

**DATE:** October 15, 2020

**FILE:** 1750-25\_2021

**TO:** Chair and Directors  
Regional District Board

**FROM:** Russell Dyson  
Chief Administrative Officer

Supported by Russell Dyson  
Chief Administrative Officer

***R. Dyson***

**RE: Grant Revenue Anticipation Borrowing Bylaw No. 598, 2020 - extension**

**Purpose**

To provide the Comox Valley Regional District (CVRD) Board with the supporting background and a recommendation that the repayment date of November 30, 2020, identified in Bylaw No. 598, 2020 – Grant Revenue Anticipation Borrowing for the timing delays on the water treatment project, be extended through December 31, 2021.

**Recommendation from the Chief Administrative Officer:**

THAT the Comox Valley Regional District Board approve and amend the repayment date of the Grant Revenue Anticipation Borrowing Bylaw No. 598, 2020 for the water treatment project from November 30, 2020 to December 31, 2021 to provide cash flow management to the end of the project.

**Executive Summary:**

- In November 2018 the CVRD was awarded an Investing in Canada Infrastructure Program (ICIP), grant of \$62.8 million for the design/build of a new \$126 million Comox Valley drinking water treatment system.
- In November 2019 the CVRD secured a grant revenue anticipation borrowing bylaw (Bylaw 598), loan through the Municipal Financing Authority (MFA), in the amount of \$55.5 million to bridge the cash flow gap between submitting grant claims to the ICIP and the subsequent payment of the claims which is typically a lag of 3 months.
- A grant revenue anticipation bylaw is only valid for the current year and a new bylaw must be adopted each year. Therefore, this formal amendment to extend the repayment date on the bylaw ensures that the CVRD can continue to manage the timing delay in receiving significant grant claims on this project outside of operational cash flow management.

During 2020 the CVRD has drawn \$15.1 million on this loan and has received \$12 million in claims reimbursement to date with an average payback period of just over 3 months. Extending the repayment date to include 2021, aligns with the expected completion date for the water treatment plant in 2021.

Prepared by:

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Concurrence:

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