

DISTRICT OF
OAK BAY



REPORT TO: Mayor and Council

FROM: David Brozuk, Acting Director of Engineering Services

DATE: April 18, 2016

RE: New Building Canada Fund – Small Communities Fund

EXECUTIVE SUMMARY

There is a grant opportunity from the Province of British Columbia - the New Building Canada Fund - Small Communities Fund (NBCF-SCF) Program. It could fund up to a maximum of two-thirds of the total eligible project cost.

Oak Bay is eligible to submit one application annually. This year's application submission date is April 28, 2016. The proposed project must be completed no later than March 31, 2022.

Staff recommends that the Acting Director of Engineering Services be authorized, on behalf of the District of Oak Bay, to submit an application to the Ministry of Community, Sport and Cultural Development for funding for the Uplands Combined Sewer Separation Project.

BACKGROUND

Canada and British Columbia governments are investing up to \$218 million under the New Building Canada Fund - Small Communities Fund (NBCF-SCF) Program to support infrastructure projects in communities with a population of less than 100,000 people. The federal and provincial governments will each contribute up to \$109 million of the total program funds.

Applications for funding will be evaluated on the extent to which the project meets the following program objectives:

- economic growth;
- a clean environment; and
- building stronger communities.

The program offers funding up to a maximum of two-thirds of the total eligible project cost, which includes among others the capital costs and engineering cost. However, cost incurred prior to the approval of the project and costs incurred after the project completion date of March 31, 2022 are not eligible.

For large, long-term improvements to infrastructure projects that require significant funding support, proponents are allowed to consider implementing the project in distinct stand-alone phases.

The District of Oak Bay applied for funding for water main projects last year under the same program but did not succeed.

ANALYSIS

The Uplands Combined Sewer Separation Project is a priority for Oak Bay Council. It is also required by the Municipal Wastewater Regulation. After discussing with provincial grant agency, staff believes this project is a good candidate for the grant application.

The Uplands Combined Sewer Separation Project will create jobs in construction, manufacturing and other areas; it will result a cleaner environment; it will build a stronger community for future growth. This project can be phased into 3 stand alone phases using the highest initial proposed estimates provided by McElhanney Consulting Services Ltd.: approximately \$7.6million, \$7.6million and \$5.5million.

If this application is approved, the Uplands Sewer Separation Project will be constructed in a more timely and efficient manner thus saving Oak Bay taxpayers' money.

With the New Building Canada Fund - Small Communities Fund only accepting one application annually, Oak Bay's submission for 2016 will be the Uplands Combined Sewer Separation Project.

STRATEGIC IMPACT

Uplands Combined Sewer Separation Project is a key priority in Council's Strategic Plan. Receiving additional funding would assist staff in proceeding with this project.

OPTIONS

1. That the Acting Director of Engineering Services be authorized, on behalf of the District of Oak Bay, to submit an application to the Ministry of Community, Sport and Cultural Development for funding for the Uplands Combined Sewer Separation Project.
2. That staff be directed to apply for funding for another project other than the Uplands Combined Sewer Separation Project. This option is not recommended due to the approaching deadline on April 28, 2016.
3. That an application not be submitted to the New Building Canada Fund - Small Communities Fund.

FINANCIAL IMPACT

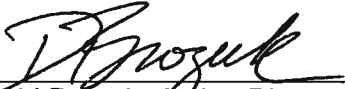
If this application is approved, it will only fund two-thirds of the total eligible project cost. Oak Bay needs to commit one-third of the project cost.

RECOMMENDATION

That the Acting Director of Engineering Services be authorized, on behalf of the District of Oak Bay, to submit an application to the Ministry of Community, Sport and Cultural Development for funding for the Uplands Combined Sewer Separation Project.

Respectfully submitted,

Report prepared by:



David Brozuk, Acting Director of Engineering Services



Richard Ding, Design Engineer

With respect to the Financial Impact described in this report, I concur with the recommendation of the Acting Director of Engineering Services .



Debbie Carter, Director of Financial Services

I concur with the recommendation of the Acting Director of Engineering Services .



Helen Koring, Chief Administrative Officer