

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON JANUARY 10, 2017
FROM:	KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES AND CITY ENGINEER
SUBJECT:	EXECUTION OF CONTRIBUTION AMENDING AGREEMENTS WITH THE GOVERNMENT OF CANADA FOR THE HELP CLEAN WATER INITIATIVE

RECOMMENDATION

That, on the recommendation of the Managing Director, Environmental and Engineering Services and City Engineer, the attached proposed by-law **BE INTRODUCED** at the Municipal Council meeting of January 17, 2017, to authorize the execution of a Contribution Amending Agreements for the HELP Clean Water initiative with the Government of Canada by the Corporation of the City of London, on its own behalf and on behalf of the Lake Huron Primary Water Supply System and the Elgin Area Primary Water Supply System in the City's capacity as Administering Municipality as authorized by the respective Board of Management.

BACKGROUND

Purpose

The purpose of this report is to extend the term-end date for the Contribution Agreement for the Huron-Elgin-London Project Clean Water (HELP Clean Water) initiative with the Government of Canada.

Context

The City of London, in partnership with the Lake Huron Primary Water Supply system and the Elgin Area Primary Water Supply System, entered into a Contribution Amending Agreement with the Government of Canada in June 2009 and with the Government of Ontario in March 2010 for the Huron-Elgin-London Project Clean Water (HELP Clean Water) initiative.

The City of London, in partnership with Lake Huron Primary Water Supply System and the Elgin Area Primary Water Supply System, entered into a Contribution Agreement with the governments of Canada and Ontario in June 2014, which amended the scope of the project. The two wind generator project components, and the landfill gas project components were removed from the HELP Clean Water initiative. In addition, the Acoustic Fibre Optic Monitoring System on the Lake Huron transmission pipeline, the Filtration System Replacement at the Elgin water treatment plant were added, and additional scope was added related to London's Southeast Reservoir and Pump Station project component.

Each of Canada and Ontario contributed nearly \$50 million to nine regionally significant water-related projects which comprise the HELP Clean Water initiative. The contributions from Canada and Ontario are part of the Building Canada Fund program.

DISCUSSION

The current Contribution Agreements (as previously amended) with the Government of Canada and the Government of Ontario require all eight project components to be completed by January 31, 2017 with the final claim submitted to Canada and Ontario no later than March 31, 2017. Due to substantial issues experienced with the delivery of the Southeast Reservoir and Pump Station, it was apparent that these completion dates would not be achievable.

In discussions with Canada and Ontario at the Agreement Management Committee, it was agreed that the Contribution Agreements would be amended such that the project completion dates and final claim dates could be extended for up to two years.

Accordingly, on behalf of the three recipient partners (City of London, the Lake Huron Primary Water Supply System, and the Elgin Area Primary Water Supply System), a request to extend the completion and claim dates was formally submitted in April 2016. The request was subsequently accepted by both Canada and Ontario.

Canada has provided a Contribution Amending Agreement, attached to this report for information and reference. As with the previous Amending Agreement, the proposed amendment would be executed by the City of London on behalf of the Recipient Partners; the City of London, the Lake Huron primary Water Supply System, and the Elgin Area Primary Water Supply System.

Ontario has not as of yet provided a proposed amending agreement, however it is anticipated that the agreement would be received in draft by February, 2017 and substantially the same as that drafted by Canada.

On December 1, 2016, the Board of Management for the Lake Huron Primary Water Supply and the Board of Management for the Elgin Area Primary Water Supply each authorized the City of London to execute the proposed amending agreement on their behalf.

CONCLUSION

In order to facilitate the proposed change term-end date of the Contribution Agreement for the HELP Clean Water initiative, Contribution Amending Agreements have been drafted for execution with the Governments of Canada. Similar to the original Contribution Agreements, the City of London would be executing the agreements in its own right, as well as in its capacity as the Administering Municipality as approved by the respective Board of Management.

PREPARED BY:	REVIEWED & CONCURRED BY:
ANDREW HENRY, P. ENG. DIVISION MANAGER, REGIONAL WATER SUPPLY	JOHN LUCAS, P. ENG. DIRECTOR, WATER AND WASTEWATER
	RECOMMENDED BY:
	KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER

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December 12, 2016

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Bill No.
2017

By-law No.

A By-law to authorize and approve Amending Agreement No. 2 with the Government of Canada for the HELP Clean Water initiative, and to authorize the Mayor to execute the agreement.

WHEREAS subsection 5(3) of the Municipal Act, 2001, S.O. 2001, c. 25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS on June 3, 2009, The Corporation of the City of London and Her Majesty the Queen in Right of Canada entered into an Agreement for Capital Project Comprised of Nine Components to Ensure Sustainable Regional Water Supply System (“Original Agreement”), also known as the Huron Elgin London Clean Water Project, also known as the HELP Clean Water initiative;

AND WHEREAS on August 28, 2014, the Parties to the Original Agreement entered into an agreement to amend the Original Agreement (“Amending Agreement No. 1”);

AND WHEREAS the Parties to the Original Agreement as amended by Amending Agreement No. 1 wish to further amend the Original Agreement, to extend the Final Claim Date and Agreement End Date, by entering into a further amending agreement (“Amending Agreement No. 2”);

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Amending Agreement No. 2, to the Original Agreement entered into between Her Majesty the Queen in Right of Canada and The Corporation of the City of London, substantially in the form attached as Schedule “A” to this by-law, is authorized and approved.
2. The Mayor is hereby authorized to execute the Amending Agreement No. 2, as authorized and approved under section 1 of this by-law.
3. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on _____, 2017.

Matt Brown
Mayor

Catharine Saunders
City Clerk

First Reading
Second Reading
Third Reading