# Regional Municipality of Waterloo

## Administration and Finance Committee

## Minutes

Tuesday, April 29, 2014

11:26 a.m.

Regional Council Chamber

150 Frederick Street, Kitchener

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Present were: Chair T. Galloway, L. Armstrong, J. Brewer, T. Cowan, D. Craig, R. Deutschmann, J. Haalboom, B. Halloran, R. Kelterborn, G. Lorentz, C. Millar, J. Mitchell, K. Seiling, S. Strickland and J. Wideman

Members Absent: C. Zehr

**Declarations of Pecuniary Interest under "The Municipal Conflict Of Interest Act"**

S. Strickland stated that he will recuse himself from discussion related to item 2d) on the Closed Committee agenda due to his employment.

**Request to Remove Items from Consent Agenda**

There were no requests to remove items from the Consent agenda.

**Motion to Approve Items or Receive for Information**

Moved by J. Wideman

Seconded by B. Halloran

That the following items be approved:

- That the minutes of the Audit Committee meeting held April 1, 2014 by approved.
- That the Regional Municipality of Waterloo endorse the recommendations and approve the proposed actions of the Fleet Services Program Review 2013-2014 as noted in CA-14-002.1/CR-FM-14-001.1 Appendix "A" dated April 29, 2014;

And That the approved 2014 Capital Budget be amended to include $200,000 for implementation of the Fleet Services Program Review Project to be funded from the Fleet Services vehicle and equipment reserves.

- That the Regional Municipality of Waterloo approve the collection of pay-per-use fees for accessing public electrical vehicle charging equipment owned by the Region as described in Report CR-FM-14-006, dated April 29, 2014;

  And That notice be provided to the public of a proposed amendment to the Fees and Charges By-law 14-002 at the June 4, 2014 Regional Council meeting regarding implementation of a fee of $1.00 per hour of use of the public electrical charging equipment.

- That the Regional Municipality of Waterloo endorse the submission of business cases and applications for funding from the New Building Canada Fund for the projects identified in Report F-14-055 dated April 29, 2014, subject to confirmation of eligibility requirements.

And that the following items be accepted for information:

- CR-CLK-14-006, Region of Waterloo 2013 Accessibility Status Report, the Waterloo Regional Police Services Accessibility Plan 2013-2014, and 2013-2014 Grand River Transit Accessibility Plan
- F-14-053, Quarterly Summary of Tenders/ Quotes, Requests for Proposals and Consultant Selections Approved by the Chief Administrative Officer
- F-14-054/E-14-033/CR-FM-14-004, Pre-qualification Process Review Update
- F-14-051, 2014 Provincial Approval – Emergency Medical Services
- F-14-052, 2014 Regional Development Charge By-law – Process Update

Carried

The Fact Sheets for report F-14-055, New Building Canada Fund, were distributed to the Committee members at the meeting.

S. Strickland thanked staff for the report about the Region’s pre-qualification process and inquired when a follow-up report will be presented to the Committee. Craig Dyer, Chief Financial Officer, advised that the report will be prepared for fall 2015.

In response to a Committee question about which department Fleet Services has been part of, Mike Murray, Chief Administrative Officer, advised that the division has been part of Corporate Resources for the past fifteen years. Regional Chair Ken Seiling added that it had been part of the Engineering department prior to a restructuring by the former Chief Administrative Officer.

**Regular Agenda Resumes**

**Information/Correspondence**

a) Council Enquiries and Requests for Information Tracking List was received for information.

**Next Meeting – May 27, 2014**

**Motion to go Into Closed Session**

Moved by J. Brewer

Seconded by T. Cowan

That a closed meeting of the Planning and Works and Administration and Finance Committees be held on Tuesday, April 29, 2014 immediately following the Administration and Finance Committee meeting in the Waterloo County Room, in accordance with Section 239 of the "Municipal Act, 2001", for the purposes of considering the following subject matters:

a) receiving of legal advice subject to solicitor-client privilege and proposed or pending litigation related to an agreement
b) proposed or pending acquisition of land in the City of Waterloo
c) receiving of legal advice subject to solicitor-client privilege and proposed or pending litigation related to a legal matter
d) receiving of legal advice subject to solicitor-client privilege related to a matter before an administrative tribunal
e) labour relations regarding contract negotiations
f) proposed or pending disposition of property in the City of Kitchener

Carried

**Adjourn**

The meeting adjourned at 11:32 a.m.

**Committee Chair**, T. Galloway

**Committee Clerk**, S. Natolochny

CANADA'S ECONOMIC ACTION PLAN

Canada



# New Building Canada Plan
# Ontario

## Largest Federal Investment in Infrastructure in Canadian History

The Government of Canada understands the positive impact that quality infrastructure has on economic growth, job creation and long term prosperity. That is why federal investment in infrastructure has increased dramatically since 2006, and is at an all-time high.

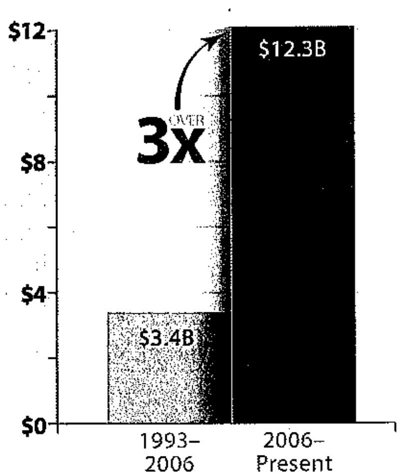
The New Building Canada Plan will see the Government of Canada invest over $53B in infrastructure across the country over the next 10 years (2014-2024).

**For Ontario, this represents almost $11B in dedicated federal funding, including more than $2.7B under the New Building Canada Fund and an estimated $8.12B under the federal Gas Tax Fund*.**

Ontario also stands to benefit from:

- $4B available for projects of national significance
- $1.25B in additional funding available for P3 projects
- $10.4B via the GST Rebate which provides municipalities across the country with additional resources to address their infrastructure priorities

## Investments that are making a difference




Since 2006, investments of over $4.91B under the Building Canada Fund, the Provincial-Territorial Base Fund, the Green Infrastructure Fund and the Infrastructure Stimulus Fund have assisted the Government of Ontario and its municipalities to make infrastructure improvements for the benefit of all Ontarians. Municipalities have also benefited from approximately $4.63B provided to Ontario through the federal Gas Tax Fund. Combined with investments under other federal infrastructure programs, Ontario has benefited from over $12.3B toward infrastructure improvements across the province.

According to Statistics Canada, the average age of Ontario's infrastructure has declined by 1.9 years since 2006 to 13.4 years in 2012.

***NOTE:** GTF funding by jurisdiction for the first five years (2014-2019) is based on 2011 Census data. GTF funding for 2019-2024 will be based on 2016 Census data. For illustrative purposes, Census 2011 data has been used for all 10 years. Due to the indexation of the GTF, funding for 2019-2024 is expected to be at least equal to GTF funding for the first five years.

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# **The New Building Canada Plan:** The largest and longest federal infrastructure plan in Canadian history

**What is it?**

The New Building Canada Plan builds on our Government's unprecedented investments in infrastructure. In 2007, we provided $33B in stable, flexible and predictable funding across the country. . Economic Action Plan 2013 builds on our Government's historic infrastructure investments, with $70 billion for public infrastructure over the next decade, including the $53 billion New Building Canada Plan for provincial, territorial and municipal infrastructure. The New Building Canada Plan is the largest and longest federal infrastructure plan in our nation's history. It continues to focus on supporting projects that enhance economic growth, job creation and productivity.

**Why is it important?**

World-class infrastructure is the backbone of our country's economic productivity. Our Government is committed to investing in Canada's infrastructure to reduce commuting times for families, enhance economic competitiveness, encourage job creation and strengthen trade corridors.

We understand the vital importance of infrastructure to help get goods to market, to connect people and businesses with the world, and to reduce gridlock on our roads and highways. The New Building Canada Plan will continue to support infrastructure projects that foster economic growth, job creation and long-term prosperity.

**How does it work?**

The $53B New Building Canada Plan is the largest, long-term infrastructure plan in Canadian history providing stable funding for a 10 year period. It includes:

- The Community Improvement Fund, consisting of the Gas Tax Fund and the incremental Goods and Services Tax Rebate for Municipalities, will provide over $32 billion to municipalities for projects such as roads, public transit and recreational facilities, and other community infrastructure.

- A $14 billion New Building Canada Fund, which consists of a $4 billion National Infrastructure Component that will support projects of national significance and a $10 billion Provincial-Territorial Infrastructure Component (PTIC) for projects of national, local or regional significance. $1 billion of PTIC is dedicated to projects in communities under 100,000 residents.
- An additional $1.25 billion in funding for the P3 (Public-Private Partnerships) Canada Fund.
- $6 billion in funding that continues to flow across the country this year and beyond under existing infrastructure programs.
- Our Government anticipates that Infrastructure Canada will require approximately $516 million to deliver new and existing infrastructure programs over the next 10 years, including audits and evaluations.

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# The New Building Canada Fund: Focusing on economic growth, job creation and productivity

## What is it?

The New Building Canada Fund (NBCF) is one component within the overall New Building Canada Plan (NBCP). It is a $14 billion Fund that will support projects of national, regional and local significance that promote economic growth, job creation and productivity.

## Why is it important?

The economy continues to be a priority for our Government. Through the NBCF, our Government is encouraging investments in infrastructure projects that contribute to economic growth, job creation and productivity. The federal government works with provinces, territories, municipalities and the private sector, to provide funds to economically-focused projects. In addition, by introducing a P3 Screen for projects of more than $100 million, our Government is ensuring that large infrastructure projects are delivered in the most cost-effective way.

## How does it work?

There are two major components under the New Building Canada Fund:

- The $4 billion National Infrastructure Component (NIC) will support projects of national significance. Project funding is not allocated to provinces and territories but will be determined by project merit, guided by federal priorities.
- The $10 billion Provincial-Territorial Infrastructure Component (PTIC) provides $9 billion for national and regional projects and $1 billion through the Small Communities Fund for projects in communities under 100,000 residents.
- Under the PTIC, each province and territory will receive a base amount of $250 million plus a per capita allocation over the 10 years of the program. The per capita amount is based on Census 2011 figures.

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# The Federal Gas Tax Fund: Permanent and predictable funding for municipalities

**What is it?**

As part of the New Building Canada Plan, the renewed federal Gas Tax Fund (GTF) provides predictable, long-term, stable funding for Canadian municipalities to help them build and revitalize their local public infrastructure while creating jobs and long term prosperity.

**Why is it important?**

Each year, the federal GTF assists municipalities by providing funding for local infrastructure projects. From coast to coast to coast, the federal GTF is making a difference in all communities across Canada. Every year, municipalities benefit from the financial support and flexibility of the federal GTF. To date, $13 billion has been invested in municipalities through the federal Gas Tax Fund, with close to $22 billion to flow over the next 10 years. Municipalities will now have even more ways in which they can put their GTF funding to work in their communities.

**How does it work?**

The federal GTF program was originally designed to provide municipalities with $5 billion in predictable funding over five years. However, our Government has made significant improvements to the GTF. It has been extended, doubled from $1 billion to $ billion annually, and legislated as a permanent source of federal infrastructure funding for municipalities. As announced in Economic Action Plan 2013, the renewed federal GTF is being indexed at two percent per year, to be applied in $100 million increments, which means that it will grow by $1.8 billion over the next decade.

Funding is provided up front, twice-a-year, to provinces and territories, who in turn flow this funding to their municipalities to support local infrastructure priorities. Municipalities can pool, bank and borrow against this funding, providing significant financial flexibility.

As of April 1, 2014, communities will be able to use the renewed GTF towards a wider range of projects, such as highways, local and regional airports, short-line rail, short-sea shipping, disaster mitigation, broadband, brownfield redevelopment, recreation, culture, tourism and sport.

Under the renewed GTF, allocations to provinces and territories over the first five years of the NBCP (2014-2019) are based on Census 2011 data, as follows:

| **Jurisdiction** | **GTF Allocation** |
|---|---:|
| Newfoundland and Labrador | $155,298,000 |
| Prince Edward Island | $78,000,000 |
| Nova Scotia | $276,776,000 |
| New Brunswick | $225,276,000 |
| Québec | $2,382,738,000 |
| Ontario | $3,873,735,000 |
| Manitoba | $340,448,000 |
| Saskatchewan | $292,707,000 |
| Alberta | $1,084,983,000 |
| British Columbia | $1,317,040,000 |
| Yukon | $78,000,000 |
| Northwest Territories | $78,000,000 |
| Nunavut | $78,000,000 |
| First Nations | $138,999,000 |
| **Canada** | **$10,400,000,000** |

Specific allocations to municipalities will be determined through federal-provincial-territorial GTF agreements. Allocations for 2019-2024 will be based on Census 2016 data.

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# Delivering projects in smaller communities

**What is it?**

The Small Communities Fund will provide $1 billion in funding for municipalities with fewer than 100,000 residents. This is in addition to the almost $22 billion that all municipalities will receive through the permanent and indexed federal Gas Tax Fund over the next decade. Small communities also stand to benefit from:

- A further $9 billion available for projects of national and regional significance under the Provincial Territorial Infrastructure Component;
- $4 billion available for projects under the National Infrastructure Component, and;
- $1.25 billion in additional funding available under the P3 Canada Fund.

**Why is it important?**

Smaller communities will be able to build projects that deliver on local needs. Through the Small Communities Fund, the Government continues to provide dedicated funding for small communities, building on the successful practices established under the 2007 Building Canada Fund and the Infrastructure Stimulus Fund. In addition, communities can use the Gas Tax Fund towards a wider range of projects, including highways, disaster mitigation, broadband, brownfield redevelopment, recreation, culture, tourism and sport.

**How does it work?**

The Government of Canada's commitment to small communities has never been stronger. Under the New Building Canada Plan, $1 billion in funding will be made available to municipalities with fewer than 100,000 residents through the Small Communities Fund of the Provincial-Territorial Infrastructure Component. Overall under the New Building Canada Plan, $33.2 billion is dedicated solely to municipal infrastructure. This represents approximately 70 per cent of total New Building Canada Plan funding.

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# Dedicated Funding for Provinces and Territories

**What is it?**

Each province and territory (P/T) is allocated a specific amount of funding from the federal government under the Provincial-Territorial Infrastructure Component (PTIC) of the New Building Canada Fund. Funding amounts are allocated to each province and territory over the ten-year duration of the New Building Canada Plan (2014-2024).

**Why is it important?**

This is funding that provinces and territories can access to receive federal support for their infrastructure project priorities over the next decade. No other Government in the history of Canada has made similar levels of investment. Our Government will continue to make these record investments through the New Building Canada Plan.

Under the new Plan as a whole, the total annual average allocated funding for each province and territory will be very similar to what was received under the previous Plan. The formula used to calculate base plus per-capita funding has not changed.

**How does it work?**

Under Building Canada Fund 2007, each province and territory was provided base funding of $25 million per year for a total of $175 million over 7 years. The remainder of the funding envelope was based on a pure per-capita allocation.

The allocation based component of the New Building Canada Fund, the $10 billion Provincial-Territorial Infrastructure Component, will use the same formula. Each province and territory will receive a base funding amount of $250 million ($25 million per year over 10 years) plus a per capita amount based on the 2011 Census figures.

The New Building Canada Fund is over 10 years rather than 7 years, so there will be a reduction in the annual average funding for most provinces and territories.

However, when adding the now permanent and indexed Gas Tax Fund (GTF), the total annual average allocated funding will be very similar to what each province and territory received under the original 2007 Building Canada Plan.

P/T allocations under PTIC over a ten year period are as follows:

| Jurisdiction | Base Funding | Per Capita Distribution | Total Funding |
|---|---|---|---|
| Newfoundland and Labrador | $250,000,000 | $99,018,276 | $349,018,276 |
| Prince Edward Island | $250,000,000 | $27,039,852 | $277,039,852 |
| Nova Scotia | $250,000,000 | $176,494,164 | $426,494,164 |
| New Brunswick | $250,000,000 | $143,637,228 | $393,637,228 |
| Québec | $250,000,000 | $1,519,473,480 | $1,769,473,480 |
| Ontario | $250,000,000 | $2,470,342,980 | $2,720,342,980 |
| Manitoba | $250,000,000 | $217,085,904 | $467,085,904 |
| Saskatchewan | $250,000,000 | $186,658,080 | $436,658,080 |
| Alberta | $250,000,000 | $691,913,376 | $941,913,376 |
| British Columbia | $250,000,000 | $839,897,436 | $1,089,897,436 |
| Yukon | $250,000,000 | $6,584,172 | $256,584,172 |
| Northwest Territories | $250,000,000 | $8,054,424 | $258,054,424 |
| Nunavut | $250,000,000 | $6,200,628 | $256,200,628 |
| **Canada** | **$3,250,000,000** | **$6,392,400,000** | **$9,642,400,000** |

Note: The government anticipates that it will require $357,600,000 of the PTIC to administer infrastructure programs over 10 years, including audits and evaluations.

Municipalities will also continue to receive stable funding each year under the renewed GTF. This funding is predictable and stable and provides municipalities with the flexibility they need to plan their infrastructure projects over the long term.

Under the renewed GTF, allocations to provinces and territories over the first five years of the NBCP (2014-2019) are based on Census 2011 data, as follows:

| Jurisdiction | GTF Allocation |
|---|---|
| Newfoundland and Labrador | $155,298,000 |
| Prince Edward Island | $78,000,000 |
| Nova Scotia | $276,776,000 |
| New Brunswick | $225,276,000 |
| Québec | $2,382,738,000 |
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| Alberta | $1,084,983,000 |
| British Columbia | $1,317,040,000 |
| Yukon | $78,000,000 |
| Northwest Territories | $78,000,000 |
| Nunavut | $78,000,000 |
| First Nations | $138,999,000 |
| **Canada** | **$10,400,000,000** |

Specific allocations to municipalities will be determined through federal-provincial territorial GTF agreements. Allocations for 2019-2024 will be based on Census 2016 data.

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# **Cost-Sharing:** Supporting More Projects with every dollar

## **What is it?**

Cost-sharing leverages greater funding from other sources, including provinces, territories and municipalities. Through cost-sharing, our Government is able to increase the number of federally funded projects.

## **Why is it important?**

Provinces, territories and municipalities own over 95 per cent of public infrastructure in Canada. Our Government respects their jurisdiction over infrastructure. That being said, we understand the importance of investing in infrastructure that supports Canada's economic growth, job creation and long-term prosperity.

Through cost-sharing, the funding provided by the federal government towards infrastructure projects is matched by other partners, such as provinces, territories, municipalities or the private sector. This means that more projects can be funded across the country and that federal dollars are leveraged in the most cost-effective way for taxpayers.

There are three levels of government and the private sector who can contribute to infrastructure projects. Our Government will continue to do its part by providing up to one-third of the funding for most projects.

## **How does it work?**

Federal government cost-sharing works differently for projects in provinces than it does for projects in the territories.

Under the New Building Canada Fund, for projects located in the provinces, the maximum federal contribution from all sources will be one-third (33.3 per cent) of the total eligible costs of a project, with the following exceptions:

- For all traditionally-procured projects in the highways and major roads category where the asset is **provincially-owned**, the maximum federal contribution from all sources will be 50 per cent of the total eligible costs.

- For all traditionally-procured projects in the public transit category, the maximum federal contribution <u>from all sources</u> will be 50 per cent of the total eligible costs.
- For all projects where the recipient is from the for-profit private sector, the maximum federal contribution <u>from all sources</u> will be 25 per cent of the total eligible costs.
- For all projects that are delivered as public-private partnerships, the maximum federal contribution <u>from all sources</u> will be 25 per cent of the total eligible costs.

For projects located in the territories, the maximum federal contribution <u>from all sources</u> will be three-quarters (75 per cent) of the total eligible costs of a project, with the following exception:

- For all projects where the recipient is from the for-profit private sector, the maximum federal contribution from all sources will be 25 per cent of the total eligible costs.

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# Public and private sectors have a role to play – Project Recipients

**What is it?**

The design of the New Building Canada Plan reflects the fact that all levels of government and the private sector have a role to play. In fact, 95 per cent of public infrastructure is owned by provincial, territorial, and municipal governments.

**Why is it important?**

The wide range of recipients under the New Building Canada Fund allows our Government to focus on projects that contribute to economic growth and the enhancement of economic productivity.

Our Government will continue to be a strong partner by working with the provinces, territories and municipalities and other partners to continue enhancing Canada's infrastructure.

**How does it work?**

In addition to provincial, territorial and municipal governments and their related entities, private-sector bodies (both for-profit and not-for-profit) and aboriginal entities, the New Building Canada Fund will include recipients that allow the Government to fund:

- Economically focused projects that are critical to the support of international trade (including rail infrastructure, marine port infrastructure, and Intelligent Transportation Systems)
- Projects under the innovation category (post-secondary institutions)

The eligible recipients under the New Building Canada Fund include:

- A province or territory, or a municipal or regional government
- A band council within the meaning of section 2 of the *Indian Act*, or a government or authority established pursuant to a Self Government Agreement or a Comprehensive Land Claim Agreement, given effect and declared valid by federal legislation
- A public-sector body that is established by or under provincial or territorial statute
- A private-sector body, including for-profit organizations and not-for-profit organizations

- A Canada Port Authority, international bridge and/or tunnel authority (unless a federal Crown corporation), or US federal and state-level transportation authority (for border related projects). (National Infrastructure Component only)
- Public or not-for-profit post-secondary institutions (Provincial-Territorial Infrastructure Component only)

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# Generating economic growth and prosperity – Project Categories

**What is it?**

Project categories have been established to determine where federal funding can be spent. Federal infrastructure investments through the New Building Canada Plan are focused on projects that contribute to Canada's economic growth and prosperity, while providing a more flexible suite of projects through the Gas Tax Fund component.

**Why is it important?**

Infrastructure needs vary from coast, to coast, to coast. In order to respond to different priorities across the country, the federal government is providing provinces, territories, municipalities and other partners (such as the private sector) with a wide range of categories to help them build infrastructure projects that support economic growth, job creation and productivity.

In addition, the renewed federal Gas Tax Fund provides municipalities with more flexibility than ever before to support local infrastructure priorities.

There are no dedicated funding envelopes. However, transit, disaster mitigation and wastewater projects are eligible across all components of the New Building Canada Plan. It is up to each province, territory and municipality to prioritize projects that are important in their regions.

Our Government understands that Canada's infrastructure needs vary from region to region; one size does not fit all. Provinces, territories and municipalities are better positioned to prioritize projects in their communities. That is why our Government is providing flexibility to fund projects that are important in different regions of the country.

**How does it work?**

While all capital infrastructure categories that were eligible under 2007 Building Canada Plan are eligible under the New Building Canada Plan, there has been realignment. Categories under the Gas Tax Fund have been expanded, while categories under the New Building Canada Fund have been focused on those that have the greatest economic impact.

Categories under the National Infrastructure Component of the New Building Canada Fund are limited to those that provide the greatest economic impact:

- Highways and major roads
- Public transit
- Rail infrastructure
- Local and regional airports
- Port infrastructure
- Intelligent transportation systems (ITS)
- Disaster mitigation infrastructure

Categories under the Provincial Territorial Infrastructure Component of the New Building Canada Fund have been realigned to focus on those with strong economic benefits. There is a new innovation category, which supports infrastructure at post-secondary institutions that supports advanced research and teaching.

The eligible categories under the Provincial and Territorial Infrastructure Component are:

- Highways and major roads
- Public transit
- Drinking water
- Wastewater
- Solid waste management
- Green energy
- Innovation (post-secondary infrastructure supporting advanced research and teaching)
- Connectivity and broadband
- Brownfield redevelopment
- Disaster mitigation infrastructure
- Local and regional airports
- Short-line rail
- Short-sea shipping
- Northern infrastructure (territories only)

The northern infrastructure category, which allows for a broader range of fixed capital assets for public use or benefit, including municipal administrative buildings, will continue to be applicable for the three territories. This is the same as the previous Building Canada Plan.

The project categories of local roads, culture, tourism, recreation and sport are now eligible under the Gas Tax Fund. This means that the Gas Tax Fund can provide more flexibility for community-oriented infrastructure, while the New Building Canada Fund can focus on infrastructure projects that enhance Canada's economic growth and prosperity.

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# **Public-Private Partnerships:** Cost-effective delivery of infrastructure projects

**What is it?**

Public private partnerships achieve the best value for taxpayers by ensuring that large infrastructure projects are delivered in the most cost-effective and timely manner. Commonly known as P3s, public-private partnerships involve the private sector and governments. Typically, the private sector will assume a major share of the risks in terms of financing and construction. The private sector also typically takes charge of maintaining the project once it's constructed.

**Why is it important?**

Our Government believes that investments in infrastructure should be made in a way that obtains the best value for taxpayers.

P3 infrastructure projects in Canada have a solid track record of being delivered on time and on budget. The private sector has an important role to play in building modern infrastructure.

Our Government will require the use of P3s for large infrastructure projects, where it makes sense, to provide better value for Canadian taxpayers.

Canadians deserve the best public services for their hard-earned tax dollars, and when an infrastructure project can generate better value for money by being delivered through a P3, it should be delivered as a P3.

**How does it work?**

Projects having total eligible costs over $100 million will be required to undergo a P3 Screen, which will be administered by PPP Canada. If the P3 screen determines that a project could be successfully procured through a public-private partnership and a P3 procurement would generate better value for money, New Building Canada Fund funding will be conditional on the project being delivered as a P3.

For all projects that are delivered as P3s, the maximum federal contribution from all sources will be 25 per cent of the total eligible costs, except in the territories where it will be 75 per cent.

P3 Canada will streamline the P3 screen process for projects from jurisdictions that have extensive experience with P3 projects and their own P3 screen in place. In these cases, P3 Canada will review the P3 assessment to ensure it is robust and was done in an acceptable manner according to generally-accepted practices for this type of procurement. The P3 screen could take between 6 to 18 months.

Under P3 models, infrastructure assets remain publicly owned, while the private sector takes on responsibility for the risks associated with designing, building, financing, operating and/or maintaining the asset.

As a result, the private sector has the incentive to develop and implement innovative solutions for infrastructure projects and deliver them on time and on budget.

**Example**

**Chief Peguis Trail Extension, Winnipeg, Manitoba**: To relieve traffic pressure on residential streets in Winnipeg, the Government of Canada contributed $25M through the P3 Canada Fund to extend the Chief Peguis Trail. The total capital value of the project was $108.5M. DBF2 Ltd was chosen to design, build, finance and maintain the roadway and structures over 25 years. The project achieved savings of 17.6 percent or approximately $31M, as compared with traditional procurement.

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# New Building Canada Fund – Next Steps

**What is it?**

Our Government will deliver on Economic Action Plan's 2013 commitment to work with provinces, territories, the Federation of Canadian Municipalities (FCM) and other stakeholders on outstanding New Building Canada Fund (NBCF) program parameters.

**What are the next steps?**

Budget 2013 stated that the Minister of Infrastructure, Communities and Intergovernmental Affairs would announce further details on the NBCF. It also committed to working with FCM and other stakeholders on outstanding program parameters.

Now that the Minister of Infrastructure, Communities and Intergovernmental Affairs has confirmed the policy framework, he will work with provinces, territories, and the FCM to seek input on outstanding parameters to inform development of the New Building Canada Fund Terms and Conditions (such as, for example, the application process and the P3 screen process).

We are committed to ensuring a seamless transition from the 2007 Building Canada Plan to the New Building Canada Plan and will be in a position to accept proposals under the new Plan in Spring 2014.

Unlike Building Canada Fund 2007, we will not require framework agreements with provinces and territories, which should avoid lengthy negotiations and delays in the implementation of the New Building Canada Fund.