

# THE CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

## STAFF REPORT

**DATE:** February 11, 2024

**TO:** Committee of the Whole

**FROM:** Cory Smith, Director of Roads and Public Works

**SUBJECT:** Authorization to enter into a Transfer Payment Agreement for Matching Funding.

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### RECOMMENDATION:

**THAT the Committee of the Whole recommend Council Authorize the Mayor and Clerk to Enter into the Transfer Payment Agreement and accept the matching funding for up to \$953,499.38 for design and construction of the hard surfacing of Old Almonte Road in 2026.**

### BACKGROUND:

As part of the 2024 Transportation Master Plan, the hard surfacing of Old Almonte Road from Patterson Street to Appleton Side Road was identified as a short-term project to encourage the use of Old Almonte Road, reduce maintenance requirements, and address residential concerns. Additionally, traffic volumes meet the warrants under the Municipality's road surface upgrade policy, justifying its upgrade to a hard-surfaced roadway.

This short-term project serves as an interim stage in Old Almonte Road's transition from a low-volume rural road to an essential neighborhood connection. A larger-scale mid-term project will follow to expand the roadway into a collector route.

Funding for growth-related projects remains a key concern for the Municipality. Staff continually seek funding opportunities to support these initiatives. In late 2024, a funding program was announced for projects that enable new housing development through core infrastructure improvements, such as roadways and active transportation. After evaluating several options, staff determined that the hard surfacing of Old Almonte Road from Patterson Street to Appleton Side Road best fit the program criteria and had the highest likelihood of success. As a result, the Municipality submitted an application and was awarded funding.

## DISCUSSION:

The project will upgrade approximately 3.0 km of roadway, including partial widening in some areas, subgrade and granular base improvements, and hard surfacing. The widening and hard surfacing will also enhance active transportation infrastructure. This project supports growth and reduces reliance on Patterson Street as a primary route and was identified as a short term project in the Transportation Master Plan.

To maximize funding, the Municipality applied for a matching grant, which will cover up to 50% of the total project cost (\$1,906,998.75). As a result, the grant will contribute up to \$953,499.38, and the Municipality is required to provide matching funds.

The total anticipated costs are as follows:

- **Design and construction:** \$1,525,599.00
- **Contingency (25% as required by the funding program):** \$381,399.75
- **Total project cost:** \$1,906,998.75

Design costs will be incurred in 2025 to facilitate design and tender preparation. The majority of expenditures will occur in 2026 during the construction phase.

Funding sources are currently under review as part of the Municipality's ongoing **Development Charges Review and Long-Term Financial Plan updates**. At this time, a commitment to matching grant funding in the **2026 Budget** is required, with the precise funding source to be determined as part of the 2026 budget process.

## OPTIONS:

1. Approve the matching funding in the 2026 Budget, allowing the Municipality to take advantage of this funding opportunity.
2. Do not approve the matching funding, resulting in the Municipality potentially bearing the full project cost in the future.
3. Request additional information from staff.

## FINANCIAL IMPLICATIONS:

This funding opportunity allows the Municipality to complete a growth-related infrastructure project while reducing financial strain. The Municipality's portion of the project costs, up to **\$953,499.38**, will be included in the **2026 Budget**. Upon completion of the **Development Charges Review and Long-Term Financial Plan**, alternative funding sources may be identified to further offset costs.

## STRATEGIC PLAN

This project aligns with several strategic priorities of the Municipality:

### 1. **Safe and Sustainable**

- Enhances road safety and reduces maintenance needs by providing a durable road surface.
- Supports active transportation improvements, promoting safer travel for pedestrians and cyclists.

### 2. **Modern, Efficient, and Effective Municipal Operations**

- Improves road infrastructure to meet current and future demands.
- Aligns with data-driven decision-making as outlined in the Transportation Master Plan.

### 3. **Sustainable Financial Stewardship**

- Maximizes external funding opportunities to reduce financial burden on the Municipality.
- Supports long-term financial planning by integrating with the Development Charges Review and Long-Term Financial Plan.

### 4. **Vibrant and Prosperous Economy**

- Enhances connectivity and accessibility, supporting local businesses and future growth.
- Facilitates development by improving transportation infrastructure linked to housing expansion.

## PUBLIC ENGAGEMENT

Not Applicable

## SUMMARY:

Staff recommend that Council authorize the Mayor and Clerk to enter into a transfer payment agreement for matching funding of up to \$953,499.38 for the hard surfacing of Old Almonte Road from Patterson Street to Appleton Side Road. This strategic investment will facilitate the transition of Old Almonte Road into a key neighborhood connector while minimizing financial impact on the Municipality.

Respectfully submitted by,

Cory Smith,  
Director of Roads and Public Works

Reviewed by:

Ken Kelly,  
CAO

ATTACHMENTS: