Gas Tax Agreement
Overview

Conference of Asset Management
Richmond, BC  November 3-4, 2016

Glen Brown
General Manager, Victoria Operations
Union of BC Municipalities
Overview

• The renewed Agreement is in effect as of April 1, 2014

• The term of the renewed Agreement is 2014-2024

• The renewed program will deliver $1.3 billion over the first five years of the agreement
## Estimated Funding for BC

<table>
<thead>
<tr>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$253,277,000</td>
<td>$253,277,000</td>
<td>$265,941,000</td>
<td>$265,941,000</td>
<td>$278,605,000</td>
<td>$1.3B</td>
</tr>
</tbody>
</table>
Eligible Project Categories
Continuing Eligible Categories

- Water
- Wastewater
- Solid Waste
- Public Transit
- Local Roads, Bridges and Active Transportation
- Community Energy
New Eligible Categories

Local and Regional Airports
- Airport related infrastructure such as runways, taxiways, terminal buildings, and groundside access

Short-sea Shipping
- Infrastructure related to the movement of cargo and passengers around the coast and on inland waterways.

Short-line Rail
- Railway related infrastructure for carriage of passengers or freight
New Eligible Categories

**Sport Infrastructure**
- Sport infrastructure for community public use or in support of major amateur athletic events

**Tourism Infrastructure**
- Infrastructure that attract travelers for recreation, leisure or business such as convention centres, exhibition halls and visitor centres

**Cultural Infrastructure**
- Supports arts, humanities and heritage such as museums, libraries, and the preservation of designated heritage sites.
New Eligible Categories

Brownfield Redevelopment

- Remediation or decontamination and redevelopment of a brownfield site within local government boundaries where the redevelopment includes the construction of public infrastructure as identified in the other categories.

Broadband Connectivity

- Infrastructure that provides internet access to residents, businesses, and/or institutions in BC.
New Eligible Categories

**Recreation Infrastructure**
- Facilities or complexes which support physical activity such as arenas, pools, sports fields
- Community Centres that offer programming to the community at large
- Networks of parks, fitness trails and bike paths

**Disaster Mitigation**
- Infrastructure that reduces or eliminates long-term impacts and risks associated with natural disasters
- Category is related to disaster prevention such as dykes, berms, seismic upgrades etc
- Not related to disaster response such as fire trucks and fire halls
Capacity Building

- Asset Management Planning
- Long-Term Infrastructure Planning
- Integrated Community Sustainability Planning
National Objectives

- Productivity and Economic Growth
- A Clean Environment
- Strong Cities and Communities
Gas Tax Funding Programs

Gas Tax Fund

- Community Works Fund
- Strategic Priorities Fund
- Greater Vancouver Regional Fund
# Funding Delivery

<table>
<thead>
<tr>
<th>Applicable Areas of BC</th>
<th>CWF</th>
<th>GVRF</th>
<th>SPF</th>
</tr>
</thead>
<tbody>
<tr>
<td>GVRD and member municipalities</td>
<td>5%</td>
<td>95%</td>
<td>N/A</td>
</tr>
<tr>
<td>All other Local Governments</td>
<td>75%</td>
<td>N/A</td>
<td>25%</td>
</tr>
</tbody>
</table>
Successes and Challenges

• Broadening of Eligible Categories/Expenses
  – Disaster Mitigation
• Definition of Ultimate Recipient
• Primarily for Public Use/Benefit
Program Update

*Strategic Priorities Fund 2015 SPF intake*

- 220 applications received
- $610 million in total funding requested
- 57 projects approved totaling $73 million
  - 30 Capacity Building
  - 19 Asset Management ($2,387,9810)
- Next intake - TBD
Program Update

Community Works Fund

• 2015 reporting
• Increase in CWF funding to local governments
• Includes capacity building/AM
Reporting Requirements

• Annual Project Report
• Annual Financial Report
• Recipient Audit
• Outcomes Report
  – Project outcomes
  – Asset Management
Annual Reporting

Project Report

Financial Report

Audit
• 775 Total active Gas Tax funded projects
• UBCM transferred $159 million Gas Tax funding to Local Governments
• Local Governments Reported spending $167 million in Gas Tax funds
Projects by Investment Category

- Wastewater
- Rec/Sport/Culture/Tourism
- Roads/Paths
- Disaster Mitigation
- Capacity Building

2014 Report
Outcomes Reporting

- Outcomes Report in 2018 and 2023
- Report on national objectives/measurable benefits
- Report on progress in Asset Management planning
2012 Outcomes Report

- Measuring outputs and outcomes for sustainable infrastructure projects
- All Gas Tax funded projects completed between 2009-2012
- Cleaner air, cleaner water and reduced GHGs
2018 Outcomes Report
Performance Measurement Framework

As per the Gas Tax Framework Agreement;

– Outcome Reports for 2018 & 2023
  • UBCM reporting requirement
  • Program Administration best practice
– Demonstrate meeting program objectives
  • Productivity and Economic Growth
  • A Clean Environment
  • Strong Cities and Communities
– Measuring outputs and outcomes based on project category
The Parties agree that strengthening Local Government capacity to undertake Asset Management is integral to building strong cities, communities and regions, and agree to support Asset Management practices in all Local Government jurisdictions during the term of the Agreement. Schedule F (Asset Management) provides more details on the approach agreed upon by the Parties.
During the term of this Agreement, where an Ultimate Recipient is a Local Government, work to strengthen Asset Management, in accordance with the Asset Management framework developed by the partnership committee.
Schedule F – Asset Management

Schedule F – Asset Management identifies:

- The Partnership Committee will develop an Asset Management Framework,
- The Framework will recognize the varying capacities of local governments and the range of ongoing asset management activities.

Partnership Committee has approved:

- Asset Management for Sustainable Service Delivery: A BC Framework, and
- Local government asset management commitments pursuant to the Framework
Asset Management for Sustainable Service Delivery
A BC Framework

Sustainable Service Delivery
Sustainable Service Delivery ensures that current community service needs, and how these services are delivered, in a socially, economically, and environmentally responsible manner, do not compromise the ability of future generations to meet their own needs. Communities build and maintain infrastructure to provide services. These services support our quality of life, protect our health and safety, and provide a social, economic, and environmental well-being. Planning for our infrastructure, managing our natural resources, and protecting the benefits we enjoy require balancing breakdowns and over-investing. This requires communities that consider their future generations may rely on.

Sound asset management practices support Sustainable Service Delivery by considering community priorities. Informed by an understanding of the trade-offs between the available resources and the desired service.

http://www.assetmanagementbc.ca
Asset Management Commitments

Establishing an Asset Management Baseline

• To support local governments in their efforts to improve asset management practices, and to support asset management objectives within the GTA, baseline level information is required.
• Reporting Timeline – 2016
• Format – On-line Survey
Outcomes of the Survey

What is the value of the Survey?

- Meets requirements as per the Gas Tax Agreement
  - Local Government Commitments
  - UBCM Reporting requirements
- Provides local governments with an understanding of AM - where they are?, where the gaps are?, areas to address
  - Meeting 2017 Gas Tax AM Reporting requirements
- Provides provincial understanding of AM – where we are?, where are the gaps?, areas to address
- Cumulatively, provides UBCM with information to support advocacy with senior governments
Local governments, with an understanding of current status with respect to Asset Management (after completion of Step 1), will be required to develop a ‘moving forward’ or Implementation Plan. The Implementation Plan will focus on how the local government will strengthen their respective asset management process over the life of the GTA.

- Reporting Timeline – 2017
- Reporting Format – Template Report/survey
Asset Management Commitments

Asset Management Reporting

• Report on the status of the ‘Implementation Plan’
• Reporting would be integrated into UBCM reporting requirements under the Community Works Fund Agreement and the Outcomes Report
• Reporting Timeframe – 2018 & 2023 (minimum)
• Reporting Format – Template Report/survey
Asset Management Planning Grant Program

• Maximum $10,000 program contribution
• Support AM development & implementation
• 2015 – 74 approvals = $716,450
• 2016 – 35 approvals = $337,435
• 2017 – application deadline is Nov. 18, 2016 – training subsidy application also available
Questions?

Glen Brown  gbrown@ubcm.ca