Grey County Logo Committee Report

# Report TR-TAPS-46-16

**To**: Chair Bell and Members of the Transportation and Public Safety Committee

**From**: Pat Hoy**, Director of Transportation Services**

**Meeting Date:** September 22, 2016

**Subject: Ontario Community Infrastructure Fund Top-Up Component Application   
(Grey Road 15)**

**Status**: Recommendation adopted by Committee as presented per Resolution TAPS97-16; Endorsed by County Council October 4, 2016 per Resolution CC123-16;

## Recommendation(s)

**WHEREAS the Province of Ontario has launched expanded infrastructure funding under the Ontario Community Infrastructure Fund (OCIF);**

**AND WHEREAS the County of Grey is eligible to submit an OCIF Top-Up Component application**

**AND WHEREAS the County of Grey and the City of Owen Sound would like to submit applications for the rehabilitation/reconstruction project on Grey Road 15 (3rd Ave East) in Owen Sound;**

**NOW THEREFORE BE IT RESOLVED THAT Report TR-TAPS-46-16 regarding the Ontario Community Infrastructure Fund Top-Up Component Application be received;**

**AND THAT the Transportation and Public Safety Committee approve the following project to be submitted as a Top-Up Component Application to the Ontario Community Infrastructure Fund as a joint submission with the City of Owen Sound:**

* **Grey Road 15 (3rd Ave East) in Owen Sound reconstruction from 18th Street to the Waste Water Treatment Plant**

## Background

On July 4, 2016 the Province of Ontario launched the expanded Ontario Community Infrastructure Fund (OCIF). The Fund has been increased to provide more stable, predictable, formula-based funding and also includes a new top-up component for those eligible to submit applications.

### Ontario Community Infrastructure Fund Top-Up Component

Under the top-up component, $50 million is distributed among communities who successfully apply for additional funding through OCIF. This allows communities to partner with the province to invest in critical infrastructure projects that create jobs and support economic growth.

### Application Program Highlights

The application process for the OCIF will involve two stages. Eligible applicants are required to complete the Ontario Community Infrastructure Fund top-up application form, including all applicable technical schedules. Applicants are also required to submit their comprehensive asset management plans as part of this application. The deadline for submitting is Friday, October 21, 2016 at 5:00 p.m. Following this, eligible municipalities must submit any outstanding 2015 Financial Information Returns (FIRs) without critical errors and outstanding 2014 FIRs without critical errors to the Ministry of Municipal Affairs by December 16, 2016. The FIRs data will be used to help the Government assess the applicant’s affordability of the proposed project.

The following table provides a brief summary of the application-based component and the intake to identify potential projects.

|  | **Ontario Community Infrastructure Fund Top-Up Component** |
| --- | --- |
| **Funding available?** | $50 million is distributed among communities |
| **Who is an eligible applicant?** | Applicants will be eligible if:  They receive less than $2 million in total over the 2016-17 and 2017-18 years under the formula-based component, and  They did not receive funding under the second intake of the application-based component |
| **Which projects are eligible?** | Capital expenditures on core infrastructure (roads, bridges, water and wastewater, including sanitary and stormwater facilities) projects that are part of an asset management plan are eligible, including capital construction of new core infrastructure that addresses an existing health or safety issue, capital maintenance for the renewal, rehabilitation and replacement of core infrastructure owned by the recipient. For projects to be eligible the projects must include a capital component and construction should not have already begun for the project being proposed. |
| **What portion of funding may be requested?** | Innovative Capital Technologies:  Examples of innovative approaches include trenchless technologies for lining water mains, phosphorus removal from stormwater, and ammonia removal from wastewater. Applicants may want to consider incorporating innovative technologies into their projects.  Multiple Components:  An example of multiple components is a project including paving, water main, and sewer pipe work.  Land-Use Planning:  Projects must be aligned and support the expected and required provincial priorities and outcomes, as set out in provincial land use policy, provincial land use plans and municipal official plans.  Eligible project costs are third-party costs such as, environmental assessment costs, design/engineering costs, project management costs, materials, construction and contingency costs (maximum 15%). |
| **What is the funding cap?** | Eligible municipalities and LSBs may request up to 90% of a project’s total eligible cost, to a maximum of the funding cap noted within their formula-based component allocation notice. The cap depends on the amount of funding the applicant receives under the formula-based component. For the top-up component, it is calculated by subtracting the total formula-based funding the applicant is receiving in 2017 and 2018 from $2 million. Joint projects may be larger projects submitted by a single lead applicant. Joint applicants may request up to the combined total top-up funding cap as outlined in each proponent’s formula-based component allocation notice. |
| **How will funding flow?** | Funding will flow as project milestones are achieved and specific dates will be outlined in individual contribution agreements. |
| **Project completion** | Specific reporting requirements will be outlined in individual contribution agreements. |

Staff has reviewed the program manuals for the **Ontario Community Infrastructure Fund Top-Up Component**. Based on application criteria, Staff is recommending the following project be submitted for the Province’s consideration:

* Rehabilitate/reconstruct Grey Road 15 (3rd Ave East) in Owen Sound from 18th Street East to the Waste Water Treatment Plant (727 metres).
* This project is on the five year program for the 2018 construction season which satisfies the project completion window (December 31, 2018). Some preliminary design has already been completed by a consultant. Design will be completed in 2017 and ready for tender early 2018.
* The Pavement Condition Index (PCI) of the road sections in this area are 34 and 15, making it among the lower rated roads in the Grey County system.
* The Grey County Asset Management Plan indicates approximately 13% of the road surfaces are in critical condition as of 2013, including this section of Grey Road 15.
* The Ontario Community Infrastructure Fund (OCIF) Top-up component application indicates that additional consideration will be given to joint projects.
* The lead on tendering this joint project is the City of Owen Sound.
* The preliminary estimate for the project was $1,080,000 in 2012. The current total estimate is $1,700,000 taking into consideration inflation and the length of the project being extended slightly.

## Financial / Staffing / Legal / Information Technology Considerations

Grey Road 15 rehabilitation/reconstruction project:

* The total estimated cost for this project is $1,700,000.
* Grey County would be responsible to fund approximately $850,000 (50% of the project)
* It is recommended that an application be made the maximum amount of $613,481 in provincial OCIF funding leaving $236,519 to be funded by the County.

## Link to Strategic Goals / Priorities

The approval of this recommendation to submit projects under the Ontario Community Infrastructure Fund aligns with Goal 1.5 to actively pursue provincial and federal funding to sustain municipal services and infrastructure.

## Attachment

Ministry of Agriculture and Rural Affairs Letter Dated July 13 2016

Respectfully submitted by,

Pat Hoy  
Director of Transportation Services

