

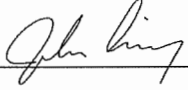

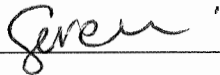


To: General Purposes Committee **Date:** September 15, 2022
From: Milton Chan, P.Eng.
Director, Engineering **File:** 10-6060-03-01/2018-
Vol 01
Re: **2022 ICIP Adaptation, Resilience & Disaster Mitigation – Green Infrastructure Grant Application – No. 3 Road South Drainage Pump Station and Dike Upgrade**

Staff Recommendation

1. That the No. 3 Road South Drainage Pump Station and Dike Upgrade submission to the Investing in Canada Infrastructure Program for the Adaptation, Resilience & Disaster Mitigation program sub-stream, as outlined in the staff report titled “2022 ICIP Adaptation, Resilience & Disaster Mitigation – Green Infrastructure Grant Application – No. 3 Road South Drainage Pump Station and Dike Upgrade” dated September 15, 2022 from the Director, Engineering be endorsed;
2. That should the grant application be successful, the Chief Administrative Officer and General Manager, Engineering and Public Works, be authorized on behalf of the City to enter into an agreement with the Province for the above mentioned project; and
3. That should the grant application be successful, a capital submission of \$13,000,000 for the No. 3 Road South Drainage Pump Station and Dike Upgrade be approved with funding from the above mentioned grant, the Drainage Improvement Reserve and Drainage DCC Program, as outlined in the staff report titled “2022 ICIP Adaptation, Resilience & Disaster Mitigation – Green Infrastructure Grant Application – No. 3 Road South Drainage Pump Station and Dike Upgrade” dated September 15, 2022 from the Director, Engineering, and that the Consolidated 5-Year Financial Plan (2023-2027) be amended accordingly.

Milton Chan, P.Eng.
Director, Engineering
(604-276-4377)

REPORT CONCURRENCE		
ROUTED TO: Intergovernmental Relations Finance Public Works	CONCURRENCE <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	CONCURRENCE OF GENERAL MANAGER 
SENIOR STAFF REPORT REVIEW	INITIALS: 	APPROVED BY CAO 

Staff Report

Origin

In 2018, the Province and Canada established the Investing in Canada Infrastructure Program (ICIP). The Adaptation, Resilience & Disaster Mitigation (ARDM) program is a sub-stream under the Green Infrastructure umbrella of the ICIP that funds flood mitigation infrastructure projects to help communities mitigate and adapt to climate change impacts, natural disasters and extreme weather events.

There is an opportunity to submit a grant application for funding through this program in October of 2022. The grant application requires a Council resolution indicating support for the proposed project, willingness to provide overall grant management, and financial commitment to fund the applicant contribution for the project. This report responds to this grant opportunity.

This report supports the following strategies within Council's Strategic Plan 2018-2022:

Strategy #1 A Safe and Resilient City:

Enhance and protect the safety and well-being of Richmond.

1.2 Future-proof and maintain city infrastructure to keep the community safe.

Strategy #5 Sound Financial Management:

Accountable, transparent, and responsible financial management that supports the needs of the community into the future.

5.1 Maintain a strong and robust financial position.

5.4 Work cooperatively and respectfully with all levels of government and stakeholders while advocating for the best interests of Richmond.

Analysis

Richmond is situated approximately 1.0 meter above sea level and flood protection is integral to protecting the health, safety and economic viability of the City. Richmond is protected from flooding by an extensive network of drainage and diking infrastructure, with a replacement value of \$2.2B. The City's Flood Protection Management Strategy and dike master plans are the guiding framework for continual upgrades and improvements to address climate change induced sea level rise. At the April 12, 2021 Regular Council meeting, Council endorsed a target annual revenue level of \$30 million by 2031 to support a 50 year implementation period for an accelerated flood protection program for upgrading the City's flood protection. The Flood Protection Management Strategy identifies senior government partnerships as a top priority.

Canada – British Columbia Investing in Canada Infrastructure Program

Funding for the ICIP is provided by the Province of BC and the Government of Canada and is administered by Emergency Management BC (EMBC). The program allocates approximately \$81.8 million towards supporting eligible projects.

Under this program, local governments are eligible for funding contributions up to 40% from the Government of Canada and up to 33.33% from the Province of BC. The maximum federal and provincial funding that individual communities can apply for is \$10 million and projects are required to begin by October 7, 2024 and be completed by March 31, 2027.

The deadline for applications is October 7, 2022. As such, staff have prepared and submitted an application for the No. 3 Road South Drainage Pump Station and Dike Upgrade (the “Project”). The application guidelines require a Council resolution supporting the application and Council’s commitment to fund and support the project, which is required to be submitted within one month after the grant submission deadline. Staff are requesting Council’s endorsement of the submission to EMBC for grant funding for up to 73.33% of the estimated project cost of \$13 million. Should Council choose not to endorse this submission, staff will contact EMBC to withdraw the application.

No. 3 Road South Drainage Pump Station and Dike Upgrade Project

The Project involves upgrading the pumping capacity of the No. 3 Road South Drainage Pump Station to support increasing demands on the drainage system due to growth and climate change. In addition, the Project will include raising the pump station and approximately 200 m of dike adjacent to the pump station per the City’s Flood Protection Management Strategy and dike master plans.

Sections of dike adjacent to the Project have recently been raised to an elevation of 4.7 m through previously approved capital projects. These works included increasing the width of the roadway and incorporating a multi-use trail for pedestrian and cyclist use. The Project will connect to the previously completed dike upgrades and will finalize this section of flood protection upgrade works.

Financial Impact

The estimated cost of the Project is \$13 million. The Project is within the Development Cost Charges (DCC) Program, with a DCC recoverable amount of \$990,000. Table 1 presents the estimated funding contributions should the City be successful with the grant application.

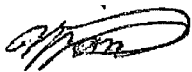
Table 1 - Estimated Project Funding Contribution

Funding Source	% Contribution	Estimated Contribution
Government of Canada (up to)	40%	\$5,200,000
Province of BC	33.33%	\$4,332,900
City of Richmond – Drainage DCC	26.67%	\$ 990,000
City of Richmond – Drainage Improvement Reserve		\$2,477,100

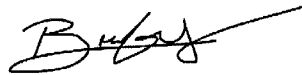
Should the City be awarded the grant, staff are requesting that a capital project in the amount of \$13 million, funded through external grant, Drainage DCC and the Drainage Improvement Reserve, be approved and the Consolidated 5 Year Financial Plan (2023-2027) be amended accordingly. Should the City’s grant application be unsuccessful, staff will submit the capital project submission for Council’s consideration through future budget processes.

Conclusion

The Province invited applications for grant funding from eligible applicants for projects that improve resilience to climate change impact, natural disasters and extreme weather events. The No. 3 Road South Drainage Pump Station and Dike Upgrade project aligns with the grant program requirements and helps strengthen Richmond’s resilience to flood risks in alignment with the City’s Flood Protection Management Strategy. Staff recommend that the grant application for the Project to the Province be endorsed, a capital project be created and the Consolidated 5-Year Financial Plan (2023-2027) be amended should the grant application be successful.



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