management Study confirms that Huron Street East (Edward to East Town Limit) is the next priority road project for 2018.

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 Huron Street East Reconstruction (Edward to East Town Limit) project 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 Huron Street East Reconstruction project is approximately \$2,526,000 and this project has been identified in the five year forecast, as a potential 2018 capital project. Staff are recommending an application for the full \$875,778 eligibility amount in the OCIF 2017 intake and recommend funding the balance from tax levy and user fees, subject to the 2018 budget process.

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. BM Ross Roads Management Study - 2015

Consultation:

Manager of Financial Services/Treasurer

Manager of Transportation Services

Water/Sewer Foreman

Chief Administrative Officer

Related Documents:

1. Correspondence from the Minister of Agriculture, Food and Rural Affairs and the Minister of Infrastructure dated June 26, 2017.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Don Giberson', is enclosed within a large, loopy oval. The signature is fluid and cursive.

Don Giberson, Environmental Services Director