

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON JUNE 7, 2017
FROM:	KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES AND CITY ENGINEER
SUBJECT:	INFRASTRUCTURE CANADA – PHASE ONE INVESTMENTS CLEAN WATER & WASTEWATER FUND – APPROVED PROJECTS

RECOMMENDATION

That, on the recommendation of the Managing Director, Environmental & Engineering Services and City Engineer, with the concurrence of the Director, Financial Planning & Policy, the following actions be taken with respect to the execution of the Transfer Payment Agreement (TPA) for the Clean Water & Wastewater Fund (CWWF) (Ontario):

- a) the attached proposed by-law (Appendix A), **BE INTRODUCED** at the Municipal Council meeting to be held on June 13, 2017 to:
 - (i) authorize and approve the Transfer Payment Agreement (TPA) for the Clean Water and Wastewater Fund (CWWF) (Ontario) between Her Majesty the Queen in Right of Ontario as represented by the Minister of Infrastructure for the Province of Ontario and The Corporation of the City of London, substantially in the form attached as Schedule A to the by-law and to the satisfaction of the City Solicitor; it being noted that the Province of Ontario is currently finalizing the Agreement;
 - (ii) authorize the Mayor and the City Clerk to sign the Transfer Payment Agreement authorized and approved in a) (i), above; and,
 - (iii) authorize the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, or designate, to execute any financial reports required as a condition of the Transfer Payment Agreement authorized and approved in a) (i) above.

- b) the list of projects approved for funding under the CWWF program (Appendix B) **BE RECEIVED** for information; it being noted that the City of London was approved for \$38.3 million worth of projects, with funding of \$18.7 million from the Federal government, \$9.35 million from the Province of Ontario, \$9.35 million from the City of London and \$900 thousand from the Independent Electricity System Operators (IESO).

- c) In order to reflect projects that have been approved by the Federal Government under CWWF, Civic Administration **BE AUTHORIZED** to increase the Ten Year Capital Plan (2016-2025) by \$400 thousand for Water and by \$7.3 million for Wastewater & Treatment, it being noted that there is a reduced reliance/drawdown on Water and Wastewater & Treatment reserve funds of \$20.4 million as a result of recognizing CWWF funding.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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Infrastructure Canada Phase 1 Project Requests – Clean Water and Wastewater Fund (Civic Works Committee — October 4, 2016)

BACKGROUND

Purpose

The purpose of this report is to seek Council approval of the Transfer Payment Agreement for the Clean Water and Wastewater Fund (CWWF) program between the Province of Ontario and the City of London, to authorize the Mayor and Clerk to sign the Transfer Payment Agreement once the final version is received from the Province of Ontario, and to authorize the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer (or delegate) to execute any financial reports required as a condition of the Transfer Payment Agreement.

Background

In the 2016 Federal Budget and reiterated in the 2017 Federal Budget, the Federal Government announced the implementation of a plan to invest more than \$120 billion in infrastructure over 11 years, including \$60 billion in new funding for public transit, green infrastructure, and social infrastructure, to better meet the needs of Canadians and better position Canada's economy for the future.

Included in this funding is an 11 year program for water and wastewater infrastructure funding that will be delivered via the provinces and territories. The program has two phases. Phase 1, from 2016 - 18 (2 years - \$2 billion) is intended to address the state of repair of infrastructure. Phase 2, from 2018 – 27 (9 years - \$15 billion) is to make transformative investments in areas of interest to the Federal Government, notably modernizing and renewing public infrastructure, supporting economic growth and providing environmental benefits. These interests are generally compatible with London's Strategic Plan.

Clean Water and Wastewater Fund

CWWF is a \$2 billion Government of Canada investment to meet immediate priorities for clean water and wastewater to support a cleaner and healthier environment for communities. CWWF will focus on investing in projects that:

- Rehabilitate and optimize water, storm water and wastewater related infrastructure;
- Improve asset management approaches including pilots and studies;
- Plan for future upgrades to wastewater treatment and collection infrastructure; and,
- Include new construction projects like naturalized systems.

Unlike funding models in past infrastructure funding programs, the CWWF will include a 50% federal share for eligible projects. The move from 1/3rd, 1/3rd, 1/3rd funding underscores an important milestone for cities and communities. The Province of Ontario and the City will equally share the remaining 50%. Eligible costs can be incurred as early as April 1, 2016.

The CWWF allocation for Ontario is \$570 million. London's allocation under Phase 1 was to be approximately \$40 million in total project costs.

Approved Projects

The City applied for 23 projects under CWWF. A total of 22 projects were approved (7 for Water and 15 for Wastewater & Treatment). The approved projects are listed in **Appendix B**. The one project that was not approved for CWWF funding was related to design and construction of flood protection measures at the Vauxhall Pollution Control Plant.

Transfer Payment Agreement for CWWF

The purpose of the Transfer Payment Agreement (TPA) is to set out the terms and conditions for the funding agreement between the Province of Ontario and the City of London (see full text of the TPA in **Appendix A** – Schedule A). Funding is provided by the Government of Canada and the Province of Ontario, but under a Bilateral Agreement, the Province of Ontario has agreed to identify projects and be responsible for the transfer of CWWF funds to eligible municipalities pursuant to transfer payment agreements. The TPA sets out the maximum funds that will be provided to the City of London for the purpose of carrying out the projects on the approved list.

CWWF Program Timelines

Program guidelines for CWWF require projects to be complete by March 31, 2018. However, the Province of Ontario has indicated that the potential for some flexibility regarding this deadline could be considered should there be a demonstrated need for up to 25% of the program value, subject to federal ministerial approval. In these cases, the deadline to achieve substantial completion would be extended to March 31, 2019. At this time, ministerial approval is required for each individual project requiring an extension beyond March 31, 2018.

The City of London will be facing a moderate amount of risk in meeting the March 2018 deadline. This will be compounded due to delays in the announcement of approved funding. The program was announced in September 2016 and funding announcements were expected to be received by January 2017. The construction period for water and wastewater projects, especially underground projects, has been considerably reduced with the delayed funding announcement.

Civic Administration has identified which projects will require some flexibility and is working with the Province of Ontario to secure an extension of the March 31, 2018 target deadline where necessary. Civic Administration has asked the Province of Ontario for flexibility to ensure we can achieve our shared program objectives. Many other cities in Ontario are also requesting this additional flexibility.

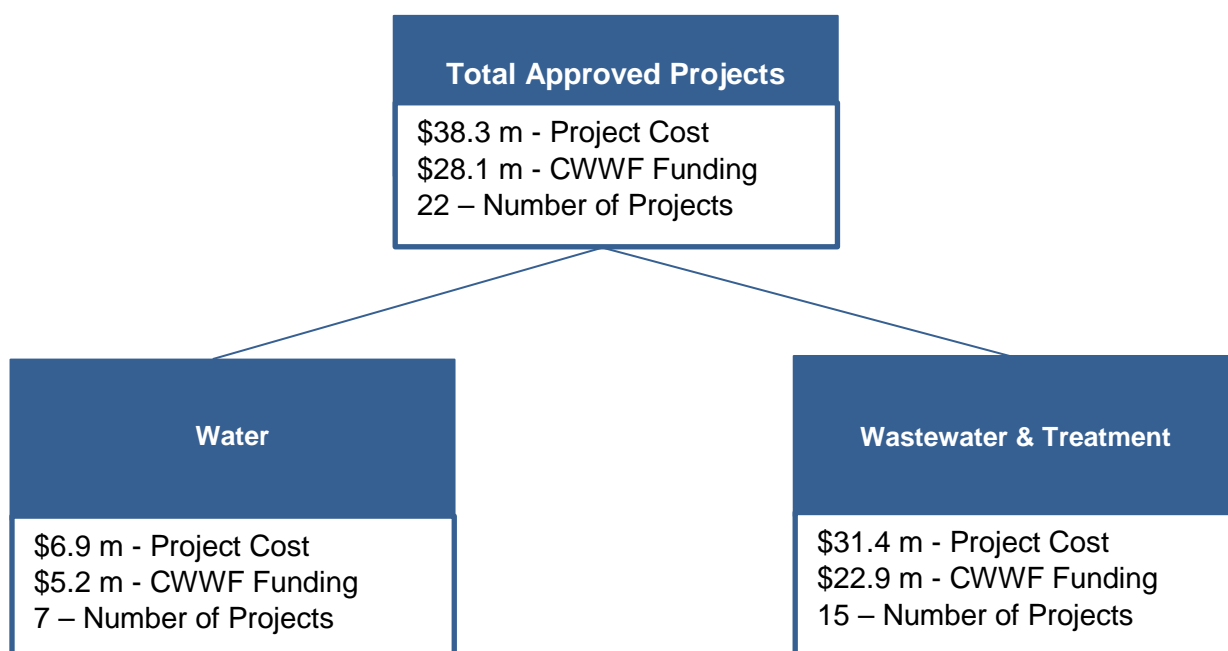
A separate report is included on the current Civic Works Committee agenda outlining the operating budget impacts of the staff resources required to meet the demands of the CWWF program.

Financial Impact

The City of London was approved for \$38.3 million in eligible CWWF projects with the Federal government funding \$18.7 million, the Province of Ontario funding \$9.4 million and the City of London funding \$9.4 million. One project will also receive a \$900 thousand grant from the Independent Electricity System Operators (IESO). Excluding this grant, the Federal contribution is 50% of the funding, while the Province of Ontario and City share equally the remaining 50%.

The approved projects consist of both Water (\$6.9 million) and Wastewater & Treatment (\$31.4 million) projects (**Exhibit 1**).

Exhibit 1



The City of London approved a 2016-2019 multi-year capital budget and ten year capital plan for both Water and Wastewater & Treatment. In order to maximize CWWF funding while meeting the incrementality requirement of the CWWF program criteria, the 2016-2019 multi-year capital budget and ten year capital plan for Water and Wastewater & Treatment will need to be increased (see **Table 1** below).

Table 1
Revised Capital Budget and Plan Resulting from Approved CWWF Funding
(\$ millions)

Expenditures / Source of Financing	Approved 2016- 2019 Multi-year Capital Budget	Revised 2016- 2019 Multi-year Capital Budget	Requested Increase / (Decrease) from CWWF Program	Approved Ten Year Capital Plan (2016- 2025)	Revised Ten Year Capital Plan (2016- 2025)	Requested Increase / (Decrease) from CWWF Program
Expenditures						
Water	153.3	160.0	6.7	378.6	379.0	0.4
Wastewater & Treatment	272.7	291.0	18.3	662.2	669.5	7.3
Total Expenditures	426.0	451.0	25.0	1,040.8	1,048.5	7.7
Source of Financing						
Capital Rates	149.4	149.4	0.0	416.7	416.7	0.0
Debenture	0.1	0.1	0.0	0.1	0.1	0.0
Reserve Funds	137.2	134.1	(3.1)	319.1	298.7	(20.4)
Subtotal Rate Supported	286.7	283.6	(3.1)	735.9	715.5	(20.4)
Clean Water & WW Fund	0.0	28.1	28.1	0.0	28.1	28.1
Other Non-Rate Funding	139.3	139.3	0.0	304.9	304.9	0.0
Subtotal Non-Rate Supported	139.3	167.4	28.1	304.9	333.0	28.1
Total Source of Financing	426.0	451.0	25.0	1,040.8	1,048.5	7.7

Note: Revised 10 year capital plan excludes the impact of CWWF Phase 2.
Subject to rounding

Of the 22 approved CWWF capital projects, 21 new discrete capital projects will be set up in order to capture the budget and associated activity related to the specific CWWF project approved (see **Appendix C**). One capital project, CWWF Ref # LON-007, already had a discrete capital project established and requires a budget increase related to scope of work changes.

Most of the capital projects approved as part of the City's application represent future capital projects that can now be accelerated under the CWWF program, thereby not requiring future year budgets. This has resulted in a reduction of \$28.3 million primarily in future year budgets. Note that the budget adjustments impact the 2016-2019 multi-year budget period and the ten year capital plan (see **Appendix D**).

The financing of the \$7.7 million budget increase is primarily due to recognizing CWWF funding of \$28.1 million, partially offset by a reduction in funding required from rate supported reserve funds of \$20.4 (\$4.8 million Capital Water Reserve Fund and \$15.6 million from the Sewage Works Reserve Fund). Financing returned to the respective reserve fund will be available as a funding source for future projects and initiatives that support the long-term sustainability of the Water and Wastewater & Treatment service areas.

Although the Water and Wastewater and Treatment capital plan in 2020 – 2026 will decrease as a result of CWWF Phase 1 (capital projects from future years being brought forward), this decrease in the capital plan will be temporary as it is anticipated that Phase 2 of CWWF will substantially change the capital program.

In summary, in order to account for the projects approved under the CWWF program, the capital budgets will need to be adjusted to:

- Set up discrete capital budgets;
- Recognize the CWWF funding;
- Reflect the incremental requirement along with the need to advance the timing of some projects in order to ensure that the projects can be completed in accordance with the timelines specified in the agreement; and,
- Make adjustments to the capital program and its financing (shifting of reserve fund sources).

CONCLUSION

The City of London was successful in securing funding for \$38.3 million worth of projects under CWWF. \$18.7 million of funding (approx. 50%) will come from the Government of Canada, along with \$9.4 million (25%) from the Province of Ontario, \$9.4 million (25%) from the City of London, and \$900 thousand from a grant through IESO.

In order to accommodate changes to the capital plan resulting from the CWWF announcement, this report seeks to increase the Ten Year Capital Plan (2016-2025) by \$400 thousand for Water and by \$7.3 million for Wastewater & Treatment. It should also be noted that there will be a reduced reliance/drawdown on Water and Wastewater & Treatment reserve funds of \$20.4 million as a result of recognizing CWWF funding.

This report was prepared with contributions from many individuals in the Engineering, City Managers and Finance areas of the Corporation, with continuing support from the Senior Leadership Team.

SUBMITTED BY:	SUBMITTED BY:
JASON SENESE, CPA, CGA, MBA MANAGER, FINANCIAL PLANNING & POLICY	SCOTT MATHERS, P.ENG., MPA DIRECTOR, WATER AND WASTEWATER
REVIEWED & CONCURRED BY:	RECOMMENDED BY:
LARRY PALARCHIO, CPA, CMA DIRECTOR, FINANCIAL PLANNING & POLICY	KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES AND CITY ENGINEER

Appendix A - By-law to Approve Transfer Payment Agreement

Appendix B - List of Approved Projects for City of London under CWWF Phase 1

Appendix C - Schedule of Required Capital Budget Adjustments

Appendix D - Budget Impacts - 2016-2019 Multi-Year Period and Ten Year Capital Plan

CC: Ian Collins, Finance
Anna Lisa Barbon, Finance

APPENDIX A

Bill No.
2017

A by-law to authorize and approve the Transfer Payment Agreement between Her Majesty the Queen in Right of Ontario as represented by the Minister of Infrastructure for the Province of Ontario and The Corporation of the City of London; and to authorize the Mayor and the City Clerk 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;

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

1. The Transfer Payment Agreement substantially in the form attached as Schedule "A" to this by-law, and subject to the satisfaction of the City Solicitor, between Her Majesty the Queen in Right of Ontario as represented by the Minister of Infrastructure for the Province of Ontario and The Corporation of the City of London, permitting the City to receive capital funding of \$28,082,138 under the Clean Water and Wastewater Fund (CWWF), is hereby authorized and approved.
2. The Mayor and the City Clerk are hereby authorized to execute the Transfer Payment Agreement authorized and approved under section 1, above.
3. The Managing Director, Corporate Services and City Treasurer, Chief Financial Officer (or delegate) is hereby authorized to execute any financial reports required as a condition under the Transfer Payment Agreements.
4. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on _____

Matt Brown
Mayor

Catherine Saunders
City Clerk

First Reading –
Second Reading –
Third Reading –

Schedule A

Transfer Payment Agreement

Appendix B

List of Approved Projects for City of London under Clean Water and Wastewater Fund (CWWF) Phase 1

Project ID	Project Title	Total Project Cost	Federal Share (50%)	Provincial Share (25%)	City Share (25%) / Other
Wastewater & Treatment Projects					
LON 0001	Dingman Creek Subwatershed Green Stormwater Infrastructure Program – Preliminary Design	\$204,000	\$102,000	\$51,000	\$51,000
LON 0002	Reclamation and Naturalization of Existing Urban Watercourses – Rehabilitation Plan Preparation	\$204,000	\$102,000	\$51,000	\$51,000
LON 0003	Construction of the Retrofit Design on the Existing Applegate Stormwater Management Facility	\$458,000	\$229,000	\$114,500	\$114,500
LON 0004	Design and Purchase of Organic Rankin Cycle Equipment for Power Generation and Waste Heat Recovery Systems & Biosolids Optimization at Greenway Pollution Control Plant	\$5,699,000	\$2,849,500	\$1,424,750	\$1,424,750
LON 0005	East London -- Sanitary Servicing Study	\$356,000	\$178,000	\$89,000	\$89,000
LON 0006	Conduct Facility Improvement Studies at Four Wastewater Treatment Facilities across the City	\$132,000	\$66,000	\$33,000	\$33,000
LON 0007	Treatment Plant Energy Reduction With Turbo Blowers – Supply and Install	\$3,098,000	\$1,099,000	\$549,500	\$1,449,500 ⁽¹⁾
LON 0009	Design and Construction of Odour Control Upgrades at Five Treatment Plants across the City	\$3,562,000	\$1,781,000	\$890,500	\$890,500
LON 0010	Design and Construction of Technology Upgrades (SCADA and Security) at 30 Wastewater and 14 Water Locations across the City	\$2,600,000	\$1,300,000	\$650,000	\$650,000
LON 0011	Purchase and Install of Variable Frequency Drives at Four Sanitary Pump Stations	\$1,323,000	\$661,500	\$330,750	\$330,750
LON 0012	Purchase and Install of Solids & Floatables Management Equipment at Eight Locations (Pumping Stations and Treatment Plants)	\$2,218,000	\$1,109,000	\$554,500	\$554,500
LON 0013	Mornington Area Storm Drainage Servicing -- Environmental Assessment	\$448,000	\$224,000	\$112,000	\$112,000
LON 0014	Sewer Separation Program Acceleration – Design and Construction	\$9,481,851	\$4,740,925	\$2,370,463	\$2,370,463
LON 0015	Sewer Separation and Infrastructure Renewal - Planning and Design for Future Projects	\$550,000	\$275,000	\$137,500	\$137,500
LON 0016	Sewer Relining Program Acceleration -- Design and Construction	\$1,099,000	\$549,500	\$274,750	\$274,750
Total Wastewater & Treatment Projects		\$31,432,851	\$15,266,425	\$7,633,213	\$8,533,213

Project ID	Project Title	Total Project Cost	Federal Share (50%)	Provincial Share (25%)	City Share (25%) / Other
Water Projects					
LON 0017	Arva Water Pumping Station Optimization & Energy Efficiency – Planning Study	\$407,000	\$203,500	\$101,750	\$101,750
LON 0018	Trunk Watermains Syphons and Pipeline – Inspections and Condition Rating	\$2,035,000	\$1,017,500	\$508,750	\$508,750
LON 0019	Trunk Watermain Cathodic Protection Upgrades – Design and Construction	\$295,000	\$147,500	\$73,750	\$73,750
LON 0020	Watermain Cleaning and Relining – Design and Construction	\$3,053,000	\$1,526,500	\$763,250	\$763,250
LON 0021	Cathodic Protection Program – Inspection, Design and Construction	\$509,000	\$254,500	\$127,250	\$127,250
LON 0022	Acceleration of Design Projects for Water, Wastewater & Stormwater Infrastructure Renewal Program	\$509,000	\$254,500	\$127,250	\$127,250
LON 0023	Springbank Reservoirs No. 1 & 3 Protective Membrane Condition Assessment	\$102,000	\$51,000	\$25,500	\$25,500
Total Water Projects		\$6,910,000	\$3,455,000	\$1,727,500	\$1,727,500
Grand Total CWWF Program		\$38,342,851	\$18,721,425	\$9,360,713	\$10,260,713

(1) Includes a \$900,000 contribution from the Independent Electricity System Operators (IESO).

Appendix C

Schedule of Required Capital Budget Adjustments

COL Project #	CWWF Reference	CWWF Title	2016-2019 Expenditure			2020-2025 Expenditure			2016-2025 Adjustments
			Approved	Adjusted	Revised	Approved	Adjusted	Revised	
Wastewater & Treatment Projects									
ES2526	LON 0001	Dingman Creek Subwatershed Green Stormwater Infrastructure Program – Preliminary Design	0	204,000	204,000	0	0	0	204,000
ES2524	LON 0002	Reclamation and Naturalization of Existing Urban Watercourses – Rehabilitation Plan Preparation	0	204,000	204,000	0	0	0	204,000
ES2453	LON 0003	Construction of the Retrofit Design on the Existing Applegate Stormwater Management Facility	0	458,000	458,000	0	0	0	458,000
ES6075	LON 0004	Design and Purchase of Organic Rankin Cycle Equipment for Power Generation and Waste Heat Recovery Systems & Biosolids Optimization at Greenway Pollution Control Plan	0	5,699,000	5,699,000	0	0	0	5,699,000
ES5403	LON 0005	East London - Sanitary Servicing Study	0	356,000	356,000	0	0	0	356,000
ES6078	LON 0006	Conduct Facility Improvement Studies at Four Wastewater Treatment Facilities across the City	0	132,000	132,000	0	0	0	132,000
ES5085	LON 0007	Treatment Plant Energy Reduction With Turbo Blowers – Supply and Install	2,279,424	818,576	3,098,000	0	0	0	818,576
ES5019	LON 0009	Design and Construction of Odour Control Upgrades at Five Treatment Plants across the City	0	3,562,000	3,562,000	0	0	0	3,562,000
ES5432	LON 0010	Design and Construction of Technology Upgrades (SCADA and Security) at 30 Wastewater and 14 Water Locations across the City	0	2,600,000	2,600,000	0	0	0	2,600,000

Appendix C (cont'd)

Schedule of Required Capital Budget Adjustments

COL Project #	CWWF Reference	CWWF Title	2016-2019 Expenditure			2020-2025 Expenditure			2016-2025 Adjustments
			Approved	Adjusted	Revised	Approved	Adjusted	Revised	
Wastewater & Treatment Projects									
ES6076	LON 0011	Purchase and Install of Variable Frequency Drives at Four Sanitary Pump Stations	0	1,323,000	1,323,000	0	0	0	1,323,000
ES5086	LON 0012	Purchase and Install of Solids & Floatables Management Equipment at Eight Locations (Pumping Stations and Treatment Plants)	0	2,218,000	2,218,000	0	0	0	2,218,000
ES3043	LON 0013	Mornington Area Storm Drainage Servicing -- Environmental Assessment	0	448,000	448,000	0	0	0	448,000
ES2331	LON 0014	Sewer Separation Program Acceleration – Design and Construction	0	9,481,851	9,481,851	0	0	0	9,481,851
ES2334	LON 0015	Sewer Separation and Infrastructure Renewal - Planning and Design for Future Projects	0	550,000	550,000	0	0	0	550,000
ES2335	LON 0016	Sewer Relining Program Acceleration - Design and Construction	0	1,099,000	1,099,000	0	0	0	1,099,000
Water Projects									
EW3506	LON 0017	Arva Water Pumping Station Optimization & Energy Efficiency – Planning Study	0	407,000	407,000	0	0	0	407,000
EW2410	LON 0018	Trunk Watermains Syphons and Pipeline – Inspections and Condition Rating	0	2,035,000	2,035,000	0	0	0	2,035,000
EW3547	LON 0019	Trunk Watermain Cathodic Protection Upgrades – Design and Construction	0	295,000	295,000	0	0	0	295,000
EW3548	LON 0020	Watermain Cleaning and Relining –Design and Construction	0	3,053,000	3,053,000	0	0	0	3,053,000

Appendix C (cont'd)

Schedule of Required Capital Budget Adjustments

COL Project #	CWWF Reference	CWWF Title	2016-2019 Expenditure			2020-2025 Expenditure			2016-2025 Adjustments
			Approved	Adjusted	Revised	Approved	Adjusted	Revised	
Wastewater & Treatment Projects									
EW3549	LON 0021	Cathodic Protection Program – Inspection, Design and Construction	0	509,000	509,000	0	0	0	509,000
EW3535	LON 0022	Acceleration of Design Projects for Water, Wastewater & Stormwater Infrastructure Renewal Program	0	509,000	509,000	0	0	0	509,000
EW3539	LON 0023	Springbank Reservoirs No. 1 & 3 Protective Membrane Condition Assessment	0	102,000	102,000	0	0	0	102,000
Total CWWF Projects			2,279,424	36,063,427	38,342,851	0	0	0	36,063,427
Existing Projects in the 10 Year Capital Budget									
ESSWM-STMRM		Dingman Creek & Other Stream Remediation	2,000,000	(204,000)	1,796,000	2,100,000	0	2,100,000	(204,000)
ES2478		Existing Ditches and Open Watercourses	0	0	0	7,450,000	(204,000)	7,246,000	(204,000)
ES2428		Erosion Remediation In Open Space	1,280,000	(458,000)	822,000	1,920,000	0	1,920,000	(458,000)
ES3098		Greenway Flood Proofing	2,250,000	(132,000)	2,118,000	5,650,000	0	5,650,000	(132,000)
ES5084		PCP - Replacement Equipment	4,785,932	(2,230,000)	2,555,932	13,000,000	(6,930,000)	6,070,000	(9,160,000)
ES5150		Pumping Station Improvements	2,100,000	(543,000)	1,557,000	2,940,000	0	2,940,000	(543,000)
ES2464		Separation & CSO Program	26,159,716	(6,150,000)	20,009,716	51,450,000	(3,881,850)	47,568,150	(10,031,850)
ES2693		Specialized Sewer Repairs	17,300,000	(1,099,000)	16,201,000	27,000,000	0	27,000,000	(1,099,000)
EW3717		Inspect Trunk Concrete	3,875,000	0	3,875,000	4,825,000	(2,035,000)	2,790,000	(2,035,000)
EW3525		Cathodic Protection Program	2,800,000	0	2,800,000	3,000,000	(804,000)	2,196,000	(804,000)
EW3563		Main Cleaning & Relining	24,176,600	0	24,176,600	37,037,400	(3,052,998)	33,984,402	(3,052,998)
EW3765		Main Replacement - Engineering	38,815,000	(250,000)	38,565,000	63,100,000	(259,000)	62,841,000	(509,000)
EW3617		Long-Term Water Storage Requirements	500,000	0	500,000	16,505,750	(102,000)	16,403,750	(102,000)
Total Variance to Existing Approved Capital Projects			126,042,248	(11,066,000)	114,976,248	235,978,150	(17,268,848)	218,709,302	(28,334,848)
Total Revised Capital Budgets for CWWF Initiative			128,321,672	24,997,427	153,319,099	235,978,150	(17,268,848)	218,709,302	7,728,579

Appendix D

Budget Impacts - 2016-2019 Multi-Year Period and Ten Year Plan

Wastewater

Expenditure (\$millions)	Approved 2016-2019 Multi-Year Capital Budget ¹	Total 2016-2019 Adjustments	Revised 2016-2019 Multi-Year Capital Budget	2020-2025 Multi-Year Capital Budget Forecast	Total 2020-2025 Adjustments	Revised 2020-2025 Multi-Year Capital Budget Forecast	2016-2025 Multi-Year Capital Budget Forecast	Total 2016-2025 Adjustments	Revised 2016-2025 Multi-Year Capital Budget Forecast
EXPENDITURE									
New Discrete Projects	-	28.3	28.3	-	-	-	-	28.3	28.3
Increase Scope (LON-007)	-	0.8	0.8	-	-	-	-	0.8	0.8
Adjustments To Approved Capital Budgets	272.7	(10.8)	261.9	389.5	(11.0)	378.5	662.2	(21.8)	640.4
Total Expenditure	272.7	18.3	291.0	389.5	(11.0)	378.5	662.2	7.3	669.5
SOURCE OF FINANCING									
Rate Supported									
Capital Rates	70.7	-	70.7	134.3	-	134.3	205.0	-	205.0
Debenture	0.1	-	0.1	-	-	-	0.1	-	0.1
Reserve Fund	89.5	(4.6)	84.9	122.2	(11.0)	111.2	211.7	(15.6)	196.1
Sub-total Rate Supported	160.3	(4.6)	155.7	256.5	(11.0)	245.5	416.8	(15.6)	401.2
Non-Rate Supported									
Development Charges Debenture/Reserve Fund	90.3	-	90.3	98.3	-	98.3	188.6	-	188.6
Federal Gas Tax	18.0	-	18.0	27.0	-	27.0	45.0	-	45.0
Senior Government	-	-	-	-	-	-	-	-	-
Clean Water and Wastewater Fund	-	22.9	22.9	-	-	-	-	22.9	22.9
Provincial Grants / Other ²	4.1	-	4.1	7.7	-	7.7	11.8	-	11.8
Sub-total Non-Rate Supported	112.4	22.9	135.3	133.0	-	133.0	245.4	22.9	268.3
Total Source of Financing	272.7	18.3	291.0	389.5	(11.0)	378.5	662.2	7.3	669.5

1) Represents the capital budget approved during the 2017 Annual Update on December 6, 2016.

2) Other Non-Rate Supported funding includes cash payments.

Subject to rounding

Appendix D (cont'd)

Budget Impacts - 2016-2019 Multi-Year Period and Ten Year Plan

Water

Expenditure (\$millions)	Approved 2016-2019 Multi-Year Capital Budget ¹	Total 2016-2019 Adjustments	Revised 2016-2019 Multi-Year Capital Budget	2020-2025 Multi-Year Capital Budget Forecast	Total 2020-2025 Adjustments	Revised 2020-2025 Multi-Year Capital Budget Forecast	2016-2025 Multi-Year Capital Budget Forecast	Total 2016-2025 Adjustments	Revised 2016-2025 Multi-Year Capital Budget Forecast
EXPENDITURE									
New Discrete Projects	-	6.9	6.9	-	-	-	-	6.9	6.9
Increase Scope	2.3	-	2.3	-	-	-	2.3	-	2.3
Adjustments To Approved Capital Budgets	151.0	(0.3)	150.8	225.3	(6.3)	219.0	376.3	(6.5)	369.8
Total Expenditure	153.3	6.7	160.0	225.3	(6.3)	219.0	378.6	0.4	379.0
SOURCE OF FINANCING									
Rate Supported									
Capital Rates	78.7	-	78.7	133.0	-	133.0	211.7	-	211.7
Debenture	-	-	-	-	-	-	-	-	-
Reserve Fund	47.7	1.5	49.2	59.7	(6.3)	53.4	107.4	(4.8)	102.6
Sub-total Rate Supported	126.4	1.5	127.9	192.7	(6.3)	186.4	319.1	(4.8)	314.3
Non-Rate Supported									
Development Charges Debenture/Reserve Fund	20.3	-	20.3	22.2	-	22.2	42.5	-	42.5
Federal Gas Tax	5.9	-	5.9	8.3	-	8.3	14.2	-	14.2
Senior Government	-	-	-	-	-	-	-	-	-
Clean Water and Wastewater Fund	-	5.2	5.2	-	-	-	-	5.2	5.2
Provincial Grants / Other ²	0.7	-	0.7	2.1	-	2.1	2.8	-	2.8
Sub-total Non-Rate Supported	26.9	5.2	32.1	32.6	-	32.6	59.5	5.2	64.7
Total Source of Financing	153.3	6.7	160.0	225.3	(6.3)	219.0	378.6	0.4	379.0

1) Represents the capital budget approved during the 2017 Annual Update on December 6, 2016.

2) Other Non-Rate Supported funding includes cash payments and third party grants.

Subject to rounding