



## Council Report

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**Report Number:** CORP2022-001  
**Meeting Date:** January 25, 2022  
**Title:** 2022 Ontario Community Infrastructure Fund Allocation  
**Author and Title:** Jennifer Stover, Director of Corporate Services

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### Recommendation(s):

**That** Report CORP2022-001, **2022 Ontario Community Infrastructure Fund Allocation**, be received; and

**That** the 2022 Capital budget be amended to include a multi year project titled "Low Volume Gravel Roads" in the amount of \$6,800,000; and

**That** additional \$2,519,746 of Ontario Community Infrastructure Funding received in 2022 be allocated to the Low Volume Gravel Roads capital budget for 2022; and

**That** the balance of the project be funded equally over four years (2023-2026) from the annual Ontario Community Infrastructure Funding allocation.

**Department Head:** \_\_\_\_\_

**Financial/Legal/HR/Other:** \_\_\_\_\_

**Chief Administrative Officer:** \_\_\_\_\_

## **Background:**

At the Special Council Meeting of November 30, 2021, Council adopted the following resolution:

### **CR2021-587**

That Perdue Road, Emily, be added to the list of Low Volume Gravel Roads contained in Report ENG2021-014 (Low Volume Gravel Roads)

At the Special Council Meeting of December 7, 2021, Council adopted the following resolution:

### **CR2021-617**

That the verbal update from Director Stover, regarding Ontario Infrastructure ("OCIF") Funding be received; and

That staff be directed to report back to Council once additional OCIF funding is known, with options to utilize these funds, including consideration for resurfacing of low volume gravel roads.

This report addresses that direction.

## **Rationale:**

The Ontario Community Infrastructure fund (OCIF) provides funding for small, rural and northern communities to develop and renew their infrastructure.

The OCIF funding is to support capital expenditures on core infrastructure projects that are part of the City's asset management plan. Specifically, eligible projects include:

- capital construction of new core infrastructure that address an existing health and safety issue;
- capital maintenance for the renewal, rehabilitation, and replacement of core infrastructure;
- debt-financing charges specifically associated with the capital construction and maintenance of core infrastructure

The Provincial Government recently reviewed this grant program, and committed to increase the funding by \$1 billion over the next five years, or \$200 million per year.

The 2022 approved Capital budget was prepared on the assumption that the City would receive the same allocation that was received in 2021 (\$2,002,027).

On December 8, the City received confirmation that the 2022 OCIF allocation is \$4,521,773, or an additional \$2,519,746 for 2022. Based on the letter from the Province, attached as Appendix A, the funding formula will be changing for 2023, and future years.

Although there is some uncertainty of the total amount of OCIF funding the City will receive in future years, it is not anticipated that the funding will be eliminated, and the attached letter stipulates that any reduction in funding will be phased in.

The low volume gravel road program, as identified in report ENG2021-014 identified approximately 63 kms of gravel roads which are considered to be in towns, villages, hamlets, or built up lakefront communities. The estimated cost to prepare and resurface these roads with a Hi-Float surface was identified at \$6,306,780.

During the 2022 capital budget deliberations, this estimate was updated to \$6,647,780,

Finally, Council did provide direction during the 2022 capital budget deliberations to include Perdue Road, at a cost of \$139,000. This brings the total of the low volume gravel road program to \$6,786,780. As these are estimated costs, and the capital program is being allocated over five years, staff have conservatively rounded the estimate to \$6.8 million.

The Provincial infusion of \$1 billion into the OCIF program is intended to assist municipalities in advancing their capital program. The Low Volume Gravel program is an appropriate use of the OCIF funding, and allows Council to allocate the funds to a project that has benefits across the entire City.

### **Other Alternatives Considered:**

No other alternatives were considered.

### **Alignment to Strategic Priorities**

This report is in alignment with the strategic priority of good government.

### **Financial/Operation Impacts:**

The multi year Low Volume Gravel Road capital project in the amount of \$6.8 million, is intended to be allocated over 5 years, and funded through OCIF with \$2,519,746 allocated in 2022. The remaining funding of approximately \$4.3 million would be allocated equally over the four year period 2023 to 2026 from future OCIF allocations.

## **Consultations:**

Treasurer  
Director, Engineering and Corporate Assets  
Manager, Corporate Assets

## **Attachments:**

Appendix A - Letter from the Ministry of Infrastructure



CORP2022-001  
Appendix A.pdf

Appendix B – ENG2021-014 Low Volume Gravel Roads



ENG2021-014 Low  
Volume Gravel Roads

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**Department Head: Jennifer Stover, Director of Corporate Services**