

DATE OF MEETING 2020-OCT-05

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**SUBJECT INVESTING IN CANADA INFRASTRUCTURE PROGRAM**

## **OVERVIEW**

### **Purpose of Report**

To provide Council with information on two potential projects for the CleanBC Communities Fund Stream of the Investing in Canada Infrastructure Program and obtain a Council resolution.

### **Recommendation**

That Council select a project to endorse for application under the CleanBC Communities Fund Stream of the Investing in Canada Infrastructure Program.

## **BACKGROUND**

The Investing in Canada Infrastructure Program is a program aimed at creating long-term economic growth, building inclusive and sustainable communities, and supports a low carbon green economy. This is the second intake for the CleanBC Communities Fund Stream that helps fund infrastructure projects that support the management of renewable energy, access to clean energy transportation, improved energy efficiency of buildings and the generation of clean energy. The program is available to local governments, Indigenous applicants, Not-for-profit, and select for-profit organizations.

The program targets projects that can be completed within five years following approval. A cost share between the federal and provincial government provides funding and their combined maximum contribution is 73.33%. Stacking rules apply to this funding. Therefore 73.33% is the maximum that could be funded from senior government sources including the Gas Tax Community Works Funds received by the City annually.

The grant application deadline is 2020-NOV-12.

## **DISCUSSION**

Staff have short listed two projects for consideration under the current funding stream.

1. Oliver Woods Community Centre – Hot Water Boiler Replacement and Mechanical Upgrades

The existing single hot water boiler provides peak heating and domestic hot water heating for the facility. This is a standard efficiency hot water boiler which uses natural gas as fuel and it is nearing the end of its useful life.

An Engineer's review of the existing equipment and operating systems recommended changes to piping and valves in addition to the replacement of the existing hot water boiler. This is due to operational issues with the current piping arrangement.

A further study of various Low Carbon Electrification options recommended the City replace the old boiler with a new electric boiler. This option eliminates using natural gas at the facility which currently represents 90% of the facilities annual GHG emissions.

2. Beban Park Leisure Pool Air Handling Units

Currently the leisure pool ventilation and dehumidification is provided by two air handler units (HV-5 and HV-3). Air Handling Unit HV-5 has failed and a recent condition assessment revealed that Unit HV-3 is near end of life earlier than anticipated. In addition there are condensation and pool surface air quality issues with the current duct system.

A Low Carbon Electrification Study reviewed the potential energy and greenhouse gas emission reduction potential focusing on low carbon electrification opportunities for the leisure pool ventilation and dehumidification system.

The study recommended replacing both HV-3 and HV-5 air handling units with a single air handling unit as well as upgrading to a full heat recovery dehumidification system. Upgrading and integrating these two systems could potentially reduce over 85% of the pool greenhouse gas emissions when compared to the current operation.

## **OPTIONS**

1. That Council direct staff to submit an application to the Investing in Canada Infrastructure Program – CleanBC Communities Fund Stream for the Oliver Woods Community Centre Hot Water Boiler Replacement and Mechanical Upgrades, and that Council commits to funding \$36,000 of the project.
  - The advantages of this option: This project is currently underfunded in the 2020-2024 Financial Plan due to the additional piping upgrades identified that were not included in the original scope of the project. If the grant application is successful this will allow the City to proceed with the project with no additional investment required.

- Financial Implications: The cost for design and construction phases of this project is \$116,000, \$71,900 of which is currently in 2020 of the 2020-2024 Financial Plan. If the grant application is successful the City would be eligible for up to \$80,000 of funding which would allow \$35,900 of surplus funds to be reallocated to another City priority.
2. That Council direct staff to submit an application to the Investing in Canada Infrastructure Program – CleanBC Communities Fund Stream for the Beban Park Leisure Pool Air Handling Units and that Council commits to funding \$258,560 of the project.
- The advantages of this option: This provides opportunity for the City to undertake a large scale energy and cost savings project at one of our largest facilities. Selecting this option, if successful, would allow the City to proceed with this project.
  - The disadvantages of this option: This project is underfunded in the 2020-2024 Financial Plan by \$735,176 as the current scope is to replace only the failed HV-5 unit. An additional \$41,726 will need to be allocated to the project by the City to proceed with the grant application.
  - Financial Implications: The cost for construction of this project is \$945,400, \$210,224 of which is currently in the 2020-2024 Financial Plan. If the grant application is successful the City would be eligible for up to \$686,840 of funding. If selected the 2020-2024 Financial Plan will be amended to allocate an additional \$48,336 to the project funded from the Emission Reduction Reserve. |
3. That Council provide alternative direction to staff for a project to submit an application to the Investing in Canada Infrastructure Program – CleanBC Communities Fund.

#### **SUMMARY POINTS**

- The CleanBC Communities Fund Stream of the Investing in Canada Infrastructure Program provides up to 73.33% funding for eligible project costs.
- The City may submit one application.
- Applications are due by 2020-NOV-12.

#### **ATTACHMENTS:**

Investing in Canada Infrastructure Intake 2 PowerPoint Presentation

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