

**TOWN OF MINTO****DATE:** July 26, 2016**REPORT TO:** Mayor and Council**FROM:** Bill White, C.A.O. Clerk; Brian Hansen, Public Works Director; Gordon Duff, Treasurer**SUBJECT:** Connecting Links Merit Based Funding Intake Two

STRATEGIC PLAN:

11.3 Develop a transportation plan that includes a roads and bridges inventory and capital replacement program keeping in mind sustainable funding sources, impact on tax rate, and minimum construction and maintenance standards.

11.6 Maintain cost effective and appropriate partnerships with the Province, County and nearby municipalities to provide for efficient ongoing maintenance of infrastructure including but not limited to sharing staff resources, using similar technology, establishing joint standards and other areas of mutual benefit.

BACKGROUND

In 2015 the Province announced Connecting Link Funding was reinstated. This program helps pay for Provincial highways that local municipalities maintain. In Minto connecting link roads are Highway 9 and Highway 23/Highway 89 in Harriston and Highway 9 in Clifford. The Connecting Link Fund last year was merit based, and in 2015 Minto received \$1.9 Million to design and reconstruct Elora Street in Clifford from Park to James Street.

Intake two of Connecting Link is now open with final submission date due October 21, 2016. Up to 90% of total eligible project costs may be funded and the maximum request is \$3 million per project. The Town's 10% contribution cannot come from any other Provincial funding source. Projects must be identified in the Town's Asset Management Plan.

This report seeks Council direction on the priority submission under the 2016 Provincial Connecting Link program so that staff can submit the application. The following phasing might be considered:

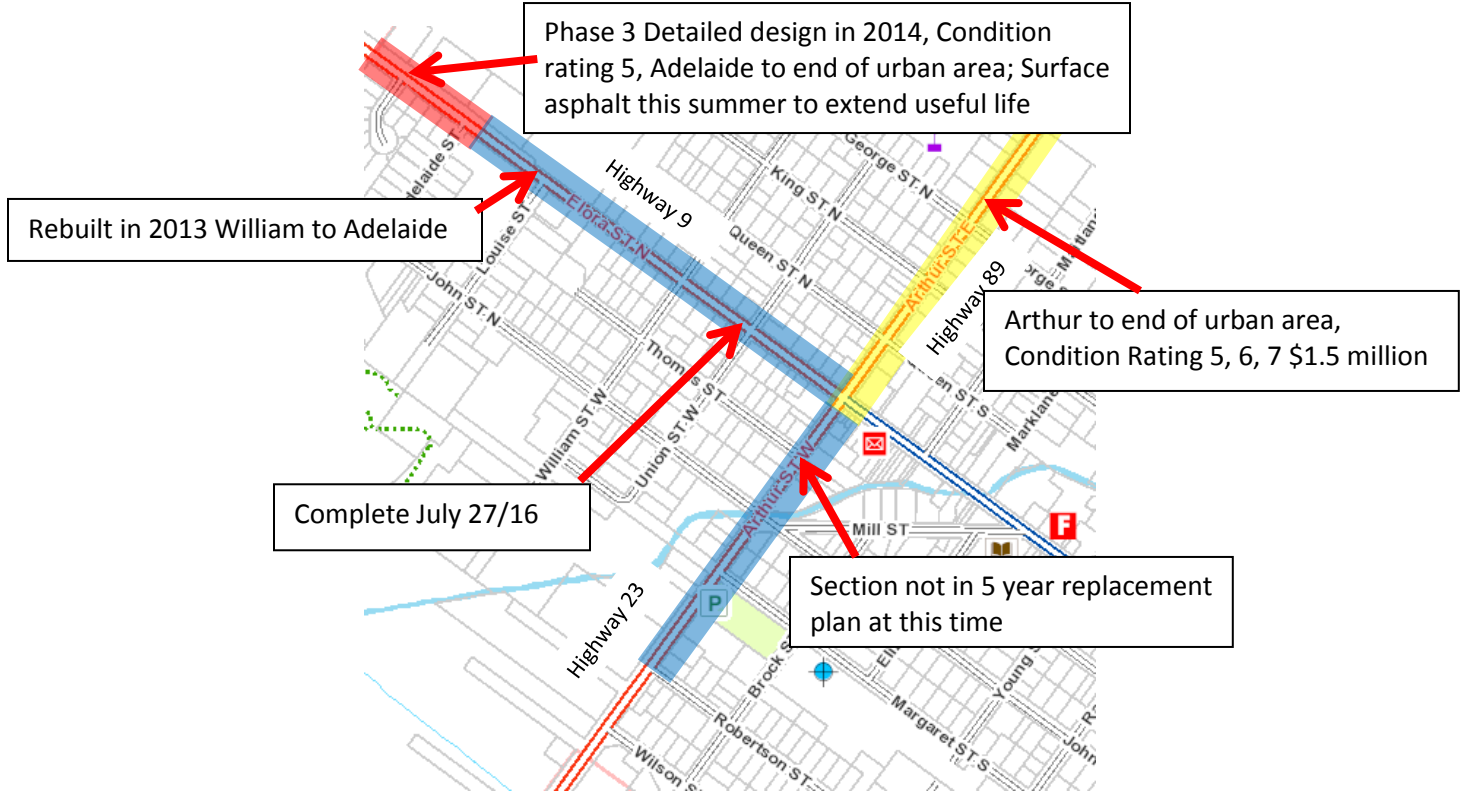
1. 2016 Approved Grant Highway 9 Park to James (Clifford) detailed design and build
2. Apply for Grant Highway 9 James to West Heritage (Clifford)
3. 2017 Detailed design James to West Heritage (Clifford)
4. 2018 Reconstruct Highway 9 Park to James (Clifford)
5. 2019 Reconstruct and Service Highway 9 James to West Heritage (Clifford)
6. 2020 Reconstruct Highway 23/87 Arthur to edge of Harriston Rural Area
7. 2021 Reconstruct Elora Street Phase 3 Adelaide to urban limit (Harriston)

COMMENTS:

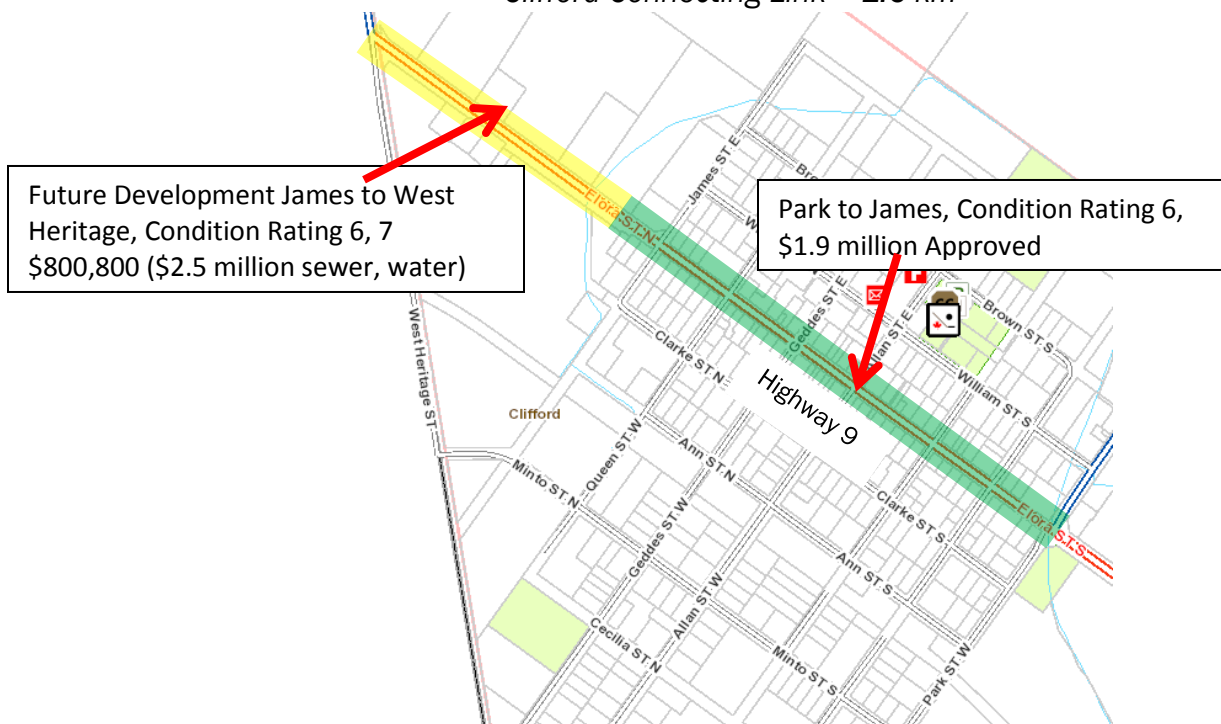
After several years of highway reconstruction in Harriston, it is desirable to focus work elsewhere to re-establish normal traffic patterns and provide relief to downtown business. Reconstruction of Elora Street in Clifford over two years from Park to West Heritage is a desirable project because of the road condition and the opportunity to service larger lots between James and West Heritage. The Town should require landowners to contribute to servicing work in areas where water and sewer is not yet provided.

The following maps show Minto connecting links and completed and proposed projects:

Harriston Connecting Links; Arthur St +1.2km Elora St N +0.91km

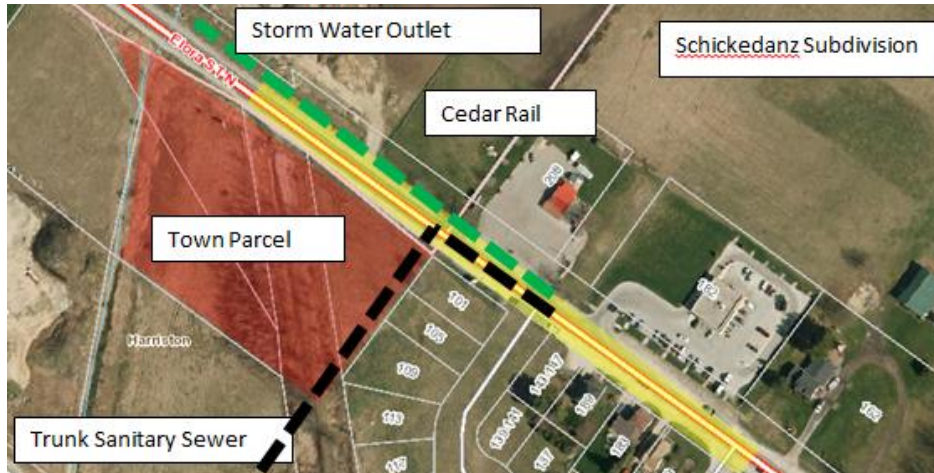


Clifford Connecting Link+- 1.6 km



1. Highway 9 Phase 3

- Design drawings are finished; project in the range of \$700,000 to \$800,000 including servicing and turning lanes for Schickedanz subdivision
- Town could “pre-service” across the highway water, sanitary sewer and storm for the Schickenanz subdivision and for a future Town commercial lot



- Project could be coordinated in concert with reconstruction William to Arthur that Moorefield will finish spring 2016.
- Detouring and traffic back-ups will be a challenge again for Harriston for a second consecutive year.
- Traffic study is needed to assess turning lanes to Schickedanz; curb and gutter could be installed to address truck parking in the area
- Some land dedication may be needed from Schickedanz
- Finishes off section of Highway 9 but must be done before IPM 2016 in September

2. Highway 89 Harriston

- Condition rating and traffic had project scheduled for 2020, although there are some sections in poor condition
- Finishes off Provincial reconstruction from Harriston to Mount Forest
- No detailed design, but project should be finished before IPM 2016

3. Highway 9 James to West Heritage Clifford

- No detailed design done; no time for pre-planning with landowners who may wish to service large vacant parcels in the area
- Impacts Homecoming in 2017
- Services to nearby restaurant outside of Minto may want sewer and water for their long term operation
- Total cost of Elora in Clifford from Park to West Heritage including all servicing approximately \$4 million

FINANCIAL CONSIDERATIONS:

The challenge for all these grant programs moving forward is funding the Town share of the grant programs as summarized in the following chart:

Project	Estimated Grant	Total Project Cost
Connecting Link Intake 1	\$1,935,806	\$2,800,000
Connecting Link Intake 2(Clifford Elora)**	\$ 830,000	\$1,250,000
OCIF Merit (Jane & Inkerman)	\$1,300,000	\$2,090,000
Canada 150 (Harriston Pool) **	\$ 83,333	\$ 250,000
Ontario 150 (TBA) **	\$ 72,500	\$ 145,000
SCF (Brunswick St.) **	\$1,680,000	\$2,525,000
Total	\$5,901,639	\$9,060,000

** is not approved decision pending

Of the \$5.9 million in grants only \$3.23 million is awarded and funded in the budget. Of grants awaiting decision \$1.68 million under SCF is through stage one approval, while the balance of \$1 million is not approved. If all applications are successful \$2.68 million in funding must be matched with a Town contribution \$1.49 million. In addition, Connecting Link funding only applies to the road portion so that any extension or replacement of sanitary sewer and water infrastructure is not eligible for funding. Some of the water and sewer expense will be a Town cost and some will require contribution from developers interested in connecting to the services.

If all grants are successful staff will come forward with a financing plan at the 2017 budget. Some increased formula based funding may help with the Towns share, but borrowing will likely be needed. The water and sewer financial plan anticipates some borrowing, but the issue will be how will the Town`s share of roadwork be funded.

RECOMMENDATION:

That Council receives the report dated July 26,2016 regarding Connecting Links Merit Based Funding Intake Two from the CAO Clerk, Public Works Director and Treasurer, and provides direction on the project to be submitted for Intake two.

Bill White
CAO/Clerk

Brian Hansen
Public Works Director

Gordon Duff
Treasurer