

To: Climate Action Committee

From: Conor Reynolds, Director, Air Quality and Climate Action Services

Date: October 3, 2023 Meeting Date: October 5, 2023

Subject: **2024 - 2028 Financial Plan – Air Quality and Climate Action**

RECOMMENDATION

That the Climate Action Committee endorse the 2024 - 2028 Financial Plan for Air Quality and Climate Action as presented in the report dated October 3, 2023, titled “2024 - 2028 Financial Plan – Air Quality and Climate Action”, and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

EXECUTIVE SUMMARY

The 2024 - 2028 Metro Vancouver Financial Plan has been prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop. The direction followed the recommendations of the Financial Plan Task Force, which included the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan. This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Metro Vancouver has met the household impact targets that were recommended by the Financial Plan Task Force and adopted at the April 19, 2023 Board Budget Workshop. This has resulted in an overall consolidated household impact for 2024 to be 12.0%, down from the 14.2% projected for 2024 in the prior financial planning cycle as well as a reduction in the cumulative household impact of 40% over the common four years in comparison to the prior financial plan.

The operating budget for the Air Quality and Climate Action function for 2024 is proposed to be \$16.1 million, an increase of 0.3% from 2023. The regulatory fee system is based on the polluter pays principle, with the costs of developing and administering permits and regulations recovered from authorized dischargers of air contaminants. The Board adopted amendments to the air quality fees bylaw in 2021, resulting in increased fee revenues in 2024, and decreased use of tax requisition, which is increasing by 9.7% for 2024.

Implementation of the actions in the *Clean Air Plan* and the *Climate 2050* Roadmaps continues to be a key priority in 2024. The Sustainability Innovation Fund (SIF) will supplement climate action projects, as will collaboration with external partners. A standing committee will make recommendations to the Board on SIF projects early in the new year. Climate action projects are being budgeted across the organization, supported by a recently established Corporate Climate Action Services team. In addition, staff will pursue air quality improvement and emission reductions

(including greenhouse gases) that protect health and the environment by promoting compliance with permits and air quality bylaws, implementing supporting policies and programs, and developing new bylaws.

PURPOSE

To present the 2024 - 2028 Financial Plan for Air Quality and Climate Action for consideration by the Committee.

BACKGROUND

Metro Vancouver’s annual budget process includes the development of detailed annual budgets and the updating of five-year financial plans for each of the four Metro Vancouver legal entities (Metro Vancouver Regional District, Metro Vancouver Housing Corporation, Greater Vancouver Water District and Greater Vancouver Sewerage and Drainage District).

On April 19, 2023 a Metro Vancouver Board Budget Workshop was held with the objective to seek direction for the preparation of the 2024 - 2028 Financial Plan. The workshop outlined the principles that guide the work of Metro Vancouver as an organization and provided a proposed approach for the 2024 - 2028 Financial Plan based on the work of the Financial Plan Task Force that was created by the Board Chair. This included adoption of the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan.

This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Key highlights of the overall Metro Vancouver 2024 proposed budget are as follows:

- A reduction of \$15 million of the total 2024 Metro Vancouver proposed operating budget compared to that previously projected for 2024
- Increased contribution to capital of \$32M for debt avoidance and increases in reserve contributions of just over \$6M for key functions
- Reduced total capital cash flow of roughly \$655M 2024 through 2027 for the utilities
- Reduction of household impact, \$13 less than that previously projected for 2024

This report focuses on the Air Quality and Climate Action function and presents the 2024 annual budget and the updated five-year plan for the years 2024 to 2028 for committee consideration.

AIR QUALITY AND CLIMATE ACTION FUNCTION

The Air Quality and Climate Action function within the Metro Vancouver Regional District (MVRD) provides services to all 23 members and encompasses the management and regulation of air quality and greenhouse gas emissions within the region, under authority delegated from the Provincial government within the *Environmental Management Act*. Air Quality and Climate Action function services provided are presented in the following two program areas:

- **Air Quality and Climate Action Services**, which includes: the development and implementation of air quality and greenhouse gas reduction plans and policies, bylaws and regulations, environmental assessments, communications and outreach, air quality advisories, and supporting activities such as the operation of a network of air quality monitoring stations located throughout the airshed; this service also coordinates the development and implementation of corporate climate actions across the organization;
- **Air Quality Regulation** program area, which includes the issuance and administration of air quality permits, and promotion of compliance with and enforcement of Metro Vancouver air quality bylaws.

The provision of services by the Air Quality and Climate Action function is guided by direction in the *Board Strategic Plan*, as well as the *Climate 2050 Strategic Framework* and the *Clean Air Plan*, both adopted by the Board. Specific targets and actions from these plans include:

Board Strategic Plan:

- Protect public and environmental health and fight climate change by continuing to provide world class air quality and greenhouse gas management services, including monitoring, emissions inventories and air quality advisories;
- Expand the regional air quality monitoring network, including the new Tsawwassen First Nation station, and increase spatial coverage using small sensors;
- Introduce regulatory requirements to reduce greenhouse gas emissions from large and small buildings;
- Accelerate emission reductions from all types of vehicles through policies and regulations working in collaboration with regional partners;
- Promote transition to clean, renewable energy at the regional and corporate levels in collaboration with energy utilities and other partners;
- Lead by example by implementing corporate climate actions, including low- or zero-carbon policies for corporate fleet, travel, and procurement; and
- Continue partnering with, and advocating to, other governments and agencies to implement initiatives that accelerate emission reductions in priority areas.

Climate 2050:

- A carbon neutral region by 2050;
- Ensure our infrastructure, ecosystems, and communities are resilient to the impacts of climate change; and
- Implementation actions in the Board-endorsed *Climate 2050 Roadmaps*.

Clean Air Plan – Regional 2030 Targets:

- Reduce regional greenhouse gas (GHG) emissions by 45% from 2010 levels;
- Ensure air quality in the region is continually improving, protecting human health and the environment; and
- Key targets for reducing health harming air contaminants:
 - Industrial facilities: 10% reduction in fine particulate matter emissions, 10% reduction in nitrogen oxides emissions, from 2020 levels; and

- Non-road engines: 50% reduction in diesel particulate matter emissions, from 2020 levels.

Metro Vancouver also recognizes the history of Indigenous Peoples and aims to build meaningful and enduring relationships with First Nations. As part of our work, Air Quality and Climate Action is committed to engaging First Nation communities through information sharing, engagement and ongoing communication.

WORK PLAN PERFORMANCE INDICATORS

High level performance indicators have been developed across the organization to evaluate trends, determine key actions for the coming year, and to assist in long-term planning. The 2024 Work Plans for the Air Quality and Climate Action Services program and the Air Quality Regulation program are presented in this report (Attachment 2).

Within these work plans, performance indicators have been developed and are being tracked, including:

- Regional GHG emissions annually for onroad transportation and buildings (tonnes of carbon dioxide equivalent, CO₂e); note that additional sources will be added as the new annual regional GHG emissions inventory is enhanced;
- Corporate energy-related GHG emissions annually (tonnes of CO₂e);
- Days with air quality advisories in place (total, as well as the subset of advisory days due to emission sources located within the airshed);
- Reliability of air quality monitoring network (% of annual hours with monitoring data available for priority pollutants);
- Number of inspections of non-road diesel engines and permitted or regulated sites;
- Cumulative number of non-road diesel engines retired since 2012; and
- Number of Residential Indoor Wood Burning Best Burning Practices Declarations received.

The annual trend in the regional greenhouse gas emissions tracks progress toward the 45% reduction target by 2030 and carbon neutrality by 2050. Regional transportation emissions were lower in 2022 than 2019 (pre-pandemic), and despite significant increases in the number of vehicles and the distance travelled by those vehicles in the region, greenhouse gas emissions from the onroad transportation sector have not increased, and the per capita emissions have significantly decreased. However, more needs to be done to reduce emissions from transportation, buildings, and industry. This increased focus is reflected in the Work Plans.

These performance measures also track Metro Vancouver’s progress toward reducing organizational greenhouse gas emissions in line with regional targets, through improvements to energy efficiency, utilization of waste streams to generate heat and/or energy, the use of clean electricity and low-carbon fuels, and the pursuit of new carbon capture and offset projects. With respect to air quality, programs are focused on continuous improvement in reducing emissions and ambient concentrations of health harming air contaminants and will respond to new challenges such as wildfire smoke events and extreme weather.

CONTINUOUS IMPROVEMENT

The Air Quality and Climate Action Services function continues to explore, evaluate and implement continuous improvement opportunities. The 2024 continuous improvement opportunities include the following:

- Continue to develop, review, and update *Climate 2050* roadmaps, taking an “action while planning” approach to ensure implementation progress. The roadmaps are intended to be dynamic and to evolve with new science, developing technologies, and public opinion.
- Establish a Corporate Climate Action Services program area, which includes corporate energy and greenhouse gas management coordination and support services for departments to ensure Metro Vancouver maintains its corporate climate leadership position.
- Develop new and amended regulations to drive continuous improvement in air quality, accelerate greenhouse gas reductions, and recover costs from regulated sources.
- Continue upgrades and enhancements to the regional air quality monitoring network, resulting in improvements and efficiencies in the collection of air quality data and dissemination to the public, especially during advisory events that are increasing in frequency due to climate change.
- Develop processes to integrate GHG emission reduction requirements into regulations and permits.
- Expand use of new analytical approaches and software to improve understanding and visualization of large datasets, to inform policy development and program implementation and to produce improved communications and outreach materials.
- Develop procedures and guidance for the issuance of administrative penalties.
- Create a five-year, high-resolution meteorological model database for the region to improve reliability of air quality assessments of existing and future facilities and projects resulting in better science-based decisions.
- Enhance the transparency of the regulatory program to increase awareness of and compliance with bylaw requirements that involve the public (e.g., indoor residential and open burning) and improve participation in our processes.

2024 BUDGET AND 2024 - 2028 FINANCIAL PLAN

The five-year financial plans for this cycle have been updated to address five central priorities identified by the Metro Vancouver Board in its Strategic Plan to guide the development of plans and budgets. The five priorities are:

- Financial Sustainability and Regional Affordability
- Climate Action
- Resilient Services and Infrastructure
- Reconciliation
- Housing

Each Metro Vancouver function has an Annual Work Plan that includes strategic directions, performance indicators and key actions to guide the work for the coming year. Each function also has a “What’s Happening” summary that presents program highlights for the next five years.

The 2024 - 2028 Air Quality and Climate Action Financial Plan is included as Attachment 1. The 2024 Annual Work Plans for the Air Quality and Climate Action Services and the Air Quality Regulation program areas presented in this report are included in Attachment 2, and the “What’s Happening” highlights for the years 2024 - 2028 are included in Attachment 3.

Operating Budget Highlights

The Air Quality and Climate Action 2024 operating budget is proposed to increase by \$51,147 for a total budget of \$16,113,207 (Attachment 1). The 2024 budget includes previously-approved studies and projects funded by the Sustainability Innovation Fund (SIF), and additional SIF projects will be brought forward for committee and Board consideration as part of the annual application process, and some will be funded out of the SIF reserve funds in 2024. It is expected that projects in all three SIF areas will have a climate action theme. The decrease in SIF budget is partially offset by inflationary factors such as increments for salaries and benefits. It should also be noted that, with the development of the *Climate 2050* Roadmaps, additional climate action projects are funded in other areas, including the utilities, regional parks, and housing, and that the funds in the Air Quality and Climate Action operating budget are used to leverage additional funding for projects with external partners. Furthermore, as new policies are approved and program areas are developed in forthcoming years (in particular related to greenhouse gas reductions in the buildings, transportation, and industry sectors), additional operating budget may be requested.

The 2024 operating budget includes the following key actions:

- Continue to implement the *Clean Air Plan*, adopted by the Board in September 2021;
- Accelerate implementation of the greenhouse gas reduction actions in the *Climate 2050* roadmaps, with emphasis on the “Big Moves” that have the most potential to reduce regional emissions in the buildings, transportation, and industry sectors;
- Develop new air emission regulation bylaws and air quality objectives, that protect human health and the environment, and address continuous improvement in air quality, cost recovery from regulated sources, and development and integration of greenhouse gas requirements;
- Work with partners to develop programs to ensure information, support, and financial tools are available for residents, building owners, businesses, and others in the transition to a carbon neutral region;
- Provide support for accelerated actions to reduce corporate greenhouse gas emissions through an enhanced energy and greenhouse gas management framework;
- Develop and implement a public communication campaign regarding the upcoming (2025) prohibition on using unregistered indoor wood-burning appliances within the Urban Containment Boundary;
- Promote compliance with the Non-Road Diesel Engine Emission Regulation requirements for Tier 3 engines effective in January 2024;
- Improve public understanding of air quality and climate change, including outreach and progress reporting on *Climate 2050*, the *Clean Air Plan*, and the development of videos, web content, engagement activities, and other materials to support education and awareness; and

- Develop additional air quality monitoring and emissions assessment capabilities to provide the evidence basis and performance measurement for the air quality program, and provide air quality advisory services.

Over the next five years, expenditures are anticipated to increase by a total of \$626,411, or an average of 0.8% per year.

Communications Program

The 2024 Air Quality and Climate Action Communications Program of \$295,000 is focused on outreach, communication and engagement on *Climate 2050*, the *Clean Air Plan*, and air quality bylaws and regulations. Also in 2024, a one-time additional communications program amount of \$150,000 has been budgeted for promotion and communication activities related to the Residential Indoor Wood Burning Bylaw requirements.

Reserve Funds

The financial plan for Air Quality and Climate Action includes the use of reserves to annually fund one-time initiatives. This is consistent with the *Operating, Statutory and Discretionary Reserves Policy*. The 2024 - 2028 Projected Reserves for Air Quality are included in Attachment 4.

APPROVAL PROCESS

The proposed 2024 - 2028 Financial Plan and Annual Work Plan is presented for consideration and endorsement before being forwarded to the Board for consideration.

The next steps of the process are:

- The 2024 - 2028 Financial Plan and Annual Work Plan will be presented for consideration at the Metro Vancouver Board Budget Workshop on October 20, 2023.

The Board will consider adoption of the 2024 Budget and endorsement of the 2024 - 2028 Financial Plan on October 27, 2023.

ALTERNATIVES

1. That the Climate Action Committee endorse the 2024 - 2028 Financial Plan for Air Quality and Climate Action as presented in the report dated September 25, 2023, titled "2024 - 2028 Financial Plan – Air Quality and Climate Action", and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.
2. That the Climate Action Committee make recommendations and endorse an amended 2024 - 2028 Financial Plan for Air Quality and Climate Action and forward the amended Financial Plan to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

FINANCIAL IMPLICATIONS

If the MVRD Board endorses the 2024 - 2028 Financial Plan for Air Quality and Climate Action, as presented under Alternative 1, in 2024 the Air Quality and Climate Action requisition will increase by \$739,111 (9.7%) for a total requisition of \$8,366,532. The review of the system of regulatory fees was completed in 2021, with Board adoption of an amended air quality fees bylaw. Implementation

of the amended bylaw has resulted in increases in fee revenues of 11.6% and 9.9% from permits and regulations, and non-road diesel engines, respectively, compared to 2023.

Over the term of the five-year plan, the annual Air Quality and Climate Action requisition is projected to decrease by an average of \$100,521 per year (1.1%) to provide the required revenue to offset projected expenditures. It is anticipated that the cost to the average regional household over the next five years for the Air Quality and Climate Action function will rise from just below \$7 in 2024 and will drop under \$6 in 2027. As new air quality and climate action policies are approved and program areas are developed in forthcoming years (in particular related to greenhouse gas reductions in the buildings, transportation, and industry sectors), additional operating budget may be requested.

Under Alternative 2, the Committee may wish to consider recommending amendments to the 2024 Budget and Five-Year Financial Plan for consideration at the Metro Vancouver Board Budget Workshop. Any changes to the plan may have an impact on the MVRD Financial Plan.

CONCLUSION

The 2024 Budget and Five-Year Financial Plan for Air Quality and Climate Action was prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop and to respond to direction provided in the *Board Strategic Plan*. It is presented to Committee and Board members to provide overview information on activities and financial impacts for the years 2024 to 2028 for Air Quality and Climate Action.

The presentation of this year's five-year financial plan for Air Quality and Climate Action provides the opportunity for Metro Vancouver to share with its member jurisdictions the proposed service related initiatives over the next five years. It is intended to be used as a guiding document for member jurisdictions in the development of their five-year financial plans and includes projections on household impact to demonstrate how the plan will remain affordable for residents while keeping pace with our critical requirements.

Staff recommends endorsing the 2024 - 2028 Financial Plan and Annual Work Plan for Air Quality and Climate Action as presented under Alternative one.

ATTACHMENTS

1. "2024 - 2028 Financial Plan – Air Quality and Climate Action", dated October 3, 2023
2. 2024 Work Plans
 - A. "Air Quality and Climate Action Services Work Plan", dated October 3, 2023
 - B. "Environmental Regulation and Enforcement – Air Quality Regulation Work Plan", dated October 3, 2023
3. "2024 - 2028 – 'What's Happening' – Air Quality and Climate Action", dated October 3, 2023
4. "2024-2028 Projected Reserves – Air Quality and Climate Action", dated October 3, 2023
5. Presentation re: "2024 - 2028 Financial Plan – Air Quality and Climate Action", dated October 5, 2023

**METRO VANCOUVER REGIONAL DISTRICT
AIR QUALITY AND CLIMATE ACTION
2024 BUDGET REVIEW
2024 - 2028 FINANCIAL PLAN**

	2023 BUDGET	2024 BUDGET	% CHANGE	2025 FORECAST	% CHANGE	2026 FORECAST	% CHANGE	2027 FORECAST	% CHANGE	2028 FORECAST	% CHANGE
REVENUES											
Metro Vancouver Regional District Requisitions	\$ 7,627,421	\$ 8,366,532	9.7%	\$ 8,455,740	1.1%	\$ 8,028,917	(5.0%)	\$ 7,256,224	(9.6%)	\$ 7,124,814	(1.8%)
User Fees	2,687,400	3,000,000		3,500,000		4,000,000		4,500,000		5,000,000	
Non-Road Diesel Fees	1,197,500	1,316,250		1,985,000		2,310,000		2,975,000		3,130,000	
Other External Revenues	709,242	720,425		729,935		689,684		699,676		709,918	
Transfer from Sustainability Innovation Fund Reserves	2,613,497	640,000		-		-		-		-	
Transfer from Reserves	1,227,000	2,070,000		1,123,125		1,146,453		889,989		723,739	
TOTAL REVENUES	\$16,062,060	\$16,113,207	0.3%	\$15,793,800	(2.0%)	\$16,175,054	2.4%	\$16,320,889	0.9%	\$16,688,471	2.3%
EXPENDITURES											
Operating Programs:											
Ambient Air Quality Monitoring	\$ 2,500,761	\$ 2,709,224		\$ 2,787,278		\$ 3,082,770		\$ 2,849,630		\$ 2,838,707	
Air Quality and Climate Action Policy	3,381,648	3,414,877		3,428,813		3,488,280		3,583,618		3,675,997	
Air Quality Bylaw and Regulation Development	1,388,362	1,473,650		1,505,914		1,538,703		1,576,264		1,615,953	
Corporate Climate Action Services	-	740,219		717,056		580,940		564,996		569,670	
Engineers in Training	35,279	49,308		64,213		65,935		67,680		69,489	
Regional Sustainability Initiatives	2,613,497	640,000		-		-		-		-	
Administration and Department Support	592,548	764,718		835,051		857,576		880,405		905,379	
	<u>\$10,512,095</u>	<u>\$ 9,791,996</u>	(6.9%)	<u>\$ 9,338,325</u>	(4.6%)	<u>\$ 9,614,204</u>	3.0%	<u>\$ 9,522,593</u>	(1.0%)	<u>\$ 9,675,195</u>	1.6%
Communications Program	270,000	445,000	64.8%	320,000	(28.1%)	345,000	7.8%	350,000	1.4%	350,000	0.0%
Environmental Regulation and Enforcement	4,215,776	4,565,636	8.3%	4,777,217	4.6%	5,020,676	5.1%	5,284,589	5.3%	5,566,525	5.3%
Allocation of Centralized Support Costs	1,064,189	1,310,575	23.2%	1,358,258	3.6%	1,195,174	(12.0%)	1,163,707	(2.6%)	1,096,751	(5.8%)
TOTAL EXPENDITURES	\$16,062,060	\$16,113,207	0.3%	\$15,793,800	(2.0%)	\$16,175,054	2.4%	\$16,320,889	0.9%	\$16,688,471	2.3%

AIR QUALITY AND CLIMATE ACTION SERVICES WORK PLAN

Description of services

Air Quality and Climate Action is a Metro Vancouver Regional District function established under the *Environmental Management Act* with the responsibility for managing air quality and regulating the discharge of air contaminants including greenhouse gas emissions. The service develops and implements management plans that recognize the strong connections between air quality, health and climate change. Whenever possible, actions aim to reduce both health harming air contaminants and greenhouse gases across the region, while improve resilience to climate impacts.

The Air Quality and Climate Action function comprises two programs: Air Quality and Climate Action Services (AQCAS) and the Air Quality Regulation program under Environmental Regulation and Enforcement (ER&E). This work plan focuses on the AQCAS program, whereas the Air Quality Regulation program is presented separately.

The AQCAS program includes development and implementation of management plans for emissions reduction. These plans take an evidence-based approach, relying in large measure on the regional network of air quality monitoring stations, the regional emissions inventory, and other indicators to measure performance and identify priority areas for action. Emission reduction actions involve both regulatory initiatives, such as air emissions bylaws and regulations, and non-regulatory projects and initiatives.

Strategic directions and high level goals supported

The *2022-2026 Board Strategic Plan* identifies Climate Action as one of the Board's five strategic directions. Guided by Metro Vancouver's Board-adopted *Clean Air Plan, Climate 2050 Strategic Framework*, and the supporting *Climate 2050 Roadmaps*, AQCAS develops and implements climate action policy for the Metro Vancouver region for the next 30 years. This includes:

- Leading the development of regional climate action policy for all Metro Vancouver functions, including both reduction of greenhouse gas emissions and adaptation to climate change.
- Implementing actions fundamental to meeting regional greenhouse gas emission targets for 2030 and 2050 through project implementation, partnerships, and advocacy to other orders of government.
- Supporting regional climate resilience through coordination, planning, and collaboration internally and with external partners.
- Coordinating and supporting corporate climate action to demonstrate Metro Vancouver's commitment to leadership as an organization, providing examples of best practices in greenhouse gas reduction and climate resilience.

Guided by the *Clean Air Plan*, AQCAS works to improve air quality by mitigating threats to public health and the environment, including:

- Improving understanding of air quality issues in the region by expanding air quality monitoring capacity.

- Continuing to identify air contaminants in the region, identify priorities, and pursue effective actions to reduce pollutants.
- Exploring solutions for mitigating health impacts of diminished air quality due to wildfires.

Furthermore, guided by the above plans, AQCAS works to strengthen awareness among and engagement with the public, member jurisdictions, other orders of government, and stakeholders in the implementation of *Climate 2050* and the *Clean Air Plan*, and foster regional coordination to achieve the long-term targets in air quality and reductions in greenhouse gas emissions.

High level performance indicators have been developed across the organization to evaluate trends, determine key actions for the coming year, and to assist in long-term planning. The 2024 Work Plan for AQCAS includes the following Performance Indicators (Table 1). Additional key performance indicators for *Climate 2050* are under development and reported in the *Climate 2050* Annual Report.

Table 1. Metro Vancouver Performance Indicators relevant to AQCAS

Indicator	Historical and/or industry benchmark	Current performance	2024 expected performance
Regional greenhouse gas emissions for onroad transportation and buildings (tonnes of carbon dioxide equivalent, tCO ₂ e)	Onroad Transportation 2010: 6.4M tCO ₂ e Buildings 2010: 4.1M tCO ₂ e	Onroad Transportation 2019-2022 average: 5.9M tCO ₂ e Buildings 2019-2022 average: 4.8M tCO ₂ e	Onroad Transportation 5.7M tCO ₂ e Buildings 4.7M tCO ₂ e
Corporate energy-related greenhouse gas emissions (tonnes of carbon dioxide equivalent, tCO ₂ e)	2012: 22,422 tCO ₂ e <i>Non-energy GHG reduction projects</i> 2012: -110 tCO ₂ e	2018-2021 average: 26,800 tCO ₂ e <i>Non-energy GHG reduction projects</i> 2018-2021 average: -8,540 tCO ₂ e	25,500 tCO ₂ e <i>Non-energy GHG reduction projects</i> -9,600 tCO ₂ e
Days with air quality advisories in place due to emission sources located within the airshed	2011: zero days	2019-2022 average: 3.25 days	zero days
Reliability of air quality monitoring network (% of annual hours with monitoring data available for priority pollutants)	2015: 96%	2019-2022 average: 97%+	> 95%

AQCAS anticipates undertaking the following initiatives in 2024 in support of implementing *Climate 2050* and the *Clean Air Plan* (Table 2).

Table 2. 2024 key actions

- Continue to implement actions in *Climate 2050 and the Clean Air Plan*, prioritizing Big Moves, including:
 - Advance proposed requirements to significantly reduce greenhouse gas emissions from existing large buildings;
 - Reduce emissions from existing heavy trucks through coordinated approaches with regional and provincial partners;
 - Continue to advance LDV vehicle policies and program that increase the uptake of zero emissions vehicles and shift to active transportation and transit; and
 - Develop policies and programs to reduce emissions from industrial sources in the region.
- Update the Regional Ground-Level Ozone Strategy and continue to implement targeted actions to reduce impacts of ground-level ozone on regional air quality.
- Leverage the Sustainability Innovation Fund to advance development of new and innovative climate actions, including new greenhouse gas reduction policies and programs, energy efficiency, renewable energy, and engagement and outreach.
- Develop new air quality bylaws, regulations and air quality objectives, towards goals for protection of human health and environment and continuous improvement in air quality, including:
 - engagement on new emission regulation bylaws for prioritized sources, including integration of greenhouse gas requirements; and
 - development of new ambient air quality objectives in collaboration with partner agencies as needed.
- Improve public understanding of air quality and climate change, including outreach and progress reporting on *Climate 2050* and the *Clean Air Plan*, for example the preparation of the *Climate 2050 Annual Report* and annual Air Quality Summary.
- Develop additional air quality monitoring and emissions assessment capabilities to provide the evidence basis and performance measurement for the air quality program, and provide air quality advisory services.

ENVIRONMENTAL REGULATION AND ENFORCEMENT - AIR QUALITY REGULATION WORK PLAN

Description of Services

The Air Quality and Climate Action function comprises two programs: Air Quality and Climate Action Services (AQCAS) and Air Quality Regulation under Environmental Regulation and Enforcement (ER&E). This section of the ER&E work plan describes the Air Quality Regulation program, which enables economic activity while advancing Metro Vancouver’s air quality goals through the issuance of site-specific authorizations and promoting compliance with those authorizations and Metro Vancouver air quality bylaws. Bylaws include regulations to control emissions from non-road diesel engines; gas- and wood-fired boilers; gas stations and gasoline storage facilities; automotive re-finishing facilities; concrete facilities; open burning; and residential indoor wood burning. The Air Quality Regulation program also manages a 24-hour public complaint service that annually handles 2,000 to 3,000 complaints, mostly about odours, smoke and dust.

Strategic Directions and High-Level Goals Supported

The Air Quality Regulation program supports Metro Vancouver’s 2022-2026 Board Strategic Plan, the Clean Air Plan, and Climate 2050:

- Protect public and environmental health and fight climate change by continuing to provide world-class air quality and greenhouse gas management services
- Integrate greenhouse gas requirements into existing and new sector-specific emission regulations to maximize emission reductions from industrial, commercial and business sources
- Accelerate reductions of health-harming air contaminant and greenhouse gas emissions from industrial facilities
- Reduce non-road diesel emissions and support early adoption of zero-emission non-road equipment
- Implement requirements for higher-emitting wood-burning appliances
- Reduce open-air burning

Performance Indicators

Air Quality Indicator	Historical and/or Industry Benchmark (2022)	Current Performance (2023 YTD – Jun 30)	2024 Performance Objective
Number of inspections of permitted facilities per year	58	49	50
Number of inspections of regulated facilities per year	75	36	110
Number of Non-Road Diesel Engine inspections per year	335*	231	375
Number of Residential Indoor Wood Burning Best Burning Practices Declarations received (cumulative)	1614	1802	7500
Cumulative number of Non-Road Diesel Engines Retired since 2012	334	345	355

* Benchmark is 2016 to 2021 average for number of inspections of Non-Road Diesel Engines

2024 Key Actions

Air Quality

- Bring unauthorized facilities into compliance with the Air Quality Management Bylaw
- Promote continuous improvement and reduction in PM, NOx, VOC and GHG emissions by large emitters
- Promote awareness of prohibition of use of unregistered residential indoor wood-burning appliances in UCB in 2025
- Promote awareness of and compliance with Tier 3 requirements of the Non-Road Diesel Engine Emission Regulation Bylaw 1329
- Increase awareness of non-road diesel engine retirement rebates
- Promote awareness of and compliance with Open Burning Emission Regulation Bylaw
- Support development of bylaw regulating greenhouse gas emissions from large buildings
- Implement procedures required for issuance of administrative penalties

LIQUID WASTE REGULATION

Description of Services

The Liquid Waste Regulation program enables economic activity while advancing Metro Vancouver’s liquid waste management goals through the issuance of authorizations and promoting compliance with those authorizations and Metro Vancouver liquid waste bylaws.

Strategic Directions and High-Level Goals Supported

The Liquid Waste Regulation program supports Metro Vancouver’s 2022-2026 Board Strategic Plan and the Integrated Liquid Waste and Resource Management Plan by:

- Issuing authorizations that limit the discharge of non-domestic waste to sewer
- Promoting compliance with liquid waste authorizations and regulations
- Identifying and bringing into compliance unauthorized discharges posing threats to the liquid waste management system and infrastructure, workers, biosolids quality and the environment

Performance Indicators

Liquid Waste Indicator	Historical and/or Industry Benchmark (2022)	Current Performance (2023 YTD – June 30)	2024 Performance Objective
Number of permitted sites inspected per year*	136	77	160
Number of unpermitted sites inspected per year*	34	26	30
Number of permits or permit amendments issued per year	20	17	20

*These numbers do not include sites that are actively regulated by City of Vancouver staff

2024 Key Actions

Liquid Waste

- Continue to support efforts by Liquid Waste Services to update the Liquid Waste Management Plan and identify priority amendments to the Sewer Use Bylaw.
- Support the corporate effort to develop a GVS&DD Notice of Bylaw Violation Bylaw.
- Work with the hospital sector on submission and review of pollution prevention plans and required updates to comply with the Hospital Pollution Prevention Plan Bylaw requirements. Inspect these facilities to verify compliance.
- Continue implementation of the Trucked Liquid Waste and Sani-dump Bylaws by issuing authorizations, conducting compliance inspections and addressing requests for authorization to bring out-of-region waste to Metro Vancouver facilities.
- Identify and assess emerging regional issues that may require regulatory attention such as the discharge of wastewater from municipal swimming pools and methods for efficiently regulating these types of activities.

SOLID WASTE REGULATION

The Solid Waste Regulation program enables economic activity while advancing Metro Vancouver’s solid waste management goals through the issuance of licences and promoting compliance with those licences and Metro Vancouver solid waste bylaws.

Strategic Directions and High-Level Goals Supported

The Solid Waste Regulatory Program supports Metro Vancouver’s 2022-2026 Board Strategic Plan and the Integrated Solid Waste and Resource Management Plan by:

- Issuing licences to private municipal solid waste and recyclable materials facilities
- Ensuring compliance with the licences and solid waste regulatory bylaws
- Promoting compliance by waste haulers with bylaw requirements to collect and remit the generator levy

Performance Indicators

Solid Waste Indicator	Historical and/or Industry Benchmark (2022)	Current Performance (2023 YTD – June 30)	2024 Performance Objective
Number of Active Licences at Period End	41	40	46
Number of inspections completed at licensed facilities per year	290	157	300
Number of inspections completed at unlicensed facilities that <u>require</u> a licence per year	64	40	96
Number of inspections completed at unlicensed facilities that <u>may require</u> a licence per year	139	91	104

2024 Key Actions

Solid Waste

- Promote compliance with solid waste licences issued under the *GVS&DD Solid Waste and Recyclable Material Regulatory Bylaw No. 181, 1996*.
- Identify and bring into compliance unauthorized facilities that require a licence under the *GVS&DD Solid Waste and Recyclable Material Regulatory Bylaw No. 181, 1996*.
- Support efforts by Solid Waste Services to complete the update of the Solid Waste and Resource Management Plan.
- Support the corporate effort to develop a GVS&DD Notice of Bylaw Violation bylaw.
- Implement the amended *GVS&DD Tipping Fee and Solid Waste Regulation Bylaw No. 306, 2017* bylaw by promoting awareness and compliance by waste haulers.

Air Quality and Climate Action

2024 to 2028 – WHAT'S HAPPENING

Below is a summary of the significant initiatives to be undertaken by the Air Quality and Climate Action function over the next five years.

Initiative	Description	Theme
2024		
<i>Climate 2050</i>	<ul style="list-style-type: none"> • Complete initial <i>Climate 2050</i> roadmaps and proceed with implementation. • Complete emissions inventory. • Ongoing annual reporting on performance and progress towards targets. 	Environmental Sustainability
<i>Clean Air Plan</i>	<ul style="list-style-type: none"> • Ongoing implementation of the <i>Clean Air Plan</i>, adopted by the Board in September 2021. • Review of ambient air quality objectives. 	Environmental Sustainability
Bylaws and Regulations	<p>Implementation of new and amended emission regulations, including:</p> <ul style="list-style-type: none"> • Advertise upcoming (2025) prohibition on using unregistered indoor wood-burning appliances within the Urban Containment Boundary; • Enforce bylaw requirements for Tier 3 non-road diesel engines; and • Promote compliance with requirements for open burning of vegetative debris. <p>Development of new and amended emission regulations:</p> <ul style="list-style-type: none"> • Reducing GHG emissions from existing large buildings; • Amendment of the boilers and process heaters emission regulation; • Small non-road engines; and • Wood product manufacturing facilities. <p>Promote continuous improvement and emissions reduction by large emitters.</p>	Regulatory and Legislative Environment Financial Sustainability Continuous Improvement
Environmental Monitoring and Indicators	Complete and report out on next regional air emissions inventory, for 2020, and annual GHG inventory, to track sources of emissions and trends.	System Stewardship
Sustainability Innovation Fund	Fund applications for climate action and other projects in regional district, liquid waste and water.	Environmental Sustainability

2025		
<i>Climate 2050</i>	<ul style="list-style-type: none"> • Ongoing implementation of projects and actions based on <i>Climate 2050</i> Roadmaps. • Annual reporting on performance and progress toward targets. • Annual updates of emissions inventories. 	Environmental Sustainability
Bylaws and Regulations	<ul style="list-style-type: none"> • Ongoing development of new and amended emission regulations: <ul style="list-style-type: none"> ○ small non-road engines ○ reducing GHG emissions from existing buildings ○ wood product manufacturing facilities • Continuous improvement of emission regulations in response to enhanced ambient air quality objectives. • Ongoing implementation of permit and regulatory fees to recover costs and provide incentives to reduce emissions and impacts. • Inclusion of GHG requirements in permits. 	Regulatory and Legislative Environment
Sustainability Innovation Fund	Fund applications for climate action and other projects in regional district, liquid waste and water.	Environmental Sustainability

2026		
<i>Climate 2050</i>	<ul style="list-style-type: none"> • Ongoing implementation of projects and actions based on <i>Climate 2050</i> Roadmaps. • Annual reporting on performance and progress toward targets. • Annual updates of emissions inventories. 	Environmental Sustainability
Bylaws and Regulations	<ul style="list-style-type: none"> • Ongoing development and implementation of new and amended emission regulations. • Continue promotion of emission reduction by large emitters. • Continuous improvement of emission regulations in response to enhanced ambient air quality objectives. 	Regulatory and Legislative Environment
Sustainability Innovation Fund	Fund applications for climate action and other projects in regional district, liquid waste and water.	Environmental Sustainability

2027		
<i>Climate 2050</i>	<ul style="list-style-type: none"> • Ongoing implementation of projects and actions based on <i>Climate 2050</i> Roadmaps. • Annual reporting on performance and progress toward targets. • Annual updates of emissions inventories. 	Environmental Sustainability
<i>Clean Air Plan</i>	Mid-point progress report on <i>Clean Air Plan</i> .	Environmental Sustainability
Bylaws and Regulations	<ul style="list-style-type: none"> • Ongoing development and implementation of new and amended emission regulations. • Continue promotion of emissions reduction by large emitters. 	Regulatory and Legislative Environment
Sustainability Innovation Fund	Fund applications for climate action and other projects in regional district, liquid waste and water.	Environmental Sustainability

2028		
<i>Climate 2050</i>	<ul style="list-style-type: none"> • Ongoing implementation of projects and actions based on <i>Climate 2050</i> Roadmaps. • Annual reporting on performance and progress toward targets. • Annual updates of emissions inventories. 	Environmental Sustainability
Bylaws and Regulations	<ul style="list-style-type: none"> • Ongoing development and implementation of new and amended emission regulations. • Continue promotion of emissions reduction by large emitters. • Promote and prepare for 2029 Tier 4 non-road diesel engine bylaw requirements 	Regulatory and Legislative Environment
Sustainability Innovation Fund	Fund applications for climate action and other projects in regional district, liquid waste and water.	Environmental Sustainability

METRO VANCOUVER DISTRICTS
 2024-2028 PROJECTED RESERVES - AIR QUALITY AND CLIMATE ACTION

OPERATING RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Air Quality	\$ 636,504	\$ 636,504	\$ -	\$ -	\$ 15,913	\$ 652,417	\$ 668,727	\$ 685,445	\$ 702,581	\$ 720,146

DISCRETIONARY RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Air Quality General Reserve	\$ 3,713,874	\$ 3,713,874		\$ (2,070,000)	\$ 66,972	\$ 1,710,846	\$ 1,223,953	\$ 701,268	\$ 425,186	\$ 310,530

To: Electoral Area Committee

From: Marcin Pachcinski, Division Manager, Electoral Area and Implementation Services
Regional Planning and Housing Services

Date: September 25, 2023 Meeting Date: October 6, 2023

Subject: **2024 - 2028 Financial Plan – Electoral Area**

RECOMMENDATION

That the Electoral Area Committee endorse the 2024 - 2028 Financial Plan for the Electoral Area Service as presented in the report dated September 25, 2023, titled “2024 - 2028 Financial Plan – Electoral Area”, and forward it to the Board Budget Workshop on October 20, 2023 for consideration.

EXECUTIVE SUMMARY

The 2024 - 2028 Metro Vancouver Financial Plan has been prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop. The direction followed the recommendations of the Financial Plan Task Force, which included the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan. This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Metro Vancouver has met the household impact targets that were recommended by the Financial Plan Task Force and adopted at the April 19, 2023 Board Budget Workshop. This has resulted in an overall consolidated household impact for 2024 to be 12.0%, down from the 14.2% projected for 2024 in the prior financial planning cycle as well as a reduction in the cumulative household impact of 40% over the common four years in comparison to the prior financial plan.

The Electoral Area Service provides local government administration, planning, building inspection and emergency services to residents of Electoral Area A. The 2024 Work Plan focuses on advancing work on the Barnston Island dike improvements using provincial funding and completing a barge clean-up event for Indian Arm water access communities.

The 2024 - 2028 Financial Plan for the Electoral Area continues to reduce long-term reliance on reserve funds to smooth the tax requisition rate and reflects the local government election costs in 2022 and 2026. Over the next five years, operating programs are increasing by \$79,402 or an average of 58.4% per year. However, when netting out the impact of the provincial grant received for the Barnston Island dike improvement, over the next five years, operating programs are increasing by \$79,402 or an average of 2.3% per year.

PURPOSE

To present the 2024 - 2028 Financial Plan for the Electoral Area Service for consideration by the Committee.

BACKGROUND

Metro Vancouver's annual budget process includes the development of detailed annual budgets and the updating of five-year financial plans for each of the four Metro Vancouver legal entities (Metro Vancouver Regional District, Metro Vancouver Housing Corporation, Greater Vancouver Water District and Greater Vancouver Sewerage and Drainage District).

On April 19, 2023 a Metro Vancouver Board Budget Workshop was held with the objective to seek direction for the preparation of the 2024 - 2028 Financial Plan. The workshop outlined the principles that guide the work of Metro Vancouver as an organization and provided a proposed approach for the 2024 - 2028 Financial Plan based on the work of the Financial Plan Task Force that was created by the Board Chair. This included an adoption of the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan.

This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Key highlights of the overall Metro Vancouver 2024 proposed budget are as follows:

- A reduction of \$15 million of the total 2024 Metro Vancouver proposed operating budget compared to that previously projected for 2024
- Increased contribution to capital of \$32M for debt avoidance and increases in reserve contributions of just over \$6M for key functions
- Reduced total capital cash flow of roughly \$655M 2024 through 2027 for the utilities
- Reduction of household impact, \$13 less than that previously projected for 2024

This report focuses on the Electoral Area Service and presents the 2024 annual budget and the updated five-year plan for the years 2024 to 2028 for committee consideration.

ELECTORAL AREA SERVICE

The Electoral Area Service comprises Electoral Area A, the unincorporated area within Metro Vancouver, and provides local government planning, building inspection and emergency services to residents of Electoral Area A.

The Electoral Area A Service initiatives planned over the next five years are guided by direction provided in the *Board Strategic Plan*, specifically:

- support the efforts of members in developing complete, livable and healthy communities;

- enhance relationships between Metro Vancouver and other orders of government, First Nations, adjacent regional districts, and key stakeholders; and
- build resilience in communities to prepare for and adapt to changing physical and environmental conditions.

WORK PLAN PERFORMANCE INDICATORS

High level performance indicators have been developed across the organization to evaluate trends, determine key actions for the coming year, and to assist in long-term planning. The 2024 Work Plan for Electoral Area Service is presented in this report. Within the Electoral Area Work Plan, two performance indicators have been developed and are being tracked. These include:

- Number of public meetings and engagement events; and
- Number of visits to the Electoral Area website.

The trend in these performance measures suggests the number of public meetings and engagement events are higher in years when new planning initiatives requiring public consultation are undertaken (e.g. zoning bylaw amendments). Since 2015, Electoral Area website visits have remained above 10,000 hits per year and are expected to remain steady in coming years.

CONTINUOUS IMPROVEMENT

Improvement initiatives include:

- *Barge Cleanup Events (2024/2026/2028)*: Assist water access residents in recycling large, hard to manage items (appliances, furniture, Styrofoam, mattresses, batteries, etc.) and reduce the risk of contamination of the natural environment from improper disposal of waste (i.e. dumping or burning). Based on the ongoing need and strong resident support for repeating these cleanup events in Pitt Lake, Howe Sound, and Indian Arm, they have been included as future events in the five-year work plan
- *Community Works Fund Projects (2024-2028)*: Engage with Electoral Area A communities to identify and implement projects to benefit local residents
- *Internal permit process improvements (2024)*: Updating building permit filing and tracking system to increase efficiency.

2024 BUDGET AND 2024 - 2028 FINANCIAL PLAN

The five-year financial plans for this cycle have been updated to address five central priorities identified by the Metro Vancouver Board in its Strategic Plan to guide the development of plans and budgets. The five priorities are as follows:

- Financial Sustainability and Regional Affordability
- Climate Action
- Resilient Services and Infrastructure
- Reconciliation
- Housing

Each Metro Vancouver function has an Annual Work Plan that includes strategic directions, performance indicators and key actions to guide the work for the coming year. Each function also has a “What’s Happening” summary that highlights the program highlights for the next five years.

The 2024 - 2028 Electoral Area Service Financial Plan is included as Attachment 1. The 2024 Annual Work Plan for the Electoral Area Service presented in this report is included in Attachment 2 and the “What’s Happening” highlights for the years 2024 - 2028 are included in Attachment 3.

Operating Budget Highlights

The Electoral Area Service 2024 operating budget is proposed to increase by \$489,602 for a total budget of \$1,218,728 (Attachment 1). This increase is largely due to the inclusion of a portion (\$450,000 included in Other External Revenues) of the \$5.25 million provincial grant for the Barnston Island dike improvements and which are part of the 2024 planned expenditures.

The 2024 operating budget includes the following key actions:

- advance work on the Barnston Island dike improvements using provincial funding;
- complete a barge clean-up event for Indian Arm water access communities;
- receive and consider the Electoral Area A Community Wildfire Resiliency Plan;
- consider Community Works Fund projects identified by the UEL community;
- continue to administer the building, zoning, official community plan, and unsightly premise and nuisance bylaws;
- communicate with Electoral Area residents through the Electoral Area Bulletin and Electoral Area Director's Update;
- engage the UBC/UEL communities on liquor license and retail cannabis referrals, and participate in the next steps of the Province’s UEL Governance Study;
- continue to offer staff support to the Electoral Area Board Director; and
- facilitate emergency management education for residents.

Over the next five years, operating programs are increasing by \$79,402 or an average of 58.4% per year. However, when netting out the impact of the provincial grant received for the Barnston Island dike improvement, over the next five years, operating programs are increasing by \$79,402 or an average of 2.3% per year.

Reserve Funds

Electoral Area receives two annual grants from the Province. These grants, \$143,083 from the Community Works Fund and a Regional District grant of \$60,000 are received and contributed to a reserve pending plans for future use. In non-election years, \$30,000 is contributed annually to an election reserve. Every four years, this election reserve is to be used to fund the Electoral Area local government election. The financial plan for Electoral Area has utilized transfers from the Electoral Area General Reserve to offset and smooth some of the changes in expenditures over the five-year plan as well as utilizing reserves to annually fund one-time initiatives. This is consistent with the *Operating, Statutory and Discretionary Reserves Policy*. The 2024 - 2028 Projected Reserves for Electoral Area is included in Attachment 4.

APPROVAL PROCESS

The proposed 2024 - 2028 Financial Plan and Annual Work Plan is presented for consideration and endorsement before being forwarded to the Board for consideration.

The next steps of the process are:

- The 2024 - 2028 Financial Plan and Annual Work Plan will be presented for consideration at the Metro Vancouver Board Budget Workshop on October 20, 2023.
- The Board will consider adoption of the 2024 Budget and endorsement of the 2024 - 2028 Financial Plan on October 27, 2023.

ALTERNATIVES

1. That the Electoral Area Committee endorse the 2024 - 2028 Financial Plan for the Electoral Area Service as presented in the report dated September 25, 2023, titled “2024 - 2028 Financial Plan – Electoral Area”, and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.
2. That the Electoral Area Committee make recommendations and endorse an amended 2024 - 2028 Financial Plan for the Electoral Area Service and forward the amended Financial Plan to the Finance Committee on October 13, 2023 and to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

FINANCIAL IMPLICATIONS

If the MVRD Board endorses the 2024 - 2028 Financial Plan for the Electoral Area Service, as presented under Alternative 1, in 2024 the Electoral Area requisition will increase by \$26,187 (6.4%) for a total requisition of \$433,645. The increase in the Electoral Area requisition represents a \$4 increase in the cost to the average Electoral Area household to \$62.

Over the term of the five-year plan, the annual Electoral Area requisition is projected to increase by an average of \$85,987 per year (3.9%) to provide the required revenue to offset projected expenditures. It is anticipated that the cost to the average Electoral Area household over the next five years for electoral area services will rise from \$62 in 2024 to \$71 in 2028 representing an approximate average annual increase of \$2 (3.9%).

Under Alternative 2, the Committee may wish to consider recommending amendments to the 2024 Budget and Five-year Financial Plan for consideration at the Metro Vancouver Board Budget Workshop. Any changes to the plan may have an impact on the MVRD Financial Plan.

CONCLUSION

The Electoral Area Service 2024 Budget and Five-year Financial Plan has been prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop and to respond to direction provided in the *Board Strategic Plan*. It is presented to Committee and Board members to provide overview information on activities and financial impacts for the years 2024 to 2028 for Electoral Area Services.

The presentation of this year’s five-year financial plan for Electoral Area provides the opportunity for Metro Vancouver to share with its member jurisdictions the proposed service related initiatives over the next five years. It is intended to be used as a guiding document for member jurisdictions in the development of their five-year financial plans and includes projections on household impact to demonstrate how the plan will remain affordable for residents while keeping pace with our critical requirements.

Staff recommends endorsing the 2024 - 2028 Financial Plan and Annual Work Plan for Electoral Area A Service as presented under alternative one.

ATTACHMENTS

1. 2024 - 2028 Financial Plan
2. 2024 Work Plan
3. 2024 - 2028 “What’s Happening”
4. 2024 - 2028 Projected Reserves – Electoral Area Service
5. Presentation re: 2024 - 2028 Financial Plan – Electoral Area

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**METRO VANCOUVER REGIONAL DISTRICT
ELECTORAL AREA SERVICE
2024 BUDGET REVIEW
2024 - 2028 FINANCIAL PLAN**

	2023 BUDGET	2024 BUDGET	% CHANGE	2025 FORECAST	% CHANGE	2026 FORECAST	% CHANGE	2027 FORECAST	% CHANGE	2028 FORECAST	% CHANGE
REVENUES											
Electoral Area Requisition	\$ 407,458	\$ 433,645	6.4%	\$ 457,999	5.6%	\$ 471,604	3.0%	\$ 479,693	1.7%	\$ 493,445	2.9%
User Fees	11,000	12,000		12,000		12,000		12,000		12,000	
Other External Revenues	186,668	653,083		4,703,083		503,083		203,083		203,083	
Transfer from Reserves	124,000	120,000		105,000		200,000		90,000		100,000	
TOTAL REVENUES	\$ 729,126	\$ 1,218,728	67.1%	\$ 5,278,082	333.1%	\$ 1,186,687	(77.5%)	\$ 784,776	(33.9%)	\$ 808,528	3.0%
EXPENDITURES											
Operating Programs:											
Community Planning	\$ 427,750	\$ 889,432		\$ 4,945,877		\$ 767,668		\$ 464,579		\$ 486,837	
Building Inspections	21,250	27,191		27,699		28,229		28,766		29,318	
Local Government Election	-	-		-		124,676		-		-	
Fraser Valley Library Services	2,067	2,000		2,000		2,000		2,000		2,000	
Emergency Planning	20,000	20,000		20,000		20,000		20,000		20,000	
	471,067	938,623	99.3%	4,995,576	432.2%	942,573	(81.1%)	515,345	(45.3%)	538,155	4.4%
Contribution to Election Reserve	30,000	30,000		30,000		-		30,000		30,000	
Contribution to Reserve	186,668	203,083	8.8%	203,083	0.0%	203,083	0.0%	203,083	0.0%	203,083	0.0%
	216,668	233,083	7.6%	233,083	0.0%	203,083	(12.9%)	233,083	14.8%	233,083	0.0%
Allocation of Centralized Support	41,391	47,022	13.6%	49,423	5.1%	41,031	(17.0%)	36,348	(11.4%)	37,290	2.6%
TOTAL EXPENDITURES	\$ 729,126	\$ 1,218,728	67.1%	\$ 5,278,082	333.1%	\$ 1,186,687	(77.5%)	\$ 784,776	(33.9%)	\$ 808,528	3.0%

ELECTORAL AREA SERVICES

Description of services

Electoral Area Services of the Metro Vancouver Regional District (MVRD) provides local government services to Electoral Area A including emergency planning and response services for the entire area of Electoral Area A, including Point Grey. Building inspection and land use planning are provided to the noncontiguous unincorporated areas of the MVRD, excluding Point Grey. Electoral Area A is an unincorporated area comprising 818 km² of land area, stretching from Point Grey and Howe Sound in the west, to Pitt Lake in the east, and includes Barnston Island and the northern part of Indian Arm.

The local government services provided to Electoral Area A includes emergency planning and response services for the entire area of Electoral Area A, including Point Grey. Building inspection and land use planning are provided to the mainland areas outside of Point Grey only.

Strategic directions and high-level goals supported

2020-2023 Board Strategic Plan

- Support the efforts of members in developing complete, livable and healthy communities.
- Enhance relationships between Metro Vancouver and other orders of government, First Nations,
- Adjacent regional districts and key stakeholders.
- Build resilience in communities to prepare for and adapt to changing physical and environmental conditions.

Performance indicators

Indicator	Historical and/or industry benchmark	Current Performance	2024 Performance Objective
Number of public meetings and engagement events	2019: 9 2020: 9 2021: 11 2022: 9	Projected 2023: 9	9
Number of visits to the Electoral Area A Website	2019: 14,596 2020: 12,606 2021: 12,468 2022: 16,483	Projected 2023: 12,000	12,000

2024 key actions

- Advance work on the Barnston Island dike improvements using provincial funding
- Complete a barge clean-up event for Indian Arm water access communities
- Receive and consider the Electoral Area A Community Wildfire Resiliency Plan
- Consider Community Works Fund projects identified by the UEL community
- Continue to administer the building, zoning, official community plan, and unsightly premise and nuisance bylaws
- Communicate with Electoral Area residents through the Electoral Area Bulletin and Electoral Area Director's Update
- Engage the UBC/UEL communities on liquor license and retail cannabis referrals, and participate in the next steps of the Province's UEL Governance Study
- Continue to offer staff support to the Electoral Area Board Director
- Facilitate emergency management education for residents

Electoral Area Services

2024 to 2028 – WHAT’S HAPPENING

Below is a summary of the initiatives to be undertaken by Electoral Area Services over the next 5 years.

Initiative	Description	Theme
2024		
Barnston Island Dike Improvements	Award contract(s) for design and early works for identified improvements	System Stewardship
Clean-up Event	Barge cleanup event in Indian Arm	Environmental Sustainability
Community Works Fund	Consider priority projects in UEL for funding through the Community Works Fund	Regional Growth Financial Sustainability
2025		
Barnston Island Dike Improvements	Construction and implementation of identified improvements	System Stewardship
Emergency Preparedness	Support resident-preparedness for fires & earthquake (hands-on training, equipment)	Regional Growth System Stewardship
2026		
Local Government Election	Administer local government election in Electoral Area A	System Stewardship
Clean-up Event	Barge cleanup event in Pitt lake	Environmental Sustainability
2027		
Emergency Preparedness	Support resident-preparedness for fires & earthquake (hands-on training, equipment)	Regional Growth System Stewardship
Community Works Fund	Consider priority projects in UBC/UNA/UEL for funding through the Community Works Fund	Regional Growth Financial Sustainability
2028		
Clean-up Event	Barge cleanup event in Howe Sound	Environmental Sustainability

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**METRO VANCOUVER DISTRICTS
2024 - 2028 PROJECTED RESERVES - ELECTORAL AREA**

OPERATING RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Electoral Area Service	\$ 30,682	\$ 30,682	\$ -	\$ -	\$ 767	\$ 31,449	\$ 32,235	\$ 33,041	\$ 33,867	\$ 34,714

DISCRETIONARY RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Electoral Area General Reserve	\$ 1,610,776	\$ 1,610,776	\$ 60,000	\$ (120,000)	\$ 39,519	\$ 1,590,295	\$ 1,584,490	\$ 1,573,477	\$ 1,582,439	\$ 1,581,500

STATUTORY RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Electoral Area Service										
Community Works Reserve	\$ 905,076	\$ 905,076	\$ 143,083	\$ -	\$ 24,415	\$ 1,072,574	\$ 1,244,260	\$ 1,420,238	\$ 1,600,615	\$ 1,785,502
Electoral Area Election Reserve	44,742	44,742	30,000	-	1,494	76,236	108,517	20,105	50,983	82,633
Total	\$ 949,818	\$ 949,818	\$ 173,083	\$ -	\$ 25,909	\$ 1,148,810	\$ 1,352,777	\$ 1,440,343	\$ 1,651,598	\$ 1,868,135

To: Housing Committee

From: Heather McNell, Deputy Chief Administrative Officer, Policy and Planning

Date: September 28, 2023 Meeting Date: October 13, 2023

Subject: **2024 - 2028 Financial Plan – Housing Planning and Policy**

RECOMMENDATION

That the Housing Committee endorse the 2024 - 2028 Financial Plan for Housing Planning and Policy as presented in the report dated September 28, 2023, titled “2024 - 2028 Financial Plan – Housing Planning and Policy”, and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

EXECUTIVE SUMMARY

The 2024 - 2028 Metro Vancouver Financial Plan has been prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop. The direction followed the recommendations of the Financial Plan Task Force, which included the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan. This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Metro Vancouver has met the household impact targets that were recommended by the Financial Plan Task Force and adopted at the April 19, 2023 Board Budget Workshop. This has resulted in an overall consolidated household impact for 2024 to be 12.0%, down from the 14.2% projected for 2024 in the prior financial planning cycle as well as a reduction in the cumulative household impact of 40% over the common four years in comparison to the prior financial plan.

The Housing Planning and Policy team supports the Metro Vancouver Housing Corporation capital (re)development housing projects and the implementation of the *Metro Vancouver Housing 10-Year Plan*. This function also supports and convenes member jurisdictions around housing issues, and supports regional housing priorities through the provision of planning and policy resources and information, best practices research, and advocacy.

PURPOSE

To present the 2024 - 2028 Financial Plan for the Housing Planning and Policy function for consideration by the Committee.

BACKGROUND

Metro Vancouver’s annual budget process includes the development of detailed annual budgets and the updating of five-year financial plans for each of the four Metro Vancouver legal entities (Metro Vancouver Regional District, Metro Vancouver Housing Corporation, Greater Vancouver Water District and Greater Vancouver Sewerage and Drainage District).

On April 19, 2023 a Metro Vancouver Board Budget Workshop was held with the objective to seek direction for the preparation of the 2024 - 2028 Financial Plan. The workshop outlined the principles that guide the work of Metro Vancouver as an organization and provided a proposed approach for the 2024 - 2028 Financial Plan based on the work of the Financial Plan Task Force that was created by the Board Chair. This included an adoption of the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan.

This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Key highlights of the overall Metro Vancouver 2024 proposed budget are as follows:

- A reduction of \$15 million of the total 2024 Metro Vancouver proposed operating budget compared to that previously projected for 2024;
- Increased contribution to capital of \$32M for debt avoidance and increases in reserve contributions of just over \$6M for key functions;
- Reduced total capital cash flow of roughly \$655M 2024 through 2027 for the utilities; and
- Reduction of household impact, \$13 less than that previously projected for 2024.

This report focuses on the Housing Planning and Policy Service and presents the 2024 provisional annual budget and the updated five-year plan for the years 2024 to 2028 for Committee consideration.

HOUSING PLANNING AND POLICY PROGRAM

The Housing Planning and Policy function contributes to processes and decisions related to regional housing planning and research, supports the development of affordable housing projects through implementation of the *Metro Vancouver Housing 10-Year Plan* and *Metro 2050*, coordinates the Regional Planning Advisory Committee – Housing Subcommittee and works to secure funding and available lands owned by member jurisdictions for new affordable housing.

The Housing Planning and Policy initiatives planned over the next five years are guided by direction provided in the *Board Strategic Plan* and *Metro Vancouver Housing 10-Year Plan*, specifically:

- Implement the Metro Vancouver 10-Year Housing Plan to support affordable housing and engaged communities in the region;
- Strengthen awareness and engagement with the public, members, other orders of government, and key stakeholders on a range of initiatives regarding the role and value of Metro Vancouver Housing Corporation;

- Develop and implement financial plans and policies that reflect a commitment to sound financial management and long-term planning, in consideration of current and future ratepayers; and
- Support healthy engaged communities, preserve existing housing to maintain affordability and grow strategically through redevelopment and new developments.

WORK PLAN PERFORMANCE INDICATORS

High level performance indicators have been developed across the organization to evaluate trends, determine key actions for the coming year, and to assist in long-term planning. The 2024 Work Plan for Housing Planning and Policy is presented in this report. Within the Housing Planning and Policy Work Plan, a number of performance indicators have been developed and are being tracked. These include:

- New Development – The Steller (Burnaby) and Heron’s Nest (Pitt Meadows) sites: 100% of design completed, begin construction in 2024;
- New Development – Riverside Drive (District of North Vancouver): 100% of design completed, advance to shovel ready status for construction start in 2026;
- New Development – Initiation of all Tranche 2 Partnership projects: 0-10% of design complete, partners secured for all identified sites;
- Redevelopment – Moray Place (Port Moody): 40% of design complete; conclude concept planning and advance development approvals (i.e. rezoning);
- 350 partnership units initiated; and
- 600 new development units initiated.

The performance measures identify the percentage of design completed (through Building Permit) once project concepts have been approved by the MVHC Committee and Board. Projects in construction stages are listed in the MVHC Annual Work Plan report.

CONTINUOUS IMPROVEMENT

Housing Planning and Policy supports and guides MVHC with policy and strategic planning as well as supporting member jurisdictions with research and best practices to advance housing policy in the region. A jurisdictional scan and best practice review of inclusionary housing policies and practices is currently underway, which will include creating a model inclusionary housing policy and an exploration of MVHC roles in supporting and administering units generated through inclusionary housing.

In 2023, MVHC entered into a Memorandum of Understanding with the Province to support the delivery of 2,000 new homes over the next 10 years. With a portfolio approach to funding, and with significant progress having been made toward delivering other objectives of the *Metro Vancouver Housing 10-Year Plan*, an update to the plan is required to ensure it remains relevant in guiding MVHC investments and decisions.

Further improvement initiatives include:

- Create a *Metro 2050* implementation guideline to support achievement of regional growth strategy housing policies, including the regional target of 15% affordable rental housing within Urban Centres and Frequent Transit Development Areas;

- Update the municipal measures matrix outlining actions being taken by member jurisdictions to further housing affordability and delivery;
- Refresh the *Metro Vancouver Housing 10-Year Plan* to reflect current market conditions and present a renewed vision for the future;
- Develop an expanded partnership approach including identifying criteria for evaluating opportunities and potential partners;
- Review and update internal finance and operational policies, procedures, and documentation to ensure clear and consistent documentation, identify opportunities to update and streamline procedures, and ensure standard application across different teams; and
- Ensure affordable housing supports those who need it most and supports greater financial sustainability and certainty for new development projects without reliance on external funding or ongoing operating subsidies by implementing new policies/procedures to introduce income testing for new Low End of Market tenants.

2024 BUDGET AND 2024 - 2028 FINANCIAL PLAN

The five-year financial plans for this cycle have been updated to address five central priorities identified by the Metro Vancouver Board in its Strategic Plan to guide the development of plans and budgets. The five priorities are as follows:

- Financial Sustainability and Regional Affordability
- Climate Action
- Resilient Services and Infrastructure
- Reconciliation
- Housing

Each Metro Vancouver function has an Annual Work Plan that includes strategic directions, performance indicators and key actions to guide the work for the coming year. Each function also has a “What’s Happening” summary that highlights the program highlights for the next five years.

The 2024 - 2028 Housing Planning and Policy Financial Plan is included as Attachment 1. The 2024 Annual Work Plan for Housing Planning and Policy presented in this report is included in Attachment 2, and the “What’s Happening” highlights for the years 2024 - 2028 are included in Attachment 3.

Operating Budget Highlights

The Housing Planning and Policy 2024 operating budget is proposed to increase by \$992,699 to a total budget of \$8.2 million (Attachment 1). This increase is primarily due to the planned initiation of new one-time Sustainability Innovation Fund projects (Building Resilience - Exploring the Potential of Renewable Energy Building Infrastructure; Step Code Implementation Impacts for Building Envelope Rehabilitation of Existing Buildings; Panelized Mass-timber for Retrofits, Adding Resiliency and Additional Units for Retrofits; and Living Building Challenge Certification Feasibility for Rehabilitation).

The 2024 operating budget includes the following actions:

- Support the implementation of the *Metro Vancouver Housing 10-Year Plan*

-
- Initiate a 10-Year Plan update to reflect Tranche 2 objectives and expanded targets
 - Progress concept design for new Riverside Drive site (District of North Vancouver) to schematic design and development approvals
 - Initiate five new partnership projects to advance through design and approvals as part of MVHC's next phase of projects (Tranche 2)
 - Continue to pursue partnership opportunities with public, private and other housing stakeholders
 - Continue to review and update internal procedures surrounding tenant subsidies
 - Best practice research to support MVHC development standards
 - Continue to update tenant policies as required (e.g., periodic income testing for low end of market tenants, ombudsperson procedure)
 - Continue to explore opportunities to acquire or manage inclusionary housing units built by private developers
 - Explore opportunities to acquire purpose-built rental housing buildings through the Rental Protection Fund
 - Continue to develop materials and communications to support tenant relocation
- Support the implementation of the Metro Vancouver Housing Redevelopment Plan to advance the redevelopment of four Tranche 2 redevelopment projects;
 - Support Metro Vancouver Regional Planning implementation of policies related to housing for Metro 2050, the regional growth strategy;
 - Convene the Regional Planning Advisory Committee – Housing Subcommittee and support members around regional housing issues and support with best practice research and advocacy; and
 - Continue to implement the strategy to update existing MVHC leases with municipal members, and explore innovative approaches such as rezoning MVHC properties on a portfolio basis.

Over the next five years, operating programs decrease by \$440,671 or an average of 0.9% per year. The decrease is due to the completion of planned projects funded through the Sustainability Innovation Fund. However, as new projects are identified and approved in future years, annual budgets will be adjusted accordingly.

Communications Program

The 2024 Housing Planning and Policy Communications Program of \$25,000 is focused on outreach to build better understanding and awareness of the Metro Vancouver Housing function in the region and to engage existing tenants to collect and analyze demographic and user experience data to guide development and operational planning. There will be emphasis on further branding work including multimedia support, focus groups and public opinion research where needed.

Reserve Funds

The 2024 - 2028 Financial Plan for Housing Planning and Policy includes a \$1.0 million annual contribution to support the re-development of existing housing sites through the affordable housing re-development reserve and a \$4.0 million annual contribution. This amount was previously anticipated to increase to a \$6.0 million annual contribution. With a one-time \$20 million in grant funding allocated from the Building Communities fund to support MVH expansion, this contemplated increase in the tax requisition has been deferred to be revisited in the future to

support the development of MVHC affordable housing on member jurisdiction or regional lands. Reserve usage is in accordance with the *Operating, Statutory and Discretionary Reserves Policy*.

The financial plan for Housing Planning and Policy does not have any proposed applications of reserve funding. The 2024 - 2028 Projected Reserves for Housing Planning and Policy is included in Attachment 4.

APPROVAL PROCESS

The proposed 2024 - 2028 Financial Plan and Annual Work Plan is presented for consideration and endorsement before being forwarded to the Board for consideration. The next steps of the process are:

- The 2024 - 2028 Financial Plan and Annual Work Plan will be presented for consideration at the Metro Vancouver Board Budget Workshop on October 20, 2023.
- The Board will consider adoption of the 2024 Budget and endorsement of the 2024 - 2028 Financial Plan on October 28, 2022.

ALTERNATIVES

1. That the Housing Committee endorse the 2024 - 2028 Financial Plan for Housing Planning and Policy as presented in the report dated September 28, 2023, titled “2024 - 2028 Financial Plan – Housing Planning and Policy”, and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.
2. That the Housing Committee make recommendations and endorse an amended 2024 - 2028 Financial Plan for the Housing Planning and Policy Service and forward the amended Financial Plan to the to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

FINANCIAL IMPLICATIONS

If the MVRD Board endorses the 2024 - 2028 Financial Plan for the Housing Planning and Policy Service, as presented under Alternative 1, in 2024 the Housing Planning and Policy requisition will increase by \$288,299 (4.6%) for a total requisition of \$6.6 million. Of this total, \$5 million per year comes from the property tax requisition allocated to both advancing the planning and design of capital redevelopment projects and for new sites developed in partnership with member jurisdictions.

Over the term of the five-year plan, the annual Housing Planning and Policy requisition is projected to increase by an average of \$93,706 per year (1.5%) to provide the required revenue to offset projected expenditures. It is anticipated that the cost to the average regional household over the next five years for the Housing Planning and Policy function will stay at current amount of \$5-\$6 per household.

Under Alternative 2, the Committee may wish to consider recommending amendments to the 2024 Budget and Five-Year Financial Plan for consideration at the Metro Vancouver Board Budget Workshop. Any changes to the plan may have an impact on the MVRD Financial Plan.

CONCLUSION

The Housing Planning and Policy function 2024 Budget and Five-Year Financial Plan has been prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop and to respond to direction provided in the *Board Strategic Plan*. It is presented to Committee and Board members to provide overview information on activities and financial impacts for the years 2024 to 2028 for Housing Planning and Policy.

The presentation of this year's five-year financial plan for Housing Planning and Policy provides the opportunity for Metro Vancouver to share with its member jurisdictions the proposed service related initiatives over the next five years. It is intended to be used as a guiding document for member jurisdictions in the development of their five-year financial plans and includes projections on household impact to demonstrate how the plan will remain sustainable while keeping pace with our critical requirements. Staff recommends endorsing the 2024 - 2028 Financial Plan and Annual Work Plan for Housing Planning and Policy as presented under alternative one.

Attachments:

1. 2024 - 2028 Financial Plan
2. 2024 Work Plan
3. 2024 - 2028 "What's Happening"
4. 2024 - 2028 Projected Reserves – Housing Planning and Policy Service
5. Presentation re: 2024 - 2028 Financial Plan – Housing Planning and Policy

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**METRO VANCOUVER REGIONAL DISTRICTS
HOUSING PLANNING AND POLICY
2024 BUDGET REVIEW
2024 - 2028 FINANCIAL PLAN**

	2023 BUDGET	2024 BUDGET	% CHANGE	2025 FORECAST	% CHANGE	2026 FORECAST	% CHANGE	2027 FORECAST	% CHANGE	2028 FORECAST	% CHANGE
REVENUES											
Metro Vancouver Regional District Requisitions	\$ 6,280,995	\$ 6,569,294	4.6%	\$ 6,892,632	4.9%	\$ 6,750,314	(2.1%)	\$ 6,717,515	(0.5%)	\$ 6,749,524	0.5%
Transfer from Sustainability Innovation Fund Reserves	909,200	1,613,600		179,200		20,000		-		-	
TOTAL REVENUES	\$ 7,190,195	\$ 8,182,894	13.8%	\$ 7,071,832	(13.6%)	\$ 6,770,314	(4.3%)	\$ 6,717,515	(0.8%)	\$ 6,749,524	0.5%
EXPENDITURES											
Operating Programs:											
Housing Planning and Policy	\$ 2,048,460	\$ 3,041,677		\$ 1,765,440		\$ 1,597,077		\$ 1,566,505		\$ 1,609,365	
Contribution to Housing Planning and Policy Re-development Reserve	1,000,000	1,000,000		1,000,000		1,000,000		1,000,000		1,000,000	
Contribution to Housing Planning and Policy Development Reserve	4,000,000	4,000,000		4,000,000		4,000,000		4,000,000		4,000,000	
	\$ 7,048,460	\$ 8,041,677	14.1%	\$ 6,765,440	(15.9%)	\$ 6,597,077	(2.5%)	\$ 6,566,505	(0.5%)	\$ 6,609,365	0.7%
Communications Program	25,000	25,000	0.0%	25,000	0.0%	25,000	0.0%	25,000	0.0%	25,000	0.0%
Allocation of Centralized Support Costs	116,735	116,217	(0.4%)	281,392	142.1%	148,237	(47.3%)	126,010	(15.0%)	115,159	(8.6%)
TOTAL EXPENDITURES	\$ 7,190,195	\$ 8,182,894	13.8%	\$ 7,071,832	(13.6%)	\$ 6,770,314	(4.3%)	\$ 6,717,515	(0.8%)	\$ 6,749,524	0.5%

HOUSING PLANNING AND POLICY

Description of Services

The Housing Planning and Policy function supports the development and operation of Metro Vancouver Housing Corporation affordable housing projects and implementation of the *Metro Vancouver Housing 10-Year Plan*. This includes identification and planning of new and existing housing sites, supporting development projects through design and approvals, strategic planning and policy development for MVHC, and best practice research to support processes and decisions related to housing development and operations. This function also supports and convenes member jurisdictions around affordable housing issues and supports regional housing priorities through the provision of planning and policy resources and information, best practices research, and advocacy.

The Housing Planning and Policy group has the following functions:

- Lead the planning and analysis of properties to assess redevelopment potential;
- Work with member municipalities to identify land for the development of affordable housing;
- Oversee initial site studies and assessment and confirm project viability;
- Lead concept planning for new development projects;
- Support MVHC affordable housing development projects including leading coordination of development approval processes, agreements, and community engagement;
- Support MVHC Operations on development projects including planning for tenant relocation, tenant engagement, communications, and rent-up;
- Research and integrate best practices to support development design decisions and standards;
- Support or lead funding applications for MVHC development projects including project-specific funding calls and broader portfolio funding discussions with provincial and federal governments;
- Develop both Corporate and Board policies for Metro Vancouver Housing to ensure housing operations and development align and support the Board Strategic Plan, the *Metro Vancouver Housing 10-Year Plan*, *Metro 2050*, and the *Residential Tenancy Act*;
- Monitor a 10-year housing strategy to implement goals around operations, maintenance, growth, and partnerships and meet strategic targets;
- Coordinate the Regional Planning Advisory Committee – Housing Subcommittee; and
- Provide support, planning and policy resources, best practice research and advocacy for regional housing priorities.

Strategic Directions and High-level Goals Supported

- Support the implementation of the *Metro Vancouver Housing 10-Year Plan*.
- Review, update and develop policies that reflect a commitment to sound financial management and long-term planning, in consideration of current and future residents.
- Strengthen awareness and engagement with the public, members, other orders of government, and key stakeholders on a range of initiatives regarding the role and value of Metro Vancouver Housing.
- Convene municipal staff and stakeholders to share ideas on affordable housing.
- Facilitate partnerships with member municipalities and other stakeholders to expand

affordable rental housing within the region.

- Pursue funding and program opportunities with other orders of government.
- Implement the *Metro Vancouver Housing Redevelopment Plan* to advance the redevelopment of MVHC housing sites.
- Support the implementation of housing related policy for *Metro 2050*, the regional growth strategy.

Performance indicators

Indicator (% of design completed)	Historical and/or Industry Benchmark (2021)	Current Performance (2022)	2024 Performance Objective
The Steller (Burnaby) – New development	Design 20%	Design 45%	Design 100% Construction 10%
Heron’s Nest (Pitt Meadows) – New development	Design 20%	Design 70%	Design 100% Construction 30%
Riverside Drive (District of North Vancouver) – New development	0%	Design 5% (feasibility study and preliminary concept complete in 2023)	Design 100% (continue design development, advance to shovel ready status for 2026 construction start)
Moray Place (Port Moody) – Redevelopment	0%	0%	Design 40% (complete concept planning and advance development approvals)
Tranche 2 Partnership projects (Various)	0%	0%	Design 0 – 10% (partners secured for all sites – project initiation)

**The performance objective measures the percentage of design completed (through Building Permit) once project concepts have been approved by the MVHC Committee and Board. Projects in construction stages are listed in the MVHC Annual Work Plan report.*

2024 Key Actions

Policy & Planning

- Support the implementation of the *Metro Vancouver Housing 10-Year Plan*
 - Initiate a 10-Year Plan update to reflect Tranche 2 objectives and expanded targets
 - Progress concept for new Expression of Interest (Round 2) site in the District of North Vancouver to schematic design and development approvals
 - Initiate five new partnership projects to advance through design and approvals as part of MVHC’s next phase of projects (Tranche 2)
 - Continue to pursue partnership opportunities with public, private and other housing

stakeholders

- Continue to review and update internal procedures surrounding tenant subsidies
- Best practice research to support MVHC development standards
- Continue to update tenant policies as required (e.g., periodic income testing for low end of market tenants, ombudsperson procedure)
- Continue to explore opportunities to acquire or manage inclusionary housing units built by private developers
- Explore opportunities to acquire purpose-built rental housing buildings through the Rental Protection Fund
- Continue to develop materials and communications to support tenant relocation
- Support the implementation of the Metro Vancouver Housing Redevelopment Plan to advance the redevelopment of existing MVHC sites.
 - Continue to support planning needs of 5 active redevelopment projects
 - Continue to support planning for Expression of Interest (Round 2) site in the District of North Vancouver
 - Advance four redevelopment projects through design and approvals as part of MVH's next phase of projects (Tranche 2)
 - Coordinate requirements and applications for funding programs as needed
 - Work with Operations to create Rent Up Strategies for projects nearing completion
- Support Metro Vancouver Regional Planning implementation of policies related to housing for Metro 2050, the regional growth strategy
 - Implement the Regional Affordable Rental Housing Target and create an implementation guideline to support achievement of Metro 2050 housing policies
- Convene the Regional Planning Advisory Committee's Housing Subcommittee and support members around regional housing issues and development of best practice research and advocacy
 - Create a regional inclusionary housing policy model
- Continue to implement strategies to renew existing MVHC leases with municipal members, and explore innovative approaches such as rezoning MVHC properties on a portfolio basis

Communications Program

- Work to build a better understanding and awareness of MVHC among key stakeholders through further branding work including multimedia support where needed
- Work with Operations and External Relations to continue to update tenant-facing materials to improve clarity and understanding
- Continue to engage existing tenants to collect and analyze demographic and user experience data to guide development and operational planning

Housing Planning and Policy

2024 to 2028 – WHAT’S HAPPENING

Below is a summary of the significant initiatives to be undertaken by Housing Planning and Policy over the next 5 years.

Initiative	Description	Theme
2024		
10-Year Plan Implementation	Continue to implement the <i>Metro Vancouver Housing 10-Year Plan</i> , and update the Plan based on Tranche 2 strategies and expanded targets	Regional growth, financial & environmental sustainability
Advance Tranche 1 redevelopment and new development projects to construction	Continue to advance Tranche 1 redevelopment and new development projects including: Heather Place B, Kingston Gardens, Salal Landing, The Connection, Heron’s Nest, The Steller, and Malaspina Village – Phase 1 through to construction and occupancy	Regional growth
Progress new housing site on member lands	Progress concept plan for Riverside Drive site (DNV) to schematic design and development approvals.	Regional growth
Advance Tranche 2 redevelopment and new development projects through design and approvals	Initiate four new redevelopment projects to advance through design and approvals as part of MVH’s next phase of projects (Tranche 2)	Regional growth
Strategic planning and policy for MVHC	Continue to develop and implement new policies and procedures to support periodic income testing of low end of market tenants, ombudsperson procedures, and tenant relocation. Implement an annual review process for all Corporate and Board operational policies for Metro Vancouver Housing.	Financial sustainability
Seek funding support for development projects	Continue to pursue provincial and federal funding for development projects, including funding opportunities to further enhance sustainability	Regional growth, financial & environmental sustainability
Expand housing portfolio through development partnerships	Initiate five new partnership projects to advance through design and approvals as part of MVH’s next phase of projects (Tranche 2)	Regional growth
Expand housing portfolio through acquisition or management of inclusionary housing units	Continue to explore opportunities to increase MVH’s portfolio through acquisition or management of units obtained through inclusionary housing policies	Regional growth

Support regional planning and policy on housing-related issues	Undertake best practice research to support regional housing priorities; support capacity building for MVHC as well as regional housing stakeholders; create a regional inclusionary housing policy model	Regional capacity building
Support regional housing policy in Metro 2050	Implement the Regional Affordable Rental Housing Target and create an implementation guideline to support achievement of Metro 2050 housing policies	Regional planning
Update existing MVHC leases, and pre-zone existing sites	Continue to plan for upcoming renewal of existing MVHC leases with member jurisdictions, and explore innovative approaches such as rezoning MVHC properties on a portfolio basis	Regulatory and Legislative Environment
2025		
10-Year Plan Implementation	Continue to implement the Metro Vancouver Housing 10-Year Plan	Regional growth, financial & environmental sustainability
Implement redevelopment and new development projects	Continue to progress active redevelopment and new development projects and partnerships; advance development approvals for Tranche 2 projects; initiate tenant relocation	Regional growth
Seek funding support for development projects	Continue to pursue provincial and federal funding for development projects, including funding opportunities to further enhance sustainability	Regional growth, financial & environmental sustainability
Develop new Regional Affordable Housing Strategy	Undertake the development of a new regional affordable housing strategy	Regional capacity building
Strategic planning and policy for MVHC	Continue to develop new policies and procedures to support operational, financial efficiency and industry best practices	Financial & environmental sustainability
Support regional planning and policy on housing-related issues	Undertake best practice research to support regional housing priorities; support capacity building for MVHC as well as regional housing stakeholders	Regional capacity building
Update existing MVHC leases, and pre-zone existing sites	Support upcoming renewal of existing MVHC leases with member jurisdictions, and continue to explore innovative approaches such as rezoning MVHC properties on a portfolio basis	Regulatory and Legislative environment
2026		
10-Year Plan Implementation	Continue to implement the Metro Vancouver Housing 10-Year Plan	Regional growth, financial & environmental sustainability
Implement redevelopment and new development projects	Continue to progress active redevelopment and new development projects and partnerships; prepare for anticipated construction start of MVH's next phase of	Regional growth

	projects (Tranche 2)	
Seek funding support for development projects	Continue to pursue provincial and federal funding for development projects, including funding opportunities to further enhance sustainability	Regional growth, financial & environmental sustainability
Develop new Regional Affordable Housing Strategy	Undertake the development of a new regional affordable housing strategy	Regional capacity building
Strategic planning and policy for MVHC	Continue to develop new policies and procedures to support operational, financial efficiency and industry best practices	Financial & environmental sustainability
Support regional planning and policy on housing-related issues	Undertake best practice research to support regional housing priorities; support capacity building for MVHC as well as regional housing stakeholders	Regional capacity building
Update existing MVHC leases, and pre-zone existing sites	Support upcoming renewal of existing MVHC leases with member jurisdictions, and continue to explore innovative approaches such as rezoning MVHC properties on a portfolio basis	Regulatory and Legislative environment
2027		
10-Year Plan Implementation	Continue to implement the Metro Vancouver Housing 10-Year Plan	Regional growth, financial & environmental sustainability
Implement redevelopment and new development projects	Continue to progress active redevelopment and new development projects and partnerships	Regional growth
Seek funding support for development projects	Continue to pursue provincial and federal funding for development projects, including funding opportunities to further enhance sustainability	Regional growth, financial & environmental sustainability
Regional Affordable Housing Strategy Implementation	Implement the new regional affordable housing strategy	Regional capacity building
Strategic planning and policy for MVHC	Continue to develop new policies and procedures to support operational, financial efficiency and industry best practices	Financial & environmental sustainability
Support regional planning and policy on housing-related issues	Undertake best practice research to support regional housing priorities; support capacity building for MVHC as well as regional housing stakeholders	Regional capacity building
Update existing MVHC leases, and pre-zone existing sites	Support upcoming renewal of existing MVHC leases with member jurisdictions, and seek to implement rezoning of MVHC properties on a portfolio basis	Regulatory and Legislative environment
2028		
10-Year Plan	Continue to implement the Metro Vancouver	Regional growth,

Implementation	Housing 10-Year Plan	financial & environmental sustainability
Implement redevelopment and new development projects	Continue to progress active redevelopment and new development projects and partnerships	Regional growth
Seek funding support for development projects	Continue to pursue provincial and federal funding for development projects, including funding opportunities to further enhance sustainability	Regional growth, financial & environmental sustainability
Regional Affordable Housing Strategy Implementation	Continue to implement the new regional affordable housing strategy	Regional capacity building
Strategic planning and policy for MVHC	Continue to develop new policies and procedures to support operational, financial efficiency and industry best practices	Financial & environmental sustainability
Support regional planning and policy on housing-related issues	Undertake best practice research to support regional housing priorities; support capacity building for MVHC as well as regional housing stakeholders	Regional capacity building

METRO VANCOUVER DISTRICTS

2024 - 2028 PROJECTED RESERVES - HOUSING PLANNING AND POLICY

OPERATING RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Housing Planning and Policy	\$ 68,902	\$ 68,902	\$ -	\$ -	\$ 1,723	\$ 70,625	\$ 72,391	\$ 74,201	\$ 76,056	\$ 77,957

STATUTORY RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Housing Planning and Policy										
Housing Planning and Policy Re-development Reserve	\$ 6,882,179	\$ 6,882,179	\$ 1,000,000	\$ -	\$ 184,554	\$ 8,066,733	\$ 1,180,901	\$ 1,210,424	\$ 1,240,685	\$ 1,271,702
Housing Planning and Policy Development Reserve	16,651,641	16,651,641	4,000,000	-	466,291	21,117,932	5,445,880	4,569,527	2,658,765	1,712,734
Total	\$ 23,533,820	\$ 23,533,820	\$ 5,000,000	\$ -	\$ 650,845	\$ 29,184,665	\$ 6,626,781	\$ 5,779,951	\$ 3,899,450	\$ 2,984,436

To: Housing Committee

From: Heather McNell, Deputy Chief Administrative Officer, Policy and Planning

Date: September 26, 2023 Meeting Date: October 13, 2023

Subject: **2024 - 2028 Financial Plan – Metro Vancouver Housing Corporation (MVHC)**

RECOMMENDATION

That the Housing Committee endorse the 2024 - 2028 Financial Plan for the Metro Vancouver Housing Corporation as presented in the report dated September 26, 2023, titled “2024 - 2028 Financial Plan – Metro Vancouver Housing Corporation”, and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

EXECUTIVE SUMMARY

The 2024 - 2028 Metro Vancouver Financial Plan has been prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop. The direction followed the recommendations of the Financial Plan Task Force, which included the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan. This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Metro Vancouver has met the household impact targets that were recommended by the Financial Plan Task Force and adopted at the April 19, 2023 Board Budget Workshop. This has resulted in an overall consolidated household impact for 2024 to be 12.0%, down from the 14.2% projected for 2024 in the prior financial planning cycle as well as a reduction in the cumulative household impact of 40% over the common four years in comparison to the prior financial plan.

MVHC’s 5-year financial plan supports its goals of:

- supporting healthy engaged communities;
- preserving existing housing to maintain affordability and improve energy efficiency;
- growing strategically through redevelopment and new developments; and
- partnering to expand affordable rental housing across the region.

Over the next five years, the MVHC annual budgeted revenue is expected to increase an average of \$3.1 million or 5.2% per year as the portfolio grows. The projected capital cash flow for 2024 - 2028 totals \$629.1 million, or an average of \$125.8 million per year. The delivery of 882 new homes within five years, and the acceleration of building rehabilitation work result in projected 2024 capital expenditures of \$23.1 million for capital maintenance and \$108.2 million for capital development, supported by debt, grants and MVHC’s Capital Development and Capital

Maintenance team manages the strategic redevelopment of existing sites, and expansion to new sites through partnerships with member jurisdictions, provincial and federal governments and others to develop additional affordable homes across the region.

MVHC initiatives planned over the next five years are guided by direction provided in the *Board Strategic Plan* and *Metro Vancouver Housing 10-Year Plan*, specifically:

- **Providing** safe, inclusive, diverse and affordable homes in communities throughout the region;
- **Preserving** the existing portfolio through capital maintenance to support affordability and improve sustainability and accessibility; and
- **Expanding** Metro Vancouver Housing's portfolio through redevelopment and partnerships with member jurisdictions and other orders of government.

WORK PLAN PERFORMANCE INDICATORS

High level performance indicators have been developed across the organization to evaluate trends, determine key actions for the coming year, and to assist in long-term planning. The 2024 Work Plan for MVHC is presented in this report. Within the MVHC Work Plan, performance indicators have been developed and are being tracked, many from the MVH 10 Year Plan. These include:

- Percentage of total units rented to Rent Geared to Income tenants (deeper subsidy);
- Vacancy rate (percentage based on number of available units);
- Number of tenant program activities delivered;
- Reduction of GHG emissions (45% below 2010 levels by 2030);
- Redevelopment projects including: Kingston Gardens (Surrey), Salal Landing (Port Coquitlam), Heather Place – Building B (Vancouver), The Connection (Burnaby), and Malaspina Village (Phase I) (Coquitlam);
- New development projects including: Heron's Nest (Pitt Meadows), and The Steller (Burnaby); and
- Rehabilitation projects including: Strathearn Court (Vancouver), Manor House (North Vancouver), Crown Manor (New Westminster), Le Chateau Place (Coquitlam), Minato West (Richmond), Somerset Gardens (Surrey), Meridian Village (Port Coquitlam), and Knightsbridge (Richmond).

MVHC will continue to provide one third of the tenant portfolio with deeper subsidized tenants, maintain a very low vacancy rate (0.1%), increase tenant programs and activities and continue the decrease in GHG emissions from MVHC operations. The redevelopment at five existing MVHC sites, and delivery of two new projects on member jurisdiction lands puts MVHC on track to exceed the 10-Year Plan target of 1,350 new and redeveloped affordable rental homes in MVHC's portfolio. Retrofit and rehabilitation is planned for 634 homes, with major building envelope rehabilitation planned at eight sites, demonstrating the commitment to preserve and revitalize existing homes.

CONTINUOUS IMPROVEMENT

MVHC has been reviewing and updating its standards and procedures. Notable updates include *Project Management Standards* and templates that ensure the consistent and efficient delivery of

development projects. In addition, a review of Operations has been completed and recommendations are now being implemented.

Further improvement initiatives include:

- Expanding through redevelopment and partnerships;
- Accelerating the delivery of large capital rehabilitation projects through the financing of these projects;
- Reviewing procurement approaches and exploring alternatives to expedite cost effective delivery of projects;
- Installing high efficiency mechanical equipment and making thermal improvements to building structures;
- Delivering projects approved through the Sustainability Innovation Fund:
 - Building Resilience: Exploring the Potential of Renewable Energy Building Infrastructure
 - Step Code Implementation Impacts for Building Envelope Rehabilitation of Existing Buildings
 - Novel On-Demand Domestic Hot Water System – Implementation and Study
 - Panelized Mass-timber for Retrofits
 - Adding Resiliency and Additional Units for Retrofits
 - Living Building Challenge Certification Feasibility for Rehabilitation; and
- Implementing a work order system and digital portal for tenants, and incorporating mobile technology into day-to-day field operations.

2024 BUDGET AND 2024 - 2028 FINANCIAL PLAN

The five-year financial plans for this cycle have been updated to address five central priorities identified by the Metro Vancouver Board in its Strategic Plan to guide the development of plans and budgets.

The five priorities are as follows:

- Financial Sustainability and Affordability
- Climate Action
- Resilient Services and Infrastructure
- Affordable Housing
- Reconciliation

Each Metro Vancouver function has an Annual Work Plan that includes strategic directions, performance indicators and key actions to guide the work for the coming year. Each function also has a “What’s Happening” summary that highlights the program highlights for the next five years.

The 2024 - 2028 MVHC Financial Plan is included as Attachment 1. The 2024 Annual Work Plan for the MVHC presented in this report is included in Attachment 3 and the “What’s Happening” highlights for the years 2024 - 2028 are included in Attachment 4.

Operating Budget Highlights

The MVHC 2024 operating budget is proposed to increase by \$5.2 million for a total budget of \$60.3 million (Attachment 1). This increase is due to an increase in rents collected (more units coming on line and minor annual increase), and increased transfer from reserves for building maintenance.

The 2024 operating budget includes the following key actions:

- Continue implementation of the *Metro Vancouver Housing 10-Year Plan* and Asset Management Plan;
- Apply for currently available CMHC, FCM and CleanBC grants and other partnerships for our capital maintenance projects that target green building retrofits and the preservation of affordable housing. Any grants received will be applied to decrease the costs of projects, including financing where required.;
- Continue to develop and implement innovative tenant programs such as community gardens, free food programs, complimentary spring flowers programs, murals and communications projects;
- Continue to support tenants through relocation to support redevelopment;
- Develop and begin implementation of a new internal and external work order system;
- Enhance the online housing application process for tenants;
- Continue to build brand awareness with key industry stakeholders and residents of the region; and
- Work to build a better understanding the opinions and community needs of MVHC through focus group and public opinion research where needed.

Over the next five years, the MVHC annual budget is expected to increase an average of \$3.1 million or 5.2% per year, primarily due to the expansion of the housing portfolio as more units come on line.

Communications Program

The 2024 MVHC Communications Program of \$40,000 is focused on tenant and public engagement, video and graphic documentation of new and existing MVHC sites and programs for partner and tenant engagement, and marketing materials to help raise awareness and presence of MVHC as a leading provider of affordable housing in the region.

Capital Budget Highlights

The MVHC capital projects cash flow for 2024 is \$131.3 million with a total estimated spend of \$629.1 million over the next five years (Attachment 2). The capital program is funded by external financing, reserve funding, and grant funding from various levels of government. The capital projects planned and ongoing for 2024 include:

- The redevelopment and construction of Kingston Gardens - Phase I (Surrey), Salal Landing (Port Coquitlam), and Heather Place - Building B (Vancouver);
- Finalizing detailed design and construction tender for The Connection, The Steller (Burnaby) and Heron's Nest (Pitt Meadows) and finalizing detailed design for Malaspina Village – Phase I (Coquitlam); and

- Construction for Strathearn Court (Vancouver), Minato West (Richmond), Le Chateau Place (Coquitlam), Manor House (North Vancouver), and Somerset Gardens (Surrey) building envelope renewals and energy improvements.

Redevelopment Projects:

- Kingston Gardens – Phase 1 (Surrey) and Salal Landing (Port Coquitlam) are on track for 97% construction completion by the end of 2024;
- Heather Place – Building B (Vancouver) will achieve 35% construction in 2024;
- The Connection (Burnaby) will see finalized detailed design and construction tender in 2024; and
- Malaspina Village – Phase 1 (Coquitlam) will finalize detailed design in 2024.
- In addition, two projects on member jurisdiction lands – The Steller (Burnaby) and Heron’s Nest (Pitt Meadows), are in detailed design and will start construction in 2024. These projects will be funded through a combination of reserves, grants, partnerships and mortgage financing.

Rehabilitation Projects:

- Some of the rehabilitation projects will be funded through a combination of reserves, grants, and financing in order to accelerate the projects and take advantage of current grant funding opportunities. These projects are considered part of the capital plan due to the financing element, the other rehabilitation projects remain in the operations plan, as Capital Maintenance.
- The projects planned for financing are Manor House and Strathearn Court. Manor House is scheduled to be 97% completed in 2024 and Strathearn is scheduled to be 97% completed construction mid 2025. Le Chateau and Minato West are due to be 97% complete construction by the end of 2025. Somerset Gardens will start a 3-year period construction in 2026.

Reserve Funds

The application of reserve funding in MVHC is in accordance with the *Operating, Statutory and Discretionary Reserves Policy* and is primarily made through its Capital Development and Capital Replacement Reserves. In 2024, the financial plan includes \$27.5 million in reserve usage for significant asset maintenance and replacement, of which \$14.3 million is from the Capital Replacement Reserve and the remaining \$1.7 million is from the Restricted Capital Replacement Reserve. In 2024, \$11.5 million in reserve funding will be applied for capital development projects. A one-time grant of \$20 million from the Growing Communities Fund is being applied to the Capital Development Reserve to assist with infrastructure costs associated with expanding affordable housing. The 2024 - 2028 Projected Reserves for MVHC is included in Attachment 5.

APPROVAL PROCESS

The proposed 2024 - 2028 Financial Plan and Annual Work Plan is presented for consideration and endorsement before being forwarded to the Board for consideration.

The next steps of the process are:

- The 2024 - 2028 Financial Plan and Annual Work Plan will be presented for consideration at the Metro Vancouver Board Budget Workshop on October 20, 2023; and
- The Board will consider adoption of the 2024 Budget and endorsement of the 2024 - 2028 Financial Plan on October 27, 2023.

ALTERNATIVES

1. That the Housing Committee endorse the 2024 - 2028 Financial Plan for the Metro Vancouver Housing Corporation as presented in the report dated September 6, 2022, titled “2024 - 2028 Financial Plan – Metro Vancouver Housing Corporation”, and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.
2. That the Housing Committee make recommendations and endorse an amended 2024 - 2028 Financial Plan for the MVHC, and forward the amended Financial Plan to the to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

FINANCIAL IMPLICATIONS

MVHC operations are funded primarily through rental revenues and do not have an impact on the overall MVRD tax requisition. If the MVRD Board endorses the 2024 - 2028 Financial Plan for the MVHC, as presented under Alternative 1, in 2024 the rental revenues are expected to generate a surplus from operations ranging from \$8.1 million in 2024 to \$9.0 million in 2028. This surplus has decreased moderately from prior projections owing to increases in operating costs exceeding increases in rents. The capital plan includes five redevelopment projects and five rehabilitation projects.

Under Alternative 2, the Committee may wish to consider recommending amendments to the 2024 Budget and Five-year Financial Plan for consideration at the Metro Vancouver Board Budget Workshop. Any amendments to the plan may have an impact on the MVRD Financial Plan.

SUMMARY / CONCLUSION

The MVHC 2024 Budget and Five-year Financial Plan was prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop and to respond to direction provided in the *Board Strategic Plan*. It is presented to Committee and Board members to provide overview information on activities and financial impacts for the years 2024 to 2028 for MVHC.

The presentation of the 2024 budget and five-year financial plan for MVHC provides the opportunity for Metro Vancouver to share with its member jurisdictions the proposed capital projects and operating programs, and the financial impact of these projects, over the next five years. The financial plan illustrates how Metro Vancouver proposes to pay for MVHC investments that will be required to maintain our assets and to respond to our region’s growing population. It is intended to be used as a guiding document for member jurisdictions in the development of their five-year financial plans.

Staff recommends endorsing the 2024 - 2028 Financial Plan and Annual Work Plan for MVHC as presented under alternative one.

Attachments:

1. 2024 - 2028 Financial Plan
2. 2024 - 2028 Capital Portfolio – Housing Development
3. 2024 Work Plan
4. 2024 - 2028 “What’s Happening”
5. 2024 - 2028 Projected Reserves – Metro Vancouver Housing Corporation

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**METRO VANCOUVER HOUSING CORPORATION
HOUSING
2024 BUDGET REVIEW
2024 - 2028 FINANCIAL PLAN**

	2023 BUDGET	2024 BUDGET	% CHANGE	2025 FORECAST	% CHANGE	2026 FORECAST	% CHANGE	2027 FORECAST	% CHANGE	2028 FORECAST	% CHANGE
REVENUES											
Housing Rents	\$43,776,981	\$ 45,207,881	3.3%	\$ 47,552,532	5.2%	\$ 52,589,082	10.6%	\$ 58,686,792	11.6%	\$ 61,114,867	4.1%
Housing Mortgage and Rental Subsidies	1,254,011	1,254,012		1,666,165		1,699,488		1,733,477		1,768,148	
Other External Revenues	927,600	1,002,083		1,011,925		1,021,886		1,031,959		1,042,138	
Financing Proceeds	-	-		-		-		-		-	
Transfer from Reserves	9,190,781	12,856,377		9,469,074		7,488,611		9,386,421		6,727,879	
TOTAL REVENUES	<u>\$55,149,373</u>	<u>\$ 60,320,353</u>	9.4%	<u>\$ 59,699,696</u>	(1.0%)	<u>\$ 62,799,067</u>	5.2%	<u>\$ 70,838,649</u>	12.8%	<u>\$ 70,653,032</u>	(0.3%)
EXPENDITURES											
Operating Programs:											
Property Operations	\$19,493,214	\$ 21,958,187		\$ 22,521,511		\$ 24,584,414		\$ 27,219,914		\$ 28,436,474	
Maintenance	1,136,393	1,221,612		1,253,426		1,286,427		1,320,156		1,354,658	
Housing Finance Operations	933,293	1,154,578		1,185,493		1,217,603		1,250,141		1,283,875	
Tenant Program and Services	609,913	874,407		986,992		1,010,700		1,034,774		1,059,681	
Site Administration	2,302,527	2,521,088		2,585,627		2,652,465		2,720,358		2,790,580	
Engineers in Training	7,350	10,273		13,378		13,736		14,100		14,477	
Administration and Department Support	1,515,185	1,543,513		1,583,840		1,625,551		1,667,971		1,711,794	
	<u>\$25,997,875</u>	<u>\$ 29,283,658</u>	12.6%	<u>\$ 30,130,267</u>	2.9%	<u>\$ 32,390,896</u>	7.5%	<u>\$ 35,227,414</u>	8.8%	<u>\$ 36,651,539</u>	4.0%
Communications Program	40,000	40,000	0.0%	40,000	0.0%	40,000	0.0%	40,000	0.0%	40,000	0.0%
Allocation of Centralized Support Costs	<u>\$ 2,352,769</u>	<u>\$ 2,697,141</u>	14.6%	<u>\$ 2,806,334</u>	4.0%	<u>\$ 2,640,877</u>	(5.9%)	<u>\$ 2,717,320</u>	2.9%	<u>\$ 2,782,822</u>	2.4%
Total Operating Programs	<u>\$28,390,644</u>	<u>\$ 32,020,799</u>	12.8%	<u>\$ 32,976,601</u>	3.0%	<u>\$ 35,071,773</u>	6.4%	<u>\$ 37,984,734</u>	8.3%	<u>\$ 39,474,361</u>	3.9%
Capital Maintenance	8,978,156	12,032,204	34.0%	7,706,948	(35.9%)	4,112,226	(46.6%)	5,590,056	35.9%	2,511,534	(55.1%)
Allocation of Project Delivery Cost	-	-	N/A	839,936	N/A	874,493	4.1%	908,669	3.9%	936,219	3.0%
Debt Service:											
Mortgage Payments	4,698,170	5,478,117	16.6%	6,871,683	25.4%	9,363,464	36.3%	12,160,655	29.9%	12,168,921	0.1%
Capital Maintenance Financing	212,625	824,173	287.6%	1,762,126	113.8%	3,376,385	91.6%	3,796,365	12.4%	4,216,345	11.1%
Contribution to Capital Replacement Reserve	1,858,786	1,911,397	2.8%	1,993,342	4.3%	2,135,704	7.1%	2,330,443	9.1%	2,388,398	2.5%
Contribution to Reserve	11,010,992	8,053,663	(26.9%)	7,549,060	(6.3%)	7,865,022	4.2%	8,067,727	2.6%	8,957,254	11.0%
TOTAL EXPENDITURES	<u>\$55,149,373</u>	<u>\$ 60,320,353</u>	9.4%	<u>\$ 59,699,696</u>	(1.0%)	<u>\$ 62,799,067</u>	5.2%	<u>\$ 70,838,649</u>	12.8%	<u>\$ 70,653,032</u>	(0.3%)

**METRO VANCOUVER HOUSING CORPORATION
CAPITAL PORTFOLIO
HOUSING DEVELOPMENT
2024 CAPITAL BUDGET AND 2024 - 2028 CAPITAL PLAN**

	CAPITAL BUDGET FOR APPROVAL	2024 CAPITAL CASH FLOW	2025 CAPITAL CASH FLOW	2026 CAPITAL CASH FLOW	2027 CAPITAL CASH FLOW	2028 CAPITAL CASH FLOW	2024 TO 2028 TOTAL CAPITAL CASH FLOW	ACTIVE PHASE	PRIMARY DRIVER
CAPITAL EXPENDITURES									
Capital Development									
Heather Place - Building B	\$ 55,800,000	\$19,000,000	\$ 19,000,000	\$ 10,200,000	\$ -	\$ -	\$ 48,200,000	Construction	Expand/Re-develop
Kingston Gardens - Phase 1	44,700,000	14,000,000	-	-	-	-	14,000,000	Construction	Expand/Re-develop
Salal Landing	36,100,000	15,700,000	2,600,000	-	-	-	18,300,000	Construction	Expand/Re-develop
The Connection	104,200,000	20,000,000	36,000,000	36,000,000	9,150,000	-	101,150,000	Detailed Design	Expand/Re-develop
Malaspina	117,900,000	2,000,000	4,000,000	30,000,000	40,000,000	39,050,000	115,050,000	Detailed Design	Expand/Re-develop
Heron's Nest	76,900,000	25,000,000	32,500,000	17,400,000	-	-	74,900,000	Construction	Expand/Member Partnerships
The Steller	75,000,000	10,000,000	29,500,000	29,500,000	4,550,000	-	73,550,000	Detailed Design	Expand/Member Partnerships
Projects in Planning	540,000,000	2,500,000	2,500,000	20,000,000	30,000,000	43,750,000	98,750,000	Planned	Expand/Re-develop
Partnerships in Planning	-	-	-	3,000,000	3,000,000	3,000,000	9,000,000	Planned	Expand/Member Partnerships
Total Capital Development	\$1,050,600,000	\$108,200,000	\$126,100,000	\$146,100,000	\$86,700,000	\$85,800,000	\$552,900,000		
Building Rehabilitation									
Strathearn Court	10,000,000	5,000,000	5,000,000	-	-	-	10,000,000	Detailed Design	Preserve
Le Chateau Place	5,600,000	846,400	4,130,800	-	-	-	4,977,200	Design	Preserve
Crown Manor	4,800,000	350,000	3,540,000	-	-	-	3,890,000	Detailed Design	Preserve
Manor House	11,000,000	11,000,000	-	-	-	-	11,000,000	Detailed Design	Preserve
Minato West	11,776,000	5,888,000	5,888,000	-	-	-	11,776,000	Detailed Design	Preserve
Somerset Gardens	25,100,000	50,000	150,000	8,300,000	8,300,000	8,300,000	25,100,000	Planned	Preserve
Knightsbridge I	-	-	-	-	-	5,000,000	5,000,000	Planned	Preserve
Meridian Village	-	-	-	3,000,000	1,500,000	-	4,500,000	Planned	Preserve
Total Building Rehabilitation	\$ 68,276,000	\$23,134,400	\$ 18,708,800	\$ 11,300,000	\$ 9,800,000	\$13,300,000	\$ 76,243,200		
TOTAL CAPITAL EXPENDITURES	\$1,118,876,000	\$131,334,400	\$144,808,800	\$157,400,000	\$96,500,000	\$99,100,000	\$629,143,200		
CAPITAL FUNDING									
Grants	\$429,967,181	\$73,765,235	\$ 88,408,434	\$ 57,690,000	\$33,150,000	\$ 4,000,000	\$257,013,669		
External Borrowing	539,475,272	42,634,400	44,720,366	93,860,000	52,850,000	34,500,000	268,564,766		
Reserve	149,433,547	14,934,765	11,680,000	5,850,000	10,500,000	60,600,000	103,564,765		
Total	\$1,118,876,000	\$131,334,400	\$144,808,800	\$157,400,000	\$96,500,000	\$99,100,000	\$629,143,200		
SUMMARY BY DRIVER									
Expand/Re-develop	\$898,700,000	\$73,200,000	\$ 64,100,000	\$ 96,200,000	\$79,150,000	\$82,800,000	\$395,450,000		
Expand/Member Partnerships	151,900,000	35,000,000	62,000,000	49,900,000	7,550,000	3,000,000	157,450,000		
Total	\$1,118,876,000	\$131,334,400	\$144,808,800	\$157,400,000	\$96,500,000	\$99,100,000	\$629,143,200		

METRO VANCOUVER HOUSING CORPORATION

Description of Services

Metro Vancouver Housing Corporation (MVHC) is a not-for-profit entity with the Metro Vancouver Regional District as its sole shareholder. MVHC operates 49 housing sites that provide 3,400 units of affordable rental housing for low to moderate income households across the region. MVHC is primarily financed through the collection of tenant rents. Operations maintains MVHC assets, manages tenants and builds communities within the housing portfolio and surrounding neighborhoods.

Strategic Directions and High Level Goals Supported

- Provide safe, affordable rental homes to individuals and families across the region
- Implement the *Metro Vancouver Housing 10-Year Plan* - provide, preserve and expand affordable housing in the region
- Continue to implement innovative tenant programs to engage healthy, livable communities
- Continue the implementation of the MVH Redevelopment and Asset Management plans. These plans:
 - Identify a pipeline of housing developments and building rehabilitations that are prioritized to create new units and maintain existing affordable rental homes
 - Identify areas for environmental and energy sustainability improvements
 - Create an agreed standard of service and delivery for core building infrastructure

Performance Indicators

Indicator	Historical and/or industry benchmark (2022)	Current performance (2023)	2024 performance objective
Total units rented to subsidized tenants	30% Target	31% (2023)	30%
Vacancy percentage (based on number of units)	0.1% (3 Year Average)	0.1% (2022)	0.1%
Number of Tenant Program Activities	107	180	230
Reduce GHG emissions	10.2 grams CO ² Emissions per square metre (2010 baseline)	7.8 grams CO ² Emissions per square metre (2021 and 2022 avg) ¹	7.45 grams CO ² Emissions per square metre
Kingston Gardens, Surrey Redevelopment	40% (construction)	90% (construction)	100% (construction) 100% (rent up)
Salal Landing, Port Coquitlam Redevelopment	8% (construction)	50% (construction)	100% (construction) 25% (rent up)
Heather Place B, Vancouver Redevelopment	60% (design)	100% (design) 15% (construction)	65% (construction)
The Connection, Burnaby Redevelopment	60% (design) 0% (construction)	100% (design)	25% (construction)

¹ Methodology for this calculation updated to comply with Carbon Neutral Government Regulation
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Indicator	Historical and/or industry benchmark (2022)	Current performance (2023)	2024 performance objective
Heron’s Nest, Pitt Meadows New development	0% (construction)	100% (design)	30% (construction)
The Steller, Burnaby New development	0% (construction)	80% (design)	10% (construction)
Malaspina Phase 1, Coquitlam Redevelopment	35% (design)	50% (design)	90% (design)
Strathearn Court Rehabilitation Project	95% (design) 0% (construction)	100% (design) 0% (construction)	50% (construction)
Minato West Rehabilitation Project	0% (Design)	100% (design) 0% (construction)	40% (construction)
Crown Manor, New Westminster Rehabilitation Project	30% (design)	100% (design)	20% (construction)
Le Chateau Place, Coquitlam Rehabilitation Project	30% (design)	100% (design)	20% (construction)
Manor House, North Vancouver Rehabilitation Project	50% (design)	100% (design) 15% (construction)	97% (construction)
Somerset Gardens, Surrey Rehabilitation Project		5% (design)	10% (design)

**The performance objective measures for municipal partnership projects at the concept stage are included in the Housing Planning and Policy Annual Work Plan Report.*

2024 Key Actions – Metro Vancouver Housing

Operations & Maintenance

- Continue implementation of the Metro Vancouver Housing 10-Year Plan and Asset Management Plan;
- Construction for four rehabilitation and retrofit projects (Strathearn Court (Vancouver), Minato West (Richmond), Le Chateau Place (Coquitlam) and Manor House (North Vancouver) for building envelope renewals and energy improvements;
- Leverage existing grant funding through the province and other sources and increase certainty by continuing to advocate for predictable federal funding on a portfolio basis.
- Continue to develop and implement innovative tenant programs such as community gardens, free food programs, decorative wraps contests, complimentary spring flowers programs, murals and communications projects;
- Continue to support tenants that need to be relocated due to redevelopment;
- Develop and begin implementation of digital tools including a new internal and external work order system;
- Enhance the online housing application process for tenants;
- Continue to build brand awareness with key industry stakeholders and residents of the region; and
- Work to build a better understanding the opinions and community needs of MVHC through focus group and public opinion research where needed.

Redevelopment

- Complete construction of active redevelopment sites: Kingston Gardens Phase 1 (Surrey) and Salal Landing (Port Coquitlam);
- Continue construction at Heather Place Building B redevelopment (Vancouver);
- Finalized detailed design and construction tender for the Connection (Burnaby), the Steller (Burnaby), and the Heron's Nest (Pitt Meadows);
- Complete planning approvals for Malaspina Phase 1 (Coquitlam);
- Continuing working with BC Housing, CMHC and other agencies on funding partnerships to expand our portfolio and create additional homes;

Communications

- Continue to build brand awareness with key industry stakeholders and residents of the region
- Video and graphic documentation of new and existing MVHC sites and programs for partner and tenant engagement
- Work to build a better understanding the opinions and community needs of MVHC through focus group and public opinion research where needed

Metro Vancouver Housing Corporation

2024 to 2028 – WHAT’S HAPPENING

Below is a summary of the significant initiatives to be undertaken by the MVHC over the next 5 years.

Initiative	Description	Theme
2024		
Metro Vancouver Housing 10-Year Plan	Continue the exploration and implementation of actions identified in the 10-Year Plan	Regional growth, financial sustainability & environmental sustainability
Kingston Gardens – Phase 1 Redevelopment	Complete construction and begin rent-up	Regional growth
Salal Landing Redevelopment	Complete construction and begin rent-up	Regional growth
Heather Place B Redevelopment	Continue construction phase of project	Regional growth
The Connection Redevelopment	Finalize detailed design and construction tender	Regional growth
Malaspina Village – Phase 1 Redevelopment	Continue detailed design	Regional growth
Heron’s Nest – New development	Finalize detailed design and construction tender	Regional growth
The Steller – New development	Finalize detailed design and construction tender	Regional growth
Strathearn Court Rehabilitation Project	Continue construction phase	System stewardship
Manor House Rehabilitation Project	Continue construction phase	System stewardship
Crown Manor Rehabilitation Project	Begin construction phase	System stewardship
Le Chateau Place Rehabilitation Project	Begin construction phase	System stewardship
Minato West Rehabilitation Project	Begin construction phase	System stewardship
Process development	Review and refine preventative maintenance procedures	System stewardship
2025		
Metro Vancouver Housing 10-Year Plan	Continue the exploration and implementation of actions identified in the 10-Year Plan	Regional growth, financial sustainability & environmental sustainability
Heather Place B Redevelopment	Continue construction phase	Regional growth
The Connection Redevelopment	Continue construction phase	Regional growth
Malaspina Village – Phase 1 Redevelopment	Finalize detailed design and construction tender	Regional growth

Heron's Nest – New development	Continue construction phase	Regional growth
The Steller – New development	Continue construction phase	Regional growth

Strathearn Court Rehabilitation Project	Complete construction phase	System stewardship
Manor House Rehabilitation Project	Complete construction phase	System stewardship
Crown Manor Rehabilitation Project	Continue construction phase	System stewardship
Le Chateau Place Rehabilitation Project	Continue construction phase	System stewardship
Minato West Rehabilitation Project	Continue construction phase	System stewardship
2026		
Metro Vancouver Housing 10-Year Plan	Continue the exploration and implementation of actions identified in the 10-Year Plan	Regional growth, financial sustainability & environmental sustainability
Heather Place B Redevelopment	Complete construction and begin rent-up	Regional growth
The Connection Redevelopment	Continue construction phase	Regional growth
Malaspina Village – Phase 1 Redevelopment	Continue construction phase	Regional growth
Heron’s Nest – New development	Complete construction and begin rent-up	Regional growth
The Steller – New development	Continue construction phase	Regional growth
Crown Manor Rehabilitation Project	Complete construction phase	System stewardship
Le Chateau Place Rehabilitation Project	Complete construction phase	System stewardship
Minato West Rehabilitation Project	Complete construction phase	System stewardship
Meridian Village Rehabilitation Project	Begin construction phase	System stewardship
Somerset Gardens Rehabilitation Project	Begin construction phase	System stewardship
2027		
Metro Vancouver Housing 10-Year Plan	Review 10-Year Plan and assess achievements to date. Monitor emerging trends and changes to the affordable housing sector	Regional growth, financial sustainability & environmental sustainability
The Connection Redevelopment	Complete construction and begin rent-up	Regional growth
Malaspina Village – Phase 1 Redevelopment	Continue to progress through construction	Regional growth

The Steller – New development	Complete construction and begin rent-up	Regional growth
Meridian Village Rehabilitation Project	Complete construction phase	System stewardship
Somerset Gardens Rehabilitation Project	Continue construction phase	System stewardship
2028		
Metro Vancouver Housing 10-Year Plan	Review the 10-Year Plan and assess achievements to date. Monitor emerging trends and changes to the affordable housing sector	Regional growth, financial sustainability & environmental sustainability

Malaspina Village – Phase 1 Redevelopment	Complete construction and begin rent-up	Regional growth
Somerset Gardens Rehabilitation Project	Continue construction phase	System stewardship
Knightsbridge Rehabilitation Project	Begin construction phase	System stewardship

METRO VANCOUVER DISTRICTS

2024 - 2028 PROJECTED RESERVES - METRO VANCOUVER HOUSING CORPORATION

OPERATING RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Metro Vancouver Housing Corporation	\$ 2,720,993	\$ 2,720,993	\$ -	\$ -	\$ 68,025	\$ 2,789,018	\$ 2,858,743	\$ 2,930,212	\$ 3,003,467	\$ 3,078,554

DISCRETIONARY RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Housing										
MVHC Capital Replacement Reserve	\$ 4,393,942	\$ 4,393,942	\$ 12,355,570	\$ (13,261,903)	\$ 98,519	\$ 3,586,128	\$ 3,973,440	\$ 4,620,749	\$ 4,123,639	\$ 3,052,428
MVHC Capital Development Reserve	40,460,792	40,460,792	4,434,090	(11,534,765)	922,761	34,282,878	55,400,075	59,936,989	59,410,414	10,675,674
Total	\$ 44,854,734	\$ 44,854,734	\$ 16,789,660	\$ (24,796,668)	\$ 1,021,280	\$ 37,869,006	\$ 59,373,515	\$ 64,557,738	\$ 63,534,053	\$ 13,728,102

STATUTORY RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
MVHC Restricted Cap. Replacement Reserve	\$ 3,246,828	\$ 3,246,828	\$ 1,934,964	\$ (1,705,952)	\$ 84,033	\$ 3,559,873	\$ 3,443,010	\$ 2,569,554	\$ 2,840,236	\$ 3,757,555

To: Indigenous Relations Committee

From: Jessica Beverley, General Manager, Legal Services and Indigenous Relations

Date: September 25, 2023 Meeting Date: October 5, 2023

Subject: **2024 - 2028 Financial Plan – Indigenous Relations**

RECOMMENDATION

That the Indigenous Relations Committee endorse the 2024 - 2028 Financial Plan for Indigenous Relations as presented in the report dated September 25, 2023 titled “2024 - 2028 Financial Plan – Indigenous Relations”, and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

EXECUTIVE SUMMARY

The 2024 - 2028 Metro Vancouver Financial Plan has been prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop. The direction followed the recommendations of the Financial Plan Task Force, which included the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan. This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Metro Vancouver has met the household impact targets that were recommended by the Financial Plan Task Force and adopted at the April 19, 2023 Board Budget Workshop. This has resulted in an overall consolidated household impact for 2024 to be 12.0%, down from the 14.2% projected for 2024 in the prior financial planning cycle as well as a reduction in the cumulative household impact of 40% over the common four years in comparison to the prior financial plan.

Indigenous Relations staff support Metro Vancouver’s continuing efforts to strengthen relationships with local First Nations, provide advice and support to project teams on First Nations engagement and issues, respond to pan-municipal First Nation issues, represent regional and local government interests at active treaty tables, lead or support government-to-government negotiations, and contribute valuable work towards reconciliation. There are significantly increased expectations (from the federal and provincial governments, from First Nations, and from the broader public) that Metro Vancouver is continuously taking concrete actions towards reconciliation with First Nations. This translates to increased workload within the program, as is demonstrated by the Indigenous Relations performance indicators.

As a result of the increased demands on and expectations for the program, the Indigenous Relations operating budget is proposed to increase from \$1,684,460 in 2023 to \$1,885,907 in 2024, by a total of \$201,447. Over the five years, the operating program is increasing by an annual average of \$82,260, or 4.6% per year.

PURPOSE

To present the 2024 - 2028 Financial Plan for Indigenous Relations for consideration by the Committee.

BACKGROUND

Metro Vancouver's annual budget process includes the development of detailed annual budgets and the updating of five-year financial plans for each of the four Metro Vancouver legal entities (Metro Vancouver Regional District, Metro Vancouver Housing Corporation, Greater Vancouver Water District and Greater Vancouver Sewerage and Drainage District).

On April 19, 2023 a Metro Vancouver Board Budget Workshop was held with the objective to seek direction for the preparation of the 2024 - 2028 Financial Plan. The workshop outlined the principles that guide the work of Metro Vancouver as an organization and provided a proposed approach for the 2024 - 2028 Financial Plan based on the work of the Financial Plan Task Force that was created by the Board Chair. This included an adoption of the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan.

This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Key highlights of the overall Metro Vancouver 2024 proposed budget are as follows:

- A reduction of \$15 million of the total 2024 Metro Vancouver proposed operating budget compared to that previously projected for 2024
- Increased contribution to capital of \$31.6M for debt avoidance and increases in reserve contributions of just over \$6.2M for key functions
- Reduced total capital cash flow of roughly \$655M 2024 through 2027 for the utilities
- Reduction of household impact, \$13 less than that previously projected for 2024

This report focuses on Metro Vancouver's Indigenous Relations program and presents the 2024 provisional annual budget and the updated five-year plan for the years 2024 to 2028 for Committee consideration.

INDIGENOUS RELATIONS PROGRAM

The Indigenous Relations program provides information, advice, and support to Metro Vancouver entities on First Nations' interests and issues, and analyzes how such First Nations' interests and issues may affect Metro Vancouver's programs, processes and projects. In 2022, Indigenous Relations staff responded to over 4,000 requests; the current trend for 2023 is 5,000 requests. Indigenous Relations supports two committees: the Indigenous Relations Committee and a municipal staff advisory committee, the Municipal Technical Advisory Committee on Indigenous Relations (MTAC). The Indigenous Relations program also responds to pan-municipal First Nation

issues and represents and supports Metro Vancouver local government interests at active treaty negotiation tables in the region as well as on provincial and federal issues.

Indigenous Relations supports the Board Strategic Plan as it relates to the strategic priority of Engagement, and the strategic direction of Fostering Collaboration and Engagement. Specifically, Indigenous Relations focuses on enhancing relationships between Metro Vancouver and other orders of government, First Nations, adjacent regional districts, and key stakeholders.

- Priority Action: Strengthen government-to-government relationships with First Nations by building trust through genuine collaboration, creating a mutually respectful space for meaningful dialogue and outcomes, and creating opportunities for Board-to-Nation relationships to thrive.

WORK PLAN PERFORMANCE INDICATORS

High-level performance indicators have been developed across the organization to evaluate trends, determine key actions for the coming year, and to assist in long-term planning. The 2024 Work Plan for Indigenous Relations is presented in this report. Within the Indigenous Relations Work Plan, four performance indicators have been developed and are being tracked. These include:

- Number of bilateral meetings between Metro Vancouver and the area First Nations
- Total number of requests for information or advice related to First Nations and/or Indigenous Relations
- Number of sessions and attendees at Indigenous Relations training sessions
- Special Indigenous Relations events hosted by Metro Vancouver (e.g. Community to Community Forums, workshops, lunch and learns): Number of events and number of attendees

The upward trend in these performance measures (see Attachment 2) reflects the increased expectation that Metro Vancouver is taking concrete actions towards Reconciliation with First Nations.

CONTINUOUS IMPROVEMENTS

Continuous improvements for 2023 have included:

- Creation of web-based and video-based modules for on-demand staff training purposes: Indigenous Relations staff is working with the External Relations Department to create video-based training modules for project managers, work crews and contractors.
- Continued identification and implementation of software to improve the productivity of the Indigenous Relations team, with the aim of managing workflows and workload more efficiently. Indigenous Relations staff is continuing to test various possible software in order to assist with the assigning and tracking of requests and performance indicators.
- Pursuing additional or different externally-facilitated course topics for Metro Vancouver staff training. Metro Vancouver has kept the course topics consistent over the past 5 years. With new and increased expectations on Metro Vancouver, it will be important to build on those earlier topics to continually enhance staff education and training.
- Reviewing Metro Vancouver's existing policies, processes, and practices for identifying additional and better opportunities for engagement with First Nations in light of the Board's commitment to reconciliation as well as First Nations' expectations with respect to the provincial and federal Declaration on the Rights of Indigenous Peoples Acts.

Continuous improvement initiatives for 2024 include:

- An updated First Nations Engagement Policy, with First Nations’ input and feedback, to guide staff to improve efficiencies, including a decision tree catered for each department’s use.
- Continuing to respond to the TRC Call to Action #57 on training for civil servants: better measuring the impact of training and making related improvements.
- Development of a Cultural Sensitivity training video, with Indigenous content providers. The video will be mandatory viewing/training for project managers, contractors and crews on Metro Vancouver project construction sites.

Key work for 2024 includes:

- Continuing to engage local First Nations on Relationship and Protocol Agreements.
- Co-creating an event with an area First Nation and the Board of Directors and the Indigenous Relations Committee that promotes mutual understanding and relationship-building.
- Operationalizing the Cultural Sensitivity training for crews and contractors working on Metro Vancouver projects.
- Completing a phase of the work on a web-based portal on the provision of electronic information on local First Nations, and continue to work on other phases, including processing project referrals and streamlining the First Nations engagement process.

2024 BUDGET AND 2024 - 2028 FINANCIAL PLAN

The five-year financial plan for this cycle has been updated to address five central themes identified by the Metro Vancouver Board in its Strategic Plan to guide the development of plans and budgets. The five themes are as follows:

- Financial Sustainability and Regional Affordability
- Climate Action
- Resilient Services and Infrastructure
- Reconciliation
- Housing

Each Metro Vancouver function has an Annual Work Plan that includes strategic directions, performance indicators and key actions to guide the work for the coming year. Each function also has a “What’s Happening” summary that highlights the program highlights for the next five years.

The 2024 - 2028 Indigenous Relations Financial Plan is included as Attachment 1. The 2024 Annual Work Plan for Indigenous Relations presented in this report is included in Attachment 2 and the “What’s Happening” highlights for the years 2024 - 2028 are included in Attachment 3.

Operating Budget Highlights

The Indigenous Relations operating budget is proposed to increase by \$201,447 for a total budget of \$1,885,907 in 2024 (Attachment 1). This increase is a direct result of: a constantly changing and evolving Indigenous Relations landscape; increasing demands and expectations placed upon Metro Vancouver, including a recognized need to involve First Nations in the regional district’s plans, projects and initiatives; and increasing labour costs.

- Continue to support ongoing First Nation engagement efforts (including agreements) on major

Metro Vancouver capital and construction projects such as North West Langley Wastewater Treatment Plant upgrade, Iona Island Wastewater Treatment Plant upgrade, Coquitlam Lake Water Supply project, Coquitlam Main Water project, and Widgeon Marsh Regional Park development.

- Respond to the increasing number of internal requests from Metro Vancouver staff including: the provision of advice on information sharing and engagement with First Nations; the identification of First Nation economic and procurement opportunities; archaeology; as well as the coordination of, and participation in, meetings with First Nations involving staff from across the Metro Vancouver organization.
- Continue to provide ongoing training sessions for Metro Vancouver staff on various Indigenous Relations issues, including corporate policy related to information sharing and engagement with First Nations, the Board’s procurement policy that includes economic opportunities and increased use of First Nations’ services (e.g. archaeological) on Metro Vancouver projects; chance find protocols and archaeology.
- Continue to work with the Human Resources Department to identify and contract external facilitators to provide Indigenous awareness training sessions on evolving topics in the field such as Cultural Safety and Humility, and Decolonization.
- Continue to organize Lunch and Learn sessions and other opportunities for Metro Vancouver staff, including Intranet articles, to learn more about local First Nations as well as issues related to Indigenous Peoples.
- Complete a phase of the work on a web-based portal on the provision of electronic information on local First Nations, and continue to work on other phases, including processing project referrals and streamlining the First Nations engagement process.

Over the five years, the operating program is increasing by a total of \$411,298, which represents an annual average of \$82,260 or 4.6% per year.

APPROVAL PROCESS

The proposed 2024 - 2028 Financial Plan and Annual Work Plan is presented for consideration and endorsement before being forwarded to the Board for consideration.

The next steps of the process are:

- The 2024 - 2028 Financial Plan and Annual Work Plan will be presented at the Metro Vancouver Board Budget Workshop on October 20, 2023.
- The Board will consider adoption of the 2024 Budget and endorsement of the 2024 - 2028 Financial Plan on October 27, 2023.

ALTERNATIVES

1. That the Indigenous Relations Committee endorse the 2024 - 2028 Financial Plan for Indigenous Relations as presented in the report dated September 25, 2023, titled “2024 - 2028 Financial Plan – Indigenous Relations”, and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.
2. That the Indigenous Relations Committee make recommendations and endorse an amended 2024 - 2028 Financial Plan for Indigenous Relations, and forward the amended Financial Plan to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

FINANCIAL IMPLICATIONS

If the MVRD Board endorses the 2024 Budget and Five-year Financial Plan for Indigenous Relations, as presented under Alternative 1, the Program will be funded through the allocation of centralized support services. The 2024 - 2028 Financial Plan, if endorsed, will increase by \$411,298, or an average of \$82,260 (4.6%) per year. Indigenous Relations supports all Metro Vancouver entities and functions and its costs are allocated to those entities and functions through the centralized support allocation in accordance with the *Corporate Allocation Policy*.

Under Alternative 2, the Committee may wish to consider recommending amendments to the five-year financial plan for consideration at the Metro Vancouver Board Budget Workshop. Any changes to the plan may have an impact on the MVRD Financial Plan.

CONCLUSION

The 2024 Budget and Five-year Financial Plan for Indigenous Relations has been prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop and to respond to direction provided in the *Board Strategic Plan* and supports the goals of Metro Vancouver's four legal entities. It is presented to Committee and Board members to provide overview information on activities and financial impacts for the years 2024 to 2028 for Indigenous Relations.

The presentation of this year's Five-Year Financial Plan for Indigenous Relations provides the opportunity for Metro Vancouver to share with its member jurisdictions the proposed program initiatives and the financial impact of these projects, over the next five years. The Financial Plan illustrates how Metro Vancouver proposes to pay for the Indigenous Relations program while addressing an increasing workload. Metro Vancouver's Financial Plan is intended to be used as a guiding document for member jurisdictions in the development of their five-year financial plans and includes projections on household impact to demonstrate how the plan will remain affordable for Metro Vancouver residents while keeping pace with our critical requirements.

Indigenous Relations supports all Metro Vancouver entities and functions and the associated costs are allocated to those entities and functions as part of Centralized Support Services allocation in accordance with the *Corporate Allocation Policy*.

Staff recommend endorsing the 2024 - 2028 Financial Plan for Indigenous Relations as presented under alternative one.

ATTACHMENTS

1. 2024 - 2028 Financial Plan
2. 2024 Work Plan
3. 2024 - 2028 "What's Happening"

**METRO VANCOUVER DISTRICTS
INDIGENOUS RELATIONS
2024 BUDGET REVIEW
2024 - 2028 FINANCIAL PLAN**

	2023 BUDGET	2024 BUDGET	% CHANGE	2025 FORECAST	% CHANGE	2026 FORECAST	% CHANGE	2027 FORECAST	% CHANGE	2028 FORECAST	% CHANGE
REVENUES											
Allocated to Functional Departments	\$ 1,196,120	\$ 1,379,080	15.3%	\$ 1,415,674	2.7%	\$ 1,453,618	2.7%	\$ 1,492,122	2.6%	\$ 1,531,987	2.7%
Transfer from Capital	488,340	506,827		520,438		534,584	2.7%	548,910	2.7%	563,771	2.7%
TOTAL REVENUES	<u>\$ 1,684,460</u>	<u>\$ 1,885,907</u>	12.0%	<u>\$ 1,936,112</u>	2.7%	<u>\$ 1,988,202</u>	2.7%	<u>\$ 2,041,032</u>	2.7%	<u>\$ 2,095,758</u>	2.7%
EXPENDITURES											
Operating Programs:											
Indigenous Relations	\$ 1,684,460	\$ 1,885,907		\$ 1,936,112		\$ 1,988,202		\$ 2,041,032		\$ 2,095,758	
TOTAL EXPENDITURES	<u>\$ 1,684,460</u>	<u>\$ 1,885,907</u>	12.0%	<u>\$ 1,936,112</u>	2.7%	<u>\$ 1,988,202</u>	2.7%	<u>\$ 2,041,032</u>	2.7%	<u>\$ 2,095,758</u>	2.7%

LEGAL SERVICES AND INDIGENOUS RELATIONS

Indigenous Relations 2024 WORK PLAN

Description of Services

Indigenous Relations provides information, advice and support to Metro Vancouver on First Nations' interests and issues, and analyzes how such First Nations' interests and issues may affect corporate programs, processes and projects. Indigenous Relations also responds to pan-municipal First Nation issues and represents and supports Metro Vancouver local government interests at treaty negotiation tables as well as at provincial and federal venues.

Strategic Directions and Priority Actions Supported

Board Strategic Plan, 2022-2026:

Reconciliation:

- Metro Vancouver will continue building and strengthening respectful and reciprocal relationships with local First Nations. Metro Vancouver will also continue to engage meaningfully with First Nations on plans, programs, and projects.

Priority Actions:

- Strengthen government-to-government relationships with First Nations by building trust through genuine collaboration, creating a mutually respectful space for meaningful dialogue and outcomes, and creating opportunities for Board-to-Nation relationships to thrive.

Performance Indicators

Indicator	Historical and/or industry benchmark	Current performance	2024 performance objective
Number of meetings with First Nations	MV 3-year average (2020-2022) 65	Projected 2023: 125	150
Total requests for information or advice	MV 3-year average (2020-2022) 3,200	Projected 2023: 5,000	6,000
Number of Indigenous Relations training sessions / participants	MV 3-year average (2020-2022) 6 / 200	Projected 2023: 40 / 1,200	50 / 1,500
Number of special Indigenous Relations events/participants	MV 3-year average (2020-2022) 4 / 725	Projected 2023: 5 / 1,000	6 / 1,200

2024 Key Actions

- Continue to support ongoing First Nation engagement efforts (including agreements) on major Metro Vancouver capital and construction projects such as North West Langley Wastewater Treatment Plant upgrade, Iona Island Wastewater Treatment Plant upgrade, Coquitlam Lake Water Supply project, Coquitlam Main Water project, and Widgeon Marsh Regional Park development.
- Respond to the increasing number of internal requests from Metro Vancouver staff including: the provision of advice on information sharing and engagement with First Nations; the identification of First Nation economic and procurement opportunities; archaeology; as well as the coordination of, and participation in, meetings with First Nations involving staff from across the Metro Vancouver organization.
- Continue to provide ongoing training sessions for Metro Vancouver staff on various Indigenous Relations issues, including corporate policy related to information sharing and engagement with First Nations, the Board's procurement policy that includes economic opportunities and increased use of First Nations' services (e.g. archaeological) on Metro Vancouver projects; chance find protocols and archaeology.
- Complete the Cultural Safety training video, and operationalize the training for crews and contractors working on Metro Vancouver projects.
- Continue to work with the Human Resources Department to identify and contract external facilitators to provide Indigenous awareness training sessions on evolving topics in the field such as Cultural Safety and Humility, and Decolonization.
- Continue to organize Lunch and Learn sessions and other opportunities for Metro Vancouver staff, including Intranet articles, to learn more about local First Nations as well as issues related to Indigenous Peoples.
- Complete a phase of the work on a web-based portal on the provision of electronic information on local First Nations, and continue to work on other phases, including processing project referrals and streamlining the First Nations engagement process.
- Co-creating an event with an area First Nation and the Board of Directors and the Indigenous Relations Committee that promotes mutual understanding and relationship-building.

Indigenous Relations

2024 to 2028 – WHAT’S HAPPENING

Below is a summary of the significant initiatives to be undertaken by Indigenous Relations over the next 5 years.

Initiative	Description	Theme
Regional Gatherings, Community to Community Forums, and/ or other Special Events	Events to be co-hosted by Metro Vancouver Indigenous Relations Committee and Metro Vancouver Board with local area First Nations.	Reconciliation
First Nations Engagement	1. Complete and implement an updated First Nations engagement approach with First Nations’ input and feedback; and 2. Track, analyze and make recommendations regarding Metro Vancouver’s evolving obligations as implementation of the provincial <i>Declaration on the Rights of Indigenous Peoples Act Action Plan</i> progresses. Issues will include, but are not limited to, “advancing First Nations’ participation in regional district boards” and working on “initiatives to advance collaborative stewardship of the environment, land and resources.”	Reconciliation
Policy Review and Development	Review of existing policies, processes and practices for improving opportunities for engagement with First Nations based on the Board’s commitment to Reconciliation and First Nations’ expectations.	Reconciliation
Project Data Portal	Completion of various phases of a web-based platform for sharing project information and engaging with First Nations.	Reconciliation
Archaeological Management	Collaborate with First Nations on a renewed Metro Vancouver approach and policy on archaeological management.	Reconciliation
Capital and Construction Projects	Support ongoing First Nation engagement efforts on Metro Vancouver capital and construction projects.	Reconciliation
Sensitive Ecosystem Inventory	Support First Nation engagement in the 5-year update of the sensitive ecosystem inventory for the region.	Reconciliation
Climate 2050	Support First Nation engagement and participation in the implementation of the Climate 2050 issue area roadmaps.	Reconciliation
Liquid Waste Management Plan	Support First Nation engagement and participation in the plan update.	Reconciliation
Drinking Water Management Plan	Support First Nations engagement and participation in the plan update.	Reconciliation
Solid Waste Management Plan	Support First Nation engagement and participation in the plan update.	Reconciliation

To: Liquid Waste Committee

From: Peter Navratil, General Manager, Liquid Waste Services

Date: October 5, 2023 Meeting Date: October 11, 2023

Subject: **2024 - 2028 Financial Plan – Liquid Waste Services**

RECOMMENDATION

That the Liquid Waste Committee endorse the 2024 - 2028 Financial Plan for Liquid Waste Services as presented in the report dated October 5, 2023, titled “2024 - 2028 Financial Plan – Liquid Waste Services”, and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

EXECUTIVE SUMMARY

The 2024 - 2028 Metro Vancouver Financial Plan has been prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop. The direction followed the recommendations of the Financial Plan Task Force, which included the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan. This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Metro Vancouver has met the household impact targets that were recommended by the Financial Plan Task Force and adopted at the April 19, 2023 Board Budget Workshop. This has resulted in an overall consolidated household impact for 2024 to be 12.0%, down from the 14.2% projected for 2024 in the prior financial planning cycle as well as a reduction in the cumulative household impact of 40% over the common four years in comparison to the prior financial plan.

In 2024, the Liquid Waste Services operating budget is proposed to increase by \$65.0 million (15.5%) for a total of \$485.8 million. A significant portion of this increase is related to capital expenditures which will be partially funded by External Interagency sources and DCC Reserves as well as resuming the removal of the biosolids lagoons at the Iona Island Wastewater Treatment Plant and inflation on input costs at the treatment plants. This will result in a levy increase of \$65.2 million (20.1%), which represents an \$52 increase (17.5%) for a total of \$349 in the cost to the average regional household (which compares to a previous forecast for 2024 of \$361). Efforts to reduce operating expenditures and debt service costs have resulted in a reduction in the overall Sewer levy of \$14.3 million from last year’s projection.

PURPOSE

To present the 2024 - 2028 Financial Plan for Liquid Waste Services for consideration by the Committee.

BACKGROUND

Metro Vancouver's annual budget process includes the development of detailed annual budgets and the updating of five-year financial plans for each of the four Metro Vancouver legal entities (Metro Vancouver Regional District, Metro Vancouver Housing Corporation, Greater Vancouver Water District and Greater Vancouver Sewerage and Drainage District).

On April 19, 2023 a Metro Vancouver Board Budget Workshop was held with the objective to seek direction for the preparation of the 2024 - 2028 Financial Plan. The workshop outlined the principles that guide the work of Metro Vancouver as an organization and provided a proposed approach for the 2024 - 2028 Financial Plan based on the work of the Financial Plan Task Force that was created by the Board Chair. This included an adoption of the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan.

This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Key highlights of the overall Metro Vancouver 2024 proposed budget are as follows:

- A reduction of \$15 million of the total 2024 Metro Vancouver proposed operating budget compared to that previously projected for 2024
- Increased contribution to capital of \$32M for debt avoidance and increases in reserve contributions of just over \$6M for key functions
- Reduced total capital cash flow of roughly \$655M 2024 through 2027 for the utilities
- Reduction of household impact, \$13 less than that previously projected for 2024.

This report focuses on the Liquid Waste Services function and presents the 2024 annual budget and the updated five-year plan for the years 2024 to 2028 for committee consideration.

LIQUID WASTE SERVICES

The Liquid Waste Services function is comprised of 19 member jurisdictions within Metro Vancouver, serving a population of approximately 2.7 million residents. The wastewater collection and treatment system consists of over 530 kilometers of trunk sewers, 34 pump stations, three storage tanks and 5 treatment plants that transport and treat an average of 1.2 billion litres of wastewater per day. The urban drainage function is comprised of the Still Creek/Brunette, Port Moody/Coquitlam and University Drainage Areas.

Liquid Waste Services initiatives planned over the next five years are guided by direction provided in the *2022 - 2026 Board Strategic Plan*, and the *2010 Integrated Liquid Waste and Resource Management Plan*, specifically:

Board Strategic Plan:

- Ensure that our critical regional infrastructure is sufficiently maintained or replaced to meet current and future service needs, and is resilient to impacts from seismic events, wildfires, power failures, and natural disasters.
- Ensure that our services and infrastructure are able to meet the needs of a growing population.
- Ensure that all services and infrastructure anticipate and meet regulatory requirements, and that the organization is responsive to legislative change.
- Deliver utility and regional services in a way that ensures affordability for residents and long-term financial sustainability for the organization, using sound fiscal policies that balance the organization’s long-term financial health while maintaining affordability for regional ratepayers.
- Proactively work to respond to the climate emergency by preparing for the impacts of climate change and accelerating reductions in greenhouse gas emissions.
- Continue to make investments and adaptations in service areas to ensure that our communities and organizations can prepare, avoid, absorb, recover, and adapt to the effects of shocks and stresses in an efficient manner.

Integrated Liquid Waste and Resource Management Plan:

- Protect public health and the environment
- Use liquid waste as a resource
- Effective, affordable and collaborative management

Metro Vancouver also recognizes the history of Indigenous Peoples and aims to build meaningful and enduring relationships with First Nations. As part of its work, Liquid Waste Services is committed to engaging First Nation communities through information sharing, engagement and ongoing communication.

WORK PLAN PERFORMANCE INDICATORS

High level performance indicators have been developed across the organization to evaluate trends, determine key actions for the coming year, and to assist in long-term planning. The 2024 Work Plans for Liquid Waste Services are presented in this report. Within the Liquid Waste Services Work Plans, 23 performance indicators have been developed and are being tracked. These include:

- Operating cost per million litres collected and treated;
- Compliance with treatment plant Operational Certificates;
- Annual combined sewage overflow (CSO) volume;
- Annual number of wet-weather related sanitary sewer overflows (SSO);
- Percentage of assets not meeting capacity or regulation within 10 years;
- Percent of biosolids beneficially used;
- Energy use in the collection and treatment of liquid waste per million litres processed;
- Percentage of digester gas used at the Wastewater Treatment Plants (WWTP); and
- Number of days swimming advisories posted by Health Authorities.

The trend in these performance measures indicates that the regional Liquid Waste treatment plants have performed well in complying with existing treatment plant operational certificates, although the North Shore Sewerage Area continues to be out of compliance with Federal regulations since January 1, 2021 and will remain so until the North Shore WWTP commences secondary treatment of wastewater flows from the North Shore municipalities. Wet weather sanitary sewer overflows have reduced, primarily as a result of reduced rainfall. Progress on key projects and initiatives must continue to ensure that needed infrastructure is delivered to comply with regulatory requirements, meet demands resulting from growth and to allow progress on climate change mitigation actions.

CONTINUOUS IMPROVEMENT

Several continuous improvement initiatives have resulted in the following achievements:

- Acquisition and deployment of new flush truck with water recycling capability and other technology to improve worker safety and productivity will result in annual savings of over \$250,000.
- Installation of Pilot Digestion Optimization Facility at Lulu Island WWTP providing the ability to test advanced digestion processes such as the SEED reactor which has the ability to increase revenues and reduce net GHG emissions by increasing resource recovery in the form of renewable natural gas and production of hydrogen as a fuel source.
- Changes to pump operating strategy at the Lynn Pump Station resulting in reduced energy costs, achieving annual savings of \$20k.
- Development of Electrical Safety Standards Program that coordinates existing electrical safe work procedures and training materials into a cohesive program and coordinated standard that will improve worker safety and productivity.
- Development of new environmental monitoring tools that use genomic-based approach to assess impact of WWTP discharges on Fraser River salmon, in collaboration with Department of Fisheries and Simon Fraser University.
- Introduction of an interim Reclaimed Water Policy that will enable the investigation of potential markets, pricing strategies and health and safety requirements for the distribution of reclaimed water.
- Real-time public notification of combined sewer overflows
- Agreement reached with Creative Energy for access to sewer heat for the Senakw development, which will reduce regional greenhouse gas emissions by 4,700 tonnes per year.

For 2024 the following activities will continue, resulting in future improvements:

- First step in transition to wet weather pricing to incentivize action on inflow and infiltration (I&I) in municipal sewers.
- Review of maintenance work processes and implementation of risk-based condition assessment program.
- Effluent Heat Recovery at Lulu Island WWTP, resulting in higher volume of digester gas available for conversion to Renewable Natural Gas. Projected \$415,000 per year increase in revenue and additional regional GHG reductions of 1,000 tonnes per year.
- Develop and distribute project profiles for upcoming GVS&DD capital projects to improve coordination of construction projects with member jurisdictions.
- Update of the Development Cost Charge (DCC) Rates to ensure that revenues from DCCs

support projected growth projects.

- Continue working with the City of New Westminster on the development of a sewer heat based heat recovery district energy system in the Sapperton district. This project has the potential to reduce regional greenhouse gas emissions by 5,700 tonnes per year.
- Continue to work with the City of Surrey, City of Richmond and City of Vancouver to identify and develop opportunities for additional sewer heat based district energy systems.
- Improvement of effluent quality at Lions Gate WWTP through continuous application of chemically enhanced primary treatment.
- Testing alternative innovative sludge digestion processes such as the thermophilic (high temperature) digestion, Volatile Fatty Acid-rich stream digestion and hydrogen injection.
- Continue to advance the O&M Business Optimization initiative to use evidence based tools to identify and implement improvement opportunities across a broad area of work activities with the goal of reducing operating and maintenance costs.
- Continue to identify and develop additional possible opportunities for green biomethane generation.
- Continue to develop advanced technologies such as hydrothermal liquefaction to increase options for wastewater solids beneficial use and increased resource recovery.

2024 BUDGET AND 2024 - 2028 FINANCIAL PLAN

The five-year financial plans for this cycle have been updated to address five central priorities identified by the Metro Vancouver Board in its Strategic Plan to guide the development of plans and budgets. The five priorities are as follows:

- Financial Sustainability and Regional Affordability
- Climate Action
- Resilient Services and Infrastructure
- Reconciliation
- Housing

Attached are the 2024 - 2028 Liquid Waste Services Financial Plan Operating Budget Summary (Attachment 1) and the 2024 - 2028 Liquid Waste Services Capital Budget Summary (Attachment 2).

Each Metro Vancouver function has Annual Work Plans that include strategic directions, performance indicators and key actions to guide the work for the coming year. Each function also has a “What’s Happening” summary that highlights the program highlights for the next five years. The 2024 Annual Work Plans for the Liquid Waste Services budget presented in this report are included in Attachment 3 and the “What’s Happening” highlights for Liquid Waste Services for the years 2024 - 2028 are included in Attachment 4.

Operating Budget Highlights

The Liquid Waste Services operating budget is separated into operating programs and funding required to support the expanding capital program (debt service and contribution to capital). It is proposed to increase by \$65.0 million in 2024 for a total budget of \$485.8 million (Attachment 1). This increase can essentially be attributed to increasing operating costs (close to \$36.1 million) due to the recommencement of biosolids lagoon decommissioning at Iona Island WWTP; escalation of materials, chemicals and insurance; environmental monitoring studies to catch up on work deferred

in 2023 to meet budget targets. A significant portion of the increase can also be attributed to supporting the capital program with an increase of debt service of \$10.6 million along with an increase in contributions to capital of \$18.3 million which will support infrastructure investments required to meet service requirements and growth demands.

The 2024 operating budget includes the following key actions:

- Resume decommissioning of the Iona Island WWTP biosolids lagoons.
- Coordinate overflow working groups with member municipalities to develop targeted sewer overflow plans and reduce wet weather flows through action on public and private works.
- Continue the update of the *Integrated Liquid Waste and Resource Management Plan* in accordance with a provincially-approved review strategy.
- Complete construction of the Glenbrook Sanitary Trunk Sewer expansion.
- Continuation of implementation of a comprehensive Maintenance Reliability Program to increase asset resilience.
- Commissioning and testing of two (2) pilot plants at Iona Island WWTP to evaluate the two preferred secondary treatment technologies (Aerobic Granular Sludge and Membrane Bioreactor).
- Conduct Lulu Island WWTP dye tracer study.
- Secure agreement for provision of sewer heat for Surrey Centre district energy system.

Highlights of contracts and consulting assignments anticipated to be undertaken in 2024 to respond to work plan requirements within the operating budget include the following:

- Iona Island WWTP sludge lagoon dewatering, biosolids hauling and beneficial use projects.
- Projects funded from the Sustainability Innovation Fund including Advanced Resource Recovery from Sludge and Handheld Microbial DNA Monitor.
- Monitoring programs for Iona Island WWTP and Strait of Georgia; Lions Gate WWTP and Burrard Inlet; Fraser River and the Fraser River WWTPs.
- Additional assignments that are regularly contracted for highly specialized functions, including: effluent toxicity testing, combined sewer overflow characterization and risk assessments, wastewater and biosolids characterization for CECs and toxics, development of environmental management system, maintenance hole monitoring and assessment.

Over the next five years, the Liquid Waste Services budget is expected to increase an average of \$91.4 million or 15.9% per year. Of this overall increase, funding related to the expanding capital program (debt servicing and contribution to the capital) is increasing \$72.0 million on average over the next five years. The operating programs expenditures are increasing by \$19.4 million per year on average, to address core operating and facility commissioning requirements.

Capital Budget Highlights

The Liquid Waste Services capital budget for 2024 approval is \$7.65 billion (Attachment 2). This amount includes all capital projects underway or planned in 2024. The capital program is funded by a combination of long-term debt, contributions from the operating budget, some external (interagency and senior level government grant) contributions and development cost charges (DCCs).

The projected capital cash flow for 2024 - 2028 totals \$5.4 billion, an average of \$1,081.5 million per year. The largest twelve projects (\$50 million and greater cash flow between 2024 - 2028) make up approximately 81% of the capital spending over the next five years. In addition to the twelve projects, there are a further 137 projects on the plan.

Highlights of capital projects planned or ongoing for 2024 include the following:

- North Shore WWTP Advanced Treatment Upgrade;
- Northwest Langley WWTP Expansion;
- Iona Island WWTP Advanced Treatment Upgrade;
- Gilbert / Brighthouse Trunk Sewer;
- Annacis Island WWTP Stage 5 Expansion and Outfall System;
- Annacis Island WWTP Refurbishment of the fourth and final Trickling Filter;
- Burnaby Lake North Interceptor - Winston Section;
- South Surrey Interceptor - Johnston Section;
- Jervis and Chilco Pump Station Backup Power facilities;
- Gleneagles Pump Stations 4 and 5;
- Crescent Beach Forcemain Replacement Project;
- New Westminster Front Street Pressure Sewer Rehabilitation.

Reserve Funds

The application of reserve funding in Liquid Waste Services is the Sustainability Innovation Fund Reserve, Drainage Area General Reserve and the Laboratory Equipment Reserve. In 2024, the financial plan includes \$452,000 to be used for several Board approved sustainability initiatives, \$225,000 for several Drainage Area initiatives and \$300,000 for equipment replacement in the analytical laboratories.

The 2024 - 2028 Projected Reserves for Liquid Waste Services is included in Attachment 5.

Wet Weather Cost Allocation

To address the increasing challenge of managing I&I of rainwater into the regional sewer systems and to ensure that costs for services are equitably allocated, wet weather pricing for liquid waste collection and transportation will be adopted. The first year of a 10-year gradual transition period will commence in 2024. Consultation with staff from the GVS&DD member jurisdictions has been ongoing in 2023 to address questions about the methodology that will be used to measure wet weather flows.

APPROVAL PROCESS

The proposed 2024 - 2028 Financial Plan and Annual Work Plan is presented for consideration and endorsement before being forwarded to the Board for consideration.

The next steps of the process are:

- The 2024 - 2028 Financial Plan and Annual Work Plan will be presented for consideration at the Metro Vancouver Board Budget Workshop on October 20, 2023.
- The Board will consider adoption of the 2024 Budget and endorsement of the 2024 - 2028 Financial Plan on October 28, 2022.

ALTERNATIVES

1. That the Liquid Waste Committee endorse the 2024 - 2028 Financial Plan for Liquid Waste Services as presented in the report dated October 5, 2023, titled “2024 - 2028 Financial Plan – Liquid Waste Services”, and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.
2. That the Liquid Waste Committee make recommendations and endorse an amended 2024 - 2028 Financial Plan for Liquid Waste Services and forward the amended Financial Plan to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

FINANCIAL IMPLICATIONS

If the GVS&DD Board approves the 2024 Budget and endorses the 2024 - 2028 Financial Plan for Liquid Waste Services, as presented under Alternative 1, in 2024 the revenue from the annual levy for the system will increase by \$65.2 million (20.1%) to \$389.5 million which will generate the majority of the \$485.8 million in total revenue required to offset total expenditures. The increase in the levy represents an \$52 increase in the cost to the average regional household to \$349 (2023 forecast for 2024: \$361.)

Over the term of the five-year Financial Plan, the Liquid Waste Services annual levy is projected to increase by an average of \$57 million per year to provide the required revenue to offset projected expenditures. It is anticipated that the cost to the average regional household over the next five years will rise from \$349 in 2024 to \$514 in 2028 representing an average annual increase of \$44.

Under Alternative 2, the Committee may wish to consider recommending amendments to the 2024 Budget and Five-Year Financial Plan for consideration at the Metro Vancouver Board Budget Workshop. Any changes to the plan may have an impact on the Liquid Waste Services Financial Plan.

CONCLUSION

The Liquid Waste Services 2024 Budget and Five-Year Financial Plan was prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop and to respond to direction provided in the *Board Strategic Plan*. It is presented to Committee and Board members to provide overview information on activities and financial impacts for the years 2024 to 2028 for Liquid Waste Services.

The presentation of the 2024 Budget and Five-Year Financial Plan for Liquid Waste Services provides the opportunity for Metro Vancouver to share with its member jurisdictions the proposed capital projects and operating programs, and the financial impact of these projects, over the next five years. The financial plan illustrates how Metro Vancouver proposes to pay for Liquid Waste investments that will be required to maintain our assets and to respond to our region’s growing population. It is intended to be used as a guiding document for member jurisdictions in the development of their five-year financial plans and includes projections on household impact to demonstrate how the plan will remain affordable for Metro Vancouver residents while keeping pace with our critical infrastructure requirements.

Staff recommend endorsing the 2024 - 2028 Financial Plan and Annual Work Plans for Liquid Waste Services as presented under Alternative 1, which includes direction to introduce changes to allow the staged introduction of wet weather costing into the apportionment of the levy.

Attachments:

1. 2024 - 2028 Liquid Waste Services Financial Plan
2. 2024 - 2028 Liquid Waste Services Capital Budget Summary
3. 2024 Liquid Waste Services Work Plans
4. 2024 - 2028 “What’s Happening”
5. 2024 - 2028 Projected Reserves – Liquid Waste Services
6. 2024 - 2028 Liquid Waste Services Financial Plan Presentation

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**GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT
LIQUID WASTE SERVICES
2024 BUDGET REVIEW
2024 - 2028 FINANCIAL PLAN**

	2023	2024	%	2025	%	2026	%	2027	%	2028	%
	BUDGET	BUDGET	CHANGE	FORECAST	CHANGE	FORECAST	CHANGE	FORECAST	CHANGE	FORECAST	CHANGE
REVENUES											
Liquid Waste Services Levy	\$ 324,265,595	\$ 389,498,103	20.1%	\$ 460,710,342	18.3%	\$ 510,271,231	10.8%	\$ 559,648,886	9.7%	\$ 609,927,350	9.0%
User Fees	4,331,703	5,399,457		6,628,443		7,158,154		7,588,608		7,774,823	
Transfer from DCC Reserves	63,572,619	72,994,744		87,958,117		114,793,406		169,453,587		243,077,481	
Liquid Waste Industrial Charges	12,495,626	13,169,057		13,655,992		14,044,413		14,465,746		14,827,389	
Other External Revenues	1,793,792	1,986,884		1,998,884		2,010,884		2,022,884		2,022,884	
Transfer from Sustainability Innovation Fund Reserves	2,731,077	452,000		-		-		-		-	
Transfer from Reserves	11,618,251	2,331,007		229,074		275,000		125,000		125,000	
TOTAL REVENUES	\$ 420,808,663	\$ 485,831,252	15.5%	\$ 571,180,852	17.6%	\$ 648,553,088	13.5%	\$ 753,304,711	16.2%	\$ 877,754,927	16.5%
EXPENDITURES											
Operating Programs:											
Policy Planning and Analysis											
Contribution to Sustainability Innovation Fund Reserve	\$ 1,127,000	\$ 1,127,000		\$ 1,127,000		\$ 1,127,000		\$ 1,127,000		\$ 1,127,000	
Utility Analysis and Infrastructure	2,970,042	3,217,058		4,011,183		4,685,184		4,302,143		4,022,804	
Utility Policy and Planning	3,712,150	3,854,352		3,955,686		4,019,568		4,123,768		4,271,059	
Wastewater Research and Innovation	3,704,459	2,067,771		1,851,913		1,904,784		1,954,882		2,038,359	
Wastewater Facilities Planning	560,402	870,969		1,331,231		1,122,349		1,413,278		1,438,945	
	<u>12,074,053</u>	<u>11,137,150</u>	(7.8%)	<u>12,277,013</u>	10.2%	<u>12,858,885</u>	4.7%	<u>12,921,071</u>	0.5%	<u>12,898,167</u>	(0.2%)
Management Systems and Utility Services											
Annacis Research Centre	502,112	525,741		535,987		546,228		557,714		570,902	
Dispatch	155,180	168,597		173,666		178,319		183,048		186,893	
Energy Management	323,386	364,251		466,192		481,436		496,901		512,429	
Engineers in Training	589,460	823,862		1,072,887		1,101,667		1,130,814		1,161,047	
Management Systems Utility Services	1,219,885	1,311,325		1,307,845		1,336,945		1,366,413		1,397,143	
Records Management	131,443	189,518		194,590		199,857		205,196		210,730	
Utility Voice Radio	135,465	142,589		154,382		161,530		168,064		174,797	
	<u>3,056,931</u>	<u>3,525,883</u>	15.3%	<u>3,905,549</u>	10.8%	<u>4,005,982</u>	2.6%	<u>4,108,150</u>	2.6%	<u>4,213,941</u>	2.6%
Environmental Management and Quality Control											
Environmental Management and Quality Control	13,445,222	15,573,512		17,172,385		17,511,014		18,055,737		19,738,014	
Source Compliance Monitoring	412,888	438,745		467,003		641,777		490,621		502,887	
Contribution to Reserve	106,282	108,399		109,835		113,062		116,264		119,501	
	<u>13,964,392</u>	<u>16,120,656</u>	15.4%	<u>17,749,223</u>	10.1%	<u>18,265,853</u>	2.9%	<u>18,662,622</u>	2.2%	<u>20,360,402</u>	9.1%
Project Delivery											
Minor Capital Projects											
	<u>7,170,828</u>	<u>9,706,543</u>	35.4%	<u>10,152,057</u>	4.6%	<u>10,355,251</u>	2.0%	<u>10,618,409</u>	2.5%	<u>10,872,378</u>	2.4%
Operations and Maintenance											
Lake City Operations	1,027,079	1,058,982		1,099,544		1,129,638		1,233,046		1,315,614	
Liquid Waste Residuals	28,874,666	42,152,634		45,234,938		46,116,435		48,682,283		52,029,648	
Maintenance	36,063,178	38,457,280		42,121,093		44,293,104		46,433,669		48,096,133	
SCADA Control Systems	1,126,131	1,373,250		1,449,064		1,549,459		1,617,573		1,686,926	
Urban Drainage	1,406,189	2,106,676		2,263,622		2,350,120		2,555,226		2,635,228	
Wastewater Collection	17,671,887	18,235,181		19,289,848		20,281,536		21,299,021		21,983,121	
Wastewater Treatment	55,069,772	63,322,632		68,369,101		71,295,411		74,304,651		76,982,069	
	<u>141,238,902</u>	<u>166,706,635</u>	18.0%	<u>179,827,210</u>	7.9%	<u>187,015,703</u>	4.0%	<u>196,125,469</u>	4.9%	<u>204,728,739</u>	4.4%
Administration and Department Support											
Communications Program	475,000	503,500	6.0%	514,368	2.2%	525,507	2.2%	536,922	2.2%	548,623	2.2%
Environmental Regulation and Enforcement	2,278,451	2,432,995	6.8%	2,507,241	3.1%	2,577,670	2.8%	2,654,527	3.0%	2,716,762	2.3%
Allocation of Centralized Support Costs	34,321,573	39,923,864	16.3%	42,545,317	6.6%	45,537,764	7.0%	48,698,844	6.9%	52,929,878	8.7%
Total Operating Programs	<u>217,462,756</u>	<u>253,026,762</u>	16.4%	<u>273,104,290</u>	7.9%	<u>284,933,155</u>	4.3%	<u>298,382,003</u>	4.7%	<u>313,214,301</u>	5.0%
Allocation of Project Delivery Cost											
	6,684,841	7,265,724	8.7%	7,249,602	(0.2%)	7,547,881	4.1%	7,842,854	3.9%	8,080,639	3.0%
Debt Service	116,305,572	126,907,374	9.1%	159,867,703	26.0%	203,328,170	27.2%	288,978,024	42.1%	396,235,443	37.1%
Contribution to Capital	80,355,494	98,631,392	22.7%	130,959,257	32.8%	152,743,882	16.6%	158,101,830	3.5%	160,224,544	1.3%
TOTAL EXPENDITURES	\$ 420,808,663	\$ 485,831,252	15.5%	\$ 571,180,852	17.6%	\$ 648,553,088	13.5%	\$ 753,304,711	16.2%	\$ 877,754,927	16.5%

GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT

LIQUID WASTE SERVICES

2024 BUDGET REVIEW

2024 - 2028 FINANCIAL PLAN

VANCOUVER SEWERAGE AREA

	2023	2024	%	2025	%	2026	%	2027	%	2028	%
	BUDGET	BUDGET	CHANGE	FORECAST	CHANGE	FORECAST	CHANGE	FORECAST	CHANGE	FORECAST	CHANGE
REVENUES											
Liquid Waste Services Levy	\$ 99,429,756	\$125,868,534	26.6%	\$149,281,362	18.6%	\$163,020,066	9.2%	\$185,541,479	13.8%	\$212,488,095	14.5%
User Fees	1,243,538	1,528,984		1,931,824		2,134,735		2,337,719		2,395,778	
Transfer from DCC Reserves	7,005,177	7,342,921		8,235,365		9,773,047		16,028,628		26,544,502	
Liquid Waste Industrial Charges	3,195,194	3,386,906		3,522,382		3,628,053		3,736,895		3,830,317	
Other External Revenues	154,282	237,127		237,127		237,127		237,127		237,127	
Transfer from Sustainability Innovation Fund Reserves	1,068,671	173,658		-		-		-		-	
Transfer from Reserves	11,373,251	1,921,267		104,074		57,630		-		-	
TOTAL REVENUES	\$123,469,869	\$140,459,397	13.8%	\$163,312,134	16.3%	\$178,850,658	9.5%	\$207,881,848	16.2%	\$245,495,819	18.1%
EXPENDITURES											
Operating Programs:											
Policy Planning and Analysis											
Contribution to Sustainability Innovation Fund Reserve	\$ 440,995	\$ 432,993		\$ 432,993		\$ 432,993		\$ 432,993		\$ 432,993	
Utility Analysis and Infrastructure	1,093,700	1,168,759		1,439,866		1,696,846		1,547,686		1,438,294	
Utility Policy and Planning	1,425,173	1,461,632		1,500,565		1,525,108		1,565,142		1,621,731	
Wastewater Research and Innovation	1,449,555	794,438		711,505		731,818		751,066		783,138	
Wastewater Facilities Planning	219,285	334,626		511,459		431,207		542,980		552,842	
	<u>4,628,708</u>	<u>4,192,448</u>	(9.4%)	<u>4,596,388</u>	9.6%	<u>4,817,972</u>	4.8%	<u>4,839,867</u>	0.5%	<u>4,828,998</u>	(0.2%)
Management Systems and Utility Services											
Annacis Research Centre	196,476	201,990		205,926		209,861		214,274		219,341	
Dispatch	45,088	49,654		51,147		52,517		53,910		55,042	
Energy Management	93,962	107,277		137,300		141,790		146,344		150,917	
Engineers in Training	230,654	316,519		412,192		423,249		434,447		446,062	
Management Systems Utility Services	354,450	386,198		385,173		393,743		402,422		411,472	
Records Management	38,191	55,816		57,309		58,861		60,433		62,063	
Utility Voice Radio	48,639	51,196		55,430		57,998		60,343		62,761	
	<u>1,007,460</u>	<u>1,168,650</u>	16.0%	<u>1,304,477</u>	11.6%	<u>1,338,019</u>	2.6%	<u>1,372,173</u>	2.6%	<u>1,407,658</u>	2.6%
Environmental Management and Quality Control											
Environmental Management and Quality Control	5,049,905	5,774,470		6,383,123		6,496,539		6,700,057		7,342,121	
Source Compliance Monitoring	161,563	168,566		179,423		246,571		188,497		193,209	
Contribution to Reserve	41,588	41,647		42,199		43,438		44,669		45,912	
	<u>5,253,056</u>	<u>5,984,683</u>	13.9%	<u>6,604,745</u>	10.4%	<u>6,786,548</u>	2.8%	<u>6,933,223</u>	2.2%	<u>7,581,242</u>	9.3%
Project Delivery											
Minor Capital Projects	1,496,392	2,815,821		2,934,064		2,992,043		3,068,301		3,139,954	
	<u>1,496,392</u>	<u>2,815,821</u>	88.2%	<u>2,934,064</u>	4.2%	<u>2,992,043</u>	2.0%	<u>3,068,301</u>	2.5%	<u>3,139,954</u>	2.3%
Operations and Maintenance											
Lake City Operations	401,896	406,867		422,450		434,012		473,742		505,465	
Liquid Waste Residuals	17,569,473	25,227,925		26,204,901		27,100,753		28,523,974		30,241,207	
Maintenance	9,761,264	10,278,917		10,978,603		11,282,022		11,690,301		12,049,646	
SCADA Control Systems	310,583	378,739		399,651		427,338		446,126		465,253	
Wastewater Collection	4,781,815	5,409,875		5,775,540		6,115,297		6,364,909		6,559,427	
Wastewater Treatment	15,567,664	17,159,736		18,472,921		18,608,281		19,777,773		20,241,068	
	<u>48,392,695</u>	<u>58,862,059</u>	21.6%	<u>62,254,066</u>	5.8%	<u>63,967,703</u>	2.8%	<u>67,276,825</u>	5.2%	<u>70,062,066</u>	4.1%
Administration and Department Support											
Communications Program	837,576	874,558	4.4%	1,067,985	22.1%	1,116,352	4.5%	1,194,529	7.0%	1,161,963	(2.7%)
Environmental Regulation and Enforcement	185,868	193,445	4.1%	197,620	2.2%	201,900	2.2%	206,285	2.2%	210,781	2.2%
Allocation of Centralized Support Costs	439,741	456,916	3.9%	470,860	3.1%	484,086	2.8%	498,520	3.0%	510,208	2.3%
Total Operating Programs	<u>9,984,775</u>	<u>11,703,180</u>	17.2%	<u>12,265,980</u>	4.8%	<u>13,001,364</u>	6.0%	<u>13,405,224</u>	3.1%	<u>14,621,453</u>	9.1%
Allocation of Project Delivery Cost	72,226,271	86,251,760	19.4%	91,696,185	6.3%	94,705,987	3.3%	98,794,947	4.3%	103,524,323	4.8%
Debt Service	1,868,052	2,338,649	25.2%	2,333,460	(0.2%)	2,429,468	4.1%	2,524,412	3.9%	2,600,949	3.0%
Contribution to Capital	16,189,300	15,036,345	(7.1%)	18,652,265	24.0%	23,032,410	23.5%	46,826,074	103.3%	79,579,439	69.9%
TOTAL EXPENDITURES	\$123,469,869	\$140,459,397	13.8%	\$163,312,134	16.3%	\$178,850,658	9.5%	\$207,881,848	16.2%	\$245,495,819	18.1%

GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT

LIQUID WASTE SERVICES

2024 BUDGET REVIEW

2024 - 2028 FINANCIAL PLAN

NORTH SHORE SEWERAGE AREA

	2023 BUDGET	2024 BUDGET	% CHANGE	2025 FORECAST	% CHANGE	2026 FORECAST	% CHANGE	2027 FORECAST	% CHANGE	2028 FORECAST	% CHANGE
REVENUES											
Liquid Waste Services Levy	\$ 34,247,339	\$ 37,993,285	10.9%	\$ 53,421,720	40.6%	\$ 66,287,868	24.1%	\$ 73,714,927	11.2%	\$ 74,926,850	1.6%
User Fees	63,459	60,893		62,352		63,848		65,381		66,953	
Transfer from DCC Reserves	2,513,190	2,470,796		3,203,837		4,301,680		6,238,233		9,108,329	
Liquid Waste Industrial Charges	924,953	942,527		960,435		978,683		1,008,043		1,033,244	
Other External Revenues	18,781	27,405		27,405		27,405		27,405		27,405	
Transfer from Sustainability Innovation Fund Reserves	176,701	28,476		-		-		-		-	
Transfer from Reserves	-	18,900		-		9,450		-		-	
TOTAL REVENUES	\$ 37,944,423	\$ 41,542,282	9.5%	\$ 57,675,749	38.8%	\$ 71,668,934	24.3%	\$ 81,053,989	13.1%	\$ 85,162,781	5.1%
EXPENDITURES											
Operating Programs:											
Policy Planning and Analysis											
Contribution to Sustainability Innovation Fund Reserve	\$ 72,917	\$ 71,001		\$ 71,001		\$ 71,001		\$ 71,001		\$ 71,001	
Utility Analysis and Infrastructure	180,839	191,650		236,105		278,244		253,785		235,847	
Utility Policy and Planning	235,647	239,674		246,058		250,083		256,647		265,927	
Wastewater Research and Innovation	239,678	130,270		116,671		120,001		123,158		123,417	
Wastewater Facilities Planning	36,258	54,871		83,868		70,708		89,037		90,654	
	<u>765,339</u>	<u>687,466</u>	(10.2%)	<u>753,703</u>	9.6%	<u>790,037</u>	4.8%	<u>793,628</u>	0.5%	<u>791,846</u>	(0.2%)
Management Systems and Utility Services											
Annacis Research Centre	32,487	33,122		33,767		34,412		35,136		35,967	
Dispatch	13,601	15,406		15,868		16,296		16,725		17,078	
Energy Management	28,338	33,287		42,603		43,996		45,410		46,829	
Engineers in Training	38,131	51,897		67,584		69,397		71,233		73,137	
Management Systems Utility Services	106,899	119,829		119,511		122,170		124,863		127,671	
Records Management	11,519	17,317		17,780		18,261		18,749		19,255	
Utility Voice Radio	12,894	13,572		14,695		15,375		15,997		16,638	
	<u>243,869</u>	<u>284,430</u>	16.6%	<u>311,808</u>	9.6%	<u>319,907</u>	2.6%	<u>328,113</u>	2.6%	<u>336,575</u>	2.6%
Environmental Management and Quality Control											
Environmental Management and Quality Control	978,692	1,095,946		1,199,784		1,230,297		1,267,784		1,376,115	
Source Compliance Monitoring	26,714	27,641		29,421		40,432		30,909		31,682	
Contribution to Reserve	6,876	6,829		6,920		7,123		7,325		7,529	
	<u>1,012,282</u>	<u>1,130,416</u>	11.7%	<u>1,236,125</u>	9.4%	<u>1,277,852</u>	3.4%	<u>1,306,018</u>	2.2%	<u>1,415,326</u>	8.4%
Project Delivery											
Minor Capital Projects	373,392	301,847		312,592		322,627		330,797		338,144	
	<u>373,392</u>	<u>301,847</u>	(19.2%)	<u>312,592</u>	3.6%	<u>322,627</u>	3.2%	<u>330,797</u>	2.5%	<u>338,144</u>	2.2%
Operations and Maintenance											
Lake City Operations	66,452	66,715		69,269		71,166		77,681		82,882	
Liquid Waste Residuals	719,094	1,011,097		1,080,336		1,079,876		1,144,563		1,237,103	
Maintenance	3,972,973	4,301,122		5,462,460		5,585,209		5,813,062		5,975,680	
SCADA Control Systems	174,410	212,682		224,423		239,973		250,522		261,263	
Wastewater Collection	3,254,820	3,584,803		3,762,618		3,992,216		4,179,575		4,300,978	
Wastewater Treatment	7,023,825	7,974,484		9,126,709		10,186,842		13,611,577		14,019,962	
	<u>15,211,574</u>	<u>17,150,903</u>	12.7%	<u>19,725,815</u>	15.0%	<u>21,155,282</u>	7.2%	<u>25,076,980</u>	18.5%	<u>25,877,868</u>	3.2%
Administration and Department Support											
Communications Program	30,733	31,721		32,405		33,107		33,826		34,563	
Environmental Regulation and Enforcement	128,277	135,518		139,653		143,576		147,857		151,324	
Allocation of Centralized Support Costs	3,009,200	3,626,724		3,646,815		4,651,971		5,392,059		5,668,423	
Total Operating Programs	<u>21,027,271</u>	<u>23,620,381</u>	12.3%	<u>26,490,288</u>	12.2%	<u>29,040,739</u>	9.6%	<u>33,779,914</u>	16.3%	<u>34,974,601</u>	3.5%
Allocation of Project Delivery Cost											
Debt Service	530,045	493,754	(6.8)%	492,659	(0.2)%	512,929	4.1%	532,974	3.9%	549,133	3.0%
Contribution to Capital	7,615,799	7,688,674	1.0%	12,267,237	59.5%	17,155,132	39.8%	19,972,181	16.4%	22,834,162	14.3%
	<u>8,771,308</u>	<u>9,739,473</u>	11.0%	<u>18,425,565</u>	89.2%	<u>24,960,134</u>	35.5%	<u>26,768,920</u>	7.2%	<u>26,804,885</u>	0.1%
TOTAL EXPENDITURES	\$ 37,944,423	\$ 41,542,282	9.5%	\$ 57,675,749	38.8%	\$ 71,668,934	24.3%	\$ 81,053,989	13.1%	\$ 85,162,781	5.1%

GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT

LIQUID WASTE SERVICES

2024 BUDGET REVIEW

2024 - 2028 FINANCIAL PLAN

LULU ISLAND WEST SEWERAGE AREA

	2023	2024	%	2025	%	2026	%	2027	%	2028	%
	BUDGET	BUDGET	CHANGE	FORECAST	CHANGE	FORECAST	CHANGE	FORECAST	CHANGE	FORECAST	CHANGE
REVENUES											
Liquid Waste Services Levy	\$ 29,380,218	\$ 32,235,087	9.7%	\$ 39,200,653	21.6%	\$ 44,483,408	13.5%	\$ 48,555,691	9.2%	\$ 50,952,567	4.9%
User Fees	146,209	134,132		137,416		140,782		144,232		147,769	
Transfer from DCC Reserves	2,353,241	2,427,028		2,468,627		2,846,907		4,793,330		8,097,005	
Liquid Waste Industrial Charges	936,203	953,991		972,117		990,587		1,020,305		1,045,813	
Other External Revenues	678,268	705,059		717,059		729,059		741,059		741,059	
Transfer from Sustainability Innovation Fund Reserves	181,343	31,233		-		-		-		-	
Transfer from Reserves	-	20,730		-		10,365		-		-	
TOTAL REVENUES	\$ 33,675,482	\$ 36,507,260	8.4%	\$ 43,495,872	19.1%	\$ 49,201,108	13.1%	\$ 55,254,617	12.3%	\$ 60,984,213	10.4%
EXPENDITURES											
Operating Programs:											
Policy Planning and Analysis											
Contribution to Sustainability Innovation Fund Reserve	\$ 74,833	\$ 77,876		\$ 77,876		\$ 77,876		\$ 77,876		\$ 77,876	
Utility Analysis and Infrastructure	185,591	210,206		258,966		305,185		278,358		258,683	
Utility Policy and Planning	241,839	262,881		269,883		274,297		281,497		291,675	
Wastewater Research and Innovation	245,976	142,883		127,967		131,621		135,082		140,851	
Wastewater Facilities Planning	37,211	60,184		91,988		77,554		97,658		99,431	
	<u>785,450</u>	<u>754,030</u>	(4.0%)	<u>826,680</u>	9.6%	<u>866,533</u>	4.8%	<u>870,471</u>	0.5%	<u>868,516</u>	(0.2%)
Management Systems and Utility Services											
Annacis Research Centre	33,340	36,329		37,037		37,744		38,538		39,449	
Dispatch	12,838	13,766		14,180		14,560		14,946		15,260	
Energy Management	26,753	29,744		38,068		39,313		40,576		41,844	
Engineers in Training	39,145	56,931		74,139		76,128		78,142		80,231	
Management Systems Utility Services	100,921	107,070		106,786		109,162		111,568		114,077	
Records Management	10,874	15,475		15,889		16,319		16,755		17,207	
Utility Voice Radio	11,348	11,945		12,933		13,531		14,079		14,643	
	<u>235,219</u>	<u>271,260</u>	15.3%	<u>299,032</u>	10.2%	<u>306,757</u>	2.6%	<u>314,604</u>	2.6%	<u>322,711</u>	2.6%
Environmental Management and Quality Control											
Environmental Management and Quality Control	950,795	1,131,504		1,243,472		1,271,292		1,310,458		1,427,833	
Source Compliance Monitoring	27,416	30,317		32,270		44,347		33,902		34,749	
Contribution to Reserve	7,057	7,490		7,590		7,813		8,034		8,258	
	<u>985,268</u>	<u>1,169,311</u>	18.7%	<u>1,283,332</u>	9.8%	<u>1,323,452</u>	3.1%	<u>1,352,394</u>	2.2%	<u>1,470,840</u>	8.8%
Project Delivery											
Minor Capital Projects	827,092	1,273,204		1,331,234		1,356,169		1,390,905		1,425,250	
	<u>827,092</u>	<u>1,273,204</u>	53.9%	<u>1,331,234</u>	4.6%	<u>1,356,169</u>	1.9%	<u>1,390,905</u>	2.6%	<u>1,425,250</u>	2.5%
Operations and Maintenance											
Lake City Operations	68,197	73,179		75,985		78,064		85,209		90,915	
Liquid Waste Residuals	1,472,479	1,937,345		2,199,231		2,183,988		2,322,935		2,511,424	
Maintenance	3,504,307	3,243,834		3,594,185		3,493,998		3,588,471		3,695,432	
SCADA Control Systems	30,510	37,206		39,261		41,980		43,826		45,705	
Wastewater Collection	551,341	615,069		680,499		737,997		782,664		815,221	
Wastewater Treatment	6,701,565	7,140,880		7,513,297		7,958,463		7,958,560		8,363,757	5.1%
	<u>12,328,399</u>	<u>13,047,513</u>	5.8%	<u>14,102,458</u>	8.1%	<u>14,494,490</u>	2.8%	<u>14,781,665</u>	2.0%	<u>15,522,454</u>	5.0%
Administration and Department Support	238,480	242,463	1.7%	296,088	22.1%	309,498	4.5%	331,172	7.0%	322,143	(2.7%)
Communications Program	31,540	34,792	10.3%	35,543	2.2%	36,313	2.2%	37,101	2.2%	37,910	2.2%
Environmental Regulation and Enforcement	236,048	240,867	2.0%	248,217	3.1%	255,189	2.8%	262,798	3.0%	268,959	2.3%
Allocation of Centralized Support Costs	2,836,038	3,208,381	13.1%	3,206,633	(0.1)%	3,496,544	9.0%	3,717,806	6.3%	3,903,336	5.0%
Total Operating Programs	18,503,534	20,241,821	9.4%	21,629,217	6.9%	22,444,945	3.8%	23,058,916	2.7%	24,142,119	4.7%
Allocation of Project Delivery Cost	392,453	411,218	4.8%	410,305	(0.2)%	427,187	4.1%	443,882	3.9%	457,340	3.0%
Debt Service	7,096,627	8,049,519	13.4%	11,073,206	37.6%	14,912,226	34.7%	19,600,792	31.4%	24,198,764	23.5%
Contribution to Capital	7,682,868	7,804,702	1.6%	10,383,144	33.0%	11,416,750	10.0%	12,151,027	6.4%	12,185,990	0.3%
TOTAL EXPENDITURES	\$ 33,675,482	\$ 36,507,260	8.4%	\$ 43,495,872	19.1%	\$ 49,201,108	13.1%	\$ 55,254,617	12.3%	\$ 60,984,213	10.4%

GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT

LIQUID WASTE SERVICES

2024 BUDGET REVIEW

2024 - 2028 FINANCIAL PLAN

FRASER SEWERAGE AREA

	2023	2024	%	2025	%	2026	%	2027	%	2028	%
	BUDGET	Budget	CHANGE	FORECAST	CHANGE	FORECAST	CHANGE	FORECAST	CHANGE	FORECAST	CHANGE
REVENUES											
Liquid Waste Services Levy	\$158,960,909	\$190,533,872	19.9%	\$215,535,351	13.1%	\$233,103,981	8.2%	\$248,241,369	6.5%	\$267,864,999	7.9%
User Fees	2,878,497	3,675,448		4,496,851		4,818,789		5,041,276		5,164,323	
Transfer from DCC Reserves	51,701,011	60,753,999		74,050,288		97,871,772		142,393,396		199,327,645	
Liquid Waste Industrial Charges	7,439,276	7,885,633		8,201,058		8,447,090		8,700,503		8,918,015	
Other External Revenues	942,461	1,017,293		1,017,293		1,017,293		1,017,293		1,017,293	
Transfer from Sustainability Innovation Fund Reserves	1,304,362	218,633		-		-		-		-	
Transfer from Reserves	-	145,110		-		72,555		-		-	
TOTAL REVENUES	\$223,226,516	\$264,229,988	18.4%	\$303,300,841	14.8%	\$345,331,480	13.9%	\$405,393,837	17.4%	\$482,292,275	19.0%
EXPENDITURES											
Operating Programs:											
Policy Planning and Analysis											
Contribution to Sustainability Innovation Fund Reserve	\$ 538,255	\$ 545,130		\$ 545,130		\$ 545,130		\$ 545,130		\$ 545,130	
Utility Analysis and Infrastructure	1,334,912	1,471,443		1,812,761		2,136,295		1,948,506		1,810,783	
Utility Policy and Planning	1,739,491	1,840,165		1,889,180		1,920,080		1,970,482		2,041,726	
Wastewater Research and Innovation	1,769,250	1,000,180		895,770		921,344		945,576		985,953	
Wastewater Facilities Planning	267,648	421,288		643,916		542,880		683,603		686,018	
	<u>5,649,556</u>	<u>5,278,206</u>	(6.6%)	<u>5,786,757</u>	9.6%	<u>6,065,729</u>	4.8%	<u>6,093,297</u>	0.5%	<u>6,079,610</u>	(0.2%)
Management Systems and Utility Services											
Annacis Research Centre	239,809	254,300		259,257		264,211		269,766		276,145	
Dispatch	82,892	88,831		91,502		93,953		96,445		98,471	
Energy Management	172,748	191,913		245,623		253,655		261,803		269,984	
Engineers in Training	281,530	398,515		518,972		532,893		546,992		561,617	
Management Systems Utility Services	651,638	690,924		689,090		704,423		719,949		736,141	
Records Management	70,213	99,854		102,526		105,302		108,114		111,030	
Utility Voice Radio	62,584	65,876		71,324		74,626		77,645		80,755	
	<u>1,561,414</u>	<u>1,790,213</u>	14.7%	<u>1,978,294</u>	10.5%	<u>2,029,063</u>	2.6%	<u>2,080,714</u>	2.5%	<u>2,134,143</u>	2.6%
Environmental Management and Quality Control											
Environmental Management and Quality Control	6,465,830	7,571,592		8,346,006		8,512,886		8,777,438		9,591,945	
Source Compliance Monitoring	197,195	212,221		225,889		310,427		237,313		243,247	
Contribution to Reserve	50,761	52,433		53,126		54,688		56,236		57,802	
	<u>6,713,786</u>	<u>7,836,246</u>	16.7%	<u>8,625,021</u>	10.1%	<u>8,878,001</u>	2.9%	<u>9,070,987</u>	2.2%	<u>9,892,994</u>	9.1%
Project Delivery											
Minor Capital Projects	4,045,952	5,015,671		5,266,667		5,369,225		5,505,339		5,637,887	
	<u>4,045,952</u>	<u>5,015,671</u>	24.0%	<u>5,266,667</u>	5.0%	<u>5,369,225</u>	1.9%	<u>5,505,339</u>	2.5%	<u>5,637,887</u>	2.4%
Operations and Maintenance											
Lake City Operations	490,534	512,221		531,840		546,396		596,414		636,352	
Liquid Waste Residuals	9,113,620	13,976,267		15,750,470		15,751,818		16,690,811		18,039,914	
Maintenance	18,640,284	20,475,209		21,913,331		23,754,811		25,159,469		26,187,832	
SCADA Control Systems	589,227	718,526		758,192		810,722		846,360		882,647	
Wastewater Collection	9,083,911	8,625,434		9,071,191		9,436,026		9,971,873		10,307,495	
Wastewater Treatment	25,776,718	31,047,532		33,256,174		34,541,825		32,956,741		34,357,282	
	<u>63,694,294</u>	<u>75,355,189</u>	18.3%	<u>81,281,198</u>	7.9%	<u>84,841,598</u>	4.4%	<u>86,221,668</u>	1.6%	<u>90,411,522</u>	4.9%
Administration and Department Support											
Administration and Department Support	1,539,840	1,564,619	1.6%	1,910,668	22.1%	1,997,196	4.5%	2,137,061	7.0%	2,078,797	(2.7%)
Communications Program	226,859	243,542	7.4%	248,800	2.2%	254,187	2.2%	259,710	2.2%	265,369	2.2%
Environmental Regulation and Enforcement	1,474,385	1,599,694	8.5%	1,648,511	3.1%	1,694,819	2.8%	1,745,352	3.0%	1,786,271	2.3%
Allocation of Centralized Support Costs	18,309,694	21,142,201	15.5%	23,151,522	9.5%	24,116,062	4.2%	25,919,189	7.5%	28,472,504	9.9%
Total Operating Programs	<u>103,215,780</u>	<u>119,825,581</u>	16.1%	<u>129,897,438</u>	8.4%	<u>135,245,880</u>	4.1%	<u>139,033,317</u>	2.8%	<u>146,759,097</u>	5.6%
Allocation of Project Delivery Cost											
Debt Service	3,891,818	4,016,997	3.2%	4,008,084	(0.2%)	4,172,993	4.1%	4,336,075	3.9%	4,467,539	3.0%
Contribution to Capital	85,403,846	96,132,836	12.6%	117,874,995	22.6%	148,228,402	25.8%	202,578,977	36.7%	269,623,078	33.1%
Contribution to Capital	30,715,072	44,254,574	44.1%	51,520,324	16.4%	57,684,205	12.0%	59,445,468	3.1%	61,442,561	3.4%
TOTAL EXPENDITURES	\$223,226,516	\$264,229,988	18.4%	\$303,300,841	14.8%	\$345,331,480	13.9%	\$405,393,837	17.4%	\$482,292,275	19.0%

GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT
LIQUID WASTE SERVICES
2024 BUDGET REVIEW
2024 - 2028 FINANCIAL PLAN
DRAINAGE

	2023 BUDGET	2024 BUDGET	% CHANGE	2025 FORECAST	% CHANGE	2026 FORECAST	% CHANGE	2027 FORECAST	% CHANGE	2028 FORECAST	% CHANGE
REVENUES											
Liquid Waste Services Levy	\$ 2,247,373	\$ 2,867,325	27.6%	\$ 3,271,256	14.1%	\$ 3,375,908	3.2%	\$ 3,595,420	6.5%	\$ 3,694,839	2.8%
Transfer from Reserves	245,000	225,000		125,000		125,000		125,000		125,000	
TOTAL REVENUES	\$ 2,492,373	\$ 3,092,325	24.1%	\$ 3,396,256	9.8%	\$ 3,500,908	3.1%	\$ 3,720,420	6.3%	\$ 3,819,839	2.7%
EXPENDITURES											
Operating Programs:											
Policy Planning and Analysis											
Utility Analysis and Infrastructure	\$ 175,000	\$ 175,000		\$ 263,485		\$ 268,614		\$ 273,808		\$ 279,197	
Utility Policy and Planning	70,000	50,000		50,000		50,000		50,000		50,000	
	245,000	225,000	(8.2%)	313,485	39.3%	318,614	1.6%	323,808	1.6%	329,197	1.7%
Management Systems and Utility Services											
Dispatch	761	940		969		993		1,022		1,042	
Energy Management	1,585	2,030		2,598		2,682		2,768		2,855	
Management Systems Utility Services	5,977	7,304		7,285		7,447		7,611		7,782	
Records Management	646	1,056		1,086		1,114		1,145		1,175	
	8,969	11,330	26.3%	11,938	5.4%	12,236	2.5%	12,546	2.5%	12,854	2.5%
Project Delivery											
Minor Capital Projects	428,000	300,000		307,500		315,187		323,067		331,143	
	428,000	300,000	(29.9%)	307,500	2.5%	315,187	2.5%	323,067	2.5%	331,143	2.5%
Operations and Maintenance											
Maintenance	184,350	158,198		172,514		177,064		182,366		187,543	
SCADA Control Systems	21,401	26,097		27,537		29,446		30,739		32,058	
Urban Drainage	1,406,189	2,106,676		2,263,622		2,350,120		2,555,226		2,635,228	
	1,611,940	2,290,971	42.1%	2,463,673	7.5%	2,556,630	3.8%	2,768,331	8.3%	2,854,829	3.1%
Administration and Department Support											
	14,125	16,540	17.1%	20,199	22.1%	21,114	4.5%	22,591	7.0%	21,976	(2.7%)
Allocation of Centralized Support Costs											
Total Operating Programs	2,489,900	3,087,219	24.0%	3,391,162	9.8%	3,495,604	3.1%	3,714,909	6.3%	3,814,161	2.7%
Allocation of Project Delivery Cost											
	2,473	5,106	106.5%	5,094	(0.2%)	5,304	4.1%	5,511	3.9%	5,678	3.0%
TOTAL EXPENDITURES	\$ 2,492,373	\$ 3,092,325	24.1%	\$ 3,396,256	9.8%	\$ 3,500,908	3.1%	\$ 3,720,420	6.3%	\$ 3,819,839	2.7%

**GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT
CAPITAL PORTFOLIO
LIQUID WASTE SERVICES
2024 CAPITAL BUDGET AND 2024 - 2028 CAPITAL PLAN**

	CAPITAL BUDGET FOR APPROVAL	2024 CAPITAL CASH FLOW	2025 CAPITAL CASH FLOW	2026 CAPITAL CASH FLOW	2030 CAPITAL CASH FLOW	2028 CAPITAL CASH FLOW	2024 TO 2028 TOTAL CAPITAL CASH FLOW	ACTIVE PHASE	PRIMARY DRIVER
CAPITAL EXPENDITURES									
Collections									
8th Avenue Interceptor Air Treatment Facilities	\$ 500,000	\$ -	\$ -	\$ 500,000	\$ 500,000	\$ 100,000	\$ 1,100,000	Definition	Upgrade
Albert Street Trunk Sewer	10,250,000	450,000	-	-	-	-	450,000	Construction	Growth
Big Bend Forcemain - Gate Replacement	200,000	-	126,000	600,000	650,000	650,000	2,026,000	Design	Maintenance
Burnaby Lake North Interceptor Cariboo Section	1,000,000	50,000	650,000	1,700,000	11,200,000	15,000,000	28,600,000	Design	Growth
Burnaby Lake North Interceptor Winston Section	103,700,000	23,890,000	13,150,000	5,150,000	5,350,000	5,000,000	52,540,000	Construction	Growth
Burnaby South Slope Interceptor	500,000	200,000	250,000	500,000	650,000	4,550,000	6,150,000	Multiple	Growth
Cloverdale Pump Station Capacity Upgrade	11,400,000	370,000	1,110,000	3,730,000	3,900,000	2,200,000	11,310,000	Construction	Growth
Cloverdale Trunk Sewer Capacity Upgrade	1,200,000	450,000	1,800,000	900,000	8,150,000	8,000,000	19,300,000	Design	Growth
Combined Sewer Overflow Sampling Station Enhancements	1,900,000	400,000	-	-	-	-	400,000	Construction	Maintenance
Crescent Beach FM - Replacement	34,850,000	-	-	-	250,000	1,000,000	1,250,000	Construction	Maintenance
Eagle Creek (Lower Section) Channel Restoration	-	-	750,000	-	-	-	750,000	Not Started	Resilience
EMQC-Chemistry Laboratory	1,400,000	400,000	2,500,000	4,000,000	1,500,000	-	8,400,000	Design	Upgrade
Fraser Sewerage Area Integrated Resource Recovery (IRR) Study	1,200,000	250,000	250,000	250,000	-	-	750,000	Design	Opportunity
Front Street Pressure Sewer Access Hatches Reinforcement	5,000,000	1,700,000	500,000	500,000	500,000	470,000	3,670,000	Construction	Maintenance
FSA Flow Metering Program	3,500,000	620,000	520,000	-	-	-	1,140,000	Construction	Maintenance
FSA River Crossing Scour Protection Program - Phase 1	6,400,000	450,000	1,730,000	-	-	-	2,180,000	Construction	Maintenance
FSA Sewer Relocations and Protections	11,700,000	500,000	3,050,000	-	-	-	3,550,000	Construction	Maintenance
FSA Statutory Right of Way Acquisitions Phase 1	35,100,000	5,350,000	14,000,000	800,000	-	-	20,150,000	Design	Maintenance
Gilbert/Brighthouse Trunk Pressure Sewer	175,650,000	38,091,000	29,017,000	9,620,000	600,000	2,400,000	79,728,000	Multiple	Maintenance
Glenbrook Combined Trunk Kingsway Sanitary Section	8,100,000	5,200,000	1,000,000	938,000	-	-	7,138,000	Construction	Growth
Glenbrook CSO Gate Replacement	5,150,000	3,780,000	100,000	-	-	-	3,880,000	Construction	Maintenance
Gleneagles Forcemain Replacement	15,850,000	2,130,000	5,880,000	3,517,000	-	-	11,527,000	Multiple	Maintenance
Gleneagles Pump Stations Improvements	41,000,000	6,400,000	8,700,000	6,500,000	12,500,000	500,000	34,600,000	Construction	Maintenance
Harbour PS Air Treatment Facilities	-	-	-	-	-	150,000	150,000	Not Started	Upgrade
Harbour Pump Station Discharge Header Repair and Valve Replacements	4,850,000	4,273,000	-	-	-	-	4,273,000	Construction	Maintenance
Harbour Pump Station Power Distribution Equipment Replacement	3,650,000	2,107,000	628,000	-	-	-	2,735,000	Construction	Maintenance
Harbour Sewerage Pump Station (HRB) - Suction Piping Replacement	850,000	200,000	1,650,000	3,000,000	1,000,000	-	5,850,000	Design	Maintenance
Highbury Interceptor Diversion Junction Chamber Wall Rehabilitation	500,000	350,000	100,000	4,000,000	1,500,000	-	5,950,000	Design	Maintenance

**GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT
CAPITAL PORTFOLIO
LIQUID WASTE SERVICES
2024 CAPITAL BUDGET AND 2024 - 2028 CAPITAL PLAN**

	CAPITAL BUDGET FOR APPROVAL	2024 CAPITAL CASH FLOW	2025 CAPITAL CASH FLOW	2026 CAPITAL CASH FLOW	2030 CAPITAL CASH FLOW	2028 CAPITAL CASH FLOW	2024 TO 2028 TOTAL CAPITAL CASH FLOW	ACTIVE PHASE	PRIMARY DRIVER
Jervis Pump Station 25kV Voltage Conversion	1,300,000	990,000	-	-	-	-	990,000	Construction	Maintenance
Jervis Sewerage Pump Station (JRV) - Suction Piping Replacement	500,000	200,000	300,000	2,500,000	1,000,000	-	4,000,000	Design	Maintenance
Kent Pump Station High Voltage Switchgear Replacement	3,000,000	1,030,000	470,000	350,000	-	-	1,850,000	Construction	Maintenance
Lozells Sanitary Trunk Golf Course Section	-	-	50,000	400,000	200,000	1,000,000	1,650,000	Not Started	Growth
LSA Flow Metering Program	300,000	50,000	-	-	-	-	50,000	Construction	Maintenance
Marshend Pump Station	10,500,000	700,000	2,350,000	8,470,000	6,520,000	500,000	18,540,000	Multiple	Growth
New West Interceptor - Annacis Section 2	20,000,000	1,320,000	7,150,000	3,000,000	9,000,000	8,000,000	28,470,000	Construction	Maintenance
New West Interceptor Grit Chamber	1,250,000	400,000	650,000	4,000,000	4,000,000	-	9,050,000	Design	Maintenance
New Westminster Interceptor Annacis Channel Crossing Scour Protection	500,000	500,000	2,000,000	-	-	-	2,500,000	Design	Resilience
New Westminster Interceptor Repair Columbia St. Section	38,050,000	200,000	1,000,000	1,000,000	1,000,000	1,000,000	4,200,000	Construction	Maintenance
New Westminster Interceptor West Branch and Columbia Extension Rehabilitation	3,900,000	1,135,000	1,665,000	15,225,000	15,000,000	3,000,000	36,025,000	Design	Maintenance
North Road Trunk Sewer	23,650,000	5,380,000	4,450,000	2,400,000	500,000	600,000	13,330,000	Multiple	Growth
North Surrey Interceptor - Port Mann Section - Odour Control	5,050,000	750,000	2,000,000	4,184,000	6,795,000	6,600,000	20,329,000	Construction	Upgrade
North Surrey Interceptor Improvements	6,000,000	1,950,000	2,950,000	1,000,000	-	-	5,900,000	Multiple	Maintenance
North Surrey Interceptor Roebuck Section Replacement	19,450,000	2,500,000	6,750,000	7,600,000	1,000,000	-	17,850,000	Construction	Maintenance
NSA Flow Metering Program	900,000	55,000	350,000	60,000	-	-	465,000	Construction	Maintenance
NSA Scour Protection Upgrades	2,250,000	200,000	1,500,000	360,000	-	-	2,060,000	Construction	Maintenance
NSI 104th Ave Extension	12,950,000	-	500,000	6,000,000	1,500,000	-	8,000,000	Construction	Growth
NSI Flow Management	21,500,000	3,250,000	4,500,000	4,842,000	32,750,000	30,000,000	75,342,000	Construction	Upgrade
NSI Manson	17,400,000	1,270,000	6,900,000	11,550,000	10,900,000	5,900,000	36,520,000	Construction	Maintenance
NVI Lynn Branch Siphon – SSO Treatment	-	-	750,000	4,800,000	6,150,000	3,800,000	15,500,000	Not Started	Upgrade
NWP Dip Investigation and Repair	4,500,000	1,000,000	1,000,000	1,000,000	500,000	500,000	4,000,000	Construction	Maintenance
Ocean Park Trunk Manholes Lining	50,000	50,000	1,000,000	-	-	-	1,050,000	Design	Maintenance
Ocean Park Trunk Sewer - Air Management Facility	7,750,000	1,340,000	1,550,000	2,500,000	500,000	-	5,890,000	Construction	Upgrade
Port Coquitlam Pump Station Overflow	-	-	210,000	1,000,000	3,000,000	-	4,210,000	Not Started	Resilience
Port Coquitlam Pump Station Refurbishment	7,600,000	500,000	1,800,000	1,350,000	16,050,000	35,700,000	55,400,000	Design	Maintenance
Port Moody Pump Station Capacity Upgrade	2,300,000	230,000	1,860,000	1,090,000	5,000,000	8,000,000	16,180,000	Design	Growth
Port Moody South Interceptor Capacity Upgrade	200,000	50,000	300,000	150,000	1,900,000	1,000,000	3,400,000	Design	Growth
Port Moody Storm Drain Rehabilitation	1,650,000	400,000	600,000	600,000	-	-	1,600,000	Construction	Maintenance
Production Way Facility Access and Parking Improvements	4,850,000	4,600,000	-	-	-	-	4,600,000	Construction	Maintenance
Production Way Operation Centre	40,400,000	2,300,000	23,000,000	12,000,000	-	-	37,300,000	Construction	Upgrade
Rosemary Heights Pressure Sewer Capacity Upgrade	-	-	350,000	500,000	700,000	2,500,000	4,050,000	Not Started	Growth

**GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT
CAPITAL PORTFOLIO
LIQUID WASTE SERVICES
2024 CAPITAL BUDGET AND 2024 - 2028 CAPITAL PLAN**

	CAPITAL BUDGET FOR APPROVAL	2024 CAPITAL CASH FLOW	2025 CAPITAL CASH FLOW	2026 CAPITAL CASH FLOW	2030 CAPITAL CASH FLOW	2028 CAPITAL CASH FLOW	2024 TO 2028 TOTAL CAPITAL CASH FLOW	ACTIVE PHASE	PRIMARY DRIVER
Royal Ave PS Rehabilitation	12,900,000	1,430,000	8,300,000	800,000	–	–	10,530,000	Construction	Maintenance
Sapperton Pump Station	97,500,000	520,000	1,200,000	4,100,000	–	–	5,820,000	Multiple	Growth
Sapperton Pump Station Emergency Backup Power	5,000,000	1,725,000	2,315,000	525,000	175,000	–	4,740,000	Construction	Resilience
Sewer Heat Projects	57,000,000	3,800,000	11,600,000	12,900,000	17,400,000	16,600,000	62,300,000	Multiple	Opportunity
South Surrey Interceptor Johnston Section	84,050,000	1,180,000	9,080,000	7,178,000	2,000,000	1,000,000	20,438,000	Construction	Growth
South Surrey Interceptor Rehabilitation	45,300,000	1,900,000	2,500,000	6,400,000	10,700,000	15,000,000	36,500,000	Multiple	Maintenance
SSI Delta - Air Management Facility Construction	11,750,000	5,700,000	2,000,000	800,000	–	–	8,500,000	Construction	Upgrade
SSI Influent Control Chamber Repair and Replace Gates	150,000	60,000	15,000	1,150,000	–	–	1,225,000	Design	Maintenance
Still Creek Culvert Rehabilitation (Gilmore section)	100,000	100,000	100,000	1,250,000	–	–	1,450,000	Design	Maintenance
Stoney Creek Sanitary Trunk	67,700,000	682,000	3,096,000	11,474,000	12,024,000	15,024,000	42,300,000	Construction	Growth
Surrey Central Valley Capacity Upgrade	–	–	–	150,000	450,000	1,000,000	1,600,000	Not Started	Growth
Surrey Corrosion Control Facility Replacement	7,400,000	125,000	4,500,000	1,000,000	350,000	–	5,975,000	Construction	Maintenance
VSA Emergency Backup Power	29,300,000	3,850,000	3,100,000	3,100,000	3,000,000	500,000	13,550,000	Construction	Resilience
VSA Flow Metering Program	5,800,000	530,000	1,900,000	2,000,000	–	–	4,430,000	Construction	Maintenance
VSA Grit Chamber Access Improvements	2,700,000	100,000	2,000,000	600,000	–	–	2,700,000	Construction	Maintenance
VSA Sewer Relocations and Protections	34,850,000	200,000	7,650,000	–	–	–	7,850,000	Construction	Maintenance
VSA Statutory Right of Way Acquisitions 2024-2026	16,000,000	8,500,000	3,000,000	4,500,000	–	–	16,000,000	Construction	Maintenance
Westridge FM Replacement	8,650,000	5,099,000	900,000	500,000	500,000	390,000	7,389,000	Construction	Maintenance
Westridge Pump Stations 1 & 2 Refurbishment	8,900,000	1,380,000	3,475,000	6,200,000	6,950,000	–	18,005,000	Construction	Maintenance
White Rock Forcemain Rehabilitation	14,800,000	1,100,000	5,000,000	5,000,000	1,500,000	1,000,000	13,600,000	Construction	Maintenance
Total Collections	\$1,253,000,000	\$167,942,000	\$237,147,000	\$213,763,000	\$227,264,000	\$198,634,000	\$1,044,750,000		
Treatment Plants									
AIWWTP Ammonia Removal – Sidestream	\$ 4,000,000	\$ 200,000	\$ 1,000,000	\$ 1,850,000	\$ 1,050,000	\$ 4,140,000	\$ 8,240,000	Design	Upgrade
AIWWTP Centrifuge Schwing HPU replacement	1,650,000	170,000	1,000,000	450,000	–	–	1,620,000	Construction	Maintenance
AIWWTP Chemical Lab UPS System Replacement	900,000	150,000	350,000	–	–	–	500,000	Construction	Maintenance
AIWWTP Cogeneration Backup Power	81,150,000	500,000	2,050,000	–	–	–	2,550,000	Multiple	Resilience
AIWWTP Digester No. 5*	6,900,000	500,000	3,500,000	3,387,000	4,000,000	5,500,000	16,887,000	Design	Growth
AIWWTP Effluent Pump Station	–	–	–	–	–	500,000	500,000	Not Started	Growth
AIWWTP Electrical Distribution System Protection Control and Monitoring	2,650,000	200,000	50,000	400,000	–	–	650,000	Construction	Upgrade
AIWWTP Hydrothermal Processing Pilot	39,350,000	8,550,000	14,400,000	3,400,000	1,550,000	–	27,900,000	Construction	Opportunity
AIWWTP ICS Replacement Program	14,350,000	1,400,000	1,500,000	2,250,000	2,500,000	2,000,000	9,650,000	Construction	Maintenance
AIWWTP Influent System Remediation	22,400,000	250,000	850,000	2,035,000	14,112,000	17,510,000	34,757,000	Design	Maintenance

**GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT
CAPITAL PORTFOLIO
LIQUID WASTE SERVICES
2024 CAPITAL BUDGET AND 2024 - 2028 CAPITAL PLAN**

	CAPITAL BUDGET FOR APPROVAL	2024 CAPITAL CASH FLOW	2025 CAPITAL CASH FLOW	2026 CAPITAL CASH FLOW	2030 CAPITAL CASH FLOW	2028 CAPITAL CASH FLOW	2024 TO 2028 TOTAL CAPITAL CASH FLOW	ACTIVE PHASE	PRIMARY DRIVER
AIWWTP IPS Gates Replacements	300,000	75,000	-	-	-	-	75,000	Construction	Maintenance
AIWWTP IPS Pump Building Roof Replacement Phase 2	800,000	100,000	500,000	200,000	-	-	800,000	Construction	Maintenance
AIWWTP Lubrication Storage Facility Conversion	500,000	500,000	-	-	-	-	500,000	Construction	Maintenance
AIWWTP O&M Building Refurbishment	100,000	100,000	300,000	1,200,000	3,100,000	1,800,000	6,500,000	Design	Maintenance
AIWWTP Outfall Repair	-	-	400,000	750,000	400,000	-	1,550,000	Not Started	Maintenance
AIWWTP PWD line refurbishment/replacement	1,650,000	250,000	1,400,000	-	-	-	1,650,000	Construction	Maintenance
AIWWTP Replacement of Protective Relays	3,050,000	50,000	-	-	-	-	50,000	Construction	Maintenance
AIWWTP Scheduled 64kV Potential & Current Transformer Replacements	400,000	50,000	-	-	-	-	50,000	Design	Maintenance
AIWWTP Scum Pump Replacement	400,000	200,000	150,000	500,000	500,000	-	1,350,000	Design	Maintenance
AIWWTP Secondary Clarifier Corrosion Repair	51,850,000	1,450,000	1,400,000	400,000	200,000	-	3,450,000	Multiple	Maintenance
AIWWTP Sludge Control Building Electrical Room HVAC upgrade	850,000	425,000	-	-	-	-	425,000	Construction	Maintenance
AIWWTP Stage 5 Expansion*	1,004,350,000	62,780,000	65,000,000	80,000,000	75,000,000	91,000,000	373,780,000	Multiple	Growth
AIWWTP Station Battery Replacement	1,250,000	50,000	-	-	-	-	50,000	Multiple	Maintenance
AIWWTP Trickling Filter Media & Distributor Arms & Ducting Replacement	90,700,000	5,485,000	3,295,000	10,006,000	-	-	18,786,000	Construction	Maintenance
AIWWTP UPS Condition Monitoring System	550,000	50,000	250,000	250,000	-	-	550,000	Construction	Resilience
All WWTPs Power Quality Monitoring & Outage Alarming Network	3,000,000	50,000	-	-	-	-	50,000	Construction	Upgrade
Annacis Influent System Surge Control Refurbishment	22,000,000	2,100,000	400,000	50,000	50,000	-	2,600,000	Construction	Growth
Annacis MCC 80 051, 80 070, 80 071 Replacement	2,850,000	50,000	550,000	-	-	-	600,000	Construction	Maintenance
Annacis Outfall System*	356,050,000	11,500,000	1,550,000	50,000	50,000	71,650,000	84,800,000	Construction	Growth
IIWWTP - Biogas Lines Relocation	5,750,000	50,000	-	-	-	-	50,000	Construction	Resilience
IIWWTP Biosolids Dewatering Facility	61,300,000	1,150,000	50,000	-	-	-	1,200,000	Construction	Upgrade
IIWWTP CEPT Polymer Line Replacement	3,300,000	1,750,000	250,000	-	-	-	2,000,000	Construction	Maintenance
IIWWTP CEPT Winterization	1,500,000	1,100,000	250,000	-	-	-	1,350,000	Construction	Maintenance
IIWWTP ICS IPS Control Replacement	1,750,000	700,000	-	-	-	-	700,000	Construction	Maintenance
IIWWTP ICS Migration Program	-	-	500,000	3,000,000	4,000,000	3,000,000	10,500,000	Not Started	Maintenance
IIWWTP ICS Replacement Program	750,000	300,000	200,000	100,000	-	-	600,000	Construction	Maintenance
IIWWTP Influent Gate Refurbishment	1,350,000	100,000	-	-	-	-	100,000	Construction	Maintenance
IIWWTP IPS Drive Remediation	2,300,000	125,000	200,000	400,000	575,000	750,000	2,050,000	Construction	Maintenance
IIWWTP MCC/Power Distribution Assess/Replace - Phase 2	1,000,000	50,000	300,000	-	-	-	350,000	Construction	Maintenance
IIWWTP Non-Domestic Trucked Liquid Waste Alternative	800,000	50,000	500,000	150,000	-	-	700,000	Construction	Maintenance
IIWWTP Outfall Refurbishment*	20,000,000	2,000,000	3,000,000	3,000,000	63,000,000	72,000,000	143,000,000	Design	Maintenance
IIWWTP PA Tanks Improvement	7,500,000	1,500,000	1,550,000	1,100,000	1,150,000	1,200,000	6,500,000	Construction	Maintenance

**GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT
CAPITAL PORTFOLIO
LIQUID WASTE SERVICES
2024 CAPITAL BUDGET AND 2024 - 2028 CAPITAL PLAN**

	CAPITAL BUDGET FOR APPROVAL	2024 CAPITAL CASH FLOW	2025 CAPITAL CASH FLOW	2026 CAPITAL CASH FLOW	2030 CAPITAL CASH FLOW	2028 CAPITAL CASH FLOW	2024 TO 2028 TOTAL CAPITAL CASH FLOW	ACTIVE PHASE	PRIMARY DRIVER
IWWTP PA-Sed Tank & Gallery Wall Refurbishment	200,000	100,000	125,000	50,000	650,000	-	925,000	Design	Maintenance
IWWTP Replacement of CoGen Control System	2,500,000	100,000	550,000	-	-	-	650,000	Construction	Maintenance
IWWTP Siphon Chamber Refurbishment	2,150,000	200,000	500,000	900,000	500,000	-	2,100,000	Construction	Maintenance
IWWTP Solids Handling Refurbishment	64,850,000	100,000	50,000	-	-	-	150,000	Multiple	Maintenance
IWWTP Standby Diesel Generators	2,000,000	100,000	800,000	1,200,000	1,100,000	1,000,000	4,200,000	Design	Resilience
IWWTP Surge Mitigation	250,000	25,000	225,000	750,000	1,000,000	-	2,000,000	Design	Maintenance
Iona Island Control & Instrumentation Replacement 2011	2,750,000	50,000	-	-	-	-	50,000	Construction	Maintenance
Iona Island Wastewater Treatment Plant*	1,060,000,000	109,220,000	231,952,000	218,279,000	289,282,000	723,788,000	1,572,521,000	Construction	Upgrade
LIWWTP Admin Dewatering Building Roof Repair	100,000	50,000	100,000	650,000	-	-	800,000	Design	Maintenance
LIWWTP Biogas Clean-up Project	13,800,000	50,000	-	-	-	-	50,000	Construction	Opportunity
LIWWTP Effluent Heat Recovery Project	10,000,000	500,000	5,000,000	4,300,000	-	-	9,800,000	Construction	Opportunity
LIWWTP Gravity Thickener Redundancy	2,650,000	475,000	1,000,000	1,125,000	5,000,000	8,000,000	15,600,000	Design	Maintenance
LIWWTP Ground Fault Detection System Replacement	1,550,000	200,000	600,000	400,000	250,000	-	1,450,000	Construction	Maintenance
LIWWTP High Efficiency Boiler	1,300,000	400,000	400,000	150,000	-	-	950,000	Construction	Maintenance
LIWWTP ICS Electrical Distribution System Migration Program	2,250,000	500,000	1,750,000	3,500,000	1,250,000	-	7,000,000	Design	Maintenance
LIWWTP ICS Replacement Program	6,750,000	2,250,000	2,000,000	450,000	-	-	4,700,000	Construction	Maintenance
LIWWTP PA-Sed Tank Refurbishment	4,150,000	300,000	300,000	3,000,000	-	-	3,600,000	Construction	Maintenance
LIWWTP Pilot Digestion Optimization Facility	5,200,000	500,000	300,000	100,000	50,000	-	950,000	Construction	Opportunity
LIWWTP Power Reliability	12,400,000	2,380,000	4,710,000	1,052,000	660,000	-	8,802,000	Construction	Resilience
LIWWTP SCL Refurbishment	850,000	300,000	800,000	700,000	1,000,000	150,000	2,950,000	Design	Maintenance
LIWWTP Tricking Filter Refurbishment	1,500,000	400,000	800,000	10,250,000	10,000,000	10,000,000	31,450,000	Design	Maintenance
NLWWTP 25 kV Substation Replacement	10,100,000	50,000	-	-	-	-	50,000	Construction	Maintenance
NLWWTP Standby Diesel Generator	1,000,000	700,000	275,000	-	-	-	975,000	Construction	Resilience
North Shore WWTP Secondary Upgrade, Conveyance and Decommissioning*	1,057,900,000	308,812,000	63,110,000	-	-	-	371,922,000	Construction	Upgrade
Northwest Langley Wastewater Treatment Program*	2,280,650,000	78,770,000	102,379,000	228,297,000	453,067,000	587,817,000	1,450,330,000	Multiple	Growth
Regional Biosolids Dryer – AIWWTP*	24,950,000	500,000	2,500,000	11,000,000	20,090,000	63,500,000	97,590,000	Design	Opportunity
WWTPs Electrical System Studies & Upgrades	1,900,000	200,000	200,000	400,000	400,000	200,000	1,400,000	Construction	Resilience
Total Treatment Plants	\$6,395,000,000	\$ 613,292,000	\$ 527,121,000	\$ 601,481,000	\$ 955,536,000	\$1,665,505,000	\$4,362,935,000		
TOTAL CAPITAL EXPENDITURES	\$7,648,000,000	\$ 781,234,000	\$ 764,268,000	\$ 815,244,000	\$1,182,800,000	\$1,864,139,000	\$5,407,685,000		

**GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT
CAPITAL PORTFOLIO
LIQUID WASTE SERVICES
2024 CAPITAL BUDGET AND 2024 - 2028 CAPITAL PLAN**

	CAPITAL BUDGET FOR APPROVAL	2024 CAPITAL CASH FLOW	2025 CAPITAL CASH FLOW	2026 CAPITAL CASH FLOW	2030 CAPITAL CASH FLOW	2028 CAPITAL CASH FLOW	2024 TO 2028 TOTAL CAPITAL CASH FLOW	ACTIVE PHASE	PRIMARY DRIVER
CAPITAL FUNDING									
New External Borrowing funded by Levy	\$3,238,984,000	\$ 410,547,000	\$ 295,346,000	\$ 292,712,000	\$ 435,440,000	\$ 856,091,000	\$2,290,136,000		
New Borrowing funded by DCC	2,949,203,000	125,506,000	163,638,000	364,696,000	586,427,000	845,070,000	2,085,337,000		
Direct DCC Application	119,216,000	42,967,000	41,329,000	-	-	-	84,296,000		
Contribution to Capital from LWS Levy	979,247,000	98,000,000	129,639,000	150,861,000	155,933,000	157,978,000	692,411,000		
Reserve	49,963,000	12,028,000	6,450,000	6,850,000	5,000,000	5,000,000	35,328,000		
External Funding - Interagency	311,387,000	92,186,000	127,866,000	125,000	-	-	220,177,000		
Total	\$7,648,000,000	\$ 781,234,000	\$ 764,268,000	\$ 815,244,000	\$1,182,800,000	\$1,864,139,000	\$5,407,685,000		
SUMMARY BY DRIVER									
Growth	\$4,104,950,000	\$ 195,002,000	\$ 214,025,000	\$ 366,614,000	\$ 592,211,000	\$ 821,841,000	\$2,189,693,000		
Maintenance	974,800,000	128,655,000	167,071,000	154,998,000	204,637,000	191,920,000	847,281,000		
Resilience	139,550,000	10,055,000	16,660,000	7,527,000	8,335,000	1,700,000	44,277,000		
Upgrade	2,277,200,000	433,372,000	332,462,000	254,155,000	338,527,000	768,578,000	2,127,094,000		
Opportunity	151,500,000	14,150,000	34,050,000	31,950,000	39,090,000	80,100,000	199,340,000		
Total	\$7,648,000,000	\$ 781,234,000	\$ 764,268,000	\$ 815,244,000	\$1,182,800,000	\$1,864,139,000	\$5,407,685,000		

* Project is part of Metro Vancouver's formal stage gate framework. Detailed project report will be brought forward as part of the stage gate review process.

LIQUID WASTE SERVICES Policy, Planning and Analysis

Description of Services

Liquid Waste Services provide wastewater collection and treatment services through the Liquid Waste function under the Greater Vancouver Sewerage & Drainage District (GVS&DD). The Policy, Planning and Analysis Division includes innovations, utility planning, policy and resiliency management to comply with provincial and federal legislation. The Division undertakes utility infrastructure analysis to service growth planning with municipalities, facilities modeling, scenario analysis, scope development for capital projects, and facility analysis and planning. Divisional mandate also includes source control strategies that protect receiving environments, ensure health and safety and protect infrastructure; maintain liquid waste regulatory bylaws; expand public awareness and education; and develops strategic actions for emerging contaminants. Included in the portfolio is innovation management involving technology evaluations, resource recovery assessments, innovative business modelling and enhancing value via Sustainability Innovation Fund projects.

Strategic Directions and High Level Goals Supported

Board Strategic Plan:

- Ensure that our critical regional infrastructure is sufficiently maintained or replaced to meet current and future service needs, and is resilient to impacts from seismic events, wildfires, power failures, and natural disasters.
- Ensure that our services and infrastructure are able to meet the needs of a growing population.
- Ensure that all services and infrastructure anticipate and meet regulatory requirements, and that the organization is responsive to legislative change.
- Deliver utility and regional services in a way that ensures affordability for residents and long-term financial sustainability for the organization, using sound fiscal policies that balance the organization's long-term financial health while maintaining affordability for regional ratepayers.
- Proactively work to respond to the climate emergency by preparing for the impacts of climate change and accelerating reductions in greenhouse gas emissions.
- Continue to make investments and adaptations in service areas to ensure that our communities and organizations can prepare, avoid, absorb, recover, and adapt to the effects of shocks and stresses in an efficient manner.

Integrated Liquid Waste and Resource Management Plan:

- Goal 1 - Protect public health and the environment
- Goal 2 - Use liquid waste as a resource
- Goal 3 - Effective, affordable and collaborative management

Performance Indicators

Indicator	Historical and/or industry benchmark	Current performance	2024 Performance objective
Annual number of wet-weather related sanitary sewer overflow (SSO) events from Metro Vancouver sewers	MV 3-year average: 57 2022: 42 2021: 76 2020: 40	42	0
Annual CSO Volume (ML)	MV 3-year average: 33,900 2022: 29,100 2021: 38,500 2020: 36,900	29,100	32,500
Percentage of Assets not Meeting Capacity or Regulation within 10 Years	MV 3-year average: 22% 2022: 22% 2021: 22% 2020: 23%	22%	22%

2024 Key Actions

- Co-develop with members, the review and update of the Liquid Waste Management Plan in accordance with provincial direction.
- Develop and/or maintain short and long range servicing plans for the collection system and each wastewater treatment plant, outlining the scope, scale, budget and timing.
- Coordinate overflow working groups with members to develop targeted overflow mitigation plans and reduce wet weather flows through actions on public and private works.
- Strengthen source control capabilities through regulatory improvements, public awareness, and stakeholder collaboration.
- Review and update sewer use bylaws, modernizing and achieving full cost recovery.
- Develop with drainage area members and First Nations, a policy to clarify jurisdictional roles on flood management strategies and their implementation.
- Complete the detailed design of the pilot-scale anaerobic digestion optimizer, including Phase 1 of the Hydrogen Integration system at the Lulu Island Pilot Digestion Optimization Facility.
- Continue to lead the research program for the Hydrothermal Processing Demonstration Facility and support the operations and maintenance contract.
- Undertake regulatory reviews including WWTP Operational Certificate amendments.

LIQUID WASTE SERVICES

Engineering, Design and Construction

Description of Services

Liquid Waste Services provides wastewater collection and treatment services to the region through the Liquid Waste function under the authority of the Greater Vancouver Sewerage and Drainage District (GVS&DD). The Engineering, Design and Construction (EDC) Division is responsible for the delivery of the core major and minor capital projects, including trunk sewers, pump stations, SSO storage and wastewater treatment facilities identified in the GVS&DD long range plan and minor operating projects.

Strategic Directions and High Level Goals Supported

Board Strategic Plan

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Integrated Liquid Waste and Resource Management Plan

- Goal 1 - Protect public health and the environment
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Performance Indicators ¹

Indicator	Historical and/or industry Benchmark	Current performance ²	2024 Performance objective
Percent of Capital Program Expenditures Achieved (Projects >\$90M) (7 PROJECTS – \$106M)	3-year average: 63% 2022: 59% 2021: 39% 2020: 62%	20%	95%
Percent of Capital Program Expenditures Achieved (Projects \$20M - \$90M) (32 PROJECTS – \$81M)	3-year average: 58% 2022: 54% 2021: 47% 2020: 73%	24%	90%

Indicator	Historical and/or industry Benchmark	Current performance ²	2024 Performance objective
Percent of Capital Program Expenditures Achieved (Projects \$5M - \$20M (36 Projects – \$72M))	3-year average: 40% 2022: 25% 2021: 59% 2020: 36%	8%	75%
Percent of Capital Program Expenditures Achieved Projects < \$5M (56 Projects – \$27M)	3-year average: 35% 2022: 36% 2021: 34% 2020: 36%	16%	75%
Percent of Minor Capital Program Expenditures (Total Budget - \$8M)	3-year average: 67% 2022: 78% 2021: 70% 2020: 72%	35%	90%

1. The Performance Indicators include projects being completed by other LWS divisions, such as utility relocates and Industrial Control System upgrades, but excluded projects being completed by the Project Delivery department
2. Current Performance is based upon Actuals for year to date end of May, and so is not indicative of expected year end performance

2024 Key Actions

- In conjunction with the PMO (Project Delivery Department), continue to support project management process improvements including the implementation of a Portfolio Management Information System (PMIS).
- Continue to support the Project Delivery Department in the delivery of the expansions and upgrades of four Waste Water Treatment Plants by providing Subject Matter Expertise on Electrical Engineering, Instrumentation and Controls services.
- Complete the review and revisions of the Minor Capital Program, including project prioritization processes and improved program level controls.
- Complete detailed design:
 - Effluent Heat Recovery and Boiler Project at LIWWTP (Richmond)
 - WWTP Electrical System Studies & Upgrades at AIWWTP (Delta)
 - Kent PS Power Distribution System and High Voltage Switchgear Replacement (Vancouver)
 - Sapperton PS Emergency Backup Power (New Westminster)
 - Stoney Creek Trunk Sewer Upgrade (Coquitlam Section)
 - White Rock Forcemain Replacement and Rehabilitation (White Rock)
 - NSI Manson Road Phase 1 and Phase 2 (Surrey)
- Substantially complete:
 - Front Street Pressure Sewer Rehabilitation (New Westminister)
 - Rehabilitation of Trickling Filter 4 at AIWWTP (Delta)
 - IIWWTP CEPT System Rehabilitation (Richmond)
 - North Road Trunk Sewer – Phase 2 (Burnaby and Coquitlam)
 - Hydraulic Gate Improvements Project at AIWWTP (Delta)
 - Gleneagles Pump Stations 4 and 5 Rehabilitation (West Vancouver)

- Jervis Pump Station Voltage Conversation (Vancouver)
- LIWWTP Power Reliability – DVR (Richmond)
- Glenbrook Sanitary Trunk Sewer (Burnaby),
- Burnaby Lake North Interceptor No.2 – Winston St Section Phase 2 (Burnaby)
- Initiate construction:
 - Last section of the South Surrey Interceptor Twinning (SSJ2 Phase IV, Surrey)
 - Harbour PS Power Distribution System Replacement (Vancouver)
 - Corrosion Control Facility at the Cloverdale PS (Surrey)
 - Hydrothermal Liquefaction System at AIWWTP (Delta)
 - Standby Diesel Generator Recommissioning at AIWWTP (Delta)
 - Westridge Forcemain Replacement and Pump Station 2 Refurbishment (Burnaby)
 - IWWTP Influent Pump Station Drive Remediation (Richmond)
 - Gleneagles Forcemains Replacement (West Vancouver)
 - LIWWTP Power Reliability – SDG and Building (Richmond)
 - Permanent Backup Power at Jervis Pump Station (Vancouver)
- Initiate and complete construction:
 - MSG Line Replacement at AIWWTP (Delta)
 - Sludge Control Building Electrical Room HVAC Upgrade at AIWWTP (Delta)
 - South Surrey Interceptor Delta Section – Air Management Facility (Delta)
 - Harbour Pump Station Header Replacement (Vancouver)
 - Glenbrook CSO Gate Replacement (New Westminister)
 - New Westminister Interceptor Upper Sapperton Connection Rehabilitation (New Westminister)

LIQUID WASTE SERVICES

Operations and Maintenance - Wastewater Collections and Drainage

Description of Services

Liquid Waste Services provides wastewater collection and treatment services to the region through the Liquid Waste function under the authority of the Greater Vancouver Sewerage and Drainage District (GVS&DD). The Wastewater Collection and Drainage Division is responsible for managing the operations and maintenance of the sewer collection network and providing maintenance services to Greater Vancouver Water District (GVWD) as a shared service provider. This includes day-to-day management of the infrastructure assets and supporting infrastructure. This business area is also responsible for managing the operations and maintenance of Urban Drainage areas including the Still Creek/Brunette, Port Moody/Coquitlam and UBC Drainage areas.

Alignment of Strategic Directions and High Level Goals

Board Strategic Plan

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- Continue to make investments and adaptations in service areas to ensure that our communities and organizations can prepare, avoid, absorb, recover, and adapt to the effects of shocks and stresses in an efficient manner.

Integrated Liquid Waste and Resource Management Plan

- Goal 1 - Protect public health and the environment
- Goal 2 - Use liquid waste as a resource
- Goal 3 - Effective, affordable and collaborative management

Performance Indicators

Indicator	Historical and/or Industry Benchmark	Current Performance	2024 Performance Objective
Number of reported events of sanitary sewer overflows (SSOs): non-weather related	MV 3-year average: 18.3 2022:14 2021: 6 2020: 35	10	0

Indicator	Historical and/or Industry Benchmark	Current Performance	2024 Performance Objective
Number of odour complaints received	MV 3-year average: 12 2022: 8 2021: 7 2020: 21	2	10

2024 Key actions

- Review the Pump Station Design Standard with Technical Services
- Develop and implement project lifecycle KPIs for the Construction crew
- Create and implement a continuous improvement process for KPIs
- Expand self-serve LWS sewer/rainfall datasets available to member municipalities
- Inspect 5% of sewer collection system
- Continuation of implementation of a comprehensive Maintenance Reliability Program to increase asset resilience.
- Continue asset verification audits and initiate implementation of the new 2023 Engineering Naming Standard.
- Implement asset management for our Lake City Operations Centre facility. All associated equipment to be entered into EAM with preventative maintenance schedules established to help avoid asset failures and downtime, ensure regulatory maintenance is performed on time, lower maintenance costs, and monitor and document asset lifecycles for future planning and budgeting.

LIQUID WASTE SERVICES

Operations & Maintenance - Wastewater Treatment & Residuals Management

Description of Services

Liquid Waste Services provides wastewater collection and treatment services to the region through the Liquid Waste function under the authority of the Greater Vancouver Sewerage and Drainage District (GVS&DD). The Wastewater Treatment & Residuals Management division is responsible for managing the operations and maintenance of the five regional wastewater treatment plants (WWTPs). This includes long-range facility planning and day-to-day management of the infrastructure assets and supporting infrastructure with the objective of complying with provincial and federal regulations and recovering as much resources from the wastewater as economically feasible. This business area is also responsible for the beneficial use of biosolids and other residuals produced through the treatment process.

Strategic Directions and High Level Goals Supported

Board Strategic Plan

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Integrated Liquid Waste and Resource Management Plan

- Goal 1 - Protect public health and the environment
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Performance Indicators

Indicator	Historical and/or industry benchmark	Current performance	2024 Performance objective
Volume treated per year (ML)	MV 3-year average: 448,676 2022: 435,178 2021: 451,732 2020: 459,118	418,500	446,400

Indicator	Historical and/or industry benchmark	Current performance	2024 Performance objective
Percent of digester gas used at the Wastewater Treatment Plants	MV 3-year average: 57.9% 2022: 64.5% 2021: 53.7% 2020: 55.5%	66%	68%
Compliance with treatment plant Operational Certificates (%)	MV 3-year average: 99.94% 2022: 99.99% 2021: 99.99% 2020: 99.83%	99.99%	100%
Percent of biosolids beneficially used	MV 3-year average: 99.8% 2022: 100% 2021: 100% 2020: 99.5%	100%	100%
Percentage of Biosolids beneficially used in Metro Vancouver Region	MV 3-year average: 16.6% 2022: 14.4% 2021: 17.9% 2020: 17.6%	15%	11%

2024 Key actions

New Initiatives

- Commissioning and testing of two (2) pilot plants at Iona Island WWTP to evaluate the two preferred secondary treatment technologies (Aerobic Granular Sludge and Membrane Bioreactor).
- Development of process safety management system.
- Commissioning and testing of the new Annacis island WWTP outfall.
- Strategic procurement for commodities, chemicals and service contracts.

Resiliency Upgrade Projects

- Complete Annacis Island WWTP trickling filter 4 refurbishment and media replacement.
- Continue ICS migration project.
- Commissioning and testing of new centrifuge polymer system at Lulu Island WWTP
- Rebuild bar screens, cogens, influent and effluent pumps at Iona Island WWTP
- Complete primary sedimentation tanks maintenance, screen compactor and grinder overhauls at Lions Gate WWTP.
- Complete primary sedimentation tanks repair and modifications, trickling filter pump rebuild, centrifuge rebuild, cogen and air handling equipment maintenance at Annacis Island WWTP.
- Purchase spare trickling effluent pumps at Northwest Langley WWTP.

Ongoing Works

- Complete removal of land-dried biosolids stockpile at Iona Island WWTP, if not completed by end of 2023. Handover site to PDE
- Complete the cleaning of the southeast lagoon at Iona Island WWTP and handover to PDE.
- Construct biosolids storage area at the Iona WWTP dewatering building.
- Operate and maintain the Pilot Digester Optimization Facility.
- Review and update critical operations, maintenance and safety documents related to plant process, operating and maintenance procedures for the wastewater treatment plants

Optimization Works

- Biosolids dewatering polymer optimization at Iona Island WWTP.
- Renewable Natural Gas Facility Optimization at Lulu Island WWTP.
- Update ICS Alarm Rationalization Philosophy .

LIQUID WASTE SERVICES

Environmental Management & Quality Control

Description of Services

This business area is responsible for management of environmental programs and initiatives for GVS&DD, analytical services for liquid waste, water and solid waste regulatory, quality control, source control and process control purposes, and federal and provincial regulatory reporting of environmental and wastewater quality and treatment. The work includes environmental investigations, laboratory analyses, modeling, forecasting, simulations, monitoring, risk assessments, support for management of stormwater and urban drainage, development of an Environmental Management System for Liquid Waste Services, implementation of selected source control programs, and liaison with senior governments, academia and environmental stakeholders.

Strategic Directions and High Level Goals Supported

Board Strategic Plan:

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Integrated Liquid Waste and Resource Management Plan:

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Performance Indicators

Indicator	Historical and/or industry benchmark	Current performance	2024 Performance objective
Number of days between May 1 st and September 30 th swimming advisories posted by the Health Authorities (combined totals for all beaches in region)	MV 3-year average: 36 2021: 26 2020: 42 2019: 39	52	32

Indicator	Historical and/or industry benchmark	Current performance	2024 Performance objective
Fraser River water quality index ¹	MV historical 3-year averages: 2019-2021: 74 2018-2020: 77 2017-2019: 88	2020-2022: 80	80
Burrard Inlet water quality index	MV historical 3-year average: 2018-2020: 76 2017-2019: 82 2016-2018: 87	2019-2021: 83	83
Sturgeon Bank water quality index	MV historical 3-year average: 2018-2020: 90 2017-2019: 96 2016-2018: 92	2019-2021: 87	87

¹ Water Quality Index (WQI) ranking of water quality: Excellent (WQI value 95-100), Good (80-94), Fair (65-79), Marginal (45-64), Poor (0-44)

2024 Key Actions

- Produce the 2023 GVS&DD Environmental Management & Quality Control Annual Report.
- Complete and submit 2023 National Pollution Release Inventory (NPRI) Report to Environment Canada.
- Update the SSO Rapid Risk Ranking Tool for all sanitary sewer overflows (SSOs) for the 5-year interval of 2019-2023.
- Continue scenario modelling and now-casting to support regulatory reporting of sewer overflows and WWTP process upsets.
- Conduct water quality monitoring in the Fraser River.
- Continue the Burrard Inlet fish health monitoring program and sediment coring in the Strait of Georgia, in accordance with recommendations from the Water Body Environmental Program Reviews.
- Conduct Lulu Island WWTP dye tracer study.
- Continue the collaborative work on advancing the use of wastewater based epidemiology for the protection of public health.
- Continue collaborative work with BCCDC to develop molecular methods for recreational water quality monitoring.
- Continue collaboration with DFO and SFU on development of genomics solutions for understanding impacts of wastewater treatment plant (WWTP) discharges on Fraser River salmon.
- Continue the quarterly analyses of pharmaceuticals and personal care products (PPCPs) in wastewater, and semi-annual analyses of Perfluoroalkyl and Polyfluoroalkyl (PFAS) substances in drinking water.
- Expand scope of the Canadian Association for Laboratory Accreditation (CALA) accredited PFAS compounds.

LIQUID WASTE SERVICES

Support Services and Strategic Initiatives

Description of Services

Liquid Waste Services provides wastewater collection and treatment services to the region through the Liquid Waste function under the authority of the Greater Vancouver Sewerage and Drainage District (GVS&DD). The Support Services and Strategic Initiatives division is responsible for the following Liquid Waste Services functions: business and financial planning and management; capital budget planning; asset management; performance management; energy management and the Annacis Research Centre.

Strategic Directions and High Level Goals Supported

Board Strategic Plan

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Integrated Liquid Waste and Resource Management Plan

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Performance Indicators

Indicator	Historical and/or industry benchmark	Current performance	2024 Performance objective
Operating cost per million litres collected and treated (\$/ML)	MV 3-year average: \$425 2022: \$472 2021: \$408 2020: \$395	\$472	\$569
Total LWS energy consumption (GJ/ML)	MV 3-year average: 2.20 2022: 2.25 2021: 2.19 2020: 2.18	2.25	2.30

Indicator	Historical and/or industry benchmark	Current performance	2024 Performance objective
Total Greenhouse gas emissions from energy and direct emissions (kg CO ₂ e/ML)	MV 3-year average: 20.4 2022: 19.0 2021: 18.8 2020: 23.2	19.0	21.3
Energy Savings Realized (kWh/y)	MV 3-year average: 1,770,000 2022: 1,880,000 2021: 3,300,000 2020: 138,000	1,800,000	635,000

2024 Key Actions

- Develop tools for tracking actual energy consumption/generation against projections developed with the facilities and for recording results of investigations and corrective actions pertaining to out-of-tolerance consumption/generation events.
- In support of Climate 2050 emission reduction targets, and in collaboration with utilities worldwide through the WEF Greenhouse Gas Communities group (Committee), develop plans for monitoring and ultimately reducing process-based greenhouse gas emissions at LIWWTP, as a first step toward reducing process emissions at all WWTPs.
- Promote and pursue additional partnerships with municipalities, utilities and the property development community to implement opportunities for resource recovery from liquid waste with emphasis on projects that achieve regional greenhouse gas emissions reductions.
- Develop training resources on document management processes for new and existing staff.
- Improve the management of departmental performance monitoring data using enterprise tools such as Metrolytics.
- Further discussion with member advisory committees of the expansion of Tier III cost apportionment into operating budget activities.

2024 to 2028 – WHAT’S HAPPENING

Below is a summary of the significant initiatives to be undertaken by Liquid Waste Services over the next 5 years.

Initiative	Description	Theme
2024		
Wet Weather Pricing	First year of implementation of a regionally revenue-neutral sewer levy split into dry and wet weather components, providing incentives to mitigate I&I and separate combined sewers.	Environmental Sustainability / Financial Sustainability
Iona Island WWTP	Commence preliminary Design of WWTP and commence construction of WWTP ground improvement works and secondary treatment technology piloting, and commencement of dewatering of lagoons	Regulatory and Legislative Environment
Annacis Island WWTP Outfall	Completion of construction of the outfall system	Regional Growth
Annacis Island WWTP	Completion of construction of Primary Sludge Gravity Thickeners #4 and #5	Regional Growth
Annacis Island WWTP	Commence preliminary design of Digester No. 5 and Regional Biosolids Dryer	Regional Growth and Opportunity
Burnaby Lake North Interceptor	Completion of construction of the tunneled section of the Burnaby Lake North Interceptor	Regional Growth
Integrated Liquid Waste and Resource Management Plan	Submission of the updated Integrated Liquid Waste and Resource Management Plan to the Province.	Regulatory and Legislative Environment
Vancouver Sewerage Area (VSA) Pump Station Backup Power	Generators installed at Jervis and Chilco Pump Stations. VSA Pump Station Backup Power Program complete.	System Stewardship
Gleneagles Forcemain	Completion of construction of replacement of the Gleneagles Forcemain, this will be the last section to connect to Hollyburn Interceptor	Regional Growth
2025		
Gilbert Trunk Sewer	Completion of the twinning of the Gilbert Trunk Sewer to improve system reliability and resiliency.	System Stewardship
Northwest Langley WWTP	Commence wastewater treatment plant construction	Regional Growth
Iona Island WWTP	Select secondary treatment technology	Regulatory and Legislative Environment
Annacis Island WWTP	Commence ground improvements for Trickling Filters #5 and #6	Regional Growth
Annacis Island WWTP Trickling Filters	Completion of replacement of media, distributor arms and foul air ducting.	System Stewardship
South Surrey Interceptor	Completion of construction of the South Surrey Interceptor – Johnson Road Section, the last part of the system to be twinned.	Regional Growth

Initiative	Description	Theme
2026		
Liquid Waste Services Comprehensive Long-Range Plan	Complete Comprehensive Long-Range Plan, identifying regional infrastructure needs to service growth, mitigate overflows, improve receiving water quality, enhance resiliency.	Environmental Sustainability
Marshend Pump Station	Completion of replacement of the pump station to meet current safety and seismic regulations, and to expand the capacity.	System Stewardship
Cloverdale Pump Station	Completion of construction the first phase of project to meet the current capacity.	System Stewardship
Westridge Pump Station	Completion of rehabilitation of Westridge Pump Station 2 and upgrade of Westridge Pump Station 1 to meet current safety regulations and expand station capacity.	System Stewardship
New Westminster Interceptor	Completion of rehabilitation for West Branch and Columbia Street Extension	System Stewardship
Iona Island WWTP	Completion of preliminary design of WWTP, completion of ground improvements and Phase 1 ecological projects.	Regulatory and Legislative Environment
Annacis Island WWTP Hydrothermal Processing (HTP) Demonstration Facility	Completion of construction of the HTP facility.	Environmental Sustainability
Annacis Island WWTP	Commence construction of Trickling Filters #5 and #6, Trickling Filter Pump Station, Centrifuges, and Maintenance Workshop Building	Regional Growth
Annacis Island WWTP	Commence detailed design of Digester No. 5 and Regional Biosolids Dryer	Regional Growth and Opportunity
North Surrey Interceptor Odour Control	Completion of construction of odor control system.	System Stewardship
2027		
Iona Island WWTP	Commence detailed design of WWTP	Regulatory and Legislative Environment
Annacis Island WWTP Hydrothermal Processing (HTP) Demonstration Facility	Commence operation of the HTP facility and initial production of biocrude oil at demonstration scale.	Environmental Sustainability
Northwest Langley WWTP	Commence outfall construction	Regional Growth
Stoney Creek Trunk Sewer	Completion of the construction of the upgrade of Stoney Creek Trunk to mitigate overflow into the Stoney Creek and increase capacity	Regional Growth and System Stewardship
2028		
Annacis Island WWTP	Completion of construction of Centrifuges and Maintenance Workshop Building and commence construction of Digester No. 5	Regional Growth

Initiative	Description	Theme
Annacis Island WWTP	Commence construction of Regional Biosolids Dryer	Opportunity

METRO VANCOUVER DISTRICTS
2024 - 2028 PROJECTED RESERVES - LIQUID WASTE

OPERATING RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Liquid Waste Services	\$ 38,398,701	\$ 38,398,701	\$ -	\$ -	\$ 959,968	\$ 39,358,669	\$ 40,342,636	\$ 41,351,202	\$ 42,384,982	\$ 43,444,607

DISCRETIONARY RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Liquid Waste Services										
Biosolids Inventory Reserve	\$ 1,910,081	\$ 1,910,081	\$ -	\$ (1,806,007)	\$ -	\$ 104,074	\$ -	\$ -	\$ -	\$ -
Liquid Waste General Debt Reserve Fund	2,229,071	2,229,071	-	-	55,727	2,284,798	2,341,918	2,400,466	2,460,478	2,521,990
Lions Gate Contingency	1,564,365	1,564,365	-	-	39,109	1,603,474	1,643,561	1,684,650	1,726,766	1,769,935
Drainage General Reserve	5,465,528	5,465,528	-	(725,000)	127,576	4,868,104	3,395,119	1,480,309	1,517,317	1,555,250
Total	\$ 11,169,045	\$ 11,169,045	\$ -	\$ (2,531,007)	\$ 222,412	\$ 8,860,450	\$ 7,380,598	\$ 5,565,425	\$ 5,704,561	\$ 5,847,175

STATUTORY RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Liquid Waste Services										
Liquid Waste Laboratory Equipment Reserve	\$ 851,197	\$ 851,197	\$ 108,399	\$ (300,000)	\$ 18,885	\$ 678,481	\$ 806,651	\$ 789,418	\$ 926,871	\$ 1,071,038
Liquid Waste Sustainability Innovation Fund Reserve	9,651,116	9,651,116	1,127,000	(6,979,870)	168,117	3,966,363	5,206,610	6,477,863	7,780,897	9,116,507
Total	\$ 10,502,313	\$ 10,502,313	\$ 1,235,399	\$ (7,279,870)	\$ 187,002	\$ 4,644,844	\$ 6,013,261	\$ 7,267,281	\$ 8,707,768	\$ 10,187,545

To: Regional Parks Committee

From: Mike Redpath, Director, Regional Parks

Date: September 25, 2023 Meeting Date: October 18, 2023

Subject: **2024 - 2028 Financial Plan – Regional Parks**

RECOMMENDATION

That the Regional Parks Committee endorse the 2024 - 2028 Financial Plan for Regional Parks as presented in the report dated September 25, 2023, titled “2024 - 2028 Financial Plan – Regional Parks”, and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

EXECUTIVE SUMMARY

The 2024 - 2028 Metro Vancouver Financial Plan has been prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop. The direction followed the recommendations of the Financial Plan Task Force, which included the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan. This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Metro Vancouver has met the household impact targets that were recommended by the Financial Plan Task Force and adopted at the April 19, 2023 Board Budget Workshop. This has resulted in an overall consolidated household impact for 2024 to be 12.0%, down from the 14.2% projected for 2024 in the prior financial planning cycle as well as a reduction in the cumulative household impact of 40% over the common four years in comparison to the prior financial plan.

Over the next five years, the Regional Parks budget is expected to decrease an average of \$1,281,801 or 1.4% per year. This is a result of the implementation of DCCs for parkland acquisition which will mitigate the increases to the contributions to the parkland acquisition and development reserve. Adjusting for the decreases in the contribution to the Regional Parks Land Acquisition and Development Reserve in 2024 to 2028, the average increase per year is 2.7%. Over the 2024-2028 Financial Plan there are still pressures for new service levels, land acquisition and accelerated park and greenway development.

Before 2020, Regional Parks visitation was growing at roughly 4% year, or roughly twice the rate of regional population growth. In 2020, Regional Parks saw 16.5 million visits – an increase of 38% from 2019, when there were 11.9 million visits. High levels of visitation have continued through 2021. Parks are essential to support community resilience, are vital to the physical and mental health and well-being of residents and play a key role in regional climate action.

PURPOSE

To present the 2024 - 2028 Financial Plan for Regional Parks for consideration by the Committee.

BACKGROUND

Metro Vancouver's annual budget process includes the development of detailed annual budgets and the updating of five-year financial plans for each of the four Metro Vancouver legal entities (Metro Vancouver Regional District, Metro Vancouver Housing Corporation, Greater Vancouver Water District and Greater Vancouver Sewerage and Drainage District).

On April 19, 2023 a Metro Vancouver Board Budget Workshop was held with the objective to seek direction for the preparation of the 2024 - 2028 Financial Plan. The workshop outlined the principles that guide the work of Metro Vancouver as an organization and provided a proposed approach for the 2024 - 2028 Financial Plan based on the work of the Financial Plan Task Force that was created by the Board Chair. This included an adoption of the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan.

This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Key highlights of the overall Metro Vancouver 2024 proposed budget are as follows:

- A reduction of \$15 million of the total 2024 Metro Vancouver proposed operating budget compared to that previously projected for 2024
- Increased contribution to capital of \$32M for debt avoidance and increases in reserve contributions of just over \$6M for key functions
- Reduced total capital cash flow of roughly \$655M 2024 through 2027 for the utilities
- Reduction of household impact, \$13 less than that previously projected for 2024

This report focuses on the Regional Parks Service and presents the 2024 provisional annual budget and the updated five-year plan for the years 2024 to 2028 for Committee consideration.

REGIONAL PARKS SERVICE

Regional Parks contribute to a livable region by conserving natural assets and connecting to nature. Regional Parks manages 13,938 ha of land for 23 regional parks, 5 regional greenways, 3 Regional Park reserves and 2 ecological conservation areas through:

- Stewardship of the Regional Parks' ecosystems and natural areas
- Safe and secure parks and facilities to connect people with nature
- Park maintenance and bylaw enforcement/regulation
- Park system visitation, programs and services
- Indigenous cooperation, consultation and engagement

- Public education, interpretation, events and cultural engagement
- Park planning and management of built and natural assets
- Capital construction and asset management
- Acquisition of new park land to complete existing parks and create new parks

Regional Parks' initiatives planned over the next five years are guided by direction provided in the *Board Strategic Plan*, and *Regional Parks Plan*, and *Regional Greenways Strategy* specifically:

2022-2026 Board Strategic Plan:

- Update existing financial tools and investigate additional financial mechanisms to support service provision, land acquisition, and operations and maintenance of park land including development cost charges, grant opportunities, and philanthropic endeavors
- Work together with First Nations to develop collaborative agreements (such as cultural planning and cooperation agreements), and name or rename regional parks to affirm the importance of the lands to the Nations
- Provide more passive recreation opportunities and improve ecological health and resilience of the region by growing the regional parks system, as identified in the Regional Parks Land Acquisition 2050 Strategy
- Collaborate with others to advance the completion of the regional greenways network to support sustainable transportation and access to regional parks
- Develop and implement a climate action strategy for regional parks
- Advance nature-based solutions to climate change to increase infrastructure and ecosystem resilience, including monitoring forest health and implementing necessary restoration activities to support long-term resilience and ecological health
- Expand the ecological stewardship program to provide more opportunities for people to engage with regional parks
- Deliver interpretive and educational events that provide opportunities for people to connect with nature
- Manage built and natural assets proactively as part of an asset management system to support the provision of safe and well-maintained infrastructure and integrity of ecosystems
- Design, develop, and program parks to provide a range of opportunities to support the region's growing and diverse population
- Develop a visitor use strategy to protect natural resources and support a safe and high-quality visitor experience.

Regional Parks Plan:

GOALS



Goal 1 The region's important natural areas are protected in perpetuity.



Goal 2 Everyone has the opportunity to benefit from exceptional experiences in nature.



Goal 3 Regional parks are sustainably managed and well-maintained for the safety of visitors and integrity of ecosystems.



Goal 4 First Nations have an active role in the planning and stewardship of regional parks.



Goal 5 Regional parks adapt to change and contribute to regional resilience.

Metro Vancouver also recognizes the history of Indigenous Peoples and aims to build meaningful and enduring relationships with First Nations. As part of our work, Regional Parks is committed to engaging First Nation communities through information sharing, engagement and ongoing communication.

WORK PLAN PERFORMANCE INDICATORS

High level performance indicators have been developed across the organization to evaluate trends, determine key actions for the coming year and to assist in long-term planning. The 2024 Work Plan for Regional Parks is presented in this report. Within the Regional Parks Work Plan, four performance indicators have been developed and are being tracked. These include:

- Annual number of visits to Regional Parks
- Annual number of participants in Regional Park public programming
- Annual number of volunteer hours through stewardship, partnership and visitor services programs
- Total hectares of Regional Park lands

The trends in these performance measures suggests that Regional Parks will continue to have an increase in the annual number of visits to Regional Parks, and will see a reduction in the annual number of participants in Regional Parks programming and number of volunteer hours due to the COVID-19 pandemic. Modest increases in the amount of sensitive ecosystems located within regional parks are expected.

CONTINUOUS IMPROVEMENT

Regional Parks continues to explore, evaluate and implement continuous improvement opportunities. The 2024 continuous improvement opportunities include the following:

- Deepen relationships with First Nations – knowledge sharing and collaboration on planning, design, resource management, and education.
- Pilot project to install real-time parking management platform for select regional parks
- Complete and begin implementation of Regional Parks Asset Management Plan
- Implement new Hazard Tree Inventory Management System guided by new Board policy
- Quantify carbon sequestration value of recent land acquisitions at Cape Roger Curtis and Kanaka Creek, and ecological restoration of Burns Bog
- Development Cost Charge program to support Regional Parks land acquisition
- Work with Fleet Services to replace gas powered vehicles and equipment with electric options
- Continued Implementation of pay parking as part of a parking visitor management strategy for Belcarra and Lynn Headwaters Regional Parks
- Positioning capital projects for funding from other levels of government and partnering with local municipalities and others.
- Continued implementation of Regional Parks Land Acquisition 2050 – carbon credits from Regional park land acquisition and restoration enabled Metro Vancouver to achieve carbon neutrality.
- Promotion of Peatland Recovery in areas affected by wildfire in Burns Bog Ecological Conservancy Area. This project will contribute to restoring desired ecological conditions on 37 ha of peatland affected by wildfire. Research will contribute to knowledge on peatland function and potential for long-term carbon benefits. The results will guide future management of other similarly affected peatlands across the region.
- Development of a methodology for the valuation of natural assets in Regional Parks that will be shared with member municipalities.

2024 BUDGET AND 2024 - 2028 FINANCIAL PLAN

The five-year financial plans for this cycle have been updated to address five central priorities identified by the Metro Vancouver Board in its Strategic Plan to guide the development of plans and budgets. The five priorities are as follows:

- Financial Sustainability and Regional Affordability
- Climate Action
- Resilient Services and Infrastructure
- Reconciliation
- Housing

Each Metro Vancouver function has an Annual Work Plan that includes strategic directions, performance indicators and key actions to guide the work for the coming year. Each function also has a “What’s Happening” summary that highlights the program highlights for the next five years.

The 2024 - 2028 Regional Parks Financial Plan is included as Attachment 1. The 2024 Annual Work Plan for the Regional Parks function presented in this report is included in Attachment 3 and the “What’s Happening” highlights for the years 2024 - 2028 are included in Attachment 4.

Operating Budget Highlights

The Regional Parks 2024 operating budget is proposed to increase by \$8,701,690 for a total budget of \$85,683,837 (Attachment 1). This is a result of pressures for new service levels, land acquisition and accelerated park and greenway development.

The 2024 operating budget includes the following key actions:

- Continued recovery of Regional Parks revenue streams: filming, public programming and facility rentals.
- Participation in the Metro Vancouver activation at the Pacific National Exhibition (PNE) including provision of outreach nature based programming for visitors to the exhibit.
- Continued implementation of *Public Programming Strategy (2020)*.
- Commence a review for additional opportunities for pay parking to help manage parking demand.
- Continue the implementation of measures to support visitor demand management strategies for the Regional Park system.
- Enhanced working relationships with First Nations.
- Alignment of the five-year capital budget with the recommendations of the Asset Management Plan and Buildings Strategy and begin implementation.
- Pursue the acquisition of new lands for Regional Parks and greenways in support of the *Regional Parks Land Acquisition 2050* strategy.
- Completion and commencement of implementation of the Community Relationships Strategy.
- Continued implementation of *Tsleil-Waututh Nation Cultural Planning and Cooperation Agreement* and engagement for Belcarra Regional Park.
- Advancement of the development of cultural planning and cooperative agreements with Katzie and Kwikwetlem First Nation.
- Initiation of Phase 1 park development at Widgeon Marsh Regional Park.
- Initiation of Bowen Island- Cape Roger Curtis design and Planning process for a new regional park.
- Investigation of the feasibility of an indigenous framework to be included in the *Regional Parks Plan*.
- Renewal of the Burnaby Lake Regional Park lease with the City of Burnaby.
- Continued implementation of the Grouse Mountain Trail and Amenity Improvement Project, funded by the Investing in Canada Infrastructure Grant Program.
- Initiation of Phase 1 of the *Campbell Valley Management Plan* Implementation Project.

Over the next five years, the Regional Parks budget is expected to decrease an average of \$1,281,801 or 1.4% per year. Adjusting for the decreases in the contribution to the Regional Parks Land Acquisition and Development Reserve in 2024 to 2028, the average increase per year is 2.7%.

Capital Budget Highlights

The Regional Parks capital budget for 2024 approval is \$118.2M (Attachment 2). The capital program is funded primarily by reserve funds. The Regional Parks capital program includes major park development and land acquisition.

Highlights of capital projects planned or ongoing in 2024 include the following:

1. Widgeon Marsh Park Development (*multiyear, \$20.0 M*)
2. Bowen Island – Park Development (*multiyear, \$16.3 M*)
3. Burns Bog Delta Nature Reserve Development (*multiyear, \$11.0 M*)
2. *Campbell Valley Management Plan* Implementation (*multiyear, \$8.0M*)
3. təmtəmixˈtən/Belcarra South Picnic Area and Cabins (*multiyear, \$6.8M*)
4. Grouse Mountain Trail and Amenity Improvements (*multiyear, \$3.5M*)
5. Capilano River Service Yard (*multiyear, \$1.8M*)
6. System-wide Asset Management
7. Ongoing Land Acquisition

The projected capital cash flows for 2024 - 2028 totals to \$171.7M and is largely driven by new regional park developments, land acquisition and required infrastructure replacements. These include:

- Construction and opening of Widgeon Marsh Regional Park
- Construction of Crippen Regional Park-Davies Orchard Day Use Area and Dorman Point
- Construction of the Belcarra Regional Park South Picnic Area
- Planning and development for a new regional Park with camping facilities and other amenities at Cape Roger Curtis on Bowen Island
- Campbell Valley Regional Park Trail and open space improvements
- Implementation of Investing in Canada Grant (Grouse Mountain Regional Park)
- Implementation of the Regional Greenways 2050 strategy including the Delta South Surrey Greenway and Burnaby Lake Greenway improvements
- Development of Burns Bog Ecological Conservancy Area - Delta Nature Reserve
- Trail developments at Aldergrove, Tynehead, Campbell Valley and Pacific Spirit Regional Parks
- Land acquisition in support of *Regional Parks Land Acquisition 2050*

Reserve Funds

The application of reserve funding in Regional Parks includes several operating initiatives which are delivered through consulting or contract services as well as capital maintenance. In 2024, \$385,000 of operating initiatives, \$2.5M of litigation costs/legal fees and \$7.1M of asset maintenance costs are funded from reserves, which is in accordance with the Board *Operating, Statutory and Discretionary Reserves Policy*. The capital program for Regional Parks is funded primarily from

reserves. In 2024, \$30.7M in reserve funding will be applied for capital development projects and land acquisition. The 2024 - 2028 projected reserves for Regional Parks is included in Attachment 5.

APPROVAL PROCESS

The proposed 2024 - 2028 Financial Plan and Annual Work Plan is presented for consideration and endorsement before being forwarded to the Board for consideration.

The next steps of the process are:

- The 2024 - 2028 Financial Plan and Annual Work Plan will be presented for consideration at the Metro Vancouver Board Budget Workshop on October 20, 2023.
- The Board will consider adoption of the 2024 Budget and endorsement of the 2024 - 2028 Financial Plan on October 27, 2023.

ALTERNATIVES

1. That the Regional Parks Committee endorse the 2024 - 2028 Financial Plan for Regional Parks as presented in the report “2024 - 2028 Financial Plan – Regional Parks” dated September 25, 2023 and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.
2. That the Regional Parks Committee make recommendations and endorse an amended 2024 - 2028 Financial Plan for the Regional Parks function and forward the amended Financial Plan to the to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

FINANCIAL IMPLICATIONS

If the MVRD Board endorses the 2024 - 2028 Financial Plan for Regional Parks, as presented under Alternative 1, in 2024 the Regional Parks requisition will increase by \$9,016,449 (14.1%) for a total requisition of \$73,123,635.

Over the term of the five-year plan, the annual Regional Parks requisition is projected to decrease by an average of \$1,202,658 per year (-1.4%) to provide the required revenue to offset projected expenditures. It is anticipated that the cost to the average regional household for the Regional Parks function will drop from \$60 in 2024 to just over \$44 in 2028.

Under Alternative 2, the Committee may wish to consider recommending amendments to the 2024 Budget and Five-Year Financial Plan for consideration at the Metro Vancouver Board Budget Workshop. Any changes to the plan may have an impact on the MVRD Financial Plan.

CONCLUSION

The Regional Parks 2024 Budget and five-year financial plan has been prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop and to respond to direction provided in the *Board Strategic Plan*. It is presented to Committee and Board members to provide overview information on activities and financial impacts for the years 2024 to 2028 for Regional Parks.

The presentation of this year’s five-year financial plan for Regional Parks provides the opportunity for Metro Vancouver to share with its member jurisdictions the proposed service related initiatives over the next five years. It is intended to be used as a guiding document for member jurisdictions in the development of their five-year financial plans and includes projections on household impact to demonstrate how the plan will remain sustainable for residents while keeping pace with our critical requirements.

Staff recommends endorsing the 2024 - 2028 Financial Plan and Annual Work Plan for Regional Parks as presented under Alternative 1.

Attachments

1. 2024 - 2028 Financial Plan
2. 2024 - 2028 Capital Portfolio – Regional Parks
3. 2024 Work Plan
4. 2024 - 2028 “What’s Happening”
5. 2024 - 2028 Projected Reserves – Regional Parks
6. Presentation re: 2024 - 2028 Financial Plan - Regional Parks

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**METRO VANCOUVER REGIONAL DISTRICT
REGIONAL PARKS
2024 BUDGET REVIEW
2024 - 2028 FINANCIAL PLAN**

	2023	2024	%	2025	%	2026	%	2027	%	2028	%
	BUDGET	BUDGET	CHANGE	FORECAST	CHANGE	FORECAST	CHANGE	FORECAST	CHANGE	FORECAST	CHANGE
REVENUES											
Metro Vancouver Regional District Requisitions	\$ 64,107,186	\$ 73,123,635	14.1%	\$ 75,987,031	3.9%	\$ 62,518,576	(17.7)%	\$ 58,495,444	(6.4)%	\$ 58,093,896	(0.7)%
User Fees	867,927	878,074		890,521		895,590		898,198		900,846	
Other External Revenues	1,760,439	1,602,027		1,602,093		1,507,160		1,507,228		1,651,933	
Transfer from Sustainability Innovation Fund Reserves	541,595	73,912		36,955		-		-		-	
Transfer from Reserves	9,705,000	10,006,189		8,151,474		8,695,771		8,965,161		9,926,465	
TOTAL REVENUES	\$ 76,982,147	\$ 85,683,837	11.3%	\$ 86,668,074	1.1%	\$ 73,617,097	(15.1)%	\$ 69,866,031	(5.1)%	\$ 70,573,140	1.0%
EXPENDITURES											
Operating Programs:											
Systems Planning, Design and Development Services											
Planning and Resource Management	\$ 2,777,878	\$ 2,905,752		\$ 2,893,176		\$ 2,867,093		\$ 2,968,319		\$ 2,983,344	
Design and Development	1,391,136	1,725,156		1,621,160		1,662,600		1,704,204		1,747,742	
Engineers in Training	11,760	16,436		21,404		21,978		22,560		23,163	
	4,180,774	4,647,344	11.2%	4,535,740	(2.4)%	4,551,671	0.4%	4,695,083	3.2%	4,754,249	1.3%
Systems Visitor and Operations Services											
Visitor Services	1,472,808	1,521,557		1,575,879		1,597,130		1,573,666		1,600,827	
Operations Services	1,750,630	1,970,362		1,905,574		1,943,610		2,017,302		2,022,300	
	3,223,438	3,491,919	8.3%	3,481,453	(0.3)%	3,540,740	1.7%	3,590,968	1.4%	3,623,127	0.9%
Central Area Services											
Operations and Maintenance	7,255,705	7,558,260		7,805,141		7,837,239		8,025,842		8,185,302	
Area Visitor Services	632,447	680,961		698,660		740,694		740,242		757,363	
Area Management and Administration	3,444,740	3,491,779		740,208		758,975		777,976		797,064	
Area Planning	166,746	180,135		184,437		188,389		192,391		201,543	
Burns Bog Ecological Conservancy Area	491,777	526,683		536,115		543,841		575,239		609,952	
Contribution to Reserve	173,000	123,000		173,000		173,000		173,000		173,000	
	12,164,415	12,560,818	3.3%	10,137,561	(19.3)%	10,242,138	1.0%	10,484,690	2.4%	10,724,224	2.3%
East Area Services											
Operations and Maintenance	4,984,936	5,648,740		5,881,909		6,138,430		6,454,885		6,559,746	
Area Visitor Services	640,426	673,320		688,674		704,649		720,834		737,580	
Area Management and Administration	649,872	688,513		706,193		724,628		743,308		762,688	
Area Planning	170,926	180,853		184,655		188,607		192,609		196,761	
	6,446,160	7,191,426	11.6%	7,461,431	3.8%	7,756,314	4.0%	8,111,636	4.6%	8,256,775	1.8%
West Area Services											
Operations and Maintenance	5,237,540	5,689,497		5,948,559		6,249,951		6,594,528		6,809,271	
Area Visitor Services	640,315	699,949		715,597		731,879		748,377		765,443	
Area Management and Administration	989,454	1,035,059		1,054,761		1,075,239		1,095,981		1,117,497	
Area Planning	162,537	171,046		174,848		178,800		182,802		186,954	
	7,029,846	7,595,551	8.0%	7,893,765	3.9%	8,235,869	4.3%	8,621,688	4.7%	8,879,165	3.0%
Administration and Department Support	1,376,718	1,657,821	20.4%	1,686,594	1.7%	1,720,502	2.0%	1,752,639	1.9%	1,788,525	2.0%
Communications Program	130,000	130,000	0.0%	130,000	0.0%	130,000	0.0%	130,000	0.0%	130,000	0.0%
Utility Voice Radio	69,943	73,622	5.3%	79,711	8.3%	83,401	4.6%	86,775	4.0%	90,251	4.0%
Quality Control Allocated	56,945	61,717	8.4%	63,383	2.7%	68,314	7.8%	70,017	2.5%	71,278	1.8%
Allocation of Centralized Support Costs Total	4,606,908	5,150,430	11.8%	5,174,824	0.5%	4,680,770	(9.5)%	4,686,403	0.1%	4,300,561	(8.2)%
Total Operating Programs	39,285,147	42,560,648	8.3%	40,644,462	(4.5)%	41,009,719	0.9%	42,229,899	3.0%	42,618,155	0.9%
Allocation of Project Delivery Cost	-	-	N/A	230,138	N/A	239,607	4.1%	248,971	3.9%	256,520	3.0%
Asset Maintenance	6,945,000	7,121,189	2.5%	8,091,474	13.6%	8,635,771	6.7%	8,905,161	3.1%	9,866,465	10.8%
Contribution to Capital Infrastructure Reserve	7,182,000	8,432,000	17.4%	10,132,000	20.2%	12,732,000	25.7%	14,732,000	15.7%	16,732,000	13.6%
Contribution to Parkland Acquisition and Development Reserve	23,570,000	27,570,000	17.0%	27,570,000	0.0%	11,000,000	(60.1)%	3,750,000	(65.9)%	1,100,000	(70.7)%
TOTAL EXPENDITURES	\$ 76,982,147	\$ 85,683,837	11.3%	\$ 86,668,074	1.1%	\$ 73,617,097	(15.1)%	\$ 69,866,031	(5.1)%	\$ 70,573,140	1.0%

**METRO VANCOUVER REGIONAL DISTRICT
CAPITAL PORTFOLIO
REGIONAL PARKS
2024 CAPITAL BUDGET AND 2024 - 2028 CAPITAL PLAN**

	CAPITAL BUDGET FOR APPROVAL	2024 CAPITAL CASH FLOW	2025 CAPITAL CASH FLOW	2026 CAPITAL CASH FLOW	2027 CAPITAL CASH FLOW	2028 CAPITAL CASH FLOW	2024 TO 2028 TOTAL CAPITAL CASH FLOW	ACTIVE PHASE	PRIMARY DRIVER
CAPITAL EXPENDITURES									
Major Projects									
Grouse Mountain - Regional Park Trail and Amenity Improvements	\$ 3,475,000	\$ 750,000	\$ 250,000	\$ -	\$ -	\$ -	\$ 1,000,000	Construction	Capacity, Growth & Ecological Resilience
Widgeon Marsh New Park Development	20,000,000	1,000,000	3,000,000	3,000,000	3,000,000	6,000,000	16,000,000	Construction	Capacity, Growth & Ecological Resilience
Campbell Valley - Management Plan Implementation	8,000,000	500,000	1,500,000	2,000,000	2,500,000	1,500,000	8,000,000	Construction	Capacity, Growth & Ecological Resilience
Belcarra - South Picnic Area and Cabins	6,789,600	750,000	2,000,000	3,500,000	-	-	6,250,000	Planned	Capacity, Growth & Ecological Resilience
Bowen Island - Park Development	16,300,000	400,000	4,000,000	250,000	5,800,000	250,000	10,700,000	Planned	Capacity, Growth & Ecological Resilience
West Creek Wetlands - Park Development	-	-	-	-	300,000	750,000	1,050,000	Planned	Capacity, Growth & Ecological Resilience
Burns Bog - Fire Restoration	-	-	-	500,000	1,000,000	1,000,000	2,500,000	Planned	Capacity, Growth & Ecological Resilience
Total Major Projects	\$ 54,564,600	\$ 3,400,000	\$ 10,750,000	\$ 9,250,000	\$ 12,600,000	\$ 9,500,000	\$ 45,500,000		
Greenways									
DNR / DSSG Management Plan Implementation	\$ 11,000,000	\$ 500,000	\$ 2,500,000	\$ 3,500,000	\$ 4,000,000	\$ -	\$ 10,500,000	Planned	Connected Network
Boundary Bay - Perimeter Trail	2,000,000	1,500,000	500,000	-	-	-	2,000,000	Planned	Connected Network
Tynehead - Perimeter Trail Phase 2	3,500,000	1,500,000	1,000,000	-	-	-	2,500,000	Planned	Connected Network
Burnaby Lake - Glencarin Day Use Area	3,500,000	1,500,000	2,000,000	-	-	-	3,500,000	Planned	Connected Network
Other Greenways Upgrades	-	-	-	100,000	100,000	300,000	500,000	Planned	Connected Network
Total Greenways	\$ 20,000,000	\$ 5,000,000	\$ 6,000,000	\$ 3,600,000	\$ 4,100,000	\$ 300,000	\$ 19,000,000		
Service Facilities									
Burnaby Lake - Service Yard Building Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	Planned	Facility Replacement & Asset Management
Capilano New Service Yard	1,750,000	500,000	1,000,000	-	-	-	1,500,000	Construction	Facility Replacement & Asset Management
Total Service Facilities	\$ 1,750,000	\$ 500,000	\$ 1,000,000	\$ -	\$ -	\$ 50,000	\$ 1,550,000		
Park Development									
Crippen - Davies Orchard Cabins	\$ 1,925,000	\$ 50,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 550,000	Construction	Capacity, Growth & Ecological Resilience
Campbell Valley - Replacement of Little River Loop Boardwalk	1,600,000	100,000	1,500,000	-	-	-	1,600,000	Planned	Facility Replacement & Asset Management
Pacific Spirit - Beach Access Improvements	-	-	-	50,000	100,000	500,000	650,000	Planned	Facility Replacement & Asset Management
Lynn Headwaters - Parking and Access Improvements	3,150,000	150,000	-	500,000	2,500,000	-	3,150,000	Planned	Facility Replacement & Asset Management
Park Amenities and Visitor Experience	2,500,000	500,000	500,000	500,000	500,000	500,000	2,500,000	Planned	Capacity, Growth & Ecological Resilience
Small Capital Replacement and Development Projects	12,670,000	2,270,000	4,550,000	1,750,000	1,150,000	2,950,000	12,670,000	Planned	Facility Replacement & Asset Management
Total Park Development	\$ 21,845,000	\$ 3,070,000	\$ 7,050,000	\$ 2,800,000	\$ 4,250,000	\$ 3,950,000	\$ 21,120,000		
Regional Parks Land Acquisition									
Regional Parks Land Acquisition	\$ 20,000,000	\$ 20,000,000	\$ 17,000,000	\$ 15,000,000	\$ 13,500,000	\$ 19,000,000	\$ 84,500,000		Land Acquisition
Total Regional Parks Land Acquisition	\$ 20,000,000	\$ 20,000,000	\$ 17,000,000	\$ 15,000,000	\$ 13,500,000	\$ 19,000,000	\$ 84,500,000		
TOTAL CAPITAL EXPENDITURES	\$ 118,159,600	\$ 31,970,000	\$ 41,800,000	\$ 30,650,000	\$ 34,450,000	\$ 32,800,000	\$ 171,670,000		

**METRO VANCOUVER REGIONAL DISTRICT
CAPITAL PORTFOLIO
REGIONAL PARKS
2024 CAPITAL BUDGET AND 2024 - 2028 CAPITAL PLAN**

	CAPITAL BUDGET FOR APPROVAL	2024 CAPITAL CASH FLOW	2025 CAPITAL CASH FLOW	2026 CAPITAL CASH FLOW	2027 CAPITAL CASH FLOW	2028 CAPITAL CASH FLOW	2024 TO 2028 TOTAL CAPITAL CASH FLOW	ACTIVE PHASE	PRIMARY DRIVER
CAPITAL FUNDING									
Reserve	115,262,600	30,673,000	40,200,000	23,150,000	24,325,000	13,990,000	132,338,000		
DCCs	—	—	—	7,500,000	10,125,000	18,810,000	36,435,000		
External Funding - Grants	2,897,000	1,297,000	1,600,000	—	—	—	2,897,000		
Total	\$118,159,600	\$31,970,000	\$41,800,000	\$30,650,000	\$34,450,000	\$32,800,000	\$ 171,670,000		
SUMMARY BY DRIVER									
Capacity, Growth & Ecological Resilience	\$ 58,989,600	\$ 3,950,000	\$11,750,000	\$ 9,750,000	\$13,100,000	\$10,000,000	\$ 48,550,000		
Facility Replacement & Asset Management	19,170,000	3,020,000	7,050,000	2,300,000	3,750,000	3,500,000	19,620,000		
Connected Network	20,000,000	5,000,000	6,000,000	3,600,000	4,100,000	300,000	19,000,000		
Land Acquisition	20,000,000	20,000,000	17,000,000	15,000,000	13,500,000	19,000,000	84,500,000		
Total	\$118,159,600	\$31,970,000	\$41,800,000	\$30,650,000	\$34,450,000	\$32,800,000	\$ 171,670,000		

REGIONAL PARKS

Description of Services

Regional Parks is a service function of Metro Vancouver that exists to protect a range of diverse natural landscapes and habitats and to connect residents with nature. The service operates 23 regional parks, 2 ecological conservancy areas, 3 regional park reserves and 5 regional greenways. For over 50 years, Metro Vancouver’s regional parks system has protected natural areas for people to connect with nature, reduce stress, and maintain their physical and mental health. While protecting over 13,938 hectares of natural areas throughout the region, regional parks experienced strong visitation in 2022, with records set at 3 regional parks and greenways. Over 14.3 million visits connected people with important protected natural areas.

Regional Parks provides a number of important internal and external services including: planning, operations and maintenance, park development, asset management, land acquisition, natural resource management, regulations and compliance, public communications, ecological stewardship, community development, facility rentals / film permitting, public programming and events.

Strategic Directions and High-Level Goals Supported:

GOALS



Goal 1 The region’s important natural areas are protected in perpetuity.



Goal 2 Everyone has the opportunity to benefit from exceptional experiences in nature.



Goal 3 Regional parks are sustainably managed and well-maintained for the safety of visitors and integrity of ecosystems.



Goal 4 First Nations have an active role in the planning and stewardship of regional parks.



Goal 5 Regional parks adapt to change and contribute to regional resilience.

Performance Indicators

Indicator	Historical and/or Industry Benchmark	2022 Performance	2024 performance objective
Annual number of visits to Regional Parks	3-year average: 15,708,000 2022: 14,280,000 2021: 16,348,000 2020: 16,497,000	14.3M	15M
Annual number of participants in Regional Park public programming	3-year average: 22,896 2022: 39,389 2021: 23,670 2020: 5,629* *impacted due to Covid pandemic	39,389	40,000
Annual number of volunteer hours through stewardship, partnership and visitor services programs	3-year average: 11,747 2022: 15,398 2021: 11,606 2020: 8,237	15,398	20,000
Total hectares of Regional Parks land	2021: 13,824 ha 2020: 13,743 ha 2019: 13,632 ha	13,824 ha	13,950ha

2024 Key Actions



Goal 1 – The region’s important natural areas are protected in perpetuity

- Grow the regional parks system as identified in the *Regional Parks Land Acquisition 2050 Strategy*, including core natural areas, ecological buffer areas, and recreational access areas
 - 2024 Actions*
 - Pursue the acquisition of new lands for regional parks and greenways in support of the Regional Parks Land Acquisition 2050 strategy
 - Initiate advanced design for the proposed regional park at Cape Roger Curtis on Bowen Island.
- Promote, support, and collaborate with the Metro Vancouver Regional Parks Foundation to align strategic funding priorities
 - 2024 Actions*
 - Ongoing collaborating with the Metro Vancouver Regional Parks Foundation
 - Work with the Foundation to assist in the development of an *ethical gift acceptance policy*
 - Develop a draft *corporate sponsorship policy* to guide the evaluation or approval of potential relationships with corporate entities
- Explore alternative revenue-generating opportunities that are consistent with the role of Metro Vancouver Regional Parks, including philanthropic endeavors, Development Cost Charges, and grant opportunities with other orders of government
 - 2024 Actions*
 - Develop a Development Cost Charges program with Finance and ERL to support Regional Parks land acquisition. This will reduce household impact and provide an alternative revenue source for Regional Parks
- Expand the ecological stewardship program to provide more opportunities for people to engage with regional parks
 - 2024 Actions*
 - Secure additional staff resources to support the stewardship program in the busy fall period
- Implement the Natural Resource Management Framework to enhance and restore ecological integrity in regional parks
 - 2024 Actions*
 - Advance guidelines for producing Construction Environmental Management Plans to protect regional parks’ natural assets
 - Continue development of the corporate-wide 10-year Salmon Enhancement Action Plan, including engagement with First Nations and member jurisdictions
 - Advance 21 habitat restoration projects across the system
- Support research that helps to broaden understanding of natural resources in regional parks and informs management decisions
 - 2024 Actions*
 - Ongoing research work includes wildlife camera studies to understand animal movements (multiple parks), water table monitoring at Langley bog in Derby Reach Regional Park, and Sustainability Innovation Funded research into potential climate impacts on carbon storage and greenhouse gas emissions at Burns Bog Ecological Conservancy Area.



Goal 2 – Everyone has the opportunity to benefit from exceptional experiences in nature

- Design and develop parks to provide a diversity of opportunities to connect with and be active in nature
 - 2024 Actions*
 - Continue Phase 1 park development at Widgeon Marsh Regional Park including partnering with City of Coquitlam for upgrades to Quarry Road
 - Continue implementation of the Grouse Mountain Trail and Amenity Improvement Project, funded by the Investing in Canada Infrastructure Grant Program
 - Continue implementation of the Campbell Valley Management Plan Implementation Project, including the development of new staging areas and greenways and the design of the McLean Pond Day Use Area
 - Complete implementation of Davies Orchard Revitalization Project – Phase 1, funded by Community Economic Recovery Infrastructure Program, and open for public use
 - Complete implementation of the Tynehead Perimeter Trail Extension and open for public use
 - Complete design of the Campbell Valley Little River Loop Boardwalk
 - Finalize design and begin implementation of Belcarra South Day Use Area improvements
 - Advance the planning and design of Iona Beach Regional Park through collaboration with Liquid Waste Services and PDE on the Iona Island Wastewater Treatment Plant Replacement Project
 - Initiate advanced design for park development projects including new Bowen Island parkland, t̓əmtəmíxʷt̓ən/Belcarra South Day Use Area, Admiralty Heights Trail Decommissioning
 - Continue to work with the Department of Fisheries and Oceans Capilano Hatchery – Strategic Partners Leadership Team Advisory Committee and contribute to the redesign of the Capilano River Hatchery
 - Build and upgrade the Metro Vancouver Regional Parks’ segments of the Regional Greenways Network
 - 2024 Actions*
 - Complete advanced design for greenway projects including the Delta Nature Reserve, Delta South Surrey Greenway, Glencarin to Avalon Central Valley Greenway Connection,
 - Construct the Aldergrove South Slopes Greenway and Boundary Bay Park Perimeter Trail
 - Collaborate with others to advance completion of the Regional Greenways Network
 - 2024 Actions*
 - Continued implementation of the Regional Greenways Plan 2050
 - Work collaboratively City of Delta on the planning and design of the Delta South Surrey Greenway
 - Collaborate with Bowen Island Municipality to advance the Cross Island Multi Use Pathway (Regional Greenway)
 - Update existing financial tools and investigate additional financial mechanisms to support service provision, land acquisition, and operation and maintenance of new parkland
 - 2024 Actions*
 - Develop a corporate sponsorship policy to guide regional parks and Metro Vancouver Regional Parks Foundation’s access to corporate funding of initiatives and events
 - Conduct an annual review of fees and charges
 - 2024 Actions*

- Implement financial access program established in 2023
- Utilize social science and other data sources to understand who regional park visitors are, barriers to preventing use of regional parks, and benefits derived from visiting regional parks
 - 2024 Actions*
 - Initiate a program to understand who visits regional parks as part of the work to ensure regional parks are a welcoming, inclusive space for all
 - Complete a 2024 visitor survey to better understand visitor use patterns, park use, satisfaction with regional parks, and demographic profile of park visitors
- Develop and implement new approaches to encourage sustainable transportation options to regional parks
 - 2024 Actions*
 - Advance sustainable transportation projects to reduce barriers to accessing regional parks
- Provide a range of meaningful and relevant volunteer opportunities that support the mandate of Metro Vancouver Regional Parks
 - 2024 Actions*
 - Opportunities include stewardship, community science, educational activities, Beachkeepers, and other events
- Use a range of communications tools from in-park signs to print materials to web-based and other digital resources that considers the full visitor experience cycle that starts before arrival and ends with memories of the visit
 - 2024 Actions*
 - Complete project to re-imagine the use of park kiosk communications across the system
- Develop interpretive plans for each regional park that tell the story of the park, incorporating natural and cultural history
 - 2024 Actions*
 - Complete the template for park interpretation plans and implement for Campbell Valley Regional Park



Goal 3 – Regional parks are sustainably managed and well-maintained for the safety of visitors and integrity of ecosystems

- Develop and implement a coordinated natural asset management approach to maintain and enhance ecological health
 - 2024 Actions*
 - Advance natural asset management in Regional Parks through an in-depth study of natural assets and priority ecosystem services at a pilot location
- Update the asset management and related maintenance program using a continuous improvement approach
 - 2024 Actions*
 - Finalize and begin implementation of the Regional Parks Asset Management Plan
- Integrate natural assets into the asset management program
 - 2024 Actions*
 - Integrate natural assets into the Regional Parks Asset Management Plan
- Develop and implement a buildings strategy and other asset strategies
 - 2024 Actions*
 - Align the five-year capital budget with the recommendations of the Asset Management Plan and Buildings Strategy and begin implementation

- Test and implement technological tools and other innovative approaches to visitor use management
2024 Actions
 - Complete year three of three-year pilot project to install a real-time parking management platform for select regional parks as a Sustainability Innovation Fund (SIF) project, and identify other potential locations for the use of the technology in future budget years
- Develop and implement operational policies and procedures to manage risks to the safety of staff and visitors, the protection of built and natural assets, or the continuity of service delivery
2024 Actions
 - Implement new corporate Hazard Tree Inventory Management System guided by new Board policy and corporate procedures for managing hazard trees on Metro Vancouver lands
 - Determine appropriate use of both in-house and contracting options for the completion of hazard tree risk assessments and for performing tree mitigation works, including removals
 - Develop implementation plan for the Regulations and Compliance Program Review completed 2023
 - Procure a new service contract, and renewed pest management plan for the Metro Vancouver Nuisance Mosquito Control program
 - Continue to collaborate with Water Services on recommendations from the Capilano River Use Study and the Cleveland Dam Safety Enhancements project
 - Implement new Hazard Tree Management on MV Lands operation procedures
- Develop and update system and individual park emergency plans to guide staff in preparing for, responding to, and recovering from large scale emergencies
2024 Actions
 - Work to create clear terms of reference for the new corporate emergency management function and the Regional Parks emergency management function to ensure cooperation and consistency is maintained.
- Develop a strategy for managing visitor use that takes into account the effects of visitor use on ecological, physical, and experiential conditions
2024 Actions
 - Initiate a Visitor Use Management Strategy that takes into account the effects of visitor use on ecological, physical, and experiential conditions
- Promote the sharing of expertise between member jurisdictions, First Nations, other orders of government and other work for regional parks
2024 Actions
 - Ongoing work includes the Regional Parks Advisory Committee and the Natural Assets Technical Advisory Group.



Goal 4 – First Nations have an active role in the planning and stewardship of regional parks

- Partner with local First Nations to develop collaborative agreements, such as cultural planning and co-operation agreements
2024 Actions
 - Advance the continued development of cultural planning and cooperative agreements with Katzie and Kwikwetlem First Nations
 - Continue implementation of t̓əmt̓əmíx̓t̓ən/Belcarra Regional Park’s Cultural Planning and Cooperation Agreement and engagement with Tsleil-Waututh Nations

- Work with First Nations to better understand the archaeological potential of lands within regional parks and review and update on an ongoing basis to incorporate new information
 - 2024 Actions*
 - Continue to work with Musqueam Archaeology Department on the Multi-Assessment Permit for archaeology work for Pacific Spirit Regional Park and Iona Beach Regional Park
 - Procure Heritage Conservation Act Multi- Assessment Permits for parks with high archaeological potential
- Collaborate with local First Nations on the naming, renaming, or dedication of regional parks and park features to affirm the history and importance of the lands to the Nations
 - 2024 Actions*
 - Implement renaming of Colony Farm Regional Park to ʔéxətəm Regional Park
- Develop cultural recognition plans with First Nations to guide approaches to respect and honour Indigenous Peoples’ culture and connection with the land
 - 2024 Actions*
 - Advance the design and development of interpretive displays in Capilano River Regional Park collaboratively with Squamish First Nation
 - Explore opportunities for art, interpretation and programing with Kwantlen First Nation as part of the Campbell Valley Management Plan Implementation project
- Work with First Nations to support guardian programs to advance shared learning and collaborative stewardship of the land
 - 2024 Actions*
 - Continue working with Tsleil-Waututh Nation to support their guardian program at təmtə́míxʷtən/Belcarra Regional Park
- Provide training opportunities for staff on cultural awareness, including appropriate management of cultural resources
 - 2024 Actions*
 - Ongoing and new training courses offered for staff including, Indigenous cultural safety, decolonization, and territorial acknowledgements
- Work with First Nations to better understand cultural resources in regional parks, to enable respectful and appropriate protection and management protocols
 - 2024 Actions*
 - Continue to work closely with Musqueam First Nation on cultural resource management in Pacific Spirit Regional Park
- Collaborate with First Nations to incorporate Indigenous Knowledge and values into planning, stewardship and other work for regional parks



Goal 5 – Regional parks adapt to change and contribute to regional resilience

- Develop and implement strategies to reduce Metro Vancouver Regional Parks’ greenhouse gas emissions, with a focus on increasing energy efficiency in buildings and electrifying vehicles and equipment
 - 2024 Actions*
 - Continue to provide leadership on a regional level, and work with MV Fleet to replace diesel and gasoline powered vehicles and equipment with electric options where possible
- Improve understanding of climate impacts on regional parks ecosystems and infrastructure to inform a climate strategy for regional parks
 - 2024 Actions*

- Initiate a vulnerability study for regional parks
- Incorporate climate change considerations into design and development of regional parks infrastructure
 - 2024 Actions*
 - Use Surrey Bend Regional park parking lot as a demonstration parking lot that shows paving methods
- Continue to monitor forest health to inform long-term resilience of the forests in regional parks
 - 2024 Actions*
 - Monitor forest health and develop new arboriculture management practices to strengthen forest resilience and keep the public safe
- Participate in advancing the proposed Regional Green Infrastructure Network and regional efforts to enhance ecosystem connectivity and ecological health
 - 2024 Actions*
 - Continue to collaborate with Regional Planning and participate on the organizing project team
- Participate in implementing *Climate 2050*, the regional climate strategy
 - 2024 Actions*
 - Continue to co-lead the implementation of the *Climate 2050 Nature and Ecosystems Roadmap* with Regional Planning

All Goals

- Review and update the process and framework for park management plans
 - Initiate the Burnaby Lake Regional Park management plan
- Apply the Protect-Connect Continuum to provide consistent guidance and support park-level decision-making
 - Initiate development of the Protect-Connect Continuum
- Advance implementation of the Regional Parks Plan

Regional Parks

2024 to 2028 – WHAT’S HAPPENING

Below is a summary of the significant initiatives to be undertaken by Regional Parks over the next 5 years.

Initiative	Description	Theme
2024		
Capital Development Program	<ul style="list-style-type: none"> • Complete Phase 1 Widgeon Marsh park development • Continued implementation of Campbell Valley Management Plan – Greenway and open space development Implementation • Continued implementation of Grouse Mountain Regional Park Trail and Amenity Improvements, funded by Investing in Canada Infrastructure Grant • Regional Park at Cape Roger Curtis – detailed design subject to rezoning approval • Delta Nature Reserve and Delta/South Surrey Greenway – Trail/Road detailed design and tendering. • Construction of Aldergrove South Slopes Greenway • Construction of Tynehead Perimeter Trail Extension • IWWTP - Iona Beach Regional Park (LWS lead, integrated team support) • Complete and begin implementation of Asset Management and Building Strategies • Advanced design for future year capital programs 	System Stewardship/ Regional Growth/ Environmental Sustainability
Land Acquisition	<ul style="list-style-type: none"> • Pursue park land acquisition opportunities in support of <i>Regional Parks Land Acquisition 2050</i> strategy 	Regional Growth
Planning/ Outreach and Engagement	<ul style="list-style-type: none"> • Implementation Regional Parks Plan 2050 recommendations • Continued engagement with local First Nations on Regional Parks initiatives • Implementation of system-wide initiatives to enhance natural areas and connect with local communities • Ongoing collaboration with the Metro Vancouver Regional Parks Foundation • Implementation of a Development Cost Charge (DCC) program to support Regional Park land acquisition. • Regulation and Compliance Review • Development of a 10-year salmon action enhancement plan • Phased implementation for the electrification of Regional Park Fleet and Equipment 	System Stewardship

2025		
Capital Development Program	<ul style="list-style-type: none"> • Phase 1 Construction of Delta South Surrey Greenway and Delta Nature Reserve • Completion of Grouse Mountain Regional Park Trail and Amenity Improvements, funded by Investing in Canada Infrastructure Grant • Continued implementation of Widgeon Marsh Regional Park • Regional Park at Cape Roger Curtis – Construction of Phase I park development • Continued implementation of Campbell Valley Management Plan – Greenway and open space development Implementation • Continued implementation of Delta Nature Reserve and Delta/South Surrey Greenway • IWWTP - Iona Beach Regional Park (LWS lead, integrated team support) 	System Stewardship Regional Growth
Land Acquisition	<ul style="list-style-type: none"> • Pursue park land acquisition opportunities in support of <i>Regional Parks Land Acquisition 2050</i> strategies 	Regional Growth
Planning/Outreach and Engagement	<ul style="list-style-type: none"> • Regional Parks Plan 2050 Implementation • Explore opportunities for working with local First Nations on Regional Parks initiatives • Implementation of system-wide initiatives to enhance natural areas and connect with local communities • Phased implementation for the electrification of Regional Park Fleet and Equipment 	System Stewardship

2026		
Capital Development Program	<ul style="list-style-type: none"> • Completion of Davies Orchard Revitalization at Crippen Regional Park. • Completion of Belcarra South Picnic Area development at Belcarra Regional Park • Continued implementation of Widgeon Marsh Regional Park • Regional Park at Cape Roger Curtis – Detailed design of Phase II park development • Continued implementation of Campbell Valley Management Plan – Greenway and open space development Implementation • Continued implementation of Delta Nature Reserve and Delta/South Surrey Greenway • IWWTP - Iona Beach Regional Park (LWS lead, integrated team support) • Begin Implementation of Lynn Headwaters Park Entry and Open Space enhancements 	System Stewardship Regional Growth
Land Acquisition	<ul style="list-style-type: none"> • Pursue park land acquisition opportunities in support of <i>Regional Parks Land Acquisition 2050</i> strategy 	Regional Growth
Planning/Outreach and Engagement	<ul style="list-style-type: none"> • Explore opportunities for working with local First Nations on Regional Parks initiatives • Implementation of system-wide initiatives to enhance natural areas and connect with local communities 	System Stewardship

2027

Capital Development Program	<ul style="list-style-type: none">• Initiate design of Codd Wetland Regional Park• Pacific Spirit Regional Park Beach Access Improvements• Advanced design for future year capital programs• Continued implementation of Widgeon Marsh Regional Park• Regional Park at Cape Roger Curtis – Implementation of Phase II park development• Continued implementation of Campbell Valley Management Plan – Greenway and open space development Implementation• Continued implementation of Delta Nature Reserve and Delta/South Surrey Greenway• IWWTP - Iona Beach Regional Park (LWS lead, integrated team support)• Complete Implementation of Lynn Headwaters Park Entry and Open Space enhancements	System Stewardship Regional Growth
Land Acquisition	<ul style="list-style-type: none">• Pursue park land acquisition opportunities in support of Regional Parks Land Acquisition 2050 strategy	Regional Growth
Planning/Outreach and Engagement	<ul style="list-style-type: none">• Explore opportunities for working with local First Nations on Regional Parks initiatives• Implementation of system-wide initiatives to enhance natural areas and connect with local communities	System Stewardship

2028		
Capital Development Program	<ul style="list-style-type: none"> • Major asset management replacement and deferred capital maintenance initiative implementation • Pacific Spirit Beach and Trail Improvements • Park Amenity and Visitor Experience Improvements • Advanced design for future year capital programs • Pacific Spirit Regional Park Beach Access Improvements • Continued implementation of Widgeon Marsh Regional Park • Regional Park at Cape Roger Curtis – Implementation of Phase III park development • Continued implementation of Campbell Valley Management Plan – Greenway and open space development Implementation • IWWTP - Iona Beach Regional Park (LWS lead, integrated team support) 	System Stewardship Regional Growth
Land Acquisition	<ul style="list-style-type: none"> • Pursue park land acquisition opportunities in support of Regional Parks Land Acquisition 2050 strategy. 	Regional Growth
Planning/ Outreach and Engagement	<ul style="list-style-type: none"> • Explore opportunities for working with local First Nations on Regional Parks initiatives • Implementation of system-wide initiatives to enhance natural areas and connect with local communities 	System Stewardship

METRO VANCOUVER DISTRICTS
2024 - 2028 PROJECTED RESERVES - REGIONAL PARKS

OPERATING RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Regional Parks	\$ 1,892,305	\$ 1,892,305	\$ -	\$ -	\$ 47,308	\$ 1,939,613	\$ 1,988,103	\$ 2,037,806	\$ 2,088,751	\$ 2,140,970

DISCRETIONARY RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Regional Parks General Reserve	\$ 2,515,568	\$ 2,515,568	\$ 150,000	\$ (2,650,000)	\$ 31,639	\$ 47,207	\$ 250,887	\$ 459,659	\$ 673,650	\$ 892,991

STATUTORY RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Regional Parks										
Regional Parks Infrastructure Reserve	\$ 1,523,628	\$ 1,523,628	\$ 8,432,000	\$ (9,794,189)	\$ 21,063	\$ 182,502	\$ 329,347	\$ 283,138	\$ 165,516	\$ 236,008
Regional Parkland Acquisition Reserve Fund	6,922,734	6,922,734	-	(6,000,000)	98,068	1,020,802	1,046,322	1,072,480	86,792	88,962
Regional Parkland Acquisition and Development Reserve Fund	5,161,065	5,161,065	27,570,000	(22,175,000)	196,464	10,752,529	157,217	1,173,647	1,962,363	3,125,172
Delta Airpark Reserve	171,873	171,873	23,000	-	4,584	199,457	227,731	256,712	286,417	316,865
Regional Parks Legacy Fund	2,697,304	2,697,304	-	(60,000)	66,683	2,703,987	2,710,837	2,717,858	2,725,054	2,732,430
Total	\$16,476,604	\$ 16,476,604	\$ 36,025,000	\$ (38,029,189)	\$ 386,862	\$ 14,859,277	\$ 4,471,454	\$ 5,503,835	\$ 5,226,142	\$ 6,499,437

To: Regional Planning Committee

From: Jonathan Cote, Deputy General Manager, Regional Planning and Housing
Development, Regional Planning and Housing Services

Date: September 26, 2023 Meeting Date: October 6, 2023

Subject: **2024 - 2028 Financial Plan – Regional Planning**

RECOMMENDATION

That the Regional Planning Committee endorse the 2024 - 2028 Financial Plan for Regional Planning as presented in the report dated September 26, 2023, titled “2024 - 2028 Financial Plan – Regional Planning”, and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

EXECUTIVE SUMMARY

The 2024 - 2028 Metro Vancouver Financial Plan has been prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop. The direction followed the recommendations of the Financial Plan Task Force, which included the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan. This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Metro Vancouver has met the household impact targets that were recommended by the Financial Plan Task Force and adopted at the April 19, 2023 Board Budget Workshop. This has resulted in an overall consolidated household impact for 2024 to be 12.0%, down from the 14.2% projected for 2024 in the prior financial planning cycle as well as a reduction in the cumulative household impact of 40% over the common four years in comparison to the prior financial plan.

Regional Planning supports planning throughout the region including for utilities, member jurisdictions, TransLink and other regional agencies through the provision of projections and data, policy research, convening stakeholders on issues of regional interest, providing a planning resource and leadership and innovation. The team provides a long range, cross-boundary, interdisciplinary perspective, and the main function is developing, administering, monitoring and stewarding *Metro 2050*, the regional growth strategy.

The 2024 - 2028 Financial Plan for Regional Planning reflects an increase in Land Use Policy projects and work relating to *Metro 2050* while continuing to reduce long-term reliance on reserve funds to smooth the tax requisition rate. Over the next five years, operating programs are to increase by a total of \$13,699, or an average of 0.1% per year.

PURPOSE

To present the 2024 - 2028 Financial Plan for Regional Planning for consideration by the Committee.

BACKGROUND

Metro Vancouver's annual budget process includes the development of detailed annual budgets and the updating of five-year financial plans for each of the four Metro Vancouver legal entities (Metro Vancouver Regional District, Metro Vancouver Housing Corporation, Greater Vancouver Water District and Greater Vancouver Sewerage and Drainage District).

On April 19, 2023 a Metro Vancouver Board Budget Workshop was held with the objective to seek direction for the preparation of the 2024 - 2028 Financial Plan. The workshop outlined the principles that guide the work of Metro Vancouver as an organization and provided a proposed approach for the 2024 - 2028 Financial Plan based on the work of the Financial Plan Task Force that was created by the Board Chair. This included an adoption of the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan.

This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Key highlights of the overall Metro Vancouver 2024 proposed budget are as follows:

- A reduction of \$15 million of the total 2024 Metro Vancouver proposed operating budget compared to that previously projected for 2024
- Increased contribution to capital of \$32M for debt avoidance and increases in reserve contributions of just over \$6M for key functions
- Reduced total capital cash flow of roughly \$655M between 2024 and 2027 for the utilities
- Reduction of household impact, \$13 less than previously projected for 2024

This report focuses on the Regional Planning Service and presents the 2024 provisional annual budget and the updated five-year plan for the years 2024 to 2028 for Committee consideration.

REGIONAL PLANNING

The Regional Planning service at the Metro Vancouver Regional District (MVRD) represent functions that include 22 members and provides projections, data and policy research in support of a prosperous, resilient and livable region. The primary responsibility is to develop, administer, implement and monitor *Metro 2050*, the regional growth strategy. There are three program areas in the Regional Planning Division: Regional Land Use Policy, Planning Analytics and Implementation Services.

The Regional Planning initiatives planned over the next five years are guided by direction provided in the *Board Strategic Plan*, specifically:

- Work closely with member jurisdictions, TransLink, First Nations, the Province and other regional agencies to advance Metro 2050’s goals, strategies, and policy actions.
- Develop policy models, including best practice guidance to achieve more housing (specifically more affordable rental housing) using tools like inclusionary policies and zoning.
- Support member jurisdictions to develop and implement effective policies that will help the region achieve its targets to: ensure 15% of new housing in Urban Centres and along transit corridors is affordable rental; protect 50% of the land base for nature and achieve 40% tree canopy cover within the Urban Containment Boundary.
- Undertake innovative research that supports the overarching goals in Metro 2050, including projects such as a Regional Parking Study, Housing and Transportation Cost Burden Update, Regional Food System Strategy Update, and Growth Management and Investment Model.
- Work with member jurisdictions to protect Industrial and Employment lands as per the Regional Industrial Lands Strategy.
- Continue to refine and update the population, housing and employment and land use projections and their expected geographic distributions to support the long range planning of Utilities, TransLink and member jurisdictions.

WORK PLAN PERFORMANCE INDICATORS

High level performance indicators have been developed across the organization to evaluate trends, determine key actions for the coming year, and to assist in long-term planning. The 2024 Work Plan for Regional Planning is presented in this report. Within the Regional Planning Work Plan, six performance indicators have been developed and are being tracked. These include:

- Percentage of residential growth occurring within the Urban Containment Boundary;
- Percentage of new dwelling units located within Urban Centres;
- Percentage of residential growth located along Transit Corridors;
- Number of hectares of land with the *Metro 2050* Agricultural Designation;
- Number of hectares of land with the *Metro 2050* Industrial Designation; and
- Number of hectares of land with the *Metro 2050* Employment Designation.

The trend in these performance measures suggests that the region is on target with regards to meeting the goals laid out in the regional growth strategy. *Metro 2050* sets a target to contain 98% of growth within the Urban Containment Boundary. Since 2011, this target has been met. *Metro 2050* also strives to direct 40% of dwelling unit growth and 50% of employment growth to a network of 26 Urban Centres. Between 2011 and 2016, 39% of dwelling unit growth occurred in Urban Centres. Data will be updated following the release and analysis of the 2021 Census.

CONTINUOUS IMPROVEMENT

With the recent adoption of *Metro 2050* there is a significant opportunity to advance work on public policy projects to help advance regional goals related to housing and climate action. Projects identified in the upcoming work plans will help advance the region’s work in the following areas:

- Climate action and resilience
- Increasing transit-oriented affordable housing
- Protection of natural areas

Further improvement initiatives include:

- The development of a new Regional Planning Share Point site dedicated to sharing planning information among member jurisdictions and other regional organizations. The intent of the site is to facilitate greater collaboration and knowledge sharing among planning teams across the region.
- Reducing dependencies on consultants for data analytics and modeling work. The Planning Analytics teams is exploring new approaches to build internal capacity to accomplish updates on ongoing data and modeling work that will reduce the reliance upon external consultants.
- Developing closer alignment between Housing Policy and Planning and Regional Planning teams. Currently these two policy teams work in separate divisions, but to better support the housing strategies included in Goal 4 of *Metro 2050* there is a need to have these teams work and collaborate more closely together.

2024 BUDGET AND 2024 - 2028 FINANCIAL PLAN

The five-year financial plans for this cycle have been updated to address five central priorities identified by the Metro Vancouver Board in its Strategic Plan to guide the development of plans and budgets. The five priorities are as follows:

- Financial Sustainability and Regional Affordability
- Climate Action
- Resilient Services and Infrastructure
- Reconciliation
- Housing

Regional Planning is also guided by direction provided in *Metro 2050*, specifically to support the goals, strategies and policy actions in the plan to:

- Goal 1 - Create a compact urban area
- Goal 2 - Support a sustainable economy
- Goal 3 - Protect the environment, address climate change, and respond to natural hazards
- Goal 4 – Provide diverse and affordable housing choices
- Goal 5 - Support sustainable transportation choices

Each Metro Vancouver function has an Annual Work Plan that includes strategic directions, performance indicators and key actions to guide the work for the coming year. Each function also has a “What’s Happening” summary that highlights the program highlights for the next five years. The 2024 - 2028 Regional Planning Financial Plan is included as Attachment 1. The 2024 Annual Work Plan for Regional Planning presented in this report is included in Attachment 2 and the “What’s Happening” highlights for the years 2024 - 2028 are included in Attachment 3.

Operating Budget Highlights

The Regional Planning 2024 operating budget is proposed to decrease by \$2,852 for a total budget of \$5,212,977.

With the adoption of *Metro 2050* the Regional Planning Team will be transitioning to focusing on projects related to the implementation of *Metro 2050* and other associated research. The 2024 operating budget includes the following key actions:

- Regional Parking Strategy
- Regional Food System Strategy Update
- Housing and Transportation Cost Burden Study Update
- Climate and Natural Hazards Mitigation Research
- Land Use Resilience Best Practices Guide - Floods
- Urban Centres and FTDA's Policy and Target Review
- Regional Industrial Lands Strategy Implementation
- Regional Green Infrastructure Network Guidelines & Financing Options
- Supporting Transportation Corridor Studies in the Region
- Preparing Regional Growth Strategy Implementation Tools and Guidelines
- Land Use Model – Scenario Development
- Extended Reality (XR) Modelling Platform for Metro Vancouver
- Projections Model Update
- Census Data Custom Runs
- Walkability Index Update

Over the next five years, expenditures are increasing by a total of \$13,699, or an average of 0.1% per year.

Reserve Funds

The financial plan for Regional Planning includes the utilization of reserves to annually fund one-time initiatives. This is consistent with the *Operating, Statutory and Discretionary Reserves Policy*. The 2024 - 2028 Projected Reserves for Regional Planning are included in Attachment 4.

APPROVAL PROCESS

The proposed 2024 - 2028 Financial Plan and Annual Work Plan is presented for consideration and endorsement before being forwarded to the Board for consideration.

The next steps of the process are:

- The 2024 - 2028 Financial Plan and Annual Work Plan will be presented for consideration at the Metro Vancouver Board Budget Workshop on October 20, 2023.
- The Board will consider adoption of the 2024 Budget and endorsement of the 2024 - 2028 Financial Plan on October 27, 2023.

ALTERNATIVES

1. That the Regional Planning Committee endorse the 2024 - 2028 Financial Plan for Regional Planning as presented in the report dated September 26, 2023, titled "2024 - 2028 Financial Plan - Regional Planning", and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

2. That the Regional Planning Committee make recommendations and endorse an amended 2024 - 2028 Financial Plan for Regional Planning and forward the amended Financial Plan to the Finance Committee on October 12, 2023 and to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

FINANCIAL IMPLICATIONS

If the MVRD Board endorses the 2024 - 2028 Financial Plan for Regional Planning, as presented under Alternative 1, in 2024 the Regional Planning requisition will increase by \$316,952 (7.7%) for a total requisition of \$4,447,977, although the overall Regional Planning budget is decreasing slightly. This is mainly due to a reduction in the use of reserve funding to support the Regional Planning budget.

Over the term of the five-year plan, the annual Regional Planning requisition is projected to increase by an average of \$147,701 per year (3.4%) to provide the required revenue to offset projected expenditures. It is anticipated that the cost to the average regional household over the next five years for the Regional Planning function will remain relatively stable at \$4 from 2024 to 2028.

Under Alternative 2, the Committee may wish to consider recommending amendments to the 2024 Budget and Five-Year Financial Plan for consideration at the Metro Vancouver Board Budget Workshop. Any changes to the plan may have an impact on the MVRD Financial Plan.

SUMMARY / CONCLUSION

The Regional Planning 2024 Budget and Five-Year Financial Plan has been prepared following direction received at the April 19, 2023 Board Budget Workshop and to respond to direction provided in the *Board Strategic Plan*. It is presented to Committee and Board members to provide overview information on activities and financial impacts for the years 2024 to 2028 for Regional Planning.

The presentation of this year's five-year financial plan for Regional Planning provides the opportunity for Metro Vancouver to share with its member jurisdictions the proposed service related initiatives over the next five years. It is intended to be used as a guiding document for member jurisdictions in the development of their five-year financial plans and includes projections on household impact to demonstrate how the plan will remain affordable for residents while keeping pace with our critical requirements.

Staff recommends endorsing the 2024 - 2028 Financial Plan and Annual Work Plan for Regional Planning as presented under Alternative one.

ATTACHMENTS

1. 2024 - 2028 Financial Plan
2. 2024 Work Plan
3. 2024 - 2028 "What's Happening"
4. 2024 - 2028 Projected Reserves – Regional Planning
5. Presentation re: 2024-2028 Financial Plan – Regional Planning

**METRO VANCOUVER REGIONAL DISTRICT
REGIONAL PLANNING
2024 BUDGET REVIEW
2024 - 2028 FINANCIAL PLAN**

	2023 BUDGET	2024 BUDGET	% CHANGE	2025 FORECAST	% CHANGE	2026 FORECAST	% CHANGE	2027 FORECAST	% CHANGE	2028 FORECAST	% CHANGE
REVENUES											
Metro Vancouver Regional District Requisitions	\$ 4,131,025	\$ 4,447,977	7.7%	\$ 4,727,823	6.3%	\$ 4,739,172	0.2%	\$ 4,777,435	0.8%	\$ 4,869,528	1.9%
Transfer from Sustainability Innovation Fund Reserves	599,804	400,000		-		-		-		-	
Transfer from Reserves	485,000	365,000		270,000		310,000		360,000		360,000	
TOTAL REVENUES	\$ 5,215,829	\$ 5,212,977	(0.1%)	\$ 4,997,823	(4.1%)	\$ 5,049,172	1.0%	\$ 5,137,435	1.7%	\$ 5,229,528	1.8%
EXPENDITURES											
Operating Programs:											
Implementation Services	\$ 744,616	\$ 707,293		\$ 725,272		\$ 743,960		\$ 762,883		\$ 782,519	
Regional Land Use Policy	1,612,264	1,796,784		1,831,400		1,873,467		1,910,888		1,948,368	
Planning Analytics	1,000,622	1,049,783		1,155,805		1,186,691		1,211,516		1,241,840	
Regional Sustainability Initiatives	599,804	400,000		-		-		-		-	
Administration and Department Support	846,550	789,976		800,933		822,646		844,224		866,325	
	4,803,856	4,743,836	(1.2%)	4,513,410	(4.9%)	4,626,764	2.5%	4,729,511	2.2%	4,839,052	2.3%
Communications Program	45,000	45,000	0.0%	45,000	0.0%	45,000	0.0%	45,000	0.0%	45,000	0.0%
Allocation of Centralized Support Costs	366,973	424,141	15.6%	439,413	3.6%	377,408	(14.1%)	362,924	(3.8%)	345,476	(4.8%)
TOTAL EXPENDITURES	\$ 5,215,829	\$ 5,212,977	(0.1%)	\$ 4,997,823	(4.1%)	\$ 5,049,172	1.0%	\$ 5,137,435	1.7%	\$ 5,229,528	1.8%

REGIONAL PLANNING

Description of Services

Regional Planning is a Metro Vancouver Regional District function established to provide data, policy research, convene on issues of regional interest, and support local planning in support of a prosperous, resilient and livable region. The primary responsibility is to develop, administer, implement and monitor *Metro 2050*, the Regional Growth Strategy. There are three programs within the Regional Planning Division: Regional Land Use Policy, Implementation Services and Planning Analytics.

Regional Land Use Policy

Regional Land Use Policy is primarily responsible for developing policy for the Regional Growth Strategy, providing policy interpretation and support for Implementation Services (local level interactions and amendments) and undertaking applied policy research, and development of best practices in collaboration with member jurisdictions, the Province, TransLink and other agencies. There are a number of portfolios within this group including: complete communities; industrial and employment lands; structuring growth – centres and corridors; affordable and diverse housing, particularly near transit; protecting the environment; supporting agriculture; and providing mobility choices.

Planning Analytics

Planning Analytics collects and analyzes data for Regional Planning as well as other regional functions including utilities and transportation planning. Primary roles include the provision of population, dwelling unit and employment projections, *Metro 2050* performance monitoring, and the completion of numerous regional inventories.

Implementation Services

Implementation Services prepares, maintains and assists with implementing Regional Growth Strategy Implementation Guidelines. It has the core function of building strong relationships with member jurisdictions, First Nations, the Province, TransLink and other community organizations as it relates to Regional Planning activities. This group also leads the administration of the Regional Growth Strategy including proposed amendments and Regional Context Statements and coordinates corporation wide responses to environmental assessments and other large capital projects that impact Metro Vancouver interests and assets.

Strategic Directions and High-Level Goals Supported

Board Strategic Plan

- Continue to develop and implement effective and adaptive tools and processes for achieving the goals and implementing the policy actions of *Metro 2050*;
- Continue to support the efforts of members in developing equitable, complete, livable and resilient communities;
- Develop policies, plans, tools and creative solutions for managing competing demands on land in the region;
- Advocate for the merits of integrating regional land use and transportation planning; and
- Support integration of the Regional Growth Strategy with other long range planning activities within the region.

Metro 2050

- Goal 1 - Create a compact urban area
- Goal 2 - Support a sustainable economy
- Goal 3 - Protect the environment, address climate change, and respond to natural hazards
- Goal 4 - Provide diverse and affordable housing choices
- Goal 5 - Support sustainable transportation choices

Goals

- Ensure regional planning policies are prepared and monitored with a focus towards a system of equity, fairness, access and affordability.
- Build modelling and data systems to support regional planning activities and policy creation/monitoring.
- Ensure an equitable and resilient region through responsible growth and financial sustainability
- Protect agricultural lands and the environment
- Build strong connections with neighbouring regional districts and other regional agencies to support infrastructure investment for responsible growth.

Performance Indicators

Indicator	Historical and/or industry	Current Performance	2024 Performance Objective
Percentage of residential growth occurring within the Urban Containment Boundary (UCB)	2011 baseline: 97% 2014 review: 98% 2015 review: 99%	98%	98%
Percentage of new dwelling units located within Urban Centres	2011 target 40% of growth to Centres 2011 baseline: 26% located in Centres	39% of growth to Centres; 28% located in Centres	40%
Number of hectares of land with an Agricultural regional land use designation	2011 baseline: 55,313	55,162	No net loss
Number of hectares of land with an Industrial regional land use designation	2011 baseline: 10,195	10,189	No net loss
Number of hectares of land with a Mixed Employment regional land use designation	2011 baseline: 3,415	3,538	No net loss

2024 Key Actions

Regional Land Use Policy

- Complete Urban Centres and FTDA's Policy and Target Review
- Regional Industrial Lands Strategy Implementation
- Regional Green Infrastructure Network Guidelines & Financing Options
- Update the Housing and Transportation Cost Burden Study
- Regional Food System Strategy Update
- Regional Parking Strategy
- Climate and Natural Hazards Mitigation Research
- Land Use Resilience Best Practices Guide - Floods

Implementation Services

- Supporting Transportation Corridor Studies in the Region
- Preparing Regional Growth Strategy Implementation Tools and Guidelines

Planning Analytics

- Land Use Model – Scenario Development
- Extended Reality (XR) Modelling Platform for Metro Vancouver
- Projections Model Update
- Census Data Custom Runs
- Walkability Index Update

5.2 ATTACHMENT 3

Regional Planning

2024 to 2028 – WHAT’S HAPPENING

Below is a summary of the significant initiatives to be undertaken by Regional Planning over the next 5 years.

Initiative	Description	Theme
2024		
Metro 2050 Implementation Tools	Prepare Implementation Guidelines and data tools to assist member jurisdictions.	Regional Growth
Regional Food System Strategy Update	Begin work to update Regional Food System Strategy to address emerging challenges to the regions food system and increasing food insecurity.	Regional Growth
Climate and Natural Hazards Mitigation Research	Conduct policy research to determine how multi-hazard mapping could be used to inform regional land use policy.	Regional Growth, Environmental Sustainability
Housing and Transportation Cost Burden Study Update	Complete a five-year update to this critical study on transportation and housing costs for a more complete picture of affordability.	Regional Growth
Walkability Index Update	Complete a five-year update to Walkability Index to better understand how sustainable transportation options are changing and provide members with updated policy tool to support municipal land use and transportation decision making.	Regional Growth
Regional Parking Strategy	Analyze regional parking utilization rates within different urban forms	Regional Growth
Urban Centres and FTDA Targets Update	Review and update Urban Centre and FTDA policy and targets within the Regional Growth Strategy.	Regional Growth
Regional Green Infrastructure Guidelines	Research and prepare guidelines for the development and enhancement of the Regional Green Infrastructure Network	Regional Growth, Environmental Sustainability
Census Bulletins and Custom Data	Prepare bulletins outlining information/data from the most recent census and request custom data runs to assist with analyzing RGS targets.	Regional Growth
Frequent Transit Corridor Study	Undertake a land use and transportation study for a frequent transit corridor in the region to support member jurisdiction initiatives related to planning and transportation.	Regional Growth
Economic and Employment Contribution of Industrial Lands Activities	Update the Economic Impact and Future Importance of Industrial Lands report prepared in 2019 for the Regional Industrial Lands Strategy	Regional Growth
Prepare a regional Labour Force Survey	Study the composition and changing nature of the region’s labour force	Regional Growth
2025		
Growth Management and Investment Model	Phase 2 – Integrate the Demographics Component to support updated population, dwelling unit, employment and land use projections.	Regional Growth, Financial Sustainability

Urban Forestry Implementation Tools	Undertake further work related to zoning tools and urban forest support to support municipalities towards achieving regional urban tree canopy targets.	Regional Growth, Environmental Sustainability
Census Bulletins	Prepare bulletins outlining information/data from the most recent census	Regional Growth
Regional Ecosystem Connectivity Evaluation Climate Scenarios	Exploring the impacts of a changing climate on the region's ecosystems	Climate Change, Environmental Sustainability
Soil Tracking on Agricultural Lands	Exploring options for developing a pilot project to track soil movement and deposition of fill on the region's agricultural lands	Environmental Sustainability
Land Use Resilience Best Practice - Flooding	Advance the hazard, risk and vulnerability work to explore flood resilience practices and options, and recommend new approaches for the region	Environmental Sustainability
2026		
Regional Employment Survey	Complete survey work to understand current trends and land use	Regional Growth
Frequent Transit Corridor Study	Undertake a land use and transportation study for a frequent transit corridor in the region to support member jurisdiction initiatives related to planning and transportation.	Regional Growth
Regional Industrial Lands Inventory	Complete Regional Inventory of Industrial Lands in the region.	Regional Growth
Office in Centres Inventory	4-year update of the Office in Urban Centres Inventory and report	Regional Growth
2027		
Growth Management and Investment Model	Develop data tool and calibrate information. Large component of this phase will include survey and demographic work.	Regional Growth
Agricultural Land Use Inventory Update	5-year update of the region's Agricultural Land Use Inventory in partnership with the Ministry of Agriculture	Regional Growth
Ecosystem Protection and Connectivity	Further work that supports the Regional Green Infrastructure Network and the Sensitive Ecosystem Inventory	Regional Growth
Land Use and GHG Emissions Study	Explore the connection between GHG emissions and land use densities and form	Regional Growth, Environmental Sustainability
2028		
Frequent Transit Corridor Study	Undertake a land use and transportation study for a frequent transit corridor in the region to support member jurisdictions and TransLink.	Regional Growth
Growth Management and Investment Model	Develop data tool and calibrate information. Begin to prepare scenario modelling for the region.	Regional Growth

METRO VANCOUVER DISTRICTS
2024 - 2028 PROJECTED RESERVES - REGIONAL PLANNING

OPERATING RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Regional Planning	\$ 218,206	\$ 218,206	\$ -	\$ -	\$ 5,455	\$ 223,661	\$ 229,253	\$ 234,984	\$ 240,859	\$ 246,880

DISCRETIONARY RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Regional Planning General Reserve	\$ 2,913,475	\$ 2,913,475	\$ -	\$ (365,000)	\$ 68,274	\$ 2,616,749	\$ 2,408,793	\$ 2,155,138	\$ 1,844,516	\$ 1,526,129

To: Water Committee

From: Marilyn Towill, General Manager, Water Services

Date: October 4, 2023

Meeting Date: October 11, 2023

Subject: **2024 - 2028 Financial Plan – Water Services**

RECOMMENDATION

That the Water Committee endorse the 2024 - 2028 Financial Plan for Water Services as presented in the report dated October 4, 2023, titled “2024 - 2028 Financial Plan – Water Services”, and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

EXECUTIVE SUMMARY

The 2024 - 2028 Metro Vancouver Financial Plan has been prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop. The direction followed the recommendations of the Financial Plan Task Force, which included the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan. This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Metro Vancouver has met the household impact targets that were recommended by the Financial Plan Task Force and adopted at the April 19, 2023 Board Budget Workshop. This has resulted in an overall consolidated household impact for 2024 to be 12.0%, down from the 14.2% projected for 2024 in the prior financial planning cycle as well as a reduction in the cumulative household impact of 40% over the common four years in comparison to the prior financial plan.

In 2024, the average water rate will increase by 7.6% to \$0.9333 per cubic metre (/m³) (2023 average water rate: \$0.8676/m³). This represents a \$12 (6.7%) increase in the cost to the average regional household to \$189, which is less than the \$192 forecasted for 2024 in the prior year budget.

Metro Vancouver, through the GVWD, continues to provide a reliable source of uninterrupted, high quality drinking water to support the growing region and its economic prosperity. Growing demand for drinking water, system resilience, and infrastructure maintenance are met through robust, proactive capital and operating programs supported by long term planning and monitoring.

PURPOSE

To present the 2024 - 2028 Financial Plan for Water Services for consideration by the Committee.

BACKGROUND

Metro Vancouver’s annual budget process includes the development of detailed annual budgets and the updating of five-year financial plans for each of the four Metro Vancouver legal entities (Metro Vancouver Regional District, Metro Vancouver Housing Corporation, Greater Vancouver Water District and Greater Vancouver Sewerage and Drainage District).

On April 19, 2023 a Metro Vancouver Board Budget Workshop was held with the objective to seek direction for the preparation of the 2024 - 2028 Financial Plan. The workshop outlined the principles that guide the work of Metro Vancouver as an organization and provided a proposed approach for the 2024 - 2028 Financial Plan based on the work of the Financial Plan Task Force that was created by the Board Chair. This included an adoption of the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan.

This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Key highlights of the overall Metro Vancouver 2024 proposed budget are as follows:

- A reduction of \$15 million of the total 2024 Metro Vancouver proposed operating budget compared to that previously projected for 2024
- Increased contribution to capital of \$32M for debt avoidance and increases in reserve contributions of just over \$6M for key functions
- Reduced total capital cash flow of roughly \$655M 2024 through 2027 for the utilities
- Reduction of household impact, \$13 less than that previously projected for 2024

This report focuses on the Water Services function and presents the 2024 annual budget and the updated five-year plan for the years 2024 to 2028 for Committee consideration. The updated plan has resulted in a revision of the household impact from Water Services as follows:

Item	2023	2024	2025	2026	2027	2028
2023 Household Impact target	\$177	\$191	\$215	\$240	\$270	
2024 Household Impact target		\$189	\$203	\$214	\$219	\$223
<i>Year-over-year % increase for Water Services</i>		7%	7%	5%	2%	2%
<i>Corporate target from Financial Plan Task Force</i>		12%	11%	5%	5%	

WATER SERVICES PROGRAM

The Water Services function comprises 18 member municipalities, one electoral area and one treaty First Nation within Metro Vancouver, serving a population of approximately 2.8 million. Source water is collected from within three protected mountain water supply areas covering approximately

60,000 hectares. The system itself comprises six mountain storage lakes, five water supply dams, two major water treatment facilities, over 520 km of large diameter transmission mains, 27 storage reservoirs, 19 pump stations, and eight rechlorination stations. The system treats and distributes an average of 1.0 billion litres of drinking water per day with summer time peak demands increasing to over 1.5 billion litres per day.

Water Services initiatives planned over the next five years are guided by direction provided in the *2022-2026 Board Strategic Plan* and in the *2011 Drinking Water Management Plan*, specifically:

2022-2026 Board Strategic Plan strategic priorities:

- Ensure **financial sustainability and regional affordability** by completing a long-term financial plan, which will ensure the long-term serviceability of its assets and funding sources.
- Take **climate action** to mitigate unavoidable climate impacts while reducing regional greenhouse gas emissions.
- Continue to invest and adapt in **resilient services and infrastructure** to ensure local communities and organizations can prepare, avoid, absorb, recover and adapt to the effects of shocks and stresses in an efficient manner.
- Continue **reconciliation** efforts by building and strengthening respectful and reciprocal relationships with local First Nations.

Drinking Water Management Plan:

- Provide clean, safe drinking water
- Ensure the sustainable use of water resources
- Ensure the efficient supply of water

The region's population continues to grow and with it total water demand. Anticipated impacts of climate change will also put pressure on the regional water supply. Metro Vancouver is taking a two-pronged approach to planning for the future: the first is to continue promoting water conservation through various plans and campaigns to reduce demand for drinking water. The second is ensuring adequate water supply and appropriate infrastructure are in place.

WORK PLAN PERFORMANCE INDICATORS

High level performance indicators have been developed across the organization to evaluate trends, determine key actions for the coming year, and to assist in long-term planning. The 2024 Work Plans for Water Services are presented in this report. Within the Water Services Work Plans, 33 performance indicators have been developed and are being tracked. These include:

- Peak per capita water use
- Progress on major and minor capital projects
- Volume of water treated and delivered
- Energy use per unit volume of water treated
- Compliance with treatment operating permit criteria
- Water transmission system leak repairs
- Water samples collected and analyzed
- Continuous improvement dollar savings

CONTINUOUS IMPROVEMENT

Water Services continues to explore, evaluate and implement continuous improvement opportunities. The department identified numerous opportunities in 2022 and has made progress on many including:

- Completed the earthquake early warning system pilot. Staff will now receive an early warning of any impending significant earthquake, be able to take action to stay safe and mitigate possible system impacts
- Initiated updates to the regional water transmission model to improve growth and resilience planning as well as providing short term forecasting to support daily operations and maintenance
- Moved pipe storage from the U.S. to a local space resulting in \$500,000 in cost savings in 2022 with \$1M more expected in 2023. Resiliency is improved with repair materials being readily available
- Completed construction on the Watershed Centre, a multiuse public educational and office building, in the Lower Seymour Conservation Reserve in summer 2023
- Worked with industry experts to adopt new technology that uses snow survey real-time data resulting in more accurate water supply planning and reduced GHG emissions from helicopter flights
- Finalized the Quality Management System for Drinking Water, which facilitates ongoing reviews and improvements for all aspects of drinking water system operation, and completed the inaugural audit which identified 24 improvement opportunities.
- Replaced 2.6 km of Central Park Main which had the highest leakage rate of all Metro's water mains.

For 2024, some opportunities for continuous improvement have been carried forward and new ones have been added including:

- Enhance water quality monitoring throughout the transmission system by installing improved in-system reservoir sampling equipment and remote data monitoring of re-chlorination stations.
- Initiate the development of a Facility Master Plan to prioritize projects and upgrades within the water system based on updated modelling analysis from growth.
- Continue to incorporate Lean Six Sigma methodology to standardize business practices. For example, reduce lost time incidents and meet AWWA Guidelines for reservoir cleaning and inspection through monthly reporting and investigation.
- Continue formalizing a valve exercising and inspection program and improve documentation using the asset and work management system
- Developing and implementing an ISO 14001 compliant Environmental Management System to improve environmental performance resulting in reduced environmental and regulatory risks and fewer reportable environmental incidents

2024 BUDGET AND 2024 - 2028 FINANCIAL PLAN

The five-year financial plans for this cycle have been updated to address five central priorities identified by the Metro Vancouver Board in its Strategic Plan to guide the development of plans and budgets. The five priorities are as follows:

- Financial Sustainability and Regional Affordability

- Climate Action
- Resilient Services and Infrastructure
- Reconciliation
- Housing

Each Metro Vancouver function has Annual Work Plans that include strategic directions, performance indicators and key actions to guide the work for the coming year. Each function also has a “What’s Happening” summary that highlights the program highlights for the next five years.

The 2024 - 2028 Water Services Financial Plan is included as Attachment 1. The 2024 Annual Work Plans for Water Services presented in this report are included in Attachment 3 and the “What’s Happening” highlights for the years 2024 - 2028 are included in Attachment 4.

Operating Budget Highlights

The Water Services operating budget is separated into operating programs and funding required to support the expanding capital program (debt service and contribution to capital). In the previous budget cycle it was proposed that the budget would increase by \$34.2 million to \$376.7 million for 2024. It is now proposed to increase by \$28.4 million in 2024 for a total budget of \$374.5 million (Attachment 1). This increase can be attributed to core operating fund increases (\$9.4 million), increases to allocated programs (\$3.1 million), increases to contributions to capital (\$16.7 million) and decreases to debt servicing (-\$0.8 million).

The 2024 financial plan includes increased water sales revenues of approximately \$29.2 million, based on higher summer rates (\$1.2537/m³) for June through September and the lower rate of \$0.7119/m³ applying for the rest of the year (equating to an overall average water rate of \$0.9333/m³ compared to 2023 forecast for 2024 of \$0.9456/m³). The differential rates are intended to incentivize conservation efforts in the region and to assist in reducing long term pressures on the Capital Budget.

The 2024 operating budget includes the following key actions:

- Operationalize the new interim Dam Safety Policy to standardize Dam Safety regulatory compliance activities for all departments
- Continue coordination of interagency projects such as the new DFO water supply intake at Capilano Reservoir for the redeveloped hatchery
- Finalize the Climate 2050 Water and Wastewater Infrastructure Roadmap, and develop a Water Utility Climate Action Plan to establish GHG reduction targets and actions
- Continue community wildfire planning with key municipal partners who border the water supply areas, and implement small-scale forest fuel reduction strategies
- Continue collaboration with GVWD members to strengthen regional drinking water conservation and enforcement, reducing pressures on infrastructure development to support population growth

Highlights of contracts and consulting assignments anticipated to be undertaken in 2024 to respond to work plan requirements within the operating budget include the following:

- Updates to Drinking Water Management Plan and continue the Drinking Water Conservation Plan Summer Support program to support members with conservation, education and enforcement
- Asset condition assessments
- Development and implementation of an ISO 14001 compliant Environmental Management System in collaboration with Liquid Waste Services
- Reservoir Limnology Program to monitor the chemical, physical and biological parameters of the Capilano, Seymour and Coquitlam source water supply reservoirs
- Tree assessments and site treatments associated with the Water Services Hazard Tree Program
- Contracted laboratories or the BCCDC for the analysis of specialized legislated water quality parameters

Capital Budget Highlights

The Water Services 2024 - 2028 Capital Plan (Attachment 2) includes \$424.9 million in planned expenditures for 2024 and a total of \$3.0 billion over the five years, with an average of \$605.0 million in capital expenditures per year. There are 143 projects on the five-year plan and the largest nine projects make up more than 50% of the capital spending.

The capital program is funded by a combination of long-term debt, reserves, contributions from the operating budget, external (interagency) contributions and projected, future development cost charges (DCCs) funding growth.

Capital program expenditures over the next five years are largely driven by system expansion to meet the needs of a growing population, upgrades to improve system resiliency, maintenance of aging infrastructure, and opportunities to reduce life-cycle costs for services and/or achieve Board goals such as climate change mitigation. Highlights of capital projects planned or ongoing for 2024 include the following:

- Commence construction: Central Park Main No. 2 (Phase 2), Annacis Main No. 5 (North), and Stanley Park Water Supply Tunnel
- Continue construction: Kennedy Newton Main, Fleetwood Reservoir, Capilano Raw Water Pump Station Back-up Power, Douglas Road Main No. 2 (Still Creek Section), Coquitlam Water Main, Annacis Water Supply Tunnel, and Second Narrows Water Supply Tunnel
- Complete construction: replacement of the Seymour and Capilano Reservoir Dam Safety Booms, and Pebble Hill Reservoir Seismic Upgrade Units 1 & 2

Throughout the capital planning process, staff reviewed project schedules to ensure efficient project timing, deliverability and scope. This exercise was performed in preparing the Water 2024 - 2028 Capital Plan and resulted in the deferral of \$311 million in capital expenditures into future years.

Reserve Funds

The application of reserve funding in Water Services over the 2024-2028 Financial Plan comes from the Sustainability Innovation Fund reserve. In 2024, the financial plan includes \$1,652,000 in

funding from the Water Sustainability Innovation Fund for several sustainability project initiatives approved by the Board being undertaken and a further planned use of \$345,000 in 2025. The 2024 - 2028 Projected Reserves for Water Services is included in Attachment 5.

APPROVAL PROCESS

The proposed 2024 - 2028 Financial Plan and Annual Work Plan is presented for consideration and endorsement before being forwarded to the Board for consideration.

The next steps of the process are the 2024 - 2028 Financial Plan and Annual Work Plan will be presented for consideration at the Metro Vancouver Board Budget Workshop on October 20, 2023.

The Board will consider adoption of the 2024 Budget and endorsement of the 2024 - 2028 Financial Plan on October 27, 2023.

ALTERNATIVES

1. That the Water Committee endorse the 2024 - 2028 Financial Plan for Water Services as presented in the report dated October 4, 2023, titled “2024 - 2028 Financial Plan – Water Services”, and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

2. That the Water Committee make recommendations and endorse an amended 2024 - 2028 Financial Plan for Water Services and forward the amended Financial Plan to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

FINANCIAL IMPLICATIONS

If the Greater Vancouver Water District Board approves the 2024 Budget and endorses the Five-Year Financial Plan for Water Services, as presented under Alternative 1, in 2024, with the increase applied 100% to the Water Rate for June to September, the projected Water Rates would be \$1.2537/m³ for June through September and remain at \$0.7119/m³ for January through May and October through December (average water rate of \$0.9333/m³ compared to 2023 forecast for 2024 of \$0.9456/m³). Revenue from the sale of water is projected to increase by \$29.2 million (8.6%) to \$367.5 million which will generate the majority of the \$374.5 million in total revenue required to offset projected expenditures. The increase in the average water rate represents a \$12 increase in the annual cost to the average regional household to \$189 which is less than the \$192 forecasted for 2024 in the prior year budget. The application of the proposed increase for 2024 to the peak water rate does not have bearing on the budget or the financial plan.

Over the term of the five-year plan, the blended water rate is projected to increase by an average of \$0.0564/m³ with water sales increasing by an average of \$24.2 million per year to provide the required revenue to offset projected expenditures. It is anticipated that the annual cost to the average regional household over the next five years will rise from \$189 in 2024 to \$223 in 2028 representing an average annual increase of \$9. Future budgets will be adjusted based on the success of conservation efforts across the region.

CONCLUSION

The 2024 Budget and Five-Year Financial Plan for Water Services have been prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop and to respond to direction provided in the *Board Strategic Plan* and to support the 2011 *Drinking Water Management Plan*. It is presented to Committee and Board members to provide overview information on activities and financial impacts for the years 2024 to 2028 for Water Services.

The presentation of the 2024 budget and five-year financial plan for Water Services provides the opportunity for Metro Vancouver to share with its member jurisdictions the proposed capital projects and operating programs, and the financial impact of these projects, over the next five years. The financial plan illustrates how Metro Vancouver proposes to pay for Water investments, notwithstanding additional successes in regional water conservation efforts, that will be required to maintain our assets and to respond to our region’s growing population. It is intended to be used as a guiding document for member jurisdictions in the development of their five-year financial plans and includes projections on household impact to demonstrate how the plan will remain affordable for Metro Vancouver residents while keeping pace with our critical infrastructure requirements.

Staff recommend endorsing the 2024 - 2028 Financial Plan and Annual Work Plans for Water Services as presented under Alternative 1.

Attachments

1. 2024 - 2028 Water Services Financial Plan
2. 2024 - 2028 Water Services Capital Budget Summary
3. 2024 Water Services Work Plans
4. 2024 - 2028 “What’s Happening”
5. 2024 - 2028 Projected Reserves – Water Services

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**GREATER VANCOUVER WATER DISTRICT
WATER SERVICES**

**2024 BUDGET REVIEW
2024 - 2028 FINANCIAL PLAN**

	2023 BUDGET	2024 BUDGET	% CHANGE	2025 FORECAST	% CHANGE	2026 FORECAST	% CHANGE	2027 FORECAST	% CHANGE	2028 FORECAST	% CHANGE
REVENUES											
Water Sales	\$ 338,337,102	\$ 367,535,244	8.6%	\$ 400,622,928	9.0%	\$ 427,937,918	6.8%	\$ 444,404,061	3.8%	\$ 459,303,602	3.4%
Other External Revenues	2,576,682	3,479,737		3,560,952		3,526,265		3,553,428		3,489,941	
Transfer from DCC Reserves	–	1,823,949		10,908,659		36,566,198		77,363,341		111,822,348	
Transfer from Sustainability Innovation Fund Reserves	5,050,516	1,625,000		345,000		–		–		–	
Transfer from Reserves	96,000	–		–		–		–		–	
TOTAL REVENUES	\$ 346,060,300	\$ 374,463,930	8.2%	\$ 415,437,539	10.9%	\$ 468,030,381	12.7%	\$ 525,320,830	12.2%	\$ 574,615,891	9.4%
EXPENDITURES											
Operating Programs:											
Policy Planning and Analysis											
Contribution to Sustainability Innovation Reserve	\$ 723,000	\$ 723,000		\$ 723,000		\$ 723,000		\$ 723,000		\$ 723,000	
Research and Innovation	514,855	716,477		769,899		800,804		1,033,987		1,072,794	
Utility Modeling and Data Analytics	2,083,847	2,334,267		3,175,440		2,643,637		2,660,755		2,752,858	
Utility Policy and Planning	4,791,020	3,323,935		2,685,659		2,305,175		2,516,808		2,610,956	
	8,112,722	7,097,679	(12.5%)	7,353,998	3.6%	6,472,616	(12.0%)	6,934,550	7.1%	7,159,608	3.2%
Engineering and Construction											
Minor Capital Projects	9,992,975	10,718,619		11,429,413		11,988,734		12,348,788		12,686,788	
Infrastructure Operations Support	2,304,108	2,546,667		2,874,188		2,937,319		3,153,438		3,219,254	
Dispatch	133,312	137,664		141,804		145,602		149,464		152,603	
	12,430,395	13,402,950	7.8%	14,445,405	7.8%	15,071,655	4.3%	15,651,690	3.8%	16,058,645	2.6%
Shared and Support Services											
Engineers in Training	377,784	528,011		687,611		706,055		724,736		744,113	
Business & Shared Services Support	1,520,112	1,558,072		2,781,059		2,993,006		3,072,442		3,364,968	
Shared & Utility Services	839,274	216,348		222,129		228,130		234,214		240,518	
Minor Capital Projects	885,627	949,937		1,012,931		1,062,501		1,094,411		1,124,366	
Records Management	112,920	154,748		158,888		163,190		167,548		172,067	
	3,735,717	3,407,116	(8.8%)	4,862,618	42.7%	5,152,882	6.0%	5,293,351	2.7%	5,646,032	6.7%
Watershed and Environmental Management											
Watershed and Environmental Management	13,671,420	15,008,009		15,221,694		15,689,254		16,349,909		16,987,861	
	13,671,420	15,008,009	9.8%	15,221,694	1.4%	15,689,254	3.1%	16,349,909	4.2%	16,987,861	3.9%
Water Dam Safety											
Water Dam Safety	–	3,922,949		3,608,167		3,883,822		4,074,715		4,281,981	
	–	3,922,949		3,608,167		3,883,822		4,074,715		4,281,981	
Operations and Maintenance											
Drinking Water Residuals	1,260,654	1,278,759		1,314,329		1,350,964		1,388,687		1,427,586	
Lake City Operations	1,027,080	1,058,985		1,099,545		1,129,638		1,233,047		1,315,615	
Maintenance	9,372,262	10,245,375		10,962,146		11,472,652		11,943,544		12,429,596	
SCADA Control Systems	6,075,523	6,912,373		7,360,596		7,793,283		8,118,982		8,452,384	
Secondary Disinfection	1,251,732	1,438,602		1,560,014		1,696,176		1,764,724		1,892,203	
Seymour Capilano Filtration Plant	10,839,293	13,293,245		14,159,068		14,784,514		15,295,988		15,862,386	
Coquitlam Water Treatment Plant	7,498,119	7,914,438		8,436,260		9,053,959		9,454,281		10,051,402	
Energy Management	138,594	156,107		199,797		206,330		212,958		219,613	
Utility Voice Radio	103,802	109,261		118,298		123,774		128,781		133,941	
Water Supply	21,592,200	20,915,815		22,329,548		23,102,588		23,785,338		24,488,993	
	59,159,259	63,322,960	7.0%	67,539,601	6.7%	70,713,878	4.7%	73,326,330	3.7%	76,273,719	4.0%
Interagency Projects and Quality Control											
Drinking Water Quality Control	3,235,929	3,133,654		3,272,006		3,465,537		3,557,760		3,636,792	
Interagency Projects	581,688	617,670		844,067		879,237		900,677		922,919	
	3,817,617	3,801,324	(0.4%)	4,166,073	9.6%	4,394,774	5.5%	4,508,437	2.6%	4,609,711	2.2%
Administration and Department Support											
Communications Program	2,701,727	2,899,799	7.3%	3,069,137	5.8%	3,151,845	2.7%	3,318,357	5.3%	3,172,121	(4.4%)
Allocation of Centralized Support Costs	508,879	644,158	26.6%	539,871	(16.2%)	553,367	2.5%	567,202	2.5%	581,382	2.5%
Total Operating Programs	30,462,293	33,335,180	9.4%	33,564,476	0.7%	33,990,658	1.3%	36,171,737	6.4%	37,931,644	4.9%
Allocation of Project Delivery Cost	3,810,519	4,064,247	6.7%	4,055,229	(0.2%)	4,222,077	4.1%	4,387,078	3.9%	4,520,088	3.0%
Debt Service	83,880,609	83,113,987	(0.9%)	93,163,912	12.1%	112,641,137	20.9%	156,620,994	39.0%	190,853,847	21.9%
Contribution to Capital	123,769,143	140,443,572	13.5%	163,847,358	16.7%	192,092,416	17.2%	198,116,480	3.1%	206,539,252	4.3%
TOTAL EXPENDITURES	\$ 346,060,300	\$ 374,463,930	8.2%	\$ 415,437,539	10.9%	\$ 468,030,381	12.7%	\$ 525,320,830	12.2%	\$ 574,615,891	9.4%
Blended Water Rate (\$/m3)	\$ 0.8676	\$ 0.9333	7.6%	\$ 1.0160	8.9%	\$ 1.0812	6.4%	\$ 1.1188	3.5%	\$ 1.1494	2.7%

**GREATER VANCOUVER WATER DISTRICT
CAPITAL PORTFOLIO
WATER SERVICES
2024 CAPITAL BUDGET AND 2024 - 2028 CAPITAL PLAN**

	CAPITAL BUDGET FOR APPROVAL	2024 CAPITAL CASH FLOW	2025 CAPITAL CASH FLOW	2026 CAPITAL CASH FLOW	2027 CAPITAL CASH FLOW	2028 CAPITAL CASH FLOW	2024 TO 2028 TOTAL CAPITAL CASH FLOW	ACTIVE PHASE	PRIMARY DRIVER
CAPITAL EXPENDITURES									
Water Mains									
37th Avenue Main No. 2 (Rupert Street to Little Mountain Reservoir)	1,150,000	-	-	-	-	500,000	500,000	Design	Maintenance
Angus Drive Main	30,700,000	50,000	-	-	-	-	50,000	Construction	Growth
Angus Drive Turbine	-	-	-	-	-	50,000	50,000	Not Started	Opportunity
Annacis Main No. 2 - Queensborough Crossover Improvement	1,200,000	50,000	-	-	-	-	50,000	Construction	Maintenance
Annacis Main No. 2 and Barnston Island Main Online Chlorine and pH Analyzers	1,200,000	700,000	-	-	-	-	700,000	Construction	Upgrade
Annacis Main No. 3 BHP Potash Facility Pipe Protection	600,000	50,000	500,000	-	-	-	550,000	Construction	Maintenance
Annacis Main No. 5 (North)	81,100,000	1,500,000	20,500,000	20,000,000	10,300,000	13,200,000	65,500,000	Construction	Growth
Annacis Main No. 5 (South)	80,950,000	5,100,000	18,000,000	18,000,000	7,600,000	4,000,000	52,700,000	Construction	Growth
Annacis Water Supply Tunnel*	482,100,000	76,000,000	65,000,000	54,500,000	50,000,000	10,000,000	255,500,000	Construction	Growth
Burnaby Mountain Main No. 2	2,300,000	600,000	600,000	2,600,000	5,000,000	6,500,000	15,300,000	Design	Maintenance
Cambie-Richmond Water Supply Tunnel*	62,800,000	6,100,000	10,000,000	14,150,000	19,680,000	94,850,000	144,780,000	Design	Resilience
Central Park Main No. 2 (10th Ave to Westburnco)	4,750,000	1,500,000	3,500,000	10,000,000	7,000,000	6,500,000	28,500,000	Construction	Maintenance
Central Park Main No. 2 (Patterson to 10th Ave)	109,100,000	10,350,000	17,000,000	17,000,000	3,000,000	9,000,000	56,350,000	Construction	Maintenance
Clayton Langley Main No. 2	1,900,000	500,000	400,000	1,000,000	5,000,000	3,800,000	10,700,000	Design	Resilience
Coquitlam Water Main*	293,700,000	95,200,000	89,000,000	143,000,000	142,000,000	199,000,000	668,200,000	Multiple	Growth
Douglas Road Main No. 2 (Flow Meter 169) Replacement	2,000,000	500,000	750,000	-	-	-	1,250,000	Construction	Maintenance
Douglas Road Main No. 2 (Vancouver Heights Section)	21,450,000	450,000	-	-	-	-	450,000	Construction	Maintenance
Douglas Road Main No. 2 Still Creek	60,050,000	11,050,000	5,000,000	6,400,000	-	-	22,450,000	Construction	Maintenance
Douglas Road Main Protection	1,500,000	550,000	150,000	-	-	-	700,000	Construction	Maintenance
Haney Main No. 4 (West Section)	1,900,000	750,000	2,850,000	3,500,000	9,000,000	20,000,000	36,100,000	Multiple	Growth
Haney Water Supply Tunnel*	50,250,000	1,750,000	8,050,000	11,000,000	14,750,000	7,000,000	42,550,000	Design	Resilience
Improvements to Capilano Mains No. 4 and 5	2,700,000	250,000	1,750,000	500,000	-	-	2,500,000	Construction	Maintenance
Kennedy Newton Main	166,350,000	17,100,000	15,000,000	14,600,000	5,000,000	13,200,000	64,900,000	Construction	Growth
Lulu Island - Delta Main - Scour Protection Phase 2	250,000	50,000	2,550,000	850,000	50,000	-	3,500,000	Design	Maintenance
Lulu-Delta Water Supply Tunnel*	5,000,000	1,250,000	3,000,000	4,500,000	4,000,000	54,000,000	66,750,000	Definition	Maintenance
Lynn Valley Road Main No. 2	650,000	-	-	-	50,000	550,000	600,000	Design	Maintenance
Lynn Valley Road Main, Seymour Main No. 3 & Seymour Main No. 4 Aerial Crossings Rehabilitation	4,200,000	2,270,000	-	-	-	-	2,270,000	Construction	Maintenance
Maple Ridge Main West Lining Repairs	5,900,000	50,000	2,500,000	2,800,000	350,000	-	5,700,000	Construction	Maintenance
Newton Reservoir Connection	850,000	450,000	1,100,000	2,500,000	4,200,000	7,000,000	15,250,000	Design	Growth
Palisade Outlet Works Rehabilitation	2,200,000	900,000	900,000	4,000,000	3,000,000	2,000,000	10,800,000	Construction	Maintenance
Port Mann Main No. 2 (South)	41,100,000	3,050,000	3,000,000	-	-	1,000,000	7,050,000	Multiple	Growth

**GREATER VANCOUVER WATER DISTRICT
CAPITAL PORTFOLIO
WATER SERVICES
2024 CAPITAL BUDGET AND 2024 - 2028 CAPITAL PLAN**

	CAPITAL BUDGET FOR APPROVAL	2024 CAPITAL CASH FLOW	2025 CAPITAL CASH FLOW	2026 CAPITAL CASH FLOW	2027 CAPITAL CASH FLOW	2028 CAPITAL CASH FLOW	2024 TO 2028 TOTAL CAPITAL CASH FLOW	ACTIVE PHASE	PRIMARY DRIVER
Port Mann No. 1 South Section Decommissioning	550,000	350,000	350,000	600,000	-	-	1,300,000	Design	Maintenance
Port Moody Main No. 1 Christmas Way Relocation	2,350,000	100,000	2,150,000	-	-	-	2,250,000	Construction	Maintenance
Port Moody Main No. 3 Scott Creek Section	28,000,000	2,000,000	10,500,000	13,000,000	7,000,000	9,000,000	41,500,000	Construction	Maintenance
Queensborough Main Royal Avenue Relocation	7,500,000	100,000	100,000	7,200,000	-	-	7,400,000	Construction	Maintenance
Rehabilitation of AN2 on Queensborough Bridge	3,850,000	470,000	-	-	-	-	470,000	Construction	Maintenance
Relocation and Protection for MOTI Expansion Project Broadway	8,900,000	100,000	100,000	8,500,000	-	-	8,700,000	Construction	Maintenance
Relocation and Protection for MOTI George Massey Crossing Replacement	2,450,000	100,000	100,000	100,000	300,000	50,000	650,000	Construction	Maintenance
Relocation and Protection for Translink Expansion Project Surrey Langley SkyTrain	6,600,000	100,000	100,000	100,000	100,000	6,150,000	6,550,000	Construction	Maintenance
Sapperton Main No. 1 New Line Valve and Chamber	3,850,000	50,000	-	-	-	-	50,000	Construction	Upgrade
Sapperton Main No. 2 North Road Relocation and Protection	6,500,000	6,400,000	-	-	-	-	6,400,000	Construction	Maintenance
Scour Protection Assessments and Construction General	4,000,000	150,000	1,000,000	-	650,000	-	1,800,000	Construction	Resilience
Second Narrows Crossing 1 & 2 (Burrard Inlet Crossing Removal)*	2,000,000	-	-	-	800,000	700,000	1,500,000	Design	Maintenance
Second Narrows Water Supply Tunnel*	468,550,000	25,000,000	15,000,000	10,000,000	10,000,000	42,637,000	102,637,000	Construction	Resilience
Seymour Main No. 2 Joint Improvements	7,100,000	100,000	2,000,000	2,000,000	1,750,000	1,500,000	7,350,000	Construction	Resilience
Seymour Main No. 5 III (North)	26,600,000	2,100,000	5,000,000	5,000,000	4,900,000	15,000,000	32,000,000	Design	Resilience
South Delta Main No. 1 - Ferry Road Check Valve Replacement	600,000	100,000	-	-	-	-	100,000	Construction	Maintenance
South Fraser Storage Yard	500,000	250,000	750,000	2,000,000	1,000,000	5,000,000	9,000,000	Design	Maintenance
South Surrey Main No. 1 Nickomekl Dam Relocation	7,100,000	3,600,000	2,100,000	1,000,000	-	-	6,700,000	Construction	Maintenance
South Surrey Main No. 2	2,000,000	800,000	1,400,000	5,000,000	8,500,000	24,500,000	40,200,000	Design	Growth
South Surrey Main No. 2 Nickomekl Dam Prebuild	2,000,000	1,000,000	500,000	-	-	-	1,500,000	Construction	Growth
South Surrey Supply Main (Serpentine River) Bridge Support Modification	1,350,000	50,000	-	-	-	-	50,000	Construction	Maintenance
Stanley Park Water Supply Tunnel*	395,000,000	26,075,000	45,000,000	67,500,000	52,500,000	70,000,000	261,075,000	Construction	Maintenance
Tilbury Junction Chamber Valves Replacement with Actuators	5,600,000	200,000	-	-	-	-	200,000	Construction	Upgrade
Tilbury Main North Fraser Way Valve Addition	3,100,000	1,500,000	500,000	-	-	-	2,000,000	Construction	Maintenance
Water Chamber Improvements and Repairs	2,000,000	250,000	200,000	-	-	-	450,000	Construction	Maintenance
Water Meter Upgrades	22,400,000	2,000,000	2,000,000	2,500,000	1,900,000	1,500,000	9,900,000	Construction	Upgrade
Water Optimization - Instrumentation	39,050,000	1,200,000	1,250,000	2,750,000	6,500,000	7,250,000	18,950,000	Multiple	Upgrade
Whalley Kennedy Main No. 2	2,900,000	300,000	1,300,000	1,700,000	2,000,000	2,000,000	7,300,000	Design	Growth
Whalley Main	31,800,000	50,000	-	-	-	-	50,000	Construction	Growth
Total Water Mains	\$2,614,100,000	\$312,615,000	\$362,500,000	\$459,850,000	\$387,880,000	\$637,437,000	\$2,160,282,000		

**GREATER VANCOUVER WATER DISTRICT
CAPITAL PORTFOLIO
WATER SERVICES
2024 CAPITAL BUDGET AND 2024 - 2028 CAPITAL PLAN**

	CAPITAL BUDGET FOR APPROVAL	2024 CAPITAL CASH FLOW	2025 CAPITAL CASH FLOW	2026 CAPITAL CASH FLOW	2027 CAPITAL CASH FLOW	2028 CAPITAL CASH FLOW	2024 TO 2028 TOTAL CAPITAL CASH FLOW	ACTIVE PHASE	PRIMARY DRIVER
Pump Stations									
Barnston/Maple Ridge Pump Station - Back-up Power	\$ 16,000,000	\$ 2,100,000	\$ 100,000	\$ 650,000	\$ 2,100,000	\$ 2,850,000	\$ 7,800,000	Construction	Resilience
Barnston/Maple Ridge Pump Station Power Generation	2,900,000	-	-	-	-	200,000	200,000	Construction	Opportunity
Burnaby Mountain Pump Station No. 2	1,300,000	400,000	1,400,000	3,500,000	3,500,000	15,000,000	23,800,000	Design	Maintenance
Cape Horn Pump Station No. 3	29,050,000	2,500,000	5,100,000	3,000,000	32,000,000	70,000,000	112,600,000	Design	Growth
Capilano Raw Water Pump Station - Back-up Power	81,000,000	21,000,000	21,000,000	7,000,000	8,000,000	-	57,000,000	Construction	Resilience
Capilano Raw Water Pump Station Bypass PRV Upgrades	3,800,000	1,950,000	700,000	-	-	-	2,650,000	Construction	Maintenance
Central Park WPS Starters Replacement	20,000,000	5,000,000	5,000,000	4,000,000	3,000,000	-	17,000,000	Construction	Maintenance
Grandview Pump Station Improvements	4,500,000	1,500,000	1,000,000	-	-	-	2,500,000	Construction	Resilience
Newton Pump Station No. 2	82,550,000	9,450,000	21,000,000	10,000,000	4,000,000	13,000,000	57,450,000	Construction	Growth
Pebble Hill Pump Station Seismic Upgrade	-	-	150,000	350,000	1,000,000	1,000,000	2,500,000	Not Started	Resilience
Westburnco Pump Station - Back-up Power	3,800,000	1,500,000	4,600,000	14,000,000	14,000,000	8,000,000	42,100,000	Design	Resilience
Westburnco Pump Station No. 2 VFD Replacements	3,050,000	1,100,000	-	-	-	-	1,100,000	Construction	Maintenance
Total Pump Stations	\$ 247,950,000	\$ 46,500,000	\$ 60,050,000	\$ 42,500,000	\$ 67,600,000	\$ 110,050,000	\$ 326,700,000		
Reservoirs									
Burnaby Mountain Tank No. 2 and No. 3	\$ 6,750,000	\$ 990,000	\$ 2,450,000	\$ 2,460,000	\$ 7,500,000	\$ 19,800,000	\$ 33,200,000	Design	Resilience
Cape Horn Reservoir Condition Assessment and Structural Repair	500,000	250,000	1,100,000	1,000,000	-	-	2,350,000	Design	Maintenance
Capilano Energy Recovery Facility 66" PRV Replacement	-	-	1,450,000	350,000	3,500,000	3,500,000	8,800,000	Not Started	Maintenance
Capilano Energy Recovery Facility Operational Upgrades	1,800,000	750,000	450,000	300,000	-	-	1,500,000	Construction	Maintenance
Central Park Reservoir Structural Improvements	-	-	400,000	1,700,000	1,200,000	-	3,300,000	Not Started	Maintenance
Clayton Reservoir	25,750,000	50,000	-	-	-	-	50,000	Construction	Resilience
Dechlorination for Reservoir Overflow and Underdrain Discharges	2,700,000	1,000,000	1,000,000	-	-	-	2,000,000	Construction	Maintenance
Fleetwood Reservoir	58,850,000	16,500,000	3,700,000	3,700,000	-	-	23,900,000	Construction	Growth
Grandview Reservoir Unit No. 2	-	-	400,000	800,000	1,400,000	1,000,000	3,600,000	Not Started	Growth
Hellings Tank No. 2	15,950,000	400,000	3,800,000	2,390,000	2,000,000	-	8,590,000	Construction	Growth
Kersland Reservoir No. 1 Structural Improvements	5,500,000	500,000	-	-	-	-	500,000	Construction	Maintenance
Pebble Hill Reservoir No. 3 Seismic Upgrade	500,000	50,000	-	-	-	-	50,000	Design	Resilience
Pebble Hill Reservoir Seismic Upgrade	12,350,000	500,000	-	-	-	-	500,000	Construction	Resilience
Reservoir Isolation Valve Automation	6,450,000	550,000	1,250,000	1,550,000	1,000,000	-	4,350,000	Construction	Resilience
Reservoir Sampling Kiosks - Multi Location	1,300,000	350,000	400,000	200,000	-	-	950,000	Construction	Upgrade
Reservoir Structural Preliminary Assessments	3,200,000	1,200,000	1,500,000	-	-	-	2,700,000	Definition	Maintenance
Sasamat Reservoir Refurbishment	400,000	250,000	700,000	1,300,000	500,000	-	2,750,000	Design	Maintenance
Sunnyside Reservoir Units 1 and 2 Seismic Upgrade	8,000,000	100,000	2,500,000	7,000,000	3,500,000	-	13,100,000	Construction	Resilience
Vancouver Heights System Resiliency Improvements	2,500,000	450,000	750,000	500,000	-	-	1,700,000	Construction	Resilience
Total Reservoirs	\$ 152,500,000	\$ 23,890,000	\$ 21,850,000	\$ 23,250,000	\$ 20,600,000	\$ 24,300,000	\$ 113,890,000		

**GREATER VANCOUVER WATER DISTRICT
CAPITAL PORTFOLIO
WATER SERVICES
2024 CAPITAL BUDGET AND 2024 - 2028 CAPITAL PLAN**

	CAPITAL BUDGET FOR APPROVAL	2024 CAPITAL CASH FLOW	2025 CAPITAL CASH FLOW	2026 CAPITAL CASH FLOW	2027 CAPITAL CASH FLOW	2028 CAPITAL CASH FLOW	2024 TO 2028 TOTAL CAPITAL CASH FLOW	ACTIVE PHASE	PRIMARY DRIVER
Treatment Plants									
Coquitlam Intake Tower Seismic Upgrade	\$ 2,500,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	Design	Resilience
Coquitlam Lake Water Supply*	160,750,000	14,000,000	24,000,000	37,000,000	47,400,000	97,700,000	220,100,000	Multiple	Growth
Critical Control Sites - Back-Up Power	-	-	-	300,000	400,000	500,000	1,200,000	Not Started	Resilience
CWTP CO2 System Improvements	750,000	500,000	250,000	1,500,000	1,500,000	-	3,750,000	Design	Maintenance
CWTP Mobile Disinfection System	900,000	500,000	1,500,000	500,000	-	-	2,500,000	Construction	Upgrade
CWTP Ozone Back-up Power	-	-	500,000	800,000	1,500,000	4,000,000	6,800,000	Not Started	Resilience
CWTP Ozone Generation Upgrades for Units 2 & 3	7,500,000	1,000,000	-	-	-	-	1,000,000	Construction	Upgrade
CWTP Ozone Sidestream Pipe Heat Trace and Insulation	900,000	150,000	-	-	-	-	150,000	Construction	Maintenance
CWTP Ozone Sidestream Pump VFD Replacement	1,400,000	500,000	200,000	-	-	-	700,000	Construction	Maintenance
CWTP Temporary Water Supply	600,000	-	-	-	-	400,000	400,000	Design	Maintenance
Online Chlorine and pH Analyzers	2,500,000	1,400,000	700,000	-	-	500,000	2,600,000	Multiple	Upgrade
SCADA Moscad Server & ICS Historian Expansion & Partitioning	1,500,000	1,500,000	-	-	-	-	1,500,000	Construction	Maintenance
SCFP Additional Pre-Treatment	-	-	-	1,000,000	7,300,000	17,000,000	25,300,000	Not Started	Upgrade
SCFP Centralized Compressed Air System	1,900,000	1,350,000	-	-	-	-	1,350,000	Construction	Maintenance
SCFP Clearwell Baffle Replacement	600,000	250,000	1,350,000	1,000,000	1,000,000	3,300,000	6,900,000	Multiple	Maintenance
SCFP Clearwell Membrane Replacement	1,800,000	600,000	600,000	5,900,000	5,500,000	5,000,000	17,600,000	Design	Maintenance
Improve Accessibility	800,000	500,000	6,000,000	2,000,000	1,000,000	-	9,500,000	Design	Maintenance
SCFP OMC Building Expansion	1,100,000	500,000	300,000	1,500,000	1,500,000	-	3,800,000	Design	Maintenance
SCFP Polymer System Upgrade	4,650,000	1,000,000	-	-	-	-	1,000,000	Construction	Maintenance
SCFP SCADA/ICS Controller Replacement	2,400,000	1,200,000	-	-	-	-	1,200,000	Design	Maintenance
Total Treatment Plants	\$ 192,550,000	\$ 25,050,000	\$ 35,400,000	\$ 51,500,000	\$ 67,100,000	\$ 128,400,000	\$ 307,450,000		
Others									
Beach Yard Facility - Site Redevelopment	\$ -	\$ -	\$ 500,000	\$ 1,000,000	\$ 1,500,000	\$ 8,500,000	\$ 11,500,000	Not Started	Maintenance
Capilano Raw Water Pump Station VFD Upgrades	2,600,000	300,000	2,200,000	1,200,000	-	-	3,700,000	Construction	Maintenance
Capilano Reservoir and Seymour Reservoir Dam Safety Boom Replacement	3,700,000	500,000	-	-	-	-	500,000	Construction	Maintenance
Capilano Watershed Bridge Replacements - Crown Creek and Capilano River	-	-	-	95,000	200,000	1,000,000	1,295,000	Not Started	Maintenance
Capilano Watershed Security Gatehouse	5,700,000	1,800,000	1,700,000	600,000	-	-	4,100,000	Construction	Maintenance
CLD & SFD Fasteners Replacement & Coating Repairs	2,350,000	50,000	-	-	-	-	50,000	Construction	Maintenance
CLD and SFD Lead Paint Removal, Surface Crack Injection and General Corrosion Mitigation	500,000	500,000	500,000	500,000	-	-	1,500,000	Construction	Maintenance
Cleveland Dam - Lower Outlet HBV Rehabilitation	4,900,000	250,000	-	-	-	-	250,000	Construction	Maintenance
Cleveland Dam Drumgate Seal Replacement	1,300,000	500,000	500,000	-	-	-	1,000,000	Construction	Maintenance

**GREATER VANCOUVER WATER DISTRICT
CAPITAL PORTFOLIO
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Cleveland Dam Lower Outlet Trashrack Replacement and Debris Removal	-	-	-	500,000	500,000	1,500,000	2,500,000	Not Started	Maintenance
Cleveland Dam Power Resiliency Improvements	1,700,000	700,000	800,000	-	-	-	1,500,000	Construction	Resilience
Cleveland Dam Public Warning System and Enhancements	10,000,000	1,750,000	2,000,000	2,750,000	-	-	6,500,000	Construction	Maintenance
Cleveland Dam Seismic Stability Evaluation	800,000	400,000	-	-	-	-	400,000	Design	Resilience
Cleveland Dam Spillway Resurfacing	-	-	-	400,000	1,000,000	3,000,000	4,400,000	Not Started	Maintenance
Facilities O&M Documentation Development	2,000,000	1,000,000	500,000	-	-	-	1,500,000	Design	Resilience
Lake City HVAC Upgrade	900,000	400,000	800,000	-	-	-	1,200,000	Construction	Resilience
Loch Lomond Formalized Spillway Design and Construction	-	-	-	-	-	50,000	50,000	Not Started	Maintenance
Loch Lomond Outlet Works Rehabilitation	450,000	250,000	200,000	500,000	200,000	200,000	1,350,000	Design	Resilience
Lower Seymour Conservation Reserve Learning Lodge Replacement	5,050,000	50,000	-	-	-	-	50,000	Construction	Upgrade
Microbiology Laboratory Expansion	500,000	250,000	650,000	1,400,000	3,000,000	250,000	5,550,000	Design	Maintenance
Newton Rechlorination Station No. 2	-	-	400,000	1,050,000	1,100,000	2,500,000	5,050,000	Not Started	Maintenance
Pitt River Rechlorination Station Reconstruction	-	-	500,000	1,200,000	1,800,000	1,500,000	5,000,000	Not Started	Maintenance
Rechlorination Sites - Back-Up Power	-	-	-	-	-	300,000	300,000	Not Started	Resilience
Rechlorination Station SHS Storage Tank Replacement	1,200,000	100,000	-	-	-	-	100,000	Construction	Maintenance
Rechlorination Station Upgrades	5,300,000	2,000,000	1,800,000	1,000,000	6,000,000	6,000,000	16,800,000	Design	Maintenance
Rice Lake Dams Rehabilitation	3,000,000	900,000	1,200,000	600,000	-	-	2,700,000	Construction	Maintenance
Seymour Falls Dam Public Warning System	10,000,000	1,250,000	2,500,000	3,000,000	3,000,000	-	9,750,000	Construction	Maintenance
Seymour Falls Dam Seismic Stability Assessment	1,800,000	750,000	1,800,000	1,000,000	1,000,000	2,500,000	7,050,000	Definition	Resilience
South Fraser Works Yard	71,000,000	2,500,000	5,000,000	5,000,000	5,500,000	-	18,000,000	Design	Maintenance
Water Utilities SLC Control System Upgrades Phase 1	3,000,000	600,000	600,000	600,000	600,000	600,000	3,000,000	Construction	Maintenance
Total Others	\$ 137,750,000	\$ 16,800,000	\$ 24,150,000	\$ 22,395,000	\$ 25,400,000	\$ 27,900,000	\$ 116,645,000		
TOTAL CAPITAL EXPENDITURES	\$3,344,850,000	\$424,855,000	\$503,950,000	\$599,495,000	\$568,580,000	\$928,087,000	\$3,024,967,000		
CAPITAL FUNDING									
New External Borrowing	\$ 727,433,000	\$147,322,000	\$127,217,000	\$ 77,380,000	\$ 44,137,000	\$261,809,000	\$ 657,865,000		
New Borrowing funded by DCC	1,506,113,000	83,944,000	201,189,000	307,478,000	320,927,000	448,539,000	1,362,077,000		
Direct DCC Application	40,688,000	36,797,000	-	-	-	-	36,797,000		
Contribution to Capital	996,321,000	140,444,000	163,847,000	192,092,000	198,116,000	206,539,000	901,038,000		
Reserve	27,644,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	25,000,000		
External Funding - Interagency	46,651,000	11,348,000	6,697,000	17,545,000	400,000	6,200,000	42,190,000		
Total	\$3,344,850,000	\$424,855,000	\$503,950,000	\$599,495,000	\$568,580,000	\$928,087,000	\$3,024,967,000		

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SUMMARY BY DRIVER									
Growth	\$1,564,600,000	\$244,200,000	\$275,650,000	\$319,690,000	\$325,400,000	\$475,600,000	\$1,640,540,000		
Maintenance	889,050,000	105,115,000	142,600,000	193,595,000	130,550,000	222,050,000	793,910,000		
Resilience	798,950,000	68,090,000	79,850,000	79,260,000	96,930,000	203,937,000	528,067,000		
Upgrade	89,350,000	7,450,000	5,850,000	6,950,000	15,700,000	26,250,000	62,200,000		
Opportunity	2,900,000	-	-	-	-	250,000	250,000		
Total	\$3,344,850,000	\$424,855,000	\$503,950,000	\$599,495,000	\$568,580,000	\$928,087,000	\$3,024,967,000		

* Project is part of Metro Vancouver’s formal stage gate framework. Detailed project report will be brought forward as part of the stage gate review process.

Water Services Watersheds & Environment

Description of Services

Water Services provides high quality drinking water to the Metro Vancouver region through the Greater Vancouver Water District. The Watersheds & Environment Division protects and maintains 60,000 hectares of GVWD water supply lands and associated infrastructure surrounding the three primary source reservoirs of Capilano, Seymour, and Coquitlam. The division also oversees the Environmental Management System and various environmental programs and initiatives for the drinking water utility. Technical and field staff in this area undertake a breadth of work ranging from collection of reservoir and potable water samples, fisheries management, environmental protection and watershed management activities including security, road and infrastructure maintenance, wildfire response for both GVWD lands and GVRD Regional Parks and public education on the region's water supply.

Alignment of Strategic Directions and High Level Goals

Board Strategic Plan

- Ensure that our critical regional infrastructure is sufficiently maintained or replaced to meet current and future service needs, and is resilient to impacts from seismic events, wildfires, power failures, and natural disasters.
- Engage and collaborate with the public, members, other orders of government, interested and affected parties, and First Nations on a range of initiatives that support Metro Vancouver's services.
- Ensure that our services and infrastructure are able to meet the needs of a growing population.
- Ensure that all services and infrastructure anticipate and meet regulatory requirements, and that the organization is responsive to legislative change.
- Deliver utility and regional services in a way that ensures affordability for residents and long-term financial sustainability for the organization, using sound fiscal policies that balance the organization's long-term financial health while maintaining affordability for regional ratepayers.
- Proactively work to respond to the climate emergency by preparing for the impacts of climate change and accelerating reductions in greenhouse gas emissions.
- Continue to make investments and adaptations in service areas to ensure that our communities and organizations can prepare, avoid, absorb, recover, and adapt to the effects of shocks and stresses in an efficient manner.

Drinking Water Management Plan

- Goal 1 - Provide clean, safe drinking water
- Goal 2 - Ensure the sustainable use of water resources

Performance Indicators

Indicator	Historical and/or Industry Benchmark	Current Performance	2024 Performance Objective
Annual participants in water education tours and K-12 school programs conducted in person and virtually.	MV 3-year average (2020-2022): 6,731 2020: 3,802 2021: 8,880 2022: 7,513	2023 YTD (May): 3,000 Objective 6,000	6,000
Number of days the water supply areas are in high or extreme fire hazard *Objective will equal 3 year average	MV 3-year average (2020-2022): 31 2020: 12 2021: 52 2022: 29	2023 YTD 3 (May) Objective: 29	31

2024 Key Actions

- Complete replacement of the dam safety booms in Capilano and Seymour Reservoirs.
- Continue work with Strategic Municipal Partners and their Community Wildfire Protection Plans; seeking joint opportunities to conduct forest fuels mitigation work.
- Complete preparation required to seek ISO Certification of the GVWD Environmental Management System in 2025.
- Complete 10 Year Salmon Action Plan SIF Project jointly with LWS, Regional Parks and Regional Planning.

WATER SERVICES

Policy, Planning and Analysis

Description of Services

Water Services provides high quality drinking water to the Metro Vancouver region through the Greater Vancouver Water District. The Policy, Planning, and Analysis division provides policy development and coordination; conducts infrastructure analysis and planning; develops and implements the *Drinking Water Management Plan*; leads regional water conservation efforts through the *Drinking Water Conservation Plan*; implements key components of the *Joint Water Use Plan* for the Capilano and Seymour Watersheds; supports the water metering network; and ensures QA/QC on water billing and issues monthly bills.

Alignment of Strategic Directions and High Level Goals

Board Strategic Plan

- Ensure that our services and infrastructure are able to meet the needs of a growing population.
- Ensure that all services and infrastructure anticipate and meet regulatory requirements, and that the organization is responsive to legislative change.
- Deliver utility and regional services in a way that ensures affordability for residents and long-term financial sustainability for the organization, using sound fiscal policies that balance the organization's long-term financial health while maintaining affordability for regional ratepayers.
- Engage with members on processes and initiatives that contribute to an effective and well-functioning organization.
- Proactively work to respond to the climate emergency by preparing for the impacts of climate change and accelerating reductions in greenhouse gas emissions.
- Continue to make investments and adaptations in service areas to ensure that our communities and organizations can prepare, avoid, absorb, recover, and adapt to the effects of shocks and stresses in an efficient manner.

Drinking Water Management Plan

- Goal 1 - Provide clean, safe drinking water
- Goal 2 - Ensure the sustainable use of water resources
- Goal 3 - Ensure the efficient supply of water

Performance Indicators

Indicator	Historical and/or Industry Benchmark	Current Performance	2024 Performance Objective
Peak day per capita water use (litres/c/day)	MV 5-year average (2018 - 2022): 609 2018: 660 2019: 560 2020: 600 2021: 651 2022: 573	2023 Objective: 592	577
Average day per capita water use (litres/c/day)	MV 5-year average (2018 - 2022): 410 2018: 430 2019: 418 2020: 401 2021: 405 2022: 394	2023 Objective: 374	373
Annual volume of drinking water sales (ML)	MV 5-year average (2018 - 2022): 386,400 2018: 389,800 2019: 383,400 2020: 378,700 2021: 392,000 2022: 388,600	2023 Jan - Jul: 234,936 2023 Objective: 389,000	393,000

2024 Key Actions

Utility Planning and Policy

- Continue development of an updated *Drinking Water Management Plan*.
- Continue to implement the *Joint Water Use Plan* for the Capilano and Seymour Watersheds, including coordination of monitoring and reporting to the regulatory agencies.
- In partnership with Liquid Waste Services, develop the Climate 2050 Infrastructure Roadmap.
- Support GVWD members with implementation of Metro Vancouver's *Drinking Water Conservation Plan*.
- Update the Transfer of Water Facilities Policy and continue development of an accompanying process.
- Continue development of a Drinking Water Stress Index.
- Initiate assessment of the feasibility of producing green hydrogen from hydropower at Cleveland Dam.
- Continue a feasibility study to optimize energy use in the transmission system.
- Continue work on the regional equity and affordability of drinking water.

Utility Modelling and Data Analytics

- Complete the new Regional Water Transmission Hydraulic Model.
- Complete hydrological models for the Capilano and Seymour watersheds.
- Lead the implementation of the updated Peak Day Demand Methodology for the water transmission system.
- Initiate the Water Facility Master Plan.
- Initiate Phase 2 of the Smart Water Foundation project (Data Analysis Platform).
- Initiate the 2023 Water Use by Sector Report.
- Continue to provide system planning and analysis support to O&M, E&C, and PDE projects.
- Continue the Capital Water Meter Upgrades Program.
- Continue the water demand forecasting process for Finance and rate updates.
- Initiate the Regional Water Audit project.

WATER SERVICES

Engineering and Construction

Description of Services

Water Services provides high quality drinking water to the Metro Vancouver region through the Greater Vancouver Water District. The Engineering and Construction division provides delivery of water infrastructure projects, including water mains, reservoirs, pump stations and water treatment facilities and also provides shared construction and dispatch services.

Alignment of Strategic Directions and High Level Goals

Board Strategic Plan

- Ensure that our critical regional infrastructure is sufficiently maintained or replaced to meet current and future service needs, and is resilient to impacts from seismic events, wildfires, power failures, and natural disasters.
- Ensure that our services and infrastructure are able to meet the needs of a growing population.
- Ensure that all services and infrastructure anticipate and meet regulatory requirements, and that the organization is responsive to legislative change.
- Deliver utility and regional services in a way that ensures affordability for residents and long-term financial sustainability for the organization, using sound fiscal policies that balance the organization's long-term financial health while maintaining affordability for regional ratepayers.
- Engage and collaborate with the public, members, other orders of government, interested and affected parties, and First Nations on a range of initiatives that support Metro Vancouver's services.
- Proactively work to respond to the climate emergency by preparing for the impacts of climate change and accelerating reductions in greenhouse gas emissions.
- Continue to make investments and adaptations in service areas to ensure that our communities and organizations can prepare, avoid, absorb, recover, and adapt to the effects of shocks and stresses in an efficient manner.

Drinking Water Management Plan

- Goal 1 - Provide clean, safe drinking water
- Goal 2 - Ensure the sustainable use of water resources
- Goal 3 - Ensure the efficient supply of water

Performance Indicators

Indicator	Historical and/or Industry Benchmark	Current Performance (as of August 2023)	2024 Performance Objective
Percent of GVWD Capital Program Expenditures Achieved:	3 year average (2020 – 2022): 59% 2020: 63% 2021: 50% 2022: 63%	YTD: 34.5% Objective: 67%	80%
Percent of Minor Capital Program Expenditures Achieved:	3 year average (2020 – 2022): 78% 2020: 57% 2021: 98% 2022: 80%	YTD: 53.6% Objective: 67%	100%
Percent of project complete:			
Kennedy Newton Main (Phase 3) – Construction	n/a	40%	60%
Annacis Main No. 5 (North) – Construction	n/a	0%	10%
Capilano Raw Water Pump Station Backup Power – Construction	n/a	40%	70%
Fleetwood Reservoir plus Feeder Main – Construction	n/a	45%	85%
Pebble Hill Reservoir Seismic upgrade Units 1 & 2 - Construction	n/a	85%	100%
Central Park Main No. 2 (Phase 2) – Construction	n/a	0%	30%
Douglas Road Main No. 2 (Still Creek Section) – Construction	n/a	60%	90%
Cape Horn Pump Station No. 3 – Design	n/a	35%	80%

2024 Key Actions

- Continue construction of Kennedy-Newton Main (Phase 3).
- Commence construction of Annacis Main No. 5 (North).
- Continue construction of Capilano Raw Water Pump Station Backup Power.
- Continue construction of Fleetwood Reservoir plus Feeder Main.
- Complete construction of Pebble Hill Reservoir Seismic Upgrade Units 1 & 2.
- Commence construction of Central Park Main No. 2 (Phase 2).
- Continue construction of Douglas Road Main No. 2 (Still Creek Section).
- Continue design of Cape Horn Pump Station No. 3.

WATER SERVICES

Operations and Maintenance

Description of Services

Water Services delivers high quality drinking water to the Metro Vancouver region through the Greater Vancouver Water District.

The Operations and Maintenance (O&M) division provides management of the source water reservoirs and dams, treatment of source water, operation and control of the water transmission system, secondary disinfection of treated water, and maintenance of associated supporting infrastructure (works yards, communications systems, and control systems). The division closely collaborates with shared services which provides maintenance of all water treatment and transmission infrastructure, and management and disposal of water treatment residuals.

The nature of O&M's work involves close collaboration with other Water Services divisions to ensure the safe, efficient and cost effective operation of the water system. In addition, the O&M teams provide support from design through commissioning for major and minor capital projects.

Alignment of Strategic Directions and High Level Goals

Board Strategic Plan

- Ensure that our critical regional infrastructure is sufficiently maintained or replaced to meet current and future service needs, and is resilient to impacts from seismic events, wind storms, wildfires, power failures, and natural disasters.
- Ensure that our services and infrastructure are able to meet the needs of a growing population.
- Ensure that all services and infrastructure anticipate and meet regulatory requirements, and that the organization is responsive to legislative change.
- Deliver utility and regional services in a way that ensures affordability for residents and long-term financial sustainability for the organization, using sound fiscal policies that balance the organization's long-term financial health while maintaining affordability for regional ratepayers.
- Proactively work to respond to the climate emergency by preparing for the impacts of climate change and accelerating reductions in greenhouse gas emissions.
- Continue to make investments and adaptations in service areas to ensure that our communities and organizations can prepare, avoid, absorb, recover, and adapt to the effects of shocks and stresses in an efficient manner.

Drinking Water Management Plan

- Goal 1 – Provide clean, safe drinking water
- Goal 2 – Ensure the sustainable use of water resources
- Goal 3 – Ensure the efficient supply of water

Performance Indicators

Indicator	Historical and/or Industry Benchmark	2023 2nd Quarter Performance	2024 Performance Objective
Annual volume of drinking water treated, delivered (in million litres)	MV 3-year average (2020-22): 386,311 2020: 378,734 2021: 391,709 2022: 388,490	148,048 (Jan – May only)	389,000
Energy use in the treatment and delivery of drinking water (amount of gigajoules (GJ) used per ML of water)	MV 3-year average (2020-22): 0.50 2020: 0.44 2021: 0.54 2022: 0.52	0.52 (Jan – Apr only)	0.50
Compliance with treatment operating permit criteria	MV 3-year average (2020-22): 100% 2020: 100% 2021: 100% 2022: 100%	100%	100%
Number of leak repairs in water transmission system piping per 100 kilometers of pipe ¹	MV 3-year average (2020-22): 2.27 2020: 2.25 2021: 1.87 2022: 2.68	0.95 (Jan – Jun only)	< 3.1
Number of remote monitoring and control points to ensure system resiliency	MV 3-year average (2020-22): 31,708 2020: 31,382 2021: 31,746 2022: 31,995	31,945	32,800

Note 1: AWWA Partnership for Safe Water Distribution System Optimization Program goal: 9 breaks/100 km/year

2024 Key Actions

- Develop new safety initiatives and a centralized documentation system with Corporate Safety.
- Continue to expand the current valve inspection program and asset documentation.
 - Continue annual cleaning and inspection of drinking water reservoirs (six reservoirs per year) to meet Water Services goals and AWWA Guidelines.

WATER SERVICES

Dam Safety

Description of Services

Water Services delivers high quality drinking water to the Metro Vancouver region through the Greater Vancouver Water District.

The Dam Safety division manages dam safety activities for the Water Services dams. This includes Dam Geotechnical Monitoring, Dam Safety Compliance, and Dam Studies & Assessments. The division manages geotechnical instruments and groundwater control infrastructure, maintains regulatory documents and conducts formal dam inspections, and completes dam safety studies, assessments and reviews. Starting in 2024, the division will also manage a corporate Dam Safety Management System and monitor dam activities for Water Services, Liquid Waste Services, Solid Waste Services, and Regional Parks.

The nature of the Dam Safety division's work involves close collaboration with other Water Services divisions to ensure the overall safety of the portfolio of dams.

Alignment of Strategic Directions and High Level Goals

Board Strategic Plan

- Ensure that our critical regional infrastructure is sufficiently maintained or replaced to meet current and future service needs, and is resilient to impacts from seismic events, wildfires, power failures, and natural disasters.
- Ensure that our services and infrastructure are able to meet the needs of a growing population.
- Ensure that all services and infrastructure anticipate and meet regulatory requirements, and that the organization is responsive to legislative change.
- Proactively work to respond to the climate emergency by preparing for the impacts of climate change and accelerating reductions in greenhouse gas emissions.
- Continue to make investments and adaptations in service areas to ensure that our communities and organizations can prepare, avoid, absorb, recover, and adapt to the effects of shocks and stresses in an efficient manner.

Drinking Water Management Plan

- Goal 1 – Provide clean, safe drinking water
- Goal 2 – Ensure the sustainable use of water resources
- Goal 3 – Ensure the efficient supply of water

Performance Indicators

Indicator	Historical and/or Industry Benchmark	Current Performance		2024 Performance Objective
		2023 Jan - Aug	Objective	
Percent of formal regulatory dam inspections completed	3-year average (2020-22): 100% 2020: 100% 2021: 100% 2022: 100%	75%	75%	100%
Percent of annual (Q4) Emergency Response Plan communication tests completed	3-year average (2020-22): 100% 2020: 100% 2021: 100% 2022: 100%	0%	0%	100%
Percent of annual (June) Water Committee and regulatory (Q1) Dam Status Reports completed	3-year average (2020-22): 100% 2020: 100% 2021: 100% 2022: 100%	100%	100%	100%
Percent of operating program expenditures achieved	3-year average (2020-22): 116% 2020: 91% 2021: 103% 2022: 153%	55%	100%	100%

2024 Key Actions

- Operationalize the Interim Corporate Dam Safety Policy and carry out associated dam safety activities for all departments.
- Continue enhancements to Dam Safety Tracking System, incorporate other department dams.
- Work with IT to develop Dam Safety Field Reporting Project application, for geotechnical instrument monitoring as well as dam surveillance and inspection activities.
- Continue updates to all Dam Emergency Response Plans, with lessons-learned from CLD/SFD external partner engagement.

WATER SERVICES

Interagency Projects and Quality Control

Description of Services

Water Services provides clean, high quality drinking water to the Metro Vancouver region through the Greater Vancouver Water District. The Interagency Projects and Quality Control division provides the coordination of major interagency projects impacting Metro Vancouver's water utility infrastructure. The Division is responsible for testing and monitoring drinking water quality to ensure federal guidelines and provincial regulatory standards for the region's drinking water are met and liaising with local health authorities for Water Services. Quality Control is performed by technical and scientific staff undertaking a breadth of activities including field support, laboratory analysis of drinking water for Metro Vancouver and member jurisdictions, as well as system water quality data review, ensuring compliance with quality control standards for the region's drinking water.

Alignment of Strategic Directions and High Level Goals

Board Strategic Plan

- Ensure that our critical regional infrastructure is sufficiently maintained or replaced to meet current and future service needs, and is resilient to impacts from seismic events, wildfires, power failures, and natural disasters.
- Ensure that our services and infrastructure are able to meet the needs of a growing population.
- Ensure that all services and infrastructure anticipate and meet regulatory requirements, and that the organization is responsive to legislative change.
- Deliver utility and regional services in a way that ensures affordability for residents and long-term financial sustainability for the organization, using sound fiscal policies that balance the organization's long-term financial health while maintaining affordability for regional ratepayers.
- Proactively work to respond to the climate emergency by preparing for the impacts of climate change and accelerating reductions in greenhouse gas emissions.
- Continue to make investments and adaptations in service areas to ensure that our communities and organizations can prepare, avoid, absorb, recover, and adapt to the effects of shocks and stresses in an efficient manner.

Drinking Water Management Plan

- Goal 1 - Provide clean, safe drinking water
- Goal 2 - Ensure the sustainable use of water resources
- Goal 3 - Ensure the efficient supply of water

Performance Indicators

Indicator	Historical and/or Industry Benchmark	Current Performance		2024 Performance Objective
		2023 YTD August 31	Projected 2023	
Number of water tests completed on samples collected from the GVWD and member jurisdiction water systems	MV 3-year average (2020-2022): 168,971 2020: 161,564 2021: 178,675 2022: 166,674	76,760	165,000	168,000
Number of samples collected from the GVWD system that were positive for <i>E.coli</i> bacteria	MV 3-year average (2020-2022): 0 2020: 0 2021: 0 2022: 0	0	0	0*
Percent of Samples Positive for Total Coliform bacteria in the GVWD system	MV 3-year average (2020-2022): 0.3% 2020: 0.4% 2021: 0.2% 2022: 0.2%	0.4%	<10%	<10%*
Number of major interagency projects coordinated	MV 3-year average (2020-2022): 11 2020: 10 2021: 12 2022: 13	15	15	16

*Based on BC Water Quality Standards for Potable Water

2024 Key Actions

- Continue coordination of interagency work for key projects such as the DFO Capilano River Salmon Hatchery, MOTI Broadway Subway, TransLink Operations and Maintenance Centre 4, and MOTI Fraser River Tunnel.
- Continue to install improved in-system reservoir sampling equipment at high priority reservoir sites.
- Complete the upgrade and customization of the Laboratory Information Management System.
- Enhance level of laboratory accreditation with the introduction of additional key parameters.
- Initiate the design of the expanded microbiology laboratory to enhance functionality, efficiency and safety.
- Evaluate the use of qPCR technology in the laboratory for advanced microbial analysis to increase efficiency, resulting in reduced reporting time.

WATER SERVICES

Shared and Support Services

Description of Services

Water Services provides high quality drinking water to the Metro Vancouver region through the Greater Vancouver Water District. Shared and Support Services (SSS) provides: Survey, Inspection and Drafting Services to WS, LWS and PDE departments through its Shared Utility Services (SUS) Division; oversees shared WS Maintenance services as provided by LWS to WS; provides Administrative Support services to WS; operates the Regional GPS program; and provides oversight and coordination to WS on business planning, financial management, capital planning, emergency planning/response, asset management, performance management, continuous improvement, and utility benchmarking, in collaboration with Finance, PDE and Corporate Safety and Emergency Management.

Alignment of Strategic Directions and High Level Goals

Board Strategic Plan

- Ensure that our critical regional infrastructure is sufficiently maintained or replaced to meet current and future service needs, and is resilient to impacts from seismic events, wildfires, power failures, and natural disasters.
- Ensure that our services and infrastructure are able to meet the needs of a growing population.
- Ensure that all services and infrastructure anticipate and meet regulatory requirements, and that the organization is responsive to legislative change.
- Deliver utility and regional services in a way that ensures affordability for residents and long-term financial sustainability for the organization, using sound fiscal policies that balance the organization's long-term financial health while maintaining affordability for regional ratepayers.
- Proactively work to respond to the climate emergency by preparing for the impacts of climate change and accelerating reductions in greenhouse gas emissions.
- Continue to make investments and adaptations in service areas to ensure that our communities and organizations can prepare, avoid, absorb, recover, and adapt to the effects of shocks and stresses in an efficient manner.

Drinking Water Management Plan

- Goal 1 - Provide clean, safe drinking water
- Goal 2 - Ensure the sustainable use of water resources
- Goal 3 - Ensure the efficient supply of water

Performance Indicators

S&SS supports the KPIs identified in O&M and E&C Work Plans.

Indicator	Historical and/or Industry Benchmark	Current Performance (as of August 31 2023)	2024 Performance Objective
Continuous improvement savings (\$/yr)	2021: \$15,000 2022: \$912,515	\$1,117,786	\$600,000
Continuous improvement safety – time loss incidents	2021: 8 2022: 7	3	0
Continuous improvement safety - injuries	2021: 52 2022: 44	24	0
Number of operational (level 1) condition assessments completed	2021: 14 2022: 86	79	150+
Number of expert (level 2) condition assessments completed	2021: 15 2022: 3	8	14

2024 Key Actions

- Continue to improve performance using Lean processes and tools. For example, reduce lost time incidents by improving the investigation and reporting.
- Develop Water Utility Climate Action Plan in alignment with Climate 2050 to establish GHG emission reduction targets and actions to achieve targets.
 - Reduce GHG emissions by working with Fleet Services to electrify Water Services vehicles.
 - Set target for energy reduction and develop facility specific energy management plans.
- Improve knowledge of WS asset condition to enable improved data-driven decision making and sustain service level targets.
- Support the adoption and smooth integration of Building Information Modeling (BIM) standards and procedures for applicable water and liquid waste infrastructure projects.
 - Begin tracking reduced design and/or change order costs (capital projects), as a result of implementing 3D design reviews process/tools.
- Launch next phase of the BIM program, based on approved action plan devised at the end of 2023 (end of BIM Phase I project).
- Expand the utility of the Earthquake Early Warning and Strategic Response System to include more sites and / or response actions
- Develop access points at key reservoirs for emergency supply of water, in accordance with the Temporary Provision of Water Guidelines developed by REAC.
- Implement field, mobile access to engineering drawings and tablet use for construction quality assurance inspections.
- Implement digital engineering drawings field mark-ups, processing and approvals.

WATER SERVICES REGIONAL GLOBAL POSITIONING SYSTEM

Description of Services

Regional Global Positioning System is a Metro Vancouver Regional District function established to provide an accurate and consistent engineering survey standard in the Metro Vancouver region. Through a High Precision Network (HPN) of approximately 350 survey control monuments, five (5) Active Control Points (ACPs), and a real-time broadcast service of Global Navigation Satellite Systems (GNSS) data, local government and private users (the latter for a fee) are able to efficiently locate and layout various infrastructure and related works, such as water and sewer lines, reservoirs, roadways, trails, rights-of-way, bathymetric surveys, and topography. By pooling resources, local governments are able to reduce their individual costs for maintaining a high-accuracy geospatial reference system while also ensuring consistent survey standards are maintained in the region.

Alignment of Strategic Directions and High Level Goals

Board Strategic Plan

- Ensure that our critical regional infrastructure is sufficiently maintained or replaced to meet current and future service needs, and is resilient to impacts from seismic events, wildfires, power failures, and natural disasters.
- Ensure that our services and infrastructure are able to meet the needs of a growing population.
- Ensure that all services and infrastructure anticipate and meet regulatory requirements, and that the organization is responsive to legislative change.
- Deliver utility and regional services in a way that ensures affordability for residents and long-term financial sustainability for the organization, using sound fiscal policies that balance the organization's long-term financial health while maintaining affordability for regional ratepayers.
- Proactively work to respond to the climate emergency by preparing for the impacts of climate change and accelerating reductions in greenhouse gas emissions.
- Continue to make investments and adaptations in service areas to ensure that our communities and organizations can prepare, avoid, absorb, recover, and adapt to the effects of shocks and stresses in an efficient manner.

Performance Indicators

Indicator	Historical and/or Industry Benchmark	Current Performance (2023)	2024 Performance Objective
Percent of service uptime (business hours, 8am – 4pm, M-F): Real-time service to mobile surveyors	MV 3-year average (2020-2022): 99% 2020 99% 2021 99% 2022 99%	99%	99%
Percent of service uptime (24x7, 365 days / year): Post-mission data availability through Provincial portal	MV 3-year average (2020-2022): 99% 2020 99% 2021 99% 2022 99%	99%	99%

2024 Key Actions

- With local government partners, update and seek REAC endorsement for new five-year (2024-2028) GPS Program Strategic Plan.
- Process High Precision Network (HPN) monuments maintenance survey results, in partnership with the Province. Province to adopt and publish results in 2024.
- Update the Active Control Point (ACP) system antennae and other components, as required, to maintain service levels and/or meet emerging client needs.
- With local government partners, look for opportunities for further innovation and continuous improvement to enhance the utility of the HPN and ACPs for geo-spatial referencing applications.

2024 to 2028 – WHAT’S HAPPENING

Below is a summary of the significant initiatives to be undertaken by Water Services over the next five years. Includes water-related projects managed by the Project Delivery Department.

Initiative	Description	Theme
2024		
Dam Safety Review for Cleveland Dam	Complete formal Dam Safety Review for Cleveland Dam (commenced 2023) in accordance with the provincial Dam Safety Regulations.	Regulatory and Legislative Environment
Coquitlam Water Treatment Plant Control System Upgrade	Programming and design to upgrade the controls at the Coquitlam Water Treatment Plant Ozone Generation, Corrosion Control, and Chlorination facilities.	System Stewardship
Coquitlam Water Treatment Plant Feasibility Study for On-site Oxygen Generation and Recovery	Conduct study to evaluate options to produce liquid oxygen (LOX) on site and incorporate an oxygen recovery system. Potential benefits are savings on LOX, minimized GHG emissions and improved efficiency of LOX usage.	Financial Sustainability
Drinking Water Management Plan Update	Technical analysis to support development of the strategies and actions in the updated Drinking Water Management Plan. Engagement will include member jurisdictions, First Nations, and the public.	Regional Growth and System Stewardship
Water Use by Sector report (for years 2022 and 2023)	Complete the Water Use by Sector report to provide an update on the trends of water demand by various sectors.	System Stewardship
Climate 2050 Water and Wastewater Infrastructure Roadmap	In partnership with Liquid Waste Services, finalize the Climate 2050 Water and Wastewater Infrastructure Roadmap.	Environmental Sustainability
Hydraulic and Hydrologic Models Update	Update the models for our water system and incorporate predictive analysis for short term forecasting and transparent performance tracking.	System Stewardship
Water Audit Study	Perform a water audit study for the transmission system to identify and document system losses and recommend areas for improvement	System Stewardship

Dam Safety Booms in Seymour and Capilano Reservoirs Replacement	Complete replacement of the Seymour and Capilano dam safety booms. These booms prevent debris from entering the dam spillways and provide a physical barrier to maintain safe distance from dam infrastructure for boat operations on the reservoir. Current booms are at end of life.	System Stewardship & Environmental Sustainability
Canadian Association of Laboratory Accreditation (CALA)	Enhance the level of accreditation with the implementation of additional key parameters.	Regulatory and Legislative Environment
Microbiology Laboratory Upgrade at Lake City Operations Centre	Initiate design for the Metro Vancouver Microbiology Laboratory upgrade at the Lake City Operations Centre.	Regulatory and Legislative Environment
DFO Capilano River Salmon Hatchery Renewal	Work with DFO on their design and construction of a new water supply intake in Capilano Reservoir and pipeline for the redeveloped hatchery.	Environmental Sustainability
Transmission System Online Chlorine Analyzers Addition	Begin a multi-year program to install additional online chlorine analyzers within the transmission system to provide real time chlorine residual data. (continues to 2026)	System Stewardship
Newton Pump Station No. 2 - Construction	Continue construction of the Newton Pump Station No. 2, required to meet growing water demand in the City of Surrey.	Regional Growth
Annacis Main No. 5 (South) - Construction	Continue construction of Annacis Main No. 5 (South), required to convey water from the south shaft of the Annacis Water Supply Tunnel to the Kennedy Reservoir in the City of Surrey. The project consists of 3 km of 1.8 m diameter steel watermain.	Regional Growth
Building Information Modeling (BIM) Phase I-II implementation	Complete implementation of standards, protocols and training for 3D design processes for Utilities. Begin pilot to enable greater utilization of collaborative 3D design methods and resolve conflicts.	System Stewardship & Environmental Sustainability
Formal Valve Exercising and Inspection Program	Continue formalizing a valve exercising and inspection program to extend asset lifespan, improve asset condition knowledge, and enable data-driven decision making regarding valve replacement.	System Stewardship
Earthquake Early Warning and Strategic Response System (EEW-SRS)	Define automated actions and other measures to take advantage of new earthquake early warning alarm capability. Develop action plan for expansion of the EEW-SRS to broaden coverage and robustness.	System Stewardship & Environmental Sustainability

WS Emergency Response Planning	Develop access points at key reservoirs for emergency supply of water for local jurisdictions.	System Stewardship & Environmental Sustainability
Engineering Quality Assurance (Field)	Implement field, mobile access to engineering drawings and tablet use for construction quality assurance inspections.	System Stewardship & Environmental Sustainability
Engineering Drawing Updates (Field)	Implement digital engineering drawings field mark-ups, processing and approvals.	System Stewardship & Environmental Sustainability
Utility Climate Action Plan	Develop a Water Utility Climate Action Plan in alignment with Climate 2050 to establish GHG emission reduction targets and actions to achieve targets.	Environmental Stewardship
Second Narrows Water Supply Tunnel - Construction	Achieve substantial completion for construction of the 1.1 km long water supply tunnel under Burrard Inlet.	System Stewardship
Stanley Park Water Supply Tunnel – Construction	Commence Construction of the 1.4 km long water supply tunnel under Stanley Park.	System Stewardship
Annacis Water Supply Tunnel - Construction	Continue Construction of a 2.3 km long water supply tunnel under the Fraser River.	Regional Growth
Cambie-Richmond Water Supply Tunnel – Preliminary Design	Commence preliminary design of a 1 km long water supply tunnel under the Fraser River.	System Stewardship
Coquitlam Water Main – Construction	Continue Construction of Coquitlam Water Main – South Section (Robson Drive to Guildford Way).	Regional Growth
2025		
Dam Safety Review for Rice Lake Dams	Carry out scheduled dam safety review for Rice Lake Dams.	Regulatory and Legislative Environment
Facility Master Plan	Proceed with development of the facility master plan to identify longer term capital projects to address growth.	System Stewardship
Adaptive Pathway study	Conduct an Adaptive Pathway Study to identify how Water Services can plan for various plausible futures.	System Stewardship
Drinking Water Management Plan Update	Finalize the updated Drinking Water Management Plan.	Regional Growth and System Stewardship

Westburnco Pump Station Backup Power – Design & Construction	Complete design and construction of Westburnco Pump Station No. 1 & No. 2 Backup Power, as part of ongoing program to provide backup power for key infrastructure.	System Stewardship
Fleetwood Reservoir - Construction	Complete construction of Fleetwood Reservoir, a 13.6 ML Reservoir, and 1.1 km feeder main that will increase water supply to meet growing demand in the City of Surrey.	Regional Growth
Douglas Road Main No. 2 (Still Creek Section) - Construction	Complete Douglas Road Main No. 2 (Still Creek Section), the last remaining 2.5km section (1.5m diameter steel pipe) to be installed for the overall Douglas Road Main No. 2 water main project.	System Stewardship
Annacis Main No. 5 (North) - Construction	Commence construction of Annacis Main No. 5 (North), required to convey water from the existing system within the City of Burnaby to the north shaft of the Annacis Water Supply Tunnel in the City of New Westminster. The project consists of 2.5 km of 1.8 m diameter steel watermain.	Regional Growth
Capilano Raw Water Pump Station Backup Power Facility - Construction	Complete construction of the Capilano Raw Water Pump Station Backup Power Facility, providing backup power to 4 x 2,000 HP pumps during power outages.	System Stewardship
Port Moody Main No. 3 – Scott Creek Section - Construction	Commence construction of Port Moody Main No. 3 – Scott Creek Section, required to replace and increase capacity of the existing Port Moody Main No. 1 within the City of Coquitlam. The project consists of 2.0 km of 0.91 m diameter steel watermain.	System Stewardship
Pitt River (Haney) Water Supply Tunnel – Preliminary Design	Commence preliminary design of new water supply tunnel under Pitt River	System Stewardship
Lulu-Delta Tunnel – Preliminary Design	Commence preliminary design of new water supply tunnel under the Fraser River.	System Stewardship
Coquitlam Water Main – Construction	Commence Construction of Coquitlam Water Main – Cape Horn Section Prebuild (Dewdney Trunk Road).	Regional Growth
Environmental Management System	Complete ISO 14001 certification process for the water utility's Environmental Management System.	Environmental Sustainability & Regulatory and Legislative Environment

Building Information Modeling (BIM) Phases II-III Implementation (multi-year program)	Phases II-III will enable field and office based connections with broader corporate systems. Implementation to continue through 2025 with completion in 2027.	System Stewardship & Environmental Sustainability
Earthquake Early Warning and Strategic Response System (EEW-SRS)	Implement automated actions and other measures to take advantage of new earthquake early warning alarm capability. Implement action plan for expansion of the EEW-SRS to broaden coverage and robustness.	System Stewardship & Environmental Sustainability
Engineering Drawing Updates (Field)	Complete implementation of digital engineering drawings field mark-ups, processing and approvals.	System Stewardship & Environmental Sustainability
Canadian Association of Laboratory Accreditation (CALA)	Conduct a national laboratory accreditation audit required for continued operation of the Metro Vancouver laboratory (continues every two years).	Regulatory and Legislative Environment
Enhanced Water Quality Assurance Audit (EWQA)	Conduct a provincial laboratory accreditation audit required for continued operation of the Metro Vancouver Microbiology laboratory.	Regulatory and Legislative Environment
2026		
Dam Safety Review for Alpine Lake Dams	Carry out dam safety review for Palisade, Burwell and Loch Lomond Dams.	Regulatory and Legislative Environment
CWTP Ozone Backup Power - Construction	Ongoing program to provide backup power for key infrastructure so it will operate during power outages.	System Stewardship
North Shore Works Yard - Planning	Plan for redevelopment of Beach Yard Works Yard, after Second Narrows Water Supply Tunnel project completion.	System Stewardship
Water Supply Area Security Upgrades	Complete system upgrades to allow for enhanced monitoring across the three water supply areas	System Stewardship
Drinking Water Management Plan	Develop an internal strategic framework to implement the Drinking Water Management Plan strategies and actions, including a system to manage and report on member jurisdiction progress.	System Stewardship
Cape Horn Pump Station No. 3 - Construction	Commence construction of Cape Horn Pump Station No. 3, required to meet growing water demand south of the Fraser River. The new pump station will be located at the existing pump station site and will include full back-up power redundancy.	Regional Growth

Building Information Modeling (BIM) Phases II-III Implementation (continued)	Continuation of multi-year Phase II-III program.	System Stewardship & Environmental Sustainability
Earthquake Early Warning and Strategic Response System (EEW-SRS)	Complete action plans associated with the EEW-SRS program.	System Stewardship & Environmental Sustainability
Review of Metro Vancouver Water Pricing	Conduct a study to review current MV water pricing and provide recommendations on changes to the rate structure.	Financial Sustainability
Central Park Main No. 2 – New Westminster Section	Commissioning of Central Park Main No. 2, required to replace the existing Central Park Main in the City of New Westminster, which has been in service since 1931. The proposed 0.6m diameter and 5.5 km-long CPM2 will enhance system reliability and provide increased capacity to meet future water demands.	System Stewardship
Coquitlam Water Main – Construction	Commence Construction of Coquitlam Water Main – Central Section (Pipeline Road North Section). Commence Construction of Coquitlam Water Main – City Centre Tunnel Section.	Regional Growth
Coquitlam Lake Water Supply – Preliminary Design	Commence preliminary design of intake, tunnel and treatment plant	Regional Growth
2027		
Newton Pump Station No. 2 - Construction	Complete construction of Newton Pump Station No. 2, required to meet growing water demand in the City of Surrey.	Regional Growth
Kennedy-Newton Main - Construction	Complete construction of Kennedy-Newton Main, required to convey water from the Kennedy Reservoir to the Newton Reservoir in the City of Surrey. The project consists of 9 km of 1.8 m diameter steel water main.	Regional Growth
Building Information Modeling (BIM) Phases II-III Implementation (continued)	Continuation of multi-year Phase II-III program.	System Stewardship & Environmental Sustainability

Renewal of water licenses for Capilano and Seymour associated with the Joint Water Use Plan	Water licenses will need to be renewed to allow for potential investigation of hydropower at Cleveland and Seymour Dams.	System Stewardship
Lulu-Delta Water Supply Tunnel – Detailed Design	Commence detailed design of new water tunnel under the Fraser River.	System Stewardship
Second Narrows Water Supply Tunnel	Commissioning of new infrastructure related to new water tunnel beneath Burrard Inlet.	System Stewardship
South Fraser Works and Storage Yard	Complete development of South Fraser Works and Storage Yard to support WS Construction activities.	System Stewardship
Canadian Association of Laboratory Accreditation (CALA)	Conduct a national laboratory accreditation audit required for continued operation of the Metro Vancouver laboratory (continues every two years).	Regulatory and Legislative Environment
2028		
Dam Safety Review for Seymour Falls Dam	Carry out formal Dam Safety Review for Seymour Falls Dam in accordance with the provincial Dam Safety Regulations.	Regulatory and Legislative Environment
Wildfire Preparedness	Complete Community Wildfire Planning with key municipal partners who border the water supply areas and continue implementation of forest fuel reduction treatments along the interface zones.	System Stewardship
Annacis Main No. 5 (North and South) - Construction	Commissioning of Annacis Main No. 5 (North and South), required to convey water from the existing system within the City of Burnaby, through the Annacis Water Supply Tunnel to the Kennedy Reservoir in the City of Surrey. The project consists of 5.5 km of 1.8 m diameter steel watermain.	Regional Growth
Central Park Main No. 2 – Burnaby Section - Construction	Commissioning of Central Park Main No. 2, required to replace the existing Central Park Main in the City of Burnaby, which has been in service since 1931. The proposed 7.0 km-long CPM2 will enhance system reliability and provide increased capacity to meet future water demands.	System Stewardship
Building Information Modeling (BIM) Phases II-III Implementation (continued)	Complete implementation of multi-year Phase II-III program.	System Stewardship & Environmental Sustainability

Coquitlam Lake Water Supply – Detailed Design	Commence detailed design of intake, tunnel and treatment plant.	Regional Growth
Enhanced Water Quality Assurance Audit (EWQA)	Conduct a provincial laboratory accreditation audit required for continued operation of the Metro Vancouver Microbiology laboratory.	Regulatory and Legislative Environment

METRO VANCOUVER DISTRICTS
2024 - 2028 PROJECTED RESERVES - WATER

OPERATING RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Water Services	\$ 33,117,131	\$ 33,117,131	\$ -	\$ -	\$ 827,928	\$ 33,945,059	\$ 34,793,685	\$ 35,663,527	\$ 36,555,115	\$ 37,468,993

STATUTORY RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Water Services										
Water Laboratory Equipment Reserve	\$ 726,605	\$ 726,605	\$ 50,000	\$ -	\$ 18,790	\$ 795,395	\$ 865,905	\$ 938,178	\$ 1,012,257	\$ 1,088,188
Water Sustainability Innovation Fund Reserve	10,560,439	10,560,439	723,000	(1,625,000)	252,736	9,911,175	10,541,679	11,537,258	12,557,727	13,603,708
Total	\$ 11,287,044	\$ 11,287,044	\$ 773,000	\$ (1,625,000)	\$ 271,526	\$ 10,706,570	\$ 11,407,584	\$ 12,475,436	\$ 13,569,984	\$ 14,691,896

To: Zero Waste Committee

From: Paul Henderson, General Manager, Solid Waste Services

Date: October 5, 2023 Meeting Date: October 12, 2023

Subject: **2024 - 2028 Financial Plan – Solid Waste Services**

RECOMMENDATION

That the Zero Waste Committee endorse the 2024 - 2028 Financial Plan for Solid Waste Services as presented in the report dated October 5, 2023, titled “2024 - 2028 Financial Plan – Solid Waste Services”, and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

EXECUTIVE SUMMARY

The 2024 - 2028 Metro Vancouver Financial Plan has been prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop. The direction followed the recommendations of the Financial Plan Task Force, which included the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan. This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Metro Vancouver has met the household impact targets that were recommended by the Financial Plan Task Force and adopted at the April 19, 2023 Board Budget Workshop. This has resulted in an overall consolidated household impact for 2024 to be 12.0%, down from the 14.2% projected for 2024 in the prior financial planning cycle, as well as a reduction in the cumulative household impact of 40% over the common four years in comparison to the prior financial plan.

The proposed 2024 garbage tipping fees increase of \$7 per tonne is equal to the prior cycle projected increase. The per household cost is \$68 per household, up from \$65 in 2023 for an increase of \$3 per household or 4.6%. Key cost drivers include increasing landfill disposal costs, Waste-to-Energy Facility operating costs, recycling and waste centre operating costs and debt costs.

Priorities for the Solid Waste function include the solid waste management plan update as well as continued progress towards zero waste and a circular economy, greenhouse gas emission reduction, and customer service enhancement and monitoring.

PURPOSE

To present the 2024 - 2028 Financial Plan for Solid Waste Services for consideration by the Zero Waste Committee.

BACKGROUND

Metro Vancouver’s annual budget process includes the development of detailed annual budgets and the updating of five-year financial plans for each of the four Metro Vancouver legal entities (Metro Vancouver Regional District, Metro Vancouver Housing Corporation, Greater Vancouver Water District, and Greater Vancouver Sewerage and Drainage District).

On April 19, 2023 a Metro Vancouver Board Budget Workshop was held with the objective to seek direction for the preparation of the 2024 - 2028 Financial Plan. The workshop outlined the principles that guide the work of Metro Vancouver as an organization and provided a proposed approach for the 2024 - 2028 Financial Plan based on the work of the Financial Plan Task Force that was created by the Board Chair. This included an adoption of the following household impact targets: 12.0% for 2024, 11.0% for 2025, 5.0% for 2026 and 5.0% for 2027 as well as direction to move Liquid Waste Development Cost Charges (DCCs) and Water DCCs to a 1% assist factor and implement a new Regional Parks DCC and move it to a 1% assist factor over the financial plan.

This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through realistic evaluation of the capital program and focussing on the development of growth revenue.

Key highlights of the overall Metro Vancouver 2024 proposed budget are as follows:

- A reduction of \$15 million of the total 2024 Metro Vancouver proposed operating budget compared to that previously projected for 2024
- Increased contribution to capital of \$32M for debt avoidance and increases in reserve contributions of just over \$6M for key functions
- Reduced total capital cash flow of roughly \$655M 2024 through 2027 for the utilities
- Reduction of household impact, \$13 less that that previously projected for 2024

SOLID WASTE SERVICES PROGRAM

Solid Waste Services, within the Greater Vancouver Sewerage and Drainage District (GVS&DD), provides waste reduction and recycling planning, zero waste implementation, and solid waste facility operations.

Solid Waste Services works collaboratively with member jurisdictions and others to provide waste management services to the region’s 2.8 million people. The Metro Vancouver solid waste system is comprised of recycling and waste centres and a waste-to-energy facility. The City of Vancouver owns and operates the Vancouver South Transfer Station and Vancouver Landfill: facilities that are integrated into the regional solid waste system.

Solid Waste Services initiatives are guided by direction provided in the *2022 – 2026 Board Strategic Plan*, and the *Integrated Solid Waste and Resource Management Plan*, specifically the following:

- Reduce waste, increase recycling, and increase recovery of materials and energy from remaining waste. Dispose of residuals in a cost effective and environmentally sustainable manner.
- Develop and implement financial plans and policies that reflect a commitment to sound financial management and long-term planning, and which consider current and future ratepayers.
- Continue to develop programs and related communication campaigns that increase diversion rates of materials that can be reused, repurposed, or recycled.

The *Board Strategic Plan* also includes a number of initiatives related to implementing district energy, reviewing organics processing, and promoting cross-sector collaboration by leveraging the National Zero Waste Council and the Zero Waste Conference.

Integrated Solid Waste and Resource Management Plan (2010) (update underway):

- Goal 1 - Minimize waste generation
- Goal 2 - Maximize reuse, recycling & material recovery
- Goal 3 - Recover energy from waste stream after material recovery
- Goal 4 - Dispose of all waste in landfill after recycling & energy recovery

Work Plan Performance Indicators

High-level performance indicators have been developed across Metro Vancouver to evaluate trends, determine key actions for the coming year, and to assist in long-term planning. The 2024 Work Plans for Solid Waste Services are presented in this report. Within the Solid Waste Services Work Plans, four performance indicators have been developed and are being tracked. These include:

- Annual waste flows in Metro Vancouver system (tonnes);
- Availability of the Waste-to-Energy Facility and recycling and waste centres (percent);
- Recycling rate (percent of solid waste diverted from final disposal); and
- Waste disposed per capita (tonnes/capita).

The trend in these performance measures show a slight increase in waste quantities projected for 2023 compared to the 2022 budgeted quantities. Metro Vancouver’s recycling and waste centres and Waste-to-Energy Facility have high customer availability (>99%). The recycling rate is currently at 65%, approximately twice the Canadian average. Waste disposed per capita is currently at 0.45 tonnes, compared to the Canadian average of 0.69 tonnes.

Continuous Improvement

Solid Waste Services regularly implements continuous improvement initiatives. Some recent initiatives include:

- Completed Surrey residents’ drop-off events at the new Central Surrey Recycling and Waste Centre;
- Comprehensive and inclusive community engagement – vision and guiding principles for new solid waste management plan;

- Pilot contracts for bottom ash and small vehicle load processing to recover recyclables and alternative fuels; and
- New opportunities to divert waste materials from disposal to reuse, repair and recycling.

New or continuous improvement initiatives for 2024 include:

- Waste-to-Energy Facility District Energy System development;
- New weighscale system software replacement;
- North Surrey and Langley recycling depot design and development; and
- Zero waste / circular economy community actions.

2024 Budget and 2024 - 2028 Financial Plan

The five-year financial plans for this cycle have been updated to address five central priorities identified by the Metro Vancouver Board in its Strategic Plan to guide the development of plans and budgets. The five priorities are as follows:

- Financial Sustainability and Regional Affordability
- Climate Action
- Resilient Services and Infrastructure
- Reconciliation
- Housing

Each Metro Vancouver function has an Annual Work Plan that includes strategic directions, performance indicators and key actions to guide the work for the coming year. Each function also has a “What’s Happening” summary that highlights the program activities for the next five years.

The 2024 - 2028 Solid Waste Services Financial Plan is included as Attachment 1. The 2024 Annual Work Plan for Solid Waste Services is included in Attachment 3 and the “What’s Happening” highlights for the years 2024 - 2028 are included in Attachment 4.

Operating Budget Highlights

The Solid Waste Services operating budget is separated into operating programs and funding required to support the expanding capital program (debt service and contribution to capital). It is proposed to increase by \$9.0 million in 2024 for a total budget of \$142.4 million (Attachment 1). This increase is primarily a result of increased landfill disposal costs, increased Waste-to-Energy Facility operating costs, increased recycling and waste centre operating costs, and increased debt.

The 2024 operating budget includes the following key actions:

- Continued work on the solid waste management plan update to advance zero waste and the circular economy;
- Continue to enhance customer service and monitoring including investigating continuous feedback mechanisms;
- Alternative fuel and recyclable recovery pilot project;
- Bottom ash beneficial use pilot;
- Asset management program, including data validation and program guideline development;

- Support for behavior change programs for textiles, single-use items, seasonal wastes, food wastes, illegal dumping, and the Zero Waste Conference;
- Expand reuse events at recycling and waste centres, and repair events in partnership with member jurisdictions; and
- Support the National Zero Waste Council including work on implementing the Circular Economy and Zero Plastics Waste.

Highlights of contracts and consulting projects anticipated to be undertaken in 2024 to respond to work plan requirements within the operating budget include the following:

- Langley Recycling and Waste Centre recycling depot design;
- Waste-to-Energy Facility district energy design;
- Solid waste management plan engagement activities and technical support; and
- Waste composition analysis

Over the next five years, the Solid Waste Services budget is expected to increase an average of \$12.6 million or 8.0% per year. Of this overall increase, funding related to the expanding capital program (debt servicing and contribution to the capital) is increasing \$5.5 million per year on average over the next five years leaving the operating programs which are increasing, on average, by \$7.1 million per year, or approximately 5.4% increase per year.

Capital Budget Highlights

The Solid Waste Services capital budget for 2024 approval is \$262.9 million (Attachment 2). This amount includes all capital projects underway or planned in 2024. The capital program is funded by long-term debt and planned contribution to capital from the annual operating budget as available.

The projected capital cash flow for 2024 - 2028 totals \$313.5 million, an average of \$62.7 million per year. The largest five projects (each over \$15 million) make up approximately 64% of the capital spending over the next five years. There are 23 projects on the 5-year capital plan.

The capital program over the next five years is largely driven by the need to replace aging Waste-to-Energy Facility infrastructure and enhance recycling services at the recycling and waste centres. The addition of biosolids management and the district energy project at the Waste-to-Energy Facility are expected to increase beneficial use of waste materials and reduce greenhouse gas emissions.

The following key projects are included in the five-year plan:

- North Surrey and Langley Recycling and Waste Centre Recycling Depots
- Waste-to-Energy Facility District Energy (Phase 1 and Phase 2)
- Waste-to-Energy Facility Biosolids Management
- Waste-to-Energy Facility Acid Gas Reduction
- Various Waste-to-Energy capital replacement projects including replacement of the refuse cranes

Capital plan costs over the same 2024-2027 period have increased by \$49.4M compared to the previous cycle; this includes \$21 million deferred from 2023. Costs associated with new initiatives or updated costs estimates from currently planned projects are partially offset by new project delivery

methods and deferral of some projects not required at this time. Of note, the planned alternative fuel and recycling recovery facility construction has been moved out of the capital plan to be replaced through working with existing and planned private construction and demolition waste processors to manage materials dropped off in small loads at recycling and waste centres. Additional ambient air monitoring at the Waste-to-Energy Facility is being done to compare ambient concentrations to dispersion modelling results and ambient air quality objectives in order to confirm the timing of the acid gas reduction project. Data collected to date continues to show low levels of ambient air hydrogen chloride and sulfur dioxide, at less than 10% of ambient air quality objectives.

2024 - 2028 Tipping Fee Projections

The following table shows the tipping fee projections based on the required revenue to offset expected expenditures. Tipping fees for 2024 are proposed to increase by \$7 per tonne. Requirements for 2025 and beyond will be reviewed during future budget processes with the goal of reducing tipping fee increases where possible.

The 2024 tipping fee was projected to increase by \$7 per tonne in the previous cycle. All other years match previous budget cycle projections. 2028 tipping fees are projected to increase by \$8 per tonne.

Projected Tipping Fees for Municipal Solid Waste (\$/tonne)	2023	2024	2025	2026	2027	2028
Tipping Fee Increase		\$7	\$7	\$7	\$8	\$8
Municipal Tipping Fee	\$ 127	\$ 134	\$ 141	\$ 148	\$ 156	\$ 164
Small Vehicles (0-1t)	\$ 161	\$ 168	\$ 175	\$ 182	\$ 190	\$ 198
Medium Vehicles (1-8t)	\$ 139	\$ 146	\$ 153	\$ 160	\$ 168	\$ 176
Large Vehicles (>8t)	\$ 113	\$ 120	\$ 127	\$ 134	\$ 142	\$ 150

Waste Flows

With garbage tipping fees being the primary revenue source for the Solid Waste function, waste flow projections are the key driver for annual budget projections. Waste flow projections in the regional solid waste system for 2023 are currently estimated at approximately 1,040,000 tonnes, slightly higher than 2022 actuals. The increase in tonnage in 2023 is due, in part to increasing waste flow as a result of population growth. The waste flow for 2024 is budgeted at approximately 930,000 tonnes. If actual waste flows are higher than projected, increased revenues are offset by increased costs, particularly for contingency disposal to remote landfill as the Waste-to-Energy Facility and Vancouver Landfill annual tonnage accepted are fixed.

Reserve Funds

There are no proposed applications of reserve funding in the 2024 - 2028 Financial Plan. The 2024 - 2028 Projected Reserves for Solid Waste Services is included in Attachment 5.

Approval Process

The proposed 2024 - 2028 Financial Plan and Annual Work Plans for Solid Waste Services are presented for consideration and endorsement before being forwarded to the Board for consideration.

The next steps of the process are:

- The 2024 - 2028 Financial Plan and Annual Work Plan will be presented for consideration at the Metro Vancouver Board Budget Workshop on October 20, 2023.
- The Greater Vancouver Sewerage and Drainage District Board will consider adoption of the 2024 Budget and endorsement of the 2024 - 2028 Financial Plan on October 27, 2023.

ALTERNATIVES

1. That the Zero Waste Committee endorse the 2024 - 2028 Financial Plan for Solid Waste Services as presented in the report dated October 5, 2023, titled “2024 - 2028 Financial Plan – Solid Waste Services”, and forward it to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.
2. That the Zero Waste Committee make recommendations and endorse an amended 2024 - 2028 Financial Plan for Solid Waste Services and forward the amended Financial Plan to the Metro Vancouver Board Budget Workshop on October 20, 2023 for consideration.

FINANCIAL IMPLICATIONS

If the Greater Vancouver Sewerage and Drainage District Board approves the 2024 Budget and endorses the Five-Year Financial Plan for Solid Waste Services, as presented under Alternative 1, in 2024 the revenue from tipping fees for the system will increase by \$10.2 million (8.4%) to \$132.1 million which will generate the majority of the \$142.4 million in total revenue required to offset projected expenditures. This represents a \$3 or 4.6% increase in the cost to the average regional household to \$68 (2023 - \$65).

Over the term of the five-year plan, the annual tipping fee revenue is projected to increase by an average of \$11.5 million per year to provide the required revenue to offset projected expenditures. It is anticipated that the cost to the average regional household over the next five years will rise from \$68 in 2024; to \$82 in 2028 representing an average annual increase of approximately \$3 per household. The per household cost projected for the 2024 - 2027 period is the same as the previous budget cycle.

Under Alternative 2, the Committee may wish to consider recommending amendments to the 2024 Budget and Five-Year Financial Plan for Solid Waste Services for consideration at the Metro Vancouver Board Budget Workshop. Any changes to the plan may have an impact on the Solid Waste Services Financial Plan.

CONCLUSION

The 2024 Budget and Five-Year Financial Plan for Solid Waste Services has been prepared following direction received at the April 19, 2023 Metro Vancouver Board Budget Workshop and to respond to direction provided in the *Board Strategic Plan* and support the *Integrated Solid Waste and*

Resource Management Plan. It is presented to Committee and Board members to provide overview information on activities and financial impacts for the years 2024 to 2028 for Solid Waste Services.

The 2024 Budget and Five-Year Financial Plan for Solid Waste Services provides the opportunity for Metro Vancouver to share with its member jurisdictions the proposed capital projects and operating programs, and the financial impact of these projects, over the next five years. The financial plan illustrates how Metro Vancouver proposes to pay for Solid Waste Services investments that are required to maintain assets and respond to the region’s growing population. It is intended to be used as a guiding document for member jurisdictions in the development of their five-year financial plans and includes projections on household impact to demonstrate how the plan will remain affordable for Metro Vancouver residents while keeping pace with critical infrastructure requirements.

Staff recommend endorsing the 2024 - 2028 Budget and Five-Year Financial Plan and Annual Work Plans for Solid Waste Services as presented under Alternative 1.

Attachments:

1. 2024 - 2028 Solid Waste Financial Plan
2. 2024 - 2028 Capital Programs and Project Total – Solid Waste Services
3. 2024 Solid Waste Work Plans
4. 2024 - 2028 “What’s Happening”
5. 2024 - 2028 Projected Reserves – Solid Waste
6. Presentation re: 2024 – 2028 Financial Plan – Solid Waste Services

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GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT
SOLID WASTE SERVICES
2024 BUDGET REVIEW
2024 - 2028 FINANCIAL PLAN

	2023 BUDGET	2024 BUDGET	% CHANGE	2025 FORECAST	% CHANGE	2026 FORECAST	% CHANGE	2027 FORECAST	% CHANGE	2028 FORECAST	% CHANGE
REVENUES											
Solid Waste Tipping Fees	\$121,921,930	\$132,115,288	8.4%	\$144,608,656	9.5%	\$155,085,460	7.2%	\$166,849,986	7.6%	\$179,182,416	7.4%
Energy Sales	5,900,000	6,254,000		6,504,160		6,699,285		6,900,263		6,969,266	
Other External Revenues	5,569,809	4,042,041		7,148,776		7,330,803		9,881,950		10,053,201	
TOTAL REVENUES	<u>\$133,391,739</u>	<u>\$142,411,329</u>	6.8%	<u>\$158,261,592</u>	11.1%	<u>\$169,115,548</u>	6.9%	<u>\$183,632,199</u>	8.6%	<u>\$196,204,883</u>	6.8%
EXPENDITURES											
Operating Programs:											
Solid Waste Operations											
Allocated Quality Control	\$ 20,107	\$ 20,085		\$ 23,092		\$ 25,798		\$ 26,782		\$ 27,910	
Ashcroft Ranch	862,425	971,187		522,683		747,946		465,537		484,709	
Engineers in Training	89,668	125,326		163,207		167,585		172,019		176,618	
Landfills	28,131,613	29,869,233		32,195,422		34,261,835		36,660,981		39,390,058	
Contribution to Reserve – Landfills	5,723,220	5,956,330		6,310,000		5,893,110		5,872,040		5,957,630	
Recycling and Waste Centre	44,524,742	49,564,839		51,831,548		54,089,823		57,196,809		58,883,182	
Waste to Energy Facility	26,251,301	29,266,387		29,378,887		32,124,045		33,367,326		34,269,466	
	105,603,076	115,773,387	9.6%	120,424,839	4.0%	127,310,142	5.7%	133,761,494	5.1%	139,189,573	4.1%
Solid Waste Planning											
Policy and Facility Development	591,574	644,339		660,273		676,832		693,603		711,000	
Zero Waste Implementation	2,455,259	2,590,242		2,634,905		2,681,279		2,508,288		2,557,011	
Programs and Public Involvement	828,368	1,106,108		1,129,390		1,138,556		1,063,060		1,088,443	
	3,875,201	4,340,689	12.0%	4,424,568	1.9%	4,496,667	1.6%	4,264,951	(5.2%)	4,356,454	2.1%
Administration and Department Support	703,540	745,527	6.0%	763,883	2.5%	784,182	2.7%	805,290	2.7%	826,898	2.7%
Environmental Regulation and Enforcement	1,631,268	1,581,695	(3.0%)	1,629,796	3.0%	1,668,995	2.4%	1,710,199	2.5%	1,756,040	2.7%
Allocation of Centralized Support Costs	5,693,279	5,775,338	1.4%	5,712,196	(1.1%)	5,860,667	2.6%	6,191,886	5.7%	6,561,441	6.0%
Total Operating Programs	117,506,364	128,216,636	9.1%	132,955,282	3.7%	140,120,653	5.4%	146,733,820	4.7%	152,690,406	4.1%
Allocation of Project Delivery Cost	345,469	421,208	21.9%	420,274	(0.2%)	437,566	4.1%	454,666	3.9%	468,451	3.0%
Debt Service	10,819,361	12,465,692	15.2%	19,390,542	55.6%	24,533,941	26.5%	32,496,708	32.5%	38,473,652	18.4%
Contribution to Reserve	4,720,545	1,307,793	(72.3%)	5,495,494	320.2%	4,023,388	(26.8%)	3,947,005	(1.9%)	4,572,374	15.8%
TOTAL EXPENDITURES	<u>\$133,391,739</u>	<u>\$142,411,329</u>	6.8%	<u>\$158,261,592</u>	11.1%	<u>\$169,115,548</u>	6.9%	<u>\$183,632,199</u>	8.6%	<u>\$196,204,883</u>	6.8%

**GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT
CAPITAL PORTFOLIO
SOLID WASTE SERVICES
2024 CAPITAL BUDGET AND 2024 - 2028 CAPITAL PLAN**

	CAPITAL BUDGET FOR APPROVAL	2024 CAPITAL CASH FLOW	2025 CAPITAL CASH FLOW	2026 CAPITAL CASH FLOW	2027 CAPITAL CASH FLOW	2028 CAPITAL CASH FLOW	2024 TO 2028 TOTAL CAPITAL CASH FLOW	ACTIVE PHASE	PRIMARY DRIVER
CAPITAL EXPENDITURES									
Landfills									
Alternative Fuel and Recyclables Recovery Centre	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	Not Started	Opportunity
Coquitlam Landfill Gas Collection Upgrades	8,100,000	1,500,000	-	-	-	-	1,500,000	Multiple	Maintenance
Coquitlam Landfill Maintenance	13,600,000	2,350,000	3,600,000	1,600,000	-	-	7,550,000	Multiple	Resilience
Total Landfills	\$ 21,700,000	\$ 3,850,000	\$ 3,600,000	\$ 1,600,000	\$ -	\$ 1,500,000	\$ 10,550,000		
Recycling and Waste Centres									
Langley Recycling and Waste Centre Site Reconfiguration	\$ -	\$ -	\$ 4,000,000	\$ 6,500,000	\$ -	\$ -	\$ 10,500,000	Not Started	Maintenance
Langley Recycling Depot Development	8,000,000	1,000,000	3,000,000	3,750,000	-	-	7,750,000	Construction	Upgrade
Maple Ridge Recycling and Waste Centre Upgrades	2,000,000	500,000	750,000	750,000	-	-	2,000,000	Construction	Maintenance
North Shore Recycling and Waste Centre Compactor Replacement	-	-	-	4,000,000	-	-	4,000,000	Not Started	Maintenance
North Surrey Site Reconfiguration	-	-	-	3,000,000	4,500,000	-	7,500,000	Not Started	Maintenance
North Surrey Compactor	3,000,000	100,000	-	-	-	-	100,000	Construction	Maintenance
North Surrey Recycling Depot Development	32,000,000	1,000,000	3,000,000	3,750,000	-	-	7,750,000	Construction	Upgrade
Weigh Scale Replacement	3,500,000	2,500,000	-	-	-	-	2,500,000	Construction	Maintenance
Total Recycling and Waste Centres	\$ 48,500,000	\$ 5,100,000	\$ 10,750,000	\$ 21,750,000	\$ 4,500,000	\$ -	\$ 42,100,000		
Waste To Energy Facilities									
Acid Gas Reduction	\$ 2,100,000	\$ 850,000	\$ 800,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 31,650,000	Design	Upgrade
Biosolids Processing	23,850,000	8,000,000	7,000,000	4,000,000	2,000,000	-	21,000,000	Construction	Resilience
Bottom Ash Processing	6,800,000	50,000	-	-	-	-	50,000	Construction	Opportunity
Generation Bank Replacement	12,000,000	5,900,000	3,000,000	3,000,000	-	-	11,900,000	Construction	Maintenance
Primary Economizer Replacement	7,000,000	500,000	-	-	-	-	500,000	Construction	Maintenance
Refuse Crane	17,850,000	5,650,000	5,800,000	5,000,000	-	-	16,450,000	Construction	Maintenance
Secondary Economizers Replacement	6,000,000	1,750,000	3,000,000	1,000,000	-	-	5,750,000	Construction	Maintenance
Special Handle Waste Direct Feed System	-	-	2,500,000	2,500,000	2,500,000	2,500,000	10,000,000	Not Started	Opportunity
Waste-to-Energy Facility Maintenance	30,750,000	9,900,000	9,700,000	3,650,000	7,250,000	-	30,500,000	Multiple	Maintenance
WTE Facility District Energy Phase 2	-	-	-	-	-	50,000,000	50,000,000	Not Started	Resilience
WTE Facility District Energy	84,000,000	12,500,000	17,500,000	16,000,000	37,000,000	-	83,000,000	Construction	Resilience
WTE Facility District Energy Opportunities	2,300,000	50,000	-	-	-	-	50,000	Construction	Opportunity
Total Waste To Energy Facilities	\$ 192,650,000	\$ 45,150,000	\$ 49,300,000	\$ 45,150,000	\$ 58,750,000	\$ 62,500,000	\$ 260,850,000		
TOTAL CAPITAL EXPENDITURES	\$ 262,850,000	\$ 54,100,000	\$ 63,650,000	\$ 68,500,000	\$ 63,250,000	\$ 64,000,000	\$ 313,500,000		

**GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT
CAPITAL PORTFOLIO
SOLID WASTE SERVICES
2024 CAPITAL BUDGET AND 2024 - 2028 CAPITAL PLAN**

	CAPITAL BUDGET FOR APPROVAL	2024 CAPITAL CASH FLOW	2025 CAPITAL CASH FLOW	2026 CAPITAL CASH FLOW	2027 CAPITAL CASH FLOW	2028 CAPITAL CASH FLOW	2024 TO 2028 TOTAL CAPITAL CASH FLOW	ACTIVE PHASE	PRIMARY DRIVER
CAPITAL FUNDING									
New External Borrowing	\$ 230,702,000	\$ 43,531,000	\$ 55,342,000	\$ 59,004,000	\$ 57,227,000	\$ 60,053,000	\$ 275,157,000		
Reserve	14,541,000	2,569,000	1,308,000	5,496,000	4,023,000	3,947,000	17,343,000		
External Funding - Interagency	17,607,000	8,000,000	7,000,000	4,000,000	2,000,000	-	21,000,000		
Total	\$ 262,850,000	\$ 54,100,000	\$ 63,650,000	\$ 68,500,000	\$ 63,250,000	\$ 64,000,000	\$ 313,500,000		
SUMMARY BY DRIVER									
Growth	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Maintenance	90,200,000	28,300,000	26,250,000	26,900,000	11,750,000	-	93,200,000		
Resilience	121,450,000	22,850,000	28,100,000	21,600,000	39,000,000	50,000,000	161,550,000		
Upgrade	42,100,000	2,850,000	6,800,000	17,500,000	10,000,000	10,000,000	47,150,000		
Opportunity	9,100,000	100,000	2,500,000	2,500,000	2,500,000	4,000,000	11,600,000		
Total	\$ 262,850,000	\$ 54,100,000	\$ 63,650,000	\$ 68,500,000	\$ 63,250,000	\$ 64,000,000	\$ 313,500,000		

SOLID WASTE SERVICES

Solid Waste Operations

Description of Services

Solid Waste Services provides waste reduction and recycling planning and solid waste facility operations to the region under the authority of the Greater Vancouver Sewerage and Drainage District (GVS&DD). Solid Waste Operations is responsible for operating an integrated solid waste management system with service delivery focused on achieving Metro Vancouver's zero waste objectives through reliable, cost-effective, safe and environmentally-sound operations. The regional solid waste system is a user pay model, primarily funded through tipping fees.

Metro Vancouver facilities include the North Shore, United Boulevard, North Surrey, Central Surrey, Maple Ridge, and Langley recycling and waste centres; and Waste-to-Energy Facility; these facilities are managed through several large contracts. Metro Vancouver also manages the closed Coquitlam Landfill, the former Matsqui Transfer Station site, and the Ashcroft Ranch.

Strategic Directions and High Level Goals Supported

Board Strategic Plan

- Continue to expand and enhance the disposal ban program
- Continue to expand recycling options at regional recycling and waste centres
- Implementing district energy at the Waste-to-Energy Facility

Integrated Solid Waste and Resource Management Plan

- Goal 1 - Minimize waste generation
- Goal 2 - Maximize reuse, recycling & material recovery
- Goal 3 - Recover energy from waste stream after material recovery
- Goal 4 - Dispose of all waste in landfill after recycling & energy recovery

Performance indicators

Indicator	Historical and/or Industry Benchmark	Current Performance	2024 Performance Objective
Annual solid waste flows in Metro Vancouver system (tonnes)	2022: 1,002,000 2021: 976,000 2020: 854,000	projected: 1,040,000	930,000
Processing Availability of the Waste-to-Energy Facility	2022: 90.6% 2021: 91.4% 2020: 91.6%	projected: 92%	93%
Customer availability for the Waste-to-Energy Facility	2022: 99% 2021: 99%	projected: 99%	99.0%
Customer availability for the Recycling and Waste Centres	2022: 99.9% 2021: 99.9% 2020: 99.9%	projected: 99.9%	99.9%

2024 Key Actions

General

- Asset management program development, including condition assessments and asset policy development
- Implementation and further development of new weigh scale software including new features for improved customer service

Recycling and Waste Centres

- Recycling depot development design at North Surrey and Langley recycling and waste centres
- Compactor replacement at North Surrey Recycling and Waste Centre
- Alternative fuel and recyclables recovery pilot targeting small vehicle waste
- Tipping floor repairs at North Shore and North Surrey recycling and waste centres
- North Surrey Recycling and Waste Centre administration building refurbishment
- Recycling and waste centres building and asset assessment
- Assess opportunities to improve pedestrian and cyclist access

Waste-to-Energy Facility

- Complete feed hopper/feed chute, primary economizer, and feedwater pump replacement projects
- Continue work on non-ferrous metal recovery, programmable logic controllers replacement, island power, electrical transformer replacement, and fire suppression system projects
- Advance refuse crane, bottom ash crane, fabric filter hopper, and compressed air replacement projects
- Initiate design for secondary economizer, fly ash silo, pug mill enclosure ventilation system, and refuse pit bunker door replacement projects.
- Biosolids processing system detailed design
- District energy system detailed design
- Bottom ash beneficial use pilot testing
- Continue procurement activities related to new Operating and Maintenance Contract. Current contract expires in March 2025

Landfills

- Ongoing environmental operations at Coquitlam Landfill (leachate and landfill gas), leachate, landfill gas, and groundwater monitoring and reporting for environmental compliance
- Complete upgrade for the east leachate pump station upgrade
- Complete detailed design for the flare station upgrade

Ashcroft Ranch

- McLean Lake Dam hydrological and geotechnical assessment consulting study
- Fencing replacement

SOLID WASTE SERVICES

Solid Waste Planning and Community Engagement

Description of Services

Solid Waste Services provides waste reduction and recycling planning, zero waste implementation and solid waste facility operations to the region under the authority of the Greater Vancouver Sewerage and Drainage District (GVS&DD). Solid waste planning and community engagement activities include:

- Technical and audience research and engagement to develop an updated regional solid waste management plan;
- Regional waste reduction and recycling initiatives in the current solid waste management plan, including disposal bans, bylaws, regional policies and recycling services, etc.;
- Regional infrastructure planning and development to fulfill future needs for waste recycling, transfer and disposal; and,
- Stakeholder engagement services.

In addition, to support Metro Vancouver's commitment to protect the environment and conserve resources, Environmental Regulation and Enforcement negotiates and issues permits, orders and licenses and then promotes compliance, and enforces solid waste bylaws. According to a user-pay principle, these regulatory costs are recovered through fees.

Strategic Directions and High Level Goals Supported

Board Strategic Plan

- Expand actions that will reduce the amount of litter and waste that Metro Vancouver members manage, including strategies to reduce single-use items and other disposable consumer products
- Continue to provide technical support to communication campaigns that increase diversion through source reduction, reuse, repurposing or recycling
- Research opportunities to ensure sufficient capacity in the regional recycling and reuse system, including assessing opportunities for organics and wood
- Identify future disposal alternatives with full life cycle, cost and greenhouse gas emission analyses

Integrated Solid Waste and Resource Management Plan

- Goal 1 - Minimize waste generation
- Goal 2 - Maximize reuse, recycling & material recovery
- Goal 3 - Recover energy from waste stream after material recovery
- Goal 4 - Dispose of all waste in landfill after recycling & energy recovery

Performance Indicators

Indicator	Historical and/or industry benchmark	Current performance ¹	2024 performance objective
Recycling rate (percent of solid waste diverted from final disposal)	Canadian average ² : 27.6% Metro Vancouver historical: 2020: 64% 2019: 63% 2018: 64% 2017: 63%	65%	66%
Waste disposed per capita (tonnes)	Canadian average ¹ : 0.69 Metro Vancouver historical: 2020: 0.45 2019: 0.48 2018: 0.48 2017: 0.49	0.45	0.43

¹Most recent figures derived from Statistics Canada disposal & diversion tonnages (2018) and Metro Vancouver 2021 Annual Solid Waste and Recycling Summary

2024 Key Actions

- Solid Waste and Recycling Industry Advisory Committee support
- Independent Consultation and Engagement Panel support
- Engagement for review and update of the solid waste management plan, including supporting the Public/Technical Advisory Committee
- Disposal Ban Program implementation monitoring
- Textiles, single-use items, seasonal waste, food waste, illegal dumping, and the Zero Waste Conference support
- National Zero Waste Council including work on implementing the Circular Economy
- Canada Plastic Pact support
- National Solid Waste Benchmarking Initiative and applied waste research
- Regional waste composition monitoring
- Solid waste initiatives public engagement
- Regional Food Recovery Network
- Regional reuse and repair events
- Zero waste construction certification
- Carbon capture, utilization, sequestration study
- Recycling depot development at North Surrey and Langley recycling and waste centres

Solid Waste Services

2024 to 2028 – WHAT’S HAPPENING

Below is a summary of the significant initiatives to be undertaken by Solid Waste Services over the next 5 years.

Initiative	Description	Theme
2024		
Weigh scale software replacement	Autoscale software replacement installation and customer service enhancements	System Stewardship
Asset management planning	Asset management program plan development	System Stewardship
Biosolids utilization at the Waste-to-Energy Facility	Detailed design/commence construction of biosolids utilization system	Opportunities for Innovation and Enhanced Service
North Surrey compactor replacement	Replace North Surrey Recycling and Waste Centre compactor	System Stewardship
District energy system at the Waste-to-Energy Facility	District energy system detailed design	Environmental Protection and Climate Action
Zero waste initiatives	Research on waste prevention and diversion initiatives, such as new policies, incentives, business models and regulatory measures, to move toward a circular economy	Environmental Protection and Climate Action
Bottom ash beneficial use	Pilot testing for beneficial use of bottom ash	Environmental Protection and Climate Action
Alternative fuel and recyclables recovery	Alternative fuel and recyclables project pilot testing	Environmental Protection and Climate Action
North Surrey and Langley Recycling Depots	North Surrey and Langley recycling and waste centre recycling depot design and commence construction	Environmental Protection and Climate Action
Reuse and Repair events	Expand reuse events at recycling and waste centers and community repair events	Environmental Protection and Climate Action
Capital replacements at the Waste-to-Energy Facility	Capital replacements and upgrades, including primary and secondary economizers, generation bank, refuse crane, and bottom ash crane	System Stewardship
Solid waste management plan update	Continue review and update of the region’s solid waste management plan	Environmental Protection and Climate Action

Coquitlam Landfill	Construction of east leachate pump station upgrade	System Stewardship
Coquitlam Landfill	Detailed design / commence construction for the flare station upgrade	System Stewardship
2025		
Capital replacements at the Waste-to-Energy Facility	Continue capital replacements and upgrades, including secondary economizers, generation bank, refuse crane, and primary superheaters	System Stewardship
Solid waste management plan update	Continue review and update of the region's solid waste management plan	Environmental Protection and Climate Action
Zero waste initiatives	Continued research and development of waste prevention and diversion initiatives, such as new policies, incentives, business models and regulatory measures, to move toward a circular economy	Environmental Protection and Climate Action
Alternative fuel and recyclables recovery	Alternative fuel and recyclables pilot project implementation	Environmental Protection and Climate Action
Recycling and Waste Centre recycling depots	New recycling depots operating at the Langley and North Surrey facilities	Environmental Protection and Climate Action
District energy system at the Waste-to-Energy Facility	Construction of Phase 1 of the District Energy system, providing waste heat to River District community	Environmental Protection and Climate Action
Biosolids at the Waste-to-Energy Facility	Complete construction/commissioning of a biosolids receiving system at the Waste-to-Energy Facility	Opportunities for Innovation and Enhanced Service
2026		
Capital replacements at the Waste-to-Energy Facility	Continue capital replacements and upgrades, including stack refurbishment	System Stewardship
Solid waste management plan review	Complete review and update of the region's solid waste management plan	Environmental Protection and Climate Action
Zero waste initiatives	Begin to implement and monitor the new waste prevention and diversion initiatives in the updated solid waste management plan	Environmental Protection and Climate Action

Alternative fuel and recyclables recovery	Alternative fuel and recyclables recovery facility development	Environmental Protection and Climate Action
District energy system at the Waste-to-Energy Facility	Complete commissioning of Phase 1 of the District Energy system	Environmental Protection and Climate Action
2027		
Capital replacements at the Waste-to Energy Facility	Continue capital replacements and upgrades, including boiler grate and feed table supports replacement project	System Stewardship
Zero waste initiatives	Implement and monitor the new waste prevention and diversion initiatives in the updated solid waste management plan	Environmental Protection and Climate Action
North Shore compactor replacement	Replace North Shore Recycling and Waste Centre compactor	System Stewardship
Alternative Fuel and Recyclables Recovery Centre Design	Begin design of the full scale Alternative Fuel and Recyclables Recovery Centre	Environmental Protection and Climate Action
2028		
Western region recycling and waste centre replacement	Begin design for the western region recycling and waste centre replacement	Addressing Regional Growth
Capital replacements at the Waste-to Energy Facility	Continue capital replacements and upgrades and begin construction of the acid gas reduction system	System Stewardship
Zero waste initiatives	Continue to implement and monitor the new waste prevention and diversion initiatives in the updated solid waste management plan	Environmental Protection and Climate Action
District energy system at the Waste-to-Energy Facility	Commence construction of Phase 2 of the District Energy system	Environmental Protection and Climate Action

METRO VANCOUVER DISTRICTS
2024 - 2028 PROJECTED RESERVES - SOLID WASTE

OPERATING RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Solid Waste Services	\$ 16,412,984	\$ 16,412,984	\$ -	\$ -	\$ 410,325	\$ 16,823,309	\$ 17,243,892	\$ 17,674,989	\$ 18,116,864	\$ 18,569,786

DISCRETIONARY RESERVES

	2023 ENDING BALANCE	2024 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2024 ENDING BALANCE	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE
Solid Waste Services										
Solid Waste General Reserve	\$ 27,673,818	\$ 27,673,818	\$ -	\$ -	\$ 691,845	\$ 28,365,663	\$ 29,074,805	\$ 29,801,675	\$ 30,546,717	\$ 31,310,385
Landfill Post Closure Reserve	48,883,385	48,883,385	5,956,330	-	1,296,539	56,136,254	63,928,535	71,493,522	79,226,301	87,239,059
Landfill Reserve	11,870,256	11,870,256	-	-	296,756	12,167,012	12,471,187	12,782,967	13,102,541	13,430,105
Total	\$ 88,427,459	\$ 88,427,459	\$ 5,956,330	\$ -	\$ 2,285,140	\$ 96,668,929	\$ 105,474,527	\$ 114,078,164	\$ 122,875,559	\$ 131,979,549