



The Corporation of the City of Cornwall
Regular Meeting of Council
Report

Department: Infrastructure and Municipal Works
Division: Infrastructure Planning
Report Number: 2020-250-Infrastructure and Municipal Works
Prepared By: Michael Fawthrop, Division Manager
Meeting Date: January 13, 2020
Subject: ICIP – Green Infrastructure Funding Stream

Purpose

To provide Council with information on the Investing in Canada Infrastructure Program (ICIP): Green Infrastructure Stream and receive Council endorsement of a project submission.

Recommendation

- (a) That Council endorse a submission of an application to the Investing in Canada Infrastructure (ICIP) – Green Infrastructure Funding Stream; and
- (b) That the project submitted for the funding program shall be Phase 1 of the Pitt Street North Watermain Relining project.

Financial Implications

Through the Investing in Canada Infrastructure Program - Green Stream, the maximum total eligible cost per project for a single applicant is \$3M. The cost sharing formula for the Green Stream is as follows: Federal - Maximum of 40%; Provincial - Maximum of 33.33%; and Municipality - Minimum of 26.67%. Applicants with a population of less than 100,000 may request funding of up to 73.33% of a project's total eligible cost (ie., up to \$2.2M for a \$3M project).

A portion (\$500K) of the Pitt Street North Watermain Relining project was included in the 2019 Water & Wastewater Capital Budget. As stated below, the \$500K included in the 2019 Water & Wastewater Budget was to act as a municipal component of a Federal/Provincial funding program should one become available. The \$500K included in the 2019 Water & Wastewater Budget can be used as a portion of the required municipal component. If the Municipality was successful in securing funding through the ICIP funding program, the City would budget the additional funds necessary for the required municipal contribution in the 2021 Water & Wastewater Budget.

Strategic Priority Implications

This project includes the rehabilitation of an existing watermain, which addresses Economic Development and Pursuing Diverse Population Growth of 50,000: (4) Continue to Invest in Infrastructure.

Background / Discussion

The Investing in Canada Infrastructure Program (ICIP) is a federal funding program designed to create long-term economic growth, build inclusive, sustainable and resilient communities and support a low-carbon economy. The federal government has committed to providing \$11.8 billion dollars in federal funding to cost-share projects under the following four streams: 1) Public Transit; 2) Green Infrastructure; 3) Community, Culture and Recreation; 4) Rural and Northern Communities. The Green Stream includes up to \$7.12 billion dollars in federal (\$2.85 billion), provincial (\$2.35 billion) and other partner (\$1.92 billion) funding over 10 years for projects across three federal sub-streams that advance outcomes associated with climate change mitigation, environmental quality and disaster mitigation. It is anticipated that the province will select projects for funding through multiple application intakes.

This intake will prioritize projects that address critical health and safety issues associated with water, wastewater and stormwater infrastructure. Project eligibility will be assessed using an outcomes-based approach. Eligible projects under the first intake must meet one of the following federally determined project outcomes prioritized for the environmental quality sub-stream (see Appendix A of the Program Guide which is attached for reference for more details):

- Increase capacity to treat and/or manage wastewater and stormwater; and
- Increase access to potable water.



Under this program, eligible recipients for the 2019/2020 intake include Ontario municipalities with a population of 100,000 or less based on 2016 Statistics Canada Census data and Indigenous communities in Ontario. The Investing in Canada Infrastructure Program – Green Stream – Program Guidelines are attached to the report for reference.

The Province will notify the applicant if their project has been selected for nomination to the Federal government for review and approval in Winter of 2020 (estimated). Applicants will be notified of the Federal Government funding decision in Spring of 2020 (estimate). All successful projects must be completed by October 31st, 2026.

All projects submitted for funding will be assessed by the Provincial and the Federal Government. Ontario will assess the projects primarily in relation to the following criteria:

- Initial Technical Review
- Critical Health and Safety
- Funding Need

Upon review, projects approved by the Province will be nominated to the federal government for approval. Projects selected for federal review and approval will be assessed and prioritized based on project requirements and federal assessment criteria. All provincially nominated projects are subject to federal review and approvals.

Through the Investing in Canada Infrastructure Program - Green Stream, the maximum total eligible cost per project for a single applicant is \$3M. The cost sharing formula for the Green Stream is as follows: Federal - Maximum of 40%; Provincial - Maximum of 33.33%; and Municipality - Minimum of 26.67%. Applicants with a population of less than 100,000 may request funding of up to 73.33% of a project's total eligible cost (ie., up to \$2.2M for a \$3M project). Applicants are required to contribute the remainder of the funding. Applicants must pay for all ineligible project costs as well as any cost over-runs experienced on a project submission. Funding is claims based and expenditures will be reimbursed upon review and approval of eligible costs. Reimbursement of claims is based on the cost sharing percentage. All costs must be incurred by December 31, 2026.

The project that the Infrastructure Department deemed to best fit the program criteria as well as the City's water and wastewater network priorities is the first phase of the Pitt Street North Watermain Relining capital project. The Pitt Street North Watermain Relining project is the relining of a 500mm diameter (Ø) Hyprescon watermain which is a high-pressure concrete pressure pipe from Tollgate Road to Cornwall Centre Road which was constructed in 1974 to service the northern area of the City. As noted during the 2020 Water & Wastewater budget process, several watermain breaks have occurred on this watermain over the last number of years. Due to the size and type of the watermain, these breaks are extremely costly to repair which results in a significant disruption to residents and vehicular traffic on Pitt Street North. Although the overall structural condition of the high-pressure concrete watermain is expected to be in good condition, the source of the breaks is occurring at former water services which have been abandoned and reconnected to a smaller 200mm Ø service watermain which was constructed in 1997. Since the high-pressure concrete watermain is expected to be in overall good structural condition and since there are several abandoned water services which are the source of the breaks, the most suitable alternative is to reline the existing 500mm Ø watermain. Please refer to the attached sketch which delineates the proposed project phasing. The overall project cost is estimated to be \$6M and will be divided into two phases both estimated to cost approximately \$3M. Phase 1 will be the relining of the 500mm Ø watermain from Cornwall Centre Road to McKenzie Street and Phase 2 will be the continuation of the relining from McKenzie Street to Tollgate Road.

Staff recommends that Council endorse a submission of an application to the Investing in Canada Infrastructure Program (ICIP) – Green Stream and that Council authorize Phase 1 of the Pitt Street Watermain Relining as the preferred project as recommended by the Infrastructure Department. Direction from Council will allow staff to complete and submit the necessary application and documentation for the proposed project. The funding of the municipal component of the project would be subject to Council's final approval. Should the Municipality be successful in securing funding through this program, the Transfer Payment Agreement would be executed upon Council's final approval.

If the Municipality was successful in securing funding for the project via the ICIP program, the proposed project would begin construction in the Spring of 2021 and would be completed by the end of 2021 and/or early 2022.



The associated By-Law authorizing the submission of a funding application to the 2019-2020 ICIP – Green Stream Program has been included in the January 13, 2020, Agenda. If Council does not endorse the funding application, the By-Law can be removed from Agenda.

Document Title:	ICIP - Green Infrastructure Funding Stream - 2020-250-IMW.docx
Attachments:	- PittStreetHypressconWM (003).pdf - ICIP Green Stream - Program Guide.pdf
Final Approval Date:	Jan 8, 2020

This report and all of its attachments were approved and signed as outlined below:

Bill de Wit - Jan 8, 2020 - 1:17 PM

Tracey Bailey - Jan 8, 2020 - 1:37 PM

Maureen Adams - Jan 8, 2020 - 2:24 PM