



# SMITHS FALLS

RISE AT THE FALLS

## Report # 2017-136

To: Mayor and Council

From: W. Troy Dunlop, Director of Public Works and Utilities

Date: September 7, 2017

Committee of the Whole Date: September 11, 2017

Title: Ontario Community Infrastructure Fund – Top Up Application 2017 Intake

For Direction

For Information

For Adoption

Attachment \_\_ pages

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**Recommendation:** THAT Council of the Corporation of the Town of Smiths Falls pass a resolution to support the Beckwith Street Reconstruction – Phase 1 Combined Sewer Separation Component as the priority project for funding under the 2017 Intake of the Ontario Community Infrastructure Fund – Top Up Component; And That Council authorize the CAO to submit an application to the Ministry of Agriculture, Food and Rural Affairs for funding for a total project estimated at \$1,037,611.

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**Purpose:** The purpose of this report is to obtain support from Town Council for project selection for funding consideration under the 2017 Intake of the Ontario Community Infrastructure Fund – Top-Up Component.

**Background:** On June 26th, 2017, the Ministry of Agriculture, Food and Rural Affairs formally announced the launch of the Top-Up Component of the Ontario Community Infrastructure Fund (OCIF). The new 2017 intake was rolled out to provide up to \$100 million to help communities to apply for additional funding to address larger critical infrastructure projects. Eligible projects are to include core infrastructure (roads, bridges, water and wastewater, including storm water infrastructure) that is identified as a priority in the community’s asset management plan. Projects that address an existing health or safety issue are furthermore encouraged within the program guidelines. All projects must be completed on or before December 31<sup>st</sup>, 2019.

Eligible municipalities and LSB’s may request up to 90% of a projects total eligible cost, to a maximum of the funding cap noted within their top-up eligibility letter. Locally, the Town of Smiths Falls has been received notice that it is eligible to apply for funding up to a maximum of \$978,947. Applications must be submitted to the province on or before the deadline of September 27, 2017. Final funding announcements are otherwise estimated for release in January of 2018.

**Analysis and Options:** In order to be eligible for funding, the municipality must have an approved asset management plan that is publicly posted indicating asset condition, capital and maintenance needs, investment priorities and a financial strategy that includes road, bridge, water and wastewater assets. Projects submitted for consideration under the program must furthermore align with the community's priorities as identified within the comprehensive asset management strategy.

Projects can include multiple components. For example, a project including paving, water main and sewer pipe work is acceptable. This should clearly be identified in the application. Eligible applicants must demonstrate that each component of the project is inter-related and meets eligibility requirements. All applicants will be required to select a primary project type. The primary project type should reflect the nature of the health and/or safety issue the project is addressing.

When reviewing project eligibility locally, staff looked at many projects and identified that very few local infrastructure projects met the test of:

- a) the criticality of the program (health and safety);
- b) alignment with the near term priorities in the Asset Management Plan;
- c) meeting the maximum the eligibility amount; or
- d) being on track to be completed on or before December 31<sup>st</sup>, 2019.

Infrastructure priorities such as Catherine Street, Lombard Street intersection and the water tower were all considered by staff however none of these projects fit the test of meeting all four of the above components.

In the end, staff believe that the Beckwith Street work would be the best fit for funding – specifically the combined sewer separation component of the downtown reconstruction. This project meets all of the screening requirements of the OCIF Top Up program and is also fully aligned with the strategic plan objectives for revitalization of the downtown core.

Despite the consultation happening on the surface aspects of Beckwith Street in 2017, there is a high degree of certainty that the detailed design will be advancing in 2018 and that the initial stage of construction for these works will be advancing in 2019. Construction on Beckwith Street is likely to happen in a minimum of two phases for matters of constructability. Works will commence at the lowest part of the downtown and will progress to the upper blocks. The exact limits of these construction phases will most certainly form part of the discussions underway with the Downtown Renewal project. For the purposes of this grant application staff are assuming that the three blocks of Chambers to Russell would, as a minimum, be advanced and completed in 2019.

**Budget/Financial Implications:** In order to access the maximum funds eligible to Smiths Falls, the municipality needs to submit a project complement that meets or exceeds \$1,087,947. The Beckwith Street Phase 1 Combined Sewer Separation upgrades currently outlined in this report

represent a cost of \$933,138 (2015) in the current asset management plan. Once this has been inflated at the plans rate of 3% per annum and non-recoverable HST is applied the new total is \$1,037,611.10. If the Town were to be successful in the application, the maximum provincial contributions at 90% funding would be \$933,850. The remaining 10 % of \$103,761.10 would then be funded by the municipality.

**Link to Strategic Plan:**

Vision Statement

- Item 4 – Investing in infrastructure to keep pace with needs
- Item 5 – Redeveloping our waterfront and downtown

Strategic Priority No. 2      Financial Sustainability

Objective 2.10 of the Strategic Plan outlines that the municipality will continue to research funding and grant opportunities with the objective of increasing the ratio of grant funding to taxation revenue. The application for funding under the Top-Up Component of the Ontario Community Infrastructure Fund otherwise aligns with these objectives.

Strategic Priority # 5 – Waterfront Development

- Objective 5.1.5 – Undertake a complete Beckwith Street Redevelopment Plan.

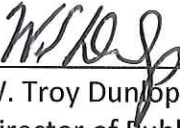
**Existing Policy:**

- 2016 Asset Management Plan,
- Downtown Revitalization and Waterfront Integration Master Plan, 2013


**Consultations:** Engineering Technologist, Interim Treasurer, and Supervisor of Public Works.

**Notes/Action (space for Council Member's notes):**

Respectfully Submitted:

  
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W. Troy Dunlop, C.E.T.  
Director of Public Works and Utilities

Approved for agenda by CAO:

  
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Malcolm Morris, CMO