



Council Report

Report Number: CA2022-002

Meeting Date: March 22, 2022

Title: **Funding Agreement for Improving Wastewater and Stormwater Discharges in Lake Ontario Program**

Description: This report presents Council with the funding agreement for a new one-time formula-based capital grant to support improvements to the quality of discharges into Lake Ontario's watershed.

Author and Title: Adam Found, Manager of Corporate Assets

Recommendation(s):

That Report CA2022-002, **Funding Agreement for Improving Wastewater and Stormwater Discharges in Lake Ontario Program**, be received;

That the Mayor and City Clerk be authorized to execute the funding agreement contained in Appendix A of Report CA2022-02; and

That by June 30, 2022 the Manager of Corporate Assets present to Council a recommended workplan for the Improving Wastewater and Stormwater Discharges in Lake Ontario Program.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

Through the Ministry of Environment, Conservation and Parks (MECP), the Province of Ontario has initiated a new one-time formula-based capital grant to assist municipalities with undertaking improvements to the quality of wastewater and stormwater discharges into Lake Ontario's watershed. As an eligible municipality, the City of Kawartha Lakes has been allocated \$565,019 in capital funding under this program. As a condition of accessing that funding, the City must execute the funding agreement attached hereto as Appendix A. This report addressed that purpose.

Rationale:

A key part of Corporate Assets Division's mandate is to remain abreast of and pursue significant capital funding opportunities. Early in 2022, MECP announced the Improving Wastewater and Stormwater Discharges in Lake Ontario Program and held seminars for eligible municipalities within Lake Ontario's watershed. Based on a formula involving wastewater plant capacity and other related factors, \$565,019 of the \$15M program is reserved for the City's use. In order to maximally access that funding, the City must:

1. Execute by March 31, 2022 the funding agreement attached hereto as Appendix A.
2. Submit to MECP by June 30, 2022 a workplan consisting of capital projects eligible for funding under the program.
3. Adhere to the reporting requirements outlined in above-noted agreement.
4. Complete the above-noted capital projects by March 31, 2024.

The first two of these steps require Council direction. If Council accepts the recommendations of this report, the first condition will be met and the Manager of Corporate Assets will then bring a subsequent report to Council for the purpose meeting the second condition. A recommended workplan is being developed by staff in consultation with MECP and is anticipated to be ready for approval well ahead of the deadline of June 30, 2022.

Other Alternatives Considered:

As the program provides 100% funding up to a maximum of \$565,019 for eligible capital projects, it is to the City's financial advantage to accept the offered funding. As such, no alternatives to this report's recommendations have been identified.

Alignment to Strategic Priorities

The recommendations of this report support responsible financial and asset management, and hence align with the strategic priority of “Good Government” identified in the City’s 2020-2023 Strategic Plan.

Financial/Operation Impacts:

As the City is not required to match any part of the program’s funding, execution of the agreement in Appendix A imposes no financial commitment onto the City. Only in the event that the cost of the above-noted workplan exceeds the City’s program allocation of \$565,019 would the workplan potentially entail an added financial commitment. Any such impact, if anticipated, will be noted for Council when the workplan is presented for approval. However, staff expect the workplan will consist only of immediate capital priorities, thus resulting in no added financial commitment to the City beyond modest acceleration of planned capital expenditures.

Consultations:

Manager of Technical Services

Attachments:

Appendix A: Letter to Mayor and Funding Agreement for Improving Wastewater and Stormwater Discharges in Lake Ontario Program



Funding Agreement
for Improving Wastev

Department Head email: jrojas@kawarthalakes.ca

Department Head: Juan Rojas, Director of Engineering and Corporate Assets