



Investing in Canada Infrastructure Program Green Infrastructure – Environmental Quality



Frequently Asked Questions

This FAQ document supports information on the [Environmental Quality Program](#) webpage and in the [Program Guide](#). Applicants are advised to refer to these resources prior to application to the program.

GENERAL

Q: What is the Investing in Canada Infrastructure Program – Green Infrastructure – Environmental Quality Sub-stream?

A: Canada and British Columbia governments, through a bilateral agreement, are investing in the Environmental Quality sub-stream to support infrastructure projects in communities across the province.

Canada created the Investing in Canada plan with the objectives to: create long-term economic growth, support a low carbon, green economy, and build inclusive communities. In 2017, Canada committed \$4.1 billion in infrastructure funding to BC in an Integrated Bilateral Agreement for the Investing in Canada Infrastructure Program (ICIP). In signing the agreement, BC agreed to assign provincial funds to the four funding streams: public transit infrastructure, community, culture and recreation infrastructure, green infrastructure, and infrastructure in rural and northern communities.

The Environmental Quality Program represents combined federal-provincial funding under the Green Infrastructure stream. It is a competitive, merit-based grant program, focused on local government and indigenous community infrastructure providing drinking water, wastewater (sewage), stormwater (drainage), solid waste diversion, and remediation services. For additional information, please read section 1.1 of the Program Guide.

For more information on the Investing in Canada plan, see the Government of Canada websites: <http://www.infrastructure.gc.ca/plan/about-invest-afpropos-eng.html> or <https://www.infrastructure.gc.ca/pt-sp/bc-eng.html>

Q: Do you have any tips for preparing to apply to the program?

A: Check the status of your water conservation plan, check what is in your capital plans, and work towards having your asset management framework complete and up to date. Ensure that a potential project is ready to go, i.e. land is purchased, permits are in place where possible, and that the project timeframe aligns with program timelines (anticipated approval in Spring 2019 and that the project can be completed within 5 to 6 years). Read the Program Guide and Application Questions to ensure that the project will be eligible and that it will meet the program criteria and outcomes. Contact staff in advance with questions. Apply for a business BCeID if your organization does not already have access to the Local Government Information System, as applications will be via this system.

WHO CAN APPLY

Q: Who can submit applications for the Environmental Quality Program?

A: Local governments and Indigenous ultimate recipients can submit applications to the Environmental Quality program. For detailed information please review section 2.1 of the Program Guide.

Q. Can improvement districts apply for funding under the program?

A. Improvement Districts themselves are not eligible to apply. Applications must be made by a sponsoring regional district or municipality. If the application is successful in obtaining program funding, the ownership of the infrastructure and associated assets must be transferred to the sponsoring local government.

Q: Can a not-for-profit organization or for-profit organization apply for funding under the Environmental Quality program?

A: No, a not-for-profit or for-profit organization is not eligible to independently apply for funding under the program (unless the organization falls under the program definition for an Indigenous Ultimate Recipient). A local government or Indigenous ultimate recipient would need to apply for funding for the project and would then be required to retain title and ownership of the assets for the Asset Disposal Period according to the stipulations set out in their Shared Cost Agreement with the province (5 years following substantial completion).

Q: Can I partner with another local government or First Nation to apply for funding under this program?

A: Yes, one eligible ultimate recipient can partner with another eligible recipient to apply for funding. A partnership agreement or MOU should be provided with the application. Another organization is considered to be a partner when they contribute value to the project (generally funding, either for construction of the project or for ongoing operations and maintenance). Funding will be awarded to the primary applicant, who would be expected to fulfill the requirements of the Shared Cost Agreement.

WHAT PROJECTS ARE ELIGIBLE

Q: What types of projects are supported by the Investing in Canada's Infrastructure Program – Green Infrastructure – Environmental Quality Sub-stream?

A: The Green Infrastructure – Environmental Quality Sub-stream provides grant funding for projects to improve community infrastructure that supports one of the following:

- Increased access to potable water
- Increased capacity to treat and/or manage wastewater
- Increased capacity to treat and/or manage stormwater
- Increased capacity to reduce and/or remediate air pollutants through:
 - Solid waste diversion
 - Soil remediation (brownfields)

Please review the information in the Program Guide. As long as your project supports one of the federal outcomes identified in the application form/guide, as well as other program requirements, your project should be eligible. A list of criteria around eligible projects is provided in section 3.2 of the Program Guide. A list of example projects will be available on the [program website](#). If you are still unsure, please contact program staff. In certain circumstances, we may also confer with federal staff at Infrastructure Canada.

Q: In previous programs, projects were not required to meet outcomes. Why does this program require projects to meet outcomes?

A: This program uses a federal outcome based approach rather than a category based approach. Projects that meet the specified outcomes as listed in section 3.1 of the Program Guide will be eligible for funding. The use of outcomes focuses funding on particular desired results and provides more flexibility around the types of projects able to be applied for under the program.

Q: The Program Guide identifies that the program is designed to support projects that can be completed in five to six years. Does this mean that projects that can be completed in a shorter timeframe are ineligible?

A: All projects that can be completed within this timeframe are eligible, including those that can be completed in a shorter period. We encourage that projects that will take longer than 5 to 6 years to complete be phased.

Q: Can we award the tender prior to the project being approved for funding?

A: No, a project is deemed ineligible if a tender has been awarded prior to the date a Shared Cost Agreement between the Province and the Ultimate Recipient is signed.

Q: Can we submit an application for a project that was unsuccessful under a previous infrastructure grant program?

A: Yes, if the project has good alignment with the program outcomes and criteria. We recommend that you contact Ministry staff to discuss your previous application and areas where improvements can be made prior to submission under ICIP. Note that the application questions are different than for previous programs.

Q: Is there a maximum grant amount for projects?

A: There is no maximum grant amount under the program. However, fair distribution of the funds will be considered. If the proposed project's total eligible cost exceeds around 10% of the total funding available under the intake, say \$20 M, the proponent should consider phasing the project. If submitting an application for a phase of a larger project, the phase as included in the application should be able to independently demonstrate how it meets the outcome requirements and align with the overall program objectives (program outcomes must be met at completion of the phase).

WHEN CAN I APPLY and WHAT ARE THE FUNDING TIMELINES

Q: What are the application timelines?

A: The application intake opens on May 31, 2018. Local governments and Indigenous ultimate recipients can submit applications until August 29, 2018.

Q: Can we award the tender prior to the project being approved for funding?

A: No, a project is deemed ineligible if a tender has been awarded prior to the date a Shared Cost Agreement between the Province and the Ultimate Recipient is signed.

Q: When should I anticipate being able to proceed with tendering and construction of the project / when will funding decisions be announced?

A: Funding announcement is anticipated to be in Spring 2019. Project costs are not eligible for funding until after the funding is announced and a Shared Cost Agreement is signed. Please plan project timelines accordingly.

Q: Why is a staged funding approach being used, with initial Provincial approval in principle prior to formal approval into the program by Canada?

A: A staged funding approach will allow applicants to apply without having to complete the more extensive requirements of the program which are required prior to approval into the program by Canada (such as a federal environmental assessment form, and for larger projects climate lens assessments and community employment benefits plans). This will reduce the need for applicants whose applications are not shortlisted to complete these additional requirements.

Q: What is the federal environmental assessment form?

A: This form has been developed by Infrastructure Canada for applicants to complete to help determine if there are any federal environmental assessment requirements that could apply to the project or a requirement to consult with Indigenous groups. The form will be required after a project application is given Provincial approval in principle and will be required prior to approval by Canada. The form assists in identifying factors that could trigger an assessment only, and applicants are required to ensure that requirements of both federal and provincial environmental assessment processes are met and continue to be met, and that additional approvals and permits are identified and obtained.

ADDITIONAL REQUIREMENTS FOR PROJECTS OVER \$10 MILLION

Q: What additional requirements will there be for projects over \$10 Million?

A: For projects with total estimated eligible expenditures of \$10 million or more, requirements will include:

- Climate Lens Assessments – a Greenhouse Gas Emissions Assessment and a Climate Change Resilience Assessment for projects with total eligible expenditures of \$10 M or more
- Community Benefits Reporting – for projects with total eligible expenditures of \$25 M or more

- Value Engineering – for projects with total eligible expenditures of \$15 M or more and a sufficiently complex nature that they would benefit from a value engineering assessment (Application of this requirement is on a case by case basis at the discretion of BC. Contact program staff to discuss this requirement.)

These will be requested following Provincial “approval-in-principle” of the project for funding.

Q: What will be required as part of the climate lens assessments?

A: Details on the federal climate lens assessment requirements are available here:

<https://www.infrastructure.gc.ca/pub/other-autre/cl-occ-eng.html>. Climate lens assessments must be conducted or validated by a qualified assessor. Applicants should include expected costs associated with this work within the detailed cost estimate for their project as these costs will be eligible if the project is awarded funding.

Q: What will be required as part of community employment benefits reporting?

A: General guidance on this can be found here: <http://www.infrastructure.gc.ca/pub/other-autre/ceb-acc-eng.html>. Community employment benefits will include reporting on community employment benefits provided to at least three (3) federal target groups (apprentices, Indigenous peoples, women, persons with disabilities, veterans, youth, new Canadians, or small- medium-sized enterprises and social enterprises).

Q: What is a Value Engineering Assessment?

A: Value Engineering, in this context, is an exercise of project review carried out by experts in Value Methodology and in technical fields relevant to the project. The exercise incorporates function analysis and resource optimization resulting in identification of the best value, in terms of the overall project and its components, to meet the required outcomes and performance expectations. The process can lead to innovative ways to meet those needs. This requirement will be applied on a project-specific basis, and applicants are advised to contact program staff before considering undertaking Value Engineering.

Q: How do these additional requirements affect funding approval?

A: These additional requirements for larger projects, along with a federal form to determine if there are any federal environmental assessment or Indigenous consultation requirements (form is applicable to all projects, not just large projects), will be required to be completed to BC and Canada’s satisfaction prior to Canada’s approval of a project into the program. Only organizations whose applications are shortlisted and given Provincial “approval-in-principle” will need to complete these additional requirements.

PROJECT COSTS

Q. Our project incurred costs before we were approved for ICIP funding. Are these costs considered eligible and can we claim them for reimbursement?

A. Only costs incurred after the project approval date as specified in the Shared Cost Agreement with the Province of BC are eligible, with the exception of the costs associated with climate lens assessments and

community benefit plans. Note that costs associated with climate lens assessments and community benefit plans will not be able to be claimed until a Shared Cost Agreement is in place.

Q: Do invoices need to be paid prior to submitting a claim to the Province for reimbursement under the grant?

A: Yes, invoices will need to have been paid by the applicant prior to reimbursement under the program. The program is claims based.

Q: There are changes or variations to our original, approved project. Do we have to notify the Province?

A: Yes. The proponents need to advise the Ministry of Municipal Affairs and Housing, in writing, of any variation from the approved project. Before such changes are implemented they must be approved by the Ministry otherwise costs incurred may not be eligible for reimbursement.

Q: We have decided not to proceed with our project as originally outlined. Can we use the program funds for another infrastructure project in our community?

A: The funding is specific to the project, not the community. Please contact program staff to discuss.

Q: Can we directly award a contract(s) for undertaking the project?

A: All contracts must be awarded in a way that is transparent, competitive and consistent with value for money principles. All records of the tendering process need to be retained and made available upon request. Projects that involve sole source contracting (contracts over \$25,000 or, for the acquisition of architectural and/or engineering services, over \$100,000) will be subject to federal Treasury Board approval prior to approval into the program. Additional information will be requested from applicants in this case to support a submission and to ensure that contracts are being awarded in a fair manner.

Q: Are we allowed to plan to use our own staff time to carry out project construction?

A: The use of external contractors to carry out project construction is a preference under the program. However, use of the organization's staff time may be allowed in certain cases where it is not economically feasible to tender a contract and where the employee is engaged directly in respect of the work that would have been the subject of the contract. This type of arrangement must be approved in advance and in writing by the Province and by Canada. Program staff advise that applicants plan in the first case to utilize contractors to carry out construction work, with the use of the organization's own staff subject to further discussion as part of the selection process and during development of a Shared Cost Agreement for funding.

Q: The applicant is unable to move forward with the project after funding is awarded. Can they be reimbursed for costs incurred prior to the cancelation?

A: No, any cost incurred to the cancelled project will not be reimbursed. Funding requires that projects meet the outcomes of the program.

Q: Are the costs incurred for Federal Environmental Assessment (FEA) eligible under this program?

A: Yes, costs associated with an FEA that are incurred once the Shared Cost Agreement for funding is in place are eligible for funding contribution. Please consider the potential expenses involved in preparing a FEA while preparing the project cost estimate.

Q: Are costs incurred for Climate Lens Assessments, Community Employment Benefits plans, and Value Engineering eligible under this program?

A: Yes, these costs are eligible where a project is successful in obtaining funding under the program. Costs associated with Climate Lens Assessments and Community Employment Benefits plans incurred prior to project approval are eligible. The ultimate recipient should plan to meet the incurred costs for these which can be reimbursed through a claim once a Shared Cost Agreement with BC is in place.

Q: Are costs associated with completing climate lens assessments and community benefit plans able to be reimbursed if the application is not successful in obtaining grant funding?

A: No, only projects that are awarded funding will be able to claim costs for these items.

USE OF OTHER FUNDING SOURCES AND BORROWING

Q: Can we use funding acquired from other federal grant programs as our contribution to project funding under the program?

A: It cannot be utilized as part of the ultimate recipient contribution to the project. Funding from other federal government programs can contribute to overall project funding, as long as it is not used as part of the applicant financial contribution. Federal government funding is subject to stacking rules, in that the total senior government contributions from all sources will be up to 73.33% for local government projects and up to 90% for Indigenous projects. Utilizing other grant funding has the potential to reduce the grant funding under this program (i.e. it would be counted as federal funds and the grant amount would be reduced accordingly). When you enter information on other senior government grants within the online application form, the potential impact on funding under this program will be calculated. Note that funding under this program may also have the potential to affect funding under other programs.

Q: Can we use money from Gas Tax Community Works as part of the applicant financial contribution under the program?

A: No, funding obtained under Gas Tax Community Works funds cannot be used as part of the local government funding contribution under this program. It is counted as federal funds and would be subject to stacking rules under the program. (i.e. the maximum senior government contribution under the program would be maintained and using these funds could reduce the federal grant award amount).

Q: Where can I find out more about the borrowing process for long term borrowing / loan authorization bylaws?

A: More information can be found here: <https://www2.gov.bc.ca/gov/content/governments/local-governments/governance-powers/bylaws/provincial-approval-of-bylaws/loan-authorization-bylaw->

[requirements](#). Refer to the section on Borrowing Process. Bringing the loan authorization bylaw to third reading is the initial step in the process.

Q: We will need to borrow funds above the local government's assent free borrowing limits to carry out the project. Can I submit the loan authorization bylaw at a later date after submitting the application?

A: The loan authorization bylaw is required to have had its third reading. A copy of the bylaw that has received 3rd reading should be submitted upon application to the program. The local government then can choose to proceed with the process of obtaining approval of the bylaw, including Inspector and electoral approval, if required, after they find out whether they have obtained funding under the program, or to proceed with the entire approval process immediately. The Ministry of Municipal Affairs and Housing Local Government Finance branch can provide advice on bylaw wording if needed (ph: 250-387-4060).

Q: We are having trouble completing the 3rd reading for a loan authorization bylaw by the intake deadline. What should I do?

A: Please contact program staff for options. Where a delay is justified, a short extension may be able to be given. The 3rd reading will still be required for the project to be assessed and progress further in the selection process.

Q: In the Agreement for the program, it indicates that projects that meet one of the project outcomes for Green Infrastructure may also be eligible under a future Rural and Northern Communities stream. If/when the Rural and Northern Communities stream becomes available for application; will there be any restriction to applying if we have already applied to the Green Infrastructure – Environmental Quality program?

A: Applicants will be expected to prioritize which funding stream they apply to with the same project in a given year – Environmental Quality or Rural and Northern Communities. Applicants may apply to the Environmental Quality sub-stream and the Rural and Northern Communities stream within the same year, but if an application is selected for funding under the Environmental Quality sub-stream, it will become ineligible under the Rural and Northern Communities stream. A future Rural and Northern Communities (RNC) stream intake is still subject to confirmation of Provincial funds. The RNC stream will only be open to communities with populations of 25,000 or less. The total amount of funding available under the Rural and Northern Communities intake will be less than the funding available under Green Infrastructure – Environmental Quality. However, the senior government funding contribution will be higher under RNC than for Environmental Quality. There are no constraints around an applicant applying to both funding streams with different projects.

HOW DO I APPLY

Q: What is the process for submitting an application for the ICIP – Green Infrastructure - Environmental Quality Sub-stream?

A: Applicants must complete and submit an online application form through the Local Government Information System (LGIS). New users are encouraged to start the process of requesting a business BCeID as early as possible to set up access to the LGIS. This can take up to 15 business days. Please

refer to the Program Guide prior to identifying a project and preparing an application. Ensure that you have all the mandatory documents listed in section 6 of the Program Guide available prior to submitting the application. You may also include additional documentation to support your application.

Q: Do I need to answer all of the questions on the application form?

A: Yes. Please note that answering N/A to required questions may affect your project’s scoring and ranking in the technical assessment process. There is a need to ensure that projects align with program and senior government priorities, and to gather enough information to assess applications accordingly.

Q: Why is the content of the application form different than for past infrastructure funding programs?

A: Each funding program has differing objectives and requirements. The questions step out the responses required to assist applicants in providing the appropriate information for technical assessment. In addition to program criteria, federal criteria and reporting requires that we capture information upfront where possible, and several questions are associated with these particular requirements.

Q: I don’t know how to answer one of the questions on the application form. What should I do?

A: Please contact program staff for guidance if you do not know how to answer a question. We can provide assistance.

Q: Why are there 5 outcomes listed in the application form as opposed to the 3 federal outcomes in the Program Guide and Agreement?

A: The three federal outcomes were broken into subsets within the application form to be able to target questions to the appropriate type of infrastructure. The federal outcome “increased capacity to treat and/or manage wastewater and stormwater” has been divided into “increased capacity to treat and/or manage wastewater” and “increased capacity to treat/and or manage stormwater”. The federal outcome “increased capacity to reduce and/or remediate soil and/or air pollutants” has been divided into “increased capacity to reduce air pollutants through solid waste diversion” and “increased capacity to reduce and/or remediate soil pollution through remediation”.

Q: Where can I obtain assistance in completing the application form?

A: Program staff are happy to provide advice and clarify where we can. However, please note that we are a small team. With a large number of potential applicants we are limited in capacity, so we ask that applicants with questions review the program materials on the website first. This will increase the quality of the conversation and corresponding advice.

Q: What are some tips for submitting an application with multiple phases?

A: The application should clearly identify the breakdown of the different phases. A detailed break-down for all phases should be included in the Detailed Cost Estimate Template. Contact program staff if you wish to discuss how phasing will affect your application.

Q: My organization/municipality purchases water from a regional district. Am I still required to submit a Water Conservation Plan for a water or wastewater project?

A: Yes. If your organization is a bulk water purchaser it is responsible for delivery and encouraging water conservation with its customers. The plan can align with and refer to existing water conservation initiatives of the regional district and activities might be specific to the municipal authority such as development bylaws encouraging retention of water within the ground (trees, riparian setbacks, topsoil, etc.) or more specific conservation initiatives where these are not addressed by the regional district (see <http://www.obwb.ca/water-conservation-guide-for-bc-now-available/> for advice on developing a water conservation plan).

PROJECT SELECTION

Q: What is the evaluation process for applications under the funding?

A: Selection of projects under the program is merit based. Program staff conduct a technical and financial assessment for every project that is eligible under the program and where all required information is submitted as part of the application. The projects are evaluated and ranked on merits of meeting the program objectives and senior government priorities. Risks associated with the project are identified. A list of ranked projects is submitted to the Steering and Oversight Committees and the recommendations are then submitted to Canada for final approval. Our programs are always oversubscribed and not all applications that qualify will receive funding.

Q: How do I create a strong application?

A: Demonstrate a well-planned project within the application. A strong application clearly demonstrates how the project aligns with program objectives, has a detailed budget, that appropriate stakeholders have been consulted, and appropriate permits identified, demonstrates a plan for operation and maintenance, and has good alignment with organizational objectives. A well written application is clear and concise, with full but succinct answers that directly address the questions. Try not to leave questions unanswered. Ensure that attachments are in a searchable format. Include letters of support from health authorities where applicable and from any project partners (or a MOU).

Q: Where can I find additional resources on water conservation planning, IRR, and asset management?

A: A Water Conservation Guide for system level planning and that can assist with developing a water conservation plan is available at: <http://www.obwb.ca/water-conservation-guide-for-bc-now-available/> and a Water Conservation Calculator is available for exploring the impacts of different water conservation options at: www.waterconservationcalculator.ca .

The Ministry of Municipal Affairs and Housing is currently developing a Guide that highlights opportunities for Integrated Resource Recovery in community infrastructure and descriptions of past projects carried out in BC. An existing guide is available at: https://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/local-governments/planning-land-use/resources_from_waste_irr_guide.pdf.

The Asset Management BC website at: www.assetmanagementbc.ca provides resources for asset management. The Asset Management BC Framework provides an overview of asset management for

those who are new to the subject. The Asset Management Roadmap and Asset SMART Self-Assessment Tool are useful places to start in assessing organizational asset management practice.

Q: I am submitting a sewer extension project. What should I be aware of when submitting this type of project?

A: Although a sewer extension project is eligible under this program, an extension on its own does not provide strong benefits in meeting the program objective of improving environmental quality. A sewer extension may be a better fit to the program outcomes if it is a small part of a project with significant improvements in the quality of sewage effluent and/or its impact on the environment. Where the project is related to onsite system failures, the applicant is expected to outline within their responses in the application form: what has been done to address onsite system failures (including enforcement of bylaws), the extent of failures within area the project will serve, and why the continued use of onsite wastewater management is infeasible (attach relevant documents).

Q: I am applying on behalf of a smaller, lower capacity organization. How can we compete with larger local government organizations?

A: A community's size and capacity is given consideration during the technical review process. In recognition that organizations have varying capacity, a provincial lens will also be applied separately from the technical assessment considering factors such as regional distribution / community scale / capacity.

The *Rural and Northern Communities Sub-stream* under ICIP will provide an additional opportunity for smaller communities to apply for funding related to environmental quality outcomes. Provincial funds for this new program are still subject to confirmation by Treasury Board, but subject to approval, the program will become available later this year.

SUCCESSFUL PROJECTS

Q: Will an environmental assessment be required?

A: Applicants are expected to determine whether all applicable legislative or regulatory requirements will or have been met, including requirements for federal or provincial environmental assessment. Shortlisted applicants will be required to complete a form from Infrastructure Canada to help determine whether there are any federal environmental assessment requirements, and if there is a requirement to consult with Indigenous Groups. Links to additional information on federal and provincial environmental assessment requirements and processes can be found within the Program Guide.

Q: What should I expect in terms of reporting requirements for a successful project?

A: Ultimate recipients will be required to submit quarterly progress reports and monthly budget forecast reports to provincial program staff. The payment of claims will be conditional upon submission of requirements that support sustainable infrastructure management, such as relevant plans or confirmation that required permits have been obtained. Reporting on federal targets and indicators will be required, as related to long-term drinking water advisories, compliance with federal effluent regulations, and

reductions in greenhouse gas emissions. Section 9.6 of the Program Guide contains additional details on reporting requirements.

Q: Do I need to retain ownership of infrastructure assets once the project is complete?

A: Yes. There will be a requirement in the Shared Cost Agreement with the Province that ultimate recipients will need to maintain ongoing operations and retain title to and ownership of the asset for at least 5 years following completion of the project. Assets may be transferred to Canada, British Columbia, or a municipality or regional district within this timeframe.