

requirements for both options currently under consideration.

The Project Options Definition Report, in conjunction with the MoU, would form the framework for a future, more formal, agreement with each of the municipalities which would replace the MoU. A signed MoU with each municipality at this time would allow the Board to select a preferred option knowing that there is municipal support for either option as defined in the Project Options Definition Report.

DISCUSSION

The Project Options Definition Report defines the FRC as consisting of three main components, based on implementation and ownership responsibility:

1. Concession/Authority Assets

These assets include new roads, structures and facilities (e.g., tolling infrastructure) that will be constructed, operated and maintained by the concession or authority (i.e., developer of the FRC).

2. Concession/Authority Responsibilities

These components include the realignments and modifications of existing roads, highways, structures, utilities, and facilities that the concessionaire or authority will be responsible to construct to specified standards and within specified time frames, but whose ongoing operation and maintenance and asset ownership will remain with the current owner (i.e. the City of Surrey).

For Surrey these maintenance responsibilities consist of:

- Bridge to accommodate the existing lanes of Barnston Drive East over the new FRC expressway.
- Realignment of 96th Avenue between 184 Street and 186 Street to connect with the new FRC expressway.
- Realignment of Barnston Drive East to connect to the 96 Avenue realignment.
- Extension of 98 Avenue between 181 Street and 182 Street.
- Extension of 98 Avenue between 189 Street and 190 Street with cul-de-sac at 189 Street end
- Cul-de-sacs for closure of:
 - i. 96 Avenue at Highway 15
 - ii. Barnston Drive East
 - iii. 182A Street
 - iv. 186 Street
 - v. 188 Street
 - vi. Telegraph Trail
- Upgrade of 192 Street to a four-lane cross-section from the new FRC expressway to south of 94 Avenue
- Realigned intersection of 192 Street/98A Avenue.

There will be some nominal increase in operating and maintenance costs as a result of the increased roadway inventory, however; there would be potential for the significant additions, (i.e. 96 Avenue realignment from 160 Street to 176 Street and 192 Street from 98 Avenue to Highway #1), to be added to the Major Road Network with operating, maintenance, and rehabilitation costs covered by TransLink funding. With the addition of these roads to the MRN, a review of which is included in the MoU, the maintenance cost impacts would be minimal.

3. Municipal Arterial and Provincial Highway Improvements

These components on the provincial and municipal network include the upgrades and modifications necessary to provide and maintain efficient connections, access and acceptable levels of service. The responsibility to implement will rest with the province or municipality; however, further discussion and agreements are necessary to finalize funding based on availability of capital, cost-sharing arrangements, etc.

Memorandum of Understanding

The MoU outlines the underlying principles of the FRC project, project scope and specifications, and the responsibilities of the municipalities, GVTA and Province with respect to the project.

Guiding Principles

In drafting the MoU, the following guiding principles have been used:

1. **Integrated network solution** - the project has been broadly defined to recognize that the effectiveness of the crossing and general improvement in service for all traffic depends on the integrated improvement of related local roads, collector roads, arterials and highways in an appropriate timeframe based on available traffic projections.
2. **Coordinated planning** - the successful implementation of the project requires GVTA, municipal and provincial planners to work together to develop specifications and define responsibilities to meet provincial, regional and local traffic needs.
3. **Multi-modal approach** - the new crossing would effectively serve vehicular traffic and also serve goods movement, transit, cycling and pedestrians.
4. **Mitigation** - the project shall be designed and built in a manner that mitigates in the most cost-effective manner adverse impacts where this can reasonably be done (where the costs of the mitigation can be justified in light of the benefits, including non-tangible benefits, provided).
5. **Responsibilities** - all Parties must assume some responsibility for the timely integrated implementation of improvements and their funding. The GVTA and project developers must assume responsibility for the assets and improvements necessary to carry crossing traffic to and from major connection points (for the Fraser River Crossing, these connection points include: Lougheed Highway, Abernethy connector, Pitt Meadows airport connector, 200 Street, 192 Street and 176 Street). The Province shall assume responsibility for the highway improvements that are essential for the effective functioning of the network used by crossing and other traffic. Municipalities shall assume responsibility for the local road and arterial improvements that will enable their residents and businesses to access and benefit from the crossing however none are identified for Surrey. The scope of the facilities is described in the New Fraser River Crossing Project Options Definition Report.

6. **Additional agreements** - Where there are major joint interests and responsibilities, outside the scope of the project, implementation agreements involving the Province, GVTA and the municipalities are required to define responsibilities and cost-sharing arrangements.
7. **Toll cost recovery** - tolls will be used to recover the costs of the assets and responsibilities necessary to carry the crossing traffic to and from connection points, but not to recover costs for other improvements, whether related or not. It is considered to be critically important in this first major toll facility initiative not to unduly burden the crossing traffic.
8. **MRN Impacts** - A joint review of the Major Road Network will be undertaken when the scope of the project has been confirmed to see if there are any additions/deletions to/from the MRN as a result of changing traffic patterns.

Project Scope and Specifications

The project scope and specifications vary with each municipality and the MoU reflects the specific differences. The following sections are common to all municipalities except as noted:

1. The Parties agree that the scope of the project includes not only the construction of the crossing and connecting new road works, but also modifications of existing roads and timely improvements to the arterial and highway road networks (the "Project").
2. The Parties have jointly reviewed the scope and specifications of the Project options presented in the January 2003 'Project Options Definition' report (the "Project Options Document") and agree that they meet the Parties' objectives for the crossing, and are appropriate and acceptable for the purposes of the comparative assessment that will be undertaken to select the preferred option.
3. The Parties recognize that the final Project scope and specifications will be refined and modified in the course of ongoing public consultation, more detailed technical review and environmental and social assessment, and agree to cooperate with one another to ensure that the final scope and specifications appropriately meet the Parties' objectives.

In this regard, the parties will specifically cooperate in Surrey to develop specifications for the connection between the Project expressway and Hwy. 15; specific access points to properties adjacent to the expressway (e.g., the triangular area bounded by the expressway, Hwy. 15 and Hwy. 1); access to industrial properties north of the CN tracks; access to 182A Street north of the FRC; and, upgrades on 192 Street north of Hwy. 1.

Responsibilities

The responsibilities section in the MoU refers back to the Project Options Definition Report in defining which of the parties will take the lead in ensuring each of the three project components are delivered in a timely manner. It obligates the GVTA to undertake the delivery of both the Concession/Authority Assets and the Concession/Authority Responsibilities as described in the Project Options Definition Report. It also lists those assets that the municipality would assume responsibility for operating and maintaining and specifically obligates the municipality to assume the responsibility for the design, construction, operation and maintenance of the Municipal Arterial Improvements as set out in the Project Options Definition Report. (There are no specific improvements identified as Surrey's responsibility.)

The responsibilities section also acknowledges that the GVTA will facilitate discussions with the municipalities and the Province to develop an implementation and financing plan for key pieces of road work that enhance the

performance of the FRC. In Surrey this would likely include intersection widening and safety improvements on 96 Avenue from 160 Street to 176 Street at a total cost of around \$4 million. However, the MoU does not commit Surrey to funding this work. There are currently discussions underway between the GVTA and member municipalities to develop policies, including cost-sharing arrangements, that would permit minor capital funding outside the current block funding formula for strategic regional road needs which would likely apply to city roads that link to the FRC.

There is acknowledgement that the FRC is just one of a suite of projects collectively known as the Fraser Gateway Program. Traffic projections confirm that the FRC carries more traffic with the implementation of the Gateway Program. Key regional priorities including the South Fraser Perimeter Road, North Fraser Perimeter Road and the eventual twinning of the Port Mann Bridge would be entrenched within agreements between the GVTA and the Province for delivery of the Fraser Gateway Program. There is an obligation for the GVTA to negotiate agreements with the Province to ensure the timely delivery of key improvements to the overall road network such as capacity improvements to Highway 1, Highway 15, Highway 7, and the Pitt River Bridge. The Project Options Definition Report and MoU also call for an additional interchange at 216 Street and Hwy. 1 and an additional two lanes over Hwy. 1 at the 200 Street interchange for a total of six lanes. All these improvements would be addressed through the Gateway initiative.

Linkage with South Fraser Perimeter Road

Council's position is that there be linkage between the funding commitment for the New Fraser River Crossing and that for the South Fraser Perimeter Road. The MoU acknowledges this position. Currently the GVTA and the Province are working towards a funding mechanism and an agreement for the implementation of the South Fraser Perimeter Road and other key regional road priorities under the Fraser Gateway Program. This work is projected to be complete by the end of 2003.

As stated earlier, this initial MoU will be replaced by a formal agreement between the City and the GVTA. The MoU states that the MoU itself is contingent upon sufficient commitment to funding and implementing the South Fraser Perimeter Road.

CONCLUSIONS

By authorizing the City Manager or designate to enter into a Memorandum of Understanding, there will be no uncertainty regarding Surrey's responsibilities and potential financial liability with respect to the new Fraser River Crossing. As well, the GVTA Board would be able to select a preferred option knowing that there is municipal support for either option as defined in the Project Options Definition Report. The MoU would form the framework for a more detailed agreement between Surrey and the GVTA, and focus the discussions and negotiations for the next phase of the work program.

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