

**Ministry of
Transportation
and Infrastructure**

**2016/17
Annual Service Plan Report**



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Minister's Message and Accountability Statement



I am pleased to present the *Ministry of Transportation and Infrastructure 2016/17 Annual Service Plan Report*, which, in accordance with the *Budget Transparency and Accountability Act*, summarizes our performance towards achieving our goals and highlights achievements from the year ending March 31, 2017.

I would like to thank the skilled and hardworking people of the Ministry of Transportation and Infrastructure and Emergency Management B.C. for their dedication in support of the people of British Columbia.

The Ministry of Transportation and Infrastructure *2016/17 Annual Service Plan Report* compares the Ministry's actual results to the expected results identified in the *2016/17 - 2018/19 Service Plan*. I am accountable for those results as reported.

A handwritten signature in blue ink, appearing to read 'Todd Stone', written in a cursive style.

Honourable Todd G. Stone
Minister of Transportation and Infrastructure
June 27, 2017

Table of Contents

Minister’s Message and Accountability Statement	3
Purpose of the Ministry	5
Strategic Direction and Context	6
Report on Performance.....	8
Financial Report	18
Discussion of Results	18
Financial Report Summary Table	19
B.C. Transportation Financing Authority	20
Transportation Investments	21
Major Capital Projects.....	22
Appendix A – Major Programs	30
Appendix B – Contact Information and Hyperlinks	32
Appendix C – List of Crowns, Agencies, Boards and Commissions.....	33
Appendix D – Minister’s Mandate and Actions Summary	34
Appendix E – Minister’s Mandate Letter.....	38

Purpose of the Ministry

The Ministry of Transportation and Infrastructure plans transportation networks, provides transportation services and infrastructure, develops and implements transportation policies and administers related acts and regulations as well as federal-provincial funding programs, including the Building Canada Fund. The Ministry moves people and goods safely and fuels our provincial economy through sound practices and innovative transportation strategies such as [B.C. on the Move: A 10-Year Transportation Plan](#).

Through Emergency Management BC (EMBC), the Ministry leads emergency management to help guide British Columbia in preparing for, responding to and recovering from emergencies and disasters. EMBC's governing legislation is the [Emergency Program Act](#) and the [Fire Services Act](#).

Together, our key goals are improving vital infrastructure, enhancing the competitiveness of B.C.'s transportation industries, reducing transportation-related greenhouse gas emissions, delivering a safe and reliable highway system and providing an effective emergency management system.

The Minister is responsible for two internal reporting Crown corporations and four self-reporting Crown corporations. The BC Transportation Financing Authority (BCTFA) and BC Railway Company (BCRC) are reported internally and continue ongoing delivery of the goals identified in the [Ministry of Transportation and Infrastructure Service Plan](#).

- The BC Transportation Financing Authority (BCTFA) is established under the *Transportation Act* to plan, acquire, construct, hold, improve or operate transportation infrastructure throughout the province. The BCTFA owns all provincial highways and land held for construction of future transportation infrastructure.
- BC Railway Company (BCRC) is incorporated under the *British Columbia Railway Act* and supports the [Pacific Gateway Transportation Strategy 2012–2020](#) by acquiring and holding railway corridors and strategic port lands, and making related infrastructure investments to benefit the province, including the strategic sale of surplus land. BCRC also administers the Canadian National Railway Company (CN Rail) Revitalization Agreement and operates the Roberts Bank port subdivision.

The Ministry is also responsible for four self-reporting Crown corporations: BC Transit, Transportation Investment Corporation (TI Corp), the Insurance Corporation of British Columbia (ICBC) and British Columbia Pavilion Corporation (PavCo). More information can be found on their web sites: bctransit.com, ticorp.ca, icbc.com and bcpavco.com.

Strategic Direction and Context

The Ministry of Transportation and Infrastructure makes strategic investments in British Columbia's transportation infrastructure to create a safer and more reliable transportation network, support a strong economy and lead emergency management response. The Ministry of Transportation and Infrastructure 2016/17 Annual Service Plan Report outlines the ministry's efforts to support the government's goals of building a strong economy, ensuring the best possible use of government resources, and respecting the interests of taxpayers as set out in the [Taxpayer Accountability Principles](#) and the Minister's [Mandate Letter](#) provided by the Premier. Appendix D: Minister's Mandate and Actions Summary on page 35 outlines the actions taken to deliver on this mandate.

Economic Forecast. British Columbia's real GDP increased by 3.7 per cent in 2016 (according to preliminary GDP by industry data from Statistics Canada), the strongest growth among provinces. Employment in B.C. grew by 3.2 per cent in 2016, its fastest annual pace since 1994. Consumer spending was strong for a third consecutive year as retail sales were supported by strong employment growth, increased tourism, interprovincial migration and low interest rates. B.C.'s housing market saw elevated levels of activity in 2016, with the highest number of annual housing starts since 1993. B.C. manufacturing shipments and exports expanded in 2016 as goods exports to both the U.S. and the rest of the world increased.

Federal Infrastructure Programs. [Economic Action Plan 2013](#) provided \$47.475 billion nationally in federal funding over 10 years, commencing in 2014/15. This included the \$14-billion [Building Canada Fund](#). Under Phase 1 of the new federal Infrastructure Plan the 2016 federal budget provided an additional \$11.9 billion nationally in funding over five years, commencing in 2016/17, for public transit, green and social infrastructure. To date, under the Building Canada Fund the Ministry has fully committed the \$109 million in federal funding available through the Small Community Fund, secured \$528.1 million in federal funding for 31 national and regional projects under the Provincial-Territorial Infrastructure Component and secured \$296.9 million in federal funding for two projects under the National Infrastructure Component. Under the new Infrastructure plan, through the Public Transit Infrastructure Fund, the Ministry also secured \$460 million in federal funding for TransLink and BC Transit projects. The 2017 federal budget, under Phase 2 of the new Infrastructure Plan, provided an additional \$81.2 billion nationally over 11 years, commencing in 2017/18, for public transit, green, social, trade and transportation and remote and northern community infrastructure. The Ministry continues to pursue funding available under federal infrastructure programs, including those for emergency management.

Growth and Facilitation of Asia-Pacific Trade. B.C.'s economic success is reflected in its diversification of trading partners. To support international trade, the Ministry is implementing the [Pacific Gateway Transportation Strategy 2012-2020](#), which identified \$25 billion in investments to improve and expand port, rail, road and airport facilities above the \$20 billion invested since 2005. Particularly important are transportation corridors for new liquefied natural gas facilities, which are integral to economic growth in Northern B.C. Studies are underway to identify priority transportation infrastructure to support and facilitate growth in international trade, and there is unprecedented private sector investment at B.C.'s ports. New and expanding port capacity supports growing volumes of agricultural exports, forestry products, project cargo and containers, all helping to sustain the Pacific Gateway as North America's preferred gateway for Asia-Pacific trade.

Regional Economies. B.C.'s rural economies continue to diversify and rely on a range of infrastructure improvements to facilitate this transformation. With increased natural resource development, such as oil and gas, mining and forestry, industrial traffic places significant demands on existing transportation infrastructure. To support these activities and ensure roads remain suitable for all users, the Ministry continues to make investments to maintain and rehabilitate affected road networks.

Report on Performance

The Ministry of Transportation and Infrastructure builds and maintains safe and reliable transportation infrastructure and leads emergency management to ensure British Columbia is prepared for emergencies and disasters. Our work ensures the safety of the travelling public and promotes economic growth and diversification in support of government's priority of creating jobs to secure a strong tomorrow. Our integrated transportation network is the backbone of the provincial economy and ensures our transportation industries are globally competitive and well positioned to support the movement of people and goods. The Ministry's investments in transit, cycling and walking infrastructure provides British Columbians with sustainable transportation options and supports government's continued commitment to lead the world in sustainable environmental management.

In 2016/17, the Ministry of Transportation and Infrastructure continued to provide high quality service and value to taxpayers in delivering on our mandate and adhering to the [Taxpayer Accountability Principles](#). As outlined in this report, the Ministry has maintained its strong track record of delivering projects on time and on budget. The Ministry's maintenance contractors again posted outstanding assessment scores for the work done to keep the province's infrastructure safe and reliable. British Columbians' satisfaction rating of services they receive from the Ministry, such as commercial vehicle permitting, continue to remain high.

In 2016/17 Emergency Management BC led B.C.'s first full-scale earthquake response exercise. The exercise, [Exercise Coastal Response](#), was held in Port Alberni and simulated a magnitude 9.0 earthquake. Various levels of government, first responders and planners were involved in the exercise, and the lessons learned will be vital in ensuring B.C. is prepared for a possible future earthquake.

Supporting other alternatives to car travel such as transit and cycling remained a priority. The Ministry continued its strong funding commitment to support local governments building cycling and pedestrian infrastructure, and for transit expansion in B.C. communities. Appendix A: Major Programs of this report provides more detail on the Ministry's work in these areas. In addition, through the [Highway 16 Transportation Action Plan](#), access to transportation services along Highway 16 has improved, enabling residents of First Nations communities and municipalities to travel safely along the corridor. And, through the [British Columbia Air Access Program](#), the Ministry has partnered with local governments to fund airport infrastructure improvements to enhance safety and strengthen links between communities.

The Ministry works closely with its four associated Crown corporations, ICBC, TI Corp, PavCo and BC Transit, as key stakeholders in accomplishing the Ministry's goals and business. The Ministry maintains a robust level of engagement with each Crown to ensure they adhere to their respective mandates and to the [Taxpayer Accountability Principles](#) in serving British Columbians.

Goals, Objectives, Strategies and Performance Results

To accomplish its mandate, the Ministry of Transportation and Infrastructure has the following goals:

1. Improved infrastructure drives economic growth and trade;
2. British Columbia's transportation sector is globally competitive;
3. Greenhouse gas emissions from the transportation sector are reduced;
4. British Columbia's highway system is safe and reliable;
5. The Province is prepared to respond to emergency events; and,
6. Excellent customer service.

Goal 1: Improved infrastructure drives economic growth and trade.

Objective 1.1: Improve mobility on routes servicing major economic gateways.

Strategies

- Undertake improvements that reduce bottlenecks on major urban and rural trade corridors;
- Promote efficiencies at Canada/United States border crossings through infrastructure improvements and the deployment of intelligent transportation technology to reduce border wait times; and,
- Use the Regional Transportation Management Centre to improve mobility and reliability on the transportation network through advanced incident management and information systems.

Objective 1.2: Implement B.C. on the Move: A 10-Year Transportation Plan priority projects.

Strategies

- Develop, evaluate, prioritize and build business cases for [B.C. on the Move: A 10-Year Transportation Plan](#) improvement projects.

Objective 1.3: Use Provincial investment dollars as effectively as possible.

Strategies

- Complete projects on budget and on time; and,
- Develop public-private partnerships in consultation with Partnerships BC, where appropriate.

Performance Measure 1: Project Performance

Performance Measure	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual	2017/18 Target	2018/19 Target
The percentage of projects that meet their budget and schedule.	93.2%	93.4%	91.5%	93.2%	91.5%	91.5%

Data Source: Ministry of Transportation and Infrastructure.

Discussion

This performance measure reflects the goal of being cost conscious, as outlined in the [Taxpayer Accountability Principles](#), and evaluates all Ministry capital construction and rehabilitation projects completed each year within the overall Transportation Investment Plan. The number and total value of these projects varies from year-to-year as new investments are made. The performance measure allows the Ministry to assess how efficiently and effectively it has delivered a large suite of projects. Projects range in size, scope and value and use a variety of procurement methods, continuously evolving to maintain infrastructure and best serve the citizens of the province. The consistent target represents the Ministry’s ability to maintain a high level of achievement despite many challenges and the broad range of projects included in the target. Some examples of the type of projects assessed in the performance measure are outlined in Appendix A of this report.

Objective 1.4: Improve access for resource industries and rural residents.

Strategies

- Invest in priority rehabilitation and improvement projects on roads serving industry and rural residents, [B.C. on the Move: A 10-Year Transportation Plan](#) projects and Major Programs as defined in Appendix A; and,
- Undertake projects that support increased industrial growth, such as four-laning, strengthening of roadways and improving overhead clearances, alignments and bridge capacity.

Objective 1.5: Leverage available federal funding and administer cost-sharing programs to support and sustain B.C.’s infrastructure.

Strategies

- Lead negotiations for the next round of federal/provincial infrastructure programs; and,
- Take a leadership position in partnership with other provincial ministries to support local governments’ priority infrastructure projects.

Goal 2: B.C.’s transportation sector is globally competitive.

Objective 2.1: Develop Canada’s Pacific Gateway.

Strategies

- Implement [The Pacific Gateway Transportation Strategy 2012–2020: Moving Goods and People](#); and,
- Undertake transportation trade network development and integration in conjunction with the Pacific Gateway Alliance, the private sector, other levels of government and First Nations to build capacity for long-term growth.

Performance Measure 2: Pacific Gateway Supply Chain Investments

Performance Measure	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual	2017/18 Target	2018/19 Target
Cumulative completed provincial strategic investment in Pacific Gateway supply chain infrastructure.	\$5.68 billion	\$5.77 billion	\$5.79 billion	\$5.79 billion	\$6.54 billion	\$6.56 billion

Data Source: Total completed investment spending (cumulative) on provincial supply chain infrastructure by the Province since 2005. Does not include partner contributions.

Discussion

Through British Columbia’s Pacific Gateway Transportation Strategy, the Ministry participates with private and public agencies in the planning and development of infrastructure projects to fulfill the long-term vision of British Columbia as North America’s gateway of choice for Asia-Pacific trade. [The Pacific Gateway Alliance](#) is the unique public-private partnership that oversees the Pacific Gateway’s expansion of port, rail, road and airport facilities. These partners are working together to take advantage of Canada’s strategic location at the crossroads of the North American marketplace.

Market access for natural resources is imperative to economic growth. One study was concluded in the Lower Mainland and work on three others continues in the North and Interior of B.C. to better understand the capacity of the province’s multi-modal transportation network and to identify where improvements are needed to ensure the efficient reliable movement of goods, while maintaining quality of life for citizens.

The Province has direct control over its strategic investments. The total annual investment is a measure of the Province’s action to meet its Pacific Gateway Objectives.

Goal 3: Greenhouse gas emissions from the transportation sector are reduced.

Objective 3.1: Increase transit use, cycling and other alternative modes of personal transportation.

Strategies

- In partnership with various levels of government and other stakeholders, support provision of rapid transit and frequent bus service to make transit an attractive option;
- Invest in public transit infrastructure, where supported by strong business cases;
- Improve High Occupancy Vehicle (HOV) and transit priority measures;
- Encourage compact and mixed land-use around transit stations and along transit corridors through policy and funding agreements; and,
- Invest in an integrated cycling and walking network.

Performance Measure 3: Transit Ridership

Performance Measure	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual	2017/18 Target	2018/19 Target
Annual public transit ridership in B.C.	288 million	289 million	296 million	289 million	294 million	303 million

Data Source: Estimates based on BC Transit and TransLink forecasts.

Discussion

Measuring transit ridership – the number of rides taken by people using public transit – assists the Province in monitoring the success of transit investments on a year-to-year basis. Ridership for 2016/17 was below forecast, mainly due to TransLink changing its estimation method. There was a small increase in BC Transit ridership in 2016/17, reflecting a modest increase in service levels. Ridership across B.C. is forecast to increase over the next few years, reflecting planned transit service expansion by both TransLink and BC Transit. Service expansion will be supported, in part, by significant transit infrastructure investments under the B.C.- Canada Public Transit Infrastructure Fund program. Population and employment growth, and past and current investments such as the Evergreen Line, which opened in 2016, will also contribute to ridership growth.

Objective 3.2: Improve supply chain efficiency for the movement of goods.

Strategies

- Reduce commercial truck permit wait times;
- Improve rural road infrastructure;
- Build rail grade separations; and,
- Free up road capacity for goods movement by reducing the use of single-occupant vehicles.

Objective 3.3: Reduce greenhouse gas emissions.

Strategies

- Invest in new buses that use the latest technology;
- Increase the use of weigh-in-motion technology at inspection stations;
- Implement intelligent traffic control systems to reduce idling and create advantages for transit; and,
- Promote the use of natural gas as the fuel of choice for heavy duty commercial vehicles, transit buses and coastal ferries.

Goal 4: B.C.’s highway system is safe and reliable.

Objective 4.1: Ensure a high standard of provincial highway maintenance. Strategies

- Consider future improvements to continue delivery of high quality maintenance and rehabilitation programs; and,
- Administer highway maintenance contracts and assess service delivery through the Contractor Assessment Program.

Performance Measure 4: Contractor Assessment

Performance Measure	Baseline	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual	2017/18 Target	2018/19 Target
Rating of maintenance contractor performance using Contractor Assessment Program.	93%	94%	94%	93%	94%	93%	93%

Data Source: Ministry of Transportation and Infrastructure, Construction and Maintenance Branch.

Discussion

In 2016/17, the Ministry’s contractors continued to demonstrate a high level performance in keeping our transportation network safe and reliable. The Ministry created the Contractor Assessment Program as a means to systematically assess the performance of our contractors to ensure they are meeting our high maintenance standards throughout the year. The baseline and targets of 93 per cent demonstrate that British Columbians are receiving a high level of service from the Ministry’s contractors and that the Ministry expects continued high service levels. Contractor ratings are generated through three processes: a local assessment by Ministry District staff, overseen by the local District Operations Manager; a regional assessment by a team of auditors from outside the service area, typically overseen by an outside District Operations Manager; and interviews with local stakeholders led by the local District Operations Manager. Information about the obligations of maintenance contractors and the Contractor Assessment Program is available online on the Ministry’s [web site](#).

Objective 4.2: Rehabilitate the highway system on a lowest life-cycle cost basis.

Strategies

- Invest in the main highway system (roads and bridges) to maintain safety and efficiency and mitigate the onset of deterioration and maximize the return on infrastructure investment;
- Systematically assess the condition of infrastructure to determine priority in the annual resurfacing and structure rehabilitation and replacement programs; and,
- Integrate climate change and seismic resilience considerations into rehabilitation design and cost.

Objective 4.3: Improve highway safety and reliability.

Strategies

- Monitor highway safety and improve high-risk locations in consultation with local and regional authorities and stakeholders;
- Maximize highway safety and reliability through both safety-focused enhancements and low-cost improvements, such as signs, lighting and lane markings;
- Work with safety partners such as the Insurance Corporation of British Columbia, local law enforcement and the Ministry of Public Safety and Solicitor General to identify areas for safety improvements; and,
- Examine highway safety and reliability issues, considering climate forecasts, seismic hazards and the adaptive capacity of transportation infrastructure. Address and revise standards where appropriate using results of studies on climate and highway infrastructure interactions.

Performance Measure 5: Highway Safety

Performance Measure	2016/17 Forecast	2016/17 Actual	2017/18 Target	2018/19 Target	2019/20 Target
Reduction of serious crashes after construction of safety improvement projects.	14%	14.7%	14%	14%	TBD

Data Source: The RCMP and ICBC.

Discussion

Reducing collisions improves highway safety and provides British Columbians with a safer and more reliable highway system. This measure demonstrates achievement of Ministry progress towards providing a safer and more reliable highway system. Reporting against targets is based on safety focused projects that were recently completed or substantially completed over the course of the annual reporting period. The measure compares before and after collisions at 51 project locations.

The baseline calculation to measure performance has been redefined from the 2016/17 Service Plan to be more representative of collision reduction. A variable baseline is now reflected, which fluctuates depending on the suite of projects undertaken in a given year. This is an improvement over previous

years' methodology which used a fixed baseline. To be consistent with targets for future years, the 2016/2017 target has been revised using the new method for baseline calculation.

Objective 4.4: Provide effective road safety enforcement, education and programs for the commercial transport industry.

Strategies

- Establish and enforce regulations to enhance vehicle safety in B.C. and to ensure public safety;
- Participate with other jurisdictions on initiatives to coordinate and harmonize programs, policies and standards for commercial vehicles;
- Ensure information systems provide quality and timely commercial vehicle safety data for compliance and enforcement; and,
- Build on existing technologies and policies to promote safety and improve efficiency for the commercial transport industry.

Goal 5: The Province is prepared to respond to emergency events.

Objective 5.1: Continue improving B.C.'s emergency preparedness.

Emergency Management British Columbia (EMBC), operating under the *Emergency Program Act*, continues to strive to be the leading organization in Canada for the management of emergencies and disasters at the provincial level. EMBC's leadership will solidify a cooperative and effective approach to emergency management to ensure the province is resilient, adaptive and confident in its abilities to meet challenges to public safety from known and emergent threats.

EMBC is responsible to British Columbians for leading the management of provincial-level emergencies and disasters while supporting other authorities, such as municipalities, regional districts and First Nations, within their areas of jurisdiction.

Strategies

- Expertly lead management of catastrophic disasters of provincial significance and impact;
- Support other authorities in their mandate to mitigate and manage emergencies and disasters;
- Empower and strengthen volunteer organizations that support emergency management;
- Excel in providing the Office of the Fire Commissioner with unique services; and,
- Support a learning culture of continuous organizational improvement.

EMBC's strategic activities are detailed in its [2014/15-2016/17 Strategic Plan](#). These strategies are supported by six strategic lines of effort and specific deliverables that align with and empower EMBC, on behalf of the Ministry, to ensure British Columbia is prepared to respond to emergency events.

Performance Measure 6: Develop a Long-Term Program of Emergency Response Exercises

Performance Measure	Baseline	2016/17 Target	2016/17 Actual	2017/18 Target	2018/19 Target
Develop and implement an integrated emergency response exercise program that engages all levels of government and stakeholders in testing emergency preparedness in B.C.	Develop a framework to support the planning requirements and exercise schedule for the first provincial level full-scale exercise	Conduct a full-scale earthquake and tsunami response exercise	Conducted Exercise Coastal Response 2016, a multi-agency, provincial level, full-scale earthquake and tsunami response exercise	Build on Exercise Coastal Response 2016, develop and deliver a series of drills and table-top exercises culminating in delivery of Exercise Salish Sea 2017, based on a ferry disaster	Develop and deliver a series of drills and table-top exercises culminating in the delivery of a full scale training exercise focused on a train derailment with a major hazmat spill

Data Source: Data for this performance measure will be sourced from reports and assessments after each exercise, developed in collaboration with stakeholders, participants and observers.

Discussion

The long-term emergency response exercise program serves as a series of tests to strengthen the provincial government response to major emergencies and disasters. In 2016, [Exercise Coastal Response](#) was conducted. The exercise, held in Port Alberni, was B.C.’s first full-scale earthquake response exercise and simulated a magnitude 9.0 earthquake. Various levels of government, first responders and planners were involved in the exercise, which has been vital in ensuring B.C.’s preparedness for a possible future earthquake. The specific hazard exercises identified as the 2018/19 target is an example. The actual training exercise hazard will be determined through direction from the Deputy Ministers’ Committee on Emergency Management.

Goal 6: Excellent customer service.

Objective 6.1: Continue improving service to B.C.’s business community.

Strategies

- Participate in cross-government integration of permitting processes;
- Streamline application and review processes for rural subdivisions; and,
- Implement online permit application and tracking tools to support reduced turnaround times.

Objective 6.2: Provide excellent customer service to all British Columbians.

Strategies

- Communicate and engage more efficiently and effectively with Ministry stakeholders;
- Undertake annual surveys to better understand customer expectations and level of service; and,
- Evaluate results to determine how to enhance customer service and act on the findings.

Performance Measure 7: Customer Service

Performance Measure	Baseline	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual	2017/18 Target	2018/19 Target
Customer Satisfaction Survey: Stakeholder satisfaction with Ministry services and processes, rated on a scale of 1 to 5 ¹ .	3.9	4.15	4.11	4.10	4.13	4.10	4.10

Data Source: The Ministry’s Customer Satisfaction Survey is based on the Common Measurement Tool (CMT), a survey framework designed by the Institute for Citizen-Centred Service to be administered by public-sector organizations to facilitate the measurement of citizen satisfaction.

¹ On this scale, 5 represents the highest level of achievement.

Discussion

This performance measure helps assess how the Ministry meets the three goals of Accountability, Service and Respect that are set out in the [Taxpayer Accountability Principles](#). The customer satisfaction score is based on British Columbians’ ratings of service they received from the Ministry. The survey focuses on the six core drivers of customer satisfaction: fairness, staff knowledge, timeliness, accessibility, staff respect and courtesy, and information. Results over the past few years reveal that the ministry performs exceptionally well with respect to the drivers of fairness, staff knowledge, and staff respect and courtesy. The results also reveal that timeliness is the driver with the most room for improvement. The Customer Satisfaction Survey uses a web-based and in-person questionnaire to complete the study. Survey respondents include local governments, stakeholders and the general public. The Ministry uses the survey results to identify areas and processes to improve service delivery. The persistent targets represent the Ministry’s ability to consistently deliver high quality customer service.

Financial Report

Discussion of Results

The Ministry's total estimated budget, including Other Authorizations, was \$971.9 million. The Ministry balanced its budget and controlled spending, resulting in a year-end surplus of \$368 thousand, or .04 per cent of the estimated budget.

Other Authorizations include *Emergency Program Act* Statutory Appropriation (\$113.6 million), Contingencies access towards the Pacific Gateway initiative (\$439 thousand), and Capital Contingencies access towards the Passenger Transportation information system (\$514 thousand).

Excluding the costs under the *Emergency Program Act* Statutory Appropriation, roughly 30 per cent of the Ministry's expenditures are reasonably predictable and would be primarily subject to generic risks experienced by the majority of ministries.

Approximately 70 per cent of the Ministry's expenditures include significant components which are subject to either inflation or fluctuating market prices. These expenditures are in two areas.

The first is Highway Operations where the road and bridge maintenance contracts include an annual inflation adjustment. While the inflation adjustment is estimated at budget preparation, the full impact cannot be determined until the various indicators used are published, often well into the first quarter of the fiscal year. Given the dollar volume of the contracts, the difference between estimated and actual inflation, while not material in comparison to the total budget, requires managing.

The second area, included in Public Transportation, is the coastal ferry services contract of which fuel is a significant component. Fuel prices can vary significantly from the cost estimated for budget preparation.

These budget fluctuations are primarily managed by either increasing or deferring highway operations projects. At any given time, there is a program of prioritized projects above and beyond recurring operations that are required for highway maintenance. Careful monitoring of the areas subject to fluctuation from budget, as described above, either allows the Ministry to undertake projects in addition to those planned, or may require a deferral of some projects.

The *Emergency Program Act* Statutory Appropriation of \$113.6 million comprises \$71.5 million for mitigation and preparedness grants, \$28.1 million for response costs related to the flooding in the South Peace in the spring of 2016, and \$14 million for other emergency response costs.

The amounts shown on the next page are net of funding from external sources, primarily the BC Transportation Financing Authority.

Financial Report Summary Table

	Estimated	Other Authorizations ¹	Total Estimated	Actual	Variance
Operating Expenses (\$000)					
Transportation and Infrastructure Improvements	11,868	439	12,307	11,648	(659)
Public Transportation	301,678	-	301,678	300,477	(1,201)
Highway Operations	492,332	-	492,332	494,655	2,323
Commercial Transportation Regulation ..	1,552	-	1,552	1,686	134
British Columbia Pavilion Corporation	9,099	-	9,099	9,099	-
Emergency Management BC	15,039	-	15,039	15,349	310
Executive and Support Services	11,781	-	11,781	10,874	(907)
Emergency Program Act	14,475	113,637	128,112	128,112	-
Sub-Total	857,824	114,076	971,900	971,900	-
Adjustment of Prior Year Accrual²	-	-	-	(368)	(368)
Total.....	857,824	114,076	971,900	971,532	(368)
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)					
Highway Operations	4,072		4,072	4,007	(65)
Commercial Transportation Regulation ..	-	514	514	543	29
Emergency Management BC	-	-	-	36	36
Total	4,072	514	4,586	4,586	-

¹ "Other Authorizations" include Contingencies and *Emergency Program Act* Statutory Appropriation.

² The Adjustment of Prior Year Accrual is a reversal of accruals in the previous year.

B.C. Transportation Financing Authority

Statement of Operations

2016/17	Budget	Actual	Variance
Revenue (\$000)			
Tax revenue ¹	430,000	462,420	32,420
Amortization of deferred contributions ²	172,760	172,634	(126)
Other revenue ³	58,940	48,504	(10,436)
Total	661,700	683,558	21,858
Expenses (\$000)			
Highway Operations	577,610	531,942	(45,668)
Transit Programs	120,136	136,993	16,857
Ferry Operations	29,468	35,779	6,311
Other	58,445	70,195	11,750
Debt Servicing Costs ⁴	401,699	356,113	(45,586)
Total	1,187,358	1,131,022	(56,336)
Net Loss (\$000)			
Net operating loss	(525,658)	(447,464)	(78,194)

¹ Tax revenue includes 6.75 cents per litre motor fuel tax and a car rental tax of \$1.50 per car rental day.

² Contributions towards capital assets are deferred and amortized to revenue at the same rate as the related highway infrastructure is amortized to expense.

³ Other revenue includes interest income, grants from the Province, net property sales, rental revenue, and earnings from British Columbia Railway Company.

⁴ Interest on borrowing used to finance construction work in progress is capitalized. Upon completion, related interest costs are expensed.

Transportation Investments

(\$ millions)	2016/17
Provincial Investments:	
Highway Rehabilitation	206
Side Road Improvement Program	87
Natural Gas Road Upgrade Program	18
Highway 1 - Kamloops to Alberta Border	37
Okanagan Valley Corridor	25
Cariboo Connector	29
Major Highway Corridors and Roads	143
Other Transportation Programs	58
Transit Infrastructure	153
Total Provincial Transportation Investment	756
Investments funded through contributions from Federal Government and Other Partners:	
Contributions from all partners	242
Total Investments in Transportation Infrastructure ¹	998
¹ Total investments in transportation infrastructure includes operating and capital spending	
Transportation Investment Corporation (\$ millions)	2016/17
Port Mann/Highway 1 Improvement Project	16
George Massey Tunnel Replacement Project	22
Total Investments	38
Total Investments in Transportation Infrastructure including investments from the Transportation Investment Corporation	1,036

Major Capital Projects

Ministry of Transportation and Infrastructure Major Capital Projects	Targeted Completion Date (Year)	Approved Anticipated Total Cost of Project (\$ millions)	Project Cost to March 31, 2017 (\$ millions)
<p>Evergreen Line Rapid Transit</p> <p>The Evergreen Line was officially opened on December 2, 2016, bringing efficient rapid transit services between Coquitlam, Port Moody, Burnaby and Vancouver. The extension provides alternative transit choices, increases transit ridership and reduces greenhouse gas and other pollutants and road congestion.</p> <p>Costs: The total project cost is anticipated to come in at \$78 million under the original approved budget of \$1.431 billion with the Government of Canada contributing up to \$424 million, other partners contributing \$21 million, and TransLink contributing \$400 million and operating the system as part of the overall rapid transit network.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Provide fast, frequent and convenient service; • Increase transit ridership and capacity; • Reduce traffic congestion; • Support regional and municipal growth management plans; and, • Provided economic opportunities by creating 8,000 new direct and indirect jobs during construction. <p>More information is available on the project web site.</p>	<p>2017</p>	<p>1,431</p>	<p>1,348</p>

Ministry of Transportation and Infrastructure Major Capital Projects	Targeted Completion Date (Year)	Approved Anticipated Total Cost of Project (\$ millions)	Project Cost to March 31, 2017 (\$ millions)
<p>Highway 1 – Monte Creek to Pritchard</p> <p>Objective: Upgrade 10.5 kilometres of Highway 1 to a four-lane standard between the junction with Highway 97 at Monte Creek and Pritchard. Associated upgrades include side road network connections to the highway, construction of interchanges and new frontage roads, two emergency vehicle turn-around points and median barrier and drainage facilities to provide continuity between this project and the Pritchard to Hoffman’s Bluff project.</p> <p>Costs: Estimated project cost is \$68.9 million with the Government of Canada contributing \$16.7 million.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Improved safety, mobility and reliability of this section of Highway 1 for all road users; • Increased capacity on a vital transportation link between B.C. and the rest of Canada, supporting regional, provincial and national economic growth; • Improved access for cyclists and pedestrians; and, • Mitigation of impacts on First Nations interests. <p>Risks:</p> <ul style="list-style-type: none"> • Potential costs and time associated with completing archaeological investigations; and, • Potential additional costs related to completing property acquisition. <p>More information about the project can be found on the project web site.</p>	<p>2017</p>	<p>68.9</p>	<p>66.7</p>

Ministry of Transportation and Infrastructure Major Capital Projects	Targeted Completion Date (Year)	Approved Anticipated Total Cost of Project (\$ millions)	Project Cost to March 31, 2017 (\$ millions)
<p>Highway 1 Widening and 216 Street Interchange</p> <p>Objective: Widen the Trans-Canada Highway to six lanes between 202 Street and 216 Street and construct a diamond interchange at 216 Street to improve traffic flow, reliability and congestion on a core National Highway System route used extensively for moving people and goods in Metro Vancouver.</p> <p>Costs: The estimated project cost is \$59 million, inclusive of property acquisition costs, escalation and contingency. The Government of Canada is contributing one half of eligible costs up to a maximum of \$22.333 million under the Provincial-Territorial Infrastructure Component of the new Building Canada Fund. The Township of Langley is contributing \$14.333 million toward the cost of the interchange.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Improve safety for all road users; • Reduce congestion and improve travel times through a key corridor; • Support transit use, cycling and other alternatives to single occupant vehicles; and, • Keep regional traffic off local streets. <p>Risks:</p> <ul style="list-style-type: none"> • Unknown geotechnical conditions, property impacts, community support, First Nations archeological impacts and environmental permits; • Maintaining adequate traffic flow during construction may require temporary works and development of comprehensive traffic control plans; and, • Schedule risk associated with acquisition of property and securing Agricultural Land Commission approval for non-farm use of lands required for the interchange. <p>More information is available on the project web site.</p>	<p>2019</p>	<p>59</p>	<p>8.7</p>

<p>Ministry of Transportation and Infrastructure Major Capital Projects</p>	<p>Targeted Completion Date (Year)</p>	<p>Approved Anticipated Total Cost of Project (\$ millions)</p>	<p>Project Cost to March 31, 2017 (\$ millions)</p>
<p>Highway 1 – Admirals Road/McKenzie Interchange</p> <p>Objective: Construct an interchange on the Trans-Canada Highway at the intersection with Admirals Road and McKenzie Avenue to improve traffic flow and reliability and reduce congestion on a core National Highway System route. The project includes construction of shoulder bus lanes, extension of the merge lanes, and grade-separated structures for the Galloping Goose Regional Trail.</p> <p>Costs: The estimated cost is \$85 million, inclusive of property acquisition costs, escalation and contingency. The Government of Canada is contributing one half of eligible costs up to a maximum of \$32.648 million under the Provincial-Territorial Infrastructure Component of the new Building Canada Fund.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Improve safety for all road users; • Reduce congestion and improve travel times through a key corridor; • Support transit use, cycling and other alternatives to single occupant vehicles; and, • Provide sufficient cross-section through the interchange to allow for the future introduction of HOV lanes along the corridor. <p>Risks:</p> <ul style="list-style-type: none"> • Unknown geotechnical conditions, property impacts, First Nations archeological impacts and relocation of a large Capital Regional District waterline; • Maintaining adequate traffic flow during construction may require temporary works and development of comprehensive traffic control plans; and, • Schedule risk associated with the acquisition of property and securing environmental approvals and permits. <p>More information is available on the project web site.</p>	<p>2019</p>	<p>85</p>	<p>30</p>

<p>Ministry of Transportation and Infrastructure Major Capital Projects</p>	<p>Targeted Completion Date (Year)</p>	<p>Approved Anticipated Total Cost of Project (\$ millions)</p>	<p>Project Cost to March 31, 2017 (\$ millions)</p>
<p>Highway 97 Widening from Highway 33 to Edwards Road</p> <p>Objective: Six-laning Highway 97 through Kelowna from Highway 33 to Edwards Road, intersection improvements at Leathead Road, McCurdy Road, Findlay/Hollywood roads and Sexsmith Road, access consolidation and realignment of Rutland Road to provide separation from intersections on Highway 97.</p> <p>Costs: The estimated cost is \$59.7 million inclusive of property costs, escalation and contingency. The Government of Canada is contributing half of eligible costs up to a maximum of \$18 million under the Major Infrastructure component of the Building Canada Fund.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Improved traffic flow and reduced congestion on a core National Highway System route; • Improved safety for road users; • Improved reliability for Rapid Bus service between West Kelowna and University of British Columbia Okanagan; • More efficient and safer connections to University of British Columbia-Okanagan, Quail Ridge, Rutland, Glenmore, Ellison, Lake Country and beyond for motorists, cyclists and transit users; and, • Safer access to and from adjacent properties. <p>Risks:</p> <ul style="list-style-type: none"> • Unknown sub-surface conditions and First Nations archeological impacts; • Maintaining adequate traffic flow during construction will require development of comprehensive traffic control plans; and, • Schedule risk associated with the acquisition of property. <p>More information is available on the project web site.</p>	<p>2017</p>	<p>59.7</p>	<p>36.9</p>

Ministry of Transportation and Infrastructure Major Capital Projects	Targeted Completion Date (Year)	Approved Anticipated Total Cost of Project (\$ millions)	Project Cost to March 31, 2017 (\$ millions)
<p>Port Mann Bridge / Highway 1</p> <p>Objective: The vast majority of Port Mann/Highway 1 Improvement Project construction was declared complete in September 2015. The new 10-lane Port Mann Bridge and 37 kilometres of highway improvements cleared the worst bottleneck in the province and drivers are saving several hours per week on the faster, more efficient corridor. Work on the Golden Ears Connector, an off-corridor improvement included as part of the Port Mann/Highway 1 Improvement Project, was completed in May, 2017.</p> <p>As a provincial Crown corporation, Transportation Investment Corporation is responsible for delivering this project and prepares its own service plan and annual service plan report, separate from the Ministry's, which can be found at ticorp.ca.</p>	2017	3,319	3,316

<p>Ministry of Transportation and Infrastructure Major Capital Projects</p>	<p>Targeted Completion Date (Year)</p>	<p>Approved Anticipated Total Cost of Project (\$ millions)</p>	<p>Project Cost to March 31, 2017 (\$ millions)</p>
<p>George Massey Tunnel Replacement Project</p> <p>Objective: The George Massey Tunnel experiences significant congestion and delays that constrain safety, economic growth and regional livability. Current plans are for the tunnel to be replaced with a bridge with dedicated transit/HOV lanes, a multi-use pathway for cyclists and pedestrians and related Highway 99 improvements.</p> <p>Costs: The current estimate is \$3.5 billion, which will continue to be refined until the detailed project scope is confirmed following Phase 3 consultation and environmental review.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Improve safety and reliability with present-day seismic standards and fewer collisions; • Improve travel times and movement of people and goods on Highway 99 and Highway 91; • More opportunities for transit, HOV, cyclists and pedestrians; • Improve access to major trade gateways, industrial and local business areas and recreational opportunities, and improved access for local agricultural and residential communities; and, • Vehicle operating cost savings and reduced congestion and idling. <p>Risks:</p> <ul style="list-style-type: none"> • General risks associated with a large capital project, such as changes to scope, schedule and budget; and, • Maintaining traffic flow during construction for road and marine users. <p>More information is available on the project web site.</p>	<p>2024</p>	<p>3,500</p>	<p>21.8</p>

Ministry of Transportation and Infrastructure Major Capital Projects	Targeted Completion Date (Year)	Approved Anticipated Total Cost of Project (\$ millions)	Project Cost to March 31, 2017 (\$ millions)
<p>Phase Four of the Kicking Horse Canyon Project</p> <p>Objective: Upgrade the final 4.8 kilometres of the 26-kilometre Kicking Horse Canyon section of the Trans-Canada Highway to a modern, four-lane standard, completing the corridor improvements from the junction of Highway 95 at Golden to the western boundary of Yoho National Park. This portion of the Trans-Canada Highway serves as a gateway between B.C. and the rest of North America, connecting resource extraction sites with processing, manufacturing, and distribution centres, and is a key part of the province’s resource economies, tourism and inter-provincial trade. The first three phases of the project have been completed and are now in operation.</p> <p>Costs: The current estimate for Phase 4 is \$450 million. The Government of Canada is contributing up to \$215.2 million under the National Infrastructure Component of the new Building Canada Fund.</p> <p>Benefits:</p> <ul style="list-style-type: none"> • Increase safety, reliability and capacity on a critical provincial and national gateway; and, • Economic development through increased tourism and efficient movement of goods and services. <p>Risks:</p> <ul style="list-style-type: none"> • Challenging climatic and geographic conditions; and, • Managing traffic during construction. <p>More information is available on the project web site.</p>	2024	450	11.3

Appendix A – Major Programs

Highway Rehabilitation – Invested \$183 million in 2016/17 on main highways and bridge surfacing, bridge rehabilitation and replacement and seismic retrofits. In addition, \$23 million was invested in safety projects across the province.

Side Roads Improvement Program – Invested \$87 million in 2016/17 on side road improvements to make side roads safer and more reliable and improve connections between communities.

Natural Gas Road Upgrade Program – Invested \$18 million in 2016/17 on rehabilitating and upgrading the existing public road infrastructure in the Northeast region of the province to attract new investment, create jobs and improve safety for both industry and residents.

Okanagan Corridor Improvements – Invested \$25 million in 2016/17 to support trade and tourism, enhance safety, reduce congestion, and support the use of transit in the [Okanagan Valley Corridor](#) including the continuation of the Central Okanagan Planning Study.

Cariboo Connector Program – The [Cariboo Connector Program](#) continues to expand the 460 kilometre portion of Highway 97 from Cache Creek to Prince George. This major route expansion is designed to increase safety and decrease travel times, while providing northern communities with a first-class trade corridor that meets the needs of a rapidly expanding economy.

Other Highway Corridors and Programs – Since 2013/14, the provincial and federal governments have invested more than \$180 million on the Trans-Canada Highway between Kamloops and the Alberta border to improve reliability and safety, and to upgrade the highway to a modern, 100 kilometre-per-hour, four-lane standard.

The ministry has worked tirelessly to engage with local governments and stakeholders to identify priority infrastructure improvements along this very important transportation corridor. Most notable is the commitment of \$450 million for the completion of Phase 4 of the Kicking Horse Canyon 4-laning project. More information on these projects is available on the Ministry's [web site](#).

BikeBC – BikeBC is a comprehensive provincial cycling investment program, which is a key component of the [B.C. on the Move: A 10-Year Transportation Plan](#). Through [BikeBC](#) the Ministry identifies and builds cycling facilities of regional and provincial significance while continuing to assist local governments to develop their local cycling networks. The program helps reduce traffic congestion and greenhouse gas emissions and promotes physical activity and improved public health by providing convenient alternatives to car travel. Through the creation of cycling infrastructure, BikeBC supports [The BC Jobs Plan](#) by providing safe and attractive facilities for commuters and tourists.

The Province invested \$7.16 million for 50 projects in 38 communities last fiscal year in order to make cycling a safe and attractive alternative transportation option for commuters. BikeBC's investment is further leveraged through cost-sharing agreements with local governments. This will result in over \$14 million in cycling infrastructure.

Investing in Transit – Access to public transit to support the economy, community livability, and the environment is a key objective of [B.C. on the Move: A 10-Year Transportation Plan](#). Transit contributes to a strong provincial economy and to prosperous communities by providing an affordable transportation alternative that connects people with jobs, education, health care and recreation. It also reduces congestion, allowing for more efficient people and goods movement, supports efficient land use and contributes to reductions in greenhouse gas and other emissions. Priorities for action include maintaining high levels of operating support for BC Transit systems, partnering with local communities outside Metro Vancouver to replace and upgrade assets, funding one-third of the cost of major new rapid transit projects in Metro Vancouver and securing federal funding for transit investments. Priorities include:

- Maintaining high levels of operating support for BC Transit systems;
- Partnering with local communities outside Metro Vancouver to add and upgrade capital assets;
- Partnering with Metro Vancouver to fund new transit priority projects, as well as needed capital upgrades and replacement; and,
- Continuing the success of Phase 1 of the Public Transit Infrastructure Fund by successfully negotiating and securing federal funding for transit investments under Phase 2 of the fund.

Appendix B – Contact Information and Hyperlinks

<p>Ministry Contacts gov.bc.ca/tran/contacts</p> <p>General Inquiries E-mail: tran.webmaster@gov.bc.ca Phone: 250 387-3198 Fax: 250 356-7706</p> <p>Web site www.gov.bc.ca/tran</p> <p>Mailing Address PO Box 9850 Stn Prov Govt Victoria BC V8W 9T5</p> <p>Regional Offices</p> <p>South Coast Regional Office 1500 Woolridge Street, Suite 310 Coquitlam BC V3K 0B8 604 527-2221</p> <p>Southern Interior Regional Office 447 Columbia Street Kamloops BC V2C 2T3 250 828-4220</p> <p>Northern Regional Office 1011 4th Avenue, Suite 213 Prince George BC V2L 3H9 250 565-6185</p> <p>Additional Information: Twitter: @TranBC DriveBC: www.drivebc.ca</p> <p>Transportation Acts and Statutes gov.bc.ca/gov/content/transportation/driving-and-cycling/transportation-statutes-regulations</p>	<p>Emergency Management BC 2261 Keating Cross Road, Block A - Suite 200 Saanichton BC V8M 2A5 Phone: 250 953-4002</p> <p>Web site gov.bc.ca/gov/content/safety/emergency-preparedness-response-recovery</p> <p>Office of the Fire Commissioner gov.bc.ca/gov/content/safety/emergency-preparedness-response-recovery/fire-safety</p> <p>Regional Offices gov.bc.ca/gov/content/safety/emergency-preparedness-response-recovery/contact-us</p> <p>Additional Information: Twitter: @PreparedBC</p>
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Appendix C – List of Crowns, Agencies, Boards and Commissions

The Minister is responsible for the following Crown corporations:

- BC Transit ([BC Transit](#))
- Transportation Investment Corporation ([TI Corp](#))
- The Insurance Corporation of British Columbia ([ICBC](#))
- The B.C. Pavilion Corporation ([PavCo](#))
- BC Railway Company ([BCRC](#))
- BC Transportation Financing Authority ([BCTFA](#))

More information can be found on their respective web sites.

Appendix D – Minister’s Mandate and Actions Summary

In the Premier’s July 2015 Mandate Letter to the Minister, the Minister of Transportation and Infrastructure received direction on strategic priorities for the 2016/17 fiscal year. These priorities and the ministry’s resulting actions are summarized below:

Mandate Letter Direction	Ministry’s Action
1. Balance your ministerial budget in order to control spending and ensure an overall balanced budget for the province of British Columbia.	The Ministry was within its operating budget.
2. Implement the transportation priorities contained in B.C. on the Move, our 10 year provincial transportation plan.	<p>The Ministry has made significant achievements and investments across all 12 transportation priorities contained in the B.C. on the Move 10-year plan. At the end of the second year of the plan, the Ministry is on track to meet or exceed all of the three-year financial commitments outlined in the B.C. on the Move priorities.</p> <p>In addition, the Ministry has completed or made significant progress on over 80 per cent of the policy initiatives laid out in the B.C. on the Move priorities. In the first two years of the ten year plan over 800 projects have been completed with direct links to the BC on the Move priorities. The total two-year investment related to these priorities amounts to over \$1.5 billion.</p>
3. With the Minister of State for Emergency Preparedness, work with the ministries of Education, Advanced Education, Health and Justice to ensure provincial infrastructure assets continue to be upgraded to protect British Columbians in the event of a major earthquake. Please provide an update to Cabinet on the earthquake readiness of these assets as well as those in your Ministry prior to March 31, 2016.	The Minister of Transportation and Infrastructure presented a submission to Cabinet on the seismic status of provincial assets and sought support for the creation of a BC Earthquake Integrated Asset Management Plan. To assist the Province in the development of the plan, approval was given for the posting of a Request for Proposals on BC Bid on September 21, 2016. Associated Engineering was the successful proponent to assist in the development of a provincial strategy for government consideration. The draft plan is scheduled to be submitted in June 2017 with a final report due at the end of July 2017.

Mandate Letter Direction	Ministry's Action
<p>4. Work with the federal government to secure federal funding for provincial priorities as part of the Building Canada Infrastructure Fund.</p>	<p>\$109 million in federal funding and \$109 million in matching provincial funding has been fully committed under the Small Community Fund through the Provincial-Territorial Infrastructure Component of the new Building Canada Fund. \$528.1 million in federal funds has been secured to-date for 31 National and Regional Projects under the Provincial-Territorial Infrastructure Component of the new Building Canada Fund.</p> <p>\$296.9 million in federal funding has been secured for two projects (Kicking Horse Canyon Phase 4 and Highway 17/91 Sunbury-Nordel) under the National Infrastructure Component of the new Building Canada Fund.</p>
<p>5. Work with the BC Ferry Commissioner, BC Ferries and coastal communities to keep ferry rates affordable and the coastal ferry system sustainable as we enter Performance Term four with the BC Ferry Services contract.</p>	<p>The contract for Performance Term 4 was signed, which limited maximum annual fare increases to 1.9 per cent, the long-term rate of inflation. Engagement with federal government resulted in removal of import duties for passenger ferries and eligibility of ferry infrastructure under the new Building Canada Fund.</p> <p>The Province worked with BC Ferries to increase services on some routes to reflect traffic growth, and the launch of a new direct ferry service between Port Hardy and Bella Coola was announced. This service is set to begin in summer of 2018.</p>
<p>6. Monitor and provide an update for Cabinet on the changes to port governance implemented earlier this year.</p>	<p>The Container Trucking Commissioner (CTC) assumed responsibility from the Port of Vancouver for container trucking licenses in early 2015. Current licenses expired May 31, 2017. The CTC will renew licenses with no net increase in the size of the drayage fleet.</p> <p>Kitimat port governance structure is ready to be implemented. The implementation depends on investment decisions by industrial proponents.</p>
<p>7. Work with the Ministry of Justice to review and make recommendations to Cabinet on the potential of imposing additional fines in addition to driver demerit points for distracted driving offences.</p>	<p>New distracted driving penalties came into effect on June 1, 2016. A first-time distracted driving ticket in B.C. was increased from \$167 to \$543 (\$368 fine and a \$175 driver penalty point premium). A second offence now costs \$888, and a third costs over \$3,000. Ministry of Transportation and Infrastructure and ICBC staff worked with Ministry of Justice staff in bringing these changes forward.</p>

Mandate Letter Direction	Ministry's Action
<p>8. Continue to find efficiencies at the Insurance Corporation of BC and ensure ICBC remains on a solid footing, successfully implement its Transformation Program and develops a digital strategy to enhance customer service.</p>	<p>ICBC has implemented several new policies and programs aimed at cost containment including; (1) doubling of Basic insurance for luxury cars; (2) new windshield repair program; (3) implementation of fraud analytics tools; and (4) changes to the claims rated scale. A third party independent review is underway and will help inform future policies and programs. The Transformation Program was completed in September 2016. ICBC continues to offer more online services (driver abstracts, claims info) and is looking at how it will move more services online in the future.</p>
<p>9. Continue four-laning the Trans-Canada Highway between Kamloops and the Alberta border and the Cariboo Connector as committed in Strong Economy, Secure Tomorrow.</p>	<p>The Province's \$650-million program to continue four-laning the Trans-Canada Highway is underway east of Kamloops. The Pritchard to Hoffman's Bluff and the Malakwa Bridge projects are completed adding 9 kilometres of new four-lane highway, while construction of the North Fork Bridge replacement continues, which will add another 3.5 kilometres. Projects are also underway in the engineering stage at Hoffman's Bluff to Jade Mountain, Salmon Arm West, Donald to Forde Station Road and Kicking Horse Canyon Phase 4, which will add over 25 kilometres when completed. The Province continues to work with our federal partners to identify opportunities for cost sharing so we can move forward with additional work on the Trans-Canada Highway.</p>
<p>10. Continue consultations and planning for the replacement of the George Massey Tunnel ensuring construction begins in 2017 as committed in Strong Economy, Secure Tomorrow.</p>	<p>Three phases of public consultation have been completed, and the Environmental Assessment Certificate and Agricultural Land Commission approval have been received. Procurement is underway and preliminary construction works have begun.</p>

Mandate Letter Direction	Ministry's Action
<p>11. Continue to work with residents of the Okanagan on a second crossing of Okanagan Lake.</p>	<p>The ministry has continued its public engagement with residents of the Central Okanagan as it examines the options for transportation improvements, including possible second crossings. The project has conducted three public open houses regarding alternate routes through Peachland, West Kelowna and Kelowna and continues to engage with local government and First Nations to gather their input on options. Engagement with the communities, local governments and First Nations will continue as the study proceeds to final recommendations over the coming months.</p>
<p>12. Implement priorities as identified during last year's Vancouver Island Transportation Plan engagement.</p>	<p>The ministry has made significant progress on the Vancouver Island Transportation Plan priorities contained in the B.C. on the Move 10-year Transportation Plan. Over the last two years the ministry has delivered six key projects with another five currently under construction and five in the planning and engineering stage.</p> <p>Major upgrades along Highway 1 between Langford and Victoria have been completed and continue to be made, which will greatly reduce the congestion along this corridor. Upgrades to the West Shore Parkway and the McKenzie/Admirals Interchange are among the most significant projects currently underway.</p> <p>Other key areas of investment outlined in the list of priorities include significant highway safety improvements along Highway 4 west of Port Alberni at Kennedy Hill. Phases 1 and 2 of the Malahat Village Safety Improvements are now complete, with a third phase currently under construction along this important Highway 1 corridor. Further north on Vancouver Island, the North Courtenay Connector project has broken ground and is now under construction. All of these projects, as well as a number of others, are focused at partnering with local communities to improve access to and from provincial highways and improving traffic flow through communities.</p> <p>The Province, together with federal and local partners, has spent and committed more than \$271 million for transportation on Vancouver Island since 2015.</p>

Appendix E – Minister’s Mandate Letter



July 30, 2015

Honourable Todd Stone
Minister of Transportation and Infrastructure
Parliament Buildings
Victoria, British Columbia
V8V 1X4

Dear Minister:

On behalf of the people of British Columbia, I would like to thank you for the contributions made by you and your ministry over the past 12 months to make our province stronger.

I personally would like to thank you for the work you have done on improving transit and transportation options across British Columbia. Your work with the Mayors Council to provide voters with both a vision for Metro Vancouver transit and a method to pay for those improvements was well done.

Metro Vancouver voters appreciated the opportunity to make their voices heard on those issues, and the issues surrounding Translink itself. As a result, I have decided to place responsibility for Translink with the Ministry of Community, Sport and Cultural Development-as the issues surrounding Translink following the outcome of the plebiscite are now inextricably linked with taxation issues facing local governments in Metro Vancouver.

Questions surrounding taxation and the significant funds that will be required to pay for the transit improvements outlined in the Mayors Council vision for transit and transportation are best dealt with by looking at the issues facing communities as a whole.

Therefore, I have adjusted your mandate letter.

Your mandate for the following year is as follows:

1. Balance your ministerial budget in order to control spending and ensure an overall balanced budget for the province of British Columbia.

Office of the
Premier

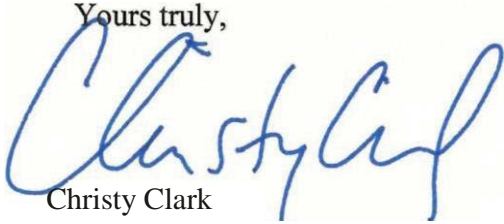
Mailin g Address:
World Trade Cent re
740 - 999 Ca nada Place
Vancouver BC V6C 3E1

2. Implement the transportation priorities contained in BC On the Move, our 10-year provincial transportation plan.
3. With the Minister of State for Emergency Preparedness, work with the ministries of Education, Advanced Education, Health and Justice to ensure provincial infrastructure assets continue to be upgraded to protect British Columbians in the event of a major earthquake. Please provide an update to Cabinet on the earthquake readiness of these assets as well as those in your Ministry prior to March 31, 2016.
4. Work with the federal government to secure federal funding for provincial priorities as part of the Building Canada Infrastructure Fund.
5. Work with the BC Ferry Commissioner, BC Ferries and coastal communities to keep ferry rates affordable and the coastal ferry system sustainable as we enter Performance Term four with the BC Ferry Services contract.
6. Monitor and provide an update for Cabinet on the changes to port governance implemented earlier this year.
7. Work with the Ministry of Justice to review and make recommendations to Cabinet on the potential of imposing additional fines in addition to driver demerit points for distracted driving offences.
8. Continue to find efficiencies at the Insurance Corporation of BC and ensure ICBC remains on a solid financial footing, successfully implement its Transformation Program and develops a digital strategy to enhance customer service.
9. Continue four-laning the Trans-Canada Highway between Kamloops and the Alberta border and the Cariboo Connector as committed in Strong Economy, Secure Tomorrow.
10. Continue consultations and planning for the replacement of the George Massey Tunnel ensuring construction begins in 2017 as committed in Strong Economy, Secure Tomorrow.
11. Continue to work with residents of the Okanagan on a second crossing of Okanagan Lake.
12. Implement priorities as identified during last year's Vancouver Island Transportation Plan engagement.

In addition, as discussed and approved by Cabinet, our government is committed to ensuring British Columbia government services are easily accessed by our citizens and businesses. Minister Coralee Oakes will be leading this initiative on my behalf and over the following 12 months she will be reaching out to all ministries to assist in reducing unnecessary red tape and regulation.

It is hard to believe but it has been two years since the people of British Columbia put their faith in us to lead their province. We have accomplished much in those two years, but much work remains to deliver the promise of a strong economy and secure tomorrow for our citizens. I look forward to working with you over the coming year.

Yours truly,

A handwritten signature in blue ink that reads "Christy Clark". The signature is fluid and cursive, with the first name "Christy" being larger and more prominent than the last name "Clark".

Christy Clark
Premier of British Columbia