



BRIEFING NOTE FOR INFORMATION

DATE: September 12, 2014

PREPARED FOR: Grant Main, Deputy Minister, Ministry of Transportation and Infrastructure

MEETING: John Dyble, Deputy Minister, Office of the Premier, on September 15, 2014

ISSUE: Mayors' Council Transportation Investment Plan

Background

In February 2014, the Minister of Transportation and Infrastructure (Minister) challenged Mayors' Council to develop a regional transportation vision. If the Vision were completed by June 2014, an option of holding a referendum outside of the municipal election cycle prior to June 2015 was provided. The Mayors' Council completed their Vision within the required timelines and have subsequently identified a preferred timing of March 2015 for the vote.

The Province of British Columbia (Province) has committed to funding 1/3rd of new rapid transit and replacement of the Pattullo Bridge within Metro Vancouver, subject to the provincial capital plan. The Province also committed to working with the mayors to secure federal funding.

Transportation Vision

The Mayors Council Vision is summarized in the table below and was supported by all but one member of the Mayors' Council. The Vision assumed that the expansion would be complete within the first 12 years of the plan. It also assumed that the new revenue requirements would be generated through a re-allocation of the revenue-neutral provincial carbon tax.

Mayors Council 30 Year Vision	
Total Cost	\$7.5 billion
Build Out	10 years
Federal Contributions	\$1.5 billion
Provincial Contributions	\$1.6 billion
New Revenue Requirements	\$250 million/year
Vancouver Contribution	\$400 million
Rapid Transit	Surrey & Vancouver lines

The Minister communicated to the Mayors and the public that the Province had concerns with the Vision, in particular: unrealistic assumptions on level of senior government funding, short timelines for build out of major capital projects, and use and Infrastructure of provincial carbon tax.

Subsequent Discussions

s12, s16, s17, s13



- Provincial capital would be less than \$1.6 billion s12, s16, s13
as this amount is more than BC's entire BCF allocation, which is intended for use on a range of infrastructure priorities across the Province; and

s12, s16, s17, s13

Next Steps

s12, s13, s17, s16

Attachments

- Mayors Council Vision: Project Summary and Regional Transportation Investments (full 10 year plan): Cost and Timing

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Appendix A

Mayors Council Vision: Project Summary

Vision Project Summary	
Area	Proposed Investments
Rapid Transit	<ul style="list-style-type: none"> • Surrey - light rail transit on three corridors: 104th Ave, King George Blvd & Fraser Highway • Vancouver – Millennium Line extension along Broadway to Arbutus • Expanded capacity on existing rail lines
Roads	<ul style="list-style-type: none"> • New 4 lane Pattullo Bridge <ul style="list-style-type: none"> ➤ <i>Assumes tolled with provincial contribution for operating. Would result in 4 of 5 Fraser crossings being tolled, and potential conflicts with provincial tolling policy</i> • Maintain and upgrade major road network
Bus & SeaBus	<ul style="list-style-type: none"> • 25% increase in overall bus service • 11 new B-line or better routes across the region • More frequent all day and peak hour service • 50% more Seabus service • 80% more NightBus service • 30% more HandyDART service • 13 new or expanded transit exchanges • Increased service to lower-density neighbourhoods
Cycling & Walking	<ul style="list-style-type: none"> • 2,700 kms of bikeways • Improved facilities near transit stops and stations
System Management	<ul style="list-style-type: none"> • Expanded customer service programs • Investment in transit priority



Appendix B

Regional Transportation Investments (full 10 year Plan): Cost and Timing

AREA	PROJECT	TOTAL CAPITAL COST (2015 \$)	ANNUAL OPERATING COST (2015 \$)	TIMING YRS 0-5	TIMING YRS 6-10
TRANSIT					
Burnaby	New B-Line: Metrotown to Capilano University via Willingdon Avenue	\$11.2 million	\$5.8 million		*
North Shore	New B-Line: Dundarave to Phibbs Exchange via Marine Drive / 3rd Street	\$9.4 million	\$4.6 million	*	
North Shore	New B-Line: Lynn Valley Centre to Downtown Vancouver via 29th Street, Lonsdale Avenue and Marine Drive	\$12.5 million	\$6.3 million		*
Northeast Sector	New B-Line: Coquitlam Centre to Maple Ridge via Lougheed Highway and Dewdney Trunk Road or Coquitlam Centre to Langley via Lougheed Highway and 200th Street	\$9.4 million	\$4.9 million		*
Richmond/ Burnaby	New B-Line: Richmond-Brighouse Station to Metrotown via Knight Street, Bridgeport Road and Garden City	\$3.1 million	\$1.7 million	*	
South of Fraser	Extend 96 B-Line to White Rock Centre via King George Boulevard and 152 Street	\$3.7 million	\$1.9 million		*
South of Fraser	New B-Line: Scott Road Station to Newton Exchange via Scott Road and 72 Avenue	\$8.7 million	\$4.4 million	*	
South of Fraser	New B-Line: Surrey Centre to Langley via Fraser Highway	\$11.9 million	\$6.1 million	*	
Vancouver	New B-Line: Downtown Vancouver to SE Marine Drive via Victoria Drive/Commercial Drive	\$7.5 million	\$3.9 million		*
Vancouver/ Burnaby	New B-Line: Downtown Vancouver to SFU Burnaby via Hastings Street	\$4.4 million	\$2.1 million	*	
Vancouver/UEL	New B-Line: Joyce-Collingwood to UBC via 41st Avenue	\$10.0 million	\$5.1 million	*	
Region-wide	Improve and expand Frequent All-Day Service	\$84.9 million	\$43.6 million	*	*
Region-wide	Improve and expand Frequent Peak Service	\$44.7 million	\$23.6 million	*	*
North Shore	Increase peak frequency of SeaBus to every 10 minutes	\$31.2 million	\$4.7 million	*	
Region-wide	Improve and expand Basic Coverage Network	\$7.2 million	\$4.4 million	*	*
Region-wide	Increase HandyDART service and resources	\$19.9 million	\$14.7 million	*	*
Region-wide	Increase NightBus service	no capital cost	\$2.1 million	*	*
Region-wide	New bus depot to accommodate service growth	\$150 million	\$15.9 million		*
Region-wide	Transit facilities upgrade/expansion and new facilities programs (\$5.2M capital per annum for 10 years)	\$52 million	\$2.2 million	*	*
North Shore	Lonsdale Quay facility improvements	\$10.4 million	\$0.2 million	*	
Region-wide	Expo Line and Millennium Line upgrades	\$765 million	\$53.5 million	*	*
Region-wide	Canada Line upgrades	\$52.4 million	\$16.2 million	*	*



AREA	PROJECT	TOTAL CAPITAL COST (2015 \$)	ANNUAL OPERATING COST (2015 \$)	TIMING YRS 0-5	TIMING YRS 6-10
TRANSIT					
Region-wide	West Coast Express upgrades	\$36.4 million	\$5.0 million	*	*
Surrey	Rapid transit in Surrey	\$2,140 million	\$23.2 million		*
Vancouver	Rapid transit along Vancouver's Broadway corridor to Arbutus	\$1,980 million	\$22.3 million		*
ROADS					
New Westminster/ Surrey	Replacement of Pattullo Bridge (4-Lane expandable option)	\$980 million	no net new operating costs		*
Region-wide	Program: Allowance	Additional operations & maintenance —	\$4.7 million	*	*
	for MRN additions	Additional pavement rehabilitation (\$3.6M per annum by Year 10)	\$26.3 million	*	*
Region-wide	Program: Capital for minor MRN upgrades (\$20M capital per annum for 10 years)	\$200 million	—	*	*
Region-wide	Program: Capital for seismic investments on MRN (\$13M capital per annum for 10 years)	\$130 million	—	*	*
CYCLING					
Region-wide	Investments in cycling network/routes and secure bicycle parking (\$16.5M capital per annum by Year 6)	\$131 million	\$1.5 million	*	*
WALKING					
Region-wide	Pedestrian improvements: access to transit (\$5M capital per annum by Year 6)	\$35.0 million	—	*	*
SYSTEM MANAGEMENT					
Region-wide	Expanded demand management programs (e.g. information, incentives, and integrated payments)	\$28.6 million	\$8.7 million	*	*
Region-wide	Investments in transit priority	\$193 million	no net new operating costs	*	*

Notes:

1. Capital costs do not reflect impact of partner government contributions. Capital costs are 10-year totals, with the exception of rapid transit in Surrey, which reflects capital costs through Year 12. B-Line capital costs reflect savings associated with replacement of some existing services with new B-Line or Better service.

2. Operating costs are per-annum figures following full project implementation. B-Line operating costs reflect savings associated with replacement of some existing services with new B-Line or Better service. Operating costs do not reflect impact of incremental fare or toll revenues.

BRIEFING NOTE FOR DECISION

DATE: September 15, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

ISSUE: s12, s13, s16

SUMMARY:

s12, s13, s16

BACKGROUND:

s12, s13, s16

MANDATE: Key Elements

s12, s13, s16

s12, s13, s16

DISCUSSION:

s12, s13, s16, s17

COMMUNICATION ISSUES:

s12, s13, s16

RECOMMENDATION:



s12, s13, s16

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Page 9 redacted for the following reason:

s12, s13, s16, s17





BRIEFING NOTE FOR INFORMATION

DATE: September 22, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

ISSUE: s13 & ICBC Preferred Supplier
Agreements

SUMMARY:

- s13
- s13 believes that they were unfairly scored in the procurement process s13
- s13
- ICBC feels justified in their decision in selecting proponents that were judged to have the best solutions fo s13
- s13 is seeking to be included as a “preferred supplier” and is appealing to the Ministry to review ICBC’s decision. s13

BACKGROUND:

ICBC’s Preferred Rental Car Supplier Arrangements

ICBC has established ‘preferred supplier arrangements’ with three rental car companies (Budget, Hertz and Ron Ridley Rentals). These commercial arrangements were established through a competitive Expression of Interest (EOI) process in 2011. The agreements were set to expire in 2015. However ICBC has exercised its option to extend the term of the agreements for an additional 2 years, and the contract will now expire in mid-2017. This extension option was included in the initial EOI.

Although ICBC customers are not required to use a preferred supplier for their rental car needs, ICBC does promote / recommend their preferred suppliers, and will only reimburse customers to the rates that have been established with their preferred suppliers.

s13

DISCUSSION:

s13 was one of nine unsuccessful companies that responded to ICBC’s EOI in 2011. ICBC indicated that s13 made a presentation, as did all other bidders, to the evaluation committee. Its proposal was scored by the committee, but was not recommended as a potential preferred supplier.

s13 has been in discussions with ICBC

s13

s13

s13 was planning on submitting a proposal for the post-2015 contract. When ICBC exercised their option to extend the contract to 2017 s13 decided to approach the Minister



of Transportation and Infrastructure

s13

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7.11 Freedom of Information and Protection of Privacy Act ("FIPPA")

Please note that FIPPA contains provision restricting – and in most cases, prohibiting storage of, access to, or disclosure of, personal information outside Canada. These provisions and certain other provisions, including associated offences and penalties, apply directly to anyone who enters into a contract to perform services for ICBC. It is suggested that all respondents to this document review FIPPA requirements with legal counsel. A copy of the Act is available at www.bclaws.ca.

Please detail your ability to comply with the requirements of FIPPA, and in particular, your ability to comply with the restrictions on storing, accessing or disclosing personal information outside Canada.

Please indicate where your data storage servers are currently located, including back-up and disaster recovery servers, and describe your proposed solution to comply with the FIPPA requirements if these servers are located outside of Canada. Proposed solutions may include suggestions on how to ensure personal information is removed from any Rental Vehicle services provided by the Respondent.

s13 believes they comply completely with the requirement of section 7.11 based on the following argument:

s13

s13

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APPENDIX A

Excerpt from the Freedom of Information and Privacy Act (FIPPA)

Storage and access must be in Canada

30.1 A public body must ensure that personal information in its custody or under its control is stored only in Canada and accessed only in Canada, unless one of the following applies:

- (a) if the individual the information is about has identified the information and has consented, in the prescribed manner, to it being stored in or accessed from, as applicable, another jurisdiction;
- (b) if it is stored in or accessed from another jurisdiction for the purpose of disclosure allowed under this Act;
- (c) if it was disclosed under section 33.1 (1) (i.1).



BRIEFING NOTE FOR INFORMATION

DATE: October 29, 2014
PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure
ISSUE: Transit Without Visa (TWOV) Program

SUMMARY:

- **Vancouver International Airport (YVR) is well positioned to connect international traffic between Asia and South America.**
- **The Province of British Columbia (Province) is working with our partners, including the Federal Government of Canada (Canada), to promote our aviation sector and make British Columbia (BC) more competitive internationally.**
- **Improvements to Canada's TWOV program is a theme contained within *Connecting with the World – An Aviation Strategy for BC*.**
- **The Province continues to work with YVR to pursue TWOV program improvements.**

BACKGROUND:

YVR is operated by Vancouver Airport Authority (VAA) and is the second busiest airport in Canada. The location of YVR provides an excellent opportunity to accommodate travelers going to/from the growing economies of Asia and South America because it is closer than competing transit points in Europe and the Middle East.

s13

To achieve this vision of being a gateway between Asia and South America, international passengers need to be able to transit through YVR without hassle. For passengers from countries where a Canadian issued Visa is required for entry into Canada, being able to transit without that entry Visa would enhance efficiency.

Visa policy and border control are in federal jurisdiction. Canada's current TWOV program applies only to the citizens of five Asian nations travelling on specific airlines and connecting through Canada to the United States.

DISCUSSION:

s13, s16

Additionally, by allowing the expansion of TWOV, BC has the ability to benefit from market access to new trading partners. New trade agreements, such as the Trans-Pacific Partnership, have the potential to dramatically increase trade between Canada and Pacific Rim economies. The agreements represent opportunities for BC to capitalize on increased trade with Asia and become an air gateway between Asia and South America.



s13, s16

Attachment

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Pages 17 through 20 redacted for the following reasons:

s13, s16



BRIEFING NOTE FOR INFORMATION

DATE: September 22, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

ISSUE: s13

SUMMARY:

- s17, s13
This has been primarily an issue for Powell River and Bowen Island.

- **In both cases, the vessel is not moored on the ferry dependent side of the route.**

- s13, s17

BACKGROUND:

Home-porting is a term used to describe where a vessel is tied-up overnight, and as a result, where it begins its service day. Many of BC Ferries vessels are home-ported on the islands they serve, e.g. Gabriola, Thetis, Denman, Hornby and Quadra are all islands that are home-port locations for the vessels operating on those routes. The communities of Powell River and Bowen Island are not home-port locations for their ferry routes. These communities have requested that BC Ferries change its home-port location so that the vessel is available to begin its service day in the respective community.

DISCUSSION:

Currently, the Comox–Powell River vessel is home-ported in Comox. The vessel serving Bowen Island is home-ported in Horseshoe Bay. Home-porting is viewed as a longstanding unresolved issue in these communities. Critics suggest that BC Ferries could save money by changing the home-port locations as there is little traffic going to the ferry dependent community on the first sailing.

Where a vessel is home-ported is an operational decision for BC Ferries. BC Ferries has indicated to community representatives that home-porting decisions are complex and would mean low utilization of sailings at the end of the day versus the beginning, as well as significant crewing considerations and cost. BC Ferries generally draws its crews from larger centres. Crews serving the Bowen Island route, for example, are drawn from the lower mainland

s17, s13

s17, s13

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BRIEFING NOTE FOR DECISION

DATE: October 30, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

ISSUE: s13, s16, s17

RECOMMENDED OPTION:

- s13, s17

BACKGROUND:

Ministry of Transportation and Infrastructure (MoTI) staff s13, s16, s17

One of those strategies is to develop an integrated transportation solution through strengthened community partnerships.

DISCUSSION:

MoTI staff have been working with the First Nations Health Authority (FNHA) Northern Region to establish a program that builds on FNHA's existing community network to support the operation of shuttle services connecting First Nations reserves to local communities. These services would be based in five on-reserve hubs situated along the corridor, namely, Gitxsan, Kitsumkalum, Burns Lake, Lake Babine, and Coast.

s13, s17, s16

OPTIONS: OPTION 1

s13, s17, s16

Pros:

s13, s17, s16



Cons:

s13, s16, s17

OPTION 2:

s13, s16, s17

Pros:

s13, s16, s17

Cons:

s13, s16, s17

RECOMMENDATION:

s13

APPROVED / NOT APPROVED

Todd Stone
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BRIEFING NOTE FOR INFORMATION

DATE: October 6, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

MEETING WITH: Mike McNaney, V.P., Environment, Fuel and Government Relations, and Andy Gibbons, Director, Government Relations, of WestJet, on October 7, 2014

The two WestJet representatives have also set same day meetings with Ministers Bond and Yamamoto, staff from the Office of the Premier, and staff from Ministry of Transportation and Infrastructure (MoTI)

ISSUE:

s16, s13

SUMMARY:

- **WestJet and WestJet Encore currently serve more destinations in BC (11) than they serve combined in the rest of western Canada and the territories (AB, SK, MB, YK, NT = 10).**

s16, s13

- **WestJet is not focused on international air access to the degree that BC is, so there would be limited benefit to raising it at this meeting,**

s13

BACKGROUND:

WestJet began operations in 1996. With WestJet Encore, the regional subsidiary that began service in 2013, WestJet serves 91 destinations in 19 countries. This includes 11 airports in BC (Abbotsford, Comox, Fort St. John, Kamloops, Kelowna, Nanaimo, Penticton, Prince George, Terrace, Vancouver and Victoria). By contrast, WestJet serves only 10 destinations in the rest of western Canada (four in AB, two in each of SK and MB, and one in each of YK and NT). Despite this focus on BC, WestJet's headquarters, primary base of operations and hub is Calgary.

Air Canada and Air Canada Jazz directly serve 16 destinations in BC - the 11 served by WestJet plus Castlegar, Cranbrook, Prince Rupert, Sandspit and Smithers. By some industry measures, such as available seat miles in the marketplace, WestJet may actually exceed Air Canada in its level of service and capacity into BC.

WestJet primarily serves a domestic Canadian market (37 destinations), a trans-border market with service to U.S. hub airports like Los Angeles, Chicago, New York and Dallas, and a Canadian outbound tourism market with sunspot destinations in the U.S., Mexico and the Caribbean. WestJet recently introduced their first intercontinental service, linking St. John's with Dublin. This service marks the extent of the range that their current aircraft fleet can reach.

WestJet has announced plans to purchase long-range wide-body aircraft so that they can enter the intercontinental market. It is unclear at this point where they would focus their international efforts or the timing of their entrance into this market.



WestJet currently uses a fleet comprised exclusively of Boeing 737's in varying configurations, achieving efficiencies through being able to focus maintenance efforts on a single aircraft type. Similarly, WestJet Encore exclusively uses Bombardier Q-400 aircraft. s13

DISCUSSION:

s16, s13

WestJet's hub airport and primary base of operations is Calgary Airport, which is in the final stages of a significant expansion, and what many in the aviation industry view as an over-build of the facility. s13

s16

s13

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BRIEFING NOTE FOR INFORMATION

DATE: September 30, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

MEETING WITH: Don Zurowski, Chair, Passenger Transportation Board on October 1, 2014

ISSUE: Uber

SUMMARY:

- The rates charged by taxis, limousines and other small passenger directed vehicles are established by the Passenger Transportation Board (Board).
- Uber, a U.S. based company, developed a smart phone application which may not charge the approved taxi or limousine rates for Vancouver.
- Uber X is a ridesharing service where drivers use their own car, insured for personal use, to provide transportation.
- If Uber X enters the British Columbia (BC) market, it will create significant regulatory challenges.

BACKGROUND:

Licensed passenger directed vehicles (PDVs) in BC, must charge rates that are set or approved by the Board. PDVs include taxis, limousines, shuttles and vans that accommodate no more than 11 passengers. The regulation of rates and rules creates an environment where passengers are charged reasonable and predictable prices for transportation services, and where operators can properly maintain the safety of their vehicles.

Uber is a technology company, not a transportation company, and uses a smartphone application ("app") to connect drivers with people who need a ride. Clients must register with Uber and provide credit card information before using the system. Uber collects fares, pays drivers, sets rates, and retains a percentage of the fares. The company supports a variety of services such as ride-sharing, taxis, and luxury limousines. Uber operates in Toronto, Halifax and Montreal, as well as in San Francisco, New York, Los Angeles and other American cities.

Taxi and limousine companies oppose Uber because it generally resists licensing and fare regulation and deals directly with drivers, thus by-passing licensed companies and their dispatch services. Uber poses a challenge for regulatory bodies because it enters markets, establishes a clientele, and by-passes regulations. This occurred in Vancouver in 2012 when Uber entered the market.

Uber operated briefly in Vancouver from May to November 2012 offering a sedan limousine service with rates based on time and distance that markedly undercut regulated limousine rates. When the Passenger Transportation Branch became aware, staff contacted Uber to raise concern that the rates were in violation of the licence conditions. On November 20, 2012, staff met with the limousine companies using Uber to explain that they were operating in violation of their licence conditions and could lose their licence to provide limousine services if they continue to undercut the prescribed rates. That month, Uber cancelled its services in Vancouver.

DISCUSSION:



Traditionally, taxis have complemented the public transportation system by providing 24/7 “on demand” passenger directed service. People with disabilities, low income and without cars may rely on taxi service which is available when public transit is not. The *Passenger Transportation Act* regulates the supply of taxis to ensure that the services remain viable and open to the public.

Limousines provide an advanced booking service for corporate functions, special events, and service between airports and hotels, to name a few. Most fares are based on an hourly rate or a fixed rate. The Board seeks to maintain a price distinction between taxis and limousines, which are considered a discretionary service.

Uber X is a ridesharing service on a massive scale where drivers use their own car, insured for personal use, to provide transportation considered to be commercial passenger transportation services regulated under the *Passenger Transportation Act*. If Uber X enters the BC market, it will create significant regulatory challenges in that the business will compete directly with taxis. As Uber X operators are not licensees, existing administrative penalties are not available. Ridesharing is very difficult to enforce and police.

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Although Uber is not presently active in Vancouver, it is advertising online for drivers for Uber X and Uber Black (sedans and SUVs).

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Uber’s public policy lead for Canada, Chris Schafer, met with Deborah Bowman, ADM, Transportation Policy & Programs and Kristin Vanderkuip, Director, Passenger Transportation Branch on September 17, 2014. Mr. Schafer provided an overview of the app and Uber X service.

s13

Passenger Transportation Board Position

The Board does not regulate mobile apps. Taxis and limousine companies are free to use apps but they must charge the regulated rates. The Board published a set of *Principles and Parameters for Mobile Apps* on its website and is holding a hearing in December 2014 on an application for a sedan limousine service that will dispatch via a mobile app and charge rates based on time and distance (as opposed to hourly rates).

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**BRIEFING NOTE FOR INFORMATION**

DATE: October 2, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

MEETING: Cabinet Working Group on Core Review, October 14, 2014

ISSUE: Wind-up of Rapid Transit Project 2000 Ltd. (RTP2000)

SUMMARY:

s12, s13, s14

BACKGROUND:

s12, s13, s16, s14

DISCUSSION:

s12, s13, s14, s16, s17



s12, s13, s14, s16, s17

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BRIEFING NOTE FOR INFORMATION

DATE: September 30, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

MEETING WITH: Don Zurowski, Chair, Passenger Transportation Board on October 1, 2014

ISSUE: Further Regulation of Underage Drinking Before and/or During a Bus Charter

SUMMARY:

- It is illegal to consume alcohol in any public place, including a commercial charter vehicle, referred to by industry as a “party bus”.
- Police have and will continue to ticket those people who they catch breaking the law, including those consuming alcohol in an unlicensed public place.
- The Passenger Transportation Registrar (the “Registrar”) has the authority to conduct a fitness review of any company operating a charter bus service in response to complaints or other information available to the Registrar.
- The Attorney General has been clear that the Province of British Columbia (Province) will not consider any changes to allow consumption of liquor in motor vehicles.

BACKGROUND:

The *Passenger Transportation Act* establishes the licensing framework for transportation services and regulates licensees; it does not regulate the conduct of passengers in vehicles.

“Party buses” are included in the general passenger vehicle category of licensing in BC, like all tour, charter and sightseeing buses. There is no category of passenger transportation licence that refers specifically to a party bus. General authorization licence holders can provide charter services using vehicles with a seating capacity of 12 or more passengers plus the driver.

On February 6, 2013, Vancouver City Council (Council) voted unanimously to ask the Minister to take action to regulate the party bus industry. A member of Council has been calling for more regulation to ensure greater safety wants the Province to license party buses as limousines, require mandatory safety training for operators, and adopt safety regulations similar to California, including mandatory chaperones. The Council member has also called for increased enforcement, tougher penalties for infractions, and posting violation information on-line, related to party bus operations.

DISCUSSION:

Many of the behaviours demonstrated on a party bus are already against the law. These include underage drinking, consuming alcohol in a public place, operating a motor vehicle where there is liquor open in the motor vehicle, permitting a minor to consume liquor in a public place, and requiring a passenger to disembark in a place unsafe to do so.

In May 2014, the Registrar, along with representatives of Ministry of Justice Police Services, the RCMP, Vancouver and Abbotsford Police Departments, met with Lower Mainland companies operating “party buses,” to remind them of their licensing and safety obligations, and reinforce the commitment to enforce the law. The Ministry confirmed its commitment to review all violations to determine whether a company is fit and proper to deliver passenger transportation services.



If the Registrar receives negative information on a licensee or an applicant for a licence, an investigation usually follows. Depending on the gravity of the information, the Registrar can initiate a full investigation and carrier fitness review.

A fitness review can be triggered if evidence indicates the company has:

- been involved in illegal/unsavoury activities;
- provided false information;
- a criminal conviction that relates to the operation of the transportation service or the management of the service;
- shown repeated disregard for its obligations under the *Passenger Transportation Act*;
- transferred a licence without the Registrar's approval; and,
- demonstrates a lack of control/oversight of the company business or its drivers.

If warranted, the Registrar can impose a fine, suspension or cancellation of a licence, or refuse to issue a licence to an applicant.

The same actions are available to the Registrar and the Board to respond to questionable carrier fitness for passenger transportation services (whether taxis, buses or charter services).

The current regulatory structure for charter buses does not enable the Registrar to impose terms and conditions on a licence, like the requirement for a chaperone to accompany minors. Some operators do, however, include terms and conditions in rental agreements that require a chaperone.

Municipalities also have licensing requirements for these companies to operate within their boundaries. They have the option to require drivers undergo police record checks and to issue chauffeur permits.

The Ministry, through the Registrar, will continue to promote awareness that it is illegal to consume liquor in any vehicle, and work with police and other enforcement agencies to support their efforts to curb the illegal consumption of liquor.

s13

Attachment: Qs and As

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Transportation Policy and Programs

INITIALS:

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Questions and Answers

1. Provincial law prohibits the consumption of alcohol in motor vehicles. Why don't you allow law-abiding companies that operate party buses to apply for liquor licences for trips with adult patrons, like some other provinces are doing?

Unless safely stored, the *Liquor Control and Licensing Act* prohibits open liquor in a motor vehicle when the vehicle is under the care and control of the driver. It is also against the law to consume alcohol in an unlicensed public place and inside a vehicle. The Attorney General and Minister of Justice have been clear that she has no intention of legalizing consumption of liquor in moving vehicles.

2. What is the ministry doing to prevent tragic incidents involving young people on party buses?

The *Passenger Transportation Act* establishes the licensing framework for transportation services and regulates licensees; it doesn't regulate the conduct of passengers in vehicles. As such, the Passenger Transportation Branch met with Lower Mainland licensees to clarify their responsibilities and emphasize that under no circumstances can liquor form part of their services and, as with all motor vehicles, no alcohol can be consumed on board.

The ministry will continue to promote awareness that it is illegal to consume alcohol in a vehicle and work with police and other enforcement agencies to support their efforts to curb the illegal consumption of liquor.

Government supports all 73 recommendations in the Liquor Policy Review report, of which we intend to:

- Expand public education about health and safety risks related to alcohol use, with emphasis on the harmful effects of binge drinking by youth; and
- Encourage police to use the enforcement tools of ticketing and fines more frequently for those people under 19 years of age who are caught possessing liquor.

3. Are there any steps we can take to protect our young people?

Companies are providing safe transportation services throughout B.C., and maintain a variety of service quality standards to enhance public safety. The public is encouraged to ask questions before hiring a company, such as:

- Are there added safety provisions in the contract?
- Is there a requirement for a chaperone for minors?
- What steps does the company take to ensure that no alcohol is consumed in or around the vehicle?
- Do they require that their drivers undergo a police record check?

4. Isn't a police record check a standard requirement for all drivers of vehicles for hire operating in B.C.?

No, the regulation of drivers of vehicles for hire is a municipal process. Local governments are authorized under the *Motor Vehicle Act* (Ministry of Justice administered provisions) to issue permits to drivers, through the chief of police or senior member of the RCMP in that municipality. A permit may include the requirement for a police record check and review of the applicant's driving history, in accordance with municipal bylaws.

5. The City of Vancouver is going to ask the minister to change the regulations for party buses to make them more like taxis. Why can't you do this?

Taxis are economically regulated to ensure that a minimum level of service is available to satisfy public need, without negatively impacting the viability of industry. Safety measures and available punitive actions against licensees already exist for all categories of passenger transportation



service, whether taxis, buses or charter services. Regulating charter services more like taxis will not provide any additional safeguards against illegal activities occurring in passenger transportation vehicles.

“Party bus” is an industry created term – there is no category of passenger transportation licensing that refers specifically to party buses. These vehicles are in the general passenger vehicle category of licensing along with tour buses, charter buses and sightseeing buses.

6. Why don't you crack down on party bus companies that are breaking the law?

We do crack down on companies that break the law.

The Registrar of Passenger Transportation can take action against a licensee for contravening the *Passenger Transportation Act*, which includes the licensee's legal responsibility to retain the care and control of every vehicle operated under the licence. An investigation to determine if a licensee is a “fit and proper” person to provide the service may include consideration of information received by the Registrar with respect to police actions against company drivers who contravene liquor laws.

Buses and limousines are rented to provide charter services in accordance with rental agreements, which generally reflect provincial laws by specifying that alcohol is prohibited in the vehicles. Passengers are responsible for adhering to the terms and conditions of the agreement.

The Ministry of Transportation and Infrastructure has no authority to search for and/or seize alcohol found on board passenger transportation licensed vehicles, and has no authority to fine anyone contravening provincial liquor laws.

Liquor laws are the responsibility of the Ministry of Justice, and are enforced by local law enforcement. Offences include:

- consuming alcohol in a public place, including commercial vehicles;
- operating a motor vehicle while there is liquor in the motor vehicle; and
- permitting a minor to consume liquor in a place under his/her control.



BRIEFING NOTE FOR INFORMATION

DATE: October 6, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

ISSUE: October 7th Meeting with Deloitte on Mobility/Road Pricing

SUMMARY/RECOMMENDED RESPONSE:

- The Ministry of Transportation and Infrastructure has pursued numerous Intelligent Transportation System (ITS) projects in the past, and is actively involved in tolling technology through the Port Mann Bridge project.
- The Mayors' Council has identified mobility pricing as a potential revenue source for the Metro Vancouver transportation system and will be reviewing it in more detail over the next 5-8 years.

s13, s17

- The technology decisions and funding strategies for provincial projects will be based on business cases, and project opportunities will always be done through public procurement.
- You may also wish to meet with the Mayors Council or TransLink staff to learn more about their plans for mobility pricing, as well as the details of their upcoming referendum.

BACKGROUND:

The Minister will be meeting with Simon Dixon and Mark Hodgson from Deloitte on October 7th. Deloitte will be presenting its expertise in the area of mobility/road pricing.

DISCUSSION:

Deloitte representatives met with the Minister of Transportation and Infrastructure in June. Deloitte outlined its perspective on mobility pricing, with a focus on Metro Vancouver. Based on materials provided to staff following the meeting, Deloitte analysis identified a need for public engagement on road pricing in advance of the referendum and indicated an interest in investing in that process.

Ministry staff met with representatives from Deloitte on August 6th. Deloitte representatives used this meeting to further discuss their expertise in road pricing (for example, through a high-level discussion of lessons learned in implementing road pricing in other jurisdictions), review their familiarity with road pricing in the Metro Vancouver context and to offer their services.

s13

Contracting work on the George Massey Bridge replacement and Okanagan Second Crossing project will either be procured through the standard government practices of public tenders, or as part of a concessionaire's project.

Any work related to the Pattullo Bridge or Mayors' Council mobility pricing will be managed by TransLink.



Ministry of
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BRIEFING NOTE FOR INFORMATION

DATE: October 17, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

MEETING: Donna Barnett, MLA, Cariboo-Chilcotin, and Chief Ann Louie, Williams Lake Indian Band (WLIB) on October 20, 2014

ISSUE: Cariboo Connector Project

SUMMARY:

- **The Ministry of Transportation and Infrastructure (MoTI) remains committed to this project and plans to begin construction in** s13, s16, s17
 - **The WLIB is concerned about the pace of the project, and would like an assurance that the project will proceed as planned.**
- s13, s16, s17
- **The support of WLIB is a critical component as it requires a Section 35 Land Transfer on the reserve.**
 - **This is an important project to the WLIB as it will facilitate economic development, and** s13, s16, s17
- s13, s16, s17
- -
- s13, s16, s17
- **This 6.2 km four-laning project on Highway 97 will include intersection improvements and an interchange to support safe access to the highway from the reserve and the Lexington and Sutton communities.**

BACKGROUND:

Phase One of the Cariboo Connector Program saw the successful investment of \$240 million between 2005 and 2012, resulting in 18 completed projects that added over 40 km of new four lane sections. The Williams Lake Indian Reserve to Lexington project ("the project") was announced in 2012 as part of the \$200 million Phase 2 announcement.

MoTI has been working closely with WLIB to advance the project. The support of WLIB is critical to the project delivery given the project bisects WLIB Reserve lands and a Section 35 Land Transfer is required to advance the project through the reserve.

The project will provide 6.2 km of four-laning along Highway 97, intersection improvements along Highway 97, and a highway interchange to facilitate safe access to the WLIB development lands and the Lexington / Sutton communities. Nearly s13, s16, s17 is allocated to this project.

s16, s17, s13



s13, s16, s17

In May 2014, MLA Barnett requested information via email about the project from District Manager Todd Hubner in response to a request from Chief Ann Louie. In the information request, WLIB asked for assistance in making this project a “high priority by MoTI”. MoTI responded to this email and

s13, s16, s17

DISCUSSION:

Since 2012, MoTI has been working on the design for the project, liaising with stakeholders, preparing for future property acquisitions, and negotiating with WLIB.

A Letter of Agreement (LOA) was signed on November 25, 2013, with WLIB s13, s16, s17 to commence negotiations with WLIB. This LOA s13, s16, s17 to support WLIB in negotiating the Memorandum of Agreement for the land transfer and the design review.

s13, s16, s17

s13, s16, s17 was reached in May 2014. This design milestone was delayed as the team worked to broaden community engagement and to accommodate changes requested by WLIB

s13, s16, s17

Upon completion of 50% detailed design in May, a Value Engineering exercise was completed in July 2014. Significant changes were identified to in order to meet the project objectives so the project team undertook a more fulsome review of the design between July 2014 and September 2014. As a result, the project was delayed while this important work was completed. The design review involved an internal process and engagement with WLIB representatives.

On October 1, 2014, the MoTI team presented the proposed design changes to WLIB representatives for their review and comment. At the meeting, a number of design changes were agreed to including how to

s13, s16

s13, s16, s17

Pending support from WLIB Chief and Council, the schedule will proceed as follows:

- WLIB community consultation and continuance of land transfer negotiations October 2014;
- Public consultation off reserve commencement November 2014, including an open house;
- Commence right of way acquisition off reserve November 2014;
- s13, s16, s17
- Tender s13, s16, s17

The project team recognizes the design delays in advancing the project had an impact on the original schedule. The project team proposes to work internally and

s13, s16, s17



s13, s16, s17

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SUMMARY – Visa and Air Policy Toolkit

- Attached is joint briefing material prepared by MOTI, JTST, MTI and IGRS, which outlines a strategy for Ministries working together with industry to take issues related to international air access forward to the federal government.

s13, s16

- Many of Canada's Air Transport Agreements (ATAs, the nation-to-nation treaties that govern international commercial aviation) with nations of interest to BC contain restrictions limiting the ability of air carriers to connect BC to the world.
- Visa processes and policies also restrict legitimate travel, limiting the pool of potential travellers and making some routings to B.C. less economically viable.
- Canada's Blue Sky Policy on International Aviation advocates "competition and the development of new and expanded international air services to benefit travellers, shippers and the tourism and business sectors"

s16, s13, s17

- Other jurisdictions are removing visa requirements for low-risk countries or implementing Transit without Visa (TWOV) programs to permit foreign nationals to change planes without obtaining the Visa they would normally need to visit that country. Canada's TWOV policy is comparatively restricted, focused on the citizens of only five Asian nations that are en-route to the US and flying on specific airlines.

s16, s13



BRIEFING NOTE FOR INFORMATION

DATE: October 17, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

ISSUE: *Canada Transportation Act (CTA) Update*

SUMMARY:

- A legislative review of the CTA was announced on June 25, 2014 by Federal Transport Minister Lisa Raitt, with the appointment of David Emerson to lead the arm's length review.
- The Review is federally legislated to generate recommendations to the Minister of Transport. The Review Panel's recommendations will be considered by the Minister, but final implementation of any recommendation will be at the discretion of the federal government.
- The Panel will consider the broader framework of regulations and policies affecting transportation.

s13, s16

- MOTI will engage other ministries and meet with key stakeholders in preparing B.C.'s submission, which is due to the Review Panel by December 30, 2014.

BACKGROUND:

On June 25, 2014, the Honourable Lisa Raitt, Minister of Transport launched a statutory review of the CTA. The Minister appointed David Emerson (Chair) and five advisors to lead the Review, along with a Secretariat. The last review of the CTA was conducted in 2001.

The CTA provides the federal framework legislation for Canada's transportation system and for the Canadian Transportation Agency's role in the administration of several parts of the Act. The CTA sets out the National Transportation Policy, which emphasizes that transportation services will be based on competition and market forces. The Policy states that government regulation and intervention should generally be limited to cases where the market cannot otherwise achieve satisfactory economic, safety, security, environmental and social outcomes.

The Review will provide an independent assessment of how federal policies and programs can best ensure that the national transportation system has the capacity and nimbleness to support Canada's long-term economic growth and prosperity across all sectors. Priority consideration will be given to CTA provisions related to the transportation of grain by rail, and more broadly to the rail-based supply chain for all commodities. Mr. Emerson has indicated he will be providing initial recommendation to Minister Raitt on the grain-rail file by the end of November.

Mr. Emerson has indicated the review will include broad consultations with stakeholders and other interested parties, including purchasers and suppliers of transportation services; freight forwarders and other users of those services; provinces, territories and municipalities; aboriginal organizations; and environmental groups. Consultation sessions will be conducted across the country. While the Panel has requested submission be received by December 30, 2014, Mr. Emerson indicated that would provide time for the Panel members to consider the submissions and follow up as necessary.



Interim recommendation will be forwarded to the Federal Minister, but the Panel's final report is due to be submitted in December 2015.

DISCUSSION:

The Review Panel has been established at arm's length from government and is an independent process. It will carry on through a federal election which is anticipated in October 2015, although the federal government has hinted it could call an election in the Spring of 2015.

In preparing B.C.'s submission for December 30, 2014, MOTI will:

s13, s16

Ministry staff are currently engaged in planning and research process. Staff have initiated discussions with other ministries and key external stakeholders who regularly interact with staff as part of normal business. These discussions will occur until early November, and will form the basis for the provincial submission to the Review Panel.

The project team which has identified the following preliminary themes that will likely form part of the submission:

s13, s16

Attachments: Appendix 1, 2, 3 & 4

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APPENDIX 1

SCOPE OF REVIEW ISSUES (as identified by the Panel)

1. to provide a comprehensive review of the operation of the CTA and certain other Acts pertaining to the economic regulation of transportation;
2. to give grain transportation priority consideration due to the recent backlog in grain deliveries from the 2013-14 crop year;
3. to examine the extent to which the national transportation system has the capacity and adaptability that will allow it, and its users, to respond effectively to evolving international and domestic conditions and markets;
4. whether adjustments to the current transportation legislative and policy framework are required to support Canada's international competitiveness, trade interests, and economic growth and prosperity;
5. how strategic transportation gateways and corridors can be developed and leveraged to support Canadian prosperity through linkages to global markets;
6. how the quality and utilization of transportation infrastructure capacity can be optimized through, for example, improved alignment of transportation policies and regulations and/or the use of innovative financing mechanisms;
7. how technological innovation can contribute to improvements in transportation infrastructure and services;
8. whether adjustments to transportation safety and environmental regimes are needed to continue achieving high standards for safe and sustainable transportation, given increasing system volumes/demands;
9. how safety and well-being concerns related to rail transportation (including the movement of dangerous goods) through communities can be addressed;
10. how to address rapid changes in the North and associated challenges for the continued safety, security, and sustainability of the northern transportation system, and specifically, the federal role in supporting the northern transportation system;
11. how federally-regulated passenger rail services can be delivered to meet travelers' needs while minimizing costs to the public purse;
12. how the vitality of the Canadian aviation sector, air connectivity, and Canada's ability to attract visitors and transiting travelers can be maintained and augmented in light of the range of cost factors and competitive global markets; and,
13. whether current governance and service delivery models for key federal operations, assets and agencies – including the Canadian Transportation Agency, Canadian Pilotage Authorities, the St. Lawrence Seaway, and airport and port authorities – can be improved.



APPENDIX 2

KEY STAKEHOLDER LIST

Discussion to Entail:

1. Will you be preparing your own submission?
2. If so, what top two or three issues will you be presenting?

	Organization	Contact
NATIONAL	Air Canada	Eamonn Horan-Lunney, Director Government Affairs
	Air Transport Association of Canada	John McKenna, President & CEO
	Canadian National Railway	Brad Bodner, Director Network Strategies
	Canadian Pacific Railway	Jeff Edwards, General Manager,
	Kelowna International Airport	Sam Sammaddar
	Prince George Airport	John Gibson
	Vancouver International Airport	Gerry Bruno
	Victoria International Airport	Geoff Dixon
	Pacific Pilotage Authority	Kevin Obermeyer
	Railway Association of Canada	Michael Bourque, President & CEO
	Abbotsford International Airport	Mike Pastro
	Canadian Rockies (Cranbrook)	Tristen Chernove
	Nanaimo Airport	Mike Hooper
	Prince Rupert Airport	Rick Reed
	Northwest Regional (Terrace)	Carman Hendry
	Vantage Group (Fort St. John, Kamloops)	Rebecca Catley
	VIA Rail Canada	TBD
	WestJet	Mike McNaney, Vice President
PROVINCIAL	BC Aviation Council	Vanessa Griffiths, Executive Director
	BC Wharf Operators Association	Brad Eshleman, President
	Chamber of Shipping of BC	Captain Stephen Brown, President
	Council of Forest Industries	Anne Mauch, Director
	Emergency Management BC	Cameron Lewis, Executive Director
	Fire Chiefs Association of BC	Christine McLenan, Administrative Contractor
	Greater Victoria Harbour Authority	Rebecca Penz, Manager
	Greater Vancouver Gateway Council	Bob Wilde, Managing Director
	International Ship-Owners Alliance of Canada (ISAC)	Kaity Arsoniadis-Stein, President & Secretary General
	Mining Association of British Columbia	Bryan Cox, Vice President
	Nanaimo Port Authority	David Mailloux, Manager
	Office of the Fire Commissioner	Gordon Anderson, Fire Commissioner
	Port Alberni Port Authority	Zoran Knezevic, Port Manager, CEO
	Port Metro Vancouver	Evangeline Englexos, Director
	Prince Rupert Port Authority	Andrew Mayer, Vice President
	Southern Railway of British Columbia	Frank Butzelaar, President
	UBCM	Interim: Marie Crawford, Associate Executive Director
REGIONAL		
	Washington State DOT / Amtrak	Ron Pate, Director, Washington State Rail
	Burlington North & Santa Fe Railway	Dean Wise, Vice President
	Canadian Manufacturers and Exporters	Marcu Ewert, Johns, Vice President



Organization		Contact
MINISTRY	Ministry of Agriculture	David Coney
	Ministry of Environment	TBD
	Intergovernmental Relations	Don Haney
	Ministry of International Trade	Robert Musgrave
	Ministry of Social Development & Social Innovation	Susan Mader
	Ministry of Justice	Toby Louie
	Ministry of Jobs, Tourism & Skills Training	Andrew Little
CROWN CORP		
	BC Ferry Services Inc.	David Hendry, Director
	BC Rail Company	Gordon Westlake
	BC Safety Authority	Eric Samuelson, Manager
	BC Transit	Brian Anderson, Vice President
	TransLink	Bob Paddon, Executive Vice President



APPENDIX 3

NOTES FROM COUNCIL OF DMs MEETING WITH DAVID EMERSON

- On October 2, David Emerson and Panel member Marie-Lucie Morin attended the Council of Deputy Ministers Responsible for Transportation and Highway Safety.
- Mr. Emerson provided copies of the powerpoint presentation and the Panel's discussion paper.
- The Review Panel is seeking to create a vision of the Canadian economy and the role transportation will play supporting that vision 20 to 30 years into the future.
- The Panel will consider transportation policy is a rapidly changing global context while recognizing that changes within the transportation require long lead and lag times.
- The recommendations will respond to the question: "What do we need to do in the next two to five years to be competitive 20 to 30 years into the future?"
- Mr. Emerson specifically raised air access, grain transportation and transportation in the North as areas requiring careful consideration.
- Creating a transportation environment that places Canada in a globally competitive position is essential.
- Border challenges (both domestically and internationally) create inefficiencies which impact Canada's ability to compete.
- The Council of DMs provided a presentation on the Strategic Vision for Transportation.



APPENDIX 4

POTENTIAL THEMES

s16, s13



Ministry of
Transportation
and Infrastructure

s16, s13



BRIEFING NOTE FOR INFORMATION

DATE: October 9, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

ISSUE: Licence Plate Auction Proposal

SUMMARY:

- ^{s22} is proposing that ICBC auction off desirable (retired) plate numbers for profit.
- ^{s22} ICBC has indicated that there are several differences between the UK model, which ^{s22} is basing his proposal on, and ICBC's licence plate structure, and have advised that further research would be required.
- ICBC further advises that demand would likely be low for auctioned plates given British Columbians already have access to reasonably priced Personalized Number Plates (aka vanity plates), and vanity plate uptake is currently only 0.6% of all licence plates.
- Ministry of Transportation and Infrastructure (MoTI) staff can follow up with ICBC and provide a recommendation to the Minister on the potential revenues and costs of this proposal.

BACKGROUND:

The proposal is modeled after jurisdictions such as the UK and some US states where these jurisdictions earn tax and fee revenue from selling sought after plate numbers (e.g., low number licence plates). It is not uncommon for some of the most desirable plates to be sold in the range of \$10,000 to \$100,000 (the current world record price for a plate is \$14.2 million). In 2012, the UK's Driver and Vehicle Licensing Agency raised £67m from the sale of plates (~\$120 million CDN) (Source: BBC News).

Most of these jurisdictions do not have a personalized number plate program and unlike British Columbia (BC), their longstanding issuing and enforcement practices allow for the private sale and transfer of plates.

BC offers a Personalized Number Plate (PNP) program (vanity plates) which allows an individual to choose their own plate slogan for a fixed cost, rather than paying a market-based price:

- Application fee is \$100 with an annual \$40 fee to retain the plate;
- Slogans, if appropriate, are issued on a first come first served basis;
- Plate slogans cannot duplicate any previously issued licence plate number;
- The plate is the property of ICBC and cannot be sold or transferred;
- If relinquished, slogans may be re-issued to another person by ICBC; and
- The popularity of BC's PNPs is very low relative to other jurisdictions at 0.59% (the Canadian average is 2.94% and the US average is 3.82%)

DISCUSSION:

ICBC has raised the following points for consideration:

- The auction concept used in other jurisdictions is viable and profitable primarily because those jurisdictions do not have vanity plate programs and therefore there is a high value placed on



desirable plates. In BC, PNP plates can be selected for a relatively low price and placed on a specialized background to denote that it is a PNP.

- There has been no recent consumer demand indicated for certain number/letter combinations on the standard issue, white background BC plate. We are aware however that in other North American jurisdictions, there has been demand for standard issue plates with low numbers (e.g. 1 through 999).
- BC's current model has the licence plate associated with the same registered owner throughout the life of the licence plate. Providing for the transfer of a number plate to other individuals would require systems changes as part of the completion of the Transformation Program in mid-2016.
- The two concepts (Auction and PNP) cannot likely co-exist because the two concepts would be aimed at the same customer; with PNP being the much lower cost option for consumers.
- However, there may be opportunities to reissue unused licence plate series that have either been surrendered or not issued after 1985 (BC's current design and numbering series). Further research would be required to determine if it were possible in the current framework of the PNP program or substituted with an auction concept.
- This project would need to be considered under what is known as the "Shared Priorities process", in which Government reviews and prioritizes the various non-insurance projects that it wishes ICBC to execute (ie. BC Services Card, Refuse to Issue, Road Safety initiatives), and provides direction to ICBC.
- In recent years, ICBC and government have also been approached by a number of charities, sports organizations and others interested in developing specialized plates to promote their organization and generate revenues.

RECOMMENDED RESPONSE

- The concept of making 'retired' licence plates available (through auction or other means) does have merit.
- We would need further exploration to better understand the revenue potential and implications associated with implementing such a program in BC.
- There are key differences in BC's licence plate system and the jurisdictions that do have auction programs will need to be carefully examined.
- I will ask my staff to follow up with ICBC, and would encourage you to also meet with MoTI staff to have a more fulsome discussion on this matter.

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BRIEFING NOTE FOR INFORMATION

DATE: October 20, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

MEETING: Jatinder Rai, Interim Chair, ICBC and Mark Blucher, President & CEO, ICBC on October 21st, 2014

ISSUE: ICBC Update

SUMMARY:

- This meeting has been arranged at the request of ICBC's Interim Board Chair Jatinder Rai.
- ICBC would like to provide the Minister with an overview of the progress the corporation has made since Government's 2012 review and have a discussion about future direction.
- ICBC is developing meeting material which will be provided to the Minister in advance of the meeting.

BACKGROUND:

The ICBC Chair has not yet provided specific details regarding the matters he wishes to discuss with the Minister. A package of material is expected in advance of the meeting. In absence of ICBC meeting material, the following information is intended to provide context on the anticipated discussion topics.

DISCUSSION:

2012 ICBC Review

ICBC would like to provide the Minister with an overview of the progress the corporation has made since Government's 2012 review and have a discussion about future direction.

In August 2012, a comprehensive review of ICBC was undertaken by the Internal Audit and Advisory Services from the Ministry of Finance. The review included an evaluation of the governance, operating costs, compensation, claims management, forecasting, investments, and information technology practices of ICBC and made 24 recommendations for change.

Since the review, ICBC has implemented 19 of the 24 recommendations, and has undergone significant change, including a major restructuring of the company (including a reduction of 260 positions), and has achieved over \$83 million in cost reductions from its 2011 budget. The review's recommendation regarding bodily injury claims remains open and on-going as it is a top priority for ICBC and is seen as critical in order to keep premiums as low as possible. The review also included three recommendations related to the Transformation Program, which are all open and ongoing, and a recommendation to place a higher priority on legacy Driver Licensing systems (the planning phase is complete, and ICBC is working with government on plans for future work).



ICBC's Mandate Letter

ICBC receives formal direction from the Minister annually through a mandate letter (formally the GLE), which outlines the priority actions for the upcoming year. A significant focus in the upcoming 2015/16 Mandate Letter will be around Government's expectations set out in the June 2014 Taxpayer Accountability Principles that are intended to strengthen accountability, promote costs control, and ensure public sector organizations operate in the best interest of taxpayers.

s12, s13

ICBC's Annual Report / Fiscal Update to Treasury Board

s12, s13

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BRIEFING NOTE FOR INFORMATION

DATE: October 31, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

ISSUE: Federal Import Duty on Vessels Imported into Canada

SUMMARY:

- BC Ferries and the Canadian Ferry Operators Association (CFOA) would like support from the Province of British Columbia (Province)

s13, s16, s17

BACKGROUND:

Currently, the federal government applies a 25 percent duty on all ferries less than 129 meters imported into Canada. The duty was applied to all ferries imported into Canada regardless of length until 2010 when the federal government waived the requirement for all general cargo vessels and tankers, and ferries in excess of 129 meters in length.

Applications for duty remission are reviewed by the federal government on a case by case basis. In past years, BC Ferries paid duty on its larger vessels (the three Super C-class vessels, the Northern Adventure formerly known as the M.V. Sonia, and the Northern Expedition).

s17, s16, s13

Attached as Appendix 1 are copies of letters written from the Province to the federal government in support of BC Ferries' requests for duty remission.

BC Ferries and the Canadian Ferry Operators Association (CFOA), of which BC Ferries is the primary stakeholder

s13, s17, s16

DISCUSSION:

A 25 percent duty on imported vessels contributes to the cost pressures facing the ferry system. Eliminating the duty would alleviate some of the financial pressures facing the ferry system which would benefit provincial taxpayers and ferry users.

BC Ferries recently awarded contracts totaling \$165 million to a company in Poland to build three new intermediate class vessels. BC Ferries total project budget according to their news release is \$252 million and includes financing, project management and \$51 million in taxes and import duties. While

s17, s13, s16

It should be noted that as these costs are capital, as opposed to operating, they are amortized over the life of the asset. A vessel is generally amortized over 40 years though some components of the vessel are amortized over shorter periods.

s17, s13



s16, s17, s13

As BC Ferries has been successful to date in their duty remission requests, a third option would be for the Province to indicate that it will continue to support BC Ferries on their individual requests for duty remission.

Attachments: Copies of letters from the Province in support of FID remission requests.

PREPARED BY:

Lynda Petruzzelli, Senior Manager, Coastal Ferries
Marine Branch
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REVIEWED BY:

Kirk Handrahan, Executive Director
Marine Branch
Deborah Bowman, ADM
Transportation Policy and Programs Dept.

INITIALS:

KH

DB



December 7, 2006

Honourable Maxime Bernier
Minister of Industry
Parliament Buildings
Ottawa ON K1A 0N5

Reference: 152251

Dear Minister Bernier:

Re: Import Duties Assessed Against BC Ferries for the Purchase of the MV Sonia

I am writing to urge your government in the strongest possible terms to consider the needs of British Columbians and exempt BC Ferries from the requirement to pay federal import duties related to their purchase of the MV Sonia.

As you may know, communities along British Columbia's northern coast suffered a dramatic loss earlier this year when the BC Ferries vessel Queen of the North sunk while in service. Tragically, two lives were lost in the incident. The impact of this sinking has reverberated through our province's economy and our remote coastal communities for months.

BC Ferries has responded by scouring the Canadian marketplace in search of a replacement for the Queen of the North. No such ship existed in Canada, and the Canadian shipbuilding industry could not deliver a new vessel in a timely fashion.

BC Ferries needed to act. Quite simply, the stakes for our coastal communities, our provincial economy and indeed our national interests were too high to do otherwise. Ferry service is essential to the life of these coastal communities and the livelihoods of their businesses, residents and visitors to our province. Delaying the acquisition of a replacement vessel was not an option.

I am pleased BC Ferries was able to find and purchase the MV Sonia. All indications are that it will be an ideal vessel to meet the needs of the communities previously served by the Queen of the North.

That said, I believe it would be patently unfair for Industry Canada to penalize British Columbians by imposing a \$17-million import duty on BC Ferries' purchase when no domestic option was available.

.../2



Ministry of
Transportation
and Infrastructure

- 2 -

I believe that these circumstances call for your government to exercise discretion and exempt BC Ferries from a duty that would penalize British Columbians. I ask for your consideration in this matter, and I look forward to your reply.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin Falcon".

Kevin Falcon
Minister

Copy to: Honourable David Emerson
 Minister of International Trade

 David Hahn, President and CEO
 BC Ferries



(This letter was sent in 2007)

Honourable David Emerson
Minister of International Trade
Minister for the Pacific Gateway
and the Vancouver-Whistler Olympics
House of Commons
Ottawa ON K1A 0A6

Reference: 161697

Dear Honourable David Emerson:

Re: Duty Relief for BC Ferries

I am writing to convey the Government of British Columbia's support for the request by BC Ferry Services Inc. (BCFS) for duty relief to import three new major ferry vessels that need to be constructed offshore to provide safe, efficient and cost-effective marine transportation services along British Columbia's coast.

As you are aware, our government is committed to sound fiscal discipline, prudent management and careful public spending. To help achieve these objectives, we transformed the provision of coastal marine vehicle and passenger ferry service in 2003. This new and independent structure for the delivery of ferry services was designed to create a solid business foundation for a reliable ferry system.

While BCFS is no longer an extension of our government, it continues to rely on government for financial support. Last fiscal year, while BCFS collected \$363 million in user fees, it required an additional \$117 million in the form of provincial service fees and \$25 million in federal subsidies to cover costs. In total, financial support from senior governments accounted for 24 per cent of BCFS's total revenue. So while ferry operations have been made independent, the cost to provide these services remains the burden of users, British Columbia taxpayers and the government.

The first phase of BCFS's fleet renewal program is for three Super C-class vessels ordered in September 2004. To ensure value for money, BCFS undertook an extensive process to select the successful shipyard. This involved a pre-qualification phase and establishment of a shortlist, followed by competitive bidding and independent reviews at various points during the procurement process. Five of nine pre-qualifying bids received were assessed as compliant and warranted further evaluation, including that of one Canadian yard. Subsequently, three international yards were shortlisted in February 2004 and received the RFP. The Canadian yard did not reach the shortlist, a decision based on the yard's capabilities in the context of this specific project.

The final price from Flensburger was almost \$130 million less than the price indication from the Canadian yard during the early phase of the bidding process. Significantly, Germany does not provide subsidies to its shipyards for the construction of vehicle/passenger ferries for export.



It is noteworthy that British Columbia shipyards have been successful in building intermediate conventional ferries and refurbishing major vessels over the last 15 years. Our current perspective is that British Columbia has competent shipyards that can be highly competitive with foreign yards for intermediate and small conventional ferry construction. In this specific size sector, we anticipate that BCFS will not need remission from the protective federal duty.

I believe the interests of 11 million users on these ferry routes must come first. What would happen if the government of Canada waives the 25 per cent duty on the Super C-class ferries? Ferry users would directly benefit through lower fares – each year the amount of the fare increase could be about 20 per cent less than it will be if the duty isn't waived. This benefit would continue through the life of these vessels.

Given these facts, I urge that you and your colleagues give full consideration to the BCFS request for tariff relief on the import of the three Super-C class vessels. The benefits from tariff relief will accrue to users and provincial taxpayers, and removal of this market distortion has the potential to improve the competitive position of Canadian and British Columbian shipyards.

Sincerely,

original signed by

Kevin Falcon
Minister

Copy to: The Honourable James M. Flaherty
Minister of Finance



November 5, 2009

Honourable James Flaherty
Minister of Finance
House of Commons
Ottawa ON K1A 0A6

Reference: 183996

Dear Minister Flaherty:

Re: Duty Relief for BC Ferry Services Inc.

I am writing to convey the Government of British Columbia's ongoing support for the request by BC Ferry Services Inc. (BCFS) for duty relief related to four new ferry vessels imported from Flensburg, Germany. I also wish to take this opportunity to support the proposed remission of customs duties on imports of all ferries that cannot be built cost-effectively in Canada for coastal ferry service.

As one of the largest ferry operators in the world, BCFS provides essential ferry services to British Columbia's coastal communities. One of the greatest challenges for the coastal ferry system in recent years has been the need to replace over half of the ferry fleet in order to maintain a safe and efficient ferry service.

When BC Ferries required three new Super C-class ferries and the Northern Expedition, it conducted an international tendering process that was open to everyone. Only one Canadian shipyard responded to the request for pre-qualifications for the Super C-class ferries. They did not, in the final assessment, meet the necessary criteria to be shortlisted to receive a request for proposal. The shipyard best able to meet BC Ferries' needs was the Flensburger Shipyard of Germany. Flensburger later selected two Vancouver companies to design the interiors for the vessels. No Canadian shipyards submitted a proposal for the Northern Expedition.

While the federal government provides BCFS with an annual subsidy of \$27 million, British Columbia's taxpayers are contributing \$149 million annually to subsidize ferry services. As BCFS continues to replace aging vessels, we anticipate an increased financial burden on British Columbia's taxpayers and ferry users. Applying customs duties to the import of these new vessels will only increase this burden.

.../2



- 2 -

I request that you approve BCFS' application for duty relief on the three Super C-class vessels and the Northern Expedition, purchased from Germany. Further, the Government of British Columbia supports the proposed remission of customs duties on imports of ferry vessels in order to protect the long-term financial sustainability of British Columbia's coastal ferry system.

Sincerely,

Original Signed By:

Shirley Bond
Minister

Copy to: Premier Gordon Campbell

Honourable John Baird
Minister of Transport, Infrastructure and Communities

Honourable Stockwell Day
Minister of International Trade and Minister for the Asia-Pacific Gateway

David Hahn, President and CEO
BC Ferry Services Inc.



BRIEFING NOTE FOR INFORMATION

DATE: October 31, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

MEETING: Dr. Arvind Gupta, President, University of British Columbia (UBC), on November 3, 2014

ISSUE: Opportunities for Goods Movement Innovation through Industry Partnerships, and Public Transit and *BC on the Move*

SUMMARY

- There are currently two planning processes underway:
 - *BC on the Move* is focussed on provincial infrastructure needs over the next 10 years.
 - The TransLink Mayors' Council (Mayors') vision for the region will be the subject of the March 2015 referendum.
 - The Province of British Columbia (Province) has committed to funding one third of the cost of new rapid transit projects in the Mayors' vision, including rapid transit on the Broadway corridor, provided that the projects fit within the capital plan.
 -
- s12, s13
- The Mayors' have an indicated preference for a March vote, which would ensure that UBC students will have a voice in the decision.
 - I would encourage UBC's student societies to engage with the Mayors' to discuss opportunities to engage students and get out the vote on campus.
 - The Province has supported and continues to support UBC transportation research initiatives. Most recently, the Ministry of Transportation and Infrastructure (MoTI) has indicated support for and has committed staff time to support the on-road AUTomotive test bed for Reconfigurable and Optimized Radio Access (AURORA) at UBC.

BACKGROUND:

Both the Province and TransLink operate major components of the regional transportation network. They share a common goal of moving goods and people as efficiently and safely as possible. Several initiatives are underway by both agencies:

- *BC on the Move* is focussed on provincial infrastructure needs over the next 10 years.
- The TransLink Mayors' Council has prepared its vision for the region, which will be the subject of the March 2015 referendum.
- TransLink's Goods Movement Strategy will identify ways to support regional collaboration and consistency on policies, regulations and strategies related to goods movement.
- MoTI collaborates with Transport Canada and TransLink on joint research to better understand freight movements within and transiting the Lower Mainland. Through the Metro Vancouver Transport and Logistics System - Applied Freight Research Initiative (AFRI), ongoing data collection and analyses provide a foundation to support urban freight transport strategy development, policy, investment and tactical decisions. The focus of the work to date has been on the trucking sector and its interface with other freight modes such as rail, marine and air.

Since his appointment as President of UBC in July 2014, Mr. Gupta has spoken about building strategic partnerships and innovation. In his October 1, 2014 address to the Vancouver Board of Trade, Mr. Gupta outlined 5 strategies as part of UBC's innovation agenda. These strategies are:



- building strategic partnerships across sectors;
- improving community access (including to the campus along the Broadway corridor);
- increasing employability;
- supporting the innovation ecosystem, including supporting all three levels of government with evidence-based information for policy design; and
- building UBC's internal support structures for innovation.

MoTI has been supportive in the past and continues to support UBC's transportation-related research initiatives. From 2005 to 2011, the Province and federal government each contributed \$500,000 toward establishing the Bureau of Intelligent Transportation Systems and Freight Security (BITSAFS) at UBC. Of BC's \$500,000 contribution, \$265,000 was provided by MoTI, which also provided administration for the federal and provincial contributions. BITSAFS has enabled researchers to apply intelligent transportation systems to improve security in transportation systems and maintain and improve the efficient movement of passengers and freight.

On October 22, 2014, the federal Transport Minister announced \$1.3 million in funding for the ACTIVE-AURORA project; a University of Alberta and UBC project that will install vehicular test beds in three locations (two in Alberta, one in Vancouver) using wireless communications. Once in place, the test beds can provide information to support enhancements to BC's transportation network, for capacity, safety, efficiency and environmental purposes. MoTI has issued a letter of support for the project, and has committed a contribution in-kind (staff time) to support the planning, review and oversight of the project. MoTI is also prepared to accommodate the request to have routers installed on poles on ministry roads in Vancouver, subject to typical terms and conditions (clarification of ongoing maintenance, liability, various recoveries, etc.).

DISCUSSION:

Public Transit and BC on the Move

UBC is committed to seeing public transit comprise a significant component of mode share in trips made to and from the Vancouver campus. Major increases in transit ridership to and from campus have been supported by the 2003 introduction of the U-Pass, which offers unlimited bus, SkyTrain and SeaBus travel to students. UBC's *Transportation Plan* suggests however, that UBC's demand for transit significantly exceeds capacity and has identified a range of strategies to optimize campus transit service including advocating for the development of rapid transit to the UBC campus.

The Mayors' Council Regional Transportation Vision identifies a preference for rapid transit along the Broadway corridor to Arbutus with frequent B-Line connections to UBC. Funding to support the priorities identified in the Vision will be subject to a referendum this coming spring.

Given their access to U-Pass, post-secondary students will be an important voice in the transit funding vote. Student societies such as UBC's Alma Mater Society could play a significant role in raising student awareness about the referendum, ensuring that students are registered with Elections BC, and in getting out the vote.

s12, s13, s16

In addition to transit and related support for walking and cycling, other provincial transportation infrastructure issues identified in the *BC on the Move* that may be of interest to UBC could include the Vancouver International Airport and Port Metro Vancouver. UBC is also bordered by the



University Endowment Lands, an unincorporated area that is administered by the Ministry of Community, Sport and Cultural Development under the *University Endowment Land Act*.

BC on the Move is currently mid-way through an engagement process that is gathering input from a wide range of transportation stakeholders. s13, s17

Consultations in the lower mainland are ongoing into November.

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REVIEWED BY:

Lisa Gow, ED Pacific Gateway
Partnerships Division
Jacquie Dawes, ADM
Partnerships Division

INITIALS:

LG

JD



BRIEFING NOTE FOR INFORMATION

DATE: October 30, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

MEETING: Minister John Rustad, MLA Scott Hamilton, and Property Development Group (PDG) Investments on October 30, 2014

ISSUE: Jesken Road in Central Saanich

SUMMARY:

- **The Ministry of Transportation and Infrastructure (MoTI) supports the Tsawout in their plans for improving their economic prosperity through the development of their proposed shopping centre.**
- **The Tsawout have chosen Jesken Road as their preferred Highway 17 connection point for a new interchange.**
- s13, s16
- s17, s13, s16
- **MoTI has worked closely with PDG and Tsawout to review their proposed interchange concept and has provided them with a construction permit to proceed with construction of the interchange.**
- **PDG and the Tsawout have all approvals and permits in place that will allow them to begin construction once they have completed detailed design.**

BACKGROUND:

In May 2010, the Tsawout and Property Development Group (PDG) Investments, approached MoTI with a request for improved access to Highway 17 to facilitate the construction s16, s13

The Tsawout have approached MoTI as far back as 1997 for full access movement to their lands at Jesken Road to support proposed commercial development. Until 2001 there was no access to Highway 17 from this location. In 2001, through a signed agreement with the Tsawout, MoTI agreed to construct a right in access at Jesken Road and Highway 17 and, in the future, to permit a right out access when the Tsawout secured a commercial development on their lands.

Tsawout and PDG conducted a traffic impact assessment for their proposed development which indicated that a signalized intersection or interchange would be required to support the traffic movements into and out of the proposed development. MoTI is supportive of the commercial development plans that the Tsawout and PDG are pursuing but did not approve a signalized intersection at Jesken Road as it would impede traffic flow and is not consistent with long term plans to reduce the number of signalized intersections along this corridor. In ongoing discussions with the Tsawout and PDG, MoTI staff worked with the Tsawout and PDG to review existing signalized intersections; Island View to the south or Mt. Newton to the north, to provide access to the development.

PDG and Tsawout had concerns about utilizing the existing signalized intersections due to issues with routing traffic through their community and, as a result, they decided that Jesken Road was the most direct full movement access to Highway 17 to attract the desired tenants.



In November 2010, PDG and Tsawout formally requested permission to construct a full interchange at Jesken Road as well as s17, s13, s16

DISCUSSION:

In reviewing the Tsawout/PDG proposal, MoTI concluded that while an interchange at Jesken Road would facilitate access to the proposed commercial development, it did not improve the flow of traffic on the corridor for the travelling public. As a result s17, s13, s16

but supports the commercial development concept and agreed to work with the Tsawout and PDG on interchange criteria and a permit to construct that would allow them to fund and deliver the interchange themselves.

In addition, MoTI staff have indicated to the Tsawout that should they come forward with an interchange proposal which facilitates municipal road connections or improves traffic flow on Highway 17, such as an interchange at Jesken Road with a connection to Central Saanich Road (local road network) or an interchange at Mt. Newton intersection. s17, s13, s16

Staff have continued to meet and work with the Tsawout and PDG to support their proposed commercial development. To date, MoTI has collaborated with the Tsawout and PDG on their interchange concept and have signed approval on the interchange design document of requirements (in the fall of 2013) and issued them a construction permit to construct the Jesken Road interchange (signed in April 2014).

s16, s17, s13

MoTI will continue to work with the Tsawout and PDG as they complete detailed design and construction for the Jesken Road Interchange.

s13, s16

PREPARED BY:

Renée Mounteney,
Deputy Director
250 208-8876

REVIEWED BY:

Patrick Livolsi, Regional Director
South Coast Region
Dave Duncan, Assistant Deputy Minister
Highways Department

INITIALS:

PL

DD

Page 66 redacted for the following reason:

s13, s16



BRIEFING NOTE FOR INFORMATION

DATE: October 31, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

MEETING: New West Partnership Transportation Summit, November 5 & 6, 2014

ISSUE: New West Partnership Trade Agreement (NWPTA) Harmonization Successes and Continued Efforts

SUMMARY:

- **The NWPTA has led to harmonization in many areas respecting commercial transport vehicles.**
- **Work continues between British Columbia (BC), Alberta (AB), and Saskatchewan (SK) to seek further harmonization.**

BACKGROUND:

On April 30, 2010, the Premiers of BC, AB and SK launched the NWPTA as Canada's largest barrier-free interprovincial market. It is intended to improve competitiveness, promote innovation, and attract business and investment to strengthen and diversify the economy of the west. The NWPTA requires the three provinces to:

- eliminate barriers to trade, investment or labour mobility;
- recognize or reconcile regulations that restrict trade, investment or labour mobility; and,
- minimize differences maintained to protect legitimate objectives such as safety.

For over forty years, the provinces, territories and Canada have worked to streamline commercial vehicle regulations across jurisdictions. As a result, the majority of regulatory requirements for commercial vehicles are already harmonized. The remaining differences tend to be complex and in the areas of vehicle weights and dimensions and safety programs.

The Ministry of Transportation and Infrastructure (MoTI) is leading harmonization efforts on specific issues in four key areas:

1. **Weights and Dimensions** – Reconcile allowable vehicle weights, overall size of a vehicle combination, and internal dimensions.
2. **Safety Programs** – Create consistent enforcement policies and reduce industry confusion over requirements.
3. **Operating Policies** – Reconcile operating restrictions, streamline divisible oversize load permits, identify oversize/overweight corridors and provide easy access to road and construction information.
4. **Vehicle and Driver Licensing** – Consistent adoption and implementation of national standards regarding vehicle and interprovincial driver licensing.

DISCUSSION:

The NWPTA requires the provinces to work together to harmonize policies and regulations except where legitimate reasons exist for differences. For the trucking sector, these challenges can arise from differences in geography or differences in highway or bridge design.



Harmonization of trucking regulations and policies is an ongoing process. In the initial stages of the NWPTA,

s16, s13

s16

Although most initiatives apply to commercial trucking, starting April 1, 2015, people relocating between SK, AB, and BC can obtain an inspection exemption and register their vehicles in their new home NWPTA province. While the mechanical inspection requirements are consistent across the jurisdictions, the certification requirements for people conducting the inspections vary (eg. BC and AB require the inspectors to be trade certified mechanics; SK does not require a trade certification).

s16, s13

The exemption applies to

light private vehicles under the following conditions:

1. The vehicle was last registered in either Alberta, Saskatchewan or British Columbia to the person making application for the OOP inspection exemption;
2. The vehicle has a “normal” status (not rebuilt, salvaged or written off) reported thru the Inter-provincial Records Exchange (IRE) system; and,
3. The vehicle is either:
 - a. less than 4 years old from the date of manufacture; or,
 - b. has been inspected as part of an NWP government inspection program within the last 90 days.

Currently, any person who brings a vehicle to BC as part of their “settler’s effects” must have the vehicle inspected before it can be registered by the Insurance Corporation of BC. This change will make it easier, faster and less expensive for families to relocate within the region and will improve mobility for workers while ensuring that vehicle safety is not compromised.

Appendices attached:

Appendix 1 – Harmonization Successes To-Date

Appendix 2 – Harmonization Initiatives Currently in Progress

Appendix 3 – Potential Harmonization Initiatives

PREPARED BY:

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Transportation Policy & Programs
(250) 356-8191

REVIEWED BY:

Greg Gilks, Executive Director
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Deborah Bowman, Assistant Deputy Minister
Transportation Policy & Programs
Grant Main
Deputy Minister

INITIALS:

GG

DB

GM



Appendix 1

Harmonization Successes To-Date

	Area	Issue	Objective
Vehicle Weights and Dimensions			
1	Steering axle weight limits	Changes in vehicle design and required equipment are resulting in higher steering axle weights	Implemented a common approach to addressing the weight limit for tractor steering axles
2	Tridem axle weight limits for trailers	Differences in weight limit for tridem axle groups exist within the region	Established a common weight limit of 24,000 kg
3	Tridem drive tractors	Differences in dimension limits for tridem drive tractors	Established a common dimension and weight specifications
4	Weight tolerances for Auxiliary Power Units (APU)	BC has provided a weight allowance for vehicles equipped with APU's, as an environmental measure to reduce engine idling	Established a common policy to accommodate APU's
5	Length limit for double trailer combinations	Industry wants to use longer wheelbase tractors with sleeper berths on double trailer combinations	Increased overall length limit to accommodate largest legal tractor
Oversize and Overweight Special Permits			
6	Pilot cars	Differences in pilot car specifications exist within the region	Establish uniform specifications for pilot cars
7	Holiday restrictions	Differences in policies	Harmonized policies
8	Divisible load oversize permit	Differences in the conditions for moving large loads consisting of multiple objects (e.g., pipe)	Harmonized policies where possible
Safety Policy and Regulations			
9	Distracted driving	Differences in policies for commercial drivers	Ensured policies and approaches are harmonized
10	Commercial vehicle inspections	Differences in application of Commercial Vehicle Safety Alliance (CVSA) criteria in B.C.	Harmonized requirements
Driver and Vehicle Licensing and Administration			
11	CVSA out of service criteria applicability	Differences in interpretations	Implemented mechanisms to promote better communications and consistency across jurisdictions



Appendix 2

Harmonization Initiatives Currently in Progress

	Area	Issue	Objective
1	Light Vehicle Inspections	Light vehicle owners have to undergo inspections when relocating to another province	
2	Online Permitting	onRouteBC to replace current permitting system	
3	Weights and Dimensions	Memo of Understanding (MoU) on permitting conditions for Rocky Mountain Double (RMD) configurations	
4	Exceptions	Premiers agreed to review list of exceptions to the NWPTA	
5	Vehicle Registration Policy	Review existing registration requirements for specialized, unique or unusual equipment	
6	National Safety Code (NSC) Administration	Review NSC requirements in each province to ensure consistent application and treatment of carriers	
7	Oversize/Overweight Corridors	Identify connecting oversize/overweight routes	s13, s16
8	Applicability and Thresholds	Differences in criteria for application of safety standards	
9	Collision Reporting Threshold	Difference in dollar amount at which an accident is recorded on the NSC carrier profile	
10	Carrier Excellence Programs	Consistency in programs that reward the safest carriers	
11	Inspection Stations	Requirement to report to inspection stations	
12	Rest Areas	Lacking adequate rest areas to support hours of service rules and cargo securement	
13	Vehicle Weight Information	Share vehicle weight information with other inspection stations on route	
14	Tarping Aggregate Loads	Uniform policy does not exist for tarping gravel loads. Public complains about windshield damage	
15	Hay Bale MoU	Since the 2002 MoU, there have been changes to allowable practice and new vehicles have been introduced	



Appendix 3

Potential Harmonization Initiatives

	Area	Issue	Objective
1	Driver Qualifications	Provinces generally consistent accept that BC requires long combination vehicles (LCV) drivers to have medical exam every 2 years, while AB and SK require the routine commercial driver license medical exam every 5 years	s13, s16
2	Carrier Eligibility	Harmonize policies where possible	
3	Daily Trip Inspection	Adopt NSC Standard 13	
4	Cargo Securement	Differences in application and interpretation of NSC Standard 10	
5	Commercial Driver Records	Information on commercial driver records may not follow drivers when they move provinces	
6	Canadian Driver License Agreement	Differences in sanctions imposed by provinces	
7	Ignition Interlock	Differences in sanctions	
8	Reciprocal Licensing	Differences in approaches used to collect fees	
9	Information on Highway Geometry and Clearances	Carriers want information	
10	Information on Construction Activities	Carriers want information	
11	Hours of Service (HoS)	AB and SK have different HoS	
12	Intercity Motor Coach Services	Economic regulation and industry viability	
13	Tridem Drive Tractors	Differences in weight limits	
14	Spring Weight Restrictions	Differences in spring weight restriction policies and approaches impact productivity	
15	Wide Single Tires	Differences in weight limits	
16	Duration of Special Permits	Variations in the approaches used in duration of permits	
17	Roadway Design and Equipment	Use of movable traffic signals and barriers to support oversize load movements	



18	Conditions for movement of farm vehicles	Differences in requirements	
19	Municipal Involvement	Growing role by municipalities in special permit moves	s13, s16
20	Building Movers	Not specified yet	



BRIEFING NOTE FOR INFORMATION

DATE: September 18, 2014

PREPARED FOR: Todd Stone, Minister of Transportation and Infrastructure

MEETING WITH: Abbotsford Chamber of Commerce on September 19, 2014

ISSUE: Fraser Valley Transportation Priorities and the Economic Importance of the Lower Fraser River

BACKGROUND:

Fraser Valley Transportation Priorities

- Transit related priorities in the Central Fraser Valley have been identified through the local Transit Future Plan – a long term planning document that has been endorsed by all local governments in the Central Fraser Valley. Identified priorities include:
 - Introduce express regional transit service that is direct and fast to Metro Vancouver (over half of all service requests)
 - Increase service frequency and span (nearly one-third of all service requests)
 - Introduce regional transit service connecting Chilliwack to Abbotsford, with a focus on connecting the University of the Fraser Valley campuses
- Transit routes, fares and level of service are a local government decision.
- The Fraser Valley Express (FVX) commuter service starts this Spring – connecting Chilliwack and Abbotsford into Translink's service area at the Carvolth Exchange (202nd Street) in Langley. This will primarily benefit students and commuters.
- Key highway priorities for the Valley include:
 - Hwy 11 - Improvements from Vye Rd to USA border, including a NEXUS Lane on Hwy 11, a new overpass on Vye Road and a new level crossing of the rail at McConnell Rd. This \$25 project was announced in March 2013
 - 3-Way partnership between the Federal, Provincial, and Municipal Governments
 - Anticipate completion of project in 2016

s13

Transit Facts/Initiatives:

- The Province through BC Transit contributes \$10M annually toward Central Fraser Valley communities including operations (\$7.9M) and vehicle lease fees (\$2.4M).
- 1,300 hours were recently added to the Chilliwack system–this has resulted in a 4% service expansion on regular bus service and a 10 % expansion of custom transit (ie. handydart)
- New Agassiz – Harrison – Kent - Hope - service expansion is in development for 2015/16 and would add 4,500 service hours to that areas transit system or a 90% increase.
- Abbotsford is constrained to expand its transit system due to their facility being over capacity and I understand that BC Transit has brought this issue up with Abbotsford on remains an outstanding item for transit in the Valley.



Mt. Lehman Road improvement (Abbotsford International Airport)

s13

Background:

- Mt Lehman Road is a provincial arterial between Highway 1 and Abbotsford International Airport, a total length of about 4 km. It is built to a two lane rural standard with open shoulders and ditches

-

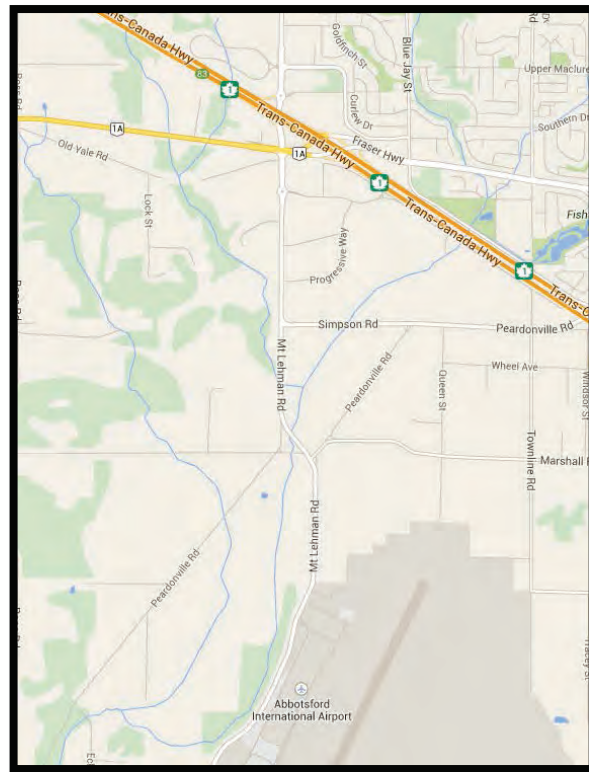
s16

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s13

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s16





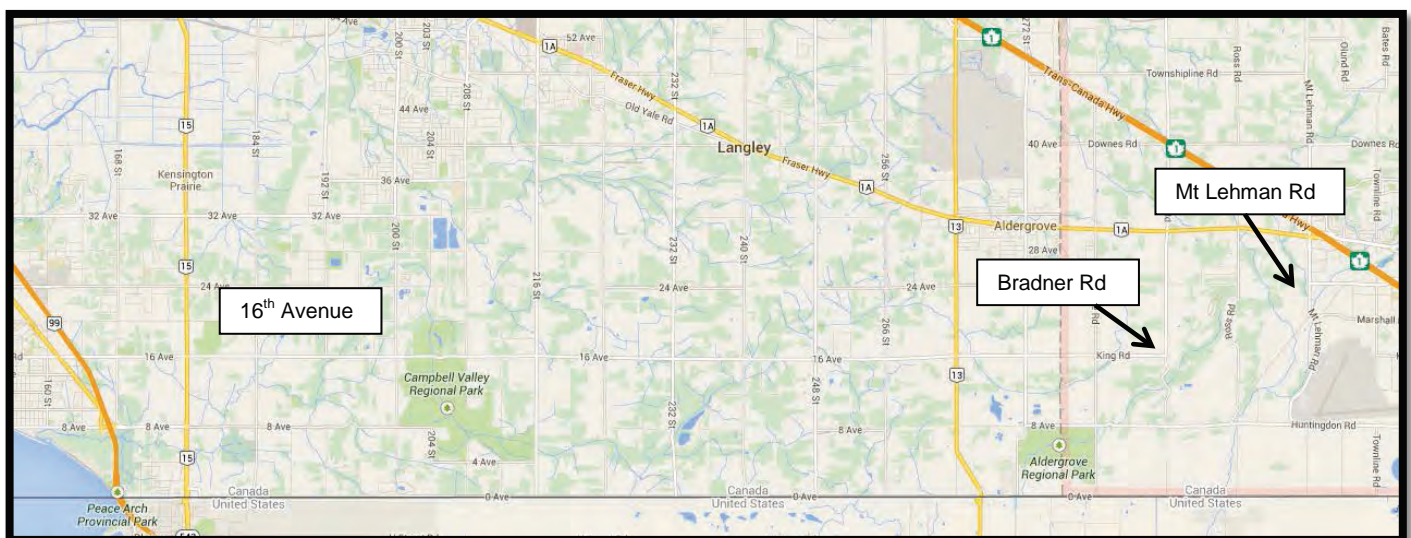
HWYS: East-West Connector Between Abbotsford Airport & Highway 99 BC Chamber Resolution

s13

Background:

- 16th Avenue Translink arterial road that runs East-West through the municipalities of White Rock, City of Surrey, and Abbotsford.
- Provincial traffic on 16th Avenue s13
- The portion east of Highway 99 is approximately 24km of predominantly 2 lane municipal roadway. Running through a mix of urban corridors and traditional farm lands. The road is referred to as 16th Avenue until the 272nd Street boundary where it is referred to as King Road.
- s13
- 16th Avenue terminates at Bradner Road in Abbotsford. The extension further east is blocked by an active gravel operation. s13

s16



The Economic Importance of the Lower Fraser River

- The Richmond Chamber of Commerce published the above-mentioned report in July 2014
- TRAN and all local municipalities located along the river contributed to the study
- Challenges along the river include, among other issues, renewing overland transportation links.
- Support for the continued investment in transportation infrastructure, including the Pattullo and George Massey Bridge replacements and the New Westminster rail bridge.



- The key conclusion is that there is a need for a collaborative, regional strategy, addressing long-term secure funding and management requirements for the entire Lower Fraser River and adjacent lands
- The Ministry is committed to the replacement of the GMT, s13
-

PREPARED BY:**REVIEWED BY:****INITIALS:**

Kevin Volk, Executive Director
Transit Branch, Partnerships Department
Jacquie Dawes, ADM
Partnerships Department
Dave Duncan, ADM
Highways Department

 KV

 JD

 DD



BRIEFING NOTE FOR INFORMATION

DATE: October 31, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

ISSUE: Canada-British Columbia Building Canada Fund Contribution Agreement – Amending Agreement No. 2

SUMMARY:

- **Two project components (Additional Rail Cars and Kelowna Bus Maintenance Facility) have been cancelled due to funding decisions by TransLink and the City of Kelowna, respectively.**
- **The amendment formally removes the scope and their related funding from the original agreement. It also clarifies that the federal 10% holdback may be released when a project component is completed, not when all components are completed.**
- **The federal Minister of Infrastructure, Communities and Intergovernmental Affairs and the British Columbia Minister of Transportation and Infrastructure are required to sign the amendment.**
- **Ministry of Transportation and Infrastructure (MoTI) staff are engaged in discussions with the Government of Canada (Canada) on opportunities to apply this funding to other infrastructure projects in British Columbia (BC).**

BACKGROUND:

On June 9, 2014, Honourable Todd Stone formally notified Federal Minister Lebel that two project components were being cancelled:

- Project 1.7 - Additional Rail Cars (\$24.8 M in federal contributions): cancelled due to TransLink not providing their share of the funding in time to receive the SkyTrain cars by March 2017; and
- Project 1.10 - Kelowna Bus Maintenance Facility (\$2.3 M in federal contributions): cancelled due to Kelowna deciding to use land previously identified for the new facility as part of the right of way for a new local road project.

In order for Minister Lebel to formally approve the cancellation of the project components, an amendment is required to the existing Canada-British Columbia Building Canada Fund Contribution Agreement and the Annex A Schedule B Project Components, Timeline and Cost Breakdown. This amendment needs to be signed by both Minister Lebel and Minister Stone.

Canada has requested that the amending agreement also include revisions for all project total budget, and federally eligible costs and cash flows in order to better align with current project status.

DISCUSSION:

Canada and MoTI staff have worked together to finalize the required amendment. MoTI staff are also engaged in discussions with Canada on opportunities to apply the \$27.1 M in reallocated funding to other BC infrastructure projects.

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BRIEFING NOTE FOR INFORMATION

DATE: September 11, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

ISSUE: s13

SUMMARY:

- **The Mayors' Council (Mayors) vision will require new sources of regional funding, which must be approved through a March 2015 regional referendum.**
- **The Mayors have proposed the use of a regional carbon tax, regional sales tax or regional vehicle levy.**
- **Each of these sources requires policy decisions, legislation and changes to provincial administrative processes.**

BACKGROUND:

In June 2014 the Mayors released their regional transportation Vision, which called on the Province of British Columbia (Province) to allocate \$250M / year from the provincial carbon tax, with a secondary option of a new regional carbon tax. The Minister of Transportation and Infrastructure (MoTI) has communicated to the Mayors and public that the provincial carbon tax is revenue neutral and not a viable funding source, but that all other identified revenue sources are on the table.

As short term revenue sources, the Mayors are now considering a regional carbon tax, regional sales tax and regional vehicle levy. In the longer term (not subject to referendum) the Mayors have identified mobility pricing and land value capture as potential sources. Depending on the level of investment, the Mayors may require up to \$350 million per year.

DISCUSSION:

s13, s17

Regional Carbon Tax

The BC carbon tax puts a price on emissions by applying a tax to the purchase or use of fuels within the Province. The carbon tax is currently set at \$30/tonne of CO₂ equivalent emissions. s13, s17

s13, s17

The Ministry of Finance has advised that implementing a regional carbon tax for Metro Vancouver would be very difficult,

s13, s17

Regional Sales Tax



As proposed in the Vision, a regional sales tax would apply to goods and services, as an increment in addition to the GST and PST.

s12, s13, s17

s12, s13

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PST applies to a wide range of goods and services, both mobile and stationary, with about 80 different charging provisions.

s12, s13, s17

Vehicle Levy

As described in the Vision, a vehicle levy would be applied to all motor vehicles in Metro Vancouver as either a flat fee or variable rate based on emissions or distance driven. Working estimates used by MoTI staff suggest that an annual flat rate of \$150 / vehicle would generate approximately \$200M/year.

ICBC has undertaken a preliminary analysis of the implications of their administering a vehicle levy. Overall, the option is feasible, subject to consideration of a range of policy issues, including:

s13

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BRIEFING NOTE FOR INFORMATION

DATE: September 26, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

MEETING: Jack Barr and Judi Tyabji Wilson, Powell River Chamber of Commerce (Chamber) on September 29, 2014

ISSUE: Chamber's Campaign for Fiscal Fairness for Coastal Ferries

SUMMARY:

- We've had to make tough choices to ensure the long-term sustainability of the ferry system while protecting basic services.
- While the Province of British Columbia (Province) remains committed to controlling spending and balancing the budget, we are also committed to hearing innovative and cost-effective solutions from stakeholders.
- BC Ferries has explored different arrangements when planning for capital investments such as a design, build, operates arrangement with a third party for the Denman Island cable ferry project.
- I have had a chance to review the UBCM's Socio-Economic analysis. I find it's a very simplistic analysis of a complicated situation, and it falls flat by not providing any new and beneficial ideas for the future of our coastal ferry system.
- There is no question of the link between fares and traffic levels.
- That's exactly why the Province has taken the actions we have over the last two years.
- Taxpayers continue to contribute a record amount to BC Ferries, with total contributions of \$200 million this year and \$1.9 billion since 2003/04.
- As well, the Province and BC Ferries continue to look at creative, innovative ways to reduce the pressure on fares, like the new cable ferry coming to Denman Island, liquefied natural gas (LNG) propulsion for new boats, and the feasibility study of a fixed link to Gabriola.
- With respect to the recent UBCM analysis, what stands out to me is the analysis suggests that all three levels of government benefit financially from ferry travelers. Yet the analysis notes that only the two senior levels of government contribute.
- Perhaps it's time for municipalities to step up to contribute to coastal ferries, like they do for local transit and for some local highway improvement projects.
- As the ferry commissioner said in 2012, following his review, it could well be in the interests of a local government to invest in reducing ferry fares for their community, if the investment could be recouped from additional business activity, population growth, housing and so on.
- Of course, municipal governments would have to first do what the Province has done, and that is to get their own fiscal houses in order and bring their high labour costs in line.

If pressed on validity of analysis:

- UBCM's analysis fails to take into consideration a number of factors that may have impacted ferry travel, including:
 - the economic downturn;
 - the growing use of air travel;
 - the changing travel patterns of an aging population;
 - the younger generation's move away from the "car culture; and
 - communication technology improvements which reduce the need for travel.



- The impact on the GDP is also significantly overstated, as the report assumes that over 90% of those estimated not to travel by ferry didn't spend money in British Columbia (BC) and that this was all a loss to the economy.

Alternate Road Access

- MoTI has looked into alternate road routes on the Sunshine Coast.
- The cost is estimated to be over \$1 billion and the projected traffic volumes are not high enough to justify the initial cost of construction.
- MoTI does revisit our long term plans if we see that population and economic conditions are fundamentally changing that would create a strong demand and business case for an overland or bridge link to the Sunshine Coast.
- MoTI must decide which transportation projects benefit the most British Columbians relative to the cost of constructing and maintaining the infrastructure.
- This year, MoTI is developing a new 10 year transportation plan that will identify the areas of greatest need for investment as we move into the next decade.

BACKGROUND:

In response to concerns about the impacts of rising ferry fares and service reductions, the Powell River Chamber of Commerce launched a Fiscal Fairness Campaign. See Appendix 2 for a summary of the campaign goals.

Representatives from the Chamber of Commerce have requested a meeting to discuss “the campaign, the ferry system, and potential next steps that meet the objective of fiscal responsibility and economically viable communities”. The Chamber received support from their members to prepare plans for BC’s marine transportation corridor that include toll highways, toll bridges, and water taxis, with costing for potential private sector involvement, and that these are considered an alternative to BC Ferries.

The Chamber of Commerce representatives may cite the recent UBCM policy paper on the socio-economic impact analysis of BC Ferries. The report analyzes the impact of fare increases on ridership levels and the overall impact of BC Ferries on the provincial economy. The report found that BC Ferries stimulates a total of \$1.8 billion in expenditures each year, which in turn produces \$1.5 billion in total value-added Gross Domestic Product (GDP) for BC.

The report estimates that if fare increases from 2003-2013 had been limited to the rate of inflation, passenger volumes would have grown by 19 percent, adding \$2.3 billion to provincial GDP over that ten-year period. Instead, overall ridership over the same period declined by 11 percent. This foregone economic activity resulted in an estimated total loss of \$609 million in tax revenues from 2003-2013 at the federal, provincial and local levels of government.

DISCUSSION:

While the Chamber has not provided any specific information relating to next steps or a road link to Powell River, there is a group called the Third Crossing Society that has been advocating for a road to be constructed from north of Squamish to Powell River. MoTI has not looked specifically at a highway connection from Squamish directly through to Powell River as the costs would be extraordinary, due to the engineering and construction involved with extensive tunneling and spanning of mountainous terrain.



MoTI has looked at constructing a road around Howe Sound to the Sunshine Coast through Gibsons and a bridge connecting Horseshoe Bay to the Sunshine Coast via Bowen Island. The Howe Sound road route has extremely challenging terrain and MoTI analysis has concluded that such a route would cost more than \$1 billion to complete. The bridge option could also be costly. MoTI does not expect the projected traffic volumes to be high enough to justify the initial cost of construction versus the costs of the ferry operation.

In terms of the campaign's interest in exploring public private partnership (P3) arrangements, the current coastal ferry model was established to separate business decisions from public policy decisions. As an independent company, BC Ferries is solely responsible for its capital investment decisions. BC Ferries can explore different types of procurement and recently undertook a process to see if another operator, under contract to BC Ferries, could design, build, acquire and operate the Denman Island cable ferry operation at a lower cost.

s13, s17

A \$15 million contract for the construction of the cable ferry has been awarded to Seaspan's Vancouver Shipyards. Once completed, BC Ferries will continue to operate the service.

The Fiscal Fairness Campaign is advocating for changes that would see a greater level of taxpayer support for coastal ferry services. In 2004, at the beginning of the new model, total provincial taxpayer contributions were \$106 million, compared to over \$180 million last year, an increase of 70 percent. Since 2003/04, provincial taxpayers have provided nearly \$1.6 billion in funding to support coastal ferries.

While it is too early to speculate on fare increases in the next performance term, BC Ferries will be filing their PT4 submission in late September and the BC Ferry Commissioner will begin a review of the information in the fall. MoTI is committed to working with BC Ferries, the BC Ferry Commissioner and other stakeholders as we move forward with the vision of connecting coastal communities in an affordable, efficient and sustainable manner.

Attachment

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Appendix - Bibliography

s22

Jack Barr is the President of Powell River Chamber of Commerce. The Powell River Chamber of Commerce is dedicated to enhancing the quality of life in the community by actively supporting business, economic growth and diversification.

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Judi Tyabji Wilson

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Appendix 2 – Background Information on Fiscal Fairness Campaign

From Campaign Website



Fiscal Fairness Campaign Overview

The Fiscal Fairness Campaign regarding the BC Ferry Corporation was launched by the Powell River Chamber of Commerce on November 25, 2013, and since then has attracted many other chambers of commerce and thousands of supporters.

Objective

The object of the Fiscal Fairness Campaign is to create the political climate that will enable immediate and positive policy and structural changes to the BC Ferries Corporation, changes that will ensure a fair, affordable, and reliable transportation infrastructure that will return economic sustainability to the coastal communities of BC based on the Fiscal Fairness Campaign Goals.

Campaign Goals

1. BC Ferries must be returned to the Ministry of Transportation and Infrastructure as a part of the highway system;
2. BC Ferries, as part of the highway system, must have the same financing structure as any other highway project, in terms of capital expenditures, for example a PPP as done with the Port Mann Bridge, and operational expenditures, as any other toll highway;
3. Highway service to the ferry-dependent communities must be affordable; and,
4. Highway service to the ferry-dependent communities must be reliable, and the schedule must reflect the needs of the community.

Core Message

The Core Message of the Fiscal Fairness Campaign is:

- a. BC Ferries is an extension of the highways in British Columbia, and must be managed and funded accordingly;
- b. The current structure of BC Ferries overburdens a specific base of taxpayers in delivering their highway system; this is unfair and must be changed;
- c. All BC residents must be treated fairly in terms of paying taxes and receiving services from government, including their highway service, and the BC Ferry Corporation is our marine highway;
- d. The current tax and toll system for BC's marine highways is discriminatory; the Fiscal Fairness Campaign asks for fair and equitable tolls. This is a province-wide issue, not a coastal one.

BRIEFING NOTE FOR INFORMATION

DATE: October 7, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

ISSUE: E&N Railway –Update

SUMMARY:

- The Island Corridor Foundation (ICF) has stated it anticipates that work to complete essential repairs to the rail line between Victoria and Nanaimo will be done during winter 2014/15.
- Provincial support for this work is contingent upon the ICF submitting a Reinstatement and Long Term Viability Operational Plan for Passenger Rail Service (business plan) indicating how the rail line will be economically viable.
- Staff and legal counsel have reviewed the ICF's business plan and train service agreement with VIA Rail.
- Questions regarding the economic viability of the service have been raised.
- The BC Safety Authority is currently assessing the Initial Railway Corridor Upgrade Plan (upgrade plan) to determine whether it reflects the current track condition.
- It is still not clear at this time that the reinstatement of the passenger rail service is viable and further analysis of the ICF's plans is being undertaken.

BACKGROUND:

In October 2010, the ICF requested that the provincial and federal governments each provide funding of \$7.5 million (total \$15 million) to fund essential repairs, largely in the form of wooden tie replacement, to remedy safety issues.

In April 2011, the Southern Railway of Vancouver Island (SRVI), the railway operator, suspended passenger operations on the basis that it could not safely continue to provide passenger service until essential repairs were completed. Freight service has continued with speed restrictions.

In June 2011, the Province of British Columbia (Province) announced it would provide the ICF with \$7.5 million. The initial \$500,000 funded a bridge inspection and repair cost assessment study commissioned by the Ministry of Transportation and Infrastructure (MoTI). The remaining \$7 million was conditional upon the results of that study, the ICF matching the \$7.5 million (funding commitment has been provided by Canada), and raising a further \$5.9 million for urgent bridge and trestle repairs.

The Province also required a business plan showing the viability of the passenger rail service.

DISCUSSION:

In July 2014, the ICF indicated an agreement had been reached between Southern Railway of Vancouver Island (SRVI) and VIA Rail to restore passenger service. The ICF also resubmitted their business plan (Reinstatement and Long Term Viability Operational Plan for Passenger Rail Service) and their upgrade plan (Initial Railway Corridor Upgrade Plan).

MoTI staff and legal counsel reviewed the agreement and the business plan. Areas of concern include:

- The reinstatement dates for passenger rail service, including the dates for works to be completed, appear to be incorrect and should be updated to reflect the current plans.

- The business strategy appears to be outdated and incomplete.
- The 10-year financial model does not provide the detail which is usually seen in a financial report, including assumptions, variables and projections.

s13, s17

These concerns were communicated to the ICF. The SRVI has since responded with further details to support their proposed plans. The new information is currently being reviewed by MoTI staff and legal counsel.

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Provincial funds will not be released until MoTI is satisfied that the business case will be viable and self-supporting in the long term.

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BRIEFING NOTE FOR INFORMATION

DATE: October 24, 2014

PREPARED FOR: Honourable Christy Clark, Premier

MEETING: Greg Moore, Chair, Metro Vancouver on October 27, 2014

ISSUE: Lions Gate Wastewater Treatment Plant (LGWWTP) and the Transit Funding Referendum

SUMMARY:

Wastewater

- Metro Vancouver (MV) is required to build a new secondary treatment plant for the North Shore by 2020 to comply with federal and provincial environment regulations.
- MV is pursuing senior government funding under a trilateral federal-provincial-regional cost-sharing arrangement.
- LGWWTP is eligible for federal funding under the Provincial-Territorial Infrastructure Component (PTIC) of the Building Canada Fund and the P3 Canada Fund (P3CF).
- Total cost is \$700 million with approximately \$637 million in costs eligible under federal infrastructure programs.

s13, s16, s17

- The next application intake for P3CF is spring 2015 and this timeline may challenge the ability to implement the project by the 2020 deadline.
- Provincial/federal discussions on infrastructure priorities have commenced.

Referendum

- Mayor Moore chairs the Mayors' Council Subcommittee on Transportation Investment, which led the development of the regional vision on transportation. The Mayors Council has indicated a preference for a March referendum, as well as SkyTrain on the Broadway Corridor and LRT in Surrey.
- The Province has committed to funding one third of the cost of new rapid transit projects and replacement of the Pattullo Bridge, provided that they fit within the capital plan and strong business cases can be made for the projects

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BACKGROUND:

Wastewater

Metro Vancouver (MV) operates three secondary (Lulu Island, Annacis Island and Northwest Langley) and two primary wastewater treatment plants (Lions Gate and Iona Island). Upgrading Lions Gate and Iona Island to provide for secondary treatment in compliance with federal and provincial environmental regulations is included in Metro Vancouver's Integrated Liquid Waste and Resource Management Plan (ILWRMP). ILWRMP was approved by the Minister of the Environment in May 2011 with the provision that the Lions Gate be upgraded by 2020 and Iona Island no later than 2030.

MV proposes to construct a new Lions Gate Wastewater Treatment Plant (LGWWTP) two kilometers east of the existing facility on a MV property in the District of North Vancouver (site map attached). Once operational, the existing facility will be decommissioned and the lands returned to Squamish Nation in accordance with the cut-off lands agreement negotiated by the federal and provincial governments. The existing outfall will be retained.

The Project Definition Phase, which was guided by an Integrative Design Process (IDP) that brought together technical experts, community interests and decision makers, is complete and the Indicative Design was endorsed by the Metro Vancouver Board on November 15, 2013. The analysis of procurement options, undertaken by KPMG, concluded that design-build-finance (DBF) procurement provides the best value-for-money. An "operate" component was not recommended as MV utilizes an integrated system for their five wastewater treatment plants. The total estimated capital cost is \$700 million with approximately \$637 million in costs eligible under federal infrastructure programs.

Referendum

Mayor Moore chairs the Mayors' Council Subcommittee on Transportation Investment. This subcommittee led the development of the Council's Vision for regional transportation investments and is currently refining the plan to develop a more affordable approach, based on reduced assumptions of senior government funding. The Minister of Transportation and Infrastructure is engaged with the Mayors' to support this process.

Under the Vision, three new rapid transit lines are projected for construction in Vancouver (Broadway SkyTrain extension to Arbutus) and Surrey (LRT on 104/King George and LRT on Fraser Highway) within the next 12 years. These projects are expected to be eligible for the Build Canada Fund (BCF), however, total costs for all projects significantly exceeds available funding.

DISCUSSION:

Wastewater

The Provincial Capital Standard is triggered as the requested provincial contribution is in excess of \$50 million. Partnerships BC (PBC) was engaged by Ministry of Community Sport and Cultural Development to review MV's Business Case and has indicated their support for the recommended DBF procurement model. LGWWTP also triggers the federal P3 Screen as eligible costs are in excess of \$100 million and the proposed DBF procurement option is deemed a Public-Private-Partnership (P3). LGWWTP is eligible for federal funding under the Provincial-Territorial Infrastructure Component (PTIC) of the new Building Canada Fund (BCF)



and the renewed P3 Canada Fund (P3CF).

s13, s16, s17

s13, s16, s17

timeline is shown in Attachment 2). (Project

s13, s16, s17

s13, s16, s17

The

federal government has indicated that LGWWTP is a federal priority and the project would be considered for funding under PTIC if it was put forward as a provincial priority. PTIC funding commences in 2014/15, but ramps up slowly through 2018/19 with only 26.5% of the funds available over 1st five years.

Referendum

The province has committed to paying for one third of new rapid transit and replacement of the Pattullo Bridge, subject to their fitting within the provincial capital plan and strong business cases being made for the investments. The Mayors have committed to recommending a funding source by December 11, 2014.

s13, s16

Attachment 1

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Attachment 1 Lions Gate Wastewater Treatment Plant



Attachment 2 LGWWTP Construction Timeline





BRIEFING NOTE FOR INFORMATION

DATE: September 2, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

MEETING: With Graeme Doak, Vice President, Human Resources and Government Relations, Pacific Northern Gas Limited (PNG) on September 9, 2014.

ISSUE: Infrastructure Corridor between Terrace and Prince Rupert

SUMMARY:

s13, s16

BACKGROUND:

PNG is a wholly-owned subsidiary of AltaGas Ltd. (AltaGas). The PNG-West natural gas transmission pipeline system connects with the Spectra Energy pipeline system near Summit Lake, and extends 587 kilometres to Prince Rupert, with 57 kilometres of lateral transmission pipelines extending into Kitimat. See Appendix A for a map of PNG's existing transmission system.

Graeme Doak, PNG's Vice President, Human Resources and Government Relations has requested a meeting on two related issues:

1. PNG Looping Project (Summit Lake to Kitimat):

The proposed PNG Looping Project is currently undergoing Environmental Assessment. The Project will upgrade PNG's transmission pipeline capacity by twinning its existing natural gas transmission



system between Summit Lake and Kitimat in order to serve new small scale Liquefied Natural Gas (LNG) projects proposed for construction in Kitimat. The Project involves the construction of approximately 525 kms of new 24-inch pipe, operating in parallel with the existing pipeline.

s13, s16

DISCUSSION:

s13, s16

The Ministry's policy does not typically allow transmission pipelines to locate within highway rights-of-way. In limited, extraordinary circumstances where there is a compelling public interest reason to do so, MoTI has provided special authorization permitting pipelines to run parallel to or cross under provincial highways.

s13, s16



Ministry Region and District staff typically engage with pipeline proponents in the early planning stages to discuss the potential impacts of proposed pipeline alignments on existing Ministry infrastructure and to work collaboratively towards potential solutions prior to permitting. Ministry staff are currently planning to meet with PNG staff (Tom Leach, Lands Manager) in the near term

s13, s16

MoTI will also engage with PNG through the standard regulatory and permitting processes; once PNG has developed its planned alignment, any paralleling, crossing, or use of the Provincial right-of-way will require appropriate permitting and authorizations, at which point MoTI will be engaged. Through these processes, MoTI will continue to provide appropriate feedback to ensure Ministry interests are protected, including ensuring that the plan does not interfere with the safe movement of goods and people along the corridor, that existing Ministry infrastructure is not compromised, and that existing MoTI policies respecting pipelines and highway rights-of-way are followed.

Attachment A: PNG Transmission Systems Map

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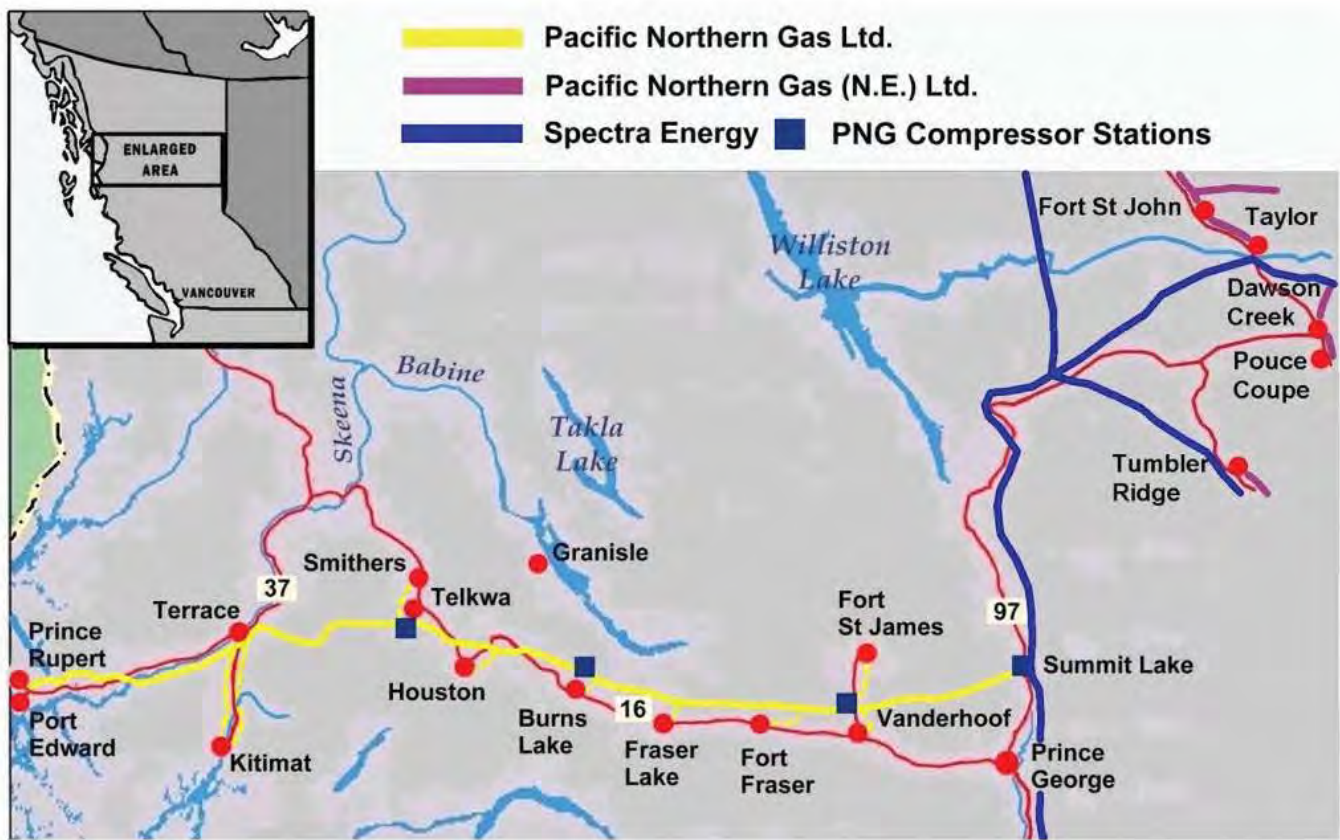
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ATTACHMENT A: PNG TRANSMISSION SYSTEMS MAP



BRIEFING NOTE FOR INFORMATION**DATE:** September 4, 2014**PREPARED FOR:** Honourable Todd Stone, Minister of Transportation and Infrastructure**ISSUE:** Highway 16: s13, s16

s13, s16

BACKGROUND:

The Ministry of Transportation and Infrastructure (MoTI) traveled to and engaged in face-to-face discussions with over 80 community and First Nations leaders representing 13 municipalities and districts and 12 First Nations communities over the months of June and July 2014. The meetings were initiated to garner a firsthand understanding of existing transportation services and challenges along the Highway 16 corridor from Prince George to Prince Rupert and to provide practical and affordable solutions to address these challenges.

Through these discussions it was evident that there's no "one size fits all" approach to solving the transportation issues along the Highway 16 corridor. However, a number of themes surfaced that have been used to develop strategies and an action plan that would help address common transportation concerns. These themes include:

- Hitchhiking was not the central concern or focus, the impact of an aging population in all communities and the need for transportation services to support vulnerable seniors/elders and youth was considered the main issue;
- Lack of driver education for First Nations youth, lack of opportunity to own or legally operate a vehicle, and lack of First Nations members with a valid Class 4 licences;
- No centralized source of information or communication about transportation services (public or private);
- Unreliable services (i.e. buses and trains not showing up on time or a lack of information about schedule changes);
- Existing schedules for Greyhound, BC Transit and Northern Health Connections do not meet the expectations of communities;
- Cost of taxis and/or other private transportation is seen as prohibitive and service is unreliable or non-existent;
- Lack of access to operational versus capital grants, and barriers to applying for funding;
- The impact on community services, housing and transportation needs as a result of economic growth in the region; and,
- The Highway of Tears moniker was seen as reinforcing a negative brand for the area and is not representative of a region that is undergoing an economic shift and regional growth.

DISCUSSION:

s13, s16, s17



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Ministry of
Transportation
and Infrastructure

CLIFF 229576
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**BRIEFING NOTE FOR INFORMATION****DATE:** September 8, 2014**PREPARED FOR:** Honourable Todd Stone, Minister of Transportation and Infrastructure**ISSUE:** Quarterly Meeting with BC Transit Chair and President/CEO (September 9, 2014)**SUMMARY:**

- Under the Government Letter of Expectations, BC Transit is expected to meet with the Minister four times per year.

s13, s16

BACKGROUND:

Currently, local governments (other than the Victoria region) pay 53% of operating and capital costs for conventional transit. In the Victoria region, the local governments pay 68% for conventional transit, with funding supplemented by a 3.5 cent per litre regional fuel tax. The Province pays the balance of the costs. The provincial portion of the operating costs is funded through a voted appropriation in the Ministry's operating budget. Provincial capital costs are financed through the BCTFA.

DISCUSSION:

s13, s16, s17



s13, s16, s17

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BRIEFING NOTE FOR INFORMATION

DATE: September 5, 2014

PREPARED FOR: Honourable Todd Stone, Minister of Transportation and Infrastructure

ISSUE: Seat Belts on Commercial/Coach Buses

SUMMARY:

- **Motor Coaches operate across many jurisdictions. As such, standards on whether they are equipped with seatbelts are best set through federal manufacturing standards.**
- **Currently, Canada's *Motor Vehicle Safety Regulations* do not require motor coaches to be equipped with passenger seat belts.**
- **British Columbia's (BC) regulations require seat belts to be used if the motor coach was manufactured with them or if they were installed after market.**
- **The US National Highway Traffic Safety Administration issued a ruling in 2013 making seat belts mandatory on newly manufactured coaches effective November 2016.**
- **Transport Canada is reviewing the US requirements to determine if they are appropriate for Canada.**
- **In response to customer expectations, some motor coach operators are voluntarily opting to include seat belts when purchasing new buses.**
- **Seat belts, if combined with proper seats and mounting assemblies, can reduce the risk of fatal injuries by up to 77%.**

BACKGROUND:

Motor coaches operate across jurisdictions throughout North America, so the motor coach industry has lobbied the Federal Government of Canada (Federal Government) to lead a harmonized approach to ensure consistent regulations and efficient and safe operation. Under Federal Government manufacturing standards, seat belts are not currently required to be installed by bus manufacturers in either Canada or the US.

There are, however, major bus manufacturers who are producing motor coaches with seat belts as standard equipment and companies are voluntarily ordering buses with seat belts.

In BC, Division 39.03 of the *Motor Vehicle Act Regulations* provides seat belt exemptions for buses that were not manufactured with seat belts or have them installed. Standing is allowed to facilitate passengers who move about while the bus is in motion (e.g. to access the lavatory or overhead storage compartments), however, provincial regulations require passengers to stay seated and wear seat belts if the bus has them. Drivers of vehicles are responsible for ensuring all children in a vehicle equipped with seat belts are properly wearing them.

Seat belts are intended to restrain passengers, so in the event of a crash, the passenger is not ejected from the vehicle. Seat belts can improve safety for passengers as long as the belts and seats are designed to work together in a crash.

In 2013, the US issued a final ruling that will make seat belts mandatory by November 2016 on newly manufactured motor coaches with a gross vehicle weight rating (GVWR) greater than 11,793 kg



(26,000 lb), excluding transit buses and school buses. The final ruling specifically addresses motor coaches which have passenger carriage compartments above luggage compartments, thus raising the center of gravity and is based on scientific data from an extensive test program completed in 2009 at National Highway Traffic Safety Administration Vehicle Research and Test Center. US data suggests that seat belts in buses can reduce the risk of fatal injuries by up to 77% in crashes involving buses.

Transport Canada is reviewing the impending US regulation to determine whether to implement similar rules. Canada at the federal level (CCMTA – Canadian Council of Motor Transport Administrators) will be having discussions with the Provinces this fall on whether to make seat belts mandatory in new buses.

Over the last five years, an average of seven intercity bus crashes per year have resulted in fatality or injury. The number is trending down, with a total of six fatality or injury crashes in 2012 and five in 2013.

DISCUSSION:

Motor Coach Canada (MCC), the national voice on issues relating to tour companies and bus operators, supports mandatory seat belts. However, they do not want to see the driver made responsible for ensuring that seat belts are used. The BC Trucking Association represents the majority of motor coach companies operating in BC and has surveyed members on seat belts on motor coaches but has not published a position.

Overall, bus transportation is safe. However, given the typical high occupancy of the motor coaches and the higher operating speed for intercity travel, when a serious crash occurs, a significant number of injuries can result. Nearly half of all motor coach crashes involve rollovers. It is estimated that approximately 70% of fatalities in rollovers were the result of passengers being ejected from the bus.

Industry is beginning to voluntarily include seat belts on newer model coaches in response to both industry awareness and consumer expectations. Seat belts add approximately 1.7% or \$13,000 to the cost of a new bus. Charter Bus Lines, located in Delta, BC, has incorporated seat belts into their fleet. Approximately 30% of their fleet is outfitted with seat belts and any new bus order includes restraints.

Retrofitting models which were not designed to accommodate seat belts will cost in the order of \$40,000 per bus for the seat belts and structural modifications to ensure the seats are strong enough and anchored strongly enough to hold a person in place in a crash.

s13, s16

Motor coaches and school buses are not comparable. Despite the evidence supporting seat belts on motor coaches, research into seat belts in school buses has demonstrated there is no significant reduction in injury or death in the event of a crash. School buses, given their unique application and lower center of gravity, have been shown to be safer without seat belts, because of the potential misuse of the belts by children and the lack of adult oversight (the driver is typically the only adult on the school bus), the specific engineering of the seats to “compartmentalize” the passengers in the event of a collision, and the fact that the typical school bus spends most of its time operating at slower speeds in an urban environment.



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