

Information and Guidelines

**INFORMATION AND
GUIDELINES**
**BUILDING CANADA FUND –
COMMUNITIES COMPONENT**

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INFORMATION AND GUIDELINES

PROGRAM OVERVIEW

The Governments of Canada and Alberta are pleased to announce the Canada–Alberta Building Canada Fund – Communities Component (BCF-CC) program, which partners with Alberta municipalities to invest in local infrastructure.

This program continues the tradition of cost-sharing infrastructure investments among the three levels of government. Federal/Provincial/Municipal

The governments of Canada and Alberta have each committed \$88 million to the BCF-CC program. When combined with municipal contributions, this program is expected to inject at least \$264 million into Alberta’s municipal infrastructure over a six-year period beginning in fiscal year 2008/09. This program will assist in the construction, renewal, expansion, upgrade or material enhancement of infrastructure across the province.

These Guidelines have been developed to assist municipalities make application to the Canada-Alberta BCF-CC.

DEFINITIONS

“**BCF-CC**” means the Building Canada Fund – Communities Component.

“**Contribution Agreement**” means an agreement between Alberta and a recipient whereby Alberta agrees to contribute financially to an approved project.

“**Infrastructure**” means publicly or privately owned capital assets in Alberta for public use or benefit.

“**Ministers**” means the federal Ministers and the provincial Ministers, and includes anyone authorized to act on their behalf.

“**Oversight Committee**” is the committee established to administer and manage the BCF-CC program.

“**Recipient**” means an applicant whose project has been formally approved for funding under the BCF-CC program and has been issued a Contribution Agreement.

ELIGIBLE APPLICANTS

All Alberta municipalities with a population of less than 100,000, as determined by the Statistics Canada's Final 2006 Census, are eligible to apply for capital funding under the BCF-CC.

A private sector body or non-profit organization, whose application is supported by a Council resolution from the municipality where the project is to be located, can apply. In these situations, projects must still be for public use or benefit, and must also be supported by a resolution of the associated organization's board of directors. The application must be submitted by the municipality who will review and receive the funds for the claims and will then turn the funds over to the recipient.

PROJECTS

PROJECT-BASED PROGRAM

BCF-CC is a project-based program under which all eligible applications received will be reviewed and rated in accordance with pre-determined objectives, which are outlined in the Project Categories and Mandatory Criteria section of this guide. All applicants will be competing for funding and projects will be approved based on the information provided at the time of the application deadline.

ELIGIBLE PROJECTS

To be eligible for funding, a project must:

- be submitted by an applicant that demonstrates that it will be able to operate and maintain the resulting infrastructure over the long term;
- fall within one of the applicable project Categories (Water, Wastewater, Green Energy, Solid Waste Management, Cultural, Sport, Connectivity, Local Roads or Collaborative Projects);
- be consistent with the objectives of the category and directly related to one of its sub-categories, meet one or more of the project outcomes of the category and meet the mandatory project criteria of the category;
- be ranked in accordance with the ranking matrix developed by the Oversight Committee which is on the BCF-CC Web Site at www.buildingcanadafundalberta-cc.ca
- be for the construction, renewal, expansion, upgrade or material enhancement of infrastructure, excluding normal maintenance or operation;
- be supported by a business case, to be part of the application;
- stipulate a construction completion date of no later than March 31, 2014;
- be implemented in communities served by local governments with a population of less than 100,000 people, as set out in the Statistics Canada Final 2006 Census;

- be duly authorized or endorsed by:
in the case of a municipal applicant, a resolution of its Council; or in the case of a non-governmental, not-for-profit or private sector body applicant, a resolution of its board of directors and also a resolution of the municipal Council where the infrastructure is proposed to be located. Resolution(s) must be submitted with the application.

INELIGIBLE PROJECTS

Projects with a completion date beyond March 31, 2014 will not be considered for funding.

Projects are ineligible if construction work (e.g. physical changes to land (above or below ground level) or buildings) has started in advance of the approval of the Ministers or the completion and approval of the Environmental Assessment (EA).

ELIGIBLE COSTS

Eligible Costs will be all direct costs which are in the Oversight Committee's opinion properly and reasonably incurred and paid by the Recipient for an eligible investment under a contract for goods or services necessary for the implementation of the Project. Eligible Costs will include only the following:

- a) the capital costs of acquiring, constructing or renovating a tangible capital asset, as defined and determined according to generally accepted accounting principles in Canada;
- b) the costs of joint communication activities (press releases, press conferences, translation, etc.)
- c) all planning (including plans and specifications) and assessment costs such as the costs of environmental planning, surveying, engineering, architectural supervision, testing and management consulting services, to a maximum of 15% of total eligible costs or 15% of the federal contribution, whichever is less;
- d) the costs of engineering and environmental reviews, including environmental assessments and follow-up programs as defined in the Canadian Environmental Assessment Act and the costs of remedial activities, mitigation measures and follow-up identified in any environmental assessment;
- e) the costs of Project-related signage, lighting, Project markings and utility adjustments;
- f) costs of aboriginal consultation process;

- g) the costs of developing and implementing innovative techniques for carrying out the Project; and
- h) other costs that, in the opinion of Canada, are considered to be direct and necessary for the successful implementation of the Project and have been approved in writing prior to being incurred.

INELIGIBLE COSTS

The following costs are ineligible:

- a) costs incurred before approval of the project, in accordance with the Delegation of Authorities, as indicated in writing to the proponent by the Minister;
- b) costs incurred after the project completion date;
- c) the cost of developing a business case or proposal for funding;
- d) the cost of purchasing land and associated real estate and other fees;
- e) financing charges and interest payments on loans;
- f) leasing land, buildings, equipment and other facilities;
- g) general repairs and maintenance of a project work and related structures, unless they are part of a larger capital expansion project tied to capital expansion;
- h) services or works normally provided by the Recipient, incurred in the course of implementation of the Project, except those specified as eligible costs;
- i) the cost of any goods and services which are received through donations or in kind;
- j) employee wages and benefits, overhead costs as well as other direct or indirect operating, maintenance and administrative costs incurred by the Recipient, and more specifically costs relating to services delivered directly by permanent employees of the Recipient, or of a Crown corporation or corporation owned and controlled by the Recipient except as per Section B.1 j) and k) above or in cases where the Recipient can demonstrate value for money and that the costs are incremental;
- k) provincial sales tax and Goods and Services Tax, for which the recipient is eligible for a rebate, and any other costs eligible for rebates; and
- l) legal fees.

RESOLUTIONS OF COUNCIL

In the case of a municipal applicant, the municipal council must pass a resolution indicating agreement with the terms and conditions of this program, and indicate they will conduct an open tendering process, manage the construction of the project, fund the municipal share of the construction costs, fund ongoing operation and maintenance, and follow any mitigation measures as required by the *Canadian Environmental Assessment Act*.

In the case of a non-governmental, not-for-profit or private sector body applicant, a municipal Council resolution from *the municipality in which the project will be located*, indicating support for the project is required.

Applications must be submitted by the municipality on behalf of the non-governmental, not-for-profit, or private sector recipient.

For projects where the applicant has funding partners (joint or public-private), a copy of a resolution from each funding partner specifying the amount of its capital contribution is required.

COSTS

THE FEDERAL/PROVINCIAL CONTRIBUTION

Projects approved under the BCF-CC program will generally be cost-shared on a 1/3: 1/3: 1/3 basis by the federal/provincial/municipal governments. The municipal portion may include contributions from other municipalities, and community organizations in the private and non-profit sectors.

Applicants incur and pay the project costs up front and may submit claims to the BCF-CC Joint Secretariat to receive reimbursement of the federal and provincial contribution of up to 2/3 of the approved eligible costs.

FUNDING CAP

\$3 million per applicant. The \$3 million can encompass one or multiple projects. This should not be confused with entitlement but is rather the maximum funds that will be awarded to a municipality under this program. Projects will be funded on a 1/3: 1/3: 1/3 basis by the federal/provincial/municipal governments.

STACKING

Municipalities can use their GST refund to assist with their share of the project costs. However, if a municipality wishes to use funding from other federal grant programs, a detailed accounting of those funds will be required to ensure that the BCF-CC and other federal grant funding do not exceed 50 per cent of a project's eligible costs.

Municipalities considering the use of other federal funding for their projects are strongly encouraged to contact the BCF-CC Joint Secretariat prior to submitting their applications.

Under BCF-CC, a local government can use provincial grant funding as its share of project funding. For example, Alberta Municipal Infrastructure Program funding or Municipal Sustainability Initiative Funding may be used towards a municipality's one-third share of the project cost.

TENDERING AND ACCOUNTS AND RECORDS

All recipients will conduct an open and competitive tendering process for all projects. Tenders should be public or if invitational at least three bids are solicited. Tenders and tender decision records must be kept for program audit review.

The applicant must ensure that proper and accurate accounts and records, including invoices, statements, receipts and vouchers, are kept for at least six (6) years after termination of the BCF-CC Agreement and will, upon reasonable notice, make them available to Alberta or Canada for inspection or audit.

The objective of the audit is to provide reasonable assurance that funds were expended in accordance with the BCF-CC Agreement. The audit is to include a review of the nature and extent of supporting documentation, assessment of accuracy of claim information, verification of proper authorizations and such other due diligence reviews as appropriate.

APPROVAL PROCESS

This initiative will be administered jointly by Canada and Alberta through a BCF-CC Oversight Committee, supported by a Joint Secretariat staffed by implementing government departments, Western Economic Diversification Canada and Alberta Transportation.

A Project Review Committee (PRC) with representation from federal/provincial departments and from Alberta Urban Municipalities Association and Alberta

Association of Municipal Districts and Counties has been established to review and provide recommendations to the Oversight Committee on project proposals.

Based on the recommendation of the PRC, the Oversight Committee forwards recommendations to Ministers for approval.

All applicants will be informed of a decision once the review, assessment, approval and announcement processes are completed.

Environmental Assessment

Projects funded by this Agreement are subject to the *Canadian Environmental Assessment Act* (CEAA). Prior to construction, every approved project is screened by the Joint Secretariat to assess if a project must undergo a CEAA environmental assessment (EA) or if it can be excluded. The Joint Secretariat will advise the applicant if an EA is required or if the project is excluded. If excluded, an Exclusion Letter will be sent to the Proponent.

If the project requires an EA, the applicant is responsible for producing the EA report, which will be reviewed by federal and provincial departments. Once the review has been completed an official Approval Letter with an Environmental Screening Report (ESR) will be sent to the applicant. ***No construction may occur until the proponent receives the ESR from the Joint Secretariat.***

If environmental mitigation steps are required in order for the project to proceed, the recipient will be made aware of these requirements through the ESR. Once a project is complete, the recipient is required to provide a Final Environmental Report describing the actual environmental mitigation measures taken.

Always ensure that the person responsible for overseeing construction activities has a copy of the ESR, and that they understand that a Final Environmental Report is required at project completion.

PROJECT FUNDING

A BCF-CC Contribution Agreement is executed for each approved project, outlining funding terms and conditions.

“Soft Costs” cannot be incurred before Ministerial approval of a project and construction must not start until the environmental process is complete.

Expenditures must be actual cash outlays to third parties that can be documented through copies of paid invoices or receipts. Municipalities must incur the costs before submitting claims for reimbursement. Evidence of payment (e.g. cleared cheques, invoices stamped with date, cheque number and signature of

authorised municipal official, or bank statements) and supporting documentation must also be maintained for audit purposes.

Requests for incremental funding on approved projects will not be considered.

HOW TO APPLY

Applicants can apply on-line at <https://bcfcc-fccvc.infrastructure.gc.ca/> which is the federal database called - Shared Information Management System for Infrastructure (SIMSI)

To apply on-line, users will need the login identification and password sent to the municipality. If you have not been provided with a login identification and password or cannot access the Internet, please contact:

Canada-Alberta Building Canada Fund Communities Component
Joint Secretariat
2nd Floor, Twin Atria 1
4999 – 98 Avenue
Edmonton, Alberta T6B 2X3
Tel: 780 422 1151
Toll Free : 1-800-396-0214
Fax: 780-427-5505
Or e-mail bcf@gov.ab.ca

CHECKLIST FOR A COMPLETE APPLICATION:

The following must be submitted by electronic attachment or mail:

- Application Form signed by an authorized signatory of the municipality
- Business Case
- a copy of the resolution from your Council and/or Board authorizing the project to proceed and
- a resolution from each funding partner indicating the amount of their capital contribution;
- a copy of all supplementary documentation required for your project. Please refer to the project categories and criteria that correspond to your project infrastructure category to ensure that all required supplementary documentation has been provided and that all of the criteria have been addressed in your submission;
- copies of engineering plans, pre-engineering design costs and maps – if not submitted electronically, please send four unbound copies by mail; and
- any other technical information to support your application. This could include a water and/or wastewater system assessment, a market or feasibility study.

Please ensure that you quote your SIMSI project number on all documents being mailed to our office.

CONTACT INFORMATION

If you experience technical difficulties with the on-line application, please contact our help desk; they will be able to help you with technical questions about the electronic application. Call the SIMSI Help desk toll-free 1-866-721-2205 help line, open Monday to Friday from 8:00 a.m. to 10:00 p.m. OR Send the help desk an e-mail at simsi.oiccc@cgi.ca

If you need help with the completion of your BCF-CC application, please contact the Joint Secretariat toll free at 1-800-369-0214 or if within calling distance of Edmonton 780-422-1151.

If you have questions regarding environmental assessments please contact the Environmental Assessment Coordinator toll free 1-800-369-0214 or 780-495-8679.

PROGRAM MANAGEMENT

A Communities Component Oversight Committee comprised of Federal, Provincial, and Local Government members from Alberta Urban Municipalities Association and Alberta Association of Municipal Districts & Counties will review each project.

Appointments are as follows:

Provincial Co-Chair	Tim Hawnt	Assistant Deputy Minister Transportation and Civil Engineering Alberta Transportation
Provincial Member	Rod Skura	Executive Director Capital Planning and Spending Alberta Treasury Board
Federal Co-Chair	Carol Beal	Assistant Deputy Minister Operations Infrastructure Canada
Federal Member	Doug Maley	Assistant Deputy Minister Alberta Region Western Economic Diversification
Municipal Representative	Glenn Taylor	Alberta Urban Municipalities Association (AUMA)
Municipal Representative	Robert Jones	Reeve County Warner #5 Alberta Association of Municipal Districts & Counties (AAMDC)