

## DECISION BRIEFING NOTE

**DATE:** July 22, 2021

**PREPARED FOR:** Kaye Krishna, Deputy Minister, Ministry of Transportation and Infrastructure

**ISSUE:** Change to Definition of “Local Resident” in the Community Benefits Agreement

**PURPOSE:** A decision on support is required for the proposed change for TCH Projects being delivered as design-bid-build between Kamloops and Golden

**RECOMMENDED OPTION:**

- **OPTION 1:** Support the amendment to the definition of “Local Resident” as proposed by BCIB for design-bid-build projects on the TCH between Kamloops and Golden, subject to confirmation from BCIB that they have engaged with the Prime Contractors constructing these projects, they have advised the relevant industry associations and that any concerns raised by the contractors or the organizations have been brought to the Ministry’s attention and discussed.

**BACKGROUND:**

The TCH program from Kamloops to Alberta border is being delivered under the Community Benefits Agreement (CBA).

To deliver a project under the CBA, a contractor must enter into a BCIB Contractor Agreement (BCA) with BC Infrastructure Benefits Inc (BCIB) which obligates the contractor to follow the CBA.

The CBA formally prioritizes the hiring of people based on an established prioritization regime.

The CBA prioritizes hiring as follows:

1. Qualified Indigenous peoples in accordance with Government's other commitments and agreements with First Nations determined on a Project basis.
2. Qualified Indigenous people and Equity Groups (eg. women, LGBTQ2+, persons with disabilities) who are members of an affiliated union and Local Residents.
3. Qualified Indigenous peoples and Equity Groups and are Local Residents who are not Affiliated Union members.
4. Qualified Union members who are Local Residents.
5. Qualified Local Residents who are not members of an affiliated union.
6. Qualified Indigenous and Equity Group Affiliated Union members who are residents of BC but, are not Local Residents.
7. Qualified Indigenous and Equity Group non-union members who are residents of BC but, are not Local Residents.
8. Qualified BC Union members who are not Local Residents.
9. Qualified BC residents who are not Local Residents.



The CBA definition of “Local Resident”, used for the purpose of the priority hiring regime, uses a 100-kilometre radius, which does not align with the threshold for those eligible for living out allowance, which is 100-road kilometres.

The misalignment between road and radius kilometres means workers can be defined as a “Local Resident” hire, but live more than 100 road kilometres away from the job site making them entitled to living out allowance.

Additionally, this situation can result in non-union local people living within 100 road kilometres of the job site not getting opportunity to join BCIB and participate in local work because they are less priority than a local union member who is greater than 100 road kilometres from the project site.

To align the definition of local, an amendment to the CBA is required.

A review of the Major Works contracts for design-bid-build TCH projects in construction under the CBA, does not yield any requirement that the Contractor ‘sign off’ on changes to the CBA through the BCA.

#### **PAST INTERACTIONS:**

- *None ministry staff are aware of.*

#### **DISCUSSION:**

Article 9.100 of the CBA establishes the priority hiring order for people working on CBA projects.

BCIB is proposing to change the definition of “Local Resident” within the priority hiring regime to 100-road kilometres to align with living out allowance eligibility. The current definition considers people within 100 radius kilometres to be “Local Resident” for the purpose of priority hiring. See attachment for the full BCIB proposal.

The current definition of “Local Resident” results in union members who live greater than 100-road kilometres but, less than 100-radius kilometres, being prioritized for hire over a person who is within 100-road kilometres of the project site.

The current definition makes it more challenging to hire local people who are within 100-road kilometres and qualified but, not currently union members. This situation has resulted in additional labour costs to contractors because they are required to hire a person who is defined as “Local Resident” but, is entitled to living out allowance, when qualified, non-union local people were available.

It is anticipated this change would be well received by contractors working on design-bid-build projects because it is likely to reduce their labour cost. However, there is a small risk of a cost to the project for administration to implement the change. It is recommended BCIB engage with existing contractors working on projects on the TCH to understand their support or opposition to the proposed change prior to implementation.

A separate analysis is underway, through TI Corp, to determine the expected response from design-build contractors. This proposed amendment does not include projects being delivered by TI Corp.

Ministry staff consulted internal legal counsel regarding the proposed change to understand ministry risk and exposure to claims should the proposal be supported by the ministry. The ministry was advised that changes can be made to the CBA without requiring the consent of the contractor. A final legal review of the proposed amendment will be completed upon receipt of the amendment from BCIB.

The proposed change would apply to projects under construction (Chase – both segments, Salmon Arm, Illecillewaet, and Quartz). The proposal would also apply to the remaining projects in the program (Salmon Arm – Segment 2, Bruhn Bridge, Ford to Tappen,<sup>s.13</sup>

**GBA+ OR DIVERSITY AND INCLUSION IMPLICATIONS:**

This change allows for easier implementation of the CBA objective to increase the use of local workers on projects.

**FINANCIAL IMPLICATIONS:**

There is a very low risk of cost to the projects in construction and contingency is in place for CBA/BCIB related risks. The change is not retroactive. There are zero financial impact to projects in design.

**OPTIONS:**

1. Support the amendment to the definition of “Local Resident” as proposed by BCIB for design-bid-build projects on the TCH between Kamloops and Golden, subject to confirmation from BCIB that they have engaged with the Prime Contractors constructing these projects, they have advised the relevant industry associations and that any concerns raised by the contractors or the organizations have been brought to the Ministry’s attention and discussed.

**Pros:**

- Addresses concerns raised by contractors
- Increases the ability to hire local people
- Encourages new members to the unions

**Cons:**

- May reduce opportunity for existing union members who are not Indigenous or part of an Equity Group.

2. Do not endorse.


**Pros:**

- Ministry is not at risk of a dispute with the contractor over a change of the CBA

**Cons:**

- Restricts new union membership for people who are not Indigenous or part of an Equity Group.
- Does not address contractor concerns
- Higher cost of labour for projects under CBA

APPROVED (Option1)/ NOT APPROVED

  
Kaye Krishna, Deputy Minister

July 22, 2021  
Date

## 1. Proposed CBA Amendment – Definition of Local 20210617 Final

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## CBA AMENDMENT SUMMARY

### Definition of “Local”

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#### *Issues*

1. The CBA definition of “Local” (Article 2.315(a)), used for the purpose of priority hiring regime, uses a 100-kilometre radius, which does not align with the threshold for those eligible for living out allowance (Article 17.100), which is 100-road kilometres.
2. The current definition for “Local Resident” in 2.315(a)(ii) can truncate a community, causing inequity amongst residents of that community.

#### *Initial Sources for Proposed Change*

Raised by:

- Multiple Trans-Canada Highway #1 – Kamloops to Alberta Border 4-Laning contractors (“TCH”), namely: Chase West, Salmon Arm West and the Kicking Horse Canyon-Phase 4 Project; and,
- the AIRCC.

#### *Proposed Change*

The proposed changes to CBA Article 2.315(a) and 17.100 (master and Interior Road Building Addendum) are shown below in bold/underline and strikethrough.

#### 2.315 “Local Resident(s)”

- (a) A Local Resident shall be a person who resides within British Columbia and
- (i) Within one hundred (100) road kilometres ~~radius~~ of the applicable Site for a period of six (6) months prior to the commencement of construction work on the Site; or
  - (ii) who had a residence in a local community **(being a community whose jurisdictional boundaries lay, at least in part, within one hundred (100) kilometres driving distance (excluding distances travelled by ferries) of the applicable Site (the shortest route using well-maintained all-weather roads will be used in the calculation)** for one year prior to the date of hire after the commencement of construction. The Employer will designate and advise the Council of the “commencement of construction” date at the beginning of each project.

Note: for Kicking Horse Canyon Phase 4 Project the distance is proposed to be 130 road kilometres to align with current distances under the Enabling Agreement for that project.

17.100 Room and Board or Living Out Allowance shall be provided by the Contractor to all Employees who are not Local Residents ~~reside beyond one hundred (100) road kilometres from the Worksite~~ at no cost to such Employees and shall be paid in accordance with the following....”

### ***Operational Impact***

*Local Resident and LOA Alignment* - Without the proposed change, contractors and subcontractors may be paying living out allowance (LOA) of \$145/day or \$105/day (Article 17.101) depending on the application of Road Building Addenda, to workers deployed to the site as a Local as some may reside within a 100-kilometre radius of a CBA-project but need to drive more than 100 road kilometres to work (note for Kicking Horse Canyon Phase 4 Project, the distance is 130 road kilometres). Locals are expressly included in the CBA’s priority hiring regime (Article 9.100) and take precedence over non-Local candidates; someone who qualifies as “Local” will be deployed (9.100 b-e) before someone who is not (9.100 f-i).

Article 9.100 – Priority Hiring’s order of precedence for deployment is summarized as follows:

- a. Indigenous people, working subject to an IBA
- b. Indigenous people and Equity Groups (eg. women, LGBTQ2+, persons with disabilities) who are union members and Local
- c. Those in (b) who are not union members
- d. Union members who are Local.
- e. Local residents who are not union members.
- f. Indigenous and Equity Group who are union members and residents of BC but not Local.
- g. Those in (f) but not union members.
- h. Union members resident in BC, but not Local.
- i. Those in (h) but not union members.

*Local Community* - In order not to truncate sections of any given local community, a modification to 2.315(a)(ii) is also suggested so all resident citizens of a town or city which lies in whole or in part within 100 road kilometres of the project would be deemed “local” for the purposes of priority hiring. There is no impact to current projects as the CBA’s enabling clause has been used on the Trans-Canada Highway #1-Kamloops to Alberta Border 4-Laning (“TCH”) projects to previously affect this change where applicable. For example, for the Kicking Horse Canyon-Phase 4 Project, the District of Invermere has been expressly included in the definition of “Local Resident”. If that weren’t done some residents of Invermere would have qualified as local while others wouldn’t have.

### ***Financial Impact***

#### **Contractors**

With the proposed change, contractors and subcontractors will pay less LOA as hiring priority dispatches (i.e. Locals) will no longer negatively impact the contractors financially through the daily LOA provision.

It is unlikely in preparing their financial proposals that preferred proponents (ultimately the Contractors) would have priced to enough level of detail to have realized this CBA anomaly/non-alignment at that time.

#### Workers

Those who are eligible for LOA currently would continue to be eligible for LOA under these changes. Any employee who has been dispatched to a CBA project worksite as a “Local” who would no longer under the proposed change be considered “Local” will not be laid off because of this change but rather will continue their current employment for the duration required of them. The rehire provisions of the CBA remain the same and those individuals who had previously worked for BCIB can be rehired at the highest priority.

By reducing the area for “Local Resident(s)” there is more opportunity to priority hire individuals closer to the project and to provide opportunities to individuals from underrepresented groups who are not currently members of an affiliated union.

#### ***Other Comments***

The AIRCC and some affiliated unions have raised concerns about the current definition of “Local Resident(s)” as it does not align with their standard agreements. The union standard agreements are primarily based on driving distance. The proposed change has been informally discussed with the AIRCC and they are supportive.

The target effective date for the proposed changes is July 1, 2021.

Ministry of  
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and Infrastructure

s.12; s.13





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and Infrastructure

s.12; s.13







## INFORMATION BRIEFING NOTE

**DATE:** July 7, 2021

**PREPARED FOR:** Kaye Krishna, Deputy Minister Ministry of Transportation and Infrastructure

**ISSUE:** Replacement of Government Online Procurement System (BC Bid)

**PURPOSE:** Update on BC Bid system replacement project and impacts to MoTI.

### SUMMARY:

- Citizens' Services (CITZ) is leading the provincial initiative to replace the BC Bid system which is used by all government ministries and hundreds of broader public sector entities "BPS".
- MoTI uses BC Bid extensively in all aspects of program delivery and is the primary user of BC Bid for electronic tendering of construction contracts.

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### BACKGROUND:

s.13



s.13

#### DISCUSSION:

s.13

s.13

#### FINANCIAL IMPLICATIONS:

- Unknown at this time.

PREPARED BY:	REVIEWED BY:	DATE:
Jenny Pleice, Director Corporate Procurement & Risk Management	Ed Miska, A/ADM Highway Services	21-Jul-5
	Nancy Bain, EFO and Assistant Deputy Minister Finance and Management Services	21-Jul-7



## INFORMATION BRIEFING NOTE

**DATE:** July 8, 2021

**PREPARED FOR:** Honourable Rob Fleming, Minister of Transportation and Infrastructure

**ISSUE:** Proposed Colwood Passenger-Only Ferry

**PURPOSE:** Information on the business case as well as alternative sources for funding

### SUMMARY:

- We are acutely aware of the concerns people have with traffic congestion on the South Island, particularly from people commuting in from the West Shore and Malahat.
- In developing our South Island Transportation Strategy, we looked at how marine travel could improve the way we get around in the region.
- This involved an assessment of expanded ferry service between Mill Bay and Brentwood Bay including a passenger only service, the BC Ferries proposed Westshore Ferry, and a possible service between Cowichan Bay and Patricia Bay.
- As a result, we feel it's worthwhile to further explore the viability of future marine transportation corridors in the region.
- We've made this a longer-term priority in the South Island Transportation Strategy.
- I look forward to further discussions with our partners on the South Island about how we can work together to lessen congestion and make life easier for people commuting in from the West Shore.

### BACKGROUND:

In March 2019, BC Ferries shared a pre-feasibility study with key stakeholders in the CRD and held a meeting to discuss the possibility of a potential passenger-only ferry service between the Westshore at Royal Bay and downtown Victoria at Ship Point; and between Royal Bay and Esquimalt Harbour.

MOTI considered this service as it was developing the South Island Transportation Strategy (SITS). In September 2020, the ministry released the SITS which includes priorities for improvements to transportation on the South Island. Key messages relating to the strategy are included above.

Stakeholders continue to express support for the proposed Colwood ferry service and advocate for the Province to fully fund a feasibility study.

### PAST INTERACTIONS:

- N/A.

### DISCUSSION:

s.13; s.16



s.13; s.16

The pre-feasibility study conducted by SNC-Lavalin explored a range of scenarios to connect the three terminals using a fast catamaran passenger-only ferry with capacity to carry 294 passengers. The base-case scenario (5 vessels operating 16 hours per day) with fares of \$2.50 showed annual ridership of over 1 million in 2021, but with yearly losses of over \$8M, contributing to a Net Present Value (NPV) of negative \$230M over the 40-year period. Based on this base-case scenario, the consultants concluded that the financial business case is very poor.

As a result, the consultants examined, at a high level, various scenarios that might improve the NPV by reducing service characteristics and costs, e.g., reduced numbers of ferries, crew size, length of operating day etc. None of the scenarios resulted in a positive NPV after 40 years. One scenario, that is frequently referenced by advocates of the service, forecasts a positive cash flow of \$170,000 in 2021 with an initial capital investment of \$58 million and a negative NPV of \$31M over 40 years. This scenario includes the use of two natural gas ferries, assumes a low crew profile of 2 persons per vessel, annual ridership under 600,000, and a fare price of \$5.75 per trip. The consultants point out that there is a case of diminishing returns in terms of revenue and demand as the fare is increased. This would result in the need for future policy considerations around the level of government funding versus equity and affordability concerns for users.

One important consideration is that the majority of the Westshore ferry demand is expected to come from the existing transit market (65%) with a smaller portion from the car market (35%), limiting the number of vehicles taken out of the Westshore commute. As the majority of users would be moving from transit to the ferry service, any future changes in the transit service would impact future ferry traffic. For example, a new high-speed rail service would likely move people away from the ferry. Similarly, if transit improvements don't keep up with forecasted population growth in the Westshore, the demand for ferry travel would likely increase.

The report concluded that a full feasibility study would be required to more fully assess the project examining, among other things, further investigation into the design of the vessel, whether smaller vessels could be better matched to expected ridership while still being reliable during inclement weather conditions, feasibility of alternative fuel options, geotechnical investigations relating to the marine terminal development along with modelling to assess potential impacts to sensitive coastal areas, and an assessment of off-peak travel demand. Opportunities for joint funding and financing options were also recommended for further exploration, particularly involving organizations who would share the broader economic and social benefits.

The ministry currently has no funding allocated to pursue this project. The cost of a full feasibility study would be subject to a competitive procurement process. The ministry's Transportation Investment Plan (TIP) provides funding for ministry approved projects through the BC Transportation Financing Authority. Depending on the cost of the feasibility study and decision to proceed, it would require either reprioritization of funding within the TIP or additional funding from government. While the ministry is not aware of any third-party funding sources for this project, staff could explore local and/or federal government interest in cost-sharing the study. While a full feasibility study would provide more information to support a government decision, it could result in greater public expectation that government will support the costs to implement this project.

#### **GBA+ OR DIVERSITY AND INCLUSION IMPLICATIONS:**

Passenger-only ferry services would benefit a diverse range of ferry users.



## FINANCIAL IMPLICATIONS:

- None at this time as government has made no financial commitments.

## Appendices:

1. BC Ferries' Westshore Passenger Ferry Fact Sheet

PREPARED BY:	REVIEWED BY:	DATE:
Lynda Petruzzelli, Senior Manager Marine Branch	Deborah Bowman, ADM Transportation Policy & Programs	21-Jul-7
	Nancy Bain, ADM & EFO Finance & Management Services Department	N/A
	Kaye Krishna, Deputy Minister	21-Jul-7





## APPENDIX 1 – BC Ferries' Westshore Passenger Ferry Fact Sheet

### Westshore Fact Sheet

#### **Proposed Terminals:**

Royal Bay, Esquimalt, and Ships Point

#### **Vessel Design:**

Damen Fast Ferry 3209, 294 passengers, diesel, 25 knots, significant wave height of 2.5m

#### **Weather Delays/Cancellations:**

Based on 25 years of data, estimated 0.2% of the time – consistent with current BCF weather cancellation stats

**Demand Forecast:** Based on CRD transportation model, no surveys conducted

2021 – 3,100 riders @ \$2.50 = \$2.59 million revenue

2038 – 4,000 riders @ \$2.50 = \$3.34 million revenue

#### **Annual Growth Rate:**

Estimated to be 2.7% (Royal Bay/Ships Point) and 0.8% (Royal Bay/Esquimalt)

#### **Capital Costs:**

Royal Bay - \$27,900,000 (\$15.2 marine, \$12.7 upland)

Esquimalt - \$10,000,000 (\$9.5 marine, \$.5 upland)

Ship Point - \$3,700,000 (\$3.2 marine, \$.5 upland)

#### **Operational Costs:**

Crewing – 4 people per vessel with 3 crews for each vessel = \$7M/year

Fuel – Assuming diesel fuel at 0.952/l = \$3.2M/year

#### **Financial Business Case:**

Base case shows yearly losses of 8M/year and NPV over 40 years of negative \$230M

#### **Sensitivity Cases Include:**

- Considering each proposed route in isolation
- Reduced vessel staffing
- Reduced vessels and frequency
- Reduced service hours
- Alternative fuels
- Raising fare prices

When all sensitivity measures are used in combination the initial yearly losses are \$280k/year until demand and revenue growth turns the service cash positive around 2026. NPV for the 40-year period is negative \$50M.

#### **Alternative Scenario Considered:**

- 2 ships
- 30 minute intervals - assuming we can travel through the inner harbour at 10 knots, which we will be discussing with the harbour master very soon



\$5.75 fare  
2x8 hour shifts (16 hour day)  
7 days a week  
Smaller vessel with 200 person capacity so we can operate with 2 crew

As the ferry service is faster, it becomes more appealing to commuters and the demand numbers are increased fairly significantly, meaning revenue is considerably higher.

We have assumed the vessel purchase price remains the same.

We are assuming that an LNG version becomes available.

The fuel costs are about three times more than the previous best case Option 2C, because it is running a full day of 16hrs rather than 8hrs, faster cruising speed, more trips and less down-time at the berth.

											Demand Growth		Daily Ridership (2021)	Annual Revenue (2021)	Total Project Initial Capital Cost (2020)	Net Annual Cash Flow (2021)	Net Present Value
Option	Ref.	Route	Headway (mins)	Schedule	No. of Ferries	No. of Crews / Ferry	Crew Size	Fuel Type	Fuel Consumption/yr vessel (litres/DLE)	Fare	2021 – 2038	2038 – 2059					
Full Day Full Fleet	1a	RB-SP	20	Full day (16 hours)	4	3	4	Diesel	686,400	\$ 2.50	2.65%	1.99%	2834	\$ 2,384,376	\$ 97,975,966	-\$ 8,395,638	-\$ 227,370,553
		RB-ESQ	60	Full day (15 hours)	1	3	4	Diesel	571,700	\$ 2.50	0.79%	0.59%	243	\$ 209,388			
	2a	RB-SP	20	Full day (16 hours)	4	3	4	Diesel	686,400	\$ 2.50	2.65%	1.99%	3031	\$ 2,550,463	\$ 76,658,353	-\$ 6,373,802	-\$ 169,925,435
	3a	RB-ESQ	60	Full day (15 hours)	1	3	4	Diesel	571,700	\$ 2.50	0.79%	0.59%	318	\$ 273,734	\$ 49,922,088	-\$ 2,414,425	-\$ 92,730,472
Full Day Reduced Fleet	1b	RB-SP	40	Full day (16 hours)	2	3	4	Diesel	686,400	\$ 2.50	2.78%	2.06%	2318	\$ 1,947,609	\$ 74,072,057	-\$ 4,693,353	-\$ 141,835,628
		RB-ESQ	60	Full day (15 hours)	1	3	4	Diesel	571,700	\$ 2.50	0.79%	0.59%	247	\$ 213,434			
	2b	RB-SP	40	Full day (16 hours)	2	3	4	Diesel	686,400	\$ 2.50	2.78%	2.06%	2427	\$ 2,038,952	\$ 52,754,444	-\$ 2,750,307	-\$ 86,232,495
	3b	RB-ESQ	60	Full day (15 hours)	1	3	4	Diesel	571,700	\$ 2.50	0.79%	0.59%	318	\$ 273,734	As per 3a		
Reduced Day Reduced Fleet	1c	RB-SP	40	4 hrs AM & 4 hrs PM	2	2	2	LNG	343,200	\$ 5.75	3.25%	2.44%	710	\$ 1,359,123	\$ 82,069,007	-\$ 1,133,587	-\$ 91,682,566
		RB-ESQ	60	4 hrs AM & 4 hrs PM	1	2	2	LNG	228,700	\$ 5.75	1.43%	1.07%	68	\$ 133,283			
	2c	RB-SP	40	4 hrs AM & 4 hrs PM	2	2	2	LNG	343,200	\$ 5.75	3.25%	2.44%	866	\$ 1,656,833	\$ 58,085,744	-\$ 277,563	-\$ 49,742,702
	3c	RB-ESQ	60	4 hrs AM & 4 hrs PM	1	2	2	LNG	228,700	\$ 5.75	1.43%	1.07%	177	\$ 346,731	\$ 52,587,738	-\$ 967,888	-\$ 70,231,787
	4	RB-SP	30	Full day (16 hours)	2	3	2	LNG	1,092,080	\$ 5.75	2.91%	2.18%	1558	\$ 3,301,561	\$ 58,085,744	\$ 173,874	-\$ 30,750,360

If the project is to move forward:

- Investigate financing and joint-funding options
- Investigate viability of lower crew levels
- Investigate whether smaller vessels could service the route
- Investigate whether LNG could work with proposed vessels
- Geotechnical investigation at Royal Bay
- Assessment of off-peak demand and survey of potential users
- Coastal modelling to assess impacts near Royal Bay
- Further First Nations consultation
- Further stakeholder consultation



## MEETING BRIEFING NOTE

**DATE:** July 7, 2021

**PREPARED FOR:** Honourable George Heyman, Minister of Environment and Climate Change Strategy

**ISSUE:** TransLink's 2022 Investment Plan – Property Tax

**MEETING:** TransLink Mayors' Council on July 8, 2021 to discuss the <sup>s.13; s.16</sup>  
s.13; s.16

### PROPOSED KEY MESSAGES:

- The Province is working with TransLink to develop regional funding tools to form part of TransLink's next investment plan.  
s.13; s.16
- s.13; s.16
- The Province provided TransLink with significant funding through Safe Restart to help close its funding gap, and I expect TransLink to use its available revenue tools to find solutions to recovering from COVID and meeting the region's priority transit needs.

### BACKGROUND:

The Province is working with TransLink to develop regional funding tools to help close TransLink's anticipated \$1 to \$3 billion funding gap over the next ten years (\$100-300 million annually).<sup>s.13; s.16</sup>  
s.13; s.16

TransLink has received \$675.8 million in Safe Restart funding to help close its funding gap, including: \$600M for 2020 and 2021 relief; \$16.9M to help offset additional motor fuel tax shortfalls for 2020 and 2021; \$44M to hold fare increases to 2.3% until after 2024; and \$14.9M to offset costs to implement free transit for children 12 and under.

A key mechanism in closing TransLink's funding gap is property tax increases. TransLink's property tax currently makes up 7% of the average Metro Vancouver homeowner's property tax bill.

Under TransLink's legislation, it can increase its property tax revenue by 3% per year without requiring additional approval from the Mayors' Council. TransLink initially included property tax revenue growth from new development in the 3%, which meant actual property tax increases were less than 3%. To help fund TransLink's Phase One investment plan, TransLink changed its policy to permit annual increases of 3% prior to factoring in new growth. The Mayors' Council and TransLink Board can approve larger increases.

TransLink's 2018 Phase Two investment plan included property tax increases of \$5.50 per household to help support the plan, in addition to the regular 3% annual increases.

s.13; s.16



#### PAST INTERACTIONS:

- None ministry staff are aware of on this topic.



## DISCUSSION:

s.13; s.16

TransLink raised \$398 million in property tax revenue in 2020, and \$18 million through the Replacement Tax, additional property tax revenue which replaced a previous parking stall tax.

s.13; s.16

## GBA+ OR DIVERSITY AND INCLUSION IMPLICATIONS:

Property tax increases can raise costs for both homeowners and renters, who may have costs passed on to them by landlords. TransLink's property tax rates also do not consider whether properties benefit directly from transportation amenities; however, this is true of several tools that fund the regional service.

Lower income households pay a larger proportion of their income in property tax than higher income households, affecting affordability for those homeowners. Potential revenue tools that are more affordable for low-income households include progressive property tax rates, value-based vehicle levies, sales tax on high-value vehicles, regional income taxes and employer transit taxes, as well as tools that do not charge residents, such as community amenity contributions, advertising, and real estate development.

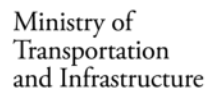
## FINANCIAL IMPLICATIONS:

s.13; s.16

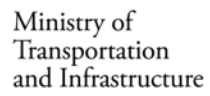


Ministry of  
Transportation  
and Infrastructure

PREPARED BY:	REVIEWED BY:	DATE:
Stephen Harrison, Senior Policy Analyst Transit Branch (778) 698-9368	Deborah Bowman, Assistant Deputy Minister Transportation Policy & Programs Department	21-Jul-5
	Nancy Bain, EFO Finance and Management Services Department	N/A
	Kaye Krishna, Deputy Minister	21-Jul-7

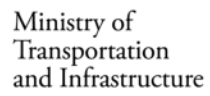


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s.12; s.13; s.16



s.12; s.13; s.16

PREPARED BY:	REVIEWED BY:	DATE:
Kevin House, Director, Land Management Properties & Land Management Branch	Andrew Brooke, Executive Director Properties & Land Management Branch	21-Jul-5
	Kevin Volk, ADM Major Projects, Infrastructure & Properties	21-Jul-6
	Kaye Krishna, Deputy Minister	21-Jul-7



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s.12; s.13; s.14


**GBA+ OR DIVERSITY AND INCLUSION IMPLICATIONS:**

s.12; s.13

**FINANCIAL IMPLICATIONS:**

- None.

s.12; s.13

  
Honourable Rob Fleming  
Minister of Transportation and Infrastructure

July 8, 2021

Date \_\_\_\_\_

**Attachments:**

s.12; s.13

<b>PREPARED BY:</b>	<b>REVIEWED BY:</b>	<b>DATE:</b>
Brad Gerhart, Registrar of Railway Safety Transportation Legislation and Policy Branch (778) 698-5194	Deborah Bowman, Assistant Deputy Minister Transportation Policy and Programs Kaye Krishna, Deputy Minister	21-Jul-7
		21-Jul-7

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Withheld pursuant to/removed as

s.12 ; s.13



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## MEETING BRIEFING NOTE

**DATE:** July 9, 2021

**PREPARED FOR:** Honourable Rob Fleming, Minister of Transportation and Infrastructure

s.12; s.13; s.16





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CLIFF #303992

s.12; s.13; s.16



PREPARED BY:	REVIEWED BY:	DATE:
Kevin House, Director – Land Management Properties & Land Management Branch (250) 361-6679	Kevin Volk, Assistant Deputy Minister Major Projects, Infrastructure & Properties	21-Jul-5
	Nancy Bain, Executive Financial Officer Finance and Management Services Department	21-Jul-7
	Kaye Krishna, Deputy Minister	21-Jul-7

## BRIEFING NOTE FOR DECISION

**DATE:** July 12, 2021  
**PREPARED FOR:** Honorable Rob Fleming Minister of Transportation and Infrastructure  
**ISSUE:** First Nations Engagement in Service Area (SA) 11 Maintenance Contract  
**PURPOSE:** Strengthen indigenous involvement through the SA 11 maintenance contract.

### SUMMARY:

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### BACKGROUND:

In 1988, the Ministry of Transportation privatized highway maintenance in BC, with the belief that the services could be delivered more efficiently by the private sector.

This resulted in the procurement to secure 28 service area contracts across the Province.

Since this time, the ministry has undergone six Rounds of Highway Maintenance contracts, with the most recent one having started in 2018.

In December 2016, the BC Roadbuilders & Heavy Construction Association (BCRB) and the BCGEU approached the Ministry with an unsolicited proposal to reinstate labour succession language in the Round 6 contracts in exchange for: labour savings of 3% contract value, labour certainty and stability and implement a program to recruit Indigenous people into the maintenance services workforce.

As part of this Provincial Memorandum of Agreement Proposal, 25 of 28 service area contracts subsequently ratified collective agreements with the BCGEU, except for SA25 (unionized with the International Union of Operating Engineers) and SA27 (non- union).

SA11 was not included in this proposal as the contract was awarded in September 2016, prior to government receiving the request from BCRB/BCGEU.

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s.13; s.16; s.17



s.13; s.16; s.17

## FINANCIAL IMPLICATIONS:

- None.

s.13; s.16; s.17

\_\_\_\_\_  
Honorable Minister Rob Fleming

\_\_\_\_\_  
Date

### Appendices:

- A. Procurement Options Outline
- B. Procurement Timeline

#### PREPARED BY:

Dan Palesch, Director, Highway Maintenance Contract Renewal  
Construction and Maintenance Branch

#### REVIEWED BY:

Ed Miska, A/Assistant Deputy Minister  
Highway Services  
Darrell Gunn, A/Associate Deputy Minister  
Highways Operations  
Kaye Krishna, Deputy Minister

#### DATE:

21-Jun-23

21-Jul-8

21-Jul-12



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s.13; s.16; s.17





s.13; s.16; s.17



s.13; s.16; s.17



## BULLETS

**DATE:** July 14, 2021

**PREPARED FOR:** Kaye Krishna, Deputy Minister, Ministry of Transportation and Infrastructure

**ISSUE:** Impacts of Delayed GMC Crossing Announcement

### KEY FACTS

s.13; s.16; s.17

### PREPARED BY:

Lesley Ballman, Executive Director  
Major Projects & Alternative Procurement Branch



## INFORMATION BRIEFING NOTE

**DATE:** July 14, 2021

**PREPARED FOR:** Kaye Krishna, Deputy Minister, Minister of Transportation and Infrastructure

**ISSUE:** Fraser Valley Regional Rail Pre-Feasibility Study

**PURPOSE:** Update on the pre-feasibility study for a regional rail transit system in the Fraser Valley.

### SUMMARY:

- A Regional Rail Pre-Feasibility Study (the Study) identified potential benefits of a regional passenger rail system; however further analyses of the opportunity was recommended including detailed corridor and infrastructure condition assessment, ridership and demand modeling and cost estimation.
- The Fraser Valley Integrated Transportation Development Plan (FVITDP), can examine the rail corridor in the context of the regional transit network as part of an integrated system that moves people and goods within and through the region as well as between regions and includes the SLS and Highway 1 widening projects.

### BACKGROUND:

Over the past decades, the Fraser Valley has experienced some of the highest growth rates in the province. Fuelled by high land costs and housing affordability challenges in Metro Vancouver, growing numbers of residents and businesses have been choosing to locate or relocate to the Valley. This growth has been particularly notable in the major communities of Langley, Abbotsford, Chilliwack, and Mission, putting increasing pressure on transportation infrastructure, services and housing affordability.

The Study was launched in the Winter of 2020 to further the Minister of State's mandate commitment to explore passenger rail opportunities on existing rail corridors in the Fraser Valley by providing an assessment of regional rail opportunities for the Fraser Valley, and identifies a number of potential concepts for a passenger rail service to connect the Fraser Valley's major communities. The study identified three conceptual options: West Coast Express Extension – Mission to Abbotsford, Interurban Line – Abbotsford to Chilliwack and the Valley Link – Langley to Abbotsford with Mission connection.

A rail corridor, commonly known as the Interurban Line extends approximately 75 km from Langley City, to Chilliwack. It is owned and operated by Canadian Pacific Railway and Southern Railway for freight use.

The alignment and connections of this corridor have been studied previously (MoTI, 2010 and TransLink, 2012), resulting in other priorities being advanced due to challenges around projected ridership, cost relative to alternatives, potential conflicts with freight movement, and limited alignment with regional land use plans. Since these studies, freight movement in the region has grown and is expected to reach 74 trains/day by 2026, up from 52.1 trains/day in 2016.

### DISCUSSION:

#### *Development and Growth:*

The preliminary concepts demonstrate potential to link areas along the Interurban corridors to accommodate future population and employment growth. While the existing lines generally run through the urban centres, or in close proximity to areas identified for growth and intensification, the remainder runs through rural areas predominantly designated as Agricultural Land Reserves. With the exception of Langley City, current



planning does not consider regional rapid transit. Success of land use integration and multi-modal linkages with the rail line, specifically the potential stop locations will require close engagement and further study to support the development and growth of sustainable, affordable, and resilient communities.

### ***Market and Demand***

s.13

Comprehensive ridership modelling would be required to provide a greater degree of detail and certainty on the potential ridership that could be achieved with a regional rail service.

### ***Infrastructure and Costs***

The rail corridors identified for regional rail concepts are active freight railroads, with varying ownership and operating structures. Access would need to be negotiated through partnerships and cost sharing arrangements. A number of improvements will be required to establish a passenger service including track upgrades to allow for passenger train manoeuvrability and minimize the impacts to freight traffic.

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Beyond the recommended next steps to evaluate the proposed concepts, the Ministry believes additional work is needed to further assess the passenger rail service in conjunction with SLS, Highway 1 upgrades and FVX bus service enhancements. Through the FVITDP, a regional transit network review would enable the ministry to assess these transit services and other opportunities for mass transit (i.e. Fraser Valley Highway).

### **GBA+ OR DIVERSITY AND INCLUSION IMPLICATIONS:**

GBA+ was considered in the development of the study and will continue to be a critical lens of assessment through any subsequent initiatives.

### **FINANCIAL IMPLICATIONS:**

- None at this time.





## MEETING BRIEFING NOTE

**DATE:** July 15, 2021

**PREPARED FOR:** Honourable George Heyman, Minister of Environment and Climate Change Strategy  
Honourable Rob Fleming, Minister of Transportation and Infrastructure  
Honourable Bowinn Ma, Minister of State for Infrastructure

s.13; s.16







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s.13; s.16



s.13; s.16

PREPARED BY:	REVIEWED BY:	DATE:
Vanessa Day, Senior Policy Analyst TransLink Unit, Transit Branch (778) 698-3367	Deborah Bowman, Assistant Deputy Minister Transportation Policy and Programs	21-Jun-29
	Nancy Bain, Executive Financial Officer Finance and Management Services Department	N/A
	Kaye Krishna, Deputy Minister	

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Withheld pursuant to/removed as

s.13 ; s.16



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## INFORMATION BRIEFING NOTE

**DATE:** July 16, 2021

**PREPARED FOR:** Kaye Krishna, Deputy Minister of Transportation and Infrastructure  
s.12; s.13; s.16

s.12; s.13; s.16



Ministry of  
Transportation  
and Infrastructure

s.12; s.13; s.16

PREPARED BY:

REVIEWED BY:

DATE:

Ed Miska, ADM  
Highways Services  
Nancy Bain, EFO  
Finance and Management Services Department  
Kevin Richter, Associate DM  
Highway Operations

21-Jul-13

N/A

Click or tap to enter a date.

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s.12 ; s.13 ; s.16