



## **Staff Report**

### **Origin**

In April 2012, the City was advised that the Province was considering a call for grant funding under the flood protection program. At the May 28, 2012 Regular Council Meeting, Council endorsed a list of projects for submission under the proposed 2012 grant program. However, no call for grants was issued in 2012. The City's drainage program was subsequently updated as part of the ongoing capital process.

On April 12, 2013, the Province issued a call for applications for grant funding under the 2013 Flood Protection Program. The deadline for submissions is May 22, 2013. The application guidelines state that projects must be endorsed by Council to be considered for funding.

In this call for applications, each Local Authority is limited to one application for one publicly funded project. Staff are currently in discussions with the Province regarding the program and the amount of funding available for each application.

### **Analysis**

This report identifies priority projects that staff recommend be considered as candidates for submission as part of the 2013 Flood Protection Program. Once the Province provides further clarification on the program and available funding levels, staff will select the project with the highest chance of success and submit the application.

This report also recommends that authority be given to the Chief Administrative Officer and General Manager Engineering and Public Works to negotiate and execute funding agreements for projects approved for funding by the Province as part of the 2013 Flood Protection Grant Program.

Emergency Management BC and the Federal Building Canada Plan (Infrastructure Canada) have partnered to provide flood protection funding to communities throughout British Columbia. The 2013 grant program is based on a 1/3 Provincial Government, 1/3 Federal Government and 1/3 Local Government cost sharing formula for local government area populations that are greater than 100,000.

In previous years, applicants were allowed to submit multiple projects for grant funding. In the 2013 program, the guidelines stipulate that applicants can apply for only one publicly funded project. Local governments can submit additional applications if the 1/3 local funding is provided by the private sector. Staff are seeking opportunities to apply for these private projects.

To maximize the chances of approval, staff are currently in discussions with the Province to clarify project criteria such as available funding levels. Once this additional information is available, staff will select one of the following projects for submission:

<b>Project</b>	<b>Description</b>	<b>Cost Estimate</b>
Bath Slough Drainage Pump Station Upgrade	Includes design and a complete renovation of the pumping system and buildings to upgrade ageing infrastructure, increase the pumping capacity approximately 33%, and allow for dike raising related to sea level rise.	\$ 4,200,000
Dike Upgrade, McCallan Road to No. 2 Road	Includes a dike upgrade to meet minimum Provincial requirements including an allowance for sea level rise.	\$ 2,800,000
South Dike Upgrade, No. 4 Road to Shell Road Right of Way	Includes design and construction of upgrades to meet minimum Provincial requirements.	\$ 2,000,000

To be eligible for funding, projects are to be completed between April 1, 2014 and March 21, 2016.

### **Funding Agreements**

In 2010, the Williams Road and No. 1 Road North Drainage Pump Station projects received a total of \$3.57M in grant funding from this program. The funding agreements for these projects included the following key terms:

- The City will maintain general commercial liability insurance in an amount not less than \$2 million and include the Province as an additional insured;
- The City will grant a release and indemnity in favour of the Province;
- In the event that the City sells or otherwise disposes of the works, the City must repay a portion of the grant funding to the Province; and
- The City must provide status updates to the Province at least every 30 days.

Staff anticipate that if the City's submission for the 2013 Flood Protection Grant Program is successful, the funding agreement for the approved project will include similar key terms, including granting of a release and indemnity by the City in favour of the Province.

Staff recommends authority be given to the Chief Administrative Officer and General Manager Engineering and Public Works to negotiate and execute funding agreements with the Province for any successful submissions for the 2013 Flood Protection Grant Program.

### **Financial Impact**

There is no funding impact at this time.

Bath Slough Drainage Pump Station is currently included in the capital program. The dike upgrade projects identified in this report for Council endorsement will be submitted as part of future capital programs with the City portion of funding from the Drainage and Dikes Utility and/or Drainage DCC's.

### **Conclusion**

The Provincial and Federal governments have partnered to provide flood protection funding to communities throughout British Columbia. Staff have prepared a list of flood protection related projects and are seeking Council endorsement in accordance with the grant program guidelines. Further, staff are seeking Council authority for the negotiation and execution of funding agreements should the City's application be successful.



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