Agenda – Executive Policy Committee – January 21, 2015

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – January 16, 2015

Item No. 2 Green Infrastructure Fund Contribution Agreement

STANDING COMMITTEE RECOMMENDATION:

On January 16, 2015, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That the City of Winnipeg enter into a contribution agreement with the Government of Canada that sets out the terms and conditions of the federal funding of up to $11 million for the Upgrade of Wet Weather Wastewater Treatment Process as part of the wastewater treatment upgrades at the South End Pollution Control Centre (SEWPCC).

2. That the City of Winnipeg enter into a contribution agreement with the Province of Manitoba that sets out the terms and conditions of the provincial funding of up to $11 million for the Upgrade of Wet Weather Wastewater Treatment Process as part of the wastewater treatment upgrades at the South End Pollution Control Centre (SEWPCC).

3. That the CAO be delegated the authority to negotiate and approve the terms and conditions of the funding agreements in accordance with the parameters of the federal Green Infrastructure Fund, and such other terms and conditions deemed necessary by the Director of Legal Services and City Solicitor to protect the interests of the City.

4. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Agenda – Executive Policy Committee – January 21, 2015

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – January 16, 2015

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On January 16, 2015, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

David Sanders, submitted a communication dated January 16, 2015, in opposition to the Green Infrastructure Fund Contribution Agreement.

ADMINISTRATIVE REPORT

Title: **GREEN INFRASTRUCTURE FUND CONTRIBUTION AGREEMENT**

Critical Path: **The Standing Policy Committee on Infrastructure Renewal and Public Works – EPC - Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
Moira Geer, C.A. Manager of Finance and Administration	D. P. Sacher, P. Eng. Director, Water and Waste Department	M. Ruta	M. Jack A/COO

RECOMMENDATIONS

1. The City of Winnipeg enter into a contribution agreement with the Government of Canada that sets out the terms and conditions of the federal funding of up to $11 million for the Upgrade of Wet Weather Wastewater Treatment Process as part of the wastewater treatment upgrades at the South End Pollution Control Centre (SEWPCC).

2. The City of Winnipeg enter into a contribution agreement with the Province of Manitoba that sets out the terms and conditions of the provincial funding of up to $11 million for the Upgrade of Wet Weather Wastewater Treatment Process as part of the wastewater treatment upgrades at the South End Pollution Control Centre (SEWPCC).

3. That the CAO be delegated the authority to negotiate and approve the terms and conditions of the funding agreements in accordance with the parameters of the federal Green Infrastructure Fund, and such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

4. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

Council authority is required to enter into a funding agreement.

IMPLICATIONS OF THE RECOMMENDATIONS

Negotiations are proceeding and contribution agreements are now being prepared. The federal and provincial governments are preparing separate agreements for this funding. This report seeks Council authority to conclude both agreements.

As a result of this funding External Debt requirements will be reduced. Funding source for the SEWPCC Nutrient Removal/Expansion Project Account Distribution No. 444 181000 200752 203210002B will change from External Debt to Federal and Provincial Government Funding.

HISTORY

On October 9, 2009 the City of Winnipeg submitted an application to Government of Canada, Infrastructure Canada for consideration for cost sharing under the Building Canada Plan which consisted of several Funds. The South End Pollution Control Centre – Upgrade of Wet Weather Wastewater Treatment Process was eligible as a high priority infrastructure project meeting the national goals for a stronger economy, cleaner environment and better communities. The application review process was completed July of 2013.

On September 30, 2013 the City received approval-in-principle from the federal Minister of Infrastructure, Communities and Intergovernmental Affairs for the Upgrade of Wet Weather Wastewater Treatment Process project. Funding from the Green Infrastructure Fund will be up to a maximum of $11 million.

On November 28, 2013 the City received approval-in-principle from the provincial Minister of Children and Youth Opportunities. The Province will invest up to $11 million for the Upgrade of Wet Weather Wastewater Treatment Process project under the Green Infrastructure Fund. This $11 million is included in the $206 million from the Province for wastewater upgrades, as announced in the 2007 throne speech.

The funding is included in the existing sewer rate and long-term financial projects.

FINANCIAL IMPACT

Financial Impact Statement

Date: September 15, 2014

Project Name: GREEN INFRASTRUCTURE FUND CONTRIBUTION AGREEMENT

First Year of Program **2014**

	2014	2015	2016	2017	2018
Capital					
Capital Expenditures Required		$ 8,000,000	$ 10,000,000	$ 4,000,000	
Less: Existing Budgeted Costs		8,000,000	10,000,000	4,000,000	
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal					
Debt - External					
Grants (Enter Description Here)					
Reserves, Equity, Surplus					
Other - Green Infrastructure Fund					
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs					
Less: Incremental Revenue/Recovery					
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts					
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: The Upgrade of Wet Weather Wastewater Treatment Process project is part of the SEWPCC Nutrient Removal/Expansion project and has been authorized by City Council's adoption of the Capital Budget.

"Original signed by M. L. Geer, CA"
Moira L. Geer, CA
Manager of Administration

CONSULTATION

In preparing this report there was consultation with:

Legal Services
City Treasurer's Division

SUBMITTED BY

Water and Waste Department
Finance and Administration Division
Prepared by: Darlene Capp
Date: November 10, 2014
File No. 010-17-06-04-06