EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 24. 2014

Item 6, Report No. 8, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on June 24, 2014.

2013 ICE STORM STATUS UPDATE

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Commissioner of Engineering and Public Works and the Commissioner of Finance and City Treasurer, dated June 16, 2014:

Recommendation

6

The Commissioner of Engineering and Public Works and the Commissioner of Finance and City Treasurer, recommend:

1. That the 2013 Ice Storm Status Update Report be received.

Contribution to Sustainability

The report on the impact of the ice storm on the City is intended to provide Council with an overview of the operations to date and the financial impact of these operations.

This report is consistent with the Green Directions Vaughan, Community Sustainability Environmental Master Plan, specifically, Goal 2, Objective 2.2: "To develop Vaughan as a City with maximum green space and an urban form that supports our expected population growth by providing strategies for achieving our urban forest targets which include; planning, maintenance, species and planting recommendations."

Economic Impact

The total financial impact associated with the December 2013 ice storm is estimated at \$18.1 million

The estimate of costs relating to the 2013 Ice Storm is \$18.1M. This includes the initial emergency response, the ongoing clean-up of damage to City property and the future tree canopy replacement. Almost all City departments were involved in the Ice Storm response, with the largest financial impact seen in the Parks and Forestry Operations area (\$17.1M) followed by PW Winter Control (\$597K). There were also Ice Storm related costs in Building and Facilities, Fleet, Fire Services, Emergency Management, Recreation, By-law & Compliance and other.

Nearly \$1.0M of Ice Storm related costs were included in the City's 2013 financial results. In order to mitigate the impact on the overall City's financial position, \$0.7M of funding was taken from the City's Winterization reserve in 2013 to cover winter operations related activity.

A special meeting of Council was held on January 14, during which a presentation was made regarding damage and financial impacts of the December Ice Storm and the Ontario Disaster Relief Program requirements for funding under the Ice Storm Fund. As a result of the presentation, Council approved the following:

- 1. By-Law 001-2014, to direct and authorize staff to undertake all actions necessary to meet the fund requirements, be enacted and
- 2. A Resolution requesting the Minister of Municipal Affairs and Housing declare the City of Vaughan a Disaster Area per the Ice Storm Fund requirements.

Staff have confirmed with the Ministry that the aforementioned documents, along with the City's Signing By-Law 78-2010, meet the program requirements to move the process forward without

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 24. 2014

Item 6, Finance Report No. 8 - Page 2

the need for further Council resolutions or approvals. Next steps include staff preparing the Expression of Interest (EOI) for submission by the June 16, 2014 deadline and submitting the Claims for partial cost recovery by October 31, 2014.

While provincial funding is expected to offset some of the initial storm response and cleanup costs, that funding will not cover the full costs, or "missed opportunity" costs. Provincial funding is focused solely on the initial response and clean-up efforts. Overtime and contractor costs are recoverable under the current funding proposal, but capital tree replacement costs, and staff labour costs, outside of overtime, are not eligible for funding under the Ontario Ice Storm Assistance Program.

Tree replacement costs, which are not included in the provincial funding package, are estimated to be \$7.2 million. Replacements are normally funded through taxation, with a nominal contribution from reserve. Staff is researching additional grant opportunities to leverage funding where available to assist with the non-eligible costs tree canopy replacement. Other "missed opportunity" costs which are not incorporated include: delays to regularly scheduled tree maintenance, administrative costs and lieu time accumulation.

Communications Plan

Over the next few years, annual reports will be provided to Council, outlining the progress of the tree replacement plans throughout the City

Currently, information about the clean-up operation is being delivered to the residents throughout the City of Vaughan through the City's website, as well as via Public Works' Spring/Summer Newsletters and mobile signage. In addition, Corporate Communications is assisting with social media updates, PSA's and responses.

The City's website hosts the online tool, which is designed to provide details on past activities, and will provide detailed information with respect to the future replanting plans. It also has the most up to date question and answer section of the website in order to satisfy resident inquiries and concerns.

<u>Purpose</u>

To provide Council with a financial update report of the impact of the 2013 Ice Storm.

Background - Analysis and Options

On December 22, 2013 the City of Vaughan was impacted by one of the worst ice storms documented in Ontario. Staff in many departments, together with contracted crews, went into action immediately, dealing with fallen trees and the related full road blockages, salting and clearing of roads and pathways, staffing of emergency warming centres etc.

The financial impact associated with the December 2013 ice storm is estimated at \$18.1M

The City's emergency operations for the clean-up are based on a four phase approach. The estimated costs associated with each phase are noted below.

Phases 1 & 2:	Emergency Response, Initial clean-up and removal	
	of dangerous trees/branches	

\$5.5 million

Phase 3: Clean-up of large tree branches

(a) First Rotation\$3.5 million(b) Second Rotation\$0.6 million(c) Stump Removal\$1.3 million

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 24. 2014

Item 6, Finance Report No. 8 - Page 3

Phase 4: Re-planting of Trees City Wide*

(Residential, Industrial, Commercial and Arterial)

Note: Ineligible for Ice Storm Assistance Program \$7.2 million

Total \$18.1 million

(*includes pruning and tree planting)

Although the storm took place over 5 months ago, the clean-up work continues to this day. The following details the urban forest and street tree work in the four stage approach taken in response to the ice storm:

Phase 1 (December 21 – December 28, 2013) focused on emergency work, such as providing emergency access to roads and driveways that were completely blocked with trees or branches. Streets were cleared to provide one lane of traffic to allow access for emergency vehicles and residents. Emergency warming centres were operational in response to power outages.

Phase 2 (December 28, 2013 – March 31, 2014) focused on storm clean-up operations. Streets were prioritized based on hazards, blockages and access to roads, driveways and sidewalks. As part of the clean-up operation, staff and contractors also removed Emerald Ash Borer infested trees which had been previously identified for removal. Trees in parks, woodlots and open spaces were assessed and hazards were addressed.

Phase 3 (April 1 – approx. June 15) is focusing on large tree limb collection, and is partnered with the City's Leaf & Yard Waste collection program. Within this phase, Forestry operations includes pruning and removal work in parks, woodlots and open spaces, and flush cutting the larger tree trunks on City boulevards to grade.

Phase 4 (commencing approx. June 15 and ongoing) will include regular street tree pruning, tree maintenance, regular tree replacement program, as well as City-wide stump removals. The annual budget for Tree planting (including the Emerald Ash Borer program) is \$1.0M as included in the 2014-17 Budget and Financial Plan. Note that this amount is for regular tree replacement. Tree replacement related to the ice storm will be over and above the current budgeted amount.

Due to the late arrival of spring, contractors will provide two passes of the City to collect both public and private tree branches and debris

Residents were requested to bring their tree branches to the curb for pickup by March 31, 2014 with the intent of having a single pass through the City to collect all the tree branches. Approximately 61 crews started on April 2, collecting the large branches. Due to the later than normal arrival of spring weather, many residents were unable to access their yards by the March 31 deadline. As such, a second pass is required, and was scheduled to commence May 12. As was previously noted, this phase coincides with the City's Leaf & Yard Waste weekly collection program in order to provide residents with multiple opportunities to dispose of their tree branches.

Removal of tree stumps is expected to start in late June

As a result of the vast number of tree removals that have occurred, a large number of tree stumps remain throughout the City. Forestry is preparing a large contract for stump removals to start in 2014. Tree stumps fronting residential properties will be given priority. In past practice, stumps were left to serve as a means of locating an area for re-planting. As the replanting plan is proposed to be a multi-year project, it is in the City's best interest to remove the stumps prior to replanting in order to avoid safety issues and improve aesthetics. It is anticipated that stump removal will commence by the end of June and continue throughout the summer/fall. The stumped locations will be top dressed with topsoil and seeded.

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 24. 2014

Item 6, Finance Report No. 8 - Page 4

The number of tree removals and pruning activities has created a significant amount of woodchips (mulch) that will be available for City and public use

As a result of the number of tree removals and pruning activities, approximately 11 years of woodchips has been produced. In Phase 2 of the clean-up operation, five storage locations were established throughout the City. City staff are working to move, process, and store this material.

Recognizing that the City could not utilize all of the woodchips being produced, woodchip was transported to the Miller composting site throughout February. The remaining material is being stockpiled at the City's five (5) storage facilities, and will be utilized in the following ways:

- 5 Scheduled Environmental Days (April to September 2014);
- Additional Self-serve Mulch Give-a-ways at selected City facilities (May-October 2014, pending community response);
- Mulching of City trees and woodlot trails throughout the city;
- Mulching of City shrub beds (boulevards & parks); and
- Schools and/or Community Requests.

A Request for Proposal for the utilization of the logs and a portion of the wood chip will be developed to reduce shipping and processing costs. The proposal will target the removal of all of the material from the Dufferin Works Yard by October 1st, 2014. This will facilitate the space requirements for snow equipment for the upcoming winter operations.

To date, there are over 39,000 urban forest and street tree related work orders that require entry or updating into the JDE/CTS work order system as a result of the ice storm

City staff relies on the City's JDE/CTS work order system for all scheduled and routine forestry work. Recognizing the importance of accurate information for crews to be efficient, four (4) additional temporary administration staff were hired to assist with data entry and updating of all of the Forestry related work orders. The total cost of \$80K is included in the total Ice Storm related costs of \$18.1M. Due to the volume of work to be entered and/or updated, it is anticipated that it will take until late Fall, at minimum, for this database to be completed. Until this clerical function is complete, information and status updates concerning a specific property will not be available.

Provincial Ice Storm Assistance Program

In February 2014, the Province of Ontario announced \$190M of one-time funding to help 32 municipalities pay for the repair and clean-up of damage related to the ice storm through the Ice Storm Assistance Program. In April 2014, the province provided more detailed guidelines on the timing of the Program, the requirements for record keeping and reporting, and the eligibility and non-eligibility of specific cost categories.

The timing of the phases of the Provincial are:

- May 2014: Release of Program Guidelines. This will include detailed instructions, expression of interest forms and claim forms.
- June 16, 2014: Deadline for Expression of Interest Submissions. Municipalities are required to provide an expression of interest along with proof of damage, Council motions, media reports, weather data etc.
- Eligible costs incurred up June 22, thereafter will be considered on a case by case basis.
- October 31, 2014: Deadline for Claims Submission. Municipalities are required to submit details of all costs along with supporting documentation.

Attachments #1 and #2 show the Ice Storm Factsheet and FAQ, respectively, as provided by the Provincial Government.

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 24. 2014

Item 6, Finance Report No. 8 - Page 5

Regional Implications

It should be noted, that depending on the results of the Ontario Provincial Election in June 2014, the timing and components of the Provincial Ice Storm Assistance Program may change.

Relationship to Vaughan Vision 2020/Strategic Plan

In consideration of the strategic priorities related to Vaughan Vision 2020, the actions to date provide:

- STRATEGIC GOAL:
 Service Excellence Providing service excellence to citizens.
- STRATEGIC OBJECTIVES:
 Pursue Excellence in Service Delivery, Enhance and Ensure Community Safety and Health and Wellness To deliver high quality services and to promote health and

wellness through design and program.

The Region is responsible for all trees planted within the Region's road allowance. As such, there are no implications on trees maintained by the Region as a result of this report.

City staff continues to work with the Region to create strategies, and look at shared resource opportunities wherever possible to reduce costs and increase efficiencies. Other municipalities impacted by the ice storm are also experiencing similar challenges regarding funding and timing of tree replacement.

Conclusion

The December 2013 ice storm created significant pressure on winter operations and significant damage to the City's tree canopy, and has resulted in an additional 39,000 forestry related work orders to date in addition to initial emergency response operations that impacted almost all City departments.

Clean-up operations are still underway, and will continue for a number of months.

The Ministry has confirmed that the City's By-Laws 001-2014 and 78-2010 as well as the Council Resolution requesting the City be designated a Disaster Area, meet the fund's requirements to move the process forward and obtain grant funds to partially cover the costs of the damage relating to the ice storm. Further, staff is researching additional grant opportunities to leverage funding where available to assist with the non-eligible costs under this program, such as tree canopy replacement.

Attachments

Attachment #1: Ontario Ice Storm Assistance Factsheet

Attachment #2: Provincial Ice Storm Assistance Program – Frequently Asked Questions

Report prepared by:

Jeffrey Silcox-Childs, Manager of Parks Services, Ext. 6140 Brian T. Anthony, Director of Public Works, Ext. 6116 Howard Balter, Manager of Financial Planning and Analysis, Ext. 8338

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)

FINANCE, ADMINISTRATION AND AUDIT COMMITTEE - JUNE 16, 2014

2013 ICE STORM STATUS UPDATE

Recommendation

The Commissioner of Engineering and Public Works and the Commissioner of Finance and City Treasurer, recommend:

1. That the 2013 Ice Storm Status Update Report be received.

Contribution to Sustainability

The report on the impact of the ice storm on the City is intended to provide Council with an overview of the operations to date and the financial impact of these operations.

This report is consistent with the Green Directions Vaughan, Community Sustainability Environmental Master Plan, specifically, Goal 2, Objective 2.2: "To develop Vaughan as a City with maximum green space and an urban form that supports our expected population growth by providing strategies for achieving our urban forest targets which include; planning, maintenance, species and planting recommendations."

Economic Impact

The total financial impact associated with the December 2013 ice storm is estimated at \$18.1 million

The estimate of costs relating to the 2013 Ice Storm is \$18.1M. This includes the initial emergency response, the ongoing clean-up of damage to City property and the future tree canopy replacement. Almost all City departments were involved in the Ice Storm response, with the largest financial impact seen in the Parks and Forestry Operations area (\$17.1M) followed by PW Winter Control (\$597K). There were also Ice Storm related costs in Building and Facilities, Fleet, Fire Services, Emergency Management, Recreation, By-law & Compliance and other.

Nearly \$1.0M of Ice Storm related costs were included in the City's 2013 financial results. In order to mitigate the impact on the overall City's financial position, \$0.7M of funding was taken from the City's Winterization reserve in 2013 to cover winter operations related activity.

A special meeting of Council was held on January 14, during which a presentation was made regarding damage and financial impacts of the December Ice Storm and the Ontario Disaster Relief Program requirements for funding under the Ice Storm Fund. As a result of the presentation, Council approved the following:

- 1. By-Law 001-2014, to direct and authorize staff to undertake all actions necessary to meet the fund requirements, be enacted and
- 2. A Resolution requesting the Minister of Municipal Affairs and Housing declare the City of Vaughan a Disaster Area per the Ice Storm Fund requirements.

Staff have confirmed with the Ministry that the aforementioned documents, along with the City's Signing By-Law 78-2010, meet the program requirements to move the process forward without the need for further Council resolutions or approvals. Next steps include staff preparing the Expression of Interest (EOI) for submission by the June 16, 2014 deadline and submitting the Claims for partial cost recovery by October 31, 2014.

While provincial funding is expected to offset some of the initial storm response and cleanup costs, that funding will not cover the full costs, or "missed opportunity" costs. Provincial funding is

focused solely on the initial response and clean-up efforts. Overtime and contractor costs are recoverable under the current funding proposal, but capital tree replacement costs, and staff labour costs, outside of overtime, are not eligible for funding under the Ontario Ice Storm Assistance Program.

Tree replacement costs, which are not included in the provincial funding package, are estimated to be \$7.2 million. Replacements are normally funded through taxation, with a nominal contribution from reserve. Staff is researching additional grant opportunities to leverage funding where available to assist with the non-eligible costs tree canopy replacement. Other "missed opportunity" costs which are not incorporated include: delays to regularly scheduled tree maintenance, administrative costs and lieu time accumulation.

Communications Plan

Over the next few years, annual reports will be provided to Council, outlining the progress of the tree replacement plans throughout the City

Currently, information about the clean-up operation is being delivered to the residents throughout the City of Vaughan through the City's website, as well as via Public Works' Spring/Summer Newsletters and mobile signage. In addition, Corporate Communications is assisting with social media updates, PSA's and responses.

The City's website hosts the online tool, which is designed to provide details on past activities, and will provide detailed information with respect to the future replanting plans. It also has the most up to date question and answer section of the website in order to satisfy resident inquiries and concerns.

Purpose

To provide Council with a financial update report of the impact of the 2013 Ice Storm.

Background - Analysis and Options

On December 22, 2013 the City of Vaughan was impacted by one of the worst ice storms documented in Ontario. Staff in many departments, together with contracted crews, went into action immediately, dealing with fallen trees and the related full road blockages, salting and clearing of roads and pathways, staffing of emergency warming centres etc.

The financial impact associated with the December 2013 ice storm is estimated at \$18.1M

The City's emergency operations for the clean-up are based on a four phase approach. The estimated costs associated with each phase are noted below.

Phases 1 & 2:	Emergency Response, Initial clean-up and removal of dangerous trees/branches	\$5.5 million
Phase 3:	Clean-up of large tree branches (a) First Rotation (b) Second Rotation (c) Stump Removal	\$3.5 million \$0.6 million \$1.3 million
Phase 4:	Re-planting of Trees City Wide* (Residential, Industrial, Commercial and Arterial) Note: Ineligible for Ice Storm Assistance Program	\$7.2 million
Total		\$18.1 million

(*includes pruning and tree planting)

Although the storm took place over 5 months ago, the clean-up work continues to this day. The following details the urban forest and street tree work in the four stage approach taken in response to the ice storm:

Phase 1 (December 21 – December 28, 2013) focused on emergency work, such as providing emergency access to roads and driveways that were completely blocked with trees or branches. Streets were cleared to provide one lane of traffic to allow access for emergency vehicles and residents. Emergency warming centres were operational in response to power outages.

Phase 2 (December 28, 2013 – March 31, 2014) focused on storm clean-up operations. Streets were prioritized based on hazards, blockages and access to roads, driveways and sidewalks. As part of the clean-up operation, staff and contractors also removed Emerald Ash Borer infested trees which had been previously identified for removal. Trees in parks, woodlots and open spaces were assessed and hazards were addressed.

Phase 3 (April 1 – approx. June 15) is focusing on large tree limb collection, and is partnered with the City's Leaf & Yard Waste collection program. Within this phase, Forestry operations includes pruning and removal work in parks, woodlots and open spaces, and flush cutting the larger tree trunks on City boulevards to grade.

Phase 4 (commencing approx. June 15 and ongoing) will include regular street tree pruning, tree maintenance, regular tree replacement program, as well as City-wide stump removals. The annual budget for Tree planting (including the Emerald Ash Borer program) is \$1.0M as included in the 2014-17 Budget and Financial Plan. Note that this amount is for regular tree replacement. Tree replacement related to the ice storm will be over and above the current budgeted amount.

Due to the late arrival of spring, contractors will provide two passes of the City to collect both public and private tree branches and debris

Residents were requested to bring their tree branches to the curb for pickup by March 31, 2014 with the intent of having a single pass through the City to collect all the tree branches. Approximately 61 crews started on April 2, collecting the large branches. Due to the later than normal arrival of spring weather, many residents were unable to access their yards by the March 31 deadline. As such, a second pass is required, and was scheduled to commence May 12. As was previously noted, this phase coincides with the City's Leaf & Yard Waste weekly collection program in order to provide residents with multiple opportunities to dispose of their tree branches.

Removal of tree stumps is expected to start in late June

As a result of the vast number of tree removals that have occurred, a large number of tree stumps remain throughout the City. Forestry is preparing a large contract for stump removals to start in 2014. Tree stumps fronting residential properties will be given priority. In past practice, stumps were left to serve as a means of locating an area for re-planting. As the replanting plan is proposed to be a multi-year project, it is in the City's best interest to remove the stumps prior to replanting in order to avoid safety issues and improve aesthetics. It is anticipated that stump removal will commence by the end of June and continue throughout the summer/fall. The stumped locations will be top dressed with topsoil and seeded.

The number of tree removals and pruning activities has created a significant amount of woodchips (mulch) that will be available for City and public use

As a result of the number of tree removals and pruning activities, approximately 11 years of woodchips has been produced. In Phase 2 of the clean-up operation, five storage locations were established throughout the City. City staff are working to move, process, and store this material.

Recognizing that the City could not utilize all of the woodchips being produced, woodchip was transported to the Miller composting site throughout February. The remaining material is being stockpiled at the City's five (5) storage facilities, and will be utilized in the following ways:

- 5 Scheduled Environmental Days (April to September 2014);
- Additional Self-serve Mulch Give-a-ways at selected City facilities (May-October 2014, pending community response);
- Mulching of City trees and woodlot trails throughout the city;
- Mulching of City shrub beds (boulevards & parks); and
- Schools and/or Community Requests.

A Request for Proposal for the utilization of the logs and a portion of the wood chip will be developed to reduce shipping and processing costs. The proposal will target the removal of all of the material from the Dufferin Works Yard by October 1st, 2014. This will facilitate the space requirements for snow equipment for the upcoming winter operations.

To date, there are over 39,000 urban forest and street tree related work orders that require entry or updating into the JDE/CTS work order system as a result of the ice storm

City staff relies on the City's JDE/CTS work order system for all scheduled and routine forestry work. Recognizing the importance of accurate information for crews to be efficient, four (4) additional temporary administration staff were hired to assist with data entry and updating of all of the Forestry related work orders. The total cost of \$80K is included in the total Ice Storm related costs of \$18.1M. Due to the volume of work to be entered and/or updated, it is anticipated that it will take until late Fall, at minimum, for this database to be completed. Until this clerical function is complete, information and status updates concerning a specific property will not be available.

Provincial Ice Storm Assistance Program

In February 2014, the Province of Ontario announced \$190M of one-time funding to help 32 municipalities pay for the repair and clean-up of damage related to the ice storm through the Ice Storm Assistance Program. In April 2014, the province provided more detailed guidelines on the timing of the Program, the requirements for record keeping and reporting, and the eligibility and non-eligibility of specific cost categories.

The timing of the phases of the Provincial are:

- May 2014: Release of Program Guidelines. This will include detailed instructions, expression of interest forms and claim forms.
- June 16, 2014: Deadline for Expression of Interest Submissions. Municipalities are required to provide an expression of interest along with proof of damage, Council motions, media reports, weather data etc.
- Eligible costs incurred up June 22, thereafter will be considered on a case by case basis,
- October 31, 2014: Deadline for Claims Submission. Municipalities are required to submit details of all costs along with supporting documentation.

Attachments #1 and #2 show the Ice Storm Factsheet and FAQ, respectively, as provided by the Provincial Government.

It should be noted, that depending on the results of the Ontario Provincial Election in June 2014, the timing and components of the Provincial Ice Storm Assistance Program may change.

Relationship to Vaughan Vision 2020/Strategic Plan

In consideration of the strategic priorities related to Vaughan Vision 2020, the actions to date provide:

STRATEGIC GOAL:
 Service Excellence – Providing service excellence to citizens.

• STRATEGIC OBJECTIVES:

Pursue Excellence in Service Delivery, Enhance and Ensure Community Safety and Health and Wellness – To deliver high quality services and to promote health and wellness through design and program.

Regional Implications

The Region is responsible for all trees planted within the Region's road allowance. As such, there are no implications on trees maintained by the Region as a result of this report.

City staff continues to work with the Region to create strategies, and look at shared resource opportunities wherever possible to reduce costs and increase efficiencies. Other municipalities impacted by the ice storm are also experiencing similar challenges regarding funding and timing of tree replacement.

Conclusion

The December 2013 ice storm created significant pressure on winter operations and significant damage to the City's tree canopy, and has resulted in an additional 39,000 forestry related work orders to date in addition to initial emergency response operations that impacted almost all City departments.

Clean-up operations are still underway, and will continue for a number of months.

The Ministry has confirmed that the City's By-Laws 001-2014 and 78-2010 as well as the Council Resolution requesting the City be designated a Disaster Area, meet the fund's requirements to move the process forward and obtain grant funds to partially cover the costs of the damage relating to the ice storm. Further, staff is researching additional grant opportunities to leverage funding where available to assist with the non-eligible costs under this program, such as tree canopy replacement.

Attachments

Attachment #1: Ontario Ice Storm Assistance Factsheet

Attachment #2: Provincial Ice Storm Assistance Program - Frequently Asked Questions

Report prepared by:

Jeffrey Silcox-Childs, Manager of Parks Services, Ext. 6140 Brian T. Anthony, Director of Public Works, Ext. 6116 Howard Balter, Manager of Financial Planning and Analysis, Ext. 8338

Respectfully submitted,

Paul Jankowski, P. Eng. Commissioner of Engineering and Public Works John Henry, CPA, CMA Commissioner of Finance and City Treasurer

Ontario Ice Storm Assistance Program

MAY 2014 PROGRAM UPDATE

Ontario is helping municipalities and conservation authorities affected by the December 2013 ice storm by implementing the Ice Storm Assistance Program. Eligible response and recovery costs must be clearly linked to the ice storm, be incremental to standard operating budgets and incurred to protect public health and safety or to secure access to public roads, sidewalks or frequently travelled routes.



PLEASE NOTE SOME UPDATED TIMELINES

Deadline for Expression of Interest (June 16, 2014)

- All claimants must submit an expression of interest with evidence to support ice damage and estimates of eligible costs.
- If a request for assistance was made previously under the Ontario Disaster Relief Assistance Program (ODRAP), the claimant is still required to submit an expression of interest with supporting evidence and an up-to-date estimate of eligible costs.
- As part of the expression of interest, municipalities are requested to confirm that authority is delegated to the
 municipal treasurer, chief administrative officer or equivalent senior staff person to submit and attest to the
 accuracy of the costs claimed.
- Please retain documentation of the delegation on file for audit purposes.

Target Date for Incurring Eligible Program Costs (June 22, 2014)

- Response and recovery costs should be incurred by June 22, 2014, six months after the storm.
- Due to the long winter, late spring thaw and a shortage of skilled labour in some areas, the Ministry will
 consider costs that are incurred after June 22, 2014 on a case-by-case basis. Applicants will need to
 demonstrate that the recovery work could not be completed within the six-month time frame and that work is
 demonstrably linked to the December 2013 ice storm.
- The longer the time between the disaster event and the recovery work, the more difficult it may be to establish a causal link to the ice storm event. Establishing a link between the damage suffered and the December 2013 ice storm will also become especially difficult if another extreme weather event occurs before work is completed.

Release of Program Guidelines and Claim Forms (Summer 2014)

- Detailed program guidelines and claim forms will be distributed to municipalities and conservation authorities to prepare full claims in summer 2014.
- Technical assistance will be available to address claimant questions on claims preparation.

Deadline for Claim Submissions (October 31, 2014)

- Full claims must be supported by detailed documentation such as copies of damage reports, invoices, time sheets demonstrating paid overtime, proof of payment and proof that work was completed. Supporting documentation requirements will be explained in the program guidelines.
- All claims must be verified and signed by the the individual with the appropriate delegation of authority.



NEXT STEPS FOR SUBMITTING AN EXPRESSION OF INTEREST

- Fill in the form provided and submit it by June 16, 2014.
- Ensure that the municipality passes a council resolution seeking provincial assistance for the ice storm. If an
 ODRAP resolution was already passed, it will be accepted for this program and a new resolution is not
 required. Municipalities that want to apply, but have not passed a resolution, must pass a council resolution
 before seeking funding under the Ice Storm Assistance Program and submit that resolution with the
 expression of interest.
- Ensure that the municipal council has delegated authority to the municipal treasurer, chief administrative officer or equivalent senior staff person to submit claims on behalf of the municipality.
- Maintain detailed documentation to prove eligible costs, including tracking ice storm costs separately from normal operating costs in your financial system.
- Please retain all documentation on ice storm costs including invoices and detailed time sheets, and ensure that
 documents are marked as ice storm-related. Ensure that you keep original files to avoid future problems at the
 audit stage.

ELIGIBLE AND INELIGIBLE COSTS

The list below provides examples of types of eligible and ineligible costs under the Ice Storm Assistance Program. The list is not exhaustive. When preparing detailed claims, all applicants should refer to the program guidelines that will be available in summer 2014 for more detailed information.

Eligible Costs Ineligible Costs ✓ Incremental costs of immediate emergency Regular public sector salaries, even for those staff response, such as setting up warming centres. assigned to ice storm work during regular hours, ✓ Clean-up of debris including fallen trees and broken are not considered incremental to standard branches on roads, sidewalks and frequently operating budgets. travelled routes to protect public health and safety. * Normal operating expenses, including ✓ Making safe (including removal of trees and tree maintenance budgets of those involved in the limbs) any public infrastructure and public response. facilities, including beaches, zoos and parks, which Recovery costs for work other than to protect constitute a threat to public safety. public health and safety or secure access to public ✓ Incremental costs incurred to provide the essential roads, sidewalks or frequently travelled routes. services, equipment, material and labour required to **Emergency** service costs related to routine sustain the operability of public infrastructure. incident management functions, as opposed to ✓ Incremental costs of staff for overtime work on ice incremental costs of responding to broader storm response and recovery. disaster consequences. ✓ Backfilling contracts where temporary staff was * Tree replacement or tree canopy restoration. required to perform the work of staff who were **x** Costs of restoring or replacing insured items. deployed to ice storm work. Loss of income, wages, profits and/or revenue, Repairs or replacement to pre-disaster condition of loss of opportunity or inconvenience. municipal and conservation authority infrastructure Costs incurred by local electricity distribution and equipment damaged as a result of the ice storm. companies. Incremental costs of appraising and estimating damage.

If you have questions on the Ice Storm Assistance Program, please e-mail <u>icestorm.program@ontario.ca</u> or contact your local <u>Municipal Services Office</u>.

Provincial Ice Storm Assistance Program – Frequently Asked Questions

1. What's the Ice Storm Assistance Program?

The Ice Storm Assistance Program is a one-time special program designed to help municipalities and conservation authorities with damage as a result of the December 2013 ice storm. The damage must be a result of ice. Eligible costs are incremental, ice-damage related costs incurred to protect public health and safety, and to provide access to municipal roads, sidewalks and frequently travelled routes.

While the Ice Storm Assistance Program was established to respond to the storm of December 2013, the Ontario Disaster Relief Assistance Program continues to exist and we will continue to give careful consideration to requests under that program in response to other natural disasters.

2. What does the program cover?

The Ice Storm Assistance Program covers incremental, ice-damage related costs for emergency response and recovery, including debris clean-up to protect public health and safety.

Examples of eligible costs include:

- ✓ Incremental costs of immediate emergency response, such as setting up warming centres.
- ✓ Clean-up of debris including fallen trees and broken branches on roads, sidewalks and frequently travelled routes to protect public health and safety.
- ✓ Incremental costs incurred to provide the essential services, equipment, material and labour required to sustain the operability of public infrastructure.
- ✓ Incremental costs of staff for overtime work and for temporary contract staff to manage ice storm response and clean-up.

Examples of ineligible costs include:

- Regular public sector salaries.
- Normal operating expenses, including maintenance budgets of those involved in the response.
- Emergency service costs related to routine incident management functions, as opposed to incremental costs of responding to broader disaster consequences.
- **x** Tree replacement or tree canopy restoration.
- Costs of restoring or replacing items that were insured or insurable. Under the program, "insurable" means that insurance coverage for a specific hazard for the municipality or conservation authority was available in the area at reasonable cost.
- Loss of income, wages, profits and/or revenue, loss of opportunity or inconvenience. Costs incurred by local electricity distribution companies.

3. How is the Province going to determine how much financial assistance each municipality or conservation authority will be getting?

There is no fixed amount being made available to each municipality or conservation authority. Assistance amounts will be dependent on the impact of ice damage sustained and the

submission of eligible claims. The costs of damage should be clearly documented and supported with evidence. Assessment of claims under the program will be based on this documentation.

4. How do municipalities apply for ice storm assistance funding?

The process municipalities must follow in applying for ice storm assistance funding is:

- 1. After reviewing the program guidelines that will be released in May, municipalities that wish to apply must submit an expression of interest with evidence to support ice damage (e.g. media reports, photos, reports submitted to council outlining response, evidence of power outages, weather data, etc.) and estimates of eligible ice storm costs incremental to regular budgets.
- 2. Expressions of interest will not be accepted until after the release of program guidelines, information and forms in May 2014. The deadline for expressions of interest is June 16, 2014.
- 3. Municipal applicants that did not previously submit a resolution seeking assistance through the Ontario Disaster Relief Assistance Program (ODRAP) must submit a resolution from council seeking provincial assistance for the ice storm with the expression of interest.
- 4. Municipalities must ensure that all incremental costs incurred as a result of emergency response or recovery costs to protect public health and safety are documented separately in their financial system and clearly labeled as ice storm-related.
- 5. As part of the expression of interest, municipalities will be requested to confirm that authority is delegated to the treasurer to submit claims on behalf of the municipality.
- 6. The Province will review all expressions of interest to determine whether the applicant was impacted by ice and is eligible to submit a claim for assistance under the program.
- 7. All claims must be submitted by August 31, 2014.
- 8. The Province will review all claims, and make payments as appropriate after claims have been submitted, reviewed and approved.

5. How do conservation authorities apply for ice storm assistance funding?

The process conservation authorities must follow in applying for ice storm assistance funding is:

- After reviewing the program guidelines that will be released in May, conservation
 authorities that wish to apply must submit an expression of interest with evidence to
 support ice damage (e.g. media reports, photos, reports submitted to council outlining
 response, evidence of power outages, weather data, etc.) and estimates of eligible ice
 storm costs incremental to regular budgets.
- 2. Expressions of interest will not be accepted until after the release of program guidelines, information and forms in May 2014. The deadline for expressions of interest is June 16, 2014.
- 3. All applicants must ensure that all incremental costs incurred as a result of emergency response or recovery costs to protect public health and safety, are documented separately in their financial system and clearly labeled as ice storm-related.
- 4. The Province will review all expressions of interest to determine whether the applicant was impacted by ice and is eligible to submit a claim for assistance under the program.
- 5. All claims must be submitted by August 31, 2014.

6. The Province will review all claims, and draft agreements and make payments as appropriate after claims have been submitted, reviewed and approved.

6. When will more information be available on the Ice Storm Assistance Program?

On April 9, 2014, the Province released preliminary information to municipalities and conservation authorities that may have been severely impacted by the December 2013 ice storm. The information included a letter and a factsheet that outlined the program timeline, next steps and a sample of eligible and ineligible costs.

We are currently developing program guidelines, which will be made available along with claim forms in May 2014. In the meantime, please contact your regional <u>Municipal Services Office</u> for more information.

7. What's the deadline for applying for assistance under this program?

The program will be administered in two stages. First, municipalities and conservation authorities that suffered extraordinary damage as a result of ice must submit an expression of interest by June 16, 2014. The expression of interest must include evidence to demonstrate the extent of ice damage (e.g. media reports, photos, reports submitted to council outlining response, evidence of power outages, weather data, etc.) and estimates of eligible ice storm costs incremental to regular budgets. Municipalities must also submit a copy of their council resolution to pursue ice storm funding with the expression of interest.

The Province will review all expressions of interest and will determine the eligibility of municipalities and conservation authorities to submit a full, detailed claim for assistance.

In the second phase, the deadline for claim submissions is August 31, 2014.

8. When are municipalities and conservation authorities going to receive this funding?

The submission deadline for ice-damage related claims is August 31, 2014. Claims will then be reviewed for eligibility. It is expected this process will take some time due to the volume of claims and associated documentation. Payments will be made as claims are reviewed and approved, and grant agreements are executed between the Province and municipalities and conservation authorities.

9. How long after the ice storm event can costs be incurred?

We are aware that many municipalities and conservation authorities are still cleaning up after the ice storm to protect health and safety. Expenses can be incurred until June 22, 2014 to be considered eligible – that is 6 months after the ice storm.

10. If my municipality already passed an Ontario Disaster Relief Assistance Program (ODRAP) resolution to seek assistance for the ice storm, do we need to pass another one to be eligible for the Ice Storm Assistance Program?

No. If the municipal council already passed a resolution to seek assistance for the December 2013 ice storm under ODRAP, it is not required to pass another resolution.

11. My municipality did not pass a council resolution to pursue ice storm funding – can we still apply?

Yes. Municipalities that suffered damage as a result of ice can still pass a resolution from Council to pursue assistance under this program. This resolution must be submitted with the expression of interest along with evidence to support ice damage (e.g. media reports, photos, reports submitted to council outlining response, evidence of power outages, weather data, etc.) and estimates of eligible ice storm costs incremental to regular budgets.

If council has already passed a resolution for ODRAP assistance for the December 2013 ice storm, it is not necessary to pass a second resolution.

12. Do all applicants have to delegate authority to the treasurer to be eligible to submit claims?

We recommend that municipal applicants delegate authority to the municipal treasurer in order to ensure that there is no delay in claim submissions arising from the municipal elections period. As part of the expression of interest, municipalities will be requested to confirm that authority is delegated to the treasurer.

13. Does this program cover tree replacement or tree canopy restoration?

No. The Ice Storm Assistance Program will not cover tree replacement or canopy restoration.

The program will reimburse costs incurred as a result of immediate emergency response, such as setting up warming centres, and for the subsequent clean-up of debris such as fallen trees and broken branches necessary to protect public health and safety or to allow access to roads, sidewalks and frequently travelled routes.

14. What is the Province doing to help homeowners with tree replacement and canopy restoration?

Although tree replacement and canopy restoration costs are not covered under the Ice Storm Assistance Program, the government has committed to help revitalize the tree canopy in the storm area through a public education and outreach program through the Ministry of Natural Resources (MNR). Through this program, MNR will work with Forests Ontario to provide the public with tree maintenance tips, education on the benefits of having a healthy, diverse tree canopy, and information on the benefits of planting native trees.

15. Can municipalities or conservation authorities apply for assistance under both ODRAP and the Ice Storm Assistance Program for this ice storm?

No. Applicants seeking assistance for ice damage resulting from the December 2013 ice storm should apply to the Ice Storm Assistance Program. Funding will not be made available through the Ontario Disaster Relief Assistance Program (ODRAP) for costs resulting from the December 2013 ice storm.

If a municipality is seeking assistance following a different natural disaster, then they should seek assistance through the Ontario Disaster Relief Assistance Program.

16. Can municipalities or conservation authorities apply for federal funding too?

No. The federal government will not accept requests for assistance submitted directly by municipalities or conservation authorities. Any requests for ice storm relief assistance must be made to the provincial government.

The Province is working with the federal government for cost-sharing under the Disaster Financial Assistance Arrangements.