



Corporate Report

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DATE: November 1, 2010

TO: Chair and Members of General Committee
Meeting Date: November 17, 2010

FROM: Janice M. Baker, CA
City Manager and Chief Administrative Officer

SUBJECT: **Opportunity for New Projects Under the Infrastructure Stimulus Fund (ISF)**

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- RECOMMENDATIONS:**
1. That the report entitled "*Opportunity for New Projects Under the Infrastructure Stimulus Fund (ISF)*" dated November 1, 2010 from the City Manager and Chief Administrative Officer be received.
 2. That Council approve the recommended projects, along with the gross and net budgets, as described in Appendix 1: Recommended Projects for Recycled ISF Funding for application to the recently announced ISF funding program, or "recycled funding" program.
 3. That Council approve the list of companies including Jack Frost Limited and International Fence Limited as single source awards for the respective recommended projects in accordance with Purchasing By-Law 374-06, by reason of schedule A 1(b) (ii) being an emergency where the immediate acquisition of the goods and services is essential to avoid serious delays which could impair participation in the ISF program.
 4. That, if the federal and provincial governments approve one or more of the recommended projects for funding under the ISF recycled funding program, a by-law be enacted to authorize

the Mayor and City Clerk to execute, on behalf of the City, the requisite agreement, if any, with Her Majesty the Queen in Right of Ontario and such other instruments and documents in form satisfactory to the City Solicitor as may be required to obtain payments under the ISF recycled funding program.

BACKGROUND:

As part of Canada's Economic Action Plan, the federal government established a new \$4 billion Infrastructure Stimulus Fund (ISF) that provided funding to provincial, territorial, municipal, community and private sector construction-ready infrastructure projects. Projects focused largely on the rehabilitation of existing assets such as water, wastewater, public transit, highways, roads, culture, parks and trails. This fund focused on short term initiatives for economic stimulus. One hundred and thirty two projects have been approved for Mississauga in the above noted categories. The federal and provincial governments announced a contribution of \$46.2 million each to Mississauga projects with the City of Mississauga (the "City") contributing a further \$46.2 million of eligible costs for a total of \$138.6 million. All ineligible costs are required to be funded by the City, which were estimated in June 2009 at approximately \$2.8 million with additional ineligible funding approved for Clarkson Pool, Malton Pool and Port Credit Library on October 7, 2009.

To date, over fifty of the one hundred and thirty two projects have been completed and another fifty are scheduled to be completed by the end of this year. As of the end of September 2010, approximately \$66 million in stimulus spending has been generated by projects in Mississauga corresponding with the creation of approximately 786 jobs. The ISF program is currently on budget and on target to be substantially completed by March 31, 2011.

COMMENTS:

The provincial government recently notified municipalities of a new opportunity for ISF funded projects. ISF recipients that have savings (either from under spending on projects or projects approved but started) can apply for new projects using the previously allocated funds. This new initiative is being called "recycled ISF funding" by our provincial analyst.

The following is the list of eligibility criteria for new projects:

- The federal and provincial contribution for new projects must be fully funded by savings that have been or will be realized in

- implementing previously approved ISF projects;
- New projects must meet all ISF eligibility criteria, including that they will be complete by March 31, 2011;
 - Projects must be enabled by federal and provincial funding;
 - A project must not have been planned or scheduled to be conducted within 2010/11;
 - A project must not be involved in a construction contract awarded prior to notification of project approval by the governments of Canada and Ontario;
 - A project cannot have started construction prior to notification of project approval by the governments of Canada and Ontario and;
 - Due to time restrictions, projects that require a federal Environmental Assessment will not be considered.

In response to this announcement from the provincial government, staff from Corporate Services, Community Services, Transportation and Works and the City Manager's Department have reviewed both the project status and financial status of all the ISF projects.

Significant savings have been realized through favourable tenders on four completed road rehabilitation projects. The following chart provides funding details on these four projects.

Project	Estimated City's 1/3 Surplus Available	Estimated Federal & Provincial Surplus Available	Total Estimated ISF Recycled Funding Available
Eglinton Avenue W	\$400,000	\$800,000	\$1,200,000
Winston Churchill Blvd	\$300,000	\$600,000	\$900,000
Winston Churchill Blvd	\$1,000,000	\$2,000,000	\$3,000,000
Argentia Road	\$300,000	\$600,000	\$900,000
Total	\$2,000,000	\$4,000,000	\$6,000,000

Based on the criteria for recycled funding and the timing of this new funding, the projects described below are being recommended for recycled funding. Capacity and resources to complete the projects, weather (season) and availability of materials and contractors, including project management were all considered in preparing this list.

Community Services Department:**Meadowvale Theatre Lighting Installation (\$450,000)**

New theatre lighting is required to bring the system up to 2010 standards which will improve safety for facility users, allow for additional utilization opportunities by the community, increase the facility's service life and improve energy consumption. This project will extend the lifecycle of the facility while correcting deficiencies in energy conservation and industry standards. This project has been endorsed by the Theatre Advisory Board.

Given the timing of this project and the March 31, 2011 deadline single sourcing of this project to Jack Frost Limited (Frost) is being recommended. The current lighting systems' original design was based on recommendations from Frost as well as Frost's partnering companies (suppliers). Frost won the original contract for the lighting system and has successfully installed it. Frost continues to deliver superior customer service and has maintained a professional relationship with the City since the initial installation. Frost's prices are competitive in the market. There is confidence that because of the company's knowledge, understanding and expertise related to the Meadowvale Theatre as well as their continued reliability and involvement in the Theatre that the project will be delivered on time and on budget.

Transportation and Works Department:**Noise Attenuation Barriers (\$2,041,270)**

Twenty noise attenuation barrier projects were successfully completed as part of the first round of ISF funding. An additional fourteen projects are being recommended for recycled funding in order to replace damaged and aging infrastructure. The list of recommended projects can be found in Appendix 1: Recommended Projects for Recycled ISF Funding. This list of projects represents the next set of priority noise attenuation barrier replacements.

Given the timing of this project and the March 31, 2011 deadline single sourcing for manufacturing and installation of the noise attenuation barriers to International Fence Limited is being recommended. International Fence Limited was awarded the single source contract for the original twenty ISF noise attenuation barrier projects. Council recognized the City Manager's approval of this

single source contract under the delegated authority granted in the by-law enacted by Council on June 24, 2009. The report was dated September 21, 2009 entitled "*Infrastructure Stimulus Fund Contribution Agreement and Project Updates*" and was submitted to Council on October 14, 2009.

International Fence Limited has successfully been awarded a majority of the City's noise attenuation barrier projects. The company's pricing is competitive and their product is aesthetically pleasing with a desirable anti-graffiti finish. International Fence Limited's performance with the original ISF projects was on time, on budget and professionally executed. The Transportation and Works Department has received compliments on the work that was completed by International Fence Limited. The company has assured staff that it can provide the necessary quantity of noise attenuation barriers in order to complete the projects by the March 31, 2011 deadline.

As an additional project for consideration staff are currently reviewing a package of rehabilitation work at the Hershey Centre for application to the ISF recycled funding program. This work would improve the aging infrastructure at the Hershey Centre, improve safety and enhance performance features at the venue. This project could include architectural finishes, mechanical, electrical, plumbing, flooring and millwork as well as the installation of specialized lighting, sound and video devices. Work is being considered in locations such as a selection of suites, some player change rooms, concessions, the audio visual control room, office areas, storage areas and event areas. Staff are currently reviewing the cost estimates as well as the proposed construction schedule to ensure the work can be completed by the March 31, 2011 deadline. Should this be achievable an additional report will come forward to Council for approval.

ISF Recycled Funding Application Process

The application process for this round of ISF funding included the same application as was previously required as well as additional information including:

- A declaration that the new projects are incremental (i.e. enabled by federal and provincial funding);
- Identifying which original ISF projects the funding is coming from;

- The status of any design work;
- A detailed construction schedule including the absolute start date;
- An engineer's attestation for projects over \$1 million or a project completed after December 31, 2010 and;
- A Council resolution approving the projects

It is anticipated that an amendment or addendum to the original ISF Contribution Agreement will be sent to the City for these new projects containing terms and conditions similar to those in the original Agreement entered into by the City in October 2009.

At the direction of the City's federal ISF analyst applications were completed for the recommended projects on October 29, 2010 and November 9, 2010. In an effort to speed up the approval process both the federal government and the Province recommended submitting the applications pending Council approval. In this way the applications will be processed but no final approval will be received from Infrastructure Canada until Council provides approval for the recommended projects. Any applications that are submitted but do not receive Council approval will be terminated by both the federal and provincial governments.

Staff are confident these recommended projects can be substantially completed by March 31, 2011 and will meet the budgeted amounts provided the City receives approval from the federal and provincial governments before mid-December. Any delays in the approval process could jeopardize the City's ability to complete these projects by the deadline and may require the City to abandon all or some of the projects.

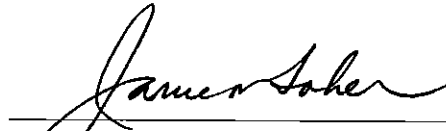
STRATEGIC PLAN: The ISF projects advance the Strategic Goal to Build and Maintain Infrastructure under the Completing our Neighbourhoods Pillar. This one time funding program will allow the City to improve infrastructure and build for the future.

FINANCIAL IMPACT: There is no additional financial impact resulting from these new projects as funding was previously approved in the original ISF budget. Tax funding to cover the City's portion of these projects is available from four completed ISF road rehabilitation projects. Based on the criteria for the new projects, funding can come from any of the 132 projects that have surplus funding. While surplus funding is shared equally between the City, Province and federal levels of government, any project overspending or ineligible costs are borne 100% by the City. Given this fact, the City is forecasting an overall surplus on the entire program which is eligible to be recycled.

Staff are requesting Council approve the list of projects provided in Appendix 1: Recommended Projects for Recycled ISF Funding, subject to funding approval by Infrastructure Canada as well as the funding sources for the projects in advance of approval from other levels of government. Given there are only two Council meetings available in the months of December and January and as new project approval may occur in between those dates, this funding pre-approval will ensure that work on these projects will not be delayed. After the recycled funding approval, any necessary reserve fund transfer by-laws will be brought back to the next available Council meeting for approval.

CONCLUSION: When the ISF program was announced by the federal government in the Spring of 2009 the City was well positioned to identify and improve its aging infrastructure, create great public spaces and complete our communities. The ISF funding provided the City with a one time opportunity to revitalize aging infrastructure and existing assets such as water, public transit, roads, noise walls, municipal buildings, sidewalks and park pathways resulting in new or renovated facilities with expanded life cycles, energy efficient features and great community spaces. The ISF program remains on budget and all projects will meet the March 31, 2011 deadline for substantial completion. The recent announcement by the provincial government to allow municipalities to apply for additional projects using funding that has not been spent either through projects coming in under budget or not started provides the City with an additional, yet unexpected, opportunity to improve aging infrastructure, maximize federal and provincial funding, create jobs and ultimately stimulate the economy.

ATTACHMENTS: Appendix 1: Recommended Projects for Recycled ISF Funding



Janice M. Baker, CA
City Manager and Chief Administrative Officer

Prepared By: Bruce Carr, Director, Strategic Community Initiatives

Recommended Projects for Recycled ISF Funding

Project Number	Project Name	Side of Street	Ward	Gross Cost	Federal/Provincial Share	Net Cost
PN 10-023	Noise Attenuation Barrier Replacement - Rathburn Road E - Cawthra Road to Willowbank Trail	South	3	\$ 154,000	\$ 102,666	\$ 51,334
PN 10-024	Noise Attenuation Barrier Replacement - Rathburn Road E - Tomken Road to Starlight Crescent	North	3	\$ 192,500	\$ 128,332	\$ 64,168
PN 10-025	Noise Attenuation Barrier Replacement - Rathburn Road E - Wyatt Court to Hickory Drive	North	3	\$ 92,400	\$ 61,600	\$ 30,800
PN 10-034	Noise Attenuation Barrier Replacement - Tomken Road - Burnhamthorpe Road E to Eastgate Parkway	West	3	\$ 462,000	\$ 308,000	\$ 154,000
PN 10-022	Noise Attenuation Barrier Replacement - Robert Speck Parkway - Burnhamthorpe Road E to 125 m north of Meadows Blvd	East	4	\$ 192,500	\$ 128,332	\$ 64,168
PN 10-030	Noise Attenuation Barrier Replacement - Eglinton Avenue W - Heritage Hills Blvd. to Founders Walk	South	4	\$ 32,340	\$ 21,560	\$ 10,780
PN 10-031	Noise Attenuation Barrier Replacement - Eglinton Avenue W - Founders Walk to Empire Crescent	South	4	\$ 32,340	\$ 21,560	\$ 10,780
PN 10-028	Noise Attenuation Barrier Replacement - Eglinton Avenue W - Silverthorne Crescent to Heritage Hills Blvd	North	5	\$ 26,950	\$ 17,966	\$ 8,984
PN 10-029	Noise Attenuation Barrier Replacement - Eglinton Avenue W - Heritage Hills Blvd. to 30 m east of Heritage Hills Blvd.	North	5	\$ 26,950	\$ 17,966	\$ 8,984
PN 10-026	Noise Attenuation Barrier Replacement - Eglinton Avenue W - Penhallow Road to Wayside Ct.	South	6	\$ 26,950	\$ 17,966	\$ 8,984
PN 10-027	Noise Attenuation Barrier Replacement - Eglinton Avenue W - Wainscot Drive to Millworks Crescent	South	6	\$ 32,340	\$ 21,560	\$ 10,780
PN 10-021	Noise Attenuation Barrier Replacement - Dundas Street W - 360m west of Cedarglen Gate to 170 east of Cedarglen Gate	South	7	\$ 246,400	\$ 164,266	\$ 82,134
PN 10-032	Noise Attenuation Barrier Replacement - Burnhamthorpe Road W - Credit River to 140 m west of Promontory	South	8	\$ 354,200	\$ 236,132	\$ 118,068
PN 10-033	Noise Attenuation Barrier Replacement - Burnhamthorpe Road W - Credit River to 200 m west of Promontory Dr.	North	8	\$ 169,400	\$ 112,932	\$ 56,468
PN 10-492	Meadowvale Theatre Lighting System	N/A	9	\$ 450,000	\$ 300,000	\$ 150,000
Total				\$ 2,491,270	\$ 1,660,838	\$ 830,432