



To: Public Works and Transportation Committee **Date:** March 9, 2011
From: Cecilia Achiam, MCIP, BCSLA **File:**
Interim Director, Sustainability and District Energy
Re: **Deadline Extension for Recreational Infrastructure Canada (RInC) Grant Funded Project #8128**

Staff Recommendation

That the request to Western Economic Diversification Canada to extend the deadline to October 31, 2011 for the Energy Management Retrofit Project (Project #8128) under the Recreational Infrastructure Canada (RInC) Grant Program be supported.

Cecilia Achiam, MCIP, BCSLA
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ROUTED TO:	CONCURRENCE		CONCURRENCE OF GENERAL MANAGER
Facilities Services	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
REVIEWED BY TAG	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	REVIEWED BY CAO YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>

Staff Report

Origin

In 2009, the City applied for and received grant under the Recreational Infrastructure Canada (RInC) grant funding program for the Energy Management Retrofit Project (Project #8128). A condition of the grant funding was that the project is complete by the end of the first quarter of 2011.

The purpose of this report is to seek Richmond City Council's support for the extension of the deadline for the Energy Management Retrofit Project (Project #8128) under the RinC Program to October 31, 2011.

Analysis

The RInC program is administered by the federal Western Economic Diversification Canada department (WD) and is aimed at shovel ready renovation projects in recreation facilities. Supported projects were to be materially concluded by March 31, 2011 with the funding formula of 1/3 local government, 1/3 provincial government and 1/3 federal government.

Staff successfully applied for and received grant funding for the Energy Management Retrofit Project which includes the following elements:

1. Steveston Community Centre – Installation of solar panels and new high efficiency boilers.
2. South Arm Community Centre – Installation of solar panels and new high efficiency boilers.
3. Minoru Aquatic Centre – Installation of solar panels and retrofitting existing high efficiency boilers.

Council approved the \$740,000 City portion of funding for this project in December 2010 as part of the capital budget.

The original conditions of the grant funding required that these projects be substantially completed by March 31, 2011. Costs for work performed after March 31, 2011 would not be eligible for grant funding and the City would be responsible for these costs.

Staff were aware of the March 31, 2011 deadline when the grants were awarded and have scheduled the design and construction activities accordingly. However, the project implementation was delayed, with support from the RInC granting agency, in order to pursue another innovative technology (Biomass) at South Arm Park with potentially higher energy performance. If the biomass project had gone forward, the cost of the project would have necessitated delaying projects at Steveston and Minoru. Staff consulted with the appropriate stakeholders and there were notable concerns with the proposed technology.

Upon further evaluation of the cost benefits, it was determined the best course was to return to the original plan. With delays in the process, there is now a need to seek an extension from the RInC program to complete the original project.

The City continues to seek innovation where possible. For example, during the final design phase a new opportunity for a solar system with more appropriate technology for the application and locally manufactured products surfaced and staff made the decision to pursue this opportunity for the good of the City and to support local innovation.

To avoid the potential loss of grant funding, staff recommend that extensions be sought for Energy Management Retrofit Project (Project #8128) from RInC. The RInC program coordinators indicated that they are willing to extend the grant deadline to October 31, 2011 conditional upon receipt of Council support.

Financial Impact

There is no financial impact.

Conclusion

The City of Richmond has had great success in obtaining grant funding for a number of City projects under the RInC program. There is an opportunity to obtain a schedule extension for Project #8128, which will mitigate the risk of losing grant funding.

It is recommended that the request to Western Economic Diversification Canada to extend the deadline to October 31, 2011 for the Energy Management Retrofit Project (Project #8128) under the Recreational Infrastructure Canada (RInC) Grant Program be supported.



Alen Postolka, P.Eng., CP
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