

TO: CITY MANAGER

DATE: 2001 02 09

FROM: DIRECTOR ENGINEERING

FILE: 10-04-02

SUBJECT: CANADA - BC INFRASTRUCTURE PROGRAM

PURPOSE: To obtain authority from Council to submit an application for funding assistance under the Canada - BC Infrastructure Program

RECOMMENDATION:

1. THAT Council endorse in principle the infrastructure renewal program in the total amount of \$49.9 Million, as outlined in this report, for submission to the Province for funding assistance under the Canada - BC Infrastructure Program.

REPORT

SUMMARY

Canada - BC Infrastructure Program is a \$6 billion infrastructure renewal program jointly funded by the federal, provincial and local governments. In British Columbia, a total of \$800 million will be spent over the term of the agreement, the majority of which will be used to upgrade green municipal infrastructure and create employment opportunities in local communities.

Staff have reviewed our capital improvement programs and have developed a strategy to take advantage of potential funding approvals under the federal agreement. This report outlines a \$49.9 million program of capital improvements, and subject to Council's approval, will form the basic framework for Burnaby's submission to the Province for funding assistance.

BACKGROUND

In 1994 the Federal Government established a \$6 billion Canada Infrastructure Works Program, the primary purpose of which was to accelerate economic recovery by creating short and long-term employment through investment in local communities and to meet the well documented need of infrastructure renewal in Canada. The program was jointly funded by the federal, provincial and local governments. In 1997, the original program was enhanced with an infusion of additional funds (\$150 million in B.C.) and the completion deadline for approved projects extended to 1998 March 31. Over the term of both agreements, a total of \$825 million was spent on upgrading the physical infrastructure - with roads being the primary focus of the second agreement - in local communities throughout British Columbia.

Under the program, the City submitted applications for a total of 59 projects with an estimated cost of \$34.117 million. Projects with grants totalling \$7.466 million were subsequently approved and the City has received 100% payment for the works constructed.

The purpose of this report is to provide an overview of the new Canada - B.C. Infrastructure Program and requests Council's endorsement of the list of projects to be submitted for funding assistance under the program.

OVERVIEW OF THE CANADA - B.C. INFRASTRUCTURE PROGRAM

The Program:

The Federal and Provincial Governments have recently made available a program guide and application kit for the new Canada - B.C. Infrastructure Program. The \$6 billion, six-year program was first announced last October. It is again based on a three-way partnership between the federal, provincial and city governments, with each contributing one-third of the total program funds.

Under the new program \$800 million will be invested over six years to improve the infrastructure in local communities throughout B.C. It is expected to stimulate economic growth and create employment opportunities in all regions of the province.

Evaluation Criteria:

The main focus of the program will be on protection and enhancement of the environment, where at least three-quarters of the available funding will be used for "green" local government infrastructure projects. "Green" infrastructure type projects improve the quality of our environment and contribute to our national goals of clean air and water. Examples of eligible projects could range from water treatment and wastewater systems, to solid waste management and recycling.

Other priorities include investments in cultural and recreational facilities; infrastructure supporting tourism, rural and remote telecommunications; high-speed internet access for local public institutions; local transportation and affordable housing.

All projects must be construction, renewal, expansion or material enhancement of the infrastructure for the public's use or benefit.

The selection criteria against which project proposals will be measured have been developed in negotiations with the provincial and territorial partners, and are designed to support the overall goals and objectives of Infrastructure Canada. Broadly speaking, project proposals will be ranked according to how well they advance the objectives of the program:

- Enhancement of the quality of the environment, (e.g., water and wastewater management, solid waste management, more efficient energy use);
- Support of long-term economic growth, (e.g., increasing economic opportunity in communities, increasing access to the new economy through improved telecommunications, increasing tourism opportunities);
- Improvement of community infrastructure, (e.g., increasing community safety, supporting Canadian heritage and culture, increasing access to local recreational facilities, supporting development of minority English and French linguistic communities);
- Building 21st century infrastructure, (e.g., encouraging innovation, increasing partnerships, encouraging use of new approaches and best practices, more efficient use of existing infrastructure).

Time Frame:

Applications may be submitted to the Ministry of Employment and Investment at any time, however, only applications received by 2001 March 15 will be considered in the first group of projects to be reviewed. Approvals will be made at set intervals, yet to be determined, until 2005 June 30. All projects funded under the program must be completed by 2006 March 31.

PROGRAM APPLICATION

In response to the federal initiative, staff have prepared a list of projects for funding consideration. This report outlines a \$49.9 million program of capital improvements, and subject to Council's approval, will form the basis for Burnaby's submission to the Province for funding assistance.

A total of seven major public works/recreation/transportation projects with a total estimated cost of \$ 49.9 million have been identified for submission to the program (See **Appendix A** for specific program details). If approved the City would be responsible for 1/3 which is \$16.1 million. The selected projects are included in the City's five-year capital program, subject to financial affordability and/or funding assistance. Approval of funding assistance would allow the projects to proceed and/or accelerate the construction schedule.

The projects are summarized as follows:

	<u>(\$, million)</u>
Burnaby Lake Rejuvenation	27.0
Sanitary Sewers	20.0
Kingsway East 1914 School Building	1.2
Urban Trail/Bikeways Network	1.7

	\$ 49.9
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CONCLUSIONS

The Federal Government initiative in establishing the Canada - BC Infrastructure Program provides an ideal opportunity for the City to cost-share with the federal and provincial governments in funding the renewal of local infrastructure. It is recommended that Council approve in principle the capital improvement program outlined in this report and that applications for funding assistance in the amount of \$49.9 million be submitted to the provincial Minister of Employment and Investment


DIRECTOR ENGINEERING

AAS:

cc: Director Finance
Director Planning & Building

APPENDIX A

Burnaby Lake Rejuvenation:

\$27.0 million

General infilling of Burnaby Lake due to sediment transport and invasive vegetation growth in the shallower water would likely, without some form of remedial action, transform the lake into a marsh with potential loss of open water habitat types and recreation/sport opportunities. A pilot dredging program undertaken in 1999 confirmed the technical and environmental feasibility of restoring the lake environment. Based on the results of the pilot, a potential dredging program phased over a four-year period has been developed to improve the lake environment by removing excess sediment and providing opportunities for rowing.

Combined Sewer Separation Program:

\$15.0 million

The combined sewer areas in North Burnaby consist of sewers that convey both sanitary and stormwater flows in a single pipe. During dry weather flow, the system has adequate capacity to convey all sewage to the GVRD's wastewater treatment plants. However, during wet weather, combined sewage overflows can occur, discharging raw sewage to the Burrard Inlet. Additional potential health hazards can result from sewage back-up into private homes. To address these issues, the City has developed a phased program to replace existing combined sewers with separate sanitary and storm sewers. Initial phases will separate the trunk sewers so that immediate benefits (reduction in combined sewage overflow volume) will be achieved.

Big Bend Sewer Extension:

\$5.0 million

There are areas in the Big Bend where no sanitary sewer service is available and properties are served by individual septic fields. The performance of these septic field systems is compromised due to a high water table and poor soil conditions. To alleviate potential health and environmental concerns a sanitary sewer system is proposed for the Willard/Thorne sewerage area.

Kingsway East 1914 School Building:

\$1.2 million

The building was constructed in 1914 and is situated in the Edmonds Town Centre West area. It is one of the earliest remaining school buildings in the City and was designated a heritage building by Council in 1992. It is proposed to upgrade the building to meet current building codes to serve the needs of the local residential community. The reuse of this building to serve local needs is supportive of our objective of creating high density, well serviced residential communities within an urban environment.

Big Bend Urban Trail Network:

\$0.8 million

Approximately 12 km of urban trail are proposed to be constructed in the Big Bend area and would highlight the natural amenities and diverse working landscapes of the Big Bend Area. Urban trail connections to the south slopes would also be developed.

Rivers, Lakes and Mountains Urban Trail:

\$0.6 million

Developing an urban trail connection between the existing Bryne Creek and Burnaby Mountain Urban Trails would achieve a recreational corridor between Fraser River and Burrard Inlet and connect onto the BC Parkway.

Cycle Roads/Bikeways:

\$0.3 million

Potential IWP cost share funding could accelerate on-street cycle road and bikeway development within the City, namely during the pavement rehabilitation process and in the development of Alternative Cycle Roads or bikeways on quieter residential streets.