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**TO:** Regional District of Nanaimo Board      **MEETING:** June 26, 2018  
**FROM:** R. Alexander  
General Manager  
Regional and Community Utilities      **FILE:** 1855-04  
**SUBJECT:** Green Infrastructure Fund - Project Endorsement

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### **RECOMMENDATION**

That the Board endorse the following projects for submission under the Green Infrastructure – Environmental Quality Program, with a commitment to contribute the Regional District of Nanaimo’s share of the project costs:

- French Creek Pollution Control Centre Expansion.
- Chase River Forcemain Replacement.
- Nanoose Bay Wastewater Upgrades.
- Regional District of Nanaimo Transit Exchange.
- Water Governance.

### **SUMMARY**

Applications are being received until August 29, 2018 for grant funding under the Green Infrastructure – Environmental Quality fund. Grants will provide up to 73.3% of eligible project costs. Applications for funding must include an endorsement of the project by the Regional District of Nanaimo (RDN) Board.

Staff have identified the following projects for submission to the current intake of the fund:

- French Creek Pollution Control Centre Expansion.
- Chase River Forcemain Replacement.
- Nanoose Bay Wastewater Upgrades.
- RDN Transit Exchanges.
- Water Governance.

### **BACKGROUND**

On May 31, 2018, the Canadian and British Columbia governments committed up to \$243 million towards an initial intake of the Green Infrastructure – Environmental Quality Program to support cost sharing of infrastructure projects in communities across the province. Details are available on the program website at:

<https://www2.gov.bc.ca/gov/content/transportation/funding-engagement-permits/funding-grants/investing-in-canada-infrastructure-program/green-infrastructure/environmental-quality>

To be eligible, projects must meet at least one of the following outcomes:

- Increased capacity to treat and/or manage wastewater and stormwater.
- Increased access to potable water.
- Increased capacity to reduce and/or remediate soil and or air pollutants.

The deadline for applications under this intake is August 29, 2018. A Board motion endorsing the project must accompany the application. Projects are not eligible if construction began, or a tender has been awarded prior to the date a cost share agreement between the province and the recipient is signed. Funding is available for up to 73.3% of eligible project costs (40% government of Canada, 33.3% Province of British Columbia). Projects must be completed prior to March 31, 2027. Regional Districts may submit one project for each community in their area. A community is defined as a settlement area or established or proposed service area.

Staff have identified the following projects for submission to the current intake of the fund:

***French Creek Pollution Control Centre Expansion:***

The French Creek Pollution Control Centre provides wastewater treatment to the Parksville, French Creek and Qualicum Beach areas. Expansion and upgrading is required to provide for planned growth, equipment upgrades, and improved odour and environmental performance. The project will provide treatment capacity for the service population to the year 2035, and it is anticipated that the expansion will be fully commissioned by 2022. The current budget for construction identified in the Five Year Financial Plan for this project is \$ 30.8 million.

***Chase River Forcemain Replacement:***

The Chase River Pump Station and force main are critical infrastructure components of the Southern Communities Wastewater Infrastructure that receive wastewater from the south end of the City of Nanaimo. The forcemain and components of the associated pumping system have reached end of life, and require environmental efficiency and capacity upgrades. The current budget for construction and design services identified in the Five Year Financial Plan for this project is \$ 2.1 million.

***Nanoose Bay Wastewater Upgrades:***

The Nanoose Bay Pollution Control Centre (NBPCC) provides primary wastewater treatment to approximately 1,350 people in Nanoose. The RDN's Liquid Waste Management Plan (LWMP) requires the NBPCC to be upgraded to secondary treatment by 2023; this requirement is also reflected in Federal and Provincial legislation.

***RDN Transit Exchanges***

Consistent with the Transit Future Plan, RDN Transportation Services has agreed to initiate a planning process in collaboration with BC Transit for a proposed new transit exchange in North Nanaimo, improvements to the existing Country Club Exchange and propose a new transit exchange in City of Nanaimo downtown.

The existing Woodgrove, Country Club and downtown Nanaimo area are identified as key locations for an enhanced transit exchange to support the development of a Frequent Transit Network and Rapid Transit Network. The RDN's Five Year Financial Plan includes a budget of

\$600,000 for the Nanaimo north exchange, and \$ 3.3 million for land and construction for the downtown Nanaimo exchange. \$175,000 is estimated for upgrades to the Country Club exchange.

**Water Governance:**

The RDN Board has directed staff to work with partners including municipalities, First Nations, senior government, industry, community water purveyors and more, to review current water governance, identify blockages and concerns, and develop alternative models for consideration. An effective regional water governance model will form the basis for sound and durable infrastructure projects to provide increased access to potable water in our region, while protecting watershed values. The RDN Financial Plan does not currently include funding for a Water Governance project. Grant funding would allow the RDN to leverage resources effectively to undertake the project. Staff estimate a project cost of \$300,000.

**ALTERNATIVES**

1. That the Board support application under the fund for the identified projects.
2. That the Board provide alternate direction to staff. Without grant funding, the full cost of these projects would be borne by the RDN.

**FINANCIAL IMPLICATIONS**

Estimated budget costs for the proposed projects are identified in the Background section above. Scope and cost will be refined during the development of the funding applications. In the absence of grant funding, the full cost of these projects will be borne by service area residents. Funding of these projects through grant programs has the potential to significantly reduce the tax burden and financial impacts to RDN residents. Funds available under this grant program are limited, and demand is expected to exceed the available funds.

**STRATEGIC PLAN IMPLICATIONS**

These projects align well with the RDN Board Strategic Plan Priorities of: Service and Organizational Excellence (funding infrastructure in support of our core services; effective and efficient use of funds); Focus on Economic Health (leveraging funding opportunities to provide economic benefits; importance of water in supporting our economic and environmental health); and focus on Environment.



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June 14, 2018

Reviewed by:

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- D. Wells, General Manager, Corporate Services, Administration
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