



REPORT TO: Shared Services Steering Committee
PREPARED BY: Jeff Molenhuis, Director of Public Works

DATE: September 8, 2016
SUBJECT: Ontario Community Infrastructure Fund (OCIF) 2016 Application
– Wingham and Area Industrial Land Strategy

ATTACHMENTS: None

RECOMMENDATION:

THAT the MT/NH Shared Services Steering Committee receive the report Ontario Community Infrastructure Fund (OCIF) 2016 Application report;

AND THAT the Shared Services Steering Committee recommend the Joint OCIF application for the project identified to both Councils for their support.

EXECUTIVE SUMMARY

The Ontario Community Infrastructure Fund (OCIF) 2016 intake is open for applications. The program has slightly changed this year, with a single application format only. The OCIF program has a formula based-fund and what is now called a top-up component, which is application based and has eligibility tied to the amount of formula-based funds each municipality receives. The 2016 program is targeting top-up eligibility for municipalities who's 2017 and 2018 formula-based fund add up to less than \$2 million.

In previous years, the application process started with an Expression of Interest, then a formal application if the Expression was considered a viable project through Ministry review. The application-based funds were independent of the formula-based funds in previous years.

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. Projects are assessed on the expected benefit in relation to critical health and safety aspects primarily. A comprehensive Asset Management Plan is also a primary assessment tool. Applications are due on October 21, 2016.

Based on the above, it is recommended that a joint application be put forward for the joint industrial servicing project that North Huron and Morris-Turnberry are completing. Joint projects are encouraged in the program, and is noted within the application guideline that they will be given additional consideration in the assessment.

DISCUSSION

The Wingham and Area Industrial Land Strategy Feasibility Study was completed by BM Ross in 2015. The study outlined four phases of new municipal servicing for lower town northwest of Wingham in Morris-Turnberry. This location is industrial development land, and would greatly benefit from having reliable municipal services available to support development. Further, there are current industrial operations that rely on septic and private water that would benefit the natural environment to be brought online to municipal servicing.

The study also outlined the need to replace existing infrastructure because of operational problems, including extraneous flows into the sewer system. The northwest trunk sewer is lies within wellhead protection area for Wingham's water system, and therefore may support the health and safety aspect the Ministry will be looking for in reviewing the OCIF applications. As such, it is proposed that this year's application consist of the following:

PHASE	ESTIMATED COST
Phase 1 – Cedar/Arthur Street	\$440,000
Phase 2 – Royal/Cedar/Arthur Street	\$515,000
Phase 3 – North Street	\$470,000
Northwest Trunk Sewer	\$1,800,000
TOTAL	\$3,225,000

Because of the scope of Phase 4, it is not recommended that be included within this application package.

FUTURE CONSIDERATIONS

Because of the scope of the project, it will be proposed that the project take place over a two (2) year timeframe in 2017 and 2018. Funding notices are estimated in the February 2017 timeframe.

FINANCIAL IMPACT

The top-up funding cap for each Municipality is as follows:

MUNICIPALITY	TOP-UP CAP
North Huron	\$1,631,263
Morris-Turnberry	\$1,867,244
TOTAL	\$3,498,507

The OCIF program funds up to a maximum of 90 percent of the project cost. For joint applications, the combined total top-up funding cap is allowable for the request.

Based on the top-up funding caps provided and the estimated total project cost outlined above, the anticipated cost to the municipalities, if successful with 90 percent funding in the application, will be in the order of 10 percent of the \$3,225,000 total project figure, being \$322,500. The application may be approved at less than 90 percent funding, so the Municipalities funding responsibility may increase. This will not be known until funding notice is received.



Jeff Molenhuis, Director of Public Works