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STAFF REPORT: Finance and IT Services



REPORT TO: Council
MEETING DATE: September 8, 2014
REPORT NO.: FIT.14.55
SUBJECT: Ontario Community Infrastructure Fund
 – Expression of Interest
PREPARED BY: Ruth Prince, Manager of Revenue
 Sam Dinsmore, Financial Analyst

A. Recommendations

THAT Council receive Staff Report FIT.14.55, entitled “Ontario Community Infrastructure Fund – Expression of Interest” for information purposes;

AND THAT the Town of The Blue Mountains has a comprehensive asset management plan that includes all of the information and analysis described in “Building Together: Guide for Municipal Asset Management Plans” in place or will have in place by December 31, 2014;

AND THAT the comprehensive asset management plan will be publically available by December 31, 2015;

AND THAT the Bridges and Culvert Replacement Program be put forward in this application and will be completed by December 31, 2016.

B. Background

On August 18, 2014 the Province of Ontario announced the intake of applications for the Ontario Community Infrastructure Fund (OCIF), which will provide \$100 million per year to continue to support the revitalization and repair of roads, bridges, water and wastewater infrastructure projects in small, rural and northern municipalities. The OCIF includes \$50 million per year in application-based funding and another \$50 million per year in stable, predictable formula-based funding.

Program Highlights for the OCIF application based component are as follows:

- Expressions of Interest (EOI) for the application based component are due September 19, 2014.
- Only one project can be submitted.
- Up to 90% provincial funding of the total eligible costs of a project to a \$2 million maximum.
- Projects must be completed by December 31, 2016.
- Eligible applicants that successfully pass the EOI stage will be provided with an application package and will have a minimum of 30 days to complete application forms. Applications will be due in December 2014.

The majority of the funding will be available for critical road, bridge, water and wastewater projects where the primary objective is to address urgent public health and safety issues or to maintain public health and safety in the long-term. The program supports projects that have been identified as priorities in municipal asset management plans and applicants with challenging economic conditions and limited fiscal flexibility. Additional consideration will also be given to applicants who are making significant infrastructure investments.

Staff has compiled a list of bridges and culverts that need to be replaced due to the age and condition of the structure. Current funding is not available to replace all of these structures over the next two years; this grant would allow the Town to finish these projects sooner than initially budgeted. The structures include:

- Bridge #2 on the 6th Sideroad
- Bridge #3 on the 6th Sideroad
- Culvert #213 on the Pretty River Valley Road

In 2013 under a similar capital funding program, the Town of Collingwood submitted a successful application to replace two bridges in the municipality. Staff feel that a multiple bridge application is a good use of this application as other municipalities have had success with this strategy.

C. The Blue Mountains' Strategic Plan

Strategic Goal #2

Addressing the Town's municipal infrastructure needs

2.1 Identifying existing deficiencies in the current municipal infrastructure.

Strategic Goal #5

Ensuring long-term financial sustainability

5.4 Develop a capital asset management plan.

D. Financial Impact

Should the Town be successful in receiving grant funding to offset capital costs, the potential savings could be \$1.8 million. This grant money would allow the Town to move forward with these replacements sooner than initially budgeted and would reduce the amount to be funded by taxation.

The Town will also receive on-going formula-based funding as part of this Provincial funding program. The minimum grant that a municipality can receive is \$25,000; Staff expects that the Town's grant will be higher than this but it is hard to estimate at this time.

E. In Consultation With

Senior Management Team

F Attached

N/A

Respectfully submitted,

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For more information, please contact:

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