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ADVICE TO MINISTER

CONFIDENTIAL
ISSUES NOTE

Ministry of Transportation and Infrastructure
Date: September 7, 2017

Budget 2017/18 and Service Plan

ADVICE AND RECOMMENDED RESPONSE:

- Continued investment in our infrastructure contributes to a strong economy, a secure tomorrow and a lasting legacy for future generations of British Columbians.
- The Province has kept its fiscal house in order, and this enables us to continue our strategic investments in transportation infrastructure.
- Over the next three years the ministry and its partners are investing over \$4.6 billion in priority transportation investments.

Key Infrastructure

- B.C.'s economy relies on efficient and reliable transportation infrastructure.
- We've made unparalleled investments in road infrastructure, transit, bridges, ports and airports across the province to improve the safe and efficient movement of goods and people.
- Moving forward, we continue to make essential transportation investments across the Province to meet growing demand, ease congestion and support economic growth.
- With the Lower Mainland's population expected to grow by a million people over the next three decades, our infrastructure must be ready to handle increasing traffic volume.
- Over the next three years, the ministry will be making the following priority investments throughout the province:
 - \$689 million in road rehabilitation;
 - \$276 million for side road improvements;
 - \$62 million to upgrade natural gas roads to ensure safe, reliable year round access to resource areas;
 - \$273 million for Highway 1 between Kamloops and the Alberta Border;
 - \$129 million for the Okanagan Valley Corridor;
 - \$144 million for the Cariboo Connector;
 - \$859 million in major highway corridors and roads; and
 - \$731 million in transit infrastructure.
- In addition, the ministry will invest over \$1.4 billion to ensure quality road and bridge maintenance throughout the province.
- The province will be providing BC Transit with almost \$333 million in operating funding in the next three years.
- B.C. continues to work with the federal government, and other partners to secure the additional funding needed to support our transportation investments.

Pacific Gateway

- Our plan continues to invest in projects that strengthen our infrastructure to get B.C. good to markets in the Asia Pacific region.
- We've identified over \$25 billion in new investment, public and private, required for transportation capacity to support projected increases in demand, of this over \$20 billion, or 80 per cent, has been announced or committed.

BC Ferries

- **Total annual funding from the Province and the federal government to support coastal ferries is nearing \$210 million.**
- **The Province's current contract with BC Ferries anticipates provincial funding over the next three years of over \$530 million (includes funding provided by the Ministry of Health – Travel Assistance Program).**
- **In addition, we estimate that the federal government will provide approximately \$90 million over the three-year plan, for total taxpayer contributions of over \$620 million for the period.**
- **The BC government has also committed to reducing fares by 15 percent on all routes except the ones between Vancouver Island and the Lower Mainland. We will also freeze fares on the three larger routes and reinstate free passenger fares for seniors travelling between Monday and Thursday.**
- **These changes will come into effect next fiscal year and we are currently working to determine the cost of implementing these commitments.**
- **As a first priority, we will oversee a comprehensive operating review of the ferry system to ensure that the ferry service works as efficiently and effectively as possible for all British Columbians, and in particular, residents who depend on this critical transportation link.**
- **The outcome of the review will help inform future decisions on the coastal ferry service.**

KEY FACTS REGARDING THE ISSUE:

- The ministry's three-year operating budget is:
 - \$843.5 million for 2017/18;
 - \$848.8 million for 2018/19; and
 - \$849.2 million for 2019/20.
- *Budget 2017* continues the funding of the key capital projects throughout B.C. to ensure our transportation network is safe, efficient and reliable.
- The three-year total investment in infrastructure is over \$4.6 billion, including:
 - \$1.371 billion for 2017/18;
 - \$1.434 billion for 2018/19; and
 - \$1.847 billion for 2019/20.

This includes \$1.3 billion expected to be leveraged through federal cost-sharing and partnerships with private partners, local governments and other agencies.

Key areas with funding lifts over the next three years:

- Port Mann Bridge highway operations and maintenance (\$48 million);
- Road and bridge maintenance contract inflation (\$12 million);
- BC Transit - \$19.2 million increase including:
 - service expansion, including Highway 16, Sea to Sky and handyDART (approximately \$15.5 million)
 - wage increases (\$3.7 million); and
- Coastal Ferries increase (\$1.8 M).

ADVICE TO MINISTER

Building Canada Fund:

- New Building Canada Fund (BCF) was established under Economic Action Plan 2013.
- \$1.09 billion will flow to B.C. under the Provincial-Territorial Infrastructure Component.
- \$109 million (10%) is dedicated to the Small Communities Fund (SCF):
 - All of the funding was committed through 2 calls for applications and 83 projects were approved.
- \$981 million (90%) is dedicated to National and Regional Projects (NRP):
 - 31 projects have been approved with a federal commitment of \$528.1 million; and
 - Federal government requires the remaining funds to be prioritized by March 31/18 and fully committed by March 31/19.
- BC secured \$296.9 million in federal funding for two projects under the National Infrastructure Component of the new Building Canada Fund; \$215.2 M for Kicking Horse Canyon Phase 4 (\$450 M total) and \$81.7 M for Highway 17/91 Nordel/Sunbury/Tilbury (\$245.2 M total).

Investing in Canada Plan Phase 1:

- Federal government committed to almost \$60 billion in new federal infrastructure funding over the next 10 years; \$20 B each for transit, green and social infrastructure.
- Phase 1 of the new Infrastructure Plan outlined in Budget 2016 provided almost \$11.9 billion over the first five years and BC secured funding for:
 - Public Transit Infrastructure Fund - \$460 M in federal funding;
 - Clean Water and Wastewater Fund - \$225 M in federal funding;
 - Affordable Housing Investments - \$150 M in federal funding; and
 - Lions Gate Secondary Wastewater Treatment Plant - \$212.3 M in federal funding.
- In addition to the Phase 1 funding there was \$2.5 billion available for post-secondary and rural broadband infrastructure and BC secured funding for:
 - Post-Secondary Strategic Infrastructure Fund - \$256 M in federal funding.

Investing in Canada Plan Phase 2:

- The federal Fall Economic Statement (November 2016) outlined, and Budget 2017 confirmed, an additional \$81.2 billion in funding between 2017/18 and 2027/28 under Phase 2:
 - \$25.3 B over 11 years commencing 2017/18 for Public Transit;
 - \$21.9 B over 10 years commencing 2018/19 for Green;
 - \$21.9 B over 10 years commencing 2018/19 for Social;
 - \$10.1 B over 11 years commencing 2017/18 for Trade & Transportation; and
 - \$2 B over 10 years commencing 2018/19 for Rural & Northern Communities.
- \$15 billion in Phase 2 funding will flow through new Canada Infrastructure Bank which will also have access to \$20 billion for debt and equity investments.
- \$32.7 billion in Phase 2 funding will flow through Integrated Bilateral Agreements with Provinces and Territories that are to be executed by March 31, 2018. BC's share is approximately \$4.123 billion:
 - \$2.7 billion for Public Transit Infrastructure;
 - \$1.1 billion for Green Infrastructure (including Lions Gate Secondary Treatment);
 - \$166 million for Rural and Northern Community Infrastructure; and
 - \$157 million for Community, Culture and Recreation Infrastructure.

- \$5.9 billion in Phase 2 funding will flow through merit based National Programs, including the:
 - \$2.0 billion National Trade Corridors Fund that was launched July 4th, 2017; and
 - \$2.0 billion Disaster Mitigation and Adaption Fund that is expected to launch this fall.
- In addition, \$18.6 billion will be available nationally for *Housing, Early Learning & Child Care and Home Care Infrastructure*.

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387-7505

Minister's Office	Program Area	ADM/COO	Comm. Dir
	PM	NB	RJ

Ministry of Transportation and Infrastructure

2017/18 – 2019/20 SERVICE PLAN

September 2017



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Published by the Ministry of Transportation and Infrastructure

Minister Accountability Statement



The *Ministry of Transportation and Infrastructure 2017/18 - 2019/20 Service Plan* was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*. I am accountable for the basis on which the plan has been prepared.

A handwritten signature in black ink, appearing to read "Claire Trevena".

Honourable Claire Trevena
Minister of Transportation and Infrastructure
September 1, 2017

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Purpose of the Ministry

The Ministry of Transportation and Infrastructure plans transportation networks, provides transportation services and infrastructure, develops and implements transportation policies, and administers many related acts and regulations as well as federal-provincial funding programs, including the Building Canada Fund. The Ministry opens up B.C. through innovative, forward-thinking transportation strategies that move people and goods safely and fuel our provincial economy. Improvement of vital infrastructure is a key goal, along with enhancing the competitiveness of B.C.'s transportation industries, reducing transportation related greenhouse gas emissions, and providing B.C. with a safe and reliable highway system.

BC Transit, for which the ministry is responsible, is a self-reporting Crown corporation. More information can be found on the BC Transit [web site](#).

The Ministry is responsible for two internal-reporting Crown corporations, the BC Transportation Financing Authority and BC Railway Company, which are reported in this Service Plan:

- The BC Transportation Financing Authority (BCTFA) is established under the *Transportation Act* to plan, acquire, construct, hold, improve, or operate transportation infrastructure throughout the province. The BCTFA owns all provincial highways and land held for construction of future transportation infrastructure.
- BC Railway Company (BCRC) is incorporated under the *British Columbia Railway Act*. BCRC acquires and holds railway corridors and strategic port lands and makes related infrastructure investments to benefit the province, including the strategic sale of surplus land. BCRC also administers the Canadian National Railway Company (CN Rail) Revitalization Agreement and operates the Roberts Bank Port Subdivision.

Tolling of the Port Mann Bridge was eliminated on September 1, 2017. Transportation Investment Corporation (TI Corp) will continue to own and hold the Port Mann Bridge assets. Its responsibilities for Port Mann Bridge operations, maintenance, and rehabilitation will be transferred to the Ministry of Transportation and Infrastructure this fiscal year. Tolling operations will be wound down and the debt previously held by TI Corp has been transferred to the Ministry of Finance.

TI Corp is undergoing significant transition and its future form and mandate are under review. In future years TI Corp will be required to report annually in the Service Plan and Annual Service Plan Report of the Ministry of Transportation and Infrastructure.

Ministry Goals, Objectives and Performance Measures

The Ministry of Transportation and Infrastructure's goals are to help government achieve the following three commitments to British Columbians:

- The first commitment is to make life more affordable. British Columbians are counting on government to make their lives easier by containing costs and service fees.
- The second commitment is to deliver the services that people count on. Government services touch the lives of British Columbians every day, and there is so much more that we can – and must – do to provide these services where and when people need them. Additionally, in many cases, critical programs and services are delivered by Crown Corporations, and our Ministry will work with Board Chairs to improve levels of service to citizens.
- The third commitment is to build a strong, sustainable, innovative economy that works for everyone. Our government believes that all ministries and public sector organizations have a role to play in supporting broad-based economic growth, developing poverty reduction strategies, and helping create good-paying jobs in every region of the province.

Integrating with these priorities is government's commitment to true, lasting reconciliation with First Nations in British Columbia, as we move towards fully adopting and implementing the United Nations Declaration on the Rights of Indigenous Peoples and the Calls to Action of the Truth and Reconciliation Commission.

Beyond our work in supporting these commitments, the Minister of Transportation and Infrastructure has been tasked in the [Mandate Letter](#) to achieve the following specific objectives and performance targets:

- Lead planning to address the infrastructure needs of rural and urban British Columbia under the government's comprehensive capital infrastructure plan to build a Better B.C.;
- Work with the Minister of Finance to eliminate tolls on the Port Mann and Golden Ears Bridges;
- Accelerate Highway 1 upgrades to the Alberta border;
- Work with the Minister of Municipal Affairs and Housing to secure federal funding for the Pattullo Bridge replacement and rapid transit in Metro Vancouver as part of implementing the mayor's 10-year plan for transit and transportation;
- Work with BC Transit, the federal government, and local governments to fund transit improvements across the province, including improving HandyDART service;
- Work with BC Ferries to freeze and reduce fares, and reinstate the senior's weekday 100% discount, while conducting a comprehensive operating review;

- Ensure that BC Ferries procurement practices for new ferries provide for a fair and competitive bidding process that is open to B.C. shipyards; and,
- Work with the Minister of Public Safety and Solicitor General to create a fair approach to ridesharing.

Our Ministry will continue to develop specific objectives and performance measures for inclusion in our 2018/19 Service Plan, which will be released with *Budget 2018*.

Resource Summary

Core Business Area	2016/17 Restated Estimates ¹	2017/18 Estimates ²	2018/19 Plan	2019/20 Plan
Operating Expenses (\$000)³				
Transportation and Infrastructure Improvements	11,746	11,808	11,922	11,922
Public Transportation ⁴	301,678	306,131	309,793	310,115
Highway Operations	491,990	513,127	514,470	514,470
Commercial Transportation Regulation	1,552	1,568	1,578	1,578
Executive and Support Services ..	10,698	10,911	11,062	11,062
Total	817,664	843,545	848,825	849,147
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)				
Highway Operations	4,072	2,323	2,323	2,323
Total	4,072	2,323	2,323	2,323

¹ For comparative purposes, the amounts shown for 2016/17 have been restated to be consistent with the presentation of the 2017/18 Estimates.

² Further information on program funding and vote recoveries is available in the [Estimates and Supplement to the Estimates](#).

³ Operating expenses are reported net of funding from external sources, primarily the BC Transportation Financing Authority.

⁴ Public Transportation operating expenses include government contributions towards public transit and coastal ferry services.

Major Capital Projects

Major Capital Projects (over \$50 million)	Targeted Completion Date (Year)	Project Cost to June 30, 2017 (\$ millions)	Estimated Cost to Complete (\$ millions)	Approved Anticipated Total Capital Cost of Project (\$ millions)
<p>Evergreen Line Rapid Transit</p> <p>Objective: Extend Metro Vancouver’s rapid transit network to the growing northeast sector communities, providing alternative transit choices, increasing transit ridership, and reducing greenhouse gas emissions and road congestion.</p> <p>Costs: Estimated project cost is \$1.352 billion, with the Government of Canada contributing up to \$424 million, the Government of B.C. contributing \$507 million, other partners contributing \$21 million, and TransLink contributing the remaining \$400 million and operating the system as part of the overall rapid transit network.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Provide fast, frequent and convenient service; • Increase transit ridership and capacity; • Reduce traffic congestion; • Support regional and municipal growth management plans; and, • Provide economic opportunities by creating 8,000 new direct and indirect jobs during construction. 	2016	1,348	4	1,352

Major Capital Projects (over \$50 million)	Targeted Completion Date (Year)	Project Cost to June 30, 2017 (\$ millions)	Estimated Cost to Complete (\$ millions)	Approved Anticipated Total Capital Cost of Project (\$ millions)
<p>Highway 97 Widening from Highway 33 to Edwards Road</p> <p>Objective: Six-laning Highway 97 through Kelowna from Highway 33 to Edwards Road, intersection improvements at Leathead, McCurdy, Sexsmith and Findlay/Hollywood, access consolidation and realignment of Rutland Road to provide separation from intersections on Highway 97.</p> <p>Costs: The estimated cost is \$59.7 million inclusive of property costs, escalation and contingency. The Government of Canada is contributing half of eligible costs up to a maximum of \$18.2 million under the Major Infrastructure component of the Building Canada Fund.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Improve traffic flow and reduce congestion on a core National Highway System route; • Improve safety for road users; • Improve reliability for Rapid Bus service between West Kelowna and UBCO; • More efficient and safer connections to UBCO, Quail Ridge, Rutland, Glenmore, Ellison, Lake Country and beyond for motorists, cyclists and transit users; and, • Safer access to and from adjacent properties. <p>Risks:</p> <ul style="list-style-type: none"> • Unknown sub-surface conditions; • First Nations archeological impacts; and, • Maintaining adequate traffic flow during construction will require development of comprehensive traffic control plans. 	2017	42	18	60

Major Capital Projects (over \$50 million)	Targeted Completion Date (Year)	Project Cost to June 30, 2017 (\$ millions)	Estimated Cost to Complete (\$ millions)	Approved Anticipated Total Capital Cost of Project (\$ millions)
<p>Highway 99 - Ten Mile Slide</p> <p>Objective: Long term stabilization of the Ten Mile Slide, approximately 17 kilometres northeast of Lillooet and within Xaxli'p First Nation.</p> <p>Costs: Total project cost is estimated at \$60 million which includes planning, engineering, construction, mitigation, site supervision and contingency.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Improve safety and reliability; • Maintain direct connection between Lillooet and Kamloops; • Maintain community connectivity and cohesiveness for Xaxli'p First Nation; • Respond to requests for a long-term solution dating back to the mid-1990's; and, • Limit future costs associated with extraordinary maintenance and stabilization measures. <p>Risks:</p> <ul style="list-style-type: none"> • Geotechnical conditions (further slide movement); • Managing traffic during construction; • First Nation archaeological findings; and, • Property acquisition. 	2018	4	56	60

Major Capital Projects (over \$50 million)	Targeted Completion Date (Year)	Project Cost to June 30, 2017 (\$ millions)	Estimated Cost to Complete (\$ millions)	Approved Anticipated Total Capital Cost of Project (\$ millions)
<p>Highway 91 - Alex Fraser Bridge</p> <p>Objective: Implement a counter-flow system during peak travel times through the addition of a seventh lane, a moveable barrier system and a delay time information system.</p> <p>Costs: The estimated cost is \$70 million, inclusive of property acquisition costs, escalation and contingency. The Government of Canada is contributing half of eligible costs up to a maximum of \$34 million under the National and Regional Priorities of the new Building Canada Fund.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Improve traffic capacity and reduce travel time delays for commuters and goods movement during peak times; and, • Respond to community and local government concerns. <p>Risks:</p> <ul style="list-style-type: none"> • First Nations archeological impacts; and, • Managing traffic during construction. 	2018	2	68	70

Major Capital Projects (over \$50 million)	Targeted Completion Date (Year)	Project Cost to June 30, 2017 (\$ millions)	Estimated Cost to Complete (\$ millions)	Approved Anticipated Total Capital Cost of Project (\$ millions)
<p>Highway 1 – Admirals Road/McKenzie Avenue Interchange</p> <p>Objective: Construction of an interchange on the Trans-Canada Highway at the intersection with Admirals Road and McKenzie Avenue to improve traffic flow and reliability and reduce congestion on a core National Highway System route. The project includes construction of shoulder bus lanes, extension of the merge lanes, and construction of a grade-separated structure for the Galloping Goose Regional Trail.</p> <p>Costs: The estimated cost is \$85 million, inclusive of property acquisition costs, escalation and contingency. The Government of Canada is contributing half of eligible costs up to a maximum of \$32.6 million under the Provincial-Territorial Infrastructure Component of the new Building Canada Fund.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Improve safety for all road users; • Reduce congestion and improve travel times through a key corridor; and, • Support transit use, cycling and other alternatives to single occupant vehicles. <p>Risks:</p> <ul style="list-style-type: none"> • Geotechnical conditions; • First Nations archeological impacts and relocation of a large Capital Regional District waterline; and, • Maintaining adequate traffic flow during construction may require temporary works and development of comprehensive traffic control plans. 	2019	36	49	85

Major Capital Projects (over \$50 million)	Targeted Completion Date (Year)	Project Cost to June 30, 2017 (\$ millions)	Estimated Cost to Complete (\$ millions)	Approved Anticipated Total Capital Cost of Project (\$ millions)
<p>Highway 1 Widening and 216 Street Interchange</p> <p>Objective: Widening the Trans-Canada Highway to six lanes between 202 Street and 216 Street and construction of a diamond interchange at 216 Street to improve traffic flow, reliability and congestion on a core National Highway System route used extensively for moving people and goods.</p> <p>Costs: The estimated project cost is \$59 million, inclusive of property acquisition costs, escalation and contingency. The Government of Canada is contributing half of eligible costs up to a maximum of \$22.3 million under the Provincial Territorial Infrastructure Component of the new Building Canada Fund. The Township of Langley is contributing \$14.3 million toward the cost of the interchange.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Improve safety for all road users; • Reduce congestion and improve travel times through a key corridor; • Support transit use, cycling and other alternatives to single occupant vehicles; and, • Keep regional traffic off local streets. <p>Risks:</p> <ul style="list-style-type: none"> • Relocation of an important Telus fibre optic line is required; limited construction activity over the existing line; no confirmed schedule for the splicing ‘by others’; and, • Night work is required as no lane closures during the day will be permitted. Night work includes building an earth berm in proximity to residents. 	2019	11	48	59

Major Capital Projects (over \$50 million)	Targeted Completion Date (Year)	Project Cost to June 30, 2017 (\$ millions)	Estimated Cost to Complete (\$ millions)	Approved Anticipated Total Capital Cost of Project (\$ millions)
<p>Highway 7 Corridor Improvements</p> <p>Objective: Improve safety, capacity and mobility on Highway 7 between the City of Pitt Meadows and the District of Maple Ridge including: a right turn extension at Harris Road; safety improvements from 222 Street to Kanaka Way (Haney Bypass); and four-laning from Silverdale Avenue to Nelson Street.</p> <p>Costs: Total project cost is estimated at \$70 million including a \$22 million contribution under the Provincial-Territorial Component of the new Building Canada Fund.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Addresses key safety issues along Highway 7; • Improves capacity constraints between the District of Mission and the City of Pitt Meadows; and, • Supports the province’s commitment to provide a continuous divided four-lane corridor from Mission to Pitt Meadows. <p>Risks:</p> <ul style="list-style-type: none"> • Environmental impacts to fish bearing stream and ditches; • First Nation archaeological findings; • Property acquisition negotiations; and, • Traffic management during construction. 	2019	2	68	70

Major Capital Projects (over \$50 million)	Targeted Completion Date (Year)	Project Cost to June 30, 2017 (\$ millions)	Estimated Cost to Complete (\$ millions)	Approved Anticipated Total Capital Cost of Project (\$ millions)
<p>Highway 1 – Lower Lynn Corridor Improvements</p> <p>Objective: Construction of replacement structures over Highway 1 at Mountain Highway, Lillooet/Mount Seymour Parkway and Main Street/Dollarton as well as municipal improvements on Keith Road. The project also includes the construction of an eastbound/westbound collector-distributor system, as well as the construction of a new two-lane structure across Lynn Creek adjacent to the existing bridge.</p> <p>Costs: The estimated cost is \$198 million, inclusive of property acquisition costs, escalation and contingency. The Government of Canada is contributing \$66.6 million under the Provincial-Territorial Component of the new Building Canada Fund and the Major Infrastructure Component of the old Building Canada Fund, and the District of North Vancouver is contributing \$54.7 million.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Improve safety for all road users; • Reduce congestion and improve travel times through a key corridor; and, • Support community connectivity. <p>Risks:</p> <ul style="list-style-type: none"> • Geotechnical conditions; • First Nations archeological impacts; • Utility relocations; and, • Managing traffic during construction. 	2021	25	173	198

Major Capital Projects (over \$50 million)	Targeted Completion Date (Year)	Project Cost to June 30, 2017 (\$ millions)	Estimated Cost to Complete (\$ millions)	Approved Anticipated Total Capital Cost of Project (\$ millions)
<p>Highway 91 to Highway 17 and Deltaport Way Corridor Improvements</p> <p>Objective: Upgrade five key intersections along the Highway 91C, Highway 17 and Deltaport corridors. These upgrades will increase capacity, efficiency and safety as truck and passenger traffic is expected to grow along these important trade corridors and Deltaport, the Port of Vancouver's largest container terminal located at Roberts Bank in Delta.</p> <p>Costs: The estimated cost is \$245 million, with the Government of Canada contributing \$81.7 million, the Port of Vancouver \$80 million, and the Tsawwassen First Nation \$3.5 million.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Improve traffic flow through a congested highway connector route; • Allow Commercial Vehicle Safety and Enforcement weigh scale to operate full time for vehicle safety inspections; • Improve access to Canada Border Services Agency container examination facility; and, • Support national and international trade through efficient goods movement out of Deltaport. <p>Risks:</p> <ul style="list-style-type: none"> • Potential impacts to project delivery schedule due to uncertainties of working on soft soils; and, • Mitigation measures due to work in and around contaminated soils. 	2022	-	245	245

Major Capital Projects (over \$50 million)	Targeted Completion Date (Year)	Project Cost to June 30, 2017 (\$ millions)	Estimated Cost to Complete (\$ millions)	Approved Anticipated Total Capital Cost of Project (\$ millions)
<p>Highway 1 – Salmon Arm West</p> <p>Objective: Upgrade six kilometres of the Trans-Canada Highway, to four-lanes to improve safety, mobility and reliability on this key gateway. A new bridge across the Salmon River, a new interchange, up to seven intersections and approximately four kilometres of frontage roads are part of this project.</p> <p>Costs: The current estimate is \$162.7 million including a \$48.5 million Government of Canada contribution under the Provincial-Territorial Component of the New Building Canada Fund.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Improve safety, mobility and reliability of the Trans-Canada Highway corridor, which is a vital transportation link between B.C. and the rest of Canada, supporting regional, provincial and national economic growth; • Improve safety for City of Salmon Arm, local First Nations community members, and the surrounding area with improvements to intersections and accesses; • Improve pedestrian and cyclist accommodation with construction of a multi-use pathway that will integrate with the community trail networks; and, • Mitigate impacts of project on First Nations interests including archaeological, environmental and cultural interests. <p>Risks:</p> <ul style="list-style-type: none"> • Archaeological issues; • Property acquisition issues; • Disposition of the existing Salmon River Bridge; • Changes resulting from public engagement and stakeholder feedback; • Changes related to geotechnical and environmental issues; and, • Cost changes due to escalation. 	2022	24	139	163

Major Capital Projects (over \$50 million)	Targeted Completion Date (Year)	Project Cost to June 30, 2017 (\$ millions)	Estimated Cost to Complete (\$ millions)	Approved Anticipated Total Capital Cost of Project (\$ millions)
<p>Highway 1 Hoffman's Bluff to Jade Mountain</p> <p>Objective: Upgrading approximately 11.9 kilometres of the Trans-Canada Highway to a 100 km/h four-lane standard, including highway realignment, construction of interchanges, frontage roads, rehabilitation or replacement of the Chase Creek Bridge, and a Commercial Vehicle Safety Enforcement road check pull out.</p> <p>Costs: Estimated project cost is \$199.2 million, with the Government of Canada contributing \$55.1 million under the Provincial-Territorial Component of the new Building Canada Fund.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Improve safety, mobility and reliability of this section of Highway 1 for all road users; • Increase capacity on a vital transportation link between B.C. and the rest of Canada, supporting regional, provincial and national economic growth; • Improve intersections and accesses for local residents of the Village of Chase, First Nations communities and the surrounding area; and • Improve pedestrian and cyclist accommodation for the communities. <p>Risks:</p> <ul style="list-style-type: none"> • Potential costs and time associated with completing archaeological investigations; • Potential additional costs related to completing property acquisition; and, • Potential costs and time related to evaluation of scope change requests. 	2022	10	189	199

Major Capital Projects (over \$50 million)	Targeted Completion Date (Year)	Project Cost to June 30, 2017 (\$ millions)	Estimated Cost to Complete (\$ millions)	Approved Anticipated Total Capital Cost of Project (\$ millions)
<p>Highway 1 - Phase Four of the Kicking Horse Canyon Project</p> <p>Objective: Upgrade the final 4.8 kilometres of the 26-kilometre Kicking Horse Canyon section of the Trans-Canada Highway to a modern, four-lane standard, completing the corridor improvements from the junction of Highway 95 at Golden to the western boundary of Yoho National Park. This portion of the Trans-Canada Highway serves as a gateway between B.C. and the rest of North America, connecting resource extraction sites with processing, manufacturing, and distribution centres, and is a key part of the province’s resource economies, tourism and inter-provincial trade. The first three phases of the project have been completed and are now in operation.</p> <p>Costs: The current estimate for Phase 4 is \$450 million. The Government of Canada is contributing up to \$215.2 million under the National Infrastructure Component of the new Building Canada Fund.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Increase safety, reliability and capacity on a critical provincial and national gateway; and, • Economic development through increased tourism and efficient movement of goods and services. <p>Risks:</p> <ul style="list-style-type: none"> • Challenging climatic and geographic conditions; and, • Traffic management during construction. 	2024	11	439	450

Major Capital Projects (over \$50 million)	Targeted Completion Date (Year)	Project Cost to June 30, 2017 (\$ millions)	Estimated Cost to Complete (\$ millions)	Approved Anticipated Total Capital Cost of Project (\$ millions)
<p>Port Mann/Highway 1 Improvement Project</p> <p>The Port Mann Bridge and Highway 1 corridor between Vancouver and Langley were completed in summer 2015.</p> <p>The new bridge and highway have reduced congestion and travel times and improved safety on one of the province’s most critical economic corridors. The Project has allowed reliable transit service over this crossing for the first time in 25 years and expanded the HOV network from Langley to Vancouver.</p> <p>The new Golden Ears Connector was completed and is now open. The Golden Ears Connector provides a link between the 104 Avenue / 176 Street and Golden Ears Way 96 Avenue intersections, providing safe and efficient access between the Golden Ears Bridge and the South Fraser Perimeter Road.</p>	2017	3,318	1	3,319

George Massey Tunnel Replacement Project

The George Massey Tunnel Replacement Project has been put on hold while further engagement is initiated with the Metro Vancouver Mayors and an independent technical review is undertaken to ensure all options are fully explored for the crossing in the broader context of how the crossing fits into the regional and provincial transportation priorities. The George Massey Tunnel Bridge replacement design/build/finance/operate/maintain/rehabilitate procurement process that was initiated in the fall of 2016 has been cancelled while the review is underway.

Transportation Investment Plan

(\$ millions)		2017/18	2018/19	2019/20	Total
Provincial Investments:					
	Highway Rehabilitation	255	216	218	689
	Side Road Improvement Program	96	90	90	276
	Natural Gas Road Upgrades Program	22	20	20	62
	Highway 1 - Kamloops to Alberta Border	68	70	135	273
	Okanagan Valley Corridor	60	27	42	129
	Cariboo Connector	45	47	52	144
	Major Highway Corridors and Roads	278	295	286	859
	Other Transportation Programs	88	52	60	200
	Transit Infrastructure	176	218	337	731
Total Provincial Transportation Investments ¹		1,088	1,035	1,240	3,363
Investments funded through contributions from the federal government and other partners:					
Contributions from all partners		283	399	607	1,289
Total Investments in Transportation Infrastructure		1,371	1,434	1,847	4,652
<i>¹ Total provincial investments include operating and capital spending</i>					
Transportation Investment Corporation (\$ millions)		2017/18	2018/19	2019/20	Total
	George Massey Tunnel Replacement Project	44			44
	Port Mann Bridge Highway 1 Project	3			3
Total Investments		47	-	-	47
Total Investments in Transportation Infrastructure including investments from the Transportation Investment Corporation		1,418	1,434	1,847	4,699

BC Transportation Financing Authority

	2016/17 Actual	2017/18 Budget	2018/19 Plan	2019/20 Plan
Revenue (\$000)				
Tax revenue ¹	462,420	467,000	470,000	473,000
Amortization of deferred contributions ²	172,634	178,221	181,406	186,194
Other operating revenue ³	48,504	52,341	62,100	40,620
Total	683,558	697,562	713,506	699,814
Expenditures (\$000)				
Highway Operations	531,942	589,145	583,685	605,980
Transit Programs	136,993	144,529	152,796	166,308
Ferry Operations	35,779	19,738	21,041	21,854
Other	70,195	185,553	112,071	79,878
Debt Servicing Costs ⁴	356,113	417,880	503,719	611,476
Total	1,131,022	1,356,845	1,373,312	1,485,496
Net Loss (\$000)				
Net operating loss	(447,464)	(659,283)	(659,806)	(785,682)

¹ Tax revenue includes 6.75 cents per litre motor fuel tax and a provincial sales tax on short-term car rental of \$1.50 per day.

² Contributions towards capital assets are deferred and amortized to income at the same rate as the related transportation infrastructure is amortized to expense.

³ Other operating revenue includes property sales, rental revenues, earnings from the British Columbia Railway Company, and grants from the Province.

⁴ Interest on borrowing used to finance construction work in progress is capitalized. Upon completion, related interest costs are expensed.

Appendix A: Major Programs

Highway Rehabilitation – Invest \$689 million from 2017/18 through 2019/20 in main highways and bridge surfacing, bridge rehabilitation and replacement and seismic retrofits, and \$105 million in safety projects across the province, including community safety projects, intersection improvements, snow avalanche infrastructure and guardrail and livestock fencing installation.

Side Roads Improvement Program – Invest \$276 million from 2017/18 through 2019/20 to make side roads safer and more reliable and improve connections between communities.

Natural Gas Road Upgrade Program – Invest \$62 million from 2017/18 to 2019/20 for rehabilitating and upgrading the existing public road infrastructure in the Northeast region of the province to attract new investment, create jobs and improve safety for both industry and residents.

Highway 1 – Kamloops to Alberta Border – Invest \$273 million over three years to continue to four-lane sections of the Trans-Canada Highway between Kamloops and the Alberta border to improve the flow of trade and increase safety on this corridor. More information is available on the Ministry [web site](#).

Okanagan Corridor Improvements – Continue the Central Okanagan Planning Study, support trade and tourism, enhance safety, reduce congestion and support the use of transit in Okanagan Valley corridors by allocating \$129 million over the next three years to improve the local highway system. More information is available on the Ministry [web site](#).

Cariboo Connector Program – Invest \$144 million over three years for the Cariboo Connector Program to continue to expand the 460 kilometre portion of Highway 97 from Cache Creek to Prince George. This major route expansion will increase safety, decrease travel times, and provide northern communities with a first-class trade corridor that meets the needs of a rapidly expanding economy. More information is available on the Cariboo Connector [web site](#).

Other Highway Corridors and Programs – The Ministry will work with local governments and stakeholders to undertake priority infrastructure improvements. More information on these projects is available on the Ministry [web site](#).

British Columbia Air Access Program – The British Columbia Air Access Program (BCAAP) provides capital funding to assist B.C. airports with infrastructure improvements. This program enables airports to invest in safety and infrastructure enhancements that help strengthen local, regional and provincial economies. The BCAAP investment is \$30 million over three years. More information is available on BCAAP [web site](#).

BikeBC – The BikeBC program helps local governments develop their cycling infrastructure to encourage cycling and walking for commuting, recreation and tourism. This provides alternatives to car travel, resulting in reduced traffic congestion and greenhouse gas emissions and a healthier population. The BikeBC investment is \$22 million over three years. More information is available on the Bike BC [web site](#).

Highway 16 Transportation Action Plan – The Ministry committed \$6.4 million in provincial and federal funding for the Highway 16 Transportation Action Plan. The five-point action plan will improve access to transportation services along the Highway 16 corridor and enable residents of First Nations communities and municipalities to travel safely to and from rural towns and villages along the corridor. More information is available on the Highway 16 Action Plan [web site](#).

Investing in Transit – Access to public transit supports the economy, community livability, and the environment. Transit contributes to a strong provincial economy and to prosperous communities by providing an affordable transportation alternative that connects people with jobs, education, health care and recreation. It also reduces congestion, allowing for more efficient movement of people and goods, supports efficient land use and contributes to reductions in greenhouse gas and other emissions. Priorities include maintaining high levels of operating funding support for BC Transit systems and partnering with the Government of Canada, local communities, and TransLink to upgrade or replace existing transit assets and to acquire new assets for expansion. Under a Public Transit Infrastructure Fund agreement entered into with Canada in June 2016, B.C. has committed \$314 million towards over \$900 million of transit infrastructure investments across the province. These include planning, design and early works for rapid transit expansion in Metro Vancouver, new buses, SkyTrain upgrades and cars, bus maintenance facilities and transit exchanges, CNG fueling facilities and information technology.

Appendix B: Ministry Contact Information

Ministry Contacts

gov.bc.ca/tran/contacts

General Inquiries

E-mail: tran.webmaster@gov.bc.ca

Phone: 250 387-3198

Fax: 250 356-7706

Twitter: @TranBC

DriveBC: www.drivebc.ca

Web site

www.gov.bc.ca/tran

Mailing Address

PO Box 9850 Stn Prov Govt

Victoria BC V8W 9T5

Regional Offices

South Coast Regional Office

1500 Woolridge Street, Suite 310

Coquitlam BC V3K 0B8

604 527-2221

Southern Interior Regional Office

447 Columbia Street

Kamloops BC V2C 2T3

250 828-4220

Northern Regional Office

1011 4th Avenue, Suite 213

Prince George BC V2L 3H9

250 565-6185

Appendix C: Hyperlinks to Additional Information

Transportation Acts and Statutes

Highway 97 Widening from Highway 33 to Edwards Road

Highway 99 – Ten Mile Slide

Alex Fraser Bridge

Highway 1 – Admirals Road/McKenzie Avenue Interchange

Highway 1 Widening and 216 Street Interchange

Highway 1 – Lower Lynn Corridor Improvements

Highway 1 – Salmon Arm West

Highway 1 – Hoffman’s Bluff to Jade Mountain

Phase 4 of the Kicking Horse Canyon Project

Port Mann/Highway 1 Improvement Project

Appendix D: Non-reporting Crowns

The Minister is responsible for the following non-reporting Crown corporations: the BC Transportation Financing Authority (BCTFA), BC Railway Company (BCRC) and Transportation Investment Corporation (TI Corp). BCTFA and BCRC are reported in this service plan. TI Corp is discussed on page five of this service plan.

BC Transportation Financing Authority

Organizational Overview:

The BC Transportation Financing Authority (BCTFA) was established in 1993 as a Crown corporation operating under the *Transportation Act* with a mandate to plan, acquire, construct, hold, improve or operate transportation infrastructure throughout B.C. The BCTFA owns all provincial highways and land held for construction of future transportation infrastructure. However, administration, regulatory responsibility and operational authority for management of highways, as set out in the *Transportation Act*, are the responsibility of the Minister and the Ministry of Transportation and Infrastructure. The BCTFA has no dedicated staff. Management is provided by staff at the Ministry of Transportation and Infrastructure.

Corporate Governance:

The Minister of Transportation and Infrastructure is the Minister responsible for the BCTFA and the sole member of the Board of Directors. The Deputy Minister of the Ministry of Transportation and Infrastructure is appointed as the Chief Executive Officer and is responsible for the business and operations of the BCTFA.

British Columbia Railway Company

Organizational Overview:

British Columbia Railway Company's (BCRC) primary mandate is to support the Pacific Gateway Strategy by acquiring and holding railway corridor and strategic port lands, and by making related infrastructure investments to provide benefits to the province. BCRC owns the former BC Rail railway lands and track infrastructure, which is leased to CN Rail through the Revitalization Agreement. Consistent with the Pacific Gateway Strategy, BCRC owns and operates the Roberts Bank Port Subdivision rail line (a 40-kilometre track from Surrey to Roberts Bank coal and container terminals). BCRC, through its subsidiary BCR Properties Ltd., owns port-related lands which are leased to terminal operators, including those upon which the Vancouver Wharves and Squamish Terminals port facilities operate.

BCRC is a corporation incorporated under the *British Columbia Railway Act*. On April 1, 2010, BCRC moved under the control and management of the Ministry of Transportation and Infrastructure, becoming a wholly-owned subsidiary of the BC Transportation Financing Authority (BCTFA).

BCRC has retained its legislative authority and is governed by two principal pieces of legislation. The *British Columbia Railway Act* establishes the corporation's structure, governance, responsibilities and accountabilities. The *British Columbia Railway Finance Act* establishes the borrowing and investment framework for BCRC. BCRC must also meet the requirements common to other government corporations and organizations under the *Financial Administration Act* and the *Budget Transparency and Accountability Act*.

BCR Properties Ltd. also owns surplus real estate holdings not required for railway and port operations. Its mandate is to dispose of all land holdings not required to support railway and port operations. This mandate is carried out by staff in the Ministry of Transportation and Infrastructure.

Corporate Governance:

BCRC's governance practices are in accordance with the best practices outlined in the BC Governance and Disclosure Guidelines for Governing Boards of British Columbia Public Sector Organizations, Board Resourcing and Development Office, February 2005.

The Deputy Minister of the Ministry of Transportation and Infrastructure is the sole member and chair of the Board of Directors. More information on BCRC's governance is available on its web site.

MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE

The mission of the Ministry of Transportation and Infrastructure is to create an integrated and safe transportation network that incorporates all modes of transport, reflects regional priorities, and provides a strong foundation for economic growth; and to maintain and improve the provincial highway system, ensuring the safe and efficient movement of people and goods provincially, nationally, and internationally.

MINISTRY SUMMARY

(\$000)

	Estimates 2016/17 ¹	Estimates 2017/18
VOTED APPROPRIATION		
Vote 42 — Ministry Operations.....	817,664	843,545
OPERATING EXPENSES	817,664	843,545
CAPITAL EXPENDITURES ²	4,072	2,323
LOANS, INVESTMENTS AND OTHER REQUIREMENTS ³	—	—
REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES ⁴	—	—

NOTES

¹ For comparative purposes, figures shown for the 2016/17 operating expenses; capital expenditures; loans, investments and other requirements; and revenue collected for, and transferred to, other entities are restated to be consistent with the presentation of 2017/18 Estimates. A reconciliation of restated operating expenses and capital expenditures resulting from transfers between ministries is presented in Schedule A.

² A listing of estimated capital expenditures by ministry is presented in Schedule C.

³ A summary of loans, investments and other requirements by ministry is presented in Schedule D.

⁴ A summary of revenue collected for, and transferred to, other entities by ministry is presented in Schedule E.

MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE

SUMMARY BY CORE BUSINESS

(\$000)

OPERATING EXPENSES	2016/17	2017/18 ESTIMATES		
	Net	Gross	External Recoveries	Net
Core Business				
Transportation and Infrastructure Improvements.....	11,746	1,211,626	(1,199,818)	11,808
Public Transportation.....	301,678	617,621	(311,490)	306,131
Highway Operations.....	491,990	645,076	(131,949)	513,127
Commercial Transportation Regulation.....	1,552	2,544	(976)	1,568
Executive and Support Services.....	10,698	12,297	(1,386)	10,911
TOTAL OPERATING EXPENSES.....	<u>817,664</u>	<u>2,489,164</u>	<u>(1,645,619)</u>	<u>843,545</u>
CAPITAL EXPENDITURES	Net	Disbursements	Receipts	Net
Core Business				
Highway Operations.....	4,072	2,323	—	2,323
TOTAL CAPITAL EXPENDITURES.....	<u>4,072</u>	<u>2,323</u>	<u>—</u>	<u>2,323</u>

MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE

VOTE DESCRIPTIONS
(\$000)

Estimates
2016/17

Estimates
2017/18

VOTE 42 — MINISTRY OPERATIONS

This vote provides for the programs, operations, and other activities described in the voted appropriations under the following core businesses: Transportation and Infrastructure Improvements, Public Transportation, Highway Operations, Commercial Transportation Regulation, and Executive and Support Services.

TRANSPORTATION AND INFRASTRUCTURE IMPROVEMENTS

Voted Appropriations

Transportation Policy and Programs.....	2,700	2,712
Transportation Investments.....	1	1
Partnerships.....	1	1
Port and Airport Development.....	7,829	7,858
Enhancing Economic Development.....	1,215	1,236
	<u>11,746</u>	<u>11,808</u>

Voted Appropriations Description: This sub-vote provides for Transportation Policy and Programs, Transportation Investments, Partnerships, Port and Airport Development, Pacific Gateway, and infrastructure development initiatives. Major activities include transportation, highway and corporate policy, service planning and performance measurement, writing services, the development of legislation, and highway planning; capital program development and monitoring; highway corridor investment strategies; quality management; access management; direction and management of projects; engineering, design, survey, construction, reconstruction, and property acquisition for provincial highways, roads, bridges, and tunnels; asset preservation, including roads and bridges; surfacing, rehabilitation, replacement, seismic retrofit, and safety improvements; rehabilitation of ferries and ferry landings; electrical installations and upgrades; minor roadwork; development and monitoring of public-private partnerships; land base and property management, including port and airport *Land Act* tenures; and managing funding to communities to build and improve infrastructure that contributes to their sustainable development. This sub-vote also provides for transfers to other parties such as local governments to support transportation and infrastructure initiatives such as port and airport development and cycling networks. Costs may be recovered from ministries, the BC Transportation Financing Authority and other Crown corporations, other levels of government, agencies, organizations, individuals, and private sector partners for activities described within this sub-vote.

PUBLIC TRANSPORTATION

Voted Appropriations

Public Transit.....	107,663	111,516
Coastal Ferry Services.....	194,015	194,615
	<u>301,678</u>	<u>306,131</u>

Voted Appropriations Description: This sub-vote provides for annual government contributions and payments towards Public Transit and Coastal Ferry Services. These costs include operating transfers, grants, and payments toward expenses incurred for providing public passenger and transportation services in various communities throughout the province. This sub-vote also includes provincial investments in transit capital infrastructure and operating expenses. Costs may be recovered from ministries, the BC Transportation Financing Authority and other Crown corporations, other levels of government, agencies, organizations, individuals, and private sector partners for activities described within this sub-vote.

HIGHWAY OPERATIONS

Voted Appropriations

Maintenance and Operations.....	457,662	478,638
Commercial Vehicle Safety and Enforcement.....	23,708	23,865
Inland Ferries.....	10,620	10,624
	<u>491,990</u>	<u>513,127</u>

Voted Appropriations Description: This sub-vote provides for Maintenance and Operations, Commercial Vehicle Safety and Enforcement, and Inland Ferries. Major activities include regional, district, and headquarters operations support; avalanche control; rock slope stabilization; traffic operations; development approvals; engineering; inspection station operations; the administration and enforcement of commercial transport road safety programs and vehicle inspection and standards programs, truck licensing programs, and assistance with the enforcement of commercial passenger transportation operations; payments to road and bridge maintenance contractors for the maintenance of highways, roads, bridge structures, and tunnels; payments to contractors for pavement marking, electrical maintenance, and performance payments; the operation and maintenance of inland ferries and terminals; and transfers to other parties such as local governments. Costs may be recovered from ministries, the BC Transportation Financing Authority and other Crown corporations, other levels of government, agencies, organizations, individuals, and private sector partners for activities described within this sub-vote.

MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE

VOTE DESCRIPTIONS
(\$000)

	Estimates 2016/17	Estimates 2017/18
COMMERCIAL TRANSPORTATION REGULATION		
Voted Appropriations		
Container Trucking Commissioner.....	1	1
Passenger Transportation Board.....	490	491
Passenger Transportation Branch.....	1,061	1,076
	<u>1,552</u>	<u>1,568</u>
 Voted Appropriations Description: This sub-vote provides for the offices of the Container Trucking Commissioner, Passenger Transportation Board, and Passenger Transportation Branch. The Container Trucking Commissioner issues, audits, and enforces container trucking licences and oversees key drayage industry activities. The Passenger Transportation Board approves applications to operate inter-city buses and passenger-directed vehicles in British Columbia, and decides appeals on administrative sanctions imposed by the Registrar of Passenger Transportation. The Registrar of Passenger Transportation approves applications for those commercial passenger transportation operations, such as sightseeing buses and hotel and airport shuttles, which are not adjudicated by the Board. The Passenger Transportation Branch verifies safety requirements, conducts investigations, when required, and in cooperation with other programs and agencies, provides overall provincial coordination and direction for enforcement and compliance activities against both licensed and unlicensed operators. This sub-vote also provides for costs associated with the administration of Commercial Transportation legislation. Costs may be recovered from ministries, individuals, and parties external to government for activities described within this sub-vote.		
 EXECUTIVE AND SUPPORT SERVICES		
Voted Appropriations		
Minister's Office.....	575	620
Corporate Services.....	10,123	10,291
	<u>10,698</u>	<u>10,911</u>
 Voted Appropriations Description: This sub-vote provides for the office of the Minister of Transportation and Infrastructure, including salaries, benefits, allowances, and operating expenses for the minister and the minister's staff. This sub-vote also provides for the deputy minister's office, and services to support program delivery, including finance, administration, strategic human resources, information technology and management, oversight of Crown corporations, and facilities management. Costs may be recovered from ministries, the BC Transportation Financing Authority and other Crown corporations, other levels of government, agencies, organizations, individuals, and private sector partners for activities described within this sub-vote.		
VOTE 42 — MINISTRY OPERATIONS	817,664	843,545

MINISTRY GROUP ACCOUNT CLASSIFICATION SUMMARY

GROUP ACCOUNT CLASSIFICATION

Salaries and Benefits	118,631	123,688
Operating Costs	1,779,018	2,047,568
Government Transfers	276,617	318,771
Other Expenses	1,231	1,156
Internal Recoveries	(574)	(2,019)
External Recoveries	(1,357,259)	(1,645,619)
TOTAL OPERATING EXPENSES.....	<u>817,664</u>	<u>843,545</u>

MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE
(\$000)

VOTE 42 Ministry Operations

Description	Total 2016/17 Operating Expenses	Total Salaries and Benefits													
		50	51	52	54	55	57	59	60	63	65	67	68	69	
Transportation and Infrastructure Improvements	11,746	54,302	102	13,216	—	67,620	—	5,433	4,667	148,693	4,027	2,229	—	10	115,280
Transportation Policy and Programs	2,700	2,428	1	591	—	3,020	—	51	—	306	8	87	—	—	—
Transportation Investments	1	45,726	76	11,129	—	56,931	—	5,030	4,250	140,042	3,843	1,854	—	8	113,857
Partnerships	1	2,596	—	632	—	3,228	—	140	407	7,923	41	45	—	2	1,423
Port and Airport Development	7,829	1,808	25	440	—	2,273	—	93	10	333	20	207	—	—	—
Enhancing Economic Development	1,215	1,744	—	424	—	2,168	—	119	—	89	115	36	—	—	—
Public Transportation	301,678	1,718	7	418	—	2,143	—	50	551	9,350	58	64	—	—	197,893
Public Transit	107,663	1,718	7	418	—	2,143	—	50	551	9,350	58	64	—	—	3,278
Coastal Ferry Services	194,015	—	—	—	—	—	—	—	—	—	—	—	—	—	194,615
Highway Operations	491,990	30,285	1,646	7,546	—	39,477	—	1,537	4,154	1,351	6,472	1,125	—	248	491,663
Maintenance and Operations	457,662	14,837	1,441	3,786	—	20,064	—	914	4,154	1,257	5,254	794	—	58	465,676
Commercial Vehicle Safety and Enforcement	23,708	14,841	205	3,612	—	18,658	—	603	—	15	1,214	320	—	190	153
Inland Ferries	10,620	607	—	148	—	755	—	20	—	79	4	11	—	—	25,834
Commercial Transportation Regulation	1,552	1,172	2	285	—	1,459	298	11	50	462	53	104	—	1	10
Container Trucking Commissioner	1	139	—	34	—	173	158	—	50	460	15	35	—	—	10
Passenger Transportation Board	490	263	—	64	—	327	140	8	—	2	9	5	—	1	—
Passenger Transportation Branch	1,061	770	2	187	—	959	—	3	—	—	29	64	—	—	—
Executive and Support Services	10,698	10,353	15	2,567	54	12,989	—	321	17	25	231	511	—	5	1
Minister's Office	575	339	—	103	54	496	—	74	—	—	13	15	—	—	—
Corporate Services	10,123	10,014	15	2,464	—	12,493	—	247	17	25	218	496	—	5	1
Total	817,664	97,830	1,772	24,032	54	123,688	298	7,352	9,439	159,881	10,841	4,033	—	264	804,847

70	72	73	75	Total Operating Costs	77	79	80	Total Govt Transfers	81	83	85	Total Other Expenses	86	88	Total Internal Recoveries	89	90	Total External Recoveries	Total 2017/18 Operating Expenses
40,790	777,702	—	640	1,099,471	—	—	44,123	44,123	—	—	413	413	—	(1)	(1)	(1,131,034)	(68,784)	(1,199,818)	11,808
—	—	—	—	452	—	—	—	—	—	—	13	13	—	—	—	(773)	—	(773)	2,712
40,785	776,752	—	200	1,086,621	—	—	23,719	23,719	—	—	285	285	—	(1)	(1)	(1,099,319)	(68,235)	(1,167,554)	1
5	950	—	440	11,376	—	—	605	605	—	—	97	97	—	—	—	(14,756)	(549)	(15,305)	1
—	—	—	—	663	—	—	19,799	19,799	—	—	4	4	—	—	—	(14,881)	—	(14,881)	7,858
—	—	—	—	359	—	—	—	—	—	—	14	14	—	—	—	(1,305)	—	(1,305)	1,236
11	148,851	—	—	356,828	—	—	258,648	258,648	—	—	3	3	—	(1)	(1)	(234,098)	(77,392)	(311,490)	306,131
11	148,851	—	—	162,213	—	—	258,648	258,648	—	—	3	3	—	(1)	(1)	(234,098)	(77,392)	(311,490)	111,516
—	—	—	—	194,615	—	—	—	—	—	—	—	—	—	—	—	—	—	—	194,615
2,484	74,479	4,947	619	589,079	—	—	16,000	16,000	—	—	521	521	—	(1)	(1)	(129,537)	(2,412)	(131,949)	513,127
—	74,479	3,969	271	556,826	—	—	16,000	16,000	—	—	310	310	—	(1)	(1)	(113,457)	(1,104)	(114,561)	478,638
2,484	—	978	348	6,305	—	—	—	—	—	—	210	210	—	—	—	—	(1,308)	(1,308)	23,865
—	—	—	—	25,948	—	—	—	—	—	—	1	1	—	—	—	(16,080)	—	(16,080)	10,624
13	—	1	75	1,078	—	—	—	—	—	—	8	8	—	(1)	(1)	—	(976)	(976)	1,568
—	—	—	75	803	—	—	—	—	—	—	—	—	—	—	—	—	(975)	(975)	1
—	—	—	—	165	—	—	—	—	—	—	1	1	—	(1)	(1)	—	(1)	(1)	491
13	—	1	—	110	—	—	—	—	—	—	7	7	—	—	—	—	—	—	1,076
—	—	1	—	1,112	—	—	—	—	—	—	211	211	—	(2,015)	(2,015)	(1,064)	(322)	(1,386)	10,911
—	—	—	—	102	—	—	—	—	—	—	22	22	—	—	—	—	—	—	620
—	—	1	—	1,010	—	—	—	—	—	—	189	189	—	(2,015)	(2,015)	(1,064)	(322)	(1,386)	10,291
43,298	1,001,032	4,949	1,334	2,047,568	—	—	318,771	318,771	—	—	1,156	1,156	—	(2,019)	(2,019)	(1,495,733)	(149,886)	(1,645,619)	843,545

MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE

MINISTRY SUMMARY

(\$000)

	Restated Estimates 2016/17	Estimates 2017/18	Increase (Decrease)	Variance Explanations
VOTED APPROPRIATION				
Vote 43 - Ministry Operations	817,664	843,545	25,881	s.13,s.17
<hr/>				
CAPITAL EXPENDITURES	4,072	2,323	(1,749)	s.13,s.17
<hr/>				
LOANS, INVESTMENTS AND OTHER REQUIREMENTS	-	-	-	
<hr/>				
REVENUE COLLECTED FOR, & TRANSFERRED TO, OTHER ENTITIES	-	-	-	

MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE

CORE BUSINESS SUMMARY

(\$000)

OPERATING EXPENSES	Restated Estimates 2016/17	Estimates 2017/18	Increase (Decrease)	Variance Explanations
Core Business				
Transportation and Infrastructure Improvements	11,746	11,808	62	s.13,s.17
Public Transportation	301,678	306,131	4,453	s.13,s.17
Highway Operations	491,990	513,127	21,137	
Commercial Transportation Regulation	1,552	1,568	16	
Executive and Support Services	10,698	10,911	213	
TOTAL OPERATING EXPENSE	<u>817,664</u>	<u>843,545</u>	<u>25,881</u>	

CAPITAL EXPENDITURES

Core Business

Highway Operations	4,072	2,323	(1,749)	s.13,s.17
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TOTAL CAPITAL EXPENDITURES	<u>4,072</u>	<u>2,323</u>	<u>(1,749)</u>	
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MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE

OPERATING EXPENSE BY CORE BUSINESS

(\$000)

Voted Appropriations	Restated Estimates 2016/17	Estimates 2017/18	Increase (Decrease)	Variance Explanations
TRANSPORTATION AND INFRASTRUCTURE IMPROVEMENTS				
Transportation Policy and Programs	2,700	2,712	12	s.13,s.17
Partnerships	1	1	-	
Port and Airport Development	7,829	7,858	29	
Transportation Investments	1	1	-	
Enhancing Economic Development	1,215	1,236	21	
	<u>11,746</u>	<u>11,808</u>	<u>62</u>	
PUBLIC TRANSPORTATION				
Public Transit	107,663	111,516	3,853	
Coastal Ferry Services	194,015	194,615	600	
	<u>301,678</u>	<u>306,131</u>	<u>4,453</u>	
HIGHWAY OPERATIONS				
Maintenance and Operations	457,662	478,638	20,976	
Commercial Vehicle Safety and Enforcement	23,708	23,865	157	
Inland Ferries	10,620	10,624	4	
	<u>491,990</u>	<u>513,127</u>	<u>21,137</u>	

MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE

OPERATING EXPENSE BY CORE BUSINESS

(\$000)

Voted Appropriations	Restated Estimates 2016/17	Estimates 2017/18	Increase (Decrease)	Variance Explanations
COMMERCIAL TRANSPORTATION REGULATION				
Container Trucking Commissioner	1	1	-	s.13,s.17
Passenger Transportation Board	490	491	1	
Passenger Transportation Branch	1,061	1,076	15	
	<u>1,552</u>	<u>1,568</u>	<u>16</u>	
EXECUTIVE AND SUPPORT SERVICES				
Minister's Office	575	620	45	
Corporate Services	10,123	10,291	168	
	<u>10,698</u>	<u>10,911</u>	<u>213</u>	
Vote 43 - Ministry Operations	817,664	843,545	25,881	

**MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE
MINISTRY GROUP ACCOUNT CLASSIFICATION SUMMARY**

GROUP ACCOUNT CLASSIFICATION	Restated Estimates 2016/17	Estimates 2017/18	Increase (Decrease)	Variance Explanations
Salaries and Benefits	118,631	123,688	5,057	s.13,s.17
<hr/>				
Operating Costs	1,779,018	2,047,568	268,550	
STOB 60 Consulting				
STOB 69 Maintenance & Operating contracts				
STOB 70 Operating Equipment				
STOB 72 Capital Projects				
<hr/>				
Government Transfers	276,617	318,771	42,154	
Grants: BCTFA, BC Transit, Translink, Local Govts,				
<hr/>				
Other Expenses	1,231	1,156	(75)	
<hr/>				
Internal Recoveries	(574)	(2,019)	(1,445)	
Recoveries between ministries				
<hr/>				
External Recoveries	(1,357,259)	(1,645,619)	(288,360)	
BCTFA, Federal Govt, BC Hydro, TI Corp, ICBC, BC Railway Company, and others				

TOTAL OPERATING

<u>817,664</u>	<u>843,545</u>	<u>25,881</u>
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Resource Summary

Core Business Area	2016/17 Restated Estimates ¹	2017/18 Estimates ²	2018/19 Plan	2019/20 Plan
Operating Expenses (\$000)³				
Transportation and Infrastructure Improvements	11,746	11,808	11,922	11,922
Public Transportation ⁴	301,678	306,131	309,793	310,115
Highway Operations	491,990	513,127	514,470	514,470
Commercial Transportation Regulation	1,552	1,568	1,578	1,578
Executive and Support Services	10,698	10,911	11,062	11,062
Total	817,664	843,545	848,825	849,147
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)				
Highway Operations	4,072	2,323	2,323	2,323
Total	4,072	2,323	2,323	2,323

¹ For comparative purposes, the amounts shown for 2016/17 have been restated to be consistent with the presentation of the 2017/18 Estimates.

² Further information on program funding and vote recoveries is available in the [Estimates and Supplement to the Estimates](#).

³ Operating expenses are reported net of funding from external sources, primarily the BC Transportation Financing Authority.

⁴ Public Transportation operating expenses include government contributions towards public transit and coastal ferry services.

Transportation Investment Plan

(\$ millions)		2017/18	2018/19	2019/20	Total
Provincial Investments:					
	Highway Rehabilitation	255	216	218	689
	Side Road Improvement Program	96	90	90	276
	Natural Gas Road Upgrades Program	22	20	20	62
	Highway 1 - Kamloops to Alberta Border	68	70	135	273
	Okanagan Valley Corridor	60	27	42	129
	Cariboo Connector	45	47	52	144
	Major Highway Corridors and Roads	278	295	286	859
	Other Transportation Programs	88	52	60	200
	Transit Infrastructure	176	218	337	731
Total Provincial Transportation Investments ¹		1,088	1,035	1,240	3,363
Investments funded through contributions from the federal government and other partners:					
Contributions from all partners		283	399	607	1,289
Total Investments in Transportation Infrastructure		1,371	1,434	1,847	4,652
<i>¹ Total provincial investments include operating and capital spending</i>					
Transportation Investment Corporation (\$ millions)		2017/18	2018/19	2019/20	Total
	George Massey Tunnel Replacement Project	44			44
	Port Mann Bridge Highway 1 Project	3			3
Total Investments		47	-	-	47
Total Investments in Transportation Infrastructure including investments from the Transportation Investment Corporation		1,418	1,434	1,847	4,699

TRANSPORTATION INVESTMENT PLAN (TIP)

Estimates Note

Ministry of Transportation and Infrastructure

Date: August 16, 2017

ISSUE

- Transportation investments proposed over the 3-year 2017 Service Plan period 2017/18 through 2019/20 based on the First Quarter (Q1) Service Plan Update.

ADVICE AND RECOMMENDED RESPONSE

- TIP investments outlined in 2017 Service Plan have been updated in the 2017 Service Plan Update to reflect Q1 reporting.
- Ministry will invest \$3.363 billion in transportation improvements over the next 3 years, \$4.652 billion inclusive of partner contributions.
- Partner contributions include expected contributions under federal infrastructure programs.

BACKGROUND

- Transportation investments under the Transportation Investment Plan are reported in the Ministry of Transportation and Infrastructure's annual three-year Service Plan.
- Transportation expenditures outlined in the 2017 Service Plan Update are based on Q1 reporting.
- As outlined in **Table 1**, the Ministry will invest \$3.363 billion in transportation improvements over the next 3 years, \$4.652 billion inclusive of partner contributions.
- Provincial transportation investments are funded through the BCTFA within the debt and net income limits established by Treasury Board.
- Provincial expenditures include both capital and operating (i.e. grants to 3rd parties and non-capital expenditures) spending.
- Provincial investments are net of contributions from 3rd parties such as cost sharing under federal infrastructure programs (e.g. Building Canada Fund).
- The Transportation Investment Plan supports:
 - Preservation of provincial highway assets through the Highway Rehabilitation and Side Road Improvement Programs;
 - Continued support for Oil & Gas Industry through Natural Gas Road Upgrades Program;
 - Continued four-laning on Highway 1 between Kamloops and the Alberta Border;
 - Continued improvements to highway corridors in the Okanagan Valley;
 - Continued implementation of the Cariboo Connector Strategy;
 - Improvements to major highway corridors throughout the province such as Highway 3, 5, 16, 37 and 97 north;
 - Other transportation investments such as trucking strategy projects, environmental enhancement, Inland Ferries upgrades, 3rd party infrastructure grants, project development, cycling and airport grants and interest during construction; and,

- Continued investment in Public Transit throughout the province, including annual Canada Line performance payments and UPASS program.
- Expenditure levels fluctuate over the Service Plan period due to the cash flow profile of larger scale projects.

PROGRAM CONTACT

David Marr, Executive Director, Planning & Programming, Infrastructure, Cell: (250-356-2100)

Table 1
Transportation Investments - 2017 Service Plan Update)

Investment Programs \$ millions	2016/17 Actuals	Service Plan (Q1 Update)			
		2017/18	2018/19	2019/20	Total
Provincial Investments					
● Highway Rehabilitation	206	255	216	218	689
● Side Road Improvement Program	87	96	90	90	276
● Natural Gas Road Upgrade Program	18	22	20	20	62
● Hwy 1 - Kamloops to Alberta Border	37	68	70	135	273
● Okanagan Valley Corridor	25	60	27	42	129
● Cariboo Connector Program	29	45	47	52	144
● Major Highway Corridors and Roads	143	278	295	286	859
● Other Transportation Programs	58	88	52	60	200
● Transit Infrastructure	153	176	218	337	731
Total (Provincial Investments)	756	1,088	1,035	1,240	3,363
Investments funded through contributions from other Partners					
Contributions from all partners	242	283	399	607	1,289
Total investments through contributions	998	1,371	1,434	1,847	4,652
Transportation Investment Corporation					
	2016/17 Actuals	2017/18	2018/19	2019/20	Total
George Massey Tunnel Replacement Project	22	44	-	-	44
Port Mann Highway 1 (Rehabilitation)	16	3	-	-	3
Total Investments (TIC)	38	47	-	-	47
Total Investments in Transportation	1,036	1,418	1,434	1,847	4,699

BC Transportation Financing Authority

	2016/17 Actual	2017/18 Budget	2018/19 Plan	2019/20 Plan
Revenue (\$000)				
Tax revenue ¹	462,420	467,000	470,000	473,000
Amortization of deferred contributions ²	172,634	178,221	181,406	186,194
Other operating revenue ³	48,504	52,341	62,100	40,620
Total	683,558	697,562	713,506	699,814
Expenditures (\$000)				
Highway Operations	531,942	589,145	583,685	605,980
Transit Programs	136,993	144,529	152,796	166,308
Ferry Operations	35,779	19,738	21,041	21,854
Other	70,195	185,553	112,071	79,878
Debt Servicing Costs ⁴	356,113	417,880	503,719	611,476
Total	1,131,022	1,356,845	1,373,312	1,485,496
Net Loss (\$000)				
Net operating loss	(447,464)	(659,283)	(659,806)	(785,682)

¹ Tax revenue includes 6.75 cents per litre motor fuel tax and a provincial sales tax on short-term car rental of \$1.50 per day.

² Contributions towards capital assets are deferred and amortized to income at the same rate as the related transportation infrastructure is amortized to expense.

³ Other operating revenue includes property sales, rental revenues, earnings from the British Columbia Railway Company, and grants from the Province.

⁴ Interest on borrowing used to finance construction work in progress is capitalized. Upon completion, related interest costs are expensed.

Highway 1 - Admirals Road - McKenzie Avenue Interchange Estimates Note

Ministry of Transportation and Infrastructure

Date: August 16, 2017

ISSUE

- Status of the McKenzie Interchange Project

ADVICE AND RECOMMENDED RESPONSE

- This project will improve traffic flow and safety through the Hwy 1 – Admirals / McKenzie intersection by constructing a grade separated interchange to replace the existing traffic signal, eliminating major conflicts.
- The project also includes provisions for BC Transit including their planned rapid bus program and does not exclude possible future LRT.
- The projects total budget is \$85M.
- Construction on Phase 1 began in September 2016.
- Phase 2 went to tender earlier this year and closed mid July 2017. This contract is expected to be awarded this summer with work getting underway later this fall. This contract includes all remaining work on the interchange construction.
- The overall project is scheduled for completion in fall 2019.
- The original completion date was fall 2018; however the timelines have been adjusted to lessen noise impacts to nearby residents and delays to the travelling public. The wet winter also delayed placement of preload materials, therefore extending the schedule for settlement to occur.

BACKGROUND

- Phase 1 was awarded to Jacob Brothers last fall and work will be completed later this fall. This main elements of the Phase 1 contract included preloading (to compress soft soils), drilling and blasting, relocation of a municipal water main and construction of the Galloping Goose overpass.
- Some members of the community remain concerned around environmental impacts to the Colquitz River; however the ministry is working closely with the contract to ensure there are no issues.
- Highway 1 carries over 80,000 vehicles per day.
- The Highway 1 – Admirals / McKenzie intersection is heavily congested, particularly during peak periods resulting in significant delays for all travelers.
- Bus transit queue jumpers close to the intersection are commonly caught up in long queues, thus adversely affecting their schedule and travel times.
- The Hwy 1 – Admirals / McKenzie intersection has a collision rate of 0.87 collisions per million vehicles which is nearly three times the provincial average.
- The ministry has consulted extensively with Esquimalt and Songhees Nations and have signed an accommodation agreement with these communities.

PROGRAM CONTACT

David Mintak, Regional Manager, Project Delivery Cell: 604 230-4506

Alex Fraser Bridge Capacity Improvements Estimates Note

Ministry of Transportation and Infrastructure

Date: August 16, 2017

ISSUE

- Update on the Alex Fraser Bridge Capacity Improvement Project

ADVICE AND RECOMMENDED RESPONSE

- The Alex Fraser Bridge is on the Highway 91 corridor, a key route for the south of the Fraser communities connecting the communities of Richmond, New Westminster, Delta, Surrey, and Langley as well as the connecting to YVR and the Canada/US border.
- Traffic queues that are generated on either side of the structure during the peak period of travel average more than 3-5km in length and create up to 20 minute of additional delay.
- In January 2017, the ministry announced a \$70M (\$36M Provincial, \$34M Federal) investment on the Alex Fraser Bridge in partnership with the Federal Government.
- The project has three integrated components which include: adding a seventh lane to the bridge; a moveable barrier system for counter-flow; and a 13 dynamic message signs to advertise travel times at major Fraser River crossings (GMT, AFB, Pattullo Bridge, and Port Mann Bridge).
- The overall project commenced design in spring 2017 and is anticipated to be completed in stages as follows: a new seventh lane – May 2018; the 13 new dynamic message signs – May 2018; and the movable barrier system – September 2018.
- On August 18th, 2017, the ministry tendered two tenders including: the first phase of the project which will initiate construction of the seventh lane; and a separate tender to procure the removable barrier system.

BACKGROUND

- Built in 1986, the Alex Fraser Bridge (AFB) is a major crossing of the Fraser River on the Highway 91 corridor and a vital transportation link for both commuters and goods movers on the Highway 91 corridor.
- The bridge carries an average of 119,000 vehicles each day and experiences significant queueing (3 to 5 km – adding up to 20 minutes in delays) in the AM and PM peak hour.
- In January 2017, the ministry announced a \$70M investment on the Alex Fraser bridge to reduce congestion, improve safety, and create better movement on the corridor. The Federal Government partnered on this investment contributing \$34M from the Build Canada Fund. The project has 3 components:

- Adding a seventh lane to the bridge .s.17
- Adding an innovative new counter-flow moveable barrier system to improve capacity and help reduce traffic congestion during peak periods .s.17 and
- Installing 13 new dynamic message signs throughout the Lower Mainland – as part of a South of Fraser Advance Traveller Information System – so that road users know estimated delays on the four major Fraser River crossings - !s.17
- The tender package for the seventh lane will be phased. Phase 1 involves the removal of the existing median barrier and is ready for tender. Phase 2 will include all other associated works. Total project completion of the seventh lane is May 2018.
 - Phase 1 (Median Barrier Removal) – Approval to tender by August 18th, 2017.
 - Removable Barrier Truck – Approval to tender by August 18th, 2017.
 - Dynamic Message Signs – Approval to tender by September 8th, 2017.
 - Phase 2 (Installation of Moveable Barrier System) – Approval to tender by November 2nd, 2017.
- The project completion of the components is May 2018 for the seventh lane; May 2018 for the dynamic message signs; and September 2018 for the new moveable barrier system (Operation starting in October 2018).
- s.16,s.17
- The ministry continues to consult with local First Nations, Burns Bog Society, local municipalities, and other key stakeholders.

PROGRAM CONTACT

David Mintak, Regional Manager, Project Delivery Cell: 604 230-4506

Highway 97 Widening from Highway 33 to Edwards Road

Estimates Note

Ministry of Transportation and Infrastructure

Date: August 10th, 2017

ISSUE

- Six lane expansion of Hwy 97 in Kelowna from Highway 33 to Edwards Road

ADVICE AND RECOMMENDED RESPONSE

- The project is on schedule and construction is 60% complete.
s.17,s.18
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- Construction completion is expected by winter 2017.

BACKGROUND

- The project involves expansion of 4.5 km of Highway 97 in Kelowna between Highway 33 and Edwards Road to six lanes, including intersection improvements at Leathead, McCurdy, Sexsmith and Findlay/Hollywood, access consolidation, and realignment of Rutland Road with construction of a roundabout at its intersection with Old Vernon Road. The HOV lanes will be extended through this project benefiting the Rapid Transit service.
- The project is in construction and is approximately 60% complete. Final completion is expected in winter 2017.
- The project budget is \$59.7M (Provincial \$41.7 million, Federal \$17.7 million, City of Kelowna \$300,000). The federal government cost share is \$18M from the Building Canada Fund – Major Infrastructure Component and the provincial share is \$41.7M, including local funding partners.
s.17,s.18
-
- The project is strongly supported by the public. Considerable public and stakeholder consultation, including engagement with First Nations, has been carried out through the design stage, including public open houses and stakeholder meetings.
- The project will improve safety and reduce congestion on this core National Highway System route, improve safety and reliability for motorists, cyclists and transit users, and provide safer access to and from adjacent properties.
- Highway 97 is the primary arterial through the City of Kelowna connecting local commercial centres and linking to the bedroom communities of West Kelowna and Lake Country. The corridor carries between 55,000 - 65,000 vehicles daily.

PROGRAM CONTACT

Murray Tekano, Executive Project Director Infrastructure & Major Projects Department

Cell: 250-712-3629

Highway 99 10-Mile Slide Estimates Note

Ministry of Transportation and Infrastructure

Date: August 18, 2017

ISSUE

- Status of the improvements to Ten Mile Slide.

ADVICE AND RECOMMENDED RESPONSE

- The ministry is committed to a long term fix at the Ten Mile Slide (17km northeast of Lillooet) on Highway 99.
- The project will ensure the long term reliability of the most direct connection between Lillooet and Kamloops.
- The Project will be ready for tender in fall 2017 and is scheduled for completion in 2018.
- Our government is committed to taking the time needed to ensure the design is technically sound and to working closely with Xaxli'p (pronounced Hock-lip) and other local communities to ensure we understand and incorporate their interests into the project.
- This section of Hwy 99 is the most technically complex and challenging highway location to maintain in the province.
- The project budget is \$60M.

BACKGROUND

- Ten Mile Slide is part of an active ancient earth flow. The active slide covers an area that is approximately 200m wide by 285m long and the volume is approximately 1,000,000m³ of material. Movement rates average ~7m per year, creating significant challenges at the road surface. Annual maintenance costs have ranged from \$240K/year to \$2.3M/year.
- Further, the active slide is located entirely on Xaxli'p's Fountain Reserve 1A. When the slide is highly active, the community becomes cut-off.
- In September 2015, BGC Engineering (BGC) was retained by the ministry to undertake engineering to develop options and recommendations to address the slope instability at the Ten Mile Slide. The project design includes 245 soil anchors above the highway, 175 piles below the highway as well as significant grading works.
- The project design was selected as preferred by a team of ministry and consulting engineers and was supported as the preferred option following review by a panel of experts specializing in slides. Combined, the review team has over 800 years of experience.

PROGRAM CONTACT

Jennifer Fraser, Regional Manager, Project Delivery and Planning Services, Highways Dept.
Department, Cell: 250-318-7195

Highway 1 – Lower Lynn Corridor Improvements Estimates Note

Ministry of Transportation and Infrastructure

Date: August 14, 2017

ISSUE

- The Highway 1 Lower Lynn Improvements project will improve traffic flow, safety and municipal connectivity north of the Ironworkers Memorial Bridge on the North Shore.

ADVICE AND RECOMMENDED RESPONSE

- The Lower Lynn Interchanges, constructed in the 1950's, are impacting traffic flow on Highway 1 and the surrounding municipal roadways.
- The close proximity of these three interchanges create concerns around traffic weaving, poor site lines and insufficient merge distances that contribute to higher than average frequency of traffic incidents.
- The North Shore Interchange Improvement project includes an investment of \$198M (Province: \$76.7M, Canada: \$66.6M and District of North Vancouver: \$54.7M).
- Upgrades to the interchanges will address traffic flow and safety issues on Highway 1 and municipal roadways, by redistributing traffic more efficiently and reconstructing the interchanges to current standards.
- The project will provide active transportation facilities, and create a safe, reliable transportation network for transit users.
- Construction on Phase 1: Mountain Highway Interchange began in July 2016.
- The overall 4 phase project is scheduled for completion in the spring of 2021.
- The Lower Lynn Improvements have the support of the local government as it addresses the North Shore's most congested area.
- Public engagement on this project as and will continue to be extensive. The next round of engagement is anticipated later this winter.

BACKGROUND

- This section of Highway 1 carries an average 115,000 vehicles per day and experiences a traffic incident every 2.5 days.
- The Lower Lynn Interchanges serve approximately 60% of all traffic entering and exiting the North Shore.
- In November 2014, the ministry announced a \$150M partnership with the Federal Government and the District of North Vancouver to design and build three new interchanges
 - Phase I - Mountain Hwy Interchange - completion Fall 2018.
 - Phase II - Keith Rd / Mt Seymour Interchange - completion Fall 2020.
 - Phase III – Dollarton Hwy / Main St Interchange - completion Spring 2021.
- In January 2017, in response to public feedback, additional improvements were announced bringing the project total to \$198M.

Salmon Arm West Estimates Note

Ministry of Transportation and Infrastructure

Date: August 18, 2017

ISSUE

- TCH Salmon Arm West Tender Timelines

ADVICE AND RECOMMENDED RESPONSE

- The Salmon Arm West Project 1st to 10th (the Project) preload component will be ready to tender in 2-3 weeks to facilitate fall 2017 construction.
- The main contract is scheduled for tender winter 2018, providing preload advances.
- The Project is Phase 1 of the three phases Salmon Arm West Project. All three phases of the project are anticipated to be complete in 2022.
- The Project scope is 2.2km long and includes four-laning, a new crossing over the Salmon River, an interchange, frontage roads and a multi-use pathway.
- Our government is committed to working closely with local community partners to ensure we understand and incorporate their interests into our projects as much as possible.
- We heard from local governments that they wanted more engagement on this project, which is directly adjacent to their communities.
- In response, we have hosted community meetings and continue to work closely with the City of Salmon Arm and First Nations to ensure this significant investment meets the needs of the corridor and the local communities today and into the future.

BACKGROUND

- The project supports the TCH improvement strategy to increase safety and capacity by replacing narrow two lane sections, removing tight curves and constructing a high speed interchange serving local communities.
- The Project will address the broad commuter shed and high traffic volumes in and around Salmon Arm and will address the history of high crash severity on the Salmon River Bridge and high collision rate (0.48 vs prov avg 0.31). The AADT is 11,000 and the SADT is 15,000. The project has a benefit cost ratio of 0.35.
- Phase 1 is Segment 2 of three segments that make up the 6.1 km Salmon Arm West project on the TCH and involves 2.2 km of four laning, a new crossing over the Salmon River, an interchange to access Salmon Arm and Neskonlith Indian Reserve, and pedestrian/cycling improvements. The interchange location was chosen to avoid significant impacts to existing and future commercial development, ALR lands, and terrain.
- The value of Phase 1 is \$88.7 million (\$62.3M Provincial, \$26.4M Federal). The Salmon Arm West project (all phases) was announced in fall 2016. The combined value of all three phases is \$162.7 million (\$114.2M Provincial, \$48.5M Federal).

- The preload component of Phase 1 is planned for tendering, with a completion target of Fall 2019. Tendering in Fall 2017 will maintain the project schedule and will avoid the need to delay the tender of Segments 1 and 3. Simultaneous construction carries a risk of significant traffic impacts.
- The Project is located within the traditional territory of the Secwepemc and adjacent to Neskonlith IR #3. Consultation began in 2012 with the Secwepemc First Nation bands. The ministry believes consultation is adequate to proceed to construction. The Federal government endorses the consultation process completed by the ministry.
- As part of First Nation consultation, the tender documents will include opportunities for First Nations as an accommodation for impacts to Secwepemc interests.
- Discussion is underway with the local government and First Nations to confirm the community access requirements prior to tendering. To facilitate this, meetings with local governments and a public open house are planned for Fall 2017.

PROGRAM CONTACT

Jennifer Fraser, Director Trans Canada Highway Program, Highways Department, Cell: 250-318-7195.

Appendix A:



Highway 1 Hoffman's Bluff to Jade Mountain Estimates Note

Ministry of Transportation and Infrastructure

Date: August 18, 2017

ISSUE

- TCH Hoffman's Bluff to Jade Mountain status update

ADVICE AND RECOMMENDED RESPONSE

- The Hoffman's Bluff to Jade Mountain project is composed of three segments and will be delivered in three phases.
- The first phase, Chase Creek Road to Chase West, will be ready for tender in fall 2017.
- The final phase, Hoffman's Bluff to Chase Creek Road is scheduled for completion in winter 2022.
- The Project scope is 11.9km long and includes four-laning, interchanges, frontage roads and greater pedestrian/cycling connectivity between the Village of Chase and Neskonalith Indian Reserve.
- Our government is committed to working closely with local community partners to ensure we understand and incorporate their interests into our projects as much as possible.
- We heard from local governments that they wanted more engagement on this project, which is directly adjacent to their communities.
- In response, we have hosted community meetings and continue to work closely with the Village of Chase and First Nations to ensure this significant investment meets the needs of the corridor and the local communities today and into the future.

BACKGROUND

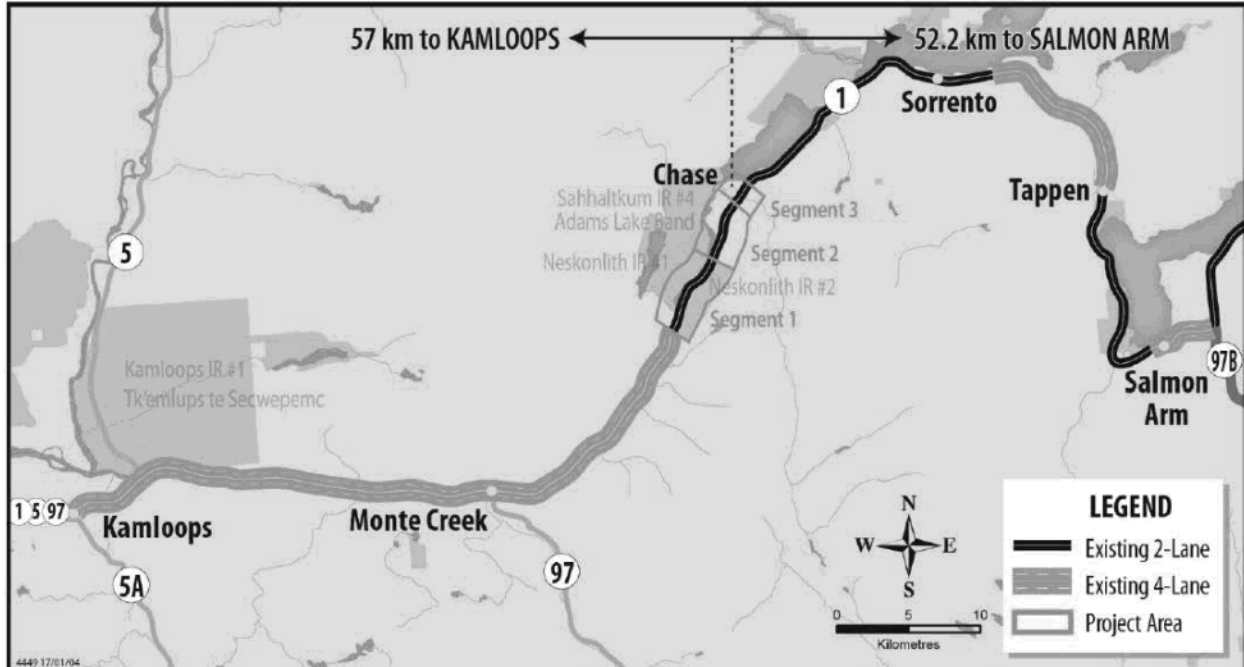
- The project supports the TCH improvement strategy to increase safety and capacity by replacing narrow two lane sections, constructing safer access points to local communities and promoting safer pedestrian and cycling inter-community access.
- The Project will address the broad commuter shed and high traffic volumes in and around Chase and will address the history of high crash rate (0.36, prov avg 0.29) and high crash severity (10.2, prov avg 7.2). The AADT is 8,500 and the SADT is 12,000. The project has a benefit cost ratio of 0.59.
- Phase 1 is Segment 2, Chase Creek road to Chase West, Phase 2 is Segment 3, Chase West to Jade Mountain, and Phase 3 is Segment 1, Hoffman's Bluff to Chase Creek Road. Together, the three segments will four lane 11.9 km on the TCH and provide improved access points to the Village of Chase and Neskonalith Indian Reserve, frontage roads, and pedestrian/cycling improvements between communities.

- The combined value of all three phases is \$199.2 million (prov \$144.0 million, fed \$55.2 million).
 - Phase 1 is planned for tendering in fall 2017, with a completion target of fall 2019. Tendering in fall 2017 will maintain the project schedule and will avoid the need to delay the tender of Segments 1 and 3. Simultaneous construction carries a risk of significant traffic impacts.
 - The Project is located within the traditional territory of the Secwepemc and adjacent to Neskonlith IR #1. Consultation began in 2015 with the Secwepemc First Nation bands and the ministry meets bi-weekly with Secwepemc to consult. Archaeological and Cultural assessments are being completed by Secwepemc.
 - As part of First Nation consultation^{s.16}
 - s.16
 - s.16
 - s.16
- To facilitate this, meetings with local governments and a public open house are planned for fall 2017.

PROGRAM CONTACT

Jennifer Fraser, Director Trans Canada Highway Program, Highways Department, Cell: 250-318-7195.

Map of Project



Highway 1 Brunette Avenue Interchange Estimates Note

Ministry of Transportation and Infrastructure

Date: August 14, 2017

ISSUE

- Improvements are needed to the Brunette Interchange on Highway 1 to improve safety and ease congestion.

ADVICE AND RECOMMENDED RESPONSE

- We are working with our municipal partners, the City of New Westminster and the City of Coquitlam, to come to an agreement on a preferred option.
- Three interchange options were presented at public consultation sessions held in late 2016.
- s.17
- s.13,s.16
- s.13,s.16,s.17

BACKGROUND

- The Brunette Interchange was originally proposed to be a part of the PMH1; however, an agreement could not be reached with local governments.
- The ministry has since committed to improvements at the Brunette interchange following the completion of the PMH1 Improvement project provided an agreement can be reached with Coquitlam and New Westminster.
- Three options have been developed in consultation with the City of Coquitlam and the City of New Westminster for public feedback. Option C – preferred by New West
- s.13
- s.16
- Public consultation took place November 1 through December 23, 2016.
- s.13,s.16
- Following public consultation the two local governments developed a joint task force in an effort to agree on the preferred option.
- s.16

PROGRAM CONTACT

Thomas Chhun, District Manager, Transportation, Cell: 604-312-4817.

Highway 1 Widening and 216th Street Interchange Estimates Note

Ministry of Transportation and Infrastructure

Date: August 15, 2017

ISSUE

- The Highway 1 widening project will improve traffic flow and connectivity for vehicles, pedestrians and cyclists within the Township of Langley.

ADVICE AND RECOMMENDED RESPONSE

- The project is designed to reduce congestion and increase capacity on Highway 1 and improve connectivity between communities north and south of the highway.
- Construction of a new interchange has been a priority for decades.
- The total estimated cost of the project is \$59M, with the Government of Canada contributing \$22.3M, the Government of British Columbia contributing \$22.3M and the Township of Langley contributing \$14.3M.
- Jakes Construction Ltd. was awarded a \$45.5M contract in March 2017 and has completed approx. 10% of the work.
- The Township of Langley is considering designating 216th Street as a truck route; however no decisions have been made at this time.

BACKGROUND

- The Gateway Program Definition Report released in January 2006 included widening of Highway 1 to 216 St. to six lanes as well as the provision of a new full movement interchange at 216 Street. This scope was later deferred from the PMH1 Project.
- The Township of Langley (ToL) has been planning for a new interchange at Highway 1 and 216 Street since the early 1980's, as a critical link in the transportation network. The proposed interchange at 216 Street and Highway 1 was identified as one of the top key priorities for ToL.
- The scope includes 4km of widening from 4 to 6 lanes on Hwy 1 between 202 and 216 St., a new interchange at 216 St, noise mitigation measures, pedestrian / cycling facilities and the addition of a second lane at the westbound off ramp to 200 St.
- Public consultation took place last spring where nearly 500 people attended. Concerns were raised around noise, air quality and increased traffic volumes on 216 St.
- Ministry staff continue to meet with these residents to determine if any scope adjustments can be made to address their concerns.
- Should the ToL not designate 216 St (north) as a truck route, it is expected that this will significantly lessen concerns from Walnut Grover residents.

PROGRAM CONTACT

David Mintak, Regional Manager, Project Delivery Cell: 604 230-4506

Highway 1 – Malahat Safety Improvements Estimates Note

Ministry of Transportation and Infrastructure

Date: August 16, 2017

ISSUE

- The Phase 3 'Malahat Village' Safety Improvements Project will improve capacity and safety along the corridor between Shawnigan Lake Road and Aspen Road.

ADVICE AND RECOMMENDED RESPONSE

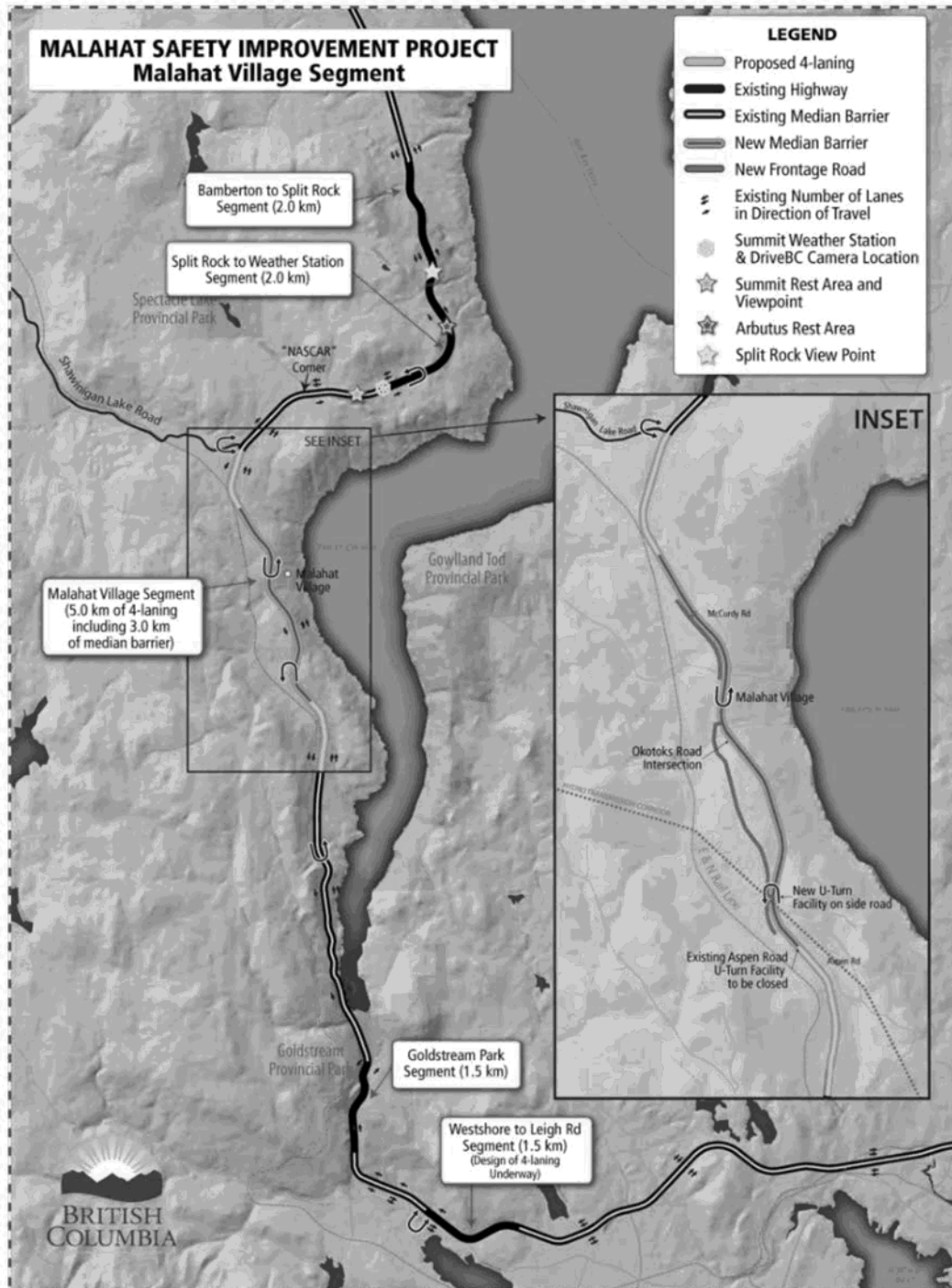
- The Malahat is a vital corridor for island communities, tourists and the local economy.
- Phase 3 is under construction and will improve highway safety and capacity by 4-laning 5km of the corridor, adding an additional 3km of median barrier division and new service roads.
- Emil Anderson Construction Ltd. was awarded an \$18.5M contract this spring and the total project budget is \$34M, with the Federal government contributing up to \$14M towards the overall costs. Construction will continue through summer 2018.
- When the current construction is completed over 65 percent of the Malahat corridor will be divided by median.
- The ministry continues to explore options for future improvements on the corridor.
- Various road and bridge bypass options have been considered in the past and are upwards of \$1B.

BACKGROUND

- The Malahat is the section of Highway 1 located between the West Shore Parkway and the Bamberton Overpass and is approximately 20km long. Currently 50 percent of the corridor is divided by median barrier.
- The corridor carries 24,000 vehicles per day (vpd) and peaks at 33,000 vpd in summer months.
- In 2015, the 'Malahat Village' was the area of the corridor identified as the next priority. These improvements were also identified in the 2012 Malahat Highway Safety Review, and were also identified as a priority by the Malahat Advisory Group, which included concerned citizens and local first responders.
- In July 2016, MOTI and Infrastructure Canada committed to \$34M (\$20M Provincial and \$14M Federal) for upgrades to the Malahat Village between Shawnigan Lake Rd and Aspen Rd.
- The project includes 5km of 4-laning, wider shoulders, 3km of new median barrier, new frontage roads, a turnaround facility, and improved overhead lighting at consolidated intersections.
- Construction is now approximately 20 percent complete and the ministry is committed to keeping traffic delays minimal, recently implementing an updated traffic management plan to have two northbound lanes open on Friday to Sunday, through the month of August.

Note: Provincial commitment in 3 year service plan is \$12M.

- Residents of Aspen Road remain concerned about the elimination of the left turn from Aspen Road to head southbound into Victoria.



PROGRAM CONTACT

David Mintak, Regional Manager, Project Delivery, Highways, Cell: 604 230-4506

Highway 7 Improvements

Estimates Note

Ministry of Transportation and Infrastructure

Date: August 15, 2017

ISSUE

- Update on the Highway 7 Improvement project.

ADVICE AND RECOMMENDED RESPONSE

- The Highway 7 corridor is a key alternate route to Highway 1 and provides an important connection to the communities north of the Fraser River including Pitt Meadows, Maple Ridge and Mission.
- There are 3 sections of Highway 7 that are not currently 4-laned which includes the section closest to Mission from Silverdale Avenue to Nelson Street.
- The Nelson to Silverdale section has the highest safety need based on collision rates and severity.
- In March 2017, the ministry previously announced 4-laning of Silverdale Avenue to Nelson Street as part of \$70M investment on Highway 7 in partnership with the Federal Government.
- The project was originally being delivered in 2 phases with Phase 1 (preload) tendered in May 2017, with the intent to award in June 2017.
- As a result of operational delays and a need for extended consultation with environmental agencies to secure necessary permits, initiating construction within this year's fish window is no longer feasible and the project schedule must be amended.
- s.13,s.17
-

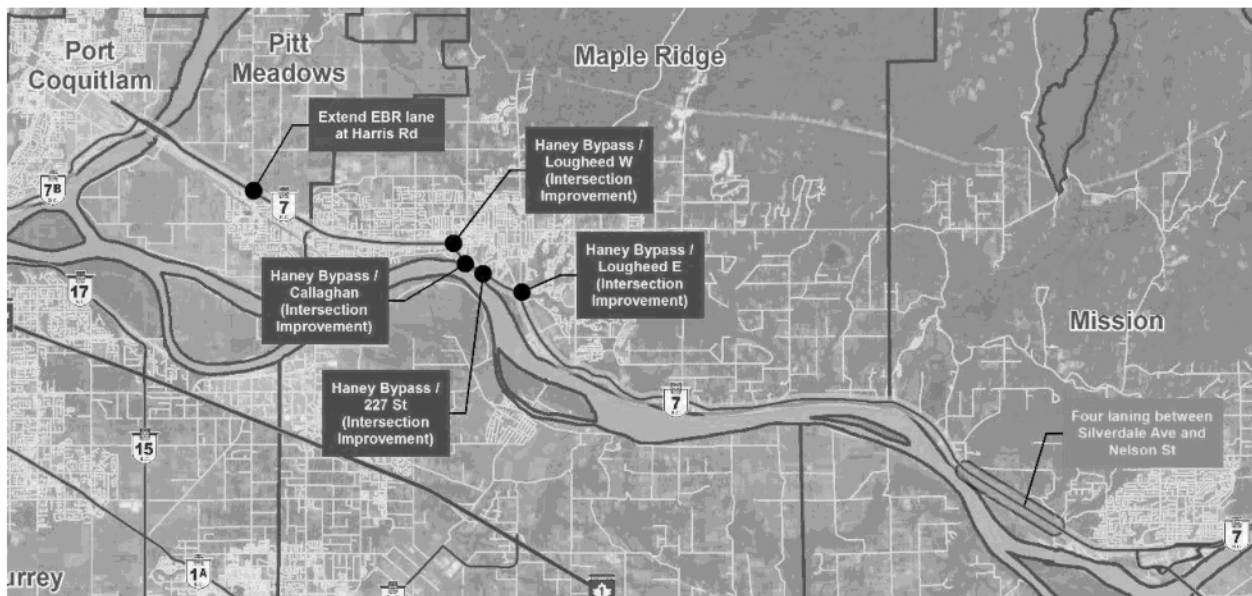
BACKGROUND

- Highway 7 is a 120 km east-west corridor in the Lower Mainland that forms an alternate route to Highway 1, providing connections to the communities of Coquitlam, Pitt Meadows, Maple Ridge, Mission, and Hope.
- In March 2017, the ministry announced a \$70M investment in the Highway 7 corridor, in partnership with the Federal government, to advance 3 key corridor improvements to improve mobility and reduce congestion, including: Pitt Meadows – Extension of the right turn lane from Allan Way to Harris Road - \$6.2M; Maple Ridge – Intersection improvements at 4 key intersections on the Haney Bypass - \$22.3M; Mission – Silverdale Avenue to Nelson Street 4-laning - \$41.5M.
- The Federal Government approved their contribution of \$22.45M of the overall \$70M through the Federal Build Canada fund. In addition to the Federal Government, this initiative is also supported by the City of Pitt Meadows, City of Maple Ridge, and District of Mission.

- When Phase 1 was tendered in May 2017, it was anticipated that award would occur in June 2017 with construction getting underway by July 2017, allowing work to occur within the fish window. The project award was delayed due to operational reasons, as well as the need for extensive and ongoing consultation with environmental agencies to secure necessary approvals (expected by end of August). As a result of these factors, the project schedule had to be amended.
- The other two components of the \$70M announcement: Haney Bypass and Extension of the Right Turn Lane to Harris Road are both undergoing design in consultation with the local municipalities and other key stakeholders. Those projects should be out for tender later this year.

PROGRAM CONTACT

David Mintak, Regional Manager, Project Delivery Cell: 604 230-4506



Highway 14: Langford to Sooke Corridor Study Estimates Note

Ministry of Transportation and Infrastructure

Date: August 14, 2017

ISSUE

- Concerns around safety and reliability of Hwy 14 between Langford and Sooke

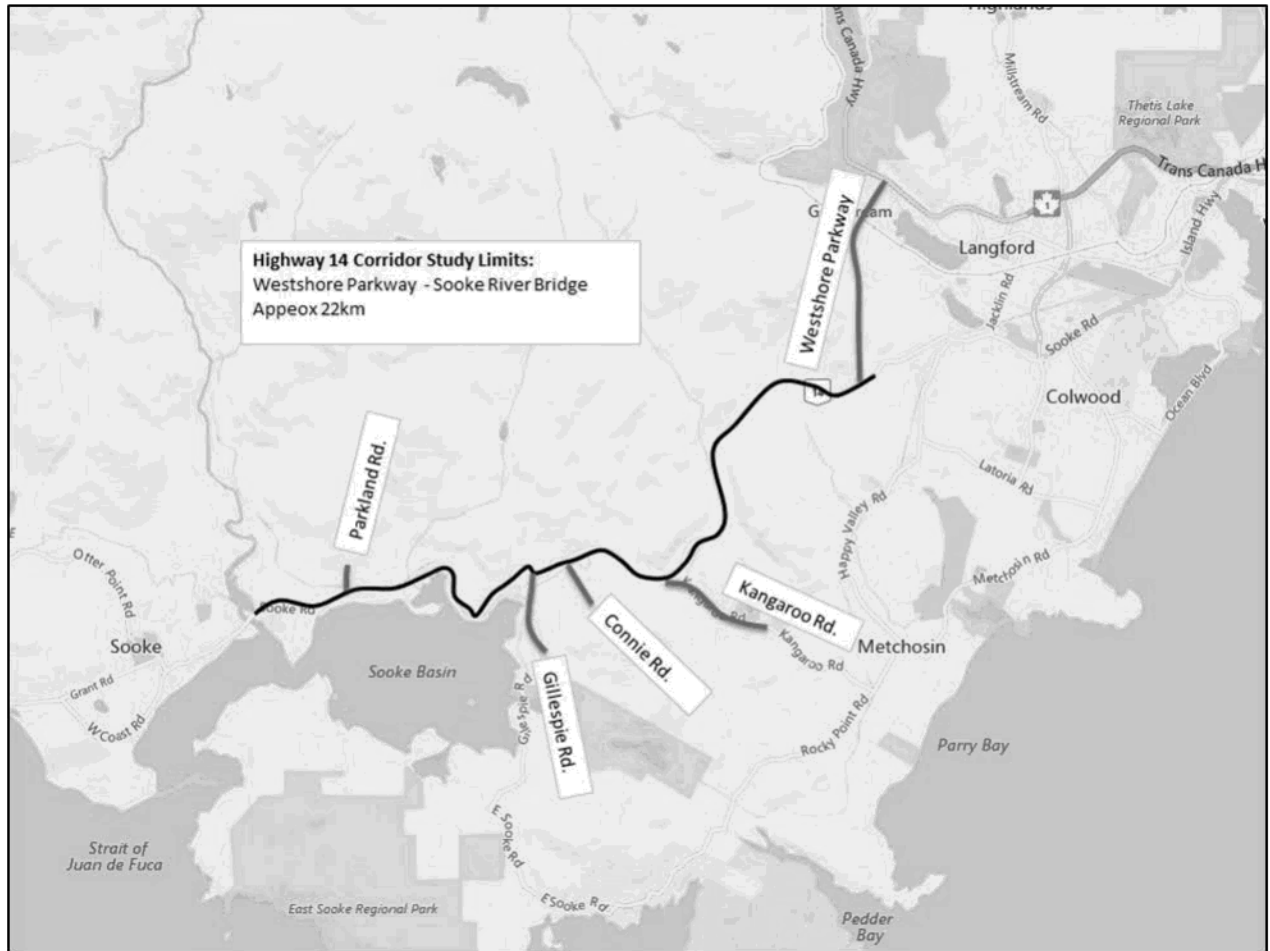
ADVICE AND RECOMMENDED RESPONSE

- In summer 2016, the ministry awarded a \$130,000 contract to CH2M to undertake a corridor planning study.
- The scope of the technical study was to review the current condition and performance of the highway, examine potential upgrades for both the short and long term, and examine ways to promote greater transit use and encourage cycling.
- The report is nearing completion^{s.13}
- In April 2017, the ministry committed to improving safety at the Parkland, Gillespie and Connie road intersections on Highway 14 between Langford and Sooke, through enhanced lighting, signing, delineation and additional brushing. The improvements will be complete this fall.
- The ministry has applied a new higher-quality reflective glass bead to the paint lines to improve visibility at night and is monitoring the effectiveness of this new product.

BACKGROUND

- Highway 14 between Langford and Sooke stretches approximately 22km and is generally a two-lane highway carrying approx. 13,000 vehicles per day, many of which are commuters travelling to the Victoria area.
- The road is generally a two-lane cross section with 1.0 to 1.5m paved shoulders. In the event of a crash, it is often difficult to maintain even single lane alternating traffic.
- Commuters experience congestion on the corridor during morning and afternoon peak periods due to heavy volumes travelling between Sooke and Victoria area.
- Over the 5 year period between 2010 to 2014, the crash rate was found to be approx. 10% higher than the provincial average compared to other two lane highways which is why the ministry continues to invest in safety enhancements on this corridor.
- Over a five-year period (2012-16), the Province invested \$7.28 million into improving Highway 14 between Langford and Sooke.
- Highway closures occur periodically, however, in the last few years, there have been several long closures due to collisions, fires and fallen trees/hydro lines, which have raised concerns from travellers.
- When there is a highway closure between Sooke and Langford, there are only two alternative routes that can be used and it is dependent on the location of the crash. Options include:
 - Detouring via Kangaroo Rd. to Happy Valley Rd. (approx. 20km); or

- Detouring Via Gillespie Rd. to either Kangaroo Rd. (approx. 22km) or Happy Valley Rd. (approx. 25km).



PROGRAM CONTACT

Mike Pearson, District Manager, Vancouver Island District Cell: 250 213-9451

Sunshine Coast Fixed Link Study

Estimates Note

Ministry of Transportation and Infrastructure

Date: August 14, 2017

ISSUE

- Update on the Sunshine Coast Fixed Link Study

ADVICE AND RECOMMENDED RESPONSE

- In February 2016, the ministry initiated a study to determine the feasibility of various fixed link connections between the Sunshine Coast and Metro Vancouver.
- Public consultation took place October 18 through November 8, 2016. Open Houses were scheduled in: Squamish, West Vancouver, Powell River, Sechelt, and Gibson's.
- The ministry presented a series of fixed link connection options considered along with four shortlisted options including: preliminary cost estimates, travel times, and high level multiple account evaluation.
- The consultant also carried out technical workshops with select stakeholders including: municipalities, BC Ferries, and infrastructure experts.
- Final report expected in 2016 and later revised to fall 2017.
- The infrastructure required to build some of the connections (specifically long clear-span bridges) are the longest of their kind in the world and present several unknown risks. These risks are being explored to better evaluate the options to ensure their feasibility.
- The final report will not include a recommendation. It will include a summary of the options feasibility both in terms of overall estimated costs, as well as a benefit/cost analysis.
- The final report is anticipated to be complete and ready for release by the end of September 2017.

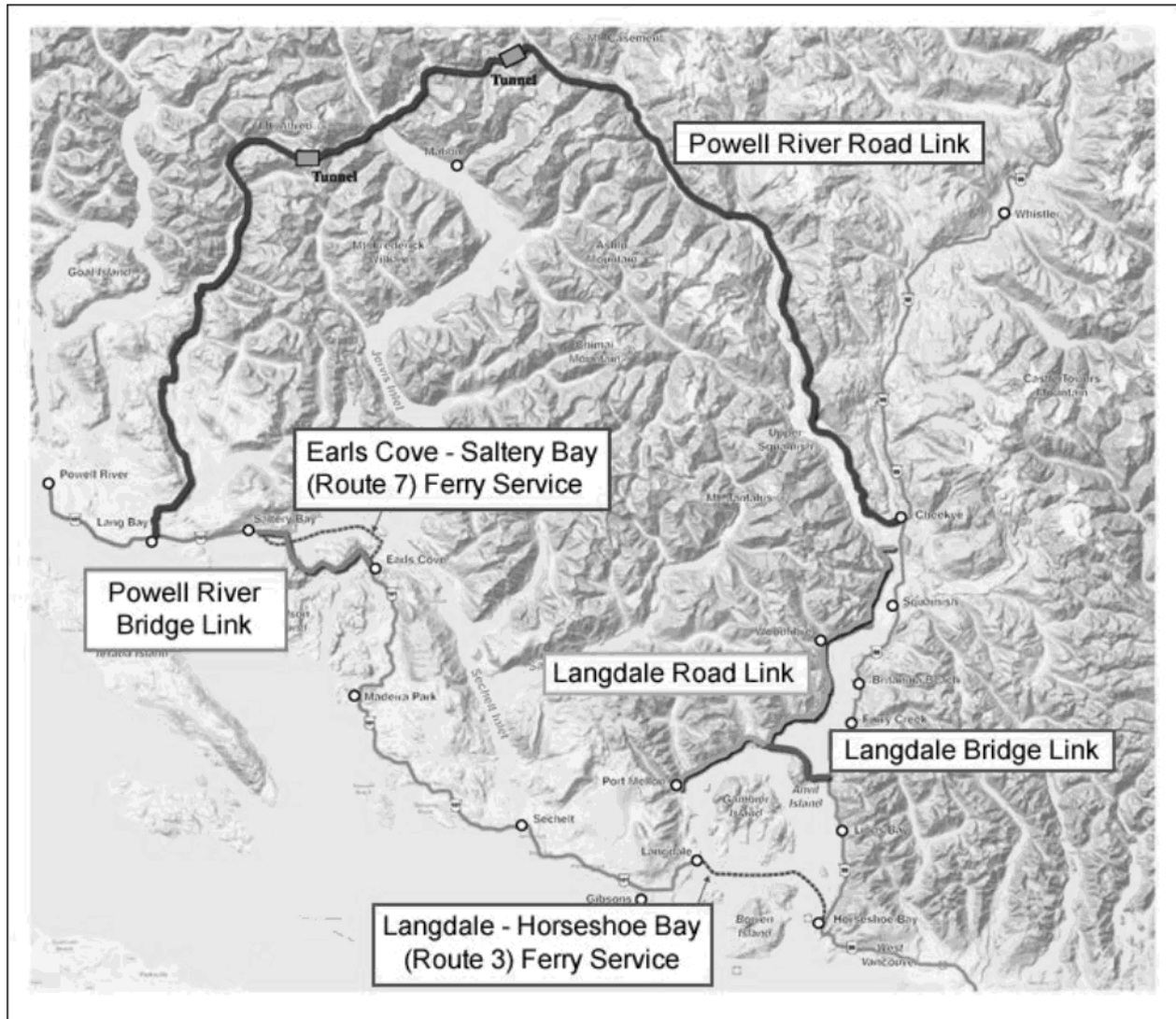
BACKGROUND

- The Sunshine Coast Fixed Link Feasibility Study was awarded to R.F. Binnie & Associates in early February 2016. The consultant contract was for \$250K.
- The study assessed the costs and benefits of possible overland connections and bridge crossings between the Sunshine Coast and the provincial mainland as an option to existing ferry services.
- Crossing options that were evaluated included:
 - Powell River to Hwy 99 road link
 - Earls Cove to Saltery Bay Bridge
 - Port Mellon and Squamish road link
 - Port Mellon and Hwy 99 bridge link
- This study identified the feasibility (financial and physical) associated with each of these options. It included a detailed Multiple Account Evaluation analysis and mobility performance assessment of identified options.
- The study concluded that the options are technically feasible but the costs outweigh the benefits of fixed link.

- Costs range between \$2.0B to \$4.0B and B/C ratios between -0.5 to 0.28.

PROGRAM CONTACT

Andrew Hind, Senior Transportation Planning Engineer - Cell: 604 868-5211



Trans-Canada Highway 1 Kamloops to Alberta Border Estimates Note

Ministry of Transportation and Infrastructure

Date: August 18, 2017

ISSUE

- Trans-Canada Highway (TCH) improvement strategy.

ADVICE AND RECOMMENDED RESPONSE

- Accelerating improvement along the TCH is a top priority for our government.
- That's why we are working to identify several new, expanded or accelerated projects.
- We will be pursuing even more federal funding; to ensure we maximize investment on this critical corridor while ensuring good value for all British Columbians.
- After significant investment on the western section of the corridor in recent years, new investment will focus on the eastern segments of the corridor, to improve safety, reliability and capacity for all users including local residents, commercial operators and visitors.

BACKGROUND

Improvement Strategy

- With expanding markets for B.C. goods, particularly in Asia, the TCH is an important trade route, carrying up to \$32B in goods annually through the corridor.
- The TCH is the busiest rural highway in B.C. with traffic volumes reaching 15,000 vehicles per day in the summer, including nearly 1,300 commercial trucks.
- The TCH can be divided into two sections, each with its own unique characteristics.
- The western section of the corridor, Kamloops to Sicamous, consists of large communities with broad commuter sheds and high traffic volumes. The improvement strategy for this section is to build out from Kamloops and Salmon Arm with a high speed, high capacity four lane highway. The strategy will improve safety and capacity by replacing narrow two lane sections, removing tight curves and constructing high speed interchanges serving local communities.
- The eastern section, Sicamous to the Alberta border, is dominated by challenging terrain and aging structures. The improvement strategy for this section is to replace older narrow bridges with new four lane structures, straighten windy alignments, and create assured passing opportunities; improving safety and reliability.

Acceleration Strategy

- Continue with projects already agreed to between the Province and the Federal Government and under design.
- Focus on new or expanded projects with an emphasis on projects that improve reliability on the eastern section of the corridor.

- Limit additional projects on the western section of the corridor, as many of the projects already agreed to between the Province and the Federal Government are within this section.

First Nations

- The TCH is located within the Traditional Territory of three Nations: the Secwepemc, the Okanagan and the Ktunaxa and seven First Nation Bands. The TCH also passes through five First Nation reserves.
- The ministry has a strong relationship with the First Nations on the TCH corridor. As part of the TCH program, the ministry and the Secwepemc First Nation Bands signed a Corridor Wide Agreement that defines a consultation process to facilitate early, collaborative, and meaningful engagement.
- The section of the TCH from Monte Creek to Salmon Arm is located in an area of unprecedented cultural significance to the Secwepemc Nation. This area is known as the cradle of civilization to the Secwepemc Nation and the archaeological and cultural history dates back over 9500 years. Projects in this area require careful planning in order to move them forward in a timely manner.

s.13,s.17

PROGRAM CONTACT

Jennifer Fraser, Deputy Director, Trans Canada Highway Program, Highways, Cell: 250-318-7195

Page 081

Withheld pursuant to/removed as

s.13;s.17

Trans-Canada Highway - Chase Creek Road to Chase West Tender and Award Timeline

Estimates Note

Ministry of Transportation and Infrastructure

Date: August 8, 2017

ISSUE

- TCH Chase Creek Road to Chase West Contract Tender Timeline

ADVICE AND RECOMMENDED RESPONSE

- The Chase Creek Road to Chase West Four Laning Project will be ready to tender in November 2017.
- Our government is committed to working closely with local community partners to ensure we understand and incorporate their interests into our projects as much as possible.
- We heard from local governments that they wanted more engagement on this project, which is directly adjacent to their communities.
- In response, we have hosted community meetings and continue to work closely with the Village of Chase and First Nations to ensure this significant investment meets the needs of the corridor and the local communities today and into the future.

BACKGROUND

- The Project supports the TCH improvement strategy to increase safety and capacity by replacing narrow two lane sections, removing tight curves and constructing high speed interchanges serving local communities.
- The Project will address the broad commuter shed and high traffic volumes in and around Chase and will address the history of high crash severity (9.1 vs provincial average 6.9) and collision rate (0.59 vs provincial average 0.36). The AADT is 8,500 vehicles per day (vpd) and the SADT is 12,000 vpd. The project has a benefit cost ratio of 0.59.
- The project is Segment 2 of three segments that make up the 11.9 km Hoffman's Bluff to Jade Mountain project on the TCH near Chase and involves 3.4 km of four laning with an interchange access to west Chase with pedestrian/cycling improvements. The interchange location was chosen to avoid significant impacts to existing commercial development, ALR lands, and terrain.
- s.13,s.17
Segment 1 and 2 were announced in 2015, Segment 3 was announced in 2016. The Hoffman's Bluff to Jade Mountain project has a combined value of \$199.22 million with a \$55.09 million federal cost share for Segments 1 and 3.
- The Project is located within the traditional territory of the Secwepemc. Consultation began in 2012 with the Secwepemc First Nation bands. The ministry believes consultation is adequate to proceed to construction. The Federal government endorses the consultation process completed by the ministry.
- As part of First Nation consultation, ^{s.16}
s.16

- s.16
s.16 A public engagement open house to discuss the project is planned for later this Fall (September 2017).
- The project is s.13,s.16 following public engagement, with a completion target of Fall 2019. s.13,s.16
s.13,s.16

PROGRAM CONTACT

Jennifer Fraser, Director, Trans-Canada Highway Program, Cell: 250 318-7195

Westbank First Nation Land Exchange Estimates Note

Ministry of Transportation and Infrastructure

Date: August 15, 2017

ISSUE

- Westbank First Nation (WFN) land exchange – Westside Road interchange.

ADVICE AND RECOMMENDED RESPONSE

- We have made great progress with WFN to identify lands that meet their needs for future housing and are acceptable to local government.
- The six parcels, with a total value of \$6M, do not impact any drinking water sheds or parkland, as was the case with the Rose Valley Lands.
- In order to take land from reserves, Canada requires that replacement lands be given back of equal size or value.

BACKGROUND

- In 2009 the ministry agreed to exchange lands in the Rose Valley area for land from Reserve #9 required for the Westside Road interchange. Total land value \$6M.
- Following concerns from local government over drinking water protection, government deemed the land not suitable and asked the ministry to renegotiate.
- In early 2015 the ministry announced an agreement had been reached on four properties, 2 private properties in Kelowna, one private property in Fauquier and a large tract of Crown land just south of Kelowna. Total value \$4.5M. All four parcels were supported by the City of Kelowna, the Central Okanagan Regional District and the Central Kootenay Regional District.
- In late 2015 the ministry and WFN agreed on two parcels of crown land in the Peachland area. One parcel is a former piece of right of way near Trepanier interchange and the other is Jack Creek Pit, an expired gravel pit on Trepanier Road– total value \$1.5M. Both parcels were supported by the Central Okanagan Regional District.

s.13,s.16

PROGRAM CONTACT

Norm Parkes, Executive Director, Highways - Cell: 250-371-7402

Highway 29 Realignment - Site C Estimates Note

Ministry of Transportation and Infrastructure

Date: August 14, 2017

ISSUE

- Highway 29 Realignment – BC Hydro Site C

ADVICE AND RECOMMENDED RESPONSE

- BC Hydro has been proactive in studying the impacts to the provincial highway network, including those sections directly affected by the reservoir, and also to those roads that will see increased traffic during the construction phase.
- The ministry has recently cancelled and deferred the Bear Flats to Cache Creek road and bridge tenders pending the outcome of the BC Utilities Commission (BCUC) review currently underway.
- We are confident that, should the BCUC review support continuation of Site C, that the Bear Flats to Cache Creek project, along with the other remaining five Highway 29 segments, will be completed in time to avoid inundation of Highway 29.

BACKGROUND

- BC Hydro Site C project will build a hydroelectric dam and create a reservoir on the Peace River impacting approximately 30km of Highway 29 between Charlie Lake and Hudson's Hope (74km).
- Site C was given approval to proceed in 2014 and work began on the dam site in 2015.
- Current designs involve the realignment of Highway 29 in the Peace River Valley in six different locations between Hudson's Hope and Charlie Lake, for a total of approximately 30km of road, including four significant bridges.
- The north bank roads, the main access roads to the dam site, including Old Fort Rd., 240 Rd., 269 Rd. (north bank roads) and 271 Rd will be widened, strengthened, and paved to accommodate the construction traffic. These improvements have begun and are all expected to be fully complete by end of September 2017.
- The proposed road realignments will improve safety throughout the corridor by providing flatter curves, increased sight distances, wider shoulders and bridges.
- Current traffic volume on Highway 29 is approximately 850 vehicles per day,
 - In comparison, Highway 97 between Taylor and Fort St John has approximately 7,150 vehicles per day and 15,100 in the Fort St. John arterial.

PROGRAM CONTACT

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Dean Daniel, Associate District Manager, Peace District, Highways – Cell: 250 219-9959

Brent Davies, Regional Project Manager, Highways – Cell: 250 613-6578

First Nations Road Tenure Estimates Note

Ministry of Transportation and Infrastructure

Date: August 18, 2017

ISSUE

- Ongoing negotiations for the acquisition of road tenure through Indian Reserve lands.

ADVICE AND RECOMMENDED RESPONSE

- The ministry is actively engaged with 38 First Nations in right of way negotiations involving approximately 250 km of roads through Indian Reserves.
- We are eager to work with First Nations to resolve tenure as we see it as an opportunity to build positive relations with First Nations by addressing long-standing community grievances over roads built through reserves without legal right of way.
- Tenure resolution also reduces the ministry's risk of litigation and possible damage awards, as well as decreases the likelihood of potential future traffic disruptions.

BACKGROUND

- Over the past 25 years, the ministry has successfully concluded 54 agreements with First Nations, and subsequently received a federal transfer, which removes the subject Indian Reserve land from federal jurisdiction and provides formalized tenure to the province.
- In the last four years, the ministry has spent \$15M to resolve tenure issues (2013/14-2016/17).

s.13,s.16

PROGRAM CONTACT

Jodi Newnham, Senior Manager, Highways Department, Cell: 250-208-6970

Kinder Morgan Estimates Note

Ministry of Transportation and Infrastructure

Date: August 16, 2017

ISSUE

- The Kinder Morgan Trans Mountain Expansion Project (TMEP) will twin the existing pipeline with a 36 inch diameter pipe and extends from Hwy 16 at the Alberta Border, along Hwy 5 and Hwy 1 to Burnaby (see Appendix A).

ADVICE AND RECOMMENDED RESPONSE

- The ministry is reviewing TMEP permit applications as part of its normal business of ensuring that the construction and operation of works on the right of way (RoW) do not impact the safety of the travelling public.
- Permit decisions will be made when the technical review is complete and it is confirmed that meaningful consultation on the concerns of Aboriginal Groups has been undertaken.
- The technical review of the priority permits will be completed by August 31, 2017.
- MoTI is still seeking information from Kinder Morgan with respect to their consultation process.
- At this time it is not known when the consultation process will complete.

BACKGROUND

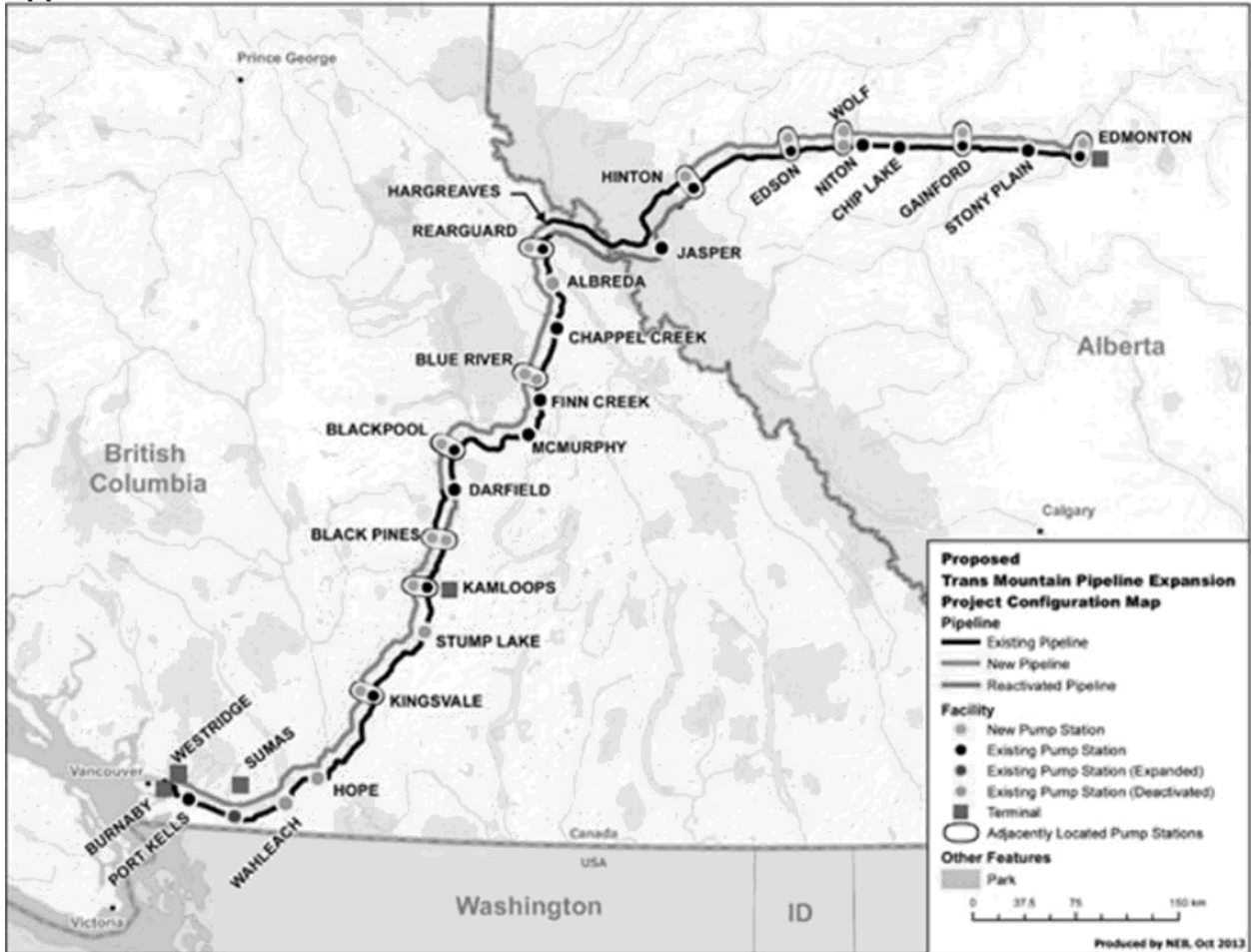
- The ministry has a duty to ensure that the construction and operation of the pipeline does not impact the safety of the travelling public by reviewing permit applications, inspecting the project plans and traffic management/construction activities on ministry RoW.
- Permit reviews are part of normal business for the ministry for any third party who works on the RoW.
- Each permit requires a technical review as well as meaningful consultation with the Aboriginal Groups to address their concerns before permit approvals are granted on claimed or proven Aboriginal Rights (including Title) or Treaty Rights.
- TMEP requires approximately 960 site specific permits and approximately 65 Statutory Rights of Way (SRWs) from MoTI. Permits are required for:
 - the pipeline to be constructed and operated parallel to the highway within the RoW,
 - the pipeline to be constructed and operated crossing the highway,
 - construction personnel and equipment to access sites from the highway and;
 - temporary work to allow pre construction activities or staging areas.
- Procedural aspects of consultation have been assigned to Kinder Morgan. MoTI has a supporting role. Final permit decisions rest with MoTI once technical and consultation requirements are met.
- TMEP has identified 135 priority permits required to start work September 15, 2017. The technical review of those permits will be completed by August 31, 2017.

- The ministry is still seeking information from Kinder Morgan about the information they have provided to Aboriginal Groups.

PROGRAM CONTACT

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Appendix A



Lions Gate Bridge and Ironworkers Memorial Bridge - Vessel Impact Study Estimates Note

Ministry of Transportation and Infrastructure

Date: August 11, 2017

ISSUE

- The Concerned Professional Engineers (a lobby group of mainly retired engineers) has concerns about public safety from increased tanker traffic (sevenfold) resulting from Kinder Morgan's Trans Mountain pipeline expansion.

ADVICE AND RECOMMENDED RESPONSE

- B.C.'s bridges are built to high standards and are very safe. Vessel collision was considered at the time these bridges were built.
- The Lions Gate Bridge (LGB) and Ironworkers Memorial Bridge (IWMB) have operated safely since opening in 1938 and 1960, respectively.
- The Port of Vancouver has extensive operational procedures in place for vessels traveling under these bridges.
- Given the changing types of vessels operating in the Burrard Inlet, the ministry initiated a proactive review of vessel impact protection for both the LGB and IWMB.
- The study is being carried out in consultation with the Port of Vancouver, the Pacific Pilotage Authority, B.C. Coast Pilots and the Transportation Safety Board of Canada and will be completed in December 2017.

BACKGROUND

- Vessel impacts are extremely low likelihood events; however there are potentially high consequences.
- Given that both the LGB and IWMB are older, they do not meet current design code requirements for vessel collisions for new bridges.
- The ministry-led study is based on the current Canadian Highway Bridge Design Code (December 2014).

Lions Gate Bridge

- A 1982 report by the Canadian coast guard identified that the LGB was at risk to ship collision due to the large volume of vessels transiting First Narrows.
- As a result, studies were completed for the north tower (1984) and south tower (1986). Both the towers were found to be vulnerable.
- In 1988, a rock berm was installed at the north tower and a concrete protection collar was installed at the base of the south tower to protect them from vessel impact.
- A vessel impact assessment of the LGB was done at the time of the major rehabilitation of the bridge in 1998, which identified vulnerabilities particularly from impact of vessels with a flared bow shape which includes cruise ships, naval ships and ice breakers. However, due to the extremely low volume of such vessels at the time, the work was earmarked to be addressed in future.

Iron Workers Memorial Bridge

- In 1982, a report by the Canadian Coast Guard identified that the IWMB was at risk to ship collision due to large volume of vessels transiting Second Narrows.
- A study done in 1992 for the proposed widening and seismic upgrade to the IWMB identified that the bridge was vulnerable to vessel collision according to current design codes.

PROGRAM CONTACT

Willem Jellema, Manager, Bridge & Structural Engineering, Highways, Cell: 604-813-8336

OAG Audit – Government’s Climate Change Adaptation Estimates Note

Ministry of Transportation and Infrastructure

Date: September 22, 2017

ISSUE

- The Office of the Auditor General (OAG) is conducting an audit to determine if the government is adequately managing risks posed by climate change.

ADVICE AND RECOMMENDED RESPONSE

- The ministry has been actively engaging with OAG staff.
- A preliminary draft report has been provided to the ministry, and the final report is expected to be publicly released in December 2017.
- OAG noted “this work is recognized across Canada as a leading practice on adaptation”

BACKGROUND

s.13,s.16

PROGRAM CONTACT

Dirk Nyland, Chief Engineer, Engineering Services, Highways Department, Cell: 250-812-6645

OAG Audit – Management of the Highway Capital Asset Condition Estimates Note

Ministry of Transportation and Infrastructure

Date: August 15, 2017

ISSUE

- The Office of the Auditor General (OAG) is auditing the ministry's asset management practices.

ADVICE AND RECOMMENDED RESPONSE

- The ministry has been actively engaging with OAG staff throughout the audit process.
- The ministry has a strong asset management practice and therefore we are expecting a positive review from the auditors.
- s.13

BACKGROUND

- The OAG is performing a cross-government audit on the state of asset management practices with the objective of providing independent verification of asset management maturity.

s.13,s.16

PROGRAM CONTACT

Rodrigo Disegni, Director, Maintenance and Rehabilitation, Highways, Cell: 250-882-8994

OAG Audit – Commercial Vehicle Safety and Enforcement Branch

Estimates Note

Ministry of Transportation and Infrastructure

Date: August 15, 2017

ISSUE

- Office of the Auditor General (OAG) performance audit on Commercial Vehicle Safety and Enforcement (CVSE).

ADVICE AND RECOMMENDED RESPONSE

- CVSE programs are providing a great benefit to the province, through strategic enforcement and education programs in conjunction with the commercial transport industry and other safety stakeholders.
- s.13
- We have been actively engaging with the OAG throughout the audit process. s.13,s.16
- s.13

BACKGROUND

- The OAG audit will focus on the effectiveness of the programs within CVSE including RoadSafetyBC and ICBC.
- The objective of the audit is to determine if the programs delivered by each agency promote the safe operation of commercial vehicles on B.C. roads.
- s.13
- The audit will address five areas of trucking safety:
 - Driver licensing
 - Education and awareness
 - Vehicle Inspection Program
 - Monitoring and enforcement
 - Data and analysis
- s.13,s.15,s.16

PROGRAM CONTACT

Steve Haywood, Director, CVSE, Highways, Cell: 604-220-7176

Maintenance Contract Procurement Estimates Note

Ministry of Transportation and Infrastructure

Date: August 16, 2017

ISSUE

- Procurement of the highway maintenance contracts

ADVICE AND RECOMMENDED RESPONSE

- 27 service area highway maintenance contracts will expire between September 2018 and October 2019.
- To ensure sufficient tendering, evaluation and mobilization periods, the Request for Proposals (RFPs) will be posted on BC Bid one year prior to the contract expiry dates (September 2017 to October 2018).
- The value of the contracts is approximately \$400M annually.
- The contract term length will be 10 years with an optional 5 year extension at the discretion of government.

BACKGROUND

- Maintenance of the highway infrastructure is required to ensure the ongoing safety of the travelling public and upkeep of an asset with a historical value of \$14.7 B.
- Tendering these contracts this fall will ensure highway maintenance will continue uninterrupted when the current contracts expire.
- The contracts are a fixed price, lump sum contract paid annually, which provides financial certainty to the government and transfers appropriate risk to the contractor.
- An unsolicited proposal from the BC Roadbuilders and the BCGEU that was accepted by government offered annual contract savings of 3% per year (\$12M) and labour certainty through long term Collective Agreements.
- In exchange, the government will reinstate labour succession language in the maintenance contracts and contract length.
- This proposal provides the ability to increase the maintenance standards at no additional cost to government.
- It also provides job stability to over 2,000 maintenance workers in 140 communities across the province.
- Increased maintenance standards include:
 - Enhanced winter maintenance;
 - Increased sweeping on cycling routes;
 - Increased use of social media to communicate with public; and
 - Improved highway patrol frequencies.

PROGRAM CONTACT

Ian Pilkington, Director, Maintenance Contract Renewal, Highways, Cell: 250-882-2877

Elimination of Tolls Estimates Note

Ministry of Transportation and Infrastructure

Date: August 18, 2017

ISSUE

- Elimination of tolls on Port Mann Bridge and Golden Ears Bridge

ADVICE AND RECOMMENDED RESPONSE

- On September 1, 2017 tolls on the Port Mann and Golden Ears Bridges were eliminated.
- Our government is committed to making life more affordable for British Columbians in Metro Vancouver and across the province.
- Commuters can look forward to saving as much as \$1,500 per year while commercial vehicles can look forward to a savings of approximately \$4,500 per year (based on one round trip per day, 5 days per week).
- The elimination of tolls on the Port Mann has resulted in the reclassification of TI Corp debt from self-supported to tax-payer supported (\$3.6B)
- The Province has negotiated a one-year agreement with TransLink to compensate them for forecasted, lost toll revenue and is working with them to review options for the long-term future of the Golden Ears Bridge.

BACKGROUND

- On September 1, 2017 tolls were eliminated on the Port Mann Bridge and Golden Ears Bridge.

Port Mann/Highway 1 (PMH1):

- The Port Mann Bridge is currently owned and operated by TI Corp.
- Tolls on the Port Mann Bridge are authorized through a concession agreement between the Province, BC Transportation Financing Authority (BCTFA) and TI Corp, which was put in place via OIC issued under the *Transportation Investment Act (TIA)*.
- Tolls were removed from the Port Mann Bridge via changes to the Concession Agreement (CA) between the Province, BCTFA, and TI Corp.
- Approval of the changes by the Province and BCTFA required an OIC as well as resolutions passed by the Boards of TI Corp and BCTFA.
- Legislative changes were not required.
- Elimination of tolls on the Port Mann Bridge resulted in TI Corp's debt being reclassified from self-supported (through toll revenue) to tax-payer. TI Corp debt of \$3.65B was transferred to the Ministry of Finance and TI Corp will become a subsidiary of BCTFA.
- Fiscal impacts for 2017/18 from eliminating tolls on the Port Mann Bridge are estimated to be up to \$146M (\$94M lost toll revenue and termination costs on Port Mann plus \$52M expensed on the George Massey Project; fiscal impacts for 2018/19

are estimated at \$132M and increasing (due to lost toll revenue less savings on tolling operations and administration) (see Table 1).

- The Ministry of Transportation & Infrastructure will take over the management of the maintenance and operations of the bridge.
- The Ministry of Finance will take over management of the debt and fund related interest expense.
- s.13,s.17

Golden Ears Bridge:

- Golden Ears Bridge (GEB) is owned and operated by TransLink.
- TransLink is authorized to conduct toll collection activities through a bylaw via the South Coast British Columbia Transportation Authority Act (SCBCTAA).
- Removal of tolls from the GEB required an agreement between the Province and TransLink for the compensation of toll revenue, TransLink Board approval and the voluntary amendment of Bylaw 96-2014.
- The Province and TransLink have negotiated a short term agreement in place to cover lost toll revenue and one-time costs for toll cessation on the Golden Ears Bridge. s.13,s.17
- s.13,s.1 Future costs will be negotiated as part of a longer term agreement.
- s.13,s.17

Table 1: Impacts to Fiscal Plan due to Toll Removal

s.13,s.17

PROGRAM CONTACT

Renée Mounteney, MBA,
Executive Director, Infrastructure Development
(250) 208-8876

Metro Vancouver Transit Plan Funding Estimates Note

Ministry of Transportation and Infrastructure

Date: October 10, 2017

ISSUE

- Funding and Implementation of the Metro Vancouver Transit Plan

ADVICE AND RECOMMENDED RESPONSE

- One of the Province's key priorities is to support the Mayors' Council 10-Year Vision for Metro Vancouver transportation.
- Government has committed to funding 40% of the capital costs of every phase of the Mayors' vision, in partnership with all levels of government.
- Through the *Investing in Canada Plan – Phase 1 (Public Transit Infrastructure Fund)*, the Province has committed \$244M to leverage \$370M of federal funding for planning and early works for:
 - Millennium Line Broadway SkyTrain extension,
 - rapid transit south of the Fraser,
 - new rapid transit vehicles, and
 - upgrades to SkyTrain and bus facilities.
- The Ministry of Transportation & Infrastructure (TRAN) and Ministry of Municipal Affairs and Housing (MAH) are working together to secure federal funding for the Pattullo Bridge replacement and further funding for rapid transit projects in Metro Vancouver under *Investing in Canada Plan – Phase 2* including
 - the Broadway SkyTrain extension,
 - Light Rail in Surrey, and
 - upgrades to the existing rapid transit system.

BACKGROUND

- The provincial relationship with TransLink is jointly managed through the Ministries of Municipal Affairs and Housing (MAH) and Transportation and Infrastructure (TRAN).
- MAH is responsible for administering TransLink's legislation (*South Coast British Columbia Transportation Authority Act*), liaising with the Mayors' Council on planning for improvements to Metro Vancouver transit, regional funding needs, governance, and operational matters. TRAN is responsible for capital funding and oversight of major projects including Pattullo Bridge replacement and for other transit projects being delivered under PTIF, as well as administering federal infrastructure funds.
- In June 2014, the Mayors' Council approved a \$7.5 Billion 10-Year Vision for Transportation in Metro Vancouver and confirmed the major rapid transit and Pattullo Bridge replacement project priorities, along with other rapid transit, bus, HandyDART and road/cycling expansion.
- In November 2016 the Mayors' Council approved a Phase One Investment Plan which implements the first phase of the Vision. Senior government funding was provided under Phase One of the federal Investing in Canada Plan with contributions of \$370 Million from Canada and \$246 Million from the Province.
- The Mayors' Council approved additional lifts in existing revenue sources for the Phase One Investment Plan, including (all figures incremental and over the life of the plan): an adjustment to property tax collection (\$365 Million); increased transit revenues from increased transit service (\$230 Million) and annual fare increases (\$90 Million).
- Phase One investments included: planning and early works for Millennium Line Broadway SkyTrain extension and rapid transit south of the Fraser, new rapid transit vehicles (SkyTrain, Canada Line, West Coast Express, SeaBus), and upgrades to SkyTrain and bus facilities.

- In March 2017, the federal government announced \$2.2 Billion over 11 years to fund 40% of additional transit investments in Metro Vancouver (up to 50% for rehabilitation) and the provincial government announced it would match the federal contribution.
- TransLink plans to submit an investment plan to the Mayors' Council for Pattullo Bridge replacement in fall 2017 and for Phase Two of the Mayors' Council Vision in early 2018. The latter will comprise major capital investments including the Millennium Line Broadway Extension, the Surrey Newton-Guildford Rapid Transit line, additional rapid transit vehicles, and SkyTrain upgrades.
- TransLink has recently completed its business case for the Pattullo Bridge Replacement project in consultation with the Province and its key local government partners; New Westminster and Surrey.
- The Province continues to work with TransLink to confirm project costing and delivery assumptions associated with the replacement of the Bridge and construction financing options.

s.13,s.16

- Business cases have recently been completed for the Millennium Line Broadway Extension and Surrey Newton-Guildford Rapid Transit line (TransLink lead with provincial participation) and are currently being reviewed by the province.

s.13,s.16

- Preliminary work by TransLink has shown that incremental regional revenues will be required to facilitate the implementation of Phase Two and future phase projects, and the Mayors have indicated their strong interest in net new revenue sources as part of their funding plan.

s.13,s.16

- Further discussions will be required between the Province, Mayors' Council and TransLink respecting how to best meet the region's future revenue requirements, with consideration of existing authorized regional funding sources and regional proposals for net new funding sources.

PROGRAM CONTACT

Sean Nacey, Director, Infrastructure Department, cell (250) 213-6672

Evergreen Line Project Update

Estimates Note

Ministry of Transportation and Infrastructure

Date: October 10, 2017

ISSUE

- Evergreen Line Rapid Transit Project

ADVICE AND RECOMMENDED RESPONSE

- With the opening of the Evergreen Line on December 2, 2016, Metro Vancouver's SkyTrain service is one of the longest, automated rapid transit system in the world. TransLink is responsible for the operation and maintenance of the system.
- The Evergreen project is one of the largest transportation infrastructure projects in B.C.'s history and is forecasted to be delivered \$70-85M (currently \$79M in \$50 million table) under the \$1.431 billion budget, once trailing costs are closed out.
- The contractor faced challenging ground conditions which made the tunnel boring process slower than was anticipated, which pushed out the substantial completion date by just over three months.
- As part of the fixed price contract, the contractor, EGRT, was responsible for costs associated with any delays or challenges they encountered.
- This was a key part of the contract the ministry signed in order to protect British Columbia taxpayers from the costs of any potential challenges. This included all delays associated with the project and any extra costs related to the tunnel boring machine.
- Current ridership on the Evergreen Line is approximately 30,000 daily riders.
- The Evergreen Line major works contract achieved Total Completion following completion of deficiency work in August 2017.

BACKGROUND

- The Evergreen Line connects Coquitlam City Centre through Port Moody to Lougheed Town Centre in about 15 minutes. It also connects to the rest of the SkyTrain system to Waterfront Station in downtown Vancouver.
- The Province awarded a performance-based, fixed price contract to EGRT Construction in December 2012. The term of the contract was approximately 3.5 years and the substantial completion date in the contract was July 31, 2016.
- EGRT commenced construction in March 2013 and reached substantial completion in on October 31, 2016, representing a three month delay.
- The tunnel boring was originally scheduled to take approximately one year. Main tunnel boring commenced in June 2014 and was completed late November 2015 (approximately 18 months).
- The estimated project cost is \$1.352 billion, with the Government of Canada contributing up to \$424 million, the Government of BC contributing \$507 million, other partners contributing \$21 million and TransLink contributing the remaining \$400 million and operating the system as part of the overall rapid transit network.

- The Evergreen Line was built as a Design Build Finance public-private partnership; the Office of the Auditor General reviewed the project in 2013 and concluded that moving forward with SkyTrain technology was the right decision, and that the Design Build Finance best met government's objectives.
- A Design Build Finance project meant the province and the contractor agreed to a fixed price (\$889 million) for the scope of work set out in the contract. The contract allowed for the province to request and approve scope changes and also defined those risks that the province retained or shared. A project contingency fund was retained to address these types of costs if and when they arise.
- No additional payments were made to the contractor for challenges associated with the tunnel boring. All associated risk and cost was the contractor's responsibility, as per the contract. Even with changes made to complete the tunnel, the project still finished under budget.
- The primary savings were seen in Project Management, Procurement, Interest During Construction and Contingencies.

PROGRAM CONTACT

Lisa Gow, Executive Director, Major Projects and P3 Procurement Cell: (250) 514-6826

Investing in Canada Plan – Phase 2 Estimates Note

Ministry of Transportation and Infrastructure

Date: August 10, 2017

ISSUE

- Funding is available for infrastructure projects in BC under Phase 2 of the federal Investing in Canada Plan.

ADVICE AND RECOMMENDED RESPONSE

- Phase 2 of the Investing in Canada Plan, outlined in Budget 2017, provides \$81.2 billion in new infrastructure funding over 11 years, starting 2017/18.
- \$4.1 billion will be allocated to BC under an Integrated Bilateral Agreement for Public Transit, Green, Rural & Northern Community and Culture & Recreation infrastructure.
- \$5.9 billion is available nationally through merit based programs such as the \$2 B National Trade Corridor Fund and the \$2 B Disaster Mitigation and Adaptation Fund.
- \$18.6 billion is available nationally to support programs directed at Housing, Early Learning and Child Care and Home Care.
- There also may be opportunities for revenue generating projects that leverage private sector participation through the Canada Infrastructure Bank.
- BC will be working with the federal government and project proponents to fully utilize funding available under federal infrastructure programs.

BACKGROUND

- Phase 2 of the Investing in Canada Plan was outlined in the Fall Economic Update (November 2016) and Federal Budget 2017 confirmed an additional \$81.2 Billion in infrastructure funding over 11 years, starting in 2017/18:
 - \$25.3 B for Public Transit Infrastructure;
 - \$10.1 B for Trade and Transportation Infrastructure;
 - \$21.9 B for Green Infrastructure;
 - \$ 2.0 B for Rural and Northern Community Infrastructure; and,
 - \$21.9 B for Social Infrastructure.
- These funds will flow through bilateral agreements and national programs, and to federal departments and agencies:
 - \$32.7 B through **Integrated Bilateral Agreements**;
 - \$18.6 B through **Housing, Early Learning & Child Care & Home Care Agreements**;
 - \$ 5.9 B through **National Merit Based Programs**;
 - \$ 6.3 B to **Federal Departments and Agencies**;
 - \$ 4.2 B to **Indigenous Peoples**; and,
 - \$15.0 B through the **Canada Infrastructure Bank**.

Integrated Bilateral Agreements: Infrastructure Canada's intent is to conclude Integrated Bilateral Agreements with Provinces and Territories by March 2018 to allow funds to flow in 2018/19. These agreements will include \$33.7 billion in funding allocated on a per capita basis and BC's share is approximately \$4.130 billion:

- \$2,691,101,894 for Public Transit Infrastructure

- \$1,115,494,721 for Green Infrastructure
- \$ 166,001,827 for Rural and Northern Community Infrastructure
- \$ 157,081,719 for Community, Culture and Recreation Infrastructure

Housing, Early Learning & Child Care and Home Care Agreements: \$18.6 billion has been allocated to support programs directed at Housing, Early Learning and Child Care and Home Care:

- \$7.0 billion for Early Learning and Child Care
- \$5.0 billion for National Housing Fund
- \$3.2 billion for Federal-Provincial-Territorial Partnership in Housing
- \$2.1 billion for Tackling Homelessness
- \$1.0 billion for Home Care Infrastructure under Health Accord

National Merit Based Programs: \$5.9 billion has been allocated to a series of merit based National Programs under which eligible project proponents from BC could apply for funding (province, local government, not-for profit and for-profit projects) and these programs are expected to launch this summer into the fall:

\$2.0 B – National Trade Corridor Fund	\$120 M – Electric Vehicles and Alternative Fuels
\$2.0 B – Disaster Mitigation and Adaption Fund	\$400 M – Arctic Energy Fund (Territories)
\$100 M – Smart Grid and Clean Electricity	\$300 M – Smart Cities Challenge
\$200 M – Emerging Renewable Energy Technologies	\$300 M – Superclusters Challenge
\$220 M – Diesel Reliance South of 60 th Parallel	\$80 M – Community Educational Infrastructure

Federal Departments and Agencies: \$6.3 billion in funding has been allocated to federal departments and agencies to accommodate improvements to federal rail and marine assets, investments under the Oceans Protection Plan, development of information systems, development of improved regulations, risk assessments, etc.

\$1,925 M - Connect Communities by Rail and Water	\$281 M – Climate Adaption and Resilience
\$1,325 M - Oceans Protection Plan	\$182 M – Energy Efficient building Codes
\$77 M - Modernizing Transportation	\$241 M – Housing Research
\$50 M - Trade & Transportation Information System	\$202 M – Federal Lands for Affordable Housing
\$16 M - Heavy Duty Vehicle and Off-Road Regulation	\$2,000 M – Green Reserve
\$16 M - Climate Risk Assessments	

Indigenous Peoples: \$4.225 billion has been allocated for Improving Indigenous Communities. Funding will be administered through Indigenous and Northern Affairs Canada and the distribution will be determined in partnership with Indigenous Peoples

- \$2 B from Green Infrastructure allocation
- \$2 B from Social Infrastructure allocation
- \$225 M from Social Infrastructure allocation for Housing for Indigenous Peoples Not On Reserve

Canada Infrastructure Bank (CIB): Federal government has passed enabling legislation for CIB, an arm's length agency that will invest in large scale revenue generating projects to leverage private sector participation and financing. CIB is expected to be operational fall 2017 and will have \$15 billion in program funding (\$5 B each from the funds allocated to Public Transit, Trade and Transportation and Green infrastructure) and \$20 billion for debt and equity to support infrastructure.

PROGRAM CONTACT

David Marr, Executive Director, Planning & Programming, Infrastructure (250-356-2100)

Highway 1 – Kicking Horse Canyon Phase 4 Estimates Note

Ministry of Transportation and Infrastructure

Date: October 10, 2017

ISSUE

- Four laning the final 4.8 km segment of the TCH in Kicking Horse Canyon.

ADVICE AND RECOMMENDED RESPONSE

- The project has completed preliminary engineering and will move into Design-Build procurement in spring 2018.
- Construction is expected to begin in 2019.
- Project completion is expected in fiscal year 2023/24.

BACKGROUND

- The final 4.8 kilometres of the 26-kilometre Kicking Horse Canyon section of the Trans-Canada Highway will be upgraded to a modern, four-lane standard, include a combination of bridges, retaining walls, rock catchment ditches and rock fall hazard reduction measures, wildlife exclusion and passage provisions, highway realignment and four lane widening to complete the corridor improvements from the junction of Highway 95 at Golden to the western boundary of Yoho National Park.
- Preliminary engineering is complete. A Request for Proposals will be issued in spring 2018 for Design-Build delivery. Construction is expected to begin in 2019. Project completion is expected in the fiscal year 2023/24.
- The project budget is \$450M. Federal government contribution is \$215.2M under the New Building Canada Fund – National Infrastructure Component (AIP received January 2017) and the provincial share is \$234.8M (TB approval received July 2016).
- There is general public support for Phase 4. Public consultation and stakeholder involvement, including engagement with First Nations, has been carried out during the delivery of earlier project phases (1-3) and during development of Phase 4. Further engagement is planned as the project moves through design-build delivery.
- The fourth and final phase of the Kicking Horse Canyon project will address 4 kilometres of highway running through the challenging mountain terrain east of Golden, where the collision rate is more than 3 times the provincial average.
- This portion of the Trans-Canada Highway serves as a gateway between B.C. and the rest of North America, connecting resource extraction sites with processing, manufacturing, and distribution centres, and is a key part of the province's resource economies, tourism and inter-provincial trade.
- The first three phases of the project have been completed and are now in operation.

PROGRAM CONTACT

W. Murray Tekano, Executive Project Director, Infrastructure and Major Projects Department –
Cell: 250 215-2604

Central Okanagan Planning Study (COPS) Estimates Note

Ministry of Transportation and Infrastructure

Date: October 10, 2017

ISSUE

- The Central Okanagan Planning Study is engaging with local governments, first nations and the public to identify transportation improvements to meet the highway corridor safety and capacity needs including the location and timing for a second crossing of Okanagan Lake.

ADVICE AND RECOMMENDED RESPONSE

- The COPS completed its third round of public engagement in March 2017 presenting preliminary improvement options.
- The COPS is a \$2.5 million planning study, initiated in 2014 examining transportation needs in the Central Okanagan and a possible second crossing of Okanagan Lake.
- The COPS is in the options generation and evaluation stage with a fourth round of public engagement planned for later this Winter (2017/18).
- Local governments, first nations, and the public have been engaged to understand the transportation needs including public engagement events, open houses and online engagement opportunities.

BACKGROUND

- In 2013 the local governments of Kelowna and West Kelowna expressed concern that although the WR Bennett Bridge was improving traffic flow it was important to investigate the timing and location of a potential second crossing of Okanagan Lake and take appropriate steps to protect for it. Both municipalities were concerned that the time required to plan for and construct a second crossing, when needed, meant planning should commence immediately to ensure future right of way could be protected
- The COPS was started in 2014 to examine the transportation needs and develop short, medium and long term improvement plans for the Highway 97 corridor including examination of a future second lake crossing. The study area extends from south of Peachland to just south of Vernon, encompassing the communities of Peachland, West Kelowna, Kelowna, Lake Country, the West Bank First Nation and Okanagan Indian Band.
- The study team has engaged with the local governments of Peachland, West Kelowna, Kelowna, Lake Country, the Central Okanagan Regional District, the North Okanagan Regional District, Westbank First Nation, the Okanagan Indian Band, the Okanagan Nation Alliance, and BC Transit to develop improvement plans that reflect current and future land use and growth plans of their communities.
- A Community Working Group (CWG) has also been formed to bring together key local stakeholders, special interest groups including cyclists and local environmental groups, and community members at large to review the work and provide input to the study team.

- Significant direct public engagement is also being undertaken. The project has conducted three rounds of public open houses to date: May 19th and 20th, 2015 (current transportation conditions assessment); Nov. 30th and Dec. 1st, 2015; (preliminary transportation needs assessment) and March 27th, 28th & 30th, 2017 (preliminary options) at locations in Kelowna, West Kelowna and Lake Country. A fourth round of public engagement is planned for Winter 2017/18. Open house engagement reports are published on line.
- The COPS is being carried out in four stages: Existing Conditions & Performance Assessment; Future Needs Assessment; Options Development & Analysis; and Final Options Recommendations. The study is currently in the Options Development stage. Completion of the final Options Recommendation report is expected in late 2018, followed by a fifth round of public engagement.
- At the request of the District of Peachland, the ministry agreed to expand the scope of the study in December 2015 to include the examination of transportation alternatives for the municipality, including the possibility of an alternate Highway 97 alignment around Peachland. The value of the COPS contract was increased to \$2.5 million to accommodate this work.

PROGRAM CONTACT

W. Murray Tekano, Executive Project Director, Infrastructure & Major Projects Department –
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George Massey Tunnel Replacement Project Estimates Note

Ministry of Transportation and Infrastructure

Date: October 10, 2017

ISSUE

- George Massey Tunnel Replacement Project (GMTRP)

ADVICE AND RECOMMENDED RESPONSE

- The George Massey Tunnel Replacement Project has been put on hold and the design/build/finance/operate P3 procurement has been cancelled.
- The Province will be engaging a lead for an independent technical review of the George Massey crossing in the broader context of regional transportation planning and the Mayors' Council vision.
- The independent technical review report, prepared for the Minister of Transportation and Infrastructure, is anticipated to be complete in about six months.
- In the interim the project is being paused and the current procurement process cancelled.

BACKGROUND

- GMTRP development, planning and procurement were initiated in 2012.
- The preferred concept was a new bridge (eight lanes plus two transit lanes) and upgrades on Highway 99 built to current seismic and traffic safety standards.
- The Project received Environmental and Agricultural Land Commission approvals in early 2017.
- The Province, through TI Corp, initiated the procurement process for a 30-year design, build, partially finance, operate, maintain and rehabilitate (DBFO) public-private partnership in fall 2016.
- Financial and technical submissions were received in April 2017.
- Questions have been raised about the proposed bridge, such as: how the improvements fit within the regional context; the need for 10-lane capacity; tunnel vs. bridge; magnitude of connecting infrastructure, Port role in design, etc.
- In response to these questions, and consistent with the government platform commitment, the Province will conduct an independent technical review to explore and assess all options, and make recommendations with specific emphasis on:
 - The level of improvement needed in the context of regional planning, regional growth and the regional vision; and
 - The best option for the crossing: whether to build a 10-lane bridge, build a smaller bridge, build a new tunnel, or twin the existing tunnel.
- The independent review is anticipated to take six months and will report back to the Minister of Transportation and Infrastructure.
- In September 2017, the GMTRP project was put on pause, and the existing DBFO procurement for the bridge was cancelled.

PROGRAM CONTACT

Lisa Gow, Executive Project Director, Major Projects and P3 Procurement, (250) 514-6826

Millennium Line Broadway Extension Project Estimates Note

Ministry of Transportation and Infrastructure

Date: October 10, 2017

ISSUE

- Millennium Line Broadway Extension (MLBE) Project Update

ADVICE AND RECOMMENDED RESPONSE

- The Mayors' Council transportation priorities for Metro Vancouver include an extension of the Millennium Line SkyTrain along Broadway to Arbutus in Metro Vancouver.
- BC has committed to 40% of the cost of rapid transit in Vancouver.
- TransLink has recently completed its business case for MLBE in consultation with the Province and its key partners.
- We are diligently reviewing the business case as we continue to work with the Mayors toward implementing their vision.

BACKGROUND

- The project includes an extension of the existing Millennium Line SkyTrain service, from VCC–Clark to a new station at Arbutus Street, tunneled beneath the Broadway Corridor and is proposed to include six underground stations at: Great Northern Way; Main; Cambie; Oak; Granville; and Arbutus.^{s.13,s.17}
- s.13,s.17
- Project timelines include earliest procurement in 2018, construction in early 2019 and completion in 2024.
- TransLink has recently completed the business case for MLBE which addresses project rationale, project delivery; procurement, funding and implementation.
- TransLink currently estimates the total project cost at ^{s.13,s.17}
- The province has notionally allocated ^{s.13,s.17} funding in the 10-Year Transportation Investment Plan for the MLBE.
- Under the Public Transit Infrastructure Fund (PTIF) Phase One, early works for the project are underway and include planning and design to move to the procurement phase. This is a \$99 million partnership scheduled to complete in 2019.
- Through PTIF 2, the province will receive approximately \$2.2B from Canada over the next 11 years to fund up to 40% of TransLink projects in Metro Vancouver, which is expected to include the construction of the MLBE project.
- s.13,s.17
-
- MLBE funding approvals will be sought by both federal and provincial government this fall.

- TransLink has started preparation of their Phase Two Investment Plan to submit to the Mayor's Council for funding approval in early 2018. The plan will contain major capital investments including the MLBE project.

PROGRAM CONTACT

Sean Nacey, Director, Infrastructure Department, Cell: (250) 213-6672

Pattullo Bridge Replacement Project

Estimates Note

Ministry of Transportation and Infrastructure

Date: October 10, 2017

ISSUE

- Pattullo Bridge Replacement Project

ADVICE AND RECOMMENDED RESPONSE

- Replacing the Pattullo Bridge is an urgent priority and a key component of the Mayors' Council 10-Year Vision for Metro Vancouver Transportation.
- TransLink has indicated that Pattullo Bridge must be replaced or closed by 2023.
- BC has committed to 40% of the Pattullo Bridge Replacement.
- TransLink continues to explore a range of funding and financing options in consideration of federal/provincial contributions; no federal cost sharing has been secured to date although TransLink has submitted a request for ^{s.13,s.17} in federal cost share funding through the National Trade Corridor Fund.
- TransLink has recently completed its business case for this project in consultation with the Province and its key local government partners; New Westminister and Surrey.
- We are diligently reviewing the business case as we continue to work with the Mayors toward implementing their vision.

BACKGROUND

- The Pattullo Bridge was built in 1937 and connects the cities of New Westminister and Surrey. The bridge was transferred from the Province to TransLink in 1999.
- Due to its age and construction, the existing bridge is vulnerable to various risks, including seismic, wind, river scour, pier impact, deck delamination, and collision risks.
- Translink has indicated that the bridge may need to be closed by 2023 due to the deteriorating safety of the bridge.
- The Mayors' Council has called for replacement of the Pattullo Bridge with a 4-lane bridge (expandable to 6 lanes in the future) with modern lane widths, better connections, a centreL barrier and high-quality cycling and pedestrian facilities.
- Project timelines include earliest procurement late 2017, construction Spring 2019 and completion in early 2023.
- The Mayors' 2014 Vision indicated that the bridge replacement would cost approximately \$1B and to be funded through provincial/federal cost sharing as well as using tolling to pay for their share.
- TransLink has recently completed the business case for the Pattullo Bridge Replacement which addresses project rationale, project delivery; procurement, funding and implementation.

- TransLink currently estimates that the Pattullo Bridge replacement would cost approximately ^{s.13,s.17} Although the scope of the proposed project is still being confirmed, the project cost estimates will be revised further and depend on connections with Highway 17 as well as other treatments for cyclists and pedestrians accessing the bridge.

- s.13,s.16

- The province and TransLink continue to explore whether funding is available through the federal government's National Trades Corridor Fund and Build Canada Fund programs. TransLink has submitted a portion of the project ^{s.13,s.17} under the National Trade Corridor Fund.

- s.13,s.16

- The province has committed to paying 40% of the share of the project. MAH and TRAN are currently exploring funding options for the Pattullo Bridge in the greater context of total cost sharing needs for the Mayor's Council Transportation Plan.
- TransLink and the Mayors' Council have said that the project must be in their approved Investment Plan by Fall 2017 in order for procurement to proceed on a schedule that permits the new bridge to open by January 1, 2023.

PROGRAM CONTACT

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South of Fraser Rapid Transit Project Estimates Note

Ministry of Transportation and Infrastructure

Date: October 10, 2017

ISSUE

- South of Fraser Rapid Transit (SoFRT) Project Update

ADVICE AND RECOMMENDED RESPONSE

- The Mayors' Council transportation priorities for Metro Vancouver include rapid transit on three corridors in Surrey (104th Avenue, King George Boulevard, and Fraser Highway).
- BC has committed to 40% of the cost for the Surrey-Newton-Guildford (SNG) Light Rail Transit (LRT) project.
- TransLink has recently completed its business case for SNG in consultation with the Province and its key partners.
- We are diligently reviewing the business case as we continue to work with the Mayors toward implementing their vision.

BACKGROUND

- The proposed 11 km SNG LRT Line would run along King George Boulevard and 104th Avenue. The project is referred to as the "L-Line".
- The project scope includes 11 stations at opening day, with an additional potential station in the future at 84th Avenue. ^{s.13,s.17}
s.13,s.17
- The most aggressive schedule for the project includes procurement in 2018, construction in 2019 and completion in 2023.
- The Mayors' have also proposed a second phase for the SoFRT project. Construction of the 16 km Surrey–Langley Line along Fraser Highway is planned for five years after the L-Line. While the Mayors Council has proposed LRT technology for this project as well, TransLink is currently evaluating both LRT and SkyTrain technology for the line.
- TransLink has recently completed the business case for SNG which addresses project rationale, project delivery; procurement, funding and implementation.
- Total project cost is estimated at ^{s.13,s.17}
- Under the Public Transit Infrastructure Fund (PTIF) Phase One, early works for the SNG project are underway and include planning and design to move to the procurement phase. This is a \$58 million partnership scheduled to complete in 2019.
- Through PTIF 2, the province will receive approximately \$2.2B from Canada to fund up to 40% of TransLink projects in Metro Vancouver, which is expected to include the construction of the SNG project.
- ^{s.13,s.17}

• s.13,s.17

- SNG LRT funding approvals will be sought by both federal and provincial government this fall.
- TransLink has started preparation of their Phase Two Investment Plan to submit to the Mayor's Council for approval in early 2018. The plan will contain major capital investments including the SNG project.

PROGRAM CONTACT

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Highway 91, Highway 17 and Deltaport Way Corridor Improvements Project Estimates Note

Ministry of Transportation and Infrastructure

Date: October 10, 2017

ISSUE

- Highway 91 to Highway 17 and Deltaport Way Corridor Improvements Project

ADVICE AND RECOMMENDED RESPONSE

- The \$245M Highway 91 to Highway 17 and Deltaport Way Corridor Improvement Project provides highway improvements that will enable BC's economy to continue to grow while reducing congestion along this important corridor.
- These upgrades will increase capacity, efficiency and safety, improve industrial, container trucking and local traffic access, and provide significant economic advantages and broad public benefits.

BACKGROUND

- Current and future container terminal improvements at Roberts Bank Deltaport Terminal 1 will result in increased trade traffic volumes and require corridor improvements to ensure continued highway capacity, efficiency and safety.
- Traffic modelling undertaken by the Ministry has shown that existing road infrastructure on the Highway 91, the Highway 91 connector, Highway 17, and Deltaport Way corridors is currently at or reaching capacity.
 - Congestion on the Highway 91/Nordel Interchange and the Highway 91C/Nordel Way intersection is impacting access to the Nordel Weigh Scale and truck parking area, resulting in closures of the Commercial Vehicle and Safety Enforcement (CVSE) weigh scale during peak periods..
 - The Highway 17/80th Street Intersection has numerous movements operating at capacity during peak periods.
- The Province has developed a \$245M project funding partnership among the Province of BC (\$80M), the Government of Canada (\$81.7M), the Vancouver Fraser Port Authority (VFPA) (\$80M), and the Tsawwassen First Nation (TFN) (\$3.5M).
 - s.16,s.17
- The project was announced publicly in March 2017 by representatives of the Province, Canada, VFPA, Corporation of Delta and the TFN.
 - The TFN owned portion of 27B Ave will be upgraded as part of this project and includes funding from TFN and Canada for that portion of the Project

- A funding Agreement in Principle with Infrastructure Canada was received in February 2017 and a Federal Funding Contribution Agreement is anticipated to be complete by Fall 2017.
- Construction on the project is expected to begin in early 2018 and be completed in 2022.

PROGRAM CONTACT

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BC Transit Financial Overview

Estimates Note

Ministry of Transportation and Infrastructure

Date: October 11, 2017

ISSUE

- Service hour, ridership and fare revenue forecasts in the 2017/18-2019/20 BC Transit Service Plan.

	2017/18	2018/19	2019/20
Provincial operating contribution (\$M)	\$110.2	\$112.0	\$112.0
Total Service Hours (thousands)	2,359	2,443	2,443

- The provincial operating contribution, totalling \$110.209M in 2017/18, consists of:

	2017/18 Amount (\$m)
Provincial Base Funding (per Contribution Agreement)	\$104.906
2017 Economic Stability Dividend and 2016/17 Annualized Expansion	\$0.551
2017/18 Expansion Funding	\$2.021
Sea to Sky / Squamish Start Up Costs	\$0.375
Highway 16 Operating Costs (Provincial 2/3 share)	\$0.800
Supplementary Funding for Victoria System Expansion Hours	\$1.546
Total 2017/18 Provincial Contribution (numbers do not add to exact total due to rounding)	\$110.209

ADVICE AND RECOMMENDED RESPONSE

- The Province provides BC Transit communities with the highest per capita level of provincial contributions towards transit operating costs in Canada – about double the national average.
- In the last ten years the Province has provided nearly \$1.2 billion in operating and capital funding to BC Transit, which has increased transit service by 17%.
- Compared to 2016/17 funding levels, The Province is providing \$5.3 million in new funding to BC Transit in 2017/18, and \$7.1m in new funding for both 2018/19 and 2019/20.
- BC Transit and its partners, as always, are expected to seek opportunities where efficiencies can be achieved.

BACKGROUND

- BC Transit's Service Plan forecasts the service levels BC Transit expects to deliver and the performance it expects to achieve with government operating grants.
- The BC Transit Regulation was amended in 2015 to allow the operating funding approved for BC Transit to be fully utilized to sustain existing services through 2018/19.
- In 2017/18, BC Transit will expand service hours by 70,000. Provincial funding for BC Transit over the Service Plan period will provide for a roughly 6% increase in overall transit service levels.

- Please see table below for 2017/18 Summary Financial Outlook, as per August 2017 updated BC Transit Service Plan

(S000)	2016/17	2017/18	2018/19	2019/20
	Actual	Projection	Projection	Projection
Total Revenue				
Operations	74,495	75,025	75,465	76,367
Provincial operating	104,903	110,209	112,026	112,026
Local government operating & capital	80,095	99,152	114,754	121,273
Deferred capital contributions ¹	30,150	31,457	31,732	35,249
Investment and other income	3,536	3,517	3,517	6,004
Total Revenue	293,179	319,360	337,494	350,919
Total Expenses				
Operations	154,168	170,600	182,224	185,274
Maintenance	50,825	55,609	58,880	60,435
Administration	24,655	27,223	28,711	29,885
Use of Asset	63,587	65,975	67,679	75,325
Total Expenses	293,235	319,407	337,494	350,919
Annual Operating Surplus (Deficit)²	(56)	(47)	-	-
Other non-operational gain (loss)	123	5,807	-	-
Total Annual Surplus (Deficit)³	67	5,760	-	-
Total Liabilities	477,022	574,910	650,548	734,838
Accumulated Surplus	16,246	21,679	21,679	21,679
Capital Expenditures	40,674	151,915	136,492	127,105
<p>¹ BC Transit receives capital funding for the construction or acquisition of assets and their use in program/service delivery. Capital contributions are deferred and recognized in revenue over the useful life of the asset, as program/services are delivered, as directed by the Province.</p> <p>² The Operating Deficit is in respect to retrospective amortization relating to the PSAS adoption in 2011/12 (\$56 in 2016/17).</p> <p>³ Gains due to purchase of land for future transit facilities.</p>				

PROGRAM CONTACT

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Accelerating Purchase SkyTrain Cars Estimates Note

Ministry of Transportation and Infrastructure

Date: October 11, 2017

ISSUE

- TransLink, with the approval of the Mayors' Council, has accelerated the purchase of 28 SkyTrain cars. Canada also approved inclusion of the cars in the list of projects eligible for funding under Phase 1 of the Public Transit Infrastructure Fund (PTIF I).

ADVICE AND RECOMMENDED RESPONSE

- To meet ridership growth to 2020, to expedite delivery, and to take advantage of favourable pricing, TransLink proposed to accelerate the purchase of 28 additional SkyTrain cars.
- On July 27, 2017, the Mayors' Council approved an amendment to TransLink's 10-Year Investment Plan to accelerate purchase of the SkyTrain cars and to expand vehicle storage capacity.
- On September 27, 2017, Infrastructure Canada approved inclusion of these cars and the vehicle storage expansion in the list of projects funded under PTIF Phase 1, in substitution for other projects that were deferred to a future funding program.
- The substitutions will not change overall provincial or federal funding, but will help meet Canada's schedule and cash flow requirements.

BACKGROUND

- In June 2016, the Province and Canada entered into a bilateral agreement to provide funding for 15 TransLink projects (the Project List) valued at \$740M.
- Subsequently, TransLink identified that ridership growth would exceed SkyTrain capacity by 2020. To meet demand, TransLink could exercise a purchase option allowing it to acquire an additional 28 cars at a favourable price (\$10 M savings).
- TransLink also identified several projects that, due to complexity, could not be delivered within Canada's timelines, risking loss of funding.
- The bilateral agreement between the Province and Canada allows the Province to request amendments to the Project List.
- TransLink has ordered the 28 additional SkyTrain cars.

PROGRAM CONTACT

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BC Transit Board and Executive Remuneration Estimates Note

BC Transit

Date: August 29, 2017

ISSUE

- Remuneration for BC Transit Board of Directors and Executive

ADVICE AND RECOMMENDED RESPONSE

Board

- The remuneration framework for Crown Boards is established in Treasury Board Directive 3/11. BC Transit is classified as a level 4 organization and its profile aligns with the other Crowns in Level 4.
- Total board remuneration over the last 3 years is as follows:

	2014/2015	2015/2016	2016/2017
Year Ending March 31	\$78,125	\$95,125	\$84,000

Executive

- BC Transit strives to provide a competitive, fair and equitable compensation program for its executives.
- Total remuneration including salary, benefits, pension contributions, and other compensation for the last 3 years is as follows (includes all executives on payroll during the 3 year period):

Name and Position	2014/2015	2015/2016	2016/2017
Manuel Achadinha, President & CEO (including holdback)	\$349,891	\$354,707	\$350,862
Brian Anderson, VP, Operations and COO	\$202,106	\$205,987	\$214,951
Greg Conner, VP, Human Resources and Corporate Secretary (started March 2015)	\$ 11,644	\$156,041	\$171,941
Aaron Lamb, VP, Asset Management	\$166,923	\$169,349	\$172,122
Erinn Pinkerton, VP, Business Development and Chief Transformation Officer (appointed July 2014)	\$112,725	\$167,186	\$170,315
Alan Thomas, VP Finance and CFO (started Sep 2015)	-	\$102,392	\$173,257
Anwar Chaudhry, VP Finance & CFO (resigned 2014)	\$ 80,694	-	-
TOTAL	\$923,983	\$1,155,662	\$1,253,448

- The increase in the VP Finance & CFO salary in 2016/2017 was because he was only in the position for a partial year in 2015/2016. The increase in the VP Human Resources and Corporate Secretary salary in 2016/2017 was due to a promotion to that position in 2016.

BACKGROUND

- Board composition is specified in the *British Columbia Transit Act*. The Board is appointed by the Province and consists of seven members that include two members of the Victoria Regional Transit Commission, two Mayors or Regional District Chairs and three other individuals.

- The President and Chief Executive Officer of BC Transit is the only recipient of performance remuneration through a holdback. This remuneration was valued at \$66,000 in 2016/2017.

PROGRAM CONTACT

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BC Bus Pass Interoperability Estimates Note

Ministry of Transportation and Infrastructure

Date: October 11, 2017

ISSUE

- The BC Bus Pass Compass Card currently issued by the Ministry of Social Development and Poverty Reduction to low income seniors and people with disabilities is incompatible with BC Transit fare technology, which creates opportunities for misuse and does not provide information on use of the Pass in BC Transit communities.

ADVICE AND RECOMMENDED RESPONSE

- The BC Bus Pass is unique in Canada as the only province-wide transit pass. The objective is to assist eligible individuals to participate more fully in their communities.
- The province will continue to work with TransLink and BC Transit to identify and implement a solution that will allow BC Bus Pass holders to use the pass throughout the province and collect information on the use of the pass.

BACKGROUND

- The BC Bus Pass program is a provincially subsidized annual bus pass available to low-income seniors and individuals receiving disability assistance. The Ministry of Social Development and Poverty Reduction announced that as of January 2018 all eligible British Columbians will get an extra \$52 each month for a new transportation supplement that can be used for an annual bus pass or other transportation needs. SDPR estimates the supplement will cost government approximately \$70 million annually.
- Prior to 2016, a single BC Bus Pass (BCBP) card was used to access both BC Transit and TransLink systems. This card was issued yearly with a different colour, had a magnetic stripe which was swiped through a reader on BC Transit buses and was shown as a visual “flash pass” to the driver on TransLink buses.
- In spring 2016, TransLink closed its fare gates in the Metro Vancouver area, requiring all citizens to use a Compass Card to access SkyTrain platforms, meaning the BCBP card could no longer be used to access SkyTrain. As an interim solution, a uniquely identifiable magenta (red) colour Compass Card was developed and mailed out to all BCBP clients.
- This allowed clients to fully access the TransLink area, but as the Compass Card does not have a magnetic strip, it has become a ‘flash pass’ in all BC Transit areas (meaning BC Transit is no longer receiving ridership data from this segment of riders, and there is no ability to track the number of BCBP holders from Metro Vancouver who are using the BC Transit Systems).
- There are 95,000 BC Bus Pass clients, of these 80 percent reside in TransLink service areas and 20 percent in BC Transit serviced communities and regions.
- Within the TransLink service area, 31 percent of the BC Bus Pass holders are people with disabilities while 69 percent are low-income seniors. In the BC Transit services areas, 57 percent are people with disabilities and 43 percent are low income seniors.
- The number of BC Bus Pass holders who used both TransLink and BC Transit services in 2016 was over 2,000.
- TransLink and BC Transit both expect to be paid to carry BC Bus Pass passengers. Currently, only one transit company is compensated based on the residency of the BC Bus Pass holder.

- BC Transit has started the process of choosing new fare technology that would be implemented across its 83 local transit systems and fleet of more than 1,000 buses. The goal would be to accommodate a variety of payments methods including a customer's own device such as their mobile phone or bank card, or a government issued card. The source of funding to implement new fare technology has not yet been identified.
- TransLink's Compass Card is a proprietary system and BC Transit has indicated it would not be cost effective for BC Transit services throughout the province.
- The province will continue to work with TransLink and BC Transit to identify and implement a solution that will allow BC Bus Pass holders to use the pass throughout the province and collect information on the use of the pass.

PROGRAM CONTACT

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VRTC Fuel Tax Request and Governance

Estimates Note

Ministry of Transportation and Infrastructure

Date: August 29, 2017

ISSUE

- Victoria Regional Transit Commission (VRTC) request for a two cent per litre increase in fuel tax for the Capital Region
- Potential for re-examination of transit governance in the region

ADVICE AND RECOMMENDED RESPONSE

- Today Victoria receives \$33 million from the provincial government for transit operations.
- The Province is committed to working with the VRTC and BC Transit to find a long term solution for Victoria's transit funding needs.
- Regarding the potential for a Regional Transit Authority, there still does not appear to be consensus among local governments in the CRD on regional transit governance.

BACKGROUND

Fuel Tax:

- The *British Columbia Transit Act* authorizes the VRTC to establish service levels, set fares and local property taxes and request collection of fuel taxes.
- The Victoria Regional Transit System is the only BC Transit system with a dedicated transit fuel tax. This tax is currently 3.5 cents per litre and provided approximately \$12.3M in 2016/17 towards local transit.
- The VRTC has increased some fares, and property taxes, and has asked for an increase in the regional fuel tax by 2¢ to 5.5¢ per litre, as its members assert that property taxes cannot reasonably pay for large increases in capital and operating costs.
- In 2016, the VRTC approved a service increase (20,000 conventional and 4,000 custom annual service hours and 8 additional buses) contingent on receiving approval for the fuel tax increase. The fuel tax increase was not included in the 2017 Budget, and the Province provided \$1.8M in interim funding to cover the VRTC's share of the service expansion costs in 2017/18.

Governance:

- In 2012, the *BC Transit Independent Review* presented options for transit governance in the Victoria region, including transferring transit responsibilities from the VRTC to the CRD, but it did not find consensus among local governments.
- The Province indicated that any governance change would require greater agreement than was encountered during the Review and that it expected local governments to continue their discussion.
- In 2014, the CRD completed its *Regional Transportation Plan*, and it developed a proposal for developing a transportation authority that could ultimately become responsible for transit, replacing the VRTC.
- In 2016, the CRD sought support from local governments for the establishment of a regional transportation service; however, there still does not appear to be consensus on this issue among local governments in the region.

PROGRAM CONTACT

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HandyDART Estimates Note

Ministry of Transportation and Infrastructure

Date: October 11, 2017

ISSUE

- BC Transit and TransLink use small buses and taxis to deliver door-to-door custom transit service (handyDART) for passengers with disabilities who cannot use conventional transit.

ADVICE AND RECOMMENDED RESPONSE

- HandyDART provides an essential service to individuals for whom conventional transit is not an option. TRAN remains committed to funding and supporting improvements for this important service.
- BC Transit estimates that 12% of total operating funding (totalling \$29.8 million) will be dedicated to BC Transit custom transit systems in 2017/18.

Operating Costs (\$m)	2017/18	2018/19	2019/20
Total Operating (including expansion)	253.4	269.8	275.6
HandyDART only estimate	30.4	31.0	31.7
% of Total Operating	12%	12%	12%
*costs are not total expenses, as they do not include use of assets (amortization and interest)			

- BC Transit working to improve handyDART service, and is implementing changes that will improve the custom transit registration process and ensure applicants are matched to the most appropriate transit service to meet their needs. Changes include replacing self-assessment with assessments by “mobility coordinators” who are registered occupational therapists. These changes have been successfully implemented in six communities, and BC Transit plans to implement it in all its handyDART systems over the next three years.
- While service decisions are a local government responsibility, BC Transit provides technical expertise and analysis to local governments in order to identify and prioritize transit service changes or improvements on an on-going basis. In 2017, handyDART service expansion will occur in Kamloops, Victoria, Chilliwack, and Kelowna.
- The Office of the Seniors Advocate conducted a survey of handyDART users in 2016. It found that a high proportion of respondents (91%) were satisfied with the overall quality of handyDART service. However, almost one third of respondents stated that their transportation needs were met only moderately or not at all. Service in Metro Vancouver generally scored lower than BC Transit handyDART services. When asked how the service could be improved, the top responses were increased availability and reduced wait times.

BACKGROUND

Usage

- BC Transit’s 20 custom transit systems carried 1.2 million passenger trips in 2016/17. TransLink also provided 1.2 million handyDART trips in Metro Vancouver in 2016/17. Across the province, handyDART accounts for less than 1% of all transit trips.
- In some smaller communities, BC Transit has paratransit systems which provide a combination of conventional and custom transit service. Of the 1 million paratransit trips in 2016/17, handyDART trips accounted for roughly one third of the total.

Rider Experience / Unmet Trips

- In 2015/16, 2% of BC Transit handyDART trips could not be accommodated within a four hour window of the desired time, and were considered “unmet”. TransLink denied just 0.3% of HandyDART trip requests in 2016.
- Most custom transit systems accept a certain level of unmet trips. According to Canadian Urban Transit Association data, 2% of custom transit trips in Canada were “unaccommodated” in 2015, roughly the same proportion as in BC Transit communities. There is usually considerable latent demand for this type of service, so if service is increased then demand will also increase. In addition, demand is often at peak periods when it is very expensive to add additional capacity.
- Both BC Transit and TransLink use taxis to provide trips if handyDART vehicles are unavailable and to supplement services to meet demand. The Taxi Saver program provides discounted taxi vouchers to registered handyDART clients, providing a 50% subsidy on taxi rides. This provides clients with greater convenience for spontaneous travel when handyDART service cannot accommodate their needs.

PROGRAM CONTACT

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Public Transit Infrastructure Fund (PTIF) Program Estimates Note

Ministry of Transportation and Infrastructure

Date: October 11, 2017

ISSUE

- Under Phase I of the Public Transit Infrastructure Fund (PTIF) program, Canada is contributing \$460.5 million towards 50% of the eligible costs of transit investments, with B.C. providing 33% and local governments and TransLink about 17%.

ADVICE AND RECOMMENDED RESPONSE

- PTIF Phase I enables \$920 M of transit investments – \$740 M in Metro Vancouver and \$180 M in the rest of B.C.
- Projects in Metro Vancouver support the Mayors' Council 10-Year Transportation Vision and include planning and early works for Millennium Line Broadway SkyTrain Extension and rapid transit south of the Fraser, new rapid transit vehicles (rail and SeaBus), and upgrades to SkyTrain and bus systems and facilities.
- Projects in the rest of B.C. include new buses, communications technology, a bus lane in Victoria, upgrades to a transit exchange as well as upgrades to existing and construction of new transit operating and maintenance facilities.
- The Ministry is working with TransLink and BC Transit to ensure they deliver projects within federal timelines and budgets.
- Under Phase II of PTIF, B.C. will receive an additional \$2.69 billion from Canada over the next 11 years. A new bilateral agreement and project lists are expected to be developed by March 2018.

BACKGROUND

- In June 2016, B.C. entered into a bilateral agreement with Canada, under which Canada committed to provide \$460.5 in funding towards 50% of the eligible costs of transit-related projects.
- In December 2016, B.C. entered into bilateral agreements with BC Transit and TransLink to deliver the projects and share about 17% of the eligible costs.
- Project delivery is underway, with most work scheduled to complete by March 31, 2019.
- Canada's Budget 2017 committed additional funding over the next 11 years under PTIF Phase II. Canada will fund 40% of eligible costs (50% of rehabilitation costs, capped at 15% of total federal funding). B.C.'s share is \$2.69 B.

PROGRAM CONTACT

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Sea to Sky Transit Estimates Note

Ministry of Transportation and Infrastructure

Date: October 11, 2017

ISSUE

- Local governments in the Sea to Sky corridor have established a working group with the goal of establishing regional transit service between Whistler, Squamish and Vancouver.
- Connecting communities in the Sea to Sky Region was identified as a key priority in the 2016 BC Transit Sea to Sky Transit Future Plan. Extensive public consultation has led to the development of Transit Service Options which are being reviewed by the working group.

ADVICE AND RECOMMENDED RESPONSE

- The province is participating in working group meetings and discussions about inter-community regional transit service in the Sea to Sky corridor. Local governments, including the Squamish-Lillooet Regional District, need to agree on a governance structure and funding model for regional transit services.
- BC Transit has released [plans to release on October 18th] the proposed service options and will be discussing these with the Regional District and local partners over the next month.

BACKGROUND

- Squamish and Whistler have existing local transit systems. Pemberton has a BC Transit service to Whistler.
- The current funding formula for BC Transit services is based on the province contributing 47 percent of operating and capital costs and local governments contributing 53 percent. Local governments receive the fare revenue which offsets a portion of their contribution, (typically funded through property taxes).
- Between 2005 and 2011 there was a Squamish-Whistler service. It started as a winter-only commuter pilot project. In April 2008, with provincial funding support, the service was available year round. In 2011, the service was discontinued.
- In 2016 and early 2017, BC Transit gathered public input through on-line and in-person surveys. Over 2,700 surveys were received. Forty-seven percent of respondents indicated that they travelled the corridor for work, with almost 40 percent doing so daily.
- BC Transit is proposing 6 round trips a day between Squamish and Whistler and Squamish and Vancouver Monday through Friday and 4 round trips per day on the weekend. An additional 2 round trips per day are proposed for the existing Pemberton to Whistler service.
- The total cost annual operating cost is estimated at \$3.3 million (local share would be 53 percent, provincial would be 47 percent using the traditional cost share formula). Eight buses will be required.
- Assuming the local partners can agree on a governance model and commit their share of funding by the spring of 2018, service could begin in the fall of 2019.
- Several private companies operate bus services from Vancouver to Squamish and Whistler. Some of these services provide service from the Vancouver International Airport and can easily accommodate luggage and recreational equipment. BC Transit buses have limited luggage capacity and no washrooms.

- In order for BC Transit to offer a regional service that connects Whistler and Vancouver, it will need to enter into an agreement with TransLink since TransLink's jurisdiction begins south of Lions Bay.
- The public has asked about commuter rail service. If the CN rail line were to be used for frequent passenger travel along the Sea to Sky corridor organizations other than BC Transit would need to be involved. This rail line falls under federal jurisdiction. No commuter rail service feasibility studies have been undertaken.

PROGRAM CONTACT

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Highway 16 Update - Transit Expansion Estimates Note

Ministry of Transportation and Infrastructure

Date: October 11, 2017

ISSUE

- BC Transit has been working with local governments and First Nations to introduce new safe, reliable, affordable inter-community transit service.

ADVICE AND RECOMMENDED RESPONSE

- BC Transit conducted extensive public engagement in designing transit along the Highway 16 corridor.
- They heard people were seeking public transportation that would take them to their next largest community and return home the same day.
- In 2017, four new transit services will provide a travel option for residents living in communities from Terrace through to Prince George.

BACKGROUND

- The province is funding two thirds of the operating costs and covering 100 percent of the vehicle costs, for new BC Transit inter-community services along Highway 16. Traditionally, the province covers 47 percent of operating and capital costs for transit.
- The province has committed \$800,000 a year, for five years beginning 2017/18, towards operating costs. Local governments, as per the BC Transit Act, are required to sign 5 year service agreements with BC Transit.
- Local governments, including regional districts and First Nations, are responsible for one-third of the operating costs. Fare revenue reduces the local governments' contribution, which is typically funded through property taxes.
- Over the last year, local government councils approved allocating funding to the new transit services. In Regional District Bulkley Nechako a new service by-law was established.
- Prince Rupert Council decided not to participate in the new transit service which would have provided a connection to Terrace.
- On January 30, 2017, 6 days per week, daily commuter service between Moricetown and Smithers started. The one-way fare for this service is \$2.75 per person.
- Three-day-per-week service between Burns Lake and Smithers and Burns Lake and Prince George began on June 19, 2017. The one-way fare for this service is \$5.00 per person. Ridership has exceeded expectations with 316 passengers using the Burns Lake – Prince George service in August. BC Transit has proposed adding additional service hours to allow for more and longer breaks along the route.
- Service between the Hazeltons and Terrace is proposed to start on November 20. (*This will not be public until the Regional District Kitimat Stikine Board meeting on October 20.*)

PROGRAM CONTACT

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Transit Ridership – BC Transit & TransLink Estimates Note

Ministry of Transportation and Infrastructure

Date: September 1, 2017

ISSUE

- Provincial transit ridership was up slightly in 2016/17.

ADVICE AND RECOMMENDED RESPONSE

- Total provincial transit ridership was 289 million passengers in 2016/17, up slightly (0.2%) from 2015/16.
- In the last ten years, provincial transit ridership has increased 32%.
- This represents an increase in transit riders of 17% for BC Transit and 36% for TransLink.
- With service expansion planned for some BC Transit communities and for Metro Vancouver over the next 3 years, ridership is forecast to increase by 2-3% percent annually.

BACKGROUND

- TransLink carried 237 million transit riders in Metro Vancouver in 2016/17. While TransLink estimated that the true number of passengers increased, the number it reported was largely unchanged from the previous year due to a change in counting methodology. TransLink's ridership has increased by 36% since 2007/08. TransLink is planning to increase transit service by over 10% by the end of 2019, with annual ridership increases of 2 to 3% forecast over the next 3 years.
- BC Transit carried 52 million riders in communities across B.C. in 2016/17, up 1.2% from the previous year. Service expansion in nearly 30 transit systems in 2017/18 will increase overall service levels by about 3%, with a similar increase in ridership forecast.
- Note that BC Transit and TransLink use the terms passengers and riders; however, the definition is unified: a single rider completing a journey regardless of the number transfers.
- Note that the 2015/16 provincial transit ridership figure of 291 million was a preliminary estimate that included TransLink's forecasted ridership for January to March 2016. TransLink has since reported final ridership figures for 2016 and this is reflected in the revised 2015/16 ridership (288.8 million) reported by TransLink and BC Transit. The 2016/17 ridership was 289.4 million (289 million is a rounded figure) – a 0.2% increase compared to 288.8 million in 2015/16.

PROGRAM CONTACT

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TransLink 15-year Line Use Agreement and 100-year Lands Agreement Estimates Note

Ministry of Transportation and Infrastructure

Date: August 23, 2017

ISSUE

- The Ministry is negotiating new agreements governing TransLink's use of provincial assets and property rights relating to the Expo, Millennium and Evergreen Lines, as well as West Coast Express.

ADVICE AND RECOMMENDED RESPONSE

- Historic agreements that lease to TransLink provincially-owned assets and property rights for the Expo and Millennium Lines as well as for West Coast Express expire in January 2018.
- An interim agreement governing TransLink's use of provincially-owned assets and property rights for the Evergreen Line also expires in January 2018.
- The Ministry is negotiating renewed agreements that will facilitate TransLink's continued operation and maintenance of the SkyTrain system.

BACKGROUND

- By a 1999 Order-In-Council (OIC), updated in 2003 by another OIC and a related agreement, the Province leased to TransLink provincial assets and property rights relating to the Expo Line and West Coast Express.
- In 2002, by two separate agreements subsequently amended several times, the Province leased to TransLink provincial assets and property rights relating to the Millennium Line.
- In 2016, by amendment to the Millennium Line agreement, the Province leased to TransLink provincial assets and property rights relating to the Evergreen Line.
- All agreements expire on January 29, 2018.
- The Ministry is negotiating new agreements with TransLink that are intended to replace the historic agreements before expiry.
- A new 15-year agreement will cover provincial SkyTrain assets and property rights relating to the Expo, Millennium and Evergreen Lines and West Coast Express, whereas as a new 100-year agreement will cover provincially-owned property rights underlying the TransLink section of the Evergreen Line.

PROGRAM CONTACT

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U-Pass BC Estimates Note

Ministry of Transportation and Infrastructure

Date: August 29, 2017

ISSUE

- The province subsidizes the U-Pass BC program in Metro Vancouver to provide public post-secondary students with an affordable transit option.

ADVICE AND RECOMMENDED RESPONSE

- The U-Pass BC program in Metro Vancouver is a partnership among the province, TransLink, participating public universities and colleges and their student associations.
- For fiscal 2017/18, the provincial subsidy is \$10.9 million.
- The current agreement was slated to expire on April 30, 2018. In March 2017, all partners in the program agreed to extend the current U-Pass BC program to December 31, 2019.
- The extension allows TransLink to complete its fare policy review which will be useful in development of a long-term U-Pass BC program.

BACKGROUND

- The U-Pass BC program was introduced in September 2010.
- In 2016, almost 132,000 students across 10 Metro-Vancouver public post-secondary institutions were eligible to receive U-Pass BC. This represents a 2 percent increase over 2015.
- Students at the following institutions have access to U-Pass BC: University of British Columbia, Simon Fraser University, Capilano University, Kwantlen Polytechnic University, Langara College, Douglas College, Vancouver Community College (including the Native Education College), Emily Carr University of Art and Design, Nicola Valley Institute of Technology's campus in Burnaby, and British Columbia Institute of Technology.
- In 2016, U-Pass BC students accounted for 30.8 million TransLink journeys, or 13% of TransLink's passenger journeys.
- The monthly U-Pass BC rate, for unlimited use of transit in Metro Vancouver, is \$41. This is comparable to an adult 3-zone monthly pass which costs \$172. The U-Pass BC monthly rate of \$41 will be in effect through to December 31, 2019.
- A longer-term plan for the U-Pass BC Program (extending beyond December 2019) will be developed in conjunction with TransLink's fare policy review (which is to be finalized in 2018).
- Student associations at each of the participating public post-secondary institutions hold referenda with respect to the mandatory fee for U-Pass BC.
- BC Stats will be conducting a survey of students and graduates to determine if U-Pass created a preference for transit. The survey will be conducted in the first quarter of 2018 with the goal of having over 2,000 respondents. Final results should be available in the spring of 2018.
- U-Pass programs outside of Metro Vancouver are partnerships among the post-secondary institutions, their student associations, BC Transit and local governments. The province has a contribution agreement with BC Transit to support its operating costs. All transit fare revenue goes to local governments to offset their share of

transit costs. Local governments set U-Pass rates and transit service levels in their communities.

PROGRAM CONTACT

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Pacific Gateway Investment Overview

Estimates Note

Ministry of Transportation and Infrastructure

Date: August 29, 2017

ISSUE

- Pacific Gateway Investment Overview.

ADVICE AND RECOMMENDED RESPONSE

- Our world-class transportation network is vital to the future of our communities; it supplies us with goods from around the world we use here at home every day, and enables growing exports that create new jobs and opportunities in B.C.
- The province is making investments in provincial infrastructure to capitalize on our ideal location as a gateway to the Asia-Pacific.
- Our investments attract funding from other levels of government and the private sector and create an efficient, reliable, world-class transportation network.
- Between 2005 – 2012, over \$22 billion has been committed by private and public partners on new gateway-related infrastructure. By the end of 2017, over \$20 billion will be complete, with the rest to be complete by 2022.
- The Pacific Gateway Transportation Strategy 2012-2020 identifies a further \$25 billion needed in new investment – public and private –to build transportation capacity to support projected increases in demand. Over \$21 billion has been committed to date.

BACKGROUND

- Government and industry partners have come together to fulfill the long-term vision of British Columbia as the preferred gateway for Asia Pacific trade, with the most competitive port system on the west coast of the Americas.
- The Pacific Gateway Alliance is a unique public-private partnership that oversees the Pacific Gateway's expansion of port, rail, road and airport facilities. The Governments of British Columbia, Alberta and Saskatchewan, Port of Vancouver, the Port of Prince Rupert, CN, Canadian Pacific and other industry partners are working together to take advantage of Canada's strategic location at the crossroads of the North American marketplace and the booming economies of Asia.
- Of the \$22 billion in investment committed from 2005 to 2012, the province funded \$5.4 billion; the federal government funded \$1.6 billion; local governments funded \$1 billion and the private sector committed \$14 billion.
- A breakdown of current and anticipated investments is included in Appendix A.

PROGRAM CONTACT

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APPENDIX A

Pacific Gateway Strategy Action Plan 2006-2020

\$22 Billion in Investments

Project	Investment Estimate	Location	Completion Date / Status	Funding Partners
<i>Investment in Major Road and Rail Capacity</i>				
Highway 1 Kamloops to Alberta Phase 1	\$224 million	Southeastern BC to Alberta	Completed 2014	BC \$126 million; Canada \$98 million
Roberts Bank Rail Corridor	\$307 million	Lower Mainland	Completed 2014	BC \$50M; Canada \$75M; Translink \$50M; Municipal \$50M; Private \$75M
North Shore Trade Corridor	\$283 million	Lower Mainland	Completed 2016 (WLLRE on hold)	BC \$62M; Canada \$75M; TransLink \$5M; Municipal \$8M; Private \$75M
South Shore Trade Area	\$127 million	Lower Mainland	Completed 2015	Canada \$50M; Municipal \$8M; Private \$68M
South Fraser Perimeter Road	\$1.264 billion	Lower Mainland	Completed 2013	BC \$899 million; Canada \$365 million
Highway 1 / Port Mann Bridge	\$3.3 billion	Lower Mainland	Completed 2013	BC
Kicking Horse Phase 3	\$121 million	Southeastern BC to Alberta	Completed 2012	BC \$69 million; Canada \$52 million
Coast Meridian Overpass	\$135 million	Lower Mainland	Completed 2010	Translink \$60 million ; Municipal \$75 million
Golden Ears Bridge	\$808 million	Lower Mainland	Completed 2009	Translink \$166 million; Private \$642 million
Border Infrastructure Program	\$284 million	Lower Mainland	Completed 2009	BC \$194 million; Canada \$90 million
Pitt River Bridge and Mary Hill Interchange	\$198 million	Lower Mainland	Completed 2009	BC \$108 million; Canada \$90 million
Kicking Horse Phases 1 and 2	\$207 million	Southeastern BC to Alberta	Completed 2007	BC \$124 million; Canada \$84 million
All Other Road Investments <ul style="list-style-type: none"> • Improvements to regional road system, primarily in Metro Vancouver 	\$222 million	Across Province	Completed 2014	BC \$29 million; Canada \$35 million; Translink \$92 million; Municipal \$31 million; Private \$33 million

Project	Investment Estimate	Location	Completion Date / Status	Funding Partners
CN Rail Improvements <ul style="list-style-type: none"> Network improvements (e.g. double-tracking, sidings), acquisitions and rolling stock to improve goods movement on the CN system through the Pacific Gateway (west coast to US mid-west and eastern Canada and US) 	\$3.3 billion	Across CN lines	Completed 2013	Private
CP Rail Improvements <ul style="list-style-type: none"> Network improvements (e.g. double-tracking, sidings), acquisitions and rolling stock to improve goods movement on the CP system through the Pacific Gateway (west coast to US mid-west and eastern Canada and US) 	\$3.1 billion	Across CP lines	Completed 2013	Private
BNSF Rail Improvements	\$197 million	Lower Mainland	Completed 2011	Private \$192 million; BC \$5 million

SUBTOTAL: Investment in Major Road and Rail Capacity **\$14.1 billion**

Investment in Access to Resources in Rural BC				
Cariboo Connector Program Phase 1	\$240 million	Northern BC	Completed 2011	BC \$153 million; Canada \$87 million

SUBTOTAL: Investment in Access to Resources in Rural BC **\$240 million**

Investment in Bulk and Container Terminal Capacity				
Coal Capacity <ul style="list-style-type: none"> Ridley Terminals expansion \$200 million Westshore Terminals expansion \$100 million Neptune Terminals expansion \$64 million 	\$364 million	Across Province	Ridley Terminals Expansion on hold Westshore and Neptune Completed 2015	Private
Vancouver Container Capacity <ul style="list-style-type: none"> Vanterm \$58 million Centerm \$155 million FSD \$190 million Deltaport 3rd Berth \$400 million 	\$803 million	Lower Mainland	Completed 2010	Private

Project	Investment Estimate	Location	Completion Date / Status	Funding Partners
Northern Container Capacity <ul style="list-style-type: none"> Fairview Terminal Phase 1 \$170 million CBSA Container Examination Facility \$58 million Fairview Terminal Phase 2 \$835 million 	\$1.1 billion	Northern BC	Ph.1 Completed 2007 Ph. 2A Completed 2017 Ph. 2B in Planning	BC \$30 million (Ph.1); Canada \$88 million (Ph.2); Private \$945 million
Potash Capacity <ul style="list-style-type: none"> Canpotex Neptune \$75 million 	\$75 million	Lower Mainland	Completed 2012	Private
Wood Pellet Capacity <ul style="list-style-type: none"> Ridley Island Wood Pellet \$7 million Pinnacle Westview \$42 million 	\$49 million	Northern BC	Completed 2013	Private
Port Capacity Improvements <ul style="list-style-type: none"> Canexus chemical \$180 million Kinder Morgan \$150 million Fraser River Dredging \$11 million 	\$341 million	Lower Mainland	Completed 2012	Private \$337 million ; Canada \$4 million

SUBTOTAL: Investment in Bulk and Container Terminal Capacity \$2.7 billion

Investment in Air Capacity				
YVR Capacity Upgrades <ul style="list-style-type: none"> Phase 1 international terminal upgrades \$1.4 billion Phase 2 further international and domestic terminal upgrades \$1.8 billion 	\$3.2 billion	Lower Mainland	Ph. 1 Completed 2009 Ph. 2 Complete by 2022	Private (YVR)
Prince George Airport Expansion	\$36 million	Northern BC	Completed 2009	BC \$11 million; Canada \$11 million; Private \$14 million
Regional Airport Improvements <ul style="list-style-type: none"> Air network capacity and reliability improved throughout BC 	\$154 million	Across Province	Completed 2009	Projects included one or more of the following funding agents: Private Industry, Municipal, Canada, and Province (\$54 million)

SUBTOTAL: Investment in Air Capacity \$3.3 billion

Project	Investment Estimate	Location	Completion Date / Status	Funding Partners
<i>Investment in Transit Connections to YVR</i>				
Canada Line	\$2.0 billion	Lower Mainland	Completed 2009	BC \$252M; Canada \$50M; TransLink \$3M; Municipal \$3M; Private \$8M

SUBTOTAL: *Investment in Transit Connections to YVR* **\$2.0 billion**

TOTAL	\$22.6 billion
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* Sub-totals may not add due to rounding

Pacific Gateway Transportation Strategy 2012 – 2020 \$25 Billion in Investments

- Original estimate of investment needed was \$25 billion.
- Private sector has announced new investments not originally anticipated

Project	Investment Estimate	Committed Investment	Location	Anticipated Completion Date / Status	Responsibility
Highway / Trade Corridor Investment <ul style="list-style-type: none"> • Cariboo Connector Phase 2 • Further Hwy 1 Kamloops to AB border • Lower Mainland municipal road investments 	\$700 million	\$1.64 billion	Across Province	Underway – Completed by 2018	Province / Private Sector
Rail Improvements <ul style="list-style-type: none"> • Capacity improvements to meet future rail mainline growth 	\$2.1 billion	\$14.1 billion	Across CN & CP mainlines	Completed 2013 to 2016	Private Sector
Ridley Island Road Rail Utility Corridor PHASE 1	\$90 million	\$97 million	Prince Rupert	Completed 2015	Private Sector (\$15 million from Province)
Ridley Island Road Rail Utility Corridor PHASE 2	\$210 million	\$210 million	Prince Rupert	2020	Private Sector
Border Infrastructure and Information Systems	\$5.6 million	\$5.6 million	Lower Mainland	Completed 2012	Province
SUBTOTAL: Investment in Major Road and Rail Capacity	\$3.1 billion	\$16.1 billion			
LNG Plants and Pipes	\$18 billion	-	Northeast BC to Coast	By 2020 (Several projects in EA)	Private Sector
Sierra Yoyo Desna Road	\$137 million	\$137 million	Northeast BC	Completed 2015	Province / Private Sector
Oil and Gas Rural Road Improvement Program	\$85 million	\$85 million	Northeast BC	Completed 2015	Province
SUBTOTAL: Investment in Access to Resources in Rural BC	\$18.2 billion	\$0.2 billion			
Roberts Bank Terminal 2	\$2 billion	\$2 billion	Port Metro Vancouver	By 2024 (Project description filed)	Private Sector
Deltaport Terminal Road and Rail Improvement Program (DTRRIP)	\$280 million	\$344 million	Port Metro Vancouver	Causeway overpass opened 2017; Remainder complete by 2019	Private Sector (\$50 million from Province for the Causeway)

Southern Bulk Terminal Capacity Expansion for Coal <ul style="list-style-type: none"> Capacity improvements in Vancouver to meet future coal growth 	\$400 million	\$365 million	Lower Mainland	By 2020 (Westshore, Neptune, Fraser Surrey Docks committed)	Private Sector
Northern Bulk Terminal Capacity Expansion for Coal <ul style="list-style-type: none"> Capacity improvements to meet future Northern B.C. coal growth 	\$400 million	-	Prince Rupert	By 2020	Private Sector
Terminal Capacity Expansion for Potash <ul style="list-style-type: none"> Capacity improvements to meet future potash growth 	\$700 million	\$945 million	Prince Rupert	By 2020	Private Sector
Terminal Capacity Expansion for Metals and Minerals <ul style="list-style-type: none"> Capacity improvements to meet future metals & minerals growth 	\$60 million	-	Northwest BC	By 2020	Private Sector
Terminal Capacity Expansion for Forest Products <ul style="list-style-type: none"> Capacity improvements to meet future forest products growth 	\$30 million	\$42 million	Northwest BC	Completed 2012 (Westview Pellet)	Private Sector
<i>New Grain Terminal Investment</i>	-	\$258 million	Across Province	Completed 2016 (Richardson, Viterra, Alliance, Cargill & Columbia Containers)	Private Sector
<i>New Container Terminal Investment</i>	-	\$255 million	Across Province	Nanaimo completed 2016; Centerm complete by 2020	Private Sector
<i>New Multi-Purpose Break Bulk Terminal Investment</i>	-	\$50 million	Across Province	Completed 2015 (PRPA ro/ro ramp, Stewart World Port)	Private Sector
<i>Other Port Investment</i>	-	\$373 million	Across Province	By 2018	Private Sector

SUBTOTAL: *Investment in Bulk and Container Terminal Capacity*

\$3.9 billion \$4.6 billion

TOTAL	\$25.2 billion	\$21.0 billion
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Kitimat Port Governance and West Douglas Channel Corridor Analysis

Estimates Note

Ministry of Transportation and Infrastructure

Date: August 23, 2017

ISSUE

- The Ministry of Transportation and Infrastructure (MoTI) has taken the lead on two initiatives in the Kitimat area to support and provide coordination to future port development activities: Kitimat Port Governance and the Kitimat West Douglas Channel Corridor Analysis.

ADVICE AND RECOMMENDED RESPONSE

Port Governance:

- Since 2013, the Ministry has led collaborative work with local stakeholders, LNG proponents and governments to consider port management approaches for Kitimat in anticipation of industrial development.
- A society model has been selected as an appropriate governance approach; however implementation will be dependent on final investment decisions of projects planned for the Douglas Channel.

West Douglas Channel Corridor Analysis:

- Between 2013 and 2016, the Ministry took the lead in a corridor study on access to proposed LNG and other industrial developments and along the West Douglas Channel, including the provincial highway and the municipal road infrastructure.
- Provincial agencies, industry, community stakeholders and First Nations participated in the study, which reviewed infrastructure requirements for LNG and other industrial development at the Port of Kitimat.
- This study is now complete and identified an infrastructure corridor that all stakeholders support.

BACKGROUND

- The Port of Kitimat is a private port. A number of private sector industrial and port terminal developments, including LNG, are proposed for the Kitimat area (see Attachment 1).
- Currently there is no form of port governance or port management in place in Kitimat. Stakeholders, including industry, governments and Haisla Nation, recognize a need to collaborate to identify shared issues and develop solutions.
- The Port of Kitimat is a private port. A number of private sector industrial and port terminal developments, including LNG, are proposed for the Kitimat area (see Attachment 1).
- Currently there is no form of port governance or port management in place in Kitimat. Stakeholders, including industry, governments and Haisla Nation, recognize a need to collaborate to identify shared issues and develop solutions.
- The existing road network providing access to several proposed terminal developments along the West Douglas Channel consists of Provincial Highway 37, the District of Kitimat municipal road system, a private road owned by Rio Tinto Alcan (RTA), a Forest Service Road (FSR), and Road Permit road.

- If LNG and other industrial developments proceed, improved infrastructure may be required to provide access and necessary services to these developments.

Port Governance

- The Kitimat Port Management Working Group (KPMWG) was formed in 2013, and is chaired by MoTI. Other members are: RTA, Haisla Nation, District of Kitimat, Regional District of Kitimat-Stikine, proposed LNG proponents (LNG Canada, Alta Gas and Kitimat LNG), Transport Canada, and other provincial Ministries (FLNR, IRR, EMPR).
- While the Port of Kitimat is currently considered a private port, as there is no federal land, and no port authority, Transport Canada announced in 2013 that the waters in the Kitimat harbour would be designated a public port under the *Canada Marine Act*. This was announced as part of a suite of initiatives to ensure Canada has a world class tanker safety regime. Transport Canada is responsible for marine safety, and the regulatory designation will allow them to appoint a Harbour Master and develop practices and procedures for the port, solely on marine matters. Timing of the public port designation is likely dependent on FIDs of LNG proponents.
- MoTI continues to lead the working group to address common interests such as marine safety, marine services, public access to the waterfront and public communications. After considering a range of governance models, the group has determined that a society model is the best fit. A constitution and bylaws have been drafted. Although timing of society incorporation is likely dependent on FIDs of LNG proponents, the group will continue to meet to share information as needed.

Corridor Analysis

- MoTI led industry, government and First Nation stakeholders in a coordinated process to produce a Kitimat West Douglas Channel Corridor Analysis to identify and assess potential infrastructure corridor options (road, pipeline, power, utility, fibre optic) to provide appropriate access and necessary services to proposed LNG and other industrial developments along the West Douglas Channel. This study was completed in August 2016.
- The Corridor Analysis was guided by a Steering Committee consisting of Kitimat LNG (Chevron/Woodside), Enbridge Northern Gateway, Triton LNG and Douglas Channel LNG (Altagas/Idemitsu), LNG Canada (Shell), RTA, District of Kitimat, Haisla Nation and the Province. The cost of the Corridor Analysis was \$1.43 million and was fully funded by the private sector.

Highway 37 Infrastructure

- Highway 37 currently operates at acceptable levels and can generally accommodate added traffic volumes from industrial developments. Potential improvements, if two or more large industrial developments proceed simultaneously, include intersections and passing lanes ^{s.13,s.17}
- MoTI will continue with its current planned highway programs, and monitor the progress of proposed industrial developments for triggers that would require the Province to engage in potential partnerships for identified improvements.

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Prince Rupert Port Initiatives Estimates Note

Ministry of Transportation and Infrastructure

Date: October 11, 2017

ISSUE

- Port of Prince Rupert and Prince Rupert Area transportation trade infrastructure related developments and initiatives

ADVICE AND RECOMMENDED RESPONSE

- The Province supports the continued development of the Port of Prince Rupert and surrounding Prince Rupert-Port Edward region as a key gateway facilitating Asia-Pacific trade.
- The Ministry of Transportation and Infrastructure (TRAN) is assessing the impacts of potential growth in the Prince Rupert area through a number of coordinated planning initiatives.
- TRAN is investing in transportation improvements in the Prince Rupert area, and is actively working with the Port of Prince Rupert, the federal government, communities and the private sector to identify network improvements to improve access through the region.

BACKGROUND

- The Port of Prince Rupert is a key Pacific Gateway port, which provides efficient access for Canadian export commodities destined for Asian markets and container imports. There are a number of proposed export terminals and expansions in the port area as well as infrastructure improvements to facilitate trade. To address current and potential access issues in the region, TRAN is currently undertaking a number of planning and improvement projects.

Prince Rupert Port Developments:

- The Prince Rupert Port Authority (PRPA) is currently undergoing a considerable expansion and a number of trade related developments have been proposed to capitalize on trade growth and proximity to Pacific markets. The completion of Fairview Terminals Phase 2 Expansion will increase container terminal capacity from 775M TEUs to 1.3M TEUs annually. Phase 2 North opened on August 29, 2017 and PRPA is assessing the feasibility of a further expansion in the future.
- On September 11, 2017, CEO of PRPA, Don Krusel announced his retirement after 25 years. The interim CEO is Joe Rektor, who previously served as the Chief Financial Officer. PRPA is currently searching for a permanent replacement.
- Forest products and agricultural products logistics facilities have already begun operations on Ridley Island, with another major logistics facility proposed for South Kaien Island. AltaGas' \$500M propane export facility is already under construction and additional proposed developments such the proposed expansion of the Roll-on-Roll-off Cargo / Breakbulk terminal on Ridley Island will further increase trade related traffic.

- Transport Canada has announced the National Trade Corridors Fund (NTCF) to support projects that increase the fluidity of Canadian trade to improve supply chain performance, increase the resilience of the Canadian transportation system in a changing climate, encourage innovation and leverage investments from multiple partners. The expression of interest phase closed on September 5, 2017 and the Comprehensive Project Proposal Phase will close on November 6, 2017. PRPA submitted four proposals to the NTCF for the following port developments, although only three were approved to continue to the next phase:
 - South Kaien Logistics Park: Site preparation (est. \$10M) of a proposed logistics park (warehousing, transloading, container stuffing) to facilitate First Nations business involvement in international trade. The MOU with Metlakatla First Nation has been signed and feasibility and planning work has been initiated.
 - Road Rail Utility Corridor Phase 2: This proposed rail line expansion is designed to integrate proposed export terminal projects and facilitate private sector investment into export terminals of dry bulk goods and agricultural products and cargo breakbulk products.
 - Zanardi Bridge/Prince Rupert Rail Approach: Replacement of single line rail bridge entry with double track (est. \$20M) able to support future expansion, reduce delays in the port, decrease carbon emissions and mitigate local community impacts.
- The fourth project that has not moved forward to the Comprehensive Project Proposal Phase is the Haul Road Connector. It was designed to support and encourage sustained development of the Port of Prince Rupert and reduce community impacts. PRPA proposed the construction of a private Haul Road Connector (est. \$125M) from Fairview Terminals to the proposed South Kaien Logistics Park and Ridley industrial sites, bypassing downtown Prince Rupert. Although PRPA submitted an application to the NTCF and it did not proceed to the next phase, at present, TRAN has not yet been asked to contribute to the project cost.

Proposed LNG Developments:

Four LNG terminal projects are currently proposed in the Prince Rupert region:

- WCC LNG (ExxonMobil/Imperial Oil): Proposing to locate terminal on City of Prince Rupert owned lands (District Lot 444) on the Tsimshian Peninsula, across Fern Passage from Prince Rupert.
- Grassy Point LNG (Woodside Energy Ltd): Proposing to locate terminal on provincial crown lands at Grassy Point on the north Tsimshian Peninsula (near Lax Kw'alaams village); have sole proponent agreement with province for proposed terminal site.
- NewTimes Energy: Proposing to build up to three floating liquefaction storage and offloading terminals in the vicinity of Prince Rupert. The company has yet to submit an application for an environmental assessment.
- Orca LNG: Proposed location of the LNG facility is in the vicinity of Prince Rupert and the company has yet to submit an application for an environmental assessment.

These four LNG projects are currently in the environmental assessment process. Two other proposed LNG export terminals, Pacific Northwest LNG and Aurora LNG (Nexen/CNOOC), announced on July 25, 2017 and September 14 respectively that they will not proceed. The proponents cited prolonged depressed prices and shifts in the energy industry as reasons for not proceeding with the project.

The Ministry of Indigenous Relations and Reconciliation has concluded benefits agreements with the Lax Kw'alaams and Metlakatla First Nations related to the LNG developments in the Prince Rupert region. Presently there are no direct road linkages in place between the City of Prince Rupert, Digby Island Airport, and the communities of Metlakatla and Lax Kw'alaams on the Tsimshian Peninsula. The potential LNG projects proposed for Grassy Point, Digby Island and elsewhere in the region could present an opportunity to support regional transportation improvements connecting communities, the Digby Island Airport and proposed developments.

TRAN Studies and Improvements:

- Prince Rupert Area Corridor Analysis (PRACA): In response to proposed industrial developments in the Prince Rupert area, TRAN is currently undertaking PRACA. TRAN is funding \$375K of the \$1.025M total study cost, with the remainder coming from the Federal government and LNG partners. PRACA is a conceptual feasibility study of new road and marine alignment options to connect Prince Rupert and Port Edward to various proposed LNG developments, the First Nation communities of Lax Kw'alaams and Metlakatla and Digby Island Airport. Local communities, First Nations, LNG proponents and Canada participate on the PRACA working group. The PRACA final report is scheduled for completion in November 2017.

s.13,s.16,s.17

- Highway Improvements: In 2016 TRAN completed a project to pave and upgrade the existing 17.5 km Tuck Inlet Road to meet TRAN standards and provide the Lax Kw'alaams Band with safe access to its community.

TRAN in conjunction with the federal government is investing an estimated \$37M (\$19.5M province and \$17.5M Canada) to upgrade the Mile 28 Level Rail Crossing, which is the last level rail crossing on Highway 16 between Prince Rupert and the Alberta border. The project is scheduled to begin construction in 2017.

PROGRAM CONTACT

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Ashcroft Terminal Estimates Note

Ministry of Transportation and Infrastructure

Date: October 10, 2017

ISSUE

- On March 31, 2017, the Province announced it would invest up to \$150,000 to study the feasibility of expanding Ashcroft Terminal.

ADVICE AND RECOMMENDED RESPONSE

- Ashcroft Terminal is a privately owned and operated inland port located in Ashcroft B.C. that serves regional, intercontinental and international trade.
- The Ministry is interested in finding out whether the development or expansion of inland port infrastructure could improve transportation efficiency for importers, exporters and transportation service providers, reduce congestion in the Lower Mainland and result in any ancillary benefits.

BACKGROUND

- Inland terminals have been seen as an option to support supply chain efficiency and as complementary to marine terminal development.
- In 2006, TRAN commissioned a study to analyze inland container terminals, which identified some key success factors.
- On March 31, 2017, TRAN announced it would invest up to \$150,000 to study the feasibility of expanding Ashcroft Terminal. The RFP was posted on BC Bid and closed on May 11. Seven proposals were received and were evaluated in May.
- The proponents were advised of the results in June. TRAN staff advised the successful proponent that no work was to begin on the study in light of the formation of the new government, until such time that a contract be signed. No commitments were given.
- The Port of Vancouver (PoV) initiated a study on Western Canadian Inland Ports to be completed this fall. Their study will identify appropriate policy measures that encourage inland terminals to play a growing role in enhancing Canada's competitiveness through facilitating the efficient movement of goods to and through Canada's marine terminals.

s.13,s.16,s.17

PROGRAM CONTACT

Danielle Prpich, Senior Director, Pacific Gateway Branch, cell: 250-812-1263

Roberts Bank/Deltaport Expansion Estimates Note

Ministry of Transportation and Infrastructure

Date: October 11, 2017

ISSUE

- Port of Vancouver expansion at Deltaport Terminal 1 and the proposed Roberts Bank Terminal 2

ADVICE AND RECOMMENDED RESPONSE

- The Province supports the economic development and employment opportunities of Roberts Bank Deltaport container terminal expansion to ensure BC and Canada remain the preferred Gateway for Asia-Pacific trade.
- The Province has negotiated with partners to ensure maximum benefit for BC and to leverage partner funding contributions for transportation improvements that will increase capacity, efficiency and safety; improve industrial and local traffic conditions; and provide broad public benefits.

BACKGROUND

- The Port of Vancouver (POV) is increasing container terminal capacity at Roberts Bank from 1.8 Million to 4.8 Million TEUs through the expansion of the existing Deltaport Terminal 1 and the proposed development of a new container terminal, Roberts Bank Terminal 2.
- These capacity expansions support economic development and employment opportunities. The Deltaport Terminal 1 expansion includes approximately \$300 million privately (Global Container Terminals) funded investment. Port of Vancouver estimates the Terminal 1 and Terminal 2 projects will provide 5,000 direct and 10,000 indirect jobs during construction and over 9,500 direct and 6,000 indirect jobs during operations.
- POV's Terminal 2 Project is subject to a federal environmental assessment. The process commenced in September 2013 and is currently with the independent federal review panel. The BC Environmental Assessment Office is evaluating the project's environmental impacts on provincial interests.
- In August 2016, the Province signed a series of Agreements with POV that provide \$477 million in benefits to the province to address current congestion and enable container expansion at Robert's Bank. The benefits include POV providing funding contributions to provincial highway improvements, ^{s.13,s.16}
s.13,s.16
 - These agreements will to close on or before October 31, 2017. Recently PoV has requested an extension to February 28, 2018 ^{s.13,s.16}
s.13,s.16
 - All the provincial obligations and conditions precedents are complete.
 - An Order In Council enabling the transfer of administration and control of a provincial water lot to Canada was executed and deposited August 30, 2017.

- The Province and BCRC have consulted with First Nations on the BCRC and provincial land transfers to POV and the federal crown. No lands will be transferred until the closing date of the agreement.
- Funding from POV is contingent on fulfillment of the terms and conditions of the Development Agreements. POV must receive approval from Canada to own the lands prior to closing.

PROGRAM CONTACT

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Container Trucking Commissioner Update Estimates Note

Ministry of Transportation and Infrastructure

Date: October 10, 2017

ISSUE

- Update on current activities of the Office of the BC Container Trucking Commissioner (OBCCTC), in operation since February 2015.
- The OBCCTC actively audits drayage companies, ensuring compliance with the Container Trucking Act and Regulations and manages the Truck Licensing System.

ADVICE AND RECOMMENDED RESPONSE

- Container Trucking Commissioner Appointment: We are currently in the selection process and vetting candidates for the Commissioner role. The current Deputy Commissioner was appointed an additional term (September 1 to November 30, 2017) with delegated powers from the previous Commissioner. This interim measure has ensured operational continuity of the OBCCTC until a new Commissioner is appointed (the previous Commissioner's term ended August 31, 2017).
- Audit and Enforcement: The OBCCTC is actively auditing drayage companies to ensure compliance with the Act and to date has completed 64 audits with an additional 30 audits underway, this has culminated in approximately \$2.7 M distributed to truck drivers since February 2015 (inception of OBCCTC).
- Truck Tag Management System: A study of the truck licensing system and issuance of truck tags has been completed, a draft version was publicly posted on the OBCCTC website for stakeholder review and comment in September 2017. The study report comprises four recommendations for truck tag system reform and is currently under review by the OBCCTC and industry stakeholders. Before any changes are implemented, the OBCCTC will conduct further consultation with industry stakeholders, the province and the Vancouver Fraser Port Authority (VFPA).
- Litigation: On June 30, 2017, the Aheer v. British Columbia Trucking Commissioner case was struck down and a decision made that supports retroactive applicability of truck driver rates. Aheer is currently appealing this decision.

BACKGROUND

- In 2014, the Province enacted legislation and regulations that established the OBCCTC to bring stability to the container trucking industry at Lower Mainland ports.
- A 15-point joint action plan was put into place by Canada, BC, VFPA, Unifor and the United Truckers Association. All action plan commitments have been met save for the new enhanced reservation system still in progress by VFPA (the system is expected to be in place by early 2018).
- The OBCCTC is responsible for oversight of rates of remuneration, truck licensing, and mechanisms for industry reform.

- Pacific Gateway Branch provides the annual budget for OBCCTC and has financial signoff on CTC matters.
- The Commissioner meets quarterly with an Industry Advisory Committee (IAC) composed of key drayage sector stakeholders, providing a forum to discuss concerns relevant to the OBCCTC, provincial and federal governments and VFPA.

PROGRAM CONTACT

David Greer, Executive Director, Pacific Gateway Branch, (250) 356-7904

Truck Tag Management System – Office of the B.C. Container Truck Commissioner Estimates Note

Ministry of Transportation and Infrastructure

Date: October 10, 2017

ISSUE

- Truck Tag Management System review and final report with policy recommendations

ADVICE AND RECOMMENDED RESPONSE

- The Truck Tag Management System is being reviewed by the Office of the BC Container Trucking Commissioner (OBCCTC) based on stakeholder requests for system reforms.
- Cascadia Partners was retained by OBCCTC to undertake analysis and hold consultation sessions with stakeholders to gather feedback to inform Cascadia's policy recommendations. The final report and policy recommendations were issued for public comment by OBCCTC on September 1, 2017.
- The OBCCTC is currently reviewing stakeholder submissions and developing its response to the Tag Management System report, which will be issued for further stakeholder feedback in fall 2017 to help inform implementation of truck tag system reforms planned for late 2017 / early 2018.

BACKGROUND

- In 2014, the Province enacted legislation that established the OBCCTC to bring stability to the container trucking industry at Lower Mainland ports.
- A 15-point Joint Action Plan was put into place by Canada, Vancouver Fraser Port Authority (VFPA), BC, Unifor and United Truckers Association. All action plan commitments have been met save for the new reservation system still in progress by VFPA.
- The Container Trucking Commissioner's (CTC) functions include the issuance and management of Container Trucking Services Licences (CTS Licence). Each licence is assigned a number of Truck Tags. Holders of a CTS Licence may choose to assign the Truck Tags associated with the licence to either fleet trucks (driven by company employees) or trucks owned and operated by Independent Owner Operators (I/Os).
- I/Os are only allocated a Truck Tag by a licensee, upon signing a CTS Licence Sponsorship Agreement.
 - If the Sponsorship Agreement is terminated by an I/O, the associated Truck Tag is retained by Licensee and must be filled within 45 days;
 - Conversely if the Sponsorship Agreement is terminated by a Licensee, the I/O has 45 days to move with the Truck Tag to an alternate sponsor (Licensee).

- The Truck Tag and Sponsorship regime associated with the CTS Licence was a product of Truck Licencing System (“TLS”) reform committed to under the Joint Action Plan.
- Licensees have raised concerns that they are restricted in making decisions regarding sponsorship termination for fear of losing a Truck Tag. I/Os are concerned about their ability to change sponsors as needed without injurious effect.
- In response to stakeholder concerns, the OBCCTC, on January 18, 2017, issued a call for submissions seeking input from stakeholders on possible reform measures to the Truck Tag System.
- OBCCTC sought submissions from stakeholders which address one or more of the following terms of reference:
 - Facilitation of reasonable I/O movement to available work;
 - Incorporation of performance metrics when determining a Licensee’s Truck Tag allotment, and
 - Respect for the Vancouver Fraser Port Authority’s (VFPA) container truck requirements.
- OBCCTC retained Cascadia Partners to develop the Tag Management System report, including engaging stakeholders in consultations to inform recommendations. The final report and policy recommendations were submitted, and OBCCTC publicly issued the report on September 1, 2017 for comment.
- Five written submissions were received by OBCCTC (Unifor, BC Trucking Association, Harbour Link, United Truckers Association, an independent operator). OBCCTC has also consulted with the Industry Advisory Committee and met with Unifor, the Teamsters, VFPA and BC Trucking Association members to discuss the report.
- The next step is for OBCCTC to summarize the stakeholder responses and prepare its response to the Tag Management System report, which is targeted for October 2017. Further action includes final stakeholder feedback in November, followed by OBCCTC implementation of system reforms in late 2017 / early 2018.

PROGRAM CONTACT

David Greer, Executive Director, Pacific Gateway Branch, (250) 356-7904

Belleville Terminal Redevelopment Estimates Note

Ministry of Transportation and Infrastructure

Date: August 14 2017

ISSUE

- With the replacement of Black Ball's wharf (May 2016) and rehabilitation of Clipper Navigation's wharf (April 2017), the ministry and local stakeholders are interested in pursuing the redevelopment of the site with a consolidated terminal facility that includes impending federal pre-clearance security measures and provides an improved customer experience.

ADVICE AND RECOMMENDED RESPONSE

- The ministry is committed to supporting the region-wide economic benefits generated by the ferry operators at Belleville Terminal, and to that end is exploring the potential to provide a new and more efficient terminal facility that works better for passengers, commercial freight, and both border agencies.

s.12,s.13,s.16,s.17

BACKGROUND

- The Clipper ferry has served the Victoria area for 31 years (since 1986) and the Black Ball ferry for 58 years (since 1959), contributing approximately \$180 million net GDP annually to the Victoria regional economy.
- Since entering into long term lease arrangements with Black Ball Ferry Line in 2015 (60 year term) and Clipper Navigation in 2017 (30 year term), the ministry has undertaken a program of rehabilitation at Belleville Terminal. Black Ball's wharf was replaced in May 2016 with a service life of 60 years, and Clipper's wharf was rehabilitated in early 2017, extending its operating life for approximately 10 years, when the wharf will need to be fully replaced.
- The need for a redevelopment strategy is the result of several factors including: replacing the Clipper wharf within 10 years, the Canadian federal adoption of pre-clearance security measures at border crossings, addressing the several functional deficiencies in the existing ferry terminal buildings, and providing a more attractive customer experience.
- The U.S. federal government has passed pre-clearance legislation.
- Given the site challenges encountered by Black Ball during its wharf construction, the project team is placing significant focus on investigating the current site including conducting detailed geotechnical analysis, environmental investigations, and topographical analysis. This information is used to support conceptual work such as building design, vehicle and passenger flows on site, security upgrades, site

preparation work (e.g. raising ground level), and Clipper wharf replacement options. This preliminary work will significantly reduce known site challenges and provide a detailed and defensible cost estimate.

- Victoria city staff and members of the Properties and Land Management Branch (PLMB) Belleville project team have agreed to set up a working group to deal with traffic flow issues that may arise out of terminal redevelopment.

PROGRAM CONTACT

Kevin House, Manager – Property Development & Marketing, Partnerships Department

Fraser River Dredging Estimates Note

Ministry of Transportation and Infrastructure

Date: September 8, 2017

ISSUE

- Completion of a \$10 million Fraser River dredging program provides important access to local communities.

ADVICE AND RECOMMENDED RESPONSE

- In response to local residents' concerns over silt buildup in the Fraser River, the Province entered into a partnership in 2013 with the Federal Government, Port Metro Vancouver, Delta and Richmond to develop and fund a \$10 million initiative to dredge the lower Fraser River in Ladner Harbour, Deas Slough, Sea Reach and Cannery Channel.
- The Ministry of Forests, Lands, Natural Resource Operations & Rural Development (FLNRORD) is the provincial ministry responsible for managing the lower Fraser River. The Ministry of Transportation agreed to provide a one-time funding contribution to help expedite this important work in conjunction with its partners.
- The work was supported by the important contributions of the Ladner Sediment Group, Steveston Village, and float home and marina owners on the Fraser River.
- The first phase of dredging was completed in 2016 at a cost of approximately \$6 million.
- In 2017, the agreement was amended to add the Steveston Harbour Authority as a funding partner, to clarify the contribution of Richmond being a total of \$1.25 million, the Delta total of \$1.8 million, and to establish a plan for \$1.76 million of dredging in Steveston Harbour in 2017.
- The remaining provincial funding of approximately \$863,000 will be used for \$563,000 of maintenance dredging in Delta and for \$300,000 of channel dredging in Richmond.

BACKGROUND

- FLNRORD is the provincial ministry responsible for managing the lower Fraser River; however in order to expedite funding the BC Transportation Financing Authority was used as the source of the \$3 million provincial contribution. FLNRORD has taken the lead in discussions with agencies, local government and interest groups concerned about dredging the side channels of the lower Fraser River.
- Prior to 1998, the Canadian Coast Guard was responsible for dredging the Fraser River. In 1998, Federal funding ceased and responsibility for dredging the deep-sea shipping channels was taken over by what is now Port Metro Vancouver.
- Historically Transport Canada constructed engineered structures at key locations along the Fraser River to divert most of the flow into the main channel to manage sedimentation. While this was successful in reducing the need for dredging the main channel, it reduced flows along the local waterways by as much as 70%, resulting in increased sedimentation.
- Due to increased sedimentation, waterways which used to have over six metres of water at low tide were reduced to less than a metre resulting in float homes, docks, boats and vessels being frequently lifted out of the water at low tide.

The 2013 contribution agreement as amended in 2017 is as follows:

Funding Partner	Contribution
• Port Metro Vancouver	\$2.75 M
• Province of British Columbia	\$3 M
• Corporation of Delta	\$1.8 M
• City of Richmond	\$1.253 M
• Steveston Harbour Authority	\$.550 M
Total	\$9.353 M

Funding remaining for the program:

By Funding Partner:	
• Port Metro Vancouver	\$761,263
• Province of British Columbia	863,811
• Delta	206,372
• Richmond	916,500
• Steveston Harbour Authority	550,000
Total funding available	\$3,297,946

By Area:	
• Delta	\$1,531,112
• Richmond	1,766,834
Total funding available	\$3,297,946

Delta:	
• Port Metro Vancouver	\$761,263
• Province of British Columbia	563,477
• Municipality (Delta)	206,372
Total funding available for maintenance in Delta	\$1,531,112

Richmond:	
• Port Metro Vancouver	0
• Province of British Columbia	\$300,334
• Municipality (Richmond)	916,500
• Steveston Harbour Authority	550,000
Total funding available for dredging in Richmond	\$1,766,834

PROGRAM CONTACT

David Greer, Executive Director, Properties and Land Management Branch, Partnerships Department, Cell: (250) 208-4350.

Release of Assets for Economic Generation (RAEG) Estimates Note

Ministry of Transportation and Infrastructure

Date: August 30, 2017

ISSUE

- Release of Assets for Economic Generation 2017/2018 Forecast

ADVICE AND RECOMMENDED RESPONSE

- The current BCTFA target for this initiative is \$^{s.17} for Fiscal Year 17/18.
- \$^{s.17} is forecasted for Fiscal Year 18/19 for a total of \$^{s.17} over two years.
- We are currently marketing real estate assets that are no longer part of government's current or long-term plans to deliver services. We are conscious that these asset sales can spur economic activity around the province, create jobs and provide other revenue streams for the province and its communities.
- Properties under consideration include surplus land acquired for the development of transportation corridors, vacant parcels of Crown land and a number of long standing provincial holdings that are more appropriately developed by the private sector.
- The province respects the need to consult with First Nations on the disposition of any Crown lands.

BACKGROUND

- In October 2011, the province undertook a review of its major real estate assets valued at \$1 million or more to identify surplus real estate properties that are not of strategic priority. A management plan for each selected property, along with marketing strategies, has been developed.
- Properties being considered for sale are spread out around the Province. The sales are not anticipated to flood the market and result in a decline of commercial and private property values.
- The sale of BCTFA property assets contributes to capital necessary for future transportation and infrastructure projects throughout the province.

PROGRAM CONTACT

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Page 161 to/à Page 163

Withheld pursuant to/removed as

s.16;s.13;s.17

Loggers Lane Estimates Note

Ministry of Transportation and Infrastructure

Date: September 19, 2017

ISSUE

- Loggers Lane Disposition.

ADVICE AND RECOMMENDED RESPONSE

- BC Rail Property and Ministry staff are currently ^{s.13,s.16}
s.13,s.16
- s.13,s.16
- BCR Properties Ltd (“BCRP”) has a commercial mandate to dispose of their non-strategic land holdings and to obtain market value for these surplus property sales. Any surplus land sales significantly below market value would require Treasury Board approval.
If asked
- s.13,s.16

BACKGROUND

- The rail spur line (“Corridor”) running adjacent to Loggers Lane in downtown Squamish was part of the former BC Rail line that was included in the British Columbia Railway Company (“BCRC”) and CN Revitalization Agreement, and had been under lease to CN since 2004. There were no active rail customers on that spur line and CN had not used the line since 2004.
- The District of Squamish had indicated they wanted the linear corridor to serve as a transportation pathway (additional roadway, bikes and pedestrians) and a utility corridor to serve their planned Oceanfront Development at the south end of the Corridor. On January 7, 2013, the DoS provided a written request to CN for them to decommission the unused rail line along Logger’s Lane and surrender that portion of the lease back to BCRC. In April 2015, the CN lease surrender to BCRC was completed. BCRP has since met several times and have had ongoing discussions with DoS CAO and senior staff over the past two years.
- s.13,s.16,s.17

s.13,s.16,s.17

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- Servicing and legal access would enable developers of the adjacent properties to proceed with their developments and will create the marketability that they currently do not possess. The community at large would benefit from the proposed bike/walk-way, servicing extension and routing infrastructure.

- s.13,s.16,s.17

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- In general, an appraisal is ordered to provide an opinion of value for a property, which is then used to inform marketing. The Corridor property is appraised with a view to its highest and best use, which is generally the approach taken with appraisals.

- The marketing of a property is a separate function entirely from an appraisal and can be conducted in a variety of ways, s.13,s.16,s.17

s.13,s.16,s.17

- Before a property is marketed, due diligence has to be completed. This includes: environmental investigation and clearance, First Nations consultation, appraisal, and in many cases local government consultation. In some cases these activities lead to a direct sale to a First Nation or local government. Once this process is satisfied and provided local government doesn't acquire the property, it can be placed on the open market.

s.13,s.16



PROGRAM CONTACT

David Greer, Executive Director, Partnerships, Cell: 250 208-4350

Squamish Yard Estimates Note

Ministry of Transportation and Infrastructure

Date: August 25, 2017

ISSUE

- Squamish Yard vision and land use planning

ADVICE AND RECOMMENDED RESPONSE

- BCR Properties Ltd (BCRP) has been consulting with stakeholders on the Squamish Yard property over the past few months and has engaged a planning firm to evaluate the property and provide advice on its best use to drive value for the Province, and for the community in regards to job growth, while maintaining the property as a strategic asset for future Pacific Gateway opportunities.

BACKGROUND

- The BCRP Squamish Yard property was formerly the site of BC Rail's primary Mechanical Yard, housing BC Rail's car and locomotive repair shops for nearly a century. The Yard is located about 3 miles north of Squamish Terminals, via a direct rail spur connection and in close proximity to the Sea-to-Sky highway.
- The Yard is about 90 acres in size with 8 large shop buildings, comprising about 250,000 sq. ft. of shop floor space.
- The Yard had extensive soil and groundwater contamination from nearly a century of use as a railway mechanical repair yard facility. Remediation efforts were completed to enable BCRP to obtain a risk-based Certificate of Compliance (CoC) from the Ministry of Environment (MoE) in 2016. Even with a risk-based CoC, the Site still has about 30,000 cu m of residual contaminated soil and contains two In-situ Hazardous Waste Management Facilities (MoE covenants on title) to be risk-managed during the future use of the Yard.
- Due to the extensive contamination and decade-long period of investigation and remediation, vacant buildings and usable vacant lands have been offered for lease (leasing opportunities listed through Cushman Wakefield since 2005) to generate ongoing income. Currently 5 of the 8 buildings (about 120,000 sq. ft.) and 30 acres of the lands are leased out, generating in excess of ^{s.17} per year in lease revenue.
- Squamish Terminals (ST) is a deep-water port situated on BCRP lands under a long-term lease and is connected to the Squamish Yard by rail. The Squamish Yard has significant strategic importance to ST, as ST has limited on-terminal footprint of land and many of their business opportunities are dependent on nearby accessible laydown areas, especially for transload of pipe to rail. Numerous steel pipe and product shipments in past years have used short-term leased portions of the vacant Yard as a temporary laydown and rail transloading location. Future port activities and opportunities would be jeopardized without access to portions of the Yard. ST asked that the Province/BCRP consider their needs in any future land use scenarios.
- Squamish Yard has been considered as a strategic port-related land holding for the Province, being a large industrial-zoned property in proximity to tide-water, highway

and rail connections, just as are the BCRP-owned Vancouver Wharves property and Squamish Terminals property.

- During consultation with the District of Squamish (DoS), they expressed a desire for the Yard to enable job creation, and the ability for current tenants to stay and grow their business through long-term leases or other mechanism.^{s.13,s.16}
- Urban Systems, a private urban planning and engineering contractor, will be working with BCRP to review opportunities to enhance the highest & best use of the Yard and how it would best support local economic development. There is no current ETA on the completion of this exercise but staff will continue to liaise with stakeholders to keep them informed of progress and seek input where appropriate.

PROGRAM CONTACT

David Greer, Executive Director, Partnerships, Cell: 250 208-4350

BC Railway Mandate Estimates Note

Ministry of Transportation and Infrastructure

Date: September 28, 2017

ISSUE

- BC Railway Company (BCRC) is a self-supporting commercial crown corporation and has generated approximately \$1.5 billion in proceeds for the Province since 2002.

ADVICE AND RECOMMENDED RESPONSE

- BCRC is a crown corporation incorporated under the *British Columbia Railway Act*.
- Between 2000 and 2002, the Provincial Core Services Review determined that BCRC had an unsustainable debt load and would require significant additional capital investment.
- In 2002, the Province directed BCRC to exit any money-losing operations, to divest of all non-railway businesses and to seek alternative means of providing rail freight operations, in a way that maximized value for the Province.
- Since then, BCRC has completed the CN Investment Partnership, divested its marine operations and sold surplus real estate holdings, generating approximately \$1.5 billion in proceeds. This allowed the Province to retire BCRC's \$500 million debt and establish significant legacies, including the Northern Development Initiatives Trust, the First Nations Trust, and investment in other provincial priorities.
- On April 1, 2010, BCRC moved under the direction and control of the Ministry of Transportation and Infrastructure, becoming a wholly-owned subsidiary of the BC Transportation Financing Authority (BCTFA), with the following mandate:
 - **Pacific Gateway** – Support the Pacific Gateway strategy by acquiring/holding strategic lands and making infrastructure investments to benefit the Province.
 - **CN Partnership** – Retain ownership of the former BC Rail right-of-way and assets leased to CN and provide ongoing management the Revitalization Agreement.
 - **Ports** – Retain ownership of strategic port land holdings and manage the long-term operating lease agreements for Vancouver Wharves and Squamish Terminals.
 - **BCR Properties** – Complete environmental remediation and commercial disposition of all non-railway and non-port related (i.e. surplus) land holdings, generating proceeds for the Province.
 - **Port Subdivision Rail Line** – Continue to own and maintain the rail line, fund capital investments and manage joint rail operations for the 3 user railways (CN, CP & BNSF) on the shared rail line serving the marine terminals at Roberts Bank.

BACKGROUND

- In 2000, BCRC was a diverse commercial crown corporation with over 20 operating subsidiaries including the BC Rail freight and passenger services and a variety of other intermodal, marine and real estate companies.
- Since 2002, BCRC completed the following transactions, generating proceeds of approximately than \$1.5 billion:
 - In 2002 sold Canadian Stevedoring Company and Casco Terminals to P&O Ports for s.¹⁷
 - In 2004 entered into the CN Revitalization Agreement, generating proceeds of approximately s.¹⁷
 - In 2007 sold the Vancouver Wharves business and entered into 40-year land lease with Kinder Morgan worth s.¹⁷
 - Between 2005 and 2016/17, sold 455 properties, generating proceeds of \$243 million and gains of \$148 million.
- In partnership with government and industry, BCRC has also invested in Pacific Gateway strategic rail and port infrastructure in the Province, such as:
 - \$21 million committed to the Roberts Bank Rail Corridor Program.
 - \$10 million committed on behalf of the Province to the North Shore Trade Corridor Program.
 - Approximately \$30 million in rail improvements (upgrades and expansion) to improve capacity on the Port Subdivision, of which \$11 million was invested in track expansion to facilitate the Third Berth expansion project at the Deltaport Container Terminal at Roberts Bank.
- In May 2015, the Province also directed BCRC to purchase and hold Arctos Coal Licences for s.¹⁷

PROGRAM CONTACT

Gord Westlake, President & CEO, BC Railway Company, 604 678-4742 – cell: 604 202-5920

BC Rail Surplus Property Estimates Note

Ministry of Transportation and Infrastructure

Date: August 25, 2017

ISSUE

- BC Railway Company (BCRC) has a mandate to dispose of surplus property on a commercial basis to maximize proceeds for the Province.

ADVICE AND RECOMMENDED RESPONSE

- Since 2005, BCRC's real estate subsidiary, BCR Properties Ltd. (BCRP) has sold 455 surplus properties, generating proceeds of \$243 million and gains of \$148 million.
- Those sales have accounted for more than 90% of the total value of BCRC's surplus real estate portfolio.
- Within the 5-year fiscal plan (2017/18 through 2021/22), BCRC will continue efforts to sell off the last of the marketable properties in the remaining portfolio, with forecasted average annual proceeds of \$2.0 million and average annual gains of \$1 million, until fiscal year end 2019/20. By then it is anticipated that all reasonably marketable surplus property will be sold.

BACKGROUND

- **BCRC real estate mandate:**
 - Retain ownership of strategic rail and port related lands.
 - Dispose of all surplus (non-strategic rail and port) properties.
 - Current mandate is that all property sales are sold on a commercial basis to maximize financial value to the Province.
- **Property disposition process:**
 - If tenanted – offer to tenant at appraised value.
 - If vacant or tenant unwilling to purchase:
 - Environmental remediation – if required.
 - Subdivision to create legal title, if required.
 - List on open market with realtor.
- **2005-2016/17:**
 - Sold 455 surplus properties, generating proceeds of \$243 million and gains of \$148 million.
- **Current Forecast (2017/18 through 2021/22):**
 - Continue efforts to sell off the remaining portfolio, with forecasted average annual proceeds of \$2.0 million and average annual gains of \$1 million until fiscal year end 2019/20.

PROGRAM CONTACT

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BC Railway Financials Estimates Note

Ministry of Transportation and Infrastructure

Date: September 12, 2017

ISSUE

- The British Columbia Railway Company (BCRC) operating budget is included in “Other Commercial Crown corporation net income (Table 1.10 in *Budget 2017 Update* – not disclosed separately) and detailed in Table A9 “Revenue by Source”. [
- BCRC capital budget is reported in “Capital Spending” Table 1.17 and Table A14 “Capital Spending 2006/07 to 2016/17”.
- BCRC debt (related to DTRRIP) is included in self-supported debt (Table 1.20 and Table A17 – not disclosed separately).

ADVICE AND RECOMMENDED RESPONSE

- BCRC remains a self-supporting commercial crown corporation.
- Since 2005, BCRC’s real estate subsidiary, BCR Properties Ltd. (BCRP) has sold more than 90% of its surplus real estate portfolio – selling 455 surplus properties, generating proceeds of \$243 million and gains of \$148 million.
- BCRP will continue efforts to sell off the last of the marketable properties remaining in the portfolio, within the fiscal plan, with forecasted average annual proceeds of \$2.0 million and gains of \$1 million, until fiscal year-end 2019/20. It is expected that all reasonably marketable surplus property will be sold by March 31, 2020.
- Financial highlights for 2017/18 through 2021/22:
 - Average annual revenue, excluding property sales, of \$21 million.
 - Average annual net income of \$6.4 million.
- Capital Commitments for 2017/18 through 2021/22:
 - Port Subdivision Sustaining Capital of \$13 million.
 - Port Subdivision Terminal 1 Expansion (DTRRIP) of \$45 million.
 - Real Estate and Other Capital of \$2 million.
- Environmental accruals:
 - BCR Properties Remediation of \$400k.
s.14
- Payments to government/BC Transportation Financing Authority (BCTFA):
 - BCRC makes payments to government from proceeds of land sales. Since 2010/11, payments total \$215 million.
 - BCRC was directed by the Province to use its cash reserves to purchase the Arctos Coal Licences early in 2015 for ^{s.17}
 - BCRC has provided nearly all of the \$10 million cash commitment towards funding the North Shore Trade Corridor (provided via dividend payments to BCTFA). The funding was reduced from the original \$32 million commitment, following the unbudgeted purchase of the Arctos Coal Licences.

PROGRAM CONTACT

BC Railway Port Subdivision Estimates Note

Ministry of Transportation and Infrastructure

Date: August 25, 2017

ISSUE

- BC Railway Company (BCRC) retained ownership and operation of the Port Subdivision rail line, which was excluded from the CN transaction in 2004.

ADVICE AND RECOMMENDED RESPONSE

- BCRC staff are responsible for the management of the Port Subdivision rail line (the Port Sub), including inspecting and maintaining the track, dispatching all trains (CPR, CN and BNSF) and overseeing all terminal switching activities.
- The Port Sub is a critical rail link on the Roberts Bank Rail Corridor (RBRC) in the Pacific Gateway, as it provides the sole rail connection to:
 - Westshore Terminals – the largest export coal terminal in North America; and
 - GCT Deltaport Terminal – the largest container terminal in Canada.
- The Port Sub is the critical final link in the Roberts Bank Rail Corridor, which is the primary rail corridor for achieving Pacific Gateway container growth targets.
- Port of Vancouver's plan is to grow RBRC container traffic from about 1.7 million TEU's to 4.8 million TEU's and coal traffic from about 30 million tonnes to 35 million tonnes per annum.

BACKGROUND

- **History:**
 - 40 km rail line from Cloverdale to Roberts Bank
 - BC Harbours Board originally built the line in 1968-1969 to provide rail link for BC's Elk Valley coal fields to the new coal terminal built at Roberts Bank
 - Line opened in 1970 with joint section running rights granted to CPR, CN and BNSF
 - Province dissolved the BC Harbours Board in 1983 and transferred ownership of the Port Subdivision to BC Railway
 - Only coal was handled at Roberts Bank until the Deltaport Container Terminal opened in 1997
- **BCRC Joint Section Agreement Responsibilities:**
 - Ensure open, fair and neutral rail access to all three Class 1 railroads serving Roberts Bank (CN, CPR and BNSF)
 - Ensure effective management of assets and efficient day-to-day operations, balancing all terminal and rail users' needs
- **Westshore Coal Terminal:**
 - Pre-2010 - historically about 20 million tonnes of coal exported per annum
 - About 27 to 31 million tonnes in 2010-2016 (50% growth)
 - Average 5 to 6 coal trains turned per day
 - CP = 60% / CN = 5% / BNSF = 35%
 - Westshore plan to grow to about 35 million tonnes per annum
- **GCT Deltaport Container Terminal:**
 - Pre-2010 - historically 1.0 to 1.1 million TEU's per annum

- 1.5 to 1.7 million TEU's in 2010 - 2016 (60% growth)
 - 70% containers in and out via Port Sub rail line (30% via truck)
 - Average 3 to 4 container trains turned per day
 - As much as 33,000 ft. (6.3 miles) container cars in and out each day in 2015
 - CN = 70% / CP = 30%
 - Vancouver Fraser Port Authority (VFPA) plan to grow to 4.8 million TEU's per annum with GCT expansion and addition of new T2 container terminal
- **BCRC Functions:**
 - 14 BCRC staff - 24x7 management – 365 days per year
 - Staff based out of BCRC Yard Office at Roberts Bank
 - Oversee activities of 100+ FTE's of carrier railway and contract employees
 - Maintenance:
 - Inspect and maintain the right of way and rail & signals infrastructure
 - Supervise contract maintenance crews
 - Rail Traffic Control:
 - Dispatch all CN/CPR/BNSF train movements over the mainline
 - Over 7,000 trains per annum – 20 trains per day
 - Utilize CPR's CTC computerized dispatch system
 - Yard Supervision - Liaise with terminals and oversee:
 - All train movements within yard limits on the causeway
 - All switching in/out of Westshore and Deltaport
- **Joint Section Agreements:**
 - All user railways guaranteed fair and equal access
 - Usage rights are perpetual, renewed every 21 years
 - Charges are allocated to user railways based on proportion of carloads
 - Operating & Maintenance Expenses^{s.17}
 - All BCR direct expenses recovered, plus nominal overhead mark-up
 - Asset replacement in-kind is expensed
 - Capital (Joint Capital Account – JCA):
 - BCR obligated to fund all required capital additions – historically done from BCR cash reserves
 - User railway annual rent = Prime + 1% of JCA value
 - Current JCA value approx. ^{s.17}
 - Initial asset capital value recovered when asset retired

PROGRAM CONTACT

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CN Investment Partnership Estimates Note

Ministry of Transportation and Infrastructure

Date: August 23, 2017

ISSUE

- British Columbia Railway Company (BCRC) – CN Investment Partnership.

ADVICE AND RECOMMENDED RESPONSE

- In July 2004, CN paid \$1.0 billion to acquire BC Rail Ltd. and all interests in the BCR Partnership. BCRC remained as a crown corporation and retained provincial ownership of the right-of-way, rail bed and track.
- Under the Revitalization Agreement, the railway right-of-way, rail bed and track are leased by BCRC (landlord) to CN (tenant). BCRC continues to manage and administer the terms of the lease agreement. The initial term of the lease is 60 years with a first renewal term of 30 years and subsequent renewals that could extend the lease up to 990 years.

BACKGROUND

- After a full review by the federal Competition Bureau, the CN Investment Partnership concluded on July 14, 2004. CN paid \$1.0 billion to acquire the outstanding shares of BC Rail Ltd. and all of the interests in the BCR Partnership which allowed CN to assume the former BC Rail freight railway operations. The Investment Partnership consists of three separate agreements:
 - **Transaction Agreement** – Signed by BCRC, BCRP and CN, the purpose of this Agreement was to convey, from BCRC and BCRP to CN, 100% of the shares of BC Rail Ltd. and 100% of the units of BCR Partnership. This transfer of shares and units resulted in CN assuming all of the freight railway operations and assets, excluding the railway right-of-way, railbed and track.
 - **Revitalization Agreement** – Signed by BCRC (the landlord) and BCR Partnership (the tenant), the purpose of this Agreement was to lease, on a long-term basis, the railway right-of-way, railbed and track from BCRC to the BCR Partnership. Upon the acquisition of 100% of the units of the BCR Partnership by CN, they acquired the lease agreement.
 - **Consent Agreement/Order** – Signed by the Commissioner of Competition, BCRC and CN, the purpose of this Agreement was to outline the specific commitments of the parties to ensure that the concerns of the Commissioner of Competition were addressed as the Investment Partnership was implemented. This Order is given force and effect under Section 105 of the federal *Competition Act*. The Consent Agreement preserves competition for interline transportation of lumber, and other commodities, and maintains competitive rates and services for grain transportation from the Peace River area. The Agreement includes specific commitments with regard to Open Gateway rates, transit times and car allocation.
- The Service Improvement Undertaking (SIU) was also part of the Transaction Agreement and contractually binds CN to do certain things for the shippers to mitigate effects of the transaction on competition. CN's Open Gateway rate and service

commitment ensures that shippers retained access to the connecting railways at Vancouver, at rates that are lower, in aggregate, than previous BC Rail rate divisions. This rate commitment is supported by a service commitment that ensures the service performance for traffic moving in connection with competing carriers to be on par with the service level of CN's own traffic.

- The above agreements were structured in such a way that minimizes proactive monitoring and obligations by BCRC. While BCRC is not obligated to actively monitor CN's compliance with those covenants, BCRC has the contractual right to enforce commitments made by CN under the *Transaction Agreement* and as landlord, under the *Revitalization Agreement*, at the discretion of the Province.
- Monitoring CN's operations, safety and performance are now the responsibilities of Transport Canada, the Canada Transportation Agency, and the Canada Competition Bureau.
- When CN, a federally regulated railway, assumed the railway operations, the former BC Rail system became federally regulated, including service issues under the Canada Transportation Agency (CTA) and safety issues under Transport Canada (TC). The Province does not regulate CN's operations, which authority is governed by the division of powers between the Province and the federal government under Canada's constitution. The Province's regulation of CN is limited to its areas of constitutional authority (i.e. environmental and property rights matters).
- Under federal regulations, the Canada Transportation Agency administers the components of the *Canadian Transportation Act* that deal with railway infrastructure, railway operations and dispute resolution for the former BC Rail line. The *Canada Transportation Act* also contains several provisions designed to facilitate the resolution of rate and service disputes between carriers and shippers. The Canada Transportation Agency ensures that transportation users, commercial shippers and individual travelers receive the protection provided for them in the legislation, if market forces alone do not result in fair, reasonable service. The Canada Transportation Agency hears complaints from users and others regarding poor service or abuse of market power and, depending on its decision, may order a carrier to make the changes necessary to conform to legislation and regulations.

PROGRAM CONTACT

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Inland Ferry Service Procurement Estimates Note

Ministry of Transportation and Infrastructure

Date: August 22, 2017

ISSUE

- New contracts for the delivery of inland ferry services.

ADVICE AND RECOMMENDED RESPONSE

- The current contracts for the delivery of inland ferry services expire in 2018.
- The ministry will be undertaking a procurement process to award new contracts for services based on a 10-year period (five year term with a five year renewal option).
- While this doesn't impact this year's budget, ^{s.13,s.17}
s.13,s.17
- Meanwhile, we remain focused on renewing inland ferry assets including the replacement of four cable ferries. The new Adams Lake ferry went into service this past May. The next vessel will begin service at Glade later this year.
- Work is also ongoing to determine how best to address challenges at the Balfour terminal on Kootenay Lake. This was the subject of an extensive community consultation last year.
- These are some of the projects underway to support the continuation of an efficient and effective inland ferry system.

BACKGROUND

s.13,s.17

- The existing contracts were for a three-year term with a three-year renewal option.

PROGRAM CONTACT

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Mid-Coast Ferry Service – Route 28 Estimates Note

Ministry of Transportation and Infrastructure

Date: August 22, 2017

ISSUE

- Mid Coast Ferry Service – Route 28

ADVICE AND RECOMMENDED RESPONSE

- The elimination of the Route 40 ferry service devastated tourism for communities in the mid-coast region.
- We support the introduction of the new service between Port Hardy and Bella Coola.
- Last year the Province provided BC Ferries with \$15 million to purchase a vessel and operate the new service which will start next summer.
- BC Ferries continues to prepare for the introduction of the service. The vessel will undergo upgrades later this year including overhauling the main engines and generators, replacing life-saving equipment and upgrading the navigation equipment. All passenger areas will also be refurbished.
- BC Ferries has been consulting with mid-coast communities as it plans for the introduction of the service.
- The exact sailing schedule, the on-board amenities and the renaming of the vessel will be announced by BC Ferries in the future.

BACKGROUND

- Last fall, the Province announced its commitment to introduce a new direct ferry service in the summer between Port Hardy and Bella Coola beginning in 2018.
- BC Ferries agreed to add the new service conditional on the Province compensating BC Ferries for the associated incremental capital and operating costs.
- An amendment to the Coastal Ferry Services Contract has not yet been finalized. While the Province has provided BC Ferries with a \$15 million contribution, more information on the costs of introducing the service should be available in the fall.
- BC Ferries purchased a used Greek vessel that will carry a minimum of 35 vehicles and 150 passengers and crew.
- The vessel will be used to provide both the existing year-round mid-coast connector service between Bella Coola, Ocean Falls, Shearwater and Bella Bella (Route 10S) and the new seasonal Port Hardy – Bella Coola service (Route 28).
- The length of the summer season for Route 28 is mid-June to early October.

PROGRAM CONTACT

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BC Ferries' Fare Relief Estimates Note

Ministry of Transportation and Infrastructure

Date: August 22, 2017

ISSUE

- BC Ferries Fare Relief

ADVICE AND RECOMMENDED RESPONSE

- We are absolutely committed to making sure that life is more affordable for British Columbians, and that includes dealing with ferry fares.
- Fares will be rolled back by 15% on all routes except the ones between Vancouver Island and the Lower Mainland.
- We will freeze fares on the major routes and reinstate free passenger fares for seniors traveling Monday to Thursday.
- We are committed to introducing these changes effective April 1, 2018.
- In the meantime, a comprehensive operating review of BC Ferries will be conducted this year.
- This as a necessary step in ensuring that we have a ferry system that works to the benefit of British Columbians and, in particular, those residents who depend on this critical transportation link.
- These commitments are among a host of priorities our government has to improve affordability for British Columbians.

BACKGROUND

- Government has committed to introduce fare relief measures next fiscal year.
- Under the model created by the Coastal Ferry Act, the Province negotiates with BC Ferries to implement government objectives, either voluntarily or via mutually agreed to changes to the Coastal Ferry Services Contract between BC Ferries and the Province.
- Prior to the 2014 reduction to the seniors' discount, seniors received free passenger fares on all routes, except the northern routes, when travelling Monday to Thursday. There was no change to the seniors discount on the northern routes which is 33 percent on each day of the week.

PROGRAM CONTACT

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BC Ferries Review Estimates Note

Ministry of Transportation and Infrastructure

Date: August 22, 2017

ISSUE

- BC Ferries Review

ADVICE AND RECOMMENDED RESPONSE

- We are committed to overseeing a comprehensive operating review of BC Ferries this year.
- This is a necessary step in ensuring that we have a ferry system that works to the benefit of British Columbians and, in particular, those residents who depend on this critical transportation link.
- Since my appointment as Minister of Transportation and Infrastructure, I've met with the CEO and Board Members of BC Ferries, the BC Ferry Authority Board, and Chairs of the BC Ferry Advisory Committees.
- I've confirmed our commitment to undertake this review, and as we are currently working on the scope of the review, I'll have more information in the coming weeks.

BACKGROUND

- The Coastal Ferry Act (CFA) established a coastal ferry services model where:
 - the BC Ferry Authority owns the ferry operator, BC Ferries, and appoints/removes directors on BC Ferries' Board of Directors;
 - BC Ferries is responsible for its operating policies and capital investment decisions and provides ferry services under a 60-year agreement with the Province called the Coastal Ferry Services Contract (CFSC);
 - the CFSC sets minimum service levels (i.e., number of round trips; length of operating day) with changes negotiated between the Province and BC Ferries;
 - the Province determines the level of its service fee;
 - BC Ferries' long term debt is not be included in the provincial debt;
 - an independent regulator, the BC Ferry Commission, regulates fares using a price cap mechanism (i.e., caps maximum annual average fare increase) determined every four years; and,
 - the Province owns non-voting preferred shares in BC Ferries that pay a \$6 million dividend each year.
- A number of reviews of BC Ferries have been undertaken. Despite changes to the CFA, ferry users and coastal communities have raised significant concerns relating to the efficiency, effectiveness and affordability of the service, including whether the current coastal ferry model contains sufficient public accountability.

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Accessible Passenger Transportation Estimates Note

Ministry of Transportation and Infrastructure

Date: October 17, 2017

ISSUE

- The supply of accessible passenger transportation options does not currently meet the vehicle for hire demand in the Lower Mainland where the number of accessible vehicles is regulated by both municipal and provincial legislation.

ADVICE AND RECOMMENDED RESPONSE

- Meeting the needs of people who rely on wheelchair accessible vehicles in the Greater Vancouver area is a priority for our government, local governments and for operators.
- There are currently over 300 wheelchair accessible taxis licensed to operate in Metro Vancouver, approximately 130 of those in the City of Vancouver. This represents a minimum number. Taxi companies can choose to replace conventional taxis in their existing fleets with wheelchair accessible vehicles and the City could require it.
- In addition to providing wheelchair accessible transportation, van taxis are popular for transporting larger groups and passengers with luggage. However, taxi companies are required to dispatch their wheelchair accessible taxis to riders that need them on a priority basis.

BACKGROUND

- The Board hosts a the Passenger Directed Vehicle Advisory Committee (PDVAC), which is attended by the Passenger Transportation Registrar, taxi and limousine associations, ports, municipalities, related industry and representatives for seniors and people with disabilities.
- In April 2017, the PT Board approved an additional 26 wheelchair accessible taxis licensed to pick up in the City of Vancouver. All 26 of those vehicles must be on the road by April 30, 2018.
- In June 2017 the Board updated their Wheelchair Accessible Transportation (WAT) report and shared the unpublished report with the Registrar. The update highlights advances in WAT supply; enhance Board policies, programs and initiatives; and, understand accessibility of inter city buses. Report updates also highlight industry driver training initiatives aimed at improving the experience of people using accessible passenger transportation. Initiatives include:
 - Vancouver Taxi Association: Ask, Listen, Act
 - BC Taxi Association: train-the-trainer with Richmond Centre for Disability
 - JIBC: Taxi Host Pro training -- Serving Customers with Disabilities

PROGRAM CONTACT

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APPROVALS:

Deborah Bowman, ADM

Oct 17/17

Pat Marsh, CFO

Date

Carol Bishop, ED, Crown Agencies

Date

Rideshare Estimates Note

Ministry of Transportation and Infrastructure

Date: October 16, 2017

ISSUE

- Consumers and industry have expressed a strong desire for more choice and innovation when it comes to rideshare service.

ADVICE AND RECOMMENDED RESPONSE

- The Province is committed to bringing in a safe, fair and accessible, “made in B.C.” solution for taxis and other passenger directed vehicles in B.C.
- There is a lot of work that needs to be done, particularly with the taxi industry, and we want to be certain we’ve addressed their needs so they can compete on a level playing field when a ridesharing system is introduced in this province.
- We’re committed to doing this as quickly as possible. We’ve hired industry expert Dan Hara to engage with the taxi industry and stakeholders to make recommendations that will create a fair and level approach to ridesharing in British Columbia that doesn’t unfairly benefit – or punish – one group over the other.
- Dr. Hara is an industry expert and is well respected by the taxi industry with over 21 years of experience. He has undertaken a number of reviews for cities and provinces across Canada as they brought in commercial rideshare services.
- Dr. Hara will engage with the taxi industry and stakeholders and will make recommendations that will outline the actions the province must take to modernize the existing legislation.
- Recommendations stemming from this consultation will inform government on the potential direction needed in creating a “made in B.C.” solution for passenger directed vehicles.
- We know people want more options for getting around quickly, safely and affordably.
- The province’s plan and timeline to bring ride sharing services into the province will be ready by spring, 2018 with legislative changes anticipated for the fall.

If asked about M.L.A. Andrew Weaver’s Private Members Bill (M206):

- My ministry is well aware of the urgent need to overhaul BC’s regulations for taxis and passenger-directed vehicles to open the way for a “made in BC” ridesharing solution that meets consumers’ needs while creating a level playing field for all service providers.
- I’m looking forward to working with Green Party Leader Andrew Weaver and a full range of stakeholders as we develop a Made in BC plan that protects jobs that currently exist while ensuring British Columbians have access to the modern ridesharing services they expect.

If asked about illegal rideshare operators in B.C.:

- Safety in the passenger transportation industry in B.C. is our top priority and we will continue to ensure any vehicle for hire meets our province’s safety and insurance standards.
- We are aware there are some companies connecting drivers with unlicensed vehicles for hire.

- The Passenger Transportation Registrar has received complaints and has an open investigation.
- Due to the investigation, further details can't be provided.
- The fine for drivers found operating without a passenger transportation licence is \$1,150. So far 8 violation tickets and 26 cease and desist orders have been issued to drivers and vehicle owners.

BACKGROUND

- Government has hired a consultant to engage with the taxi industry local government, accessible and senior sector representatives, provincial regulators, and business and tourism stakeholders in order to determine what changes, if any, may be contemplated.
- Taxi and Limousine services must be approved by the Passenger Transportation Board, and comply with the terms and conditions set by the Board – including fleet size and rates.
- The Passenger Transportation Board makes decisions based on the applicant's evidence of a public need for the service, the potential impact of the new service on existing services and whether the applicant is fit and proper to operate within the framework that exists.
- The supply of taxis and limousines has been regulated to ensure that the services, including accessible taxis, remain viable, safe and available to the public.
- Drivers must hold a valid Class 4 (restricted) driver's licence, and each vehicle must be registered for commercial purposes and insured under the appropriate rate class.
- In some municipalities, drivers must hold a chauffeur permit issued by the municipality, and operators and vehicles must be locally licensed as a business.
- Rideshare companies can, but have not, applied for licences to operate in B.C.
 - In 2014 Uber announced interest in working with regulators to bring UberX to B.C.
 - In 2012, Uber entered the B.C. market with an app-based black car service, but was forced to suspend service following a cease and desist order from the Registrar of Passenger Transportation.

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 NAME, CFO

Oct 17/17
 Date

Taxi Supply in the Lower Mainland Estimates Note

Ministry of Transportation and Infrastructure

Date: October 17, 2017

ISSUE

- Taxi supply does not currently meet the vehicle for hire demand in the Lower Mainland where fleet size is regulated by both municipal and provincial legislation.

ADVICE AND RECOMMENDED RESPONSE

- It is important that passenger transportation service in the Greater Vancouver area meet the needs of consumers including people who rely on wheelchair accessible vehicles and accessibility is a priority for our government, local governments and for operators.
- In B.C. fleet size is regulated by municipal legislation and the *Passenger Transportation Act*. The same is true for the cities in the Lower Mainland where local government and the Passenger Transportation Board (Board) have concurrent jurisdiction over the number of taxis licensed to operate.

BACKGROUND

- In B.C., taxi supply is regulated under the *Passenger Transportation Act* and through municipal bylaws. Municipalities can limit the maximum number of vehicles allowed to operate in their jurisdiction, which may be lower than the number approved by the Board. The Board may also refuse to approve an application that has municipal support.

Chronology:

- In September 2016, the four Vancouver taxi companies (Yellow Cab Company Ltd, MacLure's Cabs (1984) Ltd, Black Top Cabs Ltd, and Vancouver Taxi Ltd) applied to the Board to add 175 new vehicles to their fleet (including 26 accessible vehicles); however, the City of Vancouver's moratorium on the issuance of new licences was still in place.
- In April 2017, the Board approved the applications from the four taxi companies to add 175 additional vehicles (149 conventional and 26 accessible); subsequently, the city of Vancouver lifted the moratorium.
- All 149 conventional taxis are on the road. Due to a technical issue converting the vans to propane fuel, companies have been granted more time. The companies must activate the 26 accessible taxis no later than April 30, 2018. Any vehicles the companies have not activated by the new deadline will have to be reapplied for, if a further extension is not granted.
- Recently, four suburban taxi companies applied to partner with the four Vancouver taxi companies to allow the suburban companies to pick up in the City of Vancouver when hailed via eCab (a taxi hailing app used in Vancouver and Burnaby). This application is before the Board.

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Greyhound Estimates Note

Ministry of Transportation and Infrastructure

Date: October 17, 2017

ISSUE

- Greyhound indicates that they are experiencing multi-million dollar losses due to insufficient ridership and market competition and have submitted an application to reduce service.

ADVICE AND RECOMMENDED RESPONSE

- Greyhound's application to the Passenger Transportation Board (Board) was published on the Board's website on September 13, 2017 and was open for public comments until October 13, 2017.
- Service reductions must be approved by the Board – an independent tribunal – and these decisions are based on whether there's a public need for the service, whether the applicant is capable of providing the service and whether the application supports sound economic conditions in the industry.
- We are taking this very seriously and I have urged the Board to conduct public hearings on this matter.
- The ministry is committed to finding ways to ensure that the people of British Columbia can access safe and reliable transportation across the province.
- As a private company in a regulated industry, Greyhound must make decisions based on customer demand in compliance with the terms of their licence.
- The Board may take several months to make a decision on Greyhound's application

If asked about possible service reductions and what B.C. would do:

- We are committed to finding ways to ensure there are safe transportation options for British Columbians.
- We work with communities across British Columbia to identify transportation services that work for the needs of their region and we will continue with this approach for those that may be affected by changing services.

If asked: What if Greyhound stops operating its routes along Highway 16 in the North?

- In other provinces and here in B.C., we have seen smaller bus companies step up to fill the gaps left by Greyhound, just as Tofino Bus did on Vancouver Island in 2015.
- Smaller companies are able to develop service models that more efficiently meet local needs and are cheaper to operate.
- BC Transit has been working with local governments and First Nations to introduce new safe, reliable, affordable inter-community transit service along the Highway 16 corridor.

BACKGROUND

- Transit services, as well as services operated by a municipality or regional district, are exempt from provisions of the *Passenger Transportation Act* (PTA). Regional transit operations that provide commuter services and Health Connections programs are examples of inter-city services requiring no passenger transportation (PT) licence.

- July 2016 – Stuart Kendrick, Senior Vice President and Peter Hamel, Regional Vice-President Western Canada for Greyhound Canada met with ministry staff to advise that despite service reductions and internal cost cutting, Greyhound remained unprofitable on most routes and that less regulated connector buses operating with GA licences, subsidized transit, and Health Connector programs take potential passengers away.
- Other Canadian jurisdictions have moved away from economic regulation - Alberta, Manitoba, and Ontario have eliminated regulation and retained vehicle safety regulations. Manitoba carriers must provide adequate public notice of changes in schedules, fares and service discontinuances and local entrepreneurs are providing new scheduled services on routes abandoned by Greyhound. In Alberta, partnerships have developed to maintain services in areas where routes were abandoned.
- In 2013 and 2015 Greyhound reduces service based on low ridership. Often these routes have seen smaller bus companies step up to fill the gaps left by them.

Highway 16 Corridor

- Greyhound services currently run along the Highway 16 corridor in the North, between Prince Rupert and Prince George, one trip in each direction per day. There are concerns that Greyhound may reduce services, or else eliminate services all together.
- The information on current Greyhound services, as well as transit, inter-city bus, medical transportation, rail, and community-based transportation services has been put into one place – the web-based Highway 16 portal www.gov.bc.ca/Highway16Corridor.
- For residents who don't have access to a computer, Service BC offices along Highway 16 can provide access to view the website.
- BC Transit is introducing inter-community transit service between several communities along the Highway 16 corridor. The province has committed \$800,000 per year for five years towards operating costs (2/3 funded by BC Transit; 1/3 by local governments). The province is covering 100% of vehicle costs.
- To provide an alternative to inter-city bus services, the Community Transportation Grant Program is providing \$2 million over three years to 12 applicant communities along the Highway 16 corridor to establish community-based transportation services, operated by First Nations and community organizations. Many of the services funded include neighbouring communities, thereby extending the impact of the program.

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Oct 17/17
 Date
 Date

E&N Corridor Feasibility Study

Estimates Note

Ministry of Transportation and Infrastructure

Date: October 16, 2017

ISSUE

- In March 2017, the Ministry announced that the Province would undertake an evaluation of the feasibility of using all or part of the E&N Rail Corridor between Langford and Victoria as a regional transit corridor. A Working Group to review options for commuter rail service in the CRD was also announced. The Province was unable to properly consult with First Nations before the Writ dropped and was unable to award the contract.

ADVICE AND RECOMMENDED RESPONSE

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BACKGROUND

- The Island Corridor Foundation (ICF) is a partnership of various local governments and First Nations communities along the railway, including 14 municipalities, 5 regional districts and 12 First Nations territories. The rail line is owned by the ICF and runs 225 km between Victoria and Courtenay.
- The Southern Railway of Vancouver Island (SRVI) operated the passenger service using one self-powered passenger car which was leased from VIA Rail. Passenger service was suspended in 2011 due to deteriorated track conditions.
- The ICF is a Canadian charitable foundation that owns all former Canadian Pacific and Esquimalt and Nanaimo Railway track on Vancouver Island. The ICF was created in 2003 and obtained rail track in 2006 when Canadian Pacific donated its portion of the E&N line to the ICF. Later that year Rail America also donated its portion to the foundation, leaving the ICF in control of the entire right of way.

s.13,s.16

Local, Provincial and Federal Funding:

- Recently, the federal government set a deadline to the ICF that any outstanding

funding for projects under the Building Canada Fund – Major Infrastructure Canada (BCF-MIC) program, must have approval-in-principle by March 31, 2017. The ICF was not able to meet this deadline.

- s.13,s.16

- On March 22, 2016, the Regional District of Nanaimo (RDN) voted to provide the ICF a 60-day notice of termination of the 2014 Contribution Agreement to provide up to \$945,000 for rail upgrades to support passenger rail service on Vancouver Island.
- On October 4, 2016, RDN voted to return \$799,000 to taxpayers collected from them as part of the RDN's funding contribution, citing the ICF's lack of progress towards restarting the rail service.
- As part of the Province's \$7.5 million commitment initially made to this project in 2011, the Province provided \$500,000 to fund a study of the 48 bridges and trestles on the E&N corridor between Victoria and Courtenay.

Feasibility Study:

- In March 2017, the Ministry announced that the province would undertake an evaluation of the feasibility of using all or part of the E&N Rail Corridor between Langford and Victoria as a regional transit corridor. A Working Group to review options for commuter rail service in the CRD was also announced. s.13,s.16

s.13,s.16

Financial Implications:

s.17

PROGRAM CONTACT

Cam Filmer, Executive Director
Transportation Policy and Programs, 250-812-2377

APPROVALS:

Deborah Bowman, ADM

Aug 24/17

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Date

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Date

Highway 16 – Five Point Action Plan

Estimates Note

Ministry of Transportation and Infrastructure

Date: August 22, 2017

ISSUE

- The 5 Point Transportation Action Plan will improve access to safe transportation options along Highway 16, enabling First Nations and other residents to travel safely between communities in the corridor from Prince Rupert to Prince George.

ADVICE AND RECOMMENDED RESPONSE

- As of March 2017, the 5 Point Transportation Action Plan for Highway 16 has a committed budget of \$6.4 million, including \$1 million in federal funding.
- The five elements of the Action Plan are: transit expansion; community transportation grant program; First Nations driver education; highway infrastructure safety improvements; and collaboration to increase the interconnectivity of services.

BACKGROUND

Transit Expansion:

- Province has committed \$2.6 million over three years to fund, on a cost-shared basis with local communities, the expansion of inter-community BC Transit services.

Community Transportation Grant Program:

- \$2 million over three years to cost share in support of community-based transportation programs focused on First Nations transportation needs.
- 12 community organizations receiving grants for the purchase of vehicles plus 3 years of operational support.

First Nations Driver Education Program:

- With \$300,000 in funding over two years, the program will increase the number of Class 4 and 5 drivers in First Nation communities along the Highway 16 corridor.

Highway Infrastructure Safety Improvements:

- This component of the plan includes \$1.5 million (\$1 million federal) in funding for highway web-cams and transit style shelters, which includes infrastructure for vehicles to safely stop at the shelters (e.g., pull outs).

Collaboration:

- This plan element looks at opportunities to increase interconnectivity among existing transportation services, such as those provided by BC Transit, Northern Health, non-profit organizations and other service providers – within existing agency budgets.

PROGRAM CONTACT

Reg Faubert, Manager, Air/Marine Policy
Transportation Policy and Programs, 250-818-2843

Cycling – BikeBC Estimates Note

Ministry of Transportation and Infrastructure

Date: August 22, 2017

ISSUE

- BikeBC - the Ministry's cost sharing program for cycling infrastructure

ADVICE AND RECOMMENDED RESPONSE

- Since 2001, the Government of British Columbia has invested more than \$230 million in cycling grants and infrastructure projects throughout the province.
- The Province invests in cycling through the BikeBC cost sharing program with local governments. This program promotes the development of a safe, efficient and integrated multi-modal transportation system, providing infrastructure that benefits the environment and improves the health of individuals.
- The ministry committed \$20 million over the past three fiscal years (2015/16, 2016/17, and 2017/18) for the BikeBC program.
- The application deadline for the 2017/18 program was December 16, 2016, with 38 local governments submitting 51 applications with a combined ask of \$18.94 M. Of the 38 local governments who applied, 26 were recommended to receive funding.
- The 2017/18 budget for BikeBC is \$12.55 M, with \$9.25 M available for new projects. The amount for new projects includes the original \$6M announced as part of *BC on the Move*, the additional \$2M announced at UBCM, and \$1.25M from 2016/2017 projects coming in under budget and fiscal timing differences.
- Over the next three years (2017/18 to 2019/20) it is anticipated that over \$19 M will be invested into new projects through the BikeBC program.

BACKGROUND

s.13,s.17

- Other initiatives which support cycling include:
 - Bike to Work Week – Each year, the Province partners with a non-profit society, Bike to Work BC, to organize cycling campaigns in communities around the province. In 2017, the Province committed \$140,000 to support the program.
 - Highway Improvement Projects – the Ministry's cycling policy provides for cycling infrastructure to be included in highway improvement projects where cost effective. Investments are estimated at over \$67 M since 2001, including:

- \$50 M under the Gateway Program, including a cycling/pedestrian facility on the new Port Mann Bridge (the largest single investment in cycling in B.C.'s history).
- The grade separate cycling/pedestrian crossing at the McKenzie Interchange in Victoria.
- Kelowna Pacific Railway corridor purchase – the Ministry provided local governments \$7.3 M in 2015/16 to assist in the purchase of the CN corridor between Kelowna and Vernon for a recreation trail. This support was one third of the total \$22 M purchase price.
- In April 2017 the B.C. government committed \$2.2 million to the local governments for them to purchase of a 43 kilometre section of rail corridor between Sicamous and Armstrong, with the anticipation that this corridor will be eventually converted to a multi-use recreational trail.

PROGRAM CONTACT

Alan Callander, Manager Active Transportation and Climate Action Program
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APPENDIX 1: BikeBC – 2017/18 Approved Projects

BikeBC Program		Project Total Cost	Grant Amount
Kelowna	Okanagan Rail Trail (Dilworth Drive - Airport Way)	\$1,554,870	\$777,435
Richmond	River Drive Multi-Use Pathway	\$1,344,000	\$586,250
Tofino	Tofino Multi-Use Path Extension to Pacific Rim National Park (PRNP) - Phase 1	\$2,490,468	\$1,000,000
North Cowichan	Trans-Canada Multi-Use Path: Dike Trail Terminus to Drinkwater Road East	\$944,621	\$472,311
Kamloops	Peterson Creek Multi-Use Path - Phase 1	\$3,279,000	\$1,000,000
Fort St John	116 Street Multi-Use Path Connection	\$680,000	\$340,000
Parksville	Jensen Avenue Greenway Project	\$359,780	\$179,890
Cowichan Valley Regional District	Cowichan Valley Trail - Ladysmith to Chemainus Rail Trail Connector	\$1,297,549	\$511,274
East Kootenay Regional District	The Westside Legacy Trail, Segments 1-4	\$2,198,838	\$1,000,000
Dawson Creek	10 Street - Multi-Use Path Extension	\$210,000	\$83,294
Langley	53 Avenue Bike Lane Project	\$197,300	\$98,650
Pemberton	The Pemberton-Mount Currie Commuter Friendship Trail Bridge	\$1,419,000	\$500,000
Port Alberni	Stamp Avenue Multi-Use Path	\$200,000	\$100,000
Prince George	Highway 16 Frontage Road Multi-Use Trail	\$1,000,000	\$500,000
Quesnel	Gray Avenue Trail Connection	\$174,378	\$87,189
Kimberley	Kimberley Downtown Trails Connectivity	\$145,000	\$72,500
West Vancouver	Hugo Ray Multi-Use Pathway	\$96,000	\$48,000
Coquitlam	Dogwood Fairview Citywide Greenway	\$1,125,000	\$422,500
Trail	Pedestrian Bridge Siteworks - Phase 2	\$515,000	\$191,018
Castlegar	Kinnaird Bridge to College Trail Multi-Use Pathway	\$168,000	\$59,000
Coldstream	Coldstream Creek Multi-Use Shoulder	\$401,609	\$200,804
Cumberland	Bevan and Cumberland Road and Cycling Project	\$303,470	\$151,735
Vernon	Okanagan Rail Trail Connector (Kalamalka Lake Road Multi-Use Path) and 29th/30th Street Transportation Corridor - Phase 5	\$5,703,755	\$436,664
Powell River	Powell River Municipal Cycling Plan - Phase 4: Enhancement of the Manson Avenue Bike Corridor and Townsite Connector	\$367,737	\$183,869
Chilliwack	Industrial Way Bicycle Lanes - Old Orchard to Progress Way	\$300,840	\$150,420
Nanaimo	Dover Road to Turner Road Transportation Improvements	\$185,160	\$92,580
TOTAL		\$26,661,375	\$9,245,383

BC Air Access Program Estimates Note

Ministry of Transportation and Infrastructure

Date: August 22, 2017

ISSUE

- The BC Air Access Program (BCAAP) is the Ministry's cost-sharing program for infrastructure investments at B.C. airports.

ADVICE AND RECOMMENDED RESPONSE

- BCAAP provides capital funding for airport infrastructure projects that have significant economic benefit and/or help maintain a safe and reliable transportation system.
- Projects include, but are not limited to: runway and taxiway improvements, terminal expansions, hazard beacon and lighting upgrades, and fueling facilities.
- BCAAP has invested or committed a total of \$24 million under the first three years of the program.
- Over the next three years (2017/18 to 2019/20), it is anticipated that over \$30.4 M will be invested in new projects through BCAAP.

BACKGROUND

s.13,s.17

- BCAAP is a partnership with local governments and airport authorities – the program will fund up to 75% for rehabilitation projects and 50% for expansion projects.
- Funding facilitates access to northern resources and adds capacity to accommodate growing passenger volumes at many airports throughout the province.
- The Ministry's application review process includes input from multiple MoTI Divisions (Policy, Engineering, Infrastructure and Major Projects), the Economic Development Division (Ministry of Jobs, Trade and Technology), BC Emergency Health Services (regarding medevac needs), BC Wildfire Service and Transport Canada.
- The 2017/18 application intake resulted in a total of \$8.4 M audible for new projects, totaling \$10 million.
- The BCAAP investment of \$24 million to 45 airports represents a total project value of over \$54.8 million.

PROGRAM CONTACT

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Woss Train Derailment Estimates Note

Ministry of Transportation and Infrastructure

Date: August 22, 2017

ISSUE

- On April 20, 2017, a rail incident occurred at a Western Forest Products (WFP) site in the community of Woss on Vancouver Island. The incident involved rail cars loaded with logs on a railway under provincial jurisdiction. It resulted in three fatalities and left two people with injuries. The Woss operations is WFP's only rail operation in BC.

ADVICE AND RECOMMENDED RESPONSE

- Immediately following the incident, BC Safety Authority (BCSA) contacted the Transportation Safety Board (TSB). BCSA rail safety inspectors arrived on site on the morning of April 21, to assist investigations and offer technical rail safety assistance.
- It was concluded, in consultation with MOTI legal counsel, that under the provincial *Railway Safety Act*, the TSB would be the delegated investigator. MOTI requested that TSB conduct the investigation.
- TSB has indicated that their normal goal for report completion is fifteen months.
- BCSA will continue to work with WFP to assess safety measures at the Woss Operations, and perform safety inspections where necessary.
- WFP has secured a consultant to work with them on site to inspect the remaining derails, but WFP is not yet in a position for BCSA to review the requirements of the Notice and Order.
- As of early August, the BC Safety Authority (BCSA) had not received any information that WFP will be resuming rail operations at Woss. BCSA has not been informed of an anticipated resume date, nor has BCSA been asked to attend the site to ensure that conditions of the Notice of Order have been satisfied. BCSA must attend the Woss site for a demonstration of safety procedures before rail operations can resume.
- BCSA is currently reviewing additional options for broader communications with all rail operators in BC regarding derail safety.

BACKGROUND

- On April 26, TSB issued a Rail Safety Advisory Letter to MOTI (*see Appendix in Briefing Note cliff # 26671 May 3, 2017*) regarding derail operations and safety considerations at the Woss site. The advisory letter was copied to BC Safety Authority (BCSA), WorkSafeBC, WFP, and two railway associations.
- A derail is a device, permanently attached to a railway tie. In the case of an incident, the derail is meant to cause a runaway rail car to derail or leave the track – which could aid in minimizing the impact of the incident.
- On April 27, RCMP, BC Coroner's Office, WorkSafeBC and TSB completed their physical investigations of the incident site.

- On May 2 the Registrar of Railway Safety sent a response letter to the TSB acknowledging receipt of the Rail Safety Advisory letter. The response confirmed that BCSCA has railway inspection staff at the incident site reviewing and monitoring remedial actions as appropriate and has been working with WFP towards a safe return to operations.

Role of Transportation Safety Board:

- In 2004, the Province harmonized its railway safety legislation with federal railway safety legislation by adopting federal legislation, regulations, rules and standards.
- Provincial adoption of federal legislation included investigation provisions of the *Canadian Transportation Accident Investigation and Safety Board Act*. The adopted provisions are applied to provincially regulated railways in B.C.
- The adopted provisions were then delegated to TSB through an OIC. An Administrative Agreement between the Province and TSB sets out the obligations of the parties, costs and payments, and investigation procedures which TSB shall use when requested by the Province to undertake an incident investigation on a provincially regulated railway.

s.13,s.16

Financial Implications:

- The Agreement provides that the Province shall reimburse TSB for all reasonable costs incurred by TSB for the investigation. The cost of the investigation is not known at this time.

PROGRAM CONTACT

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Motorcycle Noise Estimates Note

Ministry of Transportation and Infrastructure

Date: August 24, 2017

ISSUE

- Excessive vehicle noise, including motorcycle noise, disturbs the enjoyment, peace and tranquility of neighbourhoods.

ADVICE AND RECOMMENDED RESPONSE

- Rules regarding noise, technical standards, enforcement options, authorities, education and training were reviewed and evaluated by the British Columbia Association of Chiefs of Police (BCACP) Traffic Safety Committee (TSC).
- It is the opinion of the BCACP that B.C. has an effective set of enforcement options to address excessive vehicle noise and will continue to work with law enforcement agencies to develop best enforcement practices.
- While the Province can set broad priorities and standards for police agencies, operational deployment of provincial police services falls within the internal management and control of the RCMP/local police forces with individual enforcement decisions occurring at arm's length from government.

BACKGROUND

- The government recognizes the negative impact of excessive vehicle noise as MOTI has heard from residents throughout the province that excessively loud motorcycles continue to be a problem, despite being against the law.
- Rules regarding vehicle noise, technical standards (including evidentiary requirements), enforcement options, authorities, education and training were reviewed and evaluated by the TSC. It is the opinion of BCACP that B.C. has an effective set of enforcement options to address the issue and will continue to develop best practices.
- Individual investigations and enforcement decisions occur at arm's length from government and we do not interfere with or direct police on such matters.
 - Under the *Police Act* (BC), the Minister of Public Safety and Solicitor General must ensure that an adequate and effective level of policing and law enforcement is maintained throughout B.C.
 - The Minister is responsible for setting the objectives, priorities and goals of the Provincial Police Service as represented by the RCMP. While the Province can set broad priorities and standards for police agencies, operational deployment of provincial police services falls within the internal management and control of the RCMP.
- In 2011, the BCACP passed a motion that the Province examine and adopt a roadside noise testing protocol known as SAE J2825. This examination was assigned to the TSC and involved MOTI Commercial Vehicle Safety and Enforcement Branch.
- As a result of the motion passed by BCACP, the Province reviewed its legislation and its effectiveness, surveyed Canadian and American jurisdictions regarding decibel limits and technical standards, engaged with the motorcycle manufacturers through the Motorcycle and Moped Industry Council, participated in testing and

demonstration, and examined other jurisdictional initiatives used in an attempt to address excessive vehicle noise concerns.

- Amendments could be made to the Motor Vehicle Act Regulations (MVAR) to support roadside enforcement efforts, which would allow for testing specific decibel limits within Designated Inspection Facilities by Authorized Inspectors for motorcycles sent for inspection through law enforcement actions.

s.13

- The results generated by testing would be subject to challenge due to possible noise contamination from external sources in the surrounding environment (e.g. location of testing, other traffic).
- The TSC determined that the subjective elements within the MVAR section 7A.01 (Loud and Unnecessary Noise) combined with investigative best practices upheld by the B.C. Supreme Court, provide police with the ability to effectively address the public nuisance issue of loud vehicle noise.
 - A violation ticket issued under section 7A.01 is based on a police officer's subjective judgment and does not require an objective standard based on a sound measurement device.
 - The TSC has developed a 'best practices' approach to address loud vehicle enforcement, particularly regarding motorcycles, based on the enforcement strategy used by the Vancouver Police Department. This police reference tool is available to all police officers in B.C.
- In 2016, the BCACP advised they would not conduct targeted blitzes on noise nuisance as the blitzes are reserved generally for safety issues.

PROGRAM CONTACT

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Seattle-Vancouver Potential Air Service Estimates Note

Ministry of Transportation and Infrastructure

Date: October 16, 2017

ISSUE

- Potential Seaplane Service Between Vancouver and Seattle.

ADVICE AND RECOMMENDED RESPONSE

- Scheduled seaplane service between Seattle and Vancouver was provided by Lake Union Air between 1989 and 1992.
- Since 2007, private sector seaplane companies within the Region have shown a varied level of interest in re-establishing the harbour-to-harbour air service between Vancouver and Seattle, and more recently this level of interest has increased.
- There are a number of issues that need to be addressed to the satisfaction of potential private sector proponents and the Canada Border Services Agency (CBSA), including cost-recovery and border services facility requirements.
- Premier Horgan and Governor Inslee have discussed this initiative, and both are supportive of private sector efforts to re-establish this service.
- Governor Inslee met with Prime Minister Justin Trudeau on May 18, 2017, and discussed the Cascadia Innovation Corridor, including seaplane service between Vancouver and Seattle.

BACKGROUND

- Scheduled seaplane service on the Seattle-Vancouver route was provided between 1989 and 1992 by a small U.S. seaplane airline, Lake Union Air, but was discontinued when the airline went out of business. At that time, CBSA cost recovery (the assessment of staffing costs for customs and immigration inspection of arriving passengers) did not apply.
- Since 2007, Kenmore Air, a U.S. based commuter seaplane airline, has shown a varied level of interest in starting a harbour to harbour air service between Seattle and Vancouver, as it already operates service between Seattle and Victoria. More recently, Kenmore Air and BC-based Harbour Air have expressed an interest in working together to jointly re-establish the seaplane service between Lake Union in Seattle and Vancouver harbour.

s.13,s.16

- BC and Washington State signed the Cascadia Innovation Corridor MOU in September 2016, and part of the commitment in the MOU is for BC and Washington State to “continue and further strengthen joint transportation planning efforts, focused on improved connectivity and ease of travel and movement”. The proposed reinstatement of this service is consistent with the BC/Washington MOU.
- Premier Horgan and Governor Inslee have discussed this initiative in the context of the Cascadia Innovation Corridor, and both are supportive of private sector efforts to re-establish this service.
- Prime Minister Trudeau and Governor Inslee met on May 18, 2017 to discuss cross-border collaboration on climate action, trade and economic development. Governor Inslee’s website indicated that they discussed the Cascadia Innovation Corridor and expressed their support for ultra-high-speed rail and seaplane service that can improve connectivity and help grow business opportunities on both sides of the border, particularly in the tech and life sciences industries.
- Staff from the Intergovernmental Relations Secretariat remain engaged on this file with the private sector, Washington State and the federal government.

PROGRAM CONTACT

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APPROVALS:

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Aug 25/17

Date

Date

Seattle-Vancouver High Speed Rail Estimates Note

Ministry of Transportation and Infrastructure

Date: October 16, 2017

ISSUE

- Washington State Ultra High Speed Rail Study Between Vancouver, BC and Portland Oregon.

ADVICE AND RECOMMENDED RESPONSE

- In December 2016, as part of Washington State Governor Jay Inslee's proposed 2017-2019 budget, the Governor proposed to undertake a study of ultra-high-speed rail (defined as 250 mph or above) between Vancouver, B.C. and Portland, Oregon.
- State funding of \$300k for the study was approved through the State Transportation budget, and was supplemented by a \$50k contribution from Microsoft.
- The contract for the study was issued earlier this summer, and study completion is anticipated by December 2017.
- Premier Horgan has discussed the concept of ultra-high-speed rail with Governor Inslee, and the Government of B.C. is participating on the study Working Group.
- Governor Inslee met with Prime Minister Justin Trudeau on May 18, 2017, and discussed the Cascadia Innovation Corridor, including ultra-high-speed rail.

BACKGROUND

- Funding for the ultra-high-speed rail study has now been approved through Washington State's Transportation budget. Governor Inslee has indicated that he is pleased that the Legislature has made a commitment to study ultra-high-speed rail. Furthermore, Microsoft has contributed \$50k in funding for the study.
- The contract was issued by Washington State Department of Transportation earlier this summer, with CH2M selected to undertake the study. The report is to be delivered by December 2017. Washington State is also closely following other high-speed rail initiatives underway in California, Texas and Florida.
- BC and Washington State signed the Cascadia Innovation Corridor MOU in September 2016, and part of the commitment in the MOU is for BC and Washington State to "continue and further strengthen joint transportation planning efforts, focused on improved connectivity and ease of travel and movement". Thus, the study is consistent with the BC/Washington MOU.
- Premier Horgan and Governor Inslee have discussed the concept of ultra-high-speed rail, and staff from both the Intergovernmental Relations Secretariat and Highway staff are engaged with Washington State on the study Working Group.
- Prime Minister Trudeau and Governor Inslee met on May 18, 2017 to discuss cross-border collaboration on climate action, trade and economic development. Governor Inslee's website indicated that they discussed the Cascadia Innovation Corridor and expressed their support for ultra-high-speed rail and seaplane service that can improve connectivity and help grow business opportunities on both sides of the border, particularly in the tech and life sciences industries.

- Under the Governor’s 2017-2019 budget proposal, the proposed study is to identify the costs and benefits of ultra-high-speed rail ground transportation along a north-south alignment in Washington State, and would also provide:
 - An update to the “High Speed Ground Transportation Study” commissioned by Chapter 231, Laws of 1991 and delivered to the governor and legislature on October 15, 1992;
 - An analysis of an ultra-high-speed ground transportation alignment between Vancouver, British Columbia and Portland, Oregon with stations in Vancouver, British Columbia, Bellingham, Everett, Seattle, SeaTac, Tacoma, Olympia, Vancouver, Washington and Portland, Oregon, with an option to connect with an east-west alignment in Washington state and with a similar system in the state of California;
 - An analysis of the following key elements:
 - Economic feasibility.
 - Forecasted demand.
 - Corridor identification.
 - Land use and economic development and environmental implications.
 - Compatibility with other regional transportation plans including interfaces and impacts on other travel modes such as air transportation.
 - Technological options for ultra-high-speed ground transportation both foreign and domestic.
 - Required specifications for speed, safety, access and frequency.
 - Identification of existing highway or railroad rights-of-way that are suitable for ultra-high-speed travel including identification of additional rights of way that may be needed and the process for acquiring those rights of way.
 - Institutional arrangements for carrying out detailed system planning, construction and operations.
 - An analysis of potential financing mechanisms for an ultra-high-speed travel system.
- Washington State sought provincial support, but not provincial funding, for the study. In January 2017 the Province wrote Washington State, indicating it was pleased to see the budget proviso in the Governor’s 2017-2019 Transportation Budget for a study to assess the viability of an ultra-high-speed rail corridor in the Region.

PROGRAM CONTACT

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Aug 25/17

Date

Date

Unmanned Aerial Vehicles (Drones) Estimates Note

Ministry of Transportation and Infrastructure

Date: August 22, 2017

ISSUE

- Unmanned Aerial Vehicles (UAV) or 'Drone' use in B.C.

ADVICE AND RECOMMENDED RESPONSE

- Aviation is a federal responsibility, with Transport Canada regulating UAV usage.
- UAVs are utilized for many valid and important commercial and emergency-related reasons in addition to significant recreational use.
- The research, development and manufacture of UAVs are an important and growing element of B.C.'s aerospace sector.

BACKGROUND

- As the popularity of UAVs increases, so does nuisance usage – incursions into restricted airspace around airports, hovering near residential towers and interfering with wildfire suppression activities. Much of the nuisance usage is related to UAVs that fall into a "model aircraft" category.
- The aerospace industry in B.C. accounts for over \$1.25 B in annual sales and employs over 10,000 skilled workers. B.C. is a growing centre of excellence for unmanned vehicle development, including UAVs and unmanned marine systems.
- Transport Canada is in the process of proposing changes to the UAV regulatory framework.

s.13,s.16

PROGRAM CONTACT

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Climate Action Estimates Note

Ministry of Transportation and Infrastructure

Date: August 25, 2017

ISSUE

- 37 percent of B.C.'s Greenhouse Gas (GHG) emissions come from transportation. The Ministry supports initiatives to reduce GHG emissions.

ADVICE AND RECOMMENDED RESPONSE

- The Ministry works with the Ministry of Energy, Mines and Petroleum Resources and the Ministry of Environment and Climate Action Strategy on transportation-related projects that reduce GHG emissions.
- The Ministry leverages investment through partnerships that promote operational efficiencies which result in reduced GHG emissions from the transportation sector.
- The Ministry is actively engaged in provincial plans and initiatives to address climate change and protect the environment.
- B.C. worked with the federal government and other provinces and territories to develop the Pan-Canadian Framework on Clean Growth and Climate Change (released 2016) and is now working on implementation. Specifically, ministry staff are participating on development of a National Zero Emission Vehicle Strategy (expected early 2018).

BACKGROUND

s.13,s.17

- 2017/2018 proposed expenditures will continue to focus on creating transportation sector efficiencies and the promotion of zero or low carbon energy use that reduce

GHG emissions. These projects will support provincial and national climate change efforts.

- Forecast expenditures:
s.13,s.17

- Projects under consideration for federal funding currently include:
s.13,s.16,s.17

PROGRAM CONTACT

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Transportation 2030: A Strategic Plan for the Future of Transportation in Canada

Estimates Note

Ministry of Transportation and Infrastructure

Date: August 22, 2017

ISSUE

- Federal transportation strategic plan with actions focused under five themes.

ADVICE AND RECOMMENDED RESPONSE

- Following the independent *Canada Transportation Act* Review, the new Federal government engaged in detailed consultations culminating with the release of Transportation 2030 in November 2016.
- BC actively participated in the CTA Review and in the subsequent consultation; Transportation 2030 includes a number of BC's transportation-related priorities.

BACKGROUND

- Transportation 2030 has actions divided into five key themes:

The Traveller: goal is to provide greater choice, better service, lower costs, and new rights for travellers.

- Example: establish an air passenger bill of rights regime.

Safer Transportation: goal is to build a safer, more secure transportation system that Canadians trust.

- Example: introduce locomotive voice and video recorders to be used during accident investigations.

Green and Innovative Transportation: goal is to reduce environmental impacts, including air pollution and embrace new technologies to improve Canadians' lives.

- Example: support the safe and rapid deployment of connected and automated vehicles on our public roads.

Waterways, Coasts and the North: goal is to build world-leading marine corridors that are competitive, safe and environmentally sustainable.

- Example: develop a long-term strategy to address the problem of abandoned vessels and wrecks.

Trade Corridors to Global Markets: goal is to improve our transportation system's performance to get products to markets to grow Canada's economy.

- Example: establish a new data regime to support sound investment decisions by government, and make sure that data is available to all who operate, oversee, analyze and use the transportation system.

PROGRAM CONTACT

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Aviation Estimates Note

Ministry of Transportation and Infrastructure

Date: August 22, 2017

ISSUE

- Improving international air access for citizens and travellers to British Columbia.

ADVICE AND RECOMMENDED RESPONSE

- The Province recognizes the key role of aviation in supporting economic development and advocates to the federal government to:
 - Continue to liberalize bilateral Air Transport Agreements to allow airlines to provide services with the frequency, routes and at capacity levels which the market will bear;
 - Include Open Skies as a goal in all Free Trade negotiations to allow businesses which rely on air access to optimize the opportunities that arise from Free Trade Agreements;
 - Improve visa processing so Canada can better compete with other destination or transit countries; and
 - Expand the Transit Without Visa program so airlines will be able to create more viable routes and travelers will have access to more flight options.
- The Province's recommendations reflect the role aviation plays in supporting economic development, creating jobs, and generating investment opportunities.
- Efforts to improve air access have led to new services in 2016 connecting BC directly with San Diego, Chicago, San Jose and Orlando, USA; Cancun, Mexico; Rome, Italy; Brisbane, Australia; London, England; and Dublin, Ireland.
- New direct flights in 2017 include from BC to Dallas, Denver and Phoenix, USA; Frankfurt, Germany; Taipei, China; Nagoya, Japan; and Hong Kong.

BACKGROUND

- The federal government is responsible for international air policy. The province can influence but not directly address regulatory impediments to improved air access.
- The Ministry collaborates with other Ministries and key industry stakeholders, such as the Vancouver International Airport Authority and the BC Aviation Council, on aviation issues that are of concern for BC. This enables BC to have a consistent voice in advocating to the federal government for specific regulatory changes.

PROGRAM CONTACT

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