

**METRO VANCOUVER REGIONAL DISTRICT
FINANCE AND INTERGOVERNMENT COMMITTEE**

REGULAR MEETING

Wednesday June 12, 2019

1:00pm

28th Floor Committee Room, 4730 Kingsway, Burnaby, British Columbia

A G E N D A¹

1. ADOPTION OF THE AGENDA

1.1 June 12, 2019 Regular Meeting Agenda

That the Finance and Intergovernment Committee adopt the agenda for its regular meeting scheduled for June 12, 2019 as circulated.

2. ADOPTION OF THE MINUTES

2.1 May 15, 2019 Regular Meeting Minutes

That the Finance and Intergovernment Committee adopt the minutes of its regular meeting held May 15, 2019 as circulated.

3. DELEGATIONS

3.1 Nathan Davidowicz

Subject: Greater Vancouver Regional Fund

4. INVITED PRESENTATIONS

4.1 Kelly Lownsbrough, Director, Financial Planning and Analysis and Tilan Kiriwathuduwa, Manager, Capital Assets and Government Funding, TransLink

Subject: Greater Vancouver Regional Fund Semi-Annual Report as of December 31, 2018

5. REPORTS FROM COMMITTEE OR STAFF

5.1 Greater Vancouver Regional Fund Semi-Annual Report as of December 31, 2018

Designated Speaker: Raymond Kan, Senior Planner, Regional Planning

That the MVRD Board receive for information the report dated May 27, 2019, titled "Greater Vancouver Regional Fund Semi-Annual Report as of December 31, 2018."

¹ Note: Recommendation is shown under each item, where applicable.

5.2 Board Voting Technology

Designated Speaker: Chris Plagnol, Corporate Officer and Greg Smith, Chief Technology Officer

That the MVRD Board receive for information the report dated May 27, 2019, titled "Board Voting Technology".

5.3 Proposed Amendments to the Remuneration Bylaw – Amending Bylaw 1286

Designated Speaker: Chris Plagnol, Corporate Officer

That the MVRD Board:

- a) give first, second and third reading to *Metro Vancouver Regional District Board and Committee Remuneration Amending Bylaw No. 1286, 2019*; and
- b) pass and finally adopt *Metro Vancouver Regional District Board and Committee Remuneration Amending Bylaw No. 1286, 2019*.

5.4 Asset Management for Corporate Facilities and Equipment Policy

Designated Speaker: Greg Smith, Chief Technology Officer

That the MVRD Board approve the *Asset Management for Corporate Facilities and Equipment Policy* as presented in the report dated May 31, 2019, titled "Asset Management for Corporate Facilities and Equipment Policy".

5.5 2019 Rail~Volution Conference – Request for Sponsorship

Designated Speaker: James Stiver, Division Manager, Growth Management and Transportation, Regional Planning

That the MVRD Board approve \$10,000 of sponsorship funding in support of the Regional Day component of the Rail~Volution Conference to be held in Metro Vancouver on September 11, 2019.

5.6 Manager's Report

Designated Speaker: Carol Mason, Commissioner/Chief Administrative Officer

That the Finance and Intergovernment Committee receive for information the report dated June 3, 2019, titled "Manager's Report".

6. INFORMATION ITEMS

6.1 Correspondence re Expanding Investment Opportunities dated May 2, 2019 from the City of Burnaby

6.2 Correspondence re Appointment of Annalisa King as Chair dated May 13, 2019 from Vancouver Airport Authority

7. OTHER BUSINESS

8. BUSINESS ARISING FROM DELEGATIONS

9. RESOLUTION TO CLOSE MEETING

Note: The Committee must state by resolution the basis under section 90 of the Community Charter on which the meeting is being closed. If a member wishes to add an item, the basis must be included below.

That the Finance and Intergovernment Committee close its regular meeting scheduled for June 12, 2019 pursuant to the *Community Charter* provisions, Section 90 (1) (g) and (k) as follows:

- “90 (1) A part of the meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:
- (g) litigation or potential litigation affecting the regional district; and
 - (k) negotiations and related discussions respecting the proposed provision of a regional district service that are at their preliminary stages and that, in the view of the board or committee, could reasonably be expected to harm the interests of the regional district if they were held in public.”

10. ADJOURNMENT/CONCLUSION

That the Finance and Intergovernment Committee adjourn/conclude its regular meeting of June 12, 2019.

Membership:

Buchanan, Linda (C) - North Vancouver City	Coté, Jonathan - New Westminster	McEwen, John - Anmore
Dhaliwal, Sav (VC) - Burnaby	Froese, Jack - Langley Township	Stewart, Kennedy - Vancouver
Booth, Mary-Ann - West Vancouver	Hurley, Mike - Burnaby	Stewart, Richard - Coquitlam
Brodie, Malcolm - Richmond	McCallum, Doug - Surrey	

**METRO VANCOUVER REGIONAL DISTRICT
FINANCE AND INTERGOVERNMENT COMMITTEE**

Minutes of the Regular Meeting of the Metro Vancouver Regional District (MVRD) Finance and Intergovernment Committee held at 1:03 p.m. on Wednesday, May 15, 2019 in the 28th Floor Committee Room, 4730 Kingsway, Burnaby, British Columbia.

MEMBERS PRESENT:

Chair, Mayor Linda Buchanan, North Vancouver City
 Vice Chair, Councillor Sav Dhaliwal, Burnaby
 Mayor Mary-Ann Booth, West Vancouver
 Mayor Malcolm Brodie, Richmond
 Mayor Jonathan Coté, New Westminster
 Mayor Jack Froese, Langley Township
 Mayor Mike Hurley, Burnaby
 Mayor Doug McCallum, Surrey
 Mayor John McEwen, Anmore

MEMBERS ABSENT:

Mayor Kennedy Stewart, Vancouver
 Mayor Richard Stewart, Coquitlam

STAFF PRESENT:

Carol Mason, Chief Administrative Officer
 Janis Knaupp, Legislative Services Coordinator, Board and Information Services

1. ADOPTION OF THE AGENDA

1.1 May 15, 2019 Regular Meeting Agenda

It was MOVED and SECONDED

That the Finance and Intergovernment Committee adopt the revised agenda for its regular meeting scheduled for May 15, 2019 as circulated.

CARRIED

2. ADOPTION OF THE MINUTES

2.1 April 10, 2019 Regular Meeting Minutes

It was MOVED and SECONDED

That the Finance and Intergovernment Committee adopt the minutes of its regular meeting held April 10, 2019 as circulated.

CARRIED

3. DELEGATIONS

No items presented.

4. INVITED PRESENTATIONS

4.1 Beth Johnson, Kevin Ramsay, Jonathan Whitworth, Board Remuneration Independent Review Panel Members

Beth Johnson, Kevin Ramsay, and Jonathan Whitworth, members of the Board Remuneration Independent Review Panel, commented on guiding principles related to the Panel's findings and recommendations arising from its review of the remuneration provisions set out in the Board's *Remuneration Bylaw*.

Presentation material titled "Board Remuneration Independent Review Panel Guiding Principles" is retained with the May 15, 2019 Finance and Intergovernment Committee agenda.

5. REPORTS FROM COMMITTEE OR STAFF

5.1 Board Remuneration Review Findings and Recommendations

Report dated April 23, 2019 from Carol Mason, Commissioner/Chief Administrative Officer, bringing forward the final report from the Board Remuneration Independent Review Panel for the Board's consideration.

It was MOVED and SECONDED

That the MVRD Board:

- a) endorse the findings of the Board Remuneration Independent Review Panel as presented in the report dated April 23, 2019, titled, "Board Remuneration Review Findings and Recommendations"; and
- b) direct staff to bring forward amendments to the *Remuneration Bylaw* for the Board's consideration to reflect the amendments proposed by the Board Remuneration Independent Review Panel.

CARRIED

5.2 Asset Management for Solid Waste Services Policy

Report dated April 4, 2019 from Chris Allan, Director, Operations, Solid Waste Services, seeking GVS&DD Board approval of the *Asset Management for Solid Waste Services Policy* which will establish asset management principles and a framework to balance asset performance, risk and cost to support the long-term provision of Solid Waste Services.

It was MOVED and SECONDED

That the GVS&DD Board approve the *Asset Management for Solid Waste Services Policy* as presented in the report dated April 4, 2019, titled "Asset Management for Solid Waste Services Policy".

CARRIED

5.3 Asset Management for Water Services Policy

Report dated March 13, 2019 from Mike Searle, Program Manager, Management Systems, Water Services and Frank Huber, Director, Major Projects, Management Systems and Utility Services, seeking GVWD Board approval of the *Asset Management for Water Services Policy*, which will establish asset management principles and a framework to balance asset performance, risk and cost to deliver water services with the goal of maximizing the lifecycle of Water Services assets.

It was MOVED and SECONDED

That the GVWD Board approve the *Asset Management for Water Services Policy* as presented in the report dated March 13, 2019, titled "Asset Management for Water Services Policy".

CARRIED

5.4 2019 Budget - Status of Reserves

Report dated April 23, 2019 from Phil Trotsuk, Chief Financial Officer, seeking Board approval of additional reserve applications and transfers to those previously approved by the Board in October 2018, and projecting the reserve balances of operating, discretionary and statutory reserves for 2019.

It was MOVED and SECONDED

That the MVRD/MVHC/GVWD/GVS&DD Board approve the application and transfer of reserves related to the expenditures and provisions as set out in Schedule 1 of the report dated April 23, 2019, titled "2019 Budget - Status of Reserves".

CARRIED

5.5 2018 Statement of Financial Information

Report dated April 24, 2019 from Phil Trotsuk, Chief Financial Officer, seeking MVRD Board approval of the 2018 Statement of Financial Information as part of the reporting requirements of the *Financial Information Act*.

It was MOVED and SECONDED

That the MVRD Board approve the Statement of Financial Information for the year ended December 31, 2018.

CARRIED

5.6 Manager's Report

Report dated May 6, 2019 from Carol Mason, Commissioner/Chief Administrative Officer, updating the Finance and Intergovernment Committee on the Committee's 2019 Work Plan, Board voting tool, and staffing changes between 2010 and 2019.

Members were informed about an error in the total positions presented in the table on page 2 of the report.

On-table replacement page 2 was distributed to members and is retained with the May 15, 2019 Finance and Intergovernment Committee agenda.

It was MOVED and SECONDED

That the Finance and Intergovernment Committee receive for information the report dated May 6, 2019, titled "Manager's Report".

CARRIED

6. INFORMATION ITEMS

6.1 Incoming Correspondence dated April 8, 2019 regarding Support for Lions Bay to be Eligible for the Rural Dividend Fund and report dated September 10, 2018, titled "Bowen Island – Support for Rural Designation for Grant Eligibility"

Members considered the MVRD Board letter of support provided to Bowen Island Municipality in 2018 for grant eligibility as presented in Item 6.1 of the agenda.

In response to questions, members were informed about discussions with Metro Vancouver's four affected municipalities regarding these support requests.

Request of Staff

Staff was requested to forward a reminder to the Villages of Anmore and Belcarra that any request for MVRD Board support for Rural Designation for the purposes of provincial and federal rural grant programs should be provided in writing to the Board for its consideration.

It was MOVED and SECONDED

That the MVRD Board write a letter in support of designating Lions Bay as an eligible rural community to:

- i. the Minister of Forests, Lands, Natural Resource Operations and Rural Development, with respect to the BC Rural Dividend Program;
- ii. the Minister of Jobs, Trade and Technology, with respect to the Island Coastal Economic Trust; and
- iii. the federal Minister of Innovation, Science and Economic Development, with respect to Community Futures funding.

CARRIED

7. OTHER BUSINESS

No items presented.

8. BUSINESS ARISING FROM DELEGATIONS

No items presented.

9. RESOLUTION TO CLOSE MEETING

It was MOVED and SECONDED

That the Finance and Intergovernment Committee close its regular meeting scheduled for May 15, 2019 pursuant to the *Community Charter* provisions, Section 90 (1) (g) as follows:

“90 (1) A part of the meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:
(g) litigation or potential litigation affecting the regional district.”

CARRIED

10. ADJOURNMENT/CONCLUSION

It was MOVED and SECONDED

That the Finance and Intergovernment Committee adjourn its regular meeting of May 15, 2019.

CARRIED

(Time: 1:29 p.m.)

Janis Knaupp,
Legislative Services Coordinator

Linda Buchanan, Chair

To: Finance and Intergovernment Committee

From: Raymond Kan, Senior Planner, Regional Planning

Date: May 27, 2019 Meeting Date: June 12, 2019

Subject: Greater Vancouver Regional Fund Semi-Annual Report as of December 31, 2018

RECOMMENDATION

That the MVRD Board receive for information the report dated May 27, 2019, titled “Greater Vancouver Regional Fund Semi-Annual Report as of December 31, 2018.”

PURPOSE

To present to the MVRD Board TransLink’s status report on active projects funded by federal gas tax funds through the Greater Vancouver Regional Fund (GVRF).

BACKGROUND

In accordance with the *Federal Gas Tax Fund Expenditures Policy (GVRF Policy)* adopted by the MVRD Board in 2016, TransLink is required to provide semi-annual reports to the MVRD Board on projects funded through the GVRF (see Attachment 2). At a minimum, the reports must include updated project-level information on variances to budget and total cost, expenditures to date, project schedule, risk assessment, project progress, and alignment with the GVRF evaluation criteria. The MVRD Board has previously received semi-annual reports covering the periods:

- As of December 31, 2016;
- As of June 30, 2017;
- As of December 31, 2017; and
- As of June 30, 2018.

It should be noted that Metro Vancouver has initiated a review of the GVRF Policy. The frequency of reporting on the status of active GVRF-funded projects is one of several elements being reviewed. The policy review is anticipated to be completed in 2019, with findings and recommendations going to the MVRD Board for consideration.

2018 GVRF SEMI-ANNUAL REPORT AS OF DECEMBER 31, 2018

TransLink’s GVRF semi-annual report is attached to this report as a requirement of the MVRD Board’s *GVRF Policy* (Attachment 1). The semi-annual report contains cumulative information on active projects funded through the GVRF as of December 31, 2018. Also, there was \$147 million in unallocated GVRF funds available for TransLink to apply for as of December 31, 2018.

Progress on Active Projects

- As of December 31, 2018, there were 41 active projects funded by the GVRF, with a total budget of \$1.1 billion and approved GVRF funding of \$958 million.

- As of December 31, 2018, \$492 million of the \$958 million approved in GVRF funds have been expended on the active projects.
- The majority of active projects have positive cost variances compared to budget (i.e. under budget). One project (the refurbishment of 144 SkyTrain Mark I vehicles) is currently showing the largest positive variance of \$2.8 million due to lower than expected labour costs. As a result, there is a positive variance of \$4.4 million between the original amount of GVRF funding allocated to the project and the total forecasted funded expenditures. Any unspent GVRF funds at project completion are returned to the GVRF for future applications. As of December 2018, 60 SkyTrain Mark I vehicles have been refurbished.
- The majority of active projects also have favourable schedule variances.
- Six projects have a negative schedule variance exceeding three months:
 - The Metrotown trolley overhead rectifier replacement project (budget of \$5.8 million) has incurred a delay of two years due to necessary changes in design affecting the procurement process. The delay has no impact on trolleybus service.
 - The 2016, 2017, and 2018 conventional bus replacement projects are experiencing delays due to scope changes (the scope changes have all been previously approved by the MVRD Board). The buses will be delivered between Q2-Q4 2019, and will be put into service once the commissioning process is complete.
 - The equipment for the deferred retirement program is experiencing delays due to longer than expected delivery for Compass components. All equipment is expected to arrive by end of July 2019. The delay has no impact on bus service.
 - Funding for the four buses and one on-route charging unit was originally approved by the MVRD Board in April 2017. As of the date of the staff report, the four buses have arrived and are being commissioned. One charging station has been installed and will be operational in June 2019. The second charging station is expected to be operational in July 2019.

Risk Assessment

The known risks to the project delivery of active projects have been updated. TransLink has identified the foreign exchange rate, labour resources, bus subsystem integration and commissioning, and building permit processes as risks. As of December 31, 2018, TransLink is not aware of any known factors that would significantly impact the deliverability of any active project.

Alignment with Greater Vancouver Regional Fund Integrated Criteria

The semi-annual report includes a section commenting on the how the active projects in aggregate meet the integrated criteria around regional growth management, environmental, and economic development objectives. Staff concur that this semi-annual report meets the criteria as laid out in the GVRF policy.

Greater Vancouver Regional Fund Balance

TransLink also provides a forecast of the GVRF balance as the *2018 Phase Two Investment Plan (2018-2027)* is implemented. Approximately \$1.7 billion in GVRF funds is anticipated to contribute to the capital investments for the period 2018 to 2027. Assuming a renewal of the federal gas tax transfers in 2024, the forecasted balance in 2027 will be drawn down to approximately \$181 million. The

forecasted fund balance includes the one-time transfer of \$138 million from the Federal Government as part of the 2019 Federal Budget.

ALTERNATIVES

This is an information report. No alternatives are presented.

FINANCIAL IMPLICATIONS

The processing of GVRF applications and semi-annual reports is part of the Regional Planning's regular activities, and covered under the Board-approved Regional Planning budget. There are no additional financial implications to the approved budget associated with this report.

SUMMARY / CONCLUSION

TransLink has submitted a GVRF semi-annual report containing historical information on active projects funded with federal gas tax funds through the Greater Vancouver Regional Fund as of December 31, 2018. As per TransLink's report, the regional transportation authority has been successful in delivering the majority of the projects on or ahead of schedule and incurring positive cost variances. Six projects are noted as experiencing delays exceeding three months: the Metrotown trolley overhead rectifier replacement, three conventional bus replacement projects, equipment for deferred bus retirement program, and the battery electric bus pilot.

Looking ahead over the next 9 years, TransLink expects to draw on \$1.5 billion in GVRF funds to pay for eligible capital expenditures associated with the *2018 Phase Two Investment Plan* and subsequent investment plans. Assuming the renewal of the federal gas tax transfers in 2024, the forecasted balance in 2027 will be drawn down to a balance of approximately \$181 million.

Attachment: *(Doc# 29828310)*

1. Report on Federal Gas Tax Funding received from the Greater Vancouver Regional Fund (GVRF), dated May 24, 2019
2. Metro Vancouver's *Federal Gas Tax Fund Expenditures Policy*

29789929

To: Carol Mason, Chief Administrative Officer, Metro Vancouver

From: Christine Dacre, Chief Financial Officer and Vice President, Financial Services, TransLink

Date: May 24, 2019

Subject: Report on Federal Gas Tax Funding received from the Greater Vancouver Regional Fund (GVRF)

PURPOSE

The "Federal Gas Tax Fund Expenditures Policy", approved by the Board of Directors of the Greater Vancouver Regional District (Metro Vancouver) on May 27, 2016, requires TransLink to report to Metro Vancouver on active projects that have received funding from the Greater Vancouver Regional Fund (GVRF) through the Federal Gas Tax Fund (FGTF) program.

The report frequency is semi-annual and has the following reporting objectives:

- A. Project budget to actual cost variances;
- B. Project expenditures to date;
- C. Current project schedule;
- D. Overall risk assessment;
- E. Project progress; and
- F. Alignment with Evaluation Criteria.

This report will provide historical information on active projects with GVRF funding as at December 31, 2018.

BACKGROUND

Since the FGTF program began in 2005, TransLink has received \$1,308.5 million in funding to expand and modernise the transit network. Interest earned on funds received, which must be used for approved GVRF projects, totalled \$42.3 million at December 31, 2018. Also, there was \$146.8 million in unapproved GVRF funds available for TransLink to apply for as at December 31, 2018.

Delivering the 10-Year Vision

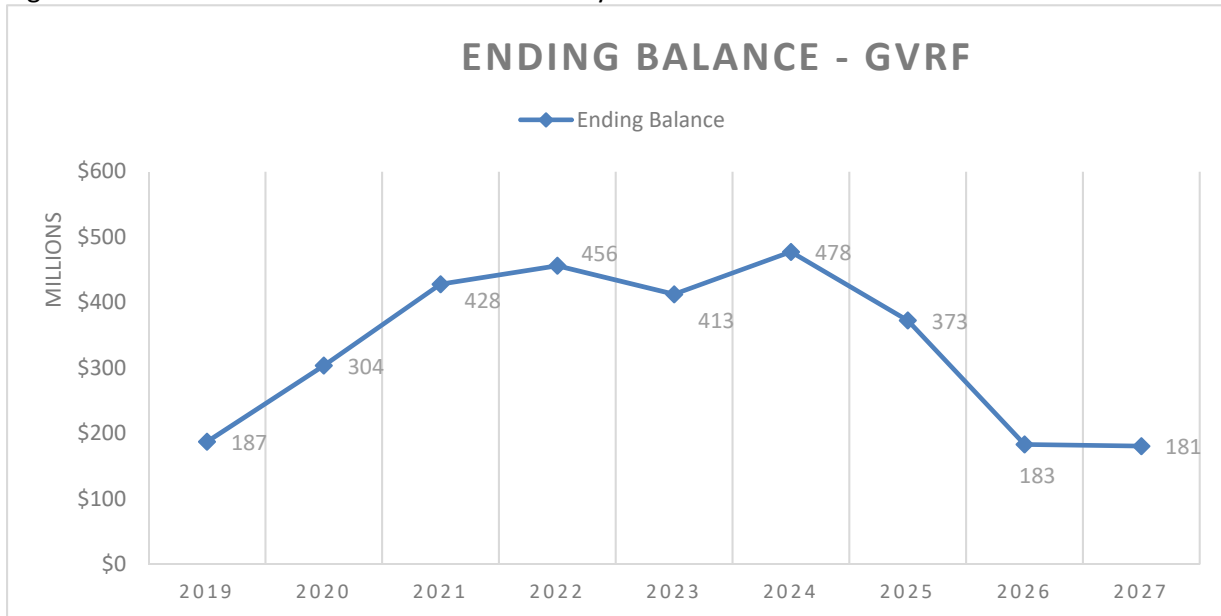
The 10-Year Vision for Metro Vancouver Transit and Transportation, adopted by the Mayors' Council and TransLink Board in 2014, assumes the GVRF funding will continue to support investments in transit throughout Metro Vancouver. To support the 10-Year Vision, TransLink's 2018-2027 Investment Plan approved in June 2018 (2018 Investment Plan) forecasts \$1.74 billion¹ in capital contributions from the GVRF. The 2018 Investment Plan assumes GVRF funding to support bus fleet expansion and modernization projects, SkyTrain rehabilitation and other transit infrastructure improvements. As the 10-Year Vision is implemented through subsequent investment plans, it is expected that the GVRF will continue to be a major source of funding for fleet and other investments.

TransLink expects to fully obligate GVRF funding to support the 10-Year Vision through implementation of the 2018 Investment Plan and subsequent investment plans. Figure 1 below shows the projected GVRF balance for the next 9 years after implementing the 2018 Investment Plan, with the assumption that the

¹ Forecasted amount assumes the FGTF program is renewed in 2024.

FGTF program will be renewed in 2024. The development of subsequent investment plans will continue to support the 10-Year Vision and maximize the utilization of GVRF funding.

Figure 1 – Estimated GVRF balance for the next 9 years



Future usage is anticipated to include:

- Continued procurement for bus expansion and modernization;
- Rehabilitation of SkyTrain cars;
- Bus procurement based on the Low Carbon Fleet Strategy¹;
- New bus depots to support bus fleet expansion and the Low Carbon Fleet Strategy¹; and
- Other transit infrastructure improvements.

Subsequent to December 31, 2018 a formal commitment was received in April 2019 from UBCM for an approximate additional amount of \$138M. The chart above is reflective of this one-time transfer to the Gas Tax fund as part of the 2019 Federal budget.

1. Subject to approval in a future investment plan

Active Projects

As of December 31, 2018, there were 41 active projects funded by the GVRF, with a total budget of \$1,105.9 million and approved GVRF funding of \$957.8 million. Table 1 is a summary of the total project costs and funding as at December 31, 2018.

Table 1: Active Project Summary
in \$ millions

	Budget	Final Forecast Cost	Variance¹
	As at 31/12/2018	As at 31/12/2018	As at 31/12/2018
Total Project Costs	\$1,105.9	\$1,097.1	\$8.8
Ineligible Costs under GVRF Funding²	(148.1)	(152.3)	4.3
Eligible GVRF Funding	\$957.8	\$944.7	\$13.1

1. Variance from total project approved budget vs. Final Forecast Cost at December 31, 2018.

2. Ineligible costs represent mainly expenditures incurred by TransLink that are not eligible to be claimed under GVRF such as internal labour charges, overhead, internal training and maintenance costs.

Table 2 provides a detailed breakdown of active projects with GVRF funding, including budget, Final Forecast Cost (FFC) and expenditures-to-date as of December 31, 2018.

Table 2 – List of active projects with GVRF funding as of December 31, 2018

Active Projects With GVRF Funding (Dollars in millions)	Budget	Expenditures to Dec 31, 2018	FFC	Forecast to Budget Variance \$	Approved Funding (Note 1)	Funding used up to Dec 31, 2018	Forecast In-service Date	Actual In-service Date	Delay/(Early) delivery in months (approx.)	Substantially Completed (Note 2)
Metrotown - Trolley Overhead Rectifier Replacement	5.765	2.698	5.801	(0.036)	4.725	2.566	December 2017	October 2019	22	No
2016 Conventional Bus Replacement - 40'	61.488	38.333	61.360	0.128	57.264	25.875	June 2018	November 2019	16	No
2016 Conventional Bus Replacement - 60'	33.242	20.806	33.305	(0.063)	25.360	25.360	December 2016	May 2017	6	Yes
Expo Line Propulsion Power System Upgrade	57.135	57.141	57.141	(0.006)	42.000	42.000	January 2016	June 2016	6	Yes
Surrey Transit Centre - CNG Facility Retrofit	16.300	15.740	15.869	0.431	4.000	4.000	April 2017	March 2018	12	Yes
Automated Train Control Equipment Replacement	5.100	4.148	4.589	0.511	4.500	4.073	August 2017	November 2017	3	Yes
2nd SeaBus Replacement	21.183	20.117	20.117	1.066	19.697	19.278	December 2014	December 2014	0	Yes
Hamilton Transit Centre	135.367	135.309	135.309	0.058	84.978	84.978	September 2016	September 2016	0	Yes
2016 Community Shuttle Vehicle Replacement	3.142	3.112	3.112	0.030	3.560	3.075	October 2017	October 2017	0	Yes
2017 Community Shuttle Vehicle Replacement	4.210	3.418	3.738	0.472	3.500	3.376	November 2017	November 2017	0	Yes
2017 HandyDART Vehicle Replacement	4.900	4.276	4.453	0.447	5.013	3.998	March 2018	March 2018	0	Yes
2017 Conventional Bus Replacement	115.750	50.416	115.746	0.004	105.985	46.928	April 2018	April 2019	11	No
SkyTrain Mark I Vehicle Refurbishment	33.794	20.940	30.965	2.829	24.360	12.296	April 2020	April 2020	0	No
Defective Community Shuttle Vehicles Replacement	9.600	9.461	9.461	0.139	9.350	9.350	December 2016	November 2016	0	Yes
2015 Conventional Bus Replacement	55.861	55.636	55.636	0.225	54.800	54.344	March 2017	April 2017	0	Yes
2015 Community Shuttle Vehicle Replacement	3.879	3.799	3.799	0.080	4.674	3.695	September 2017	June 2017	-3	Yes
2013 HandyDART Vehicle	3.822	3.616	3.616	0.206	3.535	3.535	December 2015	February 2015	-11	Yes
2015 HandyDART Vehicle	7.550	6.846	6.846	0.704	5.370	5.370	July 2017	August 2016	-12	Yes
2014 Community Shuttles	7.800	7.440	7.440	0.360	7.310	7.310	April 2016	March 2015	-14	Yes
2014 Conventional Bus	25.400	25.034	25.034	0.366	24.391	24.391	March 2016	February 2015	-13	Yes
2014 HandyDART Vehicle	8.000	7.594	7.594	0.406	7.523	7.523	May 2016	April 2015	-12	Yes
2018 HandyDART Vehicle Replacement	5.620	5.101	5.331	0.289	5.605	4.797	October 2018	October 2018	0	Yes
2018 Conventional Bus Replacement	70.000	51.460	69.996	0.004	61.925	48.335	March 2019	September 2019	5	No
2018 Community Shuttle Vehicle Replacement	4.100	2.352	4.014	0.086	3.830	2.186	December 2018	January 2019	1	No
2018 40' Conventional Bus Purchases - Expansion	94.500	41.318	94.553	(0.053)	85.584	38.676	January 2019	April 2019	3	No
2018 60' Conventional Bus Purchases - Expansion	17.000	0.140	17.013	(0.013)	17.316	-	March 2019	April 2019	1	No
Equipment for Deferred Retirement Program	3.150	0.500	2.960	0.190	6.120	0.468	April 2018	July 2019	15	No
Electric Battery Bus Purchases - Pilot	10.000	1.747	9.740	0.260	6.892	1.631	December 2018	June 2019	5	No
2018 HandyDART Vehicle Purchases - Expansion	1.900	1.801	1.899	0.001	2.193	1.693	September 2018	September 2018	0	Yes
2018 Community Shuttle Vehicle Purchases - Expansion	2.240	0.653	2.201	0.039	3.175	0.595	December 2018	January 2019	0	No
2019 Conventional Bus Expansion - double decker	6.377	0.126	6.560	(0.183)	5.670	-	September 2019	September 2019	0	No
2019 Conventional Bus Expansion - 60' hybrid	76.365	1.470	76.321	0.044	68.130	-	September 2019	September 2019	0	No
2019 HandyDART Vehicle Purchase - Expansion	1.550	0.030	1.553	(0.003)	1.350	-	September 2019	September 2019	0	No
2019 Double Decker Bus Purchase - Replacement	33.922	0.618	34.207	(0.285)	30.000	-	September 2020	September 2020	0	No
2019 HandyDART Vehicle Purchase - Replacement	5.750	0.112	5.711	0.039	5.200	-	September 2019	September 2019	0	No
2019 Community Shuttle Purchase - Replacement	12.000	-	12.000	-	10.800	-	December 2019	December 2019	0	No
2020 Conventional - Replacement	29.100	-	29.100	-	29.100	-	July 2020	July 2020	0	No
2020 Conventional - Expansion	103.500	-	103.500	-	103.500	-	October 2020	October 2020	0	No
2020 HandyDart - Replacement	6.100	-	6.100	-	6.100	-	September 2020	September 2020	0	No
2020 HandyDart - Expansion	1.400	-	1.400	-	1.400	-	September 2020	September 2020	0	No
2020 Community Shuttle	2.000	-	2.000	-	2.000	-	July 2020	July 2020	0	No
Total	1,105.862	603.308	1,097.090	8.772	957.786	491.700				

Note (1): Approved funding includes interests allocated to active project

Note (2): Projects that are substantially complete have been implemented or are in-service, but remain active to reflect outstanding charges, and/or holdback to be addressed prior to project close-out.

A. Project Budget to Actual Costs Variance

Majority of projects have favorable variances compared to budget. See table 2 for detailed list of active projects and breakdown of variances from current forecast and approved budget. Below is a discussion of the projects with variances between budgeted and FFC greater than \$1 million as of December 31, 2018:

SkyTrain Mark I Vehicle Refurbishment – This project is intended to refurbish 114 Mark 1 SkyTrain cars. As of December 2018, 60 cars have been refurbished. The project is showing a positive variance of \$2.8 million as at December 31, 2018 between the budgeted cost and the FFC. This is mainly attributable to the current forecasted cost of labour required for the refurbishment being less than the budgeted amount. Due to the forecasted cost reduction, there is a positive variance of \$4.4 million between the funding allocated to this project and the total forecasted funding as of December 31, 2018. TransLink will continue to monitor these variances as the project progresses. If at the completion of the project a positive variance remains, any unspent funds will be netted against future applications for GVRF.

2nd SeaBus Replacement – This vessel is in operation. The positive variance of \$1.1 million as at December 31, 2018 is because of estimated non-critical work that remains to be completed. The cost for this work is currently not included in the forecast as reasonable estimates of the work are not yet available. TransLink expects the shipyard work to be done this year on the MV Burrard Otter II. This is likely to happen in the summer of 2019.

Please refer to Table 2 for the detailed breakdown of other project variances.

B. Project Expenditures to Date

Total project costs were \$603.3 million as of December 31, 2018, with \$491.7 million in funding coming from the GVRF. Below is a summary of the total project and funding spent as of December 31, 2018:

Greater Vancouver Regional Fund

in millions

	Expenditures to date as of December 31, 2018
Total Project Costs	\$603.3
Ineligible Costs under GVRF Funding	(111.6)
Expenditure of GVRF Funding	<u>491.7</u>

Ineligible costs represent expenditures incurred by TransLink that are not eligible to be claimed under GVRF such as internal labour charges, overhead, internal training and maintenance costs.

C. Current Project Schedule

Table 2 shows an estimate for each project schedule based on current forecast in-service dates as at December 31, 2018 and the approximate delay in months when compared to original forecast in-service dates. Schedule delays can be caused by numerous reasons, such as delay in equipment delivery from vendors or project complexity. Below is a schedule summary for all active projects as at December 31, 2018:

Project Schedule Delay	Number of Projects	FFC (\$ millions)	FFC % of total cost
Delays greater than 3 months	6	\$265.6	24%
On or ahead of schedule	16	427	39%
Substantially completed projects	19	404	37%
	41	\$1,097	100%

Table 3 – List of active projects with schedule delays greater than 3 months:

Project	Delay in Months	FFC (\$ millions)	Reason for Delay
Metrotown - Trolley Overhead Rectifier Replacement	22	5.8	Delay in project schedule of approximately 2 years due to the original project plan scope being revised. The original plan was to replace each of the three rectifier units with similar design models which were found to be obsolete during the tender process. Therefore, the scope was revised to replace two of the stations with larger capacity and modern design specifications which have resulted in delays to the procurement process. The delay has no impact on trolley bus service.
2016 Conventional Bus Replacement - 40'	16	61.4	The project was originally planned to purchase 85 40-foot buses in 2016, using Year 8 GVRF funding. However, due to prioritization of other projects for GVRF, it was decided that 40 of the 85 buses will be deferred to 2018 by using Year 10 funding, which was approved by Metro Vancouver in October 2016. Subsequently in 2017, the project scope was amended to change 40 bus propulsion engines from diesel to CNG and hybrid, thus impacting the project schedule. Full delivery is expected by Q4 of 2019. Buses will be brought into service once commission process is complete.
2017 Conventional Bus Replacement	11	115.8	Delay in the project schedule was due to the project scope being amended to change the propulsion engines of 52 buses from diesel to hybrid, thus impacting the project schedule. Full delivery is expected by end of Q2 2019. Buses will be brought into service once commission process is complete.

2018 Conventional Bus Replacement	5	70.0	Delay is due to shifting the delivery of 17 compressed natural gas (CNG) buses, to allow prioritizing the delivery for 60-foot hybrid buses under other projects. Full delivery is expected in Q3 of 2019. Buses will be brought into service once commission process is complete.
Equipment for Deferred Retirement Program	15	3.0	Project schedule has experienced delays due to longer than expected delivery/lead times for Compass parts. A further delay occurred in the availability of version 2 of the communication system. All equipment is expected to arrive by end of July 2019. No expected impact on service due to delay.
Electric Battery Bus Purchases - Pilot	5	9.7	Project schedule has experienced delays due to longer than expected delivery/lead for chargers. As of the date of this report, the 4 buses have arrived and are being commissioned. One charging station is installed and expected to be operational in June 2019. The second charging station is expected to be operational in July 2019.

D. Overall Risk Assessment

TransLink follows standard project management practices and provides an internal oversight structure for each capital project, including projects utilizing GVRF funding. The higher the project's risk profile (measured as a function of risk, business value, size and complexity), the greater the degree of rigour that is applied to its governance model.

Specific project risks are identified prior to project initiation and listed in the project risk register. Monthly reports on risks and issues are provided to TransLink's Project Management Office (PMO). In addition, projects with increased complexity and/or elevated risk profile would also have a specific project steering committee assigned. Below is a list of known risks and actions taken for active projects receiving GVRF funding:

RISK TITLE	RISK DESCRIPTION (EVENT)	CAUSE OF RISK	ACTION TAKEN
Foreign Exchange rate	Deterioration of the Canadian/foreign currency exchange rate may cause vehicle and equipment pricing to exceed project budget	Currency conversion volatility between \$CDN and foreign currencies	Exercise contract options as quickly as possible and build contingency into project budgets.
Labour Resources	As a specialized skillset is needed for certain positions, the production may be lower than planned, impacting the completion date.	Challenges with labour resource availability and staff turnover.	Project managers to monitor output, execute project focused training if required and provide for overtime as needed.

Bus Subsystem integration and commissioning	Installation and integration issues between new bus type and bus subsystems (electric and double decker buses)	New interfaces, new technology (electric), added deck, taller vehicles.	Work with manufacturers to try and identify any potential issues prior to taking delivery of buses. Allow for extra inspection time.
Building Permits	Delays in obtaining permits from various municipalities required before construction can commence.	Municipalities have jurisdiction over sites where construction is required.	Continuous engagement with municipalities to generate support. Hire consultants to manage process if needed.

As at December 31, 2018, there are no other known factors that would significantly impact the ability of any active project to reach completion according to planned schedules and within budget.

E. Project Progress

Table 4 provides an update on the progress of approved projects and whether they had proceeded as intended as at December 31, 2018. All projects require Specific Project Approval (SPA) during which they are reviewed by TransLink’s Capital Management Committee to ensure fiscal responsibility and overall alignment with the Regional Transportation Strategy. Projects are required to obtain SPA approval first before any commitment is made with an external party.

Table 4 – Summary of project progress for active projects with GVRF funding

Active Projects With GVRF Funding (Dollars in millions)	Stage of project progress as at Dec 31, 2018	Whether proceeded as intended
Metrotown - Trolley Overhead Rectifier Replacement	Project delayed due to revised plan. One of two rectifier stations, Willingdon East, is erected and in commission. The second rectifier station, Willingdon West, will be fabricated and installed by summer 2019.	Yes, SPA approved in December 2014
2016 Conventional Bus Replacement - 40'	Forty five buses were delivered by October 2016. The delay of the remaining 40 buses is due to change to 30 CNG and 10 Hybrid buses. These buses are expected to arrive by December 2019.	Yes, SPA approved in December 2016
2016 Conventional Bus Replacement - 60'	Substantially completed; already in-service	Yes, SPA approved in October 2015
Expo Line Propulsion Power System Upgrade	Substantially completed; already in-service	Yes, SPA approved in July 2010
Surrey Transit Centre - CNG Facility Retrofit	Substantially completed; already in-service	Yes, SPA approved in March 2015
Automated Train Control Equipment Replacement	Substantially completed; already in-service	Yes, SPA approved in August 2015
2nd SeaBus Replacement	Substantially completed; already in-service	Yes, SPA approved in April 2011
Hamilton Transit Centre	Substantially completed; already in-service	Yes, SPA approved in March 2012
2016 Community Shuttle Vehicle Replacement	Substantially completed; all 20 vehicles have been accepted and in service.	Yes, SPA approved in October 2016
2017 Community Shuttle Vehicle Replacement	Substantially completed; all 20 vehicles have been accepted and in service.	Yes, SPA approved in October 2016
2017 HandyDART Vehicle Replacement	Substantially completed; all 35 vehicles have been accepted and in service.	Yes, SPA approved in February 2017
2017 Conventional Bus Replacement	Delay is due to a change in propulsion system on 52 60FT Articulated buses to Hybrid electric. 58 of 106 buses were received by December 2018 with 41 arriving in Q1 of 2019. The remaining buses are expected to arrive in Q2 of 2019.	Yes, SPA approved in November 2016
SkyTrain Mark I Vehicle Refurbishment	60 of 114 Mark I Series 100-400 Trains are completely refurbished and are in service. Refurbishment of the remaining 54 cars will continue over the next 12 months.	Yes, SPA approved in September 2012
Defective Community Shuttle Vehicles Replacement	Substantially completed; already in-service	Yes, SPA approved in July 2014
2015 Conventional Bus Replacement	Substantially completed; already in-service	Yes, SPA approved in July 2014
2015 Community Shuttle Vehicle Replacement	Substantially completed; already in-service	Yes, SPA approved in October 2016
2013 HandyDART Vehicle	Substantially completed; already in-service	Yes, SPA approved in September 2012
2015 HandyDART Vehicle	Substantially completed; already in-service	Yes, SPA approved in September 2015
2014 Community Shuttles	Substantially completed; already in-service	Yes, SPA approved in May 2013
2014 Conventional Bus	Substantially completed; already in-service	Yes, SPA approved in May 2013
2014 HandyDART Vehicle	Substantially completed; already in-service	Yes, SPA approved in May 2013
2018 HandyDART Vehicle Replacement	Substantially completed; already in-service	Yes, SPA approved in September 2017
2018 Conventional Bus Replacement	74 of 92 buses were brought into service as at December 2018. The remaining buses are expected to arrive by the fall of 2019.	Yes, SPA approved in June 2017
2018 Community Shuttle Vehicle Replacement	12 of 20 buses were brought into service as at December 2018 with a further 3 buses brought into service in January 2019.	Yes, SPA approved in August 2017
2018 40' Conventional Bus Purchases - Expansion	Buses are planned to come into service in Q1 2019 and its expected that all will be delivered and in service by April 2019.	Yes, SPA approved in July 2017
2018 60' Conventional Bus Purchases - Expansion	All buses are expected to be received by April 2019 with expectation of being in service in May 2019.	Yes, SPA approved in October 2017
Equipment for Deferred Retirement Program	The final purchase order has been issued to the vendor as the project team was waiting for the version 2 of the communication system. The remaining equipment should arrive by the end of July 2019.	Yes, SPA approved in December 2017
Electric Battery Bus Purchases - Pilot	The four buses are expected to be delivered by the end of June 2019 pending pass the commission tests.	Yes, SPA approved in September 2017
2018 HandyDART Vehicle Purchases - Expansion	Substantially completed; already in-service	Yes, SPA approved in October 2017
2018 Community Shuttle Vehicle Purchases - Expansion	Substantially completed; already in-service	Yes, SPA approved in August 2017
2019 Conventional Bus Expansion - double decker	Vendor contracts have been awarded. Some vehicles arrived in spring of 2019 with the remaining arriving by Fall 2019.	Yes, SPA approved in March 2018
2019 Conventional Bus Expansion - 60' hybrid	Vendor contracts have been awarded. Vehicles are expected to arrive by Fall 2019.	Yes, SPA approved in March 2018
2019 HandyDART Vehicle Purchase – Expansion	Vendor contracts have been awarded. Some vehicles arrived in spring of 2019 with the remaining arriving by Fall 2019.	Yes, SPA approved in May 2018
2019 Double Decker Bus Purchase – Replacement	Vendor contracts have been awarded. Vehicles to start arriving in Fall 2019.	Yes, SPA approved in Apr 2018
2019 HandyDART Vehicle Purchase – Replacement	Vendor contracts have been awarded. Some vehicles arrived in spring of 2019 with the remaining arriving by Fall 2019.	Yes, SPA approved in May 2018
2019 Community Shuttle Purchase – Replacement	Vendor contracts have been awarded. Vehicles to start arriving in Fall 2019.	Yes, SPA approved in August 2018
2020 Conventional - Replacement	Not yet initiated	Not yet initiated
2020 Conventional - Expansion	Not yet initiated	Not yet initiated
2020 HandyDart - Replacement	Not yet initiated	Not yet initiated
2020 HandyDart - Expansion	Not yet initiated	Not yet initiated
2020 Community Shuttle	Not yet initiated	Not yet initiated

F. Alignment with Evaluation Criteria

The "Federal Gas Tax Fund Expenditures Policy" includes a list of criteria (Evaluation Criteria) that will be used by Metro Vancouver to evaluate whether a regional transportation project proposed by TransLink for GVRF funding merits approval. Two types of Evaluation Criteria are identified:

- 1) Screening Criteria, which represents requirements that are mandatory for any project for which GVRF funding is requested; and
- 2) Integrated Criteria, which allows for a qualitative assessment of the proposed project based on high priority objectives that reflect the intent of the GVRF as well as of Metro Vancouver goals.

TransLink concludes that the current group of active projects with GVRF funding meets the Evaluation Criteria because:

- The projects are either expansion or replacements to existing public transit network;
- Project expenditures claimed under the GVRF funding meets the eligibility criteria as defined in Schedule C of the 2014 Administrative Agreement;
- The projects are included in TransLink's Phase Two of the 10 Year Vision 2018-2027 Investment Plan, which advances the goals identified in TransLink's long-term Regional Transportation Strategy, and supports goals identified in Metro Vancouver's Regional Growth Strategy, *Metro Vancouver 2040: Shaping Our Future (Metro 2040)*;
- The projects are consistent with TransLink's corporate policies, such as sustainability, environmental and emissions policy;
- The projects support the Regional Growth Strategy by aligning with the five strategic goals in *Metro 2040* and demonstrating tangible benefits to the overall performance of Urban Centers and Frequent Transit Development Areas;
- The projects provide tangible beneficial effects on vehicle kilometres travelled and congestion, transit mode share and ridership, transit passenger congestion, and transportation safety;
- The projects meet the Regional Environmental Objectives by aligning with Metro Vancouver's *Integrated Air Quality and Greenhouse Gas Management Plan (IAQGGMP)* and demonstrating tangible beneficial effects on reducing greenhouse gas and common air contaminant emissions; and
- The projects support regional economic development and demonstrate tangible beneficial effects on transportation performance.

CONCLUSION

TransLink has delivered majority of projects funded via the GVRF as required. TransLink will continue to ensure that all active projects funded by GVRF will meet the requirements as defined by the "Federal Gas Tax Fund Expenditures Policy".

FEDERAL GASTAX FUND EXPENDITURES

Effective Date: May 27, 2016

Approved By: GVRD Board

Policy No. FN-012**PURPOSE**

The purpose of the *Federal Gas Tax Fund Expenditures Policy* is to identify the process through which the GVRD Board considers and approves expenditures from the Federal Gas Tax Fund – Greater Vancouver Regional Fund (GVRF) for regional transportation projects proposed by the South Coast British Columbia Transportation Authority (TransLink).

DEFINITIONS

“**Eligible Regional Transportation Projects**” means the following eligible project categories described in Schedule B of the Administrative Agreement on the Federal Gas Tax Fund in British Columbia and confirmed by the GVRD Board as follows:

- Local roads and bridges, including active transportation
- Public transit.

“**Evaluation Criteria**” means the performance measures that the GVRD Board uses to assess the merit of each project submitted by TransLink for GVRF funding, as described in the Federal Gas Tax Fund – Greater Vancouver Regional Fund Application Guide.

“**Federal Gas Tax Fund**” means the predictable, long-term, stable funding provided by the federal government as part of the *New Building Canada Plan* for Canadian municipalities to help them build and revitalize local public infrastructure.

“**Greater Vancouver Regional Fund**” means the 95% of the Greater Vancouver Regional District and its member municipalities’ per-capita allocation that is pooled for eligible expenditures of regional transportation projects.

“**Information Requirements**” means the information that must be provided by TransLink in order to allow for efficient and effective review of proposals by the GVRD Board, as described in the Federal Gas Tax Fund – Greater Vancouver Regional Fund Application Guide.

POLICY

As part of the *New Building Canada Plan*, the Government of Canada transfers funds to Canadian municipalities through the Federal Gas Tax Fund as a source of predictable, long-term funding for building and revitalizing public infrastructure. A renewed ten-year gas tax agreement, the Administrative Agreement on Federal Gas Tax Fund in British Columbia (2014 Agreement), came into effect in April, 2014 and extends the Federal Gas Tax Fund to 2024. It provides the framework for the delivery of federal funding to BC municipalities to help build and revitalize public infrastructure.

One of the three programs identified in the 2014 Agreement is the Greater Vancouver Regional Fund (GVRF). The GVRF pools 95% of GVRD member municipalities' per capita allocation of gas tax funds to support eligible regional transportation projects proposed and delivered by TransLink. The GVRF program aligns with the Metro Vancouver *Board Strategic Plan* by enabling the GVRD Board to play a key role in approving the use of these funds towards the advancement of the Mayors' Council Vision. Under this Policy, evaluation criteria have been established that will allow the Board to consider applications for the use of federal gas tax funds within the context of *Metro 2040: Shaping Our Future*, the *Regional Growth Strategy* to ensure integration between transportation planning and regional land use planning.

The 2014 Agreement identifies how the funds are to be delivered and provides high-level criteria to identify eligible projects and expenditures. Under the 2014 Agreement the GVRD Board must approve all eligible projects proposed by TransLink for funding. UBCM may not transfer monies to TransLink for eligible projects until it has received an approved list from the GVRD Board.

In order to support GVRD Board decisions related to approving expenditures from the GVRF, a process has been defined to clarify the procedural steps through which TransLink is to propose regional transportation projects to the GVRD Board for funding from the GVRF. Information requirements, including evaluation criteria, have also been defined to support the evaluation of regional transportation projects. Proposals from TransLink for funding from the GVRF must follow the format and procedures set out in the Federal Gas Tax Fund – Greater Vancouver Regional Fund Application Guide (the Application Guide).

Application Process

The GVRD Board will issue a call for proposals on an annual basis by a specific date as specified in the Application Guide. TransLink is the sole applicant. The deadline for TransLink to submit initial and revised proposals is also laid out in the Application Guide.

The designated standing committee with responsibility for considering applications will review the submitted projects as described using the Application Guide and will make recommendations to the GVRD Board. The standing committee may request TransLink staff to make presentations as appropriate.

The GVRD Board will notify the Union of British Columbia Municipalities of the projects that it has approved for funding within seven business days of the decision. The GVRD Board will announce its decisions by September 30 of each year.

Information Requirements

In order for TransLink proposals to be considered by the GVRD Board, they must include all of the required information and follow the format as specified in the Application Guide.

BOARD POLICY

Proposals must be accompanied by TransLink's approved Capital Program (existing *3-Year Base Plan* and the forthcoming *10-Year Investment Plan*) listing all projects and funding sources, including any projects funded or anticipating funding from the GVRF. Proposals must demonstrate the consistency of projects with the Mayors' Council *Transportation and Transit Plan*. Proposals must also include a description of each project for which funding is requested as defined within the Project Description section, and must demonstrate compliance with evaluation criteria, both as defined within the Application Guide.

Evaluation Criteria

The Application Guide includes a set of evaluation criteria to allow for a detailed assessment of projects for which funding is requested. A description of how each proposed project achieves or works toward each criterion must be provided.

Two types of evaluation criteria are identified: Screening Criteria, which represent requirements that are mandatory for any project for which GVRF funding is requested; and Integrated Criteria, which allow for a qualitative assessment of proposed projects based on high priority objectives that reflect the intent of the Federal Gas Tax Fund, Metro Vancouver goals, and the Mayors' Council Vision.

Review of Federal Gas Tax Fund - Greater Vancouver Regional Fund Application Guide

The Application Guide will be reviewed at such time as TransLink's investment planning structure transitions from the current *3-Year Base Plan* (with 7-Year outlook), to the forthcoming *10-Year Investment Plan*. The Application Guide may also be reviewed and revised as necessary on an ongoing basis.

GVRF Funding

TransLink will provide to the GVRD Board semi-annual reports on projects that have received funding through the GVRF. At a minimum, the reports must include updates about variances in budgeted and actual costs; expenditures to date; project schedule; and risk assessment.

TransLink need not request expenditure of all GVRF monies in any given year and may choose to apply the funding to a project over multiple years.

Following notification by the GVRD Board of projects approved for funding from the GVRF, UBCM will release funding for approved projects in a calendar year in one amount. The amount of funding released will be commensurate with the amount approved by the GVRD Board.

All proposals, GVRD Board decisions, and TransLink semi-annual reports will be posted on a dedicated page on the Metro Vancouver website on an ongoing basis.

Ownership of Assets

The 2014 Agreement does not address the question of ownership of regional transportation assets purchased using GVRF funds. Typically, GVRF funds are combined with other sources of funding to

BOARD POLICY

offset the cost of a package of improvements. When determining whether asset ownership is advisable, the following factors should be considered:

- Public Sector Accounting Principles do not allow ownership of a tangible capital asset to be divided among different parties. Ownership of the asset must rest with one body.
- Should the GVRD decide to become the owner of an asset purchased through GVRF funding, the GVRD will also have responsibility for the maintenance, replacement and disposal of those assets.
- Ownership of assets, including those acquired using GVRF funding, enable TransLink to borrow for its infrastructure needs in the open market. TransLink currently uses this borrowing power to access funds to operate and maintain the regional transit system.

At its discretion, the GVRD Board shall consider the ownership of a regional transportation asset on a case by case basis with consideration given to the above factors.

Disposition of Assets

The 2014 Agreement includes a provision that attaches conditions to the use of revenues generated from the sale, lease, encumbrance, or other form of disposal of gas tax-funded projects that are disposed of within five years of their completion. All such revenues must be invested by TransLink into eligible projects that have been approved by the GVRD Board.

For any assets purchased by TransLink using funds from the GVRF, TransLink will be required to report back annually on the state of the purchased asset, including the disposition of any asset and the value of the gas tax funds returned to the GVRF based on the residual value of the disposed asset.

If and when revenues come available from assets that are disposed of by TransLink within five years of a project's completion, the use of such revenues must be approved by the GVRD Board using the same process and Application Guide as for new GVRF funds.

Scope Changes and Unspent Funds

Expenditures from the GVRF for any specific project proposed by TransLink are associated solely with the project as described through the Application Guide, and approved by the GVRD Board. Should at any time the project undergo changes or modifications, or should a project require greater funds from the GVRF than anticipated, a new project proposal must be submitted by TransLink to the GVRD using the same process as was undertaken for the original proposal.

Should any project approved by Metro Vancouver for expenditure from the GVRF result in unspent funds, these funds must be returned to the GVRF.

To: Finance and Intergovernment Committee

From: Chris Plagnol, Corporate Officer and Greg Smith, Chief Technology Officer

Date: May 27, 2019 Meeting Date: June 12, 2019

Subject: **Board Voting Technology**

RECOMMENDATION

That the MVRD Board receive for information the report dated May 27, 2019, titled “Board Voting Technology”.

PURPOSE

To update the Board on a technology solution to automate the Board’s voting process.

BACKGROUND

At their February 2019 meetings, the MVRD Board and the Finance and Intergovernment Committee received information on voting provisions, including technology considerations. In particular, the Finance and Intergovernment Committee at its meeting held February 6, 2019 provided staff with the following direction:

Staff was requested to report back to the Finance and Intergovernment Committee with information on the feasibility of installing technology that would allow votes to be recorded electronically at Board meetings.

This report brings forward a description of the proposed technology that would allow votes to be recorded electronically at Metro Vancouver Board meetings.

RECORDED VOTE TECHNOLOGY

Metro Vancouver’s Information Technology group identified the business requirements for the voting solution. Given the unique voting requirements associated with the four jurisdictions (MVRD, MVHC, GVWD and GVS&DD), each with different membership, and with a weighted vote requirement, staff concluded an in-house solution would be the preferred approach.

Functional Requirements

The in-house developed voting solution was designed to address the following functional requirements:

- **Quorum.** To ensure that quorum is present at all times, especially as the session unfolds with meeting after meeting for the different jurisdictions, the system will support the double quorum requirement, that is, a majority of the Directors, holding amongst them, a majority of the votes.

- **Directors and their Alternate(s).** To ensure that votes are correctly recorded, the attendance will be updated to reflect the correct participation by the Director, or in their absence, by their Alternate Director.
- **Voting Methods.** The solution will “push” an *e-ballot* to each Director’s screen for easy voting. A *roll-call* vote method is also available.
- **Voting Permission by Jurisdiction.** In all cases, Directors who are non-members of a particular jurisdiction will not be able to vote.
- **Voting Weights and Thresholds.** The system will support (i) the calculation of the weighted votes that each Director holds for each jurisdiction; and (ii) the simple majority and two-thirds majority thresholds.
- **Vote Results Display.** Once all Directors have voted, the vote result can be displayed on the boardroom screens.

The proposed system will allow the Corporate Officer, or other authorized staff, to take the attendance of Directors as they arrive and depart throughout the meeting. In doing so, a quorum will be assured throughout the session.

When a recorded vote is specifically requested, the Corporate Officer will send an *e-ballot* to each Director’s screen where each may vote either “For” or “Against” the question to register their vote. A roll-call voice vote is still available, if desired, as an option. When every Director present has voted, the result will be stored in the database, and the Corporate Officer can then display the vote result on the screens in the boardroom.

PROCEDURAL CONSIDERATIONS

The Board currently employs the following two methods of voting: (i) a rising vote by show of hands; and (ii) a recorded vote. The latter method – the recorded vote – is the one to benefit from the proposed voting technology described in this report and authorized by the *Procedure Bylaw*, as follows:

Recorded vote

11.2 *At a board meeting, a director may call for a recorded vote, and if so called, the Corporate Officer shall record in the minutes the names of each director present, the manner in which that director has voted, and the number of votes assigned to such director.*

On that basis, no change to the *Procedure Bylaw* is required to change the practice of how a recorded vote is administered, including the introduction of a technology tool.

ALTERNATIVES

This is an information report. No alternatives are presented.

FINANCIAL IMPLICATIONS

There are no external financial implications associated with implementing the proposed voting technology. The Board voting technology solution was built in-house using existing resources using the software development experience of Metro Vancouver staff in the Information Technology Division. As a result, the costs associated with the solution are limited to staff time necessary to analyze the requirements and to develop and test the software. No additional hardware is anticipated to be acquired at this point.

SUMMARY / CONCLUSION

Staff was requested to investigate a technology solution to facilitate voting at Board meetings. In-house staff expertise was leveraged to develop a software solution to meet the unique voting requirements of the Metro Vancouver Boards, notably the multiple jurisdictions and the weighting voting aspect. While the Board employs two voting methods – a rising vote and a recorded vote – the recorded vote is the one to benefit from the proposed voting technology solution and is also authorized by the *Procedure Bylaw* obviating the need for a bylaw amendment. Staff have concluded the development and testing of the voting software, which is ready for use and can be deployed at the next Board meeting where a recorded vote is requested.

29600894

To: Finance and Intergovernment Committee

From: Chris Plagnol, Corporate Officer

Date: May 30, 2019 Meeting Date: June 12, 2019

Subject: **Proposed Amendments to the Remuneration Bylaw – Amending Bylaw 1286**

RECOMMENDATION

That the MVRD Board:

- a) give first, second and third reading to *Metro Vancouver Regional District Board and Committee Remuneration Amending Bylaw Number 1286, 2019*; and
 - b) pass and finally adopt *Metro Vancouver Regional District Board and Committee Remuneration Amending Bylaw Number 1286, 2019*.
-

PURPOSE

To seek Board consideration of amendments to the *Greater Vancouver Regional District Regional Board and Committee Remuneration Bylaw Number 1057, 2007* (the “Remuneration Bylaw”) to implement the revisions to the remuneration provisions proposed by the Board Remuneration Independent Review Panel.

BACKGROUND

At its meeting held May 24, 2019, the MVRD Board considered the findings and recommendations of the Board Remuneration Independent Review Panel, and adopted the following resolution:

That the MVRD Board:

- a) *endorse the findings of the Board Remuneration Independent Review Panel as presented in the report dated April 23, 2019, titled, “Board Remuneration Review Findings and Recommendations”;* and
- b) *direct staff to bring forward amendments to the Remuneration Bylaw for the Board’s consideration to reflect the amendments proposed by the Board Remuneration Independent Review Panel.*

This report brings forward proposed amendments to the *Remuneration Bylaw* which will bring into effect the endorsed changes to the remuneration program.

PROPOSED BYLAW AMENDMENTS

The Board’s *Remuneration Bylaw* establishes the authority for the payment of remuneration. The changes proposed by the Review Panel -- to adjust the base rate for the Electoral Area Director and to include a provision to address the elimination of the non-taxable status of remuneration – are summarized below (and included in the amending bylaw presented in Attachment 1).

Schedule A (Salary Remuneration): Electoral Area A Director

In Schedule A of the *Remuneration Bylaw*, the calculation of the annual salary or base rate for the Electoral Area A Director is based on 14.5% of the sum paid to the Board Chair. The results of the Board Remuneration Independent Review Panel found that in recognition of the effort required by the role, the breadth of activities associated with the role, and a comparison with other jurisdictions, an increase was deemed reasonable and appropriate. It is proposed that the 14.5% rate of the Board Chair salary be increased to a 30% rate. This rate increase will bring the remuneration level for the Electoral Area A Director in line with that of similar electoral area director positions in other jurisdictions in British Columbia.

Schedule A (Salary Remuneration): Non-taxable Remuneration

In Schedule A of the *Remuneration Bylaw*, the calculation of salary remuneration is set out based on a four-year cycle. In January 2019, toward the end of the cycle, the Canada Revenue Agency made a taxation change that eliminated the non-taxable status of the 1/3 portion of an elected official's remuneration which effectively resulted in a reduction in take-home remuneration for 2019 when compared to 2018.

To remedy this situation, the Board Remuneration Independent Review Panel proposed that remuneration data for 2019 be collected in 2020 to coincide with the scheduled survey of regional mayors' remuneration which will also occur next year as part of the regular four-year cycle. A one-time retroactive adjustment would be applied in 2020 for the year 2019 to accommodate any adjustments required to offset the financial impact of changes to taxable remuneration.

A proposed Amending Bylaw is presented in Attachment 1, setting out the two amendments described above, for the Board's consideration.

ALTERNATIVES

1. That the MVRD Board:
 - a) give first, second and third reading to *Metro Vancouver Regional District Board and Committee Remuneration Amending Bylaw Number 1286, 2019*; and
 - b) pass and finally adopt *Metro Vancouver Regional District Board and Committee Remuneration Amending Bylaw Number 1286, 2019*.
2. That the MVRD Board receive for information the report dated May 30, 2019, titled "Proposed Amendments to the Remuneration Bylaw – Amending Bylaw 1286", and provide alternate direction.

FINANCIAL IMPLICATIONS

If the Board approves alternative 1, amendments to the *Remuneration Bylaw* will adjust the remuneration formula for the Electoral Area A Director in 2019 and provide a one-time adjustment for 2019 to offset the reduction in remuneration as a result of Canada Revenue Agency changes to taxable income. Changes to the Electoral Area A Director base remuneration are anticipated to be approximately \$24,000 in 2019. There are sufficient funds in the 2019 General Government budget to cover this additional cost. The one-time retroactive adjustment to Board Director remuneration in 2019 to offset the CRA changes would not occur until 2020 following the normal Board remuneration

survey process. The one-time adjustment is anticipated to have an overall financial impact of between \$130,000 to \$150,000 to be applied retroactively in 2020.

If the Board approves alternative 2, staff would review the financial implications based on the alternative provided.

SUMMARY / CONCLUSION

The MVRD Board considered the findings of the Board Remuneration Independent Review Panel and endorsed its recommendations regarding board remuneration, and subsequently directed staff to prepare amendments to the *Remuneration Bylaw*. An amending bylaw has been prepared for consideration in which two amendments are proposed: first, to adjust the base rate for the Electoral Area A Director by increasing it to 30% of the Board Chair salary; and second, to introduce a one-time adjustment to offset the elimination of non-taxable portion of remuneration introduced by the Canada Revenue Agency. For the Board's consideration, staff have prepared an amendment to the *Remuneration Bylaw* that would enact these changes and is presented under Alternative 1.

Attachments

Metro Vancouver Regional District Board and Committee Remuneration Amending Bylaw Number 1286, 2019

References

Current [Remuneration Bylaw 1057](#), as amended (Unofficial Consolidation)

29800861

**METRO VANCOUVER REGIONAL DISTRICT
BYLAW NUMBER 1286, 2019
A Bylaw to Amend Greater Vancouver Regional District Regional Board and Committee
Remuneration Bylaw Number 1057, 2007**

WHEREAS:

- A. The Board of Directors of the Greater Vancouver Regional District (GVRD) adopted "Greater Vancouver Regional District Regional Board and Committee Remuneration Bylaw Number 1057, 2007"; and
- B. The Board of Directors of the Metro Vancouver Regional District (MVRD) wishes to amend "Greater Vancouver Regional District Regional Board and Committee Remuneration Bylaw Number 1057, 2007".

NOW THEREFORE the Board of Directors of the Metro Vancouver Regional District enacts as follows:

Citation

- 1. The official citation of this bylaw is "Metro Vancouver Regional District Board and Committee Remuneration Amending Bylaw Number 1286, 2019". This bylaw may be cited as "Board Remuneration Amending Bylaw 1286, 2019".

Amendments

- 2. "Greater Vancouver Regional District Regional Board and Committee Remuneration Bylaw Number 1057, 2007" is hereby amended as follows:
 - a) In Schedule A (Salary Remuneration), in General Provisions, by striking and replacing Section 6 in its entirety as follows:
 - 6. Rates established during any year will be retroactive to January 1 of that year, with the exception that the rate established for 2020 (year 1 of the 4 Year Cycle) will be retroactive to January 1, 2019.
 - b) In Schedule A, Position 4 (electoral area A director), by striking the phrase "amount equivalent to 14.5%" and replacing it with the phrase "amount equivalent to 30%".

Read a first, second and third time this _____ day of _____, 2019.

Passed and finally adopted this _____ day of _____, 2019.

Sav Dhaliwal, Chair

Chris Plagnol, Corporate Officer

To: Finance and Intergovernment Committee

From: Greg Smith, Chief Technology Officer, Corporate Services

Date: May 31, 2019 Meeting Date: June 12, 2019

Subject: **Asset Management for Corporate Facilities and Equipment Policy**

RECOMMENDATION

That the MVRD Board approve the *Asset Management for Corporate Facilities and Equipment Policy* as presented in the report dated May 31, 2019, titled “Asset Management for Corporate Facilities and Equipment Policy”.

PURPOSE

To present for MVRD Board consideration and approval for the *Asset Management for Corporate Facilities and Equipment*, which will establish asset management principles and a framework to balance asset performance, risk and cost to support the long-term provision of Regional Services not covered under a separate asset management policy.

BACKGROUND

In 2018 and in 2019, asset management policies for the Metro Vancouver Housing Corporation (MVHC), Liquid Waste Services, Water Services and Solid Waste Services were adopted by the MVHC, Greater Vancouver Sewerage and Drainage District (GVS&DD) and Greater Vancouver Water Boards, as part of an overall asset management program and series of asset management policies for all Metro Vancouver functions.

This report brings forward the *Asset Management for Corporate Facilities and Equipment Policy* for consideration by the Finance and Intergovernment Committee and the MVRD Board.

ASSET MANAGEMENT FOR REGIONAL SERVICES

Metro Vancouver manages several corporate assets that fall under this policy. Examples of these facilities include the corporate fleet, the head office building and the Lake City Operations Center. Managing and maintaining these assets is critical to providing reliable and cost effective services to the region. Metro Vancouver is committed to the comprehensive stewardship of these assets.

Historically assets covered under this policy are recorded in an applicable asset registry and receive regular maintenance. IT systems are used to track assets, their condition and to schedule maintenance work. This approach is effective in managing repairs and replacements of individual facility and equipment elements, and the approach provides comprehensive data on the overall site and equipment condition or long-term capital and operating cost projections.

Condition assessments have been completed for the majority of the assets covered by this policy and remaining condition assessments will be completed in 2019.

Asset management is an integrated approach involving all levels of the organization and translates the organization's objectives into asset-related decisions, plans and activities. It uses a risk-based approach to maximize benefits, reduce risks and provide the desired performance of assets in a sustainable manner over their full life cycle, considering both current and future needs. Asset related decision-making is evidence based and supports the delivery of clearly defined performance measures.

Proposed Asset Management Policy

The proposed asset management policy contains the following key areas that will guide the management of assets not covered by another asset management policy:

- Asset Management Principles
- Asset Data and Information
- Asset Performance & Likelihood of Failure
- Asset Criticality & Consequence of Failure
- Asset Risk & Lifecycle Management Strategies
- Asset Management Plans
- Continuous Improvement

The principles and evaluation criteria outlined in the proposed policy will assist staff in implementing the direction of the MVRD Board. In addition, the principles will be adopted as a core business model that promotes continuous improvement. The policy provides asset management principles that balance asset performance, risk and cost to support the long-term provision of regional services. This is a strong mandate and catalyst for business improvement activities and a basis to develop asset management related objectives that align with Metro Vancouver's overarching strategic objectives.

ALTERNATIVES

1. That the MVRD Board approve the *Asset Management for Corporate Facilities and Equipment Policy* as presented in the report dated May 31, 2019, titled "Asset Management for Corporate Facilities and Equipment Policy".
2. That the MVRD Board receive for information the report dated May 31, 2019, titled "Asset Management for Corporate Facilities and Equipment Policy" and provide alternate direction.

FINANCIAL IMPLICATIONS

Subject to MVRD Board approval, implementation of the policy can be initiated with existing resources. Over the next five years, additional effort will be required to collect and ensure accuracy of asset data and information, through condition and risk assessments and use of asset management software. These tools will be used to manage data, streamline current maintenance activities and evaluate data to guide decisions regarding long-term infrastructure and equipment investments. Over the longer term, asset management costs are anticipated to be offset by maximizing the lifespan of assets and avoiding costs for reactive asset repair and replacement.

Following the completion of the asset condition assessments, staff will develop a long-term asset management plan that will include evaluation of long-term financial implications. Any implications will be reviewed through the regular budgeting process.

SUMMARY / CONCLUSION

The proposed *Asset Management for Corporate Facilities and Equipment Policy* will improve the ability to manage a broad range of asset data, prioritize maintenance activities and make informed decisions regarding long-term maintenance and capital replacements. The goal of the *Asset Management for Corporate Facilities and Equipment Policy* is to balance asset performance, risk and cost. This policy outlines Metro Vancouver’s commitment and methodology to manage department assets in a manner that minimizes asset failure risks and impacts and optimizes the life cycle of assets. The policy will guide Metro Vancouver to meet asset performance targets within a specified budget and enable evidence-based decision making to continuously provide reliable services in the region.

Staff recommend Alternative 1, that the MVRD Board approve the *Asset Management for Corporate Facilities and Equipment Policy*.

Attachment

Asset Management for Corporate Facilities and Equipment Policy (*Doc #28849085*)

29842396

ASSET MANAGEMENT FOR CORPORATE FACILITIES AND EQUIPMENT

Effective Date: [Click or tap to enter a date.](#)

Approved By: MVRD Board

PURPOSE

To establish asset management principles and a framework that balances asset performance, risk and the cost to operate and maintain cross departmental capital assets not covered under a separate asset management policy.

POLICY

Metro Vancouver operates and maintains structures and equipment which are used by multiple departments in providing services to the region.

This policy outlines Metro Vancouver's commitment and methodology to manage these facilities and equipment in a manner that minimizes asset failure risks and impact to staff and tenants and optimizes the life cycle value of assets to consistently meet asset performance targets and enable integrated, evidence-based decision making to continuously provide quality services.

ASSET MANAGEMENT PRINCIPLES

The methodology for managing capital assets supported by this policy is guided by the following principles:

- a) **Integrated:** a comprehensive approach that examines the combined implications of managing all aspects of the asset life cycle. This includes interdependencies of assets or asset systems.
- b) **Risk-based:** manage asset risk relative to defined performance targets and asset criticality and focus expenditures and priorities based on risk and associated cost and benefit.
- c) **Sustainable:** a long-term approach to estimating asset investment and activities, which will better enable assets to meet future challenges, including changing demographics, legislative requirements and technological, financial and environmental factors.
- d) **Fiscally responsible:** ensure activities and decisions are aimed at reducing the life cycle cost of asset ownership, while achieving defined asset performance targets.
- e) **Systematic:** a formal, consistent, repeatable and methodical approach to the management of assets.
- f) **Innovative:** continuous improvement in Asset Management by examining new tools, technologies, practices and solutions.

ASSET CLASSES

This policy is applicable to the management of assets which are used by multiple departments and other departmental assets not covered under a separate asset management policy. Asset classes include:

- 1) Head Office Building and supporting systems
- 2) Lake City Operations Centre and supporting systems
- 3) Corporate Fleet and Equipment
- 4) IT Equipment
- 5) Air Quality Monitoring Equipment
- 6) Air Quality Monitoring Station Buildings and supporting systems
- 7) Other corporate assets

ASSET DATA AND INFORMATION

To measure performance of assets supported by this policy, we will maintain an asset and equipment registry with comprehensive and accurate asset data and information. Data will be organized in a structured manner so that it can be stored, analyzed and reported at an adequate level for different business needs. Integrity of the data shall be constantly monitored, updated and maintained to provide accurate asset information.

The Asset Registry will include at a minimum, the following:

- Asset and Major Equipment groupings (e.g. major building elements/systems: boiler, elevator, curtain wall, Air Quality Trailers, etc.)
- Asset and Major Equipment details (e.g. serial number, vehicle identification number description, grouping, expected service life)
- Asset and Major Equipment criticality and risk information
- Financial information (e.g. estimated replacement cost)
- Condition assessment (state of good repair) and/or estimated remaining service life

ASSET PERFORMANCE AND LIKELIHOOD OF FAILURE

Departments responsible for assets covered by this policy will manage and renew each asset element in accordance with clearly defined asset performance metrics and targets.

Performance Criteria	Performance Criteria Definition	Key Performance Indicator (KPI)	Performance Target
Condition	Condition of asset/component	Asset Condition Assessment	The performance target for the Equipment Condition Assessment is all assets and critical components to be ranked as 'good'
Reliability	Asset performing below targeted performance	Asset performance vs designed performance	Frequency of work requests generated to maintain asset

BOARD POLICY

Performance Criteria	Performance Criteria Definition	Key Performance Indicator (KPI)	Performance Target
Obsolescence	Asset is obsolete; technology is no longer supported and cannot be maintained or replaced	Asset with obsolete technology	Obsolete assets replaced when they are no longer functional
Functionality	Current functionality of the asset	Asset functionality vs as-designed functionality	Asset functioning as designed

Departments responsible for assets covered by this policy will use a condition grading system in accordance with the table below. Condition information will be stored in an Equipment Registry based on system groupings or individual components to capture and maintain the condition data. Staff will develop equipment specific descriptions based on the table below to enable assignment of condition grades for applicable assets and asset subcomponents.

Condition Score	Description
1 Good	In good state of repair, normal operations.
2 Fair	Defects are apparent service/replacement is planned.
3 Poor	Failure likely, service/replacement is required.

ASSET CRITICALITY AND CONSEQUENCE OF FAILURE

Asset criticality is a measure of the asset's relative consequence of failure. It is considered in planning asset replacement, rehabilitation, operations and maintenance strategies as well as alternative risk mitigation strategies (e.g. emergency preparedness and response planning). High criticality asset elements (i.e. parkades, elevators, construction and other heavy equipment) have the potential for significant impact on services. Protection from failure of critical assets is managed through a process of redundancy and backups. Failure of low criticality assets (i.e. individual light fixtures, air monitoring stations, pool cars, etc.) will have low impact on services. However, if multiple low critical assets fail, and redundancy is lost they can become critical (e.g. all of the fan coils on a floor fail). As there is less tolerance for asset failure of high criticality assets, they will be monitored more frequently and have higher priority for asset inspection and improvement work than medium or low criticality assets.

The criteria outlined below will be considered and ranked when determining asset criticality (consequence of failure):

Consequence of Failure Criteria (Criticality)	
Health & Safety	Life safety
Regulatory Requirement	Building code compliance, equipment/vehicle standards (vehicle insurability)
Occupancy/Service Impact	Impact to staff , operations, visitors and tenants, interruption of air monitoring service
Asset Life Cycle	Reduced asset life expectancy

ASSET RISK AND LIFECYCLE MANAGEMENT STRATEGIES

Managing risks associated to the assets is essential for maintaining expected service levels. Risk is the combination of likelihood and consequence of a failure event occurring.

Key performance indicators and asset performance targets will be monitored to identify the likelihood of failure of an asset. When asset data and information indicates that an asset is failing to meet performance target(s), staff will identify the relative consequence if the asset fails (asset criticality), assess the risk and identify options to address the risk. Risk mitigation options could include asset replacement, rehabilitation, modified operations and maintenance strategies.

In evaluating different options, economic, social and environmental benefits will be considered for each option. Total asset life cycle costs including capital investment, expenditures related to operations and maintenance of the asset costs will be considered.

ASSET MANAGEMENT PLANS

Departments responsible for assets covered by this policy will have an Asset Management Plan to summarize asset performance data and information, including a summary of performance risks. The Asset Management Plan will be organized by asset class and will outline the risk mitigation strategies, including capital investments, operating and maintenance strategies.

The Asset Management Plan will be updated on a regular schedule at a minimum of every 5 years.

CONTINUOUS IMPROVEMENT

All Departments affected by this policy will examine, monitor, identify and address asset management improvement opportunities to enhance asset management tools, technologies and business practices.

To: Finance and Intergovernment Committee

From: James Stiver, Division Manager, Growth Management and Transportation,
Regional Planning

Date: May 27, 2019 Meeting Date: June 12, 2019

Subject: **2019 Rail~Volution Conference – Request for Sponsorship**

RECOMMENDATION

That the MVRD Board approve \$10,000 of sponsorship funding in support of the Regional Day component of the Rail~Volution Conference to be held in Metro Vancouver on September 11, 2019.

PURPOSE

To provide additional information, staff analysis and a recommendation to the MVRD Board regarding Metro Vancouver's sponsorship support of the Rail~Volution conference to be held in Metro Vancouver in September 2019.

BACKGROUND

At its meeting on May 3, 2019, the Regional Planning Committee received a delegation from TransLink staff seeking sponsorship funding (a suggested amount of \$15,000 CAD) for the Rail~Volution conference being held in Metro Vancouver in September 2019 (Attachment 1). The Committee referred the sponsorship request to staff for analysis and a recommendation.

As the Conference Committee's deadline for finalizing Conference printed materials is June 28, 2019, and the June Regional Planning Committee was cancelled, this item is being brought forward to the June Finance and Intergovernment Committee meeting for consideration.

RAIL~VOLUTION

The 25th Rail~Volution conference is convening in Metro Vancouver, for the first time outside the United States, in September 2019. Rail~Volution is a U.S.-based non-profit that began organizing outreach events in 1989 to build capacity among the advocacy sector for the Portland region's light rail system. By the time of the first conference in 1994, the movement had expanded in scope to be more about building livable cities and transit-supportive regions. Recent conferences have been hosted in large and medium-size metropolitan areas, such as Pittsburgh, San Francisco, Denver, and Dallas.

The annual conference showcases how land use and transportation can come together to transform communities into livable places – i.e. healthy, economically-vibrant, socially-equitable, and environmentally sustainable. The conference typically attracts over 1,000 practitioners and decision-makers from diverse sectors, such as: government, transit, housing, real estate, business, finance, philanthropy, environment, advocacy, and academia. The conference emphasizes cross-sector collaboration and generating lasting post-conference legacies in the host region.

TransLink is the local host agency for this year’s conference and is serving as co-chair with the IBI Group on the local organizing committee. The local organizing committee is responsible for several key conference deliverables including: scholarships for Metro Vancouver residents requiring financial assistance to attend the conference; 25 mobile workshops; a welcome reception; and a “Regional Day”, which is being planned as a half-day forum focused on the updates to *Metro 2040*, the regional growth strategy, and TransLink’s Regional Transportation Strategy (*Transport 2050*). Sponsorship funding provided can go towards any of these deliverables pending further discussion. Metro Vancouver has flexibility in determining how the funds are to be allocated if it chooses, or it can be left to the conference organizing committee to decide and allocate.

ALIGNMENT WITH MVRD BOARD SPONSORSHIP POLICY

Pursuant to the MVRD Board’s sponsorship policy (Attachment 2), organizations seeking funding with a total value greater than \$1,500 must submit a request to Metro Vancouver in writing at least three months in advance of the respective event / program for which sponsorship is being requested. The schedule criterion was met when TransLink appeared as a delegation at the May 3, 2019 Regional Planning Committee.

The Rail~Volution conference, and Regional Day in particular, will achieve the objectives set out in the MVRD Board’s sponsorship policy. Most notably, the conference will:

- advance the Board’s corporate goals and objectives related to delivering services and solutions for a livable region;
- relate directly to the MVRD’s interest in land use, housing, and transportation; and
- provide a clear, positive community benefit to the region overall.

The Rail~Volution conference coincides with the updates that are underway to *Metro 2040* and *Transport 2050*. The conference will create a space for learning and dialogue on land use and transportation challenges and opportunities, and is anticipated to contribute and provide valuable input into the updates of the two plans. Given the direction from the MVRD Board to seek opportunities to better integrate land use and transportation planning and research, the Rail~Volution conference:

- 1) is an ideal forum to learn about policy ideas from across Canada, the United States, and other countries;
- 2) will help create and strengthen cross-sector relationships within this region; and
- 3) provides an opportunity to leverage Regional Day to its full potential as a knowledge exchange from local and global experts and develop a valuable input to the update of the regional growth strategy.

Further, the Metro Vancouver region offers an incredible number of success stories about integrating land use and transportation, and creating livable communities that could be a source of inspiration for many out-of-region practitioners and decision-makers.

As per the conference sponsorship guide, a sponsorship amount between \$7,500-\$14,999 CAD is at the Gold Level of sponsorship (Reference). The brand benefits that Metro Vancouver would receive has a fair value consistent with the cost of the sponsorship. The brand benefits include appropriate levels of acknowledgement of Metro Vancouver’s contribution, such as:

- the corporate logo printed in the conference program, plus a listing of contact information and website;
- 3rd tier logo recognition on sponsorship-dedicated banners and signage;
- The logo on the conference webpage and conference app, including website and social media links;
- pre- and post-conference email blast to all registrants announcing sponsors: company name listed with link to the website;
- a copy of the email list of attendees (opted in);
- a sponsored post on the conference mobile app; and
- 1 complimentary conference registration (~\$700 value).

REGIONAL DAY AND THE METRO 2040 UPDATE

When approached by conference organizers to co-lead Regional Day with TransLink, Regional Planning staff recognized that this event would directly align with the anticipated engagement that would be necessary around the update to *Metro 2040*, and would facilitate a broader discussion with informed stakeholders in the region about *Metro 2040*'s relationship with *Transport 2050* and the other common issues for consideration between the two regional plans around the intersection with affordable housing, climate change, the economy and social equity. Therefore, staff have committed to providing in-kind services by designing, co-leading and hosting Regional Day.

The Regional Day event is being held on the last day of the conference (i.e. September 11, 2019). Regional Day is a half day mini-conference session that targets more of a local audience, but conference delegates are welcomed to attend. Regional Day has the opportunity to strongly align with MVRD Board direction to integrate the pending updates of the Regional Transportation Strategy and regional growth strategy. The event will bring together and engage practitioners from around the region working together to put their minds to some of the most pressing challenges, and consider and debate new responses to intractable problems.

Metro Vancouver is chairing the Organizing Committee for Regional Day. The other members are: TransLink, IBI Group, and Steer (a transportation planning and engineering consulting firm). While the Organizing Committee work is still underway, the emerging direction is that the event will be framed around the intersection of the challenges and policy responses to addressing affordable housing, transportation, jobs and climate change in the Metro Vancouver region. The session's focus is consistent with the common threads between the two regional plans.

At the most recent Rail~volution conference, the cost of hosting the Regional Day session was estimated to be approximately \$7,000 USD (approximately \$10,000 CAD). The costs of successfully putting on such an event include such things as paying for a recognized, sought-after expert keynote speaker, as well as a range of other event promotion, logistic, catering and support costs.

Staff are recommending a sponsorship amount of \$10,000. Should the MVRD Board approve this amount, the sponsorship would be in line with the amounts committed by other major conference sponsors (see below), and it would allow Metro Vancouver to request that the conference organizers allocate its sponsorship entirely to Regional Day. This would result in Metro Vancouver assuming the leadership role in shaping the content and outcomes of the event.

Staff anticipate significant value coming from the breakout sessions that are being planned as part of the Regional Day event as a meaningful input into the *Metro 2040* update (as well as the Transport 2050) advancing the update's profile, and convening important conversations with the region's multi-disciplinary thought leaders on the big challenges to be collectively considered by the two regional agencies.

Regional Planning staff are also helping organize and lead two mobile workshops as part of the conference program with direct linkages to current policy research that are underway – i.e. transit-oriented affordable housing and industrial lands / goods movement. This effort is being supported by in-kind services only, and there are no budget impacts associated with staff's involvement in this portion of the conference.

A detailed evaluation of the sponsorship proposal, including the brand benefits, can be found in Attachment 3.

RAIL~VOLUTION BUDGET

The total anticipated expenditures for the local conference organizing committee's deliverables is approximately \$250,000. The conference organizers are in discussions with other potential sponsors, such as:

- Planning, architecture, and engineering consulting firms;
- Real estate developers;
- Financial institutions;
- Other levels of government.

Approximately \$100,000 has been committed to date from the following sponsors:

- TransLink: \$40,000 USD
- City of Vancouver: \$25,000 USD
- IBI Group: \$10,000 CAD
- ZGF: \$7,500 CAD
- VIA: \$5,000 USD
- Hatch: \$5,000 CAD
- McIlhenny: \$2,500 CAD
- Triovest: \$2,500 CAD
- Cima+: \$2,500 CAD

ALTERNATIVES

1. That the MVRD Board approve \$10,000 of sponsorship funding in support of the Regional Day component of the Rail~Volution Conference to be held in Metro Vancouver on September 11, 2019.
2. That the MVRD Board receive for information the report dated May 21, 2019, titled "2019 Rail~Volution Conference – Request for Sponsorship".

FINANCIAL IMPLICATIONS

If the Board approves Alternative 1, \$10,000 will be allocated from the approved 2019 Regional Planning Budget to contribute to the sponsorship of the Rail~Volution conference. Regional Planning had budgeted funds for *Metro 2040* and other engagement which can be directed to this project. If approved by the Board, the sponsorship would provide substantial brand profile for Metro Vancouver and the update to *Metro 2040*, and offer Regional Planning the opportunity to leverage participation in Regional Day to its fullest and greatest benefit.

Should the Board approve the sponsorship request, Metro Vancouver would enter into a contribution agreement outlining the specific roles and responsibilities of Metro Vancouver, TransLink as the conference host agency, and the Rail~Volution Conference. The agreement can also clearly establish the anticipated outcomes of the conference and how they will be measured and reported.

If the Board chooses Alternative 2, TransLink will be thanked for the sponsorship request and Regional Planning staff will continue to participate in the coordination of Regional Day and the two conference mobile workshops as noted above.

SUMMARY / CONCLUSION

TransLink, as the local host agency, has submitted a sponsorship request to Metro Vancouver for the 2019 Rail~Volution conference to be held in in this region September 9-11, 2019, which is the first time the conference will be held outside of the United States. Rail~Volution, a U.S.-based non-profit, is intended to serve as a catalyst for building livable communities with transit by inspiring people in communities and regions to make better transit and land use decisions.

The Metro Vancouver region offers many success stories about integrating land use and transportation and creating livable communities that could be a source of inspiration for many out-of-region practitioners and decision-makers. Conversely, local practitioners and multi-disciplinary thought leaders will be able to learn from other communities and reflect on the challenges and opportunities in Metro Vancouver. The conference is also conveniently timed with the concurrent updates to *Metro 2040* and *Transport 2050* allowing both organizations to take advantage of this opportunity for a knowledge exchange on the key issues / challenges underpinning the directions of both plans.

As an organization, Metro Vancouver will receive numerous brand benefits in proportion to the recommended sponsorship contribution as a result. It would also allow Metro Vancouver to request that the conference organizers allocate the sponsorship entirely to the Regional Day portion of the conference, translating into a greater role in shaping the event content and outcomes. Staff anticipate significant value coming from the breakout sessions that are being planned as part of the event as a meaningful input into the *Metro 2040* update and the new Regional Transportation Strategy. Since the 2019 Board-approved budget for Regional Planning already includes a budget to support engagement on the update to *Metro 2040*, staff recommend Alternative 1 for the Board to approve an additional allocation of \$10,000 to Regional Day.

Attachments: *(Doc# 29779834)*

1. Request for Financial Support for Rail~Volution Conference (dated May 3, 2019)
2. MVRD Board Policy on Sponsorship (Policy No. FN-008)
3. Detailed Evaluation of Rail~Volution Conference Sponsorship Proposal

Reference

[2019 Rail~Volution Conference Sponsorship and Exhibitor Opportunities](#)

29632193

To: Metro Vancouver Regional Planning Committee

From: Sarah Ross, Co-Chair Rail~Volution Local Organizing Committee and Director, System Planning, TransLink

Date: May 3, 2019

Subject: Rail~Volution: Building Livable Communities with Transit

PURPOSE

On September 8-11th, 2019 the annual Rail~Volution conference on transit and community development is being held in Metro Vancouver. We are requesting Metro Vancouver's financial support to help deliver a compelling conference that effectively advances transportation and land use integration in the Metro Vancouver region.

THE RAIL~VOLUTION CONFERENCE

The annual Rail~Volution conference uniquely brings together transportation, new mobility, housing and community development sectors, with sessions focused on planning, design, finance, communications, policy, community engagement and innovations in technology. The conference is known for cross-sector collaboration and for creating opportunities for leaders, professionals and advocates to share challenges and real-world solutions.

Rail~Volution is built around the values of impact and results, inclusivity, collaboration and partnership, innovation, and quality. A core plank of Rail~Volution is creating meaningful impacts in conference host regions – building capacity, addressing uniquely local challenges, and generating lasting post-conference legacies.

2019 marks the 25th anniversary of Rail~Volution and is the first time it is being held outside of the United States. TransLink is the local host agency. The local organizing committee includes representation from local government and the private sector. The local organizing committee is responsible for delivering several key conference elements. These include:

- Scholarships for Metro Vancouver residents requiring financial assistance
- 25 mobile workshops to transit-oriented communities across Metro Vancouver
- Welcoming reception
- Regional Day, focussed on local land use and transportation planning

SPONSORSHIP OPPORTUNITIES

Metro Vancouver's sponsorship of this important event will create opportunities to integrate transportation and land use planning in this region and will contribute to the development of

Metro 2050 and *Transport 2050*. Sponsorship of \$15,000 would provide platinum level benefits which include:

- Quarter page advertisement in conference program.
- Logo recognition on screen before & after plenary session.
- 2nd tier logo recognition on sponsorship-dedicated banners and signage.
- Social media recognition twice: Facebook, Twitter, LinkedIn or Instagram.
- Logo in printed conference program, plus listing of contact information and website.
- Up to 2 complimentary conference registrations (1 per \$10,000 spent).
- Other benefits described in Attachment 1.

The budget for the local responsibilities is approximately \$300,000. Discussions are underway with a range of potential sponsors to support these costs, including:

- Consulting firms
- Developers
- Financial institutions
- Shared mobility service providers
- Local and senior government
- Other public agencies/organizations

METRO VANCOUVER'S INVOLVEMENT TO DATE

Metro Vancouver staff have been working with the local organizing committee to integrate Rail~Volution into the *Metro 2050* process. First, mobile workshops are being developed that will link to Metro Vancouver initiatives on topics such as industrial lands, planning for urban centres and corridors, and transit-oriented affordable housing.

Second, a Regional Day event is being planned for September 11th, the last day of the conference. Regional Day is a half-day mini-conference that is targeted primarily at a local audience and built around regional transportation and land use planning topics. This event presents a unique opportunity for Metro Vancouver and TransLink to partner to host a regional-focussed engagement as part of the *Metro 2050* and *Transport 2050* processes that will be underway.

If the proposed sponsorship is endorsed, the funds can be allocated generally to support the conference or can be allocated to a specific aspect of the conference, such as Regional Day.

ATTACHMENTS

1. Rail~Volution Sponsorship Benefit Levels

TransLink

Sponsorship Levels

The more you invest, the more visibility and sponsor benefits you receive.

DIAMOND

\$25,000+

The highest most visible recognition!

- Half-page advertisement in conference program.
- Logo recognition on screen before & after plenary sessions.
- 1st tier logo recognition on sponsorship-dedicated banners and signage.
- Social media recognition three times: *Facebook, Twitter, LinkedIn or Instagram.*
- Logo in PRINTED conference program, plus listing of contact information and website.
- ONLINE and on APP – Sponsorship Directory: logo, 50-word description, contact information, website and social media links. Option to include documents and photo on app sponsor listing.
- Email blast to all registrants announcing sponsors who made it possible: Company logo with 50-word description and link to website.
- Sponsored post on conference mobile app, with option for dedicated image and link. Repeated 3 times.
- Pre- and post-conference email list of attendees (opted in).
- Two complimentary conference registrations (~ \$1400 value). *Not applicable to Rail-Volution partners.*
- Logo on footer of all conference related email blasts.
- On-site meeting room access during the conference Four times available, first come, first served.
- Eligible for discounted exhibit space. Single booth is \$2,500 (Instead of \$4,000).

PLATINUM

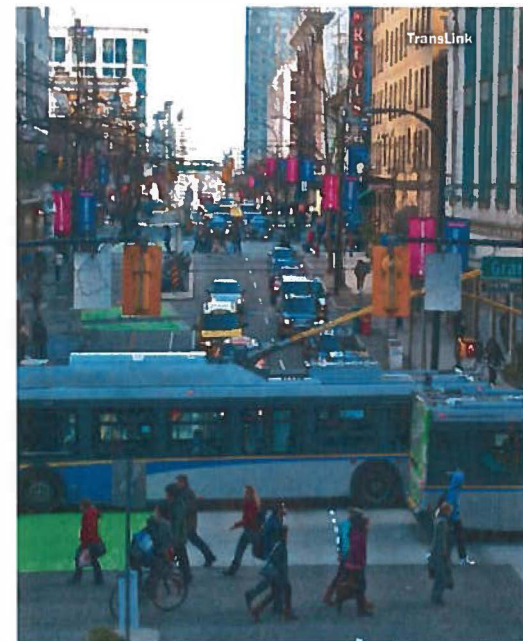
\$15,000 – \$24,999

- Quarter page advertisement in conference program.
- Logo recognition on screen before & after plenary session.
- 2nd tier logo recognition on sponsorship-dedicated banners and signage.
- Social media recognition twice: *Facebook, Twitter, LinkedIn or Instagram.*
- Logo in PRINTED conference program, plus listing of contact information and website.
- ONLINE and on APP – Sponsorship Directory: logo, 50-word description, contact information, website and social media links.
- Email blast to all registrants announcing sponsors who made it possible: Company logo and link to website.
- Sponsored post on conference mobile app. Repeated 2 times.
- Pre- and post-conference email list of attendees (opted in).
- Up to 2 complimentary conference registrations (1 per \$10,000 spent; ~\$700 value each). *Not applicable to Rail-Volution partners.*
- Eligible for discounted exhibit space. Single booth is \$2,500 (instead of \$4,000).

GOLD

\$7,500 – \$14,999

- 3rd tier logo recognition on sponsorship-dedicated banners and signage.
- Logo in PRINTED conference program, plus listing of contact information and website.
- ONLINE and on APP – Sponsorship Directory: logo, 50-word description, contact information, website and social media links.
- Pre- and post-conference email blast to all registrants announcing sponsors who made it possible: Company name listed with link to website.
- Email list of attendees (opted in).
- Sponsored post on conference mobile app.
- Up to 1 complimentary registration (1 for every \$10,000 spent; ~\$700 value).
- Eligible for discounted exhibit space. Single booth is \$2,500 (instead of \$4,000).





SILVER

\$5,000 – \$7,499

- 4th tier logo recognition on sponsorship-dedicated banners and signage.
- Logo in PRINTED conference program, plus listing of contact information and website.
- ONLINE and on APP – Sponsorship Directory: logo, 50-word description, contact information, website and social media links.
- Pre- and post-conference email list of attendees (opted in).
- Email blasted to all registrants announcing who made it possible. Company name listed with link to website.
- Eligible for discounted exhibit space. Single booth is \$2,500 (instead of \$4,000).

BRONZE

\$2,500 – \$4,999

- 5th tier logo recognition on sponsorship-dedicated banners and signage.
- Logo in PRINTED conference program, plus listing of contact information and website.
- ONLINE and on APP – Sponsorship listing in Sponsorship Directory: logo, organization name and link.
- Email blasted to all registrants announcing who made it possible. Company name listed with link to website.
- Pre- and post-conference email list of attendees (opted in).
- Listed in PRINTED conference program: logo, contact information and website.

LIVABILITY SUPPORTER

\$1,500 – \$2,499

- 6th tier text recognition on sponsorship-dedicated banners and signage.
- ONLINE and on APP – Sponsorship listing in Sponsorship Directory: organization name, contact information and link.
- Pre- and post-conference email list of attendees (opted in).
- Company name in PRINTED conference program, plus listing of contact information and website.

DIAMOND SPONSORS

AECOM
The Heinz Endowments
HNTB Corporation
Michael Baker International
Port Authority of Allegheny County

PLATINUM SPONSORS

Ford Smart Mobility
HDR
Stacy and Witbeck
WSP

LIVABILITY SPONSORS

Bohler Engineering
The Buhl Foundation
Delta Development Group, Inc.
Desmone Architects

GOLD SPONSORS

AARP
Allegheny Conference on Community Development
Ansaldo STS
Hillman Family Foundations
Holland Partner Group
Lyft
Nelson\Nygaard
Oxford Development Company
Richard King Mellon Foundation
UPMC Health Plan

Healthy Ride
LTK Engineering Services
Meyer, Unkovic & Scott LLP
RATP Dev

SILVER SPONSORS

Allegheny County Economic Development
Burns & McDonnell
Clever Devices
GAI Consultants, Inc.
Keiwit
Perkins Eastman Architects
PJ Dick- Trumbull
Prezi
Reed Smith LLP
Via Transportation
Wabtec

Stantec
Urban Redevelopment Authority of Pittsburgh

BRONZE SPONSORS

Bombardier Transportation
CDM Smith
CDR Maguire
Civil & Environmental Consultants, Inc.
evolveEA
The Gateway Engineers Inc.
STV
Township of Findlay

**Thank You
to our 2018
Sponsors**

À La Carte Sponsorship Items

Tailor your sponsorship to increase your return on investment, whether your goal is brand awareness, opening new relationships or supporting community development.

Register your sponsorship by April 12, 2019,

to be featured in the conference registration brochure, mailed in late spring to more than 10,000 people.

Register by June 28, 2019,

to ensure full sponsor benefits.

GENERAL SPONSORSHIP

Sponsor at any level and get the great benefits associated with your gift! Or, give us your ideas to create a fully customized sponsorship opportunity.

TransLink



WELCOME RECEPTION \$35,000

Kick off the conference and show your leadership to an international audience!

- Logo on table tents on reception tables.
- Right to distribute premium/collateral at event.
- 10 tickets to the welcome reception and 4 tickets to Leadership Reception.
- Organization listed in conference program and on website: Welcome Reception "Sponsored by _____".
- Welcome Reception email to all attendees: "Sponsored by _____".
- Promoted post and notification on conference mobile app "_____ welcomes you to Rail-Volution."
- Diamond Level benefits.

MONDAY "WINE-DOWN" IN THE PUBLIC SQUARE \$15,000

Be the exclusive sponsor of this popular networking event.

- Logo on entrance signage.
- Logo table tents on attendee reception tables.
- Signage at buffet.
- Right to distribute premium/collateral as people exit.
- Organization listed in conference program and online "Reception sponsored by _____".
- Logo recognition on screen in general session on day of the event announcing "What's next" listing for Reception.
- Opportunity to make remarks.
- Promoted post and notification on conference mobile app "Reception sponsored by _____".
- Platinum Level benefits.

REGISTRATION BAGS \$15,000

Your logo on a tote bag for every attendee, used again and again!

- Logo on bags featuring original conference artwork!
- Rail-Volution provides bags.
- Promoted post on conference mobile app.
- Gold Level benefits.

CLOSING PLENARY PLATED LUNCH \$10,000

Associate your brand with this special plated luncheon on Wednesday.

- Logo on entrance signage.
- Logo table tents on attendee lunch tables.
- Notification on conference mobile app "Plenary lunch sponsored by _____".
- Opportunity to make remarks.
- Right to distribute premium/collateral as people exit the event.
- Organization listed in conference program: "Plenary Lunch presented by _____".
- Logo recognition on screen prior to Plenary.
- Gold Level benefits.

LANYARDS FOR BADGES \$10,000

Every attendee wearing your brand all day, everyday!

- Logo on lanyards.
- Includes cost of lanyards.
- Gold Level benefits.

LEADERSHIP RECEPTION \$10,000

Mingle and get your brand in front of key local and national leaders!

- Logo table tents on reception tables.
- Right to distribute collateral at event.
- 5 tickets to the welcome reception and 5 tickets to leadership reception.
- Opportunity to make remarks.
- Gold Level benefits.

PK SLAM, POWERED BY PECHAKUCHA \$10,000

Be the exclusive sponsor of this popular, energetic evening event!

- Logo table tents.
- Right to distribute collateral at event.
- Organization listed in conference program and on website: "PK Slam sponsored by _____".
- Logo recognition on screen in general session on day of the event: "What's next" listing for PK Slam.
- Logo recognition on screen at event before, between and after presentations.
- Promoted post and notification on conference mobile app "PK Slam sponsored by _____".
- Platinum Level benefits.

PUBLIC SQUARE LUNCH \$10,000

A deliciously visible sponsorship opportunity.

- Logo on signage at entrance.
- Logo table tents on attendee lunch tables.
- Signage at buffet.
- Right to distribute premium/collateral at lunch.
- Organization listed in Conference Program: "Today's Lunch Compliments of _____".
- Logo recognition on screen in general session on day of the event announcing "What's next" listing for lunch.
- Notification on conference mobile app "Lunch sponsored by _____".
- Gold Level benefits.

PLENARY PRESENTING SPONSOR \$7,500 (MONDAY OR TUESDAY)

- Exclusive right to distribute collateral before Plenary session on tables or chairs.
- Logo on screen as presenting sponsor.
- Emcee verbal acknowledgment during Plenary.
- Opportunity to make remarks.
- Notification on conference mobile app. "Plenary sponsored by _____".
- Gold Level benefits.



Mix and match any of these sponsorship opportunities to fit your organization's goals and budget. Your total spend determines your level of sponsorship - Diamond, Platinum, Gold, Silver, Bronze or Livability - with the added exposure of collateral or event sponsorship. These opportunities are first come, first served, so don't wait to gain maximum exposure!

Opportunities include:

Events - Receptions, Lunches, Breakfasts

Giveaways - Registration Bags, Writing Pads, Pens, Inserts

Marketing - Mobile App, Wi-Fi, Social Media Wall

YOUR SPONSORSHIP IN ANY AMOUNT!

At Rail-Volution we believe in working with you to put together a sponsorship plan that meets your unique marketing, sales and community relations goals. Don't see what you want here? Talk to us about customizing your sponsorship even more

We want to hear your ideas!

MOBILE APP \$7,500

Your brand in every hand. Nearly 70% of attendees use the conference mobile app.

- Sponsor page on app main menu.
- Sponsor recognition on materials promoting the mobile app such as program advertising, email promotion and signage.
- Logo recognition on screen in general session announcing mobile app.
- Promoted post with dedicated image and link. Repeated daily.
- Notification on open screen of all app users. "Mobile app sponsored by _____." Repeated twice during conference.
- Gold Level benefits.

MOBILE WORKSHOP SPONSOR \$5,000

Sponsor one of 20 workshops. Make your contribution to a project known.

- Logo on mobile workshop signage.
- Silver Level benefits.

CONFERENCE ATTENDEE SCHOLARSHIPS \$10,000, \$5,000, \$2,500 OR \$1,500

Bring a more diverse audience to Rail-Volution. Sponsor attendance for a citizen activist, advocate or other person working on transportation and livability issues.

- Logo included on sponsorship signage, in printed conference program and on website.
- Acknowledgment of "who made it possible" to scholarship recipients.
- Other benefits depending on amount.

WI-FI FOR MEETING ROOMS \$7,500

A consistently visible sponsorship opportunity!

- Logo on password cards.
- Sponsor produces and provides cards.
- Gold Level benefits.
- Customized password, SSID and splash pages additional cost to sponsor.
- Sponsored post on conference mobile app.

REFRESHMENT BREAKS \$3,750 (MONDAY OR TUESDAY)

Refresh attendees throughout the day!

- Signage entering into break area.
- Table tents for attendee break tables.
- Right to distribute premium/collateral at refreshment tables.
- Bronze Level benefits.

PUBLIC SQUARE SOCIAL FEED \$2,500

Visibility at this oft-watched feature!

- Logo on signage on/near screens.
- Rail-Volution provides screens.
- One tweet promoting feed per day.
- Promoted message on mobile app during morning refreshment breaks.
- Bronze Level benefits.

HOTEL ROOM KEYS \$5,000

Put your brand in attendees hands!

- Logo on hotel room keys.
- Sponsor provides cards & freight.
- Silver Level benefits.

WRITING PADS \$2,500

- Exclusive right to distribute note pads in all meeting rooms.
- Logo on writing pads.
- Sponsor provides the writing pads. Bronze Level benefits.

NEW RAIL-VOLUTIONARY YOUNG LEADER EVENT SPONSOR \$1,500 (LIMIT 3)

Support the next generation of leadership!

- Listed in conference program and app.
- Logo on event signs.
- Opportunity to make remarks at one event. First to sponsor, first choice.
- Example of potential events are: New-Railvolutionaries Welcome Event, Mentorship Speed Networking and a walking tour.
- Livability Supporter benefits.

CONTINENTAL BREAKFAST \$5,000 (MONDAY, TUESDAY OR WEDNESDAY)

Greet attendees with breakfast!

- Logo on entrance signage.
- Logo table tents on attendee breakfast tables.
- Signage at buffet.
- Right to distribute premium/collateral as people exit the event.
- Organization listed in program and online specifically for breakfast.
- Silver Level benefits.

CONFERENCE PENS \$2,500

Every note taken reminds them of your brand!

- Exclusive right to provide pens in meeting rooms.
- Sponsor provides pens.
- Bronze Level benefits.

GIVE AWAYS/REGISTRATION BAG INSERTS \$1,500

Keep your message and brand at attendees' fingertips!

- Sponsor may provide a promotional item with their logo in the registration bags.
- Livability Supporter benefits.

Sponsorship Benefit Levels

Take it to the Next Level

Your total sponsorship spend determines your sponsorship level. The higher your level, the more return on your investment!

Email blasted to all registrants:

the sponsors who made this possible

Online and App Sponsorship Directory

Conference Mobile App Opportunities

Printed Conference Program

Banners/Signage

Company logo included on sponsorship dedicated conference banners/signage

On-Screen Logo

Before + after general session presentation

Print Ad

in conference program

	DIAMOND \$25,000+	PLATINUM \$15,000 - \$24,999	GOLD \$7,500 - \$14,999	SILVER \$5,000 - \$7,499	BRONZE \$2,500 - \$4,999	LIVABILITY \$1,500 - \$2,499
	Logo & 50-Word Description	Company Logo with Link	Company Name with Link	Company Name with Link	Company Name with Link	Link to Livability Sponsors
	1st Tier Logo	2nd Tier Logo	3rd Tier Logo	4th Tier Logo	5th Tier Logo	Company Name Listed
	50-Word Description	50-Word Description	50-Word Description	50-Word Description	—	—
	Contact Info	Contact Info	Contact Info	Contact Info	Contact Info	Contact Info
	Web URL	Web URL	Web URL	Web URL	Web URL	Web URL
	LinkedIn	LinkedIn	LinkedIn	LinkedIn	LinkedIn	—
	Twitter	Twitter	Twitter	Twitter	Twitter	—
	Facebook	Facebook	Facebook	Facebook	Facebook	—
	Instagram	—	—	—	—	—
	Three sponsored posts with dedicated image. Option to include documents with sponsor listing on app.	Two sponsored posts.	One sponsored post.	—	—	—
	Logo	Logo	Logo	Logo	Logo	Company Name Listed
	Contact Info	Contact Info	Contact Info	Contact Info	Contact Info	Contact Info
	Website	Website	Website	Website	Website	Website
	1st Tier Logo	2nd Tier Logo	3rd Tier Logo	4th Tier Logo	5th Tier Logo	Company Name Listed
	Logo	Logo	—	—	—	—
	Half Page Ad	Quarter Page Ad	—	—	—	—

SPONSORSHIP

Effective Date: July 3, 2015 (revised April 28, 2017)

Approved By: MVRD Board

Policy No. FN-008

PURPOSE

This Policy provides specific criteria for determining the circumstances under which Metro Vancouver sponsorship support, either direct or in-kind, is appropriate for events and programs being hosted by external organizations or by Metro Vancouver's members.

DEFINITIONS

"Metro Vancouver" refers to any of the four legal entities that comprise the organization: the MVRD, GVS&DD, GVWD, and MVHC;

"Sponsorship" refers to the provision of cash or in-kind contributions by Metro Vancouver in exchange for a defined set of benefits, such as logo placement, speaking opportunities by Metro Vancouver directors or senior staff, advertising in event publications or on event websites, etc., for any local or regional events; and

"In-kind contributions" are specific contributions that Metro Vancouver may provide in lieu of a cash contribution to an event or program, including:

- a) Goods, such as: supplies (printed promotional materials); use of Metro Vancouver facilities (waived fees for hosting events at Metro Vancouver venues/facilities); use of Metro Vancouver proprietary supplies or materials (e.g., water for event participants supplied via the Metro Vancouver water wagon) and food/catering; and
- b) Services, such as: staff support (assignment of Metro Vancouver staff to provide expert advice or professional services in support of the sponsored event or program, e.g., event web casting/live streaming, etc.).

POLICY

Metro Vancouver is periodically presented with opportunities to build awareness of Metro Vancouver and the Metro Vancouver brand *Services and Solutions for a Livable Region* and to showcase specific Metro Vancouver projects, programs and initiatives and those of its members through sponsorship of local and regional events. This policy is intended to provide clear guidelines as to what sort of sponsorship opportunities will be considered and how they will be given consideration.

Overall, Metro Vancouver seeks to support events and programs that achieve all of the following broad objectives:

BOARD POLICY

1. Clearly advance Metro Vancouver's corporate goals and objectives;
2. Relate directly to one or more of Metro Vancouver's statutory functions (Metro Vancouver Regional District (MVRD), Greater Vancouver Sewerage & Drainage District (GVS&DD), Greater Vancouver Water District (GVWD), Metro Vancouver Housing Corporation (MVHC));
3. Provide a clear, positive community benefit to the Metro Vancouver region overall.

This Policy applies to all sponsorship proposals regardless of their cost or the type of contribution (i.e., cash or any in-kind contributions), although a separate review procedure has been put in place for sponsorships with a total value of more than \$1,500. In addition to the eligibility criteria set out below, sponsorship opportunities that promote Metro Vancouver's brand, projects, programs and initiatives will be considered as providing higher value to Metro Vancouver, as will sponsorship opportunities that involve or promote four or more Metro Vancouver members or that have a prominent connection to Metro Vancouver or member facilities.

This Policy does not apply to grants or the provision of other forms of assistance.

Eligibility Criteria

To be considered, a sponsorship proposal must meet ALL of the following criteria:

1. It must offer specific benefits to Metro Vancouver or its members and must clearly outline the specific roles and responsibilities of each party in a formal agreement.
2. The event or program for which sponsorship is being sought must:
 - a) Have an overall community objective and purpose that is consistent with Metro Vancouver's vision, mission and roles;
 - b) Have operating guidelines and procedures that are consistent with *Metro Vancouver's Sustainability Framework and Board Strategic Plan*;
 - c) Be organized and/or supported by a registered charitable organization or not-for-profit entity.
3. Metro Vancouver must receive benefits having a fair value that is consistent with the cost of the sponsorship to be provided.
4. Metro Vancouver must receive appropriate acknowledgement of its contribution to the event or program being sponsored.

Sponsorship opportunities that involve or promote four or more Metro Vancouver members will be considered as providing higher value to Metro Vancouver.

Metro Vancouver will *not* consider any sponsorship proposals for events or programs that:

1. Primarily promote a private or commercial interest;
2. Promote or support political or religious organizations;

3. Exclude or marginalize minority community groups;
4. Pose potential environmental hazards; and
5. Involve the taking of unnecessary risks, or that put the general public at risk.

Notwithstanding any of the criteria or procedures outlined in this Policy, Metro Vancouver has no obligation to provide sponsorship and may, at its sole discretion, decline to sponsor any event or program for any reason, including, without limiting the generality of the foregoing:

1. The stated purpose of the event or program for which sponsorship is being sought;
2. Metro Vancouver budgetary or financial considerations at the time of the sponsorship request; and
3. The projected reach of the event or program and its visibility in communities that make up the Metro Vancouver region.

Sponsorship Budgets

The annual budgets for the Metro Vancouver sponsorship program are included within the individual department budgets and are considered annually by the designated Standing Committee that has oversight of those budgets. Final approval of sponsorship program budgets shall be through the applicable Board following review by the standing committee with responsibility for the general government budget.

APPLICATION AND REVIEW PROCEDURE

1. Funding Requests Greater than \$1,500

Organizations seeking a sponsorship with a total value greater than \$1,500 must submit their request to Metro Vancouver in writing at least three months in advance of the event/program for which sponsorship is being requested, and must provide the following details with respect to the event or program for which sponsorship is being sought:

- a) The official name of the event or program;
- b) The date(s) and times(s) of the event or program, as applicable;
- c) A general description of the event or program, including its overall objective(s);
- d) The overall budget for the event or program and the total cash or cash equivalent amount of sponsorship being sought;
- e) An accounting of how event organizers plan to allocate the cash or in-kind contributions provided by Metro Vancouver should the sponsorship application be approved;
- f) A listing of other stakeholders that will be approached to provide sponsorships for the event or program;
- g) A listing of the specific benefits that will accrue to Metro Vancouver should it proceed with the sponsorship being sought;

BOARD POLICY

- h) A detailed description of how and to what degree Metro Vancouver's members will be involved in the event or program; and
- i) A description of the anticipated outcomes of the event or program and how this will be measured and reported.

Notwithstanding the prescribed timeline outlined in the application process above, the Metro Vancouver Board of Directors may, at its sole discretion, waive this requirement for sponsorship opportunities that meet the objectives of this Policy and that meet the eligibility requirements described in Section 2.

For proposals seeking sponsorship with a total value greater than \$1,500, Metro Vancouver staff will prepare a Committee report for consideration by the appropriate standing committee (including a recommendation on the proposal), which will assess the proposal based on the criteria included in this Policy. If endorsed by the standing committee, the report and attached sponsorship proposal will be forwarded to the relevant Metro Vancouver Board for its consideration.

2. Funding Requests For \$1,500 or Less

Organizations seeking a sponsorship with a total value of \$1,500 or less must submit their request to Metro Vancouver in writing at least two months in advance of the event/program for which sponsorship is being requested, and must provide the following details with respect to the event or program for which sponsorship is being sought:

- a) The official name of the event or program;
- b) The date(s) and times(s) of the event/program, as applicable;
- c) A general description of the event or program, including its overall objective(s);
- d) The overall budget for the event or program and the total cash or cash equivalent amount of sponsorship being sought;
- e) A listing of the specific benefits that will accrue to Metro Vancouver should it proceed with the sponsorship being sought.

For proposals seeking sponsorship with a total value of \$1,500 or less, the proposal will initially be assessed by the applicable Metro Vancouver department based on the criteria included in this Policy and will be reviewed by the department General Manager/Senior Director and the CFO/GM of Financial Services in accordance with the approved sponsorship program budget. The sponsorship program request may either be approved or denied, or may be referred to the appropriate Metro Vancouver standing committee for further consideration.

3. Multi-Year Funding Requests Over \$500

Organizations seeking sponsorship with a total value over \$500 for events which occur in consecutive years or for events which occur twice over a three year period will not be considered for funding under the *Sponsorship Policy*. Organizations who are seeking multi-year funding for annual events must submit their requests in writing to the appropriate Board for consideration of a multi-year *Contribution Agreement*.

To be considered by the Board, multi-year funding requests must include the following information:

- i. Term of funding requested
- ii. Annual funding amount requested
- iii. Organization's funding contribution and/or fundraised by the applicant
- iv. Funding provided by other sources
- v. Annual budget for the event

Description of event and how it aligns with Metro Vancouver's goals as set out in the Eligibility Criteria of the *Sponsorship Policy*.

Detailed Evaluation of Rail~Volution Conference Sponsorship Proposal

The sponsorship proposal meets all of the eligibility criteria as set out in the MVRD Board sponsorship policy.

Criteria 1: It must offer specific benefits to Metro Vancouver or its members and must clearly outline the specific roles and responsibilities of each party in a formal agreement.

Criteria 3: Metro Vancouver must receive benefits having a fair value that is consistent with the cost of the sponsorship to be provided

Criteria 4: Metro Vancouver must receive appropriate acknowledgement of its contribution to the event or program being sponsored.

Staff evaluation: The suggested sponsorship of \$15,000 CAD is the second highest level of sponsorship. The brand benefits that Metro Vancouver would receive has a fair value consistent with the cost of the sponsorship. The brand benefits include appropriate levels of acknowledgement of Metro Vancouver's contribution, such as:

- Quarter page advertisement in the conference program.
- Logo recognition on screen before and after the plenary session.
- 2nd tier logo recognition on sponsorship-dedicated banners and signage.
- Social media recognition twice: Facebook, Twitter, LinkedIn, or Instagram.
- Logo in printed conference program, plus listing of contact information and website.
- Up to two complimentary conference registrations (each valued at \$700 CAD).

Should the Board approve the sponsorship request, Metro Vancouver will enter into a contribution agreement outlining the specific roles and responsibilities of Metro Vancouver, TransLink, and Rail~Volution. The approved funds can be allocated generally to support specific components of the conference. The agreement will also identify the anticipated outcomes of the conference and how they will be measured and reported.

Criteria 2: The event or program for which sponsorship is being sought must:

- a) **Have an overall community objective and purpose that is consistent with Metro Vancouver's vision, mission and roles;**
- b) **Have operating guidelines and procedures that are consistent with *Metro Vancouver's Sustainability Framework and Board Strategic Plan*;**
- c) **Be organized and / or supported by a registered charitable organization or not-for-profit entity.**

Staff evaluation: Rail~Volution's vision, mission, and values are aligned with Metro Vancouver's Board Strategic Plan (2015-2018), in particular Metro Vancouver's roles to plan for the future and to act as a regional forum. Rail~Volution's values of impacts and results, inclusivity, collaboration and

partnership, innovation, and quality, as a U.S.-based non-profit organization, are consistent with Metro Vancouver’s vision statement and roles.

Metro Vancouver	Rail~Volution
<p>Vision Metro Vancouver seeks to achieve what humanity aspires to on a global basis – the highest quality of life embracing cultural vitality, economic prosperity, social justice and compassion, all nurtured in and by a beautiful and healthy natural environment.</p>	<p>Vision We envision America’s cities and regions transformed into livable places – healthy, economically vibrant, socially equitable and environmentally sustainable – where people have transportation choices.</p>
<p>3 Broad Roles</p> <p><u>Deliver Core Services</u> Attain the highest possible levels of excellence in meeting our service delivery responsibilities.</p> <p><u>Plan for the Future</u> Develop and use an integrated system of plans to manage all activities within Metro Vancouver’s legislated scope of authority towards the achievement of a sustainable region.</p> <p><u>Act as Regional Forum</u> Build and facilitate collaborative processes, including those that engage citizens, to achieve a robust partnership working together for a sustainable region.</p>	<p>Mission Serve as a catalyst for the movement to build livable communities with transit by inspiring people in communities and regions to make better transit and land use decisions. We do this by partnering, equipping and connecting people and institutions at all levels.</p> <p>Values</p> <ul style="list-style-type: none"> • Impact and Results • Inclusivity • Collaboration and Partnership • Innovation • Quality

To: Finance and Intergovernment Committee

From: Carol Mason, Commissioner/Chief Administrative Officer

Date: June 3, 2019 Meeting Date: June 12, 2019

Subject: **Manager's Report**

RECOMMENDATION

That the Finance and Intergovernment Committee receive for information the report dated June 3, 2019, titled "Manager's Report".

Finance and Intergovernment Committee Work Plan

Attachment 1 to this report sets out the Committee's Work Plan for 2019. The status of the Committee's key priorities is shown as pending, in progress, or complete together with the quarter that each is expected to be considered by the Committee.

Attachment

1. 2019 Finance and Intergovernment Committee Work Plan

Finance and Intergovernment Committee 2019 Work Plan

Report Date: June 12, 2019

Priorities

1st Quarter	Status
2019 Standing Committee Events	Complete
2019 International Program	Complete
George Massey Tunnel Replacement Project Update	Complete
Asset Management Policies	Complete
Regional Prosperity Initiative	Complete
Zero Waste Conference Update	Complete
Review of the Freedom of Information Bylaws	Complete
Board Procedure Bylaw – Voting Procedures	Complete
Board Remuneration Independent Review Panel	Complete
Building Project Update	Complete
Intergovernmental Communications and Engagement Update	Complete
Board Policies (As Required/Applicable)	Complete
2nd Quarter	
2018 Statement of Financial Information	Complete
UBC Cliff Erosion Update	In Progress
Asset Management Policies	In Progress
Regional Prosperity Initiative Update	In Progress
30 Year Financial Plan Scenarios	In Progress
Board Strategic Plan Review	In Progress
National Zero Waste Council Governance and Funding Update	In Progress
Board Remuneration Independent Review Panel	Complete
Federal Gas Tax Fund Expenditures Policy Amendment Update	Complete
TransLink Federal Gas Tax Fund Semi-annual Report	In Progress
Poplar Landing Update	In Progress
Litigation Updates	In Progress
First Nations – Intergovernmental Relationships	Pending
Federal Election Update	In Progress
Intergovernmental Communications and Engagement Update	In Progress
Board Policies (As Required/Applicable)	In Progress
3rd Quarter	
Asset Management Policies	In Progress
30 Year Financial Plan Scenarios	Pending
Board Strategic Plan Review	Pending
National Zero Waste Council Governance and Funding Update	Pending
TransLink Federal Gas Tax Application	Pending
Capital Projects Permitting Best Practices Guide	Pending
Poplar Landing Update	Pending
First Nations – Intergovernmental Relationships	Pending
Intergovernmental Communications and Engagement Update	Pending
Board Policies (As Required/Applicable)	Pending

4th Quarter	
Annual Budget and Five Year Financial Plan – Regional District Service Areas and Corporate Support	Pending
30 Year Financial Plan Scenarios	Pending
National Zero Waste Council Governance and Funding Update	Pending
TransLink Federal Gas Tax Fund Semi-annual Report	Pending
Federal Gas Tax Fund Expenditures Policy Amendments	Pending
Litigation Updates	Pending
First Nations – Intergovernmental Relationships	Pending
Intergovernmental Communications and Engagement Update	Pending
Board Policies (As Required/Applicable)	Pending



CITY OF BURNABY
OFFICE OF THE MAYOR
MIKE HURLEY
MAYOR

2019 May 02

Dear Chair and Directors:

Subject: Expanding Investment Opportunities
(Item No. 6(J), Reports, Council 2019 April 29)

Burnaby City Council, at the Open Council meeting held on 2019 April 29, received the above noted report and adopted the following recommendations, **AS AMENDED**:

1. THAT Council provide support for changes to the Community Charter to allow for expanded asset class investments under prudent investor rules.
2. THAT Council request support from other municipalities and regional districts for the requested changes to the Community Charter.
3. THAT Council submit a resolution, as outlined in Section 4.1 of this report, to the Union of British Columbia Municipalities, as outlined in this report.

In accordance with Recommendation No. 2, a copy of the report, containing text of the resolution, is *enclosed* for your information.

Burnaby City Council appreciates your support on this matter.

Yours truly,

A handwritten signature in black ink that reads "M Hurley".

Mike Hurley
MAYOR

FINANCIAL MANAGEMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

SUBJECT: EXPANDING INVESTMENT OPPORTUNITIES

RECOMMENDATIONS:

1. THAT Council provide support for changes to the Community Charter to allow for expanded asset class investments under prudent investor rules.
2. THAT Council request support from other municipalities for the requested changes to the Community Charter.
3. THAT Council submit a resolution, as outlined in Section 4.1 of this report, to the Union of British Columbia Municipalities, as outlined in this report.

REPORT

The Financial Management Committee, at its meeting held on 2019 April 24, received and adopted the attached report requesting Council to support changes to the Community Charter to allow for prudent investor rules, thus expanding investment parameters and opportunities.

Respectfully submitted,

Mayor M. Hurley
Chair

Councillor S. Dhaliwal
Vice Chair

Copied to:	City Manager Director Finance
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TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2019 April 17

FROM: DIRECTOR FINANCE

FILE: 7500-01

SUBJECT: EXPANDING INVESTMENT OPPORTUNITIES

PURPOSE: To request Council to support changes to the Community Charter to allow for prudent investor rules, thus expanding investment parameters and opportunities.

RECOMMENDATIONS:

1. **THAT** the Committee recommend Council provide support for changes to the Community Charter to allow for expanded asset class investments under prudent investor rules.
2. **THAT** the Committee recommend Council request support from other municipalities for the requested changes to the Community Charter.
3. **THAT** the Committee recommend Council submit a resolution, as outlined in Section 4.1 of this report, to the Union of British Columbia Municipalities as outlined in this report.

REPORT**1.0 INTRODUCTION**

Financial investments form a critical part of the activities of a municipality, providing a source of revenues for capital expenditures and to offset cash flow fluctuations. The allowable investment parameters as laid out in the Community Charter is considered a “prescribed” or a “closed” set of legislated guidelines designed to protect municipalities from taking unnecessary or undue risks. The concept being that the current regulations provide for a list of instruments that can be placed in the portfolio, instruments that are considered the most creditworthy and least risky, such as provincial debt obligations and investments in financial institutions in Canada. What occurs in a market such as Canada, which represents less than 3% of the global economy, is an over concentration of holdings and limited investment diversification due to the regulation limitations.

The parameters set and limitations for investment powers and opportunities has not changed for decades in British Columbia. The purpose of the proposed changes to Section 183 of the Community Charter is to provide municipalities with the ability to obtain improved returns

through asset class diversification, which in return can reduce tax implications and funding costs associated with capital funding; while also reducing investment risks. Analysis and discussion for structured governance will be critical to determine the scope of change and authority granted through legislated changes. However, the purpose of this report is to start the conversation with the Province.

2.0 POLICY SECTION

Goal

- A Connected Community
 - Partnership –
Work collaboratively with businesses, educational institutions, associations, other communities and governments
- A Dynamic Community
 - Economic opportunity –
Foster an environment that attracts new and supports existing jobs, businesses and industries
 - Community development –
Manage change by balancing economic development with environmental protection and maintaining a sense of belonging
- A Thriving Organization
 - Financial viability –
Maintain a financially sustainable City for the provision, renewal and enhancement of City services, facilities and assets

3.0 MUNICIPAL INVESTMENTS

3.1 Investment Funds

Part 6, Division 3, Section 183 of the Community Charter provides investment guidelines to British Columbia municipalities. These legislated guidelines state that municipalities may invest or reinvest money that is not immediately required for expenditures as follows:

183 Money held by a municipality that is not immediately required may only be invested or reinvested in one or more of the following:

- (a) securities of the Municipal Finance Authority;
- (b) pooled investment funds under section 16 of the *Municipal Finance Authority Act*;
- (c) securities of Canada or of a province;

- (d) securities guaranteed for principal and interest by Canada or by a province;
- (e) securities of a municipality, regional district or greater board;
- (f) investments guaranteed by a chartered bank;
- (g) deposits in a savings institution, or non-equity or membership shares of a credit union;
- (h) other investments specifically authorized under this or another Act.

The British Columbia provincial government is responsible for the laws and framework that provide governance across the province. The *Municipal Act* has provided this guidance since the 1880's. In 1991, UBCM proposed the idea for the creation of a Bill of Rights for municipalities for the purpose of providing broader powers and greater freedoms for BC municipalities. The *Local Government Act* was then created and received Parliamentary approval in 1996. Finally, with Royal Assent in August 2001 of the *Community Charter Council Act*, a Community Charter Council was created for the purpose of developing the *Community Charter*.

BC municipalities have managed investment portfolios under these guidelines as a matter of fiduciary responsibility and with due diligence. Internal investment guidelines support each municipality's investment activities within the constraints of the *Community Charter*. While protectionist in nature, the regulations actually place inadvertent restrictions on the ability to generate higher rates of return and increased revenues, as well as limiting asset class diversification which is paramount to financial sustainability and risk diversification. Currently, BC municipalities can invest in two of the four main asset classes - money market (including cash equivalents) and fixed income (bonds). The other two asset classes include equities and real estate (or other tangible assets). This limitation in turn affects the portfolio real rate of return once inflation is considered and it affects annual taxation rates and other capital costs for a municipality.

3.2 Prudent Investor Rules

The prudent investor rule (aka prudent investor standard) requires the investment manager of an organization to conduct investment activities with care, skill and due-diligence for that which a prudent person would do when managing their own investments, such as property, cash or securities. Such a person would therefore deploy investments through a diversification strategy that can potentially reduce risks while enhancing returns.

A prudent investor would therefore have flexibility and seek opportunities based on market and economic cycles, as well as utilize diversification opportunities both in and outside of Canada. For a municipality, benefits from increased returns can reduce taxation requirements and fees. Without a change to provincial legislation, BC municipalities will continue to invest in

prescribed investment products which under varying market conditions, like the historical low interest rates experienced over the last 10 years that has in turn translated into the lowest yields and lower income.

3.3 Prudent Investor Rules – Other Jurisdictions

Various municipalities and pensions maintain prudent investor rules such as the cities of Ottawa, Edmonton, Calgary, Medicine Hat and more recently the City of Toronto. In 2000, the Canada Pension Plan began investing in equities and other investment products (real estate, commodities and futures) with the main goal of seeking higher returns and to stabilize the Canada Pension Plan (CPP) program for future generations. This change meant a more diversified and global deployment of funds for capital appreciation, taking advantage of a much larger global market than just Canadian content.

When the Province of Ontario decided to make changes to the municipal legislation, it was for the purpose of providing municipalities more flexibility. Thus, allowing local governments more freedom to invest available funds in a larger pool of diversified investment products. Providing the added flexibility and freedom could potentially deliver higher returns while lowering or removing systemic risks, reinvestment risks and interest rate risks. The Ontario government put in place specific requirements that a local government must meet to permanently opt into the prudent investor program. The logic was to ensure appropriate governance and structure was in place with separate guidance from an independent board for the expanded portfolio.

The City of Toronto is currently preparing to place their initial investments into equities now that the legislated requirements for prudent standards have been met. The City of Ottawa however has been investing endowment funds of over \$200 million since 2007. Ottawa conducted an RFP and hired two fund managers to manage the investments of the endowment. Applying prudent investment standards to the endowment funds has allowed the City of Ottawa to generate much higher yields over the last decade when compared to the funds invested based on the prescribed legislation. Also, the City of Ottawa is watching Toronto's activities closely and will contemplate the opt-in decision for the remaining portfolio funds as they have first-hand knowledge of the large differential in returns between their funds.

The City of Edmonton began investing in equities in 1995 with the creation of an endowment fund. A May 2014 staff white paper identified that through the use of asset class diversification, the endowment fund has contributed well over \$700 million to the City of Edmonton's operating budget and the fund has grown from \$445 million to \$710 million. Staff reports indicate that the change to investment structure has allowed the city to achieve cost efficiencies and to better align the portfolios with specific risk profile needs and objectivity. This in turn allows for the creation of new asset class investing, such as global infrastructure and emerging market equities, while achieving the goals of increasing overall returns and long term financial sustainability.

Another report highlighted that Edmonton home owners have saved over 7% for the period 2005 – 2014 on property taxes paid. Not only have the funds increased returns resulted in a reduction of the tax burden on citizens, but has and will continue to the support the city's financial position

and sustainability. The investment diversification through prudent investor rules has meant an expanded revenue base for operating and capital budgets.

3.4 Prudent Investor Rules – Capacity and Knowledge

While providing expanded investment options to municipalities through legislation can achieve many benefits, consideration must be made regarding municipal capacity and expertise. Any change in legislation will require municipal input in determining the governance structure that will work best for the province and each municipality. With examples from Ontario and Alberta now in place, this presents a tremendous opportunity to learn from the legislative process and experiences and to understand the need for improvements and the request to change.

Because of the vast range of assignments and work conducted in municipal treasury, the current staff compliments most likely will not have the expertise to branch out into a larger array of investment asset class products. Indeed, smaller municipalities have very few staff that manage varying professional disciplines such as budgets, banking, trades payable, accounting and investments. There are however significant differences amongst the municipalities in the lower mainland and across the province when it comes to portfolio management expertise and knowledge. So governance must consider inclusion for all without creating additional costs and risks.

Such risks can be mitigated through pooling investments or contracts with qualified funds managers through the set-up of simplified but effective reporting standards and clear guidelines. Under prudent investment standards the need for monitoring the decisions made, portfolio performance, policy and governance principles becomes even greater. Setting the criteria by thoughtful consideration will ensure a more comprehensive and general acceptance and adaptation by municipalities. The goal is not to make prudent investing an impossible challenge, but to ensure there is significant and meaningful impact when prudent investment standards are followed.

4.0 REQUIRED CHANGE IN LEGISLATION

The City of Burnaby has maintained a concentrated and focused effort on the investment portfolio for over three decades. This attention has provided for consistently improved yields and income generation. While the City of Burnaby has outperformed market benchmarks and municipal peers, there are still missed opportunities due to investment restrictions based on the current legislation.

While protectionist in nature, a “prescribed” or “closed” set of guidelines can introduce unintended risks by being extremely limited, thus introducing systemic and interest rate risks to a municipal portfolio. This can increase in magnitude for a large portfolio that seeks additional product and yield within the limited reach and size of the Canadian fixed income market. The *Community Charter* provides clarity but does not empower a municipality to obtain greater investment variation and seek to reduce risk further through asset diversification and allocation.

It is therefore proposed that by providing prudent investor standards within the *Community Charter* or other provincial legislation, risk versus reward through asset class diversification can culminate into various funding and cash flow opportunities as returns increase. If the City of Burnaby moved 30% of current holdings to other asset classes for example (Edmonton has 60% of the endowment fund in equities), with only a 2.5% increase in yield on that portion of the portfolio, the annual additional revenue would be \$12.75 million per year.

The evidence is very clear from municipal examples to pension plans and historical analysis that asset mix is a critical determinant of long term investment fund stability, yield and income. Maintaining a set of guidelines that limits municipal investing to a restricted list of products within limited asset classes will result in what is occurring in many municipal portfolios today – yields that range from 1.50% - 3.00% with significantly reduced income. The current standards limit municipal investments to the Canadian market only and to the fixed income asset class which is based on Canadian interest rates only.

The size and utilization of the City's investment reserves, without debt payment obligations other than internally through annual depreciation, means we are well positioned for the longer term investment time horizon that is needed under other asset classes such as equities and real estate. Providing proficient and transparent oversight to the investment portfolio ensures the City of Burnaby is acting in the best interest of citizens. This also means identifying that as investment markets and economies have changed over the years, opportunities have been missed. The best starting point is to begin the conversation about making changes to the current investment legislation in British Columbia.

And while those opposed to change may suggest that introducing the prudent investor rules will bring with it needless risks, one must consider that risk is defined in many ways, including the long term financial sustainability of municipalities and the tax burden placed on residents. Risk diversification also means fund managers and fund management, not just guarantors and asset class diversification. Risk management means a governance structure that takes into consideration the varying investment strategies that can be deployed and empowering municipalities to diversify and grow for future generations of citizens. For these reasons, updating legislation to include prudent investment rules is practical and warranted.

4.1 Resolution: Expanded Asset Class Investments Under Prudent Investor Rules

Given the discussion above, and recognizing that the ability to properly manage and grow assets is an important role of local government, the following resolution has been prepared for the Committee and Council's consideration.

WHEREAS financial investments form a critical part of the activities of a municipality, providing a source of revenues for capital expenditures and to offset cash flow fluctuations;

AND WHEREAS allowable investment parameters as laid out in the *Community Charter* is considered a “prescribed” set of legislated guidelines.

AND WHEREAS the Provinces of Alberta and Ontario have implemented a wider scope for local government investment, which responds to the needs of local governments of all sizes:

THEREFORE BE IT RESOLVED that the Union of BC Municipalities request the Ministry of Finance to amend the *Community Charter* to provide municipalities with the ability to obtain improved returns through asset class diversification, which in return can reduce tax implications and funding costs associated with capital funding, while also reducing investment risk.

5.0 RECOMMENDATIONS

It is recommended that the Committee recommend Council provide support for changes to the Community Charter to allow for expanded asset class investments under prudent investor rules. It is also recommended that the Committee recommend Council request support from other municipalities for the requested changes to the Community Charter and that a resolution, as outlined in Section 4.1 of this report, be submitted to the Union of British Columbia Municipalities on this matter.



Noreen Kassam, CPA, CGA
DIRECTOR FINANCE

NK:DS /ml

Copied to: City Manager



Beyond, Every Day.

CRAIG RICHMOND
PRESIDENT AND CHIEF EXECUTIVE OFFICER

13 May 2019

Ms. Carol Mason, Commissioner and
Chief Administrative Officer
METRO VANCOUVER
4330 Kingsway Avenue
Burnaby, BC V5H 6G8

Dear Ms. Mason:

It is my pleasure to inform you that Vancouver Airport Authority's Board of Directors has elected Annalisa King as the new Chair. In her role, Annalisa will oversee the strong foundation of governance inherited from her predecessors, with continued vigilance.

Annalisa is one of Canada's most respected business leaders, known for her expertise on strategic planning, corporate finance and business transformation. Her career spans over 25 years and includes a range of C-Suite and senior-level positions such as former Chief Financial Officer and Chief Information Officer of Best Buy Canada Ltd. and Senior Vice President of Business Transformation for Maple Leaf Foods. She also brings extensive governance experience to YVR. She served as Chair of the Airport Authority's Governance Committee and is on the Board of three public companies: Saputo Inc., First Capital Realty, where she is the incoming Chair of the Governance Committee, and the North West Company.

Annalisa embodies a commitment to excellence that resonates with YVR's focus on providing a world-class airport. She has been inducted into Canada's Most Powerful Women: Top 100 Hall of Fame, she was recognized as BC's CFO of the Year in 2012 and in 2019 she received a Peak Award honouring Women in Finance for her significant board contribution.

Annalisa's leadership will be crucial as we continue to experience strong growth and build the future airport. We look forward to continuing to work with Metro Vancouver to ensure the success of our relationship in the years ahead.

Sincerely,

A handwritten signature in dark ink, appearing to read 'CR', is placed above the typed name.

Craig Richmond, President and CEO
Vancouver Airport Authority

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10 YEARS AT THE TOP,
THANKS TO YOU.
10 ANS AU SOMMET
GRÂCE À VOUS.