UNION OF
BRITISH
COLUMBIA
MUNICIPALITIES

ANNUAL REPORT

GAS TAX/PUBLIC TRANSIT MANAGEMENT SERVICES SECRETARIAT

FOR THE PERIOD
SEPTEMBER 19, 2005 – MARCH 31, 2006

ANNUAL REPORT
GAS TAX/PUBLIC TRANSIT
MANAGEMENT SERVICES SECRETARIAT
for the period
September 19, 2005 – March 31, 2006

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November 20, 2006

LETTER OF TRANSMITTAL TO THE GOVERNMENT OF CANADA, THE PROVINCE OF BRITISH COLUMBIA AND GAS TAX RECIPIENTS

We are pleased to provide the first Annual Report of our Gas Tax/Public Transit Management Services Secretariat. The Annual Report includes the Annual Expenditure Report required under the Canada – British Columbia – Union of British Columbia Municipalities Agreement on the Transfer of Federal Gas Tax Revenues (Gas Tax Agreement). That Agreement provides $635 million to British Columbia communities over a five-year period. This report concerns the $76 million provided in the first year of the Agreement.

This is a "first" in other ways as well. The Agreement in Principle on Gas Tax signed in BC in April 2005 provided a template for entitlement based funding – a first ever in Canada for local government on such a large, multi-year basis. This approach asked the Government of Canada to believe in local government to report the results of their expenditures of federal funds and we know that reporting is an essential part for the renewal of the agreement.

It was a first, as well, in that the Agreement flowed the funds directly to local governments through their association, rather than through the provincial government, as has been done in the past. We will report on this aspect of the administration.

This report is a first too because it is the first time infrastructure expenditures and administration have been reported in such an open and transparent fashion. It strives to extend the breadth of public accountability.

This has been a transformational year for UBCM as it took on a new role and pioneered many new approaches to infrastructure investment and program management.

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In BC, we have also taken a different approach than other provinces that have used solely per capita allocations. Guided by the desire of the Greater Vancouver Regional District local governments, we have pooled resources and targeted transit investments in Greater Vancouver. We also believe the benefits will be more apparent by selecting regionally significant projects in the eight other urbanized regional districts and by use of pooled funding programs available to all eligible local governments on an application basis.

The Gas Tax Agreement requires that UBCM produce an Annual Expenditure Report and an Audit Report. Both of these reports have been produced, but only the Annual Expenditure Report is included in this Annual Report. Those wishing to view the Audit Report may do so by visiting our web site at www.civicnet.bc.ca. We believe we must show to Canada, British Columbia and to all our taxpayers that the Gas Tax Transfer is making a difference and we have designed our programs to show those results. Accordingly, we have provided a richer picture than that required under the Gas Tax Agreement, through the text in the body of this Annual Report.

Finally, we want to thank the staff of the Ministry of Community Services and Infrastructure Canada who have worked as partners in launching this exciting new initiative, and our members who have been diligent in ensuring Gas Tax funds produce the best results in their communities.

Sincerely,

Brenda Binnie
UBCM President

Richard Taylor
UBCM Executive Director

Brenda Gibson
General Manager
Gas Tax/Public Transit Management Services

Enclosures

HIGHLIGHTS: PROGRAMS, GOVERNANCE, ADMINISTRATION, FINANCE AND COMMUNICIATIONS

1. PROGRAM DESIGN AND DELIVERY

In British Columbia, UBCM and the Ministry of Community Services developed a program design that was approved at the 2004 UBCM Convention, which included:

- individual local government "entitlements" with funding tied to results-based reporting; and
- pooled funding to leverage projects that are larger in scale or regional in nature, with the amount of pooled funding varied by three tiers.

While this design is more complex, it is intended to be able to better deliver strong results in achieving the program objectives of reducing greenhouse gas emissions, and providing cleaner air and cleaner water. The program design also needed to meet the needs of a diverse geography, and the needs of urban, rural and remote communities in British Columbia.

The final Agreement created three funds:

- Community Works – for the individual annual entitlements
- Strategic Priorities – for the pooled funding
- Innovations – to promote the application of new technologies

It also created three "tiers" and assigned each regional district and its municipalities to one of the tiers.

The Community Works Funds and Greater Vancouver's Strategic Priority Funds were the first priorities to deliver and were the focus of work immediately following the signing of the final Gas Tax Agreement on September 19, 2005. Community Works Funds Agreements were distributed in October and the Greater Vancouver Regional District (GVRD)/Greater Vancouver Transportation Authority (GVTA) Agreement was approved in December, although actual signings of Community Works Fund and the Strategic Priorities Fund Agreements were delayed in some cases by the November 2005 local government elections.

Consultations on the remaining Strategic Priorities Fund and Innovations Fund programs commenced in January 2006. These consultations informed the program design and influenced the Partnership Committee decision to set aside a portion of the Strategic Priorities Fund for Regionally Significant Projects within Tier 2 regions.

HIGHLIGHTS: PROGRAMS, GOVERNANCE, ADMINISTRATION, FINANCE AND COMMUNICIATIONS

There are five programs in the final overall program design. The following table sets out the overall parameters and status of each of the programs, along with the expected distribution of Canada's five-year funding commitment, totaling $635.6 million.

Community Works Fund (CWF) $190.9 million	Funding flows automatically to all eligible local governments (Tier 1 and 2) in accordance with CWF Agreements. Recipients make local choices about which Eligible Projects to fund and report annually on projects funded and results achieved. Payments began in 2005 and continue to 2009.
Strategic Priorities Fund for Tier 3 (GVRD and its member municipalities) $307.0 million	In keeping with GVRD's request, all funding allocated to Tier 3 is directed towards transit investments identified in GVTA's strategic transportation plan and agreed to by GVTA and GVRD. The Management Committee has approved projects for the first two years of this funding, and a funding agreement amongst GVTA, GVRD and UBCM has been signed. Funding commenced in January 2006.
Tier 1 and 2 Strategic Priorities Fund (SPF) o Regionally Significant Projects (RSP) in Tier 2 regions $ 38.6 million o General Strategic Priorities Fund (GSPF) $ 67.3 million	SPF funding is targeted towards projects that are larger in scale or regional in impact. A portion of this SPF funding has been reserved for Regionally Significant Projects (RSP) within Tier 2 regions. Discussions are underway with the 8 Tier 2 regions, with a view to RSP proposals by March 31, 2007 and making funding decisions soon thereafter. All Tier 1 and 2 local governments are eligible to apply for GSPF funding under this application-based component. Funding decisions are anticipated in 2007 and will be based on the relative ranking of all applications received.
Innovations Fund (IF) $31.8 million	The IF is an application-based program and all local governments are eligible to apply. Funding is targeted towards projects that reflect an innovative approach to achieving Agreement outcomes. Funding decisions are anticipated in 2007 and will be based on the relative ranking of all applications received.

Most, but not all, Community Works Fund Agreements were signed by March 31, 2006. While payments were made by UBCM as soon as signed agreements were received, the time between signing of most CWF agreements and the December 31st local government reporting date was short, resulting in a modest number of projects being reported as will be seen in the Annual Expenditure Report.

Community Works Fund Agreements Completed

Date	Number Completed	2005/2006 CWF Value
November 2005	98	$ 14,498,896
December 2005	36	$ 6,029,182
January 2006	20	$ 2,194,249
February 2006	3	$ 216,291
March 2006	0	$ 0
Not signed as of March 31, 2006	4	$ 256,489
TOTAL	**161***	**$ 23,195,107**

* The Village of Queen Charlotte's allocation is for 2006/2007, and thus does not show in the above table.

2. GOVERNANCE

The Federal-Provincial-UBCM negotiations in British Columbia lead the way in developing an innovative approach to governance, particularly the Partnership Committee. There are two Committees created by the Agreement.

Partnership Committee

The Partnership Committee is comprised of two representatives from each of the federal and provincial governments and UBCM. It is co-chaired by one federal and one provincial representative.

The committee is responsible for monitoring the overall strategic implementation of the Gas Tax Agreement, including setting criteria for the Strategic Priorities Fund and Innovations Fund programs, developing a framework for Integrated Community Sustainability Planning, a framework for outcome indicators and a methodology for measuring incrementality.

The Committee met three times and made the following key decisions:
- Set the size of the Innovations Fund at 5% of the total Gas Tax Agreement funding;
- Approved template funding agreements for Community Works Funds and Tier 3 (Greater Vancouver) Strategic Priorities Fund;
- Adopted Terms of Reference for itself as well as the Management Committee;
- Set criteria and established spending priorities for the Tier 3 Strategic Priorities Fund; and
- Reviewed UBCM's Business Case (for administration funding) for fiscal 2005/06.

Management Committee

The Management Committee is comprised of three local government members, one of whom is the chair, and one member from each of the federal and provincial governments. The Committee is responsible for the daily aspects of the implementation of the Gas Tax Agreement and for approving projects for funding under the Strategic Priorities Fund and Innovations Fund.

The key decision of the Committee this year was to approve projects to be funded under the Tier 3 Strategic Priorities Fund Agreement for fiscal 2005/06 and 2006/07. Specifically, Committee approved the purchase of 225 conventional buses to replace older buses and to expand the existing Greater Vancouver Transportation Authority bus fleet.

3. PROGRAM ADMINISTRATION

Another innovative feature of the program delivery under the Gas Tax Agreement is the responsibility for program administration given to UBCM. UBCM set out, as one of its goals, to have an efficient, cost effective and responsive Gas Tax Agreement secretariat.

There were several factors that contributed to achieving this goal:

- Ministry of Community Services agreed to second Brenda Gibson to the position of General Manager. This was the only full time position in the secretariat.

- UBCM staff have provided financial services, including establishing accounts, preparing financial statements, and organizing the electronic transfer system. UBCM Executive Director has played an active role in administering the program. Part-time administrative assistance has come from Local Government Program Services – the provincial grant administration arm of UBCM.

- Acquired small office space within Municipal House in Victoria and benefited from its administrative infrastructure.

Administration costs can be recovered from the funds. UBCM prepared a budget that was reviewed by the Partnership Committee and approved by the Federal Minister. Of the $300,000 budget approved, administrative costs were actually $126,574 or 0.2 % of the almost $60 million transferred to eligible recipients this year. All costs were more than covered by the $722,688 interest earned on the funds.

4. FINANCIAL HIGHLIGHTS

The value of the Community Works Funds (CWF) for projects approved for funding in 2005 is $ 8,047,359. Yet, costs of the projects totaled $ 35,480,155. This demonstrates the significant incremental value of CWF to project viability, acceleration and completion. The following table illustrates the sources of funding.

Sources of Funding

SOURCE	AMOUNT
Community Works Funds	$ 8,047,359
Other Government Transfers	$ 3,111,998
Other/External Funding	$ 20,000
Internal Funding	$ 24,300,798
TOTAL	**$ 35,480,155**

As mentioned earlier, because of the short time frame between signing the CWF agreements and December 31, 2005, there was a reduced ability to allocate funds in that short two-month window. There is still progress to report as illustrated in Appendix A, which outlines overall spending for CWF, along with a listing of projects approved for funding by December 31, 2005, regardless of whether or not expenditures for those projects were made prior to that date.

Community Works Fund Approved Project Summary

In summary, 32 municipalities or regional districts reported approving CWF funding for 48 projects. The general project objectives are in support of:

OBJECTIVES	TOTAL
Capacity Building	9
Cleaner Water	20
Cleaner Water/GHG Reductions	3
Cleaner Air/GHG Reductions	2
Green House Gas (GHG) Reduction	11
Cleaner Air	3
TOTAL	**48**

The local governments that are involved in these projects appear in Table 1 and the projects are outlined in Appendix A.

The following provides some Community Works Fund Project Highlights.

Highlight: Reducing Green House Gas (GHG) Emissions

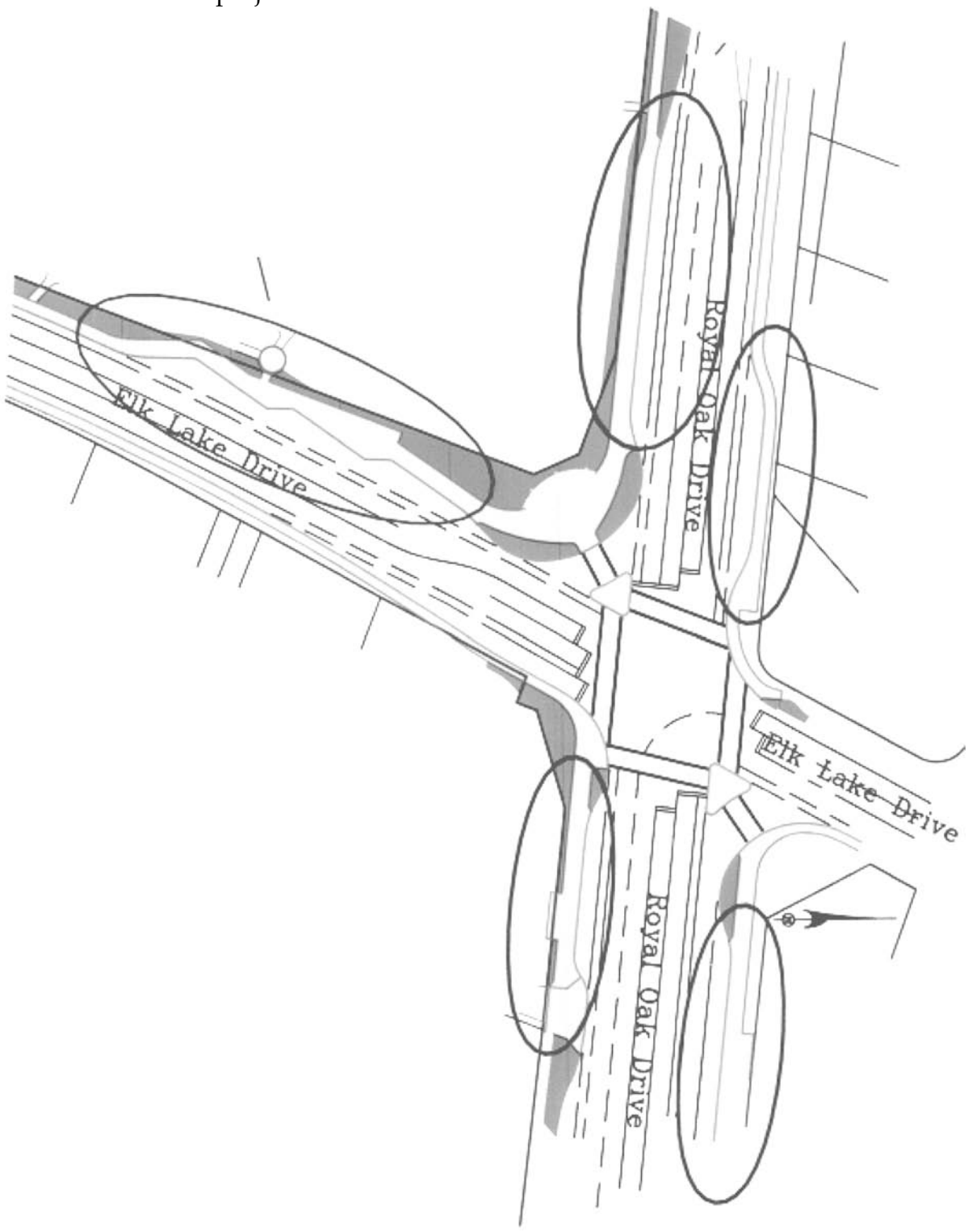
The District of Saanich's Royal Oak On-Street Transit Exchange project will reduce GHG emissions by improving transit ridership through increased capacity for transit vehicles to arrive simultaneously (improves scheduling, reliability and service).

The improvements will provide enhanced safety for pedestrians using these roads to transfer between bus routes. The design will also incorporate "saw tooth" bus bays, which will allow independent arrival and departure of transit vehicles.

Photo courtesy of Distict of Saanich

The project will enhance pedestrian environment, including increased accessibility; provide for improved bike lane facilities on roads connecting to transit exchange; and improve and expand the current on-street transit exchange at the Royal Oak Drive/Elk Lake drive intersection to accommodate 11 buses (all bus bays are to include concrete bases for durability and will also be located off the travel lanes).

A schematic of the project is shown below.



Illustrations courtesy of Distict of Saanich

Other features will include a gateway feature or pedestrian node at the SW corner of intersection, a bus shelter and textured surface for the walkway; improvements along Royal Oak Drive to provide sidewalks and bike lanes on both sides; an additional eastbound through lane on Royal Oak Drive just west of the Elk Lake intersection, which will continue to the west ramp of Highway 17; sidewalk construction on Elk Lake Drive (Royal Oak-West Saanich).

Highlight: Reducing Green House Gas (GHG) Emissions

The City of Salmon Arm installed a geothermal group loop (the cooling unit is shown in the inset photo) as part of the new City Hall/Law Courts (shown when under construction).

Photos courtesy of City of Salmon Arm

Highlight: Cleaner Water

The District of Summerland is utilizing CWFA funds to raise the height of the Thirsk Dam, thus increasing the municipality's main reservoir capacity. By doubling the reservoir capacity, water supply will be secured during the peak demand period.

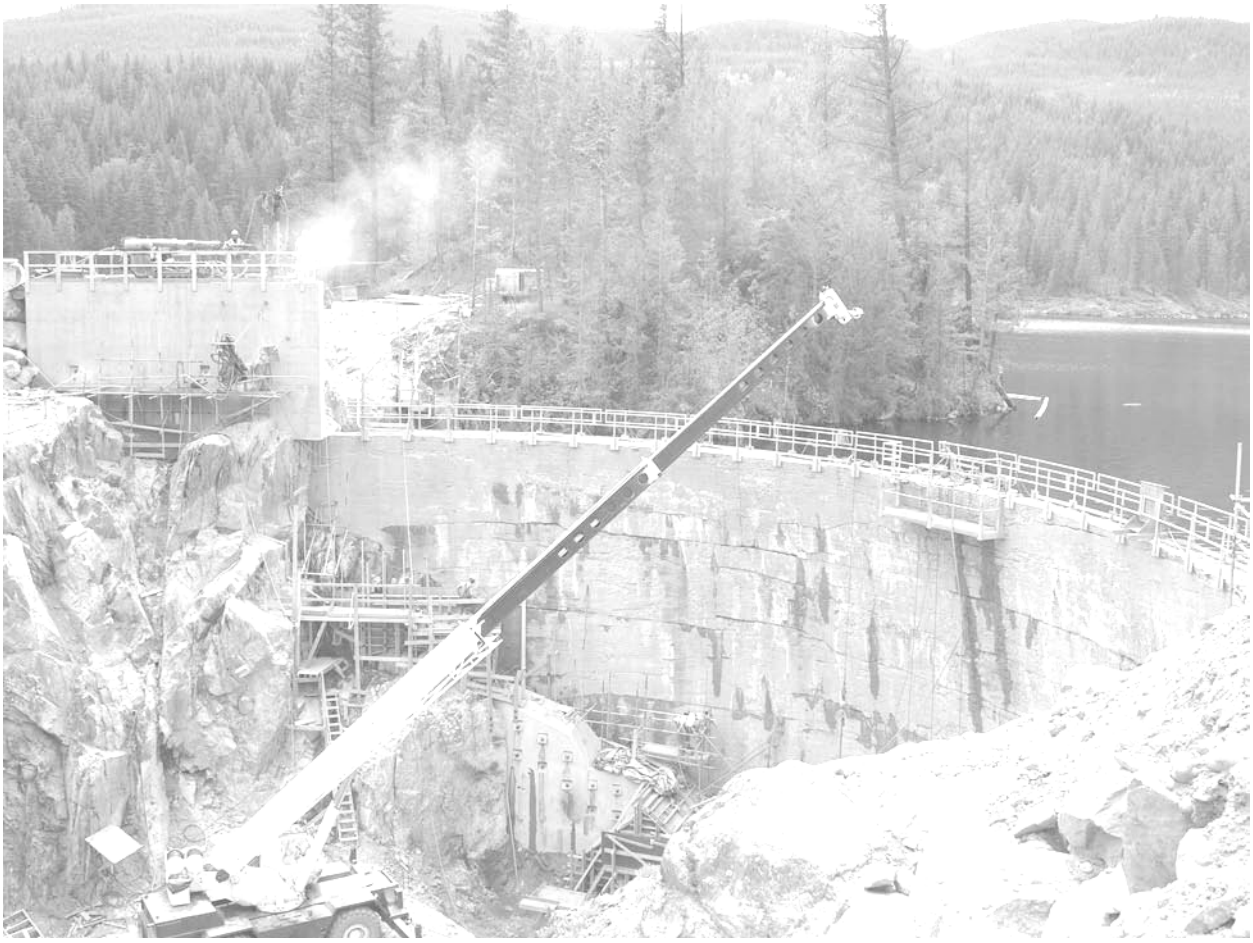


Photo courtesy of District of Summerland

Highlight: Cleaner Air / Reduced Green House Gas Emissions

The District of Coldstream utilized CWFA funds to construct a 1.1 km combined cycle path on both sides of Aberdeen Road (shown under construction and upon completion, below). A safer bike corridor will encourage more cycling and a reduction in vehicle usage.

Photos courtesy of District of Coldstream

GVRD and GVTA Strategic Priorities Fund Agreement

In January 2006, a Strategic Priorities Fund Agreement was signed with the Greater Vancouver Regional District (GVRD) and Greater Vancouver Transportation Authority (GVTA) that allowed a transfer of $36.8 million for fiscal 2005/06 to GVTA in February 2006. A further $36.8 million is available under the agreement for fiscal 2006/07.

Summary

The key reporting requirement is the preparation of the Annual Expenditure Report and the Audit Report, which are required under the Agreement. The Audit Report, prepared by KPMG, is included as Appendix B. The Annual Expenditure Report is included as Appendix A. It reports on financial transactions from September 19, 2005, to:

- December 31, 2005, for the 115 eligible local government recipients that received funding by that date (the local government fiscal year end); and,
- March 31, 2006 (the federal government fiscal year end) for UBCM transactions.

In brief, as of March 31, 2006, UBCM has:

- Received $ 76.3 million in gas tax funding;
- Transferred $ 59.8 million to local governments; and,
- Retained $17 million (after adjustments for interest and administration) for future projects under the Strategic Priorities Fund and the Innovations Fund.

5. COMMUNICATIONS

There were extensive communications with local governments following the signing of the Agreement.

At the 2005 UBCM Convention, there was a formal funding transfer event held during a plenary session. Presentations were made to small communities, mid-sized municipalities and electoral areas (regional districts). Staff were available at a UBCM Member Services booth to answer questions.

A web site was established and has been maintained and updated.

While the federal election was underway, UBCM was limited in media outreach concerning CWF.

There were numerous other outreach and communication activities, such as the UBCM Newsletter, Government Financial Officer Association and meetings with Local Government Management Association and the Community Energy Association.

This report represents a major step forward in reporting to Canadians, particularly in British Columbia, on how the Gas Tax funds are being spent to improve communities, to make communities more sustainable and to improve the environment.

TABLE 1

Local Governments Reporting on Community Works Fund Eligible Project Decisions in 2005 and Number of Projects Approved for Funding

Local Government	Number of Projects
Canal Flats	1
Chilliwack	4
Coldstream	1
Cowichan Valley Regional District	4
Cranbrook	2
Cumberland	1
Granisle	1
Highlands	1
Houston	1
Keremeos	3
Kimberley	3
Lantzville	2
Midway	1
Montrose	1
Nanaimo Regional District	1
North Saanich	1
Oak Bay	1
Osoyoos	1
Pemberton	1
Port Alberni	4
Port McNeill	1
Qualicum Beach	1
Saanich	1
Salmo	1
Salmon Arm	1
Sidney	2
Stewart	1
Summerland	1
Taylor	1
Trail	1
Vernon	1
Williams Lake	1
TOTAL (32)	**48**

HIGHLIGHTS OF THE 2005/06 YEAR: TIMELINES

2005	**STATUS**
September 19	Agreement on Transfer of Federal Gas Tax Revenues signed.
September 27	First payment received from the Federal Government. First Partnership Committee meeting.
September 26-30	UBCM Convention - Agreement announcement and Information sessions held.
October	161 Community Works Fund agreements distributed by UBCM.
November	Second payment received from Federal Government. Community Works Fund (CWF) agreements begin to be returned to UBCM and first year payments made to local governments.
December 1	Final Community Works Fund agreement, commencing 2006/2007, sent to newly incorporated Village of Queen Charlotte, bringing number of agreements to 162.
December 13	Partnership Committee and Management Committee meet. Management Committee approves GVRD/GVTA SPF Agreement Eligible Project
December 31	Local Government fiscal year end – date for reporting. 134 CWF agreements completed with local governments and funding provided to 127 of these by year end.
2006	**STATUS**
January	Ministry of Community Services/UBCM consultations with all Tier 2 regional districts on design of SPF.
January	GVRD/GVTA SPF agreement signed and $36.8 million transferred.
March 31	Fiscal year end.

APPENDIX A – ANNUAL EXPENDITURE REPORT

Schedule of receipts and disbursements (Schedule E, section 1.1.1)

UBCM		
	Sept 19, 2005 to March 31, 2006	Cumulative Date of Signing to March 31,2006
Opening Balance of unspent funding	0	0
Received from Canada	76,272,000	76,272,000
Interest and other investment income	722,688	722,688
Sub-Total (total available for spending)	**76,994,688**	**76,994,688**
Transferred to Eligible Recipients	59,777,683	59,777,683
Spent on Administration Costs	126,574	126,574
Sub-Total (total spending)	**59,904,257**	**59,904,257**
Closing Balance of unspent funding	**17,090,431**	**17,090,431**
Eligible Recipients in Aggregate		
	Sept 19, 2005 to Dec 31, 2005	Cumulative Date of Signing to Dec 31, 2005
Opening balance of unspent funding	0	0
Received from UBCM	16,525,025	16,525,025
Interest and other investment income	11,791	11,791
Sub-Total (total available for spending)	**16,536,816**	**16,536,816**
Spent on Eligible Projects	623,301	623,301
Spent on Administration Costs	1,374	1,374
Sub-Total (total spending)	**624,675**	**624,675**
Closing Balance of unspent funding	**15,912,141**	**15,912,141**

Narrative on the progress UBCM has made in meeting its commitments and contributions (Schedule E, section 1.1.2)

From September 19, 2005 to March 31, 2006, UBCM made the following progress:

- Funds for the Fiscal Year were accepted and allocated to Community Works Fund, Strategic Priorities Fund and Innovation Fund programs;
- 157 Community Works Fund Agreements and one Strategic Priorities Fund Agreement were signed;
- All funding agreements included the requirements set out in Schedule C;
- No funds were transferred until a Funding Agreement was signed; and
- Community Works Funds were transferred to local governments promptly after signed agreements were returned to UBCM.

APPENDIX A – ANNUAL EXPENDITURE REPORT
Eligible Projects approved for funding, including details required per Schedule E, section 1.1.3

Project Description	Estimated Costs and Sources of Funding					Expected Outcomes
	CWF	Other govt. transfer	Other External funding	Internal funding	Total	
City of Chilliwack; North/South Transportation Plan; Capacity Building, Transportation Plan						
Undertake a plan and preliminary design of a secondary north/south transportation link. LOCATION: Western connection – Evans Road to Ashwell Road.	120,000			113,000	233,000	CAPACITY BUILDING Establish a secondary transportation link in order to increase cycling and pedestrian links, reduce heavy traffic and idling.
District of Lantzville; RDN Liquid Waste Management Plan Amendment; Capacity Building						
The District of Lantzville is within the Regional District of Nanaimo (RDN). The project is to prepare a proposal for amendments to the RDN LWMP in relation to both sewered and non-sewered areas within Lantzville. LOCATION: Lower Lantzville and Winchelsea Catchment Areas.	58,859	10,000			68,859	CAPACITY BUILDING Liquid Waste Management Plan amendments.
District of Lantzville; Storm Drainage Plan; Capacity Building						
To identify potential drainage issues in anticipation of future development and set out an implementation plan to manage storm water flows (including capital works projects). LOCATION: Knarston Creek and Blood Creek	25,002	10,000			35,002	CAPACITY BUILDING Will provide needed information on storm water flows and identify development cost projects.
Village of Keremeos; Infrastructure Development Planning, Aquifer Protection Plan; Capacity Building						
Phase 2 to 5 of the Aquifer Protection Plan. LOCATION: Keremeos.	45,000	9,975		49,963	104,938	CAPACITY BUILDING Protect underground aquifer.

APPENDIX A – ANNUAL EXPENDITURE REPORT

Project Description	Estimated Costs and Sources of Funding					Expected Outcomes
	CWF	Other govt. transfer	Other External funding	Internal funding	Total	
Village of Keremeos; Infrastructure Development Planning, Liquid Waste Management Plan; Capacity Building						
Phase 1, 2 and 3 of the Liquid Waste Management Plan, including sewage treatment facility capacity review and sewer collection expansion study. LOCATION: Keremeos.	50,000			30,000	80,000	CAPACITY BUILDING Comprehensive study to complete a viable and useable liquid waste management plan for today and the future.
Village of Keremeos; Infrastructure Development Planning, Capacity Building						
To design a rehabilitation strategy for the rehabilitation and replacement of existing and future roads. To establish future traffic routes and networking to enable proper management of traffic congestion and safety as expansion occurs. LOCATION: Keremeos.	30,000			30,000	60,000	CAPACITY BUILDING Management of traffic routing -- addresses safety concerns (relating to vehicle and pedestrian traffic networking) and congestion issues.
Regional District of Nanaimo; Drinking Water/Watershed Protection; Capacity Building						
To conduct research into factors affecting local groundwater resources and to establish a framework to protect and improve the quality and quantity of water for residents. LOCATION: 6300 Hammond Bay Rd.	75,000				75,000	CAPACITY BUILDING Groundwater resources and/or watersheds will be protected from contamination and resources will be conserved to ensure long-term supply stability.
City of Port Alberni; Liquid Waste Management Plan; Capacity Building						
The LWMP is a process that will form the basis for future wastewater collection, treatment and disposal over the long term. LOCATION: Port Alberni.	45,000				45,000	CAPACITY BUILDING LWMP will strengthen the City‘s capacity to develop and implement a long-term sustainable sewage management plan.

APPENDIX A – ANNUAL EXPENDITURE REPORT

Project Description	Estimated Costs and Sources of Funding					Expected Outcomes
	CWF	Other govt. transfer	Other External funding	Internal funding	Total	
District of Highlands; Comprehensive Groundwater Monitoring Strategy; Capacity Building						
Establish and maintain long term groundwater monitoring system, including monitoring wells, equipment and data analysis; public education and outreach component, including conservation education and programs. LOCATION: Highlands.	TBD				TBD	CAPACITY BUILDING Contributes to OCP objective to ensure adequate long term supply of potable water; protect watersheds, natural drainages and wetlands; promote, through education and action, stewardship and conservation activities with respect to water and energy.
CAPACITY BUILDING - TOTAL	**$448,861**	**$29,975**	**$ 0**	**$222,963**	**$701,799**	
Village of Canal Flats; Grainger/Burns Rehabilitation; Rehabilitation of roads and bridges that enhance sustainability outcomes						
Bringing road drainage on Grainger Road to proper road standards prior to paving; rebuilding certain sections of Burns Ave where poor sub-grades exist. LOCATION: Grainger Road and Burns Ave.	65,460			104,540	170,000	CLEANER WATER Repairs to roadside drainage will result in improvements to surface water quality and reduce the potential for negative impact on ground water quality.
City of Chilliwack; UV Disinfection System – Sewer Plant; Develop/upgrade wastewater and storm water systems; Implement innovative technologies						
Installation of a UV disinfection system at the sewage treatment plant for incremental discharge treatment and elimination of chlorine.	324,000			676,000	1,000,000	CLEANER WATER discharged into water course and elimination of chlorine discharge..
Cowichan Valley Regional District; Mechachie Lake Sewage Disposal and Collection System; Develop/upgrade wastewater and storm water systems						
Replace the disposal system with a new infiltration system and install an improved distribution system. The	352,000			176,000	528,000	CLEANER WATER The Mechachie sewage system is in close proximity to public

APPENDIX A – ANNUAL EXPENDITURE REPORT

Project Description	Estimated Costs and Sources of Funding					Expected Outcomes
	CWF	Other govt. transfer	Other External funding	Internal funding	Total	
newer collection system would incorporate an alignment with the road ROW (to remove the current alignment along mostly private property) and the use of a pump station and steeper grades. The system was built in the mid 1940's. LOCATION: Electoral Area F – covers South Shore Rd, Forestry Rd and Bear Lake Rd.						contact and Bear Lake, and due to the age of the system and its history of failures, it is a health concern and considered urgent. Blockages have resulted in raw sewage being exposed to residents of the area.
Cowichan Valley Regional District; Shawnigan Beach Estates Sewer System (pump station gensets and bypass); Develop/upgrade wastewater an storm water systems						
Install standing generator sets at the Gregory and McFarlane pump stations, and a bypass to redirect flows from the pump station. This will expand the capacity of the wet well in times of power outages and reduce the risk of overflow at the pump station. LOCATION: Electoral Area B – MacFarlane Crescent and Gregory Road.	86,700			43,300	130,000	CLEANER WATER On more than one occasion, the McFarlane pump station has overflowed due to power failures. These measures will prevent future sanitary overflows to the nearby creek and Shawnigan Lake.
Cowichan Valley Regional District; New reservoir and water treatment building, Satellite Park (conditional approval); Develop/upgrade drinking water systems						
Construct a new reservoir and a proper treatment building. The existing reservoir is a wood stave structure that is approximately 25 years old, and the current chlorination building is a tin garden shed. Growth and demand on the water system has far surpassed the usefulness of these two structures. LOCATION: Electoral Area C – Aros	166,700			83,300	250,000	CLEANER WATER This project will result in a more efficient capacity for daily demand, emergency storage, and proper treatment of the water into the distribution system. The chlorination building does not meet safety, security or

APPENDIX A – ANNUAL EXPENDITURE REPORT

Project Description	Estimated Costs and Sources of Funding					Expected Outcomes
	CWF	Other govt. transfer	Other External funding	Internal funding	Total	
Rd. and LeFran Road; Shawnigan Land District.						electrical regulation at present.
City of Cranbrook; North Hill Water Trunk Industrial Loop; Develop/upgrade drinking water systems						
Supply water to the north end of the city and to the new centennial sports fields. LOCATION: North End.	100,000			150,000	250,000	CLEANER WATER The project will also provide acceptable water pressure to all residents of the north end of the City.
Village of Cumberland; Lake Park Septic System; Develop/upgrade wastewater and storm water systems						
A failed septic system servicing 47 campsites and up to 200 daytime beach users was replace with a new, Public Health certified septic treatment plant. LOCATION: Lake Park, Cumberland.	10,714			56,609	67,323	CLEANER WATER The sewage from the camp sites will be appropriately treated and not pollute the nearby lake that is the drinking water source for much of the Comox Valley.
Village of Granisle; Waste Water Treatment Plant Upgrade; Develop/upgrade wastewater and storm water systems						
Convert the chlorination systems in the wastewater treatment plant and the Babine Lake water intake from gas to sodium hydrochlorite, extension of the facility building, insulation of the building, installation of heating/ventilation equipment; installation of additional lagoon aeration blower. LOCATION: Granisle	29,206	114,783		30,423	174,412	CLEANER WATER More reliable and secure systems will help prevent WWTP effluent from exceeding permit values and allow additional connections. Improved service reliability of water and wastewater treatment facilities and distribution/collection systems.
District of Oak Bay; Sewer Infrastructure Work; Develop/upgrade wastewater and storm water systems						
Separation of combined sewage systems in the Uplands; reduction of influx and infiltration in rest of municipality.	1,203,055			4,796,945	6,000,000	CLEANER WATER Reduce overflows at outfalls.

APPENDIX A – ANNUAL EXPENDITURE REPORT

Project Description	Estimated Costs and Sources of Funding					Expected Outcomes
	CWF	Other govt. transfer	Other External funding	Internal funding	Total	
LOCATION: Uplands and whole of Oak Bay.						
District of North Saanich; McDonald Part Rd Sewer Project; Develop/upgrade wastewater and storm water systems						
Installation of sewer lines. LOCATION: McDonald Park Rd. Area.	220,037			2,054,963	2,275,000	CLEANER WATER Cleaner receiving waters, less coliform counts in ditches.
Town of Osoyoos; Storm drainage, Osprey and 89 St.; Develop/upgrade wastewater and storm water systems						
To provide storm drainage to these two areas to reduce runoff from the streets to the lake. LOCATION: Osprey Drive and 89th Street.	60,230			675	60,905	CLEANER WATER Improved water quality of the lake and helps with better drinking water.
Village of Pemberton; Pemberton Plateau Sewer Lift Station Upgrade; Develop/improve wastewater and storm water systems						
Upgrade lift station to enable the closing of the old sewer treatment plant and current development to access new Waste Water Treatment Plant. LOCATION: Pemberton Plateau Neighbourhood.	28,000			56,000	84,000	CLEANER WATER Reduced negative environmental impact and operating incurred by treatment plant remaining open.
Town of Qualicum Beach; UV Water Disinfection; Develop/upgrade drinking water systems						
Ultra violet disinfection system for water system. LOCATION: Qualicum River Well Field area.	170,000	411,000		732,667	1,313,667	CLEANER WATER To achieve Health Canada drinking water safety guidelines.
Village of Midway; Thomet Road Rehabilitation; Rehabilitation of Roads and Bridges that enhance sustainability outcomes						
Rebuild road bed to resolve drainage problems and repave road to provide smoother surface. LOCATION: Thomet Road.	32,342			8,953	41,295	CLEANER WATER Road did not provide for adequate surface drainage thereby compromising water quality.

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Project Description	Estimated Costs and Sources of Funding					Expected Outcomes
	CWF	Other govt. transfer	Other External funding	Internal funding	Total	
Town of Sidney; First Street Sewer Reconstruction; Develop/upgrade wastewater and storm water systems						
Upgrade existing sanitary sewer main to increase capacity for new construction and reduce the potential for an overflow into the adjacent marine environment. LOCATION: First Street.	90,000			60,000	150,000	CLEANER WATER Increased capacity in sanitary sewer, reduced potential for surcharging and overflow, less risk of impact on the marine environment.
District of Stewart; Backup Power for #1 Lift Station; Develop/upgrade wastewater and storm water systems						
Purchase of generator set and installation in constructed building to provide backup power at first wastewater lift station to ensure continued pumping of wastewater through the system during period of power interruption. LOCATION: 301 – 5th Avenue.	17,113				17,113	CLEANER WATER Provision of backup power ensures continued operation of wastewater system and prevents leakage of wastewater from the lift station that has, in the past, contaminated in adjacent water stream with aquatic habitat.
District of Summerland; Thirsk Dam Expansion and Spillway; Develop/upgrade drinking water systems						
Raise the height of Thirsk Dam and construct a new spillway to increase the municipality's main reservoir capacity. LOCATION: 30 km west of Summerland.	383,213	1,058,130		9,124,657	10,566,000	CLEANER WATER Security of water supply during peak demand period by doubling the reservoir capacity.
District of Taylor; Water Clearwell Improvements; Develop/upgrade drinking water systems						
Retrofit an existing treated water storage facility to enhance public safety and water quality. LOCATION: Peace River Shore – Water Treatment Facility.	39,788			76,775	116,563	CLEANER WATER Improved water quality assurance and security.

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City of Trail; Bear Creek Reservoir; Develop/upgrade drinking water systems						
Install a concrete slab within the base of the reservoir and to de-scale and paint, interior bolts, and clean seams. LOCATION: Waneta Area, Trail.	114,999			18,001	133,000	CLEANER WATER Extend the life of the reservoir for 20 years, deferring cost of up to $750,000; providing higher quality potable water.
City of Williams Lake; Westside Trunk Storm Sewer System; Develop/upgrade wastewater and storm water systems						
Trunk storm drainage system (2103 m. of 250 mm to 900 mm diameter storm pipe) servicing residential area, highway corridor and industrial lands (south side of Williams Lake River Valley); includes 5 settlement/treatment ponds, 2 storm sceptor oil/grit separators, outfall weir to Williams Lake River and surface reinstatement of residential streets and golf course. LOCATION: Westside adjacent to Hwy 20.	160,967	1,473,110		988,971	2,623,048	CLEANER WATER Reduced potential for flooding and erosion. Treatment of storm flows. Improved water quality to satisfy Provincial and Federal DFO guidelines for storm water planning. Clean-up of storm outfall pollution.
CLEANER WATER – TOTAL	**$3,654,524**	**$3,057,023**	**$ 0**	**$19,238,779**	**$25,950,326**	
City of Port Alberni; Bruce St 15th to Anderson Ave – Sewer; Develop/upgrade wastewater and storm water systems						
Reduce inflow and infiltration (I&I) and separate storm water from a segment of the wastewater collection system by replacing 200m of the existing 375 mm diameter concrete sewer main with a 375 mm PVC pipe and, where possible, install a parallel 375 mm diameter PVC storm water pipe. This is an incremental step in a long term plan to separate storm water and sanitary sewage.	66,659			6,225	72,884	CLEANER WATER REDUCED GHG EMISSIONS Reduced I&I reduces pumping costs, aeration energy required to treat wastewater and reduces impact to aquatic habitat in the receiving waters of the Alberni Inlet by reducing combined sewer overflows. Efforts like these are small, incremental

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Project Description	Estimated Costs and Sources of Funding					Expected Outcomes
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LOCATION: Bruce St. – 200m, 15th Ave to Anderson Ave.						and difficult to quantify. The approach of reducing baseline domestic flows is the underlying direction of the City.
City of Port Alberni; Harbour Road Sewer Overflow; Develop/upgrade wastewater and storm water systems						
Reduce the inflow and infiltration (I&I) and separate storm water from a segment of the wastewater collection system by replacing 50m of the existing 600mm diameter concrete sewer main with a 600mm reinforced concrete pipe, and removing surface water catch basin from the sewage system. This is another incremental step in a long term plan to separate storm water and sanitary sewage. LOCATION: Harbour Road at the intersection of Bruce Street.	30,000				30,000	CLEANER WATER REDUCED GHG EMISSIONS Reduced I&I reduces pumping costs, aeration energy required to treat wastewater and reduces impact to aquatic habitat in the receiving waters of the Alberni Inlet by reducing combined sewer overflows. Efforts like these are small, incremental and difficult to quantify. The approach of reducing baseline domestic flows is the underlying direction of the City.
City of Port Alberni; Sewage Lagoon Aerators; Retrofit local government buildings and structures						
Replace three 40 year old splashing type sewage lagoon aerators with more efficient self-aspirating type units. LOCATION: Sewage lagoon off Mission Road	95,800				95,800	CLEANER WATER REDUCED GHG EMISSIONS Reduced energy requirements; significant improvements in oxygen transfer, aiding in the treatment process (continuous dissolved oxygen meter will record the improvement over time).

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CLEANER WATER REDUCED GHG EMISSIONS - TOTAL	**$192,459**	**$ 0**	**$ 0**	**$6,225**	**$198,684**	
City of Chilliwack; Young Road Cycling Lanes; Road system improvements that encourage a reduction in car dependency						
Addition of cycling lanes to arterial roadway. LOCATION: Young Road – North.	178,000		20,000	2,952,000	3,150,000	REDUCED GHG EMISSIONS Reduction of GHG emissions with the creation of a safer and expanded cycling network.
District of Houston; Leisure Facility Geothermal; Community Energy Systems						
This system will see the use of the district aquifer to support the heat pumps and geo-exchange by using a closed loop well system. LOCATION: 3400 – 14th Street.	67,124			270,591	337,715	REDUCED GHG EMISSIONS Reduce the use of a fossil fuel energy system by 90% over that of a conventional heating system and reduce green house gases by nearly 100 tons annually.
City of Kimberley; Kimberley/Marysville Trail Bridge Replacement; Paths and Trails						
Replace dilapidated bridge crossing Mark Creek at the mid-point of the Kimberley/Marysville Trail. The current bridge is suffering from rotting boards and abutments, is considered a flood risk (due to the height) and is not wheelchair accessible. This is an earth and gravel forested trail that runs along Mark Creek, approximately 2.5 km. long, joining Kimberley to Marysville (South Kimberley) and the Marysville Eco Park, located a the Marysville trailhead.	73,352				73,352	REDUCED GHG EMISSIONS Increased pedestrian and wheelchair traffic on the trail; increased usage as commuter route between Kimberley and Marysville, resulting in fewer vehicles and a reduction in greenhouse gas emissions.

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LOCATION: mid-point of the Kimberley/Marysville Trail.						
City of Kimberley; 870 Wallinger Avenue Sidewalk and retaining wall; Road system improvements that encourage a reduction in car dependency						
This route is a .6km sidewalk adjacent to the highway, connecting lower Blarchmont to upper Blarchmont and ultimately downtown Kimberley. It is an important pedestrian route but the last 50 ft. is unsafe (abrupt 1.5ft. drop off to a very steep gravel hill). The project will tear out this last section of sidewalk, correct the grading and install a new sidewalk slab with appropriate curing and install a retaining wall. LOCATION: 870 Wallinger Ave.	16,300				16, 300	REDUCED GHG EMISSIONS Alternative vehicle route is 2.2 km. and project will encourage increased pedestrian and wheelchair usage, allowing for a decrease in vehicle traffic and corresponding reduction in GHG emissions.
City of Kimberley; 270 Kimberley Avenue sidewalk; Road system improvements that encourage reduction in car dependency						
Tear out inadequate sidewalk and install a new brick sidewalk with wheelchair accessible curbing – this strategic section of sidewalk, connects the lower and upper sections of the main parking in Kimberley, leads traffic to the Chamber of Commerce and Public Library, and acts as a connector to the sidewalks in the downtown core and the Platzl (outdoor mall). LOCATION: 270 Kimberley Avenue.	7,000				7,000	REDUCED GHG EMISSIONS This strategic piece of sidewalk is narrow, inadequate and generally not used. The project will encourage parking and use the sidewalk system in the downtown core, which covers an area of 42,000m2, instead of driving to the other areas of the downtown core.
Village of Montrose; Well power supply and efficiency upgrade; Retrofit local government buildings and infrastructure						
Replace well pump motors and power supply; install automated transfer pump and control system between two water	74,990			289,200	364,190	REDUCED GHG EMISSIONS Reduced power consumption during the electrical utility's

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storage tanks; convert power supply; install computerized well pump operation and water reservoir transfer pump controls. LOCATION: Lot A, District Lot 205, Kootenay District, Plan 17360.						peak power load periods.
Town of Port McNeill; Woodland Walk; Road system improvements that encourage a reduction in car dependency						
Construct a walkway and curb on Woodland Drive (which has no sidewalks) thereby discouraging walking on busy roadway. LOCATION: Woodland Drive.	58,322			50,000	108,322	REDUCED GHG EMISSIONS Encourage walking and improve public safety; less vehicle emissions from motor vehicles.
District of Saanich; Royal Oak On-Street Transit Exchange; Develop/improve public transit system						
Improve and expand the current on-street transit exchange at the Royal Oak Drive/Elk Lake drive intersection to accommodate 11 buses (all bus bays are to include concrete bases for durability and will also be located off the travel lanes); gateway feature or pedestrian node provided at SW corner of intersection, including a bus shelter and textured surface for the walkway; improvements along Royal Oak Drive between Pipeline Rd and Elk Lake Rd to provide sidewalks and bike lanes on both sides; add additional eastbound through lane on Royal Oak Drive just west of the Elk Lake intersection, which will continue to the west ramp of Highway 17; sidewalk construction on Elk Lake	2,300,000				2,300,000	REDUCED GHG EMISSIONS Improvements are intended to increase transit ridership through: o Increased capacity for transit vehicles to arrive simultaneously (improves scheduling, reliability and service). o Enhanced pedestrian environment, including increased accessibility. o Improved bike lane facilities on roads connecting to transit exchange.

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Drive (Royal Oak-West Saanich). LOCATION: Royal Oak Avenue.						
Village of Salmo; 2005 Capital Sidewalk Program; Road system improvements that encourage a reduction in car dependency						
Construct sidewalks along roadways. LOCATION: 500 Block Sixth Street, 800 Block Ninth Street, 400 Block Baker Avenue.	38,065			3,580	41,645	REDUCED GHG EMISSIONS The reliance on gas/diesel fueled cars is greatly reduced with a sidewalk network in place; sidewalks increase safety and comfort particularly for seniors
City of Salmon Arm; Geothermal System for City Hall/Law Courts Facility; Community Energy Systems						
Install geothermal group loop as part of new construction of City Hall/Law Courts. LOCATION: 500 – 2nd Avenue N.E.	214,202			22,320	236,522	REDUCED GHG EMISSIONS Reduced heating and cooling costs (reduced GHG emissions).
City of Vernon; 48 Avenue from 24 Street to 20 Street; Road system improvements that encourage a reduction in car dependency; Rehabilitation of roads and bridges that enhance sustainability outcomes						
Road widening and construction of sidewalk and bike lanes is required to improve traffic movements from 24St to 20 St. The construction will tie to the upgrading proposed for the section east (20 Street to Pleasant Valley Road) and the west (27 Street to 20 Street) previously constructed. LOCATION: 48 Avenue from 24 Street to 20 Street.	297,309			479,591	776,900	REDUCED GHG EMISSIONS Expand bike lane network to encourage bike traffic and reduced GHS emissions. Improve vehicular traffic flow reducing idling times, reducing GHS emissions.
REDUCED GHG EMISSIONS – TOTAL	**$3,324,664**	**$ 0**	**$20,000**	**$4,067,282**	**$7,411,946**	

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District of Coldstream; Aberdeen Road Bike Lanes; Road system improvements that encourage a reduction in car dependency						
1.1 km. combined cycle path to be constructed on both sides of Aberdeen Road. LOCATION: Aberdeen Road: from Kalamalka Road to Middleton Drive.	100,851			109,149	210,000	CLEANER AIR REDUCED GHG EMISSIONS Safer bike corridor will encourage more cycling, reduction in vehicle usage.
Town of Sidney; Beacon Avenue Roundabout; Rehabilitation of roads and bridges that enhance sustainability outcomes						
Construct roundabout, curbs, sidewalks and lighting at a busy "off-set" intersection in the downtown core. Project will improve traffic flow and safety at the intersection. LOCATION: Beacon Ave at First Street.	83,000	25,000		101,400	209,400	CLEANER AIR REDUCED GHG EMISSIONS Motor vehicle accident reduction, smoother traffic flow, less air pollution from stationary vehicles.
CLEANER AIR REDUCED GHG EMISSIONS - TOTAL	**$183,851**	**$25,000**	**$ 0**	**$210,549**	**$419,400**	
City of Chilliwack; Traffic Management; Public Transit, Implement Innovative Technologies						
Transportation signaling improvements to reduce idling times at intersections. LOCATION: entire community.	35,000			151,000	186,000	CLEANER AIR Reduced idling.
Cowichan Valley Regional District; Odour Control System, Maple Hills Sewer System; Develop/upgrade wastewater and storm water systems						
Construction of a biofilter in the sewer treatment building to deal with odour and noise complaints. Biofilters clean the air by absorbing odours in a filter bed made up of organic materials and micro-organisms. LOCATION: Electoral Area C – near intersection of Hidelon Oaks Crescent and Sitka Way.	8,000			4,000	12,000	CLEANER AIR The existing ventilation system to maintain air circulation and limit corrosion within the RBC exchanges air out of the treatment building. The biofilter will reduce the emission of foul odours into the surrounding area near residential homes.

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City of Cranbrook; Local Streets Rehabilitation Program; Rehabilitation of roads and bridges that enhance sustainability outcomes						
There is a major deterioration of local streets from the many freeze, thaw cycles over the years. Complete resurfacing is required. LOCATION: various streets within the City of Cranbrook.	200,000			400,000	600,000	CLEANER AIR Less dust, better safer traffic flow, less bus transportation repairs and maintenance.
CLEANER AIR - TOTAL	**$243,000**	**$ 0**	**$ 0**	**$555,000**	**$798,000**	
GRAND TOTAL – ALL OUTCOMES	**$8,047,359**	**$3,111,998**	**$20,000**	**$24,300,798**	**$35,480,155**	