

**METRO VANCOUVER REGIONAL DISTRICT  
FINANCE AND INTERGOVERNMENT COMMITTEE**

**REGULAR MEETING**

**Friday, October 12, 2018**

**9:00 a.m.**

**28<sup>th</sup> Floor Committee Room, 4730 Kingsway, Burnaby, British Columbia**

**A G E N D A<sup>1</sup>**

**1. ADOPTION OF THE AGENDA**

**1.1 October 12, 2018 Regular Meeting Agenda**

That the Finance and Intergovernment Committee adopt the agenda for its regular meeting scheduled for October 12, 2018 as circulated.

**2. ADOPTION OF THE MINUTES**

**2.1 September 20, 2018 Regular Meeting Minutes**

That the Finance and Intergovernment Committee adopt the minutes of its regular meeting held September 20, 2018 as circulated.

**3. DELEGATIONS**

**4. INVITED PRESENTATIONS**

**4.1 Christine Dacre, Vice President Financial Services and Jeevan Tiwana, Manager Capital Assets and Government Funding, TransLink**

Subject: 2018 Greater Vancouver Regional Fund Application and Semi-annual Report

**4.2 Linda Lupini, Executive Vice President, BC Emergency Health Services**

Subject: E-Comm and British Columbia Emergency Health Services – City of Delta Request

**4.3 Oliver Grüter-Andrew, President and CEO, E-Comm**

Subject: E-Comm and British Columbia Emergency Health Services – City of Delta Request

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<sup>1</sup> Note: Recommendation is shown under each item, where applicable.

## 5. REPORTS FROM COMMITTEE OR STAFF

### 5.1 Financial Management Policy

*Designated Speaker: Phil Trotzok, Chief Financial Officer*

That the MVRD, GVWD, GVS&DD and MVHC Board approve the *Financial Management Policy* as presented in the attached report dated September 26, 2018, titled "Financial Management Policy".

### 5.2 2019 - 2023 Financial Plan – Regional District Service Areas

*Designated Speaker: Carol Mason, Commissioner/Chief Administrative Officer and Phil Trotzok, Chief Financial Officer/General Manager, Financial Services*

That the Finance and Intergovernment Committee endorse the 2019 - 2023 Financial Plan for the Regional District Service Areas as presented in the report "2019 - 2023 Financial Plan – Regional District Service Areas" dated September 26, 2018 and forward it to the Board Budget Workshop on October 17, 2018 for consideration.

### 5.3 2019 - 2023 Financial Plan – Centralized Support Program

*Designated Speaker: Carol Mason, Commissioner/Chief Administrative Officer and Phil Trotzok, Chief Financial Officer/General Manager, Financial Services*

That the Finance and Intergovernment Committee endorse the 2019 - 2023 Financial Plan for the Centralized Support Program as presented in the report "2019 - 2023 Financial Plan – Centralized Support Program" dated September 26, 2018 and forward it to the Board Budget Workshop on October 17, 2018 for consideration.

### 5.4 TransLink Application for Federal Gas Tax Funding from the Greater Vancouver Regional Fund for 2020 Fleet Expansion and Modernization

*Designated Speaker: Raymond Kan, Regional Planner II, Parks, Planning and Environment*

That the MVRD Board:

- a) approve \$142.10 million in funding from the Greater Vancouver Regional Fund for the following transit projects proposed by TransLink in its *Application for Federal Gas Tax funding from the Greater Vancouver Regional Fund for 2020 Fleet Expansion and Modernization* as attached to the report dated September 25, 2018, titled "TransLink Application for Federal Gas Tax Funding from the Greater Vancouver Regional Fund for 2020 Fleet Expansion and Modernization":
  - i. Project 1 – Year 2020 Double Decker Diesel Bus Purchases for Fleet Replacement
  - ii. Project 2 – Year 2020 Conventional 60-ft Hybrid Bus Purchases and 40-ft Battery Electric Bus Purchases for Fleet Expansion
  - iii. Project 3 – Year 2020 HandyDART Vehicle Purchases for Fleet Replacement
  - iv. Project 4 – Year 2020 HandyDART Vehicle Purchases for Fleet Expansion
  - v. Project 5 – Year 2020 Community Shuttle Vehicle Purchases for Fleet Expansion
- b) direct staff to undertake a review of the *Federal Gas Tax Fund Expenditures Policy*, in consultation with TransLink and the Union of British Columbia Municipalities,

and to report back to the Finance and Intergovernment Committee in 2019 with findings and, where appropriate, recommendations.

**5.5 2018 Greater Vancouver Regional Fund Semi-Annual Report as at June 30, 2018**

*Designated Speaker: Raymond Kan, Regional Planner II, Parks, Planning and Environment*

That the MVRD Board receive for information the report dated September 21, 2018, titled "2018 Greater Vancouver Regional Fund Semi-Annual Report as at June 30, 2018."

**5.6 E-Comm and British Columbia Emergency Health Services – City of Delta Request**

*Designated Speaker: Greg Smith, General Manager, Corporate Services*

That the Finance and Intergovernment Committee receive for information the report dated October 4, 2018, titled "E-Comm and British Columbia Emergency Health Services – City of Delta Request".

**5.7 Consideration of Reducing GVS&DD Development Cost Charges for Student Housing**

*Designated Speaker: Heather McNell, Director, Regional Planning and Electoral Area Services, Parks, Planning and Environment*

That the GVS&DD Board:

- a) approve the reduction of GVS&DD Development Cost Charges for student housing by 50%;
- b) give first, second and third reading to *Greater Vancouver Sewerage and Drainage District Bylaw, No. 322, 2018*; and
- c) pass and finally adopt bylaw *Greater Vancouver Sewerage and Drainage District Bylaw, No. 322, 2018*.

**5.8 Coquitlam River Watershed Roundtable Funding Request**

*Designated Speaker: Laurie Bates-Frymel, Senior Regional Planner, Regional Planning, Parks, Planning and Environment and Jesse Montgomery, Program Manager Environmental Management, Water Services*

That the MVRD Board receive for information the report dated October 1, 2018, titled "Coquitlam River Watershed Roundtable Funding Request" and direct staff to send a letter to the Coquitlam River Watershed Roundtable advising of the requirements to be considered for a multi-year Contribution Agreement.

**5.9 Metro Vancouver Board Strategic Plan – 2018 Update**

*Designated Speaker: Megan Gerryts, Corporate Projects Coordinator, CAO Executive Office*

That the MVRD Board receive for information the report dated October 2, 2018, titled "Metro Vancouver Board Strategic Plan – 2018 Update."

**6. INFORMATION ITEMS**

**6.1 2018 Finance and Intergovernment Committee Work Plan**

**7. OTHER BUSINESS**

**8. BUSINESS ARISING FROM DELEGATIONS**

**9. RESOLUTION TO CLOSE MEETING**

*Note: The Committee must state by resolution the basis under section 90 of the Community Charter on which the meeting is being closed. If a member wishes to add an item, the basis must be included below.*

That the Finance and Intergovernment Committee close its regular meeting scheduled for October 12, 2018 pursuant to the *Community Charter* provisions, Section 90 (1) (i) and (g) as follows:

“90 (1) A part of the meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:  
(i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose;  
(g) litigation or potential litigation affecting the regional district.”

**10. ADJOURNMENT/CONCLUSION**

That the Finance and Intergovernment Committee adjourn/conclude its regular meeting of October 12, 2018.

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Membership:

Louie, Raymond (C) – Vancouver  
Moore, Greg (VC) – Port Coquitlam  
Brodie, Malcolm – Richmond  
Clay, Mike – Port Moody

Corrigan, Derek – Burnaby  
Deal, Heather – Vancouver  
Mussatto, Darrell – North Vancouver City  
Steele, Barbara - Surrey

Stewart, Richard – Coquitlam  
Walton, Richard – North Vancouver District



**METRO VANCOUVER REGIONAL DISTRICT  
FINANCE AND INTERGOVERNMENT COMMITTEE**

Minutes of the Regular Meeting of the Metro Vancouver Regional District (MVRD) Finance and Intergovernment Committee held at 1:06 p.m. on Friday, September 21, 2018 in the 28<sup>th</sup> Floor Committee Room, 4730 Kingsway, Burnaby, British Columbia.

**MEMBERS PRESENT:**

Chair, Councillor Raymond Louie, Vancouver  
 Vice Chair, Mayor Greg Moore, Port Coquitlam  
 Mayor Malcolm Brodie, Richmond  
 Mayor Mike Clay, Port Moody  
 Councillor Heather Deal, Vancouver  
 Mayor Darrell Mussatto, North Vancouver City  
 Councillor Barbara Steele, Surrey  
 Mayor Richard Stewart, Coquitlam  
 Mayor Richard Walton, North Vancouver District

**MEMBERS ABSENT:**

Mayor Derek Corrigan, Burnaby

**STAFF PRESENT:**

Carol Mason, Chief Administrative Officer  
 Janis Knaupp, Legislative Services Coordinator, Board and Information Services

**1. ADOPTION OF THE AGENDA**

**1.1 September 21, 2018 Regular Meeting Agenda**

**It was MOVED and SECONDED**

That the Finance and Intergovernment Committee adopt the agenda for its regular meeting scheduled for September 21, 2018 as circulated.

**CARRIED**

**2. ADOPTION OF THE MINUTES**

**2.1 July 18, 2018 Regular Meeting Minutes**

**It was MOVED and SECONDED**

That the Finance and Intergovernment Committee adopt the minutes of its regular meeting held July 18, 2018 as circulated.

**CARRIED**

**3. DELEGATIONS**

No items presented.

**4. INVITED PRESENTATIONS**

No items presented.

**5. REPORTS FROM COMMITTEE OR STAFF**

**5.1 Asset Management for Housing Corporation Policy**

Report dated September 7, 2018 from the Housing Committee, together with report dated August 30, 2018 from Jade Hume, Housing Maintenance and Capital Planning Program Manager, and Ravi Chhina, Housing Operations Director, Housing Services, seeking MVHC Board approval of the *Asset Management for Housing Corporation Policy*.

Members were provided with live demonstration of the Amaresco software tool being utilized by housing staff to manage housing assets and develop long-term financial planning for the MVHC.

**It was MOVED and SECONDED**

That the MVHC Board approve the *Asset Management for Housing Corporation Policy* as presented in the report dated August 30, 2018, titled "Asset Management for Housing Corporation Policy".

**CARRIED**

**5.2 Asset Management for Liquid Waste Services Policy**

Report dated September 13, 2018 from Peter Navratil, General Manager, and Jennifer Crosby, Management Systems Program Manager, Liquid Waste Services, seeking GVS&DD Board approval of the *Asset Management for Liquid Waste Services Policy*.

**It was MOVED and SECONDED**

That the GVS&DD Board approve the *Asset Management for Liquid Waste Services Policy* as presented in the report dated September 13, 2018, titled "Asset Management for Liquid Waste Services Policy".

**CARRIED**

**5.3 Bowen Island – Support for Rural Designation for Grant Eligibility**

Report dated September 10, 2018 from Dean Rear, Financial Planning and Operations Director, Financial Services, and Marcin Pachcinski, Electoral Area and Environment Division Manager, Parks, Planning and Environment, seeking MVRD Board support to send a letter to the Province of BC in support of designating Bowen Island a rural community for the purposes of provincial and federal rural grant programs.

**It was MOVED and SECONDED**

That the MVRD Board:

- a) write a letter in support of designating Bowen Island as an eligible rural community to:
  - i. the Minister of Forests, Lands, Natural Resource Operations and Rural Development, with respect to the BC Rural Dividend Program;
  - ii. the Minister of Jobs, Trade and Technology, with respect to the Island Coastal Economic Trust; and
  - iii. the federal Minister of Innovation, Science and Economic Development, with respect to Community Futures funding; and
- b) write a letter to the Minister of Forests, Lands, Natural Resource Operations and Rural Development requesting a review of the BC Rural Dividend Fund eligibility criteria which specifically excludes communities within the Metro Vancouver Regional District.

**CARRIED**

**5.4 MVRD Sustainability Innovation Reserve Fund Bylaw No. 1269, 2018**

Report dated September 10, 2018 from Phil Trotzuk, Chief Financial Officer, seeking MVRD Board adoption of *MVRD Sustainability Innovation Fund Reserve Fund Bylaw No. 1269, 2018* for funding costs associated with the *MVRD Sustainability Innovation Fund*.

**It was MOVED and SECONDED**

That the MVRD Board:

- a) give first, second and third reading to *MVRD Sustainability Innovation Fund Reserve Fund Bylaw No. 1269, 2018* being a bylaw to govern the MVRD Sustainability Innovation Fund Reserve; and
- b) pass and finally adopt *MVRD Sustainability Innovation Fund Reserve Fund Bylaw No. 1269, 2018*.

**CARRIED**

**5.5 Regional Geospatial Reference System Reserve Fund Bylaw No. 1270, 2018**

Report dated September 10, 2018 from Phil Trotzuk, Chief Financial Officer, seeking MVRD Board adoption of *Regional Geospatial Reference System Reserve Fund Bylaw No. 1270, 2018*, a bylaw to establish the Geospatial Reference System Reserve as a Statutory Reserve.

**It was MOVED and SECONDED**

That the MVRD Board:

- a) give first, second and third reading to *Regional Geospatial Reference System Reserve Fund Bylaw No. 1270, 2018* being a bylaw to establish the Regional Geospatial Reference System Reserve as a Statutory Reserve; and
- b) pass and finally adopt *Regional Geospatial Reference System Reserve Fund Bylaw No. 1270, 2018*.

**CARRIED**

**5.6 Regional Parks Infrastructure Reserve Fund Bylaw No. 1271, 2018**

Report dated September 12, 2018 from Phil Trotzuk, Chief Financial Officer, seeking MVRD Board adoption of *Regional Parks Infrastructure Reserve Fund Bylaw No. 1271, 2018*, a bylaw to establish the Regional Parks Infrastructure Reserve as a Statutory Reserve.

**It was MOVED and SECONDED**

That the MVRD Board:

- a) give first, second and third reading to *Regional Parks Infrastructure Reserve Fund Bylaw No. 1271, 2018* being a bylaw to establish the Regional Parks Infrastructure Reserve as a Statutory Reserve; and
- b) pass and finally adopt *Regional Parks Infrastructure Reserve Fund Bylaw No. 1271, 2018*.

**CARRIED**

**5.7 Affordable Housing Reserve Fund Bylaw No. 1272, 2018**

Report dated September 10, 2018 from Phil Trotzuk, Chief Financial Officer, seeking MVRD Board adoption of *Affordable Housing Reserve Fund Bylaw No. 1272, 2018*, a bylaw to govern the Affordable Housing Reserve as a Statutory Reserve.

**It was MOVED and SECONDED**

That the MVRD Board:

- a) give first, second and third reading to *Affordable Housing Reserve Fund Bylaw No. 1272, 2018* being a bylaw to govern the Affordable Housing Reserve as a Statutory Reserve; and
- b) pass and finally adopt *Affordable Housing Reserve Fund Bylaw No. 1272, 2018*.

**CARRIED**

**5.8 Corporate Self Insurance Reserve Fund Bylaw No. 1273, 2018**

Report dated September 10, 2018 from Phil Trotzuk, Chief Financial Officer, seeking MVRD Board adoption of *Corporate Self Insurance Reserve Fund Bylaw No. 1273, 2018*, a bylaw to establish the Corporate Self Insurance Reserve as a Statutory Reserve.

**It was MOVED and SECONDED**

That the MVRD Board:

- a) give first, second and third reading to *Corporate Self Insurance Reserve Fund Bylaw No. 1273, 2018* being a bylaw to establish the Corporate Self Insurance Reserve as a Statutory Reserve; and
- b) pass and finally adopt *Corporate Self Insurance Reserve Fund Bylaw No. 1273, 2018*.

**CARRIED**

**5.9 Corporate Fleet Reserve Fund Bylaw No. 1274, 2018**

Report dated September 10, 2018 from Phil Trotzuk, Chief Financial Officer, seeking MVRD Board adoption of *Corporate Fleet Reserve Fund Bylaw No. 1274, 2018*, a bylaw to govern the Corporate Fleet Reserve as a Statutory Reserve.

**It was MOVED and SECONDED**

That the MVRD Board:

- a) give first, second and third reading to *Corporate Fleet Reserve Fund Bylaw No. 1274, 2018* being a bylaw to govern the Corporate Fleet Reserve as a Statutory Reserve; and
- b) pass and finally adopt *Corporate Fleet Reserve Fund Bylaw No. 1274, 2018*.

**CARRIED**

**5.10 Electoral Area Election Reserve Fund Bylaw No. 1275, 2018**

Report dated September 10, 2018 from Phil Trotzuk, Chief Financial Officer, seeking MVRD Board adoption of *Electoral Area Election Reserve Fund Bylaw No. 1275, 2018* being a bylaw to govern the Electoral Area Election Reserve as a Statutory Reserve.

**It was MOVED and SECONDED**

That the MVRD Board:

- a) give first, second and third reading to *Electoral Area Election Reserve Fund Bylaw No. 1275, 2018* being a bylaw to govern the Electoral Area Election Reserve as a Statutory Reserve; and
- b) pass and finally adopt *Electoral Area Election Reserve Fund Bylaw No. 1275, 2018*.

**CARRIED**

**5.11 Liquid Waste Laboratory Equipment Reserve Fund Bylaw No. 316, 2018**

Report dated September 10, 2018 from Phil Trotzuk, Chief Financial Officer, seeking GVS&DD Board adoption of *Liquid Waste Laboratory Equipment Reserve Fund Bylaw No. 316, 2018*, a bylaw to govern the Liquid Waste Laboratory Equipment Reserve.

**It was MOVED and SECONDED**

That the GVS&DD Board:

- a) give first, second and third reading to *Liquid Waste Laboratory Equipment Reserve Fund Bylaw No. 316, 2018* being a bylaw to govern the Liquid Waste Laboratory Equipment Reserve; and
- b) pass and finally adopt *Liquid Waste Laboratory Equipment Reserve Fund Bylaw No. 316, 2018*.

**CARRIED**

**5.12 Liquid Waste Sustainability Innovation Reserve Fund Bylaw No. 317, 2018**

Report dated September 10, 2018 from Phil Trotzuk, Chief Financial Officer, seeking GVS&DD Board adoption of *Liquid Waste Sustainability Innovation Reserve Fund Bylaw No. 317, 2018*, a bylaw to govern the Liquid Waste Sustainability Innovation Fund Reserve as a Statutory Reserve.

**It was MOVED and SECONDED**

That the GVS&DD Board:

- a) give first, second and third reading to *Liquid Waste Sustainability Innovation Reserve Fund Bylaw No. 317, 2018* being a bylaw to govern the Liquid Waste Sustainability Innovation Fund Reserve as a Statutory Reserve; and
- b) pass and finally adopt *Liquid Waste Sustainability Innovation Reserve Fund Bylaw No. 317, 2018*.

**CARRIED**

**5.13 Water Laboratory Equipment Reserve Fund Bylaw No. 249, 2018**

Report dated September 10, 2018 from Phil Trotzuk, Chief Financial Officer, seeking GVWD Board adoption of *Water Laboratory Equipment Reserve Establishment Bylaw No. 249, 2018*, a bylaw to establish Water Laboratory Equipment Reserve as a Statutory Reserve.

**It was MOVED and SECONDED**

That the GVWD Board:

- a) give first, second and third reading to *Water Laboratory Equipment Reserve Establishment Bylaw No. 249, 2018* being a bylaw to establish Water Laboratory Equipment Reserve as a Statutory Reserve; and
- b) pass and finally adopt *Water Laboratory Equipment Reserve Establishment Bylaw No. 249, 2018*.

**CARRIED**

**5.14 Water Sustainability Innovation Fund Reserve Fund Bylaw No. 250, 2018**

Report dated September 10, 2018 from Phil Trotzuk, Chief Financial Officer, seeking GVWD Board adoption of *Water Sustainability Innovation Reserve Fund Bylaw No. 250, 2018*, a bylaw to govern the Water Sustainability Innovation Fund Reserve as a Statutory Reserve.

**It was MOVED and SECONDED**

That the GVWD Board:

- a) give first, second and third reading to *Water Sustainability Innovation Reserve Fund Bylaw No. 250, 2018* being a bylaw to govern the Water Sustainability Innovation Fund Reserve as a Statutory Reserve; and
- b) pass and finally adopt *Water Sustainability Innovation Reserve Fund Bylaw No. 250, 2018*.

**CARRIED**

## 6. INFORMATION ITEMS

### 6.1 2018 Finance and Intergovernment Committee Work Plan

### 6.2 Correspondence dated August 22, 2018 from the Ministry of Municipal Affairs and Housing, regarding Metro Vancouver Voting Structure

Members were informed about a page missing from the agenda package.

#### **Request of Staff**

Staff was requested to repost the September 21, 2018 Finance and Intergovernment Committee regular agenda to the Metro Vancouver website and Directors Network to include the missing page of correspondence.

### 6.3 Correspondence dated August 10, 2018 from Mayor Richard Stewart, City of Coquitlam, regarding funding proposal for the Coquitlam River Watershed Roundtable

### 6.4 Correspondence dated August 29, 2018 from aKd Resource, regarding a review of the Auditor General for Local Government Act and Office

#### **It was MOVED and SECONDED**

That the Finance and Intergovernment Committee receive for information the following Information Items:

6.1 2018 Finance and Intergovernment Committee Work Plan

6.2 Correspondence dated August 22, 2018 from the Ministry of Municipal Affairs and Housing, regarding Metro Vancouver Voting Structure

6.3 Correspondence dated August 10, 2018 from Mayor Richard Stewart, City of Coquitlam, regarding funding proposal for the Coquitlam River Watershed Roundtable

6.4 Correspondence dated August 29, 2018 from aKd Resource, regarding a review of the Auditor General for Local Government Act and Office

**CARRIED**

### 6.3 Correspondence dated August 10, 2018 from Mayor Richard Stewart, City of Coquitlam, regarding funding proposal for the Coquitlam River Watershed Roundtable (Continued)

The Committee revisited Item 6.3 to consider the request from the Cities of Coquitlam and Port Coquitlam for Metro Vancouver to consider providing funding support to the Coquitlam River Watershed Roundtable. Members were informed that the Roundtable are seeking a letter of support from Metro Vancouver to accompany a funding application to the Federal Government at this time.

#### **It was MOVED and SECONDED**

That the Finance and Intergovernment Committee:

- a) refer to staff the correspondence dated August 10, 2018 from the Cities of Coquitlam and Port Coquitlam seeking funding support from Metro

- Vancouver for the Coquitlam River Watershed Roundtable, as presented as Item 6.3 of the September 21, 2018 Committee agenda; and  
b) direct staff to report back to the Committee with recommendations.

**CARRIED**

**7. OTHER BUSINESS**

No items presented.

**8. BUSINESS ARISING FROM DELEGATIONS**

No items presented.

**9. RESOLUTION TO CLOSE MEETING**

**It was MOVED and SECONDED**

That the Finance and Intergovernment Committee close its regular meeting scheduled for September 21, 2018 pursuant to the *Community Charter* provisions, Section 90 (1) (g) as follows:

- “90 (1) A part of the meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:  
(g) litigation or potential litigation affecting the regional district.”

**CARRIED**

**10. ADJOURNMENT/CONCLUSION**

**It was MOVED and SECONDED**

That the Finance and Intergovernment Committee adjourn its regular meeting of September 21, 2018.

**CARRIED**

(Time: 1:35 p.m.)

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Janis Knaupp,  
Legislative Services Coordinator

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Raymond Louie, Chair



To: Finance and Intergovernment Committee

From: Performance and Audit Committee

Date: October 4, 2018

Meeting Date: October 12, 2018

Subject: **Financial Management Policy**

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#### **RECOMMENDATION**

That the MVRD, GVWD, GVS&DD and MVHC Board approve the *Financial Management Policy* as presented in the attached report dated September 26, 2018, titled “Financial Management Policy”.

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At its October 4, 2018 meeting, the Performance and Audit Committee considered the attached report titled “Financial Management Policy”, dated September 26, 2018.

The committee was supportive of the funding approach outlined and endorsed the *Financial Management Policy* as presented with the following comments:

- Noted the importance of having a financial plan that will “get out in front” of the funding burden which will accompany the increasing capital infrastructure requirements ahead;
- Highlighted the need to have a financial plan that is sensitive to rate impacts for current residents;
- Reinforced the request to examine the ability to pursue DCC’s for the GVWD to help pay for future growth.

The matter is now before the Finance and Intergovernment Committee for its consideration.

#### **Attachment:**

“Financial Management Policy”, dated September 26, 2018

27041456

To: Finance and Intergovernment Committee

From: Phil Trotzuk, Chief Financial Officer

Date: September 26, 2018

Meeting Date: October 12, 2018

Subject: **Financial Management Policy**

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### **RECOMMENDATION**

That the MVRD, GVWD, GVS&DD and MVHC Board approve the *Financial Management Policy* as presented in the attached report dated September 26, 2018, titled “Financial Management Policy”.

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### **PURPOSE**

To present for Committee and Board consideration the *Financial Management Policy* which will guide the funding of operating and capital expenditures for Metro Vancouver’s four legal entities.

### **BACKGROUND**

The annual funding of expenditures is an essential component of the financial sustainability of the Metro Vancouver entities. Metro Vancouver has, over the years, followed established practices of funding expenditures annually through the annual budget process. With the projections of increasing expenditures in the region and the development of five and thirty year financial plans, a clear consistent approach to financial management of expenditures is imperative to ensure long-term financial sustainability and maintain a sound financial position.

At the July 18<sup>th</sup> Finance and Intergovernment Committee meeting, staff made a presentation on debt management principles paying particular attention to debt amortization (the period of time over which debt is repaid) and the debt service ratio (the percentage of total annual revenues required to pay annual debt service costs). Building upon the Committee’s feedback and discussion at the meeting, staff have now developed the attached policy for consideration by the Board. If approved, the proposed *Financial Management Policy* will establish the principles that will guide decision making with respect to funding long term operating and capital expenditures for the Greater Vancouver Water District (GVWD), Greater Vancouver Sewerage and Drainage District (GVS&DD), the Metro Vancouver Regional District (MVRD) and the Metro Vancouver Housing Corporation (MVHC).

This report presents the proposed *Financial Management Policy* for the Committee and Board’s consideration.

### **BUILDING FINANCIAL SUSTAINABILITY**

A sound approach to funding operating and capital expenditures is fundamental for an organization to achieve and maintain a position of financial sustainability. This approach includes, not only managing to an appropriate level of expenditures, but also maintaining a responsible combination of funding from annual revenues (pay-as-you-go) and long-term debt funding. Prudent sustainable financial management supports the use of annual revenues to fund all operating expenditures as well as the level of capital (infrastructure) expenditures that are incurred consistently from year to year. Long-term debt funding should only be used for funding those capital expenditures above the

consistent level of annual capital spending. The attached policy supports this approach to financial management.

### **FINANCIAL MANAGEMENT PRINCIPLES**

Under section one of the proposed Policy, the following principles will guide long term financial planning in Metro Vancouver budgeting by establishing the parameters for when expenditures will be funded through 'pay-as-you-go' and when are expenditures more appropriately funded through long term debt:

- Funding of ongoing and recurring expenditures directly in the year in which they are incurred;
- Funding from Reserves in accordance with the *Operating, Statutory and Discretionary Reserves Policy*;
- Funding of expenditures matches the realization of the benefit from those expenditures when expenditures are not ongoing or recurring;
- Consistency with legislative requirements;
- Financial flexibility to meet future financial requirements; and
- Mitigation of current and future financial risk.

The objective is to strike a balance between the ability of ratepayers to 'pay-as-you-go' for necessary operating and capital expenditures and the need to secure long term financing for expenditures with a significant financial burden or that form part of a long term capital infrastructure program. However, it is also critical to ensure that the level of long term borrowing does not exceed accepted fiscal parameters which would result in a greater burden on ratepayers in the long term than the benefit derived by taking on this debt.

### **Debt Service Level and Amortization Period**

The proposed Policy recognizes Metro Vancouver's existing practice of utilizing a 15 year amortization period to fund large capital expenditures. The approach is recognized as a best practice for Metro Vancouver, as a large utility service provider in the region, as the avoidance of debt eliminates the risk associated with fluctuating interest rates, reduces the overall cost to the organization through the savings of interest payments and provides financial capacity should unforeseen funding needs be required. In addition, funding a consistent level of capital expenditures annually provides a measure of generational equality whereby each generation pays their consistent share.

Under the Policy, the principle that pay-as-you-go funding will be gradually increased over time to ensure that the amount of annual revenues required to pay for debt service cost does not exceed 40%. This incremental approach to increasing the pay-as-you-go contributions to offset borrowing will balance the inherent risk associated with increasing borrowing thresholds with the financial flexibility needed to meet financial requirements and manage the regions assets in an affordable manner and consistent with the principles of this Policy.

### **Metro Vancouver Financing**

Section two of the proposed Policy recognizes the existing practice of utilizing the Municipal Finance Authority as the lending agency for MVRD, GVWD and GVS&DD borrowing. The Policy also notes that

short-term financing will use either MFA or internal savings on a short-term basis and that long-term debt will not be procured in advance of incurring capital expenditures, unless authorized by the Board.

The Metro Vancouver Housing Corporation will utilize a combination of funding from the MVHC Development Reserve, traditional mortgage financing and mortgage financing through other levels of government to support its large capital projects. Each project will be evaluated individually on its own merits to determine the appropriate amortization period and debt repayment terms.

## **ALTERNATIVES**

1. That the MVRD, GVWD, GVS&DD and MVHC Board approve the *Financial Management Policy* as presented in the attached report dated September 26, 2018, titled “Financial Management Policy”.
2. That the MVRD, GVWD, GVS&DD and MVHC Board receive for information the report dated September 26, 2018, titled “Financial Management Policy” and provide alternate direction.

## **FINANCIAL IMPLICATIONS**

If the Board approves alternative one, the proposed Policy will guide the development of both the five year and the thirty year Financial Plans for Metro Vancouver’s four legal entities (MVRD, MVHC, GVWD and GVS&DD). It is anticipated that over a 12 year period, gradual increases in the pay-as-you-go funding for capital expenditures will be factored into the Metro Vancouver Long-term Financial Plan which will keep the percentage of annual revenues required to fund annual debt service costs to below a maximum 40%. A gradual increase to pay-as-you go funding for capital expenditures is estimated to add an additional \$6 per year in 2020 to the average regional household and an average of \$ 7 per household over the 12 years for all Metro Vancouver services.

The Board may wish to provide alternate direction with respect to the proposed Policy, specifically with respect to the amortization period, debt service level, and additional contributions to pay-as-you-go in future years. The 2019 – 2023 Financial Plan has been developed using the principles outlined in the attached Policy, any changes to this approach will require an adjustment to the pay-as-you-go contributions included in the Financial Plan for the years 2020 – 2023.

## **SUMMARY / CONCLUSION**

At the July 18<sup>th</sup> Finance and Intergovernment Committee meeting, staff made a presentation on debt management principles paying particular attention to debt amortization (the period of time over which debt is repaid) and the debt service ratio (the percentage of total annual revenues required to pay annual debt service costs). Building upon the Committee’s feedback and advice, the *Financial Management Policy* has been prepared for consideration by the Board. If approved, the proposed will establish the principles that will guide decision making with respect to funding long term operating and capital expenditures for the Greater Vancouver Water District (GVWD), Greater Vancouver Sewerage and Drainage District (GVS&DD), the Metro Vancouver Regional District (MVRD) and the Metro Vancouver Housing Corporation (MVHC).

The principles outlined in the proposed *Financial Management Policy* are consistent with sound financial management for maintaining a sustainable financial position. The policy supports the use of

annual revenues to fund all operating expenditures as well as the level of capital (infrastructure) expenditures that are incurred consistently from year to year. Long-term debt funding will only be used for funding those capital expenditures above the consistent level of annual capital spending.

The proposed Policy also outlines that the proportion of debt service shall not exceed 40% and will be managed through gradually increasing the pay-as-you-go funding for capital expenditures. The 2019 – 2023 Metro Vancouver Financial Plan has included adjustments that will see a gradual increase in pay-as-you-go funding beginning in 2020. The gradual implementation of the principles in the proposed Policy will allow Metro Vancouver to maintain a solid financial position in manner that is affordable for ratepayers. Staff recommend approval of alternative one.

### **Attachments**

1. Financial Management Policy

26976659

**FINANCIAL MANAGEMENT**

Effective Date:

Approved By: MVRD/GVWD/GVS&DD/MVHC

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**PURPOSE**

To establish the principles that will guide decision making with respect to funding long term operating and capital expenditures for the Greater Vancouver Water District (GVWD), Greater Vancouver Sewerage and Drainage District (GVS&DD), the Metro Vancouver Regional District (MVRD) and the Metro Vancouver Housing Corporation (MVHC).

**DEFINITIONS**

**“Operating Expenditures”** are the costs that are incurred consistently year to year in the delivery of services including labour costs and the day-to-day costs related to staff support, utilities, equipment usage, supplies and the ongoing maintenance of assets and infrastructure, as defined under Generally Accepted Accounting Principles. These are expenditures where the value is realized and charged against revenue in the year incurred.

**“Capital Expenditures”** are costs that are incurred for expanding, enhancing, upgrading and replacing infrastructure used in the delivery of services as well as the purchase of equipment. These are expenditures where the value is realized for multiple years. These expenditures are treated as assets where the realization of their utilized value is charged to revenues proportionately over their useful life.

**“Debt Amortization”** is the term over which a debt obligation will be repaid.

**POLICY**

As the primary regional service and utility provider for the region, Metro Vancouver is responsible for ensuring that the services it delivers provide value to its member jurisdictions, to its businesses and to its residents. Ensuring this value is achieved for ratepayers over the long term requires an adherence to sound fiscal policies that balance equity, affordability and continuous improvement through responsible fiscal management.

This policy supports Metro Vancouver’s mandate by establishing sound financial management parameters that will guide the implementation of Metro Vancouver’s long term financial plan for its four Metro Vancouver legal entities.

**1. FINANCIAL MANAGEMENT PRINCIPLES**

Metro Vancouver’s financial management approach is to balance between two sources of funding for operating and capital expenditures incurred by the legal entities and functions comprising Metro Vancouver:

- pay-as-you-go funding
- long-term debt funding

The approach of relying on these two sources of funding is consistent with the requirement of maintaining a sound financial position for Metro Vancouver's four legal entities while also ensuring that they are fiscally sustainable in the long term.

The objective is to strike a balance between the ability of ratepayers to 'pay-as-you-go' for operating and capital expenditures and the need to secure long term financing for expenditures with a significant financial burden or that form part of a long term capital infrastructure program. It is critical to ensure that the level of long term borrowing does not exceed accepted fiscal parameters which would result in a greater burden on ratepayers in the long term than the benefit derived by this debt.

To achieve the financial management objectives described above, the following principles are established for all Metro Vancouver functions:

- Funding of ongoing and recurring expenditures directly in the year in which they are incurred;
- Funding from Reserves in accordance with the *Operating, Statutory and Discretionary Reserves Policy*;
- Funding of expenditures matches the realization of the benefit from those expenditures when expenditures are not ongoing or recurring;
- Consistency with legislative requirements;
- Financial flexibility to meet future financial requirements; and
- Mitigation of current and future financial risk.

Fundamental to the application of these principles is to ensure the necessary balance between fiscal sustainability and the financial impact on current and future ratepayers of the region.

### **a) Pay-As-You-Go Funding**

Using pay-as-you-go funding, annual operating and capital expenditures are funded directly through annual revenues from user rates, fees, levies and requisitions or through the application of reserves in accordance with the *Operating, Statutory and Discretionary Reserves Policy*. Prudent financially sustainable funding includes:

- Funding ongoing and recurring expenditures directly in the year in which they are incurred; and
- Matching the funding of expenditures with the realization of the benefit from those expenditures when expenditures are not ongoing or recurring.

Operating expenditures are, by their nature, generally ongoing and recurring and when they are not, the benefit is realized in the year incurred; therefore, operating expenditures will always be funded on a pay-as-you-go basis.

Where specific reserves exist to fund capital expenditures, capital expenditures should be funded on a pay-as-you-go basis from those Reserves in accordance with the *Operating, Statutory and*

*Discretionary Reserves Policy.* These capital expenditures include MVHC capital replacement, laboratory equipment, Park Land acquisition, Parks infrastructure, Air Quality monitoring equipment, Head Office improvements, computer hardware and fleet vehicles.

Capital expenditures that are not generally funded through Reserves will be funded on a pay-as-you-go basis at a minimum annual level that represents the amount of total capital expenditures incurred consistently from year to year.

### **b) Long-Term Debt Funding**

Long-term debt funding will only be used to fund capital expenditures. More specifically, those capital expenditures not funded from Reserve and in excess of the amount of total capital expenditures incurred consistently from year to year which are funded on a pay-as-you-go-basis.

### **c) Pay-As-You-Go Vs Long-Term Debt Funding**

Funding capital expenditures on a pay-as-you-go basis and avoiding long-term debt funding provides significant benefits to Metro Vancouver. The avoidance of debt eliminates the risk associated with fluctuating interest rates, reduces the overall cost to the organization through the savings of interest payments and provides financial capacity should unforeseen funding needs be required. In addition, the funding of this consistent level of capital expenditures annually provides a measure of generational equality whereby each generation pays their consistent share.

### **d) Debt Service Level**

To achieve pay-as-you-go funding to a level of consistent annual capital expenditures, pay-as-you-go funding will be gradually increased over time such that the amount of annual revenues required to pay for debt service cost does not exceed 40%. This balances the inherent risk associated with borrowing with the financial flexibility needed to meet financial requirements and manage the regions assets in an affordable manner and consistent with the principles of this Policy.

### **e) Debt Amortization Period**

Long-term debenture financing procured by Metro Vancouver will be amortized over 15 years. The shorter amortization term reduces the risk associated with interest rate fluctuations over the term of the debt, reduces the overall cost by reducing the total amount of interest paid and by retiring the debt sooner, Metro Vancouver has more financial flexibility to absorb new financial requirements.

## **2. METRO VANCOUVER FINANCING**

### **a) GVWD, GVS&DD and MVRD**

Where debt funding is deemed appropriate in accordance with this Policy, financing for GVWD, GVS&DD and MVRD projects will be obtained through long-term debenture financing procured through the Municipal Finance Authority (MFA) which is available twice per year, March and October.

**Long-term financing.** Long-term debenture financing requires the repayment of the debt obligations through a combination of principal repayments and interest payments. Principal repayments, paid annually, are based on a sinking fund methodology where payments are deposited into an interest earning sinking fund and at the end of the debt term the combination of principal repayments and



interest earned is sufficient to retire the outstanding debt obligation. The amount of the principal repayment amount, paid annually, is actuarially determined based in the debt term or amortization and the expected earnings of the sinking fund. Interest, paid semi-annually, is based on the financing terms as determined by the financial markets.

**Short-term financing.** The capital expenditures incurred between times when long-term financing is available will be funded on a short-term basis either through the MFA or through the usage of internal savings. Short-term financing requires payments to cover interest only. Long-term debt funding will not be procured in advance of incurring capital expenditures unless specifically authorized by the Board.

**DCC funding.** In the GVS&DD Liquid Waste function, annual debt service costs for long-term debt associated with capital expenditures for infrastructure growth projects are funded using Development Costs Charges in accordance to the GVS&DD *Development Cost Charges Bylaw*.

**b) Metro Vancouver Housing Corporation (MVHC)**

Capital expenditures for the MVHC are those associated with the development of new affordable housing units. The MVHC maintains a development reserve in order to provide partial funding of development and redevelopment opportunities.

The MVHC development expenditures are funded through a combination of funding from the MVHC Development Reserve applied in accordance with the *Operating, Statutory and Discretionary Reserves Policy*, any funding received from other levels of government and traditional mortgage financing. The level of mortgage financing, either through the Province or Financial Institution, is determined based on the maximum annual mortgage payment amount and amortization period that can be supported by the applicable tenant rental revenue.

Each development and redevelopment opportunity will be evaluated on its own merits financially in terms of the rental revenue expectations along with the appropriate combination of funding.

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To: Finance and Intergovernment Committee

From: Carol Mason, Commissioner/Chief Administrative Officer  
Phil Trotzuk, Chief Financial Officer

Date: September 26, 2018 Meeting Date: October 12, 2018

Subject: **2019 - 2023 Financial Plan – Regional District Service Areas**

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### **RECOMMENDATION**

That the Finance and Intergovernment Committee endorse the 2019 - 2023 Financial Plan for the Regional District Service Areas as presented in the report “2019 - 2023 Financial Plan – Regional District Service Areas” dated September 26, 2018 and forward it to the Board Budget Workshop on October 17, 2018 for consideration.

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### **PURPOSE**

To present the 2019-2023 Financial Plan for Regional District Service Areas of E911 Emergency Telephone Service, General Government Service, Labour Relations, Regional Emergency Management, Regional GPS, Regional Prosperity Initiative and Sasamat Fire Protection Service for consideration by the Finance and Intergovernment Committee.

### **BACKGROUND**

Metro Vancouver’s annual budget process includes the development of detailed annual budgets and the updating of five year financial plans for each of the four Metro Vancouver legal entities (Metro Vancouver Regional District, Metro Vancouver Housing Corporation, Greater Vancouver Water District and Greater Vancouver Sewerage and Drainage District) and related functions.

This report focuses on the Regional District Service Areas and presents the 2019 annual budget and the updated five year plan for the years 2019 to 2023 for committee consideration.

### **REGIONAL DISTRICT SERVICE AREAS**

Regional District services within the Metro Vancouver Regional District (MVRD) represent functions that include either all 21 member municipalities, the Tsawwassen First Nation and Electoral Area A as participants, or alternatively include a portion of the MVRD members as participants in the service.

These service areas include the following functions:

- E911 Emergency Telephone Service
- General Government Service
- Labour Relations
- Regional Emergency Management
- Regional Global Positioning System
- Regional Prosperity
- Sasamat Fire Protection Service

As noted above, a new service included in the proposed 2019 – 2023 MVRD Financial Plan is a budget to provide annual funding for the Regional Prosperity function. The funding is included in the five year financial plan and is dependent upon obtaining partner funding from other levels of government along with potential funding from the private sector for specific projects to establish a new regional entity. Up to this point, funding for the Regional Prosperity Initiative has been included under the General Government function, as it has been treated as a feasibility initiative.

The financial plans for the Regional District Service Areas contribute to the overall projected MVRD Financial Plan and are combined with plans for the MVRD statutory functions of Affordable Housing, Air Quality, Regional Parks, and Regional Planning. 2019 – 2023 Financial Plans for those functions have been presented separately to their respective Standing Committees, along with a presentation to the Electoral Area A Standing Committee of the Electoral Area A Financial Plan.

The regional district functions highlighted in this report are guided by direction provided in the *Board Strategic Plan*, specifically:

- Use livability and sustainability objectives to guide Metro Vancouver services and operations.
- Strengthen the alignment of member and regional objectives.
- Collaborate with stakeholders to prepare for major emergencies.
- Use value for service to guide Metro Vancouver operations and service provision.

#### **2019 BUDGET AND 2019 - 2023 FINANCIAL PLAN**

The five year financial plans for this cycle have been updated to address the four themes Metro Vancouver considers when developing plans and budgets. These are as follows:

- Addressing Regional Growth
- System Stewardship
- Environmental Protection and Climate Action
- Opportunities for Innovation and Enhanced Services

Annual Work Plans are developed for almost all Metro Vancouver functions. The 2019 Annual Work Plan for the Regional District Service Area budgets presented in this report are included in Attachment 3.

A summary of the Regional Service Area program highlights, 2019 - 2023 “What’s Happening”, is included under Attachment 1.

Attached are summaries of the 2019 - 2023 Financial Plan for the Regional District Service Areas (Attachment 2).

#### **Operating Budget Highlights**

In 2019, total expenditures for these Regional District Service Areas are proposed to increase \$1.2 million for total expenditures of \$15.9 million (Attachment 2).

Over the five year plan, the projected expenditures for Regional District Service Areas are as follows:

| Regional District Service Area         | Total Expenditures<br>2019 – 2023<br>\$ Millions | Average<br>Annual<br>Expenditures<br>\$ Millions | Average<br>Annual<br>Increase<br>(Decrease) |
|--|--|--|---|
| 911 Emergency Telephone Service        | \$ 23.2  | \$ 4.64  | 2.5%  |
| General Government Service             | \$ 37.5  | \$ 7.51  | 3.9%  |
| Labour Relations                       | \$ 14.3  | \$ 2.86  | 1.3%  |
| Regional Emergency Management          | \$ 1.1   | \$ 0.21  | (2.1%)                                      |
| Regional Global Positioning System (*) | \$ 1.8   | \$ 0.36  | 1.6%  |
| Sasamat Fire Protection Service (*)    | \$ 1.9   | \$ 0.37  | 9.6%  |

(\*) Adjusted for one-time equipment purchases funded from reserves

With above noted Regional District Service Areas, the primary focus is one of stewardship in maintaining an established level of service. Some of the proposed enhancements include under General Government – expanding involvement in the National Love Food Hate Waste campaign and lengthening the National Zero Waste Conference to two days from one and a half days, in Labour Relations - enhancing the availability of information for membership through web access and additional data sources and in the Sasamat Fire Protection Service – a comprehensive review of fire hall upgrades and replacement.

In addition to the six functions in the table above, the 2019 – 2023 MVRD Financial Plan includes a proposed new function for Regional Prosperity. The funding is included in the five year financial plan and is dependent upon obtaining partner funding from other levels of government along with potential funding from the private sector for specific projects to establish a new regional entity. As a feasibility initiative, this service was included under General Government function since 2017. With the feasibility work expected to complete in early 2019, the new function has been included in the financial plan should the Board approve provision of the service. The 2019 – 2023 Financial Plan for Regional Prosperity includes a budget of \$400,000 in 2019 increasing to \$2.5 million by 2023, subject to funding partnerships with other levels of government.

The Regional District Service Areas with the statutory functions of Affordable Housing, Air Quality, Regional Parks, and Regional Planning form the MVRD which is primarily funded through tax requisitions. To support the Regional District for the years 2019-2023, tax requisitions are increasing \$14.6 million over the five-year period, from \$58.8 million to \$73.4 million, representing an average annual increase of \$2.9 million. 2019-2023 Financial Plan details for the Regional District Service Areas are included in Attachments 2.

### **Reserve Funds**

The services within the Regional District Service Areas include one-time equipment purchases or upgrades as well as one-time initiatives which are delivered through contract services. In accordance with the *Operating, Statutory and Discretionary Reserves Policy*, these items are funded using reserves. In 2019, \$815,050 in reserve funding has been applied in these Regional District Service Areas. \$130,000 for grants to cultural organizations, \$175,000 funding for the Metro Vancouver newsletters, \$200,000 for the upgrade and replacement of GPS monuments, \$75,000 to complete

the Regional Prosperity feasibility work, \$165,946 to fund one-time initiatives in Labour Relations and \$69,104 to fund initiatives under Regional Emergency Management. The 2019 – 2023 Projected Reserves for the Regional District Service Areas are included in Attachment 4.

### **WORK PLAN PERFORMANCE INDICATORS**

High level performance indicators have been developed across the organization to evaluate trends, determine key actions for the coming year, and to assist in long-term planning. The 2019 Regional District Service Area Work Plans for E911 Emergency Telephone, Labour Relations, Regional Emergency Management and Sasamat Volunteer Fire Protection Service are presented in this report. Within these four Work Plans, 7 performance indicators have been developed and are being tracked. These are:

**E911 Emergency Telephone Service:**

- Number of days per year where E-Comm failed to meet 95% of calls within 5 seconds.

**Labour Relations:**

- Total number of collective agreements serviced by RES.
- Average turnaround time for job evaluation reviews (in calendar days).
- Annual number of attendees at RES offerings.
- Total number of page visits to the RES360 website.

**Regional Emergency Management:**

- Conduct one region wide emergency exercise per year.

**Sasamat Volunteer Fire Protection Service:**

- Respond to all calls for assistance received through Surrey Fire dispatch within 15 minutes.

The trend in these performance measures suggests that (1) E911 Emergency Telephone Service has seen improvements in the call answering system efficiency in recent years; (2) Labour Relations continues to expand services to member jurisdictions in the Region, indicating the value of services provided; (3) Regional Emergency Management experiences broad support among member jurisdictions and partner agencies to work cooperatively on regional emergency preparedness; and (4) Sasamat Volunteer Fire Protection Service continues to maintain dispatch response performance levels.

### **CONSISTENCY WITH THE 2018 – 2022 FINANCIAL PLAN**

The updated five year financial plan has been developed to be consistent with the 2018 - 2022 financial plan. The requisitions for these Regional District Service Areas form part of the overall MVRD tax requisition, seven of 12 statutory functions within the Regional District. The 2019 impact on the average regional household is reduced by \$1 from prior year projections for the Metro Vancouver Regional District with an average regional household cost of \$55 (2018 projection: \$56).

For the years 2020, 2021 and 2022 the MVRD household impact is projected to increase by an additional \$2 compared to the previous five year projection. The primary driver for this change is associated with the updated financial plan for the proposed Regional Prosperity function.

## **APPROVAL PROCESS**

The proposed 2019 - 2023 Financial Plan and Annual Work Plan is presented for consideration and endorsement before being forwarded to the Board for consideration. The next steps of the process are:

- The 2019 - 2023 Financial Plan and Annual Work Plan will be presented at the Board Budget Workshop on October 17, 2018.
- The Board will consider adoption of the 2019 Budget and endorsement of the 2019 – 2023 Financial Plan on October 26, 2018.

## **ALTERNATIVES**

1. That the Finance and Intergovernment Committee endorse the 2019 - 2023 Financial Plan for the Regional District Service Areas as presented in the report “2019 - 2023 Financial Plan – Regional District Service Areas” dated September 26, 2018 and forward it to the Board Budget Workshop on October 17, 2018 for consideration.
2. That the Finance and Intergovernment Committee make recommendations and endorse an amended 2019 - 2023 Financial Plan for the Regional District Service Areas and forward the amended Financial Plan to the Board Budget Workshop on October 17, 2018 for consideration.

## **FINANCIAL IMPLICATIONS**

If the MVRD Board endorses the 2019 – 2023 Financial Plan for the Regional District Service Areas, as presented under Alternative 1, in 2019 the requisitions for the service areas outlined in this report, will increase by \$205,494 comprising part of the overall MVRD requisition. The Regional District Service Area requisitions form part of the overall MVRD tax requisition which is projected to be \$61.2 million in 2019, representing a \$1 increase (2.6%) to the average regional household for an annual cost of \$55 after taking into account regional population growth.

Over the term of the five year plan, the annual requisitions, for the Regional District Service Areas outlined in this report, are projected to increase by an average of \$706,406 per year including the Regional Prosperity function to provide the required revenue to offset projected expenditures. If the Regional Prosperity function does not proceed, the average increase in requisitions is \$252,682 per year. It is anticipated that the cost to the average regional household over the next five years for all MVRD services, including these Regional District Service Areas, will rise from \$54 in 2018 to \$61 in 2023 representing an average annual increase of \$1.40.

Under Alternative 2, the Committee may wish to consider recommending amendments to the five year financial plan for consideration at the Board Budget Workshop. Any changes to the plan may have an impact on the MVRD Financial Plan.

## **SUMMARY / CONCLUSION**

The 2019 - 2023 Financial Plans for the Regional District Service Areas has been prepared to respond to direction provided in the *Board Strategic Plan*. It is presented to Committee and Board members to provide overview information on activities and financial impacts for the years 2019 to 2023 for the Regional District Service Areas of E911 Emergency Telephone Service, General Government Service, Labour Relations, Regional Emergency Management, Regional GPS, Regional Prosperity Initiative and Sasamat Fire Protection Service.

The presentation of this year's five year financial plans for the Regional District Service Areas provides the opportunity for Metro Vancouver to share with its member jurisdictions the proposed planning related initiatives over the next five years. It is intended to be used as a guiding document for member jurisdictions in the development of their five year financial plans and includes projections on household impact to demonstrate how the plan will remain affordable for Metro Vancouver residents while keeping pace with our critical requirements.

Staff recommend endorsing the 2019 - 2023 Financial Plans for Regional District Service Areas as presented under alternative one.

**Attachments:**

1. 2019 - 2023 "What's Happening"
2. 2019-2023 Financial Plans
  - E911 Emergency Telephone Service
  - General Government Service
  - Labour Relations
  - Regional Emergency Management
  - Regional Global Positioning System
  - Regional Prosperity
  - Sasamat Fire Protection Service
3. 2019 Work Plans
4. 2019 – 2023 Projected Reserves – Regional District

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**2019 – 2023 “WHAT’S HAPPENING” – Regional District Service Areas**

Below are a summary of the significant initiatives to be undertaken by the Regional District Service Areas over the next 5 years.

| Initiative                     | Description  |
|--------------------------------|--|
| 2019 - 2023                    |  |
| Zero Waste Communication       | Enhanced Abandoned Waste campaign, Create Memories not Garbage, Love Food Hate Waste, Food Scraps campaign and Textile Awareness campaign.   |
| Regional Prosperity initiative | Complete service feasibility work.<br>An MVRD Regional Prosperity function 2019-2023 subject to federal, provincial and local partner contributions  |
| Comprehensive Review           | Perform a comprehensive review of future fire hall upgrades and replacements based on the 2018 seismic review report on the Anmore and Belcarra fire halls   |
| Emergency Preparedness         | In accordance with the Regional Exercise Program and involving local governments, the Province and regional stakeholders, conduct a regional exercise expanding the complexity from the 2018 exercise. |
| MyRES                          | Implement phase three of the technology and communication initiative by expanding the members’ only portal to include increased access to online tools, data as well as customized reporting           |
| Labour Relations Data          | Continue to develop national and provincial data sources to ensure accurate and reliable data  |
| National Zero Waste Conference | Expand the National Zero waste conference to two days from one and a half days.  |



METRO VANCOUVER REGIONAL DISTRICT  
E911 EMERGENCY TELEPHONE SERVICE  
2019 BUDGET REVIEW  
2019-2023 FINANCIAL PLAN

|   | 2016<br>ACTUAL      | 2017<br>ACTUAL      | 2018<br>BUDGET      | 2019<br>BUDGET      | %<br>CHANGE | 2020<br>FORECAST    | %<br>CHANGE | 2021<br>FORECAST    | %<br>CHANGE | 2022<br>FORECAST    | %<br>CHANGE | 2023<br>FORECAST    | %<br>CHANGE |
|---|---------------------|---------------------|---------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| <b>REVENUES</b>                         |                     |                     |                     |                     |             |                     |             |                     |             |                     |             |                     |             |
| MVRD Requisitions                       | \$ 4,060,273        | \$ 4,118,674        | \$ 4,236,501        | \$ 4,344,017        | 2.5%        | \$ 4,451,980        | 2.5%        | \$ 4,562,606        | 2.5%        | \$ 4,676,513        | 2.5%        | \$ 4,792,680        | 2.5%        |
| Other External Revenues                 | 68,432              | 66,426              | 68,082              | 67,568              |             | 69,247              |             | 70,967              |             | 72,180              |             | 73,974              |             |
| <b>TOTAL REVENUES</b>                   | <b>\$ 4,128,705</b> | <b>\$ 4,185,100</b> | <b>\$ 4,304,583</b> | <b>\$ 4,411,585</b> | <b>2.5%</b> | <b>\$ 4,521,227</b> | <b>2.5%</b> | <b>\$ 4,633,573</b> | <b>2.5%</b> | <b>\$ 4,748,693</b> | <b>2.5%</b> | <b>\$ 4,866,654</b> | <b>2.5%</b> |
| <b>EXPENDITURES</b>                     |                     |                     |                     |                     |             |                     |             |                     |             |                     |             |                     |             |
| Operating Programs:                     |                     |                     |                     |                     |             |                     |             |                     |             |                     |             |                     |             |
| Emergency Telephone Service             | \$ 4,019,816        | \$ 4,102,857        | \$ 4,220,179        | \$ 4,325,083        |             | \$ 4,432,575        |             | \$ 4,542,719        |             | \$ 4,655,581        |             | \$ 4,771,229        |             |
| Allocation of Centralized Support Costs | 80,920              | 82,115              | 84,404              | 86,502              |             | 88,652              |             | 90,854              |             | 93,112              |             | 95,425              |             |
| <b>TOTAL EXPENDITURES</b>               | <b>\$ 4,100,736</b> | <b>\$ 4,184,972</b> | <b>\$ 4,304,583</b> | <b>\$ 4,411,585</b> | <b>2.5%</b> | <b>\$ 4,521,227</b> | <b>2.5%</b> | <b>\$ 4,633,573</b> | <b>2.5%</b> | <b>\$ 4,748,693</b> | <b>2.5%</b> | <b>\$ 4,866,654</b> | <b>2.5%</b> |

**METRO VANCOUVER REGIONAL DISTRICT  
GENERAL GOVERNMENT  
2019 BUDGET REVIEW  
2019-2023 FINANCIAL PLAN**

|   | 2016<br>ACTUAL      | 2017<br>ACTUAL      | 2018<br>BUDGET      | 2019<br>BUDGET      | %<br>CHANGE | 2020<br>FORECAST    | %<br>CHANGE | 2021<br>FORECAST    | %<br>CHANGE | 2022<br>FORECAST    | %<br>CHANGE | 2023<br>FORECAST    | %<br>CHANGE |
|---|---------------------|---------------------|---------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| <b>REVENUES</b>                         |                     |                     |                     |                     |             |                     |             |                     |             |                     |             |                     |             |
| MVRD Requisitions                       | \$ 4,660,335        | \$ 4,769,656        | \$ 4,848,214        | \$ 4,943,002        | 2.0%        | \$ 5,127,751        | 3.7%        | \$ 5,157,567        | 0.6%        | \$ 5,146,190        | (0.2%)      | \$ 5,343,258        | 3.8%        |
| Love Food Hate Waste                    | -                   | -                   | 184,000             | 556,000             |             | 790,000             |             | 1,090,000           |             | 1,090,000           |             | 1,026,000           |             |
| Zero Waste Conference                   | 66,159              | 76,830              | 105,000             | 180,000             |             | 189,375             |             | 295,000             |             | 331,250             |             | 380,000             |             |
| Other External Revenues                 | 759,763             | 1,528,781           | 990,500             | 1,010,000           |             | 992,910             |             | 995,368             |             | 997,875             |             | 1,000,433           |             |
| Reserves                                | 100,000             | 110,000             | 395,000             | 305,000             |             | 140,000             |             | 150,000             |             | 150,000             |             | 150,000             |             |
| <b>TOTAL REVENUES</b>                   | <b>\$ 5,586,257</b> | <b>\$ 6,485,267</b> | <b>\$ 6,522,714</b> | <b>\$ 6,994,002</b> | <b>7.2%</b> | <b>\$ 7,240,036</b> | <b>3.5%</b> | <b>\$ 7,687,935</b> | <b>6.2%</b> | <b>\$ 7,715,315</b> | <b>0.4%</b> | <b>\$ 7,899,691</b> | <b>2.4%</b> |
| <b>EXPENDITURES</b>                     |                     |                     |                     |                     |             |                     |             |                     |             |                     |             |                     |             |
| Operating Programs:                     |                     |                     |                     |                     |             |                     |             |                     |             |                     |             |                     |             |
| Audit, Legal and Insurance              | \$ 79,027           | \$ 115,652          | \$ 110,929          | \$ 110,929          |             | \$ 111,774          |             | \$ 112,636          |             | \$ 113,515          |             | \$ 114,412          |             |
| Board and Legislative Services          | 1,556,298           | 2,361,937           | 2,464,286           | 2,524,121           |             | 2,548,478           |             | 2,599,602           |             | 2,656,755           |             | 2,890,128           |             |
| External Contributions                  | 405,000             | 415,000             | 425,000             | 435,000             |             | 445,000             |             | 455,000             |             | 455,000             |             | 455,000             |             |
| Leadership and Engagement               | 270,150             | 252,025             | 604,541             | 488,440             |             | 495,313             |             | 502,330             |             | 509,494             |             | 516,807             |             |
| Mosquito Control Contract               | 93,554              | 109,128             | 115,500             | 135,000             |             | 117,810             |             | 120,166             |             | 122,569             |             | 125,021             |             |
| Regional Culture                        | 36,075              | 36,480              | 35,345              | 36,077              |             | 36,825              |             | 37,464              |             | 38,111              |             | 38,773              |             |
| Sustainability Fund                     | 347,000             | 347,000             | 347,000             | 347,000             |             | 347,000             |             | 347,000             |             | 347,000             |             | 347,000             |             |
|   | 2,787,105           | 3,637,222           | 4,102,601           | 4,076,567           | (0.6%)      | 4,102,200           | 0.6%        | 4,174,198           | 1.8%        | 4,242,444           | 1.6%        | 4,487,141           | 5.8%        |
| Communications Program                  | 296,200             | 476,958             | 1,001,500           | 1,032,000           | 3.0%        | 1,007,000           | (2.4%)      | 1,002,000           | (0.5%)      | 972,000             | (3.0%)      | 972,000             | 0.0%        |
| Collaboration Initiatives               |                     |                     |                     |                     |             |                     |             |                     |             |                     |             |                     |             |
| National Zero Waste Council             | 353,484             | 364,141             | 383,128             | 383,128             |             | 383,128             |             | 383,128             |             | 383,128             |             | 383,128             |             |
| Love Food Hate Waste                    | 87,113              | 76,438              | 184,000             | 556,000             |             | 790,000             |             | 1,090,000           |             | 1,090,000           |             | 1,026,000           |             |
| Zero Waste Conference                   | 180,363             | 268,383             | 317,000             | 392,000             |             | 399,375             |             | 505,000             |             | 541,250             |             | 590,000             |             |
| Circular Economy                        | -                   | -                   | -                   | 32,500              |             | 32,500              |             | 32,500              |             | -                   |             | -                   |             |
|   | 620,960             | 708,962             | 884,128             | 1,363,628           | 54.2%       | 1,605,003           | 17.7%       | 2,010,628           | 25.3%       | 2,014,378           | 0.2%        | 1,999,128           | (0.8%)      |
| Allocation of Centralized Support Costs | 499,227             | 552,333             | 534,485             | 521,807             | (2.4%)      | 525,833             | 0.8%        | 501,109             | (4.7%)      | 486,493             | (2.9%)      | 441,422             | (9.3%)      |
| <b>TOTAL EXPENDITURES</b>               | <b>\$ 4,203,493</b> | <b>\$ 5,375,475</b> | <b>\$ 6,522,714</b> | <b>\$ 6,994,002</b> | <b>7.2%</b> | <b>\$ 7,240,036</b> | <b>3.5%</b> | <b>\$ 7,687,935</b> | <b>6.2%</b> | <b>\$ 7,715,315</b> | <b>0.4%</b> | <b>\$ 7,899,691</b> | <b>2.4%</b> |

\* Regional Prosperity Initiatives established as Statutory Function in 2017 and 2018

**METRO VANCOUVER REGIONAL DISTRICT  
LABOUR RELATIONS  
2019 BUDGET REVIEW  
2019-2023 FINANCIAL PLAN**

|   | 2016<br>ACTUAL      | 2017<br>ACTUAL      | 2018<br>BUDGET      | 2019<br>BUDGET      | %<br>CHANGE | 2020<br>FORECAST    | %<br>CHANGE   | 2021<br>FORECAST    | %<br>CHANGE | 2022<br>FORECAST    | %<br>CHANGE | 2023<br>FORECAST    | %<br>CHANGE |
|---|---------------------|---------------------|---------------------|---------------------|-------------|---------------------|---------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| <b>REVENUES</b>                         |                     |                     |                     |                     |             |                     |               |                     |             |                     |             |                     |             |
| MVRD Requisitions                       | \$ 1,033,691        | \$ 1,054,360        | \$ 1,086,930        | \$ 946,739          | (12.9%)     | \$ 986,759          | 4.2%          | \$ 1,021,072        | 3.5%        | \$ 1,060,268        | 3.8%        | \$ 1,086,748        | 2.5%        |
| Compensation Services Revenue           | 323,437             | 330,835             | 359,960             | 478,280             |             | 491,233             |               | 494,184             |             | 499,683             |             | 505,722             |             |
| Collective Bargaining Services Revenue  | 741,539             | 813,019             | 763,645             | 867,558             |             | 891,547             |               | 898,424             |             | 909,852             |             | 922,287             |             |
| Other External Revenues                 | 386,296             | 437,730             | 405,196             | 391,190             |             | 405,834             |               | 419,701             |             | 433,743             |             | 445,567             |             |
| Reserves                                | 123,000             | 18,865              | 50,000              | 165,946             |             | -                   |               | -                   |             | -                   |             | -                   |             |
| <b>TOTAL REVENUES</b>                   | <b>\$ 2,607,963</b> | <b>\$ 2,654,809</b> | <b>\$ 2,665,731</b> | <b>\$ 2,849,713</b> | <b>6.9%</b> | <b>\$ 2,775,373</b> | <b>(2.6%)</b> | <b>\$ 2,833,381</b> | <b>2.1%</b> | <b>\$ 2,903,546</b> | <b>2.5%</b> | <b>\$ 2,960,324</b> | <b>2.0%</b> |
| <b>EXPENDITURES</b>                     |                     |                     |                     |                     |             |                     |               |                     |             |                     |             |                     |             |
| Operating Programs:                     |                     |                     |                     |                     |             |                     |               |                     |             |                     |             |                     |             |
| Information & Advisory Services         | \$ 997,184          | \$ 1,064,789        | \$ 1,076,864        | \$ 1,199,104        |             | \$ 1,088,812        |               | \$ 1,141,476        |             | \$ 1,194,526        |             | \$ 1,233,094        |             |
| Compensation Services                   | 256,270             | 319,479             | 424,847             | 516,329             |             | 528,793             |               | 539,499             |             | 550,368             |             | 561,476             |             |
| Collective Bargaining                   | 695,701             | 743,791             | 919,952             | 910,279             |             | 932,357             |               | 951,720             |             | 971,398             |             | 991,522             |             |
|   | 1,949,154           | 2,128,059           | 2,421,663           | 2,625,712           | 8.4%        | 2,549,962           | (2.9%)        | 2,632,695           | 3.2%        | 2,716,292           | 3.2%        | 2,786,092           | 2.6%        |
| Allocation of Centralized Support Costs | 242,353             | 293,775             | 244,068             | 224,001             | (8.2%)      | 225,411             | 0.6%          | 200,686             | (11.0%)     | 187,254             | (6.7%)      | 174,232             | (7.0%)      |
| <b>TOTAL EXPENDITURES</b>               | <b>\$ 2,191,507</b> | <b>\$ 2,421,834</b> | <b>\$ 2,665,731</b> | <b>\$ 2,849,713</b> | <b>6.9%</b> | <b>\$ 2,775,373</b> | <b>(2.6%)</b> | <b>\$ 2,833,381</b> | <b>2.1%</b> | <b>\$ 2,903,546</b> | <b>2.5%</b> | <b>\$ 2,960,324</b> | <b>2.0%</b> |

METRO VANCOUVER REGIONAL DISTRICT  
REGIONAL EMERGENCY MANAGEMENT  
2019 BUDGET REVIEW  
2019-2023 FINANCIAL PLAN

|   | 2016<br>ACTUAL    | 2017<br>ACTUAL    | 2018<br>BUDGET    | 2019<br>BUDGET    | %<br>CHANGE  | 2020<br>FORECAST  | %<br>CHANGE | 2021<br>FORECAST  | %<br>CHANGE   | 2022<br>FORECAST  | %<br>CHANGE    | 2023<br>FORECAST  | %<br>CHANGE |
|---|-------------------|-------------------|-------------------|-------------------|--------------|-------------------|-------------|-------------------|---------------|-------------------|----------------|-------------------|-------------|
| <b>REVENUES</b>                         |                   |                   |                   |                   |              |                   |             |                   |               |                   |                |                   |             |
| MVRD Requisitions                       | \$ 150,000        | \$ 150,000        | \$ 155,000        | \$ 159,000        | 2.6%         | \$ 163,000        | 2.5%        | \$ 167,000        | 2.5%          | \$ 170,000        | 1.8%           | \$ 173,000        | 1.8%        |
| Other External Revenues                 | 150,000           | 150,000           | -                 | -                 |              | -                 |             | -                 |               | -                 |                | -                 |             |
| Reserves                                | -                 | 38,345            | 47,331            | 69,104            |              | 74,868            |             | 55,944            |               | 6,170             |                | 9,547             |             |
| <b>TOTAL REVENUES</b>                   | <b>\$ 300,000</b> | <b>\$ 338,345</b> | <b>\$ 202,331</b> | <b>\$ 228,104</b> | <b>12.7%</b> | <b>\$ 237,868</b> | <b>4.3%</b> | <b>\$ 222,944</b> | <b>(6.3%)</b> | <b>\$ 176,170</b> | <b>(21.0%)</b> | <b>\$ 182,547</b> | <b>3.6%</b> |
| <b>EXPENDITURES</b>                     |                   |                   |                   |                   |              |                   |             |                   |               |                   |                |                   |             |
| Operating Programs:                     |                   |                   |                   |                   |              |                   |             |                   |               |                   |                |                   |             |
| Regional Emergency Management           | \$ 313,292        | \$ 323,345        | \$ 192,214        | \$ 217,242        |              | \$ 226,541        |             | \$ 212,328        |               | \$ 167,781        |                | \$ 173,854        |             |
| Allocation of Centralized Support Costs | -                 | 15,000            | 10,117            | 10,862            |              | 11,327            |             | 10,616            |               | 8,389             |                | 8,693             |             |
| <b>TOTAL EXPENDITURES</b>               | <b>\$ 313,292</b> | <b>\$ 338,345</b> | <b>\$ 202,331</b> | <b>\$ 228,104</b> | <b>12.7%</b> | <b>\$ 237,868</b> | <b>4.3%</b> | <b>\$ 222,944</b> | <b>(6.3%)</b> | <b>\$ 176,170</b> | <b>(21.0%)</b> | <b>\$ 182,547</b> | <b>3.6%</b> |

METRO VANCOUVER REGIONAL DISTRICT  
REGIONAL GLOBAL POSITIONING SYSTEM  
2019 BUDGET REVIEW  
2019-2023 FINANCIAL PLAN

|   | 2016<br>ACTUAL    | 2017<br>ACTUAL    | 2018<br>BUDGET    | 2019<br>BUDGET    | %<br>CHANGE  | 2020<br>FORECAST  | %<br>CHANGE    | 2021<br>FORECAST  | %<br>CHANGE | 2022<br>FORECAST  | %<br>CHANGE | 2023<br>FORECAST  | %<br>CHANGE |
|---|-------------------|-------------------|-------------------|-------------------|--------------|-------------------|----------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|
| <b>REVENUES</b>                         |                   |                   |                   |                   |              |                   |                |                   |             |                   |             |                   |             |
| User Fees                               | \$ 324,316        | \$ 340,719        | \$ 310,688        | \$ 314,180        | 1.1%         | \$ 319,733        | 1.8%           | \$ 324,686        | 1.5%        | \$ 329,481        | 1.5%        | \$ 334,533        | 1.5%        |
| Other External Revenues                 | 49,667            | 58,561            | 35,000            | 35,700            |              | 36,628            |                | 37,580            |             | 38,557            |             | 39,559            |             |
| Reserves                                | 257,397           | -                 | -                 | 200,000           |              | -                 |                | -                 |             | -                 |             | -                 |             |
| <b>TOTAL REVENUES</b>                   | <b>\$ 631,380</b> | <b>\$ 399,280</b> | <b>\$ 345,688</b> | <b>\$ 549,880</b> | <b>59.1%</b> | <b>\$ 356,361</b> | <b>(35.2%)</b> | <b>\$ 362,266</b> | <b>1.7%</b> | <b>\$ 368,038</b> | <b>1.6%</b> | <b>\$ 374,092</b> | <b>1.6%</b> |
| <b>EXPENDITURES</b>                     |                   |                   |                   |                   |              |                   |                |                   |             |                   |             |                   |             |
| Operating Programs:                     |                   |                   |                   |                   |              |                   |                |                   |             |                   |             |                   |             |
| Regional Global Positioning System      | \$ 481,832        | \$ 164,527        | \$ 283,140        | \$ 488,844        |              | \$ 296,042        |                | \$ 302,755        |             | \$ 309,606        |             | \$ 316,617        |             |
| Contribution to Reserve                 | -                 | 30,709            | 31,323            | 31,949            |              | 32,780            |                | 33,632            |             | 34,506            |             | 35,403            |             |
| Allocation of Centralized Support Costs | 51,492            | 62,423            | 31,225            | 29,087            |              | 27,539            |                | 25,879            |             | 23,926            |             | 22,072            |             |
| <b>TOTAL EXPENDITURES</b>               | <b>\$ 533,324</b> | <b>\$ 257,659</b> | <b>\$ 345,688</b> | <b>\$ 549,880</b> | <b>59.1%</b> | <b>\$ 356,361</b> | <b>(35.2%)</b> | <b>\$ 362,266</b> | <b>1.7%</b> | <b>\$ 368,038</b> | <b>1.6%</b> | <b>\$ 374,092</b> | <b>1.6%</b> |

**METRO VANCOUVER REGIONAL DISTRICT  
REGIONAL PROSPERITY \*  
2019 BUDGET REVIEW  
2019-2023 FINANCIAL PLAN**

|   | 2016<br>ACTUAL | 2017<br>ACTUAL    | 2018<br>BUDGET    | 2019<br>BUDGET    | %<br>CHANGE  | 2020<br>FORECAST    | %<br>CHANGE   | 2021<br>FORECAST    | %<br>CHANGE  | 2022<br>FORECAST    | %<br>CHANGE  | 2023<br>FORECAST    | %<br>CHANGE  |
|---|----------------|-------------------|-------------------|-------------------|--------------|---------------------|---------------|---------------------|--------------|---------------------|--------------|---------------------|--------------|
| <b>REVENUES</b>                         |                |                   |                   |                   |              |                     |               |                     |              |                     |              |                     |              |
| MVRD Requisitions                       | \$ -           | \$ 233,997        | \$ 281,382        | \$ 409,500        | 45.5%        | \$ 1,020,000        | 149.1%        | \$ 1,530,000        | 50.0%        | \$ 2,040,000        | 33.3%        | \$ 2,550,000        | 25.0%        |
| Reserves                                | -              | 31,000            | -                 | 75,000            |              | -                   |               | -                   |              | -                   |              | -                   |              |
| <b>TOTAL REVENUES</b>                   | <b>\$ -</b>    | <b>\$ 264,997</b> | <b>\$ 281,382</b> | <b>\$ 484,500</b> | <b>72.2%</b> | <b>\$ 1,020,000</b> | <b>110.5%</b> | <b>\$ 1,530,000</b> | <b>50.0%</b> | <b>\$ 2,040,000</b> | <b>33.3%</b> | <b>\$ 2,550,000</b> | <b>25.0%</b> |
| <b>EXPENDITURES</b>                     |                |                   |                   |                   |              |                     |               |                     |              |                     |              |                     |              |
| Operating Programs:                     |                |                   |                   |                   |              |                     |               |                     |              |                     |              |                     |              |
| Vancouver Global                        | \$ -           | \$ 201,543        | \$ 281,382        | \$ 400,000        |              | \$ 1,000,000        |               | \$ 1,500,000        |              | \$ 2,000,000        |              | \$ 2,500,000        |              |
| Transition                              | -              | -                 | -                 | 75,000            |              | -                   |               | -                   |              | -                   |              | -                   |              |
|   | -              | 201,543           | 281,382           | 475,000           | 68.8%        | 1,000,000           | 110.5%        | 1,500,000           | 50.0%        | 2,000,000           | 33.3%        | 2,500,000           | 25.0%        |
| Allocation of Centralized Support Costs | -              | -                 | -                 | 9,500             | 0.0%         | 20,000              | 110.5%        | 30,000              | 50.0%        | 40,000              | 33.3%        | 50,000              | 25.0%        |
| <b>TOTAL EXPENDITURES</b>               | <b>\$ -</b>    | <b>\$ 201,543</b> | <b>\$ 281,382</b> | <b>\$ 484,500</b> | <b>72.2%</b> | <b>\$ 1,020,000</b> | <b>110.5%</b> | <b>\$ 1,530,000</b> | <b>50.0%</b> | <b>\$ 2,040,000</b> | <b>33.3%</b> | <b>\$ 2,550,000</b> | <b>25.0%</b> |

\* Included in the General Government function in 2017 and 2018

**METRO VANCOUVER REGIONAL DISTRICT  
SASAMAT FIRE PROTECTION SERVICE  
2019 BUDGET REVIEW  
2019-2023 FINANCIAL PLAN**

|   | 2016<br>ACTUAL    | 2017<br>ACTUAL    | 2018<br>BUDGET    | 2019<br>BUDGET    | %<br>CHANGE    | 2020<br>FORECAST  | %<br>CHANGE   | 2021<br>FORECAST  | %<br>CHANGE    | 2022<br>FORECAST  | %<br>CHANGE | 2023<br>FORECAST  | %<br>CHANGE  |
|---|-------------------|-------------------|-------------------|-------------------|----------------|-------------------|---------------|-------------------|----------------|-------------------|-------------|-------------------|--------------|
| <b>REVENUES</b>                         |                   |                   |                   |                   |                |                   |               |                   |                |                   |             |                   |              |
| MVRD Requisitions                       | \$ 277,146        | \$ 325,232        | \$ 321,157        | \$ 328,928        | 2.4%           | \$ 333,718        | 1.5%          | \$ 338,607        | 1.5%           | \$ 343,593        | 1.5%        | \$ 491,683        | 43.1%        |
| Other External Revenues                 | 15,000            | 15,000            | 10,000            | 10,000            |                | 10,000            |               | 10,000            |                | 10,000            |             | 10,000            |              |
| Reserves                                | -                 | 560,680           | 65,000            | -                 |                | 600,000           |               | -                 |                | -                 |             | -                 |              |
| <b>TOTAL REVENUES</b>                   | <b>\$ 292,146</b> | <b>\$ 900,912</b> | <b>\$ 396,157</b> | <b>\$ 338,928</b> | <b>(14.4%)</b> | <b>\$ 943,718</b> | <b>178.4%</b> | <b>\$ 348,607</b> | <b>(63.1%)</b> | <b>\$ 353,593</b> | <b>1.4%</b> | <b>\$ 501,683</b> | <b>41.9%</b> |
| <b>EXPENDITURES</b>                     |                   |                   |                   |                   |                |                   |               |                   |                |                   |             |                   |              |
| Operating Programs:                     |                   |                   |                   |                   |                |                   |               |                   |                |                   |             |                   |              |
| Sasamat Fire Protection Service         | \$ 181,287        | \$ 299,010        | \$ 278,688        | \$ 224,389        |                | \$ 828,744        |               | \$ 233,188        |                | \$ 237,721        |             | \$ 372,348        |              |
| Contribution to Reserves                | 67,100            | 560,680           | 92,100            | 92,100            |                | 92,100            |               | 92,100            |                | 92,100            |             | 92,100            |              |
|   | 248,387           | 859,690           | 370,788           | 316,489           | (14.6%)        | 920,844           | 191.0%        | 325,288           | (64.7%)        | 329,821           | 1.4%        | 464,448           | 40.8%        |
| Allocation of Centralized Support Costs | 6,021             | 6,571             | 25,369            | 22,439            | (11.5%)        | 22,874            | 1.9%          | 23,319            | 1.9%           | 23,772            | 1.9%        | 37,235            | 56.6%        |
| <b>TOTAL EXPENDITURES</b>               | <b>\$ 254,408</b> | <b>\$ 866,261</b> | <b>\$ 396,157</b> | <b>\$ 338,928</b> | <b>(14.4%)</b> | <b>\$ 943,718</b> | <b>178.4%</b> | <b>\$ 348,607</b> | <b>(63.1%)</b> | <b>\$ 353,593</b> | <b>1.4%</b> | <b>\$ 501,683</b> | <b>41.9%</b> |

## 9-1-1 EMERGENCY TELEPHONE SERVICE

### Description of services

911 Emergency Telephone Service is a Metro Vancouver Regional District function established to provide 9-1-1 emergency telephone service within the Metro Vancouver service area. All 9-1-1 calls placed within the region are answered at the Regional Control Centre which is operated for Metro Vancouver, under contract, by E-Comm. 'Regional' call-takers at E-Comm screen the calls for services required, then confirm the municipality and hand off the calls to the appropriate emergency agency. 9-1-1 service is also provided on contract to the Resort Community of Whistler and to the Sunshine Coast Regional District.

### Strategic directions and high level goals supported

#### Board Strategic Plan

- Livable and Sustainable Region - Use livability and sustainability objectives to guide Metro Vancouver services and operations.
- Emergency Preparedness – Collaborate with stakeholders to prepare for major emergencies.
- Fiscal Responsibility - Use value for services to guide Metro Vancouver operations and service provision.
- Effective Federation - Strengthen the alignment of member and regional objectives.

### Performance indicators

| Indicator  | Historical and/or industry benchmark     | Current performance | 2019 performance objective |
|--|--|---------------------|----------------------------|
| Number of days per year where E-Comm failed to meet 95% of calls within 5 seconds standard | 2014: 3<br>2015: 3<br>2016: 0<br>2017: 0 | 2018: 0             | 2019: 0                    |

### 2019 key actions

- Continue to provide 9-1-1 emergency telephone service to all callers in Metro Vancouver, currently contracted to the end of 2022.



## REGIONAL EMERGENCY MANAGEMENT

### Description of services

Regional Emergency Management is a Metro Vancouver Regional District function established to provide emergency management to the region. This service is delivered in partnership with the Province of BC through the Integrated Partnership for Regional Emergency Management (IPREM) which was created in the spring of 2009.

The service was established through Bylaw 1079, 2008 and provided for the creation of IPREM that would engage Provincial and local government officials in a joint endeavour to coordinate a seamless multi-level emergency management system for the Metro Vancouver area. The service does not replace municipal emergency planning, but assists where these plans impact neighbouring local governments or the region as a whole. IPREM is working with representatives from all levels of government, stakeholders and the private sector determining regional emergency management planning priorities.

IPREM has identified the following goals:

- To improve regional emergency management in the Metro Vancouver region through continued and increased provincial and regional cooperation.
- To develop coordinated plans and a coordinated emergency management strategy.
- To identify and prioritize cross jurisdictional emergency issues affecting Lower Mainland municipalities and the Province.
- To support the development of plans, operational protocols and response and mitigation strategies which provide an interface among and between municipalities, the regional district and provincial ministries.
- To ensure that major emergency or disaster planning that is sub-regional, regional, cross-jurisdictional, or cross agency in nature has a coordinated and collaborative mechanism for issue identification, examination, priority setting, discussion and resolution.
- To facilitate implementation of agreed upon works, including grant applications.
- To create a disaster resilient region.

### Strategic directions and high level goals supported

Board Strategic Plan

- Livable and Sustainable Region - Use livability and sustainability objectives to guide Metro Vancouver services and operations.
- Emergency preparedness – Collaborate with stakeholders to prepare for major emergencies.
- Fiscal Responsibility - Use value for services to guide Metro Vancouver operations and service provision.
- Effective Federation - Strengthen the alignment of member and regional objectives.

### Performance indicators

| Indicator   | Historical and/or industry benchmark | Current performance | 2019 performance objective |
|---|--------------------------------------|---------------------|----------------------------|
| Conduct one Region Wide Emergency Exercise per year | 1                                    | 2 (planned)*        | 2                          |

\*Note one exercise is region wide, the second is sub-regional (but in three parts that make up the whole region).

## **2019 key actions**

- Conduct a regional exercise, increasing in complexity from 2018, in accordance with the Regional Exercise Program and involving local and provincial government, regional stakeholders and align with the Provincial Exercise Program.
- Conduct annual Regional Concept of Operations exercises with CAO's, aligned with the Regional Exercise Program.
- Develop and validate a regional recovery framework.
- Complete a regional Hazard Risk and Vulnerability Assessment to identify regional planning priorities.

## SASAMAT FIRE PROTECTION SERVICE

### Description of services

Sasamat Fire Protection Service is a Metro Vancouver Regional District function established to provide fire protection service to the Villages of Anmore and Belcarra. The service has two fire halls and five trucks staffed by trained volunteers. In addition to providing emergency response services, Sasamat Fire Protection Service also provides fire inspection services to the Village of Anmore and issues burning permits for both municipalities. The fire protection service uses the Surrey Fire Dispatch Centre to dispatch the Sasamat Volunteer Fire Department to emergency calls.

The Sasamat Fire Protection Service is responsible for financing all operating costs and the costs of all of its major equipment purchases. In 2017 Sasamat Fire Protection Service responded to approximately 100 calls for service with this volume expected to increase as development continues in the service area.

### Strategic directions and high level goals supported

#### Board Strategic Plan

- Livable and Sustainable Region - Use livability and sustainability objectives to guide Metro Vancouver services and operations.
- Emergency Preparedness – Collaborate with stakeholders to prepare for major emergencies.
- Fiscal Responsibility - Use value for services to guide Metro Vancouver operations and service provision.
- Effective Federation - Strengthen the alignment of member and regional objectives.

### Performance indicators

| Indicator   | Historical and/or industry benchmark | Current performance | 2019 performance objective |
|---|--------------------------------------|---------------------|----------------------------|
| Respond to all calls for assistance received through Surrey Fire Dispatch within 15 minutes | 95%                                  | 100%                | 100%                       |

### 2019 key actions

- Conduct a comprehensive review of future fire hall upgrades/replacements based upon 2018 Seismic and Conditions Assessment Report. Determine operational requirements and funding options.
- Implement quantitative fit-testing program of Self Contained Breathing Apparatus (SCBA) for all firefighters, to meet WorkSafeBC requirements.

## LABOUR RELATIONS

### Regional Employers Services

#### Description of services

Regional Employers Services (RES) provides a range of human resource and labour relations services in support of Metro Vancouver's member jurisdictions under the authority of the Metro Vancouver Regional District Labour Relations function. As part of Metro Vancouver's regional services, RES provides a forum for local government employers to connect, share and leverage information related to workforce strategy.

Three integrated RES service groups provide complete support to member jurisdictions in the following areas:

- **Information & Advisory Services:** provides in-depth research, advice and support for human resources and labour relations needs to all member jurisdictions.
- **Collective Bargaining Services:** provides strategic, responsive guidance and expertise for all subscribing member jurisdictions as well as for other fee for service clients.
- **Compensation Services:** provides advice related to job analysis, organizational design, and dispute resolution to member jurisdictions and other fee for service clients.

#### Strategic directions and high level goals supported

Board Strategic Plan

- Strengthen the alignment of member and regional objectives.
  - Deliver services effectively and efficiently at the regional level.
  - Collaborate with members when communicating on issues that benefit from a collective voice.
  - Provide the tools and opportunities to share information, experiences, and best practices among members including online resources, workshops, and advisory committees.

#### Performance indicators

| Indicator  | Historical and/or industry benchmark | Current performance                         | 2019 performance objective |
|--|--------------------------------------|---|----------------------------|
| Average turnaround time for job evaluation reviews (calendar days) | 31                                   | 2018 YTD July:<br>23.8<br><br>Objective: 31 | 28                         |



| <b>Indicator</b>  | <b>Historical and/or industry benchmark</b> | <b>Current performance</b>                        | <b>2019 performance objective</b> |
|---|---|---|-----------------------------------|
| Annual number of attendees at RES educational offerings     | 82  | 2018 YTD July:<br>174<br><br>Objective: 300       | 350                               |
| Total number of page visits to RES website and myRES portal | 7,465                                       | 2018 YTD July:<br>23,521<br><br>Objective: 20,000 | 30,000                            |
| Collective agreements serviced                              | 46  | 49  | 49                                |

#### **2019 key actions**

- Implement phase three of the technology and communications by expanding the members' only portal (MyRES) to include increased access to online tools, data as well as customized reporting.
- Commence bargaining for renewals of collective agreements for Police collective agreements and continue with bargaining planning for next bargaining cycle for other groups such as Fire and Inside/Outside.
- Advance matters of regional significance through initiatives such as the Regional Workforce Strategy Committee in order to address regional workforce recruitment and retention challenges in the municipal sector.
- Continue to develop national and provincial data sources in order to ensure accurate and reliable data for collective bargaining coordination and labour strategy to ensure efficient allocation of resources.
- Expand outreach through initiatives such as the Calendar of Educational Offerings, Spring Seminar, and RES Symposium.

## REGIONAL GLOBAL POSITIONING SYSTEM

### Description of services

Regional Global Positioning System is a Metro Vancouver Regional District function established to provide an accurate and consistent engineering survey standard in the Metro Vancouver region. Through a High Precision Network (HPN) of approximately 350 survey control monuments, five (5) Active Control Points (ACPs), and a real-time broadcast service of Global Navigation Satellite Systems (GNSS) data, local government and private users (the latter for a fee) are able to efficiently locate and layout various infrastructure and related works, such as water and sewer lines, reservoirs, roadways, trails, rights-of-way, bathymetric surveys, and topography. By pooling resources, local governments are able to reduce their individual costs for maintaining a high-accuracy geospatial reference system while also ensuring consistent survey standards are maintained in the region.

### Strategic directions and high level goals supported

#### Board Strategic Plan

- Maintain Metro Vancouver's world-class water system that provides safe, clean drinking water and further develop its capacity to meet future needs.
- Ensure the long-term resilience and ability of the regional drinking water system to meet future demands and challenges in a resource-constrained world.
- Manage the liquid waste system in a manner that protects public health and the environment.
- Ensure the long-term resilience and ability of the liquid waste system to meet future demands and challenges in a resource-constrained world.
- Enhance relationships between Metro Vancouver and other orders of government, First Nations, and stakeholders.

### Performance indicators

| Indicator   | Historical and/or industry benchmark | Current performance | 2019 performance objective |
|---|--------------------------------------|---------------------|----------------------------|
| Percent of service uptime (business hours, 8am – 4pm, M-F): <ul style="list-style-type: none"> <li>• Real-time service to mobile surveyors</li> </ul>             | 95 – 99%                             | 99%                 | 99%                        |
| Percent of service uptime (24 x 7, 365 days / year): <ul style="list-style-type: none"> <li>• Post-mission data availability through Provincial portal</li> </ul> | 95 – 98%                             | 98%                 | 98%                        |

### 2019 key actions

- Complete development and commence the implementation of the new 5-year strategic plan.
- Complete Active Control Point infrastructure asset replacement.

**METRO VANCOUVER DISTRICTS**  
**2019-2023 PROJECTED RESERVES - REGIONAL DISTRICT SERVICE AREAS**

**OPERATING RESERVES**

|   | 2018           | 2019            | 2019         | 2019        | 2019     | 2019           | 2020           | 2021           | 2022           | 2023           |
|---|----------------|-----------------|--------------|-------------|----------|----------------|----------------|----------------|----------------|----------------|
|   | ENDING BALANCE | OPENING BALANCE | CONTRIBUTION | WITHDRAWALS | INTEREST | ENDING BALANCE | ENDING BALANCE | ENDING BALANCE | ENDING BALANCE | ENDING BALANCE |
| <b>E911 Emergency Telephone Service</b>   | \$ 209,394     | \$ 209,394      | \$ 1,589     | \$ -        | \$ 4,246 | \$ 215,229     | \$ 220,579     | \$ 226,061     | \$ 231,679     | \$ 237,435     |
| <b>General Government</b>                 | 291,458        | 291,458         | 11,326       | -           | 6,002    | 308,786        | 332,350        | 344,652        | 367,047        | 368,416        |
| <b>Labour Relations</b>                   | 135,176        | 135,176         | -            | (7,049)     | 2,660    | 130,787        | 134,188        | 138,769        | 140,169        | 142,177        |
| <b>Regional Emergency Management</b>      | 12,350         | 12,350          | -            | (2,458)     | 225      | 10,117         | 11,405         | 11,893         | 11,147         | 8,809          |
| <b>Regional Global Positioning System</b> | 18,536         | 18,536          | -            | (3,160)     | 343      | 15,718         | 25,897         | 16,179         | 16,432         | 16,677         |
| <b>Regional Prosperity</b>                | -              | -               | 13,928       | -           | 141      | 14,069         | 20,475         | 51,000         | 76,500         | 102,000        |
| <b>Sasamat Fire Protection Services</b>   | 12,657         | 12,657          | -            | (950)       | 246      | 11,953         | 12,341         | 12,581         | 12,825         | 13,075         |
| <b>West Nile Virus</b>                    | 345,205        | 345,205         | -            | -           | 6,904    | 352,109        | 359,151        | 366,334        | 373,661        | 381,134        |

**DISCRETIONARY RESERVES**

|   | 2018           | 2019            | 2019         | 2019        | 2019     | 2019           | 2020           | 2021           | 2022           | 2023           |
|---|----------------|-----------------|--------------|-------------|----------|----------------|----------------|----------------|----------------|----------------|
|   | ENDING BALANCE | OPENING BALANCE | CONTRIBUTION | WITHDRAWALS | INTEREST | ENDING BALANCE | ENDING BALANCE | ENDING BALANCE | ENDING BALANCE | ENDING BALANCE |
| <b>Emergency 911 Telephone Service (E911)</b> | \$ 460,850     | \$ 460,850      | \$ -         | \$ -        | \$ 9,217 | \$ 470,067     | \$ 479,468     | \$ 489,058     | \$ 498,839     | \$ 508,816     |
| <b>General Government</b>                     |                |                 |              |             |          |                |                |                |                |                |
| General Government General Reserve            | 3,695,426      | 3,695,426       | -            | (175,000)   | 72,159   | 3,592,585      | 3,664,436      | 3,737,725      | 3,812,479      | 3,888,729      |
| <b>Labour Relations</b>                       |                |                 |              |             |          |                |                |                |                |                |
| Labour Relations General Reserve              | 1,762,196      | 1,762,196       | -            | (165,946)   | 33,584   | 1,629,834      | 1,662,431      | 1,695,680      | 1,729,593      | 1,764,185      |
| <b>Regional Emergency Management (REM)</b>    |                |                 |              |             |          |                |                |                |                |                |
| REM General Reserve                           | 235,688        | 235,688         | -            | (69,104)    | 4,023    | 170,607        | 98,402         | 43,866         | 38,512         | 29,640         |
| <b>Regional Prosperity Initiative</b>         |                |                 |              |             |          |                |                |                |                |                |
| Regional Prosperity General Reserve           | -              | 75,000          | -            | (75,000)    | -        | -              | -              | -              | -              | -              |

**STATUTORY RESERVES**

|  | 2018           | 2019            | 2019         | 2019        | 2019       | 2019           | 2020           | 2021           | 2022           | 2023           |
|--|----------------|-----------------|--------------|-------------|------------|----------------|----------------|----------------|----------------|----------------|
|  | ENDING BALANCE | OPENING BALANCE | CONTRIBUTION | WITHDRAWALS | INTEREST   | ENDING BALANCE | ENDING BALANCE | ENDING BALANCE | ENDING BALANCE | ENDING BALANCE |
| <b>General Government</b>                      |                |                 |              |             |            |                |                |                |                |                |
| MVRD Sustainability Innovation Fund Reserve    | \$ 11,398,566  | \$ 11,398,566   | \$ 347,000   | \$ (70,000) | \$ 230,741 | \$ 11,906,308  | \$ 12,494,904  | \$ 13,095,272  | \$ 13,707,647  | \$ 14,332,270  |
| Grants Reserve Fund                            | 2,211,838      | 2,211,838       | -            | (130,000)   | 42,937     | 2,124,775      | 2,025,870      | 1,914,887      | 1,801,685      | 1,686,219      |
| <b>Regional Global Positioning System</b>      |                |                 |              |             |            |                |                |                |                |                |
| Regional Geospatial Reference System Reserve   | 904,046        | 904,046         | 31,949       | (200,000)   | 16,400     | 752,395        | 800,551        | 850,530        | 902,392        | 956,197        |
| <b>Sasamat Fire Protection Services (SFPS)</b> |                |                 |              |             |            |                |                |                |                |                |
| SFPS Capital Reserve Fund                      | 665,744        | 665,744         | 92,100       | -           | 14,236     | 772,080        | 274,543        | 373,055        | 473,537        | 576,029        |
| SFPS Communications Capital Reserve Fund       | 55,377         | 55,377          | -            | -           | 1,108      | 56,484         | 57,614         | 58,766         | 59,942         | 61,140         |
| SFPS Emergency Equipment Reserve Fund          | 25,750         | 25,750          | -            | -           | 515        | 26,265         | 26,790         | 27,326         | 27,873         | 28,430         |

**METRO VANCOUVER DISTRICTS**  
**2019-2023 PROJECTED RESERVES - LABOUR RELATIONS**

**OPERATING RESERVES**

|                         | 2018<br>ENDING BALANCE | 2019<br>OPENING BALANCE | CONTRIBUTION | WITHDRAWALS | INTEREST | 2019<br>ENDING BALANCE | 2020<br>ENDING BALANCE | 2021<br>ENDING BALANCE | 2022<br>ENDING BALANCE | 2023<br>ENDING BALANCE |
|-------------------------|------------------------|-------------------------|--------------|-------------|----------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Labour Relations</b> | 135,176                | 135,176                 | -            | (7,049)     | 2,660    | 130,787                | 134,188                | 138,769                | 140,169                | 142,177                |

**DISCRETIONARY RESERVES**

|                                  | 2018<br>ENDING BALANCE | 2019<br>OPENING BALANCE | CONTRIBUTION | WITHDRAWALS | INTEREST | 2019<br>ENDING BALANCE | 2020<br>ENDING BALANCE | 2021<br>ENDING BALANCE | 2022<br>ENDING BALANCE | 2023<br>ENDING BALANCE |
|----------------------------------|------------------------|-------------------------|--------------|-------------|----------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Labour Relations</b>          |                        |                         |              |             |          |                        |                        |                        |                        |                        |
| Labour Relations General Reserve | 1,762,196              | 1,762,196               | -            | (165,946)   | 33,584   | 1,629,834              | 1,662,431              | 1,695,680              | 1,729,593              | 1,764,185              |



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To: Finance and Intergovernment Committee

From: Carol Mason, Commissioner/Chief Administrative Officer  
Phil Trotzuk, Chief Financial Officer/General Manager, Financial Services

Date: September 26, 2018 Meeting Date: October 12, 2018

Subject: **2019 - 2023 Financial Plan – Centralized Support Program**

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**RECOMMENDATION**

That the Finance and Intergovernment Committee endorse the 2019 - 2023 Financial Plan for the Centralized Support Program as presented in the report “2019 - 2023 Financial Plan – Centralized Support Program dated September 26, 2018 and forward it to the Board Budget Workshop on October 17, 2018 for consideration.

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**PURPOSE**

To present the 2019 - 2023 Financial Plan for the Centralized Support Program including Corporate Services, External Relations, Financial Services, Human Resources and Legal and Legislative Services for consideration by the Finance and Intergovernment Committee.

**BACKGROUND**

Metro Vancouver’s annual budget process includes the development of detailed annual budgets and the updating of five year financial plans for each of the four Metro Vancouver legal entities (Metro Vancouver Regional District, Metro Vancouver Housing Corporation, Greater Vancouver Water District and Greater Vancouver Sewerage and Drainage District) and related functions.

This report focuses on the Corporate Support Program and presents the 2019 annual budget and the updated five year plan for the years 2019 to 2023 for committee consideration.

**CENTRALIZED SUPPORT PROGRAM**

Centralized Support Program services support all business activities of the Metro Vancouver entities. These budgets are allocated across the organization and supported by the revenue sources of each function in accordance with the Board *Corporate Allocation Policy* which provides the basis for allocating the Centralized Support Program Services budgets to the benefitting Metro Vancouver service in an equitable, consistent and transparent manner.

These Centralized Support Program comprises the following service areas:

- Corporate Services
- External Relations
- Financial Services
- Human Resources
- Legal and Legislative Services

The Centralized Support Program services are guided by the *Board Strategic Plan* with a primary focus on the following strategic directions:

- Use livability and sustainability objectives to guide Metro Vancouver services and operations.
- Strengthen the alignment of member and regional objectives.
- Increase Metro Vancouver's profile by leveraging events and news related to regional services.
- Enhance relationships between Metro Vancouver and other orders of government, First Nations and stakeholders.
- Advocate the merits of integrating regional land use and transportation planning.
- Clarify and strengthen Metro Vancouver's role in pursuing a collaborative approach to regional prosperity.
- Collaborate with stakeholders to prepare for major emergencies.
- Use value for service to guide Metro Vancouver operations and service provision.

As the Corporate Support Program service areas support all business activities of Metro Vancouver entities and functions, the Corporate Support Program provides support in the pursuit of all goals and objectives of that plan.

#### **2019 BUDGET AND 2019 - 2023 FINANCIAL PLAN**

The five year financial plans for this cycle have been updated to address the four themes Metro Vancouver considers when developing plans and budgets. These are as follows:

- Addressing Regional Growth
- System Stewardship
- Environmental Protection and Climate Action
- Opportunities for Innovation and Enhanced Services

Annual Work Plans are developed for almost all Metro Vancouver functions. The 2019 Annual Work Plans for the Centralized Support Program budgets presented in this report are included in Attachment 3.

A summary of the Centralized Support Program service area program highlights, 2019 - 2023 "What's Happening", is included under Attachment 1.

Attached are summaries of the 2019 - 2023 Financial Plans for the Centralized Support Program service areas (Attachment 2).

#### **Operating Budget Highlights**

In 2019, the Centralized Support Program expenditures are increasing \$2.27 million for total expenditures of \$72.8 million (Attachment 2). This increase is primarily due to, in addition to labour inflationary adjustments, a proposed new position in Aboriginal Relations, the addition of temporary resources in Information Management and the transfer of a position from Solid Waste to Human Resources.

The allocation of Centralized Support Program costs, the true impact on the revenue requirements of the plan, is the total expenditures adjusted for external recoveries and reserve applications. In 2019, the allocation of centralized support program costs is actually declining by \$925,128 (1.5%).

This decline is the result of higher third-party lease returns at head office and an increase in reserve funding for projects meeting the criteria for funding in accordance with the *Operating, Statutory and Discretionary Reserves Policy*.

The Aboriginal Relations program within Legal and Legislative Services is proposing the addition of one new program manager position to meet the increasing responsibilities and complexities related to communication and engagement with local First Nations. The Aboriginal Relations program has been presented separately to the Aboriginal Relations Committee.

Over the five years of the plan, the financial impact of the Centralized Support Program services are as follows:

| Centralized Support Program Service | Total Expenditures<br>2019 – 2023<br>\$ Millions | Average<br>Annual<br>Expenditures<br>\$ Millions | Average<br>Annual<br>Increase<br>(Decrease) |
|-------------------------------------|--|--|---|
| Corporate Services                  | \$ 211.6   | \$ 42.3  | 0.3%  |
| External Relations                  | \$ 31.9  | \$ 6.2   | 2.1%  |
| Financial Services                  | \$ 63.7  | \$ 12.7  | 2.2%  |
| Human Resources                     | \$ 27.8  | \$ 5.6   | 3.2%  |
| Legal And Legislative Services      | \$ 24.0  | \$ 4.8   | 3.3%  |

The 2019 - 2023 Financial Plan details for the Centralized Support Program are included Attachment 2.

Centralized Support Services support the organization and focus on processes, systems and procedures which enhance the business activities of all Metro Vancouver service areas. Some of those enhancements include the following:

- Upgrade the Financial Management System including enhancements pertaining to expense tracking and procurement.
- Coordinate the completion of the initial Metro Vancouver 30 Year Financial Plan focused on managing funding requirements through the implementation of financial policy.
- Continue the development of a formalized asset management process building on the approved policies for Liquid Waste and Housing.
- Review and update job classifications and generate job descriptions for the Teamsters positions.
- Implementation of a Talent Management System for internal and external candidates.
- Implement enhancements to the corporate-wide document management system.

### **Reserve Funds**

The services provided through the Centralized Support Program include one-time expenditures for head office renovations and improvements, equipment purchases as well as one-time initiatives which are delivered through contract services. In accordance with the *Operating, Statutory and Discretionary Reserves Policy*, these items are funded using reserves.

In 2019, \$6.8 million in reserve funding has been applied in the Centralized Support Program - \$2.3 million for continued capital improvements at head office, \$1.5 million to cover carrying costs associated with the old head office, \$1.3 million for the purchase of computer hardware and one-time software application upgrades, \$760,000 to fund one-time initiatives in External Relations, Human Resources and Finance, and \$1.2 million to draw down the corporate reserve and reduce the impact on the overall financial plan. The 2019 – 2023 Projected Reserves for the Centralized Support Program is included in Attachment 4.

### **WORK PLAN PERFORMANCE INDICATORS**

High level performance indicators have been developed across the organization to evaluate trends, determine key actions for the coming year, and to assist in long-term planning. The 2019 Centralized Support Program Work Plans are presented in this report. Within these five Work Plans, 25 performance indicators have been developed and are being tracked. These include:

- Metrotower III Energy Star Rating (overall building efficiency).
- CORE safety program audit score.
- CORE workplace time loss return to work audit score.
- Number of website page visits.
- Number of Metro Vancouver followers on twitter.
- Number of Metro Vancouver followers on Facebook.
- Debt service costs / Total revenue.
- Number of job vacancies processed.
- Percentage of workforce receiving training.
- Participants in health and wellness programs.

The Centralized Support Program supports all business activities of the Metro Vancouver entities. The performance indicators for these service areas, as a result, look at the improvement of the environment in which Metro Vancouver services are delivered. These include finding and maintaining resources, maintaining a healthy safe workplace, maintaining a solid financial foundation and enhancing communication and outreach of key Metro Vancouver information. The trend in these performance indicators is consistent and favourable.

### **CONSISTENCY WITH THE 2018 – 2022 FINANCIAL PLAN**

The updated five year financial plan has been developed to be consistent with the 2018 - 2022 Financial Plan. The Centralized Support Program impacts all Metro Vancouver entities and functions through the allocation of costs in accordance to the Corporate Allocation Policy. For the years 2019, 2020, 2021 and 2022 the total Centralized Support Program costs allocated is generally consistent with prior year projections.

### **APPROVAL PROCESS**

The proposed 2019 - 2023 Financial Plans and Annual Work Plans are presented for consideration and endorsement before being forwarded to the Board for consideration. The next steps of the process are:

- The 2019 - 2023 Financial Plan and Annual Work Plan will be presented at the Board Budget Workshop on October 17, 2018.

- The Board will consider adoption of the 2019 Budget and endorsement of the 2019 – 2023 Financial Plan on October 26, 2018.

### **ALTERNATIVES**

1. That the Finance and Intergovernment Committee endorse the 2019 - 2023 Financial Plan for the Centralized Support Program as presented in the report “2019 - 2023 Financial Plan – Centralized Support Program” dated September 26, 2018 and forward it to the Board Budget Workshop on October 17, 2018 for consideration.
2. That the Finance and Intergovernment Committee make recommendations and endorse an amended 2019 - 2023 Financial Plan for the Centralized Support Program and forward the amended Financial Plan to the Board Budget Workshop on October 17, 2018 for consideration.

### **FINANCIAL IMPLICATIONS**

If the MVRD Board endorses the 2019 – 2023 Financial Plan for the Centralized Support Program, as presented under Alternative 1, in 2019 total expenditures for the Centralized Support Program are proposed to increase \$2.27 million (3.2%) with the allocation to the Metro Vancouver entities and functions, net of other recoveries and reserve applications, actually decreasing \$925,128 (1.5%) thereby reducing the impact on the required revenues within the financial plan. This allocation of costs is applied using the methodology established in the Corporate Allocation Policy.

Over the term of the five year plan, the Centralized Support Program expenditures will fluctuate as a result of one-time expenditures, increasing by an average of 0.6% per year.

Under Alternative 2, the Committee may wish to consider recommending amendments to the five year financial plan for consideration at the Board Budget Workshop. Any changes to the plan may have an impact on the overall financial plan as centralized support program costs are allocated to all Metro Vancouver entities and functions.

### **SUMMARY / CONCLUSION**

The 2019 - 2023 Financial Plans for the Centralized Support Program have been prepared to respond to direction provided in the *Board Strategic Plan*. It is presented to Committee and Board members to provide overview information on activities and financial impacts for the years 2019 to 2023 for the Centralized Support Program comprising Corporate Services, External Relations, Financial Services, Human Resources and Legal and Legislative Services.

The presentation of this year’s five year financial plans for the Centralized Support Program provides the opportunity for Metro Vancouver to share with its member jurisdictions the proposed planning related initiatives over the next five years. It is intended to be used as a guiding document for member jurisdictions in the development of their five year financial plans and includes projections on household impact to demonstrate how the plan will remain affordable for Metro Vancouver residents while keeping pace with our critical requirements.

Staff recommend endorsing the 2019 - 2023 Financial Plans for the Centralized Support Program as presented under alternative one.

**Attachments:**

1. 2019 - 2023 “What’s Happening”
2. 2019-2023 Financial Plans
  - Centralized Support Program Summary
  - Corporate Services
  - External Relations
  - Financial Services
  - Human Resources
  - Legal and Legislative Services
3. 2019 Work Plans
4. 2019 – 2023 Projected Reserves – Centralized Support Program
5. Organizational Charts – Centralized Support

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**2019 – 2023 “WHAT’S HAPPENING” – Centralized Support Program**

Below are a summary of the significant initiatives to be undertaken by the Centralized Support Program over the next 5 years.

| Initiative                  | Description   |
|-----------------------------|---|
| 2019 - 2023                 |   |
| Long-term Financial Plan    | Develop a 30 Year Financial Plan focused on financial policy  |
| Financial Management System | Upgrade Financial Management System with enhanced expense tracking and procurement  |
| Updated Contract Templates  | Implement new updated contract templates for Purchasing and Properties  |
| Talent Management System    | Implement a Talent Management System for internal and external candidates   |
| Teamsters Job Descriptions  | Review and update job classifications and generate job descriptions for the Teamsters positions.                                |
| Document Management         | Enhance corporate-wide document management system and continue digitization of historical information                           |
| Staff Training              | Develop a partnership to bring Water and Wastewater certification programs to Metro Vancouver                                   |
| Process Review              | Conduct an overall review of inventory and stores processes   |
| Communication and Outreach  | Continue with awareness campaigns regarding waste reduction, water conservation, climate change and Liquid Waste source control |
| System Security             | Implement updated Private Cloud Security Model for securing Metro Vancouver systems   |

**METRO VANCOUVER DISTRICTS  
CENTRALIZED SUPPORT PROGRAM SUMMARY  
2019 BUDGET REVIEW  
2019-2023 FINANCIAL PLAN**

|  | 2016<br>ACTUAL       | 2017<br>ACTUAL       | 2018<br>BUDGET       | 2019<br>BUDGET       | %<br>CHANGE   | 2020<br>FORECAST     | %<br>CHANGE   | 2021<br>FORECAST     | %<br>CHANGE | 2022<br>FORECAST     | %<br>CHANGE | 2023<br>FORECAST     | %<br>CHANGE |
|--|----------------------|----------------------|----------------------|----------------------|---------------|----------------------|---------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|
| <b>REVENUES</b>                            |                      |                      |                      |                      |               |                      |               |                      |             |                      |             |                      |             |
| Allocated to Functional Departments (net)  | \$ 44,173,807        | \$ 54,934,145        | \$ 59,743,188        | \$ 58,818,060        | (1.5%)        | \$ 60,241,731        | 2.4%          | \$ 60,980,930        | 1.2%        | \$ 61,954,947        | 1.6%        | \$ 62,791,114        | 1.3%        |
| Other External Revenues                    | 6,600,052            | 6,281,283            | 6,349,433            | 7,179,160            | 13.1%         | 7,750,360            | 8.0%          | 7,859,119            | 1.4%        | 7,920,759            | 0.8%        | 7,967,515            | 0.6%        |
| Reserves                                   | 3,941,959            | 8,245,044            | 4,412,415            | 6,778,309            | 53.6%         | 2,523,800            | (62.8%)       | 2,160,000            | (14.4%)     | 2,110,000            | (2.3%)      | 1,930,000            | (8.5%)      |
| <b>TOTAL REVENUES</b>                      | <b>\$ 54,715,818</b> | <b>\$ 69,460,472</b> | <b>\$ 70,505,036</b> | <b>\$ 72,775,529</b> | <b>3.2%</b>   | <b>\$ 70,515,891</b> | <b>(3.1%)</b> | <b>\$ 71,000,049</b> | <b>0.7%</b> | <b>\$ 71,985,706</b> | <b>1.4%</b> | <b>\$ 72,688,629</b> | <b>1.0%</b> |
| <b>EXPENDITURES</b>                        |                      |                      |                      |                      |               |                      |               |                      |             |                      |             |                      |             |
| Corporate Services                         | 30,920,261           | 41,451,405           | 43,481,528           | 44,459,211           | 2.2%          | 41,547,844           | (6.5%)        | 41,590,008           | 0.1%        | 41,905,663           | 0.8%        | 42,062,197           | 0.4%        |
| External Relations                         | 5,143,847            | 5,582,153            | 5,950,596            | 6,106,370            | 2.6%          | 6,263,991            | 2.6%          | 6,379,873            | 1.8%        | 6,496,989            | 1.8%        | 6,613,601            | 1.8%        |
| Financial Services                         | 10,453,785           | 10,938,379           | 11,939,229           | 12,122,277           | 1.5%          | 12,512,224           | 3.2%          | 12,708,500           | 1.6%        | 13,061,482           | 2.8%        | 13,318,824           | 2.0%        |
| Human Resources                            | 4,521,319            | 4,658,880            | 4,905,451            | 5,466,732            | 11.4%         | 5,479,807            | 0.2%          | 5,523,226            | 0.8%        | 5,635,384            | 2.0%        | 5,718,163            | 1.5%        |
| Legal and Legislative Services             | 3,755,347            | 3,408,345            | 4,228,232            | 4,620,939            | 9.3%          | 4,712,025            | 2.0%          | 4,798,442            | 1.8%        | 4,886,188            | 1.8%        | 4,975,844            | 1.8%        |
| <b>TOTAL EXPENDITURES</b>                  | <b>\$ 54,794,559</b> | <b>\$ 66,039,162</b> | <b>\$ 70,505,036</b> | <b>\$ 72,775,529</b> | <b>3.2%</b>   | <b>\$ 70,515,891</b> | <b>(3.1%)</b> | <b>\$ 71,000,049</b> | <b>0.7%</b> | <b>\$ 71,985,706</b> | <b>1.4%</b> | <b>\$ 72,688,629</b> | <b>1.0%</b> |
| <b>ALLOCATED TO FUNCTIONAL DEPARTMENTS</b> |                      |                      |                      |                      |               |                      |               |                      |             |                      |             |                      |             |
| Water                                      | \$ 18,391,525        | \$ 22,156,646        | \$ 25,084,563        | \$ 23,388,522        | (6.8%)        | \$ 23,444,732        | 0.2%          | \$ 24,245,721        | 3.4%        | \$ 24,528,220        | 1.2%        | \$ 25,031,600        | 2.1%        |
| Liquid Waste                               | 16,192,380           | 19,588,472           | 22,094,123           | 22,757,172           | 3.0%          | 24,806,053           | 9.0%          | 25,249,271           | 1.8%        | 26,290,833           | 4.1%        | 27,219,060           | 3.5%        |
| Solid Waste                                | 3,243,141            | 3,976,545            | 4,348,952            | 4,674,251            | 7.5%          | 4,258,379            | (8.9%)        | 4,252,172            | (0.1%)      | 4,306,778            | 1.3%        | 4,144,751            | (3.8%)      |
| Housing                                    | 2,080,217            | 4,124,906            | 2,417,680            | 2,119,752            | (12.3%)       | 2,036,534            | (3.9%)        | 1,885,711            | (7.4%)      | 1,737,102            | (7.9%)      | 1,601,249            | (7.8%)      |
| Affordable Housing                         | -                    | -                    | 71,638               | 89,656               | 25.2%         | 64,371               | (28.2%)       | 60,389               | (6.2%)      | 55,665               | (7.8%)      | 51,198               | (8.0%)      |
| Air Quality                                | 487,127              | 590,504              | 953,910              | 878,401              | (7.9%)        | 838,724              | (4.5%)        | 773,889              | (7.7%)      | 718,873              | (7.1%)      | 668,486              | (7.0%)      |
| E911 Emergency Telephone Service           | 80,920               | 82,115               | 84,404               | 86,502               | 2.5%          | 88,652               | 2.5%          | 90,854               | 2.5%        | 93,112               | 2.5%        | 95,425               | 2.5%        |
| Electoral Area Service                     | 26,667               | 32,329               | 38,934               | 45,910               | 17.9%         | 34,734               | (24.3%)       | 29,201               | (15.9%)     | 29,779               | 2.0%        | 26,526               | (10.9%)     |
| General Government                         | 499,227              | 552,333              | 534,485              | 521,807              | (2.4%)        | 525,833              | 0.8%          | 501,109              | (4.7%)      | 486,493              | (2.9%)      | 441,422              | (9.3%)      |
| Labour Relations                           | 242,353              | 293,775              | 244,068              | 224,001              | (8.2%)        | 225,411              | 0.6%          | 200,686              | (11.0%)     | 187,254              | (6.7%)      | 174,232              | (7.0%)      |
| Regional Emergency Management              | -                    | 15,000               | 10,117               | 10,862               | 7.4%          | 11,327               | 4.3%          | 10,616               | (6.3%)      | 8,389                | (21.0%)     | 8,693                | 3.6%        |
| Regional Global Positioning System         | 51,492               | 62,423               | 31,225               | 29,087               | (6.8%)        | 27,539               | (5.3%)        | 25,879               | (6.0%)      | 23,926               | (7.5%)      | 22,072               | (7.7%)      |
| Regional Parks                             | 2,677,549            | 3,215,914            | 3,517,305            | 3,698,560            | 5.2%          | 3,556,182            | (3.8%)        | 3,347,139            | (5.9%)      | 3,188,235            | (4.7%)      | 3,005,337            | (5.7%)      |
| Regional Planning                          | 195,188              | 236,612              | 286,415              | 261,636              | (8.7%)        | 280,387              | 7.2%          | 254,972              | (9.1%)      | 236,515              | (7.2%)      | 213,829              | (9.6%)      |
| Regional Prosperity Initiatives            | -                    | -                    | -                    | 9,500                | 0.0%          | 20,000               | 110.5%        | 30,000               | 50.0%       | 40,000               | 33.3%       | 50,000               | 25.0%       |
| Sasamat Fire Protection Service            | 6,021                | 6,571                | 25,369               | 22,439               | (11.5%)       | 22,874               | 1.9%          | 23,319               | 1.9%        | 23,772               | 1.9%        | 37,235               | 56.6%       |
|  | <b>\$ 44,173,807</b> | <b>\$ 54,934,145</b> | <b>\$ 59,743,188</b> | <b>\$ 58,818,060</b> | <b>(1.5%)</b> | <b>\$ 60,241,731</b> | <b>2.4%</b>   | <b>\$ 60,980,930</b> | <b>1.2%</b> | <b>\$ 61,954,947</b> | <b>1.6%</b> | <b>\$ 62,791,114</b> | <b>1.3%</b> |



**METRO VANCOUVER DISTRICTS  
CORPORATE SERVICES  
2019 BUDGET REVIEW  
2019-2023 FINANCIAL PLAN**

|  | 2016<br>ACTUAL       | 2017<br>ACTUAL       | 2018<br>BUDGET       | 2019<br>BUDGET       | %<br>CHANGE | 2020<br>FORECAST     | %<br>CHANGE   | 2021<br>FORECAST     | %<br>CHANGE | 2022<br>FORECAST     | %<br>CHANGE | 2023<br>FORECAST     | %<br>CHANGE |
|--|----------------------|----------------------|----------------------|----------------------|-------------|----------------------|---------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|
| <b>REVENUES</b>                          |                      |                      |                      |                      |             |                      |               |                      |             |                      |             |                      |             |
| Allocated to Functional Departments      | \$ 19,109,959        | \$ 29,241,132        | \$ 33,131,384        | \$ 31,278,044        | (5.6%)      | \$ 31,851,612        | 1.8%          | \$ 32,094,317        | 0.8%        | \$ 32,368,332        | 0.9%        | \$ 32,646,810        | 0.9%        |
| Other External Revenues                  | 6,400,491            | 5,793,253            | 6,062,729            | 6,804,152            |             | 7,345,432            |               | 7,400,691            |             | 7,462,331            |             | 7,520,387            |             |
| Reserves                                 | 3,893,834            | 8,245,044            | 4,287,415            | 6,377,015            |             | 2,350,800            |               | 2,095,000            |             | 2,075,000            |             | 1,895,000            |             |
| <b>TOTAL REVENUES</b>                    | <b>\$ 29,404,284</b> | <b>\$ 43,279,429</b> | <b>\$ 43,481,528</b> | <b>\$ 44,459,211</b> | <b>2.2%</b> | <b>\$ 41,547,844</b> | <b>(6.5%)</b> | <b>\$ 41,590,008</b> | <b>0.1%</b> | <b>\$ 41,905,663</b> | <b>0.8%</b> | <b>\$ 42,062,197</b> | <b>0.4%</b> |
| <b>EXPENDITURES</b>                      |                      |                      |                      |                      |             |                      |               |                      |             |                      |             |                      |             |
| Operating Programs:                      |                      |                      |                      |                      |             |                      |               |                      |             |                      |             |                      |             |
| Business Systems                         | \$ 9,019,475         | \$ 9,116,659         | \$ 9,714,023         | \$ 9,012,414         |             | \$ 10,023,355        |               | \$ 9,579,386         |             | \$ 9,616,018         |             | \$ 10,001,665        |             |
| Corporate Projects and Facilities        | 5,964,100            | 6,644,506            | 6,994,725            | 7,302,169            |             | 6,718,432            |               | 6,847,784            |             | 6,989,177            |             | 7,141,612            |             |
| Safety Security and Emergency Management | 3,345,972            | 3,017,219            | 3,932,950            | 3,931,957            |             | 3,737,238            |               | 3,845,410            |             | 3,957,146            |             | 4,072,746            |             |
| Technical Services                       | 6,047,484            | 8,061,450            | 7,130,394            | 7,174,994            |             | 7,334,401            |               | 7,570,573            |             | 7,708,919            |             | 7,818,472            |             |
| Administration and Department Support    | 822,491              | 828,039              | 679,117              | 690,895              |             | 705,476              |               | 717,913              |             | 730,533              |             | 743,426              |             |
|  | 25,199,522           | 27,667,873           | 28,451,209           | 28,112,429           | (1.2%)      | 28,518,902           | 1.4%          | 28,561,066           | 0.1%        | 29,001,793           | 1.5%        | 29,777,921           | 2.7%        |
| Debt Service                             | 5,705,436            | 11,135,820           | 14,685,319           | 13,976,782           | (4.8%)      | 12,828,942           | (8.2%)        | 12,828,942           | 0.0%        | 12,703,870           | (1.0%)      | 12,084,276           | (4.9%)      |
| Capital                                  | 15,303               | 2,647,712            | 345,000              | 2,370,000            | 587.0%      | 200,000              | (91.6%)       | 200,000              | 0.0%        | 200,000              | 0.0%        | 200,000              | 0.0%        |
| <b>TOTAL EXPENDITURES</b>                | <b>\$ 30,920,261</b> | <b>\$ 41,451,405</b> | <b>\$ 43,481,528</b> | <b>\$ 44,459,211</b> | <b>2.2%</b> | <b>\$ 41,547,844</b> | <b>(6.5%)</b> | <b>\$ 41,590,008</b> | <b>0.1%</b> | <b>\$ 41,905,663</b> | <b>0.8%</b> | <b>\$ 42,062,197</b> | <b>0.4%</b> |

**METRO VANCOUVER DISTRICTS  
EXTERNAL RELATIONS  
2019 BUDGET REVIEW  
2019-2023 FINANCIAL PLAN**

|                                       | 2016<br>ACTUAL      | 2017<br>ACTUAL      | 2018<br>BUDGET      | 2019<br>BUDGET      | %<br>CHANGE | 2020<br>FORECAST    | %<br>CHANGE | 2021<br>FORECAST    | %<br>CHANGE | 2022<br>FORECAST    | %<br>CHANGE | 2023<br>FORECAST    | %<br>CHANGE |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| <b>REVENUES</b>                       |                     |                     |                     |                     |             |                     |             |                     |             |                     |             |                     |             |
| Allocated to Functional Departments   | \$ 5,441,738        | \$ 5,466,114        | \$ 5,688,168        | \$ 5,743,742        | 1.0%        | \$ 5,859,063        | 2.0%        | \$ 5,921,445        | 1.1%        | \$ 6,038,561        | 2.0%        | \$ 6,166,473        | 2.1%        |
| Other External Revenues               | -                   | 253,531             | 262,428             | 362,628             |             | 404,928             |             | 458,428             |             | 458,428             |             | 447,128             |             |
| <b>TOTAL REVENUES</b>                 | <b>\$ 5,441,738</b> | <b>\$ 5,719,645</b> | <b>\$ 5,950,596</b> | <b>\$ 6,106,370</b> | <b>2.6%</b> | <b>\$ 6,263,991</b> | <b>2.6%</b> | <b>\$ 6,379,873</b> | <b>1.8%</b> | <b>\$ 6,496,989</b> | <b>1.8%</b> | <b>\$ 6,613,601</b> | <b>1.8%</b> |
| <b>EXPENDITURES</b>                   |                     |                     |                     |                     |             |                     |             |                     |             |                     |             |                     |             |
| Operating Programs:                   |                     |                     |                     |                     |             |                     |             |                     |             |                     |             |                     |             |
| Corporate Communications              | \$ 1,005,502        | \$ 976,156          | \$ 1,122,750        | \$ 1,158,044        |             | \$ 1,201,328        |             | \$ 1,224,764        |             | \$ 1,248,032        |             | \$ 1,271,808        |             |
| Media Relations                       | 457,050             | 577,161             | 616,347             | 624,434             |             | 638,801             |             | 651,279             |             | 663,916             |             | 676,797             |             |
| Multi-Media Services                  | 1,849,657           | 1,952,344           | 1,988,817           | 2,032,018           |             | 2,073,670           |             | 2,109,542           |             | 2,146,372           |             | 2,183,259           |             |
| Stakeholder Engagement                | 805,426             | 785,383             | 853,806             | 881,898             |             | 897,840             |             | 911,440             |             | 925,238             |             | 939,337             |             |
| Administration and Department Support | 634,732             | 716,196             | 771,321             | 787,858             |             | 804,765             |             | 819,187             |             | 833,821             |             | 848,772             |             |
| Collaboration Initiatives             | 391,480             | 574,913             | 597,555             | 622,118             |             | 647,587             |             | 663,661             |             | 679,610             |             | 693,628             |             |
|                                       | 5,143,847           | 5,582,153           | 5,950,596           | 6,106,370           | 2.6%        | 6,263,991           | 2.6%        | 6,379,873           | 1.8%        | 6,496,989           | 1.8%        | 6,613,601           | 1.8%        |
| <b>TOTAL EXPENDITURES</b>             | <b>\$ 5,143,847</b> | <b>\$ 5,582,153</b> | <b>\$ 5,950,596</b> | <b>\$ 6,106,370</b> | <b>2.6%</b> | <b>\$ 6,263,991</b> | <b>2.6%</b> | <b>\$ 6,379,873</b> | <b>1.8%</b> | <b>\$ 6,496,989</b> | <b>1.8%</b> | <b>\$ 6,613,601</b> | <b>1.8%</b> |

**METRO VANCOUVER DISTRICTS  
FINANCIAL SERVICES  
2019 BUDGET REVIEW  
2019-2023 FINANCIAL PLAN**

|                                       | 2016<br>ACTUAL       | 2017<br>ACTUAL       | 2018<br>BUDGET       | 2019<br>BUDGET       | %<br>CHANGE | 2020<br>FORECAST     | %<br>CHANGE | 2021<br>FORECAST     | %<br>CHANGE | 2022<br>FORECAST     | %<br>CHANGE | 2023<br>FORECAST     | %<br>CHANGE |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|
| <b>REVENUES</b>                       |                      |                      |                      |                      |             |                      |             |                      |             |                      |             |                      |             |
| Allocated to Functional Departments   | \$ 11,035,102        | \$ 11,374,405        | \$ 11,814,229        | \$ 12,022,277        | 1.8%        | \$ 12,407,224        | 3.2%        | \$ 12,643,500        | 1.9%        | \$ 13,026,482        | 3.0%        | \$ 13,283,824        | 2.0%        |
| Other External Revenues               | 189,494              | 223,389              | -                    | -                    |             | -                    |             | -                    |             | -                    |             | -                    |             |
| Reserves                              | 48,125               | -                    | 125,000              | 100,000              |             | 105,000              |             | 65,000               |             | 35,000               |             | 35,000               |             |
| <b>TOTAL REVENUES</b>                 | <b>\$ 11,272,721</b> | <b>\$ 11,597,794</b> | <b>\$ 11,939,229</b> | <b>\$ 12,122,277</b> | <b>1.5%</b> | <b>\$ 12,512,224</b> | <b>3.2%</b> | <b>\$ 12,708,500</b> | <b>1.6%</b> | <b>\$ 13,061,482</b> | <b>2.8%</b> | <b>\$ 13,318,824</b> | <b>2.0%</b> |
| <b>EXPENDITURES</b>                   |                      |                      |                      |                      |             |                      |             |                      |             |                      |             |                      |             |
| Operating Programs:                   |                      |                      |                      |                      |             |                      |             |                      |             |                      |             |                      |             |
| Purchasing and Risk Management        | \$ 3,477,981         | \$ 3,549,367         | \$ 3,780,445         | \$ 3,919,446         |             | \$ 3,981,821         |             | \$ 4,057,609         |             | \$ 4,134,546         |             | \$ 4,213,010         |             |
| Financial Planning and Operations     | 4,496,226            | 4,673,583            | 5,335,224            | 5,325,148            |             | 5,554,533            |             | 5,616,127            |             | 5,862,387            |             | 5,980,172            |             |
| Property Services                     | 1,720,841            | 1,866,826            | 2,052,739            | 2,050,971            |             | 2,099,536            |             | 2,141,382            |             | 2,183,855            |             | 2,227,249            |             |
| Administration and Department Support | 758,737              | 848,603              | 770,821              | 826,712              |             | 876,334              |             | 893,382              |             | 880,694              |             | 898,393              |             |
| <b>TOTAL EXPENDITURES</b>             | <b>\$ 10,453,785</b> | <b>\$ 10,938,379</b> | <b>\$ 11,939,229</b> | <b>\$ 12,122,277</b> | <b>1.5%</b> | <b>\$ 12,512,224</b> | <b>3.2%</b> | <b>\$ 12,708,500</b> | <b>1.6%</b> | <b>\$ 13,061,482</b> | <b>2.8%</b> | <b>\$ 13,318,824</b> | <b>2.0%</b> |

**METRO VANCOUVER DISTRICTS  
HUMAN RESOURCES  
2019 BUDGET REVIEW  
2019-2023 FINANCIAL PLAN**

|  | 2016<br>ACTUAL      | 2017<br>ACTUAL      | 2018<br>BUDGET      | 2019<br>BUDGET      | %<br>CHANGE  | 2020<br>FORECAST    | %<br>CHANGE | 2021<br>FORECAST    | %<br>CHANGE | 2022<br>FORECAST    | %<br>CHANGE | 2023<br>FORECAST    | %<br>CHANGE |
|--|---------------------|---------------------|---------------------|---------------------|--------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| <b>REVENUES</b>                              |                     |                     |                     |                     |              |                     |             |                     |             |                     |             |                     |             |
| Allocated to Functional Departments          | \$ 4,602,835        | \$ 4,727,715        | \$ 4,905,451        | \$ 5,165,438        | 5.3%         | \$ 5,411,807        | 4.8%        | \$ 5,523,226        | 2.1%        | \$ 5,635,384        | 2.0%        | \$ 5,718,163        | 1.5%        |
| Reserves                                     | -                   | -                   | -                   | 301,294             |              | 68,000              |             | -                   |             | -                   |             | -                   |             |
| <b>TOTAL REVENUES</b>                        | <b>\$ 4,602,835</b> | <b>\$ 4,727,715</b> | <b>\$ 4,905,451</b> | <b>\$ 5,466,732</b> | <b>11.4%</b> | <b>\$ 5,479,807</b> | <b>0.2%</b> | <b>\$ 5,523,226</b> | <b>0.8%</b> | <b>\$ 5,635,384</b> | <b>2.0%</b> | <b>\$ 5,718,163</b> | <b>1.5%</b> |
| <b>EXPENDITURES</b>                          |                     |                     |                     |                     |              |                     |             |                     |             |                     |             |                     |             |
| Operating Programs:                          |                     |                     |                     |                     |              |                     |             |                     |             |                     |             |                     |             |
| Employee and Labour Relations                | \$ 959,458          | \$ 673,196          | \$ 1,211,709        | \$ 1,323,646        |              | \$ 1,250,406        |             | \$ 1,280,149        |             | \$ 1,310,276        |             | \$ 1,318,674        |             |
| Talent Management & Organization Development | 1,992,198           | 1,779,231           | 1,975,454           | 2,264,283           |              | 2,218,171           |             | 2,230,008           |             | 2,272,537           |             | 2,315,958           |             |
| Systems and Processes                        | 994,574             | 1,610,571           | 1,028,739           | 1,000,465           |              | 1,107,835           |             | 1,091,874           |             | 1,113,334           |             | 1,125,864           |             |
| Administration and Department Support        | 575,089             | 595,882             | 689,549             | 878,338             |              | 903,395             |             | 921,195             |             | 939,237             |             | 957,667             |             |
| <b>TOTAL EXPENDITURES</b>                    | <b>\$ 4,521,319</b> | <b>\$ 4,658,880</b> | <b>\$ 4,905,451</b> | <b>\$ 5,466,732</b> | <b>11.4%</b> | <b>\$ 5,479,807</b> | <b>0.2%</b> | <b>\$ 5,523,226</b> | <b>0.8%</b> | <b>\$ 5,635,384</b> | <b>2.0%</b> | <b>\$ 5,718,163</b> | <b>1.5%</b> |

**METRO VANCOUVER DISTRICTS  
LEGAL AND LEGISLATIVE SERVICES  
2019 BUDGET REVIEW  
2019-2023 FINANCIAL PLAN**

|                                       | 2016<br>ACTUAL      | 2017<br>ACTUAL      | 2018<br>BUDGET      | 2019<br>BUDGET      | %<br>CHANGE | 2020<br>FORECAST    | %<br>CHANGE | 2021<br>FORECAST    | %<br>CHANGE | 2022<br>FORECAST    | %<br>CHANGE | 2023<br>FORECAST    | %<br>CHANGE |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| <b>REVENUES</b>                       |                     |                     |                     |                     |             |                     |             |                     |             |                     |             |                     |             |
| Allocated to Functional Departments   | \$ 3,974,796        | \$ 4,019,078        | \$ 4,228,232        | \$ 4,620,939        | 9.3%        | \$ 4,712,025        | 2.0%        | \$ 4,798,442        | 1.8%        | \$ 4,886,188        | 1.8%        | \$ 4,975,844        | 1.8%        |
| Other External Revenues               | 10,067              | 11,110              | -                   | -                   |             | -                   |             | -                   |             | -                   |             | -                   |             |
| <b>TOTAL REVENUES</b>                 | <b>\$ 3,984,863</b> | <b>\$ 4,030,188</b> | <b>\$ 4,228,232</b> | <b>\$ 4,620,939</b> | <b>9.3%</b> | <b>\$ 4,712,025</b> | <b>2.0%</b> | <b>\$ 4,798,442</b> | <b>1.8%</b> | <b>\$ 4,886,188</b> | <b>1.8%</b> | <b>\$ 4,975,844</b> | <b>1.8%</b> |
| <b>EXPENDITURES</b>                   |                     |                     |                     |                     |             |                     |             |                     |             |                     |             |                     |             |
| Operating Programs:                   |                     |                     |                     |                     |             |                     |             |                     |             |                     |             |                     |             |
| Aboriginal Relations                  | \$ 323,574          | \$ 345,802          | \$ 379,161          | \$ 572,196          |             | \$ 578,648          |             | \$ 590,292          |             | \$ 602,110          |             | \$ 614,194          |             |
| Corporate Administration              | 861,435             | 820,551             | 722,620             | 979,030             |             | 996,095             |             | 1,010,652           |             | 1,025,425           |             | 1,040,516           |             |
| In House Legal                        | 1,158,950           | 836,978             | 1,319,935           | 1,349,876           |             | 1,380,572           |             | 1,407,074           |             | 1,433,971           |             | 1,461,457           |             |
| Information Management                | 993,174             | 979,989             | 1,377,159           | 1,262,089           |             | 1,289,709           |             | 1,314,382           |             | 1,339,463           |             | 1,365,082           |             |
| Administration and Department Support | 418,214             | 425,025             | 429,357             | 457,748             |             | 467,001             |             | 476,042             |             | 485,219             |             | 494,595             |             |
| <b>TOTAL EXPENDITURES</b>             | <b>\$ 3,755,347</b> | <b>\$ 3,408,345</b> | <b>\$ 4,228,232</b> | <b>\$ 4,620,939</b> | <b>9.3%</b> | <b>\$ 4,712,025</b> | <b>2.0%</b> | <b>\$ 4,798,442</b> | <b>1.8%</b> | <b>\$ 4,886,188</b> | <b>1.8%</b> | <b>\$ 4,975,844</b> | <b>1.8%</b> |

## CORPORATE SERVICES

### Description of services

Corporate Services is a centralized service providing support to all business activities of the Metro Vancouver entities. These services provided include business systems, corporate projects, facility operations and management, safety, security, emergency management and technical services. Corporate Services is also responsible for managing the housing development projects of Metro Vancouver Housing Corporation and the regional district functions of 9-1-1 Emergency Telephone Service, Regional Emergency Management and the Sasamat Fire Protection Service.

### Strategic directions and high level goals supported

#### Board Strategic Plan

- Livable and Sustainable Region - Use livability and sustainability objectives to guide Metro Vancouver services and operations.
- Emergency Preparedness – Collaborate with stakeholders to prepare for major emergencies.
- Fiscal Responsibility - Use value for services to guide Metro Vancouver operations and service provision.
- Effective Federation - Strengthen the alignment of member and regional objectives.

#### Financial Goals

- Ensure the long-term financial sustainability of the Metro Vancouver Districts and Housing Corporation.
- Safeguard/steward the corporation's assets.
- Provide and enhance service to both internal and external customers.
- Provide support to Metro Vancouver operations in achieving their management plan goals.

### Performance indicators

| Indicator  | Historical and/or industry benchmark                        | Current performance      | 2019 performance objective     |
|--|---|--------------------------|--------------------------------|
| Information technology (IT) expenditures (operating) as a percent of total corporate expenditures    | Gartner Group: 2018 Benchmark for Local Government: 3.5%    | 2018 projected: 2.3%     | Not to exceed 2.2%             |
| IT expenditures per staff supported  | Gartner Group: 2018 Benchmark for Local Government: \$8,807 | 2018 projected: \$ 8,277 | Not to exceed \$8,200          |
| IT staff as % of staff supported   | Gartner Group: 2018 Benchmark for Local Government: 3.9%    | 2018 projected: 3.8%     | Not to exceed 3.8%             |
| Building Operations MTIII Energy Star rating (overall building efficiency: electricity, water & gas) | Not Available (new building)                                | 2018 YTD 90%             | Not less than 90%              |
| CORE Safety Program Audit Score  | 2014: 93%<br>2015: 94%<br>2016: 90%                         | 2017: 95%                | Greater than 90% (80% is pass) |

| Indicator  | Historical and/or industry benchmark                 | Current performance                  | 2019 performance objective        |
|--|--|--------------------------------------|-----------------------------------|
|  |  | 2018 Audit underway                  |                                   |
| CORE Workplace Time loss Return to Work Audit Score  | 2014: 84%<br>2015: 91%<br>2016: 89%                  | 2017: 88%<br><br>2018 Audit underway | Greater than 85%<br>(80% is pass) |
| Number of courses certified by WorkSafe for EOCP (Environmental Operators Certification Program) | 2015: 6<br>2016: 6<br>2017: 6                        | 2018: 7                              | 6 Courses                         |
| Hours per Employee of Safety Training  | 2014: 8.9<br>2015: 8.4<br>2016: 9.0<br>2017: 9.4     | 2018 YTD 7.3<br>10.0 Projected       | Greater than 9 hours per employee |
| WorkSafe Merit (Discount) Rates  | 2014: -30%<br>2015: -31%<br>2016: -24%<br>2017: -20% | 2018 -26%                            | A greater than 25% rebate (-25%)  |

## 2019 key actions

### Business Systems

Complete over 50 projects in 2019 involving enterprise, departmental, and work group applications. Highlights include the following projects:

- Upgrade to Unit4 v.7.4 and implement enhancements in the Travel & Expense and Procurements modules.
- Deploy mobile solution to access Unit4 financial processes (e.g. requisition entry & approval) through the private cloud.
- Implement PeopleSoft Recruitment module as the application system for internal and external job candidate.
- Deliver departmental projects, such as, eSourcing, Land Management, Fleet Management, Recreation Management, Asset Management (Ameresco for Parks), and Utility Gateway Portal.
- Conduct product research and develop implementation plan for digital payments, decision support & reporting tools, and PeopleSoft functionality for HR/Finance initiatives (e.g. talent management, mobile time entry).
- Support regional initiatives with member municipalities - Municipal Information Systems Association (MISA), Recreation management software consortium, and GIS (e.g. OpenData).

### Corporate Projects and Facilities

- Monitor agreement with Colliers International, MT III property management company, to ensure Metro Vancouver and building tenants are receiving optimum service, comprehensive reporting and that all building systems and service contracts at Metrotower III are maintained.
- Continue to maintain Metrotown Place I and III buildings and provide service to building tenants until properties are sold.
- Implement capital and operational projects at Metrotower III to improve building systems, upgrade EOC, update levels 8 and 9 to secure tenants, and complete design finishing touches to MV spaces.

#### Safety, Security and Emergency Management

- Complete Core Audits and retain certification.
- Continuous improvement in our safety program
- Effectively manage and prevent WorkSafe time lost injuries and claims
- Implement a fleet safety awareness program

#### Technical Services

- Provide technical infrastructure required for the MTIII facility.
- Evergreen 20% of the PC stock moving to a more mobile work force (laptops) and smaller PCs.
- Implement Private Cloud Security Model.
- Complete Jupiter Photo Management System.
- Improve WiFi Coverage in building (elevators).
- Wireless access to remote sites.
- Continue to update disaster recovery plan, with a new remote site for data storage.



## EXTERNAL RELATIONS

### Description of services

External Relations is a centralized support service providing support to all business activities of the Metro Vancouver entities. External Relations centralized support includes Corporate Communications, Multimedia Services, Stakeholder Engagement, Media Relations and Collaboration Initiatives. External Relations also provides direct communications programs for Liquid Waste, Water, Regional Parks, Regional Planning, Air Quality and the Metro Vancouver Housing Corporation and administers various initiatives under the General Government function. External Relations provides support and leadership to the organization with three key objectives:

- Increasing public awareness, understanding and alignment with Metro Vancouver services and policies;
- Enhancing communication, engagement and collaboration with member municipalities; and
- More effectively engaging other levels of government and their agencies in support of regional priorities

### Strategic directions and high level goals supported

#### Board Strategic Plan

- Increase Metro Vancouver's profile by leveraging events and news related to regional services.
- Enhance relationships between Metro Vancouver and other orders of government, First Nations and stakeholders.
- Clarify and strengthen Metro Vancouver's role in pursuing a collaborative approach to regional prosperity
- Enhance communications on the economic, social and environmental benefits associated with undertaking land use and growth management planning at a metropolitan scale.
- Improve public understanding of the value of clean air and greenhouse gas reductions and actions to achieve both.
- Invest in programs to promote behavior that is consistent with regional liquid waste objectives.
- Expand public awareness of the quality of Metro Vancouver drinking water and the importance of conserving it.
- Continue to promote behavior change that will reduce waste generated in the region.

### Performance Indicators

| Indicator  | Historical and/or Industry Benchmark                   | Current Performance                                  | 2019 Performance Objective |
|--|--|--|----------------------------|
| Number of website page visits<br><a href="#">Metro Vancouver website</a>                   | 2017: 3,979,371<br>2016: 3,827,000<br>2015: 3,653,000  | Projected for 2018:<br>4,216,886 (6.0% increase)     | 4,427,730<br>(5% increase) |
| Number of video views (YouTube, Facebook, <a href="#">Metro Vancouver website</a> - Vimeo) | 2017: 3,500,000<br>2016: 2,563,939<br>2015: 1,124,681  | Projected for 2018:<br>4,685,214<br>(33.9% increase) | 4,919,474<br>(5% increase) |
| Number of mailing lists subscribers – 12 lists in 2016, 26 lists in 2018)                  | 2017: 37,844<br>2016: 19,468<br>2015: 5,180 (only SRI) | August 2018: 41,953<br>(10.8% increase)              | 44,050<br>(5% increase)    |

| Indicator   | Historical and/or Industry Benchmark                              | Current Performance                     | 2019 Performance Objective |
|---|---|---|----------------------------|
| Number of Metro Vancouver followers on Twitter  | August 2017: 28,500<br>August 2016: 26,900<br>August 2015: 24,046 | August 2018: 29,363<br>(3.0% increase)  | 30,282<br>(3% increase)    |
| Number of Metro Vancouver followers on Facebook (since 2016 includes Regional Parks and LFHW) | August 2017: 13,439<br>August 2016: 9,267<br>August 2015: 4,261   | August 2018: 18,381<br>(36.8% increase) | 19,300<br>(5% increase)    |

### 2019 key actions

- Enhance education, awareness and engagement about climate change through stakeholder engagement and branding activities around Climate 2050; promotion of EV Programs (EV Condo and Workplace) and Caring for the Air
- Increase awareness of the new lawn watering regulations and the quality of Metro Vancouver water and the need for conservation through 'source to tap messaging', the regional We Love Water campaign and the introduction of a new tanker-style water wagon
- Reduce liquid waste at source through targeted behaviour change campaigns around unflushables and grease and continue strategic communications around biosolids
- Reduce and prevent food waste through Love Food - Hate Waste Canada and support organics ban through Food Isn't Garbage public engagement campaigns with a focus on multi-family
- Reduce and prevent waste through the annual Create Memories, Not Garbage Christmas campaign
- Educate and increase awareness on the issue of abandoned waste across the region
- Launch an education and awareness program around textiles reuse and recycling
- Lead implementation of the National Zero Waste Council and the Regional Prosperity Initiative
- Host 2019 Metro Vancouver National Zero Waste Conference
- Engage with the public, business communities and other levels of government on Metro Vancouver strategic priorities through enhanced social media presence and proactive engagement of media
- Production and distribution of biannual Metro Update newsletter to all households
- Build relationships with federal/provincial/local government officials on Metro Vancouver priorities
- Host regional Council of Councils on key Metro Vancouver priorities
- Video production / distribution of Community Television shows The Sustainable Region / MV Close Up
- Enhance international collaboration and profile through study tours and engagement with United Cities and Local Governments (UCLG), Local Governments for Sustainability (ICLEI), and others

## FINANCIAL SERVICES

### Description of services

Financial Services is responsible for providing support services pertaining to accounting, payroll, financial planning, cash and debt management, procurement, risk management, inventory control, real estate acquisition, disposal and management, process review and fleet vehicle management and maintenance which assists departments in achieving their capital and operational objectives. In addition, the department has a fiduciary/stewardship role regarding developing and maintaining appropriate financial policies, processes and procedures to ensure the overall financial sustainability of the Metro Vancouver Districts and Housing Corporation, safeguarding of the corporation's assets as well as compliance with ongoing finance-related statutory requirements and corporate policies.

### Strategic directions and high level goals supported

Use value for service to guide Metro Vancouver operations and service provisions.

- Develop fiscal policy using equity and affordability criteria.
- Ensure that opportunities for increased efficiencies are evaluated and implemented

### Financial Goals

- Ensure the long-term financial sustainability of the Metro Vancouver Districts and Housing Corporation.
- Safeguard/steward the corporation's assets.
- Provide and enhance service to both internal and external customers.
- Provide support to Metro Vancouver operations in achieving their management plan goals.

### Performance indicators

| Indicator  | Historical and/or industry benchmark                 | Current performance         | 2019 performance objective |
|--|--|-----------------------------|----------------------------|
| <b>Current ratio</b> (current assets / current liabilities)                      | 2013 average ratio for BC municipalities<br>3.8 to 1 | Projected 2018:<br>5.2 to 1 | Minimum 3.8 to 1           |
| <b>Debt service costs / total revenue</b>  | Province of BC threshold<br>25%                      | Projected 2018:<br>19%      | <20%                       |
| <b>Operating Surplus Ratio</b> (operating surplus as a % of own source revenues) | 0 - 15%  | Projected 2018:<br>5%       | <5%                        |

## 2019 key actions

### Financial Planning and Operations

- Continue with refinements to the budget and financial planning and related reporting processes along with sustainment and enhancement plans to maintain and build upon the utilization and capabilities of the budget and financial planning systems.
- Coordinate the completion of the initial 30 Year Financial Plan for Metro Vancouver. This involves evaluating the impact of Metro Vancouver services and reviewing the debt management strategy and other key financial strategies and policies.
- Ongoing development of the Continuous Improvement culture/approach. Undertake Continuous Improvement projects using the CI Framework within the anticipated policy. Process Improvement and Projects team to continue to provide support and guidance to other areas within Metro Vancouver.
- Continue development of content and format of financial reports for public consumption including a financial plan report and an annual report of financial results.
- Prepare for new public sector accounting requirements related to asset retirement obligations.

### Purchasing and Risk Management

- Implement improvements stemming from the Procurement Review conducted in 2015 with a focus on Category Management.
- Complete updates, including a legal review, of all bid/contract templates.
- Conduct an overall review of inventory/stores.
- Manage a pilot program for Materials Requirement Planning (MRP) at Iona in conjunction with Liquid Waste Services.

### Properties

- Implement acquisition plans to support the Regional Parks Land Acquisition Strategy.
- Implement changes resulting from the 2018 Division Organizational Review
- Market and lease any surplus office space at Metrotower III.
- Complete actions or improvements identified in the independent review of the division business processes and procedures.
- Continue to source and implement the upgrade/replacement of the division's Property Database.
- Apply continuous improvement initiatives across the division.

## HUMAN RESOURCES

### Description of services

Human Resources is a centralized service providing support to all business activities of the Metro Vancouver entities. The support provided through Human Resources is two-fold. It develops and delivers programs that support both the Metro Vancouver's high level goals and each individual department's goals and objectives. In addition, it works with client departments to attract, build and retain capacity in the achievement of their goals. There are three components within HR that deliver day-to-day services that support the operations of the organization, along with strategic initiatives that address emerging trends, and business opportunities: Talent Management and Organization Development, Employee and Labour Relations, and HR Systems & Processes.

### Strategic directions and high level goals supported

#### Board Strategic Plan

- Use livability and sustainability objectives to guide Metro Vancouver services and operations.
- Use value for service to guide Metro Vancouver operations and service provision.

#### HR Goals

- To deliver Human Resource strategies and services that position Metro Vancouver to recruit and retain the best possible talent needed to meet our evolving business needs and, in the process, help to build a vital and sustainable organization.
- To deliver programs and strategies that support the achievement of organizational goals and objectives.

### Performance indicators

| Indicator                                      | Historical and/or industry benchmark   | Current performance                             | 2019 performance objective |
|--|--|---|----------------------------|
| Number of unique job applicants <sup>1</sup>   | MV 3-year average (2015-17):<br>8,648<br><br>2017: 7,574<br>2016: 9,215<br>2015: 9,155 | 2018 YTD July:<br>4,137<br><br>Objective 10,000 | 10,200                     |
| Number of job vacancies processed <sup>2</sup> | MV 3-year average (2015-17):<br>621<br><br>2017: 670<br>2016: 599<br>2015: 595         | 2018 YTD July:<br>360<br><br>Objective 600      | 600                        |

<sup>1</sup> One applicant may apply for multiple vacancies over the course of a year

<sup>2</sup> Includes all requisitions for staff, including seasonal hires



| <b>Indicator</b>   | <b>Historical and/or industry benchmark</b>  | <b>Current performance</b>                             | <b>2019 performance objective</b> |
|--|--|--|-----------------------------------|
| Staff turnover (FTR, includes resignations and retirements)                | MV 3-year average (2015-17):<br>5.52%<br><br>2017: 5.71%<br>2016: 5.81%<br>2015: 5.04% | 2018 YTD Q2 annualized:<br>6.4%<br><br>Objective <7.5% | <7.5%                             |
| Percentage of workforce receiving training (FTR, excludes safety training) | MV 3-year average (2015-17):<br>68%<br><br>2017: 65%<br>2016: 65%<br>2015: 74%         | 2018 YTD July:<br>43%<br><br>Objective 70%             | 72%                               |
| Participants in MetroFit Health and Wellness Programs                      | MV 3-year average (2015-17):<br>2,687<br><br>2017: 2,813<br>2016: 2,774<br>2015: 2,475 | 2018 YTD July:<br>808<br><br>Objective 2,500           | 2,600                             |

### 2019 key actions

- Review and update job classifications and generate job descriptions for the Teamsters Bargaining unit.
- Prepare for 2020 collective bargaining.
- Develop a partnership with colleges/universities to bring a Water and Wastewater Operator. Certification/Diploma program local to Metro Vancouver with targeted launch date of September.
- Formalize and embed Diversity and Inclusion initiatives into all relevant MV programs.
- Implement Talent Acquisition Management system for internal and external candidates.
- Award a new contract for Benefits Consulting services.

## LEGAL AND LEGISLATIVE SERVICES ABORIGINAL RELATIONS

### Description of services

Aboriginal Relations provides information, advice and support to Metro Vancouver on First Nations' interests and issues, and analyses how such First Nations' interests and issues may affect corporate programs, processes and projects. Aboriginal Relations also responds to pan-municipal First Nation issues and represents and supports Metro Vancouver local government interests at treaty negotiation tables as well as at provincial and federal venues.

### Strategic directions and high level goals supported

Board Strategic Plan:

- Enhance relationships between Metro Vancouver and other orders of government, First Nations and stakeholders.

Goal:

- Advance working relationships with First Nations on shared objectives.

### Performance indicators

| Indicator   | Historical and/or industry benchmark  | Current performance                          | 2019 performance objective |
|---|---|--|----------------------------|
| Number of local government interests represented at treaty table meetings.  | MV 3-year average (2015-2017)<br>11<br><br>2017: 3<br>2016: 4<br>2015: 27   | 2018 YTD July:<br>2<br><br>Objective:<br>3   | 4                          |
| Number of special Aboriginal Relations events hosted by Metro Vancouver (e.g. Community to Community Forums, workshops, lunch and learn sessions, etc.) | MV 3-year average (2015-2017)<br>3<br><br>2017: 3<br>2016: 3<br>2015: 3     | 2018 YTD July:<br>2<br><br>Objective:<br>4   | 4                          |
| Number of bilateral meetings between Metro Vancouver and the nine area First Nations with lands.  | MV 3-year average (2015-2017)<br>22<br><br>2017: 32<br>2016: 18<br>2015: 15 | 2018 YTD July:<br>15<br><br>Objective:<br>22 | 25                         |

| <b>Indicator</b>  | <b>Historical and/or industry benchmark</b>                                     | <b>Current performance</b>                       | <b>2019 performance objective</b> |
|---|---|--|-----------------------------------|
| External requests for information or advice related to First Nations and/or Aboriginal Relations. | MV 3-year average (2015-2017)<br>87<br><br>2017: 104<br>2016: 87<br>2015: 70    | 2018 YTD July:<br>70<br><br>Objective:<br>120    | 130                               |
| Total requests for information or advice related to First Nations and/or Aboriginal Relations     | MV 3-year average (2015-2017)<br>614<br><br>2017: 943<br>2016: 514<br>2015: 385 | YTD July 2018:<br>776<br><br>Objective:<br>1,330 | 1,500                             |

## 2019 key actions

- Complete an annual review/update of Metro Vancouver's Profile of First Nations document.
- Create an online version of Metro Vancouver's Profile of First Nations.
- Host an annual event involving the Aboriginal Relations Committee and First Nations leaders (e.g. Community to Community Forum).
- Host an annual event (e.g. workshop) involving staff of First Nations and local governments on a topical issue in local government-First Nations relations.
- Host and/or participate in reconciliation activities (e.g. "Orange Shirt Day"; National Indigenous Peoples Day events).
- Participate in active treaty table meetings in the region as part of the provincial negotiating teams.
- Provide training sessions for Metro Vancouver staff on the corporate policy related to sharing information and engagement with First Nations on construction projects as well as the Board policy for procuring First Nation services.



## LEGAL AND LEGISLATIVE SERVICES

### Information Management

### Legal Services

#### Description of services

Legal Services Legal Services is a centralized service providing support to all business activities of the Metro Vancouver entities. This service provides legal advice and support to Metro Vancouver departments on a wide range of project related issues, including procurement, contract awards, contract claims and compliance with contracts; works to ensure Metro Vancouver satisfies its legislative obligations, reduces its exposure to risk, and enters into commercial terms that optimize the corporation's objectives in its dealings with other entities; provides advice and guidance to regulatory programs, including training for enforcement staff; represents the organization in dispute resolution proceedings.

Information Management Services serves as a centralized service providing Information Management Services to all business activities of the Metro Vancouver entities. Information Management Services includes the development of systems and, processes, policies and procedures for effectively managing corporate records and information services. This includes document management systems, library research services, and customer service through the Information Centre.

#### Strategic directions and high level goals supported

Legal Services supports the *Board Strategic Plan* by:

- Using value for service to guide Metro Vancouver operations and service provision.
- Supporting other Metro Vancouver departments in achieving management plan goals.

Information Management Services supports the *Board Strategic Plan's* strategic direction to "Strengthen the alignment of member and regional objectives" by providing support for the management of information assets – library, records and customer interactions – in accordance with the board's *Information Management* policy.

#### Performance indicators

| Indicator   | Historical and/or industry benchmark | Current performance YTD to July | 2019 performance objective |
|---|--------------------------------------|---------------------------------|----------------------------|
| Number of legal queries responded to annually                     | 1,500                                | 2018 YTD: 950                   | 1500                       |
| Number of customer interactions (telephone, email and live chat). | 3-year average: 35,752 interactions  | 2018 YTD: 21,587 interactions   | 35,752+ interactions       |

| Indicator                                     | Historical and/or industry benchmark    | Current performance YTD to July      | 2019 performance objective |
|---|---|--------------------------------------|----------------------------|
| Number of library reference/research requests | 5-year average: 1,092 research requests | 2018 YTD July: 740 research requests | 1,000+ research requests   |

## 2019 key actions

### Legal Services

- Support various staff drafting bylaws: updates to Parks Regulatory Bylaw, amendments to Grease Trap Regulation, developing hospital sewer compliance plans, developing residential wood smoke regulation, developing odour management bylaw, updating Electoral Area A Zoning Bylaw;
- Support Properties Division in finalizing real estate document templates;
- Support Purchasing Division in finalizing procurement document templates;
- Support Liquid Waste Services in the completion of the procurement of major projects involving Annacis Island WWTP, Annacis Outfall, and major construction projects, including North Shore WWTP;
- Support Water Services with Second Narrows Crossing and Annacis Crossing;
- Support Solid Waste Services with implementation of anticipated new regulatory bylaws, and construction of new facilities in South Surrey and Coquitlam;
- Support Regional Planning with Metro 2040 updates;
- Support ongoing litigation.

### Information Management Services

- Continue to digitize paper-based historical library publications to enable this content to be more accessible through searchable repositories
- Coordinate enhancements to the corporate-wide document management system
- Coordinate the introduction of a technology solution for the storage, search, retrieval and overall management of digital photograph and archival printed images
- Plan and undertake upgrades to the corporate library software
- Introduce a new learning management system for employees to improve compliance with document management, records management, and research search literacy
- Review email management practices in terms of the record-keeping issues and best practices
- Delivery technology solution to improve the management of customer/citizen inquiries received through the Information Centre

**METRO VANCOUVER DISTRICTS**  
**2019-2023 PROJECTED RESERVES - CENTRALIZED SUPPORT PROGRAMS**

**DISCRETIONARY RESERVES**

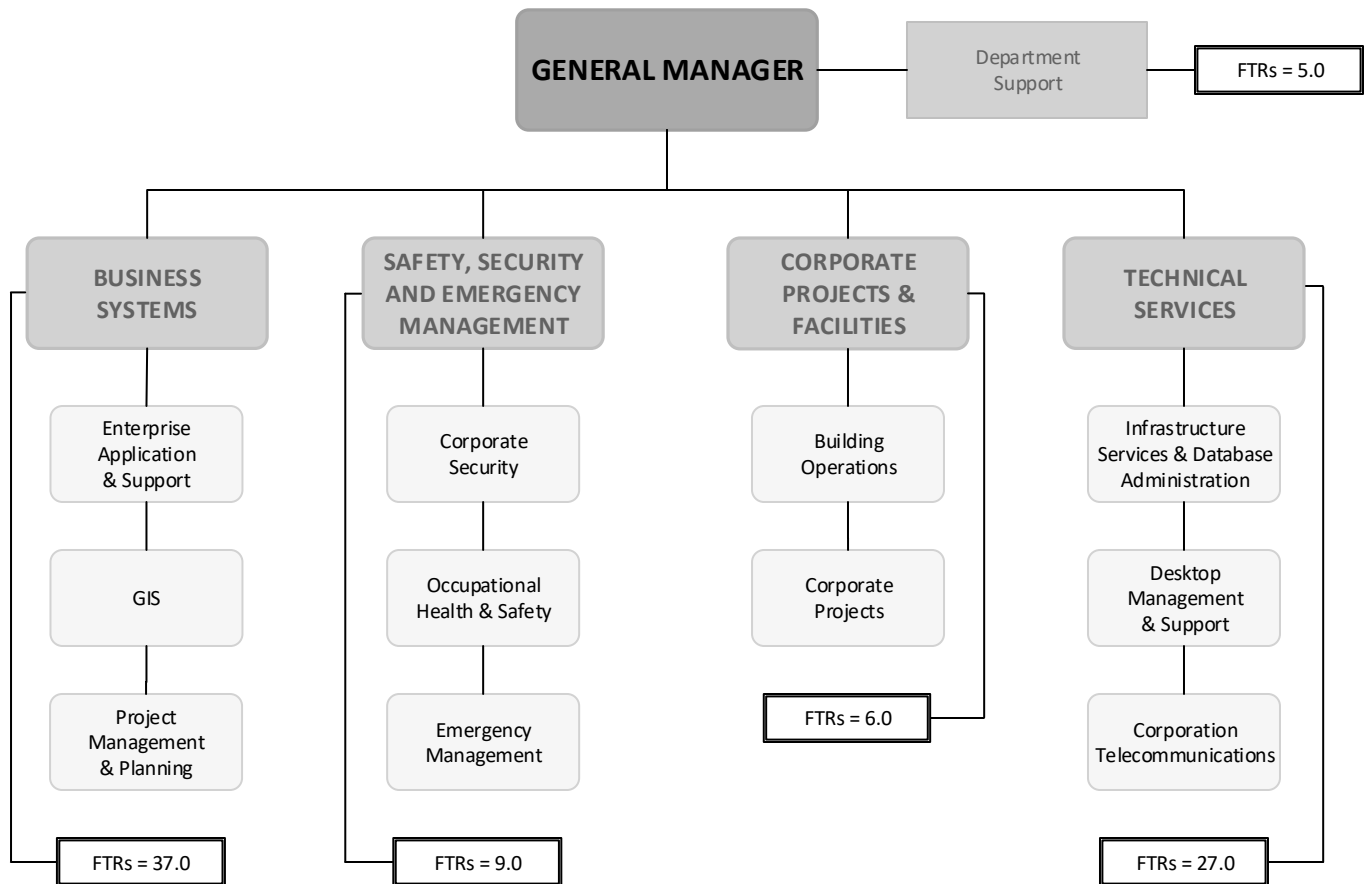
|                             | 2018           | 2019            |              |                |            | 2019           | 2020           | 2021           | 2022           | 2023           |
|-----------------------------|----------------|-----------------|--------------|----------------|------------|----------------|----------------|----------------|----------------|----------------|
|                             | ENDING BALANCE | OPENING BALANCE | CONTRIBUTION | WITHDRAWALS    | INTEREST   | ENDING BALANCE | ENDING BALANCE | ENDING BALANCE | ENDING BALANCE | ENDING BALANCE |
| Centralized Support Reserve | \$ 17,037,580  | \$ 17,037,580   | \$ -         | \$ (6,778,309) | \$ 272,969 | \$ 10,532,240  | \$ 8,193,846   | \$ 6,176,123   | \$ 4,168,546   | \$ 2,302,617   |

**STATUTORY RESERVES**

|                                  | 2018           | 2019            |              |             |           | 2019           | 2020           | 2021           | 2022           | 2023           |
|----------------------------------|----------------|-----------------|--------------|-------------|-----------|----------------|----------------|----------------|----------------|----------------|
|                                  | ENDING BALANCE | OPENING BALANCE | CONTRIBUTION | WITHDRAWALS | INTEREST  | ENDING BALANCE | ENDING BALANCE | ENDING BALANCE | ENDING BALANCE | ENDING BALANCE |
| Corporate Self Insurance Reserve | \$ 2,632,009   | \$ 2,632,009    | \$ -         | \$ -        | \$ 52,640 | \$ 2,684,649   | \$ 2,738,342   | \$ 2,793,109   | \$ 2,848,971   | \$ 2,905,951   |
| Corporate Fleet Reserve          | 6,020,696      | 6,020,696       | 5,413,843    | (4,433,130) | 130,221   | 7,131,630      | 8,212,297      | 9,281,760      | 10,343,034     | 11,394,654     |

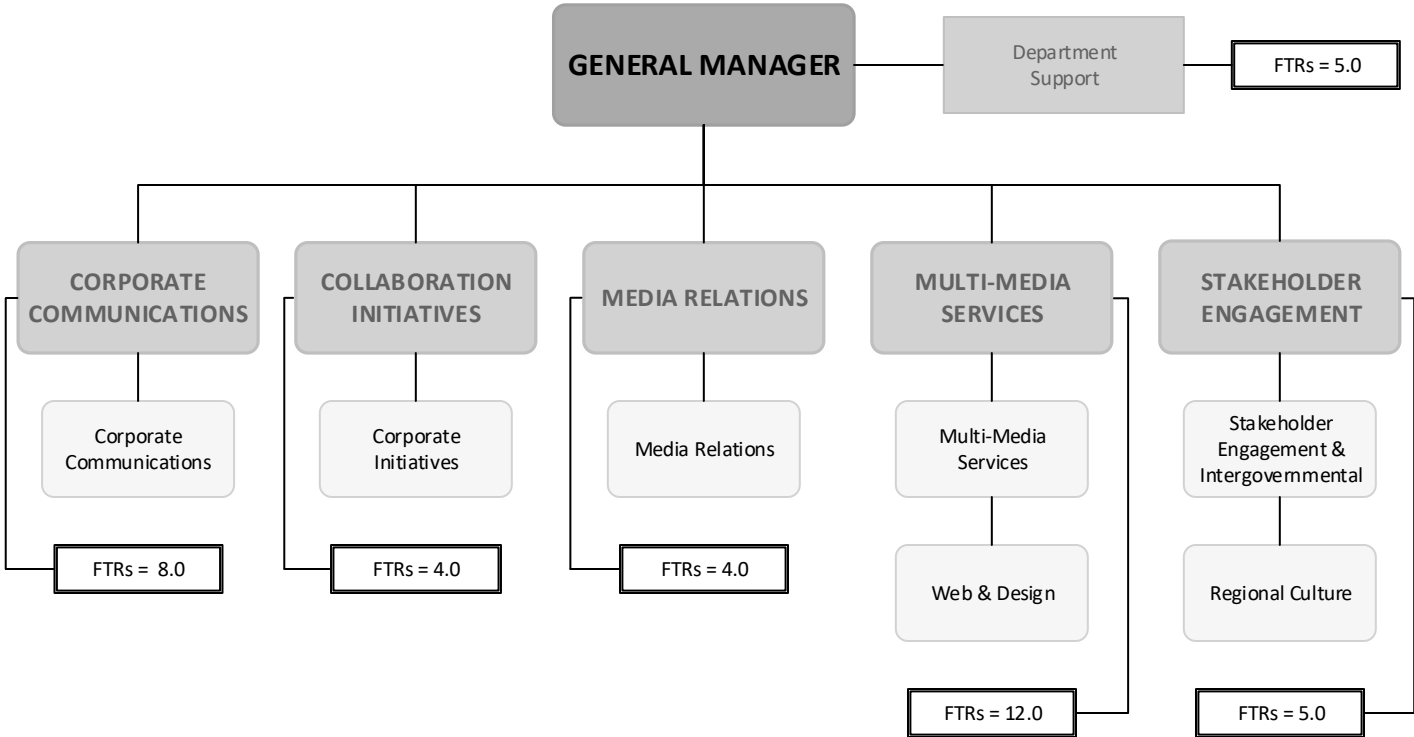


2018



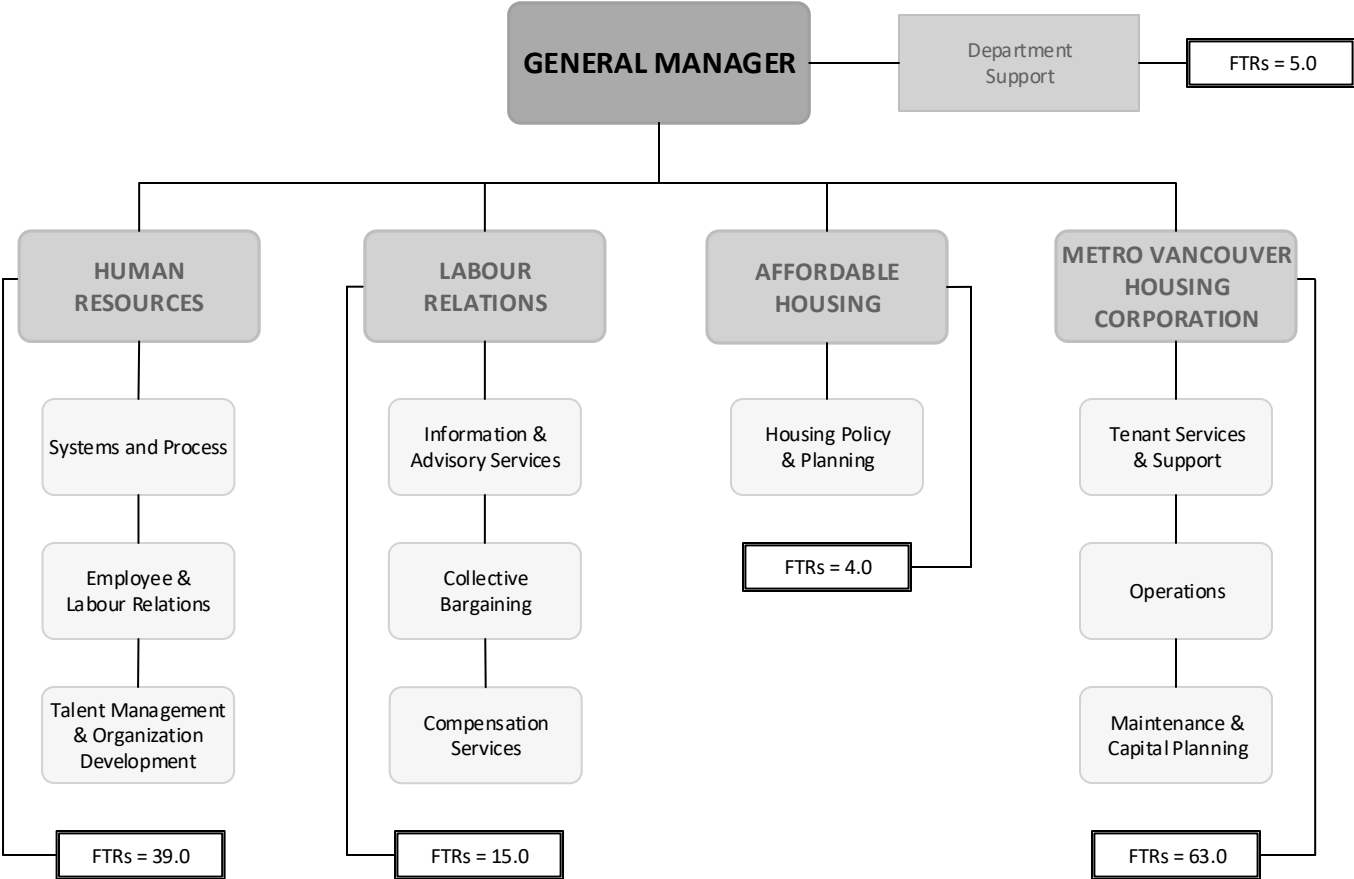
**Corporate Services**  
 2018 Total FTRs = 85.0  
 2019 Proposed FTRs = 85.0

2018



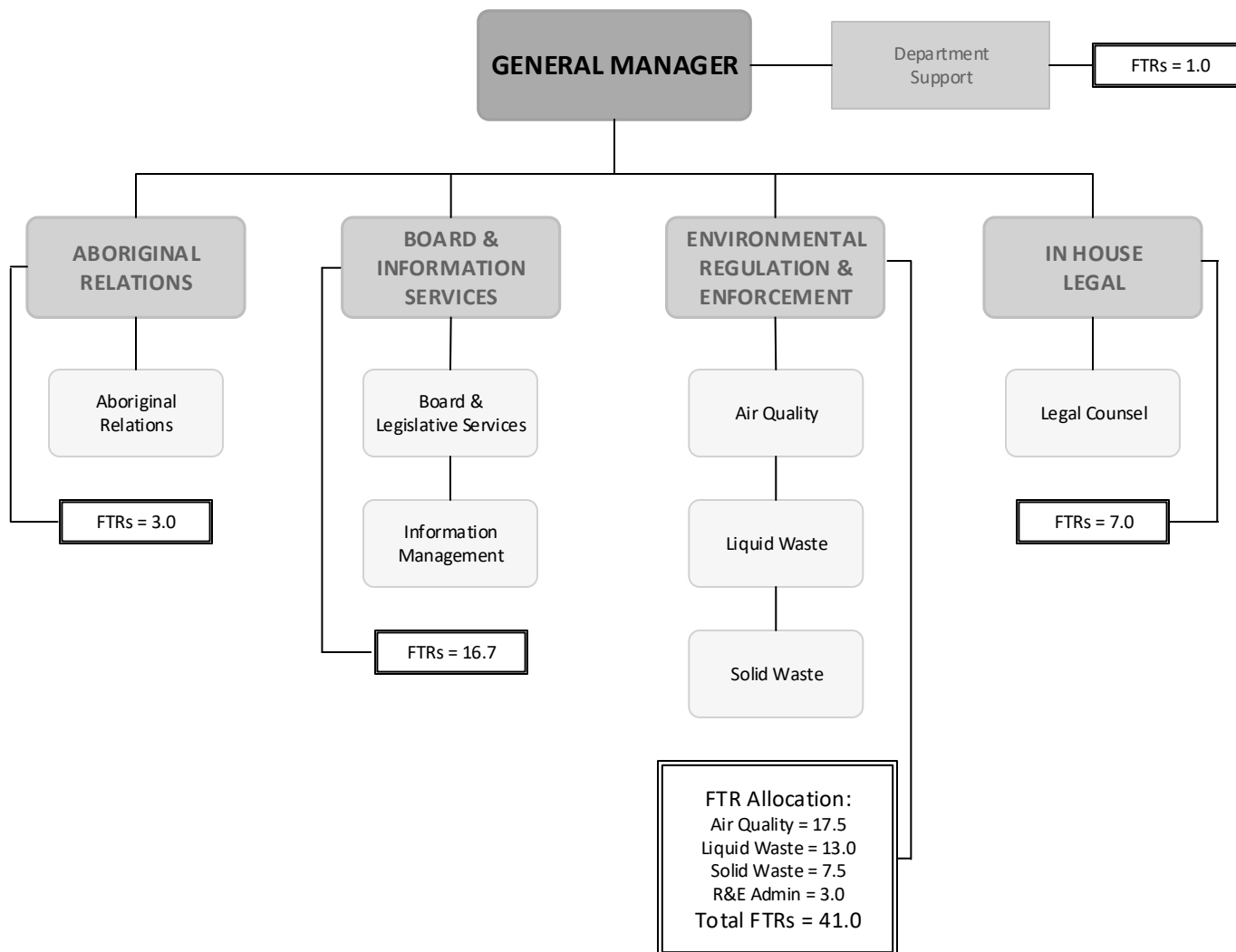
**External Relations**  
**2018 Total FTRs = 39.0**  
**2019 Proposed FTRs = 39.0**

2018



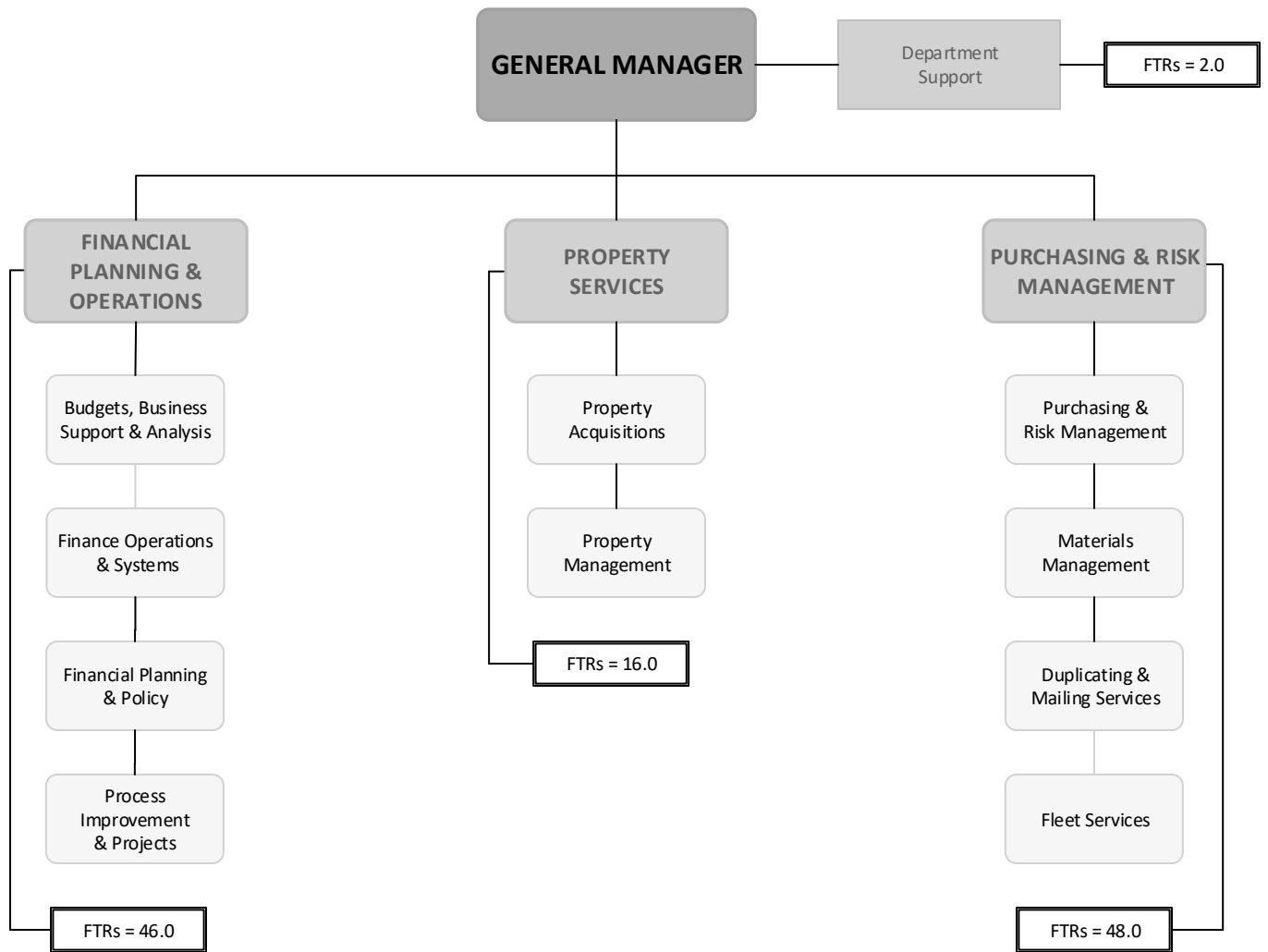
**Human Resources & Housing Services**  
**2018 Total FTRs = 127.0**  
**2019 Proposed FTRs = 127.0**

2018



**Legal & Legislative Services**  
**2018 Total FTRs = 69.7**  
**2019 Proposed FTRs = 71.7**

2018



**Financial Services**  
**2018 Total FTRs = 113.0**  
**2019 Proposed FTRs = 113.0**



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To: Finance and Intergovernment Committee

From: Raymond Kan, Regional Planner II, Parks, Planning and Environment

Date: September 25, 2018 Meeting Date: October 12, 2018

**Subject: TransLink Application for Federal Gas Tax Funding from the Greater Vancouver Regional Fund for 2020 Fleet Expansion and Modernization**

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### RECOMMENDATION

That the MVRD Board:

- a) approve \$142.10 million in funding from the Greater Vancouver Regional Fund for the following transit projects proposed by TransLink in its *Application for Federal Gas Tax funding from the Greater Vancouver Regional Fund for 2020 Fleet Expansion and Modernization* as attached to the report dated September 25, 2018, titled “TransLink Application for Federal Gas Tax Funding from the Greater Vancouver Regional Fund for 2020 Fleet Expansion and Modernization”:
  - i. Project 1 – Year 2020 Double Decker Diesel Bus Purchases for Fleet Replacement
  - ii. Project 2 – Year 2020 Conventional 60-ft Hybrid Bus Purchases and 40-ft Battery Electric Bus Purchases for Fleet Expansion
  - iii. Project 3 – Year 2020 HandyDART Vehicle Purchases for Fleet Replacement
  - iv. Project 4 – Year 2020 HandyDART Vehicle Purchases for Fleet Expansion
  - v. Project 5 – Year 2020 Community Shuttle Vehicle Purchases for Fleet Expansion
- b) direct staff to undertake a review of the *Federal Gas Tax Fund Expenditures Policy*, in consultation with TransLink and the Union of British Columbia Municipalities, and to report back to the Finance and Intergovernment Committee in 2019 with findings and, where appropriate, recommendations.

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### PURPOSE

To present for MVRD Board consideration TransLink’s request for federal gas tax funding from the Greater Vancouver Regional Fund (GVRF) under Metro Vancouver’s *Federal Gas Tax Fund Expenditures Policy (GVRF Policy)* and seek Board approval to undertake a review of the Greater Vancouver Regional Fund policy.

### BACKGROUND

TransLink is requesting approval of five projects for federal gas tax funding from the GVRF to expedite the delivery of new transit vehicles beginning in 2020. On September 24, 2018, Metro Vancouver received TransLink’s application for \$142.10 million in GVRF funding for five projects. The Metro Vancouver Regional District Board has approval authority over requests for GVRF funding, including scope changes. Since adopting the *GVRF Policy* in May 2016, the MVRD Board has approved approximately \$394 million in GVRF funds to TransLink for eligible regional transportation projects. Continuous investment in the expansion and modernization of the transit fleet is crucial to the achievement of the Board’s regional growth management, environmental, and economic objectives. The Union of British Columbia Municipalities holds the federal gas tax funds in a special account, and transfers the funds to TransLink upon formal notification by the MVRD Board of its approval.

With nearly three years of experience implementing the GVRF policy and given the expectation that the GVRF will remain a major source of funding for transit fleet investments over the coming decade, it is an appropriate time to review the policy with TransLink and the Union of BC Municipalities.

This report presents TransLink's request for federal gas tax funding from the Greater Vancouver Regional Fund (GVRF) under Metro Vancouver's *Federal Gas Tax Fund Expenditures Policy (GVRF Policy)* and seeks Board approval to undertake a review of the *Federal Gas Tax Fund Expenditures Policy*.

## GREATER VANCOUVER REGIONAL FUND POLICY REQUIREMENTS

The *GVRF Policy* sets out the application process, information requirements, and evaluation criteria to respond to TransLink's request for GVRF funding. The *GVRF Policy* sets out the expectation for the MVRD Board to issue a call for proposals on an annual basis by April 1. The deadline for TransLink to submit final proposals is September 1. The MVRD Board would make its decisions by November 30. Notwithstanding the prescribed process, Metro Vancouver has accommodated TransLink's desire to be flexible when submitting applications for new projects or scope changes. Under the *GVRF Policy*, TransLink is also responsible for providing semi-annual reports on active projects funded through the GVRF to the MVRD Board. The 2018 semi-annual report as at June 30, 2018 is provided under separate cover in the October 12, 2018 Finance and Intergovernment Committee agenda. Additional context about the Federal Gas Tax Administrative Agreement and the *GVRF Policy* can be found in Appendix A; recently approved GVRF applications are summarized in Appendix B.

## PROPOSED PROJECTS

TransLink is seeking approval for five projects totaling \$142.10 million in GVRF funding. The fleet expansion projects (Projects 2, 4, and 5) fulfill a large portion of the transit vehicle expansion commitment set out in the *2018 Phase Two Investment Plan*. Projects 1 and 3 will replace aging highway coach buses and HandyDART vehicles, respectively. Details about costs, GVRF funding amounts, and deployment are described in the tables below. Please note that Project 2, even though it comprises two different bus types, is being managed by TransLink as one procurement order.

### Project Description

| Project  | Vehicles  | Total Cost (\$ millions) | Prior Approved GVRF Funding (\$ millions) | 2018 GVRF Funding Request (\$ millions) |
|--|---|--------------------------|---|---|
| 1. 2020 Conventional (Double Decker) Bus Purchases for Modernization                 | 25 double decker diesel buses                         | 32.32                    | 0   | 29.08                                   |
| 2. 2020 Conventional 60' Hybrid and 40' Battery Electric Bus Purchases for Expansion | 62 60-ft hybrid buses, 6 40-ft battery electric buses | 109.00                   | 0   | 103.55                                  |
| 3. 2020 HandyDART Vehicle Purchases for Modernization                                | 42 gasoline vehicles                                  | 6.45                     | 0   | 6.13                                    |
| 4. 2020 HandyDART Vehicle Purchases for Expansion                                    | 10 gasoline vehicles                                  | 1.60                     | 0   | 1.44                                    |

|                                     |                     |               |          |               |
|-------------------------------------|---------------------|---------------|----------|---------------|
| 5. 2020 Community Shuttle Purchases | 9 gasoline vehicles | 2.22          | 0        | 2.00          |
| <b>Total</b>                        | <b>154 vehicles</b> | <b>151.60</b> | <b>0</b> | <b>142.10</b> |

### Project Deployment

TransLink is currently preparing a service plan for the 2020 service expansion, which will identify the specific annual service hours associated with each vehicle type, and the routes to which the vehicles will be deployed.

| Project  | Service Initialization / End of Service | Deployment   |
|--|---|--|
| 1. 2020 Conventional (Double Decker) Bus Purchases for Modernization                 | 2020/2036                               | <ul style="list-style-type: none"> <li>Highway coach routes</li> </ul>   |
| 2. 2020 Conventional 60' Hybrid and 40' Battery Electric Bus Purchases for Expansion | 2020/2037                               | <ul style="list-style-type: none"> <li>The 60-ft buses will be deployed on new B-Line routes, on routes providing service maintenance during major project construction activities, and on other corridors to improve service levels</li> <li>The battery electric buses will likely operate on route 100 (22<sup>nd</sup> St Station in New Westminster / Marpole Loop in Vancouver)</li> </ul> |
| 3. 2020 HandyDART Vehicle Purchases for Modernization                                | 2020/2027                               | <ul style="list-style-type: none"> <li>Region-wide deployment</li> </ul>   |
| 4. 2020 HandyDART Vehicle Purchases for Expansion                                    | 2020/2027                               | <ul style="list-style-type: none"> <li>Region-wide deployment</li> </ul>   |
| 5. 2020 Community Shuttle Purchases for Expansion                                    | 2020/2025                               | <ul style="list-style-type: none"> <li>Region-wide deployment</li> </ul>   |

### METRO VANCOUVER STAFF ANALYSIS

A summary of staff's analysis is presented below.

**Application Completeness and Screening Criteria.** TransLink's application meets the application information requirements and screening criteria.

**Integrated Criteria Evaluation.** The application represents a significant contribution towards the transit service expansion commitments set out in the *2018 Phase Two Investment Plan*. It is recognized that expansion of transit vehicles powered by fossil fuels will generally lead to an absolute increase in transit-related tailpipe emissions. Improved service levels and expanded capacity could encourage greater modal shift from personal vehicles, thereby reducing transportation emissions associated with the light duty vehicle fleet. The proposed fleet expansion is expected to achieve 50% of the total service expansion set out in the *2018 Phase Two Investment Plan*.

The expansion battery electric buses are consistent with TransLink's Low Carbon Fleet Strategy and efforts to move towards zero emissions transportation technologies. It should be noted that the MVRD Board approved \$6.9 million in GVRF funds in April 2017 for four battery electric buses and

one on-route charging unit for evaluation as part of a national battery electric bus pilot program. The expansion battery electric buses are not part of the pilot as they will go into service approximately 16 months after the start of the pilot in early 2019. TransLink's portion of the project has increased from \$7.9 million to \$9.9 million. TransLink has secured \$500,000 in funding from BC Hydro and will fund the remaining costs. TransLink does not intend to seek a scope amendment for the pilot project.

According to TransLink, the six expansion battery electric buses, potentially from different vendors, will help develop the in-operation knowledge more quickly related to reliability, maintenance requirements, and operational performance. If during the procurement process, the proposals from vendors do not meet TransLink's expectations, TransLink maintains the option to revert the order to hybrid buses upon receiving approval from the MVRD Board for a scope change.

The application also modernizes highway-based buses and HandyDART vehicles. The double decker buses, based on seating capacity, will reduce emissions per full load passenger km by one-third compared to a comparable 40-ft highway coach bus. The new gasoline HandyDART vehicles will result in 44% less NOx emissions on a per kilometer basis compared to diesel engines used previously in these vehicles.

In the aggregate, the application is broadly consistent and supportive of the MVRD Board's policies on regional growth management, air quality, and climate protection, as well as the Board's interest in economic prosperity.

### Summary of Evaluation Criteria

The application was evaluated in aggregate against the integrated criteria set out in the *GVRF Policy*.

| Criterion  | Description   | MV Staff Assessment   |
|--|---|---|
| <b>Screening Criteria</b>                            |   |   |
| Eligible Project Category                            | Local roads and bridges, including active transportation, OR public transit   | Meets criterion   |
| Eligible Expenses                                    | As set out in the 2014 Administrative Agreement.  | Meets criterion   |
| Plan Consistency                                     | Projects <b>must be consistent</b> with TransLink's existing Capital Plan and future <i>10-Year Investment Plan</i> , as well as the <i>Mayors' Council Transportation and Transit Plan</i> , <i>Metro 2040: Shaping our Future</i> , and the <i>Regional Transportation Strategy</i> . | Meets criterion   |
| Corporate Policies                                   | Projects must be consistent with applicable TransLink policies such as sustainability, environmental responsibility, emissions, and infrastructure.   | Meets criterion   |
| <b>Integrated Criteria: Regional Growth Strategy</b> |   |   |
| Supports the Regional Growth Strategy                | The degree to which the project assists in achieving the five goals in <i>Metro 2040</i> .  | Excellent: Expansion vehicles will serve new B-Line corridors and enhance service elsewhere.    |
| Urban Centres and Frequent Transit                   | Where applicable, the project is located in, or demonstrates tangible benefits to, the overall  | Good: subject to performance monitoring as service expands, especially on the B-Line corridors. |

| Criterion  | Description  | MV Staff Assessment   |
|--|--|---|
| Development Areas  | performance of Urban Centres and Frequent Transit Development Areas.   |   |
| <b>Integrated Criteria: Transportation Performance</b>                 |  |   |
| Headline Targets   | Demonstrates tangible beneficial effects on vehicle kilometres travelled and/or walk/cycle/transit mode share.   | Good: subject to performance monitoring as service expands  |
| Other Transportation Outcomes  | Demonstrates tangible beneficial effects on vehicle congestion, transit passenger congestion, transit ridership, and/or transportation safety for the duration of the project. | Good: subject to performance monitoring as service expands.   |
| Project Type   | Demonstrated value of the project type.  | Good: subject to performance monitoring as service expands.   |
| <b>Integrated Criteria: Regional Environmental Objectives</b>          |  |   |
| Supports the Integrated Air Quality and Greenhouse Gas Management Plan | Contributes to the achievement of one or more goals in the <i>Integrated Air Quality and Greenhouse Gas Management Plan</i> .  | Good: modernizes and expands the transit fleet to capture more ridership and encourage modal shift from personal vehicles, and deploys zero emission battery electric buses. TransLink should explore low or zero-emission alternatives to gasoline-based HandyDART and Community Shuttle vehicles. |
| Measurable Beneficial Effects  | Demonstrates tangible beneficial effects on greenhouse gas and common air contaminant emissions from on-road transportation sources for the duration of the project.           | Good: subject to performance monitoring as service expands.   |
| <b>Integrated Criteria: Economic Development</b>                       |  |   |
| Supports Regional Prosperity   | Contributes to a regional transportation system that moves people and goods and aligns with regional prosperity.   | Good: modernizes and expands the transit fleet to encourage modal shift.  |
| Measurable Beneficial Effects  | Tangible beneficial effects on the movement of people and/or goods for the duration of the project.  | Good: subject to performance monitoring as service expands.   |

## PROPOSED REVIEW OF THE GVRF POLICY

Since adopting the *GVRF Policy* in May 2016, the MVRD Board has approved approximately \$394 million in GVRF funds towards eligible TransLink projects<sup>1</sup>. Looking ahead, the *2018 Phase Two Investment Plan* is forecasted to draw on \$1.74 billion in GVRF funds through 2027. With nearly three years of experience implementing the policy and given the expectation that the GVRF will remain a major source of funding for transit fleet investments over the coming decade, it is an appropriate time to review the policy and determine which elements of the policy are working effectively, which elements may warrant updating to reflect current practice and the realities of coordinating between

<sup>1</sup> Since the inception of the federal gas tax transfer program in 2005, the region has reallocated nearly all its share – approximately \$1.2 billion – to TransLink (as at June 30, 2018). Of this amount, \$349 million have been applied to completed projects and \$816 million have been obligated to active projects.

two regional agencies, and which elements may no longer be crucial for evaluating the projects. Staff would undertake the review in consultation with TransLink and the Union of British Columbia Municipalities. The areas for review may include the following, subject to the direction from the MVRD Board.

**Application Development and Review Process:** Metro Vancouver has been responsive and flexible in accommodating the timing of TransLink's GVRF application submissions. The amount and quality of information contained in the GVRF applications have improved. However, a significant effort is still required to review, query, and confirm understanding of project details and upstream internal TransLink decisions.

- Does the current practice of preparing and reviewing GVRF applications reflect the prescribed process set out in the policy (i.e. notification from MVRD Board in the Spring; September 1 deadline for TransLink submissions)?
- What modifications could be made to the policy and application information requirements (i.e. screening and integrated criteria) to ensure a process that remains efficient, transparent, and responsive to the needs of both TransLink and Metro Vancouver?
- Should evaluation criteria be set out for the review of semi-annual reports?

**Measuring Beneficial Effects:** The policy includes a requirement to articulate the tangible beneficial effects of the projects relative to transportation, environmental, and economic development objectives. However, the policy did not specify methodologies or metrics for data collection and reporting out.

- Should the GVRF evaluation focus on the prospective effects of the projects only, rather than attempt to characterize or speculate on the post-implementation effects?
- What is the technical feasibility and resource requirements for TransLink and/or Metro Vancouver to quantify the beneficial effects?
- Does individual project monitoring make sense in light of the types of projects that are typically submitted – transit fleet replacement or expansion – or should monitoring be targeted on a regional basis for the entire regional transit system through established data collection means, such as the census and TransLink's regional trip diary surveys and transit monitoring program?
- What are the appropriate metrics to describe the beneficial effects?

**Coordination with Mayors' Council and TransLink Board:** Members of the MVRD Board have consistently expressed a desire to have more information about the capital planning process at TransLink, in particular on decisions related to bus technology.

- How might TransLink's capital planning process be modified to accommodate the MVRD Board's interest in the transit capital planning process?
- What are the opportunities to enhance the level of coordination between the MVRD Board, the Mayors' Council, and TransLink Board on transit capital planning while ensuring efficiency and transparency of capital planning decisions?
- What are the staff resource and time requirements to support any enhanced interagency coordination efforts around transit capital planning?

## ALTERNATIVES

1. That the MVRD Board:
  - a) approve \$142.10 million in funding from the Greater Vancouver Regional Fund for the following transit projects proposed by TransLink in its *Application for Federal Gas Tax funding from the Greater Vancouver Regional Fund for 2020 Fleet Expansion and Modernization* as attached to the report dated September 25, 2018, titled “TransLink Application for Federal Gas Tax Funding from the Greater Vancouver Regional Fund for 2020 Fleet Expansion and Modernization”:
    - i. Project 1 – Year 2020 Double Decker Diesel Bus Purchases for Fleet Replacement
    - ii. Project 2 – Year 2020 Conventional 60-ft Hybrid Bus Purchases and 40-ft Battery Electric Bus Purchases for Fleet Expansion
    - iii. Project 3 – Year 2020 HandyDART Vehicle Purchases for Fleet Replacement
    - iv. Project 4 – Year 2020 HandyDART Vehicle Purchases for Fleet Expansion
    - v. Project 5 – Year 2020 Community Shuttle Vehicle Purchases for Fleet Expansion
  - b) direct staff to undertake a review of the *Federal Gas Tax Fund Expenditures Policy*, in consultation with TransLink and the Union of British Columbia Municipalities, and to report back to the Finance and Intergovernment Committee in 2019 with findings and, where appropriate, recommendations.
2. That the MVRD Board endorse in principle the report dated September 25, 2018, titled “TransLink Application for Federal Gas Tax Funding from the Greater Vancouver Regional Fund for 2020 Fleet Expansion and Modernization” and refer it to the Mayors’ Council on Regional Transportation for comment prior to final consideration by the MVRD Board.

## FINANCIAL IMPLICATIONS

If the MVRD Board approves alternative one, the UBCM will be notified within seven business days of the Board’s decision to approve \$142.10 million in GVRF funding for all of the projects in TransLink’s application. Under alternative one, staff will also initiate a review of the *GVRF Policy* in consultation with TransLink and the Union of British Columbia Municipalities, and return to the Finance and Intergovernment Committee in early 2019 with findings and, where appropriate, recommendations to improve the implementation of the policy. Financial implications of any modifications to the policy will also be identified.

If the MVRD Board approves alternative two, the Metro Vancouver report and recommendations, along with the TransLink application, will be forwarded to the Mayors’ council for comment prior to consideration by the MVRD Board.

## SUMMARY / CONCLUSION

TransLink is requesting approval of five projects for federal gas tax funding from the GVRF totaling \$142.10 million. The 87 expansion vehicles partially fulfill the fleet expansion commitments set out in the *2018 Phase Two Investment Plan*, and the 67 replacement vehicles will help support the ongoing modernization of the transit fleet.

For the expansion projects, TransLink proposes to purchase 62 60-ft conventional hybrid buses, 6 40-ft battery electric buses, 10 HandyDART vehicles, and 9 Community Shuttles. The conventional hybrid buses will emit less air emissions in comparison to alternative diesel buses (on the order of 20%). The battery electric buses will emit zero emissions. The gasoline HandyDART vehicles have some emissions improvements over new diesel equivalents.

For the modernization projects, TransLink proposes to purchase 25 double decker buses to replace aging highway coach buses and 42 HandyDART vehicles to replace aging vehicles.

In the aggregate, the application is broadly consistent and supportive of the MVRD Board's policies on regional growth management, air quality, and climate protection, as well as the Board's interest in economic prosperity.

Since adopting the *GVRF Policy* in May 2016, the MVRD Board has approved approximately \$394 million in GVRF funds towards eligible TransLink projects. Looking ahead, the *2018 Phase Two Investment Plan* is forecasted to draw on \$1.74 billion in GVRF funds through 2027. With nearly three years of experience implementing the policy and given the expectation that the GVRF will remain a major source of funding for transit fleet investments over the coming decade, it is an appropriate time to review the policy and determine which elements of the policy are working effectively, which elements may warrant updating to reflect current practice and the realities of coordinating between two regional agencies, and which elements may be redundant. Staff have outlined potential areas for review in this report should the Board direct staff to initiate a review in consultation with TransLink and the Union of British Columbia Municipalities.

For these reasons, staff recommend alternative one.

**Appendix:**

- A. Background on Federal Gas Tax Administrative Agreement and Greater Vancouver Regional Fund Policy
- B. Recent GVRF Application Approvals

**Attachment:** (Doc #26904044)

Application for Federal Gas Tax funding from the Greater Vancouver Regional Fund for 2020 Fleet Expansion and Modernization (dated October 4, 2018)



## APPENDIX A

### **Background on Federal Gas Tax Administrative Agreement and Greater Vancouver Regional Fund Policy**

#### Federal Gas Tax Administrative Agreement

The renewed Administrative Agreement on Federal Gas Tax Fund in British Columbia came into effect in April 2014. The Agreement sets out the roles and responsibilities of the federal government, provincial government, and UBCM for the administration of the Federal Gas Tax Fund. The Agreement also sets out the following:

- The GVRF pools 95% of the MVRD and its member municipalities' per-capital allocation of federal gas tax funds to support regional transportation projects proposed for funding by TransLink.
- The MVRD Board must approve all eligible projects proposed by TransLink for funding.
- The MVRD must notify UBCM of the eligible projects that it has approved for funding, after which the UBCM may provide funding to TransLink.
- In order to receive GVRF funding, TransLink must sign a Funding Agreement with UBCM.
- The remaining 5% of federal gas tax funds is allocated among local governments in Metro Vancouver through the Community Works Fund.
- Requests for new projects, amendments to the scope of prior approved projects, and use of approved but unspent funds for other projects must receive approval from the MVRD Board.

#### Greater Vancouver Regional Fund Policy

On May 27, 2016, the MVRD Board adopted the *Greater Vancouver Regional Fund Policy*, which establishes the process and criteria for approving expenditures from the GVRF for regional transportation projects proposed by TransLink. The Union of British Columbia Municipalities (UBCM) holds the GVRF monies in trust, and transfers the requested amount of funds to TransLink only upon notification by the MVRD Board of its approval. The *GVRF Policy* sets out the application process, information requirements, and evaluation criteria to respond to TransLink's request for GVRF funding. Under the Policy, the MVRD Board will issue a call for proposals on an annual basis by April 1. The deadline for TransLink to submit final proposals is September 1. The MVRD Board makes its decisions by November 30.

## **APPENDIX B**

### **Recent GVRF Application Approvals**

A summary of recent GVRF applications approved by the MVRD Board is provided below.

- September 23, 2016 – the MVRD Board approved \$127.182 million in GVRF funds to TransLink for nine projects comprising replacement transit fleet vehicles only (84 community shuttles, 75 HandyDART vehicles, and 238 conventional buses). These projects were consistent with TransLink's 2014 Base Plan and Mayors' Council Transportation and Transit Plan.
- April 28, 2017 – the MVRD Board approved \$121.280 million in GVRF funds to TransLink for six projects comprising expansion transit fleet vehicles, four battery electric buses for a pilot program, and equipment for deferred retirement of transit vehicles.
- July 28, 2017 – the MVRD Board approved scope changes and \$24.210 million in additional GVRF funds to TransLink for three projects approved in 2016. The scope changes involved the purchase of conventional CNG and hybrid buses, rather than conventional diesel buses.
- October 27, 2017 – the MVRD Board approved \$121.150 million in GVRF funds to TransLink for seven projects comprising expansion and replacement transit vehicles.
- March 23, 2018 – the MVRD Board approved a scope change to one project approved in 2017. The scope change involved procuring five 60-ft hybrid buses in lieu of seven 40-ft hybrid buses. There was no change to the previously approved GVRF funding amount of \$7.29 million.
- As of June 30, 2018, the balance in the GVRF was \$309.699 million.

To: Carol Mason, Chief Administrative Officer, Metro Vancouver

From: Rob Malli, Chief Financial Officer and Executive Vice President, Finance and Corporate Services, TransLink  
Geoff Cross, Vice President, Transportation Planning and Policy, TransLink

Date: October 4, 2018

**Subject: Application for Federal Gas Tax Funding from the Greater Vancouver Regional Fund for 2020 Fleet Expansion and Modernization.**

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**PURPOSE**

TransLink is requesting the Metro Vancouver Regional District (Metro Vancouver) approve \$142.10 million in Federal Gas Tax Funds (FGTF) from Greater Vancouver Regional Fund (GVRF) for 87 new bus vehicles for service expansion and 67 new bus vehicles for fleet modernization. These vehicles are critical to delivering the service expansion stated in the 2018-2027 Investment Plan (2018 Investment Plan), while ensuring the transit fleet remains in a state of good repair and the reliability of the transit system is maintained. The 2018 Investment Plan approved in June 2018 advances the goals identified in TransLink's long-term Regional Transportation Strategy, and supports goals identified in Metro Vancouver's Regional Growth Strategy, *Metro Vancouver 2040: Shaping Our Future (Metro 2040)*.

This request, which includes 62 hybrid buses and 6 zero emissions battery-electric buses, will support the region's environmental policies, specifically:

- TransLink's effort to reduce greenhouse gas (GHG) and criteria air contaminants (CAC) emissions and support the development of a Low Carbon Fleet Strategy.
- Metro Vancouver's *Integrated Air Quality and Greenhouse Gas Management Plan (IAQGMP)* strategies:
  - Strategy 1.1 – Reduce emissions of and public exposure to diesel particulate matter;
  - Strategy 1.4 – Reduce air contaminant emissions from cars, trucks, and buses; and
  - Strategy 3.3 – Reduce the carbon footprint of the region's transportation system.
- *Metro Vancouver 2040: Shaping Our Future (Metro 2040)* actions to encourage transportation infrastructure that reduce energy consumption and greenhouse gas emissions and improve air quality:
  - Action 3.3.6 – That TransLink pursue reductions of common air contaminants and greenhouse gas emissions from on-road transportation sources in support of regional air quality objectives and greenhouse gas reduction targets; and
  - Action 3.3.7 – That TransLink manage its transit fleet and operations with the goal of increasing fuel efficiency and reducing common air contaminants and greenhouse gas emissions over time, in support of the Regional Growth Strategy and Air Quality Management Plan.

## **BACKGROUND**

Since the FGTF program began in 2005, TransLink has received \$1,164.728 million in funding to expand and modernise the transit network. Interest earned on funds received, which must be used for approved FGTF projects, totalled \$36.959 million at June 30, 2018. Currently, there is \$309.710 million in funds available to TransLink. Metro Vancouver has specified that their portion of FGTF funding go to public transportation, with a small amount going to the Community Works Fund, in the renewed program. A summary of the funds and usage is provided below:

### **Greater Vancouver Regional Fund**

(as of June 30, 2018)

*In millions*

|   |                    |
|---|--------------------|
| Approved GVRF Funds                             | \$1,164.728        |
| Interest earned on funds received               | 36.959             |
| Unapproved GVRF Funds                           | 287.239            |
| <b>Total Gas Tax Funds</b>                      | <b>\$1,488.926</b> |
| Less  |                    |
| Funds applied to completed projects             | \$(349.053)        |
| <sup>1</sup> Approved funds for active projects | (815.686)          |
| Interest allocated to completed projects        | (14.488)           |
| <b>Funds Available for use</b>                  | <b>\$309.699</b>   |
| <sup>2</sup> <b>Proposed project Funding</b>    | <b>(142.100)</b>   |
| <b>Funds Remaining</b>                          | <b>\$167.599</b>   |

1. See table of active projects with FGTF funding below. Excludes interest allocated to active projects
2. See table of proposed GVRF projects below

This application is based on TransLink's 2018 Investment Plan approved in June 2018 and is aligned with the Mayors' Council 10-Year Vision (10-Year Vision). Appendix A includes a summary of TransLink's strategic plan, the 2018 Investment Plan, including the projects funded or anticipated to be funded by the GVRF, as required under the application process. Included in Appendix A is other funding anticipated in the strategic plan. Additionally, Appendix B provides a short description of each line item in Appendix A.

### **Active Projects**

Table 1 below shows the status of active projects with GVRF funding. The total forecasted project cost for active projects is \$954.962 million, with \$815.686 million in FGTF funds approved for these projects. At June 30, 2018, project costs totalled \$451.479 million, with \$347.236 million in FGTF funds spent.

Table 1: Active projects

| Active Projects With GVRF Funding                    | # of Vehicles | Forecast Final Cost | Approved Funding | Costs to Date  | Funds Spent    | Unspent Funds  |
|--|---------------|---------------------|------------------|----------------|----------------|----------------|
| Expo Line Propulsion Power System Upgrade            | N/A           | 57.141              | 42.000           | 57.141         | 42.000         | 0.000          |
| 2nd SeaBus Replacement                               | 1             | 20.089              | 19.697           | 20.089         | 19.278         | 0.419          |
| SkyTrain Mark I Vehicle Refurbishment                | N/A           | 29.887              | 24.360           | 18.970         | 11.455         | 12.905         |
| 2014 Community Shuttles                              | 49            | 7.440               | 7.310            | 7.440          | 7.310          | (0.000)        |
| 2014 Conventional Bus                                | 45            | 25.034              | 24.391           | 25.034         | 24.391         | (0.000)        |
| Hamilton Transit Centre                              | N/A           | 134.918             | 84.978           | 134.918        | 84.978         | -              |
| 2013 HandyDART Vehicles                              | 31            | 3.616               | 3.535            | 3.616          | 3.535          | 0.000          |
| 2014 HandyDART Vehicles                              | 65            | 7.594               | 7.523            | 7.594          | 7.523          | 0.000          |
| 2015 HandyDART Vehicles                              | 55            | 6.846               | 5.370            | 6.846          | 5.370          | -              |
| Defective Community Shuttle Vehicles Replacement     | 62            | 9.461               | 9.350            | 9.461          | 9.350          | -              |
| 2015 Conventional Bus Replacement                    | 72            | 55.636              | 54.800           | 55.636         | 54.344         | 0.456          |
| 2016 Conventional 40' Bus Replacement                | 85            | 62.662              | 57.264           | 25.958         | 24.964         | 32.300         |
| 2016 Conventional 60' Bus                            | 26            | 32.098              | 25.360           | 32.098         | 25.360         | 0.000          |
| 2017 Conventional Bus                                | 106           | 116.138             | 105.985          | 7.095          | 1.998          | 103.987        |
| Metrotown - Trolley Overhead Rectifier Replacement   | N/A           | 5.630               | 4.725            | 1.724          | 1.642          | 3.083          |
| Automated Train Control Equipment Replacement        | N/A           | 4.623               | 4.500            | 4.127          | 4.051          | 0.449          |
| Surrey Transit Centre - CNG Facility Retrofit        | N/A           | 16.164              | 4.000            | 15.524         | 4.000          | -              |
| 2015 Community Shuttle Vehicles                      | 24            | 3.799               | 4.674            | 3.799          | 3.624          | 1.050          |
| 2016 Community Shuttle Vehicles                      | 20            | 3.110               | 3.560            | 3.110          | 3.016          | 0.544          |
| 2017 Community Shuttle Vehicles                      | 20            | 3.902               | 3.500            | 3.379          | 3.275          | 0.225          |
| 2017 HandyDart Vehicles                              | 35            | 4.646               | 5.013            | 4.274          | 3.998          | 1.015          |
| 2018 HandyDART Vehicle Replacement                   | 40            | 5.144               | 5.605            | 0.029          | -              | 5.605          |
| 2018 Conventional Bus Replacement                    | 92            | 69.872              | 61.925           | 0.431          | -              | 61.925         |
| 2018 Community Shuttle Vehicle Replacement           | 20            | 4.099               | 3.830            | 0.026          | -              | 3.830          |
| 2018 40' Conventional Bus Purchases - Expansion      | 94            | 94.483              | 85.584           | 0.599          | -              | 85.584         |
| 2018 60' Conventional Bus Purchases - Expansion      | 11            | 17.000              | 17.316           | 0.070          | -              | 17.316         |
| Equipment for Deferred Retirement Program            | N/A           | 3.377               | 6.120            | 0.487          | 0.468          | 5.652          |
| Electric Battery Bus Purchases - Pilot               | 4             | 9.899               | 6.892            | 1.379          | 1.307          | 5.585          |
| 2018 HandyDART Vehicle Purchases - Expansion         | 13            | 1.904               | 2.193            | 0.101          | -              | 2.193          |
| 2018 Community Shuttle Vehicle Purchases - Expansion | 12            | 2.240               | 3.175            | 0.014          | -              | 3.175          |
| 2019 Conventional Bus Expansion - double decker      | 5             | 6.413               | 5.670            | 0.033          | -              | 5.670          |
| 2019 Conventional Bus Expansion - 60' hybrid         | 47            | 76.795              | 68.130           | 0.397          | -              | 68.130         |
| 2019 HandyDART Vehicle Purchase – Expansion          | 10            | 1.553               | 1.350            | 0.003          | -              | 1.350          |
| 2019 Double Decker Bus Purchase – Replacement        | 27            | 33.988              | 30.000           | 0.066          | -              | 30.000         |
| 2019 HandyDART Vehicle Purchase – Replacement        | 40            | 5.761               | 5.200            | 0.011          | -              | 5.200          |
| 2019 Community Shuttle Purchase – Replacement        | 49            | 12.000              | 10.800           | -              | -              | 10.800         |
| <b>Total</b>   | <b>1,160</b>  | <b>954.962</b>      | <b>815.686</b>   | <b>451.479</b> | <b>347.236</b> | <b>468.450</b> |

### **PROPOSED PROJECTS AND FUNDING**

This application is requesting \$142.1 million for five projects, as shown in Table 2. The projects are consistent with the 2018 Investment Plan and the 10-Year Vision. Detailed project descriptions are included in Appendix C.

Table 2: Summary of Projects, Total Costs, and Gas Tax Funding Request

| Projects   | Scope   | (\$millions)         |                           |
|--|---|----------------------|---------------------------|
|  |   | Total Project Budget | Requested Gas Tax Funding |
| 2020 Double Decker Bus Purchase – Replacement              | 25 42-foot diesel double decker buses           | 32.3                 | 29.1                      |
| 2020 Conventional 60-ft and 40-ft Bus Purchase – Expansion | 62 60-foot hybrid diesel-electric buses         | 102.5                | 97.3                      |
|  | 6 40-foot zero emissions battery-electric buses | 6.5                  | 6.2                       |
| 2020 HandyDART Vehicle Purchase – Replacement              | 42 HandyDART vehicles                           | 6.5                  | 6.1                       |
| 2020 HandyDART Vehicle Purchase – Expansion                | 10 HandyDART vehicles                           | 1.6                  | 1.4                       |
| 2020 Community Shuttle Vehicle Purchase – Expansion        | 9 community shuttle vehicle                     | 2.2                  | 2.0                       |
| <b>Total</b>   | <b>154 vehicles</b>                             | <b>151.6</b>         | <b>142.1</b>              |

### Project and Propulsion Selection

All vehicle projects are evaluated based on vehicle purchase cost, fuel and maintenance cost, life-cycle cost, emissions of GHG, NOx and particulate matter (PM), and aspects of vehicle performance and customer and driver environment such as noise and ride quality. Route characteristics such as topography and average route speed (based on bus stop spacing and traffic conditions) can affect the performance of different technologies. Fuel infrastructure and depot space are considerations in fleet deployment. TransLink considers all these factors in identifying the most advantageous propulsion technology for different vehicle projects, consistent with financial and environmental goals and policies. TransLink is also entering Phase II of the Low Carbon Fleet Feasibility work, which will present a roadmap and options to have bus fleet reach 80 per cent GHG reductions by 2050. This work will be complete in mid-2019.

Fleet procurement projects are brought to an internal steering committee to ensure alignment with the Investment Plan and Regional Transportation Strategy, consider operational aspects to fleet deployment, prioritize the projects, and submit the business cases and project financials. Projects are then reviewed by TransLink's Capital Management Committee to ensure that the business case and financials are sound, and to evaluate the project against TransLink's affordability criteria. The final list of recommended capital projects is submitted to the Board of Directors for approval within the Annual Capital Budget.

Selection of propulsion technology for projects in this application is based on the following:

- Diesel for Double Decker Buses – Double decker buses will be 13 foot and 6 inches in height to allow for operations through the George Massey Tunnel. Hybrid and battery-electric buses are not available at this height and CNG is not proposed as fuel tanks would increase the height and preclude operations through the George Massey Tunnel.
- Gasoline for HandyDART vehicles and Community Shuttles – Hybrid gasoline or hybrid diesel propulsion is not available for these vehicles; although diesel engines are available, they are not

considered due to the high maintenance costs. However, new gasoline HandyDART vehicles have lower greenhouse gas and NOx emissions than existing diesel vehicles.

- Zero emission battery-electric for 40-foot and hybrid diesel-electric for 60-foot buses. As mentioned above, TransLink is entering Phase II of its Low Carbon Fleet Strategy, and the zero-emission battery-electric buses demonstrate our commitment to reducing emissions, even prior to the full strategy being complete. TransLink will have four zero emission battery-electric buses in operation in Q2 2019 as part of the Pan-Canadian CUTRIC zero emission battery-electric bus trial. Both hybrid diesel-electric and battery-electric vehicles result in emission reductions compared to the diesel alternatives that are still present in the market.

## **Project Summaries**

**2020 Double Decker Bus Purchase – Replacement:** This project would procure 25 low floor diesel double decker buses to replace the existing 40-foot high-floor highway coach fleet, which has reached the end of its useful life. To satisfy increasing ridership demands for routes served by this fleet, an increase in replacement vehicle size is required. Both 60ft hybrid buses and double decker buses were considered as replacements, but the double decker was chosen due to its larger seated passenger capacity (84 for double decker vs. 46 for 60-foot hybrid). Because 60ft hybrid buses and double decker buses have similar fuel efficiency and emissions performance on a per km basis, the larger seating capacity of the double decker means that for a full bus, double decker emissions per seated passenger km (GHG, PM and NOx) are lower.

The decision to purchase double decker buses was also supplemented by the results of a three month trial completed in early 2018. The main aim of the trial was to provide a better customer experience for those travelling longer distances. A customer survey conducted as part of the three month trial indicated that:

- 89% of the respondents had “an overall positive experience riding the double decker bus”
- 76% of the respondents agreed that “if double decker buses were on their route it would encourage them to use the bus more often”

**2020 Conventional 60-ft Bus Purchase – Expansion:** This project adds 62 60-foot hybrid diesel-electric buses to allow implementation of two new B-Lines: Richmond to Expo Line and Scott Road (120<sup>th</sup> Street) in 2021, in the 2018 Investment Plan. The procurement of new hybrid diesel-electric buses instead of new diesel buses results in a 20% lower GHG, NOx and PM emissions.

**2020 Conventional 40-ft Bus Purchase – Expansion:** This project adds 6 40-foot zero emission battery-electric buses to expand service. The zero emission battery-electric 40-foot buses eliminate greenhouse gas and criteria air contaminants in the Metro Vancouver Region. These 6 battery-electric buses will serve Route 100, where two overhead fast chargers (4-5 minute charge) will be in place. These 6 new battery-electric buses support TransLink’s goal of reducing greenhouse gas and criteria air contaminants in the Metro Vancouver Region.

If during the procurement process proposals do not meet our expectations, we maintain the option of reverting the order to hybrid electrics upon receiving approvals for scope change from Metro Vancouver.

**2020 HandyDART Vehicle Purchase – Replacement:** This project would modernize the HandyDART vehicle fleet by procuring 42 new HandyDART vehicles to retire existing vehicles that have reached the end of useful life. These new vehicles will support maintaining transit system reliability for HandyDART trips. The replacement vehicles with gasoline engines produce 1-2% less GHG emissions and 44% less NOx emissions than existing vehicles with diesel engines. Further, emissions of diesel particulate matter are eliminated.

**2020 HandyDART Vehicle Purchase – Expansion:** This project would procure 10 HandyDART vehicles for service expansion across Metro Vancouver. The expansion of the HandyDART fleet supports the delivery of additional HandyDART trips to meet customer demand as outlined in the 10-Year Vision and the Custom Transit Service Delivery Review, approved by the TransLink Board in March 2017, and reduces wait times via availability of a larger number of vehicles.

**2020 Community Shuttle Purchase – Expansion:** This project would procure 9 step less community shuttles to expand service. These shuttles would improve accessibility over the existing high floor shuttle fleet, and allow for improved service quality.

#### Service Expansion and Deployment of Proposed Projects

A specific service plan for the 2020 service expansion is still being developed and refined. However, it is anticipated that the battery-electric buses will operate on route 100 (22<sup>nd</sup> St Station/Marpole Loop), 60-foot buses would be used - for new B-Line routes identified in the 2018 Investment Plan, for delivering planned service expansion, for supporting service maintenance during major project construction activities and to improve run-time. The double-decker buses would operate on highway coach routes and the HandyDART and community shuttle vehicles would operate region-wide.

Table 3. Service expansion and deployment of proposed expansion vehicle projects

| Project Type                                   | # of Expansion Vehicles |                                     |                                   | Service Expansion                                    |  | Service Areas for 2020 Vehicles |
|--|-------------------------|-------------------------------------|-----------------------------------|--|--|---------------------------------|
|  | Funded to Date          | 2020 Vehicles (Current Application) | Investment Plan (2018-2027) Total | Expansion with 2020 Vehicles                         | Investment Plan Total  |                                 |
| Conventional 60-ft Bus Purchase – Expansion    | 0                       | 62                                  | 73                                | Annual service hours TBD following 2020 service plan | 420,466 annual service hours (combined for buses and community shuttles) | TBD following 2020 service plan |
| Conventional 40-ft Bus Purchase – Expansion    | 0                       | 6*                                  | 60                                | Annual service hours TBD following 2020 service plan |  | TBD following 2020 service plan |
| Community Shuttle Vehicle Purchase – Expansion | 0                       | 9                                   | 18                                | Annual service hours TBD following 2020 service plan |  | TBD following 2020 service plan |
| HandyDART Vehicle Purchase – Expansion         | 0                       | 10                                  | 20                                | 39,000 annual trips                                  | 78,000 annual trips  | Region-wide                     |

\* The introduction of the 2019 B-Lines will free up additional 40-foot buses that can be used to run the 2020 expansion service outlined in the 2018 Investment Plan. As a result, only 6 40-foot buses are needed at this time.



Table 4. Deployment of proposed replacement vehicle projects

| Project Type                             | # of Replacement Vehicles for 2020 (Current Application) | Service Areas for 2020 Vehicles                               |
|--|--|---|
| Double Decker Bus Purchase – Replacement | 25   | Highway routes (exact routes TBD following 2020 service plan) |
| HandyDART Vehicle Purchase – Replacement | 42   | Region-wide   |

## **BENEFITS**

### **Improving Accessibility**

The new low floor double decker buses and step less community shuttles would improve accessibility over the existing high floor highway coaches and community shuttles. Additionally, low floor double decker buses would have wheelchair ramps instead of lifts to allow for easier and quicker boarding and alighting.

### **Increasing Passenger Seating Capacity**

Double decker buses have a larger seated capacity than the existing highway coaches or alternative choices of 40-foot suburban conventional buses or 60-foot articulated buses. Double decker buses are anticipated to be deployed on highway coach routes to alleviate overcrowding and this larger seating capacity will improve customer experience, especially for customers traveling longer distances.

### **Emissions Reduction**

Increasing the hybrid diesel-electric fleet complemented by 6 additional zero emission battery-electric buses supports TransLink's 10-Year Vision's goal of reducing greenhouse gas emissions and TransLink's efforts to reduce emissions under Phase II of the Low Carbon Fleet Strategy (Phase II complete mid-2019). However, the expansion of bus fleet and transit service associated with these projects will result in a net increase in emissions of GHG's and air pollutants from TransLink's fleet. Over time, these increases are expected to be offset by the reduction in emissions from private vehicles as mode switching occurs, leading to a net reduction in total transportation emissions. These transportation emission reductions support Metro Vancouver's Integrated Air Quality and Greenhouse Gas Management Plan (IAQGGM) goals of protecting public health and the environment, improving visual air quality and minimizing the region's contribution of global climate change. Additionally, the reductions support Metro Vancouver's Metro 2040 goals of reducing transportation energy consumption and greenhouse gas emissions while improving air quality.

Table 5: Emissions reductions from vehicle projects

| Projects   | Propulsion                      | GHG Approx. Reduction   | NOx Approx. Reduction   | PM Approx. Reduction   |
|--|---------------------------------|---|---|--|
| 2020 Double Decker Bus Purchase – Replacement    | Diesel                          | 19% increase (36% decrease per full load passenger km) compared to a 40-ft highway coach        | Marginally higher on a per km basis (emissions per fully loaded passenger km lower than a 40-ft highway coach). | Marginally higher on a per km basis (emissions per fully loaded passenger km lower than a 40-ft highway coach)                         |
| 2020 Conventional 60-ft Bus Purchase – Expansion | Hybrid Diesel-Electric          | Expansion (new hybrid 20% lower than a standard diesel powered articulated bus)                 | Expansion (new hybrid 20% lower than a standard diesel powered articulated bus)                                 | Expansion (new hybrid 20% lower than a standard diesel powered articulated bus)  |
| 2020 Conventional 40-ft Bus Purchase – Expansion | Zero emissions Battery-Electric | Expansion (new electric tailpipe emissions 100% lower than a standard diesel powered 40-ft bus) | Expansion (new electric tailpipe emissions 100% lower than a standard diesel powered 40-ft bus)                 | Expansion (new electric tailpipe emissions 100% lower than a standard diesel powered 40-ft bus)  |
| 2020 HandyDART Vehicle Purchase – Replacement    | Gasoline                        | ~1-2% reduction compared to existing diesel powered vehicles                                    | 44% reduction compared to existing diesel powered vehicles  | 250% increase (0.002 g/km to 0.007 g/km), but 100% reduction in diesel particulate matter compared to existing diesel powered vehicles |
| 2020 HandyDART Vehicle Purchase – Expansion      | Gasoline                        | Expansion   | Expansion   | Expansion  |
| 2020 Community Shuttle Purchase – Expansion      | Gasoline                        | Expansion   | Expansion   | Expansion  |

## **RISKS**

This request for GVRF funding will allow TransLink to begin procurement of these buses by early 2019 to ensure deliveries in the fall of 2020. If funding is not received in time, TransLink will have to continue to rely on deferred retirement vehicles to deliver on its promises of expansion or possibly defer expansion. Continued use of deferred retirement vehicles poses a risk to reliability, as well as further costs in terms of continued maintenance and additional equipment costs to keep those vehicles in service. This may result in lost opportunities to realize goals of reduced congestion, improved peak hour service and frequency. Furthermore, use of deferred retirement vehicles could also result in higher greenhouse gas (GHG) and criteria air contaminant (CAC) emissions than new vehicles. TransLink may lose credibility among the general public if service expansion is not reliable.

In addition to the risk of not receiving the funding being requested in this application, there are certain risks that TransLink has experienced in similar active and completed projects which can have an impact on the schedule, amount of funding and/or the scope of the projects:

- Deterioration of Canadian/foreign currency exchange rate

- Delays caused by bus manufacturers due to backlogs
- Difficulties in integrating subsystems of new buses (electric)

TransLink is well aware of these risks and the actions it needs to take to mitigate these risks.

Additionally, the currently ongoing negotiations between Canada and the US regarding the North American Free Trade Agreement (“NAFTA”) may negatively impact the vehicle and equipment pricing. This is especially true for some components that are either made in the US or if coming from outside of North America are distributed through the US.

### **CONCLUSION**

TransLink relies on the FGTF funding, made available through the GVRF, to be able to expand the transit fleet and modernize vehicles that have reached the end of their useful life and are ready for replacement. The approval of the requested application will allow TransLink to procure the vehicles necessary to expand transit service and improve customer experience, while also ensuring TransLink’s revenue vehicle fleets are in a state of good repair, avoiding increased maintenance costs and protecting the reliability of the transit system. The application supports Metro Vancouver’s *Metro 2040* in supporting urban centres and frequent transit development areas and encouraging transportation choices. Finally, reduction of transportation GHG and CAC emission supports the environmental goals of Metro Vancouver’s *IAQGMP* and *Metro 2040* and TransLink’s Low Carbon Fleet Strategy.

# Appendix A

## TransLink 2018-2027 Investment Plan Capital Program and Funding Sources

|   | Project Budget   | Project Expenditure prior to 2017 | 2017 Project Expenditure | Final Forecast Cost | Forecast Cost to Complete | Other Funding      | Approved GVRF Funding | Requested GVRF Funding | Planned future GVRF Funding | Total GVRF Funding |
|---|------------------|-----------------------------------|--------------------------|---------------------|---------------------------|--------------------|-----------------------|------------------------|-----------------------------|--------------------|
| <b>Bus</b>                              |                  |                                   |                          |                     |                           |                    |                       |                        |                             |                    |
| Equipment                               | 20,698           | 732                               | 998                      | 36,084              | 34,354                    | (9,122)            | -                     | -                      | -                           | -                  |
| Facilities                              | 23,365           | 246                               | 8,801                    | 93,479              | 84,432                    | (16,313)           | -                     | -                      | -                           | -                  |
| <b>Infrastructure</b>                   |                  |                                   |                          |                     |                           |                    |                       |                        |                             |                    |
| Depots                                  | 256,435          | 8,238                             | 16,414                   | 257,834             | 233,182                   | (77,091)           | (4,000)               | -                      | -                           | (4,000)            |
| Exchanges                               | 69,703           | 771                               | 20,416                   | 120,495             | 99,309                    | (46,657)           | -                     | -                      | -                           | -                  |
| Other                                   | 75,406           | 3,646                             | 15,777                   | 112,405             | 92,983                    | (22,588)           | -                     | -                      | -                           | -                  |
| Trolley Overhead                        | 20,676           | 918                               | 4,353                    | 103,083             | 97,812                    | (10,439)           | (4,725)               | -                      | (0)                         | (4,725)            |
| Technology                              | 7,216            | 311                               | 1,918                    | 9,547               | 7,318                     | -                  | -                     | -                      | -                           | -                  |
| Vehicle Non-Revenue                     | 488,890          | (14)                              | 1,884                    | 21,642              | 19,773                    | -                  | -                     | -                      | -                           | -                  |
| <b>Vehicle - Revenue</b>                |                  |                                   |                          |                     |                           |                    |                       |                        |                             |                    |
| Conventional Buses                      | 513,420          | 59,777                            | 21,437                   | 1,960,466           | 1,879,252                 | -                  | (530,413)             | (132,584)              | (1,173,084)                 | (1,836,081)        |
| Community Shuttles                      | 27,106           | 1,105                             | 12,627                   | 129,410             | 115,678                   | -                  | (35,714)              | (2,000)                | (84,279)                    | (121,993)          |
| Handy Darts                             | 34,323           | 285                               | 163                      | 109,735             | 109,287                   | -                  | (17,168)              | (7,528)                | (64,340)                    | (89,037)           |
| Sea Bus                                 | 37,356           | 1,486                             | 13,051                   | 35,927              | 21,390                    | (17,001)           | (19,697)              | -                      | -                           | (19,697)           |
| <b>Corporate</b>                        |                  |                                   |                          |                     |                           |                    |                       |                        |                             |                    |
| Equipment                               | 1,511            | 379                               | 1,121                    | 1,725               | 225                       | -                  | -                     | -                      | -                           | -                  |
| Facilities                              | 17,620           | 2,235                             | 33                       | 8,220               | 5,952                     | -                  | -                     | -                      | -                           | -                  |
| <b>Infrastructure</b>                   |                  |                                   |                          |                     |                           |                    |                       |                        |                             |                    |
| Bridges                                 | 27,310           | 1,362                             | 3,738                    | 27,546              | 22,446                    | -                  | -                     | -                      | -                           | -                  |
| Depots                                  | 1,201            | 18                                | 844                      | 862                 | -                         | -                  | -                     | -                      | -                           | -                  |
| Other                                   | 4,352            | 660                               | 1,621                    | 17,141              | 14,861                    | (3,241)            | -                     | -                      | -                           | -                  |
| Major Construction                      | 23,754           | (1,373)                           | 20,874                   | 19,501              | -                         | -                  | -                     | -                      | -                           | -                  |
| Technology                              | 54,204           | 3,985                             | 25,220                   | 230,621             | 201,416                   | -                  | -                     | -                      | -                           | -                  |
| Vehicle Non-Revenue                     | 9,988            | -                                 | 1,238                    | 5,811               | 4,573                     | -                  | -                     | -                      | -                           | -                  |
| <b>Rail</b>                             |                  |                                   |                          |                     |                           |                    |                       |                        |                             |                    |
| Equipment                               | 84,883           | 6,121                             | 20,586                   | 155,799             | 129,091                   | (35,975)           | (4,500)               | -                      | 0                           | (4,500)            |
| Facilities                              | 666,465          | 1,444                             | 2,623                    | 593,455             | 589,388                   | (600,518)          | -                     | -                      | -                           | -                  |
| <b>Infrastructure</b>                   |                  |                                   |                          |                     |                           |                    |                       |                        |                             |                    |
| Other                                   | 4,696,180        | 8,473                             | 57,387                   | 4,832,043           | 4,766,183                 | (3,548,008)        | -                     | -                      | -                           | -                  |
| Stations                                | 416,437          | 63,998                            | 72,265                   | 422,658             | 286,395                   | (128,683)          | -                     | -                      | -                           | -                  |
| Wayside                                 | 18,470           | 888                               | 10,996                   | 46,646              | 34,761                    | (7,128)            | -                     | -                      | -                           | -                  |
| Technology                              | 48,869           | 2,412                             | 3,246                    | 52,743              | 47,084                    | (0)                | -                     | -                      | -                           | -                  |
| Vehicle Non-Revenue                     | 718              | 5                                 | 669                      | 3,096               | 2,421                     | -                  | -                     | -                      | -                           | -                  |
| <b>Vehicle - Revenue</b>                |                  |                                   |                          |                     |                           |                    |                       |                        |                             |                    |
| Canada Line                             | 88,000           | -                                 | 44,000                   | 88,000              | 44,000                    | (79,853)           | -                     | -                      | -                           | -                  |
| Sky Train                               | 1,064,925        | 54,428                            | 43,907                   | 1,230,239           | 1,131,904                 | (939,213)          | (24,360)              | -                      | (40,055)                    | (64,415)           |
| West Coast Express                      | 21,000           | -                                 | -                        | 23,235              | 23,235                    | (20,750)           | -                     | -                      | -                           | -                  |
| <b>Roads and Bridges</b>                |                  |                                   |                          |                     |                           |                    |                       |                        |                             |                    |
| <b>Infrastructure</b>                   |                  |                                   |                          |                     |                           |                    |                       |                        |                             |                    |
| Bike                                    | 13,410           | 47                                | 2,504                    | 35,382              | 32,831                    | -                  | -                     | -                      | -                           | -                  |
| Bridges                                 | 37,192           | 14,373                            | 6,477                    | 56,350              | 35,501                    | (150,000)          | -                     | -                      | -                           | -                  |
| <b>Road Network</b>                     |                  |                                   |                          |                     |                           |                    |                       |                        |                             |                    |
| <b>Infrastructure</b>                   |                  |                                   |                          |                     |                           |                    |                       |                        |                             |                    |
| Bicycle Infrastructure                  | 58,722           | 155                               | 33                       | 93,396              | 93,208                    | -                  | -                     | -                      | -                           | -                  |
| Major Road Network                      | 255,895          | 140                               | 1,419                    | 165,611             | 164,053                   | -                  | -                     | -                      | -                           | -                  |
| MRNB Pavement rehab and BICCS           | 53,013           | -                                 | 31,936                   | 293,505             | 261,569                   | -                  | -                     | -                      | -                           | -                  |
| Transit Priority Implementation Program | 10,062           | -                                 | -                        | 486                 | 486                       | -                  | -                     | -                      | -                           | -                  |
| <b>Grand Total</b>                      | <b>9,248,774</b> | <b>237,252</b>                    | <b>470,576</b>           | <b>11,394,180</b>   | <b>10,686,353</b>         | <b>(5,712,579)</b> | <b>(640,579)</b>      | <b>(142,112)</b>       | <b>(1,361,759)</b>          | <b>(2,144,449)</b> |

Note: The above summary has been updated since the release of TransLink's Phase Two Investment Plan for the following:

- Some Projects categorized as "Corporate" were reclassified as "Rail" to better align with those projects' scope

## Appendix B

### Descriptions of items in the Capital Program

| TransLink 2018-2027 Investment Plan Project Summary | Project Descriptions   |
|---|--|
| <b>Bus</b>  |  |
| Equipment   | A wide variety of equipment required to maintain and manage TransLink's systems related to the bus network. Examples include communication on system and camera equipment replacement and SeaBus terminal elevator/escalator replacement.                              |
| Facilities  | Includes improvement projects such as garage roof replacements, hoist replacements, SeaBus Maintenance Dock Expansion; and other projects related to mechanical and civil retrofits to facilities. Also includes PowerSmart upgrades partially funded by BC Hydro.     |
| <b>Infrastructure</b>                               |  |
| Depots  | Includes the new bus depot expansion and improvement to existing depot such as the Hamilton Transit Centre.  |
| Exchanges/Bus loops                                 | Various repairs, replacements and upgrades to keep the exchanges/bus loops in a state of good repair. For example, replacement of lighting and security equipment, shelters and crew washroom facilities. Also includes projects related to priority B-Line corridors. |
| Other   | Includes general projects related to bus infrastructure such as maintenance and rehabilitation of SeaBus Infrastructure and other facilities and paving replacement.   |
| Trolley Overhead (TOH)                              | Includes projects related to maintenance of infrastructure related to the trolley buses such as cables, poles and rectifier buildings and equipment.   |
| Technology  | Includes replacement of the Bus Daily Operations Management System as well as other projects related to software modernization and replacement.  |
| Non-Revenue Vehicles                                | Includes modernization of non-revenue generating vehicles used by Transit supervisors, security and maintenance staff.   |
| <b>Revenue Vehicles</b>                             |  |
| Conventional Buses                                  | Fleet expansion and modernization of conventional buses to support maintenance of the transit system and realize benefits such as reduced congestion and emissions.  |
| Community Shuttle                                   | Fleet expansion and modernization of community shuttle vehicles to support maintenance of the transit system and realize benefits such as reduced congestion and emissions.  |
| HandyDART   | Fleet expansion and modernization of HandyDART vehicles to support maintenance of the transit system and provide mobility to those with accessibility issues.  |
| SeaBus  | Procurement of one additional SeaBus vessel, retrofit of an older SeaBus vessel and projects related to ensuring TransLink continues to meet Transport Canada safety standards and also to reduce maintenance and repair costs associated with ageing assets.          |

| TransLink 2018-2027 Investment Plan Project Summary | Project Descriptions   |
|---|--|
| <b>Corporate</b>                                    |  |
| Equipment   | A wide variety of equipment such as Ad Panels and radios for Transit Police.   |
| Facilities  | Includes renovation and upgrades to offices and related facilities.  |
| Infrastructure                                      |  |
| Bridges   | Includes Pattullo Bridge Rehabilitation Construction   |
| Depots  | Infrastructure being built at the UBC Bus Terminal   |
| Other   | Includes various general projects related to corporate infrastructure such as efficiency improvement and compliance.   |
| Technology  | Includes projects related to upgrades of various IT applications and systems, security programs, data warehousing etc.   |
| Vehicles Non-Revenue                                | Includes projects related to non-revenue generating vehicles such as TransLink Police cars and administration vehicles.  |
| <b>Rail</b>   |  |
| Equipment   | A wide variety of equipment required to maintain and manage the SkyTrain lines. Examples include power supply installations, automatic train control equipment, station equipment, passenger address systems etc.  |
| Facilities  | Includes projects related to maintaining and upgrading facilities such as the operations maintenance and control centre. Examples include space modernization, safety upgrades, yard track reconditioning, seismic upgrades and land improvement cost for the Expo and Millennium Upgrade Program. |
| Infrastructure                                      |  |
| Other   | Includes other rail infrastructure projects related to station escalator replacements, upgrades of guideway and running rail infrastructure, seismic upgrades, and various projects related to the Millennium Line Broadway Extension and Surrey - Langley Light Rail Train.                       |
| Stations  | Includes projects related to upgrading SkyTrain stations consisting of station upgrades such as the Burrard, Surrey Central and Joyce Collingwood stations as well as minor equipment upgrades such as roof replacements to ensure assets are maintained in a state of good repair.                |
| Wayside   | Includes projects related to the propulsion power system for SkyTrain.   |
| Technology  | Includes projects related to the upgrade of various software and systems related to the smooth running of the train system.  |
| Non-Revenue Vehicles                                | Includes projects related to non-revenue generating vehicles used by SkyTrain staff to respond to emergency and routine maintenance.   |
| Revenue Vehicles                                    |  |
| Canada Line   | Includes projects related to fleet expansion of the Canada Line cars.  |
| SkyTrain  | Includes acquisition of additional SkyTrain cars for Expo and Millennium Line fleet expansion, the refurbishment, mid-life overhaul or replacement of older SkyTrain cars.   |
| WCE   | Includes fleet expansion of the West Coast Express cars and refurbishment of 6 locomotives.  |

| TransLink 2018-2027 Investment Plan Project Summary                         | Project Descriptions   |
|---|--|
| <b>Roads and Bridges</b>  |  |
| Infrastructure  |  |
| Bikes   | Includes projects related to the TransLink owned bicycle infrastructure.   |
| Bridges   | Includes rehabilitation of the Pattullo Bridge, rehabilitation of the Knight Street Bridge as well as other projects related to the Westham Island Bridge.   |
| <b>Roads Network</b>  |  |
| Infrastructure  |  |
| Bike Infrastructure   | Includes TransLink's contribution to bicycle infrastructure programs for municipal owned pathways.   |
| MRN   | Consists of TransLink's contributions to municipalities for rehabilitation of the Major Road Network (MRN).  |
| MRNB pavement rehab and Bicycle Infrastructure Capital Cost Sharing Program | Consists of projects in three major categories: 1) TransLink's contribution to the MRN Pavement rehabilitation, 2) Minor capital funding to complete and improve as well as encourage construction of more bicycle routes and remove existing barriers to cyclists, and 3) Funding for bicycle infrastructure improvements across the region |

## Appendix C

Project Applications for the Greater Vancouver Regional Fund



# **APPLICATION FOR FUNDING FROM THE GREATER VANCOUVER REGIONAL FUND FOR FEDERAL GAS TAX FUNDS**

Project 1      2020 Conventional 42-ft Double Decker (Diesel) Bus Purchase – Replacement  
(Ref# 192130)

## B. MAYORS' COUNCIL TRANSPORTATION AND TRANSIT PLAN

Please describe how the project fits within, and provides support to, the Mayors' Council Transportation and Transit Plan.

- ☒ **Maintain what is needed in a state of good repair**
- ☐ **Invest in the road network to improve safety, local access and goods movement**
- ☐ **Expand our transit system to increase ridership in high demand areas and provide basic coverage in low-demand neighbourhoods**
- ☐ **Develop safe and convenient walking connections to transit and pursue early investments to complete the bikeway network, making it possible for more people to travel by these healthy, low cost, and emission-free modes**
- ☐ **Manage our transportation system more effectively with safety and passenger comfort improvements, new personalized incentive programs, advanced technology and infrastructure management solutions, efficient and fair mobility pricing, and better parking management**
- ☐ **Partner to make it happen with explicit implementation agreements and processes that support concurrent decisions on land-use and transportation investments, stable and sufficient long-term funding solutions, and better monitoring of progress**

The Mayors' Council 10-Year Vision (10-Year Vision) on regional transportation outlines a long-term, region-wide, integrated, multi-modal transportation vision to fight congestion, reduce greenhouse gas (GHG) emissions and to keep a fast-growing gateway economy, of almost 2.5 million residents, moving. The 10-Year Vision is built on 3 key strategies to achieve necessary improvements: **invest** in the most urgent and effective investments, **manage** the system more effectively and **partner** to ensure that supportive conditions are in place for these investments to succeed. Following adoption by the Mayors' Council, in June 2014, the 10-Year Vision was subsequently endorsed by the TransLink Board, as the implementation blueprint for the Regional Transportation Strategy (RTS). The 10-Year Vision includes a package of investments aimed at addressing the most basic needs for enhancements to the regional transportation network, allowing the network to keep up with growth in population and employment. It outlines the following transportation priorities related to bus service in the region:

- 25% increase in bus service across the region
- 200 more kilometres of B-Line or Better routes
- More frequent all-day service
- More frequent peak hour service
- Service to new and growing lower density neighbourhoods
- 80% more NightBus service

On June 28, 2018, the TransLink Board and Mayors' Council approved the 2018-2027 Investment Plan (2018 Investment Plan), building on top of the 2017-2026 Investment Plan. The 2018 Investment Plan

delivers the year of 2020 and 2021 of the 10-Year Vision, specifying new services and infrastructure, as well as strategies to make the transportation system more efficient, innovative and sustainable. The 2018 Investment Plan expands transit service across the region to increase system capacity, reduce overcrowding and introduce new bus service to new areas. The 2018 Investment Plan outlines actions and policies to advance the goals identified in TransLink's long-term Regional Transportation Strategy and to support the goals identified in Metro Vancouver's Regional Growth Strategy, *Metro Vancouver 2040: Shaping Our Future (Metro 2040)*. Some of the highlights for bus service included in the 2018 Investment Plan are:

- 7% increase in HandyDART service, 8% increase in bus service;
- Improved service on at least 75 different bus routes;
- Two new B-Line in 2021; and
- New bus service to four new service areas and restructure

This project, through fleet modernization, supports the 10-Year Vision desired outcomes of maintaining the transit system and reducing GHG emissions.

## C. PROJECT DESCRIPTION

*Please complete the following for each project proposed for expenditure from the GVRF.*

### 1. Executive Summary (not to exceed two pages)

#### Project Overview

TransLink has 1,426 conventional 40' and 60' buses in its fleet

Criteria for identifying vehicles due for retirement are based on a number of factors including:

- Age (life expectancy of 17 years);
- Mileage (generally 1,000,000 km);
- State of repair/condition; and
- Severity of service duty cycle.

This project is to retire twenty five (25) existing 40-foot high-floor highway coach fleet, which have reached the end of its useful life. Double decker buses are planned as these buses have higher seated passenger capacity than 40-foot suburban buses or 60-foot articulated buses, and are low-floor thereby increasing accessibility.

The vehicles due to retire were acquired in 2001, have a median age of 18 years and will have travelled more than 1,000,000 service kilometres by the end of useful life.

TransLink strives to optimize resources by matching service to passenger demand, including allocating vehicles of an appropriate size to serve route demand. This allocation is optimized through continuous review and planning processes that allocates resources where they are most needed. This process is informed by ridership data, which has been substantially enhanced with the deployment of Compass Card. TransLink has also undertaken recent work to determine optimal fleet propulsion technology on each route, which is interdependent with vehicle size.

Currently diesel propulsion is the best option available as the buses will be 13 foot and 6 inches in height, and hence meet the height restrictions in place at the George Massey Tunnel. Hybrid engines are not available for double decker buses at this height and CNG is not proposed as fuel tanks would increase the height and preclude operations through the George Massey Tunnel. In addition, based on latest technology information available and policy preferences, CNG or hybrid buses would have higher capital cost but marginal emissions reduction in highway use due to higher operating speeds.

The decision to purchase double decker buses was also supplemented by the results of a three month trial completed in early 2018. The main aim of the trial was to provide a better customer experience for those travelling longer distances. A customer survey conducted as part of the three month trial indicated that:

- 89% of the respondents had "an overall positive experience riding the double decker bus"
- 76% of the respondents agreed that "if double decker buses were on their route it would encourage them to use the bus more often"

#### Tangible Benefits and Outcomes

The new double decker buses have a larger seated passenger capacity than the existing 40-foot highway coaches or alternative choices of 40-foot suburban conventional bus or 60-foot articulated

bus. This larger seating capacity will reduce overcrowding and pass-ups and improve customer experience, especially for customers traveling longer distances. These new low floor double decker buses would have wheelchair ramps instead of lifts to improve accessibility and allow for easier and quicker boarding and alighting over the existing high floor highway coaches.

The double decker bus uses a Cummins ISL9 380 engine and the comparison vehicle (40-foot highway coach) uses a Cummins ISL9 280. The double decker bus has an expected fuel rate of 62L/100km or approx. 19% higher than the existing 40-foot highway coach. In absolute emissions, this means the double decker bus emits approx. 19% more GHGs. However, factoring in its higher seating capacity (84 vs. 47), the double decker bus emits approx. 33% less GHG emissions per fully loaded passenger km than the existing 40-foot highway coach. Based on the engine specifications (California Air Resource Board, EPA), double decker emissions of PM and NOx are expected to be marginally higher on a per km basis (through emissions of both PM and NOx per fully loaded passenger km would be lower than a 40-foot highway coach).

#### Project Budget, Expenses, and GVRF Funding Request

The project budget is \$32,315,530 with a Greater Vancouver Regional Fund (GVRF) request of \$29,083,977. Expenses covered by this budget primarily include vehicle procurement, ancillary on-board equipment and labour and other miscellaneous project costs. The funding requested in this application will be applied towards expenses considered eligible per the terms of the Administrative Agreement dated April 2014.

## 2. Project Name

2020 Conventional 42-ft Double Decker (Diesel) Bus Purchase – Replacement (Ref# 192130)

## 3. Project Need

The objectives are to maintain high quality customer service; and minimize maintenance and operating costs through the continued provision of reliable, fully-accessible transit vehicles, which are appropriate to routes on which they operate. The criteria for achieving these objectives are avoidance of incremental maintenance and operating costs, reduced vehicle breakdowns, less vehicle downtime, improved accessibility and improved service reliability.

## 4. Project Eligibility (check one):

- ☐ Local Roads and Bridges, including active transportation
- ☒ Public Transit

**5. Project Purpose (check one):**

- ☐ **Expansion:** Expands the carrying capacity of people and/or goods movement.
- ☒ **State of Good Repair:** Replaces or modernizes assets to keep the regional transportation system in a state of good repair.
- ☐ **Operational Efficiency/Effectiveness:** Improves the efficiency or effectiveness of the regional transportation system.
- ☐ **Refurbishment**
- ☐ **New**
- ☐ **Other (please specify : \_\_\_\_\_)**

**6. Project Type (check one):**

- ☐ **Growth**
- ☐ **Upgrade**
- ☐ **Risk (Resilience)**
- ☒ **Maintenance**
- ☐ **Opportunity**

**7. Project Staging:**

| Year(s) of Acquisition or Start of Construction | Year of Completion of Construction | Year of Service Initialization | Year(s) of Renewal | Year(s) of End of Service |
|---|------------------------------------|--------------------------------|--------------------|---------------------------|
| 2020  | 2020                               | 2020                           | N/A                | 2036                      |

**8. Has the project previously received funding through GVRF? Please explain.**

No. This is the first application for GVRF funding for this project.

**9. Was GVRF funding previously declined for the project? Please explain.**

No. This is the first application for GVRF funding for this project.

**10. Is the project anticipated to require additional future GVRF funding? If so, please explain.**

No. TransLink is planning to complete this project within budget.

## 11. Project Cost + Funding

### 11.a Budget & Expenditures

| Budget       | Expenditures to Date | Forecast to Complete | Final Forecasted Cost | Variance (budget – final forecasted cost) |
|--------------|----------------------|----------------------|-----------------------|---|
| \$32,315,530 | \$0                  | \$32,315,530         | \$32,315,530          | \$0                                       |

### 11.b Project Funding

| Prior Approved GVRF Funding | Current Year GVRF Funding Request | Other Funding – Specify source and whether confirmed/pending |
|-----------------------------|-----------------------------------|--|
| \$0                         | \$29,083,977                      | N/A  |

### 11.c Project Budget Schedule

| Item                       | 2017 | 2018 | 2019     | 2020         | 2021 | 2022 |
|----------------------------|------|------|----------|--------------|------|------|
| GVRF-funded Project Budget |      |      | \$36,819 | \$29,047,158 |      |      |
| Total Project Budget       |      |      | \$40,910 | \$32,274,620 |      |      |

## 12. Project Budget Rationale

*Describe the types of proposed project expenses to be funded by the Greater Vancouver Regional Fund*

### a. Explain how the project reflects the intent of the GVRF

This project allows for an increase in passenger seating capacity, expanding the regional public transportation system while also enhancing service for those who have accessibility challenges. By replacing end-of-life vehicles, it ensures TransLink's assets are maintained in a State of Good Repair. Finally, it may result in modest GHG, NOx and PM emissions reductions through an increase in bus seating capacity.

### b. In the absence of GVRF funding, can the project proceed with other funding sources? What risks do the other funding sources present to the project?

No. TransLink relies on GVRF funding for expansion of its revenue vehicle fleets and plans its annual budgets accordingly.

The other sources of funding available to TransLink are – Building Canada Fund and the Public Transit Infrastructure Fund. The projects chosen by TransLink for GVRF funding are better suited to GVRF funding compared to the other sources of funding, as summarized below:

Building Canada Fund (BCF) - the funding available is intended for "major infrastructure" and focuses on larger, strategic infrastructure projects that are of national or regional significance.

Additionally, all funds in the current allocation have already been allocated to specific projects.

Public Transit Infrastructure Fund (PTIF) – this fund is focused on early works for expansion of the Rapid Transit network such as - the Expo, Millennium and Canada Line networks, along with the Surrey Light Rail Transit projects. Also, under this fund the maximum federal funding towards a project is limited to 50% of the total eligible expenditures; no such limits are identified in the GVRP. Lastly, projects to be funded under this program have already been submitted to the federal government.

In addition, BCF and PTIF funding is only available for a specified period of time: BCF is valid until March 31, 2017 (with some station upgrades extended to March, 2019) and PTIF applies to projects initiating in 2016-17 and 2017-18.

As such, there are no other viable funding sources available for fleet expansion.

**c. Identify potential risks – corporate and regional – of this project that could result in this project not being completed or being unsuccessful. Describe possible mitigation strategies to address these risks.**

TransLink requires these vehicles to be in service for 2020 in order to retire vehicles reaching the end of their useful lives. Also, there is an approximate lead time of 18 months between TransLink ordering vehicles and those same vehicles entering service. As such, it is important to have the funding in place to ensure the timely retirement of vehicles before they reach the end of their useful service lives.

If funding is not received in time, TransLink will have to rely on deferred retirement vehicles to deliver transit service. Continued use of deferred retirement vehicles poses a risk to reliability, as well as incremental maintenance costs to keep them in service. This may result in lost opportunities to realize goals of reduced congestion, improved peak hour service and frequency. Further, use of deferred retirement vehicles could also result in higher CAC and GHG emissions than new vehicles. TransLink may lose credibility among the general public if service expansion is not reliable.

**d. How may the project cost vary as a result of changing external factors, such as interest rates and currency exchange rates?**

Project costs may vary due to foreign exchange fluctuations (as parts are procured from the US) and vendor pricing. These uncertainties are mitigated with sufficient contingency allowance to fund price and foreign exchange fluctuations.

**e. How may foreseeable changes in investment, regulation, or policies from other orders of government affect the project?**

Due to recent increases in senior government funding for public transit projects, many suppliers are experiencing larger demands to order vehicles. This may create a backlog with vendors, and if procurement is not initiated soon, could result in further delay in ordering and receiving vehicles.



**f. How may foreseeable changes in technology affect the project?**

This application is based on the new vehicles being diesel powered. Double decker buses for highway service are identified for diesel technology due to height constraints (buses will be 13 foot and 6 inches) of operating through the George Massey Tunnel. Hybrid engines are not available for double decker buses at this height and CNG is not proposed as fuel tanks would increase the height and preclude operations through the George Massey Tunnel.

**g. What other corporate or external factors could alter the project need, scope, budget, or timeline for project delivery?**

There are no foreseeable corporate or external factors that could alter the project need or scope of this project. Project timeline may be affected by manufacturer's capacity and schedules, availability of parts and/or time for vehicle delivery from the manufacturer. Budget may fluctuate due to parts pricing and/or foreign exchange.

In order to ensure that the vehicles received are up to the standards expected and delivered on time TransLink conducts regular factory audits and inspections of the manufacturers' facilities.

## D. EVALUATION CRITERIA

Please describe how project achieves or works towards each criterion by identifying and reporting on relevant performance measures. Where appropriate, present quantitative information. Please do not exceed 10 pages per project.

Two types of evaluation criteria are identified: Screening Criteria, which represent requirements that are mandatory for any project for which GVRF funding is requested; and Integrated Criteria, which allow for a qualitative assessment of proposed projects based on high priority objectives that reflect the intent of the Federal Gas Tax Fund, of Metro Vancouver goals, and of the Mayors' Council Vision.

| Criterion                           | Description   | Assessment           |                                |                                     |              |                    |               |       |              |          |
|-------------------------------------|---|----------------------|--------------------------------|-------------------------------------|--------------|--------------------|---------------|-------|--------------|----------|
| SCREENING CRITERIA                  |   |                      |                                |                                     |              |                    |               |       |              |          |
| Eligible Project Category           | <div><input type="checkbox"/> Local roads and bridges, including active transportation</div> <div><input checked="" type="checkbox"/> Public transit</div>  | Required             |                                |                                     |              |                    |               |       |              |          |
| Eligible Expenses                   | <div>As set out in the 2014 Administrative Agreement (Schedule C)</div> <div><table><tr><td><u>Eligible Item</u></td><td><u>Expenditure<sup>1</sup></u></td></tr><tr><td>42" Diesel Double Decker Buses (25)</td><td>\$29,000,000</td></tr><tr><td>On-board equipment</td><td><u>83,977</u></td></tr><tr><td>Total</td><td>\$29,083,977</td></tr></table></div> <div><sup>1</sup> Per Schedule C, Section 1.1, Part a)</div>  | <u>Eligible Item</u> | <u>Expenditure<sup>1</sup></u> | 42" Diesel Double Decker Buses (25) | \$29,000,000 | On-board equipment | <u>83,977</u> | Total | \$29,083,977 | Required |
| <u>Eligible Item</u>                | <u>Expenditure<sup>1</sup></u>  |                      |                                |                                     |              |                    |               |       |              |          |
| 42" Diesel Double Decker Buses (25) | \$29,000,000  |                      |                                |                                     |              |                    |               |       |              |          |
| On-board equipment                  | <u>83,977</u>   |                      |                                |                                     |              |                    |               |       |              |          |
| Total                               | \$29,083,977  |                      |                                |                                     |              |                    |               |       |              |          |
| Plan Consistency                    | <div>Projects must be consistent with TransLink’s existing Capital Plan and future <i>10-Year Investment Plan</i>, as well as the <i>Mayors’ Council Transportation and Transit Plan</i>, <i>Metro 2040: Shaping our Future</i>, and the <i>Regional Transportation Strategy</i>.</div> <div><input checked="" type="checkbox"/> 10-Year Investment Plan</div> <div><input checked="" type="checkbox"/> Mayors’ Council Transportation and Transit Plan</div> <div><input checked="" type="checkbox"/> Metro 2040: Shaping our Future</div> <div><input checked="" type="checkbox"/> Regional Transportation Strategy</div> | Required             |                                |                                     |              |                    |               |       |              |          |
| Corporate Policies                  | <div>Projects must be consistent with applicable TransLink policies such as sustainability, environmental responsibility, emissions and infrastructure</div> <div><input checked="" type="checkbox"/> Sustainability policy</div> <div><input checked="" type="checkbox"/> Environmental policy</div> <div><input checked="" type="checkbox"/> Emissions policy</div> <div><input type="checkbox"/> Infrastructure policy – n/a</div>   | Required             |                                |                                     |              |                    |               |       |              |          |

| Criterion  | Description   | Assessment           |
|--|---|----------------------|
| <b>INTEGRATED CRITERIA</b>                           |   |                      |
| <b>Regional Growth Strategy</b>                      |   |                      |
| Supports the Regional Growth Strategy                | <p><i>The degree to which the project assists in achieving the five goals in Metro 2040.</i></p> <p> <input type="checkbox"/> Create a Compact Urban Area<br/> <input checked="" type="checkbox"/> Support a Sustainable Economy<br/> <input checked="" type="checkbox"/> Protect Environment and Respond to Climate Change Impacts<br/> <input checked="" type="checkbox"/> Develop Complete Communities<br/> <input checked="" type="checkbox"/> Support Sustainable Transportation Choices         </p>  | Poor/Good/ Excellent |
| Urban Centres and Frequent Transit Development Areas | <p><i>Where applicable, the project is located in, or demonstrates tangible benefits to the overall performance of Urban Centres and Frequent Transit Development Areas.</i></p> <p>Buses provide services to Metro Vancouver communities within TransLink's transportation service region and offer an environmentally responsible and sustainable transportation alternative to single occupant vehicle travel. They link communities with business, institutional and social hubs and destinations, and facilitate the creation and expansion of Transit Oriented Developments (TODs). They also provide collector and distribution services to Expo, Millennium, Evergreen and Canada Lines, West Coast Express and SeaBus.</p> | Poor/Good/ Excellent |
| <b>Transportation Performance</b>                    |   |                      |
| Headline Targets                                     | <p><i>Demonstrates tangible beneficial effects on vehicle kilometres travelled and/or walk/cycle/transit mode share.</i></p> <p>This is a one-for-one replacement vehicle project with a passenger seating capacity increase due to replacement of double decker buses. There are no incremental vehicle-kilometres travelled. The larger seating capacity with double decker buses will reduce overcrowding and pass-ups but not increase the walk/cycle/transit mode share substantially.</p>   | Poor/Good/ Excellent |
| Other Transportation Outcomes                        | <p><i>Demonstrates tangible beneficial effects on vehicle congestion, transit passenger congestion, transit ridership, and/or transportation safety for the duration of the project.</i></p> <p>This is a one-for-one replacement vehicle project with a passenger seating capacity increase due to replacement with double decker buses. There are no incremental benefits to vehicle congestion, transit ridership and/or transportation safety. Transit passenger congestion would decrease with double decker buses providing larger passenger seating capacity.</p>  | Poor/Good/ Excellent |

| Criterion  | Description   | Assessment           |
|--|---|----------------------|
| Project Type   | <p><i>Demonstrated value of the project type (refer to section 6).</i></p> <p>By maintaining TransLink's assets in good repair, vehicles will have fewer breakdowns and service disruptions, operating costs will not increase, and pollutant emissions will be reduced.</p>  | Poor/Good/ Excellent |
| <b>Regional Environmental Objectives</b>                               |   |                      |
| Supports the Integrated Air Quality and Greenhouse Gas Management Plan | <p><i>Contributes to the achievement of one or more goals in the Integrated Air Quality and Greenhouse Gas Management Plan (IAQGGM).</i></p> <p>This project may result in modest reductions of CAC and GHG emissions through an increase in bus seating capacity.</p> <p>As such, this project supports IAQGGM strategies 1.4 "Reduce air contaminant emissions from cars, trucks, and buses" and 3.3 "Reduce the carbon footprint of the region's transportation system."</p> | Poor/Good/ Excellent |
| Measurable Beneficial Effects  | <p><i>Demonstrates tangible beneficial effects on greenhouse gas and common air contaminant emissions from on-road transportation sources for the duration of the project.</i></p> <p>New double decker buses will allow existing transit service to be maintained, and larger vehicle passenger seating capacity will allow growth in transit ridership.</p>   | Poor/Good/ Excellent |
| <b>Economic Development</b>  |   |                      |
| Supports regional prosperity   | <p><i>Contributes to a regional transportation system that moves people and goods and aligns with regional prosperity.</i></p> <p>Replacement buses provide improved reliability to the regional transportation system to institutional, economic and other transit mode hubs. Passengers will have better access to work and/or leisure activities, reducing the use of single occupant vehicle travel.</p>  | Poor/Good/ Excellent |
| Measurable Beneficial Effects  | <p><i>Tangible beneficial effects on the movement of people and/or goods for the duration of the project.</i></p> <p>Replacement buses provide improved service and make transit a more reliable option, and ultimately improving economic competitiveness within Metro Vancouver. More reliable transit provides better access to jobs, workers, goods, and markets, while reducing congestion.</p>  | Poor/Good/ Excellent |

# **APPLICATION FOR FUNDING FROM THE GREATER VANCOUVER REGIONAL FUND FOR FEDERAL GAS TAX FUNDS**

Project 2      2020 Conventional 60-ft Bus and 40-ft Bus Purchase – Expansion  
(Ref# 192132)

## B. MAYORS' COUNCIL TRANSPORTATION AND TRANSIT PLAN

Please describe how the project fits within, and provides support to, the Mayors' Council Transportation and Transit Plan.

- ☐ **Maintain what is needed in a state of good repair**
- ☐ **Invest in the road network to improve safety, local access and goods movement**
- ☒ **Expand our transit system to increase ridership in high demand areas and provide basic coverage in low-demand neighbourhoods**
- ☐ **Develop safe and convenient walking connections to transit and pursue early investments to complete the bikeway network, making it possible for more people to travel by these healthy, low cost, and emission-free modes**
- ☐ **Manage our transportation system more effectively with safety and passenger comfort improvements, new personalized incentive programs, advanced technology and infrastructure management solutions, efficient and fair mobility pricing, and better parking management**
- ☐ **Partner to make it happen with explicit implementation agreements and processes that support concurrent decisions on land-use and transportation investments, stable and sufficient long-term funding solutions, and better monitoring of progress**

The Mayors' Council 10-Year Vision (10-Year Vision) on regional transportation outlines a long-term, region-wide, integrated, multi-modal transportation vision to fight congestion, reduce greenhouse gas (GHG) emissions and to keep a fast-growing gateway economy, of almost 2.5 million residents, moving. The 10-Year Vision is built on 3 key strategies to achieve necessary improvements: **invest** in the most urgent and effective investments, **manage** the system more effectively and **partner** to ensure that supportive conditions are in place for these investments to succeed. Following adoption by the Mayors' Council, in June 2014, the 10-Year Vision was subsequently endorsed by the TransLink Board, as the implementation blueprint for the Regional Transportation Strategy (RTS). The 10-Year Vision includes a package of investments aimed at addressing the most basic needs for enhancements to the regional transportation network, allowing the network to keep up with growth in population and employment. It outlines the following transportation priorities related to bus service in the region:

- 25% increase in bus service across the region
- 200 more kilometres of B-Line or Better routes
- More frequent all-day service
- More frequent peak hour service
- Service to new and growing lower density neighbourhoods
- 80% more NightBus service

On June 28, 2018, the TransLink Board and Mayors' Council approved the 2018-2027 Investment Plan (2018 Investment Plan), building on top of the 2017-2026 Investment Plan. The 2018 Investment Plan

delivers the year of 2020 and 2021 of the 10-Year Vision, specifying new services and infrastructure, as well as strategies to make the transportation system more efficient, innovative and sustainable. The 2018 Investment Plan expands transit service across the region to increase system capacity, reduce overcrowding and introduce new bus service to new areas. The 2018 Investment Plan outlines actions and policies to advance the goals identified in TransLink's long-term Regional Transportation Strategy and to support the goals identified in Metro Vancouver's Regional Growth Strategy, *Metro Vancouver 2040: Shaping Our Future (Metro 2040)*. Some of the highlights for bus service included in the 2018 Investment Plan are:

- 7% increase in HandyDART service, 8% increase in bus service;
- Improved service on at least 75 different bus routes;
- Two new B-Line routes in 2021; and
- New bus service to four new service areas and restructure

This project supports the 10-Year Vision through its strategy to invest in urgent and effective investments. Through expansion of its fleet, TransLink will be able to increase bus service, and provide more frequent and new service and in the process meet a number of 10-Year Vision priorities. This project will also support desired outcomes from the 10-Year Vision, such as reducing transit overcrowding as well as supporting Metro Vancouver's *Integrated Air Quality and Greenhouse Gas Management Plan (IAQGGMMP)*.

## C. PROJECT DESCRIPTION

Please complete the following for each project proposed for expenditure from the GVRF.

### 1. Executive Summary (not to exceed two pages)

#### Project Overview

This project adds sixty-two (62) diesel-electric hybrid 60' articulated buses and six (6) zero emission battery-electric 40-foot buses to the TransLink fleet to expand service. The articulated 60' buses will have a person and seat capacity of 110 and 46 respectively, while the 40-foot buses will have a person and seat capacity of 73 and 36 respectively. These bus deliveries totalling 68 conventional buses will bring the total bus fleet to 1,590 vehicles.

TransLink strives to optimize resources by matching service to passenger demand, including allocating vehicles of an appropriate size to serve the demand on a route. This allocation is optimized through continuous review and planning to distribute resources where they are most needed. This process is determined by ridership data, which has been substantially enhanced with the deployment of Compass Card. TransLink has also undertaken recent work to determine optimal fleet propulsion technology on each route, which is interdependent with vehicle size.

New articulated 60' buses will be diesel-electric hybrid powered, resulting in 20% lower GHG and CAC emissions compared to a standard diesel powered articulated bus. New 40' buses will be zero emission battery-electric powered, resulting in 100% lower tailpipe GHG and CAC emissions compared to a standard diesel powered 40' bus. TransLink continues to develop a Low Carbon Fleet Strategy (entering Phase II to be complete mid 2019) which will present a roadmap to reduce fleet greenhouse gas, and work toward 80 per cent reduction in greenhouse gas emissions by 2050 across the enterprise. The 6 zero emission battery-electric buses demonstrate TransLink's commitment toward reducing emissions, while still maintaining service requirements.

#### Tangible Benefits and Outcomes

The choice of hybrid and zero emission battery-electric buses supports the Metro Vancouver *Integrated Air Quality and Greenhouse Gas Management Plan* and TransLink's efforts to reduce emissions under the forthcoming Low Carbon Fleet Strategy. The 60' Hybrid buses have 20% lower GHG and CAC emissions relative to the diesel alternative; and zero emission battery-electric buses eliminate tailpipe GHG and CAC emissions entirely.

#### Project Budget, Expenses, and GVRF Funding Request

The project budget is \$109,000,000 with a Greater Vancouver Regional Fund (GVRF) request of \$103,550,000. Expenses covered by this budget primarily include vehicle procurement, ancillary on-board equipment and labour and other miscellaneous project costs. The funding requested in this application will be applied towards expenses considered eligible per the terms of the Administrative Agreement dated April 2014.



## 2. Project Name

2020 Conventional 60-ft Bus and 40-ft Bus Purchase – Expansion (Ref# 192132)

## 3. Project Need

The objectives are to expand transit service across Metro Vancouver to increase system capacity, maintain high quality customer service; and minimize maintenance and operating costs through the continued provision of reliable, fully-accessible transit vehicles, which are appropriate to routes on which they operate.

## 4. Project Eligibility (check one):

- ☐ Local Roads and Bridges, including active transportation  
☒ Public Transit

## 5. Project Purpose (check one):

- ☒ **Expansion:** Expands the carrying capacity of people and/or goods movement.  
☐ **State of Good Repair:** Replaces or modernizes assets to keep the regional transportation system in a state of good repair.  
☐ **Operational Efficiency/Effectiveness:** Improves the efficiency or effectiveness of the regional transportation system.  
☐ **Refurbishment**  
☐ **New**  
☐ **Other (please specify : \_\_\_\_\_)**

## 6. Project Type (check one):

- ☒ **Growth**  
☐ **Upgrade**  
☐ **Risk (Resilience)**  
☐ **Maintenance**  
☐ **Opportunity**

## 7. Project Staging:

| Year(s) of Acquisition or Start of Construction | Year of Completion of Construction | Year of Service Initialization | Year(s) of Renewal | Year(s) of End of Service |
|---|------------------------------------|--------------------------------|--------------------|---------------------------|
| 2020  | 2020                               | 2020                           | N/A                | 2037                      |

**8. Has the project previously received funding through GVRF? Please explain.**

No. This is the first application for GVRF funding for this project.

**9. Was GVRF funding previously declined for the project? Please explain.**

No. This is the first application for GVRF funding for this project.

**10. Is the project anticipated to require additional future GVRF funding? If so, please explain.**

No. TransLink is planning to complete this project within budget.

**11. Project Cost + Funding**

**11.a Budget & Expenditures**

| Budget        | Expenditures to Date | Forecast to Complete | Final Forecasted Cost | Variance (budget – final forecasted cost) |
|---------------|----------------------|----------------------|-----------------------|---|
| \$109,000,000 | \$0                  | \$109,000,000        | \$109,000,000         | \$0                                       |

**11.b Project Funding**

| Prior Approved GVRF Funding | Current Year GVRF Funding Request | Other Funding – Specify source and whether confirmed/pending |
|-----------------------------|-----------------------------------|--|
| \$0                         | \$103,550,000                     | N/A  |

**11.c Project Budget Schedule**

| Item                       | 2017 | 2018 | 2019 | 2020          | 2021 | 2022 |
|----------------------------|------|------|------|---------------|------|------|
| GVRF-funded Project Budget |      |      |      | \$103,550,000 |      |      |
| Total Project Budget       |      |      |      | \$109,000,000 |      |      |

## 12. Project Budget Rationale

*Describe the types of proposed project expenses to be funded by the Greater Vancouver Regional Fund*

### a. Explain how the project reflects the intent of the GVRF

This project expands the regional public transportation system, and ensures efficient and effective transit service. In addition, it is expected to reduce GHG, NOx and PM emissions through the reduction of private vehicle trips.

### b. In the absence of GVRF funding, can the project proceed with other funding sources? What risks do the other funding sources present to the project?

No. TransLink relies on GVRF funding for expansion of its revenue vehicle fleets and plans its annual budgets accordingly.

The other sources of funding available to TransLink are – Building Canada Fund and the Public Transit Infrastructure Fund. The projects chosen by TransLink for GVRF funding are better suited to GVRF funding compared to the other sources of funding, as summarized below:

Building Canada Fund (BCF) - the funding available is intended for “major infrastructure” and focuses on larger, strategic infrastructure projects that are of national or regional significance. Additionally, all funds in the current allocation have already been allocated to specific projects.

Public Transit Infrastructure Fund (PTIF) – this fund is focused on early works for expansion of the Rapid Transit network such as - the Expo, Millennium and Canada Line networks, along with the Surrey Light Rail Transit projects. Also, under this fund the maximum federal funding towards a project is limited to 50% of the total eligible expenditures; no such limits are identified in the GVRF. Lastly, projects to be funded under this program have already been submitted to the federal government.

In addition, BCF and PTIF funding is only available for a specified period of time: BCF is valid until March 31, 2017 (with some station upgrades extended to March, 2019) and PTIF applies to projects initiating in 2016-17 and 2017-18.

As such, there are no other viable funding sources available for fleet expansion.

### c. Identify potential risks – corporate and regional – of this project that could result in this project not being completed or being unsuccessful. Describe possible mitigation strategies to address these risks.

If funding is not received in time, TransLink will have to rely on deferred retirement vehicles to deliver on its promises of expansion. Continued use of deferred retirement vehicles poses a risk to reliability, as well as incremental maintenance costs to keep them in service. This may result in lost opportunities to realize goals of reduced congestion, improved peak hour service and frequency. Further, use of deferred retirement vehicles could also result in higher GHG emissions and criteria air contaminants than new vehicles. TransLink may lose credibility among the general public if service expansion is not reliable.

**d. How may the project cost vary as a result of changing external factors, such as interest rates and currency exchange rates?**

Project costs may vary due to foreign exchange fluctuations (as parts are procured from the US) and vendor pricing. These uncertainties are mitigated with sufficient contingency allowance to fund price and foreign exchange fluctuations.

**e. How may foreseeable changes in investment, regulation, or policies from other orders of government affect the project?**

Due to recent increases in senior government funding for public transit projects, many suppliers are experiencing larger demands to order vehicles. This may create a backlog with vendors, and if procurement is not initiated soon, could result in further delay in ordering and receiving vehicles.

**f. How may foreseeable changes in technology affect the project?**

This application is based on the new vehicles being hybrid and zero emission battery-electric powered. TransLink has taken into account its existing infrastructure, as well as the opportunity to transition to lower emissions vehicles, in arriving at a decision on hybrid and zero emission battery-electric technology.

**g. What other corporate or external factors could alter the project need, scope, budget, or timeline for project delivery?**

Project timeline may be affected by manufacturer's capacity and schedules, availability of parts and/or time for vehicle delivery from the manufacturer. Budget may fluctuate due to parts pricing and/or foreign exchange.

In order to ensure that the vehicles received are up to the standards expected and delivered on time TransLink conducts regular factory audits and inspections of the manufacturers' facilities.

The charging stations required for the electric buses (being acquired under an existing GVRF approved project) have experienced slight delays in schedule. Although they are still expected to be in place well before these buses go in to service, further delays in obtaining the charging stations may lead to TransLink having to use diesel or hybrid buses temporarily. This will delay achievement of GHG emissions reduction targets.

## D. EVALUATION CRITERIA

Please describe how project achieves or works towards each criterion by identifying and reporting on relevant performance measures. Where appropriate, present quantitative information. Please do not exceed 10 pages per project.

Two types of evaluation criteria are identified: Screening Criteria, which represent requirements that are mandatory for any project for which GVRF funding is requested; and Integrated Criteria, which allow for a qualitative assessment of proposed projects based on high priority objectives that reflect the intent of the Federal Gas Tax Fund, of Metro Vancouver goals, and of the Mayors' Council Vision.

| Criterion                        | Description  | Assessment           |                                |                                  |              |                                |           |                    |                  |       |               |          |
|----------------------------------|--|----------------------|--------------------------------|----------------------------------|--------------|--------------------------------|-----------|--------------------|------------------|-------|---------------|----------|
| SCREENING CRITERIA               |  |                      |                                |                                  |              |                                |           |                    |                  |       |               |          |
| Eligible Project Category        | <input type="checkbox"/> Local roads and bridges, including active transportation<br><input checked="" type="checkbox"/> Public transit  | Required             |                                |                                  |              |                                |           |                    |                  |       |               |          |
| Eligible Expenses                | As set out in the 2014 Administrative Agreement (Schedule C)<br><br><table><tr><td><u>Eligible Item</u></td><td><u>Expenditure<sup>1</sup></u></td></tr><tr><td>Articulated 60' Hybrid Buses(62)</td><td>\$92,500,000</td></tr><tr><td>40' Battery-electric Buses (6)</td><td>6,000,000</td></tr><tr><td>On-board equipment</td><td><u>5,050,000</u></td></tr><tr><td>Total</td><td>\$103,550,000</td></tr></table><br><sup>1</sup> Per Schedule C, Section 1.1, Part a)   | <u>Eligible Item</u> | <u>Expenditure<sup>1</sup></u> | Articulated 60' Hybrid Buses(62) | \$92,500,000 | 40' Battery-electric Buses (6) | 6,000,000 | On-board equipment | <u>5,050,000</u> | Total | \$103,550,000 | Required |
| <u>Eligible Item</u>             | <u>Expenditure<sup>1</sup></u>   |                      |                                |                                  |              |                                |           |                    |                  |       |               |          |
| Articulated 60' Hybrid Buses(62) | \$92,500,000   |                      |                                |                                  |              |                                |           |                    |                  |       |               |          |
| 40' Battery-electric Buses (6)   | 6,000,000  |                      |                                |                                  |              |                                |           |                    |                  |       |               |          |
| On-board equipment               | <u>5,050,000</u>   |                      |                                |                                  |              |                                |           |                    |                  |       |               |          |
| Total                            | \$103,550,000  |                      |                                |                                  |              |                                |           |                    |                  |       |               |          |
| Plan Consistency                 | Projects must be consistent with TransLink’s existing Capital Plan and future <i>10-Year Investment Plan</i> , as well as the <i>Mayors’ Council Transportation and Transit Plan</i> , <i>Metro 2040: Shaping our Future</i> , and the <i>Regional Transportation Strategy</i> .<br><br><input checked="" type="checkbox"/> 10-Year Investment Plan<br><input checked="" type="checkbox"/> Mayors’ Council Transportation and Transit Plan<br><input checked="" type="checkbox"/> Metro 2040: Shaping our Future<br><input checked="" type="checkbox"/> Regional Transportation Strategy | Required             |                                |                                  |              |                                |           |                    |                  |       |               |          |
| Corporate Policies               | Projects must be consistent with applicable TransLink policies such as sustainability, environmental responsibility, emissions and infrastructure<br><input checked="" type="checkbox"/> Sustainability policy<br><input checked="" type="checkbox"/> Environmental policy<br><input checked="" type="checkbox"/> Emissions policy<br><input type="checkbox"/> Infrastructure policy – n/a   | Required             |                                |                                  |              |                                |           |                    |                  |       |               |          |

| Criterion  | Description   | Assessment           |
|--|---|----------------------|
| <b>INTEGRATED CRITERIA</b>                           |   |                      |
| <b>Regional Growth Strategy</b>                      |   |                      |
| Supports the Regional Growth Strategy                | <p><i>The degree to which the project assists in achieving the five goals in Metro 2040.</i></p> <p> <input type="checkbox"/> Create a Compact Urban Area<br/> <input checked="" type="checkbox"/> Support a Sustainable Economy<br/> <input checked="" type="checkbox"/> Protect Environment and Respond to Climate Change Impacts<br/> <input checked="" type="checkbox"/> Develop Complete Communities<br/> <input checked="" type="checkbox"/> Support Sustainable Transportation Choices </p>  | Poor/Good/ Excellent |
| Urban Centres and Frequent Transit Development Areas | <p><i>Where applicable, the project is located in, or demonstrates tangible benefits to the overall performance of Urban Centres and Frequent Transit Development Areas.</i></p> <p>Buses provide services to Metro Vancouver communities within TransLink's transportation service region and offer an environmentally responsible and sustainable transportation alternative to single occupant vehicle travel. They link communities with business, institutional and social hubs and destinations, and facilitate the creation and expansion of Transit Oriented Developments (TODs). They also provide collector and distribution services to Expo, Millennium, Evergreen and Canada Lines, West Coast Express and SeaBus.</p>   | Poor/Good/ Excellent |
| <b>Transportation Performance</b>                    |   |                      |
| Headline Targets                                     | <p>The project will increase the 40-foot and 60-foot bus fleets size thus increasing passenger capacity. The entire 10-Year Vision is forecast to decrease annual private vehicle kilometers travelled per person to 5,422 kilometers by 2030 – a 15% decrease compared to 2011. The 2018 Investment Plan delivers the second phase of walking, cycling and transit infrastructure in the 10-Year Vision, and in doing so, makes it possible for more people in the region to choose alternatives to driving. This expansion of the bus fleet is an important step in delivering this investment. Additionally, the 2018 Investment Plan is forecast to increase ridership from 252 million annual transit journeys in 2018 to 316 million annual transit journeys by 2027. This fleet expansion is a critical step in providing the transit service necessary to reach this increase in transit trips.</p> | Poor/Good/ Excellent |
| Other  | <p><i>Demonstrates tangible beneficial effects on vehicle congestion, transit passenger congestion, transit ridership, and/or transportation safety</i></p>   | Poor/Good/ Excellent |

| Criterion  | Description   | Assessment           |
|--|---|----------------------|
| Transportation Outcomes  | <p><i>for the duration of the project.</i></p> <p>Many routes identified for improvement have been selected due to current crowding or overcrowding conditions. Improvements to capacity will occur through more frequent service, resulting in fewer pass-ups and overcrowded vehicles. The full 10-Year Vision is forecast to increase walking, cycling, and transit mode share to 31% by 2030, supporting the RTS target of 50% mode share by 2045. This fleet expansion allows TransLink to expand transit services and continue to make progress toward these targets.</p> |                      |
| Project Type   | <p><i>Demonstrated value of the project type (refer to section 6).</i></p> <p>By growing the reach and capacity of public transport, we will provide more options for mobility and be able to reduce congestion on the roads, increase passenger comfort and reliability and pollutant emissions will be reduced</p>  | Poor/Good/ Excellent |
| <b>Regional Environmental Objectives</b>                               |   |                      |
| Supports the Integrated Air Quality and Greenhouse Gas Management Plan | <p><i>Contributes to the achievement of one or more goals in the Integrated Air Quality and Greenhouse Gas Management Plan (IAQGGMP).</i></p> <p>This project is expected to reduce both CAC and GHG emissions through an increase in transit service and the associated long-run reduction of private vehicle trips due to mode switching.</p> <p>As such, this project supports IAQGGMP strategies 1.4 "Reduce air contaminant emissions from cars, trucks, and buses" and 3.3 "Reduce the carbon footprint of the region's transportation system."</p>                       | Poor/Good/ Excellent |
| Measurable Beneficial Effects  | <p><i>Demonstrates tangible beneficial effects on greenhouse gas and common air contaminant emissions from on-road transportation sources for the duration of the project.</i></p> <p>By growing the reach and capacity of public transport, we will provide more options for mobility and be able to reduce congestion on the roads while increasing passenger comfort and reliability. Over time the project is expected to reduce GHG and CAC emissions through the reduction of private vehicle trips.</p>  | Poor/Good/ Excellent |
| <b>Economic Development</b>  |   |                      |
| Supports regional  | <p><i>Contributes to a regional transportation system that moves people and goods and aligns with regional prosperity.</i></p>  | Poor/Good/ Excellent |

| Criterion                           | Description   | Assessment           |
|-------------------------------------|---|----------------------|
| prosperity                          | Having additional buses will provide improved reliability to the regional transportation system by improving the consistency of arterial service to institutional, economic and other transit mode hubs. Passengers will have better access to work and/or leisure activities, reducing the use of single occupant vehicle travel.  |                      |
| Measurable<br>Beneficial<br>Effects | <p><i>Tangible beneficial effects on the movement of people and/or goods for the duration of the project.</i></p> <p>Having additional buses will improve service and make transit a more reliable option, and ultimately improving economic competitiveness within Metro Vancouver. More reliable transit provides better access to jobs, workers, goods, and markets, while reducing congestion. Many proposed service improvements address overcrowding and will reduce congestion for passengers.</p> | Poor/Good/ Excellent |



# **APPLICATION FOR FUNDING FROM THE GREATER VANCOUVER REGIONAL FUND FOR FEDERAL GAS TAX FUNDS**

Project 3      2020 HandyDART Vehicle Purchase – Replacement  
(Ref# 192140)

## B. MAYORS' COUNCIL TRANSPORTATION AND TRANSIT PLAN

Please describe how the project fits within, and provides support to, the Mayors' Council Transportation and Transit Plan.

- ☒ **Maintain what is needed in a state of good repair**
- ☐ **Invest in the road network to improve safety, local access and goods movement**
- ☐ **Expand our transit system to increase ridership in high demand areas and provide basic coverage in low-demand neighbourhoods**
- ☐ **Develop safe and convenient walking connections to transit and pursue early investments to complete the bikeway network, making it possible for more people to travel by these healthy, low cost, and emission-free modes**
- ☐ **Manage our transportation system more effectively with safety and passenger comfort improvements, new personalized incentive programs, advanced technology and infrastructure management solutions, efficient and fair mobility pricing, and better parking management**
- ☐ **Partner to make it happen with explicit implementation agreements and processes that support concurrent decisions on land-use and transportation investments, stable and sufficient long-term funding solutions, and better monitoring of progress**

TransLink has an ongoing program of fleet modernization to keep the transit network in a state of good repair. This modernization program is foundational to TransLink, and it is critical to the success of Metro Vancouver's expansion, as outlined by the *Mayors' Council on Regional Transportation* vision: "Regional Transportation Investments: A Vision for Metro Vancouver" (Mayors' Council 10-Year Vision).

The Mayors' Council 10-Year Vision (10-Year Vision) on regional transportation outlines a long-term, region-wide, integrated, multi-modal transportation vision to fight congestion, reduce greenhouse gas (GHG) emissions and to keep a fast-growing gateway economy, of almost 2.5 million residents, moving. The 10-Year Vision is built on 3 key strategies to achieve necessary improvements: **invest** in the most urgent and effective investments, **manage** the system more effectively, and **partner** to ensure that supportive conditions are in place for these investments to succeed. Following adoption by the Mayors' Council, in June 2014, the 10-Year Vision was subsequently endorsed by the TransLink Board, as the implementation blueprint for the Regional Transportation Strategy (RTS). The 10-Year Vision includes a package of investments aimed at addressing the most basic needs for enhancements to the regional transportation network, allowing the network to keep up with growth in population and employment.

On June 28, 2018, the TransLink Board and Mayors' Council approved the 2018-2027 Investment Plan (2018 Investment Plan), building on top of the 2017-2026 Investment Plan. The 2018 Investment Plan delivers the year of 2020 and 2021 of the 10-Year Vision, specifying new services and infrastructure, as well as strategies to make the transportation system more efficient, innovative and sustainable. The 2018 Investment Plan expands transit service across the region to increase system capacity, reduce overcrowding and introduce new bus service to new areas. The 2018 Investment Plan outlines actions

and policies to advance the goals identified in TransLink's long-term Regional Transportation Strategy and to support the goals identified in Metro Vancouver's Regional Growth Strategy, *Metro Vancouver 2040: Shaping Our Future (Metro 2040)*. Some of the highlights for bus service included in the 2018 Investment Plan are:

- 7% increase in HandyDART service, 8% increase in bus service;
- Improved service on at least 75 different bus routes;
- Two new B-Line in 2021; and
- New bus service to four new service areas and restructure

This project, through fleet modernization, supports the 10-Year Vision desired outcomes of maintaining the transit system and reducing GHG emissions.

## C. PROJECT DESCRIPTION

*Please complete the following for each project proposed for expenditure from the GVRF.*

### 1. Executive Summary (not to exceed two pages)

#### Project Overview

HandyDART vehicles are operated and maintained by TransLink's contractors [First Canada ULC](#) and Nat's Repair. These vehicles provide a valuable service to people with disabilities and are booked through a reservation system, with each vehicle being able to accommodate up to 2 wheelchairs.

Criteria for identifying buses due for retirement are based on a number of factors including:

- Age (life expectancy of 7 years for microbuses and midibuses);
- Mileage (generally 250,000 km);
- State of repair/condition; and
- Severity of service duty cycle.

These vehicles must be replaced when they reach end of service life, because maintenance costs and downtime will increase substantially, affecting passenger service reliability. By 2018, major components (e.g. engine, transmission), minor components (e.g. air conditioning, wheelchair lift), and chassis and body (e.g. cracked frames, rusted doorframes, rotting floors) will be worn out.

This project is to replace forty-two (42) HandyDART microbuses that have reached the end of service life and met criteria for replacement, with 42 new buses consisting of 30 microbuses and 12 midibuses.

The vehicles due to retire were acquired in 2011 and 2012, have a median age of 7-8 years and median mileage of 250,000 km. The new vehicles will have a person and seat capacity of 8 and 6 respectively for microbuses and 12 for midibuses.

TransLink strives to optimize its resource allocation by matching service to passenger demand, which includes allocating vehicles of an appropriate size to serve the demand on a route. Optimization is achieved through continuous review and process planning to allocate resources where they are most needed. This process is informed by ridership data, which has been substantially enhanced with the deployment of Compass Card. TransLink has also undertaken recent work to determine optimal fleet propulsion technology on each route, which is interdependent with vehicle size.

The fleet propulsion technologies currently available to TransLink consist of only conventional gasoline engines, as hybrid gasoline or hybrid diesel propulsion are not available for these vehicles. Although diesel engines are available for the 30 microbuses being acquired, they are not considered due to the high maintenance costs. New gasoline powered vehicles produce 1-2% less GHG emissions and 44% less NOx emissions, and 100% less diesel particulate matter emissions than the existing diesel vehicles they are replacing. Choices of vehicle size and propulsion types will continue to be optimized, as determined by the ongoing monitoring of ridership and propulsion technologies. This may result in the vehicle technology mix changing if it is subsequently determined that a different mix better optimizes our resource allocation.

### Tangible Benefits and Outcomes

The new vehicles will allow CMBC to maintain existing service, reduce downtime, avoid incremental operating and maintenance costs, and reduce pollutants. Compared to the retiring vehicles, new vehicles are expected to emit 1-2% less GHGs, 44% less NOx, and 100% less diesel particulate matter.

### Project Budget, Expenses, and GVRF Funding Request

The project budget is \$6,450,000 with a Greater Vancouver Regional Fund (GVRF) request of \$6,127,500. Expenses covered by this budget primarily include vehicle procurement, ancillary on-board equipment and labour, and other miscellaneous project costs. The funding requested in this application will be applied towards expenses considered eligible per the terms of the Administrative Agreement.

## 2. Project Name

2020 HandyDART Vehicle Purchase – Replacement (Ref# 192140)

## 3. Project Need

The objectives are to maintain high quality customer service while minimizing maintenance and operating costs through continued provision of reliable, fully-accessible transit vehicles that are appropriate for routes on which they operate.

The criteria for achieving these objectives are: avoidance of incremental maintenance and operating costs, reduced vehicle breakdowns, less vehicle downtime, improved accessibility and fewer reservation cancellations, and reduced HandyDART fleet emissions.

## 4. Project Eligibility (check one):

- ☐ **Local Roads and Bridges, including active transportation**
- ☒ **Public Transit**

## 5. Project Purpose (check one):

- ☐ **Expansion:** Expands the carrying capacity of people and/or goods movement.
- ☒ **State of Good Repair:** Replaces or modernizes assets to keep the regional transportation system in a state of good repair.
- ☐ **Operational Efficiency/Effectiveness:** Improves the efficiency or effectiveness of the regional transportation system.
- ☐ **Refurbishment**
- ☐ **New**
- ☐ **Other (please specify : \_\_\_\_\_)**

**6. Project Type (check one):**

- ☐ Growth  
☐ Upgrade  
☐ Risk (Resilience)  
☒ Maintenance  
☐ Opportunity

**7. Project Staging:**

| Year(s) of Acquisition or Start of Construction | Year of Completion of Construction | Year of Service Initialization | Year(s) of Renewal | Year(s) of End of Service |
|---|------------------------------------|--------------------------------|--------------------|---------------------------|
| 2020  | 2020                               | 2020                           | N/A                | 2027                      |

**8. Has the project previously received funding through GVRF? Please explain.**

No. This is the first application for GVRF funding for this project.

**9. Was GVRF funding previously declined for the project? Please explain.**

No. This is the first application for GVRF funding for this project.

**10. Is the project anticipated to require additional future GVRF funding? If so, please explain.**

No. TransLink is planning to complete this project within budget.

**11. Project Cost + Funding**

**11.a Budget & Expenditures**

| Budget      | Expenditures to Date | Forecast to Complete | Final Forecasted Cost | Variance (budget – final forecasted cost) |
|-------------|----------------------|----------------------|-----------------------|---|
| \$6,450,000 | \$0                  | \$6,450,000          | \$6,450,000           | \$0                                       |

**11.b Project Funding**

| Prior Approved GVRF Funding | Current Year GVRF Funding Request | Other Funding – Specify source and whether confirmed/pending |
|-----------------------------|-----------------------------------|--|
| \$0                         | \$6,127,500                       | N/A  |

### 11.c Project Budget Schedule

| Item                              | 2017 | 2018 | 2019 | 2020               | 2021 | 2022 |
|-----------------------------------|------|------|------|--------------------|------|------|
| <b>GVRF-funded Project Budget</b> |      |      |      | <b>\$6,127,500</b> |      |      |
| <b>Total Project Budget</b>       |      |      |      | <b>\$6,450,000</b> |      |      |

### 12. Project Budget Rationale

*Describe the types of proposed project expenses to be funded by the Greater Vancouver Regional Fund*

#### a. Explain how the project reflects the intent of the GVRF

This project ensures TransLink's assets are maintained in a State of Good Repair, so as to allow TransLink to efficiently and effectively provide transit service to the general public and those who have accessibility challenges. The purchase of replacement vehicles with improved lifecycle GHG emissions and lower NOx and diesel particulate matter emissions also aligns with Metro Vancouver's IAQGGMP goals.

#### b. In the absence of GVRF funding, can the project proceed with other funding sources? What risks do the other funding sources present to the project?

No. TransLink relies on GVRF funding for expansion of its revenue vehicle fleets and plans its annual budgets accordingly.

The other sources of funding available to TransLink are – Building Canada Fund and the Public Transit Infrastructure Fund. The projects chosen by TransLink for GVRF funding are better suited to GVRF funding compared to the other sources of funding, as summarized below:

Building Canada Fund (BCF) - the funding available is intended for "major infrastructure" and focuses on larger, strategic infrastructure projects that are of national or regional significance. Additionally, all funds in the current allocation have already been allocated to specific projects.

Public Transit Infrastructure Fund (PTIF) – this fund is focused on expansion of the Rapid Transit network such as - the Expo, Millennium Upgrade Program and the Millennium Line Broadway Extension and Surrey Light Rail Transit projects. Also, under this fund the maximum federal funding towards a project is limited to 50% of the total eligible expenditures; no such limits are identified in the GVRF. Lastly, projects to be funded under this program have already been submitted to the federal government.

In addition, BCF and PTIF funding is only available for a specified period of time: BCF is valid until March 31, 2017 (with some station upgrades extended to March, 2019), and PTIF applies to projects initiating in 2016-17 and 2017-18.

As such, there are no other viable funding sources available for fleet modernizations

**c. Identify potential risks – corporate and regional – of this project that could result in this project not being completed or being unsuccessful. Describe possible mitigation strategies to address these risks.**

TransLink requires these vehicles to be in service for 2020 in order to retire vehicles reaching the end of their useful service lives. Also, there is an approximate lead time of 12 to 18 months between TransLink ordering the vehicles and those vehicles entering service. As such, it is important to have the funding in place to ensure the timely retirement of vehicles before they reach the end of their useful service lives.

If funding is not received in time, TransLink will have to rely on deferred retirement vehicles to deliver transit service. Continued use of deferred retirement vehicles poses a risk to reliability, as well as incremental maintenance costs to keep them in service. This may result in lost opportunities to realize goals of reduced congestion, improved peak hour service and frequency. Further, use of deferred retirement vehicles could also result in higher CAC and GHG emissions than new vehicles. TransLink may lose credibility among the general public if service expansion is not reliable.

**d. How may the project cost vary as a result of changing external factors, such as interest rates and currency exchange rates?**

Project costs may vary due to foreign exchange fluctuations (as parts are procured from the US) and vendor pricing. These uncertainties are mitigated with a sufficient contingency allowance to fund price and foreign exchange fluctuations.

**e. How may foreseeable changes in investment, regulation, or policies from other orders of government affect the project?**

Due to recent increases in senior government funding for public transit projects, many suppliers are experiencing larger demands to order vehicles. This may create a backlog with vendors, and if procurement is not initiated soon, could result in further delay in ordering and receiving vehicles.

**f. How may foreseeable changes in technology affect the project?**

This application is based on the new vehicles being powered by conventional gasoline engines. TransLink needs to consider that these vehicles are operated and maintained by contractors who may not be able to support fueling or maintenance for a change in propulsion technology.

TransLink does not anticipate vendors providing alternative fuel/propulsion options for HandyDART vehicles that meet our needs to deliver reliable and cost-effective service to customers in the immediate future. TransLink continues to monitor the vehicle technology industry very closely to identify what options are available in the market, and to evaluate their suitability for its fleet.

**g. What other corporate or external factors could alter the project need, scope, budget, or timeline for project delivery?**

There are no foreseeable corporate or external factors that could alter the project need or scope of this project. Project timeline may be affected by manufacturer's capacity and schedules, availability of parts and/or time for vehicle delivery from the manufacturer. Budget may fluctuate due to parts pricing and/or foreign exchange.



In order to ensure that the vehicles received meet standards and delivery expectation TransLink conducts regular factory audits and inspections of the manufacturers' facilities.

## D. EVALUATION CRITERIA

Please describe how project achieves or works towards each criterion by identifying and reporting on relevant performance measures. Where appropriate, present quantitative information. Please do not exceed 10 pages per project.

Two types of evaluation criteria are identified: Screening Criteria, which represent requirements that are mandatory for any project for which GVRF funding is requested; and Integrated Criteria, which allow for a qualitative assessment of proposed projects based on high priority objectives that reflect the intent of the Federal Gas Tax Fund, of Metro Vancouver goals, and of the Mayors' Council Vision.

| Criterion                 | Description   | Assessment           |                                |                         |             |                    |                |       |             |          |
|---------------------------|---|----------------------|--------------------------------|-------------------------|-------------|--------------------|----------------|-------|-------------|----------|
| SCREENING CRITERIA        |   |                      |                                |                         |             |                    |                |       |             |          |
| Eligible Project Category | <div><input type="checkbox"/> Local roads and bridges, including active transportation</div> <div><input checked="" type="checkbox"/> Public transit</div>  | Required             |                                |                         |             |                    |                |       |             |          |
| Eligible Expenses         | <div>As set out in the 2014 Administrative Agreement (Schedule C)</div> <div><table><tr><td><u>Eligible Item</u></td><td><u>Expenditure<sup>1</sup></u></td></tr><tr><td>HandyDART vehicles (42)</td><td>\$5,850,000</td></tr><tr><td>On-board equipment</td><td><u>277,500</u></td></tr><tr><td>Total</td><td>\$6,127,500</td></tr></table></div> <div><sup>1</sup> Per Schedule C, Section 1.1, Part a)</div>   | <u>Eligible Item</u> | <u>Expenditure<sup>1</sup></u> | HandyDART vehicles (42) | \$5,850,000 | On-board equipment | <u>277,500</u> | Total | \$6,127,500 | Required |
| <u>Eligible Item</u>      | <u>Expenditure<sup>1</sup></u>  |                      |                                |                         |             |                    |                |       |             |          |
| HandyDART vehicles (42)   | \$5,850,000   |                      |                                |                         |             |                    |                |       |             |          |
| On-board equipment        | <u>277,500</u>  |                      |                                |                         |             |                    |                |       |             |          |
| Total                     | \$6,127,500   |                      |                                |                         |             |                    |                |       |             |          |
| Plan Consistency          | <div>Projects must be consistent with TransLink’s existing Capital Plan and future <i>10-Year Investment Plan</i>, as well as the <i>Mayors’ Council Transportation and Transit Plan</i>, <i>Metro 2040: Shaping our Future</i>, and the <i>Regional Transportation Strategy</i>.</div> <div><input checked="" type="checkbox"/> 10-Year Investment Plan</div> <div><input checked="" type="checkbox"/> Mayors’ Council Transportation and Transit Plan</div> <div><input checked="" type="checkbox"/> Metro 2040: Shaping our Future</div> <div><input checked="" type="checkbox"/> Regional Transportation Strategy</div> | Required             |                                |                         |             |                    |                |       |             |          |
| Corporate Policies        | <div>Projects must be consistent with applicable TransLink policies such as sustainability, environmental responsibility, emissions and infrastructure</div> <div><input checked="" type="checkbox"/> Sustainability policy</div> <div><input checked="" type="checkbox"/> Environmental policy</div> <div><input checked="" type="checkbox"/> Emissions policy</div> <div><input type="checkbox"/> Infrastructure policy – n/a</div>   | Required             |                                |                         |             |                    |                |       |             |          |

| Criterion  | Description   | Assessment           |
|--|---|----------------------|
| <b>INTEGRATED CRITERIA</b>                           |   |                      |
| <b>Regional Growth Strategy</b>                      |   |                      |
| Supports the Regional Growth Strategy                | <p><i>The degree to which the project assists in achieving the five goals in Metro 2040.</i></p> <p> <input type="checkbox"/> Create a Compact Urban Area<br/> <input type="checkbox"/> Support a Sustainable Economy<br/> <input checked="" type="checkbox"/> Protect Environment and Respond to Climate Change Impacts<br/> <input checked="" type="checkbox"/> Develop Complete Communities<br/> <input checked="" type="checkbox"/> Support Sustainable Transportation Choices </p>                                       | Poor/Good/ Excellent |
| Urban Centres and Frequent Transit Development Areas | <p><i>Where applicable, the project is located in, or demonstrates tangible benefits to the overall performance of Urban Centres and Frequent Transit Development Areas.</i></p> <p>HandyDART buses provide a valuable service to the community for people with disabilities. The service promotes greater mobility for social connectivity, running errands, attending appointments and improving quality of life. The buses also connect disabled people to the current transit network of train stations and bus hubs.</p> | Poor/Good/ Excellent |
| <b>Transportation Performance</b>                    |   |                      |
| Headline Targets                                     | <p><i>Demonstrates tangible beneficial effects on vehicle kilometres travelled and/or walk/cycle/transit mode share.</i></p> <p>This is a like-for-like vehicle fleet replacement project with no change in service provided (i.e. incremental vehicle-kilometers travelled or shift to walk/cycle/transit mode share).</p>   | Poor/Good/ Excellent |
| Other Transportation Outcomes                        | <p><i>Demonstrates tangible beneficial effects on vehicle congestion, transit passenger congestion, transit ridership, and/or transportation safety for the duration of the project.</i></p> <p>This is a like-for-like vehicle fleet replacement project with no change in service provided. As such, there are no incremental benefits to vehicle congestion, transit passenger congestion, transit ridership and/or transportation safety.</p>   | Poor/Good/ Excellent |
| Project Type   | <p><i>Demonstrated value of the project type (refer to section 6).</i></p> <p>By maintaining TransLink's assets in good repair, vehicles will have fewer breakdowns and service disruptions, operating costs will not increase, and pollutant emissions will be reduced.</p>  | Poor/Good/ Excellent |

| Criterion  | Description   | Assessment           |
|--|---|----------------------|
| <b>Regional Environmental Objectives</b>                               |   |                      |
| Supports the Integrated Air Quality and Greenhouse Gas Management Plan | <p><i>Contributes to the achievement of one or more goals in the Integrated Air Quality and Greenhouse Gas Management Plan (IAQGGMP).</i></p> <p>New vehicles built with year 2020 compliant gasoline engines will have lower GHG, NOx, and diesel particulate matter emissions per service kilometre compared to the diesel powered vehicles they are replacing, thus reducing the emissions impact of the service provided by the project. As such, this project supports IAQGGMP strategies 1.1 “Reduce emissions of and public exposure to diesel particulate matter”, 1.4 “Reduce air contaminant emissions from cars, trucks, and buses”, and 3.3 “Reduce the carbon footprint of the region’s transportation system.</p> | Poor/Good/ Excellent |
| Measurable Beneficial Effects  | <p><i>Demonstrates tangible beneficial effects on greenhouse gas and common air contaminant emissions from on-road transportation sources for the duration of the project.</i></p> <p>Measurable benefits from replacing existing diesel HandyDART vehicles with new gasoline vehicles include the following estimated reductions in emissions:</p> <ul style="list-style-type: none"> <li>• 1-2% reduction in GHG emissions relative to existing diesel vehicles</li> <li>• 44% reduction in NOx emissions relative to existing diesel vehicles</li> <li>• 100% reduction in diesel particulate matter emissions relative to existing diesel vehicles</li> </ul>   | Poor/Good/ Excellent |
| <b>Economic Development</b>  |   |                      |
| Supports regional prosperity   | <p><i>Contributes to a regional transportation system that moves people and goods and aligns with regional prosperity.</i></p> <p>Replacement of HandyDART vehicles will provide improved reliability to the regional transportation system, resulting in improved service reliability to people with disabilities. Passengers will have better access to conventional bus routes and hubs, train stations, healthcare providers, and social functions. Passengers will enjoy a better quality of life and benefit from greater independence.</p>   | Poor/Good/ Excellent |
| Measurable Beneficial Effects  | <p><i>Tangible beneficial effects on the movement of people and/or goods for the duration of the project.</i></p> <p>Replacement of HandyDART vehicles will improve service and make transit a more reliable option via ensuring that service requests are not denied due to a</p>  | Poor/Good/ Excellent |

| Criterion | Description  | Assessment |
|-----------|--|------------|
|           | lack of availability. The improved reliability of the transit network will help customers with disabilities be more independent and increase their contributions towards the economic success of the region. |            |

# **APPLICATION FOR FUNDING FROM THE GREATER VANCOUVER REGIONAL FUND FOR FEDERAL GAS TAX FUNDS**

Project 4      2020 HandyDART Vehicle Purchase – Expansion  
(Ref# 192142)

## B. MAYORS' COUNCIL TRANSPORTATION AND TRANSIT PLAN

Please describe how the project fits within, and provides support to, the Mayors' Council Transportation and Transit Plan.

- ☐ **Maintain what is needed in a state of good repair**
- ☐ **Invest in the road network to improve safety, local access and goods movement**
- ☒ **Expand our transit system to increase ridership in high demand areas and provide basic coverage in low-demand neighbourhoods**
- ☐ **Develop safe and convenient walking connections to transit and pursue early investments to complete the bikeway network, making it possible for more people to travel by these healthy, low cost, and emission-free modes**
- ☐ **Manage our transportation system more effectively with safety and passenger comfort improvements, new personalized incentive programs, advanced technology and infrastructure management solutions, efficient and fair mobility pricing, and better parking management**
- ☐ **Partner to make it happen with explicit implementation agreements and processes that support concurrent decisions on land-use and transportation investments, stable and sufficient long-term funding solutions, and better monitoring of progress**

The Mayors' Council 10-Year Vision (10-Year Vision) on regional transportation outlines a long-term, region-wide, integrated, multi-modal transportation vision to fight congestion, reduce greenhouse gas (GHG) emissions and to keep a fast-growing gateway economy, of almost 2.5 million residents, moving. The 10-Year Vision is built on 3 key strategies to achieve necessary improvements: **invest** in the most urgent and effective investments, **manage** the system more effectively and **partner** to ensure that supportive conditions are in place for these investments to succeed. Following adoption by the Mayors' Council, in June 2014, the 10-Year Vision was subsequently endorsed by the TransLink Board, as the implementation blueprint for the Regional Transportation Strategy (RTS). The 10-Year Vision includes a package of investments aimed at addressing the most basic needs for enhancements to the regional transportation network, allowing the network to keep up with growth in population and employment. It outlines the following transportation priorities related to bus service in the region:

- 25% increase in bus service across the region
- 200 more kilometres of B-Line or Better routes
- More frequent all-day service
- More frequent peak hour service
- Service to new and growing lower density neighbourhoods
- 80% more NightBus service

On June 28, 2018, the TransLink Board and Mayors' Council approved the 2018-2027 Investment Plan (2018 Investment Plan), building on top of the 2017-2026 Investment Plan The 2018 Investment Plan

delivers the year of 2020 and 2021 of the 10-Year Vision, specifying new services and infrastructure, as well as strategies to make the transportation system more efficient, innovative and sustainable. The 2018 Investment Plan expands transit service across the region to increase system capacity, reduce overcrowding, and introduce new bus service to new areas. The 2018 Investment Plan outlines actions and policies to advance the goals identified in TransLink's long-term Regional Transportation Strategy and to support the goals identified in Metro Vancouver's Regional Growth Strategy, *Metro Vancouver 2040: Shaping Our Future (Metro 2040)*. Some of the highlights for bus service included in the 2018 Investment Plan are:

- 7% increase in HandyDART service, 8% increase in bus service;
- Improved service on at least 75 different routes;
- Two new B-Line routes in 2020 and 2021; and
- New bus service to four new service areas and restructure

This project supports the 10-Year Vision through its strategy to invest in urgent and effective investments. Through expansion of its fleet, TransLink will be able to increase bus service, and provide more frequent and new service, and in the process meet a number of 10-Year Vision priorities. This project will also support desired outcomes from the 10-Year Vision, such as reducing transit overcrowding as well as supporting Metro Vancouver's *Integrated Air Quality and Greenhouse Gas Management Plan (IAQGGM)*.



## C. PROJECT DESCRIPTION

*Please complete the following for each project proposed for expenditure from the GVRF.*

### 1. Executive Summary (not to exceed two pages)

#### Project Overview

HandyDART vehicles are operated and maintained by TransLink's contractors [First Canada ULC](#) and Nat's Repair. These vehicles provide a valuable service to people with disabilities and are booked through a reservation system, with each vehicle being able to accommodate up to 2 wheelchairs.

This project adds ten (10) HandyDART midibuses to TransLink's current fleet. The new vehicles acquired will have a person and seat capacity of between 8 and 12. The 8 Microbuses and 2 midibuses will help meet the target expansion fleet of 20 additional HandyDART vehicles required to implement an additional 38,000 trips per year by 2020 as outlined in the 2018 Investment Plan, on top of the 170,000 additional trips per year in the 2017 Investment Plan. This along with the 2019 expansion application for 13 midibuses will bring the total HandyDART bus fleet to 342 vehicles.

TransLink strives to optimize its resources by matching service to passenger demand, including allocating vehicles of an appropriate size to serve the demand on a route. Optimization is achieved through continuous review and planning processes that allocate resources where they are most needed. Information on ridership data has been substantially enhanced with the deployment of Compass Card. TransLink has also undertaken recent work to determine optimal fleet propulsion technology on each route, which is interdependent with vehicle size.

The fleet propulsion technologies currently available to TransLink consist of only conventional gasoline engines, as hybrid gasoline or hybrid diesel propulsion are not available for these vehicles. Although diesel engines are available for the 8 microbuses being acquired, they are not considered due to the high maintenance costs. Based on current demand and optimization of resources, TransLink expects the 10 new vehicles to be gasoline powered. Vehicle size and propulsion type choices will continue to be optimized, as informed by ongoing monitoring of ridership and propulsion technologies.

#### Tangible Benefits and Outcomes

The new vehicles will allow TransLink to increase existing service across Metro Vancouver adding 38,000 trips annually. The target identified in the 2018 Investment Plan for additional trips is 76,000 per year by 2021; this application for 10 HandyDART expansion vehicles represents 50% of the total expansion trips. This expansion will result in reduced wait times through the availability of a greater number of vehicles.

#### Project Budget, Expenses, and GVRF Funding Request

The project budget is \$1,600,000 with a Greater Vancouver Regional Fund (GVRF) request of \$1,440,000. Expenses covered by this budget primarily include vehicle procurement, ancillary on-board equipment and labour, and other miscellaneous project costs. The funding requested in this application will be applied towards expenses considered eligible per the terms of the Administrative Agreement dated April 2014.

## 2. Project Name

2020 HandyDART Vehicle– Expansion (Ref# 192142)

## 3. Project Need

The objectives are to expand transit service across Metro Vancouver to increase system capacity, reduce reservation cancellations and introduce bus service to new areas. The criteria for achieving these objectives are reduction of wait times, fewer reservation cancellations, improved accessibility and improved service.

## 4. Project Eligibility (check one):

- ☐ Local Roads and Bridges, including active transportation  
☒ Public Transit

## 5. Project Purpose (check one):

- ☒ **Expansion:** Expands the carrying capacity of people and/or goods movement.  
☐ **State of Good Repair:** Replaces or modernizes assets to keep the regional transportation system in a state of good repair.  
☐ **Operational Efficiency/Effectiveness:** Improves the efficiency or effectiveness of the regional transportation system.  
☐ **Refurbishment**  
☐ **New**  
☐ **Other (please specify : \_\_\_\_\_)**

## 6. Project Type (check one):

- ☒ **Growth**  
☐ **Upgrade**  
☐ **Risk (Resilience)**  
☐ **Maintenance**  
☐ **Opportunity**

## 7. Project Staging:

| Year(s) of Acquisition or Start of Construction | Year of Completion of Construction | Year of Service Initialization | Year(s) of Renewal | Year(s) of End of Service |
|---|------------------------------------|--------------------------------|--------------------|---------------------------|
| 2020  | 2020                               | 2020                           | N/A                | 2027                      |

**8. Has the project previously received funding through GVRF? Please explain.**

No. This is the first application for GVRF funding for this project.

**9. Was GVRF funding previously declined for the project? Please explain.**

No. This is the first application for GVRF funding for this project.

**10. Is the project anticipated to require additional future GVRF funding? If so, please explain.**

No. TransLink is planning to complete this project within budget.

**11. Project Cost + Funding**

**11.a Budget & Expenditures**

| Budget      | Expenditures to Date | Forecast to Complete | Final Forecasted Cost | Variance (budget – final forecasted cost) |
|-------------|----------------------|----------------------|-----------------------|---|
| \$1,600,000 | \$0                  | \$1,600,000          | \$1,600,000           | \$0                                       |

**11.b Project Funding**

| Prior Approved GVRF Funding | Current Year GVRF Funding Request | Other Funding – Specify source and whether confirmed/pending |
|-----------------------------|-----------------------------------|--|
| \$0                         | \$1,440,000                       | N/A  |

**11.c Project Budget Schedule**

| Item                       | 2017 | 2018 | 2019 | 2020        | 2021     | 2022 |
|----------------------------|------|------|------|-------------|----------|------|
| GVRF-funded Project Budget |      |      |      | \$1,416,132 | \$23,868 |      |
| Total Project Budget       |      |      |      | \$1,573,480 | \$26,520 |      |

## 12. Project Budget Rationale

*Describe the types of proposed project expenses to be funded by the Greater Vancouver Regional Fund*

### a. Explain how the project reflects the intent of the GVRF

This project expands the regional public transportation system, and ensures efficient and effective transit service to those who have accessibility challenges. In addition it may provide a modest reduction in CAC and GHG emissions through the reduction of private vehicle trips.

### b. In the absence of GVRF funding, can the project proceed with other funding sources? What risks do the other funding sources present to the project?

No. TransLink relies on GVRF funding for expansion of its revenue vehicle fleets and plans its annual budgets accordingly.

The other sources of funding available to TransLink are – Building Canada Fund and the Public Transit Infrastructure Fund. The projects chosen by TransLink for GVRF funding are better suited to GVRF funding compared to the other sources of funding, as summarized below:

Building Canada Fund (BCF) - the funding available is intended for “major infrastructure” and focuses on larger, strategic infrastructure projects that are of national or regional significance. Additionally, all funds in the current allocation have already been allocated to specific projects.

Public Transit Infrastructure Fund (PTIF) – this fund is focused on early works for expansion of the Rapid Transit network such as - the ExpoMillennium Upgrade Program, Millennium Line Broadway Extension and Surrey Light Rail Transit projects. Also, under this fund the maximum federal funding towards a project is limited to 50% of the total eligible expenditures; no such limits are identified in the GVRF. Lastly, projects to be funded under this program have already been submitted to the federal government.

In addition, BCF and PTIF funding is only available for a specified period of time: BCF is valid until March 31, 2017 (with some station upgrades extended to March, 2019) and PTIF applies to projects initiating in 2016-17 and 2017-18.

As such, there are no other viable funding sources available for fleet expansion.

### c. Identify potential risks – corporate and regional – of this project that could result in this project not being completed or being unsuccessful. Describe possible mitigation strategies to address these risks.

If funding is not received in time, TransLink will have to continue to rely on deferred retirement vehicles to deliver on its promises of expansion. This may result in lost opportunities to realize goals of reduced congestion, improved peak hour service and frequency. Further, use of deferred retirement vehicles could also result in higher GHG and CAC emissions than new vehicles. This may result in lost opportunities to realize goals of reduced congestion, improved peak hour service and frequency, as well as reduced GHG and CAC emissions. TransLink may lose credibility among the general public if service expansion is not reliable.

**d. How may the project cost vary as a result of changing external factors, such as interest rates and currency exchange rates?**

Project costs may vary due to foreign exchange fluctuations (as parts are procured from the US) and vendor pricing. These uncertainties are mitigated with sufficient contingency allowance to fund price and foreign exchange fluctuations.

**e. How may foreseeable changes in investment, regulation, or policies from other orders of government affect the project?**

Due to recent increases in senior government funding for public transit projects, many suppliers are experiencing larger demands to order vehicles. This may create a backlog with vendors, and if procurement is not initiated soon, could result in further delay in ordering and receiving vehicles.

**f. How may foreseeable changes in technology affect the project?**

This application is based on the new vehicles being powered by conventional gasoline engines. TransLink also has to consider that these vehicles are operated and maintained by contractors who may not be able to support fueling or maintenance requirements if there is a change in propulsion technology.

TransLink does not anticipate vendors providing in the immediate future alternative fuels for HandyDART vehicles that meet our needs to deliver reliable and cost-effectively service to customers. TransLink continues to monitor the vehicle technology industry very closely to identify options available in the market, and to evaluate their suitability for its fleet.

**g. What other corporate or external factors could alter the project need, scope, budget, or timeline for project delivery?**

There are no foreseeable corporate or external factors that could alter the project need or scope. Project timelines may be affected by manufacturer capacity and schedules, availability of parts and/or time for vehicle delivery from the manufacturer. Budget may fluctuate due to parts pricing and/or foreign exchange.

In order to ensure that the vehicles received are up to the required standard and within expected timeframes, TransLink conducts regular factory audits and inspections of the manufacturers' facilities.

## D. EVALUATION CRITERIA

Please describe how project achieves or works towards each criterion by identifying and reporting on relevant performance measures. Where appropriate, present quantitative information. Please do not exceed 10 pages per project.

Two types of evaluation criteria are identified: Screening Criteria, which represent requirements that are mandatory for any project for which GVRF funding is requested; and Integrated Criteria, which allow for a qualitative assessment of proposed projects based on high priority objectives that reflect the intent of the Federal Gas Tax Fund, of Metro Vancouver goals, and of the Mayors' Council Vision.

| Criterion                 | Description   | Assessment           |                                |               |             |                    |               |       |             |          |
|---------------------------|---|----------------------|--------------------------------|---------------|-------------|--------------------|---------------|-------|-------------|----------|
| SCREENING CRITERIA        |   |                      |                                |               |             |                    |               |       |             |          |
| Eligible Project Category | <div><input type="checkbox"/> Local roads and bridges, including active transportation</div> <div><input checked="" type="checkbox"/> Public transit</div>  | Required             |                                |               |             |                    |               |       |             |          |
| Eligible Expenses         | <div>As set out in the 2014 Administrative Agreement (Schedule C)</div> <div><table><tr><td><u>Eligible Item</u></td><td><u>Expenditure<sup>1</sup></u></td></tr><tr><td>Vehicles (10)</td><td>\$1,400,000</td></tr><tr><td>On-board equipment</td><td><u>40,000</u></td></tr><tr><td>Total</td><td>\$1,440,000</td></tr></table></div> <div><sup>1</sup> Per Schedule C, Section 1.1, Part a)</div>  | <u>Eligible Item</u> | <u>Expenditure<sup>1</sup></u> | Vehicles (10) | \$1,400,000 | On-board equipment | <u>40,000</u> | Total | \$1,440,000 | Required |
| <u>Eligible Item</u>      | <u>Expenditure<sup>1</sup></u>  |                      |                                |               |             |                    |               |       |             |          |
| Vehicles (10)             | \$1,400,000   |                      |                                |               |             |                    |               |       |             |          |
| On-board equipment        | <u>40,000</u>   |                      |                                |               |             |                    |               |       |             |          |
| Total                     | \$1,440,000   |                      |                                |               |             |                    |               |       |             |          |
| Plan Consistency          | <div>Projects must be consistent with TransLink’s existing Capital Plan and future <i>10-Year Investment Plan</i>, as well as the <i>Mayors’ Council Transportation and Transit Plan</i>, <i>Metro 2040: Shaping our Future</i>, and the <i>Regional Transportation Strategy</i>.</div> <div><input checked="" type="checkbox"/> 10-Year Investment Plan</div> <div><input checked="" type="checkbox"/> Mayors’ Council Transportation and Transit Plan</div> <div><input checked="" type="checkbox"/> Metro 2040: Shaping our Future</div> <div><input checked="" type="checkbox"/> Regional Transportation Strategy</div> | Required             |                                |               |             |                    |               |       |             |          |
| Corporate Policies        | <div>Projects must be consistent with applicable TransLink policies such as sustainability, environmental responsibility, emissions and infrastructure</div> <div><input checked="" type="checkbox"/> Sustainability policy</div> <div><input checked="" type="checkbox"/> Environmental policy</div> <div><input checked="" type="checkbox"/> Emissions policy</div> <div><input type="checkbox"/> Infrastructure policy – n/a</div>   | Required             |                                |               |             |                    |               |       |             |          |

| Criterion  | Description  | Assessment           |
|--|--|----------------------|
| <b>INTEGRATED CRITERIA</b>                           |  |                      |
| <b>Regional Growth Strategy</b>                      |  |                      |
| Supports the Regional Growth Strategy                | <p><i>The degree to which the project assists in achieving the five goals in Metro 2040.</i></p> <p> <input type="checkbox"/> Create a Compact Urban Area<br/> <input type="checkbox"/> Support a Sustainable Economy<br/> <input checked="" type="checkbox"/> Protect Environment and Respond to Climate Change Impacts<br/> <input checked="" type="checkbox"/> Develop Complete Communities<br/> <input checked="" type="checkbox"/> Support Sustainable Transportation Choices </p>  | Poor/Good/ Excellent |
| Urban Centres and Frequent Transit Development Areas | <p><i>Where applicable, the project is located in, or demonstrates tangible benefits to the overall performance of Urban Centres and Frequent Transit Development Areas.</i></p> <p>HandyDART buses provide a valuable service to disabled people within our community. The service promotes greater mobility for social connectivity, running errands, attending appointments and improving quality of life. The buses also connect people with disabilities to the current transit network of train stations and bus hubs.</p>   | Poor/Good/ Excellent |
| <b>Transportation Performance</b>                    |  |                      |
| Headline Targets                                     | <p><i>Demonstrates tangible beneficial effects on vehicle kilometres travelled and/or walk/cycle/transit mode share.</i></p> <p>The project will increase the HandyDART fleet size. The entire 10-Year Vision is forecast to decrease annual private vehicle kilometers travelled per person to 5,422 kilometers by 2030 – a 15% decrease compared to 2011. The 2018 Investment Plan delivers the second phase of walking, cycling and transit infrastructure in the 10-Year Vision, and in doing so, makes it possible for more people in the region to choose alternatives to driving. This expansion of the bus fleet is an important step in delivering this investment. Additionally, the 2018 Investment Plan is forecast to increase ridership from 252 million annual transit journeys in 2018 to 316 million annual transit journeys by 2027. This fleet expansion is a critical step in providing the transit service necessary to reach this increase in transit trips.</p> | Poor/Good/ Excellent |
| Other Transportation Outcomes                        | <p><i>Demonstrates tangible beneficial effects on vehicle congestion, transit passenger congestion, transit ridership, and/or transportation safety for the duration of the project.</i></p> <p>Because HandyDART service does not run on fixed routes and provides services on demand, the increase in number of vehicles will have a minimal impact on</p>   | Poor/Good/ Excellent |

| Criterion  | Description   | Assessment           |
|--|---|----------------------|
|  | congestion. The additional capacity will increase existing service across Metro Vancouver adding 38,000 trips annually by 2020, and reduce wait times.  |                      |
| Project Type   | <p><i>Demonstrated value of the project type (refer to section 6).</i></p> <p>By growing the reach and capacity of public transport, we will provide more options for mobility and be able to reduce congestion on the roads and increase passenger comfort and reliability. Over time the project may result in a modest reduction in GHG and CAC emissions through the reduction of private vehicle trips.</p>  | Poor/Good/ Excellent |
| <b>Regional Environmental Objectives</b>                               |   |                      |
| Supports the Integrated Air Quality and Greenhouse Gas Management Plan | <p><i>Contributes to the achievement of one or more goals in the Integrated Air Quality and Greenhouse Gas Management Plan (IAQGGMPP).</i></p> <p>The project may result in modest reductions of CAC and GHG emissions through the reduction of private vehicle trips. As such, this project supports IAQGGMPP strategies 1.4 “Reduce air contaminant emissions from cars, trucks, and buses”, and 3.3 “Reduce the carbon footprint of the region’s transportation system.</p>  | Poor/Good/ Excellent |
| Measurable Beneficial Effects  | <p><i>Demonstrates tangible beneficial effects on greenhouse gas and common air contaminant emissions from on-road transportation sources for the duration of the project.</i></p> <p>By growing the reach and capacity of accessible public transport, we will provide more options for mobility while increasing passenger comfort and reliability. Over time the project may result in modest reductions in GHG and CAC emissions through the reduction of private vehicle trips.</p>  | Poor/Good/ Excellent |
| <b>Economic Development</b>  |   |                      |
| Supports regional prosperity   | <p><i>Contributes to a regional transportation system that moves people and goods and aligns with regional prosperity.</i></p> <p>Additional HandyDART vehicles will provide improved reliability to the regional transportation system, resulting in improved service reliability to people with disabilities. Passengers will have better access to conventional bus routes and hubs, train stations, healthcare providers, and social functions. Passengers will enjoy a better quality of life and benefit from greater independence.</p> | Poor/Good/ Excellent |



| Criterion                           | Description  | Assessment           |
|-------------------------------------|--|----------------------|
| Measurable<br>Beneficial<br>Effects | <p><i>Tangible beneficial effects on the movement of people and/or goods for the duration of the project.</i></p> <p>Additional HandyDART vehicles will improve service and make transit a more reliable option by ensuring that service requests are not denied due to a lack of availability. The improved reliability of the transit network will help customers with disabilities be more independent and increase their contributions towards the economic success of the region.</p> | Poor/Good/ Excellent |

# **APPLICATION FOR FUNDING FROM THE GREATER VANCOUVER REGIONAL FUND FOR FEDERAL GAS TAX FUNDS**

Project 5      2020 Community Shuttle Purchase – Expansion  
(Ref# 192152)

## B. MAYORS' COUNCIL TRANSPORTATION AND TRANSIT PLAN

Please describe how the project fits within, and provides support to, the Mayors' Council Transportation and Transit Plan.

- ☐ **Maintain what is needed in a state of good repair**
- ☐ **Invest in the road network to improve safety, local access and goods movement**
- ☒ **Expand our transit system to increase ridership in high demand areas and provide basic coverage in low-demand neighbourhoods**
- ☐ **Develop safe and convenient walking connections to transit and pursue early investments to complete the bikeway network, making it possible for more people to travel by these healthy, low cost, and emission-free modes**
- ☐ **Manage our transportation system more effectively with safety and passenger comfort improvements, new personalized incentive programs, advanced technology and infrastructure management solutions, efficient and fair mobility pricing, and better parking management**
- ☐ **Partner to make it happen with explicit implementation agreements and processes that support concurrent decisions on land-use and transportation investments, stable and sufficient long-term funding solutions, and better monitoring of progress**

The Mayors' Council 10-Year Vision (10-Year Vision) on regional transportation outlines a long-term, region-wide, integrated, multi-modal transportation vision to fight congestion, reduce greenhouse gas (GHG) emissions and to keep a fast-growing gateway economy, of almost 2.5 million residents, moving. The 10-Year Vision is built on 3 key strategies to achieve necessary improvements: **invest** in the most urgent and effective investments, **manage** the system more effectively and **partner** to ensure that supportive conditions are in place for these investments to succeed. Following adoption by the Mayors' Council, in June 2014, the 10-Year Vision was subsequently endorsed by the TransLink Board, as the implementation blueprint for the Regional Transportation Strategy (RTS). The 10-Year Vision includes a package of investments aimed at addressing the most basic needs for enhancements to the regional transportation network, allowing the network to keep up with growth in population and employment. It outlines the following transportation priorities related to bus service in the region:

- 25% increase in bus service across the region
- 200 more kilometres of B-Line or Better routes
- More frequent all-day service
- More frequent peak hour service
- Service to new and growing lower density neighbourhoods
- 80% more NightBus service

On June 28, 2018, the TransLink Board and Mayors' Council approved the 2018-2027 Investment Plan (2018 Investment Plan), building on top of the 2017-2026 Investment Plan. The 2018 Investment Plan

delivers the year of 2020 and 2021 of the 10-Year Vision, specifying new services and infrastructure, as well as strategies to make the transportation system more efficient, innovative and sustainable. The 2018 Investment Plan expands transit service across the region to increase system capacity, reduce overcrowding and introduce new bus service to new areas. The 2018 Investment Plan outlines actions and policies to advance the goals identified in TransLink's long-term Regional Transportation Strategy and to support the goals identified in Metro Vancouver's Regional Growth Strategy, *Metro Vancouver 2040: Shaping Our Future (Metro 2040)*. Some of the highlights for bus service included in the 2018 Investment Plan are:

- 7% increase in HandyDART service, 8% increase in bus service;
- Improved service on at least 75 different bus routes;
- Two new B-Line in 2021; and
- New bus service to four new service areas and restructure

This project, through fleet modernization, supports the 10-Year Vision desired outcomes of maintaining the transit system and reducing GHG emissions.

## C. PROJECT DESCRIPTION

*Please complete the following for each project proposed for expenditure from the GVRF.*

### 1. Executive Summary (not to exceed two pages)

#### Project Overview

TransLink's Community Shuttle service began in 2001 and has expanded steadily. Currently, the shuttle fleet comprises approximately 13% of TransLink's rubber tired revenue vehicle fleet and totals 196 vehicles. Approximately 79% of the Community Shuttle fleet is operated by CMBC with the remaining 21% operated by private contractors. The addition of these nine (9) shuttles, along with expansion shuttle vehicles being added to the fleet in late 2018 will increase the Community shuttle fleet to a total of 213 vehicles.

This project will add nine (9) conventional gasoline powered community shuttles to the community shuttle fleet. These shuttles would improve accessibility over the existing high floor shuttle fleet, and would allow the retirement of shuttles that have reached the end of their useful life thereby maintaining transit system reliability. The new vehicles will have a person and seat capacity of 23 and 20 respectively.

TransLink strives to optimize its resource allocation by matching service to passenger demand, including allocating vehicles of an appropriate size to serve the demand on a route. This allocation is optimized through continuous review and planning processes that allocates resources where they are most needed. This process is informed by ridership data, which has been substantially enhanced with the deployment of Compass Card. TransLink has also undertaken recent work to determine optimal fleet propulsion technology on each route, which is interdependent with vehicle size.

The fleet propulsion technologies currently available to TransLink consist of only conventional gasoline engines, as hybrid gasoline or hybrid diesel propulsion are not available for these vehicles. Although diesel engines are available, they are not considered due to high maintenance costs. Choices of vehicle size and propulsion types will continue to be optimized, as informed by ongoing monitoring of ridership and propulsion technologies. This may result in the vehicle technology mix changing, if it is later determined that a different mix will better optimize our resource allocation.

#### Tangible Benefits and Outcomes

The new vehicles will allow CMBC to maintain existing service, reduce downtime, avoid incremental operating and maintenance costs, and reduce pollutants.

#### Project Budget, Expenses, and GVRF Funding Request

The project budget is \$2,220,000 with a Greater Vancouver Regional Fund (GVRF) request of \$1,998,000. Expenses covered by this budget primarily include vehicle procurement, ancillary on-board equipment and labour, and other miscellaneous project costs. The funding requested in this application will be applied towards expenses considered eligible per the terms of the Administrative Agreement.

**2. Project Name**

2020 Community Shuttle– Expansion (Ref# 192150)

**3. Project Need**

The objectives are to expand transit service across Metro Vancouver to increase system capacity, and introduce bus service to new areas. The criteria for achieving these objectives are reduction of wait times and improved service

**4. Project Eligibility (check one):**

- ☐ **Local Roads and Bridges, including active transportation**  
☒ **Public Transit**

**5. Project Purpose (check one):**

- ☒ **Expansion:** Expands the carrying capacity of people and/or goods movement.  
☐ **State of Good Repair:** Replaces or modernizes assets to keep the regional transportation system in a state of good repair.  
☐ **Operational Efficiency/Effectiveness:** Improves the efficiency or effectiveness of the regional transportation system.  
☐ **Refurbishment**  
☐ **New**  
☐ **Other (please specify : \_\_\_\_\_)**

**6. Project Type (check one):**

- ☒ **Growth**  
☐ **Upgrade**  
☐ **Risk (Resilience)**  
☐ **Maintenance**  
☐ **Opportunity**

**7. Project Staging:**

| Year(s) of Acquisition or Start of Construction | Year of Completion of Construction | Year of Service Initialization | Year(s) of Renewal | Year(s) of End of Service |
|---|------------------------------------|--------------------------------|--------------------|---------------------------|
| 2020  | 2020                               | 2020                           | N/A                | 2025                      |

**8. Has the project previously received funding through GVRF? Please explain.**

No. This is the first application for GVRF funding for this project.

**9. Was GVRF funding previously declined for the project? Please explain.**

No. This is the first application for GVRF funding for this project.

**10. Is the project anticipated to require additional future GVRF funding? If so, please explain.**

No. TransLink is planning to complete this project within budget.

**11. Project Cost + Funding**

**11.a Budget & Expenditures**

| Budget      | Expenditures to Date | Forecast to Complete | Final Forecasted Cost | Variance (budget – final forecasted cost) |
|-------------|----------------------|----------------------|-----------------------|---|
| \$2,220,000 | \$0                  | \$2,220,000          | \$2,220,000           | \$0                                       |

**11.b Project Funding**

| Prior Approved GVRF Funding | Current Year GVRF Funding Request | Other Funding – Specify source and whether confirmed/pending |
|-----------------------------|-----------------------------------|--|
| \$0                         | \$1,998,000                       | N/A  |

**11.c Project Budget Schedule**

| Item                       | 2017 | 2018 | 2019 | 2020      | 2021        | 2022 |
|----------------------------|------|------|------|-----------|-------------|------|
| GVRF-funded Project Budget |      |      |      | \$199,800 | \$1,798,200 |      |
| Total Project Budget       |      |      |      | \$232,470 | \$1,987,530 |      |

## 12. Project Budget Rationale

*Describe the types of proposed project expenses to be funded by the Greater Vancouver Regional Fund*

### a. Explain how the project reflects the intent of the GVRF

This project ensures TransLink's assets are available to implement the expansion service hours as identified in Phase 2 of the Mayor's Vision. This project expands the regional public transportation system, and ensures efficient and effective transit service.

### b. In the absence of GVRF funding, can the project proceed with other funding sources? What risks do the other funding sources present to the project?

No. TransLink relies on GVRF funding for expansion of its revenue vehicle fleets and plans its annual budgets accordingly.

The other sources of funding available to TransLink are – Building Canada Fund and the Public Transit Infrastructure Fund. The projects chosen by TransLink for GVRF funding are better suited to GVRF funding compared to the other sources of funding, as summarized below:

Building Canada Fund (BCF) - the funding available is intended for "major infrastructure" and focuses on larger, strategic infrastructure projects that are of national or regional significance. Additionally, all funds in the current allocation have already been allocated to specific projects.

Public Transit Infrastructure Fund (PTIF) – this fund is focused on expansion of the Rapid Transit network such as - the ExpoMillennium Upgrade Program, Millennium Line Broadway Extension and Surrey Light Rail Transit projects. Also, under this fund the maximum federal funding towards a project is limited to 50% of the total eligible expenditures; no such limits are identified in the GVRF. Lastly, projects to be funded under this program have already been submitted to the federal government.

In addition, BCF and PTIF funding is only available for a specified period of time: BCF is valid until March 31, 2017 (with some station upgrades extended to March, 2019), and PTIF applies to projects initiating in 2016-17 and 2017-18.

As such, there are no other viable funding sources available for fleet expansion.

### c. Identify potential risks – corporate and regional – of this project that could result in this project not being completed or being unsuccessful. Describe possible mitigation strategies to address these risks.

If funding is not received in time, TransLink will have to rely on deferred retirement vehicles to deliver transit service. Continued use of deferred retirement vehicles poses a risk to reliability, as well as incremental maintenance costs to keep them in service. This may result in lost opportunities to realize goals of reduced congestion, improved peak hour service and frequency. Further, use of deferred retirement vehicles could also result in higher CAC and GHG emissions than new vehicles as engines deteriorate. TransLink may lose credibility among the general public if service expansion is not reliable.



**d. How may the project cost vary as a result of changing external factors, such as interest rates and currency exchange rates?**

Project costs may vary due to foreign exchange fluctuations (as parts are procured from the US) and vendor pricing. These uncertainties are mitigated with a sufficient contingency allowance to fund price and foreign exchange fluctuations.

**e. How may foreseeable changes in investment, regulation, or policies from other orders of government affect the project?**

Due to recent increases in senior government funding for public transit projects, many suppliers are experiencing larger demands to order vehicles. This may create a backlog with vendors, and if procurement is not initiated soon, could result in further delay in ordering and receiving vehicles.

**f. How may foreseeable changes in technology affect the project?**

This application is based on the new vehicles being powered by conventional gasoline engines. TransLink also has to consider that a number of these vehicles are operated and maintained by contractors who may not be able to support fueling or maintenance for a change in propulsion technology.

TransLink does not anticipate vendors coming out with alternative fuels for community shuttles that meet our needs to deliver reliable and cost-effectively service to customers in the immediate future. TransLink continues to monitor the vehicle technology industry very closely to identify what options are available in the market, and to evaluate their suitability for its fleet.

**g. What other corporate or external factors could alter the project need, scope, budget, or timeline for project delivery?**

There are no foreseeable corporate or external factors that could alter the project need or scope of this project. Project timeline may be affected by manufacturer's capacity and schedules, availability of parts and/or time for vehicle delivery from the manufacturer. Budget may fluctuate due to parts pricing and/or foreign exchange.

In order to ensure that the vehicles received are up to the standards expected and delivered on time TransLink conducts regular factory audits and inspections of the manufacturers' facilities.

## D. EVALUATION CRITERIA

Please describe how project achieves or works towards each criterion by identifying and reporting on relevant performance measures. Where appropriate, present quantitative information. Please do not exceed 10 pages per project.

Two types of evaluation criteria are identified: Screening Criteria, which represent requirements that are mandatory for any project for which GVRF funding is requested; and Integrated Criteria, which allow for a qualitative assessment of proposed projects based on high priority objectives that reflect the intent of the Federal Gas Tax Fund, of Metro Vancouver goals, and of the Mayors' Council Vision.

| Criterion                 | Description   | Assessment           |                                 |                        |             |                    |                |       |             |          |
|---------------------------|---|----------------------|---------------------------------|------------------------|-------------|--------------------|----------------|-------|-------------|----------|
| SCREENING CRITERIA        |   |                      |                                 |                        |             |                    |                |       |             |          |
| Eligible Project Category | <div><input type="checkbox"/> Local roads and bridges, including active transportation</div> <div><input checked="" type="checkbox"/> Public transit</div>  | Required             |                                 |                        |             |                    |                |       |             |          |
| Eligible Expenses         | <div>As set out in the 2014 Administrative Agreement (Schedule C)</div> <div><table><tr><td><u>Eligible Item</u></td><td><u>Expenditure</u><sup>1</sup></td></tr><tr><td>Community Shuttles (9)</td><td>\$1,782,000</td></tr><tr><td>On-board equipment</td><td><u>216,000</u></td></tr><tr><td>Total</td><td>\$1,998,000</td></tr></table></div> <div><sup>1</sup> Per Schedule C, Section 1.1, Part a)</div>  | <u>Eligible Item</u> | <u>Expenditure</u> <sup>1</sup> | Community Shuttles (9) | \$1,782,000 | On-board equipment | <u>216,000</u> | Total | \$1,998,000 | Required |
| <u>Eligible Item</u>      | <u>Expenditure</u> <sup>1</sup>   |                      |                                 |                        |             |                    |                |       |             |          |
| Community Shuttles (9)    | \$1,782,000   |                      |                                 |                        |             |                    |                |       |             |          |
| On-board equipment        | <u>216,000</u>  |                      |                                 |                        |             |                    |                |       |             |          |
| Total                     | \$1,998,000   |                      |                                 |                        |             |                    |                |       |             |          |
| Plan Consistency          | <div>Projects must be consistent with TransLink’s existing Capital Plan and future <i>10-Year Investment Plan</i>, as well as the <i>Mayors’ Council Transportation and Transit Plan</i>, <i>Metro 2040: Shaping our Future</i>, and the <i>Regional Transportation Strategy</i>.</div> <div><input checked="" type="checkbox"/> 10-Year Investment Plan</div> <div><input checked="" type="checkbox"/> Mayors’ Council Transportation and Transit Plan</div> <div><input checked="" type="checkbox"/> Metro 2040: Shaping our Future</div> <div><input checked="" type="checkbox"/> Regional Transportation Strategy</div> | Required             |                                 |                        |             |                    |                |       |             |          |
| Corporate Policies        | <div>Projects must be consistent with applicable TransLink policies such as sustainability, environmental responsibility, emissions and infrastructure</div> <div><input checked="" type="checkbox"/> Sustainability policy</div> <div><input checked="" type="checkbox"/> Environmental policy</div> <div><input checked="" type="checkbox"/> Emissions policy</div> <div><input type="checkbox"/> Infrastructure policy – n/a</div>   | Required             |                                 |                        |             |                    |                |       |             |          |

| Criterion  | Description  | Assessment           |
|--|--|----------------------|
| <b>INTEGRATED CRITERIA</b>                           |  |                      |
| <b>Regional Growth Strategy</b>                      |  |                      |
| Supports the Regional Growth Strategy                | <p><i>The degree to which the project assists in achieving the five goals in Metro 2040.</i></p> <p> <input type="checkbox"/> Create a Compact Urban Area<br/> <input type="checkbox"/> Support a Sustainable Economy<br/> <input checked="" type="checkbox"/> Protect Environment and Respond to Climate Change Impacts<br/> <input checked="" type="checkbox"/> Develop Complete Communities<br/> <input checked="" type="checkbox"/> Support Sustainable Transportation Choices </p>  | Poor/Good/ Excellent |
| Urban Centres and Frequent Transit Development Areas | <p><i>Where applicable, the project is located in, or demonstrates tangible benefits to the overall performance of Urban Centres and Frequent Transit Development Areas.</i></p> <p>Community shuttles provide service to communities located outside of major bus routes and hubs, and offer an environmentally responsible and sustainable transportation choice to single occupant vehicle travel. These vehicles transport passengers to urban centres and frequent transit networks (FTNs) to connect remote communities with populous destinations.</p>  | Poor/Good/ Excellent |
| <b>Transportation Performance</b>                    |  |                      |
| Headline Targets                                     | <p><i>Demonstrates tangible beneficial effects on vehicle kilometres travelled and/or walk/cycle/transit mode share.</i></p> <p>The project will increase the community shuttle fleet size. The entire 10-Year Vision is forecast to decrease annual private vehicle kilometers travelled per person to 5,422 kilometers by 2030 – a 15% decrease compared to 2011. The 2018 Investment Plan delivers the second phase of walking, cycling and transit infrastructure in the 10-Year Vision, and in doing so, makes it possible for more people in the region to choose alternatives to driving. This expansion of the bus fleet is an important step in delivering this investment. Additionally, the 2018 Investment Plan is forecast to increase ridership from 247 million annual transit journeys in 2017 to 316 million annual transit journeys by 2027. This fleet expansion is a critical step in providing the transit service necessary to reach this increase in transit trips.</p> | Poor/Good/ Excellent |
| Other Transportation Outcomes                        | <p><i>Demonstrates tangible beneficial effects on vehicle congestion, transit passenger congestion, transit ridership, and/or transportation safety for the duration of the project.</i></p> <p>The full 10-Year Vision is forecast to increase walking, cycling, and transit mode share to 31% by 2030,</p>   | Poor/Good/ Excellent |

| Criterion  | Description  | Assessment           |
|--|--|----------------------|
|  | supporting the RTS target of 50% mode share by 2045. This fleet expansion allows TransLink to expand transit services and continue to make progress toward these targets.  |                      |
| Project Type   | <p><i>Demonstrated value of the project type (refer to section 6).</i></p> <p>By growing the reach and capacity of public transport, we will provide more options for mobility and be able to reduce congestion on the roads, increase passenger comfort and reliability, and reduce pollutant emissions.</p>  | Poor/Good/ Excellent |
| <b>Regional Environmental Objectives</b>                               |  |                      |
| Supports the Integrated Air Quality and Greenhouse Gas Management Plan | <p><i>Contributes to the achievement of one or more goals in the Integrated Air Quality and Greenhouse Gas Management Plan (IAQGGMP).</i></p> <p>The project may result in modest reductions of CAC and GHG emissions through the reduction of private vehicle trips. As such, this project supports IAQGGMP strategies 1.4 “Reduce air contaminant emissions from cars, trucks, and buses”, and 3.3 “Reduce the carbon footprint of the region’s transportation system.</p>             | Poor/Good/ Excellent |
| Measurable Beneficial Effects  | <p><i>Demonstrates tangible beneficial effects on greenhouse gas and common air contaminant emissions from on-road transportation sources for the duration of the project.</i></p> <p>By growing the reach and capacity of accessible public transport, we will provide more options for mobility while increasing passenger comfort and reliability. Over time the project may result in modest reductions in GHG and CAC emissions through the reduction of private vehicle trips.</p> | Poor/Good/ Excellent |
| <b>Economic Development</b>  |  |                      |
| Supports regional prosperity   | <p><i>Contributes to a regional transportation system that moves people and goods and aligns with regional prosperity.</i></p> <p>Having additional buses will provide improved reliability to the regional transportation system by improving the consistency of arterial service to institutional, economic and other transit mode hubs. Passengers will have better access to work and/or leisure activities, reducing the use of single occupant vehicle travel.</p>                 | Poor/Good/ Excellent |

| Criterion                           | Description   | Assessment           |
|-------------------------------------|---|----------------------|
| Measurable<br>Beneficial<br>Effects | <p><i>Tangible beneficial effects on the movement of people and/or goods for the duration of the project.</i></p> <p>Having additional buses will improve service and make transit a more reliable option, and ultimately improving economic competitiveness within Metro Vancouver. More reliable transit provides better access to jobs, workers, goods, and markets, while reducing congestion. Many proposed service improvements address overcrowding and will reduce congestion for passengers.</p> | Poor/Good/ Excellent |

To: Finance and Intergovernment Committee

From: Raymond Kan, Regional Planner II, Parks, Planning and Environment

Date: September 21, 2018 Meeting Date: October 12, 2018

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**Subject: 2018 Greater Vancouver Regional Fund Semi-Annual Report as at June 30, 2018**

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### RECOMMENDATION

That the MVRD Board receive for information the report dated September 21, 2018, titled “2018 Greater Vancouver Regional Fund Semi-Annual Report as at June 30, 2018.”

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### PURPOSE

To present to the MVRD Board TransLink’s status report on active projects funded by federal gas tax funds through the Greater Vancouver Regional Fund (GVRF).

### BACKGROUND

In accordance with the *Federal Gas Tax Fund Expenditures Policy (GVRF Policy)* adopted by the MVRD Board in 2016, TransLink is required to provide to the MVRD Board semi-annual reports on projects funded through the GVRF. At a minimum, the reports must include updated project-level information on variances to budget and total cost, expenditures to date, project schedule, risk assessment, project progress, and alignment with the GVRF evaluation criteria. The MVRD Board has received semi-annual reports covering the periods:

- As at December 31, 2016;
- As at June 30, 2017; and
- As at December 31, 2017.

This report presents TransLink’s semi-annual status report on active projects funded by federal gas tax funds through the Greater Vancouver Regional Fund (GVRF).

### 2018 GVRF SEMI-ANNUAL REPORT AS AT JUNE 30, 2018

TransLink’s GVRF semi-annual report is attached in partial fulfillment of the MVRD Board’s *GVRF Policy*. The report contains cumulative information on active projects funded through the GVRF as at June 30, 2018.

### Progress on Active Projects

- As at June 30, 2018, there were 36 active projects funded by the GVRF, with a total budget of \$966 million and approved GVRF funding of \$816 million.
- As at June 30, 2018, \$347 million in GVRF have been expended on the active projects.
- The majority of active projects have favourable cost variances compared to budget. One project – the SkyTrain Mark I vehicle refurbishment – is currently showing the largest positive variance (under budget) of \$5.4 million due to lower than expected labour costs. Any unspent GVRF funds at project completion will be returned to the GVRF for future applications.

- The majority of active projects have favourable schedule variances. Five projects have a negative schedule variance exceeding three months.
  - The Metrotown trolley overhead rectifier replacement project (budget of \$5.8 million) has incurred a delay of two years due to changes in design affecting the procurement process.
  - The battery electric bus project is experiencing delays due to longer than expected delivery for chargers. The four buses and one on-route charging unit are expected to be delivered in the first half of 2019 (funding for the project was originally approved by the MVRD Board in April 2017).
  - The equipment for deferred retirement program is experiencing delays due to longer than expected delivery for Compass components.
  - The 2016 and 2017 conventional bus replacement projects are experiencing delays to scope changes to the propulsion engines (approved by the MVRD Board).

### **Risk Assessment**

The known risks to project delivery have been updated. TransLink identified foreign exchange rate, labour resources, bus subsystem integration and commissioning, building permit processes, BC Hydro infrastructure (associated with the battery electric bus pilot project), and NAFTA negotiations. Prior risks that were identified (e.g. unavailability of the GM chassis for Community Shuttles and HandyDART vehicles, backlog of bus orders at the bus manufacturers, and a change to the branding decals of the new B-Line buses) have been fully mitigated.

### **Alignment with Greater Vancouver Regional Fund Integrated Criteria**

The Semi-Annual report includes a section commenting on the how the active projects in aggregate meet the integrated criteria around regional growth management, environmental, and economic development objectives.

### **Greater Vancouver Regional Fund Balance**

TransLink also provides a forecast of the GVRF balance as the *2018 Phase Two Investment Plan* (2018-2027) is implemented. About \$1.7 billion in GVRF funds is anticipated to contribute to the capital investments. Assuming the renewal of the federal gas tax transfers in 2024, the forecasted balance in 2027 will be drawn down to approximately \$46 million (from a fund balance high of \$343 million in 2024).

### **ALTERNATIVES**

This is an information report. No alternatives are presented.

### **FINANCIAL IMPLICATIONS**

There are no financial implications associated with this report.

## **SUMMARY / CONCLUSION**

TransLink has submitted a GVRF semi-annual report containing historical information on active projects funded with federal gas tax funds through the Greater Vancouver Regional Fund as at June 30, 2018. As per TransLink's report, the regional transportation authority has been successful in delivering the majority of the projects on or ahead of schedule and incurring favourable cost variances. Five projects are experiencing delays exceeding three months: Metrotown trolley overhead rectifier replacement, two conventional bus replacement projects, equipment for deferred bus retirement program, and the battery electric bus pilot.

Looking ahead over the next 10 years, TransLink expects to draw on \$1.7 billion in GVRF funds to pay for eligible capital expenditures associated with the *2018 Phase Two Investment Plan* and subsequent investment plans. Assuming the renewal of the federal gas tax transfers in 2024, the forecasted balance in 2027 will be drawn down to approximately \$46 million (from a fund balance high of \$343 million in 2024).

### **Attachment:** (Doc# 26909710)

Report on Federal Gas Tax Funding received from the Greater Vancouver Regional Fund (GVRF), dated October 2, 2018

26895273



To: Carol Mason, Chief Administrative Officer, Metro Vancouver

From: Rob Malli, Chief Financial Officer and Executive Vice President, Finance and Corporate Services, TransLink

Date: October 2, 2018

**Subject: Report on Federal Gas Tax Funding received from the Greater Vancouver Regional Fund (GVRF)**

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**PURPOSE**

The "Federal Gas Tax Fund Expenditures Policy", approved by the Board of Directors of the Greater Vancouver Regional District (Metro Vancouver) on May 27, 2016, requires TransLink to report to Metro Vancouver on active projects that have received funding from the Greater Vancouver Regional Fund (GVRF) through the Federal Gas Tax Fund (FGTF) program.

The report frequency is semi-annual and has the following reporting objectives:

- A. Project budget to actual cost variances;
- B. Project expenditures to date;
- C. Current project schedule;
- D. Overall risk assessment;
- E. Project progress; and
- F. Alignment with Evaluation Criteria.

This report will provide historical information on active projects with GVRF funding as at June 30, 2018.

**BACKGROUND**

Since the FGTF program began in 2005, TransLink has received \$1,164.7 million in funding to expand and modernise the transit network. Interest earned on funds received, which must be used for approved GVRF projects, totalled \$37.0 million at June 30, 2018. Also, there was \$287.2 million in unapproved GVRF funds available for TransLink to apply for as at June 30, 2018.

**Delivering the 10-Year Vision**

The 10-Year Vision for Metro Vancouver Transit and Transportation, adopted by the Mayors' Council and TransLink Board in 2014, assumes the GVRF funding will continue to support investments in transit throughout Metro Vancouver. To support the 10-Year Vision, TransLink's 2018-2027 Investment Plan approved in June 2018 (2018 Investment Plan) forecasts \$1.74 billion<sup>1</sup> in capital contributions from the GVRF. The 2018 Investment Plan assumes GVRF funding to support bus fleet expansion and modernization projects, SkyTrain rehabilitation and other transit infrastructure improvements. As the 10-Year Vision is implemented through

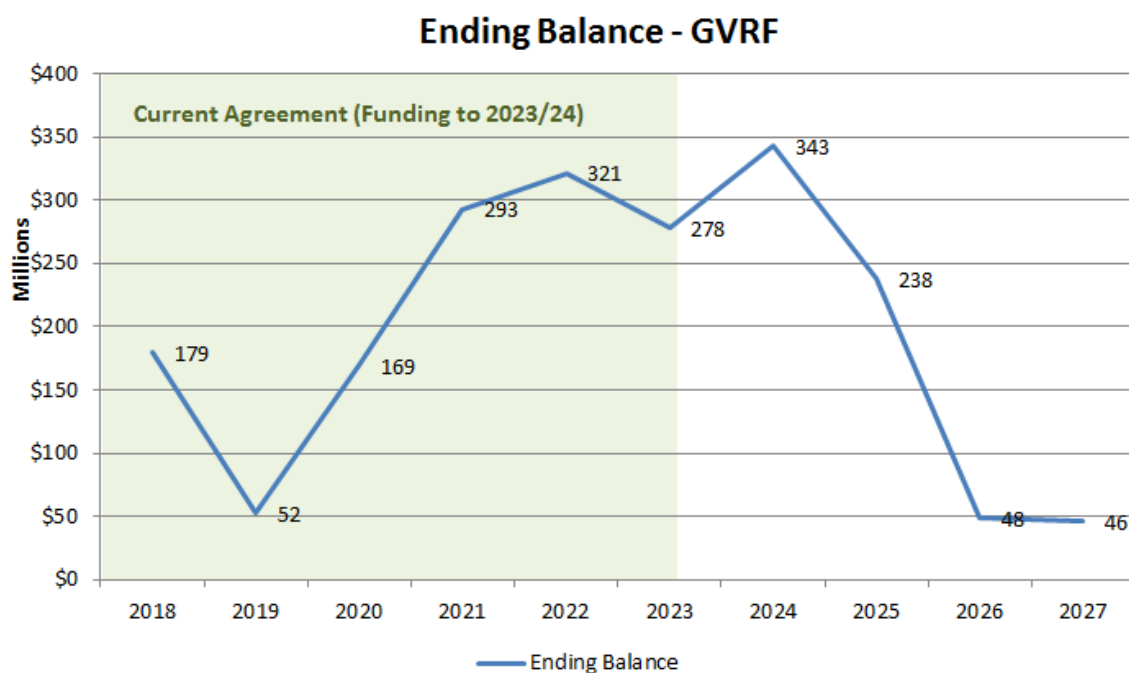
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<sup>1</sup> Forecasted amount assumes the FGTF program is renewed in 2024.

subsequent investment plans, it is expected that the GVRF will continue to be a major source of funding for fleet and other investments.

TransLink expects to fully obligate GVRF funding to support the 10-Year Vision through implementation of the 2018 Investment Plan and subsequent investment plans. Figure 1 below shows the projected GVRF balance for the next 10 years after implementing the 2018 Investment Plan, with the assumption that the FGTF program will be renewed in 2024. The development of subsequent investment plans will continue to support the 10-Year Vision and maximize the utilization of GVRF funding.

Figure 1 – Estimated GVRF balance for the next 10 years



Future usage is anticipated to include:

- Continued procurement for bus expansion and modernization;
- Rehabilitation of SkyTrain cars;
- Bus procurement based on the Low Carbon Fleet Strategy;
- New bus depots to support bus fleet expansion and the Low Carbon Fleet Strategy; and
- Other transit infrastructure improvements.

### Active Projects

As of June 30, 2018, there were 36 active projects funded by the GVRF, with a total budget of \$966.0 million and approved GVRF funding of \$815.7 million. Table 1 is a summary of the total project costs and funding as at June 30, 2018.

**Table 1: Active Project Summary**  
*in \$ millions*

|  | <b>Budget</b>              | <b>Final Forecast Cost</b> | <b>Variance<sup>1</sup></b> |
|--|----------------------------|----------------------------|-----------------------------|
|  | <b>As at<br/>30/6/2018</b> | <b>As at<br/>30/6/2018</b> | <b>As at<br/>30/6/2018</b>  |
| <b>Total Project Costs</b>                                 | \$966.0                    | \$955.0                    | \$11.0                      |
| <b>Ineligible Costs under<br/>GVRF Funding<sup>2</sup></b> | (150.3)                    | (155.4)                    | 5.1                         |
| <b>Eligible GVRF Funding</b>                               | 815.7                      | 799.6                      | 16.1                        |

1. Variance from total project approved budget vs. Final Forecast Cost at June 30, 2018.

2. Ineligible costs represent mainly expenditures incurred by TransLink that are not eligible to be claimed under GVRF such as internal labor charge, overhead, internal training and maintenance costs.

Table 2 provides a detailed breakdown of active projects with GVRF funding, including budget, Final Forecast Cost (FFC) and expenditures-to-date as of June 30, 2018.

Table 2 – List of active projects with GVRF funding as of June 30, 2018

| Active Projects With GVRF Funding<br>(Dollar amounts in millions) | Budget         | Expenditures<br>to June 30,<br>2018 | FFC            | Forecast to<br>Budget<br>Variance \$ | Approved<br>Funding<br>(Note 1) | Funding used<br>up to Jun 30,<br>2018 | Forecast<br>In-service Date | Actual<br>In-service Date | Delay in<br>months<br>(approx.) | Substantially<br>Completed<br>(Note 2) |
|---|----------------|-------------------------------------|----------------|--------------------------------------|---------------------------------|---------------------------------------|-----------------------------|---------------------------|---------------------------------|--|
| Metrotown - Trolley Overhead Rectifier Replacement                | 5.765          | 1.724                               | 5.630          | 0.135                                | 4.725                           | 1.642                                 | December 2017               | October 2019              | 22                              | No                                     |
| 2016 Conventional Bus Replacement - 40'                           | 61.488         | 25.957                              | 61.507         | (0.019)                              | 57.264                          | 24.964                                | June 2018                   | March 2019                | 8                               | No                                     |
| 2016 Conventional Bus Replacement - 60'                           | 33.242         | 32.098                              | 33.253         | (0.011)                              | 25.360                          | 25.360                                | December 2016               | May 2017                  | 5                               | Yes                                    |
| Expo Line Propulsion Power System Upgrade                         | 57.135         | 57.141                              | 57.141         | (0.006)                              | 42.000                          | 42.000                                | January 2016                | June 2016                 | 6                               | Yes                                    |
| Surrey Transit Centre - CNG Facility Retrofit                     | 16.300         | 15.524                              | 16.164         | 0.136                                | 4.000                           | 4.000                                 | April 2017                  | March 2018                | 12                              | Yes                                    |
| Automated Train Control Equipment Replacement                     | 5.100          | 4.127                               | 4.623          | 0.477                                | 4.500                           | 4.051                                 | August 2017                 | November 2017             | 3                               | Yes                                    |
| 2nd SeaBus Replacement  | 21.183         | 20.089                              | 20.089         | 1.094                                | 19.697                          | 19.278                                | December 2014               | December 2014             | 0                               | Yes                                    |
| Hamilton Transit Centre   | 135.367        | 134.918                             | 134.918        | 0.449                                | 84.978                          | 84.978                                | September 2016              | September 2016            | 0                               | Yes                                    |
| 2016 Community Shuttle Vehicle Replacement                        | 3.892          | 3.110                               | 3.110          | 0.782                                | 3.560                           | 3.016                                 | October 2017                | October 2017              | -1                              | No                                     |
| 2017 Community Shuttle Vehicle Replacement                        | 4.210          | 3.379                               | 3.902          | 0.308                                | 3.500                           | 3.275                                 | November 2017               | November 2017             | 0                               | No                                     |
| 2017 HandyDART Vehicle Replacement                                | 4.900          | 4.274                               | 4.646          | 0.254                                | 5.013                           | 3.998                                 | March 2018                  | March 2018                | 0                               | Yes                                    |
| 2017 Conventional Bus Replacement                                 | 115.750        | 7.095                               | 116.138        | (0.388)                              | 105.985                         | 1.998                                 | April 2018                  | April 2019                | 11                              | No                                     |
| SkyTrain Mark I Vehicle Refurbishment                             | 35.294         | 18.970                              | 29.887         | 5.407                                | 24.360                          | 11.455                                | April 2020                  | April 2020                | 1                               | No                                     |
| Defective Community Shuttle Vehicles Replacement                  | 9.600          | 9.461                               | 9.461          | 0.139                                | 9.350                           | 9.350                                 | December 2016               | November 2016             | 0                               | Yes                                    |
| 2015 Conventional Bus Replacement                                 | 55.861         | 55.636                              | 55.636         | 0.225                                | 54.800                          | 54.344                                | March 2017                  | April 2017                | 1                               | Yes                                    |
| 2015 Community Shuttle Vehicle Replacement                        | 3.879          | 3.799                               | 3.799          | 0.080                                | 4.674                           | 3.624                                 | September 2017              | June 2017                 | -3                              | Yes                                    |
| 2013 HandyDART Vehicle  | 3.822          | 3.616                               | 3.616          | 0.206                                | 3.535                           | 3.535                                 | December 2015               | February 2015             | -10                             | Yes                                    |
| 2015 HandyDART Vehicle  | 7.550          | 6.846                               | 6.846          | 0.704                                | 5.370                           | 5.370                                 | July 2017                   | August 2016               | -11                             | Yes                                    |
| 2014 Community Shuttles   | 7.800          | 7.440                               | 7.440          | 0.360                                | 7.310                           | 7.310                                 | April 2016                  | March 2015                | -13                             | Yes                                    |
| 2014 Conventional Bus   | 25.400         | 25.034                              | 25.034         | 0.366                                | 24.391                          | 24.391                                | March 2016                  | February 2015             | -12                             | Yes                                    |
| 2014 HandyDART Vehicle  | 8.000          | 7.594                               | 7.594          | 0.406                                | 7.523                           | 7.523                                 | May 2016                    | April 2015                | -12                             | Yes                                    |
| 2018 HandyDART Vehicle Replacement                                | 5.620          | 0.029                               | 5.144          | 0.476                                | 5.605                           | -                                     | October 2018                | October 2018              | 0                               | No                                     |
| 2018 Conventional Bus Replacement                                 | 70.000         | 0.431                               | 69.872         | 0.128                                | 61.925                          | -                                     | March 2019                  | March 2019                | 0                               | No                                     |
| 2018 Community Shuttle Vehicle Replacement                        | 4.100          | 0.026                               | 4.099          | 0.001                                | 3.830                           | -                                     | December 2018               | December 2018             | 0                               | No                                     |
| 2018 40' Conventional Bus Purchases - Expansion                   | 94.500         | 0.599                               | 94.483         | 0.017                                | 85.584                          | -                                     | January 2019                | January 2019              | 0                               | No                                     |
| 2018 60' Conventional Bus Purchases - Expansion                   | 17.000         | 0.070                               | 17.000         | -                                    | 17.316                          | -                                     | March 2019                  | March 2019                | 0                               | No                                     |
| Equipment for Deferred Retirement Program                         | 3.150          | 0.487                               | 3.377          | (0.227)                              | 6.120                           | 0.468                                 | April 2018                  | September 2018            | 4                               | No                                     |
| Electric Battery Bus Purchases - Pilot                            | 10.000         | 1.379                               | 9.899          | 0.101                                | 6.892                           | 1.307                                 | December 2018               | April 2019                | 4                               | No                                     |
| 2018 HandyDART Vehicle Purchases - Expansion                      | 1.900          | 0.101                               | 1.904          | (0.004)                              | 2.193                           | -                                     | September 2018              | September 2018            | 0                               | No                                     |
| 2018 Community Shuttle Vehicle Purchases - Expansion              | 2.240          | 0.014                               | 2.240          | -                                    | 3.175                           | -                                     | December 2018               | December 2018             | 0                               | No                                     |
| 2019 Conventional Bus Expansion - double decker                   | 6.377          | 0.033                               | 6.413          | (0.036)                              | 5.670                           | -                                     | September 2019              | September 2019            | 0                               | No                                     |
| 2019 Conventional Bus Expansion - 60' hybrid                      | 76.365         | 0.397                               | 76.795         | (0.430)                              | 68.130                          | -                                     | September 2019              | September 2019            | 0                               | No                                     |
| 2019 HandyDART Vehicle Purchase – Expansion                       | 1.550          | 0.003                               | 1.553          | (0.003)                              | 1.350                           | -                                     | September 2019              | October 2019              | 0                               | No                                     |
| 2019 Double Decker Bus Purchase – Replacement                     | 33.922         | 0.066                               | 33.988         | (0.066)                              | 30.000                          | -                                     | September 2019              | October 2019              | 1                               | No                                     |
| 2019 HandyDART Vehicle Purchase – Replacement                     | 5.750          | 0.011                               | 5.761          | (0.011)                              | 5.200                           | -                                     | September 2019              | January 2020              | 3                               | No                                     |
| 2019 Community Shuttle Purchase – Replacement                     | 12.000         | -                                   | 12.000         | -                                    | 10.800                          | -                                     | December 2019               | December 2019             | 0                               | No                                     |
| <b>Total</b>  | <b>966.012</b> | <b>451.478</b>                      | <b>954.962</b> | <b>11.050</b>                        | <b>815.686</b>                  | <b>347.236</b>                        |                             |                           |                                 |  |

Note (1): Approved funding includes interests allocated to active project

Note (2): Projects that are substantially complete have been implemented or are in-service, but remain active to reflect outstanding charges, and/or holdback to be addressed prior to project close-out.

## A. Project Budget to Actual Costs Variance

The majority of projects have favorable variances compared to budget. See table 2 for detailed list of active projects and breakdown of variances from current forecast and approved budget. Below is a discussion of the projects with variances between budgeted and FFC greater than \$1 million as of June 30, 2018:

**SkyTrain Mark I Vehicle Refurbishment** – This project is showing a positive variance of \$5.4 million as at June 30, 2018 between the budgeted cost and the FFC. This is mainly attributable to the current forecasted cost of labour required for the refurbishment being less than the budgeted amount. Due to the forecasted cost reduction, there is a positive variance of \$4.5 million between the funding allocated to this project and the total forecasted funding as of June 30, 2018. TransLink will continue to monitor these variances as the project progresses. If at the completion of the project a positive variance remains, any unspent funds will be returned to the GVRF and allocated to a different project upon receiving Metro Vancouver approval.

**2nd SeaBus Replacement** – This vessel is in operation. The positive variance of \$1.1 million as at June 30, 2018 is because of non-critical work that remains to be completed. The cost for this work is currently not included in the forecast as reasonable estimates of the work are not yet available. TransLink expects this work to be completed in spring of 2019 when there will be another SeaBus vessel in operation to avoid service disruption.

Please refer to Table 2 for the detailed breakdown of other project variances.

## B. Project Expenditures to Date

Total project costs were \$451.5 million as of June 30, 2018, with \$347.2 million in funding coming from the GVRF. Below is a summary of the total project and funding spent as of June 30, 2018:

| <i>in \$ millions</i>                            | <b>Expenditures to<br/>date as of<br/>June 30,<br/>2018</b> |
|--|---|
| Total Project Costs                              | \$451.5   |
| Ineligible Costs under GVRF Funding <sup>1</sup> | (104.3)   |
| Expenditure of GVRF Funding                      | 347.2   |

1. Ineligible costs represent expenditures incurred by TransLink that are not eligible to be claimed under GVRF such as internal labor charge, overhead, internal training and maintenance costs.

### C. Current Project Schedule

Table 2 shows an estimate for each project schedule based on current forecast in-service dates as at June 30, 2018 and the approximate delay in months when compared to original forecast in-service dates. Schedule delays can be caused by numerous reasons, such as delay in equipment delivery from vendors or project complexity. Below is a schedule summary for all active projects as at June 30, 2018:

| <b>Project Schedule Summary</b> | <b>Number of Projects</b> | <b>FFC (\$ millions)</b> | <b>FFC % of Total Cost</b> |
|---------------------------------|---------------------------|--------------------------|----------------------------|
| Delay greater than 3 months     | 5                         | \$196.6                  | 21%                        |
| On or ahead of schedule         | 16                        | 368.1                    | 38%                        |
| Substantially completed         | 15                        | 390.3                    | 41%                        |
|                                 | 36                        | \$955.0                  | 100%                       |

Table 3 – List of active projects with schedule delays greater than 3 months:

| <b>Project</b>                                     | <b>Delay in Months</b> | <b>FFC (\$ millions)</b> | <b>Reason for Delay</b>   |
|--|------------------------|--------------------------|---|
| Metrotown - Trolley Overhead Rectifier Replacement | 22                     | 5.63                     | Delay in project schedule of approximately 2 years due to the original project plan scope being revised. The original plan was to replace each of the three rectifier units with similar design models which were found to be obsolete during the tender process. Therefore, the scope was revised to replace two of the stations with larger capacity and modern design specifications which have resulted in delays to the procurement process.                 |
| 2016 Conventional Bus Replacement - 40'            | 8                      | 61.5                     | The project was originally planned to purchase 85 40-foot buses in 2016, using Year 8 GVRF funding. However, due to prioritization of other projects for GVRF, it was decided that 40 of the 85 buses will be deferred to 2018 by using Year 10 funding, which was approved by Metro Vancouver in October 2016. Also, the project scope was amended to change the 40 buses propulsion engines from diesel to CNG and hybrid, thus impacting the project schedule. |
| 2017 Conventional Bus Replacement                  | 11                     | 116.1                    | Delay in the project schedule was due to the project scope being amended to change the propulsion engines of 52 buses from diesel to hybrid, thus impacting the project schedule.   |
| Equipment for Deferred Retirement Program          | 4                      | 3.4                      | Project schedule has experienced delays due to longer than expected delivery/lead times for Compass parts.  |
| Electric Battery Bus Purchases - Pilot             | 4                      | 9.9                      | Project schedule has experienced delays due to longer than expected delivery/lead for chargers.   |

#### **D. Overall Risk Assessment**

TransLink follows standard project management practices and provides an internal oversight structure for each capital project, including projects utilizing GVRF funding. The higher the project's risk profile (measured as a function of risk, business value, size and complexity), the greater the degree of rigour that is applied to its governance model.

Specific project risks are identified prior to project initiation and listed in the project risk register. Monthly reports on risks and issues are provided to TransLink's Project Management Office (PMO). In addition, projects with increased complexity and/or elevated risk profile would also have a specific project steering committee assigned. Below is a list of known risks and actions taken for active projects receiving GVRF funding:

| <b>RISK TITLE</b>                           | <b>RISK DESCRIPTION (EVENT)</b>   | <b>CAUSE OF RISK</b>   | <b>ACTION TAKEN</b>  |
|---|---|--|--|
| Foreign Exchange rate                       | Deterioration of the Canadian/foreign currency exchange rate may cause vehicle and equipment pricing to exceed project budget             | Currency conversion volatility between \$CDN and foreign currencies        | Exercise contract options as quickly as possible and build contingency into project budget.  |
| Labor Resources                             | As a specialized skillset is needed for certain positions, the production may be lower than planned, impacting the completion date.       | Challenges with labor resource availability and staff turnover.            | Project managers to monitor output, execute project focused training if required and provide for overtime as needed.                 |
| Bus Subsystem integration and commissioning | Installation and integration issues between new bus type and bus subsystems (electric and double decker buses)                            | New interfaces, new technology (electric), added deck, taller vehicles.    | Work with manufacturers to try and identify any potential issues prior to taking delivery of buses. Allow for extra inspection time. |
| Building Permits                            | Delays in obtaining permits from various municipalities required before construction can commence.  | Municipalities have jurisdiction over sites where construction is required | Continuous engagement with municipalities to generate support. Hire consultants to manage process if needed.                         |
| BC Hydro Infrastructure                     | Assistance required from BC Hydro for completion of the CUTRIC trial  | Charging stations have load requirements that need to be met by BC Hydro   | Regular engagement with BC Hydro to ensure they are aware of scope and timelines.  |
| NAFTA Negotiations                          | Changes to the current NAFTA pertaining to the present political climate may cause vehicle and equipment pricing to exceed project budget | Volatility of the present political climate                                | Continuous engagement with vendors in the US. Work with substitute vendors in Canada, Asia or Europe where possible.                 |

As at June 30, 2018, there are no other known factors that would significantly impact the ability of any active project to reach completion according to planned schedules and within budget.

#### **E. Project Progress**

Table 4 provides an update on the progress of approved projects and whether they had proceeded as intended as at June 30, 2018. All projects require Specific Project Approval (SPA) during which they are reviewed by TransLink's Capital Management Committee to ensure fiscal responsibility and overall alignment with the Regional Transportation Strategy. Projects are required to obtain SPA approval first before any commitment is made with an external party.

Table 4 – Summary of project progress for active projects with GVRF funding

| Active Projects With GVRF Funding                    | Stage of project progress as at Jun 30, 2018  | Whether proceeded as intended       |
|--|---|-------------------------------------|
| Metrotown - Trolley Overhead Rectifier Replacement   | Project is approximately 40% complete with one (of two) rectifier stations - Willingdon East - erected and in commissioning. The other rectifier station - Willingdon West - to be fabricated and installed by    | Yes, SPA approved in December 2014  |
| 2016 Conventional Bus Replacement - 40'              | Project is approximately 60% complete. Buses currently in production.   | Yes, SPA approved in December 2016  |
| 2016 Conventional Bus Replacement - 60'              | Substantially completed; already in-service   | Yes, SPA approved in October 2015   |
| Expo Line Propulsion Power System Upgrade            | Substantially completed; already in-service   | Yes, SPA approved in July 2010      |
| Surrey Transit Centre - CNG Facility Retrofit        | Substantially completed; already in-service   | Yes, SPA approved in March 2015     |
| Automated Train Control Equipment Replacement        | Substantially completed; already in-service   | Yes, SPA approved in August 2015    |
| 2nd SeaBus Replacement                               | Substantially completed; already in-service   | Yes, SPA approved in April 2011     |
| Hamilton Transit Centre                              | Substantially completed; already in-service   | Yes, SPA approved in March 2012     |
| 2016 Community Shuttle Vehicle Replacement           | Substantially completed; all 20 vehicles have been accepted and in service.   | Yes, SPA approved in October 2016   |
| 2017 Community Shuttle Vehicle Replacement           | Substantially completed; all 20 vehicles have been accepted and in service.   | Yes, SPA approved in October 2016   |
| 2017 HandyDART Vehicle Replacement                   | Substantially completed; all 35 vehicles have been accepted and in  | Yes, SPA approved in February 2017  |
| 2017 Conventional Bus Replacement                    | Project is approximately 30% complete with almost all of the 40' buses having been accepted into service. The remaining 40' buses and the 60' buses will arrive in batches between September 2018 and March 2019. | Yes, SPA approved in November 2016  |
| SkyTrain Mark I Vehicle Refurbishment                | 50 of 114 Mark I Series 100-400 Trains are completely refurbished and are in service. Refurbishment of the remaining 64 cars will continue  | Yes, SPA approved in September 2012 |
| Defective Community Shuttle Vehicles Replacement     | Substantially completed; already in-service   | Yes, SPA approved in July 2014      |
| 2015 Conventional Bus Replacement                    | Substantially completed; already in-service   | Yes, SPA approved in July 2014      |
| 2015 Community Shuttle Vehicle Replacement           | Substantially completed; already in-service   | Yes, SPA approved in October 2016   |
| 2013 HandyDART Vehicle                               | Substantially completed; already in-service   | Yes, SPA approved in September 2012 |
| 2015 HandyDART Vehicle                               | Substantially completed; already in-service   | Yes, SPA approved in September 2015 |
| 2014 Community Shuttles                              | Substantially completed; already in-service   | Yes, SPA approved in May 2013       |
| 2014 Conventional Bus                                | Substantially completed; already in-service   | Yes, SPA approved in May 2013       |
| 2014 HandyDART Vehicle                               | Substantially completed; already in-service   | Yes, SPA approved in May 2013       |
| 2018 HandyDART Vehicle Replacement                   | Project approximately 50% complete. Remaining vehicles to be delivered and put into service by October 2018.  | Yes, SPA approved in September 2017 |
| 2018 Conventional Bus Replacement                    | Project is approximately 30% complete. Buses currently in production.   | Yes, SPA approved in June 2017      |
| 2018 Community Shuttle Vehicle Replacement           | Project is approximately 20% complete. Shuttles currently in production.  | Yes, SPA approved in August 2017    |
| 2018 40' Conventional Bus Purchases - Expansion      | Project is approximately 30% complete. All buses will be manufactured by September 2018.  | Yes, SPA approved in July 2017      |
| 2018 60' Conventional Bus Purchases - Expansion      | Project is approximately 5% complete, procurement contract has been executed and vehicles will arrive between January and April 2019.   | Yes, SPA approved in October 2017   |
| Equipment for Deferred Retirement Program            | Project is approximately 60% complete, purchase order for equipment has been issued. Arrival of equipment is expected in Q3 2018.   | Yes, SPA approved in December 2017  |
| Electric Battery Bus Purchases - Pilot               | Project is approximately 15% complete with detailed design is nearing completion. Orders for buses and chargers have been placed and delivery is expected in Q1 and Q2 of 2019.                                   | Yes, SPA approved in September 2017 |
| 2018 HandyDART Vehicle Purchases - Expansion         | Project approximately 50% complete. Remaining vehicles to be delivered and put into service by October 2018.  | Yes, SPA approved in October 2017   |
| 2018 Community Shuttle Vehicle Purchases - Expansion | Project is approximately 20% complete. Shuttles currently in production.  | Yes, SPA approved in August 2017    |
| 2019 Conventional Bus Expansion - double decker      | Project is approximately 10% complete. Vendor contracts have been awarded. Vehicles to start arriving in Fall 2019.   | Yes, SPA approved in March 2018     |
| 2019 Conventional Bus Expansion - 60' hybrid         | Project is approximately 10% complete. Vendor contracts have been awarded. Vehicles to start arriving in Fall 2019.   | Yes, SPA approved in March 2018     |
| 2019 HandyDART Vehicle Purchase – Expansion          | Project is approximately 5% complete, procurement contract has been executed and vehicles will begin arriving in summer 2019.   | Yes, SPA approved in May 2018       |
| 2019 Double Decker Bus Purchase – Replacement        | Project is approximately 10% complete. Vendor contracts have been awarded. Vehicles to start arriving in Fall 2019.   | Yes, SPA approved in Apr 2018       |
| 2019 HandyDART Vehicle Purchase – Replacement        | Project is approximately 5% complete, procurement contract has been executed and vehicles will begin arriving in summer 2019.   | Yes, SPA approved in May 2018       |
| 2019 Community Shuttle Purchase – Replacement        | Not yet initiated   | Yes, SPA approved in August 2018    |



## **F. Alignment with Evaluation Criteria**

The "Federal Gas Tax Fund Expenditures Policy" includes a list of criteria (Evaluation Criteria) that will be used by Metro Vancouver to evaluate whether or not a regional transportation project proposed by TransLink for GVRF funding merits approval. Two types of Evaluation Criteria are identified:

- 1) Screening Criteria, which represents requirements that are mandatory for any project for which GVRF funding is requested; and
- 2) Integrated Criteria, which allows for a qualitative assessment of the proposed project based on high priority objectives that reflect the intent of the GVRF as well as of Metro Vancouver goals.

TransLink concludes that the current group of active projects with GVRF funding meets the Evaluation Criteria because:

- The projects are either expansion or replacements to existing public transit network;
- Project expenditures claimed under the GVRF funding meets the eligibility criteria as defined in Schedule C of the 2014 Administrative Agreement;
- The projects are included in TransLink's 2017 Investment Plan, which advances the goals identified in TransLink's long-term Regional Transportation Strategy, and supports goals identified in Metro Vancouver's Regional Growth Strategy, *Metro Vancouver 2040: Shaping Our Future (Metro 2040)*;
- The projects are consistent with TransLink's corporate policies, such as sustainability, environmental and emissions policy;
- The projects support the Regional Growth Strategy by aligning with the five strategic goals in *Metro 2040* and demonstrating tangible benefits to the overall performance of Urban Centers and Frequent Transit Development Areas;
- The projects provide tangible beneficial effects on vehicle kilometres travelled and congestion, transit mode share and ridership, transit passenger congestion, and transportation safety;
- The projects meet the Regional Environmental Objectives by aligning with Metro Vancouver's *Integrated Air Quality and Greenhouse Gas Management Plan (IAQGGMPP)* and demonstrating tangible beneficial effects on reducing greenhouse gas and common air contaminant emissions; and
- The projects support regional economic development and demonstrate tangible beneficial effects on transportation performance.

## **CONCLUSION**

TransLink has delivered the majority of projects funded via the GVRF as required. TransLink will continue to ensure that all active projects funded by GVRF will meet the requirements as defined by the "Federal Gas Tax Fund Expenditures Policy".

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To: Finance and Intergovernment Committee

From: Greg Smith, General Manager, Corporate Services

Date: October 4, 2018 Meeting Date: October 12, 2018

Subject: **E-Comm and British Columbia Emergency Health Services – City of Delta Request**

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### RECOMMENDATION

That the Finance and Intergovernment Committee receive for information the report dated October 4, 2018, titled “E-Comm and British Columbia Emergency Health Services – City of Delta Request”.

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### PURPOSE

This report provides information regarding the contract between Metro Vancouver and E-Comm for emergency dispatch services.

### BACKGROUND

At its September 28, 2018 meeting the Metro Vancouver Board of Directors passed the following resolution:

*That the MVRD Board:*

- a) refer the following motion to the Finance and Intergovernment Committee for consideration at its October 12, 2018 meeting:*

*Whereas BCEHS has adopted a new emergency call response protocol as of May 31, 2018, Whereas the contract between Metro Vancouver and E-Comm states that E-Comm shall determine the type of emergency service required, “Conferencing or Transferring” calls to the “appropriate emergency response agent”, i.e. Delta Fire, Police or ambulance; Since Delta pays over \$3 million dollars per year to E-Comm for dispatch services, Since Delta has a right to receive and respond to the emergencies of Delta residents, Therefore, be it resolved, that the Metro Board instruct E-Comm to simultaneously transfer Delta’s 911 calls to BC Ambulance and Delta Fire Emergency First Responders, And further that all other Metro cities be offered the same right, i.e. to handle their own calls through simultaneous dispatch.*

- b) direct the Finance and Intergovernment Committee to invite E-Comm representatives to the October 12, 2018 Finance and Intergovernment Committee meeting, and to report back to the Board with information and recommendations regarding the motion set out in part a).*

This report provides information regarding the contract between Metro Vancouver and E-Comm for emergency dispatch services and provides the Finance and Intergovernment Committee the opportunity to respond to the motion put forward by the City of Delta.

## **E911 SERVICE OVERVIEW**

Under the *Greater Vancouver Regional District E911 Emergency Telephone Extended Service Establishment Bylaw No. 645, 1990*, the Regional District has responsibility to provide a regional initial call answer 911 system for Metro Vancouver residents. This is performed by Metro Vancouver's service provider E-Comm.

E-Comm processes between 900,000 and 1 million emergency calls for the region annually and is currently under a 5-year contract that will expire in 2022. The cost for the E911 service in 2018 was \$4,220,179.

A 911 call and the system of linking a person in an emergency situation with the needed first responder is a complicated process, involving intricate call processing, and several supporting agencies.

### **The Two Parts of a 911 Call**

Most 911 calls are actually two separate events or calls. The first part is the call from the resident to E-Comm:

*"Hello this is E-Comm. Please confirm your name, address, and the nature of your emergency."*

*"My name is Mr. Jones I live in Richmond and my house is on fire. I need the fire department".*

The second part is the transfer from E-Comm to the appropriate first responder to help the resident:

*"Hello Mr. Jones, this is Richmond Fire, we will dispatch a crew and truck."*

The transfer, commonly referred to as "live answer transfer" happens with the caller on the line so they are often unaware that it even occurred. To the caller it looks like they have called 911 and help is on the way. But in fact there was one call "in" asking for help and second call "out" sending the help.

The first call is commonly known as "Initial Call Answer" and the second call is commonly known as "Event Notification" or sometimes "Emergency Dispatch". The Regional District is responsible for the Initial Call Answer only. This service is provided under contract with E-Comm. The second call (dispatch) is the responsibility of the local municipality or the Province (BC Ambulance). Some municipalities contract this service to E-Comm (or others), some perform this service in house.

### **E-Comm Procedure Manual**

In order to ensure a consistent service across the Region, the Metro Vancouver contract with E-Comm gives the Region the responsibility to develop and maintain a procedure manual that documents best practice on how and to whom calls are to be transferred to the first responders. The procedure manual does not instruct how dispatch agencies will process the calls once the live transfer has occurred.

### **MVRD E911 Emergency Telephone Service**

The Notice of Motion put forward by the City of Delta that has been referred to the Finance and Intergovernment Committee for consideration proposes that the Metro Vancouver Board instruct E-Comm to simultaneously transfer incoming 911 calls from the City of Delta to BC Ambulance and to Delta Fire Emergency First Responders. The motion also proposes that other member jurisdictions be offered the same opportunity to have all incoming calls simultaneously dispatched to their fire departments.

As noted in this report, like other regional districts in the Province with E911 services, Metro Vancouver's contract with its service provider (E-Comm) is only for the "Initial Call Answer" system, the service does not include the dispatch service. Metro Vancouver received authority for this service in 1988 when technology became available to implement the "Public Safety Answering Point" (PSAP) system. This system enables residents within the Metro Vancouver region to dial 911 and reach a central point that would 'receive' emergency calls requiring the response of one or more public safety services, such as fire, police or ambulance. Metro Vancouver contracts with E-Comm to provide the initial call answer system, the 2018 cost of this contracted service is \$4.23 million and is funded by a tax requisition.

The changes being proposed are related to the transfer and dispatch of calls (not the initial receiving of calls) and will have implications for E-Comm's dispatch system, its procedures and its protocols with emergency service agencies. The changes proposed in the notice of motion may wish to be requested by the Board; however, these changes are not within the scope of the current service agreement between MVRD and E-Comm.

### **ALTERNATIVES**

This is an information report. No alternatives are presented.

### **FINANCIAL IMPLICATIONS**

The proposed change included in the Notice of Motion to direct E-Comm to simultaneously transfer and dispatch E911 calls from the City of Delta to BC Ambulance and to Delta Fire Emergency First Responders is outside the scope of the contract between MVRD and E-Comm.

### **SUMMARY / CONCLUSION**

This report brings forward information in response to the Notice of Motion from the City of Delta considered at the Metro Vancouver Board of Directors meeting held September 28, 2018. This report explains at a high level what responsibilities the Regional District has under the Establishing bylaw and how Metro Vancouver works with its service provider E-Comm to receive emergency calls. Under the establishing bylaw the Region is responsible for the initial call answer portion of a 911 call only. The dispatch portion of a 911 call is the responsibility of the individual member municipalities or in the case of BC Ambulance, the Province.

### **Attachments**

1. Correspondence from E-Comm 911 to City of Delta regarding BC Emergency Health Services Clinical Response Model, dated September 19, 2018.

2. 911 Call Answer Centre Service Contract between the Greater Vancouver Regional District (Metro Vancouver) and E-Comm Emergency Communications for Southwest British Columbia Incorporated (E-Comm) executed August 7, 2012

27046581

September 19, 2018

Her Worship Mayor Lois E. Jackson  
City of Delta  
4500 Clarence Taylor Crescent  
Delta, BC V4K 3E2

Dear Mayor Jackson,

Thank you for your letter of August 22, 2018 in which you detail your concerns regarding the new Clinical Response Model implemented by BC Emergency Health Services (BCEHS) in May 2018.

I am aware of the Notice of Motion put forward to the September 28, 2018 Metro Vancouver Board of Directors' meeting regarding simultaneous 9-1-1 call transfer. I thank you for including a copy of your motion and the various communications you and others have had with BCEHS on this topic, in the package for the E-Comm Board's information.

At the centre of this discussion are the diverging views of BCEHS and the firefighting community on which medical calls warrant firefighter attendance. Although it is E-Comm's position that this matter requires resolution through BCEHS and its Fire partners, I want to assure you that your correspondence will be shared with our Board of Directors nonetheless.

By way of background, E-Comm has been the 9-1-1 Primary Public Safety Answer Point (PSAP) for Metro Vancouver since 1999. As a 9-1-1 PSAP, our mandate is to answer and transfer 9-1-1 calls ("*Answer, Transfer, Disconnect*") to the agency the caller requests (the "Primary Agency"). In this capacity, we answer and transfer approximately 1.45 million 9-1-1 calls every year to police, fire and ambulance to action.

I understand you have previously spoken with our CEO Oliver Grüter-Andrew on this topic, who outlined that simultaneous transfer of a single 9-1-1 call to two agencies is not technically feasible due to 9-1-1 network infrastructure design.

Beyond the fact that simultaneous transfer is not possible, it is our view that any change to 9-1-1 protocol (i.e. stepping away from the PSAP model of *answer, transfer, disconnect*), demands thorough study in order to consider potential impacts, including but not limited to, 9-1-1 call answer times, the capacity of the 9-1-1 system, privacy, liability, contractual obligations between Metro Vancouver and E-Comm, and most important, public safety.

With regard to the "over \$3M<sup>1</sup> per year" reference in the Notice of Motion for *dispatch services* paid to E-Comm, I would like to clarify that figure is incorrect. Delta levies total \$2.7M for *all* services and technology including *non*-dispatch services and technology (i.e. police and fire radio system infrastructure/equipment and the levies that support multiple technologies requested by Fire Technology Management Committee (FTMC) of which Delta Fire & Emergency Services is a member). The fees for Fire dispatch total approximately 10% of that amount.

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<sup>1</sup> Actual total combined amount is \$2.7M (2018 Budget)

Mayor Jackson, we place tremendous value in our longstanding partnership with the City of Delta for the many services we provide to your community and many others. However, we believe that the fundamental issue at hand are the differing views of BCEHS and fire departments on which medical events warrant firefighter attendance, and this discussion is well outside of E-Comm's purview and mandate.

As such, we support this issue being resolved based on data and expertise found within the medical, firefighting and policing communities in a manner satisfactory to all parties.

We appreciate and thank you for keeping us abreast of your position. I will update you on our Board's discussions in due course.

Sincerely,



Chair, E-Comm Board of Directors

cc Greg Moore, Chair, Metro Vancouver Board of Directors  
Raymond Louie, Vice-Chair, Metro Vancouver Board of Directors  
Carol Mason, Commissioner/Chief Administrative Officer, Metro Vancouver  
Greg Smith, General Manager, Corporate Services  
E-Comm Board of Directors  
The Honourable Carla Qualtrough, PC, MP Delta  
Ravi Kahlon, MLA, Delta North  
Ian Paton, MLA Delta South  
Fire Chiefs Association of BC  
Regional Administrative Advisory Committee  
Carl Roy, President, Emergency Health Services  
Oliver Grüter-Andrew, CEO, E-Comm  
Delta Council  
Karl Preuss, Acting City Manager, City of Delta  
Fire Chief Paul Scholfield, Delta Fire & Emergency Services  
Chief Constable Neil Dubord, Delta Police Department

**9-1-1 CALL ANSWER CENTRE SERVICE CONTRACT**

THIS AGREEMENT signed August 7, 2012 is effective January 1, 2013

BETWEEN:

**GREATER VANCOUVER REGIONAL DISTRICT**

(**"Metro Vancouver"**)

AND:

**E-COMM EMERGENCY COMMUNICATIONS FOR  
SOUTHWEST BRITISH COLUMBIA INCORPORATED**

(**"E-Comm"**)

WHEREAS:

- A. Metro Vancouver has the capacity and was given the authority by its Supplementary Letters Patent dated May 19, 1988 to implement a regional enhanced 9-1-1 emergency telephone system (the **"E9-1-1 Service"**);
- B. Pursuant to the Greater Vancouver Regional District E 9-1-1 Emergency Telephone Extended Service Establishment Bylaw No. 645, 1990, the E9-1-1 Service function was converted to an extended service and Metro Vancouver was given the authority to enter into contracts for the provision of all or part of such service;
- C. Metro Vancouver and TELUS Communications Inc. (formerly BC TEL) (**"TELUS"**) entered into an "Agreement to Provide Provincial 9-1-1 Service" made effective June 1, 1999 (the **"9-1-1 Agreement"**) whereby, among other things, TELUS agreed to provide customer access to the 9-1-1 dialing code and to transport and route 9-1-1 calls, along with the caller's telephone number, name and address, to a call answer centre provided by Metro Vancouver (the **"Provincial 9-1-1 Service"**);
- D. Metro Vancouver entered into an agreement with E-Comm made as of January 1, 2010 whereby E-Comm agreed to operate and manage a call answer centre and provide primary enhanced 9-1-1 call answer services for Metro Vancouver's serving area for a period of three years, commencing on January 1, 2010 and expiring on December 31, 2012; and
- E. The parties wish to enter into this Agreement to set forth the terms and conditions by which E-Comm will continue to manage and operate the Call Answer Centre and provide primary enhanced 9-1-1 call answer services to Metro Vancouver.

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the premises, the mutual covenants and agreements set forth in this Agreement and for other



good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the parties), the parties hereby agree as follows:

**1. INTERPRETATION**

**1.1 Defined Terms.** In this Agreement:

- (a) **“9-1-1 Agreement”** has the meaning given to that term in Recital C;
- (b) **“95/5 Service Level”** has the meaning given to that term in Section 3.1(a);
- (c) **“Accommodate”** means using reasonable commercial efforts (reasonable being interpreted to include the concept that there is no duty to incur any material out of pocket costs) to work with the competitive local exchange carriers, wireless service providers and voice over internet protocol suppliers with respect to their participation in the 9-1-1 service, including establishing the testing schedule, and to arrange for additional staff as necessary to avoid negatively impacting service results, it being understood that as a condition of accommodation E-Comm may require compensation from the requesting carrier for such additional staff;
- (d) **“Additional 9-1-1 Services”** has the meaning given to that term in Section 2.2;
- (e) **“Annual Maximum Amount”** has the meaning given to that term in Section 4.2;
- (f) **“Annual Period”** has the meaning given to that term in Section 4.2;
- (g) **“Call Answer Centre”** means the communications facility, operated by E-Comm 24 hours a day, 365 days a year, that provides the Call Answer Services;
- (h) **“Call Answer Services”** means primary enhanced 9-1-1 call answer services, including answering 9-1-1 calls, determining the type of emergency service required, conferencing or transferring calls to the appropriate ERA and such other services as are necessary or incidental thereto;
- (i) **“E9-1-1 Service”** has the meaning given to that term in Recital A;
- (j) **“ERA”** means the communication centre to which 9-1-1 calls are transferred from the Call Answer Centre and which is the emergency response agency responsible for dispatching emergency medical, fire or law enforcement personnel;
- (k) **“Force Majeure Event”** has the meaning given to that term in Section 3.1(e);
- (l) **“Initial Term”** has the meaning given to that term in Section 6.1;
- (m) **“Material Call Volume Increase”** has the meaning given to that term in Section 3.1(b);
- (n) **“Material Call Volume Increase Notice”** has the meaning given to that term in Section 3.1(b);

- (o) **“Material Change”** means any change to standards, processes, protocols or other matters impacting the quality or manner in which Call Answer Services are provided and, for greater certainty, excludes changes that are of a typographical, clerical or similar nature;
- (p) **“Operating Costs”** has the meaning given to that term in Section 4.2;
- (q) **“Operations Manual”** means the Enhanced 9-1-1 Operations Manual published by E-Comm;
- (r) **“Provincial 9-1-1 Service”** has the meaning given to that term in Recital C;
- (s) **“Renewal Term”** has the meaning given to that term in Section 6.2;
- (t) **“Serving Area”** means the area within Metro Vancouver’s boundaries from which 9-1-1 calls will be directed to the Call Answer Centre and any other geographic area to which Metro Vancouver provides or may provide the E9-1-1 Service, which as of the date of this Agreement includes the Resort Municipality of Whistler and the communities that make up the Sunshine Coast Regional District; and
- (u) **“Term”** has the meaning given to that term in Section 6.2.
- (v) **“Timely”** means within 90 days

## **2. CONTRACT FOR SERVICES**

2.1 Contract for Services. Metro Vancouver and E-Comm hereby enter into a contract for services under which E-Comm agrees to:

- (a) provide, operate and manage the Call Answer Centre in accordance with the terms of this Agreement and any relevant terms of the 9-1-1 Agreement;
- (b) provide the Call Answer Services to Metro Vancouver throughout the Serving Area in accordance with the terms of this Agreement and any relevant terms of the 9-1-1 Agreement;
- (c) provide, operate and manage the personnel and equipment required to receive and process all 9-1-1 calls directed to the Call Answer Centre and to otherwise perform E-Comm’s obligations under this Agreement;
- (d) provide Additional 9-1-1 Services to Metro Vancouver in accordance with the terms of this Agreement and any relevant terms of the 9-1-1 Agreement;
- (e) maintain a back-up call answer centre capable of performing the Call Answer Services in circumstances such as a local failure of the primary TELUS 9-1-1 delivery network, a major system failure in the Call Answer Centre or a major

event that forces the evacuation of the Call Answer Centre or enter into an agreement with an ERA to assume this role; and

- (f) provide Metro Vancouver with a copy of its disaster recovery and service restoration plans and any amendments or supplements to such plans made from time to time.

2.2 Additional Services. In addition to E-Comm's other rights and obligations under this Agreement, E-Comm will provide the following additional services (the "**Additional 9-1-1 Services**") at a standard reasonably acceptable to Metro Vancouver and at no additional cost to Metro Vancouver other than as indicated below:

- (a) support the operational and technical implementation and testing of future 9-1-1 services, with the caveat that for new services requiring significant technological enhancements, the parties will meet and engage in good faith discussions on the method and payment by which all costs for such new services are to be allocated and recovered;
- (b) develop and implement new or enhanced public education programmes with respect to 9-1-1 emergency service in the Serving Area, provided that E-Comm will obtain the written consent of Metro Vancouver for E-Comm's annual concept plan for such programmes prior to implementation, for any material changes to those plans occurring after such consent is given and for any use of Metro Vancouver's logo or other intellectual property, which consents will not be unreasonably withheld or delayed;
- (c) liaise with Metro Vancouver and all ERAs on all 9-1-1 related announcements (e.g., service outages, changes to 10 digit trunk equivalents, consolidations of ERAs, backup services, wireless implementations, etc.);
- (d) Accommodate test calls for competitive local exchange carriers, wireless service providers and voice over internet protocol suppliers as required; and
- (e) maintain the Operations Manual as further set out in Section 2.3.

2.3 Operations Manual. E-Comm agrees to:

- (a) maintain and keep current the Operations Manual, provided that any Material Change to the Operations Manual is subject to the prior approval of Metro Vancouver, which approval will not be unreasonably withheld or delayed;
- (b) provide timely notice to Metro Vancouver of any permitted changes to the Operations Manual;
- (c) provide an updated version of the Operations Manual to Metro Vancouver on an annual basis;

- (d) within a reasonable period following delivery of the updated version of the Operations Manual as noted in Section 2.3(c), meet with representatives of Metro Vancouver to review the updated Operations Manual and discuss any additional matters related thereto; and
- (e) consult and work cooperatively with the ERAs in performing its obligations under this Section 2.3.

The parties acknowledge and agree that as of the date of this Agreement the current version of the Operations Manual is version 2.0 with a currency date of August 2, 2012.

### **3. E-COMM RESPONSIBILITIES**

#### **3.1 Service Levels.**

- (a) Subject to the terms of this Agreement, E-Comm will provide the Call Answer Services in the Serving Area such that at least 95% of all 9-1-1 calls originating within the Serving Area and received through the Provincial 9-1-1 Service at the Call Answer Centre are answered by a Call Answer Centre operator within five (5) seconds after the time that the call is received by the Call Answer Centre and before being redirected to a recorded answering service (the “**95/5 Service Level**”). The 95/5 Service Level will be determined on a quarterly basis during the Term. E-Comm is only required to achieve a 95/5 Service Level if the equipment and systems supplied by TELUS are reasonably capable of reaching such a level of service.
- (b) E-Comm will not be required to achieve or maintain a 95/5 Service Level if, in any six (6) month period during a calendar year, the number of 9-1-1 calls received at the Call Answer Centre increases by more than 5% over the volume of 9-1-1 calls for the same six (6) month period during the preceding calendar year (a “**Material Call Volume Increase**”). Upon identifying that a Material Call Volume Increase will prevent E-Comm from meeting the 95/5 Service Level, E-Comm will give prompt written notice (a “**Material Call Volume Increase Notice**”) to Metro Vancouver stating:
  - (i) that there has been a Material Call Volume Increase and providing documentation setting out the number of 9-1-1 calls forming part of such increase;
  - (ii) the estimated level of service that E-Comm is able to provide as a result of the Material Call Volume Increase; and
  - (iii) the estimated period of time that such other level of service will remain in effect.
- (c) Promptly following the delivery of a Material Call Volume Increase Notice, the parties will meet and engage in good faith discussions on the actions to be taken by both parties in response to the Material Call Volume Increase, including

whether the circumstances giving rise to that increase represent a new trend in the number of 9-1-1 calls received at the Call Answer Centre. If the increased call volume represents a new trend, such that the parties, each acting reasonably, agree that the increase is unlikely to revert to previous volumes in the foreseeable future, the costs identified in section 4.2 will be amended to compensate E-Comm for all reasonable costs incurred by E-Comm to fulfill the obligations of this Agreement, and the parties will meet and engage in good faith discussions concerning such revisions. If the parties cannot agree on whether the increased call volume represents a trend or on the revisions to be made, the provisions of Article 9 hereof shall apply.

- (d) In the event that E-Comm is not able to restore the 95/5 Service within ninety (90) days of delivering a Material Call Volume Increase Notice (or such longer period of time as Metro Vancouver and E-Comm, each acting reasonably, may jointly determine as acceptable in the circumstances) then E-Comm will be considered to be in breach of its material covenants and obligations under this Agreement.
- (e) E-Comm will not be responsible or liable in any way for any delays or inability to achieve 95/5 Service Levels caused by (a) acts of God; (b) restrictions, regulations or orders of any governmental authority or agency or subdivision thereof or delays caused by such authorities or agencies; (c) strikes or labour disputes; (c) fires or other loss of facilities; (d) breach or delay under the 9-1-1 Agreement; (e) utility, communication or transportation delays or failures; (f) acts of war (whether declared or undeclared), terrorism, sabotage or the like; (g) systemic abuse by a member of the public of the 911 emergency telephone system or (h) a response or lack of response of the ERAs that impedes or interferes with the function of the primary enhanced 9-1-1 answering service; or (i) any other causes beyond the reasonable control, and not the result of the fault or neglect, of E-Comm (each, a “**Force Majeure Event**”) provided that E-Comm shall take reasonable commercial efforts to avoid or limit the duration or impact of a Force Majeure Event and provided further that nothing herein shall be interpreted to affect or detract from the immunities provided for in the *Emergency Communications Corporations Act*, S.B.C. 1997, c. 47.
- (f) E-Comm will ensure that the operation and management of the Call Answer Centre, the performance of the Call Answer Services and any other services provided by it under this Agreement meet or exceed the quality standards generally accepted in North America for such services, except that if there is any conflict with or inconsistency between such general quality standards and the express terms of this Agreement, including the 95/5 Service Level, then the terms of this Agreement will prevail to the extent of such conflict or inconsistency.
- (g) If E-Comm determines that either: (i) the equipment and systems used by one or more ERAs or (ii) the level of service by, or response or lack of response of, one or more ERAs impedes or interferes with the function of the Provincial 9-1-1 Service or the Call Answer Services, then E-Comm will provide Metro Vancouver with prompt notice thereof.

- (h) If Metro Vancouver, acting reasonably, agrees with the matters identified by E-Comm in its notice under Section 3.1(g), Metro Vancouver will use reasonable efforts to cause all such ERAs to rectify the matters identified in E-Comm's notice.

3.2 Reporting. E-Comm will provide Metro Vancouver with quarterly reports regarding its service level commitments under this Agreement, substantially in the form attached as Schedule A hereto, which reports will be available to Metro Vancouver by secure online access. In addition, E-Comm will provide Metro Vancouver with secure online access to call statistics and interim service level commitment data for both E-Comm and the ERAs, substantially in the forms attached as Schedule B hereto, as soon as E-Comm, acting reasonably, is able to make such data available.

3.3 Access to Call Answer Centre. E-Comm will provide the persons appointed by Metro Vancouver from time to time as 9-1-1 System Administrators with full rights of access to:

- (a) the Call Answer Centre, subject to such persons obtaining, at Metro Vancouver's cost, the appropriate security clearance; and
- (b) any records or other documentation related to the performance of the Call Answer Services (i) subject to applicable law and (ii) provided that, except with respect to records or documentation that Metro Vancouver is required by law to obtain or produce, access to such records or documentation does not impose upon E-Comm an unreasonable cost or administrative burden concerning identification, assembly and production of such records or documentation.

3.4 Methods and Procedures.

- (a) The methods and procedures to be used by E-Comm in providing the Call Answer Services at the Call Answer Centre from the time a 9-1-1 call is received until that 9-1-1 call is either "transferred" or "conferenced" will be as set forth from time to time in the Operations Manual.
- (b) E-Comm will ensure that all personnel handling 9-1-1 calls comply with and receive adequate training with respect to, the methods and procedures set forth in the Operations Manual and will maintain a process for continually monitoring compliance with such methods and procedures.
- (c) The methods and procedures to be used by ERAs in responding to 9-1-1 calls transferred to them from Call Answer Centre are the responsibility of the ERAs and are outside the scope of the Call Answer Services.

3.5 Personnel. All personnel providing the Call Answer Services, the Additional 9-1-1 Services or any other services contemplated hereunder will be employees of E-Comm, and not Metro Vancouver, and, as such, will be subject to E-Comm human resources policies and practices, as determined by E-Comm from time to time.

3.6 Compliance with Laws. In the performance of its obligations hereunder, E-Comm will comply with the provisions of any statute, regulation, bylaw or other enactment that may from time to time apply to E-Comm and the services provided by E-Comm under this Agreement.

#### 4. REGIONAL DISTRICT RESPONSIBILITIES

4.1 Regional District Responsibilities. Metro Vancouver will continue to fulfill its obligations with respect to the Provincial 9-1-1 Service for the Serving Area in accordance with the 9-1-1 Agreement and, except with respect to those functions that are the responsibility of E-Comm as set out herein, will use reasonable commercial efforts to assist E-Comm in maintaining the 95/5 Service Level, including using reasonable efforts to cause all ERAs in the Serving Area to have or acquire the capacity to receive 9-1-1 calls transferred from the Call Answer Centre at a level capable of allowing E-Comm to meet the 95/5 Service Level.

4.2 Costs. Metro Vancouver will pay to E-Comm all reasonable operating, technology, administrative, space, energy and other agreed costs incurred by E-Comm for the purposes of providing the Call Answer Services (the “**Operating Costs**”), subject to an annual maximum amount (the “**Annual Maximum Amount**”) of \$3,673,900, which annual maximum amount will be adjusted in respect of the second and each subsequent year of the Term (each, an “**Annual Period**”) as follows:

- (a) an increase equal to the annual consumer price index, all items for the City of Vancouver (“**CPI**”), as published by Statistics Canada for the previous calendar year (the “**Base Year**”), as compared to the CPI for the calendar year immediately preceding the Base Year; or 2% annual increase, whichever is greater.

4.3 Invoice and Payment. On the first day of each calendar quarter during the Term, E-Comm will invoice Metro Vancouver for an amount equal to one-quarter of the Operating Costs for the then current Annual Period. Metro Vancouver will pay all undisputed invoices in full within 14 days after receipt thereof.

4.4 Third Party Services. Metro Vancouver will provide E-Comm with monthly operating reports regarding interpretation services provided by Language Line Services in connection with the Call Answer Services.

#### 5. TELUS

5.1 E-Comm Authority to Deal with TELUS. Subject to the prior approval of TELUS, Metro Vancouver agrees that E-Comm may contact and deal directly with TELUS with respect to those matters listed in Schedule C hereto.

5.2 Communication of Authority. Promptly following execution of this Agreement, Metro Vancouver will deliver to TELUS written confirmation of the authority granted to E-Comm pursuant to Section 5.1.

5.3 Amendments to Schedule C. The terms of Schedule C may be amended or replaced from time to time with the consent of both parties, such consent to be conclusively

determined by the signature of an authorized signatory of each party on the amended or replacement Schedule C. Upon being signed by both parties, such amended or replacement Schedule C will supersede the then-current Schedule C and will become an integral part of this Agreement.

## **6. TERM, RENEWAL AND TERMINATION**

6.1 Term. Subject to Section 6.2 and unless earlier terminated in accordance with Section 6.3 or 6.4, the term of this Agreement will be for a period of five years (the “**Initial Term**”) commencing at 12:00 a.m. on January 1, 2013 and expiring at 11:59 p.m. on December 31, 2017.

6.2 Renewal. Upon expiration of the Initial Term, this Agreement will automatically renew for one additional period of five years (the “**Renewal Term**”) unless either party provides the other party with written notice of its intention not to renew this Agreement at least twelve (12) months prior to the expiration of the Initial Term. The Initial Term and any Renewal Term may be referred to alternately or collectively (as the context requires) in this Agreement as the “**Term.**”

6.3 Termination Rights. This Agreement may be terminated prior to the expiration of the Term by either party:

- (a) if such party gives not less than 12 months’ written notice to the other party;
- (b) if the other party breaches any of its material covenants or obligations under this Agreement and such breach is not remedied within ninety (90) days of the party in breach receiving written notice of such breach, or within such longer period as is reasonable in the circumstances so long as the party in breach is diligently working to implement remedial action; or
- (c) if the other party becomes insolvent, ceases to do business as a going concern, is adjudged a bankrupt or made subject to the appointment of a receiver-manager, makes a general assignment for the benefit of creditors, or takes the benefit of any statute in force for the winding up or liquidation of business enterprises.

6.4 Automatic Termination. This Agreement will terminate on the effective date of any termination of the 9-1-1 Agreement unless, concurrently with such termination, Metro Vancouver enters into a replacement agreement with TELUS (or an affiliate of TELUS or their respective successors or assigns) with respect to the provision of Provincial 9-1-1 Service to Metro Vancouver.

6.5 Obligations Upon Termination. In addition to any other obligations of Metro Vancouver upon termination specified in or required under the 9-1-1 Agreement, the following provisions apply upon the expiration of the Term or early termination of this Agreement under Sections 6.3 or 6.4:



- (a) within 14 days of the effective date of expiration or termination of this Agreement, Metro Vancouver will pay to E-Comm all amounts owing under this Agreement for the period up to and including such effective date;
- (b) E-Comm will cooperate fully with Metro Vancouver, any successor service provider and with TELUS in the development and implementation of a plan for the orderly transition of the Call Answer Services and the provision of Additional 9-1-1 Services to any successor service provider; and
- (c) Metro Vancouver will pay E-Comm for the reasonable costs incurred by E-Comm in developing and implementing the plan contemplated by Section 6.5(b), including costs incurred by E-Comm to relocate the E911 telephone trunk lines from the Call Answer Centre to a new location.

6.6 Survival. The obligations set out in Section 6.5 will survive the expiration or termination of this Agreement.

## **7. TITLE**

7.1 Metro Vancouver acknowledges and agrees that all of the leasehold furnishings and other personal property located at the Call Answer Centre, including the primary enhanced 9-1-1 emergency telephone system, are owned or leased by E-Comm, regardless of whether such furnishings and personal property are deemed to be a “fixture” at law.

## **8. CONFIDENTIAL INFORMATION**

8.1 Confidentiality. Any information, including any and all written documentation provided to E-Comm by Metro Vancouver or by TELUS, or by their respective employees, servants, agents, assigns and/or contractors, pertaining to the design, development, implementation, operation and maintenance of the Provincial 9-1-1 Service is confidential, and will be provided by E-Comm only to such persons who have a need to know for the purposes of this Agreement or the 9-1-1 Agreement. E-Comm will not permit any of its employees, servants, agents, assigns and/or contractors to use or to duplicate, reproduce or otherwise copy any such confidential information for any purpose whatsoever, except as may be required by any such employees, servants, agents, assigns and/or contractors with a need to do so for the purposes of this Agreement or the 9-1-1 Agreement.

8.2 ANI/ALI Information. Confidential automatic number identification (“**ANI**”) and automatic location identification (“**ALI**”) and associated information are the property of Metro Vancouver, but will be provided to the Call Answer Centre and ERAs by TELUS as directed by Metro Vancouver solely for the purpose of enabling the Call Answer Centre and ERAs to verify the location from which a 9-1-1 call is placed and for the purpose of associating a 9-1-1 call with a physical address. E-Comm must retain all ANI/ALI and associated information in confidence and will treat the confidential information with the same degree of care that it employs for the protection of its own confidential information and, at a minimum, a reasonable degree of care, and will not use or copy such information, except by employees, servants, agents and assigns and/or contractors, including the Call Answer Centre and ERAs (provided such employees, servants, agents, assigns and/or contractors are bound in writing by similar confidentiality

obligations as contained in this Agreement) where there is a need to know for the purposes of this Agreement.

8.3 Privacy. E-Comm will comply with all federal and provincial legislation applicable to public bodies with respect to the protection of privacy as is in effect from time to time.

8.4 Exceptions. Notwithstanding the foregoing in this Article, E-Comm will have the right, pursuant to Section 9 of the *Emergency Communication Corporations Act*, to disclose to each of its members or to any ERA copies of that member's or that ERA's records relating to any services provided by E-Comm to that member or that ERA that are in the possession or under the control of E-Comm in order to allow that member or ERA to comply with the *Freedom of Information and Protection of Privacy Act*.

8.5 Survival. The obligations set out in this Article 8 will survive the expiration or termination of this Agreement.

## **9. DISPUTE RESOLUTION**

9.1 Mediation. If there is any dispute arising out of or relating to this Agreement, then the parties will use reasonable good faith efforts to resolve such dispute, first by direct negotiation and then, if that is not successful, by mediation with a neutral third party mediator acceptable to both parties. Each party will bear its own costs and expenses in connection with any mediation and all costs and expenses of the mediator will be shared equally by the parties.

9.2 Arbitration. Any dispute arising out of or relating to the Agreement that is not settled by agreement between the parties or mediation within a reasonable time may be settled by arbitration commenced by a notice of arbitration delivered by either party. Such an arbitration shall be conducted by a single arbitrator if the parties agree or, failing agreement, by a court of competent jurisdiction within the Province of British Columbia. If the parties decide to proceed with arbitration, the location of any arbitration proceeding will be in Vancouver, British Columbia. The arbitration will be governed by the *Commercial Arbitration Act* (British Columbia). The arbitrator will be selected and the arbitration conducted in accordance with the British Columbia Domestic Commercial Arbitration Rules ("**Rules**"), except that the provisions of this Agreement will control over the Rules. The parties will share equally in the fees and expenses of the arbitrator and the cost of the facilities used for the arbitration hearing, but will otherwise each bear their respective costs incurred in connection with the arbitration. Depositions will not be allowed, but information may be exchanged by other means. The parties will use their best efforts to ensure that an arbitrator is selected promptly and that the arbitration hearing is conducted no later than 3 months after the arbitrator is selected. The arbitrator must decide the dispute in accordance with the substantive law which would govern the dispute if it were litigated in court. This requirement does not, however, mean that the award is reviewable by a court for errors of law or fact. Following the arbitration hearing, the arbitrator will issue an award and a separate written decision which summarizes the reasoning behind the award and the legal basis for the award. The arbitrator will not:

- (a) award damages in excess of the amount limited by the terms of the Agreement; or

- (b) require one party to pay the other party's legal costs and expenses.

The award of the arbitrator will be final and binding on each party. Judgement upon the award may be entered in any court of competent jurisdiction.

9.3 Exception. The dispute resolution procedures set forth in Section 9.1 are the sole and exclusive procedures for resolving any dispute under this Agreement, except that either party may seek preliminary or temporary injunctive relief from a court if, in that party's sole judgment, such action is necessary to avoid irreparable harm or to preserve the status quo. If a party seeks judicial injunctive relief as described in this Section, then the parties will continue to participate in good faith in the dispute resolution procedures described in Section 9.1. The parties agree that no court which a party petitions to grant the type of preliminary or temporary injunctive relief described in this Section may award damages or resolve the dispute.

## **10. GENERAL PROVISIONS**

10.1 No Third Party Beneficiaries. Nothing contained in this Agreement will create a duty or liability on the part of E-Comm, Metro Vancouver or their respective employees or agents, to any member of the public. Except for the Resort Municipality of Whistler, the Sunshine Coast Regional District and any other government authority that forms a part of the Serving Area from time to time, there are no third party beneficiaries to this Agreement.

10.2 Further Agreements. The parties will enter into such further agreements and will execute such further documents with respect to the Call Answer Centre and the provision of the Call Answer Services and Additional 9-1-1 Services in the Serving Area, all in a form satisfactory to the parties acting reasonably, as are necessary in order to address modifications or alterations to the 9-1-1 Agreement or to address matters relating to the Call Answer Centre or the provision of the Call Answer Services and Additional 9-1-1 Services in the Serving Area that the parties wish to address but which are not addressed in the 9-1-1 Agreement or in this Agreement.

10.3 Assignment. Neither party will have the right to assign, transfer (whether directly or indirectly by way of a change of control) or otherwise dispose of any of its interest in all or any part of the Agreement, whether gratuitously or for consideration, without the prior written consent of the other party and any attempt to do so will be void, except that

- (a) E-Comm will have the right at any time without prior consent to assign, transfer or otherwise dispose of the whole of this Agreement to any subsidiary or affiliate company, provided that E-Comm provides notice to Metro Vancouver within a reasonable time before the effective date thereof and such subsidiary or affiliate company assumes all of the obligations of E-Comm under this Agreement in a form satisfactory to Metro Vancouver; and
- (b) Metro Vancouver will have the right at any time without prior consent to assign, transfer or otherwise dispose of the whole of this Agreement to one or more member municipalities or to a wholly-owned subsidiary of Metro Vancouver.

10.4 Notices. Any notice required pursuant to this Agreement will be in writing and delivered personally, by courier or by electronic means of communication to the addresses listed

below or to such other address or contact person as either party may indicate in writing to the other from time to time.

A. Metro Vancouver

Greater Vancouver Regional District  
4330 Kingsway  
Burnaby, BC V5H 4G8  
Attention: Greg Smith  
Fax: (604) 432-6251  
Email: greg.smith@metrovancover.org

B. E-Comm

E-Comm Emergency Communications for  
Southwest British Columbia Incorporated  
3301 East Pender Street  
Vancouver, BC V5K 5J3  
Attention: David Guscott  
Fax: (604) 215-4933  
Email: David.Guscott@ecomm911.ca

10.5 Benefit. This Agreement will enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.

10.6 Entire Agreement. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes any previous agreement between the parties, whether written or verbal.

10.7 Severability. If any provision of this Agreement is held to be unenforceable, then such provision will be severed from this Agreement and the remaining provisions will remain in full force and effect. The parties will in good faith negotiate a mutually acceptable and enforceable substitute for the unenforceable provision, which substitute will be as consistent as possible with the original intent of the parties.

10.8 Waiver. The failure of either party to require the performance of any obligation hereunder, or the waiver of any obligation in a specific instance, will not be interpreted as a general waiver of any of the obligations hereunder, which will remain in full force and effect.

10.9 Amendment. No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by both parties.

10.10 Relationship of Parties. This Agreement will not create nor will it be interpreted as creating any association, partnership or any agency relationship between the parties.


10.11 Governing Law. This Agreement is governed by and will be construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

10.12 Counterparts. This Agreement may be executed in counterparts, both of which together will constitute one and the same instrument, and either party may deliver its counterpart page by facsimile transmission.

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first set forth on page one.

**GREATER VANCOUVER  
REGIONAL DISTRICT**

Per:

  
\_\_\_\_\_  
Delia Laglagaron  
Interim Chief Administrative Officer  
and Commissioner

**E-COMM EMERGENCY  
COMMUNICATIONS FOR SOUTHWEST  
BRITISH COLUMBIA INCORPORATED**

Per:

  
\_\_\_\_\_  
David Guscott  
President and Chief Executive Officer

**SCHEDULE A**  
**FORM OF MONTHLY SERVICE REPORT**



**911 Performance Report (Feb 2012)**

|          | Service Level % | Calls Offered | Calls Answered | Abandoned | Avg Speed to Answer (sec) | Outbound Calls |
|----------|-----------------|---------------|----------------|-----------|---------------------------|----------------|
| 0:00     | 97%             | 1,188         | 1,160          | 28        | 3                         | 1              |
| 0:30     | 97%             | 997           | 955            | 42        | 3                         | 1              |
| 1:00     | 99%             | 925           | 888            | 37        | 3                         | 0              |
| 1:30     | 98%             | 862           | 838            | 24        | 4                         | 0              |
| 2:00     | 98%             | 788           | 752            | 36        | 3                         | 1              |
| 2:30     | 98%             | 708           | 691            | 17        | 3                         | 1              |
| 3:00     | 98%             | 702           | 688            | 14        | 3                         | 1              |
| 3:30     | 99%             | 568           | 550            | 18        | 3                         | 1              |
| 4:00     | 99%             | 432           | 427            | 5         | 3                         | 2              |
| 4:30     | 100%            | 483           | 452            | 31        | 2                         | 3              |
| 5:00     | 98%             | 477           | 464            | 13        | 3                         | 5              |
| 5:30     | 99%             | 476           | 467            | 9         | 2                         | 3              |
| 6:00     | 99%             | 559           | 544            | 15        | 2                         | 3              |
| 6:30     | 98%             | 578           | 557            | 21        | 3                         | 2              |
| 7:00     | 99%             | 752           | 720            | 32        | 3                         | 2              |
| 7:30     | 99%             | 888           | 850            | 38        | 2                         | 4              |
| 8:00     | 99%             | 1,188         | 1,128          | 60        | 3                         | 3              |
| 8:30     | 99%             | 1,261         | 1,192          | 69        | 3                         | 5              |
| 9:00     | 99%             | 1,293         | 1,228          | 65        | 3                         | 7              |
| 9:30     | 100%            | 1,358         | 1,283          | 75        | 2                         | 8              |
| 10:00    | 99%             | 1,463         | 1,391          | 72        | 3                         | 9              |
| 10:30    | 99%             | 1,583         | 1,497          | 86        | 3                         | 7              |
| 11:00    | 98%             | 1,719         | 1,640          | 79        | 3                         | 8              |
| 11:30    | 99%             | 1,718         | 1,644          | 74        | 3                         | 8              |
| 12:00    | 97%             | 1,787         | 1,688          | 100       | 3                         | 5              |
| 12:30    | 98%             | 1,889         | 1,809          | 80        | 3                         | 4              |
| 13:00    | 98%             | 1,720         | 1,641          | 79        | 3                         | 4              |
| 13:30    | 98%             | 1,807         | 1,725          | 82        | 3                         | 9              |
| 14:00    | 97%             | 1,848         | 1,748          | 100       | 3                         | 12             |
| 14:30    | 98%             | 1,908         | 1,809          | 99        | 3                         | 17             |
| 15:00    | 98%             | 2,029         | 1,919          | 110       | 3                         | 12             |
| 15:30    | 98%             | 1,974         | 1,882          | 92        | 3                         | 7              |
| 16:00    | 95%             | 2,002         | 1,915          | 87        | 3                         | 14             |
| 16:30    | 98%             | 1,953         | 1,881          | 72        | 3                         | 16             |
| 17:00    | 95%             | 1,904         | 1,823          | 81        | 3                         | 12             |
| 17:30    | 98%             | 1,965         | 1,872          | 93        | 3                         | 15             |
| 18:00    | 99%             | 1,871         | 1,783          | 88        | 2                         | 16             |
| 18:30    | 97%             | 1,793         | 1,704          | 89        | 3                         | 11             |
| 19:00    | 99%             | 1,731         | 1,652          | 79        | 2                         | 10             |
| 19:30    | 98%             | 1,764         | 1,688          | 76        | 3                         | 11             |
| 20:00    | 99%             | 1,657         | 1,574          | 83        | 3                         | 9              |
| 20:30    | 99%             | 1,572         | 1,484          | 78        | 2                         | 5              |
| 21:00    | 97%             | 1,572         | 1,505          | 67        | 3                         | 6              |
| 21:30    | 97%             | 1,594         | 1,529          | 65        | 3                         | 9              |
| 22:00    | 98%             | 1,448         | 1,410          | 38        | 3                         | 4              |
| 22:30    | 98%             | 1,465         | 1,409          | 56        | 3                         | 5              |
| 23:00    | 97%             | 1,283         | 1,217          | 66        | 3                         | 6              |
| 23:30    | 97%             | 1,206         | 1,183          | 23        | 3                         | 7              |
| Interval | 98%             | 64,450        | 61,818         | 2,632     | 3                         | 309            |

# SCHEDULE B FORMS OF INTERIM SERVICE REPORTS



Call Volume and Average Answer Delay for External Agencies

| Agency                | Target | Jan 2011 | Feb 2011 | Mar 2011 | Apr 2011 | May 2011 | Jun 2011 | Jul 2011 | Aug 2011 | Sep 2011 | Oct 2011 | Nov 2011 | Dec 2011 | 2011 YTD  |
|-----------------------|--------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|
| PSAP                  |        | ASAs     | ASAs     | ASAs     | ASAs     | ASAs     | ASAs     | ASAs     | ASAs     | ASAs     | ASAs     | ASAs     | ASAs     | ASAs      |
|                       |        | ASAs     | ASAs     | ASAs     | ASAs     | ASAs     | ASAs     | ASAs     | ASAs     | ASAs     | ASAs     | ASAs     | ASAs     | ASAs      |
| E-Comm 9-1-1          | 4      | 85,753   | 80,497   | 82,593   | 87,808   | 92,096   | 97,740   | 100,324  | 98,890   | 97,185   | 96,832   | 88,544   | 91,976   | 1,104,265 |
| Ambulance             |        |          |          |          |          |          |          |          |          |          |          |          |          | 3.0       |
| BCAS                  | 7      | 18,367   | 17,539   | 17,833   | 17,455   | 18,164   | 18,918   | 19,185   | 19,087   | 18,224   | 19,085   | 18,321   | 19,829   | 221,838   |
| Fire Agencies         |        |          |          |          |          |          |          |          |          |          |          |          |          | 7         |
| Burnaby               | 7      | 246      | 180      | 242      | 258      | 359      | 210      | 242      | 267      | 285      | 251      | 253      | 211      | 2,934     |
| Surrey                | 7      | 1,031    | 949      | 970      | 973      | 982      | 1,128    | 1,258    | 1,337    | 1,500    | 1,049    | 1,113    | 1,148    | 13,444    |
| E-Comm Fire           | 7      | 2,894    | 2,544    | 2,616    | 2,532    | 2,837    | 3,502    | 3,502    | 3,313    | 3,515    | 3,054    | 3,157    | 3,114    | 36,421    |
| Coquitlam             | 7      | 167      | 101      | 122      | 173      | 148      | 128      | 151      | 156      | 164      | 121      | 130      | 100      | 1,664     |
| Fire Agencies (Avg)   |        | 4,128    | 3,784    | 3,956    | 3,937    | 4,246    | 4,961    | 5,184    | 5,073    | 5,444    | 4,515    | 4,853    | 4,578    | 54,463    |
| Police Agencies       |        |          |          |          |          |          |          |          |          |          |          |          |          | 7         |
| Delta                 | 7      | 1,549    | 1,383    | 1,552    | 1,742    | 1,727    | 1,805    | 1,879    | 1,846    | 1,872    | 1,749    | 1,439    | 1,983    | 20,260    |
| Langley               | 7      | 2,071    | 1,822    | 2,186    | 2,383    | 2,346    | 2,234    | 2,471    | 2,548    | 2,358    | 2,351    | 1,940    | 2,250    | 27,588    |
| North Vancouver       | 7      | 1,872    | 1,780    | 1,993    | 1,940    | 2,088    | 2,237    | 2,490    | 2,379    | 2,264    | 2,391    | 1,898    | 1,991    | 25,374    |
| West Vancouver        | 7      | 757      | 691      | 868      | 784      | 764      | 820      | 846      | 873      | 733      | 770      | 581      | 690      | 8,916     |
| Coquitlam             | 7      | 260      | 237      | 250      | 253      | 293      | 293      | 327      | 309      | 308      | 326      | 251      | 282      | 3,404     |
| Port Moody            | 7      | 340      | 302      | 339      | 360      | 390      | 437      | 465      | 420      | 418      | 436      | 347      | 331      | 4,583     |
| E-Comm VPD            | 7      | 17,850   | 16,259   | 16,880   | 18,419   | 19,253   | 22,348   | 22,075   | 22,338   | 21,127   | 19,854   | 18,445   | 18,510   | 234,694   |
| New Westminster       | 7      | 1,621    | 1,396    | 1,691    | 1,734    | 1,829    | 1,829    | 1,863    | 1,825    | 1,717    | 1,752    | 1,850    | 1,768    | 20,696    |
| Surrey                | 7      | 9,049    | 7,902    | 9,128    | 9,308    | 9,762    | 10,343   | 10,697   | 10,401   | 10,402   | 10,493   | 9,487    | 9,714    | 116,572   |
| E-Comm RCMP           | 7      | 9,165    | 8,541    | 9,872    | 9,853    | 9,955    | 10,523   | 11,660   | 11,419   | 11,296   | 10,432   | 9,444    | 10,039   | 122,106   |
| Burnaby               | 7      | 4,813    | 4,516    | 5,107    | 4,762    | 4,891    | 5,133    | 5,265    | 5,283    | 5,222    | 5,203    | 4,864    | 5,098    | 60,188    |
| Police Agencies (Avg) |        | 51,812   | 47,032   | 52,866   | 54,516   | 55,872   | 60,755   | 62,873   | 62,462   | 60,333   | 58,637   | 52,767   | 54,266   | 675,081   |
| External Agencies     |        |          |          |          |          |          |          |          |          |          |          |          |          | 7         |
|                       |        | 44,477   | 40,471   | 44,395   | 45,104   | 46,256   | 48,256   | 50,915   | 49,462   | 48,263   | 45,887   | 44,635   | 47,750   | 557,971   |
| Internal agencies     |        | 29,830   | 27,434   | 30,374   | 30,805   | 32,076   | 36,378   | 37,237   | 37,070   | 35,938   | 33,420   | 31,046   | 31,663   | 393,221   |

**SCHEDULE C  
E-COMM RIGHTS AND AUTHORITY  
WITH RESPECT TO TELUS**


E-Comm will have the right and authority to contact and deal with TELUS with respect to all day-to-day matters and technical issues arising with respect to the Provincial 9-1-1 Service, including:

- (a) statistical reports for the Call Answer Centre and all ERAs within the Serving Area with the understanding that they are to be used exclusively as permitted by Article 10 of the Agreement;
- (b) access to the Master Street Address Guide (MSAG) as it relates to the performance of the call-answer function, provided however that E-Comm will not disclose any MSAG information except as permitted by Article 10 of the Agreement and except in connection with E-Comm's support of CAD and RMS systems; and
- (c) service transitions for ERAs, including additional trunk quantities, etc., for agencies moving their call-taking and dispatch functions into the Call Answer Centre. These changes are to be communicated to Metro Vancouver in sufficient time in order to inform all ERAs of the changes. Changes at ERAs not located at the Call Answer Centre will be coordinated through Metro Vancouver and communicated to E-Comm as appropriate.

Acknowledged and agreed effective January 1, 2013.

**GREATER VANCOUVER  
REGIONAL DISTRICT**

Per: \_\_\_\_\_

  
Delia Laglagaron  
Interim Chief Administrative Officer  
and Commissioner

**E-COMM EMERGENCY  
COMMUNICATIONS FOR SOUTHWEST  
BRITISH COLUMBIA INCORPORATED**

Per: \_\_\_\_\_

  
David Guscott  
President and Chief Executive Officer



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To: Finance and Intergovernment Committee

From: Heather McNell, Director of Regional Planning and Electoral Area Services  
Parks, Planning and Environment Department

Date: September 27, 2018 Meeting Date: October 12, 2018

Subject: **Consideration of Reducing GVS&DD Development Cost Charges for Student Housing**

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### RECOMMENDATION

That the GVS&DD Board:

- a) approve the reduction of GVS&DD Development Cost Charges for student housing by 50%;
  - b) give first, second and third reading to *Greater Vancouver Sewerage and Drainage District Bylaw, No. 322, 2018*; and
  - b) pass and finally adopt bylaw *Greater Vancouver Sewerage and Drainage District Bylaw, No. 322, 2018*.
- 

### PURPOSE

To seek Finance and Intergovernment Committee and GVS&DD Board approval to reduce GVS&DD development cost charges by 50% for student housing and amend *Greater Vancouver Sewerage and Drainage District Development Cost Charge Waiver for Affordable Housing Bylaw, No. 314, 2018* to implement this change.

### BACKGROUND

On May 25, 2018, the GVS&DD Board adopted *Greater Vancouver Sewerage and Drainage District Development Cost Charge Waiver for Affordable Housing Bylaw, No. 314, 2018* (GVS&DD Affordable Housing DCC Waiver Bylaw). The bylaw provides a waiver from GVS&DD DCCs for eligible not-for-profit rental housing. Subsequently, Metro Vancouver received a letter from eight post-secondary institutions in the region requesting that student housing be added to the bylaw's definition of not-for-profit rental housing and thus be eligible for waiver from GVS&DD DCCs.

This report proposes amendments to the *GVS&DD Affordable Housing DCC Waiver Bylaw* to provide a 50% reduction in DCCs for Not-for-Profit Student Housing as well as to make a number of minor clarification amendments (Attachments 1 and 2).

### CONSIDERING STUDENT HOUSING

Post-secondary institutions are expressing greater interest in, and are planning to, build more on-campus student housing. This is in part in response to market conditions for rental housing in the region, and because the Province has recently committed to provide funding with low financing rates as well as policy to encourage the development of student housing.

Post-secondary institutions have articulated concern that DCCs increase the cost of building new student housing, which is generally built as not-for-profit and without the inclusion of land value. Rent is based on a cost recovery model, and lower construction costs help moderate rents. As a result, eight post-secondary institutions requested that new student housing be eligible for waiver from GVS&DD DCCs (Attachment 3). They have requested the same from TransLink related to the proposed transit DCC. In response to the request, staff contacted the eight post-secondary institutions and requested interviews with relevant staff. Responses were received from four post-secondary institutions. Questions asked of interviewees are included as Appendix A.

### **Defining Student Housing**

Student housing is defined consistently by post-secondary institutions across the region as: housing owned and operated by the post-secondary institution, purpose-built rental units for students enrolled at that post-secondary institution, rented at or below market rents, and operated on a cost recovery basis.

Respondents confirmed that the type of units in student housing is primarily defined by the type of students the units are built for. Undergraduate residences are comprised primarily of standard dorms with units under 312 sq ft without kitchen or bathroom facilities, and therefore would be exempt from GVS&DD DCCs as per section 58.2 of the *GVS&DD Act*. Residences for upper year students tend to be more suite style and can include studio, one bedroom and larger apartments. These units would be subject to GVS&DD DCCs.

### **Impacts of DCCs on the Development of Student Housing**

Respondents noted that DCCs have an impact on the rent levels required to achieve cost recovery by increasing construction costs, especially in a situation where land is free (ie. the increase in construction costs cannot be taken out of land value). Post-secondary institutions are anticipating the impact, not only of GVS&DD recent increases in DCCs, but also the imminent transit DCC from TransLink.

### **Student Housing Inclusion in the Definition of Not-for-Profit Rental Housing**

The *GVS&DD Act* permits the waiver or reduction of DCCs for eligible developments in the following categories:

- (a) not-for-profit rental housing, including supportive living housing;
- (b) for-profit affordable rental housing;
- (c) a subdivision of small lots that is designed to result in low greenhouse gas emissions; or
- (d) a development that is designed to result in a low environmental impact.

The GVS&DD provides a waiver only for the first category, not-for-profit rental housing, including supportive living housing. The main policy objective of GVS&DD is to make a meaningful contribution to the affordable rental housing stock in the region, and care has been taken to define 'affordable' in the bylaw consistent with municipal practices and industry standard.

The *GVS&DD Affordable Housing DCC Waiver Bylaw* limits waiver eligibility to housing:

- (i) Owned, leased or otherwise held by a Not-for-Profit Society, BC Housing, CMHC, a Non-Profit Municipal Housing Corporation or a Registered Charity;
- (ii) Operated as rental housing for people who meet Eligibility Criteria; and
- (iii) Governed by the terms of an agreement and/or covenant with the Province of British Columbia, BC Housing, CMHC or a municipality regarding the operation of the housing and stipulating how the Dwelling Units will be occupied and managed;

In addition, waiver eligibility is predicated on some or all of the units in the development being geared towards renters with incomes at or below Housing Income Limits (HILs) as defined annually by BC Housing.

Despite post-secondary institutions being operated as non-profit making entities and operating student housing on a cost recovery basis, they do not fit the definition of “Not-for-Profit Rental Housing” in the *GVS&DD Affordable Housing DCC Waiver Bylaw*. Post-secondary institutions are neither not-for-profit societies, nor registered charities, they do not rent out student housing based on renter income thresholds, nor are they bound to maintain rents at an affordable level.

The post-secondary institutions interviewed note that student housing has unique challenges that affect rent levels. Many units are only occupied for the academic school year (8 months) rather than for 12 months, and unique amenities for students with additional costs are often provided. Rents are set utilizing institutional rental guidelines and market rental studies with appraisals of other student residences with comparable units in comparable markets. Rents tend to be set “at market or below market rates”.

The *GVS&DD Act* stipulates that the corporation establishing a waiver must define what constitutes an ‘eligible development’. Post-secondary institutions operate student housing on a cost recovery or not-for-profit basis, and as a result, student housing can be considered ‘not-for-profit rental housing’, but not as ‘affordable’ as defined in the *GVS&DD Affordable Housing DCC Waiver Bylaw*.

Therefore, it is proposed to amend the bylaw’s definition of Not-for-Profit Rental Housing to include two streams of eligible developments:

Not-for-Profit Affordable Rental Housing defined as:

*Residential Use Development, Combination Development or Supportive Living Housing comprising housing that is: i) owned, leased or otherwise held by a Not-for-Profit Society, BC Housing, CMHC, a Non-Profit Municipal Housing Corporation or a Registered Charity at the time of any application for or issuance of a waiver of Development Cost Charges; ii) operated as rental housing for people who meet Eligibility Criteria; and governed by the terms of an agreement and/or covenant with the Province of British Columbia, BC Housing, CMHC or a municipality regarding the operation of the housing and stipulating how the Dwelling Units will be occupied and managed;*

and Not-for-Profit Student Housing defined as:

*Residential Use Development or Combination Development that is: i) owned and operated by a Post-Secondary Institution at the time of any application for or issuance of a reduction of Development Cost Charges; ii) purpose built to provide rental housing for students attending that institution; and iii) operated on a cost recovery basis.*

### **Ensuring Student Housing Remains Student Housing**

Purpose built not-for-profit rental housing built in partnership with senior levels of government (ie. BC Housing or CMHC) is subject to an agreement that stipulates it remain affordable rental for the long term (i.e. 60 years). Post-secondary institutions are not bound to maintain rents in student housing at a particular level, nor to ensure it remain as student housing for the long term. In considering a waiver or reduction in DCCS for student housing, there is an interest in ensuring that units built remain as student housing. As a result, proposed amendments to the GVS&DD DCC Affordable Housing Waiver Bylaw include language requiring that an eligible Not-for-Profit Student Housing be:

*Governed by the terms of a covenant with the GVS&DD confirming the use of the Development is restricted for a period of 60 years to the purpose of providing rental housing for students attending that institution, that the housing will be operated by the Post-Secondary Institution or its designated agent, and will be operated on a cost recovery basis.*

### **Consultation with Member Jurisdictions**

As part of the consideration of student housing eligibility for waiver from GVS&DD DCCs, staff consulted with the Regional Planning Advisory Committee (RPAC), RPAC Housing SubCommittee, and Regional Administrators Advisory Committee. Staff sought feedback on a number of issues including: mechanisms to ensure new student housing, if receiving a waiver or reduction, remains student housing for the long term; impacts on member jurisdictions; and the proposed extent of the waiver or reduction of DCCs to student housing. Members of the three Committees expressed that although the financial impact of extending the waiver to student housing is small, the principles and clarity of policy objective of the addition are important.

Members expressed that:

- there is a significant need for new student housing in the region;
- student housing takes the pressure off market and affordable rental housing in adjacent neighbourhoods; and
- more students being able to live on campus creates other public benefits such as reduced GHGs associated with travel and less pressure on the transit and transportation systems.

Members also expressed that:

- student housing being operated on a cost recovery basis is no different than sewerage infrastructure, which is also operated on a cost recovery basis;
- the reallocation of the cost of growth from post-secondary institutions to GVS&DD ratepayers is problematic in that the benefits accruing from student housing are not only geared toward ratepayers. Student housing is built to serve a wide range of students, from international students, to students from outside the region and province to students from the region;

- the inability to link student housing to affordability in issuing a waiver is problematic given the policy objective of the current waiver; and
- student housing developed in partnership with the private sector should not be eligible for a reduction or waiver of DCCs.

There was not consensus at the advisory committees regarding the extent of the waiver or reduction of GVS&DD DCCs that should be provided for student housing. Some members spoke in favour of 100% waiver, others spoke in favour of a 50% reduction, and others expressed that no waiver or reduction should be provided.

### **Extent of Waiver or Reduction of DCCs**

As a result of consultation with both the post-secondary institutions requesting eligibility for a waiver from GVS&DD DCCs and member jurisdictions, staff is recommending that the GVS&DD DCC Affordable Housing Waiver Bylaw be amended to include student housing in the definition of Not-for-Profit Rental Housing and to provide a 50% reduction in DCCs for eligible student housing developments.

### **ADDITIONAL CLEAN-UP AMENDMENTS**

#### **Bylaw Title**

The bylaw passed in May 2018 was titled the “*Greater Vancouver Sewerage and Drainage District Development Cost Charge Waiver for Affordable Housing Bylaw*”. As student housing cannot be defined as ‘affordable’, and a reduction in DCCs is being proposed rather than a waiver, it is proposed that the bylaw title be amended to: “*Greater Vancouver Sewerage and Drainage District Development Cost Charge Waiver or Reduction for Not-for-Profit Rental Housing Bylaw*”. This title reflects both the waiver of DCCs for Not-for-Profit Affordable Rental Housing and the Reduction of DCCs for Not-for-Profit Student Housing.

#### **Clarification of the definition of Not-For-Profit Affordable Housing**

Through the development of the *GVS&DD Affordable Housing DCC Waiver Bylaw*, it was decided to limit the applicability of the GVS&DD DCC waiver to not-for-profit rental housing as:

- not-for-profit units continue to make up the largest part of new affordable rental stock;
- not-for-profit units tend to serve lower income residents more than for-profit development;
- it is aligned with municipal practice;
- the monitoring of the ongoing status of these units as affordable rental is typically done through senior government oversight, therefore, there is no need for additional auditing by GVS&DD; and
- for-profit developers that provide affordable rental units as part of a condo / strata or market rental development, in most cases, already receive incentives from the municipality for their provision, either through density bonusing, relaxed parking requirements or other inclusionary measures – the waiver does not impact the provision of additional affordable rental units.

Language is proposed to clarify the applicability of the waiver for Not-For-Profit Affordable Rental to only Not-for-Profit Societies, BC Housing, CMHC, Non-Profit Municipal Housing Corporations or Registered Charities *that own the property at the time of application or issuance of the waiver.*

### **Air Parcels**

The issue of applicability to air space parcels also arose through the first few months of implementation of the Bylaw. Language is proposed to clarify that any adjacent, but separately titled parcel (including air space parcels) is considered a different development separate from a not-for-profit rental housing development applying for a DCC waiver.

### **ALTERNATIVES**

1. That the GVS&DD Board:
  - a) approve the reduction GVS&DD Development Cost Charges for student housing by 50%;
  - b) give first, second and third reading to bylaw *Greater Vancouver Sewerage and Drainage District Bylaw, No. 322, 2018*; and
  - b) pass and finally adopt bylaw *Greater Vancouver Sewerage and Drainage District Bylaw, No. 322, 2018*.
2. That the Finance and Intergovernment Committee direct staff to amend the proposed Bylaw to include a 100% waiver of GVS&DD Development Cost Charges for student housing for the GVS&DD Board's consideration.
3. That the Finance and Intergovernment Committee receive for information the report dated September 24, 2018, titled "Consideration of reducing GVS&DD Development Cost Charges for Student Housing" and provide alternate direction.

### **FINANCIAL IMPLICATIONS**

If the Board approves Alternative 1, the estimated annual impact of the proposed DCC waiver / DCC reduction for student housing will be \$90,000 to \$110,000 based on a projection of 100-120 units per year. This number is based on estimates from responding post-secondary institutions in the region regarding planned units, applying an average DCC rate of \$1,850 per unit. Note that estimates from UBC, which is the post-secondary institution with the largest planned student housing development in the next five years are not included.

Should the Committee wish to consider Alternative 2, staff will amend the attached draft bylaw to provide a 100% waiver of GVS&DD DCCs for Not-for-Profit Student Housing. The estimated annual impact of the proposed DCC waiver / DCC reduction for student housing would then be \$185,000 to \$225,000 based on a projection of 100-120 units per year at an average DCC rate of \$1,850 per unit.

DCC amounts waived or reduced cannot be made up through increases to DCC rates charged, therefore waiver amounts need to be covered through sewer requisitions for the sewerage areas where the DCCs were waived or reduced. The amount of waivers or reductions will be reviewed on an annual basis and will form part of the overall DCC Bylaw rate review anticipated to occur in 2020.

## **SUMMARY / CONCLUSION**

The *Greater Vancouver Sewerage and Drainage District Development Cost Charge Waiver for Affordable Housing Bylaw, No. 314, 2018* was adopted by the GVS&DD Board on May 25, 2018. Subsequently, Metro Vancouver received a letter from the region's eight public post-secondary institutions requesting that student housing be added to Bylaw 314's definition of not-for-profit rental housing and thus be eligible for waiver from GVS&DD DCCs.

Metro Vancouver staff have received input from four post-secondary institutions to learn more about their needs, concerns and their request and have discussed the issue with three Metro Vancouver advisory committees. Based on the feedback received and in consideration of the broader issues raised, the Committee may wish to consider a bylaw amendment that contemplates a 50% DCC reduction for student housing, which would support the addition of new student housing in the Metro Vancouver region.

The rationale for support of this reduction is that new student housing would lessen the demand on existing rental housing stock that would then be available for residents in the region, particularly in those areas proximal to academic institutions. More student housing on campus would also lessen the impact of student transportation on the region's transportation network and associated GHG impacts by enabling more students to live onsite. As such, there is a public benefit to supporting the development of student housing. However, it is noted that this DCC reduction is distinctly different than the 100% waiver approved by the Board for non-profit affordable housing which is built specifically to address the needs of low income households.

Staff recommend Alternative 1, to amend the recently adopted *GVS&DD Affordable Housing DCC Waiver Bylaw* to provide a 50% reduction in GVS&DD DCCs for eligible student housing as well as some minor clarification amendments.

## **Attachments:**

1. *GVS&DD Bylaw, No. 322, 2018, a Bylaw to Amend GVS&DD Development Cost Charge Waiver for Affordable Housing Bylaw, No. 314, 2018*
2. *Blackline version of GVS&DD Development Cost Charge Waiver and Reduction for Eligible Not-for-Profit Rental Housing Bylaw, No. 314, 2018*
3. Letter dated May 25, 2018, from the region's eight post-secondary institutions requesting that student housing be eligible for waiver from GVS&DD DCCs

## **Appendix:**

- A. Questions Asked of Interviewees (Representatives of Post-Secondary Institutions)

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### Questions Asked of Interviewees (Representatives of Post-Secondary Institutions)

- How does your academic institution define student housing (e.g. consideration of below market rents, type of unit, form)?
- What student housing do you have in place currently (number and types of units), and what is planned in terms of future student housing projects?
- How are rents calculated for student housing?
- What are the impacts of DCCs on rental rates / student housing fees?
- Where are the challenges with the definition of 'Not-for-Profit Rental Housing' as laid out in the DCC Waiver bylaw? Four criteria are currently required:
  - Housing that is developed and owned (leased, or otherwise held) by a Not-for-Profit Society, BC Housing, CMHC, a Non-Profit Municipal Housing Corporation or a Registered Charity;
  - Operated as rental housing for people who meet Eligibility Criteria;
  - Governed by the terms of an agreement and/or covenant with the Province of British Columbia, BC Housing, CMHC or a municipality regarding the operation of the housing and stipulating how the Dwelling Units will be occupied and managed; and
  - A certain number of units are to be occupied by households with incomes below 'Housing Income Limits' (HILs) published annually by BC Housing (if fewer than 30% of units, those units receive the waiver, more than 30% and all units receive the waiver).
- How could it be ensured that student housing where DCCs are waived stays as rental housing for students as is required with other Not-for-Profit Rental Housing?



**GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT  
BYLAW NO. 322, 2018**

**A Bylaw to Amend Greater Vancouver Sewerage and Drainage District Development Cost Charge  
Waiver for Affordable Housing Bylaw, No. 314, 2018**

**WHEREAS:**

- A. the Board of Directors (the “Board”) of the Greater Vancouver Sewerage and Drainage District (“GVS&DD”) adopted *Greater Vancouver Sewerage and Drainage District Development Cost Charge Waiver for Affordable Housing Bylaw, No. 314, 2018*; and
- B. the Board of the Greater Vancouver Sewerage and Drainage District wishes to amend *Greater Vancouver Sewerage and Drainage District Development Cost Charge Waiver for Affordable Housing Bylaw, No. 314, 2018* to establish requirements and conditions for a waiver or reduction of development cost charges for not-for-profit student housing;

**NOW THEREFORE** the Board of the Greater Vancouver Sewerage and Drainage District enacts as follows:

- 1. This Bylaw may be cited as the “Greater Vancouver Sewerage and Drainage District Development Cost Charge Waiver for Affordable Housing Amending Bylaw No. 322, 2018”.
- 2. “Greater Vancouver Sewerage and Drainage District Development Cost Charge Waiver for Affordable Housing Bylaw, No. 314, 2018” is amended as follows:
  - (a) the title of the bylaw is deleted and replaced with the following:
 

A Bylaw to Establish a Waiver or Reduction of Development Cost Charges for Not-for-Profit Rental Housing
  - (b) the recital section “B” is deleted and replaced as follows:
 

It is deemed desirable to establish eligibility requirements and conditions for a waiver or reduction of development cost charges for not-for-profit rental housing, including affordable rental housing and student housing;
  - (c) section 1.1 is deleted and replaced as follows:
 

The official citation for this Bylaw is the “Greater Vancouver Sewerage and Drainage District Development Cost Charge Waiver or Reduction for Not-for-Profit Rental Housing Bylaw, No. 314, 2018”

- (d) delete all main alphabet identifiers from all definitions, keeping sub-numbering, and present in alphabetical order;
- (e) the definition “**Development**” is deleted and replaced as follows:  
“**Development**” means:
- (i) a Subdivision; or
  - (ii) the construction, alteration or extension of a building or structure for which a Building Permit is obtained,
- but does not include:
- (iii) an adjacent, separately titled parcel;
- (f) the definition “**Not-for-Profit Rental Housing**” is deleted and replaced as follows:  
“**Not-for-Profit Rental Housing**” means:
- (i) “**Not-for-Profit Affordable Rental Housing**” which means Residential Use Development, Combination Development or Supportive Living Housing comprising housing that is:
    - 1. Owned, leased or otherwise held by a Not-for-Profit Society, BC Housing, CMHC, a Non-Profit Municipal Housing Corporation or a Registered Charity at the time of any application for, or issuance of, a waiver of Development Cost Charges;
    - 2. Operated as rental housing for people who meet Eligibility Criteria; and
    - 3. Governed by the terms of an agreement and/or covenant with the Province of British Columbia, BC Housing, CMHC or a municipality regarding the operation of the housing and stipulating how the Dwelling Units will be occupied and managed;
- but not including:
- 4. a community care facility under the *Community Care and Assisted Living Act*, SBC 2002, c. 75;
  - 5. a continuing care facility under the *Continuing Care Act*, RSBC 1996, c. 70;
  - 6. a public or private hospital under the *Hospital Act*, RSBC 1996, c. 200;
  - 7. a Provincial mental health facility, an observation unit or a psychiatric unit designated under the *Mental Health Act*, RSBC 1996, c. 288; or
  - 8. a housing based health facility that provides hospitality support services and personal health care;

and

(ii) **“Not-for-Profit Student Housing”** which means Residential Use Development or Combination Development that is:

9. Owned and operated by a Post-Secondary Institution at the time of any application for, or issuance of, a reduction of Development Cost Charges;
10. Purpose built to provide rental housing for students attending that institution;
11. Operated on a cost recovery basis; and
12. Governed by the terms of a covenant with the Greater Vancouver Sewerage and Drainage District confirming the use of the Development is restricted for a period of 60 years to the purpose of providing rental housing for students attending that institution, that the housing will be operated by the Post-Secondary Institution or its designated agent, and will be operated on a cost recovery basis;

(b) the definition of “Post-Secondary Institution” is added as follows:

**“Post-Secondary Institution”** means a college, university, special purpose university or institution as enabled pursuant to the *College and Institute Act*, RSBC 1996, c. 52;

(c) the title of Section 3.0 “WAIVER OF DEVELOPMENT COST CHARGES” is deleted and replaced with “WAIVER OR REDUCTION OF DEVELOPMENT COST CHARGES”

(d) Section 3.1 is deleted and replaced as follows:

**Waiver of Development Cost Charges for Eligible Not-for-Profit Affordable Rental Housing Development.** Notwithstanding section 4.1 of the Greater Vancouver Sewerage and Drainage District Development Cost Charge Bylaw No. 254, 2010, and subject to section 3.3 of this Bylaw, the GVS&DD will, for the following eligible development, waive to the applicable Member Municipality on behalf of the Not-for-Profit Society, BC Housing, CMHC, Non-Profit Municipal Housing Corporation or Registered Charity that is the registered owner at the time of the application for and issuance of a waiver of Development Cost Charges, Development Cost Charges that are otherwise payable:

- (i) All Dwelling Units within a Not-for-Profit Affordable Rental Housing Development, if at least thirty percent of the Dwelling Units are to be occupied by households with incomes at or below housing income limits for the corresponding size of housing unit, as set out in the current “Housing Income Limits” (HILs) table published by the BC Housing, or equivalent publication; or

- (ii) Only those Dwelling Units within a Not-for-Profit Affordable Rental Housing Development that are to be occupied by households with incomes at or below housing income limits for the corresponding size of housing unit, as set out in the current HILs table, or equivalent publication, if less than thirty percent of all of the Dwelling Units are to be occupied by such households;
- (j) Section 3.2 is deleted and replaced as follows:  
**Reduction of Development Cost Charges for Eligible Not-for-Profit Student Housing Development.** Notwithstanding section 4.1 of the Greater Vancouver Sewerage and Drainage District Development Cost Charge Bylaw No. 254, 2010, and subject to section 3.3 of this Bylaw, the GVS&DD will, for the following eligible development, for a Post-Secondary Institution that is the registered owner at the time of the application for and issuance of a reduction of Development Cost Charges, reduce by 50% the Development Cost Charges that are otherwise payable for:
  - (i) All Dwelling Units within a Not-for-Profit Student Housing Development that are to be occupied by students attending the Post-Secondary Institution;
- (k) Section 3.3 is added as follows:  
 No waiver pursuant to section 3.1 and no reduction pursuant to section 3.2 shall be granted unless a registered owner's application for a waiver or a reduction of Development Cost Charges in respect of Dwelling Units in a Not-for-Profit Rental Housing Development has been submitted to, and approved by the GVS&DD as fulfilling all of this Bylaw's eligibility requirements and conditions for a waiver or a reduction of Development Cost Charges;
- (l) Section 4.1 is deleted and replaced with the following:  
**Statements.** Each Member Municipality must provide statements to GVS&DD, in respect of each Sewerage Area within the Member Municipality, for every 12-month period comprising January 1 to December 31, and this will include:
  - (i) the registered owner or lessee; and
  - (ii) number and type of use

of all Dwelling Units (calculated in accordance with the Rate Schedules set out in the Greater Vancouver Sewerage and Drainage District Development Cost Charge Bylaw, No. 254, 2010) in respect of which building permits were required where Development Cost Charges were waived or reduced under this Bylaw.

READ A FIRST, SECOND, AND THIRD TIME this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

PASSED, AND FINALLY ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Greg Moore, Chair

\_\_\_\_\_  
Chris Plagnol, Corporate Officer

## GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT

## BYLAW NO. 314, 2018

A Bylaw to Establish a Waiver or Reduction of Development Cost Charges for  
Not-for-Profit Rental Housing

**WHEREAS:**

- A. Pursuant to subsections 58.2(3.3) and (3.4) of the *Greater Vancouver Sewerage and Drainage District Act*, SBC 1956, c. 50, the Greater Vancouver Sewerage and Drainage District may, by bylaw, waive or reduce a development cost charge imposed by bylaw pursuant to section 58.2 of the *Greater Vancouver Sewerage and Drainage District Act* for an “eligible development”; and
- B. It is deemed desirable to establish eligibility requirements and conditions for a waiver or reduction of development cost charges for not-for-profit rental housing, including affordable rental housing and student housing.

NOW THEREFORE the Board of the Greater Vancouver Sewerage and Drainage District, in open meeting assembled, enacts as follows:

**1.0 CITATION**

- 1.1 The official citation for this Bylaw is the “Greater Vancouver Sewerage and Drainage District Development Cost Charge Waiver or Reduction for Not-for-Profit Rental Housing Bylaw, No. 314, 2018”.

**2.0 INTERPRETATION**

- 2.1 **Definitions.** In this Bylaw:

**“Apartment Dwelling Unit”** means a Dwelling Unit in a building or structure that consists or may consist of two or more storeys and contains or may contain four or more Dwelling Units, whereby the building or structure has a principal exterior entrance used in common for access to the Dwelling Units. Apartment Dwelling Unit does not include Dwelling Units that are Townhouse Dwelling Units;

**“BC Housing”** means the British Columbia Housing Management Commission;

**“Building Permit”** means any permit required by a Member Municipality that authorizes the construction, alteration or extension of a building or structure;

**“CMHC”** means Canada Mortgage and Housing Corporation;

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Greater Vancouver Sewerage and Drainage District Development Cost Charge Waiver or Reduction for Not-for-Profit Rental Housing Bylaw No. 314, 2018

**“Combination Development”** means any Development that comprises two or more of the following uses:

- (i) Apartment Dwelling Unit;
- (ii) Residential Dwelling Unit;
- (iii) Townhouse Dwelling Unit; and
- (iv) Non-Residential Use;

**“Development”** means:

- (i) a Subdivision; or
- (ii) the construction, alteration or extension of a building or structure for which a Building Permit is obtained,

but does not include

- (iii) an adjacent, separately titled parcel;

**“Development Cost Charge”** means a development cost charge payable by a registered owner to a Member Municipality on behalf of GVS&DD, pursuant to the Greater Vancouver Sewerage and Drainage District Development Cost Charge Bylaw No. 254, 2010;

**“Dwelling Unit”** means one or more rooms comprising a self-contained unit that is used or intended to be used for living and sleeping purposes and for which are provided cooking facilities, or the facilities for installation of cooking facilities, and one or more bathrooms having a sink or wash-basin, a water closet, and a shower or bath;

**“Effective Date”** means the date this Bylaw comes into force and takes effect;

**“Eligibility Criteria”** means criteria established by a Not-for-Profit Society, BC Housing, CMHC, a Non-Profit Municipal Housing Corporation or a Registered Charity or any authorized designate of the foregoing entities, used to determine eligibility of a person to occupy a dwelling unit within a Not-for-Profit Rental Housing development;

**“GVS&DD”** means the Greater Vancouver Sewerage and Drainage District;

**“Group Home”** means staffed residential housing for those with a level of disability that requires continual assistance to complete daily tasks of living (such as taking medication, dressing or bathing);

**“Member Municipality”** means a municipality that is a member of the GVS&DD;

**“Non-Profit Municipal Housing Corporation”** means a non-profit housing corporation established at the initiative of a municipality or regional district;

**“Non-Residential Use”** means any building or structure or any portion of any building or structure that is not Apartment Dwelling Unit, Residential Dwelling Unit or Townhouse Dwelling Unit but for greater certainty, does not include any portion of any Residential Use building or structure that is not part of a Dwelling Unit and is used or is intended to be used solely for the purpose of gaining access to and from Dwelling Units, solely for the maintenance of the building or structure or solely by the occupants of the Dwelling Units in the building or structure;

**“Not-for-Profit Rental Housing”** means

(i) **“Not-for-Profit Affordable Rental Housing”** which means Residential Use Development, Combination Development or Supportive Living Housing comprising housing that is:

- (1) Owned, leased or otherwise held by a Not-for-Profit Society, BC Housing, CMHC, a Non-Profit Municipal Housing Corporation or a Registered Charity at the time of any application for, or issuance of, a waiver of Development Cost Charges;
- (2) Operated as rental housing for people who meet Eligibility Criteria; and
- (3) Governed by the terms of an agreement and/or covenant with the Province of British Columbia, BC Housing, CMHC or a municipality regarding the operation of the housing and stipulating how the Dwelling Units will be occupied and managed;

but not including:

- (4) a community care facility under the *Community Care and Assisted Living Act*, SBC 2002, c. 75;
- (5) a continuing care facility under the *Continuing Care Act*, RSBC 1996, c. 70;
- (6) a public or private hospital under the *Hospital Act*, RSBC 1996, c. 200;
- (7) a Provincial mental health facility, an observation unit or a psychiatric unit designated under the *Mental Health Act*, RSBC 1996, c. 288; or
- (8) a housing based health facility that provides hospitality support services and personal health care;

and

(ii) **“Not-for-Profit Student Housing”** which means Residential Use Development or Combination Development that is:

- (9) Owned and operated by a Post-Secondary Institution at the time of any application for, or issuance of, a reduction of Development Cost Charges;



- (10) Purpose built to provide rental housing for students attending that institution;
- (11) Operated on a cost recovery basis; and
- (12) Governed by the terms of a covenant with Greater Vancouver Sewerage and Drainage District confirming the use of the Development is restricted for a period of 60 years to the purpose of providing rental housing for students attending that institution, that the housing will be operated by the Post-Secondary Institution or its designated agent; and will be operated on a cost recovery basis;

**“Not-for-Profit Society”** means a society registered under the *Societies Act*, SBC 2015, c. 18, in respect of which:

- (i) The society’s bylaws or constitution’s stated purpose is to provide affordable housing for low (or low and moderate) income households, or another similar purpose consistent with the type of services being provided;
- (ii) The society’s bylaws provide that the society’s directors may not be remunerated in any capacity, nor may the directors serve as employees;
- (iii) The society’s bylaws provide that upon dissolution or wind up of the society, the society’s assets will be disposed to an organization(s) with a similar not-for-profit purpose of providing affordable housing;
- (iv) Items addressed in subsections (i), (ii) and (iii) must be unalterable or otherwise restricted in accordance with the applicable legislation or regulation, or require the prior written consent of GVS&DD to alter; and
- (v) The society’s rules of conduct must be in accordance with the society’s purposes and applicable legislation.

**“On-Site Support Services”** means services to support independent daily living that are physically offered in the building’s office or common areas, and include but are not limited to:

- (i) Health and mental health services;
- (ii) Health and community support referrals;
- (iii) Addiction services;
- (iv) Employment and education services;
- (v) Job and life skills training;
- (vi) Assistance with meal preparation or housekeeping; and
- (vii) Counselling and outreach services;

but not including personal continual assistance services such as bathing, dressing or medication assistance, as offered in a Group Home;

**“Post-Secondary Institution”** means a college, university, special purpose university or institution as enabled pursuant to the *College and Institute Act*, RSBC 1996, c. 52;

**“Registered Charity”** means a charitable foundation or a charitable organization as defined in the *Income Tax Act*, R.S.C. 1985, c. 1;

- (i) The registered charity’s bylaws or constitution’s stated purpose is to provide affordable housing for low (or low and moderate) income households, or another similar purpose consistent with the type of services being provided;
- (ii) The registered charity’s bylaws provide that the society’s directors may not be remunerated in any capacity, nor may the directors serve as employees;
- (iii) The registered charity’s bylaws provide that upon dissolution or wind up of the society, the society’s assets will be disposed to an organization(s) with a similar charitable purpose;
- (iv) Items addressed in subsections (i), (ii) and (iii) must be unalterable or otherwise restricted in accordance with the applicable legislation or regulation, or require the prior written consent of GVS&DD to alter; and
- (v) The registered charity’s rules of conduct must be in accordance with the charity’s purposes and applicable legislation.

**“Rent”** means money paid or agreed to be paid, or value or a right given or agreed to be given, by or on behalf of a tenant to a landlord in return for the right to rent a Dwelling Unit, for the use of common areas and for services or facilities and includes any and all strata fees, regardless of whether such fees are paid directly to the landlord, but does not include any of the following:

- (i) a security deposit;
- (ii) a pet damage deposit;
- (iii) a fee prescribed under section 97 (2) (k) of the *Residential Tenancy Act*, SBC 2002, c. 78;

**“Residential Dwelling Unit”** means a Dwelling Unit in a building or structure that contains or may contain up to three Dwelling Units;

**“Residential Use”** means Apartment Dwelling Unit, Residential Dwelling Unit, Townhouse Dwelling Unit and Townhouse Dwelling Unit;

**“Sewerage Area”** means any of the GVS&DD’s four sewerage areas, being the Vancouver Sewerage Area, the North Shore Sewerage Area, the Lulu Island West Sewerage Area and the Fraser Sewerage Area;

**“Subdivision”** includes a division of land into two or more Parcels, whether by plan, apt descriptive words or otherwise under the *Land Title Act*, RSBC 1996, c. 250 or the *Strata Property Act*, SBC 1998, c. 43, the consolidation of two or more Parcels of land, and phased strata plans;

**“Supportive Living Housing”** means housing, not including a Group Home, that integrates Dwelling Units for persons who were previously homeless or who are at risk of homelessness, who may also

- (i) have a mental illness,
- (ii) have or be recovering from drug or alcohol addictions, or
- (iii) experience other barriers to housing,

with On-Site Support Services that are available to the residents of the Dwelling Units, where occupancy is not restricted to less than 90 days;

**“Townhouse Dwelling Unit”** means a Dwelling Unit in a building or structure that contains or may contain four or more Dwelling Units, whereby each Dwelling Unit has a direct exterior entrance;

2.2 **Same Meaning.** Terms defined in the Greater Vancouver Sewerage and Drainage District Development Cost Charge Bylaw No. 254, 2010, or incorporated by reference into that bylaw have the same meaning in this Bylaw.

2.3 **References to an Enactment Include Its Amendments.** References in this Bylaw to an enactment include the enactment as it may be amended or replaced from time to time.

### 3.0 **WAIVER OR REDUCTION OF DEVELOPMENT COST CHARGES**

3.1 **Waiver of Development Cost Charges for Eligible Not-for-Profit Affordable Rental Housing Development.** Notwithstanding section 4.1 of the Greater Vancouver Sewerage and Drainage District Development Cost Charge Bylaw No. 254, 2010, and subject to section 3.3 of this Bylaw, the GVS&DD will, for the following eligible development, waive ~~or refund~~ to the applicable Member Municipality on behalf of the Not-for-Profit Society, BC Housing, CMHC, Non-Profit Municipal Housing Corporation or Registered Charity that is the registered owner at the time of the application for and issuance of a waiver of Development Cost Charges, Development Cost Charges that are otherwise payable:

- (a) All Dwelling Units within a Not-for-Profit Affordable Rental Housing Development, if at least thirty percent of the Dwelling Units are to be occupied by households with incomes at or below housing income limits for the corresponding size of housing unit, as set out in the current “Housing Income Limits” (HILs) table published by the BC Housing, or equivalent publication; or
- (b) Only those Dwelling Units within a Not-for-Profit Affordable Rental Housing Development that are to be occupied by households with incomes at or below housing income limits for the corresponding size of housing unit, as set out in the current HILs table, or equivalent publication, if less than thirty percent of all of the Dwelling Units are to be occupied by such households;

3.2 **Reduction of Development Cost Charges for Eligible Not-for-Profit Student Housing Development.** Notwithstanding section 4.1 of the Greater Vancouver Sewerage and Drainage District Development Cost Charge Bylaw No. 254, 2010, and subject to section 3.3 of this Bylaw, the GVS&DD will, for the following eligible development, for a Post-Secondary Institution that is the registered owner at the time of the application for and issuance of a reduction of Development Cost Charges, reduce by 50% the Development Cost Charges that are otherwise payable for:

(a) All Dwelling Units within a Not-for-Profit Student Housing Development that are to be occupied by students attending the Post-Secondary Institution.

3.3 No waiver or refund pursuant to section 3.1 and no reduction pursuant to section 3.2 shall be granted unless a registered owner's application for a waiver or a reduction of Development Cost Charges in respect of Dwelling Units in a Not-for-Profit Rental Housing Development has been submitted to, and approved by the GVS&DD as fulfilling all of this Bylaw's eligibility requirements and conditions for a waiver or a reduction of Development Cost Charges.

#### **4.0 RECORD KEEPING AND REPORTING**

4.1 **Statements.** Each Member Municipality must provide statements to GVS&DD, in respect of each Sewerage Area within the Member Municipality, for every 12-month period comprising January 1 to December 31, and this will include:

- (i) the registered owner or lessee; and
- (ii) number and type of use

of all Dwelling Units (calculated in accordance with the Rate Schedules set out in the Greater Vancouver Sewerage and Drainage District Development Cost Charge Bylaw, No. 254, 2010) in respect of which building permits were required where Development Cost Charges were waived or reduced under this Bylaw.

4.2 **Reports.** GVS&DD staff will report annually to the GVS&DD Board of Directors, and any time upon the request of the Board, the number and cost of GVS&DD Development Cost Charge waivers or reductions granted under this Bylaw.

READ A FIRST, SECOND, AND THIRD TIME this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

PASSED, AND FINALLY ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Corporate Officer

May 25, 2018

Greg Moore  
Chair, Board of Directors  
Metro Vancouver  
4730 Kingsway  
Burnaby BC V5H 4J5

Dear Mr. Moore:

Metro Vancouver has recognized the important role the post-secondary institutions play in the region's economic vitality and competitiveness. As well as contributing to the region's social and economic resilience, the partnerships our institutions have developed with Metro Vancouver and local governments have a profound impact on learning and research.

As well as a source of talent and ideas, our institutions are active partners in meeting the housing needs in the region. Student housing has a key role to play in addressing Metro Vancouver's housing affordability crisis. Collectively, our institutions are one of the largest providers of non-profit rental housing. This on-campus housing helps students find an affordable place to live while they pursue their studies. And it plays an important role for your member municipalities, freeing up other rental housing at a time when our region is struggling with historically low vacancy rates.

On behalf of the region's post secondary institutions we are writing to raise our collective concerns with the Greater Vancouver Sewerage and Drainage District's "Development Cost Charge Waiver for Affordable Housing Bylaw No. 314", considered by the GVS&DD Board on May 25<sup>th</sup>, 2018. In particular, we ask that purpose-built student housing be included in this waiver.

Metro Vancouver recently increased its sewer service development cost charges on new construction. Bylaw No. 314 waives those development charges for new non-profit rental housing construction.

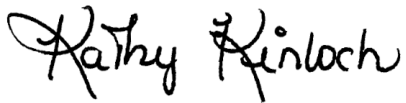
Unfortunately, the Bylaw development process did not engage the region's post-secondary institutions in defining "non-profit rental". As such, student housing is not included in the definition and institutions responsible for paying the new, increased development cost charge will be unable to seek waivers for purpose-built student housing.

The provincial government recently introduced a \$450 million student housing program that will enable post-secondary institutions to grow our on-campus student housing, doing our part to address the region's housing affordability crisis. As public institutions, this new housing will be non-profit rental. But the exclusion of student housing from Metro Vancouver's definition of non-profit rental means these projects will have higher costs, resulting in higher rents for our students and undermining provincial and regional commitments to improve affordability.

We appreciate the challenges Metro Vancouver faces in providing the vital infrastructure that enables our region to grow. But we ask you to consider the impact these important fees have on student housing affordability, and to reconsider Bylaw No. 314's proposed definition of non-profit rental housing to include new student rental projects.

Thank you very much for your consideration of our request.

Yours sincerely,



Kathy Kinloch  
President,  
British Columbia Institute of Technology



Lane Trotter  
President and CEO,  
Langara College



Paul Dangerfield  
President and Vice Chancellor,  
Capilano University



Andrew Petter  
President and Vice Chancellor,  
Simon Fraser University



Kathy Denton  
President and CEO,  
Douglas College



Santa Ono  
President and Vice Chancellor,  
University of British Columbia



Alan Davis  
President and Vice Chancellor,  
Kwantlen Polytechnic University



Peter Nunoda  
President,  
Vancouver Community College

cc:

Carol Mason, Chief Administrative Officer, Metro Vancouver

Kevin Desmond, Chief Executive Officer, TransLink

Shannon Baskerville, Deputy Minister, Advanced Education, Skills and Training

Jacquie Davies, Deputy Minister, Municipal Affairs and Housing

Robin Ciceri, President, Research Universities Council of British Columbia

Colin Ewart, President, BC Colleges

Ruth Wittenberg, President, BC Association of Institutes and Universities



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To: Finance and Intergovernment Committee

From: Laurie Bates-Frymel, Senior Regional Planner, Regional Planning  
Jesse Montgomery, Program Manager Environmental Management, Water Services

Date: October 1, 2018 Meeting Date: October 12, 2018

Subject: **Coquitlam River Watershed Roundtable Funding Request**

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**RECOMMENDATION**

That the MVRD Board receive for information the report dated October 1, 2018, titled “Coquitlam River Watershed Roundtable Funding Request” and direct staff to send a letter to the Coquitlam River Watershed Roundtable advising of the requirements to be considered for a multi-year Contribution Agreement.

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**PURPOSE**

To present for consideration a request from the Cities of Coquitlam and Port Coquitlam that Metro Vancouver provide funding for three years to the Coquitlam River Watershed Roundtable in the amount of \$34,000 per year to support its operations.

**BACKGROUND**

On August 16, 2018, Metro Vancouver received a letter co-signed by the City of Coquitlam and City of Port Coquitlam requesting that the MVRD Board consider and approve a minimum contribution of \$34,000/year for the next three years to the Coquitlam River Watershed Roundtable to support its ongoing and stable operations (Attachment). The letter was included as an information item during the Finance and Intergovernment Committee’s regular meeting on September 21, 2018 and the Committee subsequently passed the following resolution:

*That the Finance and Intergovernment Committee: a) refer to staff the correspondence dated August 10, 2018 from the Cities of Coquitlam and Port Coquitlam seeking funding support from Metro Vancouver for the Coquitlam River Watershed Roundtable, as presented as Item 6.3 of the September 21, 2018 Committee agenda; and b) direct staff to report back to the Committee with recommendations.*

This report provides additional information regarding the activities of the Coquitlam River Watershed Roundtable to assist the Committee and MVRD Board in evaluating whether to enter into a three year contribution agreement.

**COQUITLAM RIVER WATERSHED ROUNDTABLE**

Following BC Hydro’s planning process for the 2005 Coquitlam-Buntzen Water Use Plan, several members of the Consultative Committee had a desire to continue meeting as a way to coordinate and track activities on the Coquitlam River. After several years of stakeholder and community engagement, the Coquitlam River Watershed Roundtable was created in 2011 as a non-regulatory,

collaborative body that coordinates and implements activities to promote the long-term sustainability of the watershed. The Roundtable's mission is to:

- Facilitate collaborative resolution of urban growth and natural resource use pressures consistent with agreed community objectives and values;
- Inform and educate people about these matters and the watershed; and
- Promote and support conservation of a sustainable, healthy watershed environment.

Between 2012 and 2015, the Coquitlam River Watershed Roundtable created the *Lower Coquitlam River Watershed Plan*, which resulted from the efforts of more than 60 partners from municipal, provincial, regional, federal and First Nations governments, industry, arts and culture, education, outdoor recreation, real estate development sectors and stewardship groups. The plan responds to key pressures identified by the Roundtable that affect watershed health - development, invasive species, stormwater, water extraction, recreation, and vandalism/illegal activity - and provides some initial strategies to address them.

The Roundtable's Core Committee currently includes members from the City of Coquitlam, City of Port Coquitlam, Fisheries and Oceans Canada, BCIT, North Fraser Salmon Assistance Program, Rivershed Society of BC, Tri-City Green Council, Brook Pooni Associates, Allard Contracting, Beedie Living, Watershed Watch Salmon Society, Port Coquitlam District Hunting and Fishing Club, Arts Connect, BC Hydro, Ministry of Energy, Mines and Petroleum Resources and Metro Vancouver.

### **Coquitlam River Watershed Roundtable Funding Strategy**

As noted in the attached Backgrounder to the correspondence, the Roundtable has supported itself since its inception through a range of cash donations, grants and in-kind support.

Since 2007 more than \$260,000 has been donated through in-kind support and \$662,000 through cash contributions. However, the Roundtable is challenged in its efforts to seek secure and stable funding to support its ongoing operation. Considerable time and effort is expended in soliciting funding partners and in submitting grant applications. The following organizations have provided contributions over this time:

| <b>Organization</b>           | <b>Cash Contribution</b> | <b>In-Kind Contribution</b> |
|-------------------------------|--------------------------|-----------------------------|
| City of Coquitlam             | \$15,000                 | \$200,000                   |
| City of Port Coquitlam        | \$33,000                 | \$6,000                     |
| Metro Vancouver               | \$40,000                 | \$5,000                     |
| Dept of Fisheries & Oceans    | \$83,000                 | \$6,000                     |
| Real Estate Foundation of BC* |                          |                             |

\*3-year funding to develop a long-term funding strategy (2016-2019)

To address the challenges associated with relying upon annual fundraising efforts, in January 2018 the Roundtable released a document titled *Sustainable Funding Options*. The findings in this report supported a base operating budget for the Roundtable of \$100,000 per year plus a minimum of \$35,000 additional funding for projects. It has been proposed that the operational budget could be

funded by a partnership between the Cities of Coquitlam and Port Coquitlam, BC Hydro and Metro Vancouver.

### **METRO VANCOUVER’S ROLE IN THE COQUITLAM RIVER WATERSHED ROUNDTABLE**

Staff from Metro Vancouver’s Water Services Department have participated in the Coquitlam River Watershed Roundtable since its inception and continue to provide in-kind support. Metro Vancouver also provided \$40,000 in cash to support the development of the *Lower Coquitlam River Watershed Plan* between 2010 and 2014.

More recently, on September 28, 2018, the MVRD Board approved one-time funding requested by the Coquitlam River Watershed Roundtable in the amount of \$3,950 towards a results-based project report summarizing findings from a Roundtable-led community-based social marketing campaign to enhance awareness amongst residents in the cities of Coquitlam and Port Coquitlam about the “impacts of invasive species and the overuse of drinking water on watershed health”. It was acknowledged that while the campaign itself is not regional in reach, the community-based social marketing campaign and the results-based summary report would benefit other member jurisdictions. Community-based social marketing best practice is to conduct pilot campaigns in sub-regional areas to learn about any barriers to behavior change, and refine engagement strategies and messaging for use in broader-scale campaigns.

### **Board Sponsorship Policy – Multi-Year Funding Requests Over \$500**

Under the *Board Sponsorship Policy* when Metro Vancouver receives funding requests from non-profit organizations, those requests are considered within the context of Metro Vancouver’s mandate and the regional benefits that accrue from the project or program. The *Sponsorship Policy* was developed by the Board to establish the specific criteria under which Metro Vancouver would consider funding events or programs offered by external organizations.

Section 3 of the *Sponsorship Policy* requires that organizations seeking multi-year funding must first submit their request in writing to the appropriate Metro Vancouver Board for consideration of a multi-year *Contribution Agreement*. To be considered by the Board, multi-year funding requests must include the following information:

- i. Term of funding requested
- ii. Annual funding amount requested
- iii. Organization’s funding contribution and/or fundraised by the applicant
- iv. Funding provided by other sources
- v. Annual budget for the event
- vi. Description of event and how it aligns with Metro Vancouver’s goals as set out in the Eligibility Criteria of the *Sponsorship Policy*

The Coquitlam River Watershed Roundtable has identified a number of potential funding partners in its 5-year plan. However, the City of Coquitlam and City of Port Coquitlam have advised that they will not be considering financial contributions until budget deliberations occur in early 2019. It is not known whether BC Hydro will be committing to a three-year funding agreement.

In order for Metro Vancouver to properly consider the request to enter into a three-year funding commitment, the Coquitlam River Watershed Roundtable will be required to submit details on its funding request. Specifically, the Roundtable will need to submit information similar to what is required for a *Sponsorship Policy* application, including an annual operating budget and five-year financial plan, projected revenues, expenses, in-kind donations and external funding sources. The Roundtable will also be required to submit its annual work plan for the next three years so that Metro Vancouver can consider the applicability of the work to Metro Vancouver's regional mandate and determine an appropriate level of financial contribution based on the scope and nature of work and other funding partners.

### **OTHER CONSIDERATIONS**

Over the years, Metro Vancouver has approved a number of multi-year contribution agreements with non-profit organizations where these organizations provide services that have a direct or in-direct regional benefit to Metro Vancouver that can be measured. Most contributions agreements for these types of services provided by outside agencies exist within regional parks; however, there are also examples in other areas of Metro Vancouver, such as the service contract with the Recycle Council of BC and the contribution agreement with Fraser Basin Council.

### **ALTERNATIVES**

1. That the MVRD Board receive for information the report dated October 1, 2018, titled "Coquitlam River Watershed Roundtable Funding Request" and direct staff to send a letter to the Coquitlam River Watershed Roundtable advising of the requirements to be considered for a multi-year Contribution Agreement.
2. That the MVRD Board receive for information the report dated October 1, 2018, titled "Coquitlam River Watershed Roundtable Funding Request" and provide alternate direction.

### **FINANCIAL IMPLICATIONS**

If the Board approves Alternative 1, Metro Vancouver staff will contact the Coquitlam River Watershed Roundtable and advise of the information that will be required in order for the Board to consider a multi-year funding request. Without receiving specific information on the three year budget and work plan, Metro Vancouver is unable to properly evaluate the funding request or determine whether the request should be considered as an MVRD service or a GVWD service.

Under Alternative 2, the Board may wish to provide alternate direction such as initiating discussions with the Coquitlam River Watershed Roundtable to negotiate a funding agreement at the level requested by the Cities of Coquitlam and Port Coquitlam.

Under either alternative, Metro Vancouver staff will continue to provide in-kind support, including as members of the Roundtable.

### **SUMMARY / CONCLUSION**

Metro Vancouver received a letter on August 16, 2018 from the City of Coquitlam and City of Port Coquitlam requesting that the MVRD Board consider and approve a minimum contribution of \$34,000/year for the next three years to the Coquitlam River Watershed Roundtable to support its

ongoing and stable operations. The Finance and Intergovernment Committee requested staff to report back to the Committee with recommendations on this request.

The request from the two municipalities arose from a document released by the Roundtable in January 2018 titled *Sustainable Funding Options*. The findings supported a base operating budget for the Roundtable of \$100,000 per year plus a minimum of \$35,000 additional funding for projects. It proposed that the operational budget could be funded in a partnership between the Cities of Coquitlam and Port Coquitlam, BC Hydro and Metro Vancouver. While Metro Vancouver has provided funding to this organization in the past for specific project deliverables and staff participate on the Roundtable, staff are unable to evaluate the current funding request without more information.

Specifically, the Roundtable will need to submit information similar to what is required for a *Sponsorship Policy* application, including an annual operating budget, five-year financial plan, and an annual work plan for the next three years so that Metro Vancouver can consider the applicability of the work to Metro Vancouver's regional mandate and determine an appropriate level of financial contribution based on the scope and nature of work and other funding partners. Based on this assessment, staff recommend approval of Alternative One.

**Attachment:**

Incoming correspondence dated August 10, 2018 regarding Funding Proposal for the Coquitlam River Watershed Roundtable from the Cities of Coquitlam and Port Coquitlam

27034860



August 10, 2018

Our File: 11-5280-30/CRWM2/2018-1

Doc #: 3039596.v2

Greg Moore, Chair  
Metro Vancouver Board  
Metrotower III  
4730 Kingsway  
Burnaby, BC V5H 0C6

Dear Chair Moore:

**RE: Funding Proposal for the Coquitlam River Watershed Roundtable**

This letter is provided on behalf of the Mayors and Councils of the cities of Coquitlam and Port Coquitlam to request Metro Vancouver provide support for the ongoing and stable operation of the Coquitlam River Watershed Roundtable (the Roundtable).

The Coquitlam River Watershed forms part of the traditional territory of the Kwikwetlem First Nation and is a critically important resource for the Metro Vancouver Region. Preserving the health and function of this watershed is vitally important for ensuring the Region's ever-increasing drinking water and electrical demand needs are met. In addition, this watershed provides a substantial resource for fish and wildlife habitat, recreation and tourism, art and culture, business and industry, and housing development.

Historically, there have been competing views and interests that have affected the ability of the many different stakeholders of the watershed to work together. However, following the dedicated work of the Roundtable and its supporting Core Committee, many of these barriers have since been eliminated and stakeholders across all interest groups are now working together to achieve a shared vision of watershed health and collaborative governance. Following its official launch in 2011, the Roundtable has successfully completed an unprecedented "Lower Coquitlam River Watershed Plan," which is the first of its kind in Canada, has become a leading consultative body on many resource management and stewardship topics within the watershed, and is viewed by experts across Canada as a model for collaborative watershed management.

The achievements of the Roundtable to date have been made possible through grant funding and in-kind support of its many partners, including Metro Vancouver as a key stakeholder. In January

2018, the Roundtable released a document entitled "Sustainable Funding Options," which identifies a lack of stable base funding as a significant challenge to maintaining and progressing the work of the Roundtable. The document includes a five year financial model (2017-2021), with base operational funding estimated at \$100K, plus an additional \$35K for projects.

At a recent joint meeting of the Tri-Cities Mayors and Councils, the funding proposal was discussed, and it was recognized that the work of the Roundtable is of significant value to the Region and its stable and ongoing operation should be supported to the benefit of all. It was also noted that two key stakeholders were not contemplated in the proposed funding model. As such, we are requesting the Metro Vancouver Board of Directors consider and approve a minimum contribution of \$34K/year to the Roundtable for the next three years. A similar request will be made to BC Hydro for an additional \$34K share, and separately the two cities will consider contributions as part of their budget deliberations, scheduled for early next year.

For additional information, please refer to the attached "Backgrounder," which also includes the executive summary of the "Sustainable Funding Options" document, as well as additional supporting information.

We would appreciate it if you can arrange for the appropriate mechanism at Metro Vancouver to consider this request. Should you have any questions or require any further information, please contact Councillor Chris Wilson, City of Coquitlam at 604-341-0241 or Councillor Laura Dupont, City of Port Coquitlam at 604-328-8026.

We request your response by October 19, 2018 to allow sufficient time for us to align with annual budget review processes that are currently underway.

Sincerely,



Mayor Richard Stewart  
City of Coquitlam



Mayor Greg Moore  
City of Port Coquitlam

- c - Carol Mason, Chief Administrative Officer, Metro Vancouver ✓  
Port Coquitlam Council  
Coquitlam Council  
Kristen Dixon, Chief Administrative Officer, City of Port Coquitlam  
Peter Steblin, City Manager, City of Coquitlam  
Jozsef Dioszeghy, General Manager Engineering and Public Works, City of Coquitlam  
Steffanie Warriner, Manager Environmental Services, City of Coquitlam

August 1, 2018

Our File: 11-5280-30/CRWM2/2018-1

Doc #: 3039634

Subject: **Coquitlam River Watershed Roundtable Funding Strategy**

## History

The Coquitlam River Watershed Roundtable (the Roundtable) is a multi-stakeholder initiative that coordinates and implements activities that promote the health and sustainability of the Coquitlam River watershed. The Roundtable was officially launched in 2011 following a multi-phase strategy that was initiated by the City of Coquitlam and the Kwikwetlem First Nation (KFN) with a goal to establish a “collaborative body” that could work to improve relations among stakeholders concerned with decisions and activities affecting the Coquitlam River. The initial strategy was substantively funded through the Fraser Salmon and Watersheds Program and Department of Fisheries and Oceans. In 2011 a Core Committee was created to operationalize the Roundtable, which includes representation from all sectors of interest; including, designated staff and members of Council from both Coquitlam and Port Coquitlam (refer to Attachment 1).

Since its inception the Roundtable has supported itself through a range of cash donations, grants, and in-kind support; with more than \$260,000 of in-kind and \$662,000 of in-cash contributions documented since 2007. As a founding partner the City of Coquitlam has been a significant supporter and to date has contributed over \$15K cash and over \$200K in-kind. Other substantive contributions from within the government sector have included: City of Port Coquitlam (\$33K cash, \$6K in-kind); Metro Vancouver (\$40K cash, \$5K in-kind); and DFO (\$83K cash, \$6K in-kind). Beyond participating in the regular meetings of the Core Committee, all of these organizations have also contributed additional in-kind support to assist with special projects and initiatives of the Roundtable.

## Current Status

Securing stable funding has been an ongoing challenge for the Roundtable and a considerable amount of time and effort are expended to soliciting funding partners and applying for grants. This affects the stability of the Roundtable and impedes its ability to advance projects and initiatives. In recognition of the value of the Roundtable, and acknowledging the funding challenges that threaten its viability, in July 2016 the Real Estate Foundation of BC provided a \$100,000 grant over three years (July 2016 – July 2019) with a an associated deliverable for the Roundtable to develop a long-term funding strategy. In response, the Roundtable released a “*Sustainable Funding Options*”



document in January 2018, which estimates a base operating budget of approximately \$100K/yr plus an \$35K for projects as the minimum amount needed to carry out basic operations (refer to the executive summary provided in Attachment 2). The KFN has subsequently written to both Coquitlam and Port Coquitlam Councils to request consideration of the funding strategy (refer to Attachment 3). Other stakeholders have also supported this initiative.

Upon review of the proposed funding mechanisms presented in the "*Sustainable Funding Options*" document, on balance of administrative ease and appropriateness, it is proposed that the \$100K/yr base operational budget could be funded by a partnership between Metro Vancouver, BC Hydro, and the Cities of Coquitlam and Port Coquitlam.

Rationale for supporting and apportioning stable funding for the Roundtable is based on, but not limited to, the following:

- The watershed provides resource, recreational, economic and environmental benefits to both cities, as well as, the region more broadly;
- Both cities directly benefit from the Roundtable for representative advice related to land use planning and decision-making;
- The Greater Vancouver Water District provides drinking water to ~2.4M Metro Vancouver area residents, of which approximately one third of the total system supply comes from the Coquitlam Lake Reservoir (>130M m<sup>3</sup>/yr); and
- BC Hydro draws > 750M m<sup>3</sup>/yr from the reservoir for power generation.

### **Summary of Next Steps**

The Roundtable has established a positive presence in the community, is engaged as an advisory body for local planning and decision-making, has developed and launched a first in Canada Lower Coquitlam River Watershed Plan, and is regarded as a model for collaborative watershed governance in British Columbia (refer to Attachments 4 and 5). A greater degree of financial stability is needed for the Roundtable to continue its operations and maintain its effectiveness. As such, it is recommended that the two city Councils, along with Metro Vancouver and BC Hydro work together to confirm their support for this important watershed management initiative by establishing a stable funding partnership as proposed above, and including this funding request in each agency's budget processes for 2019 through 2021. It is also recommended that these agencies work together to influence and leverage funding support through other significant partners in the watershed for the additional monetary resources that will be necessary for the Roundtable to implement tangible projects and initiatives.

# Coquitlam River Watershed (CRW) Roundtable Core Committee Members and Alternates

ATTACHMENT 1

| Jun-18                      |   |                       |                                  |   | CEDMS DOC # 2896968 -v1A |  |
|-----------------------------|---|-----------------------|----------------------------------|---|--------------------------|--|
| Sector                      | Organization  | Core Committee Member | Telephone                        | Email   |                          |  |
| 1) Local Government         | City of Coquitlam (Council)                         | Chris Wilson          | 604-341-0241                     | cwilson@coquitlam.ca                                  |                          |  |
| 2) Local Government         | City of Coquitlam (Staff)                           | Steffanie Warriner    | 604-927-3536                     | swarriner@coquitlam.ca                                |                          |  |
| Local Government            | Alternate   | Margaret Birch        | 604-927-3483                     | mbirch@coquitlam.ca                                   |                          |  |
| 3) Local Government         | City of Port Coquitlam (Council)                    | Laura Dupont          | 604-328-8026                     | ldupont@portcoquitlam.ca                              |                          |  |
| 4) Local Government         | City of Port Coquitlam (Staff)                      | Neil MacEachern       | 604-927-5267                     | maceachernN@portcoquitlam.ca                          |                          |  |
| Local Government            | VACANT - Alternate                                  |                       |                                  |   |                          |  |
| 5) First Nation             | KFN (Technical Advisor)                             | Craig Orr             | 604-809-2799                     | corr@telus.net  |                          |  |
| 6) First Nation             | Kwikwetlem First Nation Alternate                   | Kelsey Taylor         | 604-540-0680                     | kelsey@kwikwetlem.com                                 |                          |  |
| 7) Regional Government      | Metro Vancouver, Water Management                   | Dave Dunkley          | 604-432-6285                     | dave.dunkley@metrovancover.org                        |                          |  |
| Regional Government         | Alternate   | Jesse Montgomery      | 778-452-4581                     | jesse.montgomery@metrovancover.org                    |                          |  |
| 8) Utilities                | BC Hydro  | Karen Popoff          | 604-528-2280                     | karen.popoff@bchydro.com                              |                          |  |
| Utilities                   | VACANT - Alternate                                  |                       |                                  |   |                          |  |
| 9) Federal Government       | Fisheries and Oceans Canada                         | Scott Ducharme        | c 604-561-0829<br>o 604-666-2821 |   |                          |  |
| 10) Provincial Government   | Ministry of Energy, Mines and Petroleum Resources   | Jim Dunkley           | 250-953-4640<br>778-698-7294     | Scott.Ducharme@dfo-mpo.gc.ca<br>jim.dunkley@gov.bc.ca |                          |  |
| 10) Aggregate Industry      | Allard Contracting Ltd                              | Jim Allard (Jan 2018) | 604-944-2556                     | jallard@telus.net                                     |                          |  |
| Aggregate Industry          | Alternate   | Daniel Allard         |                                  | dan.allard@gmail.com                                  |                          |  |
| 11) Real Estate Development | Brook Pooni Associates, Urban Development Institute | Blair Chisholm        | 604-731-9053 ext #104            | bchisholm@brookpooni.com                              |                          |  |
| Real Estate Development     | Alternate - Beedle Group                            | David Roppel          | 604-436-7784                     | david.roppe@beedlegroup.ca                            |                          |  |
| 12) Outdoor Recreation      | VACANT  |                       |                                  |   |                          |  |
| 13) Stewardship             | PoCo & District Hunting and Fishing Club            | Norm Fletcher         | 604-942-0371                     | nwfletcher@telus.net                                  |                          |  |
| Stewardship                 | Alternate - PCDHFC                                  | Mike Jensen           |                                  | jensenms@shaw.ca                                      |                          |  |
| 14) Stewardship             | North Fraser Salmon Assistance Project              | Tony Matahija         | 604-710-0581                     | anton.m@shaw.ca                                       |                          |  |
| Stewardship                 | Alternate   | Robbin Wachell        | c 604-561-0829                   | robbinwachell@gmail.com                               |                          |  |
| 15) Stewardship             | Tri-City Green Council                              | Elaine Willis         | 604-461-1048                     | eaewillis@telus.net                                   |                          |  |
| Stewardship                 | VACANT - Alternate                                  | Melissa Chaun         |                                  | mchaun@gmail.com                                      |                          |  |
| 16) Education               | BC Institute of Technology                          | Marvin Rosenau        | 604-451-6971                     | Marvin_Rosenau@bcit.ca                                |                          |  |
| 17) Arts and Culture        | Arts Connect  | Sherry Carroll        | 604-942-3260                     | scartsandculture@live.com                             |                          |  |
| Arts and Culture            | Alternate   | Manfred Kraus         | 604-469-7051                     | vancouvermoments@shaw.ca                              |                          |  |
| 18) Roundtable Coordinator  | Coquitlam River Watershed RT                        | Jill Dwyer            | 604-505-8676                     | coordinator@coquitlamriverwatershed.ca                |                          |  |
| Financial Trustee           | Watershed Watch Salmon Society                      | Trish Hall            | 604-512-9782                     | hall@watershedwatch.ca                                |                          |  |

## 1 Executive Summary

The Coquitlam River Watershed Roundtable (CRWR) is a multi-stakeholder collaborative initiative that coordinates and implements activities to promote the long-term health and sustainability of the Coquitlam River watershed. The CRWR was established in 2007 and engages government, First Nations, industry, private, and community partners in watershed governance activities, such as regular multi-sector meetings, the development of the Lower Coquitlam River Watershed Plan (LCWRP), and implementation of Strategies for Action to improve the health of the watershed.

### CRWR accomplishments since 2007

- Reach consensus on a shared mission, values, and guiding principles between disparate groups
- Successfully maintain partnerships and the continued participation of representatives from multiple sectors
- Develop and launch the LCWRP
- Become a leading consultative body on many resource management and stewardship topics in the watershed
- Secure significant partner donations and grants to support ongoing operations

The CRWR is lead by a Core Committee, which comprises representatives from the diverse sectors with vested interest in the watershed. A Coordinator executes key administrative, planning, and communication activities, and is the singular employed individual supporting the CRWR. All additional human resources expertise, such as participation as a Core Committee representative, is voluntary and is provided as in-kind support.

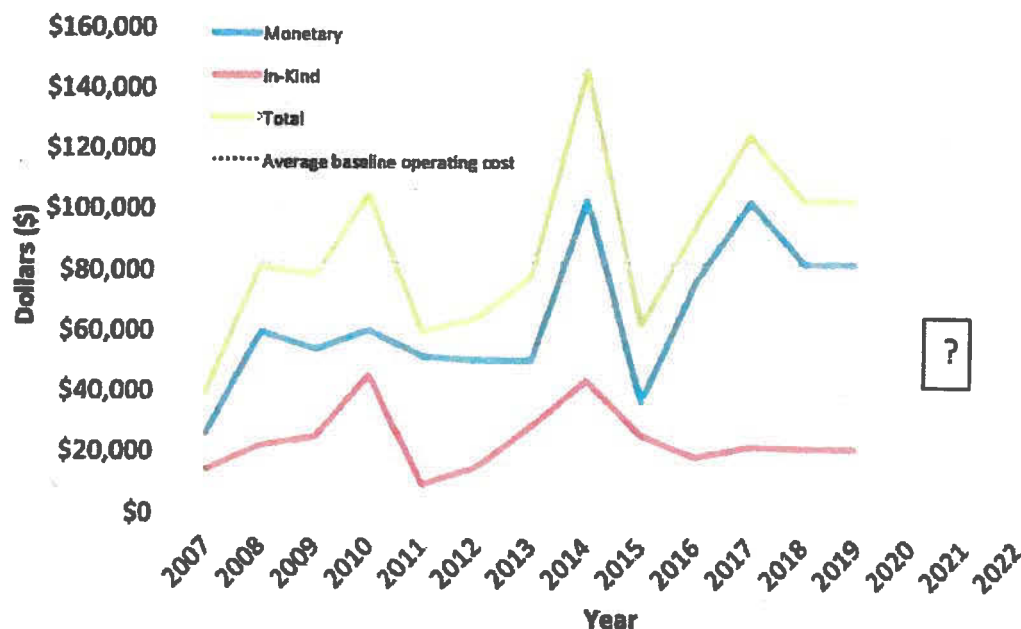


Figure 1. Monetary and in-kind contributions to the CRWR, with future projections (2019 onward) estimated by current variable funding model.

Currently, average baseline operating costs of the CRWR are \$81,400 per year, with an additional \$20,000 per year for development and/or implementation of special projects (Fig. 1; Appendix 1). Variable revenue sources cannot support long-term watershed governance initiatives and monitoring programs. There is a need for a renewed funding model that will provide stability and the ability to engage in long-range projects.

The CRWR provides recommendations to establish a sustainable funding model to build its capacity, to allow for long-range planning, and to implement Strategies for Action outlined in the LCRWP.

### Long-range vision

The CRWR's long-range vision is to continue functioning as an independent initiative that provides the following services to the local, regional, and First Nations governments:

- Platform to gather representatives from multiple sectors to discuss important topics regarding watershed health and activities
- Provide consultation on local planning and decision-making
- Develop and implement campaigns to address ecological pressures in the watershed
- Lead monitoring and restoration activities in the watershed
- Provide regular reports on status of projects and the health of the watershed

### Risks of losing the CRWR

Without a new finance model, the operations, credibility, and effectiveness of the CRWR are at risk. In the absence of a sustainable source of core funding, there is no financial security to maintain a Coordinator, which in turn jeopardizes the group's ability to apply for, receive, and leverage additional funds. If the CRWR continues to operate on a patchwork of short-term funding arrangements, it will lose any opportunity to lead long-range projects in the watershed, which would undermine the effectiveness of the group's work and its ability to provide key watershed services to its stakeholders. Without a stable CRWR, the local, regional, and First Nations governments risk to lose:

- A key consultative body in the watershed that successfully brings together disparate sectors that all have an interest in the health of the watershed
- An entity with valuable local knowledge and experience of land use practices and decisions
- Momentum on important projects addressing ecosystem pressures that align the LCRWP and First Nations, local, and regional plans
- The opportunity to be a leader in advancing collaborative watershed governance on the Provincial scale

#### Coordinator responsibilities

- Provide administrative support to the Core Committee
- Prepare grant applications, reports, and online content
- Design and implement campaigns
- Conduct research and communicating with other watershed initiatives
- Organize public outreach and education activities

### Augmentation of the Coordinator position

The CRWR wishes to maintain the Coordinator position and to augment it from part-time to full-time by Year 2020. This increase of hours will allow the Coordinator to further engage in the development phases of projects, to strengthen partnerships through additional meetings and networking opportunities, to strategically manage external grant applications and funding, and to prepare reports and presentations to advance the work of the CRWR. The Coordinator will work directly with municipal staff to align CRWR efforts with local government priorities.

### Leveraging funds

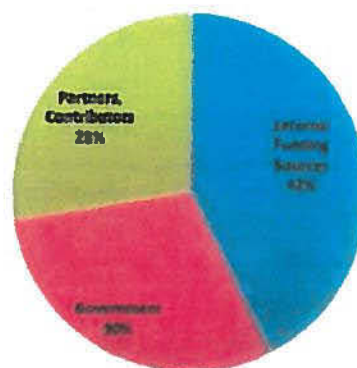
The CRWR will use the core funding received from the new finance model to leverage additional funds from grants, foundations, donations, and other sources of revenue to pursue special projects.

### Recommendation for new funding model

Based on extensive research and consultation with experts, watershed residents, and members of the CRWR, it is recommended to establish a new funding model that is diverse, to encompass the various sectors involved in the CRWR and to support financial robustness. The recommended funding model is the following:

- Core funding in the total amount of \$100,000<sup>1</sup> be provided to the CRWR annually to support baseline operations from:
  - City of Coquitlam, through a parcel tax/conservation fund, bylaw, and/or levy, and/or utility bill process
  - City of Port Coquitlam, through a parcel tax/conservation fund, bylaw, and/or levy, and/or utility bill process
  - Metro Vancouver, through the Water Board
  - A Funding Agreement, reviewed every 3 years between the CRWR and all core funding partners

Old funding model



Recommended new funding model

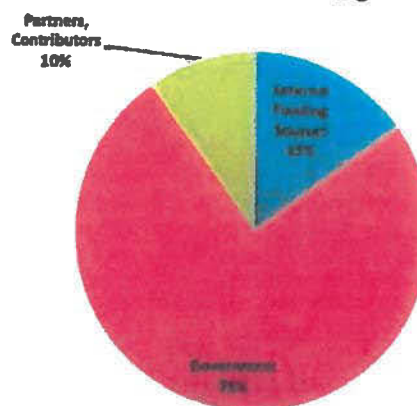


Figure 2. Relative average annual core funding contributions to the CRWR by category, comparing the old funding model to the recommended new model.

<sup>1</sup> The proportion allocation will be developed as part of the 2018 business analysis phase and formalized through dialogue with the cities of Coquitlam and Port Coquitlam, Metro Vancouver, and other funding partners. *Note: This does not include in-kind resource requirements.*

- **Special project funding is leveraged on an annual basis through:**
  - Kwikwetlem First Nation
  - BC Hydro
  - Other organizations represented on the Core Committee
- **Special project funding is pursued through external grant opportunities, on a case-by-case basis**

### **Next steps**

A financial structure and delivery method will need to be developed for the preferred funding mechanisms, which will require close collaboration between the CRWR and core funding partners. The CRWR's Capacity and Resilience Building Sub-Committee will lead all subsequent communications on this matter.



CRWR 5-Year Plan

|  | Year 1 (2017)   | Year 2 (2018)   | Year 3 (2019)   | Year 4 (2020)   | Year 5 (2021)   |
|--|---|---|---|---|---|
| <b>Annual baseline budget and revenue source</b>                               | <p>\$81,370</p> <p>Donations from CRWR partners</p> <ul style="list-style-type: none"> <li>• City of Coquitlam</li> <li>• City of Port Coquitlam</li> <li>• PCDHFC</li> <li>• Jack Cewe Ltd</li> <li>• Watershed Watch Salmon Society</li> </ul> <p>External grants</p> <ul style="list-style-type: none"> <li>• REFBC</li> </ul> | <p>\$81,370</p> <p>Donations from CRWR partners</p> <ul style="list-style-type: none"> <li>• City of Coquitlam</li> <li>• City of Port Coquitlam</li> <li>• PCDHFC</li> <li>• Watershed Watch Salmon Society</li> <li>• Jack Cewe Ltd</li> <li>• Other (to be determined)</li> </ul> <p>External grants</p> <ul style="list-style-type: none"> <li>• REFBC</li> </ul> | <p>\$81,370</p> <p>Core funding from new finance model: Mechanisms to be determined</p> <p>Donations from CRWR partners</p> <ul style="list-style-type: none"> <li>• PCDHFC</li> <li>• Watershed Watch Salmon Society</li> <li>• Other (to be determined)</li> </ul> <p>External grants</p> <ul style="list-style-type: none"> <li>• REFBC</li> </ul> | <p>\$100,000</p> <p>Core funding from new finance model: Mechanisms to be determined</p>  | <p>\$100,000</p> <p>Core funding from new finance model: Mechanisms to be determined</p>  |
| <b>Annual project budget and revenue source, not including in-kind support</b> | <p>\$20,884</p> <ul style="list-style-type: none"> <li>• REFBC grant</li> <li>• BC Freshwater Legacy Initiative</li> <li>• Government of Canada</li> <li>• Port Coquitlam Community Foundation</li> <li>• Vancity</li> <li>• Fisheries &amp; Oceans Canada</li> <li>• FWCP</li> </ul>   | <p>\$20,000 – 30,000</p> <ul style="list-style-type: none"> <li>• REFBC grant</li> <li>• BC Freshwater Legacy Initiative</li> <li>• Vancity</li> <li>• Fisheries &amp; Oceans Canada</li> <li>• FWCP</li> <li>• Government of Canada</li> </ul>   | <p>\$20,000 – 30,000</p> <ul style="list-style-type: none"> <li>• REFBC grant</li> <li>• Dependent on support from funding partner/grant</li> </ul>   | <p>\$25,000 – 35,000</p> <p>Dependent on support from funding partners/external grants</p>  | <p>\$25,000 – 35,000</p> <p>Dependent on support from funding partners/external grants</p>  |
| <b>Sustainable funding campaign</b>  | <ul style="list-style-type: none"> <li>• Introduce sustainable funding campaign to local Council Committees and Roundtable participants</li> <li>• Receive guidance and feedback from external experts</li> <li>• Complete "Sustainable Funding Options" document</li> </ul>  | <ul style="list-style-type: none"> <li>• Develop and establish new funding model in partnership with local governments and CRWR partners</li> </ul>   | <ul style="list-style-type: none"> <li>• Receive baseline funding through new funding model</li> <li>• Final report to REFBC</li> <li>• Leverage additional funding</li> </ul>  | <ul style="list-style-type: none"> <li>• Receive baseline funding through new funding model</li> <li>• Leverage additional funding</li> </ul> | <ul style="list-style-type: none"> <li>• Receive baseline funding through new funding model</li> <li>• Leverage additional funding</li> </ul> |
| <b>Implementation of Strategies for Action LCRWP</b>                           | <ul style="list-style-type: none"> <li>• Development</li> <li>• Water Extraction</li> <li>• Invasive Species</li> </ul>   | <ul style="list-style-type: none"> <li>• Development</li> <li>• Water Extraction</li> <li>• Invasive Species</li> </ul>   | <p>Dependent on support from funding partner/grant</p>  | <p>Dependent on support from funding partner/grant</p>  | <p>Dependent on support from funding partner/grant</p>  |
| <b>Other activities</b>  | <ul style="list-style-type: none"> <li>• Public Roundtable meeting(s)</li> <li>• Core Committee and Sub-Committee meetings</li> <li>• Education and outreach activities at public events in the watershed</li> <li>• Communication with other watershed initiatives and organizations in BC</li> </ul>                            |   | <ul style="list-style-type: none"> <li>• Expert facilitated sessions on sustainable funding mechanisms, long-range planning, and the <i>Water Sustainability Act</i></li> <li>• Ongoing communications about the work of the CRWR</li> <li>• Provide consultation on local planning and decision-making</li> </ul>                                    |   |   |

**Kwkwetlem First Nation**

2-65 Colony Farm Road, Coquitlam, B.C. V3C 5X9  
604-540-8880

kʷikʷəłəm

March 27, 2018

Mayor and Council  
City of Coquitlam  
3000 Guildford Way  
Coquitlam, BC V3B 7N2

Mayor and Council  
City of Port Coquitlam  
2580 Shaughnessy Street  
Port Coquitlam, BC V3C 2A8

Dear Mayors and Councillors:

**Re: Support for Coquitlam River Watershed Roundtable**

As you know, the Kwkwetlem people have a long historical connection to the Coquitlam River and its fish. As a Nation, we are vitally concerned about water quality, fish habitat values, and development pressure on these resources.

It has come to the Nation's attention that there will be a Joint Council meeting of your respective mayors and councils to consider providing operational support for the Coquitlam River Watershed Roundtable. Kwkwetlem First Nation wishes to reiterate its strong support of the work of the Roundtable to protect watershed health, having recently made a donation to its operations in recognition of the Roundtable's accomplishments and ongoing value.

Many know that the Roundtable is a special collaborative body that plays an important role in the watershed. A review of the recent meeting agenda is proof of its diversity and inclusivity, and of the many issues it is involved with. Moreover, the Roundtable's watershed plan is unique in Canada in its focus on watershed and human health, and Kwkwetlem is appreciative of how the members help promote watershed, First Nation, and community interests.

Kwkwetlem's Lands Stewardship Committee was particularly pleased to hear from the Roundtable in late February. Kwkwetlem's representatives Craig Orr and Kelsey Taylor also reported positive results from the Roundtable's developers' workshop, as did our members in attendance. The role the Roundtable might play in the promotion and oversight of greener development should not be overlooked, and should in fact be strongly supported by both Cities.



The Roundtable already boasts an impressive track record of work and of obtaining outside recognition and funding support. What it lacks is sufficient and ongoing operational support from the municipalities within the watershed it serves.

Kwikwetlem urges both Cities to recognize and reward the special role the Roundtable provides in your and our watershed, by providing the support that is needed. As an investment to advance collaboration and good watershed governance, it would seem like it would be in the best interests of both Cities to ensure the Roundtable continues to thrive— not struggle with funding distractions.

All my relations,

A handwritten signature in black ink, appearing to read "Chief Ron Giesbrecht".

Chief Ron Giesbrecht

CC; Craig Orr, Kelsey Taylor, Kwikwetlem representatives, Roundtable core committee



# Coquitlam River Watershed Roundtable Summer/Fall 2017

Kwikwetlem, known as "Red fish up the river." A living river that reveals its spirit.



## The Coquitlam River Watershed Roundtable

The Coquitlam River Watershed Roundtable was founded in 2011 following a four year community engagement process. During this development period, individuals and organizations representing a broad range of perspectives on the watershed came together to develop a solid foundation for the Roundtable, including developing a mission statement, a set of values and guiding principles for the Roundtable.

The Roundtable coordinates and implements activities that promote the health and long-term sustainability of the watershed.

Anyone who supports the Roundtable's mission can participate in Roundtable meetings, which are held once or twice a year. A multi-sector Core Committee, whose members represent the diverse sectors of interest in the watershed, meet on a regular basis to carry out the work of the Roundtable. Sectors represented on the Core Committee include: municipal, provincial, regional and federal governments, First Nations elected officials and staff; the aggregate industry; arts and culture; education; outdoor recreation; real estate development; and stewardship groups.

## Coquitlam River Watershed

The Coquitlam River watershed is located on the north shore of the Fraser River's lower reach in British Columbia's Lower Mainland region, within the traditional territory of the Kwikwetlem First Nation. The Coquitlam Lake Reservoir Dam divides the watershed. North of the dam is undeveloped wilderness. South of the dam, urban development in the watershed covers approximately 45% of the land within the City of Coquitlam and 30 % of the land

within the City of Port Coquitlam. Based on 2011 Census data and additional municipal records to 2014, an estimated 156,700 residents live in the lower watershed. A newly launched Action Plan for the lower Coquitlam River watershed, that considers both ecological and human well-being components, will strengthen the Roundtable's effort to achieve its Vision for a healthy watershed and a healthy community.

### Funding Partners



Government of Canada

Gouvernement du Canada

Vancity

BURKE MOUNTAIN Holdings Ltd



Coquitlam



## Mission, Values & Guiding Principles

The Mission, Values and Guiding Principles provide a firm foundation for the Roundtable's activities. They were defined and endorsed by community members and organizations who participated in numerous community meetings during the years preceding the establishment of the Roundtable.

### Mission

The Coquitlam River Watershed Roundtable will:

- facilitate collaborative resolution of urban growth and natural resource use pressures consistent with agreed community objectives and values,
- inform and educate people about these matters and the watershed, and
- promote and support conservation of a sustainable, healthy watershed environment.

### Values

Our values for the watershed are:

- Ecosystem integrity
- Home/Heritage/Culture
- Native bio-diversity
- Natural beauty
- Natural resources
- Protected areas
- Public access
- Recreation
- Responsibility to protect
- Spiritual qualities
- Sustainability

### Guiding Principles

Guiding principles are proactive statements about the way the Roundtable will operate to achieve its mission. The guiding principles are:

- Accountable
- Adaptive
- Consensus-based decision-making
- Effective and Credible
- Efficient with Capacity
- Inclusive and Respectful
- Influential and Responsible
- Proactive approach
- Relationship-building

### Contact Us! Get Involved!

More information: [coquitlamriverwatershed.ca](http://coquitlamriverwatershed.ca)



Follow us on Twitter  
@CoqRiverWS



Like us on Facebook  
/CoqRiverWS

**Subscribe to e-News!** Receive regular updates about Roundtable meetings, projects and events happening in the watershed. To subscribe, contact:

[info@coquitlamriverwatershed.ca](mailto:info@coquitlamriverwatershed.ca)

**Roundtable Coordinator:** Our coordinator for the Roundtable and the Core Committee may be contacted at:

[coordinator@coquitlamriverwatershed.ca](mailto:coordinator@coquitlamriverwatershed.ca)

## The Roundtable Core Committee

The Core Committee is the administrative body for the Roundtable. Members represent a diverse cross section of interests in the watershed. The Core Committee meets six times a year to move forward on projects and activities proposed by the Roundtable. Members serve an 18-month term on a volunteer basis or their participation is supported by their organizations. Their in-kind donation of time is a key contributor to the success of the Roundtable. These are the sectors and organizations which are currently represented on the Core Committee:

| Sector                  | Organization   |
|-------------------------|--|
| Local Government        | City of Coquitlam                                    |
|                         | City of Port Coquitlam                               |
| First Nations           | Kwikwetlem First Nation                              |
| Regional Government     | Metro Vancouver, Water Management                    |
| Utilities               | BC Hydro   |
| Federal Government      | Fisheries and Oceans Canada                          |
| Provincial Government   | BC Ministry of Energy, Mines and Petroleum Resources |
| Aggregate Industry      | Jack Cewe Ltd.                                       |
| Real Estate Development | Brook Pooni Associates, Urban Development Institute  |
| Outdoor Recreation      | Vacant   |
| Stewardship             | North Fraser Salmon Assistance Program               |
|                         | Tri-City Green Council                               |
|                         | Port Coquitlam & District Hunting and Fishing Club   |
| Education               | BC Institute of Technology (BCIT)                    |
| Arts and Culture        | ArtsConnect  |



**Coquitlam  
River Watershed  
Roundtable**

[coquitlamriverwatershed.ca](http://coquitlamriverwatershed.ca)





# Lower Coquitlam River Watershed Plan

## Implementation Update 2018 Going Forward



### Lower Coquitlam River Watershed Plan

The Coquitlam River Watershed Roundtable is a collaborative body that coordinates and implements activities which promote the long-term sustainability of the watershed. Between 2012 and 2015, the Roundtable created the Lower Coquitlam River Watershed Plan (LCRWP), which resulted from the efforts of more than 60 partners from municipal, provincial, regional, federal and First Nations governments,

aggregate industry, arts and culture, education, outdoor recreation, real estate development sectors and stewardship groups. The LCRWP responds to key pressures that affect watershed health, and provides some initial strategies to address them. Implementing the LCRWP will require the commitment of key partners to support the plan's strategies for action, which aim to provide a healthy, liveable community for people in this watershed.

### Strategies for Action – Progress update

This report highlights the progress to date on the strategies for action as provided in the LCRWP. In total, 17 strategy ideas were produced, some which resulted in detailed action plans being developed to address pressures from stormwater, invasive species and development. Recent interest during 2017 has resulted in further strategies

for action to address pressures from water extraction. Recent resource support received through 2017, from the development and business community, and a legacy water funder provides the necessary support needed to implement strategies for action to address development, invasive species and water extraction through 2019.

Upper Coquitlam River Watershed

Buntzen Intake Tunnel

Coquitlam Lake Reservoir

Coquitlam Dam

Lower Coquitlam River Watershed

The Coquitlam River Watershed Roundtable (the Roundtable) was founded in 2011 following a four-year community engagement process. The Roundtable coordinates and implements activities that promote the health and long-term sustainability of the watershed.



**Development (High)****Invasive Species (High)****Stormwater (High)**

## WHAT ECOLOGICAL AND HUMAN WELL-BEING COMPONENTS ARE BEING AFFECTED?

Riparian Areas, Natural Areas, Liveable Communities and Recreation

Riparian Areas, Natural Areas, Recreation, and possibly Coquitlam River System and Salmon

Coquitlam River System, Riparian Areas, Salmon, Cultural and Spiritual Values, Human Health and Safety and Resource Industries

**Strategies for Action**

**Development Incentives Feasibility Study:** to develop potential incentive tools for the development community. A detailed action plan was developed as part of the watershed plan process. **Budget:** \$50,000 cash and in-kind.

**Natural space watershed strategy:** to assess current open space system, to identify areas to acquire new open space that provides multi-benefits derived from a watershed approach. A conceptual model has been drafted but as yet, no detailed action plan.

**Develop impact map:** to show cumulative watershed-wide impacts and assist decision-makers. A conceptual model has been drafted, but as yet, no detailed action plan. **Budget:** \$10,000 - 15,000 cash and in-kind.

**Implementation Status: ACTIVE.** Cash funding was provided by several development and water funders to implement a **development incentives feasibility study** through to 2018. The project includes a developers' workshop, support for Roundtable participation, including First Nations, to provide advice on local watershed and land use planning in the watershed. The strategy to **develop an impact map** was started informally in 2017 through in-kind Roundtable support, however funding is required to complete the work.

**Strategies for Action**

**Alignment of invasive species management efforts:** to compile watershed-wide data and apply across municipalities to address Metro Vancouver Invasive Species Management Strategy (Goal 3-L). A detailed action plan has been developed. Currently seeking implementation funding.

**Implement ban sale of invasive species:** to address Metro Vancouver Invasive Species Management Strategy (Goal 3-L and 3-M). A conceptual model has been drafted. Some additional work through resource support is required to develop an action plan. First target effort is an educational awareness campaign for watershed residents to learn about the impacts of invasive species can have on watershed health, and how to help manage them.

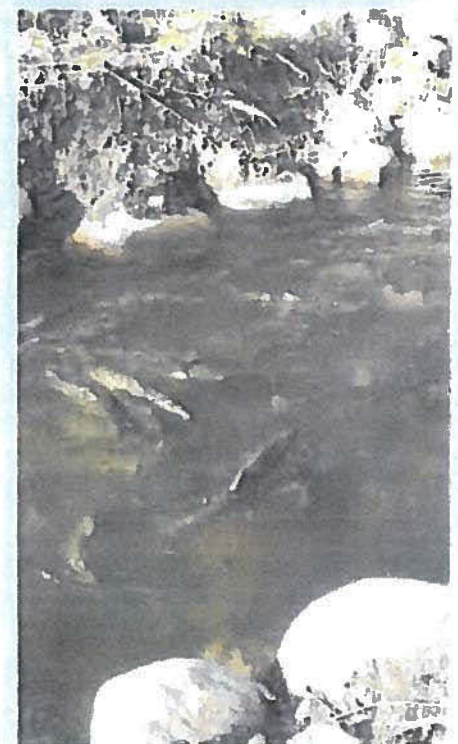
**Implementation Status: ACTIVE.** Initial work towards the **ban on the sale of invasive species** has involved Roundtable members delivering outreach education programs and displays at community outreach events in Coquitlam and Port Coquitlam in 2016 and 2017. Funding and in-kind support was provided through community grants and services from \$500 - \$3,000. Events included a river walk, interactive activities and displays, participant surveys, a video production and volunteer guides. The Roundtable is seeking funding in 2018 to expand community outreach with the aim to measurable change in behaviour to invasive species and watershed health.

**Strategies for Action**

**Stormwater homeowner outreach:** to help single-family homeowners improve stormwater practices in the lower Coquitlam River watershed. A detailed action plan has been developed. This strategy may also align with the **water conservation outreach program strategy**.

**Promote adaptive stormwater management process:** to achieve stormwater improvements at a watershed-wide scale. A conceptual model has been drafted. Some additional work is required to develop action plan.

**Implementation Status: NO PROGRESS YET**





### Water Extraction (Medium)



### Recreation (Medium)



### Vandalism/Illegal Activity (Medium)



Coquitlam River System, Salmon, Human Health and Safety, Resource Industries, Cultural and Spiritual Values and Recreation

Coquitlam River System, Riparian Areas, Natural Areas, Salmon, Resource Industries and Recreation

Coquitlam River System, Riparian Areas, Natural Areas, Stewardship, Cultural and Spiritual Values and Recreation

### Strategies for Action

**Develop a set of recommendations for next revision of Water Use Plan:** to determine whether local-area water conservation efforts can offset water needs beyond WUP requirements to improve flows needed for salmon. A conceptual model has been drafted. Some additional work is required to develop action plan.

**Implement water conservation outreach program:** that focuses on the environmental flow benefits - connect water extraction and reduced water consumption of water to stream and salmon health. This strategy idea has not been fully developed. It will be furthered as capacity grows and potential community partners and/or municipalities express interest and support. This strategy may also align with the **stormwater homeowner outreach strategy**.

**Promote "high" standards of water practices for new development,** including supporting research: to show benefits can reduce demands of development on the watershed. Strategy idea has not been fully developed. This strategy also links to both Stormwater and Development actions and may be captured as part of alignment to address those pressures.

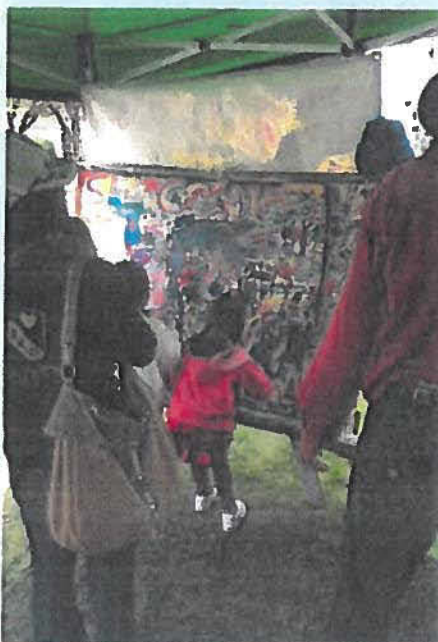
**Implementation Status: ACTIVE.** Funding support to develop a set of recommendations for next revision of Water Use Plan will advance in 2018. As part of the development incentives feasibility study there is possible overlap to the promote "high" standards of water practices for new development strategy.

### Strategies for Action

**"No Impact" Campaign in schools:** to provide locations where kids have access to, and learn how to recreate without environmental impact. A conceptual model has been drafted as part of the watershed plan process, however additional work and implementer support is required to develop the action plan further.

**Develop Coquitlam River mainstem outreach campaign:** to prevent unsustainable recreation on the river corridor mainstem that harms riparian areas, aquatic habitat, native plants, species at risk. This strategy idea has not been developed but could be furthered as capacity grows and resources become available.

**Implementation Status: NO PROGRESS YET**

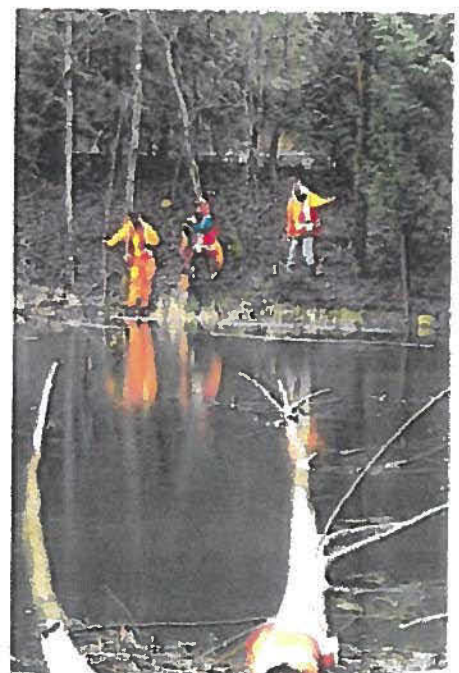


### Strategies for Action

**Littering/dumping public outreach campaign:** to educate residents on cumulative damage of littering/dumping on a watershed-wide scale. A conceptual model was drafted as part of the watershed plan process. However additional work and implementer support is required to develop an action plan.

**Outreach program:** to provide awareness and understanding about existing tree management and clearing bylaws in the municipalities. This strategy idea has not been developed, but can be furthered as capacity grows and resources become available.

**Implementation Status: NO PROGRESS YET**





# Implementation Partners for Watershed Plan Strategies for Action

## Mainstream Cultural Norms (Medium)

## Mining (Low)

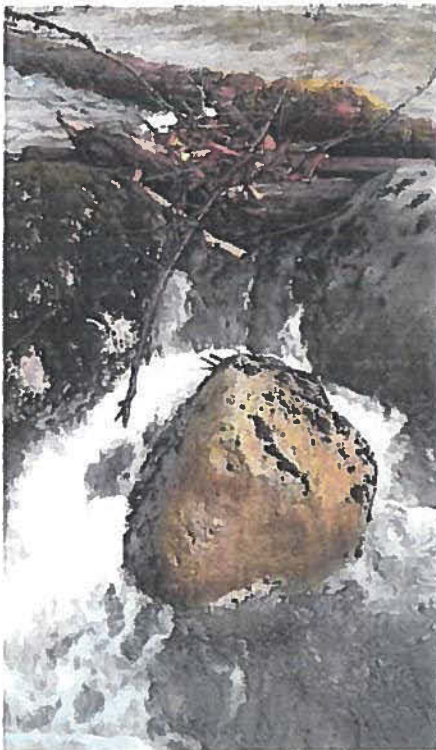
Human Health and Safety, Stewardship, Resource Industries, Cultural and Spiritual Values and Recreation

Coquitlam River System, Salmon and Liveable Communities

### Strategies for Action

**Outreach work:** to link natural space watershed strategy (Development) and Coquitlam River mainstem campaign (Recreation) to make outdoor access easier. This concept requires further research and interest from partners.

**Implementation Status: NO PROGRESS YET**



### Strategies for Action

**Conduct outreach between stewardship groups and mining community:** to share information about current mining operations to provide better transparency on mining operations in the watershed. A conceptual model has been drafted. Some additional work and resources are required to fully develop an action plan.

**Outreach on current state of mining practices:** to inform the community what mining operations do to protect the river. The strategy idea has not been fully developed.

**Implementation Status: ACTIVE.** The Roundtable includes aggregate industry sector representation and provides a forum for mine operators to provide information about the industry. Jack Cewe Ltd. participates in watershed tours to provide information about their mining operations and the **current state of mining practices** at their site. Jack Cewe Ltd., Allard Contracting and Lafarge Canada also attend core committee meetings and provide updates on their mining operations as well as seek input. Additional opportunities for the aggregate industry to support **outreach between stewardship groups** and the mining community will be pursued through 2018.

The Roundtable gratefully acknowledges the support provided by several partners for the implementation of strategies for action through 2018.

- **Anthem Properties** (Development)
- **BC Freshwater Legacy Initiative** (Development and Water Extraction)
- **Beedie Group** (Development)
- **Brook Pooni & Associates** (Development)
- **Burke Mountain Holdings** (Development)
- **City of Coquitlam** (Development and Invasive Species)
- **City of Port Coquitlam** (Invasive Species)
- **Fisheries and Oceans Canada** (Invasive Species)
- **Jack Cewe Ltd** (Mining)
- **Kwikwetlem First Nation** (Development)
- **Port Coquitlam Community Foundation** (Invasive Species)
- **Real Estate Foundation of BC** (Development and Water Extraction)
- **Vancity Shaughnessy Station Community Branch** (Invasive Species)
- **Watershed Watch Salmon Society** (Development and Water Extraction)

For more information: [coquitlamriverwatershed.ca](http://coquitlamriverwatershed.ca)

For information on Open Standards for the Practice of Conservation: [cmp-openstandards.org](http://cmp-openstandards.org)



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To: MVRD Board

From: Megan Gerrys, Corporate Projects Coordinator, CAO Executive Office

Date: October 2, 2018 Meeting Date: October 12, 2018

Subject: **Metro Vancouver Board Strategic Plan – 2018 Update**

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### **RECOMMENDATION**

That the MVRD Board receive for information the report dated October 2, 2018, titled “Metro Vancouver Board Strategic Plan – 2018 Update.”

---

### **PURPOSE**

To provide the Finance and Intergovernment Committee and the MVRD Board with an update on key actions achieved in 2018 in delivering the strategic directions of the *2015 – 2018 Board Strategic Plan*.

### **BACKGROUND**

Initiated in 2013, as part of the annual planning and budget process, each year work plans are prepared for Metro Vancouver’s business areas that guide the activities of the organization. Departmental work plans flow from the *Board Strategic Plan* and include high level performance indicators that have been developed across the organization to evaluate trends, determine key actions for the coming year, and assist in long-term planning. The departmental work plans are then refined and incorporated into the individual work plans of the Board Standing Committees and the Committees provide political oversight to these activities.

This report presents an update to the *2015 – 2018 Board Strategic Plan* and provides an overview of Metro Vancouver’s progress in achieving these goals through the activities and accomplishments of the Board Standing Committees and respective Boards in 2018.

### **BOARD STRATEGIC PLAN – ANNUAL PROGRESS REPORT**

Progress toward achieving key priorities identified in the *Board Strategic Plan* has been tracked and reported annually as part of the budgeting process since 2014. In October 2016, the first annual progress report was presented to the Board, detailing the actions taken on each of the strategic directions in the *Board Strategic Plan*.

In October 2017, the Board was presented with Metro Vancouver’s Performance Monitoring Dashboard that provides a new mechanism for monitoring and reporting on Metro Vancouver’s progress towards achieving its goals. The Performance Monitoring Dashboard is available online on Metro Vancouver’s website and can be accessed at the following link: [www.metrovancouver.org/dashboards](http://www.metrovancouver.org/dashboards).

The attachment to this report presents the Annual Progress Report on the Board Strategic Plan. Significant accomplishments have been achieved in 2018 and demonstrate how the implementation of the Regional Management Plans, Standing Committee work plans, and departmental activities



have made progress in fulfilling the goals of the strategic directions included in the *2015 - 2018 Board Strategic Plan*.

**ALTERNATIVES**

This is an information report. No alternatives are presented.

**FINANCIAL IMPLICATIONS**

The actions contained within this report were carried out as part of the work plans and budgets endorsed by the Metro Vancouver Boards during the 2018 budget process.

**SUMMARY / CONCLUSION**

As part of the annual planning and budget process, work plans are prepared each year for Metro Vancouver's business areas that guide the activities of the organization. These work plans flow from the *Board Strategic Plan* and include high level performance indicators that evaluate trends, determine key actions for the coming year, and assist in long-term planning. The departmental work plans are refined and incorporated into the individual work plans of the Board Standing Committees that provide political oversight to these activities.

This report presents an overview of the progress of the organization towards achieving the goals and strategic directions of the *2015 - 2018 Board Strategic Plan* through the oversight of its Board Standing Committees in 2018. The attached Annual Progress Report provides a summary of annual accomplishments as categorized by Board Strategic Direction and is presented for information.

**Attachment:**

2018 Board Strategic Plan Annual Progress Report

26788389

## 2018 BOARD STRATEGIC PLAN ANNUAL PROGRESS REPORT

### *Strategic Direction from Board Strategic Plan*

#### REGIONAL FEDERATION

1. **Livable and sustainable region.** Use livability and sustainability objectives to guide Metro Vancouver's services and operations.
  - Approved six Sustainability Innovation Fund projects aimed at creating a more sustainable region in innovative ways.
  - Launched the Strata Energy Advisor Program to provide support to hundreds of multi-family residential strata corporations on how they can reduce energy consumption and greenhouse gas emissions, while saving money.
2. **Effective federation.** Strengthen the alignment of member and regional objectives.
  - Approved the *Public Engagement Policy* aimed at improving public engagement processes and creating consistency across all Metro Vancouver functions by outlining Metro Vancouver's approach for the planning, implementation and reporting of engagement processes.
  - Requested the Province to create a more equitable alignment of non-residential school tax revenue and school tax expenditures across school districts following the review of an analysis of the impact of the provincial school tax on small businesses in the region.
  - Requested the Ministry of Municipal Affairs and Housing to amend the GVRD Letters Patent to change the population deemed to be the voting unit from 20,000 to 2,000, and change the maximum number of votes a Director may hold from 5 to 50 in order to allow for more equitable voting allocation at the Board.
3. **Public education.** Increase Metro Vancouver's profile by leveraging events and news related to regional services.
  - Broke ground on the first phase of the Heather Place redevelopment, a new affordable-housing project for families, seniors and people with disabilities, broke ground in Vancouver. The project is a partnership between the Metro Vancouver Housing Corporation and the Ministry of Municipal Affairs and Housing.
  - Broke ground on the North Shore Wastewater Treatment Plant, a new facility to meet the needs of the growing population while protecting ecological and human health. The groundbreaking ceremony was attended by Members of Parliament, the Legislative Assembly, Squamish Nation, as well as a number of Metro Vancouver Mayors.
  - Issued an evacuation alert for Barnston Island located in Electoral Area A due to rising floodwater from the Fraser River.
4. **Engagement.** Enhance relationships between Metro Vancouver and other orders of government, First Nations and stakeholders.
  - Engaged the public, member jurisdictions, as well as in-region First Nations, Regional Districts, Provincial Ministries, Federal Departments, and a wide variety of organizations across the Province in the Climate 2050 stakeholder engagement process, informing them of the initiative and inviting them to provide feedback through public dialogues, webinars, forums, and in-person meetings.

- Awarded \$120,000 in Regional Project Grants to over thirty arts and culture organizations across the region.
  - Held the fifth annual Community to Community forum with Kwantlen First Nation.
  - Continued working group involvement with Metro Vancouver staff and First Nations staff, including the Squamish First Nation, Tsleil Waututh Nation and Kwikwetlem First Nation, and new working groups have been set up between Metro Vancouver staff and Kwantlen First Nation and Musqueam First Nation.
  - Engaged with the University of British Columbia (UBC), the University Neighbourhoods Association, and the University Endowment Lands Administration and Community Advisory Council to decide on Electoral Area A Community Works Fund projects to benefit those communities.
- 5. Regional transportation.** Advocate the merits of integrating regional land use and transportation planning.
- Endorsed a partnership with TransLink on the development of the Regional Long Range Growth Scenarios. The partnership will support the close integration between land use and transportation planning and assist in the creation of a long term vision for the region.
  - Provided comments to TransLink and other relevant parties about TransLink's Phase Two Investment Plan and the alignment with Metro 2040.
- 6. Regional prosperity.** Clarify and strengthen Metro Vancouver's role in pursuing a collaborative approach to regional prosperity.
- Continued work on the Regional Prosperity Initiative. The new public-private organization is proposed to be funded in three equal parts by the federal government, provincial government and a combination of Metro Vancouver and local investors. The timeline for incorporation, including funding is projected to occur in 2019.
  - Struck an Industrial Lands Strategy Task Force to guide the development of a Regional Industrial Lands Strategy with an aim to ensuring sufficient industrial lands to meet the needs of a growing and evolving regional economy to 2050.
- 7. Emergency preparedness.** Collaborate with stakeholders to prepare for major emergencies.
- Approved the purchase and certification of a Fire Truck for the Sasamat Fire Protection Service.
- 8. Fiscal responsibility.** Use value for service to guide Metro Vancouver operations and service provision.
- Adopted the *Operating, Statutory and Discretionary Reserves Policy* to provide clear Board direction for the principles and requirements associated with the establishment, use and management of Metro Vancouver reserves.
  - Approved two Asset Management Policies. The *Asset Management for Liquid Waste Services Policy* and *Asset Management for Housing Corporation Policy* aims to support the long term provision of the liquid waste and affordable housing function.

## REGIONAL PLANNING

- 1. Metro 2040.** Continue to develop and implement effective and adaptive tools and processes for achieving the goals in Metro 2040.

- Continued work on the Urban Centres and FTDA policy review through participation in two frequent corridor studies, the development of an Urban Centres and FTDA dashboard, and implementation of a Knowledge Sharing Series.
  - Endorsed a partnership with TransLink on the development of the Regional Long Range Growth Scenarios. The partnership will support the close integration between land use and transportation planning and assist in the creation of a long term vision for the region.
- 2. Complete communities.** Support the efforts of members in developing complete and livable communities.
- Provided preliminary observations from the 2018 Regional Parking Study - the joint project co-led by TransLink and Metro Vancouver. The data analysis provides updated information on parking supply and demand in Metro Vancouver to inform policy initiatives and pilot projects.
  - Presented initial findings of the ongoing Walkability Surface Project and the Documenting Health and Economic Benefits of Sustainable Development and Transport Investment in the Lower Mainland Study (Health and Economic Benefits Study). These studies will provide evidence and help to communicate the social and financial benefits of implementing Metro 2040.
- 3. Resilience.** Coordinates the development of effective collaborative approaches to ensure the region can adapt to changing conditions.
- Updated the Metro Vancouver Sensitive Ecosystem Inventory providing key insights into the state of the region's most important ecological areas and changes over a 5-year period.
  - Released a set of best management practices for key invasive species found in the region: knotweed species, giant hogweed, European fire ants, Himalayan blackberry, Scotch broom and European chafer beetles.
- 4. Productive lands.** Guides the development of policies, plans and tools that can lead to creative solutions for managing competing demands on land in the region.
- Resolved to write to the Prime Minister, premier and others requesting that cannabis production be prohibited on agricultural land within Metro Vancouver in order to protect farmland and preserve the productive capacity of land.
  - Provided input to the BC Minister of Agriculture on the review of the Agricultural Land Commission and Agricultural Land Reserve, with recommendations on farm property tax reform, modernizing the classification of farm, and enacting policy reform specific to the Metro Vancouver region.

## **AIR QUALITY AND CLIMATE ACTION**

- 1. Climate Change.** Develop, adopt and implement a regional climate action strategy for reducing regional greenhouse gas emissions and adapting to climate change.
- Endorsed the Climate 2050 Discussion Paper and associated Education and Engagement Strategy and initiated stakeholder education and engagement based on the Discussion Paper to inform the development of the *Climate 2050 Strategic Framework*.
  - Approved the *Climate 2050 Strategic Framework* that sets the vision and goals for Metro Vancouver's climate policies and actions, lays out the guiding principles, and describes a dynamic and adaptive approach to Climate Action.

**2. Air quality.** Improve air quality by mitigating threats.

- Approved amendments to the MVRD Non-Road Diesel Engine Emission Regulation Bylaw concerning provisions for low-use engine registration, as well as amendments to improve the administration and clarity of the Bylaw.
- Launched an initiative to reduce odour emissions across the region, following an increasing number of complaints from the public about unpleasant odours emanating from a variety of sources, which could include compost and food processing facilities.
- Consulted with stakeholders and the public on a proposed new regulation addressing indoor residential wood burning, which has become the largest source of fine particulate matter emissions in the region.

**3. Public education.** Improve public understanding of the value of clean air and greenhouse gas reductions, and actions to achieve both.

- Released the 2018 edition of the annual Caring for the Air report which provides an update about climate change and air quality in the Lower Valley airshed in 2017.
- Continued the expansion of campaigns related to electric vehicles, including Emotive public events, and programs promoting electric vehicle uptake in multi-unit residential buildings and work places.
- Undertook extensive media and public outreach due to extensive wildfire activity. The summer of 2018 saw an unprecedented 22 days under an air quality advisory, over four events resulting in more than 3,000 individual print, online, TV and radio media stories.

**REGIONAL PARKS**

**1. Natural areas.** Protect important natural areas in the region.

- Adopted the Regional Parks Land Acquisition 2050 strategy outlining a bold and visionary strategy that can help maintain livability in the future and grow the regional parks system before all the remaining unprotected natural areas are gone.
- Purchased 4.7 hectares of Creekside and forest habitats at Kanaka Creek Regional Park in the City of Maple Ridge, continuing its mission of protecting natural areas.
- Purchased a .708-hectare property at Widgeon Creek in Widgeon March Regional Park in Electoral Area A.

**2. Public education.** Provide opportunities for the region's growing and diverse population to connect with, enjoy, be active within and learn about the natural environment.

- Highlighted the bat colony at Deas Island Regional Park with interpretive displays and programs at the annual Starry Night event. Permanent signage is being considered.

**3. Stakeholder engagement.** Integrate the Regional Parks system with others' efforts to protect important natural areas and systems in the region.

- Approved the scope of the proposed *Grouse Mountain Regional Park Framework* and undertake an engagement process to ensure the final management plan is broadly supported and reflective of regional park users input.
- Forged new partnerships with the South Coast Bat Conservation Society, University of British Columbia and Provincial experts through the Bat Monitoring Program at Deas Island Regional Park, Metro Vancouver.

- Approved 7 contribution agreements with associations from across the region that deliver community programming, public engagement and stewardship activities across the Metro Vancouver Regional Parks system. The contribution agreements are with the following associations: Kanaka Education and Environmental Partnership Society, Pacific Spirit Park Society, Derby Reach Brae Island Parks Association, Minnekhada Park Association, Boundary Bay Park Association, Colony Farm Park Association, and Burnaby Lake Park Association.

## HOUSING

1. **Research-based advocacy.** Continue to advocate to other orders of government for funding and programs to improve the affordability of housing in the region.
  - Conducted the first ever Youth Homeless Count in Metro Vancouver, April 4 to 12, 2018. The count was carried out by the BC Non-Profit Housing Association on behalf of Metro Vancouver, the Community Entity under the Government of Canada's Homelessness Partnering Strategy.
2. **Members' housing actions.** Facilitate collaboration among members to expand the range of housing options in the region.
  - Updated the Municipal Measures for Affordable Housing Matrix in support of the Regional Affordable Housing Strategy to support housing development across the housing continuum.
  - Accepted the District of West Vancouver's Regional Context Statement.
3. **Affordable Housing Strategy.** Update the Regional Affordable Housing Strategy to address the breadth of current regional issues.
  - Adopted a Bylaw that waives not-for-profit rental housing development from GVS&DD Development Cost Charges in support of a diverse and affordable housing stock in the region.
4. **Metro Vancouver Housing Corporation.** Continue to provide needed affordable housing in the region through MVHC.
  - Broke ground on the first phase of the Heather Place redevelopment, a new affordable-housing project for families, seniors and people with disabilities, broke ground in Vancouver. The project is a partnership between the Metro Vancouver Housing Corporation and the Ministry of Municipal Affairs and Housing.
  - Began conceptual design for the Kingston Gardens redevelopment to provide additional affordable housing units in Surrey
  - Signed a lease with Atira Housing to develop and operate affordable housing for women and children, on MVHC land in Port Coquitlam

## LIQUID WASTE

1. **Integrated Liquid Waste and Resource Management Plan.** Manage the liquid waste system in a manner that protects public health and the environment.
  - Endorsed Tertiary as the level of treatment to be carried forward into the Project Definition Report for Northwest Langley Wastewater Treatment Plant.
  - Approved revisions to the *Liquid Waste Heat Recovery Policy* to address the allocation of carbon credits to proponents for heat recovery projects undertaken by GVS&DD that achieve GHG emission reductions, and subsequent distribution of excess credits among member jurisdictions.

2. **Resilience.** Ensure the long-term resilience and ability of the liquid waste system to meet future demands and challenges in a resource-constrained world.
  - Endorsed initiating a review of the *Food Sector Grease Interceptor Bylaw* and approved initiating public engagement in order to reduce discharges of Fats, Oils and Grease in the wastewater system.
  - Adjusted Development Cost Charge (DCC) rates following a comprehensive review to accommodate growth project requirements.
3. **Public education.** Invest in programs to promote behaviour that is consistent with regional liquid waste objectives.
  - Demonstrated success of the 2017 to 2018 regional 'Wipe It, Green Bin It' campaign, aimed at reducing the disposal of grease from residences in the sewer system. The campaign was successful in reaching residents, but shifting behaviours were more difficult compared to pilot projects.

## **WATER**

1. **Drinking Water Management Plan.** Maintain Metro Vancouver's world-class water system that provides safe, clean drinking water and further develop its capacity to meet future needs.
  - Advanced detailed design for new water supply tunnels under Burrard Inlet and the Fraser River to meet the growing demand for safe, reliable drinking water in the region and improve the resiliency of supply.
  - Completed a regional assessment of residential water metering, taking into consideration the social, environmental and economic aspects of expanded metering within the region.
  - Completed options assessment for the new intake, tunnel and treatment facilities associated with the Coquitlam Intake No. 2 project at Coquitlam Lake.
  - Continued negotiations with BC Hydro to secure access to increased supply from the Coquitlam source, in accordance with the Coquitlam Water Use Plan.
2. **Resilience.** Ensure the long-term functional resilience and ability of the regional drinking water system to meet future demands and challenges in a resource-constrained world.
  - Endorsed the *Region-wide Guide for Enforcement of the Drinking Water Conservation Plan* to encourage year-round water conservation, foster regional collaboration on communication and education; and, suggest best practices for enforcement and fines.
  - Completed development of a *Comprehensive Regional Water System Plan* that will guide the Water utility for the next century, including the development of an updated long-term water supply strategy and enhanced resiliency to climate change.
  - Completed construction and commissioning of the new Clayton Reservoir in Surrey, replacing the existing Clayton Tank and increasing the capacity and resiliency of supply south of the Fraser River.
  - Commissioned the new Sodium Hydrochlorite System at the Coquitlam Water Treatment Plant.
3. **Public Education.** Expand public awareness of the quality of Metro Vancouver drinking water and the importance of conserving it.
  - Expanded the drinking water conservation campaign *We Love Water*, offering more helpful tips to support the region's long-term goal of reducing overall water demand.

- Utilized proactive media engagement to leverage seasonal interest in water supply during the summer season to promote water conservation.
- Continued full capacity attendance (5,600 people) at the K-12 Watershed Education and Public Watershed Tour programs to promote awareness of the region's water supply sources and provide a water conservation message.

## **SOLID WASTE**

- 1. Integrated Solid Waste and Resource Management Plan.** Reduce solid waste through an aggressive waste reduction campaign and the recovery of materials and energy from the waste that remains.
  - Approved initiating consultation on a single-use item reduction strategy and to undertake research to assess which regional actions are most effective to reduce waste from single-use items.
  - Initiated levying surcharges against customers who dump expanded polystyrene packaging, commonly known as Styrofoam, at regional disposal facilities.
  - Commenced construction of a replacement Coquitlam Transfer Station at the old Coquitlam Landfill site approximately 1 km west of the existing facility.
- 2. Financial sustainability.** Works towards a financial model for managing a solid waste management system consistent with zero waste objectives.
  - Approved amending Bylaw 306 to ensure the Generator Levy is paid only once for Municipal Solid Waste. The Generator Levy ensures that all generators of Mixed Municipal Solid Waste contribute to the fixed costs of Metro Vancouver's transfer station network and solid waste planning, services that benefit all waste generators in the region.
- 3. Public education.** Continue to promote behaviour change that will reduce waste generated in the region.
  - Led the National launch of Love Food Hate Waste Canada with simultaneous media events in Vancouver, Toronto and Montreal with partner organizations.
  - Launched the Metro Vancouver's 2018 Waste in its Place regional campaign to encourage residents to move past their rationalizations for illegally dumping material while educating them on legal disposal methods and programs.



## 2018 Finance and Intergovernment Committee Work Plan

Report Date: October 12, 2018

### Priorities

| <b>1<sup>st</sup> Quarter</b>   | <b>Status</b> |
|---|---------------|
| 2018 Standing Committee Events  | Complete      |
| 2018 International Program  | Complete      |
| Fraser Basin Contribution Agreement   | Complete      |
| Zero Waste Conference Update  | Complete      |
| National Zero Waste Council Update  | Complete      |
| Regional Prosperity Initiative Update   | Complete      |
| Public Engagement Policy  | Complete      |
| Intergovernmental Communications and Engagement Update                                      | Complete      |
| Board Policies (As Required/Applicable)   | Complete      |
| <b>2<sup>nd</sup> Quarter</b>   |               |
| Affordable Housing Development Cost Charge Waiver Bylaw                                     | Complete      |
| Statutory and Non-Statutory Reserves Policy   | Complete      |
| Debt Management Principles  | Complete      |
| 2017 Statement of Financial Information   | Complete      |
| Intergovernmental Communications and Engagement Update                                      | Complete      |
| Board Policies (As Required/Applicable)   | Complete      |
| <b>3<sup>rd</sup> Quarter</b>   |               |
| Review of Debt Management Principles  | Complete      |
| TransLink Federal Gas Tax Application and Annual Report                                     | In Progress   |
| George Massey Tunnel Replacement Project Update   | In Progress   |
| Zero Waste Conference Update  | In Progress   |
| Regional Prosperity Initiative Update   | In Progress   |
| National Zero Waste Council Update  | In Progress   |
| Intergovernmental Communications and Engagement Update                                      | Pending       |
| Asset Management Policy   | Complete      |
| Board Policies (As Required/Applicable)   | Complete      |
| <b>4<sup>th</sup> Quarter</b>   |               |
| Regional District Service Area, General Government & Corporate Support Annual Budget Review | In Progress   |
| Overall Annual Budget and Five Year Financial Plan Update approval for Districts            | In Progress   |
| Intergovernmental Communications and Engagement Update                                      | Pending       |
| Board Policies (As Required/Applicable)   | In Progress   |