



Corporate *NO: R033*

Report *COUNCIL DATE: February 26, 2001*

REGULAR COUNCIL			
TO:	Mayor & Council	DATE:	February 7, 2001
FROM:	General Manager, Engineering General Manager, Parks, Recreation & Culture	FILE:	0312-090
SUBJECT:	Federal-Provincial Infrastructure Program		

RECOMMENDATION

That Council endorse the attached list of projects (Table 2) for application for funding under the first year (March 2001 to March 2002) of the Federal-Provincial Infrastructure Program.

INTENT

To set corporate priorities for applications under the infrastructure program.

BACKGROUND

The Federal-Provincial Infrastructure Program is a 5-year program for funding infrastructure on an equal basis between the three orders of government.

The Program Guide and Application Kit for the Canada-British Columbia Infrastructure Program has recently been distributed. We had previously forwarded to Council an information memo on this issue, suggesting possible projects for application based on the initial news release. With the full guideline document now being available, we are able to provide Council with more definitive information and, in turn, seek Council's direction on the City's priorities for projects within the confines of the established guidelines.

Program targets for funding are as follows:

75% to Green Infrastructure, such as, but not limited to, water, sewer and water metering projects and the

retrofitting of municipal buildings to improve energy efficiency.

Comment: We understand that although not specifically mentioned, storm water and flood control works may be eligible projects.

25% to Other Projects, which includes:

- Cultural, recreational, sports and library facilities,
- Infrastructure supporting tourism,
- Telecommunications infrastructure including high-speed internet access for local public buildings,
- Local transportation infrastructure such as urban transit, rail transit, buses using alternative fuels, intelligent transportation systems technology (i.e., automated traffic information/warning signs, etc.) and marine related infrastructure.
- Affordable Housing

Comment: The above description of local transportation projects makes no specific mention of roads as being eligible for funding.

Level of Funding

The total level of funding is \$800 million over 5 years which equates to \$160 million per year. While it is unlikely that funding would be distributed on an equal per capital basis, if it were, then Surrey could potentially be eligible for up to \$16 million a year.

Timing

All applications are to be submitted by March 15 if they are to be considered in the first round of approvals. Subsequent application review dates will be announced by the Federal Government. We understand that the projects which have been approved for funding will be announced this summer.

DISCUSSION

Based on the published guidelines, the 2001 City projects, shown in Table 1 on the next page, appear to meet the eligibility criteria. Eligible projects will be ranked by an Infrastructure Program Management Committee with preference given to projects that fulfill one or more of the program's criteria which includes: improving water and air quality, water conservation, more efficient energy use, improved safety, increasing economic activity, increasing access to recreational facilities and supporting Canadian heritage and culture.

Project Description	Cost (\$m)	Funding Status
Surrey Arts Centre Expansion	7.5	Funded in 2001 and 2002
Water Metering Program	3.0	Partial funding available from utility

East Newton Sewage Pump Station	1.5	Partial funding available from DCCs
Fleetwood Water Pressure Booster Station	3.0	Partial funding available from DCCs
Inter Urban Heritage Rail Line Cloverdale-Sullivan	1.5	\$200,000 currently funded
Energy conservation retrofits at City buildings	0.6	Partial funding available from current City programs
Development of Sustainable Servicing Standards	0.1	Partial funding available from DCCs and Utility
Scott Road safety improvements 99-103A Avenue	3.5	Partial funding available from DCCs
Grey Creek Drainage Pump Station	1.0	Partial funding available from DCCs and utility
TOTAL	\$21.7 million	

For the potential projects listed, the delay in awaiting funding approval until this summer would not be critical except for the Surrey Arts Centre expansion. For this project, it was anticipated to go to construction in the very near future for the work to be completed in time for the B.C. Festival of the Arts in May 2002. For this project to be potentially funded under the Infrastructure Program, the construction start would have to be delayed until late summer this year and the centre would not be ready for the Festival. This would mean that alternative venues would have to be found for the Festival and it would not meet the program requirement that construction be complete by March 31, 2002. In view of this, it is concluded that the Surrey Arts Centre expansion should proceed independently of the Infrastructure Program.

The highest priority for City public cultural facilities that would be appropriate for an application would be for the Learning and Discovery Centre in Cloverdale, estimated to cost in the order of \$15 million. Similarly, the highest priority for new library facilities is the Semiahmoo Library with a cost in the order of \$5 million. No significant funding is currently in place for either of these facilities. In view of the lack of funding for the local share, the significant scope of these projects and the eligibility requirement that all construction be completed by March 31, 2002, these facilities are more suited for future applications. A more comprehensive list of potential future projects will be submitted at a later date.

Taking the above factors into account, the list of projects proposed for application this March is as shown in Table 2.

TABLE 2		
Proposed Priorities for Infrastructure Applications		
for Construction 2001-2002		
Project Description	Cost (\$m)	Local Share Funding Status
Green Infrastructure Projects		
Water Metering Program	3.0	Funding available from utility

Energy conservation retrofits at City buildings	0.6	Funding available from current programs
Development of Sustainable Servicing Standards	0.1	Partial funding available from DCCs & Utility
East Newton Pump Station	2.0	Partial funding available from DCCs
Fleetwood Water Pressure Booster Station	3.0	Partial funding available from DCCs
Grey Creek Drainage Pump Station	1.0	Partial funding available from DCCs & Utility
Other Projects		
Scott Road safety improvements 99-103A Avenue	3.5	Partial funding available from DCCs
Inter Urban Heritage Rail Line Cloverdale-Sullivan	1.5	\$200,000 currently funded
TOTAL		\$14.7 million

Details of the above projects are provided in Appendix 2.

Funding of Municipal Share

For the majority of the projects, the municipal share of the funding is in place. However, should the Heritage Rail project be approved then the City would have difficulty funding its share. This concern over capital funding for the local share of Infrastructure Program projects will increase as City capital availability is more constrained in the future and as larger non-utility funded projects are applied for.

Applications by GVRD and TransLink

The GVRD and TransLink will also be making applications for projects under the Infrastructure Program. The only application that we are aware of, and which would impact Surrey, is TransLink's application to widen and upgrade sections of the Fraser Highway at a total estimated value of \$17 million. Council endorsed this application by TransLink at its meeting of February 5, 2001. Currently the sharing of the local component of the costs between Surrey and TransLink is yet to be determined.

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