

To: Regional Parks Committee

From: Jamie Vala, Division Manager, Parks Planning and Resource Management, Regional Parks

Date: April 7, 2025

Meeting Date: May 7, 2025

Subject: **Regional Parks 2024 Annual Report**

RECOMMENDATION

That the Regional Parks Committee receive for information report dated April 7, 2025, titled "Regional Parks 2024 Annual Report".

EXECUTIVE SUMMARY

In 2024, Regional Parks continued to protect natural areas and connect people to nature, progressing towards the vision of a resilient network of regional parks and greenways that provide important climate, health, and other benefits to park visitors and the wider region.

In 2024, there were an estimated 14.5 million visits to regional parks and greenways with records set at three locations. A total of 41,171 people took part in 579 programs, events, and outreach activities, while 4,957 volunteers and park partners contributed 16,994 hours to stewardship, education activities, and interpretive programs and events. Eighty hectares of land were added to the regional parks system while staff advanced numerous planning, design, and asset management initiatives.

PURPOSE

To provide the *Regional Parks 2024 Annual Report* to the Regional Parks Committee for information.

BACKGROUND

The preparation of the *Regional Parks 2024 Annual Report* is identified as an action in the *Regional Parks Committee 2025 Work Plan*.

REGIONAL PARKS 2024 ANNUAL REPORT SUMMARY

In 2024, Regional Parks continued to protect natural areas and connect people to nature, progressing towards the vision of a resilient network of regional parks and greenways that provide important climate, health, and other benefits to park visitors and the wider region. The *Regional Parks Plan* drives this work to protect natural areas and connect people to nature. There were an estimated 14.5 million visits to Metro Vancouver's regional parks with records set at three locations.

In 2024, relationships with Indigenous peoples were strengthened by working together towards truth and reconciliation. A ceremony was held for a pair of new səliłwətał (Tsleil-Waututh Nation) welcome poles that face each other from təmtəmiş˘tən/Belcarra Regional Park and Whey-ah-Wichen/Cates Park. təmtəmiş˘tən/Belcarra Regional Park is under a cooperation agreement between Metro Vancouver and səliłwətał.

Regional Parks continued its important work of protecting the region's natural areas and connecting people to nature, adding 80 hectares of parkland including the creation of South Langley Regional Park. Regional Parks also progressed key development projects, including opening a revitalized trailhead entrance at Grouse Mountain Regional Park, completing trail development and opening Dorman Point in Crippen Regional Park, and advancing the design of major greenway projects.

In 2024, staff worked to protect and conserve ecosystem health by creating and maintaining 38.2 hectares of ecological restoration areas, completing 32 restoration projects in 19 regional parks, and enhancing habitats through initiatives such as the creation of a new pond at Campbell Valley Regional Park. This pond provides habitat for local species and serves as a key feature for interpretive programs. Staff, partners, and volunteers invested time and effort to restore the health and beauty of regional parks, removing 19,099 kilograms of invasive species and adding 11,745 native plants to parks.

In all, 579 public programs, events, and outreach activities inspired 41,171 people, including a special celebration marking the 20th anniversary of Burns Bog Ecological Conservancy Area. Also in 2024, volunteer participation in stewardship and interpretive programs continued surpassed participation levels from the last three years with 4,957 volunteers contributing 16,994 hours to environmental stewardship, park partners, and public programs

ALTERNATIVES

This report is presented for information. No alternatives are presented.

FINANCIAL IMPLICATIONS

This is an information report. There are no financial implications associated with this report. The production of the annual report is undertaken with staff resources included annually in the MVRD Board approved Regional Parks budget.

CONCLUSION

This report presents highlights from the *Regional Parks 2024 Annual Report* including:

- 14.5 million visits to regional parks and greenways with records set at two locations
- 80 hectares of land added to grow the regional parks system
- 41,171 people were able to take part in 579 programs, events, and outreach activities
- 4,957 volunteers and park partners contributed 16,994 hours to environmental stewardship, park partners, and public programs

The annual report will be used to support ongoing park planning by MVRD and local municipalities for capital planning, future facility development, program delivery, and resource management activities.

ATTACHMENTS

1. Regional Parks 2024 Annual Report.
2. Presentation re: Regional Parks 2024 Annual Report.

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Regional Parks Annual Report 2024



About Metro Vancouver

Metro Vancouver is a diverse organization that plans for and delivers regional utility services, including water, sewers and wastewater treatment, and solid waste management. It also regulates air quality, plans for urban growth, manages a regional parks system, provides affordable housing, and serves as a regional federation. The organization is a federation of 21 municipalities, one electoral area, and one treaty First Nation located in the region of the same name. The organization is governed by a Board of Directors of elected officials from each member jurisdiction.

Territorial Acknowledgment

Metro Vancouver acknowledges that the region's residents live, work, and learn on the shared territories of many Indigenous peoples, including 10 local First Nations: q̓íćáý (Katzie), q̓ʷá:n̓l̓ən̓ (Kwantlen), k̓ʷik̓ʷə́l̓əm (Kwikwetlem), máthxwi (Matsqui), x̓ʷməθk̓ʷə́y̓əm (Musqueam), q̓íq̓éyt (Qayqayt), Semiahmoo, Sk̓w̓x̓wú7mesh Úxwumixw (Squamish), sc̓əw̓aθ̓ən̓ məsteyəx̓ʷ (Tsawwassen), and sə́ilwə́təł̓ (Tsleil-Waututh).

Metro Vancouver respects the diverse and distinct histories, languages and cultures of First Nations, Métis, and Inuit, which collectively enrich our lives and the region.

Regional Parks Committee Members 2024

John McEwen (Chair) – Village of Anmore

Andrew Leonard – Bowen Island Municipality

Rebecca Bligh (Vice Chair) – City of Vancouver

Lisa Muri – District of North Vancouver

Chak Au – City of Richmond

Darrell Penner – City of Port Coquitlam

Pietro Calendino – City of Burnaby

Jamie Ross – Village of Belcarra

Tracy Elke – City of Pitt Meadows

Rob Stutt – City of Surrey

Craig Hodge – City of Coquitlam

Jenny Tan – City of Maple Ridge

Dylan Kruger – City of Delta

Sharon Thompson – District of West Vancouver

Meghan Lahti – City of Port Moody

Eric Woodward – Township of Langley

Cover image: təmtə́míx̓ʷtən̓/Belcarra Regional Park



A Message from the Regional Parks Committee Chair

It continued to be an honour to serve as the Chair of the Regional Parks Committee throughout 2024. Metro Vancouver remains dedicated to protecting regionally significant natural areas and connecting people to them.

In 2024, an estimated 14.5 million visitors enjoyed connecting to nature in regional parks. Our work nurtured the essential connection between people and nature, recognizing the vital role nature plays in human health and well-being.

Here are some of our notable accomplishments last year:

- We continued to advance reconciliation efforts with local First Nations. A key ongoing initiative is the Cultural Planning and Cooperation Agreement with the səlilwətał (Tsleil-Waututh Nation) at təmtəxʷtən/Belcarra Regional Park. In 2024, a welcome pole was installed to commemorate the ancestral village that once stood in the area now known as təmtəxʷtən/Belcarra Regional Park. Collaboration on a new public space is also an ongoing project at the park.
- Our staff worked 365 days of the year in all weather conditions maintaining the regional parks system for the safety of visitors and the integrity of ecosystems.
- During the year, 41,171 participants engaged in 579 programs, events, and outreach activities as staff sought to instill knowledge and a deeper understanding of nature, particularly among children and youth.
- In addition, 4,957 volunteers contributed 16,994 hours to stewardship, education, and interpretive programs as staff worked with the community to provide diverse and meaningful learning and volunteer opportunities.
- This year we saw the opening of a revitalized trailhead area and much needed improvements to the Grouse Grind Trail as well as the BCMC Route at Grouse Mountain Regional Park. Locals and visitors from around the world seek out the Grouse Grind Trail as a challenging and rewarding personal accomplishment.
- Through our land acquisition program, we continued to grow our system in partnership with our regional municipalities and others, adding 80 hectares to the system in 2024.

I am so proud of the collective dedication and support of the Regional Parks Committee and our Regional Parks staff team. Together we make this region stronger as we continue to create and steward our world class regional parks system for future generations.

John McEwen, Regional Parks Committee Chair

2024 in Review

In 2024, we continued to protect natural areas and connect people to nature, progressing towards the vision of a resilient network of regional parks and greenways that continues to provide important climate, health, and other benefits to park visitors and the wider region.

The *Regional Parks Plan* drives our work. Key accomplishments in 2024 helped support the priority areas of work within five goals:



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

- Opened a new regional park in the Township of Langley
- Celebrated 20 years of Burns Bog Ecological Conservancy Area
- Removed over 19,000 kilograms of invasive species



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

- Piloted "silent trails" project in Pacific Spirit and Campbell Valley regional parks
- Continued to connect newcomers to regional parks with English Language Learners walks and a new Picnic in a Park event
- Completed accessibility reviews for the concession at Boundary Bay Regional Park and nature house at Campbell Valley Regional Park



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

- Completed and opened a new trailhead entrance at Grouse Mountain Regional Park
- Opened a new park entrance in the South Uplands area of Campbell Valley Regional Park



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

- Helped facilitate a ceremony with səliłwətał (Tsleil-Waututh Nation) for a pair of new welcome poles that face each other from təmtəmíxʷtən/Belcarra Regional Park and Whey-ah-Wichen/Cates Park



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

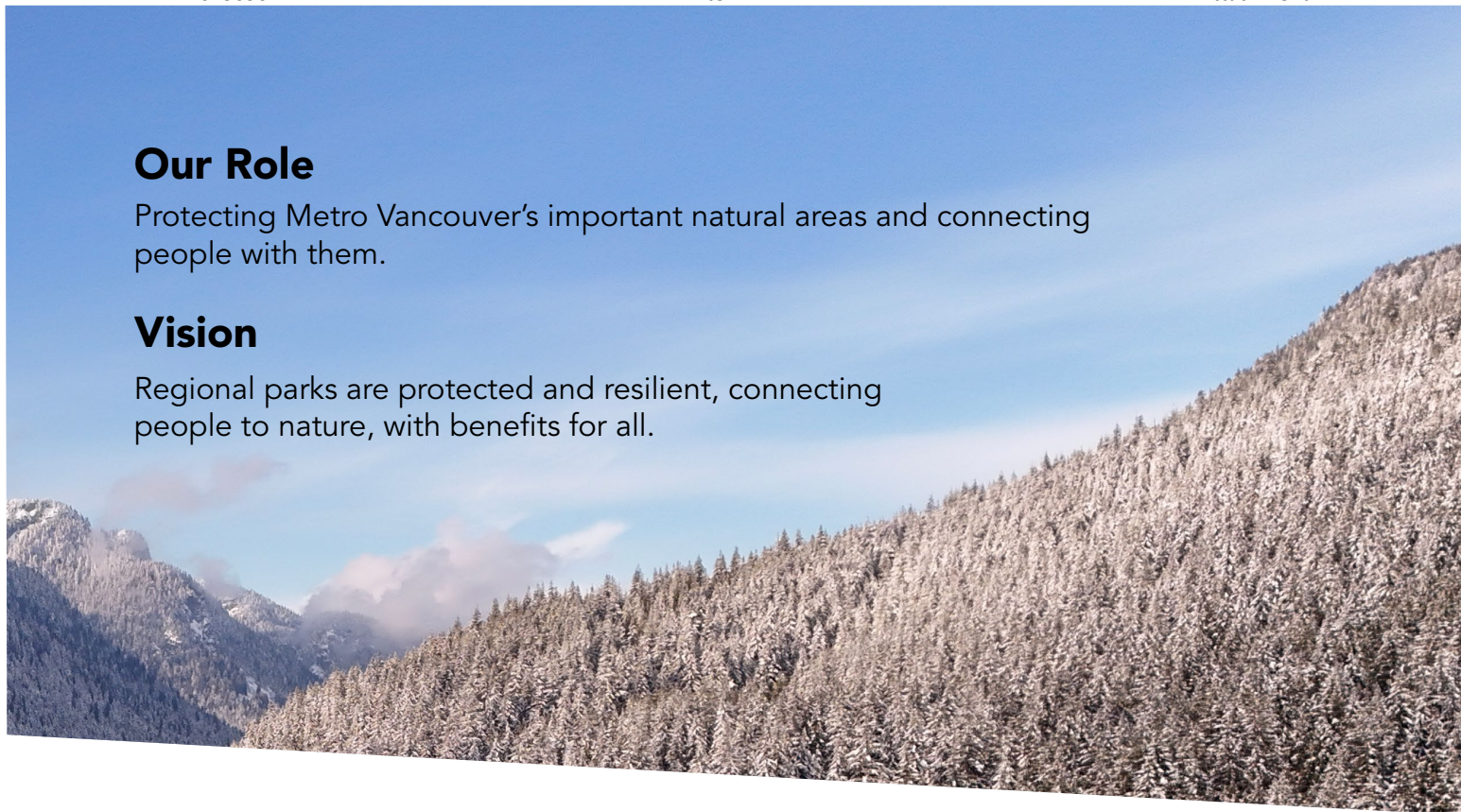
- Managed regional parks across the region following an atmospheric river storm event
- Created a new pond in Campbell Valley Regional Park

Our Role

Protecting Metro Vancouver's important natural areas and connecting people with them.

Vision

Regional parks are protected and resilient, connecting people to nature, with benefits for all.



Lynn Headwaters Regional Park

Guiding Principles

Nature-focused

Nature has inherent value and its protection for future generations is the foundation of what we do.

Interconnected

Our work nurtures the essential connection between people and nature, recognizing the vital role nature plays in human health and well-being.

Inclusive

Equity is integral to what we do, as we create an inclusive environment for all.

Reconciliation-focused

Relationships with Indigenous peoples are strengthened as we make the journey together along the pathway of truth and reconciliation.

Collaborative

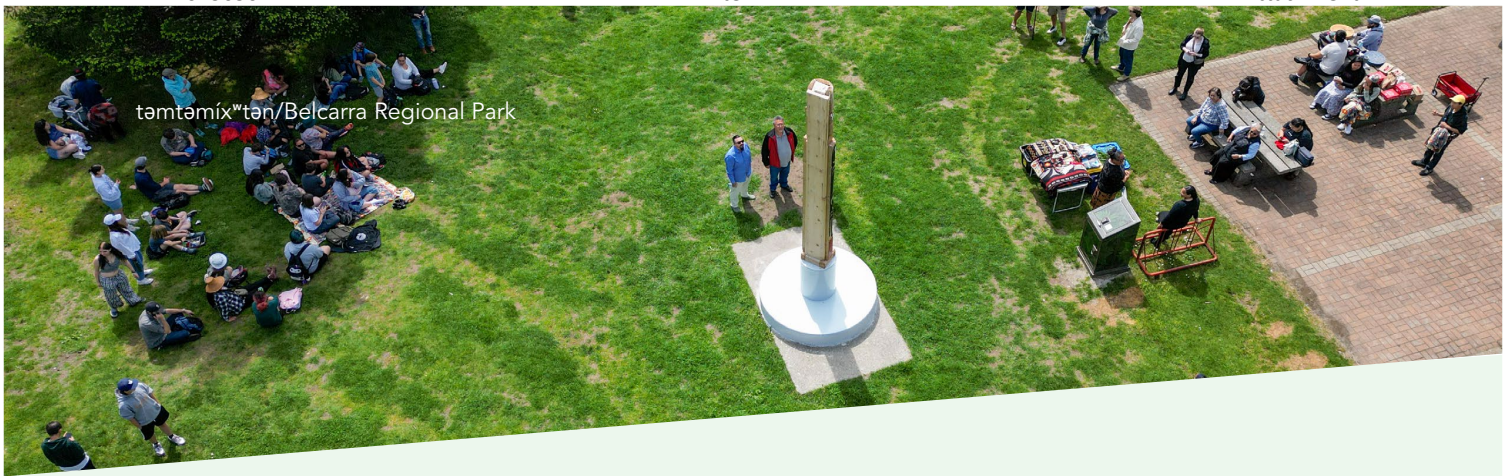
By working with others, we collectively care for the land to improve the region's livability and ecological health.

Knowledge-based

Decision-making is informed by data and science, and incorporates Indigenous Knowledge. We learn from others and share our knowledge generously.

Adaptive

We sustain a culture of adaptive management, through learning, innovation, and evaluation.



Working Collaboratively with First Nations

Recognizing that advancing truth and reconciliation with Indigenous peoples is a process that starts with listening and learning together, Metro Vancouver is committed to strengthening relationships with First Nations based on trust and working collaboratively towards shared goals.



**spotlight**

səlilwətał Welcome Poles at təmtəx'wən/Belcarra Regional Park

On May 15, 2024, a ceremony was held for a pair of new səlilwətał (Tsleil-Waututh Nation) welcome poles that face each other from təmtəx'wən/Belcarra Regional Park and Whey-ah-Wichen/Cates Park. These two figures, "Serpent Slayer" and "Return of the Orca", honour the rich history of the səlilwətał people and depict significant səlilwətał stories that took place in this part of the territory. təmtəx'wən/Belcarra Regional Park is under a cooperation agreement between Metro Vancouver and səlilwətał.



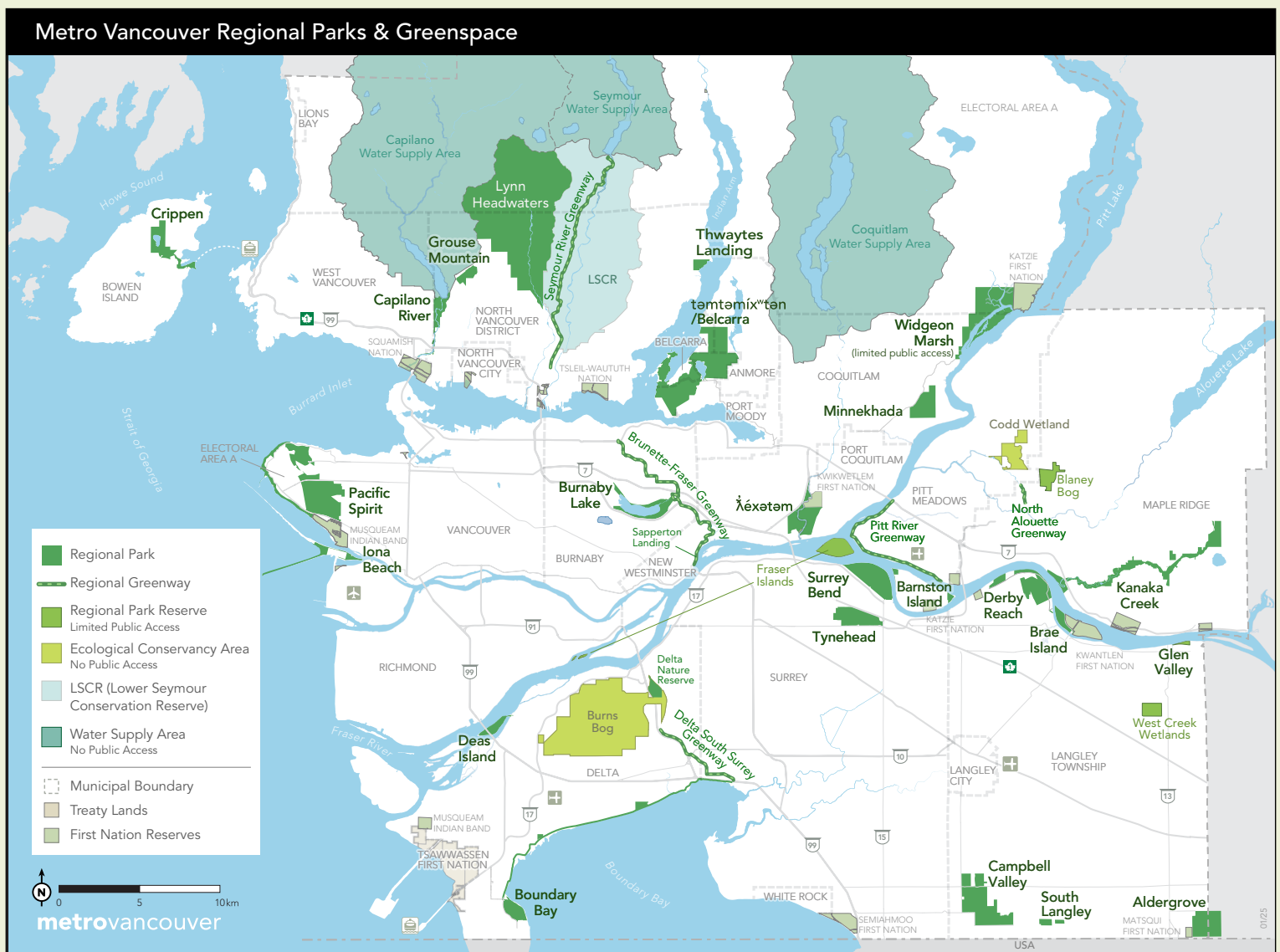
Watch this video about the səlilwətał welcome poles (vimeo.com/961741759)



Growing the System

Regional parks play a crucial role in making Metro Vancouver a resilient region. [Regional Parks Land Acquisition 2050*](#) is a key strategy for contributing to regional livability by protecting regionally important natural areas. Metro Vancouver advances delivery of the strategy each year in collaboration with member jurisdictions, senior levels of government, and others.

* Adopted by the Metro Vancouver Regional District (MVRD) Board in 2018.





80 hectares of regional parkland were
acquired in 2024

4 hectares Blaney Bog Regional Park Reserve

32 hectares Glen Valley Regional Park

44 hectares South Langley Regional Park

Community Involvement

Strong community partnerships are critical in engaging diverse communities in the regional parks system. Throughout the history of the parks system, many citizens have demonstrated that they want sustained involvement beyond just being park visitors using facilities and trails. We continued our work with the community in 2024 to improve consistency across the system, to grow the Park Partner Network, and to grow the internal capacity of the system.

Park Associations

The following non-profit groups received contribution funding from Metro Vancouver and partnered with Regional Parks on projects and activities ranging from habitat restoration to nature education.

1. Burnaby Lake Park Association
2. Derby Reach/Brae Island Parks Association
3. Kanaka Education and Environmental Partnership Society
4. Lower Coquitlam River Nature Association (previously Colony Farm Park Association)
5. Minnehada Park Association
6. Pacific Spirit Park Society

CTS Youth Society

Connect | Teach | Sustain



Metro Vancouver continued its funding support of the CTS Youth Society, a non-profit organization that aims to connect every youth in Metro Vancouver with their natural environment, their community, and with each other through the life-changing outdoor experiences, including summer camp.

To find out more about the CTS Youth Society, go to ctsyouthsociety.com.



Metro Vancouver Regional Parks Foundation

Metro Vancouver Regional Parks Foundation is the only charity dedicated to raising funds for Metro Vancouver Regional Parks.

The Foundation funds projects that restore the health and beauty of these special places, improve the habitats of at-risk and endangered species, and support volunteer environmental stewardship events in regional parks. By filling in the gaps of public funding and helping more people visit regional parks, the Foundation promotes the mental and physical health of people and community resilience, while ensuring regional parks remain spectacular.

To find out more about Metro Vancouver Regional Parks Foundation, its projects, and how you can give back to regional parks, go to mvrpfoundation.ca and watch this video:

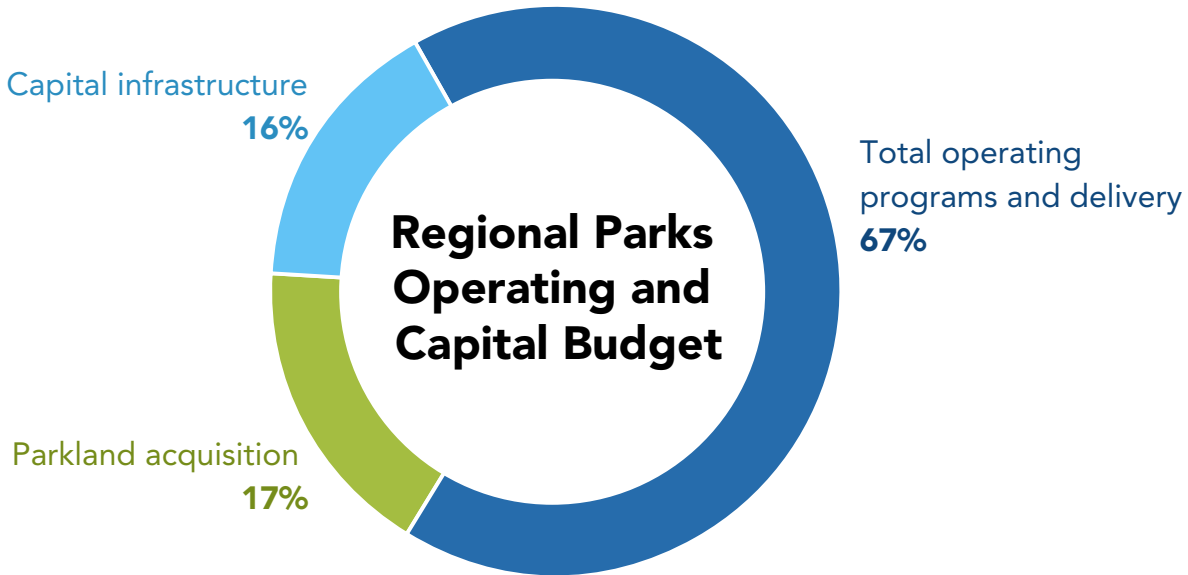


Metro Vancouver Regional Parks Foundation Profile (vimeo.com/808511448)

To discover more about the impact the Foundation made in 2024, refer to their [2024 Annual Report](#).

Regional Parks Provide Significant Value

Regional Parks is primarily funded through the annual Metro Vancouver Regional District tax requisition. This core revenue source is supplemented by modest income from user fees, capital reserves, and occasionally sustainability reserve funds and external revenues such as federal or provincial grants. Recognizing the importance of protecting regionally important natural areas, the Metro Vancouver Board approved a development cost charge program to fund regional parks land acquisition beginning in 2025.



Planning for Parks Today and Into the Future

We support the long-term development and management of regional parks and greenways by conducting original research and preparing plans and policies. Regional Parks policies support day-to-day decision making while system and park level plans describe a long-term vision for the regional parks system and guide resource management, development, operations, and programming.

Regional Parks Plan:

The [Regional Parks Plan](#) is Metro Vancouver's management plan for the regional parks system. The plan guides Metro Vancouver's work to protect natural areas and connect people to nature. The plan establishes strategic vision of a resilient network of regional parks and greenways that provides important climate, health, and other benefits to visitors and regional residents.

2024 Accomplishments

- Advanced work on natural asset management through the completion of a high-level ecosystem services valuation for regional parks ecosystems, natural asset inventory, and a natural asset management pilot study
- Completed the first phase of the Visitor Use Management Strategy, including two public surveys and internal audits to understand current visitor use management priorities and challenges
- Updated conservation value mapping to inform planning



South Langley Regional Park



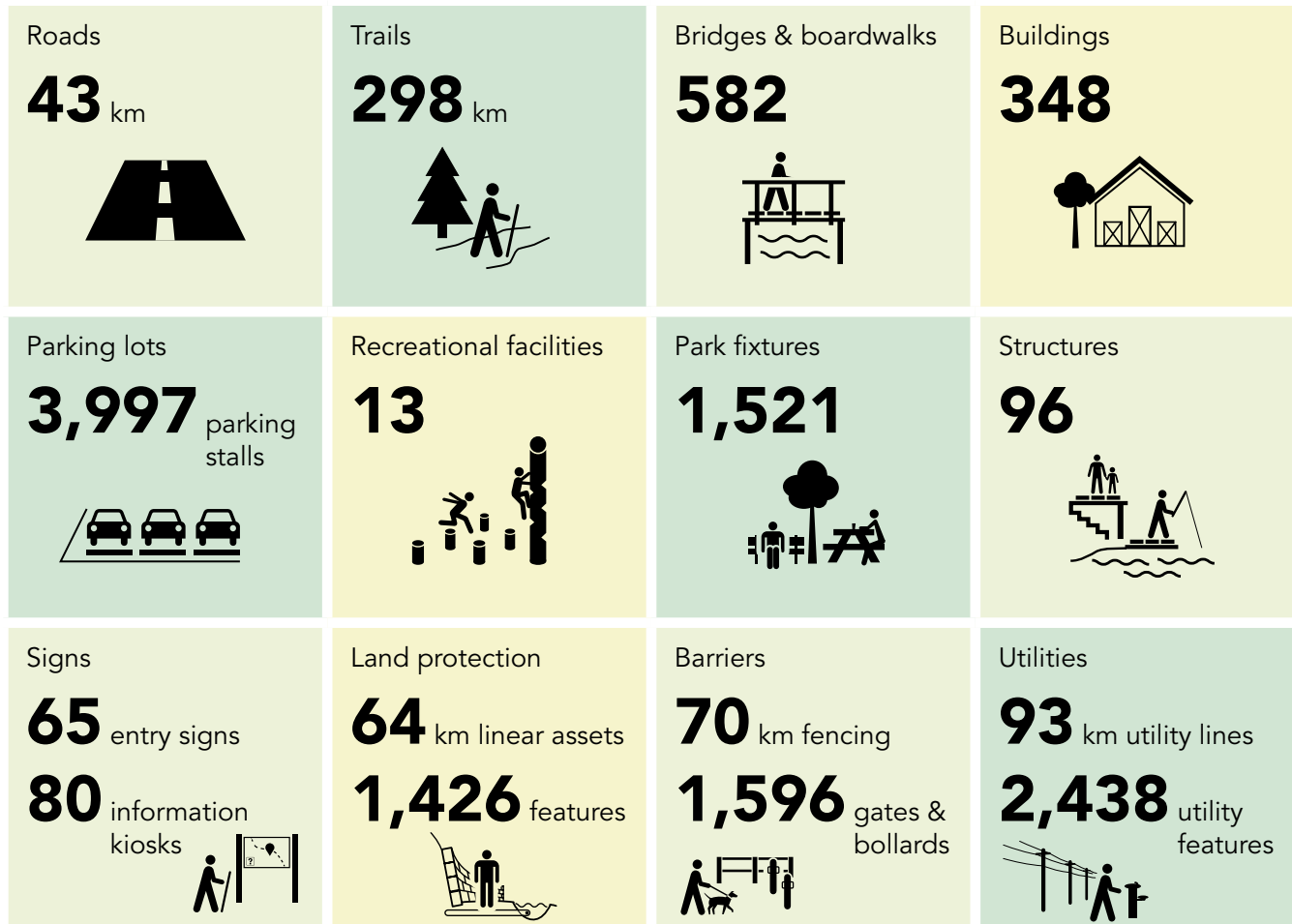
New Regional Park in the Township of Langley

Metro Vancouver created a new regional park in the Township of Langley, which connects to Campbell Valley Regional Park and Aldergrove Regional Park via the South Langley Regional Trail. The 44-hectare South Langley Regional Park combines a recently purchased piece of private property with Langley's Municipal Natural Park, which the Township generously contributed. Park visitors can currently enjoy existing equestrian and walking trails while a concept plan is developed for the entire park. This is a rare opportunity to protect forest, wetlands, and riparian areas — including portions of the Little Campbell River and Kerfoot Creek — and share this special environment with the public.

Note: South Langley Regional Park, established in late 2024, is not included in this report's metrics.

Building and Maintaining Park Assets

Each year, we manage a growing number of built assets including:



2024 Accomplishments

1. Opened a new park entrance in the South Uplands area of Campbell Valley Regional Park
2. Completed trail development and opening of Dorman Point in Crippen Regional Park
3. Completed major upgrades to heritage buildings in Derby Reach, Deas Island, and Tynehead regional parks
4. Worked closely with səilwətał (Tsleil-Waututh Nation) and completed design of the new public space at təmtəmixʷtən/Belcarra Regional Park
5. Advanced design of major greenway projects including trail at Aldergrove Regional Park, a section of Delta South Surrey Regional Greenway, Perimeter Trail at Boundary Bay Regional Park, and Delta Nature Reserve boardwalk



Grouse Mountain Regional Park



Grouse Mountain Regional Park Trail and Site Improvements

Since 2021, Grouse Mountain Regional Park has been undergoing a trail and site improvement project funded in part by the governments of Canada and BC. In 2024, a revitalized trailhead entrance was completed and opened with improved access, new seating, a water fountain, stretching bars, and better access for first responders. The project also saw the replacement of a footbridge over a creek near the one-quarter mark and environmental restoration.



Watch this video about the Grouse Mountain Regional Park Trail redesign (vimeo.com/961735030)

Crippen Regional Park

Protecting Important Natural Areas

In 2024, Regional Parks protected:

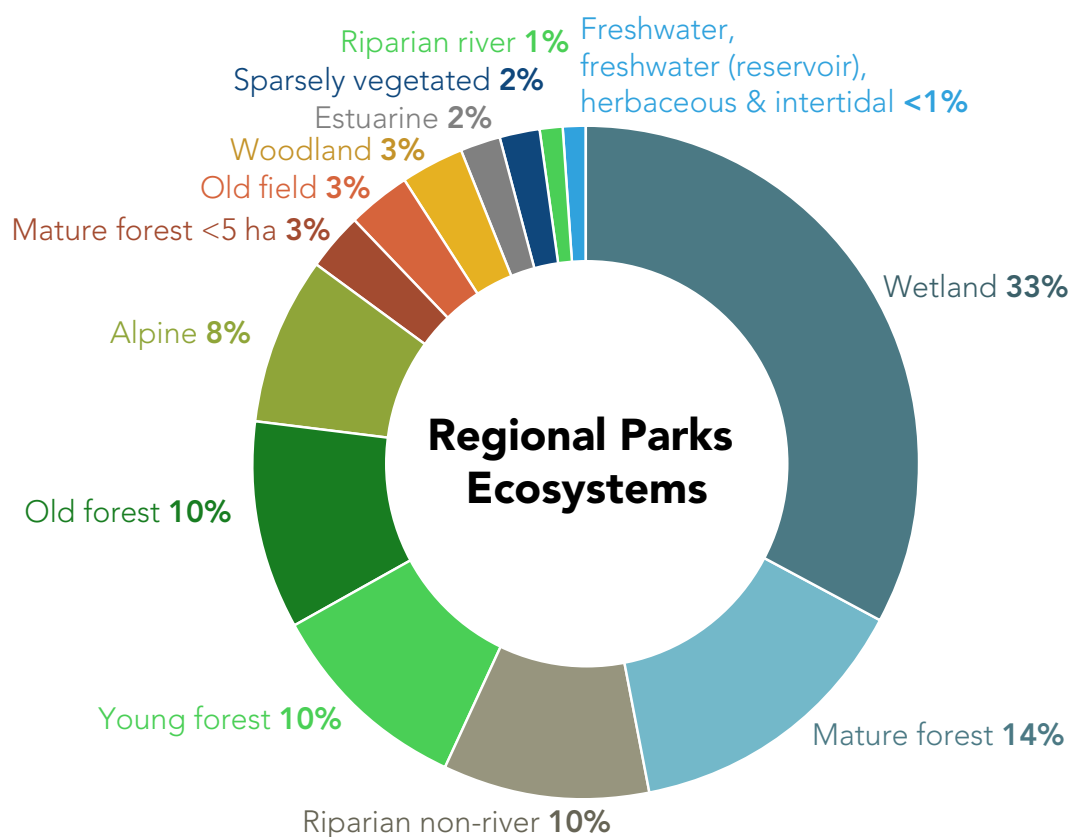
13,910 hectares – including **87% sensitive and important modified ecosystems***

24 regional parks

5 regional greenways

2 regional park reserves **2 ecological conservancy areas**

* Sensitive ecosystems are ecologically fragile, rare, or at-risk and include wetlands, older forests, and woodlands. Important modified ecosystems are younger and more human modified but still have ecological value and importance to biodiversity, such as young forests (under 80 years old).





Pacific Spirit Regional Park

Natural Resource Management

We work throughout the year to protect and conserve ecosystem health.

Goals of the Natural Resource Management Framework:

1. Ensure ecosystem health and long-term resiliency to conserve diverse biological communities and their associated habitats
2. Provide opportunities for public to connect with natural areas while conserving the integrity and resilience of ecosystems
3. Provide opportunities for public involvement in natural resource management through partnerships and stewardship activities

2024 Accomplishments

- Created/maintained 38.2 hectares of ecological restoration areas
- Conducted invasive plant treatments across nearly all regional parks
- Updated the Regional Parks *Integrated Pest Management Plan*
- Advanced 32 restoration projects in 19 regional park sites including:
 - Renovating and planting the sedge field at Aldergrove Regional Park
 - Closing unsanctioned trails and restoring old growth forest in Pacific Spirit Regional Park
 - Conducting drone surveys and developing a management plan for removal of yellow flag iris in Widgeon Marsh Regional Park wetlands
 - Nine projects supported by the Metro Vancouver Regional Parks Foundation



New Pond at Campbell Valley Regional Park

In 2024, a new pond was created in the south valley activity area within the Rowlatt Heritage Area of Campbell Valley Regional Park. The pond provides habitat for local species while also serving as a feature for interpretive programs, offering expanded opportunities for pond dipping activities. The project also improved trail drainage in the surrounding area. A total of 922 native plants – including trees, wildflowers, shrubs, rushes, and sedges – were planted.



Watch this video to see how Regional Parks staff are implementing the *Campbell Valley Regional Park Management Plan* by balancing land features and uses while developing new wetlands, trails, an entrance area, and a bridge (vimeo.com/1024489266)

Campbell Valley Regional Park



Parks Operations and Maintenance

Keeping regional parks and park assets at the standard of care expected by visitors each year takes an incredible amount of effort. Even in the most challenging environmental conditions, we ensure regional parks are maintained for safe public enjoyment 365 days of the year.

2024 Accomplishments

- Diverted over 98 tonnes of dog waste from the landfill
- Installed three automated external defibrillators (AEDs) on the Grouse Grind Trail at Grouse Mountain Regional Park
- Conducted a pilot program that allowed visitors to consume alcohol responsibly at designated areas in six regional parks
- Completed a review of the Regulation and Compliance program
- Facilitated training for 35 park officers and seven operational staff on fair and consistent application of the *Regional Parks Regulation Bylaw*



Grouse Mountain Regional Park



Rapid Response to the Atmospheric River

In October 2024, an atmospheric river weather event hit the region and brought record-breaking rainfall and flooding. Staff implemented precautionary measures in multiple regional parks to protect public safety and infrastructure from water erosion damage, including communications efforts, event cancellations, and trail closures. The storm led to flooding, washouts, fallen trees, and loss of infrastructure across the regional parks system. Staff undertook a major cleanup following the storm, including patrolling for hazards, inspecting and repairing drainage structures, clearing debris from culverts and trails, and repairing trail surfaces.



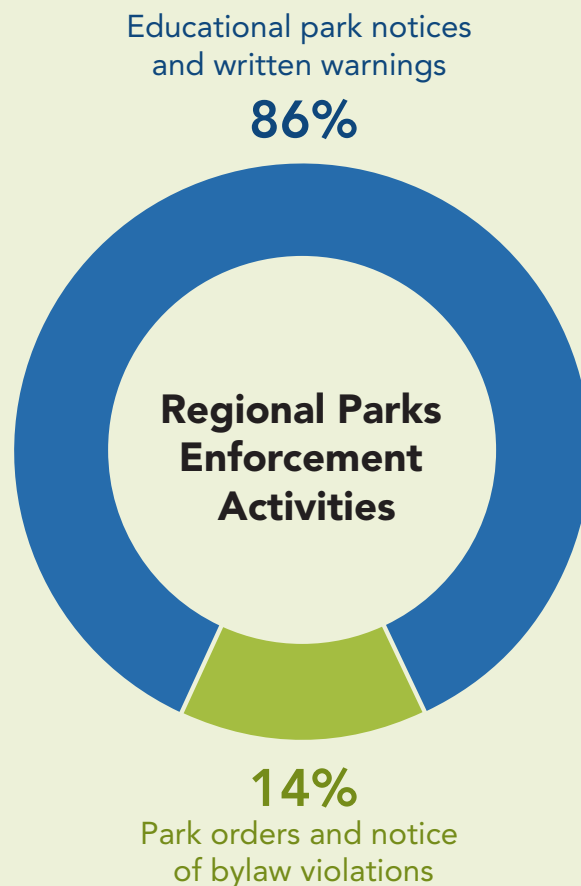
Grouse Mountain Regional Park

Safe Regional Parks and Park Visitors

We work to fairly and consistently educate members of the public on park rules and behaviour expectations as Metro Vancouver protects natural assets and provides safe and enjoyable visitor experiences.

Using good park design, education, and as a last resort, enforcement, we keep visitors safe by:

- Providing a uniformed presence in regional parks
- Educating park visitors on safe use of regional parks
- Investigating and responding to public safety concerns
- Coordinating patrols and response from emergency teams
- Issuing park orders and violation tickets



Connecting People with Nature

Visits

14.5 million estimated park visits in 2024

(3.2% average annual increase from 2004 to 2024)

One regional park & one regional greenway received a record number of visits

Location	2024 Visits	Change from 2023	Visitors in millions										
			0	.5	1	1.5	2	2.5	3	3.5	4		
Álexatəm Regional Park*	396,700	-10%											
Aldergrove Regional Park	465,600	-14%											
Barnston Island Regional Park	10,400	-6%											
təmtə́míxʷtən/Belcarra Regional Park	982,000	-4%											
Boundary Bay Regional Park	1,025,800	6%											
Brae Island Regional Park	265,000	-3%											
Brunette-Fraser Regional Greenway	278,600	33%											
Burnaby Lake Regional Park	422,900	5%											
Campbell Valley Regional Park	916,600	-11%											
Capilano River Regional Park	1,126,300	0%											
Crippen Regional Park	373,200	-2%											
Deas Island Regional Park	354,900	-2%											
Delta South Surrey Regional Greenway	64,700	-37%											
Derby Reach Regional Park	848,300	10%											
Glen Valley Regional Park	52,500	-16%											
Grouse Mountain Regional Park	497,700	1%											
Iona Beach Regional Park	259,900	6%											
Kanaka Creek Regional Park	715,000	10% ★											
Lynn Headwaters Regional Park	377,800	23%											
Minnehada Regional Park	173,000	2%											
Pacific Spirit Regional Park	3,937,700	-1%											
Pitt River Regional Greenway	212,500	9%											
Seymour River Regional Greenway	59,600	16% ★											
Surrey Bend Regional Park	116,600	-23%											
Tynehead Regional Park	555,900	3%											
TOTAL USE	14,489,100	0.2%											

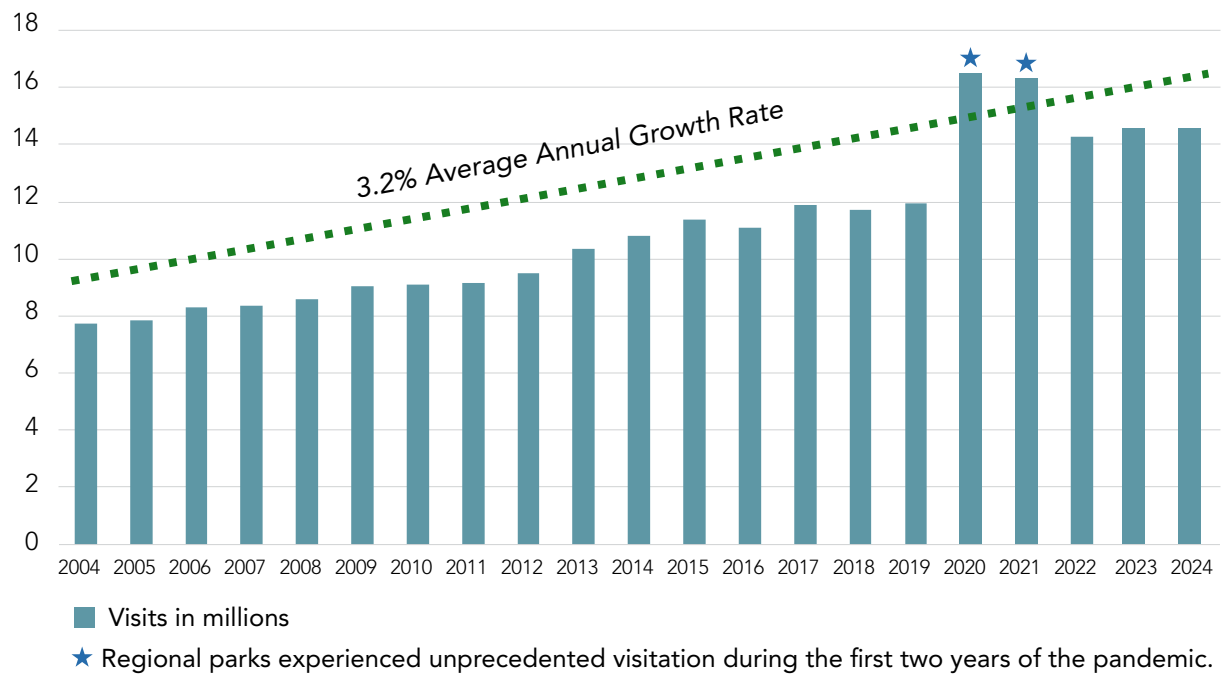
★ Record annual visitation

* Formerly known as Colony Farm Regional Park

Note: Visitation estimates are rounded to the nearest hundred in this figure.

Data counters installed at park entrances (roads and trails) are used to produce annual and monthly visitation estimates for each park.

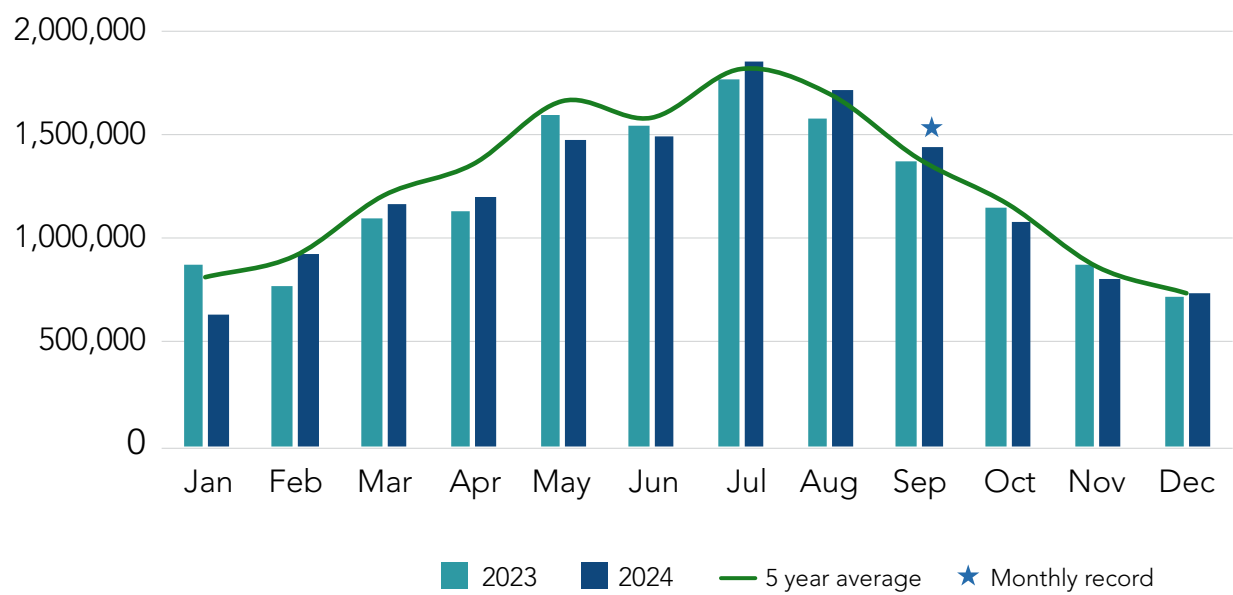
Annual Visits



Derby Reach Regional Park



Visits by Month



Public Programs and Events



41,171 total participants

10,954 group program participants

26,112 public program participants



579 total programs, events, and outreach activities

432 field trips & workshops

147 programs

Park interpretation enhances regional park experiences by revealing deeper connections with the natural world and fostering a sense of place and appreciation. Through engaging, experience-based programming, we cultivate a culture of care and understanding of our region's rich natural heritage, inspiring meaningful action to protect it.

Minnehada Regional Park



2024 Accomplishments

- Continued to connect newcomers to regional parks with English Language Learners walks and a new Picnic in a Park event where free transportation was provided
- Continued Youth Wellness Walks to support the well-being of at-risk youth
- Record numbers of visitors, including many newcomers to Canada, attended the Family Day Campfire event at təmtə́míxʷtən/Belcarra Regional Park where they were welcomed by members of sə́lilwətał (Tsleil-Waututh Nation)

Surrey Bend Regional Park





Celebrating 20 Years of Burns Bog Ecological Conservancy Area

Spring 2024 marked the 20th anniversary of the establishment of Burns Bog Ecological Conservancy Area. To celebrate, a limited number of public tours were offered in June, with funding for bus transportation provided by the Metro Vancouver Regional Parks Foundation. Although tours were kept small to reduce impact to this sensitive ecosystem, it was

a unique opportunity for people to experience a closed site. Participants learned about past and present impacts on the bog, such as peat extraction and fire. They saw plants that are uniquely adapted to bog life, including sundew, a carnivorous bog plant. And they were serenaded by trumpeting sandhill cranes.

Burns Bog Ecological Conservancy Area



What Our Participants Say

"Students came away with a better understanding of the animals and creatures that live in the park as well as what they can do to help care for them. Many students were excited to explore more parks and experience additional programs with Metro Vancouver."

Janine Jackson, Langley School District Summer School, field trip participant (multiple regional parks)

"Wonderful program! [The park interpreters] made sure we were safe, learned more about nature/the slough and all had a good time. I'm 74 and transit dependent. It made me feel much younger to be able to canoe in nature again, which I haven't done for many years."

Jeannine, Canoe the Slough program participant (Deas Island Regional Park)

"I loved all the light displays, the skits by the interpreters, the drumming station, the marshmallow roasting for s'mores, the hot chocolate, and being in the forest at night was fabulous. I took my grandchildren so they could learn about the importance of water and its connection to nature and our lives."

Night Quest event participant (Pacific Spirit Regional Park)

Pacific Spirit Regional Park



Facilities and Visitor Use

We strive to support physical and mental health by providing facilities that allow the public access to nature. From picnic areas that support social connections, to trails that enable quiet contemplation, everyone should have the opportunity to experience the wide range of benefits that emerge from time spent in nature.

2024 Accomplishments

- Completed accessibility reviews for the nature house at Campbell Valley Regional Park, including assessments for neurodiversity in exhibits and interpretive displays, as well as the Centennial Beach washroom and concession at Boundary Bay Regional Park
- Piloted a free weekend shuttle bus to Iona Beach Regional Park in the summer, in partnership with the City of Richmond
- Piloted mobile food vending at Boundary Bay Regional Park
- Initiated an online public form pilot for reporting issues in Burnaby Lake, Capilano River, and Tynehead regional parks

Iona Beach Regional Park

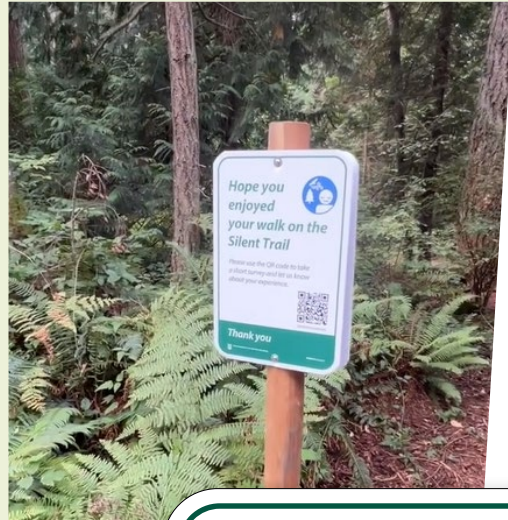




Silent Trails Pilot Project

Silent Trails was a research project spearheaded by the University of British Columbia that involved a pilot in two regional parks: Pacific Spirit and Campbell Valley. Portions of two trails were temporarily designated as “silent trails” where park visitors were encouraged to speak more quietly and notice the sounds of nature, such as wind in the trees, rain on leaves, and bird song. Studies show that connecting to nature can improve mental and physical health. Quieter trails also benefit wildlife and protect the natural soundscape of the park. For more information on the project, visit silenttrails.ca.

Pacific Spirit Regional Park



Parking Availability Pilot Project

Metro Vancouver initiated a pilot project to provide information about parking availability for Boundary Bay and Iona Beach regional parks. A counter at the park entrance road records the number of vehicles entering and exiting the park. Software then provides the real-time estimate of available parking space. By visiting the regional park webpage, potential visitors can see how much parking space is currently available. This helps them make decisions about when to access the regional park, what form of transportation to use to get there, or whether to choose a different destination.

Designated Silent Trail



This portion of Top Trail has been temporarily designated as a “silent trail” as part of a research pilot project.

Notice the sounds of nature, such as
 ↑ wind in the trees
 ↓ rain on leaves
 ♪ bird song

Studies show that connecting to nature can improve mental and physical health.

Quieter trails also benefit wildlife and protect the natural soundscape of the park.

To learn more or take the survey, go to silenttrails.ca or scan the QR code



Enjoy your quiet walk

THE UNIVERSITY OF BRITISH COLUMBIA

metro.vancouver

Facility Reservations

Most regional parks have rentable facilities suitable to group picnicking and camping, weddings, special events, meetings, filming, and workshops. In 2024, more people than ever took advantage of our reservable buildings and facilities.



110,639 total visits* at camping facilities in six regional parks

100,374 visits at individual camping facilities in Derby Reach and Brae Island regional parks

152 unique groups had **10,265** visits at outdoor and indoor camping facilities in four regional parks

Surrey Bend Regional Park





884 groups had **140,659** visits at reservable buildings and facilities

631 unique groups with **35,323** guests visited picnic shelters in eight regional parks

253 unique groups had **105,336** visits at buildings and other booking opportunities in regional parks

* "Visits" are counted as "person days" (one person staying for two days counts as two "visits")



Volunteering



**16,994 total
volunteer hours**



**4,957 total
volunteer instances**

A volunteer instance is when one person volunteers once at an event or program.

Each year, staff, partners, and volunteers invest time and effort to restore the health and beauty of our regional parks. Volunteers contribute to the delivery of a range of programs and activities in regional parks including community science, educational activities, and other events in regional parks. In 2024, the number of volunteer instances surpassed participation levels from the last three years.



Campbell Valley Regional Park

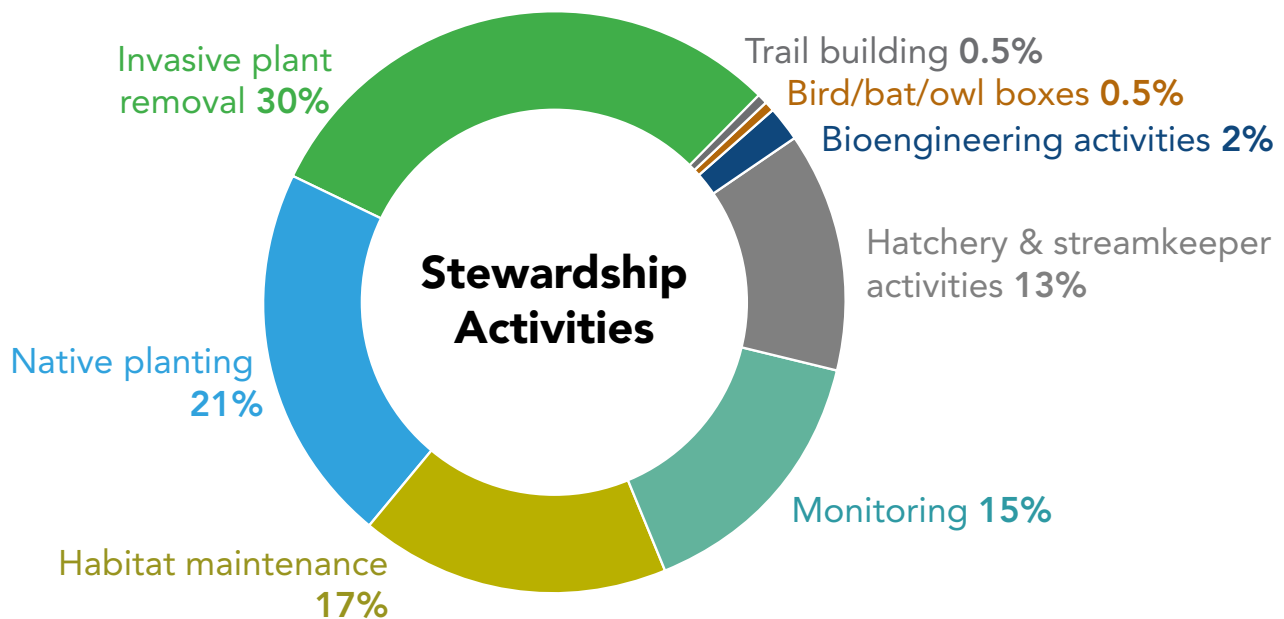


19,099 kg of invasive species removed

11,745 native plants added to regional parks

Environmental Stewardship

In 2024, 3,991 volunteer instances supported 388 environmental stewardship work parties in regional parks, contributing 11,533 volunteer hours.



Park Partners and Public Programs

Volunteers support the delivery of community science, educational activities, and other events in regional parks. In addition, volunteers contribute hours to strategic and program planning, coordination, display development, fundraising, and board governance. In 2024, 966 volunteer instances contributed over 5,461 volunteer hours.

Tynehead Regional Park



What Our Volunteers Say

"Working in parks has been incredibly impactful for our students. On one notable day, we arrived to plant native species and walking through the site was a beautiful deer with huge antlers. The students were in awe – of the deer himself, and of the fact that what they were doing that day would directly benefit him. There is no substitute for the knowledge and experiences our students have gained through Regional Parks. We are so grateful!"

Sarah Davies, Science, Math,
Leadership & LINK Crew, Samuel Robertson
Technical Secondary



Getting the Word Out

Regional Parks Newsletter

This monthly e-newsletter highlights behind-the-scenes stories as well as the latest Regional Parks news and events.

6,125 subscribers

Check out archived issues online

metrovanancouver.org

(search "Regional Parks newsletter")

Nature Program Guide

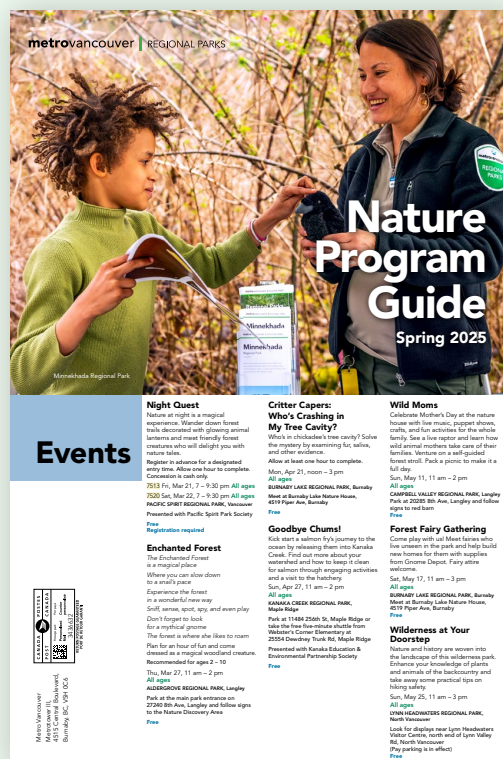
Published in the spring, summer, and fall/winter.

Promotes events and activities for all ages to learn about, connect with, and enjoy nature in regional parks.

Distribution includes household mailouts, park kiosks, community centres, libraries, and city halls.

Over **6,000** people received each seasonal nature program guide by email.

24,900 hard copies of the nature program guide were distributed per edition, on average.



Social Media and Video

Regional Parks connects with people through social media, sharing information ranging from nature activities and volunteer opportunities to safety and land acquisition announcements. Social media is also a way for people to reach out to and engage with Regional Parks.

3 videos produced and shared

- 14,903 Regional Parks Facebook content interactions and link clicks (includes reactions, comments, shares, and replies)
- 313,191 video views (YouTube and Vimeo)

2 videos promoted on YouTube pre-roll

- 313,000 pre-roll views

Pre-rolls reach viewers right before they watch their desired content, offering a way to capture attention early. These videos play before the main video content starts.

4 videos shared on community channels

Metro Vancouver also runs a monthly show on community channels. Delta Cable plays each episode six to 10 times a week and Novus about five times a week.



[FB.ME/MetroVancouverRegionalParks](https://fb.me/MetroVancouverRegionalParks)

48,873 Facebook engagements (includes reactions, comments, shares)



[@metrovancouverbc](https://www.instagram.com/metrovancouverbc)

67,400 impressions *

2,018 interactions (likes, shares, comments)*

*Regional Parks content

In 2024, Metro Vancouver Regional Parks protected over 13,900 hectares of regionally important natural areas with 14.5 million visits to its regional parks.



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SERVICES AND SOLUTIONS FOR A LIVABLE REGION



təmtəmíxw̓tən/Belcarra Regional Park

Regional Parks 2024 Annual Report

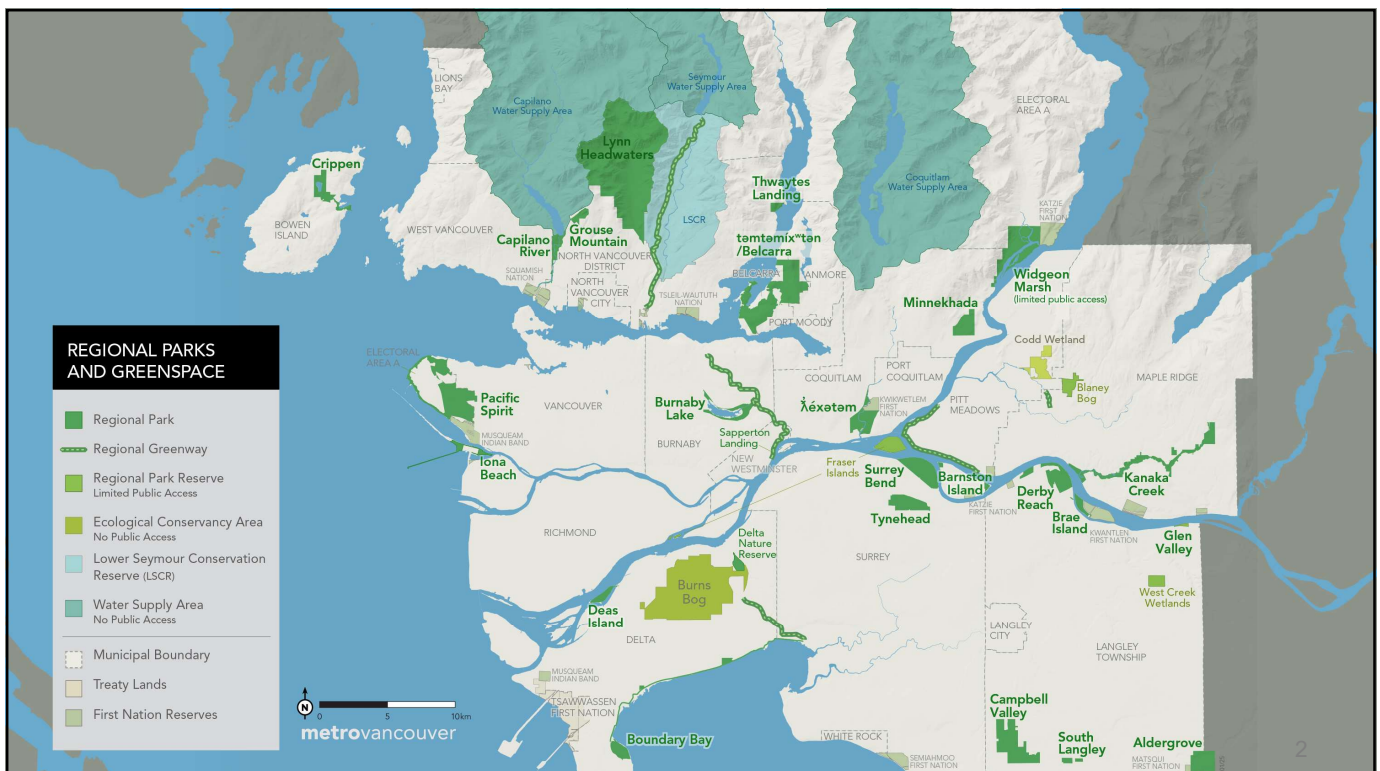
Jamie Vala

Division Manager, Planning and Resource Management, Regional Parks

Regional Parks Committee – May 7, 2025
74962733

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2

WORKING COLLABORATIVELY WITH FIRST NATIONS

- Ceremony for pair of new səliiwətał (Tsleil-Waututh Nation) welcome poles at təmtəmixʷtən/ Belcarra Regional Park and Whey-ah-Wichen/Cates Park



təmtəmixʷtən/Belcarra Regional Park

Protecting Important Natural Areas

Campbell Valley Regional Park



LAND ACQUISITION

- **80** hectares parkland acquired, including South Langley Regional Park



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5

5

STEWARDSHIP

- **38.2** hectares of ecological restoration areas created and maintained
- **388** stewardship work parties
- **19,099** kilograms of invasive species removed
- **11,745** native plants added to parks



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6

VOLUNTEERING

- **4,957** volunteer instances
- **16,994** hours to environmental stewardship and park partners and programs



Pacific Spirit Regional Park

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7

PARK OPERATIONS AND MAINTENANCE

Atmospheric River Rapid Response

- Staff took precautionary measures, alerted the public, and undertook major cleanup following October 2024 weather event

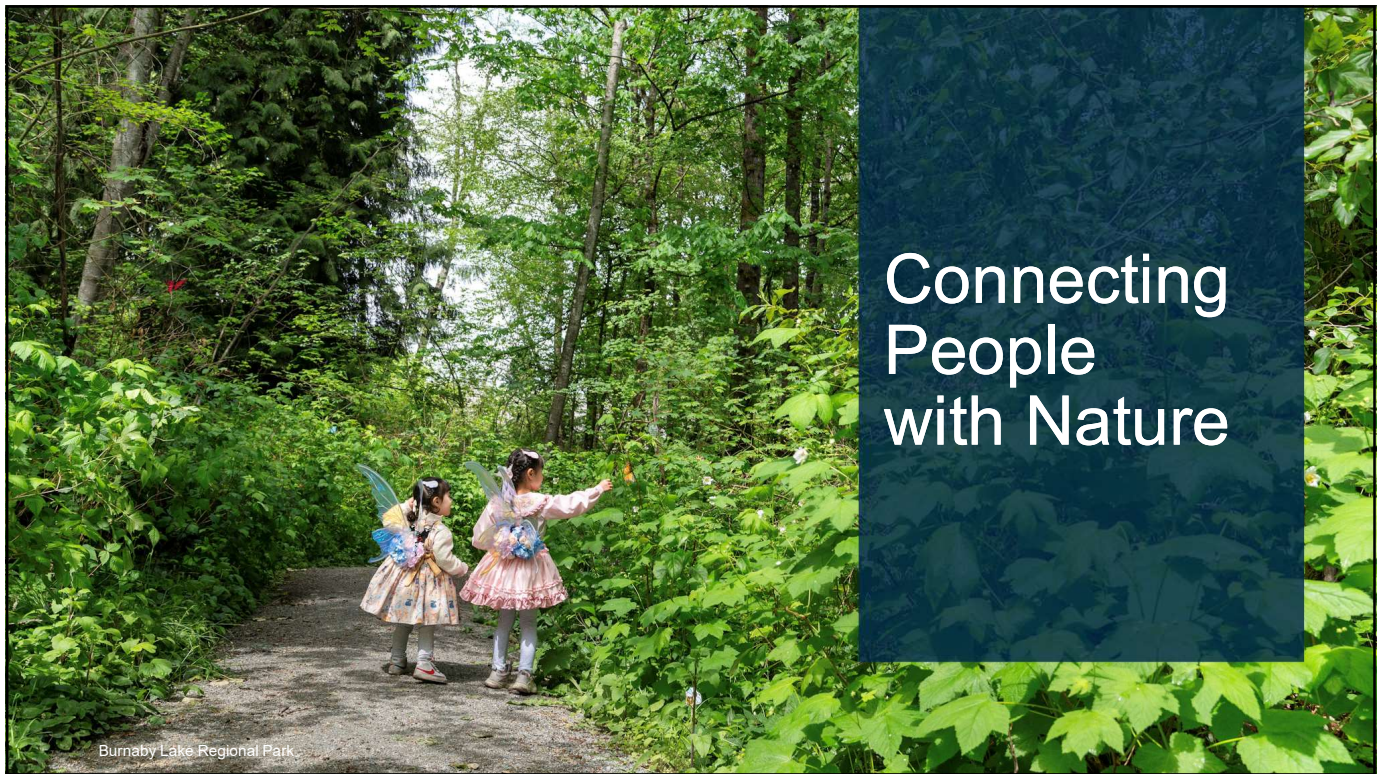


Grouse Mountain Regional Park

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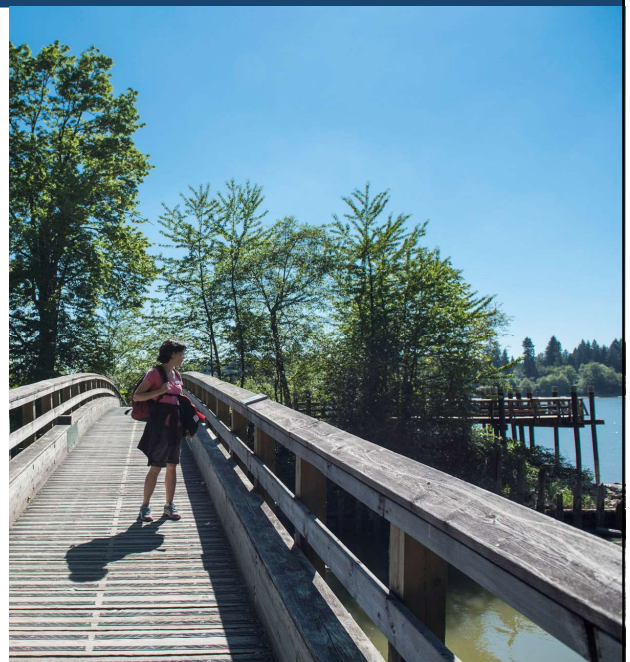
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VISITS

- 14.5 million park visits in 2024
- Record visits at:
 - Kanaka Creek Regional Park
 - Seymour River Regional Greenway



Kanaka Creek Regional Park

PUBLIC PROGRAMS AND EVENTS

- **41,171** total participants
- **579** total programs, events, and outreach activities



Surrey Bend Regional Park

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11

11

ASSET MANAGEMENT AND NEW DEVELOPMENT

- Grouse Mountain Regional Park trail and site improvements
- New park entrance at Campbell Valley Regional park
- Trail development and opening of Dorman Point
- Major upgrades to heritage buildings



Grouse Mountain Regional Park

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12

12

CONTINUOUS IMPROVEMENT AND NEW INITIATIVES

- Real-time parking availability tool at two regional parks
- *Silent Trails* project at two regional parks
- Mobile food vending at Boundary Bay Regional Park
- Free shuttle bus to Iona Beach Regional Park



Iona Beach Regional Park

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13

13



Burns Bog Ecological Conservancy Area

Thank you

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Together we make our region strong

14

14

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SERVICES AND SOLUTIONS FOR A LIVABLE REGION

To: Air Quality and Climate Committee

From: Jacquay Foyle, Senior Project Engineer, Bylaw Regulation and Development, Air Quality and Climate Action Services
Lucy Duso, Division Manager, Collaboration and Engagement, External Relations

Date: April 17, 2025 Meeting Date: May 9, 2025

Subject: **Update on Work to Amend the GVRD Boilers and Process Heaters Emission Regulation Bylaw No. 1087, 2008**

RECOMMENDATION

That the Air Quality and Climate Committee receive for information the report titled “Update on Work to Amend the GVRD Boilers and Process Heaters Emission Regulation Bylaw No. 1087, 2008”, dated April 17, 2025.

EXECUTIVE SUMMARY

As part of Metro Vancouver’s responsibility to manage regional air quality, the GVRD Boilers and Process Heaters Emission Regulation Bylaw No. 1087, 2008 (GVRD Bylaw No. 1087, 2008) controls the discharge of air contaminants from boilers and process heaters in buildings and light industrial facilities. In May 2022, the MVRD Board authorized staff to engage on proposed bylaw amendments to reduce emissions of nitrogen oxides, with the aim to continue meeting federal ambient air quality standards, protect public health, and minimize costs to equipment owners.

Current health findings indicate that even low concentrations of nitrogen oxides can cause health impacts like illness, hospitalization, and premature death, so it is important to keep air quality regulations current and aligned with research and best practices. In addition, proposed amendments will account for current economic conditions, feedback from engagement with those most likely to be impacted, and alignment with leading jurisdictions.

Before bringing proposed amendments to the MVRD Board, staff will explore options that propose cleaner technology, set short-term requirements achievable with Canadian technologies where possible, reduce costs relative to initial proposed amendments, and protect people near higher-emitting facilities.

PURPOSE

That the MVRD Board receive information on progress to update GVRD Bylaw No. 1087, 2008, which aim to reduce the impacts of nitrogen oxides (NO_x) emissions from boilers and process heaters in this region.

BACKGROUND

Metro Vancouver’s *Clean Air Plan*, 2021 includes a goal to meet or be better than ambient air quality objectives and standards at the regional, provincial, and federal levels in order to continue protecting public health. In response to stricter federal standards, at its November 29, 2024

meeting, the MVRD Board adopted an updated regional ambient air quality objective for nitrogen dioxide due to the health-harming potential of NO₂ even at relatively low concentrations. Taking action to reduce NO_x emissions from boilers and process heaters will contribute to improving air quality in the Metro Vancouver region. At its meeting on May 27, 2022, the MVRD Board authorized staff to proceed with engagement on approaches to reduce emissions from this sector, as presented in the report titled “Engagement on Proposed Amendments to *GVRD Boilers and Process Heaters Emission Regulation Bylaw No. 1087, 2008*”, dated April 20, 2022.

This report updates the Air Quality and Climate Committee and MVRD Board on progress in the development of the amendments and outlines the results of engagement on proposed amendments to GVRD Bylaw No. 1087, 2008.

HEALTH IMPACTS OF EMISSIONS OF NITROGEN OXIDES FROM BOILERS AND PROCESS HEATERS

Nitrogen oxides (NO_x) are a mixture of nitrogen oxide (NO) and nitrogen dioxide (NO₂). They are formed when fuel such as natural gas or biomass is burned at high temperatures, for example to produce steam or hot water used in industrial processes, and for space heating and hot water in buildings. NO emitted during combustion quickly reacts to form NO₂ in the atmosphere. Boilers and process heaters regulated under GVRD Bylaw No. 1087, 2008 contribute over half of the NO_x emissions from heating of buildings and light industrial processes in the Metro Vancouver region.

NO₂ causes adverse impacts on heart and respiratory health, increases hospitalization, and can cause premature death, even at low concentrations (Reference 1). Children, the elderly, and people with existing cardiac and respiratory conditions are particularly sensitive to NO₂. Approximately 1,900 tonnes of NO_x are emitted from boilers and process heaters in the Metro Vancouver region annually. The associated health impacts are estimated at a cost of about \$58 million per year (Reference 2). NO_x can contribute to the formation of other harmful air contaminants like ground-level ozone and particulate matter, which also affect human health. Metro Vancouver has received air quality complaints from building occupants located near boiler emission stacks who experience localized impacts from exposure to the air contaminants emitted, including NO₂.

Emissions from high-capacity boilers and process heaters can cause nearby concentrations of NO₂ to increase above the federal standards and regional ambient air quality objectives in locations where people live, work, and play. Because NO₂ is harmful even at low concentrations, it is important to protect the public from exposure to local emissions. Localized and regional impacts of boilers and process heaters can be reduced through amendments to GVRD Bylaw No. 1087, 2008.

PROPOSED AMENDMENTS TO GVRD BYLAW NO. 1087, 2008

Under Metro Vancouver’s delegated authority to manage air quality, GVRD Bylaw No. 1087, 2008 (Reference 3) regulates the discharge of air contaminants such as NO_x from boilers and process heaters fueled solely by natural gas, propane, or biomass having a combined capacity under 50 MW. This equipment is used in residential, institutional, commercial, and light industrial facilities. Facilities having a larger total boiler and process heater capacity are typically managed through site-specific permits.

To protect public health, Metro Vancouver proposed bylaw amendments for the purpose of:

- Using cleaner, lower-emitting equipment that is now available on the market, and
- Identifying and mitigating local impact of higher-emitting facilities.

ENGAGEMENT

Engagement began in July 2022 on proposed bylaw amendments, focusing on those likely to comment, be impacted, or have a role in implementation. Metro Vancouver collected input from meetings with interest holders, feedback forms, roundtable discussions, webinars, and direct letters or emails. Through these activities, staff heard from a range of backgrounds and perspectives — governments including First Nations, interested and affected groups including those in the public health and safety sector, industry associations, facility operators, thermal energy network (district energy) providers, equipment suppliers and manufacturers, and the public. These groups provided input on proposed bylaw changes as described in a discussion paper (Reference 4). Attachment 1 summarizes engagement activities and what staff heard in that engagement. Staff continue to have conversations with key interest holders.

FINDINGS FROM ENGAGEMENT AND RESEARCH

Research to refine the initial proposed amendments included input from interest holders, such as health authorities, equipment manufacturers, and building developers, owners, and managers.

The key comments and suggestions received during engagement were:

- Protect sensitive populations (children, the elderly, and people with existing respiratory and cardiac conditions) from exposure to nitrogen oxides
- Ensure that equipment would be available to meet the proposed amendments
- Reduce costs associated with the proposed amendments
- Avoid premature equipment replacements
- Make allowances for equipment selected before amendments take effect
- Align with other jurisdictions' requirements, as well as codes and standards
- Provide clarity around regulatory fees applied to institutions

Metro Vancouver retained a consultant to analyze options to address interest holders' concerns and recommendations. This research includes examples from other leading jurisdictions and interviews with equipment manufacturers. Key findings are:

- Equipment is available in BC to meet the proposed emission limits or improve upon the current bylaw's emission limits, at comparable or slightly higher cost in 2024;
- Codes, standards, and other jurisdictions' policies applicable to this sector identify emission stack design criteria that can mitigate local impacts of NOx emissions; and
- As currently understood, alignment with the BC government's proposed highest energy efficiency standards (HEES) is not possible for boilers fueled solely by natural gas or propane, whether they meet current or proposed NOx emission limits. Other types of heating equipment, such as dual-fuel systems, may meet the HEES. Packaged hybrid and dual-fuel systems are not regulated under GVRD Bylaw No. 1087, 2008.

Update on Work to Amend the GVRD Boilers and Process Heaters Emission Regulation Bylaw No. 1087, 2008

Air Quality and Climate Committee Regular Meeting Date: May 9, 2025

Page 4 of 5

NEXT STEPS

Staff are refining the proposed amendments with the intent of aligning with leading jurisdictions and taking into account the impacts of current economic and geopolitical uncertainty on the costs and availability of lower-emitting technologies in Canada.

Staff are moving toward:

- Proposing stricter requirements only when new equipment is installed or when equipment is replaced at its natural end-of-life;
- Setting short-term requirements achievable with Canadian technology;
- Reducing the cost of the proposed changes; and
- Protecting people near higher-emitting facilities.

Staff will continue to engage with institutions, in particular post-secondary institutions and hospitals, about potential fee amendments to fairly recover costs and encourage emissions reductions from higher-emitting facilities in this sector. Staff will continue to welcome feedback from all key interest holders and consider it along with findings from technical studies. Staff intend to return to the Air Quality and Climate Committee and MVRD Board with a report describing the response to the feedback and proposing the adoption of updated amendments later in 2025.

ALTERNATIVES

This is an information report, and therefore no alternatives are presented.

FINANCIAL IMPLICATIONS

The engagement program, research, and ongoing conversations have been accommodated within the annual budget. Any staff resource implications associated with amendments to GVRD Bylaw No. 1087, 2008 will be presented as part of a report proposing the adoption of amendments.

CONCLUSION

Metro Vancouver staff continue to engage on proposed amendments to the *GVRD Boilers and Process Heaters Emission Regulation Bylaw No. 1087, 2008*. In response to feedback, Metro Vancouver staff undertook additional research to inform the development of bylaw amendments. The proposed amendments are expected to protect residents from localized air quality impacts near boilers and industrial process heaters. The proposed amendments would also support continuous improvement in ambient air quality to meet or be better than federal standards and regional ambient air quality objectives for NO₂, which became more stringent in 2025. Metro Vancouver staff continue to discuss potential amendments with key interest holders. Staff intend to return to the Committee and Board with a report that considers feedback from affected audiences and additional research and proposes the adoption of updated amendments.

ATTACHMENTS

1. "Proposed Amendments to the Boilers and Process Heaters Emission Regulation Bylaw No. 1087: Engagement Summary", dated February 11, 2025.
2. Presentation re: "Update on Work to Amend Boilers and Process Heaters Emission Regulation", dated April 4, 2025.

Update on Work to Amend the GVRD Boilers and Process Heaters Emission Regulation Bylaw No. 1087, 2008

Air Quality and Climate Committee Regular Meeting Date: May 9, 2025

Page 5 of 5

REFERENCES

1. Health Canada. (2018, May). *Human Health Risk Assessment for Ambient Nitrogen Dioxide*. Retrieved from https://publications.gc.ca/collections/collection_2016/sc-hc/H114-31-2016-eng.pdf. Last accessed 2025, February 21.
2. Metro Vancouver. (2019, May 16). *Health Impact Scale for Air Quality Improvements in the Canadian Lower Fraser Valley Airshed*. Retrieved from <https://metrovanancouver.org/services/air-quality-climate-action/Documents/health-impact-scale-for-air-quality-improvements-in-the-canadian-lower-fraser-valley-airshed.pdf>. Last accessed 2025, February 21.
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Proposed Amendments to the Boilers and Process Heaters Emission Regulation Bylaw No. 1087, 2008

Engagement Summary

February 11, 2025

EXECUTIVE SUMMARY

The engagement period for the Proposed Amendments to the Boilers and Process Heaters Emission Regulation Bylaw No. 1087 took place between 2022 and 2024. The formal engagement period occurred from July 2022 to Nov 2022. Staff have continued conversations with key audiences throughout 2023 and 2024. Engagement focused on those likely to comment, be impacted or have a role in implementation. Staff heard a range of perspectives including from governments including First Nations, interested and affected groups including those in the public health and safety sector, industry associations, facility operators, District Energy providers, biomass manufacturers, equipment suppliers and manufacturers, and the public. During the formal engagement, Metro Vancouver collected input through 16 meetings with interest holders, 23 feedback forms, five roundtable discussions, two webinars, and 11 direct letters. Broader promotion of the opportunity to provide input reached approximately 43,000 people over social media.

Feedback is organized around the proposed bylaw amendments and comprises several cross-cutting themes, including challenges to meet the reduced NO_x emission limits by 2040, costs of upgrades and dispersion modelling, retrofitting, and equipment replacement, and the need for clarity in requirements and alignment with other jurisdictions' requirements, codes and standards. This report summarizes engagement activities and what staff heard, which will be used alongside technical work to refine proposed changes to Bylaw 1087.

TABLE OF CONTENTS

1.0	OVERVIEW	2
2.0	ENGAGEMENT APPROACH	3
2.1	Purpose of Engagement	3
2.2	Project Timeline	3
2.3	Engagement Activities	4
3.0	ENGAGEMENT PROMOTION	5
4.0	ENGAGEMENT FEEDBACK	6
4.1	Summary of Feedback	6
4.2	Detailed Feedback on Proposed Amendments	6
5.0	NEXT STEPS	14

1.0 OVERVIEW

Metro Vancouver is considering amendments to the GVRD Boilers and Process Heaters Emission Regulation Bylaw No. 1087, 2008 (Bylaw 1087), which regulates the discharge of air contaminants from boilers and process heaters in buildings and some industrial facilities in the Metro Vancouver region. This initiative is part of Metro Vancouver's commitment to ongoing improvements to regional air quality while meeting or exceeding national standards for ambient air quality, as well as efforts to protect human health per Metro Vancouver's *Clean Air Plan*.

Boilers and process heaters are sources of air contaminants such as nitrogen oxides (NO_x) and greenhouse gas (GHG) emissions. Emissions of NO_x result in the formation of nitrogen dioxide (NO₂) and can also contribute to the formation of harmful ground-level ozone and fine particulate matter. Because NO₂ is harmful even at low concentrations, it is important to protect sensitive populations, such as children, elderly people, and people with existing cardiac and respiratory conditions, from exposure to NO₂.

The proposed amendments aim to support continuous improvement to regional ambient air quality and protection of human health by further reducing the discharge of health-harming air contaminants from boilers and process heaters.

The proposed amendments include:

1. Stricter NO_x emission limits for natural gas or propane-fired boilers and process heaters
2. Introduction of a NO_x emission limit for biomass-fired boilers and process heaters
3. Accelerated replacement of existing boilers and process heaters before end of life to meet stricter emission limits by 2040
4. Mandatory dispersion modelling for new larger natural gas or propane-fired boilers and process heaters
5. Monitoring and mitigation requirements when ambient air quality objectives are not met in dispersion modelling, including phasing out higher-emitting, existing equipment within 10 years
6. Additional design criteria for emission stacks

As part of our commitment to engage with audiences affected by changes in the region, Metro Vancouver delivered an engagement program for this initiative that focused on those who are likely to comment, be impacted, or have a role in implementation of the proposed amendments.

Engagement for this initiative was based on a foundational discussion paper which describes the proposed amendments as well as the timeline for engagement and implementation.

2.0 ENGAGEMENT APPROACH

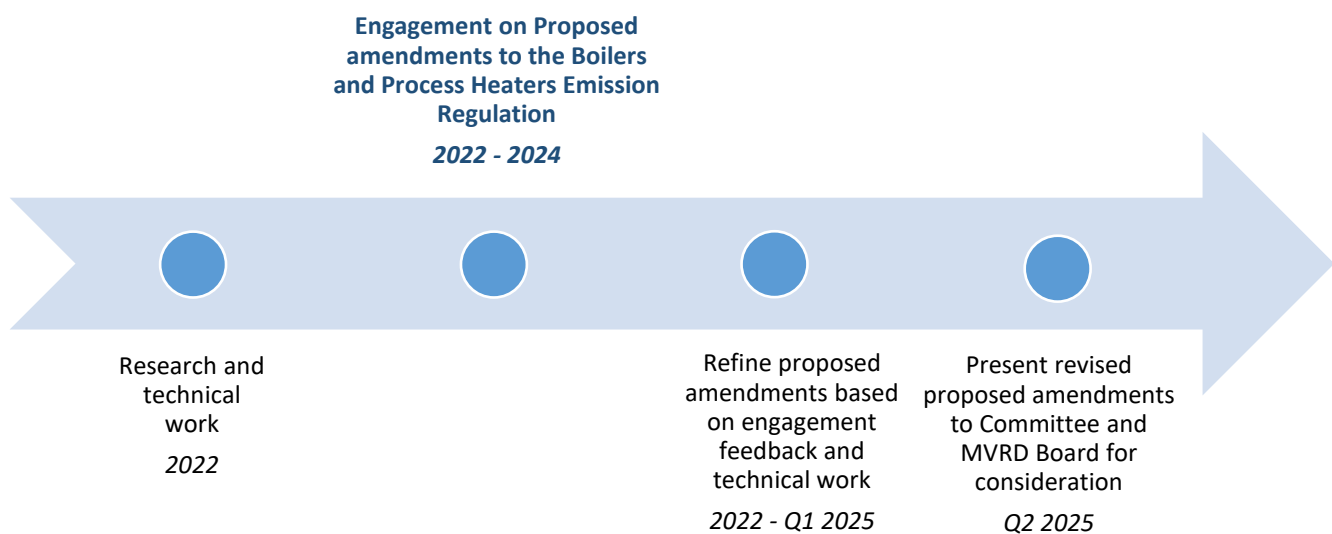
2.1 Purpose of Engagement

The objectives of the engagement for the proposed amendments are:

1. Share clear and comprehensive information about this initiative (e.g. correspondence, discussion paper and summary, website, webinar recordings, etc.)
2. Create audience-specific opportunities to provide feedback (e.g. sector-focussed webinars, association newsletter content, online feedback options etc.).
3. Receive input through at least correspondence, meeting minutes, webinars, and feedback forms.

2.2 Project Timeline

The engagement period for the Proposed Amendments to Bylaw 1087 took place between 2022 and 2024. Metro Vancouver began engagement in July 2022 with governments including First Nations, interested and affected groups including those in the public health and safety sector, industry associations, facility operators, Energy District providers, biomass manufacturers, equipment suppliers and manufacturers, and the public to seek input on the proposed changes to Bylaw 1087. Staff continued a dialogue with key audiences, including District Energy providers and the building sector, to inform refinements to the proposed Bylaw 1087 amendments over 2023 and 2024.



2.3 Engagement Activities

Mero Vancouver offered a variety of engagement activities to gather feedback on the proposed amendments. Throughout the engagement period, staff attended over 16 meetings or site tours with groups, hosted 5 roundtables and 2 webinars, received 11 direct letters or emails and 23 completed feedback forms.

Table 1 below outlines the engagement activities, as well as their respective audience(s).

Table 1: Summary of Engagement Activities Undertaken to Gather Feedback on Proposed Amendments to Bylaw 1087

Activity	Audience	Timing	Medium
Presentation to Lower Fraser Valley Air Quality Coordinating Committee	Staff from member jurisdictions and regulatory agencies	June 22, 2022	Virtual
Invitation to complete feedback form	Public, members of the development community, industry and business associations	July to November 30, 2022	Project webpage on Metro Vancouver website, Industry newsletters, email to subscribed lists
Invitation to First Nations to review and comment	First Nations (ten): <ul style="list-style-type: none"> • q̓icəy̓ (Katzie First Nation) • q̓wɑ:ḥłəḥ (Kwantlen First Nation) • k̓w̓ik̓wəłəm (Kwikwetlem First Nation) • máthxwi (Matsqui First Nation) • x̓w̓məθk̓wəy̓əm (Musqueam Indian Band) • qiqéyt (Qayqayt First Nation) • Semiahmoo First Nation • S̓k̓w̓x̓wú7mesh Úxwumixw (Squamish Nation) • scəw̓aθən məsteyəx̓w (Tsawwassen First Nation) • səliłwətał (Tsleil-Waututh Nation) 	July to November 30, 2022	Email
Two public webinars	Public, building owners and operators, industry and business associations	July 20, 2022 November 3, 2022	Virtual
Focused discussions and one-on-one meetings	<ul style="list-style-type: none"> • Industry associations • Facility operators and Energy District providers • Biomass manufacturers • Equipment suppliers and manufacturers • Agencies or organizations with a role in implementation 	July 2022 to August 2024	Virtual

Activity	Audience	Timing	Medium
Presentations to Metro Vancouver Advisory Committees	Municipal District Energy Advisory Committee Regional Engineers Advisory Committee (REAC)	September 23, 2022 October 7, 2022	Virtual
Invitation to review and comment	Chambers and Commerce Business Improvement Association First Nations Economic and Business Entities	October 2022	Email
Roundtable discussions	<ul style="list-style-type: none"> • Building owners, managers, and developers • HVAC and plumbing manufacturers, suppliers, trades, and mechanical contractors • Public institutions, School Districts, and municipal facility managers, and operators • Health facility managers • NGO/NPO academics with focus on building sector policy development 	October 26, 2022 November 2, 2022 November 9, 2022 November 10, 2022 November 18, 2022	Virtual

3.0 ENGAGEMENT PROMOTION

The engagement for proposed amendments to Bylaw 1087 was promoted on various online platforms during the engagement period, including the Metro Vancouver website, through email to our list of subscribed audiences and current registrants of Bylaw 1087, and via social media. In addition to Metro Vancouver promotion, industry associations, chambers of commerce and BC BIA were asked to distribute engagement information in their virtual newsletters.

Website

A dedicated project webpage was set up to highlight the information about the proposed changes to Bylaw 1087 and outlined opportunities to provide feedback during the engagement period. In addition, engagement opportunities were also promoted on Metro Vancouver's engagement webpage as well as the calendar of events webpage, featuring the feedback form and webinar series. There were over 1,130 project webpage views within the engagement period.

Feedback Form

Staff hosted a feedback form for interested and affected parties to provide input. The feedback form consisted of 10 questions specific to proposed new emission limits and requirements, and spaces for additional comments and suggestions. The form was promoted on the Metro Vancouver project webpage, social media, e-newsletters, and at all meetings and webinars.

Social Media

The engagement was promoted on LinkedIn, Twitter, and Facebook. The social media strategy used a series of organic posts to build awareness of the project, and encouraged feedback and social sharing. The campaign reached a total of 42,964 people across all platforms. 6% of the reach clicked on the feedback form link.

E-newsletters

Engagement activities were promoted via e-newsletters to Metro Vancouver's project subscription lists. To extend reach, staff included a communications package for industry associations to consider promoting to their membership. A total of 13 e-newsletters were circulated.

4.0 ENGAGEMENT FEEDBACK

4.1 Summary of Feedback

Across feedback on all the proposed bylaw amendments, there were several cross-cutting themes, including:

- **Challenges with Accelerated Replacement of Existing Equipment to Meet NO_x Emission Limit Reductions by 2040**

Participants stressed the importance of the proposed bylaw amendments in addressing public health impacts from boilers and process heaters emissions. However, there is some concern about meeting the proposed 2040 equipment replacement targets due to high retrofitting costs and potential premature equipment replacement.

- **Costs of Upgrades, Retrofitting, and Equipment Replacement**

Participants raised concerns that there was potentially a significant cost increase for installing ultra-low NO_x equipment compared to the current low NO_x equipment, and that there is limited availability of ultra-low NO_x equipment in BC, specifically if it is available for all sizes of equipment. There is concern for the cost of upgrading existing systems to accommodate the new ultra-low NO_x equipment and the practical challenges of doing so, including facility infrastructure upgrades. Participants emphasized the financial cost of retrofitting or replacing existing equipment that does not achieve the Ambient Air Quality Objectives in its dispersion modelling, especially within the proposed 10-year timeframe.

- **Need for Clarity in Requirements and Alignment**

There is a clear need for more guidance on when and how dispersion modelling will be required, as well as clarity around alternatives to equipment replacement for facilities that do not achieve the Ambient Air Quality Objectives. It will also be important to outline how the updated bylaw aligns and interacts with other layers of regulation (i.e., provincial mandates, municipal GHG targets, building codes, etc.).

4.2 Detailed Feedback on Proposed Amendments

Below summarizes responses that were heard from feedback forms, direct letters, emails, group meetings, roundtables and webinars. Comments are organized by the proposed amendments to Bylaw 1087 and by audience/group.

Feedback on Proposed Amendment:**Stricter NO_x Emission Limits for Natural Gas or Propane-Fired Boilers and Process Heaters**

Reduce the emission limit for new natural gas or propane-fired boilers and process heaters from 60 mg/m³ (current limit) to 20 mg/m³. This lower limit corresponds to ultra-low NO_x technology or zero-emission technology.

The feedback on the proposed bylaw amendment supports reducing NO_x emissions for public health benefits but raises concerns about the cost and availability of the new equipment, as well as the ability for all existing equipment to comply with the reduced emission limit by 2040. Key challenges include limited availability of and information on compliant technology for all sizes of equipment (including both NO_x and GHG reduction), high costs of upgrades, and premature equipment replacements. Concerns remain about the high cost of retrofitting and maintenance of existing facilities as well as facilities that may need to electrify to meet the proposed emission limits.

Positive Impact on Public Health

- Public health agencies emphasized potential health impacts from NO_x, including respiratory issues, and expressed the need to make necessary changes immediately.
- From the feedback forms, eight respondents indicated that the proposed emission limit reductions are achievable. Four indicated that the limit was not stringent enough. There were comments that facilities should prioritize switching to zero emission technology as a first choice.

Concerns with Stringent Limit Reduction

- Equipment suppliers and manufacturers suggested to separate regulation into two categories, distinguishing emission limits between smaller size residential/commercial boilers (packaged boilers) and larger size commercial/industrial boilers.
- Facility Operators and District Energy providers expressed concern that equipment purchased shortly before or after a new regulation takes effect may not comply with new regulation. Commitments to equipment selection can be made years before the purchase.
- From the feedback forms, ten respondents indicated that the proposed emission limit reductions are too stringent to apply to all new natural gas or propane-fired boilers and process heaters.

Equipment Availability and GHG Reductions

- In roundtable discussions, participants questioned whether there is equipment available to meet ultra-low NO_x or zero-emission limits and requested more information on compliant equipment that is currently on the market.
- Energy utilities and District Energy providers emphasized that premature introduction of NO_x emissions targets could restrict the use of renewable natural gas and limit use of peaking boilers to supplement zero-emission systems, possibly increasing unsafe and unpermitted work.
- From the feedback forms, participants were concerned about availability of technology and equipment that are compliant with proposed requirements. There were comments on the lack of commercially available boilers - other than electric boilers - that can achieve proposed emission limits.
- Participants also questioned whether 'low NO_x emitting equipment' will meet the BC government's proposed energy efficiency standards, noting there is currently no natural gas-fired boilers available that can meet the proposed energy efficiency standards.

- Facility operators and District Energy providers shared concerns that electrification would be the only solution to meet the proposed changes, which for the large equipment that they employ would be very expensive to purchase and operate.
- Equipment suppliers and manufacturers requested that Metro Vancouver provide test methodology/standards for measuring NO_x emissions and harmonize standards with other jurisdictions. This includes providing a conversion methodology for mg/m³ to ppm or ng/J.

Upgrading and Operating Costs

- Facility operators and District Energy providers expressed concern with increased operating and maintenance cost. Participants also expressed that costs could unfairly impact District Energy Utilities (DEU) and might discourage DEU connectivity.
- From the feedback forms, participants shared concerns about potential expensive upgrades and installation of new boilers and requested more information on capital cost implications.

Equipment Lifespan and Replacement

- Facility operators and District Energy providers indicated that the lifespan of equipment varies widely from 15 to 30 years, based on size and how much the equipment is used, and possibly up to 50 years for large equipment that is used infrequently.
- Facility Operators and District Energy providers felt that emission limits for existing equipment needs to align with the equipment's natural end-of-life.

Feedback on Proposed Amendment:

Introduction of a NO_x Emission Limit for Biomass-Fired Boilers and Process Heaters

Include NO_x emission limit of 120 mg/m³ for new biomass-fired boilers and process heaters.

There is support for regulating emissions from biomass facilities similarly to natural gas or propane-fired boilers, with some feedback suggesting that the regulations are not stringent enough. Concerns remain about the high cost of retrofitting and maintenance of existing facilities.

Importance of Regulating Emissions from Biomass Facilities

- Participants emphasized that biomass-fired boilers do not produce less emissions than natural gas, therefore should be regulated too.
- From the feedback forms, one respondent indicated that the proposed emission limit is reasonable. Six indicated that the limit was not stringent enough.

Cost of Retrofitting and Maintenance

- A facility operator and biomass boiler permit holder stated that their facility may be able to meet the proposed emission limits.
- There was a suggestion to reduce the proposed emission limit for biomass boilers to 90 mg/m³, and apply it to new biomass boilers only.
- A facility operator and biomass boiler permit holder expressed concern that meeting the proposed NO_x emission requirement in an existing facility would not be straightforward and would be too costly to install and maintain as the costs for retrofitting an existing facility are higher than the initial installation.

- Energy utilities and District Energy providers had concerns about the lack of available biomass boilers that can achieve proposed emission limits, without the use of additional emission control technology such as scrubbers and other high-cost emission reduction technology.
- There were comments on the lack of commercially available boilers that can achieve proposed emission limits.
- From the feedback forms, four respondents indicated that the proposed emission limit is too stringent to apply to all new biomass-fired boilers and process heaters.

Feedback on Proposed Amendment:

Accelerated Replacement of Existing Boilers and Process Heaters before End of Life to Meet Stricter Emission Limits by 2040

Require all boilers and process heaters to meet the proposed nitrogen oxides (NO_x) emission limits by 2040 (for natural gas or propane-fired boilers and process heaters and biomass-fired boilers and process heaters).

The feedback on the proposed bylaw amendment suggest that the requirements may be difficult and costly to achieve. While some emphasized the need to protect public health, others raised concerns over the costs of forced equipment replacements.

Equipment Lifespan and support for Replacements

- Facility Operators and District Energy providers felt that the proposal to replace existing equipment by 2040 is too short and may result in unnecessary and costly replacements before the equipment end-of-life.
- From the feedback forms, two respondents indicated the requirement for all boilers and process heaters to meet the proposed NO_x emission limits by 2040 will be easily achievable or somewhat possible to achieve, noting that while it would be difficult to achieve, steps need to be taken to prioritize public health. They expressed the need for better incentive programs, such as better rebates for heat pumps and improving electrical service capacity to electrify buildings.

Upgrading Costs

- From the feedback forms, fourteen respondents indicated that the requirement for all boilers and process heaters to meet the proposed NO_x emission limits by 2040 will be difficult or impossible to achieve. There were concerns about cost to businesses, homeowners and customers.

From the feedback forms, participants questioned whether 2040 is an achievable timeline to replace existing equipment unless the cost to convert equipment is known. They expressed that it does not make financial sense to replace usable equipment and it would be best to align any requirements with the natural end-of-life of equipment.

Feedback on Proposed Amendment:

Mandatory Dispersion Modelling for New Larger Natural Gas or Propane-Fired Boilers and Process Heaters

Introduce mandatory dispersion modelling for new boilers or process heaters fueled by propane or natural gas:

- *when the facility capacity is greater than or equal to 10 MW*
- *when the facility capacity is greater than 3 MW and less than 10 MW, and the discharge point(s) are within 100 metres of sensitive receptors such as schools, hospitals, and community care facilities*

The feedback on the proposed bylaw amendment showed mixed perspectives on dispersion modelling as a tool to address Metro Vancouver's Ambient Air Quality Objectives. While some emphasized the need for dispersion modelling to mitigate negative impacts on vulnerable or sensitive populations, others raised concerns with the proposed size thresholds and highlighted the need for more clarity on funding and contractor availability for modelling. There were also questions about how dispersion models will show compliance and the potential outcomes if a model shows that a site occupied by vulnerable or sensitive populations would be affected.

General Support for Dispersion Modelling Requirements

- Public health agencies noted support for this proposed change as a way for new facilities to demonstrate attainment of Metro Vancouver's Ambient Air Quality Objectives.
- From the feedback forms, five respondents indicated that the proposed size threshold (greater than or equal to 10 MW) is acceptable. Five respondents also indicated that the threshold was too high and that smaller equipment should be subject to dispersion modelling. There was also a suggestion to consider a threshold model where the criteria are based on the capacity of individual pieces of equipment rather than the overall system capacity.

Mitigation of Health Impacts on Vulnerable or Sensitive Populations

- Public health agencies emphasized the need for dispersion modelling to mitigate health impacts on vulnerable or sensitive populations and suggested the inclusion of impacts on any residences located within 100 metres of smaller facilities, since these sites could be occupied by vulnerable or sensitive populations.
- From the feedback forms, six respondents indicated that dispersion modelling is acceptable when the facility capacity is greater than 3 MW and less than 10 MW, and the discharge point(s) are within 100 metres of sites occupied by vulnerable or sensitive populations (sensitive receptors) such as hospitals, schools, and community care facilities. Four respondents indicated that the proposed size threshold is too high and that smaller equipment near sensitive receptors should be subject to dispersion modelling.

Exemptions from Dispersion Modelling

- Industry associations working in building management suggested that if systems comply with ultra-low NO_x emissions and emission stack design requirements that they be exempt from testing and dispersion modelling.
- From the feedback form, four respondents indicated that facility capacity greater than or equal to 10 MW is too low and that only larger equipment should be subject to dispersion modelling.
- From the feedback forms, five respondents indicated that the facility capacity between 3-10 MW is too low and that only larger equipment near sensitive receptors should be subject to dispersion modelling.

Availability of Funding and Support for Dispersion Modelling

- Industry associations working in building management requested more information on dispersion modelling and costs, including the availability of contractors and funding to assist with and conduct required modelling.

Process and Cost of Demonstrating Compliance

- Facility operators and District Energy providers commented on the burden of requiring dispersion modelling if a sensitive receptor (e.g., community care facility) is developed within 100 metres of a facility after the boiler/process heater is installed.
- Industry associations questioned how dispersion models will show achievement of ambient air quality objectives and the potential outcomes if a model shows that a sensitive receptor would be affected. There was some concern that not meeting the objectives would result in additional costs and burden on the facilities.
- From the feedback forms, some expressed concerns about fairness and unbiased assessment as requirements are seen to promote electrification as the only way to demonstrate achievement of Ambient Air Quality Objectives.

Feedback on Proposed Amendment:

Monitoring and Mitigation Requirements when Ambient Air Quality Objectives are Not Met in Dispersion Modelling, Including Phasing Out Higher-Emitting, Existing Equipment Within 10 years

Introduce requirements if dispersion modelling shows that modelled impact due to emissions from a new boiler or process heater exceeds an ambient air quality objective:

- *make changes to the discharge of air contaminants and/or stack configuration to demonstrate attainment*
- *additional testing to demonstrate achievement of ambient air quality objectives*
- *the District Director may also require additional studies, such as more complex emissions modelling, ambient monitoring, and implementation of an approved exposure mitigation plan*

For existing boilers and process heaters, it is proposed that the Metro Vancouver District Director could require dispersion modelling by the owner/operator of the facility. If dispersion modelling does not achieve ambient air quality objectives, the owner/operator would be required to achieve objectives when the boiler or process heater is replaced or within ten years from the date of the dispersion modelling, whichever is sooner.

Feedback on the proposed bylaw amendment suggests that the requirements are generally achievable, but clearer guidelines are needed on when dispersion modelling is required and alternatives to address situations where the ambient air quality objectives are not achieved. Participants also highlighted the need for more robust NO_x mitigation plans and expressed concern about the cost of equipment replacement, indicating the 10-year replacement timeline is too short given the long lifespan of existing equipment.

Clarity on Dispersion Modelling Authority & Alternatives to Address Situations where Ambient Air Quality Objectives Not Achieved

- Roundtable and webinar participants expressed a need for clarification on the District Director's authority, usage and process for requiring dispersion modelling and additional studies to be undertaken by building owners/operators. This includes the frequency and method used to require modelling.

- From the feedback forms, twelve participants indicated that the requirement is easily achievable or somewhat possible to achieve. Some comments expressed the need for more information on alternatives to equipment replacement to achieve ambient air quality objectives.
- Industry associations questioned how dispersion models will show achievement of ambient air quality objectives, and wanted more information on the potential implications if a model shows that a sensitive receptor would be affected. There was some concern that not meeting the objectives would result in additional costs and burden on the facilities.

Need for Robust Emission Mitigation Plans

- Public health agencies supported actions to enforce and require more robust NO_x exposure mitigation plans for existing facilities that do not achieve ambient air quality objectives.
- Roundtable and webinar participants were supportive of more robust NO_x exposure mitigation planning for existing facilities, but questioned what measures might be included in NO_x exposure mitigation plans and asked for more clarity on the requirement.

Cost of Dispersion Modelling and Compliance

- Industry associations expressed concern with the added cost and burden of mandatory dispersion modelling to prove that ambient air quality objectives are achieved. There were questions related to the kind of support or funding available to complete modelling requirements.
- A facility operator suggested that new developments adjacent to an existing utility contribute to the cost of the required dispersion modelling.
- From the feedback forms, six indicated that the requirement is difficult or impossible to achieve. Participants expressed concern about the negative impact on small businesses with the added cost.
- Industry associations and facility operators questioned the expectations of how to achieve ambient air quality objectives, what measures might be included in NO₂ exposure mitigation plans, and the costs of the additional studies and monitoring.
- Participants want to learn more about exposure mitigation measures for facilities that cannot meet the objectives and questioned the costs and availability for additional modelling, monitoring and potential facility design changes when ambient air quality objectives are not achieved.

Timeline for Equipment Replacement

From the roundtables and feedback form, participants felt the 10-year timeframe for achieving ambient air quality objectives is too short, especially when equipment has an approximate 20-30 year lifespan. It will be difficult for owners/operators to afford replacing equipment within that time and may result in costly replacements before the equipment's end-of-life.

Feedback on Proposed Amendment:**Additional Design Criteria for Emission Stacks**

Improve stack design for new boilers and process heaters; specifically, vertical discharge and the avoidance of rain caps, to improve dispersion of air contaminants and reduce impacts.

Metro Vancouver proposes to identify and require a minimum exit velocity from emission discharge stacks for new boilers and process heaters, where operationally feasible, to improve dispersion of air contaminants and reduce health impacts.

The feedback on the proposed bylaw amendment supports improving stack design to reduce negative public health impacts but raises concerns about the feasibility of vertical discharge and compatibility with municipal requirements and building codes. Participants also highlighted potential challenges with ensuring safety in system design and need for alignment with CSA standards.

Health Impacts in Surrounding Areas

- From the feedback forms, thirteen respondents indicated that the proposed requirement to improve stack design, specifically vertical discharge and the avoidance of rain caps, is easily achievable or somewhat possible to achieve. Participants emphasized the increasing number of new stacks and boilers and their health impacts on surrounding area residents.

Safe System Design

- Facility Operators and District Energy Providers expressed the importance of having new stack design align with CSA standards.
- Public safety agencies emphasized the need for stack design requirements to be engineered into the system design from the start to ensure the system can operate safely. There may be issues if existing systems are retrofitted to achieve requirements.

Concerns with Vertical Discharge

- From the feedback forms, three respondents indicated that the proposed requirement to improve stack design, specifically vertical discharge and the avoidance of rain caps, is difficult to achieve (none indicated it was impossible to achieve). Participants questioned that vertical design might not be the best option, especially without rain caps, as water will run down to the boiler. There were also concerns that neighboring buildings with differing heights would result in NO₂ exposure for the taller buildings, as the smaller ones send exhaust above.

Municipal Requirements and Building Code Alignment

- Roundtable and webinar participants questioned how the proposed requirements for stack design would integrate with building codes, particularly regarding height differences. Some participants suggested that stack design should be determined by manufacturer limits depending on building height (e.g., a tall building may have challenges with boiler vent lengths when boilers are located on lower storeys and may require side vents instead of vertical stacks).
- Roundtable and webinar participants questioned the cost of stack changes from current requirements, and how this aligns with other government requirements.
- Feedback form respondents also expressed concern that the proposed requirements would affect requirements set out by local governments and result in associated compliance costs.

Increased Exit Velocity Requirement

- Public safety agencies recommended that stack system designs be evaluated to ensure they can tolerate factors like extended stack length and changes to support increased exit velocity.
- From the feedback forms, five respondents indicated that the minimum exit velocity requirement is 'desirable and likely doable'; four respondents indicated that requirement is 'difficult and likely costly'; two respondents indicated that it was 'desirable but likely costly', while four indicated that it was 'desirable but difficult'.

5.0 NEXT STEPS

Feedback gathered through engagement will be reviewed and considered along with ongoing technical work and will help staff to finalize the proposed Bylaw 1087 amendments for Committee and Board consideration in 2025. Committee and Board will be presented with the feedback to make an informed decision.



Update on Work to Amend Boilers and Process Heaters Emission Regulation

Jacquay Foyle, P.Eng.

Senior Project Engineer

Air Quality and Climate Committee - April 4, 2025
73835680

Esther Bérubé, P.Eng.

Division Manager, Air Quality Bylaw Development

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MANAGING BOILER AND PROCESS HEATER EMISSIONS



**GVRD Boilers and Process Heaters Emission Regulation
Bylaw 1087
(under 50 MW capacity)**



**Site-specific
permits
(over 50 MW)**

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BOILERS AND PROCESS HEATERS EMISSION REGULATION

Fuels:

- Natural gas
- Propane
- Biomass



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HEALTH IMPACTS

Fuel combustion produces nitrogen oxides

- Impacts even at low concentrations of nitrogen dioxide:
 - Respiratory illness
 - Heart disease
 - More frequent hospitalization
 - Premature death
- Most at risk: children, elderly, and people with existing cardiac and respiratory conditions



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POLICY DRIVERS

Protect public from health impacts of nitrogen dioxide

Meet or be better than stricter ambient air quality objectives for nitrogen dioxide adopted by MVRD Board

Align with federal standards that took effect in 2025

Address air quality complaints from people exposed to nearby boiler emission stacks



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ENGAGEMENT ON BYLAW AMENDMENTS

What we heard:

- Protect sensitive populations
- Consider cost impacts and physical constraints
- Consider availability and reliability of equipment
- Avoid accelerated replacement
- Focus on reducing impacts of large facilities
- Align with codes and standards
- Provide clarity about fees for institutions



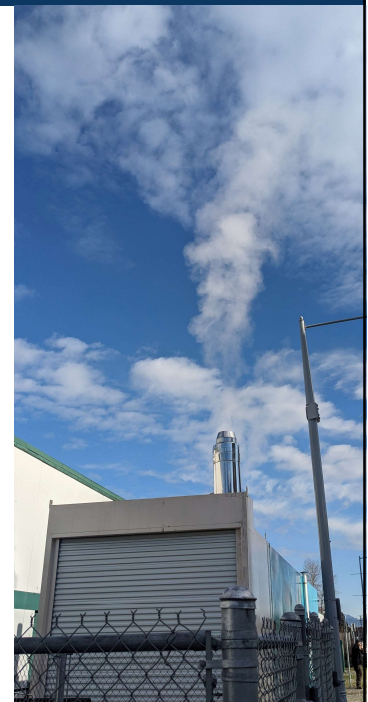
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HOW WE ARE RESPONDING

- Align with codes, standards, available equipment
- Reduce emissions from new equipment or replaced at end-of-life
- Reduce the cost of proposed changes
- Assess and mitigate impacts of larger facilities (including those near sensitive populations)
- Set achievable phase-in dates
- Continue to engage with institutions about fees



NEXT STEPS

- Continue to work on the proposed amendments
- Bring a proposal to the Board in mid-2025
- If adopted,
 - inform regulated community
 - phase-in likely starting 2026



To: Air Quality and Climate Committee

From: Daphne Mazarura, Senior Policy Analyst, Air Quality Bylaw and Regulation Development, Air Quality and Climate Action Services
Esther Bérubé, Division Manager, Air Quality Bylaw and Regulation Development, Air Quality and Climate Action Services

Date: April 11, 2025 Meeting Date: May 9, 2025

Subject: **Exploring Approaches to Manage Health-Related Air Contaminants from Commercial Food Production**

RECOMMENDATION

That the Air Quality and Climate Committee receive for information the report dated April 11, 2025 titled “Exploring Approaches to Manage Health-Related Air Contaminants from Commercial Food Production”.

EXECUTIVE SUMMARY

This report outlines a proposed study to explore measures to reduce air contaminant emissions from high-emitting commercial food production. The study will identify relevant emission control technologies and management measures used in other jurisdictions with consideration for the cost and availability of these technologies in the current context of economic uncertainty. Food production in the region is a vital sector, and staff are seeking information and options that address health concerns while accounting for costs and technology availability.

A few types of equipment and processes generate air contaminants, (such as those in smoke), that can impact the health of surrounding communities. Metro Vancouver receives about 100 to 200 air quality complaints per year related to commercial food production. Some member jurisdictions have asked Metro Vancouver to explore community impacts and potential changes to policies and regulations to better address impacts. This work will inform the evaluation of options for addressing impacts from high-emitting equipment and processes that discharge health harming air contaminants. Staff will incorporate any input from the Air Quality and Climate Committee into the project’s scope of work, and report back at a future meeting.

PURPOSE

To inform the Air Quality and Climate Committee about a project to explore health-related emission reduction measures for commercial food production equipment and processes.

BACKGROUND

Metro Vancouver is responsible for managing air quality in the Metro Vancouver region under authority delegated by the BC *Environmental Management Act* (EMA). Metro Vancouver manages the discharge of air contaminants from industries, trades and businesses, which include commercial food production, through the provisions of the *Greater Vancouver Regional District Air Quality Management Bylaw No. 1082, 2008* (GVRD Bylaw No. 1082, 2008). At the Metro Vancouver

Exploring Approaches to Manage Health-Related Air Contaminants from Commercial Food Production

Air Quality and Climate Action Committee Regular Meeting Date: May 9, 2025

Page 2 of 4

Regional District (MVRD) Board meeting on November 1, 2024, staff were asked about work to explore impacts of emissions from commercial wood-burning ovens as well as potential changes to policies or regulations.

The *Clean Air Plan* includes actions to encourage businesses to adopt cleaner operating practices:

- 3.1.10 “Reduce Air Quality Impacts from Odorous Air Contaminants”; and
- 3.3.2 “Air Quality Best Management Practices for Businesses and Organizations”.

This report provides information on an upcoming study to explore options to reduce the impacts of emissions of health-harming air contaminants from commercial food production equipment and processes.

COMMERCIAL FOOD PRODUCTION EMISSIONS IN METRO VANCOUVER

Commercial food production is a large and diverse sector in Metro Vancouver including over 12,000 facilities. A few commercial food production equipment and processes such as wood-burning ovens and charbroilers generate health-harming air contaminants impacting residents in close proximity. While not all commercial food production activities are high-emitting, certain equipment and processes generate smoke and odorous air contaminants that lead to 100 to 200 air quality complaints from residents to Metro Vancouver per year. Member jurisdictions have also received air quality complaints related to commercial food production.

Fine particulate matter (PM_{2.5}), a main component of smoke, is known to harm human health even at low concentrations in the air. Commercial food production is estimated to contribute about 6% of total regional PM_{2.5} emissions (Reference 1), although these estimates are uncertain and may not reflect the full range of emissions from this sector. These emission sources are frequently located in densely populated residential and commercial areas, where the emissions can have a strong localized impact on human health. Other health-harming air contaminants from commercial food production include nitrogen oxides and polycyclic aromatic hydrocarbons.

Commercial Food Production Emissions Management

The discharge of air contaminants from an industry, trade, or business is not authorized except in accordance with GVRD Bylaw No. 1082, 2008 and, where applicable, the terms and conditions of an emission regulation or a valid and subsisting permit, order, or approval. There is no emission regulation for the types of commercial food production that discharge air contaminants, therefore these emissions can only be authorized by permit, order, or approval. A more efficient approach to managing air emissions from high-emitting commercial food production is needed to cost effectively address residents’ concerns and protect public health, while taking into consideration the impacts of current economic and geopolitical uncertainty.

PROJECT DESCRIPTION

The goal of the project is to evaluate health-related emissions from commercial food production and identify emission management measures that can streamline and simplify the process for addressing the impacts of these emissions. The proposed study will:

- identify the types of low-emitting and high-emitting commercial food production equipment and processes used in the Metro Vancouver region;

Exploring Approaches to Manage Health-Related Air Contaminants from Commercial Food Production

Air Quality and Climate Action Committee Regular Meeting Date: May 9, 2025

Page 3 of 4

- assess existing and potential emission control technologies for health-harming air contaminants from commercial food production, with consideration for Canadian technologies;
- conduct a cost-benefit analysis of emission control technologies considering impacts of current economic and geopolitical uncertainty, such as tariffs;
- evaluate policy interventions in other jurisdictions that manage emissions from commercial food production; and
- enhance Metro Vancouver's ability to proactively address emissions of health-related air contaminants from high-emitting commercial food production.

Project Deliverables

The anticipated deliverable for this work is a report evaluating the findings on regional commercial food production equipment and processes, emission intensity, emission control technologies, and potential emission reduction interventions.

NEXT STEPS

Subject to feedback received from the Air Quality and Climate Committee, staff will initiate the project and issue a request for proposals for a study to evaluate emission reduction interventions for high-emitting commercial food production equipment and processes. Staff plan to issue a request for proposals in the spring of 2025, with the study to be completed by late 2025. Staff will report back at a future meeting.

ALTERNATIVES

This is an information report, and therefore no alternatives are presented.

FINANCIAL IMPLICATIONS

The estimated project cost is \$85,000. The final cost will be determined via a competitive procurement process in accordance with Metro Vancouver's procurement policies. Funds for this project are included in the approved program budget for 2025.

CONCLUSION

Some commercial food production equipment and processes, such as wood-burning ovens and charbroilers, generate air contaminants that can affect the health of residents in surrounding communities, especially children, seniors, and people with heart and lung conditions. Metro Vancouver and member jurisdictions have received many air quality complaints related to emissions from commercial food production. Exploring the emission intensity of commercial food production equipment and processes and potential emission reduction measures will help streamline and simplify the process for addressing emission impacts from high-emitting sources. Staff will incorporate any input provided by the Air Quality and Climate Committee into the project's scope of work, and report back at a future meeting.

Exploring Approaches to Manage Health-Related Air Contaminants from Commercial Food Production

Air Quality and Climate Action Committee Regular Meeting Date: May 9, 2025

Page 4 of 4

REFERENCE

1. Metro Vancouver. (2018, March). *2015 Lower Fraser Valley Air Emissions Inventory and Forecast*. Retrieved from <https://metrovancover.org/services/air-quality-climate-action/Documents/lower-fraser-valley-air-emissions-inventory-forecast-2015.pdf>. Last accessed 2025, March 10.

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SERVICES AND SOLUTIONS FOR A LIVABLE REGION

To: Finance Committee

From: Harji Varn, Chief Financial Officer, GM, Financial Services
Sonu Kailley, Director Financial Planning, Financial Services
Linda Sabatini, Director Financial Operations, Financial Services

Date: April 30, 2025

Meeting Date: May 15, 2025

Subject: **Metro Vancouver Financial Policies**

RECOMMENDATION

That the Finance Committee receive for information the report dated April 30, 2025, titled "Metro Vancouver Financial Policies".

EXECUTIVE SUMMARY

The objective of this report is to provide information to the Finance Committee on the current financial policy framework for Metro Vancouver as per the request of the Finance Committee. Metro Vancouver has established financial policies to safeguard the financial assets and instruments of each entity, by setting sound financial guidelines that promote prudent fiscal management. Current policies include:

- Financial Management Policy
- Corporate Allocation Policy
- Operating, Statutory, and Discretionary Reserves Policy
- Corporate Investments Policy
- Procurement and Asset Disposal Policy
- Real Estate Authority Policy

PURPOSE

The objective of this report is to provide information to the Finance Committee on the current financial policy framework for Metro Vancouver.

BACKGROUND

The Finance Committee is the standing committee of the Metro Vancouver Board that monitors Metro's financial management, providing advice & recommendations on financial policies, the annual budget, long-range plan, and overall financial oversight of results and the annual audit. The Metro Vancouver Financial Services Department has a fiduciary duty and stewardship responsibility to develop & maintain appropriate financial policies, processes & procedures to ensure overall financial sustainability, safeguarding assets & compliance with ongoing finance related statutory requirements & policies. These policies provide guidance during the annual budget process, capital planning process and the financial operations of the Financial Services Department.

Financial Management Policy

The *Financial Management Policy* was approved in October 2018 with the intent to guide decision making on funding current and long-term operating and capital expenditures for the Greater Vancouver Water District (GVWD), Greater Vancouver Sewerage and Drainage District (GVS&DD), the Metro Vancouver Regional District (MVRD) and the Metro Vancouver Housing Corporation (MVHC). The policy sets out the following principles:

- Funding of ongoing and recurring expenditures directly in the year in which they are incurred;
- Funding from Reserves in accordance with the *Operating, Statutory and Discretionary Reserves Policy*;
- Funding of expenditures matches the realization of the benefit from those expenditures when expenditures are not ongoing or recurring;
- Consistency with legislative requirements;
- Financial flexibility to meet future financial requirements; and
- Mitigation of current and future financial risk.

In applying these principles there are three key components of the policy:

1. Pay-As-You-Go Funding: This refers to funding ongoing and recurring expenditures directly through contribution to capital in the year in which they are incurred such that Metro Vancouver is minimizing borrowing costs related to consistent capital expenditures incurred. The objective is to increase the level of contribution to capital such that Metro Vancouver can fund recurring and ongoing capital requirement to ensure sustainable funding of its ongoing capital requirements.
2. Debt Amortization Period: The policy prescribes that long-term debt secured by Metro Vancouver will be amortized over 15 years. The intent is to reduce the risks associated with interest rate fluctuations over the term of the debt and reduce the total amount of interest paid by retiring the debt sooner which will provide greater financial flexibility. However, in October 2021, the Board approved a 30-year amortization term for the North Shore Sewerage Area's share of the debt related to North Shore Wastewater Treatment Plant Project.
3. Debt Service Level: The policy stipulates that the debt service level, which is a measure of the amount of annual revenues required to pay for debt service costs, shall not exceed 40%. The intent was to balance the risk associated with borrowing with the financial flexibility needed to meet financial requirements. Furthermore, consideration was given to the implication of the region's overall credit rating in discussions with the Municipal Finance Authority (MFA) at the time.

Operating, Statutory, and Discretionary Reserves Policy

Reserves are a key financial tool to provide financial security against an unforeseen financial loss, such as a short-term revenue shortfall or unexpected expenditures, and for meeting a future financial obligation. They are also used to manage rate fluctuations over time to provide certainty for ratepayers.

Metro Vancouver's reserves policy outline the principles and requirements that guide the establishment, use and management of Metro Vancouver reserves. A key governance component of the policy is that all reserves contributions and applications must be approved by the applicable Board.

The *Operating, Statutory, and Discretionary Reserves Policy* defines the following reserves. The appendix includes a full list of all reserves, including MVHC restricted reserves, with descriptions and balances as of December 31, 2024. The list does not include reserve accounts that are deemed deferred revenues except for DCCs.

1. Operating Reserves: Operating reserves are established for each legal entity and function for the purpose of financial security should there be an unforeseen financial loss beyond the control of the corporation. This could involve a sudden drop in water sales due to the weather or a reduction in tipping fee revenues due to the construction market. Each legal entity and function has a minimum reserve required based on the inherent level of risk of a financial loss. The table below outlines the minimum balances for the operating reserves.
2. Statutory Reserves: Statutory reserves are established where reserves are required under a legislative framework that governs their purpose and usage. These are established by provincial legislation (Local Government Act or Community Charter), Board approved bylaw or governing agreement with another level of government or entity. Examples include Development Cost Charge Reserves and Park Land Acquisition and Development.
3. Discretionary Reserves: Discretionary reserves are established by the Board for legal entities and statutory functions for the purpose of funding a known or anticipated future obligation. These reserves are not guided by a legal framework and serve as an additional revenue source in reducing the need for rates, levies and tax requisitions to fund expenditures.

Corporate Allocation Policy

The *Corporate Allocation Policy* specifies the methodology for allocating the costs of centralized support (such as Corporate Services, External Relations, Financial Services, Human Resources, Indigenous Relations, Legislative Services, Procurement and Real Estate Services and portions of Project Delivery) to each of the functional service areas within Metro Vancouver.

The table below provides the prescribed allocations outlined in the policy.

Table 1: Corporate Allocation Methodologies

INTERNAL SERVICE DELIVERY	
Greater Vancouver Water District Greater Vancouver Sewerage and Drainage District Liquid Waste Metro Vancouver Housing Corporation Metro Vancouver Regional District Air Quality Electoral Area General Government Administration General Government Zero Waste Collaboration Initiatives Invest Vancouver Regional Employer Services Regional GPS Regional Parks Regional Planning	Allocated proportionate share of the net centralized support costs based on its prior year's operating budget excluding centralized support cost allocation and contributions to reserve.
Greater Vancouver Sewerage and Drainage District Solid Waste	Allocated a proportionate share of the net centralized support costs based on its prior year's operating budget excluding centralized support cost allocation, 80% of large third-party operating contracts and contributions to reserve.
Metro Vancouver Housing Corporation	Allocated a proportionate share of the net centralized support costs based on its prior year's operating budget excluding centralized support cost allocation, contributions to reserve and 80% of annual mortgage payments
EXTERNAL SERVICE DELIVERY	
E911 Emergency Telephone Service	Allocated net centralized support costs equal to 2% of its current year's operating program budget excluding contributions to reserve.
Regional Emergency Management	Allocated net centralized support costs equal to 5% of its current year's operating program budget excluding contributions to reserve
Sasamat Fire Protection Service	Allocated net centralized support costs equal to 10% of its current year's operating program budget excluding contributions to reserve and large one-time asset purchases.

Corporate Investments Policy

The *Corporate Investments Policy* provide guidelines within which investment decisions are made on behalf of all the corporate entities to ensure safety of capital, adequate liquidity and a reasonable rate of return. This involves ensuring that investments are in compliance at all times with the legislation, specifically the *Community Charter*.

Procurement and Asset Disposal Authority Policy and Real Estate Authority Policy

The original *Procurement and Real Property Contracting Authority Policy* was created in 2014 with a minor update in 2017, which outlined the authorization and competition requirements for the procurement of goods, services and construction, as well as the authorization and general requirements for the acquisition, disposition, use or management of real property. In 2024, as part of best practices to regularly review policies and delegated authorities to improve accountability and internal controls, risk mitigation, operational efficiency and overall fairness and transparency related to procurement and real estate activity, Metro Vancouver conducted a review of the policy. The result was replacing the Existing Policy with two new Board policies: The Procurement and Asset Disposal Authority Policy and the Real Estate Authority Policy. These policies have taken into consideration benchmarks from other public sector organizations; efficiency impacts; internal financial controls and risk management; business needs and changes in the business; financial and regulatory environment; market conditions; and alignment with the Board Strategic Priorities. Furthermore, the changes are aligned with comparable peer public sector organizations.

ALTERNATIVES

This is an information report. No alternatives are presented.

FINANCIAL IMPLICATIONS

There are no financial implications for this report as it is for information only.

CONCLUSION

Since 2017, Metro Vancouver has prioritized formalizing financial policies to help guide its financial planning and operations. Metro Vancouver has established financial policies to safeguard the financial assets and instruments of each entity, by setting sound financial guidelines that promote prudent fiscal management.

ATTACHMENTS

1. *Financial Management Policy No. FN-026.*
2. *Operating, Statutory, and Discretionary Reserves Policy No. FN-016.*
3. *Corporate Allocation Policy No. FN-015 .*
4. *Corporate Investments Policy No. FN-020.*
5. *Procurement and Asset Disposal Authority Policy No. FN-031.*
6. *Real Estate Authority Policy No. FN-032.*
7. Appendix - Metro Vancouver Reserves by Entity.
8. Presentation re: "Metro Vancouver - Financial Policy Review", dated May 15, 2025.

FINANCIAL MANAGEMENT

Effective Date: October 26, 2018

Approved By: MVRD/GVWD/GVS&DD/MVHC Boards

Policy No. FN-026

PURPOSE

To establish the principles that will guide decision making with respect to funding long term operating and capital expenditures for the Greater Vancouver Water District (GVWD), Greater Vancouver Sewerage and Drainage District (GVS&DD), the Metro Vancouver Regional District (MVRD) and the Metro Vancouver Housing Corporation (MVHC).

DEFINITIONS

“Operating Expenditures” are the costs that are incurred consistently year to year in the delivery of services including labour costs and the day-to-day costs related to staff support, utilities, equipment usage, supplies and the ongoing maintenance of assets and infrastructure, as defined under Generally Accepted Accounting Principles. These are expenditures where the value is realized and charged against revenue in the year incurred;

“Capital Expenditures” are costs that are incurred for expanding, enhancing, upgrading and replacing infrastructure used in the delivery of services as well as the purchase of equipment. These are expenditures where the value is realized for multiple years. These expenditures are treated as assets where the realization of their utilized value is charged to revenues proportionately over their useful life; and

“Debt Amortization” is the term over which a debt obligation will be repaid.

POLICY

As the primary regional service and utility provider for the region, Metro Vancouver is responsible for ensuring that the services it delivers provide value to its member jurisdictions, to its businesses and to its residents. Ensuring this value is achieved for ratepayers over the long term requires an adherence to sound fiscal policies that balance equity, affordability and continuous improvement through responsible fiscal management.

This Policy supports Metro Vancouver’s mandate by establishing sound financial management parameters that will guide the implementation of Metro Vancouver’s long term financial plan for its four Metro Vancouver legal entities.

1. FINANCIAL MANAGEMENT PRINCIPLES

Metro Vancouver’s financial management approach is to balance between two sources of funding for operating and capital expenditures incurred by the legal entities and functions comprising Metro Vancouver:

BOARD POLICY

- pay-as-you-go funding
- long-term debt funding

The approach of relying on these two sources of funding is consistent with the requirement of maintaining a sound financial position for Metro Vancouver's four legal entities while also ensuring that they are fiscally sustainable in the long term.

The objective is to strike a balance between the ability of ratepayers to 'pay-as-you-go' for operating and capital expenditures and the need to secure long term financing for expenditures with a significant financial burden or that form part of a long term capital infrastructure program. It is critical to ensure that the level of long term borrowing does not exceed accepted fiscal parameters which would result in a greater burden on ratepayers in the long term than the benefit derived by this debt.

To achieve the financial management objectives described above, the following principles are established for all Metro Vancouver functions:

- Funding of ongoing and recurring expenditures directly in the year in which they are incurred;
- Funding from Reserves in accordance with the *Operating, Statutory and Discretionary Reserves Policy*;
- Funding of expenditures matches the realization of the benefit from those expenditures when expenditures are not ongoing or recurring;
- Consistency with legislative requirements;
- Financial flexibility to meet future financial requirements; and
- Mitigation of current and future financial risk.

Fundamental to the application of these principles is to ensure the necessary balance between fiscal sustainability and the financial impact on current and future ratepayers of the region.

a) Pay-As-You-Go Funding

Using pay-as-you-go funding, annual operating and capital expenditures are funded directly through annual revenues from user rates, fees, levies and requisitions or through the application of reserves in accordance with the *Operating, Statutory and Discretionary Reserves Policy*. Prudent financially sustainable funding includes:

- Funding ongoing and recurring expenditures directly in the year in which they are incurred; and
- Matching the funding of expenditures with the realization of the benefit from those expenditures when expenditures are not ongoing or recurring.

BOARD POLICY

Operating expenditures are, by their nature, generally ongoing and recurring and when they are not, the benefit is realized in the year incurred; therefore, operating expenditures will always be funded on a pay-as-you-go basis.

Where specific reserves exist to fund capital expenditures, capital expenditures should be funded on a pay-as-you-go basis from those Reserves in accordance with the *Operating, Statutory and Discretionary Reserves Policy*. These capital expenditures include MVHC capital replacement, laboratory equipment, Park Land acquisition, Parks infrastructure, Air Quality monitoring equipment, Head Office improvements, computer hardware and fleet vehicles.

Capital expenditures that are not generally funded through Reserves will be funded on a pay-as-you-go basis at a minimum annual level that represents the amount of total capital expenditures incurred consistently from year to year.

b) Long-Term Debt Funding

Long-term debt funding will only be used to fund capital expenditures. More specifically, those capital expenditures not funded from Reserve and in excess of the amount of total capital expenditures incurred consistently from year to year which are funded on a pay-as-you-go-basis.

c) Pay-As-You-Go Vs Long-Term Debt Funding

Funding capital expenditures on a pay-as-you-go basis and avoiding long-term debt funding provides significant benefits to Metro Vancouver. The avoidance of debt eliminates the risk associated with fluctuating interest rates, reduces the overall cost to the organization through the savings of interest payments and provides financial capacity should unforeseen funding needs be required. In addition, the funding of this consistent level of capital expenditures annually provides a measure of generational equality whereby each generation pays their consistent share.

d) Debt Service Level

To achieve pay-as-you-go funding to a level of consistent annual capital expenditures, pay-as-you-go funding will be gradually increased over time such that the amount of annual revenues required to pay for debt service cost does not exceed 40%. This balances the inherent risk associated with borrowing with the financial flexibility needed to meet financial requirements and manage the regions assets in an affordable manner and consistent with the principles of this Policy.

e) Debt Amortization Period

Long-term debenture financing procured by Metro Vancouver will be amortized over 15 years. The shorter amortization term reduces the risk associated with interest rate fluctuations over the term of the debt, reduces the overall cost by reducing the total amount

BOARD POLICY

of interest paid and by retiring the debt sooner, Metro Vancouver has more financial flexibility to absorb new financial requirements.

2. METRO VANCOUVER FINANCING

a) GVWD, GVS&DD and MVRD

Where debt funding is deemed appropriate in accordance with this Policy, financing for GVWD, GVS&DD and MVRD projects will be obtained through long-term debenture financing procured through the Municipal Finance Authority (MFA) which is available twice per year, March and October.

Long-term financing. Long-term debenture financing requires the repayment of the debt obligations through a combination of principal repayments and interest payments. Principal repayments, paid annually, are based on a sinking fund methodology where payments are deposited into an interest earning sinking fund and at the end of the debt term the combination of principal repayments and interest earned is sufficient to retire the outstanding debt obligation. The amount of the principal repayment amount, paid annually, is actuarially determined based in the debt term or amortization and the expected earnings of the sinking fund. Interest, paid semi-annually, is based on the financing terms as determined by the financial markets.

Short-term financing. The capital expenditures incurred between times when long-term financing is available will be funded on a short-term basis either through the MFA or through the usage of internal savings. Short-term financing requires payments to cover interest only. Long-term debt funding will not be procured in advance of incurring capital expenditures unless specifically authorized by the Board.

DCC funding. In the GVS&DD Liquid Waste function, annual debt service costs for long-term debt associated with capital expenditures for infrastructure growth projects are funded using Development Costs Charges in accordance to the *GVS&DD Development Cost Charges Bylaw*.

b) Metro Vancouver Housing Corporation (MVHC)

Capital expenditures for the MVHC are those associated with the development of new affordable housing units. The MVHC maintains a development reserve in order to provide partial funding of development and redevelopment opportunities.

The MVHC development expenditures are funded through a combination of funding from the MVHC Development Reserve applied in accordance with the *Operating, Statutory and Discretionary Reserves Policy*, any funding received from other levels of government and traditional mortgage financing. The level of mortgage financing, either through the Province or Financial Institution, is determined based on the maximum annual mortgage payment amount and amortization period that can be supported by the applicable tenant rental revenue.

BOARD POLICY

Each development and redevelopment opportunity will be evaluated on its own merits financially in terms of the rental revenue expectations along with the appropriate combination of funding.

OPERATING, STATUTORY AND DISCRETIONARY RESERVES

Effective Date: April 27, 2018

Approved By: MVRD/MVHC/GVWD/GVS&DD Boards

Policy No. FN-016

PURPOSE

To outline principles and requirements that guide the establishment, use and management of Metro Vancouver reserves.

DEFINITIONS

“Annual Surplus” means excess of revenues over expenditures for the current year;

“Legal Entity” means Greater Vancouver Water District (GVWD), Greater Vancouver Sewerage and Drainage District (GVS&DD), which includes the legal functions of Liquid Waste and Solid Waste, Metro Vancouver Housing Corporation (MVHC) and Metro Vancouver Regional District (MVRD); and

“Statutory Functions” mean functions related to the Metro Vancouver Regional District, which include: Affordable Housing, Air Quality, Electoral Area, General Government, Labour Relations, Regional Global Positioning System (GPS), Regional Parks, Regional Planning, E911 Emergency Telephone Service, Regional Emergency Management and Sasamat Fire Protection Service.

POLICY

Reserves are funds that are appropriated as a means of providing financial security against an unforeseen financial loss, such as a revenue shortfall and unexpected expenditures, or for meeting future financial obligations. They are a key element of Metro Vancouver’s long term financial sustainability and they provide a mechanism to ensure a strong financial position. Metro Vancouver reserves are categorized as Operating, Statutory or Discretionary.

Metro Vancouver’s Reserves Policy supports the following principles:

- Financial stability, security and sustainability
- Consistent with long term financial plans, Board and Corporate strategic goals
- In accordance with legal requirements under applicable legislation

In addition to these guiding principles, reserves shall be established and managed in accordance with the following:

- All reserve contributions and applications must be approved by the Board
- All reserve balances will earn interest at a rate based on Metro Vancouver’s average return on investments
- All reserves exclusively belong to a specific legal entity or statutory function and can only be applied to fund business activities of that legal entity or statutory function.

BOARD POLICY

- Financial Services is responsible for the stewardship and oversight of all Metro Vancouver reserves.

1. OPERATING RESERVES

Operating Reserves are established for each legal entity and statutory function to serve as a measure of financial security should there be an unforeseen financial loss beyond the control of the organization.

A legal entity or statutory function's inherent risk of experiencing an unforeseen financial loss increases both with the level of business activity as well as the nature of that business activity. Operating expenditures serve as a measure of an entity or function's level of business activity; therefore, the greater the business activity the greater the risk of an unforeseen financial event. Risk of an unforeseen financial loss also increases with volatility associated with the business activity.

Minimum Reserve. The minimum required Operating Reserve amount for a legal entity or statutory function shall be determined as a percentage of the legal entity or statutory function's prior year operating expenditures net of reserve contributions, contributions to capital and debt service costs and is based on the inherent risk of incurring a financial loss. As noted above, the higher the level of inherent risk, the higher the required reserve minimum balance.

Operating Reserve balances must be maintained at the established minimum amounts in order to ensure security against unforeseen financial impacts as this financial security is paramount to financial sustainability. Should the Operating Reserve balance fall below the established minimum, the Operating Reserve must be replenished to the minimum level within two budget years.

Contributions to Reserve. Contributions to Operating Reserves are made through the appropriation of annual surpluses generated from operations within a legal entity and statutory function.

Usage of Reserve. The usage of Operating Reserve balances will only be contemplated for the funding of unforeseen revenue shortfalls or expenditures obligations where other sources of funding is not available.

a) Greater Vancouver Water District (GVWD) Operating Reserve

The required Operating Reserve for the Water Services function is equal to 15% of net operating expenditures representing approximately two months of operating costs.

The GVWD is an entity whose primary revenue source is the sale of water based on a unit rate per cubic metre of water consumed within the region. The unit rate is set at a rate to cover annual expenditures and based on an estimated volume of overall regional consumption. The

BOARD POLICY

actual level of consumption, however, may vary from expectation due to many factors including weather, effectiveness of conservation measures and the implementation of watering restrictions. This potential volatility in consumption and that the majority of expenditures are not variable with the level of consumption and cannot easily be adjusted should there be a drop in consumption, results in the GVWD having a higher relative level of inherent risk associated with their business activities.

b) Greater Vancouver Sewerage and Drainage District (GVS&DD) – Solid Waste

The required Operating Reserve for the Solid Waste function is equal to 15% of net operating expenditures representing approximately two months of operating costs.

Solid Waste is a function whose primary revenue source is Tipping Fee revenue based on a unit rate per cubic tonne of waste disposed of within the region. The unit rate is set to cover annual expenditures and is based on an estimated volume of overall regional waste tonnage. The actual level of waste tonnage, however, may vary from expectation due to many factors including level of construction and demolition, effectiveness of waste diversion activities and waste migration. While some expenditures in Solid Waste are somewhat variable with waste volumes, many are fixed. This along with the potential volatility in waste volumes leads to Solid Waste having a higher relative level of inherent risk associated with their business activities.

c) Greater Vancouver Sewerage and Drainage District (GVS&DD) – Liquid Waste

The required Operating Reserve for the Liquid Waste function is equal to 10% of net operating expenditures representing approximately one month of operating costs.

Liquid Waste is a function whose primary revenue source is an annual sewer levy collected from member jurisdictions and as a result are low risk in terms of collection. While the majority of revenues in Liquid waste carry a high level of certainty, the nature of the business of collecting and treating sewage has operating risks including weather related overflows, impacts from power interruption and infrastructure failure. As a result, Liquid Waste has a moderate relative level of inherent risk associated with their business activities.

d) Metro Vancouver Housing Corporation (MVHC)

The required Operating Reserve for the Housing Corporation function is equal to 10% of net operating expenditures representing approximately one month of operating costs.

The MVHC is reliant on tenant rents to support the annual expenditures to provide affordable housing. The level of rental revenue has some inherent risk of volatility due to factors including vacancy rates, tenant turnover and rental losses caused by required repairs and maintenance activities. The nature of the housing complexes being of wood construction, include a level of risk of unforeseen significant maintenance requirements. As a result, the MVHC has a moderate relative level of inherent risk associated with their business activities.

BOARD POLICY

e) Metro Vancouver Regional District (MVRD)

The required Operating Reserve for each MVRD Statutory function is equal to 5% of net operating expenditures representing approximately one half of one month of operating costs.

The statutory functions of the MVRD are reliant on tax requisition collected from member jurisdictions and therefore, have low risk in terms of revenue collection. In addition, the MVRD statutory function's operating expenditures are relatively consistent annually and quite predictable. As a result, the MVRD statutory functions have a low relative level of inherent risk associated with their business activities.

SUMMARY OF OPERATING RESERVE MINIMUMS	
Legal Entity/Statutory Function	Operating Reserve Amount
Greater Vancouver Water District	15% of prior year's net operating expenditures (approximately 2 months of operating costs)
Greater Vancouver Sewerage and Drainage District Solid Waste	15% of prior year's net operating expenditures (approximately 2 months of operating costs)
Greater Vancouver Sewerage and Drainage District Liquid Waste	10% of prior year's net operating expenditures (approximately 1 month of operating costs)
Metro Vancouver Housing Corporation	10% of prior year's net operating expenditures (approximately 1 month of operating costs)
Metro Vancouver Regional District Affordable Housing Air Quality E911 Emergency Telephone Service Electoral Area Service General Government Labour Relations Regional Emergency Management Regional Global Positioning System Regional Parks Regional Planning Sasamat Fire Protection Service	5% of prior year's net operating expenditures (approximately 0.5 month of operating costs)

2. STATUTORY RESERVES

Statutory Reserves are established where reserves are required within a legal framework which governs their composition and application. Statutory Reserves are reserves set aside for a legal entity and statutory function for a specific purpose in accordance with the applicable terms and conditions within the establishing legal framework as follows:

BOARD POLICY

- Legal statute
- Board approved bylaw
- Governing agreement with another level of government or entity

Examples of Statutory Reserves include Liquid Waste Development Cost Charges, Cultural Grants and Park Land Acquisition.

Contributions to Reserve. Contributions to Statutory Reserves are made through annual budget contributions and the appropriation of the annual surplus generated from operations in accordance with legal statute, Board approved bylaw, or governing agreement.

Usage of Reserves. The usage of Statutory Reserve balances will only be authorized for the purpose designated by the Statutory Reserve and must be withdrawn in accordance with legal statute, Board approved bylaw, or governing agreement.

3. DISCRETIONARY RESERVES

Discretionary Reserves are established by the Board for legal entities and statutory functions as an appropriation of annual surplus to meet a known or anticipated future financial obligation.

Contributions to Reserve. Contributions to Discretionary Reserves are made through the appropriation of the annual surplus generated from operations for a known or anticipated future financial obligation, or for general future usage in accordance with the priority sequence as outlined under “Appropriation of Annual Surplus.”

Usage of Reserves. The usage of Discretionary Reserve balances will fund expenditures as an additional annual revenue source to support Metro Vancouver’s goals and priorities in reducing the need for revenue from rates, levies and tax requisitions. The usage of Discretionary Reserves will be included, where applicable, within the five-year financial plan.

4. APPROPRIATION OF ANNUAL SURPLUS

After ensuring that all Operating Reserves meet the minimum balances as established under this Policy and that all requirements for Statutory Reserves and Discretionary Reserves are met, any annual surplus remaining will be utilized in accordance with the following priority sequence:

- Fund capital expenditures or pay down existing debt.** This is consistent with debt avoidance and the mitigation of future financial obligations
- Fund one-time expenditures.** This includes but is not limited to funding equipment purchases and consulting initiatives and projects.
- Rate stabilization for a legal entity or statutory function.** This involves smoothing out utility rates, levies or tax requisitions resulting from operating budget expenditures.

BOARD POLICY

Usage of reserves for rate stabilization is only used in circumstances where priorities 1) and 2) are not applicable, or have been met. This application is discretionary and may not be applicable. If not applicable, then move to priority 4.

- iv. **Maintain as a Statutory or Discretionary Reserve.** This can represent an addition to an existing Statutory or Discretionary Reserve or the establishment of a new Discretionary Reserve based on new information regarding a future financial obligation.

Management of Reserves

When the Board has approved the use of reserves to fund expenditures, the funding must be spent for the intended purpose within the year of approval, or the following budget year.

Although reserves are to only be used for their intended purpose, there may be instances when short-term internal borrowing from reserves is financially beneficial or required. Internal borrowing is permitted to temporarily finance funding requirements to avoid external temporary borrowing or to fund emergencies as required, in accordance with the applicable legislation. If money from one reserve is used for temporary financing purposes, there must be repayment of the amount used to the reserve, plus interest within five years of borrowing.

Internal borrowing and transferring of funds from Reserves must be approved by the Board.

CORPORATE ALLOCATION

Effective Date: July 28, 2017

Approved By: MVRD Board

Policy No. FN-015

PURPOSE

To provide a framework for establishing the appropriate allocation of costs incurred by centralized support services in delivering support services to all business activities of Metro Vancouver's four legal entities.

DEFINITIONS

"Centralized Support Services" are services delivered by centralized departments to support all four Metro Vancouver legal entities and regional district functions through the following: Corporate Planning, Corporate Services, External Relations, Financial Services, Human Resources, and Legal and Legislative Services;

"Net Centralized Support Costs" means expenditures incurred by centralized support services that are net of any costs allocated directly to a legal entity or function and any revenues generated by the centralized support service; and

"Metro Vancouver Service" refers to a service provided by one of the four legal entities to which costs of centralized support services are allocated. The legal entities include the Metro Vancouver Housing Corporation (MVHC), Greater Vancouver Water District (GVWD), Greater Vancouver Sewerage and Drainage District (GVS&DD), which includes the legal functions of Liquid Waste and Solid Waste, and the Metro Vancouver Regional District (MVRD), which includes the statutory functions of Air Quality, Electoral Area, General Government, Labour Relations, Regional GPS, Regional Parks, Regional Planning, E911 Telephone Service, Regional Emergency Management and Sasamat Fire Protection Service.

POLICY

The *Local Government Act* requires that all costs incurred by a regional district in relation to a service, including the costs of administration attributable to the service, are part of the costs of that service. As such, rates, fees and charges must reflect the full cost of Metro Vancouver services to which they relate including those costs incurred by centralized support services. This Policy serves to appropriately account for all costs of providing Metro Vancouver services and matching those costs with supporting revenues.

All costs incurred by centralized support services will be allocated to the benefiting Metro Vancouver service utilizing a methodology approximating the level of service provided. The methodology for calculating corporate allocation based on an approximation of service level is provided below.

BOARD POLICY

CORPORATE ALLOCATION PRINCIPLES

Every Metro Vancouver service utilizes resources of centralized support departments to some extent in the delivery of that service. The extent of centralized support may range from providing simple contract administration or Metro Vancouver Board and Committee support services, to more extensive support that includes human resources, legal, legislative, communications, financial, information technology, building operations, emergency planning and corporate safety services. The methodology for approximating the level of service provided by each these centralized support services is guided by the following principles:

- Efficient – the method and process of allocating net centralized support costs are easily administered, replicable and comprehensible
- Equitable – net centralized support costs are apportioned fairly across Metro Vancouver services and to the extent possible, upholds a user-pay approach for the level of service provided
- Consistent – net centralized support costs are allocated in a way that mitigates large fluctuations and ensures relative certainty, based on level of use
- Transparent – net centralized support costs allocated to Metro Vancouver services are clearly identified

Staffing and Business Activity Requirements

Within the guiding principles defined in this Policy is the understanding that the approximate level of service provided to a Metro Vancouver service is often measured by the impact of two primary factors: (1) number of staff or (2) level of business activity.

For example, those services with larger staff complements will require more centralized support in the areas of payroll, recruiting services, organizational support, benefit administration, IT computer support, training and head office building operations and therefore, will be allocated a higher proportion of these centralized support costs. Alternatively, services that incur significant capital expenditures and procurement activity will require more centralized support in the areas of purchasing, accounts payable, debt management, budgeting, accounts receivable, legal, business applications and corporate planning and consequently, will be allocated a higher proportion of these centralized costs.

To ensure the appropriate allocation of corporate costs, direct delivery services will be allocated a proportion of net centralized support costs based on their prior year operating budget using the parameters described above. Salaries and benefits will serve as indicators that reflect the number of staff supported while other expenditures will serve as indicators of the level of business activity.

Lower Impact Activity Requirements

Some budget items may inflate expenditures but have a lower overall impact on the requirement for centralized support services. These budget items include contributions to reserve, a portion of large third party operating contracts and MVHC long-term mortgages. In order to better reflect the level

BOARD POLICY

of service provided by the centralized support services, the calculation of apportionment costs in annual operating budgets will be adjusted for those budget items not requiring centralized support.

Specific Direct Service Activity Requirements

In cases where it can be demonstrated and quantified that a Metro Vancouver service receives a specific direct benefit from an activity, the associated costs will be allocated directly to that service. These costs typically include, but are not limited to, costs related to programs such as Metro Vancouver's pooled fleet vehicles and equipment acquisitions, external legal counsel services and contracted security services.

METRO VANCOUVER SERVICES – INTERNAL SERVICE DELIVERY

The majority of Metro Vancouver services are delivered to members through an internal direct service model. This means that Metro Vancouver staff are engaged in the direct delivery of the service, including most or all of the operating and capital activities. For these services, the proportionate allocation of net centralized support costs shall be apportioned as follows:

Greater Vancouver Water District (GVWD)

The GVWD will be allocated a proportionate share of the net centralized support costs based on its prior year's operating budget excluding centralized support cost allocation and contributions to reserve.

Greater Vancouver Sewerage and Drainage District (GVS&DD) – Liquid Waste

The Liquid Waste function will be allocated a proportionate share of the net centralized support costs based on its prior year's operating budget excluding centralized support cost allocation and contributions to reserve.

Greater Vancouver Sewerage and Drainage District (GVS&DD) – Solid Waste

The Solid Waste function will be allocated a proportionate share of the net centralized support costs based on its prior year's operating budget excluding centralized support cost allocation, 80% of large third party operating contracts and contributions to reserve. The adjustment for a portion of third party operating contracts is to reflect that they require a lower level of service compared to other business activities.

Metro Vancouver Housing Corporation (MVHC)

The MVHC will be allocated a proportionate share of the net centralized support costs based on its prior year's operating budget excluding centralized support cost allocation, contributions to reserve and 80% of annual mortgage payments.

Metro Vancouver Regional District (MVRD)

The MVRD functions of Air Quality, Electoral Area, General Government, Labour Relations, Regional GPS, Regional Parks and Regional Planning will be allocated a proportionate share of the net

BOARD POLICY

centralized support costs based on their prior year's operating budget excluding centralized support cost allocation, contributions to reserve and large one-time asset purchases.

METRO VANCOUVER SERVICES – EXTERNAL SERVICE DELIVERY

While the majority of Metro Vancouver services are provided through the internal service delivery model some regional services engage the use of an external service provider to deliver services to members through an external service delivery model. This means that Metro Vancouver staff are engaged to a lesser extent in the delivery of the service, its operating activities and its capital activities. For these services, the proportionate allocation of net centralized support costs shall be apportioned as follows:

E911 Emergency Telephone Service

E911 Emergency Telephone Service will be allocated net centralized support costs equal to 2% of its current year's operating program budget excluding contributions to reserve. This reflects the level of service associated with the administration of the E911 Telephone Service operating contract and routine finance support.

Regional Emergency Management

Regional Emergency Management will be allocated net centralized support costs equal to 5% of its current year's operating program budget excluding contributions to reserve. This reflects the level of service associated with the overall administration of the program, purchasing support and accounts payable.

Sasamat Fire Protection Service

Sasamat Volunteer Fire Service will be allocated net centralized support costs equal to 10% of its current year's operating program budget excluding contributions to reserve and large one-time asset purchases. This reflects the level of service associated with function management, fleet vehicle administration, procurement, accounts payable, payroll, budgeting and accounting.

CORPORATE INVESTMENTS

Effective Date: May 30, 1997 (revised November 27, 2020)

Approved By: MVRD Board

Policy No. FN-020

PURPOSE

To provide guidelines within which investment decisions are made to ensure safety of capital, adequate liquidity and a reasonable rate of return.

APPLICATION

This Policy applies to all investments on behalf of the corporate entities.

POLICY**A. General Objectives****i) Safety of Capital**

This is the foremost objective of this Policy. Prudent investments shall be chosen in a manner that ensures preservation of capital. Consideration therefore must be given to both credit and interest rate risk in all investment decisions.

ii) Liquidity

Investment portfolios will provide sufficient liquidity to meet the ongoing needs of all Metro Vancouver Districts and the Housing Corporation. Investment terms will be structured as much as possible to meet anticipated cash needs.

iii) Yield

Portfolios will be invested to produce the highest yield after first considering objectives i) and ii) above and within the investment guidelines in **Appendix A**.

iv) Sustainable Investing

Metro Vancouver applies exclusionary screening in its portfolios to avoid direct investments in fossil fuel. Metro Vancouver will gradually implement additional sustainable investing criteria in its investments through further inclusion of environmental, social and governance (ESG) and socially responsible investment (SRI) principles.

B. Standard of Care

The standard of care to be applied by staff in carrying out their duties is that of a prudent person, in the context of the management of a diversified portfolio. This in turn translates as the exercise of discretion and judgment, in conformity with policies, with the purpose being investment, rather than speculation.

BOARD POLICY

The *Employee Code of Ethics Policy* requires performance to a high standard of integrity, and specifically forbids conflict of interest situations.

C. Investment Parameters

Investments will at all times be governed by legislation, specifically the *Community Charter* Section 183 (copy attached as **Appendix C**).

Short Term Investments (maximum term 365 days) are restricted to those with a minimum short term credit rating of Standard and Poor's (S&P) equivalent of A-1 or Dominion Bond Rating Service (DBRS) equivalent of R1Low.

Short term investments will be permitted in non-qualifying institutions when such investments are guaranteed by a qualified institution. An example of this would be an investment in a Credit Union in BC which is in turn guaranteed by the Province of BC.

Long Term Investments must have at a minimum a long term credit rating of 'A-' by S&P or DBRS equivalent (A-low).

Both our short term and long term investments are limited to primarily Government debt (provincial and federal) and Canadian financial institutions. The specific details of the qualified investments as well as the maximum portfolio percentages are listed in **Appendix A**.

In instances where an investment falls below one, but not both of the recommended rating agencies (S&P and DBRS), the investment will remain to qualify as an approved investment.

D. Investment Terms

Short Term Investments will have a maximum term of 365 days and are restricted to terms listed on **Appendix A** attached.

Long Term Investments are those with term exceeding 365 days. Long term investments will also be restricted to terms listed on **Appendix A** attached.

E. Tendering

Short Term Investments (under 365 days)

Investments of terms greater than 15 days require at least three quotes from qualifying dealers. (See comments below concerning Long Term Investments as a potential exception to this rule)

Long Term Investments (over 365 days)

Long term investments do not necessarily lend themselves to direct comparison. Often there is difficulty in finding the same name or similar credit quality in exactly the same term. This requires that those responsible for long term investing use considerable judgement in determining the investment choice.

BOARD POLICY

Where direct comparisons are possible between like or similar investments at least three quotes from qualifying dealers will be required.

Where direct product comparisons are not available, those responsible for investing must ensure that the offering under consideration is priced fairly. This can be done by verifying spread levels (over benchmark or equivalent term Canada bonds) obtained from two other dealers which support the offering being considered. These spreads should be recorded for subsequent review by internal audit.

F. Safekeeping

Investments will be held for safekeeping at either RBC Investor Services (Dexia), Royal Bank Dominion Securities, Bank of Montreal or Clearing and Depository Services Inc. (CDS) for securities whose transfer is book-based rather than by physical delivery. Transfers that are neither book-based nor physical delivery such as cash, term deposits and guaranteed investment certificates are held for safekeeping at the respective credit union or issuing bank or held in nominee (in trust) with the Authorized Investment Dealer.

G. Authorized Investment Dealers

Authorized Investment Dealers must meet one of the following criteria:

- Wholly owned subsidiary of a Canadian chartered bank that is included in the Approved Investments list in **Appendix A**;
- Member of the Investment Industry Regulatory Organization of Canada (IIROC) and the Canadian Investor Protection Fund (CIPF), and hold assets under management greater than \$10 billion;
- Institution whose deposits or debts are guaranteed by the Credit Union Deposit Insurance Corporation (CUDIC) or a Province of Canada.

Any changes to the Authorized Investment Dealer must be approved by the Investment Management Committee as defined in section H Review, Oversight and Reporting. The Investment Management Committee will also review the list of Authorized Investment Dealers on as needed basis.

H. Review, Oversight and Reporting

The statutory authority of the CFO for investment decisions is delegated to the Director, Financial Planning and Operations; Division Manager, Financial Planning and Processes and the Treasury Manager including any appointed in an acting capacity.

BOARD POLICY

While day to day investment operations are the responsibility of the Treasury Manager, the Division Manager, Financial Planning and Processes is responsible for its supervision, including review of internal control issues and policy enforcement.

Summary reports on investment positions and performance will be prepared monthly for the CFO and the Director, Financial Planning and Operations.

The CFO; Director, Financial Planning and Operations; Division Manager, Financial Planning and Processes and the Treasury Manager will meet quarterly (or more frequently as required) as the Investment Management Committee ("Committee") to review the investment activities as well as current investments issues. The Committee will establish the percentage split of the portfolio between long and short term investments as well as the average term of the portfolio based on existing market conditions and expected future conditions.

An Approved List of Investments ("Approved List"), based on the Investment Parameters in section C, will be developed and maintained by the Division Manager, Financial Planning and Processes, subject to the approval of the Committee.

While changes to the Approved List outlined in **Appendix A** are subject to the Committee's specific approval, any member of the Investment Management Committee may immediately suspend a previously approved investment at any time on their own authority and, in fact, must do so when he has reason to believe it no longer meets the necessary requirements. *The member will immediately advise the other Investment Management Committee members of the decision for suspension along with the reason and repercussions.*

Quarterly, the investment ratings of all entities included in the Approved List will be reviewed by the Division Manager, Financial Planning and Processes.

Upon knowledge of a decrease in the credit rating of an approved investment to a level below the parameters outlined in this Policy, the Division Manager, Financial Planning and Processes will immediately advise the Investment Management Committee. As this rating is below the minimum acceptable credit rating, the investment position should be sold with all considerations given to losses and/or penalties.

A report will be presented to the Board as of April 30, August 31, and December 31 each year and will include a position statement, performance results compared to benchmark comments and other relevant issues.

Metro Vancouver purchases investments with the intention of holding these until maturity and not with further trading in mind. For this reason we will not adjust the portfolio value based on changes in unrealized market value, but rather report investment performance based on actual return to maturity.

BOARD POLICY

Our short term investment performance will be compared to the Benchmarks detailed on **Appendix B**. Finding a benchmark for our long term investments is difficult as most available benchmarks will reflect changes in market valuation. With this in mind, we will provide the benchmarks included on **Appendix B** as a reasonable general comparison to our long term investment performance.

In addition to the audit activities and procedures performed annually by the external auditors and the oversight of the Director, Financial Planning and Operations, the Internal Auditor will review internal controls and ensure compliance with policy and procedures bi-annually.

All changes to this Policy require Board approval.

Appendices:

- Appendix A: Approved Investments (Updated October 2016)
- Appendix B: Investment Performance Benchmarks
- Appendix C: *Community Charter* (Section 183)

BOARD POLICY

APPENDIX A

Approved Investments (October 2016)

	Rating		Proposed	
	Short Term	Long Term	Max %	Max Term
<u>Governments:</u>				
Canada	A-1+	AAA	Unlimited	30 years (5% max > 10 years)
Provinces rated AA- or better by S&P (or equivalent)*				
British Columbia	A-1+	AAA	50%	
Alberta	A-1+	AA	50%	
Saskatchewan	A-1+	AA+	50%	
Manitoba	A-1+	AA-	50%	
Total Provinces rated AA- or better Limit			Unlimited	30 years (5% max > 10 years)
Provinces rated A- or better by S&P (or equivalent)*				
New Brunswick	A-1+	A+	30%	
Ontario	A-1+	A+	30%	
Quebec	A-1+	A+	30%	
Nova Scotia	A-1+	A+	30%	
Newfoundland	A-1	A	30%	
Prince Edward Island	A-1	A	30%	
Total Provinces rated A- or better Limit			50%	30 years (5% max > 10 years)
Municipal Finance Authority of BC	A-1+	AAA	15%	30 years (5% max > 10 years)
Total Governments				
<u>Financial Institutions</u>				
Schedule 1 Banks				
Bank of Montreal	A-1	A+	20%	10 years
Bank of Nova Scotia	A-1	A+	20%	10 years
CIBC	A-1	A+	20%	10 years
Royal Bank of Canada	A-1+	AA-	20%	10 years
TD Bank	A-1+	AA-	20%	10 years
National Bank of Canada	A-1	A	15%	10 years
Manulife Bank	A-1	A+	15%	3 years
Canadian Western Bank	R1L (DBRS)	AL (DBRS)	15%	3 years
Schedule 2 Banks				
HSBC Bank Canada	A-1+	AA-	15%	10 years
<u>BC Credit Unions</u>				
Vancity	BC Provincial Guaranty**		20%	
Coast Capital Savings	BC Provincial Guaranty**		20%	
Westminster Credit Union	BC Provincial Guaranty**		20%	
Blue Shore Credit Union	BC Provincial Guaranty**		20%	
First West Credit Union	BC Provincial Guaranty**		20%	
Prospera Credit Union	BC Provincial Guaranty**		20%	
Total BC Credit Unions Limit			50%	5 years (max 30% > 1 year)
Other				
Caisse Central Desjardins	A-1	A+	5%	3 years

*Includes provincially guaranteed institutions

** Implied BC Provincial guaranty

BOARD POLICY**APPENDIX B****Investment Performance Benchmarks**

The benchmarks listed below are used as a guideline to assess the performance / investment returns on investments held.

Short Term Investments

- Municipal Finance Authority Money Market Fund*
- Average One Month Banker's Acceptance Rate**
- Average Three Month Banker's Acceptance Rate**

Long Term Investments

- Municipal Finance Authority Intermediate Bond Fund
- Municipal Finance Authority Long-term Bond Fund

*Available on the MFA website

**Calculated from the Bank of Canada website

BOARD POLICY**APPENDIX C****Community Charter Section 183****Investment of Municipal Funds**

- 183 Money held by a municipality that is not immediately required may only be invested or reinvested in one or more of the following:
- (a) securities of the Municipal Finance Authority;
 - (b) pooled investment funds under section 16 of the *Municipal Finance Authority Act*;
 - (c) securities of Canada or of a province;
 - (d) securities guaranteed for principal and interest by Canada or by a province;
 - (e) securities of a municipality, regional district or greater board;
 - (f) investments guaranteed by a chartered bank;
 - (g) deposits in a savings institution, or non-equity or membership shares of a credit union;
 - (h) other investments specifically authorized under this or another Act.

PROCUREMENT AND ASSET DISPOSAL AUTHORITY POLICY

Effective Date: June 1, 2024

Approved By: MVRD/GVWD/GVS&DD/MVHC Boards

Policy No. FN-031

PURPOSE**1.1** This Policy:

- a) applies to the Metro Vancouver Regional District (“**MVRD**”), the Greater Vancouver Water District (“**GVWD**”), the Greater Vancouver Sewerage and Drainage District (“**GVS&DD**”), and the Metro Vancouver Housing Corporation (“**MVHC**”) in the performance of their respective duties and responsibilities when engaging in the procurement of Goods, Services and Construction;
- b) outlines the requirements for the procurement of Goods, Services and Construction, as well as the Disposition of Surplus Assets, Obsolete Assets, and Salvage Assets, to achieve overall Best Value for Metro Vancouver; and
- c) outlines certain fundamental principles that Metro Vancouver considers applicable to public procurement.

POLICY GOALS**2.1** The goals of this Policy are as follows:

- a) to achieve an open, transparent, non-discriminatory and competitive process for the procurement of Goods, Services and Construction that provides Best Value for Metro Vancouver and applies leading practices, risk mitigation strategies and strong financial controls to the procurement process;
- b) to ensure compliance with Metro Vancouver’s bylaws, its Board and Corporate Policies, the interprovincial, national and international trade agreements that are binding on Metro Vancouver, and all other provincial and federal laws and regulations that apply to the procurement of Goods, Services and Construction;
- c) to achieve a transparent, non-discriminatory, efficient and effective process for the Disposition of Surplus Assets, Obsolete Assets, and Salvage Assets that provides Best Value for Metro Vancouver and minimizes environmental impacts; and
- d) to optimize Best Value by ensuring that Metro Vancouver utilizes the Procurement Division of the Procurement and Real Estate Services Department (“**PRS**”) to conduct all

BOARD POLICY

Calls and to oversee the Disposition of Surplus Assets, Obsolete Assets, and Salvage Assets.

DELEGATION OF AUTHORITY

- 3.1** The following instruments, this Policy and the *Corporate Procurement Policy* provide the delegated authority for Metro Vancouver staff to enter into Contracts for or on behalf of Metro Vancouver:

Metro Vancouver Entity	Delegation Instrument
MVRD	<i>Officers and Delegation Bylaw No. 1208, 2014</i>
GVWD	<i>Officers and Delegation Bylaw No. 247, 2014</i>
GVS&DD	<i>Officers and Delegation Bylaw No. 284, 2014</i>
MVHC	By Resolution

- 3.2** Nothing in this Policy delegates authority to non-Metro Vancouver staff to approve, Award, execute or enter into Contracts for or on behalf of Metro Vancouver.

POLICY ADMINISTRATION

- 4.1** The Procurement Division of PRS, overseen by the Director, Procurement, is the owner and administrator of this Policy. Except where separately authorized by a Department Head, the Corporate Solicitor, the CAO, or the Board, all procurement of Goods, Services and Construction and all Dispositions of Surplus Assets, Obsolete Assets, and Salvage Assets are to be administered by the Procurement Division of PRS.

TRANSACTIONS NOT SUBJECT TO THIS POLICY

- 5.1** The following Contracts and types of transactions are not covered by this Policy (but may be governed by other Board or Corporate Policies or Metro Vancouver bylaws):
- a) the purchase of regulated tariffed services (e.g. electricity, transmission portion of natural gas, cable, tariff portion of non-wireless telecommunications services);
 - b) financial grants from other governmental authorities to Metro Vancouver;
 - c) financial grants from Metro Vancouver to non-profit organizations as authorized by the Board;
 - d) tax rebates;
 - e) the procurement of Goods or Services from other governmental authorities;

BOARD POLICY

- f) Real Estate transactions as governed by the *Real Estate Authority Policy* (No. FN-032) and the *Delegation of Real Estate Authority Policy* (No. FN-033), including the acquisition, disposition, use or management of Real Estate;
- g) sponsorships as governed by the *Sponsorship Policy* (No. FN-008); and
- h) the retention of external legal counsel and related experts (such as expert witnesses) as governed by the *Legal Services Policy* (No. GV-029).

DEFINITIONS AND INTERPRETATION

6.1 Capitalized terms used in this Policy are defined as follows:

“Administrative Amendment” means any change to a Contract that is not a Contract Amendment or a Change Order;

“Approved Budget” means the authorized budget (including any contingency amounts) for the capital project or operating program under which the applicable Goods, Services or Construction will be procured pursuant to this Policy and the *Corporate Procurement Policy*, that is approved for expenditure in accordance with the Board-approved budget;

“Assets” means any items which are considered to have Economic Value to Metro Vancouver, but excluding Real Estate;

“Award” or **“Awarded”** means the decision by Metro Vancouver to enter into a Contract in accordance with this Policy;

“Best Value” means the optimal combination of Technical Value, Economic Value, Environmental Value and Social Value, as determined in accordance with the specific criteria and weighting for each criterion established by Metro Vancouver for the applicable procurement. For Dispositions of Assets, “Best Value” means the optimal combination of Economic Value and Environmental Value;

“Bid” means, in response to a Call, either: (i) a legally binding tender or quotation which upon written acceptance by Metro Vancouver, automatically creates a Contract; (ii) a non-binding quotation or proposal which forms the basis of a negotiated Contract; or (iii) any non-binding pre-qualification submission, expression of interest, or request for information which may form the basis of a subsequent Call;

“Bidder” means any legal entity submitting a Bid in response to a Call;

“Board” means, collectively, the MVRD Board of Directors, the GVWD Board of Directors, the GVS&DD Board of Directors, and the MVHC Board of Directors, or any one of them, as the

BOARD POLICY

context requires. For the procurement of Goods, Services or Construction, “Board” means the Board of Directors of the Metro Vancouver entity undertaking the procurement;

“**Call**” means a request or invitation by Metro Vancouver for a Bid, including but not limited to requests for proposal, requests for expressions of interest, invitations to tender, invitations to quote, and invitations to offer;

“**CAO**” means the person appointed from time to time as the Chief Administrative Officer or Commissioner, as the context requires;

“**CFO**” means the person appointed from time to time as the Chief Financial Officer;

“**Change Order**” means any change to the scope, specifications, schedule or Total Price of a Construction Contract and in a manner consistent with the original intent of the Construction Contract;

“**Commitment Authority**” means the authority to Award a Contract, including an Administrative Amendment, Contract Amendment or Change Order, as the context requires, in accordance with this Policy and the *Corporate Procurement Policy* or as the applicable Board otherwise directs;

“**Construction**” means the building, erection, installation, repair, addition, renovation, protection, restoration, demolition, deconstruction, decommissioning, or removal of all things, including but not limited to buildings, improvements and other facilities, pipes, roads, reservoirs, tanks, land filling, excavation, landscaping, water and sewerage treatment facilities, pump stations, dams, intake and outfall facilities, dredging, and the related supply of Goods, Services and/or leased equipment;

“**Construction Contract**” means a contract for Construction;

“**Contract**” means a Construction Contract or a Contract for Goods and Services, as the context requires. For greater certainty, a Contract includes documents that create or modify, or may create or modify, legal rights and obligations of the parties to the Contract, including but not limited to any: (i) purchase order; (ii) work order; (iii) Change Order; (iv) memorandum of understanding, letter of understanding, letter of intent, or similar; (v) standing offer; (vi) supply arrangement; (vii) notice or other communication to a prospective supplier prior to a Contract, including a notice to award, conditional notice to award, notice or permission to proceed or start work prior to Award or Contract; (viii) assignment or consent to assignment of a Contract; (ix) security for performance of a Contract such as a letter of credit, bond, insurance, deposit, security interest, and other financial instruments; (x) Contract Amendment; or (xi) Administrative Amendment;

BOARD POLICY

“Contract Amendment” means any change to the scope, specifications, schedule or Total Price of a Contract for Goods and Services and in a manner consistent with the original intent of the Contract for Goods and Services;

“Contract for Goods and Services” means a contract for the supply (by way of sale, conditional sale, lease or otherwise) of Goods and/or Services;

“Contracting Authority” means the authority to execute and deliver a Contract, including an Administrative Amendment, Contract Amendment or Change Order, as the context requires, in accordance with this Policy and the *Corporate Procurement Policy* or as the applicable Board otherwise directs;

“Co-operative Procurement” means the procurement of Goods, Services or Construction in cooperation with other governmental authorities;

“Corporate Procurement Policy” means the *Delegation of Procurement Authority Policy* (No. FN-034) as amended or replaced by the CAO from time to time;

“Corporate Solicitor” means the person appointed from time to time as the Corporate Solicitor;

“Department Head” means the following Metro Vancouver officials, as the context requires: (i) a General Manager; (ii) a Deputy CAO; or (iii) a Deputy General Manager;

“Deputy CAO” means the person(s) appointed from time to time as the Deputy Chief Administrative Officer;

“Deputy General Manager” means the person appointed from time to time as the Deputy General Manager of the applicable Metro Vancouver department;

“Direct Award” or **“Direct Awarded”** means the Award of a Contract without issuing a Call;

“Director, Procurement” means the person appointed from time to time as the Director, Procurement;

“Dispose” or **“Disposition”** means to transfer by any method, including to assign, give, sell, grant, charge, convey, lease, divest, dedicate, release, exchange, or alienate, and to agree to do any of those things;

“Economic Life” means the period of time during which Assets may be put towards profitable use in a business, which period is generally shorter than physical life as Assets may become obsolete or too costly to maintain before they are worn out;

BOARD POLICY

“Economic Value” means the financial costs and benefits to Metro Vancouver of Goods, Services and Construction during their acquisition, use and end-of-life phases (i.e. lifecycle costs) including factors such as transportation emissions, training, economic development impacts, energy consumption, disposal and other related costs. For Dispositions of Assets, “Economic Value” means the ability to convert an Asset into cash;

“Environmental Value” means the ability to protect and enhance the climate, ecology and natural resources for future generations through approaches that reduce carbon dependency, enhance energy resilience, conserve energy and resources, and reduce waste and toxins;

“First Nation Entity” means any business arrangement in which First Nation individuals and/or First Nation communities have an ownership or other interest, and includes a business entity identified by a First Nation community as its designated business partner;

“First Nation Lands” means Indian Reserves or Treaty Lands;

“First Nation Traditional Territory” means the geographic area identified by a First Nation to be the area of land which they and/or their ancestors traditionally occupied or used;

“General Manager” means a member of the Metro Vancouver Corporate Planning Committee (CPC);

“General Manager, PRS” means the person appointed from time to time as the General Manager, PRS;

“Goods” means material, supplies, equipment and other tangible or intangible property, whether or not existing at the time of the Contract, but excluding Real Estate;

“GVS&DD” has the meaning set out in Section 1.1(a);

“GVWD” has the meaning set out in Section 1.1(a);

“Mandatory Conditions” has the meaning set out in Section 7.1;

“Maximum Contract Term” means the maximum term of a Contract (including all options to extend or rights of renewal) as prescribed by this Policy;

“Metro Vancouver” means, collectively, MVRD, GVWD, GVS&DD, and MVHC, or any one of them, as the context requires;

BOARD POLICY

“Multi-Phase Contract” means a Construction Contract where Services are provided in phases, with progression (if any) from the initial to further phases being determined by project requirements;

“MVHC” has the meaning set out in Section 1.1(a);

“MVRD” has the meaning set out in Section 1.1(a);

“Obsolete Assets” means tangible Assets which are at the end of their Economic Life and cannot be used by Metro Vancouver;

“PRS” has the meaning set out in Section 2.1(d);

“Real Estate” means land with or without improvements affixed to the land, any interest in land, air, or water (including any right, title or estate in it of any tenure), or any right to occupy or use land, air, or water;

“Revenue-Generating Contract” means any Contract which requires or contemplates revenues derived from the Contract to be paid to Metro Vancouver;

“Salvage Assets” means any recovered or reclaimed Assets, which may include but are not limited to scrap metal from steel pipe, stainless steel, insulated wire, copper, brass, aluminum, and tin;

“Services” means services that are not provided or performed by Metro Vancouver staff;

“Social Value” means the ability to cultivate and sustain vibrant, creative, safe, affordable and caring communities for the wide diversity of individuals and families to live in, work in and visit the Metro Vancouver region and beyond;

“Solicitation” means the process of communicating a Call to prospective Bidders;

“Surplus Assets” means tangible Assets which are no longer needed and cannot be used by Metro Vancouver, which may include but are not limited to office furniture and equipment, computers, audio-visual equipment, marine and industrial equipment, lab equipment, Construction tools and equipment, and corporate vehicles;

“Technical Value” means the ability to meet all business requirements, including but not limited to specifications, delivery model, timelines, personnel, Contract terms and conditions, user expectations, Goods and Services requirements, and transition requirements;

BOARD POLICY

“Total Price” means the total price payable for all Goods, Services and/or Construction under a Contract over the entire term of the Contract, as of the effective date of the Contract, excluding sales or other taxes payable, but which may include, at the discretion of the applicable Metro Vancouver staff member(s) having Commitment Authority, (i) the value of options to purchase additional Goods, Services and/or Construction during the term, and (ii) the value of Goods, Services and/or Construction for any renewed optional Contract term. For Revenue-Generating Contracts, “Total Price” means the anticipated gross revenue to be received by Metro Vancouver over the entire term of the Contract. For Multi-Phase Contracts, “Total Price” means the anticipated total price payable for the Services to be provided over all phases, excluding sales or other taxes payable. For Dispositions of Assets, “Total Price” means the total price originally paid by Metro Vancouver for the Asset; and

“Unsolicited Proposals” means proposals received by Metro Vancouver independently of a Call and which are typically submitted by third parties wishing to sell certain Goods, Services or Construction to Metro Vancouver.

- 6.2** All references in this Policy to an employee, official, officer, or other representative of Metro Vancouver are deemed to include any designate, deputy, or anyone else authorized in writing by such employee, official, officer, or other representative (or by Board resolution) to act in that person’s position. For purposes of this Policy, any supervisor of an employee, official, officer, or other representative of Metro Vancouver is deemed to have the same authority as that person’s position.
- 6.3** Where the title or name of any position, division, or department is changed following the adoption of this Policy as a result of a reorganization of Metro Vancouver’s functions or for any other reason, the CAO will have the authority to amend this Policy to reflect such change, provided that the Board is duly informed within a reasonable time of any such amendment.

MANDATORY CONDITIONS FOR COMPLETING A PROCUREMENT

- 7.1** Metro Vancouver staff are not authorized to procure any Goods, Services or Construction under any Contract, including Contract Amendments and Change Orders, for or on behalf of Metro Vancouver unless the following conditions are satisfied (the **“Mandatory Conditions”**):
- a) Approved Budget is in place for the procurement;
 - b) the procurement has been authorized by the Board or the Metro Vancouver staff member(s) having Commitment Authority and Contracting Authority for the applicable Contract; and
 - c) the procurement is required to support the short-term or long-term plans, priorities or ongoing operations of Metro Vancouver as set out in the Board Strategic Plan.

BOARD POLICY

COMPETITION AND COMPETITIVE BIDDING

- 8.1** Except where expressly authorized by this Policy or the Board having jurisdiction, Metro Vancouver will procure all Goods, Services and Construction through an open, public, competitive Call.
- 8.2** The type of competition required for Metro Vancouver procurement is based on the dollar value and nature of the specific Goods, Services or Construction, ensuring the cost and time associated with using a competitive process is proportionate to the benefit received.
- 8.3** No public Call will be required for:
- a) Contracts for Goods and Services that are expected to have a Total Price of up to \$75,000; and
 - b) Construction Contracts that are expected to have a Total Price of up to \$200,000.

The Director, Procurement will endeavor to obtain a minimum of three (3) Bids for the foregoing Contracts.

- 8.4** The Director, Procurement will procure through a public Call:
- a) Contracts for Goods and Services that are expected to have a Total Price of greater than \$75,000; and
 - b) Construction Contracts that are expected to have a Total Price of greater than \$200,000.

Solicitation for the foregoing Contracts will be by way of posting the Call particulars through an electronic bidding system accessible to the general public. In addition to posting through the electronic means, local, regional, national, or international advertising may be carried out at the discretion of the Director, Procurement.

- 8.5** All Unsolicited Proposals will be under the purview of the Director, Procurement.

COMMITMENT AUTHORITY AND CONTRACTING AUTHORITY

- 9.1** Subject to the terms of this Policy, any statutory requirements, and Metro Vancouver bylaws, the CAO has Commitment Authority and Contracting Authority for:
- a) any Contract having a Total Price of up to \$10,000,000; and
 - b) any subsequent Contract Amendments or Change Orders which do not, when combined with the Total Price of the Contract, exceed the Approved Budget at the time of the Contract Amendment or Change Order.

BOARD POLICY

The CAO has the authority to further sub-delegate all such Commitment Authority and Contracting Authority to designated Metro Vancouver staff members as set out from time to time in the *Corporate Procurement Policy*.

9.2 For any Contract having a Total Price of greater than \$10,000,000:

- a) only the Board having jurisdiction has Commitment Authority;
- b) Contracting Authority will be determined by the applicable Board in its sole discretion; and
- c) subject to the terms of this Policy, any statutory requirements, and Metro Vancouver bylaws, the CAO has Commitment Authority and Contracting Authority for any subsequent Contract Amendments or Change Orders which do not, when combined with the Total Price of the Contract, exceed the Approved Budget at the time of the Contract Amendment or Change Order.

The CAO has the authority to further sub-delegate the Commitment Authority and Contracting Authority under Section 9.2(c) to designated Metro Vancouver staff members as set out from time to time in the *Corporate Procurement Policy*.

9.3 In addition, all Contract Amendments and Change Orders will be subject to:

- a) any Contract Amendment and Change Order approval process established by the CFO from time to time; and
- b) confirmation by the Director, Procurement that the Contract Amendment or Change Order falls within the existing scope of work of the Contract or applicable Call.

9.4 Procuring Goods, Services or Construction through a broker or other intermediary or splitting procurement transactions into multiple increments to circumvent this Policy, the *Corporate Procurement Policy*, or any Commitment Authority or Contracting Authority threshold is not permitted.

9.5 The CAO has Commitment Authority and Contracting Authority for any Administrative Amendment. The CAO has the authority to further sub-delegate such Commitment Authority and Contracting Authority to designated Metro Vancouver staff members as set out from time to time in the *Corporate Procurement Policy*.

BOARD POLICY

GENERAL EXCEPTIONS TO COMPETITIVE BIDDING – PERMITTED DIRECT AWARD

10.1 Notwithstanding Section 8.1, an open, public, competitive Call is not required and a Direct Award is permitted if:

- a) the Total Price of the Contract does not exceed \$25,000;
- b) the Director, Procurement and the applicable Department Head have determined that Goods, Services or Construction are urgently required and reasonably necessary to protect life/health (human, animal or plant) or property and any delay would be injurious to the public interest; provided that, in the event of any disagreement between the Director, Procurement and the applicable Department Head, the CAO will make the final determination;
- c) there is a single-supplier or other exigent circumstances which preclude an open, public, competitive Call and the following conditions are satisfied:
 - i. the Director, Procurement has determined that the contemplated Direct Award will provide Best Value for Metro Vancouver;
 - ii. in the case of a Contract for Goods and Services having a Total Price of greater than \$75,000 or a Construction Contract having a Total Price of greater than \$200,000, the Director, Procurement has publicly posted a Notice of Intent to Contract for ten (10) business days;
 - iii. if applicable, no complaints or concerns have been lodged in response to the Notice of Intent to Contract, or if any complaints or concerns have been communicated, the applicable Department Head and the Director, Procurement have reviewed the same and have authorized the Direct Award to proceed; and
 - iv. the Contract is Awarded and executed in accordance with the Commitment Authority and Contracting Authority requirements set out in this Policy or the *Corporate Procurement Policy*, as applicable;
- d) the Contract is for archaeological work pursuant to Section 11.2;
- e) subject to the Total Price threshold set out in Section 9.1(a), the CAO at their discretion has determined that the Direct Award would be in the public interest and has authorized the same;
- f) the Board at their discretion has determined that the Direct Award would be in the public interest and has authorized the same; or

BOARD POLICY

- g) the Director, Procurement has authorized participation in a Co-operative Procurement process.

FIRST NATION ENTITIES PARTICIPATION

11.1 Where a Metro Vancouver project or activity is located on or in proximity to First Nation Lands, the procurement process may include one or more of the following:

- a) unbundle large procurement competitions so that First Nation Entities can participate in the procurement process; or
- b) include provisions in the procurement documents that give preference to a First Nation Entity, or a Bidder that sub-contracts a portion of the work to a First Nation Entity.

11.2 Where a Metro Vancouver project or activity is located within a First Nation Traditional Territory and archaeological work is required, the procurement process will seek the First Nation's input and recommendations for qualified archaeological consultants:

- a) if only one recommendation is received, Metro Vancouver may unbundle all or a portion of the archaeological work and may Direct Award, under the provisions of Section 10.1, the unbundled portion to the recommended consultant; or
- b) if more than one recommendation is received, Metro Vancouver may unbundle all or a portion of the archaeological work and undertake a procurement competition in accordance with this Policy.

SUSTAINABLE, SOCIAL AND ETHICAL PROCUREMENT

12.1 Sustainable, social and ethical procurement aligns with Metro Vancouver's long term priorities and commitments to sustainability, equity and regional prosperity as set out in the Board Strategic Plan. Metro Vancouver is committed to optimizing social and environmental benefits to the region in accordance with Best Value requirements throughout its procurement processes.

12.2 Metro Vancouver intends to recognize excellence, leadership and innovation in sustainability, environmental stewardship, equity and fair labour practices within the supplier selection process. Metro Vancouver will undertake to do so in accordance with any sustainable, social and/or ethical procurement policies and procedures that are in effect from time to time.

MAXIMUM CONTRACT TERM

13.1 Subject to any statutory requirements, the Director, Procurement in consultation with the applicable Department Head will set the Maximum Contract Term for a Call. For proposed Maximum Contract Terms of ten (10) years or greater, such terms will be subject to the approval of the CAO in addition to compliance with any statutory requirements.

BOARD POLICY

CONTRACT EXTENSIONS

14.1 Contracts may only be extended past the Maximum Contract Term where one of the following conditions are met:

- a) the extension is a permitted Direct Award in accordance with Section 10.1; or
- b) there is (or is about to be) a new Call for the Goods, Services or Construction and the Director, Procurement and applicable Department Head have determined that an extension is required to provide time to complete the new Call. In this case, the applicable Department Head will have Commitment Authority and the Director, Procurement, or the CAO, will have Contracting Authority for the extension, provided that the extension:
 - i. is no longer than twelve (12) months;
 - ii. when combined with the Total Price of the Contact does not exceed \$20,000,000 or the Approved Budget; and
 - iii. is executed by the parties to the Contract before the expiry of the term.

CO-OPERATIVE PROCUREMENT

15.1 The Director, Procurement may participate in Co-operative Procurement.

15.2 The provisions of this Policy apply to the rights and obligations assumed by Metro Vancouver with respect to any Co-operative Procurement process.

CANCELLATION OF CALLS

16.1 The Director, Procurement will be authorized to cancel any Call where:

- a) there is a request by the applicable Department Head and responses are greater than the Approved Budget for the Award in respect of the Call;
- b) in the opinion of the Director, Procurement or the applicable Department Head:
 - i. a change in the scope of work, specifications or other authorizations is required and therefore a new Call should be issued; or
 - ii. the Goods, Services or Construction to be provided pursuant to the Call no longer meet Metro Vancouver's requirements; or
- c) in the opinion of the Director, Procurement the integrity of the Call process has been compromised.

BOARD POLICY

ADMINISTRATION OF CONTRACTS

17.1 Following the exercise by the Procurement Division of PRS of its primary authority over a Call or a contemplated Direct Award, as applicable, and where a Contract results from the Call or contemplated Direct Award, the applicable Department Head will have the primary responsibility for the proper administration and enforcement of the Contract, subject to the *Legal Services Policy* (No. GV-029) and subject to the requirements for any Administrative Amendments, Contract Amendments and Change Orders as set out in this Policy and the *Corporate Procurement Policy*.

DISPOSITION OF ASSETS

18.1 The Disposition of Assets will be coordinated by the Procurement Division of PRS following a process that is transparent and non-discriminatory and which ensures Best Value for Metro Vancouver.

18.2 The Disposition of Surplus Assets will be carried out in accordance with the following:

- a) the Department Head responsible for the applicable Assets will determine and declare when such Assets are deemed to be Surplus Assets (refer to the Appendix for the type of Assets and responsible Department);
- b) the Surplus Assets must first be offered at no charge to other potential users within Metro Vancouver;
- c) if the Surplus Assets cannot be used by another user within Metro Vancouver, they will be Disposed of through the Procurement Division of PRS by way of public auction, trade-in, public tender, negotiated sale or other means that achieves Best Value for Metro Vancouver;
- d) in no event will Surplus Assets be directly sold to Metro Vancouver staff, provided that Metro Vancouver staff will be permitted to participate in any public auction process for such Surplus Assets;
- e) in no event will Surplus Assets be offered at no charge to any person outside of Metro Vancouver (including any non-profit organization) unless in accordance with Section 18.5;
- f) in the event Surplus Assets cannot be sold or traded for use, they will be recycled in a manner that minimizes environmental impacts; and
- g) proof of authorization for the Disposition of Surplus Assets must be retained for up to seven (7) years from the date of Disposition.

18.3 The Disposition of Obsolete Assets will be carried out in accordance with the following:

BOARD POLICY

- a) the Department Head responsible for the applicable Assets will determine and declare when such Assets are deemed to be Obsolete Assets (refer to the Appendix for the type of Assets and responsible Department);
- b) Obsolete Assets will be Disposed of through the Procurement Division of PRS by way of public auction, trade-in, public tender, negotiated sale or other means that achieves Best Value for Metro Vancouver;
- c) in no event will Obsolete Assets be directly sold to Metro Vancouver staff, provided that Metro Vancouver staff will be permitted to participate in any public auction process for such Obsolete Assets;
- d) in no event will Obsolete Assets be offered at no charge to any person outside of Metro Vancouver (including any non-profit organization) unless in accordance with Section 18.5;
- e) in the event Obsolete Assets cannot be sold or traded for use, they will be recycled in a manner that minimizes environmental impacts; and
- f) proof of authorization for the Disposition of Obsolete Assets must be retained for up to seven (7) years from the date of Disposition.

18.4 The Disposition of Salvage Assets will be carried out in accordance with the following:

- a) the Department Head responsible for the applicable Assets will determine and declare when such Assets are deemed to be Salvage Assets (refer to the Appendix for the type of Assets and responsible department);
- b) a list of Salvage Assets will be documented in a Salvage Asset Tracking Sheet;
- c) a copy of the Salvage Asset Tracking Sheet will be provided to the Financial Services Department on a monthly basis by email or inter-office mail with supporting documentation, as appropriate. Original copies of the document are to be maintained in the files on site for seven (7) years; and
- d) the Procurement Division of PRS will be responsible for the Disposition of Salvage Assets, which may only be completed through an approved recycling dealer.

18.5 The donation of Assets will be carried out in accordance with the following:

- a) only Surplus Assets or Obsolete Assets are eligible for donation;

BOARD POLICY

- b) the donation must meet the following criteria:
- i. it must provide a clear and positive community benefit to the Metro Vancouver region;
 - ii. it must offer specific benefits to Metro Vancouver or its members;
 - iii. the entity that is receiving the donation must have a mandate with a community objective and purpose that is consistent with Metro Vancouver's vision, mission and roles; and
 - iv. the entity receiving the donation must be a registered charitable organization or non-profit organization;
- c) Surplus Assets or Obsolete Assets that are to be donated must receive prior approval from the CAO, with a recommendation from the CFO, and the Director, Procurement;
- d) when more than one (1) registered charitable organization or non-profit organization requests the donation of Surplus Assets or Obsolete Assets, organizations will be considered equally using the criteria outlined in Section 18.5(b);
- e) the donation of Surplus Assets or Obsolete Assets which individually or in the aggregate have a Total Price of greater than \$100,000 requires Board approval; and
- f) proof of authorization for the donation of Surplus Assets or Obsolete Assets must be retained for up to seven (7) years from the date of donation.

18.6 All proceeds in exchange of the Disposed Assets will be remitted directly to the Financial Services Department. Proceeds must be in the form of cheque, electronic funds transfer, or if the transaction is less than \$5,000, a credit card may be used.

BOARD POLICY

APPENDIX

Asset Category and Responsible Department Table

The following table lists the type of Assets and subsequent department that is responsible for determining whether Assets are Surplus Assets, Obsolete Assets or Salvage Assets. It is intended to provide guidance and can be amended as required.

Asset	Responsible Department
Furniture and Office Equipment	Procurement and Real Estate Services (Facilities)
Information Technology (IT) Equipment	Corporate Services (Information Technology)
Fleet and Marine Equipment	Corporate Services (Fleet Services)
Safety Equipment	Corporate Services (Safety Security Emergency Management)
Industrial Equipment	User Department (Water, Liquid Waste, Solid Waste, Housing, Regional District)
Construction Tools and Equipment	User Department (Water, Liquid Waste, Solid Waste, Housing, Regional District)
Lab Equipment	User Department (Water, Liquid Waste, Solid Waste, Housing, Regional District)

REAL ESTATE AUTHORITY POLICY

Effective Date: June 1, 2024

Approved By: MVRD/GVWD/GVS&DD/MVHC Boards

Policy No. FN-032**PURPOSE****1.1** This Policy:

- a) applies to the Metro Vancouver Regional District (“**MVRD**”), the Greater Vancouver Water District (“**GVWD**”), the Greater Vancouver Sewerage and Drainage District (“**GVS&DD**”), and the Metro Vancouver Housing Corporation (“**MVHC**”) in the performance of their respective duties and responsibilities when entering into Real Estate Transactions; and
- b) outlines the authorization and general requirements for entering into Real Estate Transactions for or on behalf of Metro Vancouver.

DELEGATION OF AUTHORITY

- 2.1** The following instruments, this Policy and the *Corporate Real Estate Policy* provide the delegated authority for Metro Vancouver staff to enter into Real Estate Transactions for or on behalf of Metro Vancouver:

Metro Vancouver Entity	Delegation Instrument
MVRD	<i>Officers and Delegation Bylaw No. 1208, 2014</i>
GVWD	<i>Officers and Delegation Bylaw No. 247, 2014</i>
GVS&DD	<i>Officers and Delegation Bylaw No. 284, 2014</i>
MVHC	By Resolution

- 2.2** Nothing in this Policy delegates authority to non-Metro Vancouver staff to enter into Real Estate Transactions for or on behalf of Metro Vancouver.

POLICY ADMINISTRATION

- 3.1** The Real Estate Services Division of the Procurement and Real Estate Services Department (“**PRS**”), overseen by the Director, Real Estate Services, is the owner and administrator of this Policy. Except where separately authorized by a Department Head, the Corporate Solicitor, the CAO, or the Board, all Real Estate Transactions are to be administered by the Real Estate Services Division of PRS.

DEFINITIONS AND INTERPRETATION

- 4.1** Capitalized terms used in this Policy are defined as follows:

BOARD POLICY

“Acquire” or “Acquisition” means to obtain Real Estate by any method, including to accept, receive, purchase, be vested with, lease, licence, or take possession, control or occupation of Real Estate, or to agree to do any of those things, but excludes expropriation, except by agreement under section 3 of the *Expropriation Act*;

“Approved Budget” means the authorized budget (including any contingency amounts) for the capital project or operating program under which the Real Estate Transaction will be completed pursuant to this Policy and the *Corporate Real Estate Policy*, that is approved for expenditure in accordance with the Board-approved budget;

“Board” means, collectively, the MVRD Board of Directors, the GVWD Board of Directors, the GVS&DD Board of Directors, and the MVHC Board of Directors, or any one of them, as the context requires. For Real Estate Transactions, “Board” means the Board of Directors of the Metro Vancouver entity entering into the Real Estate Transaction;

“CAO” means the person appointed from time to time as the Chief Administrative Officer or Commissioner, as the context requires;

“Commitment Authority” means the authority to approve a Real Estate Transaction, including a Contract Amendment, in accordance with this Policy and the *Corporate Real Estate Policy* or as the applicable Board otherwise directs;

“Contract” means a contract, agreement or instrument to Acquire or Dispose of Real Estate, to use or manage Real Estate, or otherwise related to Real Estate, including but not limited to any permit, licence or lease (or any extension thereof), option to purchase, option to lease, broker agency agreement, confidentiality agreement, easement, statutory right of way, covenant or modification thereof, or any other document required to complete a Real Estate Transaction, and any Contract Amendment(s) thereto;

“Contract Amendment” means any change to a term, condition or other provision of a duly executed Contract;

“Contracting Authority” means the authority to execute and deliver a Contract, including a Contract Amendment, in accordance with this Policy and the *Corporate Real Estate Policy* or as the applicable Board otherwise directs;

“Corporate Real Estate Policy” means the *Delegation of Real Estate Authority Policy* (No. FN-033) as amended or replaced by the CAO from time to time;

“Corporate Solicitor” means the person appointed from time to time as the Corporate Solicitor;

BOARD POLICY

“Department Head” means the following Metro Vancouver officials, as the context requires: (i) a General Manager; (ii) a Deputy CAO; or (iii) a Deputy General Manager;

“Deputy CAO” means the person(s) appointed from time to time as the Deputy Chief Administrative Officer;

“Deputy General Manager” means the person appointed from time to time as the Deputy General Manager of the applicable Metro Vancouver department;

“Director, Real Estate Services” means the person appointed from time to time as the Director, Real Estate Services;

“Dispose” or **“Disposition”** means to transfer Real Estate (in whole or in part) by any method, including to assign, give, sell, grant, charge, convey, lease, licence, divest, dedicate, release, exchange, or alienate Real Estate, and to agree to do any of those things;

“General Manager” means a member of the Metro Vancouver Corporate Planning Committee (CPC);

“General Manager, PRS” means the person appointed from time to time as the General Manager, PRS;

“GVS&DD” has the meaning set out in Section 1.1(a);

“GVWD” has the meaning set out in Section 1.1(a);

“Mandatory Conditions” has the meaning set out in Section 5.1;

“Metro Vancouver” means, collectively, MVRD, GVWD, GVS&DD, and MVHC, or any one of them, as the context requires;

“MVHC” has the meaning set out in Section 1.1(a);

“MVRD” has the meaning set out in Section 1.1(a);

“PRS” has the meaning set out in Section 3.1;

“Real Estate” means land with or without improvements affixed to the land, any interest in land, air, or water (including any right, title or estate in it of any tenure), or any right to occupy or use land, air, or water;

BOARD POLICY

“Real Estate Transaction” means the Acquisition, Disposition, use or management of Real Estate, as documented by a Contract, including but not limited to:

- i. the Acquisition or Disposition of a fee simple interest, including in the case of a Road Dedication;
- ii. the Acquisition or Disposition of a lease or similar interest;
- iii. a residential tenancy agreement;
- iv. the Acquisition or Disposition of a licence;
- v. the Acquisition of a statutory right of way, easement, covenant, permit, highway use permit, railway line crossing agreement, railway works permit, consent or similar interest;
- vi. the Disposition of a statutory right of way, easement, covenant, permit, pipeline crossing, consent or similar interest; and
- vii. an application, instrument, or arrangement entered into for, or in anticipation or support of, the Acquisition, Disposition, use or management of Real Estate, including but not limited to an application or agreement for rezoning, official community plan amendment, subdivision approval, a demolition, building or other development permit, use of a public road or highway, use of a railway line, and use of a right of way held by other parties;

“Regional Park” means a park dedicated by Metro Vancouver under the *Local Government Act*;

“Regional Trail” means a trail dedicated by Metro Vancouver under the *Local Government Act*; and

“Road Dedication” means the execution by an owner or a charge holder of a subdivision, reference or explanatory plan showing the dedication of land as road or highway to the public, including an application to deposit any such plan at the Land Title Office.

- 4.2** All references in this Policy to an employee, official, officer, or other representative of Metro Vancouver are deemed to include any designate, deputy, or anyone else authorized in writing by such employee, official, officer, or other representative (or by Board resolution) to act in that person’s position. For purposes of this Policy, any supervisor of an employee, official,

BOARD POLICY

officer, or other representative of Metro Vancouver is deemed to have the same authority as that person's position.

- 4.3** Where the title or name of any position, division, or department is changed following the adoption of this Policy as a result of a reorganization of Metro Vancouver's functions or for any other reason, the CAO will have the authority to amend this Policy to reflect such change, provided that the Board is duly informed within a reasonable time of any such amendment.

MANDATORY CONDITIONS FOR ENTERING INTO A REAL ESTATE TRANSACTION

- 5.1** Metro Vancouver staff are not authorized to enter into any Real Estate Transaction (other than a Disposition) for or on behalf of Metro Vancouver unless the following conditions are satisfied (the "**Mandatory Conditions**"):

- a) Approved Budget is in place for the Real Estate Transaction;
- b) the Real Estate Transaction has been authorized by the Board or the Metro Vancouver staff member(s) having Commitment Authority and Contracting Authority for the applicable Contract; and
- c) the Real Estate Transaction is required to support the short-term or long-term plans, priorities or ongoing operations of Metro Vancouver as set out in the Board Strategic Plan.

- 5.2** Metro Vancouver staff are not authorized to complete a Disposition for or on behalf of Metro Vancouver unless the following Mandatory Conditions are satisfied:

- a) the Disposition has been authorized by the Board or the Metro Vancouver staff member(s) having Commitment Authority and Contracting Authority for the applicable Contract; and
- b) the Disposition is required to support the short-term or long-term plans, priorities or ongoing operations of Metro Vancouver as set out in the Board Strategic Plan.

COMMITMENT AUTHORITY AND CONTRACTING AUTHORITY

- 6.1** Subject to the terms of this Policy, any statutory requirements, and Metro Vancouver bylaws, the CAO has Commitment Authority and Contracting Authority for:

- a) any Real Estate Transaction having a total value of up to \$10,000,000; and
- b) in the case of a lease, the exercise of any lease renewal option, provided that:
 - i. the lease renewal option and the total value (or mechanism to calculate the total value) of its exercise were contemplated in the original Contract; and

BOARD POLICY

- ii. the total value of exercising the lease renewal option does not exceed the Approved Budget at the time of exercise.

The CAO has the authority to further sub-delegate all such Commitment Authority and Contracting Authority to designated Metro Vancouver staff members as set out from time to time in the *Corporate Real Estate Policy*.

6.2 For any Real Estate Transaction having a total value of greater than \$10,000,000:

- a) only the Board having jurisdiction has Commitment Authority;
- b) Contracting Authority will be determined by the applicable Board in its sole discretion; and
- c) subject to the terms of this Policy, any statutory requirements, and Metro Vancouver bylaws, in the case of a lease, the CAO has Commitment Authority and Contracting Authority for the exercise of any lease renewal option, provided that:
 - i. the lease renewal option and the total value (or mechanism to calculate the total value) of its exercise were contemplated in the original Contract; and
 - ii. the total value of exercising the lease renewal option does not exceed the Approved Budget at the time of exercise.

The CAO has the authority to further sub-delegate the Commitment Authority and Contracting Authority under Section 6.2(c) to designated Metro Vancouver staff members as set out from time to time in the *Corporate Real Estate Policy*.

6.3 Notwithstanding anything to the contrary in this Policy, but in each case subject to the *Local Government Act*, only the Board having jurisdiction has Commitment Authority for the Disposition of a fee simple interest in a Regional Park or Regional Trail.

6.4 The Director, Real Estate Services, and Real Estate Services staff designated from time to time by the Director, Real Estate Services, have the authority to execute non-binding Real Estate instruments provided they are expressly subject to the approval, as applicable, of the Board, the CAO or the Metro Vancouver staff member(s) with Commitment Authority for the anticipated Contract as set out in Section 6.1 or Section 6.2 or in the *Corporate Real Estate Policy*.

6.5 Contract Amendments must meet the Mandatory Conditions set out in Section 5.1 or Section 5.2, as applicable.

Metro Vancouver Reserves by Entity

Reserve	Classification	Description	Balance as of December 31, 2024
GVSD			
Liquid Waste Services			
Liquid Waste Services Operating	Operating reserves	This reserve is established to serve as a measure of financial security should there be an unforeseen financial loss due to operations. Each established Sewerage and Drainage Area has its own Operating Reserve Account.	48,399,000
Liquid Waste Biosolids Inventory	Discretionary reserves	This reserve is established to be used for the costs related to the processing and removal of biosolids at the Wastewater Treatment Plants. Each Sewerage Area has its own Biosolids Inventory Reserve Account.	-
Liquid Waste Drainage General	Discretionary reserves	This reserve is established to be used for projects related to the Drainage Areas. Each Drainage Area has its own Reserve Account.	5,914,000
Liquid Waste General Debt Reserve Fund	Discretionary reserves	This reserve was originally established to support GVS&DD's historical bond and debenture issuances, ensuring sufficient funds were available to meet payment obligations to bondholders. GVS&DD no longer issues its own bonds.	2,372,000
Liquid Waste Lions Gate Contingency	Discretionary reserves	This reserve is established to be used for the costs related to the current Lions Gate Wastewater Treatment Plant. This reserve is established only for the North Shore Sewerage Area.	1,665,000
Liquid Waste Development Cost Charge	Statutory reserves	This reserve is established to only be used for assisting the GVS&DD in paying debt or capital costs incurred to provide, construct, alter or expand sewerage facilities to service development within the area of the GVS&DD (Sewerage and Drainage function). Each Sewerage Area has its own DCC Reserve Account.	293,267,000

Liquid Waste Laboratory Equipment	Statutory reserves	This reserve is established to only be used for the acquisition, repair, replacement, upgrading or improvements of laboratory equipment used by the GVS&DD for testing and analysis. Each Sewerage Area has its own laboratory equipment Reserve Account.	1,015,000
Liquid Waste Services Sustainability Innovation Fund	Statutory reserves	This reserve is established to be used for the activities described in the Liquid Waste Sustainability Innovation Fund Policy. Each Sewerage Area has its own Sustainability Innovation Fund Reserve Account.	8,128,000
North Shore Wastewater Treatment Plant	Statutory reserves	This reserve is established to provide for “North Shore Program Additional Costs”, which means the costs for completing the North Shore Program in excess of \$1.06 Billion, to a maximum of \$3.86 Billion.	-
Solid Waste Services			
Solid Waste Services Operating	Operating reserves	This reserve is established to serve as a measure of financial security should there be an unforeseen financial loss such as a reduction in overall regional waste tonnage and volumes.	38,190,000
Solid Waste General	Discretionary reserves	This reserve is established to be used for projects and initiatives related to Solid Waste activities.	28,860,000
Solid Waste Landfill Post Closure	Discretionary reserves	This reserve is established to be used to cover unforeseen costs related to the closure of the Vancouver Landfill.	11,406,000
GVWD			
Water Services			
Water Services Operating	Operating reserves	This reserve is established to serve as a measure of financial security should there be an unforeseen loss due to less than expected revenues such as lower water sales due to consumption	40,068,000

Laboratory Equipment	Statutory reserves	This reserve is established to only be used for the acquisition, repair, replacement, upgrading or improvements of laboratory equipment used by the GVWD for testing and analysis.	928,000
Water Development Cost Charge	Statutory reserves	This reserve is established to only be used for assisting the GVWD in paying debt or capital costs incurred to provide, construct, alter or expand water service facilities to service development within the area of the GVWD.	57,323,000
Water Services Sustainability Innovation Fund	Statutory reserves	This reserve is established to be used for the activities described in the Water Sustainability Innovation Fund Policy.	15,687,000
MVHC			
MVHC Operating Reserves Operating	Operating reserves	This reserve is established to serve as a measure of financial security should there be an unforeseen financial loss due to factors including vacancy rates, tenant turnover and rental losses caused by required repairs and maintenance activities.	10,403,000
MVHC Capital Development	Discretionary reserves	This reserve is established to be used for the development and re-development of MVHC housing sites.	24,532,000
MVHC Capital Replacement	Discretionary reserves	This reserve is established to be used for capital replacement activities within the MVHC. This would include major repairs and maintenance activities at MVHC housing sites.	22,678,000
MVHC Restricted Reserve	Statutory reserves	This reserve is established for the replacement of equipment and specified building components under operating agreements entered into with external organizations.	6,166,000
MVRD			
Air Quality and Climate Action			


Air Quality and Climate Action Operating	Operating reserves	This reserve is established to serve as a measure of financial security should there be an unforeseen financial loss due to higher than expected operating costs.	6,793,000
Air Quality and Climate Action General	Discretionary reserves	This reserve is established to fund projects and initiatives within the Air Quality function.	-
Centralized Support Program			
Centralized Support General	Discretionary reserves	The reserve is established to fund projects and initiatives for all centralized support programs.	35,658,000
Corporate Fleet	Statutory reserves	The reserve is established to set aside funds to provide for costs related to the acquisition, replacement and maintenance of corporate fleet assets.	16,353,000
Corporate Self Insurance	Statutory reserves	The reserve is established to set aside funds to provide for the costs related to funding property and liability claims in accordance with the MVRD General Liability and Property Loss Claims Policy	1,709,000
E911 Emergency Telephone Service			
E911 Emergency Telephone Service Operating	Operating reserves	This reserve is established to serve as a measure of financial security should there be an unforeseen financial loss due to higher than expected operating costs.	835,000
E911 Emergency Telephone Service General	Discretionary reserves	This reserve is established to fund projects and initiatives within the E911 Emergency Telephone Service Function.	34,000
Electoral Area			

Electoral Area Service Operating	Operating reserves	This reserve is established to serve as a measure of financial security should there be an unforeseen financial loss due to higher than expected operating costs.	182,000
Electoral Area Service General	Discretionary reserves	This reserve is established to fund costs associated with projects and initiatives within the Electoral Area Service Function	2,011,000
Electoral Area Community Works	Statutory reserves	This reserve is established to fund projects and initiatives as per the Community Works Fund Agreement.	887,000
Electoral Area Election	Statutory reserves	This reserve is established to fund costs associated with Electoral Area A local government elections, by-elections, projects and initiatives.	79,000
General Government			
General Government Operating	Operating reserves	This reserve is established to serve as a measure of financial security should there be an unforeseen financial loss due to higher than expected operating costs.	13,611,000
West Nile Virus	Operating reserves	This reserve was established for the West Nile Virus Program.	409,000
General Government	Discretionary reserves	The reserve is established to fund costs associated with projects and initiatives within the General Government Function	63,286,000
Grants Reserve Fund	Statutory reserves	The reserve is established for funds to be expended solely for the purpose of providing grants to organizations specifically named by the Regional District Board and in accordance with guidelines for this purpose approved by the Board.	1,864,000
MVRD Sustainability Innovation Fund	Statutory reserves	This reserve is established to set aside funds to provide for costs related to activities described in the MVRD Regional District Sustainability Innovation Fund Policy	10,718,000
Housing Planning and Policy			

Housing Planning and Policy Development Operating	Operating reserves	This reserve is established to serve as a measure of financial security should there be an unforeseen financial loss due to higher than expected operating costs.	618,000
Housing Planning and Policy	Statutory reserves	This reserve is established to provide for costs related to funding affordable housing development, projects and initiatives.	7,939,000
Housing Planning and Policy Development	Statutory reserves	This reserve is established to provide for costs related to funding new affordable housing development projects on lands owned by MVRD or by MVRD member jurisdictions.	21,738,000
Invest Vancouver			
Invest Vancouver Operating	Operating reserves	This reserve is established to serve as a measure of financial security should there be an unforeseen financial loss due to higher than expected operating costs.	1,102,000
Invest Vancouver General	Discretionary reserves	This reserve is established to fund projects and initiatives within the Invest Vancouver Initiative Function.	53,000
Regional Emergency Management			
Regional Emergency Management Operating	Operating reserves	This reserve is established to serve as a measure of financial security should there be an unforeseen financial loss due to higher than expected operating costs.	395,000
Regional Emergency Management General	Discretionary reserves	This reserve is established to fund projects and initiatives within the Regional Emergency Management Function.	314,000
Regional Employer Services			
Regional Employer Services Operating	Operating reserves	This reserve is established to serve as a measure of financial security should there be an unforeseen financial loss due to higher than expected operating costs.	435,000

Regional Employer Services General	Discretionary reserves	This reserve is established to fund projects and initiatives within the Regional Employer Services Function.	2,596,000
Regional Geospatial Reference System			
Regional Geospatial Reference System Operating	Operating reserves	This reserve is established to serve as a measure of financial security should there be an unforeseen financial loss due to higher than expected operating costs.	599,000
Regional Geospatial Reference System	Statutory reserves	The reserve is established to set aside funds to provide for costs, projects, initiatives and equipment related to the Regional GPS Service	1,334,000
Regional Parks			
Regional Parks Operating	Operating reserves	This reserve is established to serve as a measure of financial security should there be an unforeseen financial loss due to higher than expected operating costs	5,918,000
Regional Parks General	Discretionary reserves	The reserve is established to fund projects and initiatives within the Regional Parks Function.	227,000
Delta Airpark	Statutory reserves	The reserve is established to set aside funds to be applied only to Delta Airpark building repairs and other capital Airpark improvements and or associated park areas as endorsed by the Delta Airpark Management Committee and adopted by the District Park Committee.	190,000
Parkland Acquisition	Statutory reserves	The reserve is established to set aside funds for the purpose of land acquisition in existing and future regional parks	41,221,000
Parkland Acquisition and Development	Statutory reserves	The reserve is established to set aside funds for the purpose of acquiring park land, or for the development or construction of improvements on or to park land.	23,257,000
Parkland Acquisition Development Cost Charge	Statutory reserves	This reserve is established to only be used for assisting the MVRD in paying the capital costs of providing regional park land, to service, directly or indirectly, the development for which the charge is being imposed	-

Regional Parks Infrastructure	Statutory reserves	The reserve is established to set aside funds to provide for costs related to the acquisition, construction, replacement and maintenance of capital infrastructure related to the Regional Parks Function	2,736,000
Regional Parks Legacy	Statutory reserves	The reserve is established to set aside funds to be used for stewardship activities in MVRD's Regional Parks that benefit the community.	2,812,000
Regional Planning			
Regional Planning Operating	Operating reserves	This reserve is established to serve as a measure of financial security should there be an unforeseen financial loss due to higher than expected operating costs	1,777,000
Regional Planning General	Discretionary reserves	This reserve is established to fund projects and initiatives within the Regional Planning Function	2,236,000
Sasamat Fire Protection			
Sasamat Fire Protection Service Operating	Operating reserves	This reserve is established to serve as a measure of financial security should there be an unforeseen financial loss due to higher than expected operating costs.	334,000
SFPS Capital Facility Reserve	Statutory reserves	The reserve is established to help fund preliminary design for the replacement of two fire halls in Villages of Anmore and Belcarra	1,188,000
SFPS Capital Reserve Fund	Statutory reserves	The reserve is established to for future capital expenditures for the Sasamat Fire Protection Service including vehicles or equipment.	764,000
SFPS Communications Capital Reserve Fund	Statutory reserves	The reserve is established to set aside funds to provide for the acquisition of new communications equipment and the payment of apportioned infrastructure costs for the Sasamat Fire Protection Service	76,000
SFPS Emergency Equipment Reserve Fund	Statutory reserves	This reserve is to establish a reserve to set aside funds to provide for emergency repairs to equipment for the Sasamat Fire Protection Service	48,000
Total MV Reserves			891,337,000



Metro Vancouver - Financial Policies

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1

FINANCIAL SERVICES RESPONSIBILITY

Financial Services Department has a fiduciary duty and stewardship responsibility to develop & maintain appropriate financial policies, processes & procedures to ensure overall financial sustainability, safeguarding assets & compliance with ongoing finance related statutory requirements & policies.

2

FINANCIAL COMMITTEE – TERMS OF REFERENCE

The Finance Committee is the standing committee of the Metro Vancouver Board that monitors Metro's financial management, providing advice & recommendations on financial policies, the annual budget, long range plan, and overall financial oversight of results and the annual audit.

CURRENT FINANCIAL POLICIES

Key Board Approved Financial Policies:

1. Financial Management Policy
2. Corporate Allocation Policy
3. Operating, Statutory, Discretionary Reserves Policies
4. Corporate Investments Policy
5. Procurement and Asset Disposal
6. Real Estate Authority Policies



FINANCIAL MANAGEMENT POLICY

- Adopted by the Board in October 2018
- Guides the decision making on funding current and long-term operating and capital expenditures
- Balance between ability of ratepayers to pay-as-you-go for operating and capital expenditures and the need to secure long-term financing

FINANCIAL MANAGEMENT POLICY

- Key principles:
 - Funding of ongoing and recurring expenditures directly in the year in which they are incurred;
 - Funding from Reserves in accordance with the *Operating, Statutory and Discretionary Reserves Policy*;
 - Funding of expenditures matches the realization of the benefit from those expenditures when expenditures are not ongoing or recurring;
 - Consistency with legislative requirements;
 - Financial flexibility to meet future financial requirements; and
 - Mitigation of current and future financial risk.

FINANCIAL MANAGEMENT POLICY

Key Component	Description	Policy Position
Pay-as-you-go funding	Annual operating and capital expenditures funded directly through annual revenues	Operating expenditures always on a pay-as-you-go. Capital expenditures on a pay-as-you-at a level that represents consistent the amount of total capital expenditures incurred from year to year
Long-Term Debt	Borrowing procured to fund capital expenditures	Utilize long-term borrowing for capital expenditures not funded from reserve or through pay-as-you-go
Debt Amortization	Long-term debt financing term for borrowing	15-year amortization
Debt Service Level	Amount of debt servicing covered by total revenues	40% Debt Service Ratio

CORPORATE ALLOCATION POLICY

- Adopted by the Board in July 2017
- Provide a framework for establishing allocation of costs by centralized support services that support all business activities of Metro Vancouver's four legal entities
- Includes: Corporate Services, External Relations, Financial Services, Human Resources, Indigenous Relations, Legislative Services and portions of Project Delivery

CORPORATE ALLOCATION POLICY

Key Principles:

- Efficient – costs are easily administered, replicable and comprehensible
- Equitable – costs are apportioned fairly across Metro Vancouver services and to the extent possible, upholds a user-pay approach for the level of service provided
- Consistent – costs are allocated in a way that mitigates large fluctuations and ensures relative certainty, based on level of use
- Transparent – costs are clearly identified

OPERATING, STATUTORY, DISCRETIONARY RESERVES POLICY

- Adopted by the Board in April 2018
- Principles and requirements that guide the establishment, use and management of Metro Vancouver reserves
- 3 key principles
 - Financial stability, security and sustainability
 - Consistent with Board and Corporate strategic goals
 - In accordance with legal requirements under applicable legislation

OPERATING, STATUTORY, DISCRETIONARY RESERVES

- Operating Reserves

- Established for each legal entity and statutory function for financial security should there be an unforeseen financial loss beyond the control of the organization
- Minimum reserve balances based on percentage of prior year's operating expenditures net of reserve contributions, contribution to capital and debt service costs
- Based on inherent risk of incurring financial loss and is different across legal entities and statutory functions

OPERATING, STATUTORY, DISCRETIONARY RESERVES

- Discretionary Reserves

- Established by the Board for legal entities and statutory functions as an appropriation of annual surplus to meet a known or anticipated future financial obligation.
- Contributions are made through appropriation of annual surpluses generated from operations

- Statutory Reserves

- Established where reserves are required within a legal framework which governs their composition and application

OPERATING, STATUTORY, DISCRETIONARY RESERVES

- Appropriation of Annual Surpluses Decision Framework
 1. Fund capital expenditures or pay down existing debt
 2. Fund one-time expenditures
 3. Rate stabilization for a legal entity or statutory function
 4. Maintain as a Statutory or Discretionary Reserve

CORPORATE INVESTMENTS POLICY

- Originally adopted by the Board in 1997, revised in November 2020
- Compliant with legislation and regulatory requirements
- Provide guidelines for investment decisions to ensure safety of capital, adequate liquidity and a reasonable rate of return

PROCUREMENT AND ASSET DISPOSAL POLICY REAL ESTATE AUTHORITY POLICY

- Original Procurement and Real Estate Policy Replaced by 2 New Policies in 2024
 - Procurement and Asset Disposal Policy
 - Real Estate Authority Policy
- Achieve an open, transparent, non-discriminatory and competitive process that provides best value
- Applies leading practices, risk mitigation strategies and strong financial controls
- Establish delegated authority for procurement and real estate transactions

