

STRATEGIC HIGHWAY INFRASTRUCTURE PROGRAM

Border Crossing
Component

ANNUAL REPORT 2004/05

(FISCAL YEAR ENDED MARCH 31, 2005)

August 2005



**BRITISH
COLUMBIA**

Ministry of Transportation

Canada
Transport Canada

STRATEGIC HIGHWAY INFRASTRUCTURE PROGRAM Border Crossing Component

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(FISCAL YEAR ENDED MARCH 31, 2005)

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An annual progress report is required under section 5.02.05 of the Border Crossing Component of the Strategic Highway Infrastructure Program Contribution Agreement. This report is used to provide the Management Committee with information regarding the status of projects and to formally track progress to date under the agreement. The report will also likely be translated and posted on Transport Canada's web site for public use.



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GENERAL OVERVIEW OF RESULTS

A general overview of the results accomplished under the Agreement during the fiscal year, including but not limited to a description of the work completed, financial results, environmental issues, any concerns affecting progress of the Program, and any other issues that may affect completing the Program as per this Agreement.

As of the end of the fiscal year 2004/05 (ending March 31, 2005) the status of the 10 SHIP projects were as follows¹:

- **8th Avenue Improvements (Highway 15 and 99)** – The approval of the environmental review (CEAA) was given by Transport Canada on February 4, 2004. Tender was awarded in June 2004 after resolving an environmental issue (Shrew Habitat). A total of \$8,522,320 has been expended against 5 contracts, as of the end of the 2004/05 fiscal year. Approximately, \$232,000 has been expended towards Provincial Expenditures with \$950,629 towards Design and Engineering. Since construction began on June 1, 2004 there \$ 7,339,743 of construction claims.
- **Highway 15: ITS/CVO Truck [FAST] Lane and Nexus Lane** – The approval of the environmental review (CEAA) was given by Transport Canada on March, 9 2004. A total of \$2,718,369 has been expended against 8 contracts, as of the end of the 2004/05 fiscal year. Approximately, \$207,000 has been expended towards Provincial Expenditures with \$136,052 towards Design and Engineering. Since construction began on June 1, 2004 there \$2,375,690 of construction claims. The project is now complete and in-service. Construction was completed in October 2004 with some local complaints about truck noise and vibration. Schedule C (Affidavit of Completion) was affirmed on June 27, 2005.
- **Highway 15: ITS/CVO System Enhancements** – As this project entails only technical and electronic improvements there was no requirement for an environmental review (CEAA) approval by Transport Canada. Project Completed. A total of \$261,724 had been expended against 1 contract, as of the end of the 2004/05 fiscal year. This project was completed March 31, 2004 with a Schedule C (Affidavit of Completion) affirmation on August 12, 2004.
- **Highway 15/88th Avenue** – The approval of the environmental review (CEAA) was given by Transport Canada on July 12, 2004. A total of \$175,000 has been expended against 4 contracts, as of the end of the 2004/05 fiscal year.
- **Highway 13: Truck Climbing Lane** – The approval of the environmental review (CEAA) is still pending from Transport Canada as of the end of the fiscal year. A key deliverable, the long-term corridor plan was almost complete as of March 31, 2005. A total of \$115,385 has been expended against 3 contracts, primarily provincial expenditures and planning, as of the end of the 2004/05 fiscal year. Construction is pending the conclusions of the planning study.
- **Highway 11: (Commercial Staging Area)** – The approval of the environmental review (CEAA) was given by Transport Canada on January 8, 2003. Construction is now complete as the staging area was in use by trucks in by early summer of 2004. A total of \$1,562,184 has been expended against 3 contracts, as of the end of the 2004/05 fiscal year. A total of \$1,174,660 has been expended towards Construction, \$276,289 towards Provincial Expenditures with the remaining \$111,235 towards Design and Engineering. This project was completed July 2004 with a Schedule C (Affidavit of Completion) affirmation on June 27, 2005.

¹ It should be noted that the costs and expenditures referenced in this document relate to eligible and sharable costs between Transport Canada and the Province, unless otherwise noted. For instance, the total cost of the FAST/NEXUS project is estimated at \$3.336 Million but only \$2.718 Million is eligible for cost-sharing.

- **Highway 15/99 Advanced Traveller Information System (ATIS)** – As this project entails only technical and electronic improvements there was no requirement for an environmental review (CEAA) approval by Transport Canada. Project Completed. A total of \$600,000 has been expended against 1 contract, as of the end of the 2004/05 fiscal year. This project was completed December 15, 2003 with a Schedule C (Affidavit of Completion) affirmation March 22, 2005.
- **Highway 99: NEXUS Lane Extension** – The approval of the environmental review (CEAA) was given by Transport Canada on April 15, 2004. Project was tendered with 8th Avenue improvements for economies of scale and efficiency reasons. A total of \$96,402 has been expended against 4 contracts, as of the end of the 2004/05 fiscal year.
- **Environmental Assessment** – A total of \$15,810 has been expended against two contracts: (1) Environmental Assessment and (2) 2003/04 Annual Audit performed by the Office of the Auditor General of British Columbia.
- An additional project, **Highway 15: Extension of FAST Truck Lane**, was added to the Program in April 2005 and thus there were no claims as of the end of the 2004/05 fiscal year.

Overall, as of the end of the fiscal year 2004/05, 31 contracts had been established on HIGHWAY CONTRIBUTION MANAGEMENT SYSTEM (HCoMS) for a total cost of \$22,476,258 out of a total HCoMS-active sharable cost (across 10 projects and environmental assessments) of \$28,207,750 (79.68% of HCoMS-active sharable cost). A total of \$14,067,194 has been expended against these 31 contracts (62.59% of the existing value of the 31 contracts).



DATE, LOCATION AND AGENDA ITEMS OF OFFICIAL MANAGEMENT COMMITTEE MEETINGS.

■ Minutes of Meeting

September 29, 2004

Canada – British Columbia

SHIP Management Committee Meeting

Border Crossing Component

■ In Attendance:

Province of British Columbia

Svein Haugen (Provincial Co-Chair)

Avi Ickovich (by phone)

Transport Canada

Jim Lothrop (Acting Federal Co-Chair)

Kim Aziz

Raymond Sabourin

Record of Discussions

1. Opening Remarks

2. Administrative Details

2.1 Note Taker

Conclusions: Kim Aziz will be the notetaker,

2.2 Approval of Meeting Minutes

Conclusions: MC approved previous minutes

3. SHIPB Program Management

3.1 Review and approval of Schedule B (significant cashflow modifications, addition of new projects)

Discussion: Most recent revision of Schedule B has enough funds to complete the projects. To advance funds for extra projects is Policy's decision.

3.2 Environmental Assessment requirements/status

Discussion: All CEAs have been completed with the exception of Highway 15/88th Avenue intersection improvements which will be delivered by the BIF Highway 15 team.

3.3 Update of all Projects (MoT)

Discussion: Avi was not able to contact all project managers for updates. He expects to get updates shortly and will attach the summary to these minutes.

Action items:

Attach summary of project updates

Person responsible: Avi Ickovich

Deadline: Oct. 29, 2004

3.4 Yahk Weigh Scale Highway 3/95 vs. Highway 15 (4th to 8th Ave.) widening project.

Discussion: Yahk business case was submitted to TC on June 3, 2004. At the last MC meeting in March it was decided that the consultant would need to improve the business case to link the benefits of the project more to the border. This was done by the consultant and the business case resubmitted. The benefits to the border crossing are found to be \$3.4 million.



Highway 15 4th Ave. to 8th Ave. is extending the existing project (1st Ave. to 4th Ave.). This project has a favourable B/C ratio. If we approve 4th to 8th Ave.. and combine it with the existing 8th Ave. and ATIS, \$20.8 M out \$28 M will be spent in the same area (75% of total program dedicated to 1 area).

BC MoT would like to know which project will be funded so that they can revise their capital plan.

Conclusions: BC MoT will update the cashflows before a decision is made about the selection of project to be funded. Once TC receives the revised cashflows, BC MoT will notify TC of their choice of project (one or both).

Action items:

Provide TC with revised cashflows and Ministry's choice of project.

BC MoT to call a meeting to discuss.

Person responsible: Avi Ickovich

Deadline: Oct. 29, 2004

3.5 Highway 15/88th Ave. Project funded under SHIPB but delivered under BIF

Discussion: Highway 15 BIF team is keeping separate account of the cost for this intersection. Project will not be completed by the end of SHIPB agreement.

Conclusions:

Action items:

Person responsible:

Deadline:

3.6 Financial Management/Cash Flow Forecasts (key dates for TC)

Discussion: Project cashflows must be updated in September and again in March.

Conclusions:

Action items: Submit Annual report and audit

Person responsible: Avi Ickovich

Deadline:

3.7 Annual Report and Audit

Discussion: TC has not yet received the Annual Report and Audit. BC MoT will be issuing the report shortly.

Conclusions:

Action items: Person responsible: Avi Ickovich

Deadline:



■ Minutes of Meeting
Wednesday, December 15, 2004
Canada – British Columbia
Joint Management Committee Meeting
Border Crossing Component

■ In Attendance:

Province of British Columbia	Svein Haugen (Provincial Co-Chair) Avi Ickovich
Transport Canada	J. Bryce Conrad (T/C Co-Chair) Jim Lothrop Kim Aziz Mimi Sukhdeo Ray Sabourin
Infrastructure Canada	Gerry Maffre Lyna Chang, Recording Secretary

1.0 Agenda

- 1.1 The Border Crossing items were moved to the beginning of the agenda.

2.0 Border Crossing Component of SHIP – Unallocated Funds

- 2.1 There is \$2,621,454 of shareable costs available under the Border Crossing Component of SHIP.

3.0 Update of SHIP Border Crossing Component Projects

- 3.1 Avi Ickovich gave a status update on the projects in the Border Crossing Component of SHIP.
- 3.2 All the projects are either completed or on schedule within budget. There are no new issues. A spreadsheet was distributed which outlined the status of costs for each project.

Action Item: Avi Ickovich to amend and submit a new schedule B to reflect the changes to all of the Border Crossing Component's costs, once the proposed Highway 15: 4th to 8th Avenue is approved by the Federal Minister of Transport Canada.

4.0 Proposed Project Highway 15: 4th to 8th Avenue

- 4.1 The BC Ministry of Transportation (BC MoT) formally request that this project be given unallocated funding of \$2,230,000 (shareable cost). Transport Canada will send a memo to their Minister recommending this project for approval.
- 4.2 If approval is received by the Minister of Transport by the end of January, then our communications department will coordinate with the BC communications to draft a release for early February.

5.0 Yahk Weigh Scale Project – Status of TC Approval Process

- 5.1 Transport Canada recommends this project for funding but official approval from the Federal Minister of Transport will not be received until January 2005. This project will receive Federal Minister of Transport approval at the same time as Highway 15: 4th to 8th Avenue.



- 5.2 The BC communication person will coordinate any SHIP communication activities with Vera Holliad. Media releases for both the Highway 15 and Yahk Weigh Scale will most likely be in early February.

6.0 Update of SHIP Highway Construction Component Projects

- 6.1 There are currently \$6,546,364 of shareable costs (or \$3,273,182 of recoveries) of unallocated space under this component of SHIP assuming approval of the Yahk Weigh Scale project and \$8,296,364 (or \$4,148,182 of recoveries) without project approval.
- 6.2 The four projects primarily responsible for the cost savings are:
- Five Mile (Yoho) Bridge
 - Broderick Creek to Ford Road
 - Chilliwack Vedder Interchange
 - Woods Overhead

Action Item: Avi Ickovich will update the Schedule B pending the approval of the Yahk Weigh Scale project. This project which was to be potentially funded through the Border Crossing Component of SHIP will now be funded under the Highway Construction Component of SHIP.

7.0 Suggestion of Additional Projects

- 7.1 BC MoT proposes that Highway No. 1 at 192nd Street receive \$2 – \$2.5 M in SHIP funding. The project is part of the Gateway program and already has funding allocated to it. The business case and the benefit cost analysis can be developed quickly. Proceeding with this project will improve the National Highway System.

Action Item: Kim Aziz to send Avi Ickovich an updated business case template.

Action item: Avi Ickovich will focus the business case on how this project will improve the Trans-Canada Highway and send to Transport Canada for their review.

- 7.2 Trans-Canada Highway: Cobble Hill Road to Kimalu Road (Dougan Lake) is another project proposed to receive SHIP funding. This project is a high priority on Vancouver Island due to its high rate of head on collisions. In addition to safety, this project will also increase the capacity of the highway. The business case will need to be updated to accommodate Transport Canada requirements and also reflect the rising costs in property acquisition. There may be some Native issues as the highway passes through an Indian Reserve. This is not expected to be a major issue as the band is looking for improved access to its members who live adjacent to and on the west side of the highway. Transport Canada will consider for approval as long as the project is completed within the time frame of the program.
- 7.3 Transport Canada would be willing to advance the Dougan Lake project if there are no further money given to the Planning and Evaluation (P & E). There is currently \$1.2 M of the unallocated funding money for P & E. Transport Canada proposed that \$100,000 is left in P & E for retrospective evaluations plus an additional \$30,000 for the audit of the program. The rest of the money could go to Highway Construction projects

Action Item: Avi Ickovich will prepare and update the business case for Dougan Lake and forward to Transport Canada for review.



8.0 Review and approval of November 3 Border Infrastructure Program Minutes

- 8.1 Transport Canada and BC MoT have both agreed to disagree on outstanding sign issues.
- 8.2 If an agreement cannot be obtained at the Management Committee level, it will be escalated to the Minister level.
- 8.3 Section 2.8 was amended by Transport Canada and agreed by BC MoT to say "BC MoT committed to creating a mock-up of the Spirit of 2010 and Transport Canada will work on getting approval for BC MoT to use the Olympic logo on a temporary basis."
- 8.4 Bryce Conrad and Gerry Maffre have discussed the Olympic logo usage with the provincial games official and their decision was that the Federal government departments cannot use the logo until there is a private agreement established between the Province and the Games committee and there is a formal games logo in place. This was agreed to by both the Federal and Provincial games official.

Action Item: Bryce Conrad will forward the name of the provincial games official in BC to Svein Haugen.

Action Item: Jim Lothrop to send a copy of the original SHIP minutes to Svein Haugen. These minutes should contain mutual consent over the direction of the SHIP signs.
- 8.5 By the time additional projects are advanced, there should be some resolution on the signs. It will most likely be a political decision.

9.0 Other Business

- 9.1 The next meeting of the Management Committee will be scheduled in mid January. Items for the agenda will include the following:
 - BIF Audit Criteria/Framework
 - Verify Status of BIF Project
- 9.2 The meeting adjourned at 12:10pm (PST).



■ **Minutes of Meeting**
Tuesday, March 15, 2005
Canada – British Columbia
Joint Management Committee Meeting

■ **In Attendance:**

Province of British Columbia	Svein Haugen (BC Co-Chair) Avi Ickovich
Transport Canada	J. Bryce Conrad (T/C Co-Chair) Kim Aziz Mimi Sukhdeo Raymond Sabourin Lyna Chang, Recording Secretary

1.0 Opening Remarks – Introduction

- 1.1 The Border Crossing agenda items were moved ahead of the Highway Construction agenda items.

2.0 Border Crossing Component of SHIP – Administrative Details

- 2.1 The December 15 minutes were finalized and approved. There were no outstanding issues.

3.0 SHIP Program Management

- 3.1 Transport Canada Minister requesting a 3 year extension of the SHIP Border Crossing Program.
- 3.2 The last revision of Schedule B has been signed off on February 12 and revision 11 will be signed before the end of March. Another revision to the Schedule B is expected to include Highway 15: 4th to 8th Avenue. This project has been approved but the time extension has not yet been granted.
- 3.3 Avi Ickovich gave a status update on the projects in the Border Crossing Component of SHIP. A status report summary was distributed by A. Ickovich prior to the meeting.

Action Item: Avi Ickovich will forward the status report summary to Mimi Sukhdeo.

- 3.4 Submission of Schedule Gs for completed projects are listed in the summary reports. There are still a few that have not yet been submitted.

Action Item: Avi Ickovich to send Transport Canada the Schedule C/G for Hwy. 99 NEXUS as soon as he receives it from the Project Manager.

- 3.5 Unallocated Funds: It was agreed by the BC Ministry of Transportation and Transport Canada to potentially transfer the remaining unallocated funds in the Border Crossing Component of SHIP and the remaining funds for the potential Highway 13 Truck Climbing Lane to an upgrade of Highway 15 from 88th Avenue to the TCH (approximately \$1 Million shareable costs, \$500,000 recovery between the two sources) upon Business Case approval.

Action Item: A. Ickovich to send the Hwy. 15: 88th Avenue to TCH business case to Transport Canada.

- 3.6 Status of Project Highway 15 Extension to FAST 4th to 8th Avenue has been



approved. The Schedule B will be amended and will need to be signed off by Transport Canada. K. Aziz will email A. Ickovich once it has been approved. The BC MoT Assistant Deputy Minister will need to sign for any new projects before it is signed by Transport Canada.

- 3.7 A. Ickovich to follow up with the project manager on the environmental assessment for new projects.
- 3.8 The deadline for P.A.Y.E. is March 31st.
- 3.9 The Annual Report and Audit is due in 120 days. The Auditor General has made a commitment that they will be on time.

4.0 Other Items

- 4.1 BC MoT does not have a land exchange agreement with CCRA but the Hwy. 11: Huntington Border project was constructed on the strength of a verbal agreement and an email of intent from Jerry Gluss (A/Director, Capital Construction, Real Property & Sustainable Development Directorate, CCRA). BC MoT is obligated to compensate the duty free shop and secure concessions from BCSA. A compensation of \$12,500 has been paid to the store owner to occupy his land until September 8/04. A penalty of \$10,000 was paid as the land exchange agreement was not signed. An option to renew the license for a further term of up to one year is now in place for \$1047.50 per month. Transport Canada is aware of this situation and the South Coast region has been sharing the status reports with Mimi Sukhdeo.

Action Item: A. Ickovich to send the emails and other background information on the Hwy. 11: Huntington Border Crossing property transfer Issue to B. Conrad in order for B. Conrad to discuss this issue with CCRA counterpart.

- 4.2 To date there has not been an agreement regarding the mitigation of the noise and air quality complaint on the FAST/NEXUS 2nd to 4th Avenue project. The complainant would like to see a noise barrier.

Action Item: A. Ickovich to follow up with the project manager.

- 4.3 The meeting adjourned at 12:20pm (PST).

5.0 Highway Component of SHIP

- 5.1 A letter has been sent from the BC Minister of Transportation to the Transport Canada Minister requesting a 1 year extension of the SHIP Program.
- 5.2 Schedule B revision:
- 5.3 Avi Ickovich gave a status update on the projects in the Highway Construction Component of SHIP. A status report summary was distributed by A. Ickovich prior to the meeting.

- 5.3.1 Transport Canada is still missing Schedule Gs for Annis Road and South Peace Hill. Both projects are completed.

Action Item: A. Ickovich to follow up and forward the Schedule Gs to Kim Aziz.

- 5.4 Unallocated Funds: A. Ickovich distributed a spreadsheet showing the Highway Construction component available balances after the approval of \$2.3 Million reinstatement of Yoho Funding



5.5 New Projects:

5.5.1 Cobble Hill Road goes through a reserve but the project will benefit the Reserve by improving safety. It is considered to be a good project. Transport Canada will seek an extension to the program for one year to facilitate this project as well as the Highway 1: 192nd West Facing Ramp project. Transport Canada has no concerns with either project. Both projects address safety issues therefore will most likely be approved by Transport Canada Minister.

5.6 All the money has already been moved out of the planning and evaluation fund already as per Management Committee decision on December 15/04.

5.7 Cash Flow Forecasts P.A.Y.E.: Transport Canada has a March 31st deadline for all recoveries.

5.8 Annual Report and Audit: Please see SHIP Border Crossing minutes.

6.0 Other Items

6.1 Transport Canada will inform BC counterparts when the 1 year extension will be granted, however they confirm that it will only be a time extension, they will not be able to increase federal funding.

6.2 The meeting adjourned at 1:00pm (PST).



SCHEDULE B REVISIONS:

Please refer to Table 1 outlining the evolution of Schedule B during the first fiscal year. Table 2 (Statement of Changes) calculates the cash flow and budget changes across revisions.

- Revision 9.** February 12, 2005 – This revision entailed the following changes with their corresponding decrease in Unallocated Funds:
- An increase in shareable costs for the 8th Avenue Improvements;
 - A decrease in shareable costs for the Highway 15: ITS/CVO [FAST] Truck Lane and NEXUS Lane;
 - A small decrease in shareable costs for the ITS/CVO System Enhancements project to update the Schedule to the final claim costs for this project upon completion. It was determined at this time there are no further claims for this completed project;
 - An increase in shareable costs for the Highway 15/88th Ave. Intersection Improvements;
 - A decrease in shareable costs for the Highway 13 Truck Climbing Lane based on better estimates from the inherent Planning Study;
 - A small increase in shareable costs for the Highway 11: Commercial Vehicle Staging Area;
 - A small increase in the gross costs for the Highway 15/99 Advanced Traveller Information System (ATIS) upon completion in the previous fiscal year. However, these final costs are not shareable costs (non-eligible costs) and thus do not effect the Schedule B; and,
 - A small increase in shareable costs for the Highway 99: Nexus Lane Extension.
- Revision 10.** March 21, 2005 – This revision entailed the following changes with their corresponding decrease in Unallocated Funds:
- An increase in shareable costs for the 8th Avenue Improvements;
 - An increase in shareable costs for the Highway 15: ITS/CVO [FAST] Truck Lane and NEXUS Lane; and,
 - A small increase in shareable costs for the Highway 11: Commercial Vehicle Staging Area.
- Revision 11.** April 7, 2005 – This revision entailed the following changes with their corresponding decrease in Unallocated Funds:
- A small increase in shareable costs for the 8th Avenue Improvements;
 - A small increase in shareable costs for the Highway 15: ITS/CVO [FAST] Truck Lane and NEXUS Lane; and,
 - The addition of the Highway 15: Extension of the FAST [Truck] Lane project.
- Revision 12.** May 13, 2005 – This revision was initiated to reflect year-end claims and accruals [PAYE] for the 2004/05 Fiscal Year and thus entailed the following changes with their corresponding small increase in Unallocated Funds:



- A shifting of shareable costs from the 2004/05 fiscal year to the 2005/06 fiscal year for the 8th Avenue Improvements;
- A small decrease in shareable costs for the Highway 15: ITS/CVO [FAST] Truck Lane and NEXUS Lane;
- A shifting of shareable costs from the 2005/06 fiscal year to the 2006/07 fiscal year for the Highway 15/88th Avenue Intersection Improvements. This change was only made possible after a formal amendment to extend the contribution agreement between the Province and Canada from March 31, 2006 to March 31, 2007;
- A small decrease in shareable costs for the Highway 13: Truck Climbing Lane project;
- A small decrease in shareable costs for the Highway 11: Commercial Vehicle Staging Area upon project completion; and,
- A shifting and small increase of shareable costs from the 2005/06 fiscal year to the 2006/07 fiscal year for the Highway 15: Extension of FAST [Truck] Lane. This change was only made possible after a formal amendment to extend the contribution agreement between the Province and Canada from March 31, 2006 to March 31, 2007.

Revision 13. May 18, 2005 – There were no changes from the previous revision. This revision was supposed to entail additional changes but was approved earlier than required merely to not hold up claims in HCOMS (on-line administration system) for the 2004/05 fiscal year. More specifically, HCOMS does not allow additional claims or contract authorizations while a Revision is in Working Copy mode.

Revision 14. June 23, 2005 – This revision was initiated to reflect final year-end claims and accruals [PAYE] for the 2004/05 Fiscal Year and thus entailed the following changes with their corresponding increase in Unallocated Funds. This revision also reflects the 2004/05 claims that have been audited and approved by the Office of the Auditor General of British Columbia (Please refer to the Schedule of Detailed Expenditure Claims under the Improvements at Border Crossings Contribution Agreement in the appended Annual Audit)

- A small decrease in costs for the Highway 15: FAST/NEXUS Lanes upon project completion;
- A small decrease in costs for the Highway 11: Commercial Vehicle Staging Area upon project completion;
- A small decrease in costs for the Highway 99 NEXUS Lane; and,
- A small decrease and transfer of environmental costs to the 2005/06 fiscal year.



PROJECT UPDATES

- A map of all current SHIP projects as of March 31, 2005 is included for reference purposes. map includes projects under both the Highway Construction Component and under the Border Crossing Component of SHIP.
- Information on contracts started/completed and estimated completion of contracts is addressed more extensively in a subsequent section of the report A YEAR END SUMMARY TABLE OF EXPENDITURES UNDER THE AGREEMENT. However, it is important to mention that there are no major anomalies from forecasts earlier in the fiscal year 2004/05.
- The following pages of the report entail a series of photographs for the current SHIP projects and are meant to provide not only a portrayal of the actual project, but also a broader geographic topographical, and geologic context, and as such some pictures are overviews.



2004/2005 STRATEGIC HIGHWAY INFRASTRUCTURE PROGRAM (SHIP)

Border Crossing Transportation Component (\$28.2 M)

- 1A** Hwy 99: 8th Avenue Interchange Upgrade (Detail A) (Completion 2005/06)
- 1B** 8th Avenue: Widening (Four Lanes) Upgrade (Detail A) (Completion 2005/06)
- 1C** Hwy 15: 8th Avenue Intersection Upgrade (Detail A) (Completion 2005/06)
- 2** Hwy 15: ITS/CVO (Fast) Truck Land and Nexus Lane (Detail A) (Completed)
- 3** Hwy 15: Intelligent Transportation System Commercial Vehicle Operation Enhancements (Detail A) (Completed)
- 4** Hwy 99: Nexus Lane Extension (Detail A) (Completion 2005/06)
- 5** Hwy 15: 88th Avenue Intersection Upgrade (Completion 2006/07)
- 6** Hwy 13: Truck Climbing Lane (Completion 2005/06)
- 7** Hwy 11: Commercial Vehicle Staging Area (Completed)
- 8** Hwy 15/99: Advanced Traveller Information System (ATIS) (Completed)
- 9** Highway 15: 4th to 8th Avenue FAST/NEXUS Lanes Extension (Completion 2006/07)

Highway Construction Component (\$122.4 M)

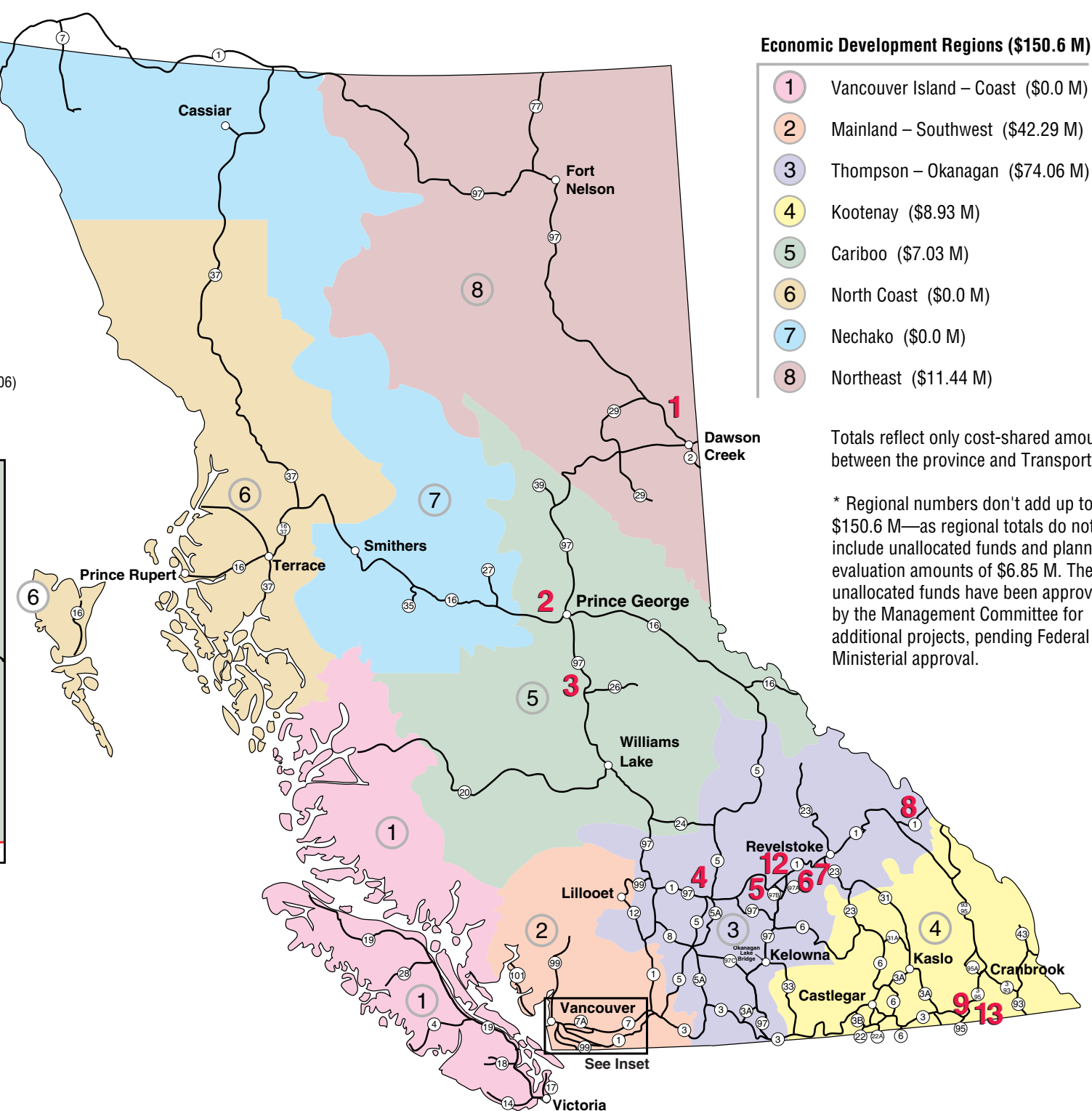
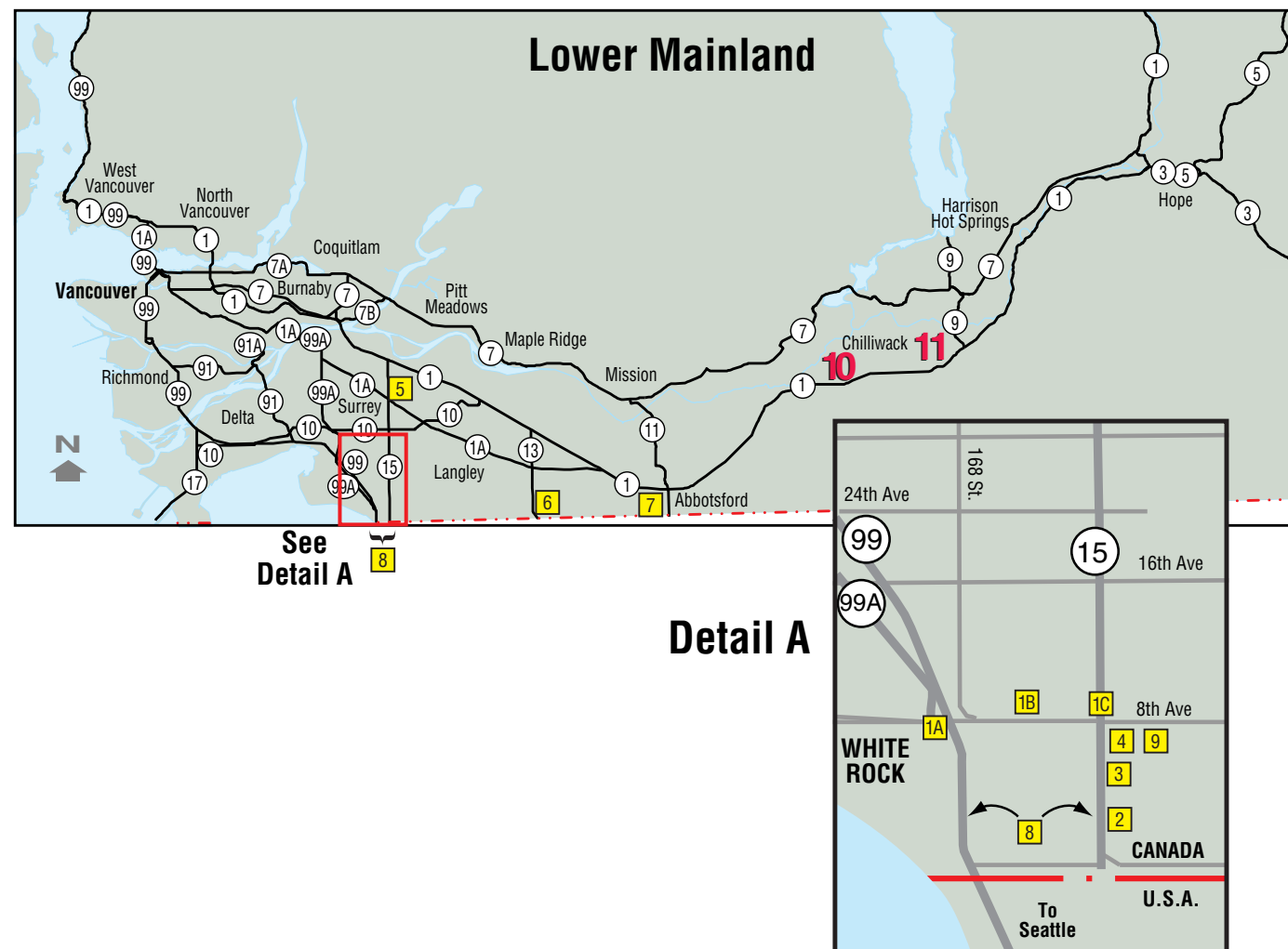
- 1** Hwy 97: South Peace Hill (Highway Realignment) (Completed)
- 2** Hwy 16: Blackwater/Shanley (Passing Lanes) (Completed)
- 3** Hwy 97: Cottonwood Bridge (Realignment/Replacement) (Completion 2005/06)
- 4** Hwy 5: Preacher Hill Curves (Highway Realignment) (Completed)
- 5** Hwy 1: Broderick to Ford (Four Laning/Frontage Roads) (Completed)
- 6** Hwy 1: Woods Overhead (Realignment/Replacement) (Completed)
- 7** Hwy 1: Victoria Road (Intersection Upgrade/Down Hill Lane) (Completed)
- 8** Hwy 1: Five Mile Bridge (Four Laning/Replacement) (Completion 2005/06)
- 9** Hwy 3: Moyie Bluffs (Realignment/Climbing Lane) (Completed)
- 10** Vedder Interchange (Reconfiguration) (Completed)
- 11** Hwy 1: Annis to Highway 9 (Highway Realignment) (Completed)
- 12** Hwy 1: 30th Street to Hwy 97B (Realignment/Intersection Improvement) (Completion 2005/06)
- 13** Hwy 3/95: Yahk Weigh Scale (Access/Intersection Improvement) (Completion 2005/06)

Economic Development Regions (\$150.6 M)*

- 1** Vancouver Island – Coast (\$0.0 M)
- 2** Mainland – Southwest (\$42.29 M)
- 3** Thompson – Okanagan (\$74.06 M)
- 4** Kootenay (\$8.93 M)
- 5** Cariboo (\$7.03 M)
- 6** North Coast (\$0.0 M)
- 7** Nechako (\$0.0 M)
- 8** Northeast (\$11.44 M)

Totals reflect only cost-shared amounts between the province and Transport Canada

* Regional numbers don't add up to \$150.6 M—as regional totals do not include unallocated funds and planning evaluation amounts of \$6.85 M. These unallocated funds have been approved by the Management Committee for additional projects, pending Federal Ministerial approval.



8TH AVENUE IMPROVEMENTS

Project Overview

This project includes four-laning 8th Avenue (a connector road) and interchange improvements at Highway 99 and intersection improvements at Highway 15.

Construction is underway. Completion is expected by end of September 2005. The first single lane roundabout is operational, with the construction of the 3 lane bridge structure underway. The two lane roundabout is expected to be completed in June, with the completion of four laning 8th Avenue to follow.

Photographs of 8th Avenue Improvements (As of March 31, 2004) including four laning, roundabout and interchange improvements on both Highway 99 and 15:



*8th Avenue Facing West at
176th Street*



*8th Avenue 250 m West of
176th Facing East*



176th Facing North



*176th Street
South End of Project Facing North*



*East Roundabout
Bridge in Background*





*Hwy. 99 – Future NB Off Ramp –
Nexus in Background*



*Hwy. 99 – Future NB Off Ramp
Facing South*



Hwy. 99 – Facing South



*Hwy. 99 – Facing South
– New Bridge*



Hwy. 99 NB On Ramp



West Roundabout Facing South



HIGHWAY 15: ITS/CVO TRUCK [FAST] LANE AND NEXUS LANE

This project entails the construction of a combined and dedicated FAST/NEXUS/Bus lane from 4th Avenue to 1st Avenue on Highway 15 diverging to three lanes at the Pacific Highway, BC/ Blaine, Washington border crossing.

Construction was completed in October 2004 with in-service status by March 31, 2005. The Schedule C (Affidavit of Completion) was affirmed June 27, 2005.



Highway 15 looking south towards the US Border



The parking lot for trucks close to the border is designed to mitigate congestion and increase throughput at the border.



South-facing pictures of the Nexus Lane which are currently not in use due to construction south of border under US jurisdiction.



HIGHWAY 15: ITS/CVO TRUCK LANE SYSTEM ENHANCEMENTS

This project entails ITS/CVO System Enhancements. This project was completed March 31, 2004 with a Schedule C (Affidavit of Completion) affirmation on August 12, 2004.

HIGHWAY 15/88TH AVENUE INTERSECTION IMPROVEMENTS

To accommodate historic and future traffic growth at this congested facility, a second through traffic lane as well as left-turn bays will be added to all approaches. Work will also involve widening of shoulders and increased corner radii on all approaches, and the elevation of the road surface to control flooding.

Pre- Construction:



Construction:

First stage of preload underway for intersection widening south of 88th Ave.. Work has also commenced on relocating hydro poles north of 88th intersection. Approximate value of construction to date \$217,000.

Property:

All but one property acquired, expected delivery date of final property on North East quadrant to be June 2005. (Expropriation may be required)

Current:

The photograph below illustrates the preload and gauge repair that is underway. Also the photograph illustrates the elevation of the road surface to control flooding.



HIGHWAY13: TRUCK CLIMBING LANE

This project involves the development of a long-term corridor plan to determine the long-term needs of Highway 13, located approximately 50 kilometres east of Vancouver, B.C. This project also includes the construction of a 1.7 kilometre northbound truck climbing lane leading away from the Aldergrove, B.C./ Lynden, Washington border crossing. However, this portion of the project will be contingent on the findings of the long-term corridor planning study. The work that has been done thus far is actually planning towards a Corridor Management Plan (CMP). The Management Committee in its March 16, 2005 meeting decided that all remaining construction funds for this project in the program could be transferred to extending improvements on Highway 15 northwards to the Trans-Canada Highway, pending approval of the requisite business case by the Management Committee and the Transport Canada. Nevertheless, the Planning Study will still provide both levels of government valuable information on the Highway 13 corridor that will be used towards future infrastructure needs.



HIGHWAY 11: COMMERCIAL VEHICLE STAGING AREA

Located on the Canadian side of the Huntington, B.C./Sumas, Washington border crossing, the staging area is expected to provide 15 pull through spaces for semi-trailers as well as public washrooms.

As of March 31, 2004 construction was complete to the gravel stage. Paving was carried out in the summer of 2004. The staging area was in use by trucks by August 2004. The Schedule C (Affidavit of Completion) was affirmed June 27, 2005.

Pre-Construction Photographs:



Post-Construction Photographs:



HIGHWAY 15/99: ADVANCED TRAVELLER INFORMATION SYSTEM [ATIS]

The intent of ATIS is to monitor and report on border delays at Highway 99 and Highway 15. The current photographs below illustrate a test of this system as it nears completion. System calibration and validation was completed by May 31, 2004. The Ministry has displayed the test message during the validation. The messages reverted to the automated system by the end of June 2004. The web-site and the interactive voice line were made available to the public at the same time. One view is the sign looking southward on Highway 15 and the other view is the sign looking southward on Hwy. 99.



There are ongoing discussions with Transport Canada and IMTC about management and use of data on traffic delays and queues. This project was completed June 2004 with a Schedule C (Affidavit of Completion) submission on March 22, 2005.

HIGHWAY 99: NEXUS LANE EXTENSION

The project entails the extension of the existing dedicated commuter lane on Highway 99 southbound by approximately 700 metres, to be used by pre-approved NEXUS registered drivers.

Construction is completed, with minor Nexus sign upgrades underway. The Schedule C (Affidavit of Completion) will be forthcoming after this is completed and completion of the 8th Avenue improvements project, which were tendered together. The following are photographs of the project.



Below: The future Northbound off-ramp which connects to the 8th Avenue project.



COMMUNICATIONS ACTIVITIES COMPLETED DURING THE 2004/05 FISCAL YEAR

July 21, 2004 – News Release

Ministry of Transportation: Minister Falcon and MLA Hogg announced road improvements to 8th Ave., and extension of Highway 99 Nexus lane to 8th Ave.

October 22, 2004 – News Release

Joint Fed/Prov Governments of Canada and BC announce completion of FAST/NEXUS Lane Border Crossing Improvements (Highway 15).

April 15, 2005 – News Release

Joint Fed/Prov New \$2.6M Extension of FAST Truck Lane to ease Border Congestion (Highway 15).



A YEAR END SUMMARY TABLE OF EXPENDITURES UNDER THE AGREEMENT

Please refer to Table 3 for complete details on year-end expenditures against existing contracts, as of March 31, 2005, for each of the respective projects:

- **8th Avenue Improvements** – Five contracts have been established for a total cost of \$14,684,359 out of a sharable project cost of 16,258,448 (90.32% of sharable cost). A total of \$8,522,320 has been expended against these 5 contracts (58.04% of existing 5 contracts).
- **Highway 15: ITS/CVO Truck [FAST] Lane and NEXUS Lane** – Seven contracts have been established for a total cost of \$2,718,369 out of a sharable project cost of \$2,718,369 (100% of sharable cost). A total of \$2,718,369 has been expended against these 7 contracts (100 % of existing 7 contracts). Provincial Expenditures (e.g., BC Ministry of Transportation internal costs such as salaries) claims amounted to \$206,627.
- **Highway 15: ITS/CVO Systems Enhancements** – One contract has been established for a total cost of \$261,724 out of a sharable project cost of \$261,724 (100.00 % of sharable cost). A total of \$261,724 has been expended against this one contract (100 % of sole contract).
- **Highway 15/88th Avenue Intersection Improvements** – Four contracts have been established for a total cost of \$ 2,383,425 out of a sharable project cost of \$3,275,000 (72.78 % of sharable cost). A total of \$175,000 has been expended against these four contracts (7.34% of existing four contracts).
- **Highway 13: Truck Climbing Lane** – Three contracts have been established for a total cost of \$115,385 out of a sharable project cost of \$926,000 (12.46% of sharable cost). A total of \$115,385 has been expended against these 3 contracts (100% of existing 3 contracts). The three contracts established are for Provincial Expenditures (e.g., BC Ministry of Transportation internal costs such as salaries) and Design Fees, and a Corridor Planning Study, respectively.
- **Highway 11: Commercial Staging Area** – Three contracts have been established for a total cost of \$1,562,185 out of a sharable project cost of \$1,562,185 (100% of sharable cost). A total of \$1,562,184 has been expended against these three contracts (100% of existing 3 contracts). The three contracts established are for Construction Activities, Provincial Expenditures (e.g., BC Ministry of Transportation internal costs such as salaries) and Design Fees respectively. Provincial expenditures accounted for \$276,289 of claims.
- **Highway 15/99: Advanced Traveler Information System** – One contract has been established for a total cost of \$600,000 out of a sharable project cost of \$600,000 (100% of sharable cost). A total of \$600,000 has been expended against the one contract (100.00 % of sole contract).
- **Highway 99: Nexus Lane** – Four contracts have been established for a total cost of \$96,402 out of a shareable cost of \$96,402 (100% of shareable cost). A total of \$96,402 has been expended against these four contracts (100% of existing 4 contracts).
- **Environmental Assessment Costs** – Two contracts have been established for a total cost of \$54,410 out of a sharable project cost of \$80,000 (68.01% of sharable cost). A total of \$15,810 has been expended against these two contracts (29.06% of existing contracts).
- An additional project, **Highway 15: Extension of FAST Truck Lane**, was added to the Program in April 2005 and thus there were no claims as of the end of the 2004/05 fiscal year.



Overall, 31 contracts have been established for a total cost of \$22,476,258 out of a total sharable projects costs of 28,207,750 (79.68% of sharable cost). A total of \$14,067,194 has been expended against these 31 contracts (62.59% of existing 31 contracts).

Annual Audit of Program – The audit evaluated the claims submitted for payment under the agreement to ensure that they are free of material misstatement and that they are consistent with the eligible costs requirements of the agreement. The audit was undertaken in accordance with accepted auditing standards such as the rules of the Canadian Institute of Chartered Accountants by an independent certified chartered accountant (CA). The audit was conducted by the **Office of Auditor General of BC**.



TABLE 1 – EVOLUTION OF SCHEDULE B DURING THE FISCAL YEAR 2004/05
– BORDER CROSSING COMPONENT (As of June 23, 2005)

	Hwy.	Project	Estimated Project Cost	Sharable Project Cost	Agreement Federal	Contribution Provincial	2002/03	Breakdown of Expenditures			
								2003/04	2004/05	2005/06	2006/07
Revision #8											
8-Nov-04	99/15	8th Avenue Improvements	\$15,653,769	\$15,473,911	\$7,736,956	\$7,736,956	\$ –	\$502,746	\$10,607,587	\$4,349,900	\$13,678
	15	ITS/CVO Truck Lane and NEXUS Lane	\$3,273,000	\$2,563,000	\$1,281,500	\$1,281,500	\$ –	\$142,808	\$2,420,192		
	15	ITS/CVO System Enhancements	\$481,560	\$262,000	\$131,000	\$131,000	\$ –	\$261,724	\$276		
	15	88th Avenue Intersection Improvements	\$3,060,000	\$3,060,000	\$1,530,000	\$1,530,000	\$ –		\$500,000	\$2,560,000	
	13	Truck Climbing Lane	\$1,150,000	\$1,150,000	\$575,000	\$575,000	\$ –	\$4,385	\$217,615	\$928,000	
	11	Commercial Vehicle Staging Area	\$2,418,246	\$1,527,150	\$763,575	\$763,575	\$ –	\$1,010,163	\$516,987		
	15/99	Advanced Traveller Information System (ATIS)	\$2,246,139	\$600,000	\$300,000	\$300,000	\$ –	\$600,000			
	99	Nexus Lane Extension	\$527,654	\$165,200	\$82,600	\$82,600	\$ –	\$25,911	\$139,289		
		Environmental Assessment Costs	\$80,000	\$80,000	\$40,000	\$40,000		\$11,400	\$53,600	\$15,000	
		Unallocated Funds	\$3,326,489	\$3,326,489	\$1,663,245	\$1,663,245				\$3,326,489	
		Total	\$32,216,857	\$28,207,750	\$14,103,876	\$14,103,876	\$ –	\$2,559,137	\$14,455,546	\$11,179,389	\$13,678

Revision #9

12-Feb-05	99/15	8th Avenue Improvements	\$16,510,760	\$16,195,828	\$8,097,914	\$8,097,914	\$ –	\$502,746	\$8,877,812	\$6,815,270	
	15	ITS/CVO Truck Lane and NEXUS Lane	\$2,897,839	\$2,372,875	\$1,186,438	\$1,186,438	\$ –	\$142,808	\$2,230,067		
	15	ITS/CVO System Enhancements	\$493,824	\$261,724	\$130,862	\$130,862	\$ –	\$261,724			
	15	88th Avenue Intersection Improvements	\$3,275,000	\$3,275,000	\$1,637,500	\$1,637,500	\$ –		\$175,000	\$3,100,000	
	13	Truck Climbing Lane	\$1,035,000	\$1,035,000	\$517,500	\$517,500	\$ –	\$4,385	\$251,615	\$779,000	
	11	Commercial Vehicle Staging Area	\$2,374,054	\$1,546,468	\$773,234	\$773,234	\$ –	\$1,010,163	\$536,305		
	15/99	Advanced Traveller Information System (ATIS)	\$2,428,980	\$600,000	\$300,000	\$300,000	\$ –	\$600,000			
	99	Nexus Lane Extension	\$485,404	\$188,058	\$94,029	\$94,029	\$ –	\$25,911	\$162,147		
		Environmental Assessment Costs	\$80,000	\$80,000	\$40,000	\$40,000		\$11,400	\$53,600	\$15,000	
		Unallocated Funds	\$2,652,796	\$2,652,796	\$1,326,398	\$1,326,398				\$2,652,796	
		Total	\$32,233,657	\$28,207,749	\$14,103,875	\$14,103,875	\$ –	\$2,559,137	\$12,286,546	\$13,362,066	\$ –

Revision #10

21-Mar-05	99/15	8th Avenue Improvements	\$16,560,760	\$16,245,828	\$8,122,914	\$8,122,914	\$ –	\$502,746	\$8,927,812	\$6,815,270	
	15	ITS/CVO Truck Lane and NEXUS Lane	\$3,304,522	\$2,779,558	\$1,389,779	\$1,389,779	\$ –	\$142,808	\$2,636,750		
	15	ITS/CVO System Enhancements	\$493,824	\$261,724	\$130,862	\$130,862	\$ –	\$261,724			
	15	88th Avenue Intersection Improvements	\$3,275,000	\$3,275,000	\$1,637,500	\$1,637,500	\$ –		\$175,000	\$3,100,000	
	13	Truck Climbing Lane	\$1,035,000	\$1,035,000	\$517,500	\$517,500	\$ –	\$4,385	\$251,615	\$779,000	
	11	Commercial Vehicle Staging Area	\$2,396,054	\$1,568,468	\$784,234	\$784,234	\$ –	\$1,010,163	\$558,305		
	15/99	Advanced Traveller Information System (ATIS)	\$2,428,980	\$600,000	\$300,000	\$300,000	\$ –	\$600,000			
	99	Nexus Lane Extension	\$485,404	\$188,058	\$94,029	\$94,029	\$ –	\$25,911	\$162,147		
		Environmental Assessment Costs	\$80,000	\$80,000	\$40,000	\$40,000		\$11,400	\$53,600	\$15,000	
		Unallocated Funds	\$2,174,114	\$2,174,114	\$1,087,057	\$1,087,057				\$2,174,114	
		Total	\$32,233,658	\$28,207,750	\$14,103,875	\$14,103,875	\$ –	\$2,559,137	\$12,765,229	\$12,883,384	\$ –

	Hwy.	Project	Estimated Project Cost	Sharable Project Cost	Agreement Federal	Contribution Provincial	2002/03	Breakdown of Expenditures			
								2003/04	2004/05	2005/06	2006/07
Revision #11											
7-Apr-05	99/15	8th Avenue Improvements	\$16,573,380	\$16,258,448	\$8,129,224	\$8,129,224	\$ –	\$502,746	\$8,506,068	\$7,249,634	
	15	ITS/CVO Truck [FAST] Lane and NEXUS Lane	\$3,379,522	\$2,854,558	\$1,427,279	\$1,427,279	\$ –	\$142,808	\$2,711,750		
	15	ITS/CVO System Enhancements	\$493,824	\$261,724	\$130,862	\$130,862	\$ –	\$261,724			
	15	88th Avenue Intersection Improvements	\$3,275,000	\$3,275,000	\$1,637,500	\$1,637,500	\$ –		\$175,000	\$3,100,000	
	13	Truck Climbing Lane	\$1,035,000	\$1,035,000	\$517,500	\$517,500	\$ –	\$4,385	\$251,615	\$779,000	
	11	Commercial Vehicle Staging Area	\$2,396,054	\$1,568,468	\$784,234	\$784,234	\$ –	\$1,010,163	\$558,305		
	15/99	Advanced Traveller Information System (ATIS)	\$2,428,980	\$600,000	\$300,000	\$300,000	\$ –	\$600,000			
	99	Nexus Lane Extension	\$485,404	\$188,058	\$94,029	\$94,029	\$ –	\$25,911	\$162,147		
		Environmental Assessment Costs		80,000	\$80,000	\$40,000	\$40,000		\$11,400	\$53,600	\$15,000
	15	Extension of FAST/TRUCK Lane	\$2,600,000	\$2,086,494	\$1,043,247	\$1,043,247				\$2,086,494	
		Unallocated Funds	\$ –	\$ –	\$ –	\$ –					\$ –
		Total		\$32,747,164	\$28,207,750	\$14,103,875	\$14,103,875	\$ –	\$2,559,137	\$12,418,485	\$13,230,128

Revision #12

13-May-05	99/15 8th Avenue Improvements	\$16,573,380	\$16,258,448	\$8,129,224	\$8,129,224	\$ –	\$502,746	\$8,059,780	\$7,695,922	
	15 ITS/CVO Truck [FAST] Lane and NEXUS Lane	\$3,335,574	\$2,810,610	\$1,405,305	\$1,405,305	\$ –	\$142,808	\$2,667,802		
	15 ITS/CVO System Enhancements	\$493,824	\$261,724	\$130,862	\$130,862	\$ –	\$261,724			
	15 88th Avenue Intersection Improvements	\$3,275,000	\$3,275,000	\$1,637,500	\$1,637,500	\$ –		\$175,000	\$300,000	\$2,800,000
	13 Truck Climbing Lane	\$926,000	\$926,000	\$463,000	\$463,000	\$ –	\$4,385	\$111,000	\$810,615	
	11 Commercial Vehicle Staging Area	\$2,393,516	\$1,565,930	\$782,965	\$782,965	\$ –	\$1,010,163	\$555,767		
	15/99 Advanced Traveller Information System (ATIS)	\$2,428,980	\$600,000	\$300,000	\$300,000	\$ –	\$600,000			
	99 Nexus Lane Extension	\$485,404	\$188,058	\$94,029	\$94,029	\$ –	\$25,911	\$162,147		
	Environmental Assessment Costs		80,000	\$80,000	\$40,000		\$11,400	\$53,600	\$15,000	
	15 Extension of FAST/TRUCK Lane	\$2,600,000	\$2,150,000	\$1,075,000	\$1,075,000					\$2,150,000
	Unallocated Funds	\$91,980	\$91,980	\$45,990	\$45,990					\$91,980
	Total	\$32,683,658	\$28,207,750	\$14,103,875	\$14,103,875	\$ –	\$2,559,137	\$11,785,096	\$8,821,537	\$5,041,980

Revision #13

18-May-05	99/15 8th Avenue Improvements	\$16,573,380	\$16,258,448	\$8,129,224	\$8,129,224	\$ –	\$502,746	\$8,059,780	\$7,695,922	
	15 ITS/CVO Truck [FAST] Lane and NEXUS Lane	\$3,335,574	\$2,810,610	\$1,405,305	\$1,405,305	\$ –	\$142,808	\$2,667,802		
	15 ITS/CVO System Enhancements	\$493,824	\$261,724	\$130,862	\$130,862	\$ –	\$261,724			
	15 88th Avenue Intersection Improvements	\$3,275,000	\$3,275,000	\$1,637,500	\$1,637,500	\$ –		\$175,000	\$300,000	\$2,800,000
	13 Truck Climbing Lane	\$926,000	\$926,000	\$463,000	\$463,000	\$ –	\$4,385	\$111,000	\$810,615	
	11 Commercial Vehicle Staging Area	\$2,393,516	\$1,565,930	\$782,965	\$782,965	\$ –	\$1,010,163	\$555,767		
	15/99 Advanced Traveller Information System (ATIS)	\$2,428,980	\$600,000	\$300,000	\$300,000	\$ –	\$600,000			
	99 Nexus Lane Extension	\$485,404	\$188,058	\$94,029	\$94,029	\$ –	\$25,911	\$162,147		
	Environmental Assessment Costs		80,000	\$80,000	\$40,000		\$11,400	\$53,600	\$15,000	
	15 Extension of FAST/TRUCK Lane	\$2,600,000	\$2,150,000	\$1,075,000	\$1,075,000					\$2,150,000
	Unallocated Funds	\$91,980	\$91,980	\$45,990	\$45,990					\$91,980
	Total	\$32,683,658	\$28,207,750	\$14,103,875	\$14,103,875	\$ –	\$2,559,137	\$11,785,096	\$8,821,537	\$5,041,980

Revision #14	Hwy.	Project	Estimated	Sharable	Agreement	Contribution	2002/03	Breakdown of Expenditures			
			Project Cost	Project Cost				2003/04	2004/05	2005/06	2006/07
23-Jun-05	99/15	8th Avenue Improvements	\$16,573,380	\$16,258,448	\$8,129,224	\$8,129,224	\$ –	\$502,746	\$8,019,574	\$7,736,128	
	15	ITS/CVO Truck [FAST] Lane and NEXUS Lane	\$3,335,574	\$2,718,370	\$1,359,185	\$1,359,185	\$ –	\$142,808	\$2,575,562		
	15	ITS/CVO System Enhancements	\$493,824	\$261,724	\$130,862	\$130,862	\$ –	\$261,724			
	15	88th Avenue Intersection Improvements	\$3,275,000	\$3,275,000	\$1,637,500	\$1,637,500	\$ –		\$175,000	\$300,000	\$2,800,000
	13	Truck Climbing Lane	\$926,000	\$926,000	\$463,000	\$463,000	\$ –	\$4,385	\$111,000	\$810,615	
	11	Commercial Vehicle Staging Area	\$2,389,771	\$1,562,185	\$781,093	\$781,093	\$ –	\$1,010,163	\$552,022		
	15/99	Advanced Traveller Information System (ATIS)	\$2,428,980	\$600,000	\$300,000	\$300,000	\$ –	\$600,000			
	99	Nexus Lane Extension	\$485,404	\$96,402	\$48,201	\$48,201	\$ –	\$25,911	\$70,491		
		Environmental Assessment Costs	64,410	\$64,410	\$32,205	\$32,205		\$11,400	\$4,410	\$48,600	
	15	Extension of FAST/TRUCK Lane	\$2,600,000	\$2,150,000	\$1,075,000	\$1,075,000					\$2,150,000
		Unallocated Funds	\$295,211	\$295,211	\$147,605	\$147,605					\$295,211
		Total	\$32,867,554	\$28,207,750	\$14,103,875	\$14,103,875	\$ –	\$2,559,137	\$11,508,059	\$8,895,343	\$5,245,211

TABLE 2 – STATEMENT OF CHANGES FOR SCHEDULE B DURING THE FISCAL YEAR 2004/05

(Year Ending March 31, 2005)

Hwy.	Project	Estimated Project Cost	Sharable Project Cost	Agreement Federal	Contribution Provincial	2002/03	Breakdown of Expenditures			
							2003/04	2004/05	2005/06	2006/07
Revision #8 to Revision #9										
99/15	8th Avenue Improvements	\$856,991	\$721,917	\$360,958	\$360,958	\$ –	\$ –	\$(1,729,775)	\$2,465,370	\$(13,678)
15	ITS/CVO Truck Lane and NEXUS Lane	\$(375,161)	\$(190,125)	\$(95,062)	\$(95,062)	\$ –	\$ –	\$(190,125)	\$ –	\$ –
15	ITS/CVO System Enhancements	\$12,264	\$(276)	\$(138)	\$(138)	\$ –	\$ –	\$(276)	\$ –	\$ –
15	88th Avenue Intersection Improvements	\$215,000	\$215,000	\$107,500	\$107,500	\$ –	\$ –	\$(325,000)"	\$540,000	\$ –
13	Truck Climbing Lane	\$(115,000)	\$(115,000)	\$(57,500)	\$(57,500)	\$ –	\$ –	\$34,000	\$(149,000)	\$ –
11	Commercial Vehicle Staging Area	\$(44,192)"	\$19,318	\$9,659	\$9,659	\$ –	\$ –	\$19,318	\$ –	\$ –
15/99	Advanced Traveller Information System (ATIS)	\$182,841	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
99	Nexus Lane Extension	\$(42,250)	\$22,858	\$11,429	\$11,429	\$ –	\$ –	\$22,858	\$ –	\$ –
	Environmental Assessment Costs	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
	Unallocated Funds	\$(673,693)	\$(673,693)	\$(336,847)	\$(336,847)	\$ –	\$ –	\$ –	\$(673,693)	\$ –
	Total	\$16,800	\$(1)	\$(1)	\$(1)	\$ –	\$ –	\$(2,169,000)	\$2,182,677	\$(13,678)
99/15	8th Avenue Improvements	\$50,000	\$50,000	\$25,000	\$25,000	\$ –	\$ –	\$50,000	\$ –	\$ –
15	ITS/CVO Truck Lane and NEXUS Lane	\$406,683	\$406,683	\$203,341	\$203,341	\$ –	\$ –	\$406,683	\$ –	\$ –
15	ITS/CVO System Enhancements	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
15	88th Avenue Intersection Improvements	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
13	Truck Climbing Lane	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
11	Commercial Vehicle Staging Area	\$22,000	\$22,000	\$11,000	\$11,000	\$ –	\$ –	\$22,000	\$ –	\$ –
15/99	Advanced Traveller Information System (ATIS)	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
99	Nexus Lane Extension	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
	Environmental Assessment Costs	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
	Unallocated Funds	\$(478,682)	\$(478,682)	\$(239,341)	\$(239,341)	\$ –	\$ –	\$ –	\$(478,682)	\$ –
	Total	\$1	\$1	\$ –	\$ –	\$ –	\$ –	\$478,683	\$(478,682)	\$ –
Revision #10 to Revision #11										
99/15	8th Avenue Improvements	\$12,620	\$12,620	\$6,310	\$6,310	\$ –	\$ –	\$(421,744)	\$434,364	\$ –
15	ITS/CVO Truck [FAST] Lane and NEXUS Lane	\$75,000	\$75,000	\$37,500	\$37,500	\$ –	\$ –	\$75,000	\$ –	\$ –
15	ITS/CVO System Enhancements	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
15	88th Avenue Intersection Improvements	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
13	Truck Climbing Lane	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
11	Commercial Vehicle Staging Area	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
15/99	Advanced Traveller Information System (ATIS)	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
99	Nexus Lane Extension	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
	Environmental Assessment Costs	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
15	Extension of FAST/TRUCK Lane	\$2,600,000	\$2,086,494	\$1,043,247	\$1,043,247	\$ –	\$ –	\$ –	\$2,086,494	\$ –
	Unallocated Funds	\$(2,174,114)	\$(2,174,114)	\$(1,087,057)	\$(1,087,057)	\$ –	\$ –	\$ –	\$(2,174,114)	\$ –
	Total	\$513,506	\$ –	\$ –	\$ –	\$ –	\$ –	\$(346,744)	\$346,744	\$ –

Hwy.	Project	Estimated	Sharable	Agreement	Contribution	2002/03	Breakdown of Expenditures			
		Project Cost	Project Cost				Federal	Provincial	2003/04	2004/05
Revision #11 to Revision #12										
99/15	8th Avenue Improvements	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$(446,288)	\$446,288	\$ –
15	ITS/CVO Truck [FAST] Lane and NEXUS Lane	\$(43,948)	\$(43,948)	\$(21,974)	\$(21,974)	\$ –	\$ –	\$(43,948)	\$ –	\$ –
15	ITS/CVO System Enhancements	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
15	88th Avenue Intersection Improvements	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$(2,800,000)	\$2,800,000
13	Truck Climbing Lane	\$(109,000)	\$(109,000)	\$(54,500)	\$(54,500)	\$ –	\$ –	\$(140,615)	\$31,615	\$ –
11	Commercial Vehicle Staging Area	\$(2,538)	\$(2,538)	\$(1,269)	\$(1,269)	\$ –	\$ –	\$(2,538)	\$ –	\$ –
15/99	Advanced Traveller Information System (ATIS)	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
99	Nexus Lane Extension	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
	Environmental Assessment Costs	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
15	Extension of FAST/TRUCK Lane	\$ –	\$63,506	\$31,753	\$31,753	\$ –	\$ –	\$ –	\$(2,086,494)	\$2,150,000
	Unallocated Funds	\$91,980	\$91,980	\$45,990	\$45,990	\$ –	\$ –	\$ –	\$ –	\$91,980
	Total	\$(63,506)	\$ –	\$ –	\$ –	\$ –	\$ –	\$(633,389)	\$(4,408,591)	\$5,041,980

Revision #12 to Revision #13

99/15	8th Avenue Improvements	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
15	ITS/CVO Truck [FAST] Lane and NEXUS Lane	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
15	ITS/CVO System Enhancements	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
15	88th Avenue Intersection Improvements	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
13	Truck Climbing Lane	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
11	Commercial Vehicle Staging Area	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
15/99	Advanced Traveller Information System (ATIS)	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
99	Nexus Lane Extension	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
	Environmental Assessment Costs	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
15	Extension of FAST/TRUCK Lane	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
	Unallocated Funds	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
	Total	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –

Revision #13 to Revision #14

99/15	8th Avenue Improvements	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$(40,206)	\$40,206	\$ –
15	ITS/CVO Truck [FAST] Lane and NEXUS Lane	\$ –	\$(92,240)	\$(46,120)	\$(46,120)	\$ –	\$ –	\$(92,240)	\$ –	\$ –
15	ITS/CVO System Enhancements	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
15	88th Avenue Intersection Improvements	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
13	Truck Climbing Lane	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
11	Commercial Vehicle Staging Area	\$(3,745)	\$(3,745)	\$(1,873)	\$(1,873)	\$ –	\$ –	\$(3,745)	\$ –	\$ –
15/99	Advanced Traveller Information System (ATIS)	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
99	Nexus Lane Extension	\$ –	\$(91,656)	\$(45,828)	\$(45,828)	\$ –	\$ –	\$(91,656)	\$ –	\$ –
	Environmental Assessment Costs	\$(15,590)	\$(15,590)	\$(7,795)	\$(7,795)	\$ –	\$ –	\$(49,190)	\$33,600	\$ –
15	Extension of FAST/TRUCK Lane	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
	Unallocated Funds	\$203,231	\$203,231	\$101,615	\$101,615	\$ –	\$ –	\$ –	\$ –	\$203,231
	Total	\$183,896	\$ –	\$(1)	\$(1)	\$ –	\$ –	\$(277,037)	\$73,806	\$203,231

TABLE 3 – CANADA-BRITISH COLUMBIA IMPROVEMENTS AT BORDER CROSSINGS
SCHEDULE OF DETAILED EXPENDITURE CLAIMS FOR 2004/05

(Year Ending March 31, 2005)

Project Number	Project/Claim Description	Contract Number	Previous Year Expenditure	Current Year Eligible Costs Claimed	Total to Date	Eligible Costs Remaining in Existing Contracts
10.0	8th Avenue Improvements (Proj. 1.1 Agreement) (\$16,258,448)					
1.1	8th Avenue Improvements: four laning 8th Avenue and interchange improvements at both Highway 99 and 15.	153MJ0430	-	6,465,084	6,465,084	5,447,717
1.1	8th Avenue Improvements: four laning 8th Avenue and interchange Project Supervision	C_S_11257_11647	-	833,835	833,835	294,227
1.1	8th Avenue Improvements: four laning 8th Avenue and interchange Utilities and signage	11257_11647_Util_Signage	-	40,824	40,824	139,176
1.2	Provincial Expenditures	11257-PE	84,572	147,376	231,948	280,918
1.3	Design Fees	11257-DF	418,174	532,455	950,629	1
	Sub-total		502,746	8,019,574	8,522,320	6,162,039
2.0	Highway 15 (Proj. 1.2 & 1.5 Agreement) (\$2,718,369)					
2.1	ITS/CVO Truck Lane and NEXUS Lane: construction of a combined and dedicated FAST/NEXUS /bus lane from 4th Ave to 1st Ave on Hwy 15 diverging to three separate lanes at the Pacific Hwy, BC/Blaine, Washington border crossing.	153MJ0435	-	1,978,259	1,978,259	-
2.1	Paving	11651_Paving	-	20,347	20,347	-
2.1	Project Supervision	11651_CMS_Focus	-	275,158	275,158	-
2.1	Pipes reconstruction	Surrey_Pipes	-	15,000	15,000	-
2.1	Utilities and signage	11651_Util_Signage	-	66,815	66,815	-
2.2	Provincial Expenditures	11651-PE	64,999	141,628	206,627	-
2.2	Gravel	11651_Gravel	-	20,111	20,111	-
2.3	Design Fees	11651-DF	77,809	58,243	136,052	-
	Sub-total		142,808	2,575,561	2,718,369	-
3.0	Highway 15 (Proj. 1.3 Agreement) (\$261,724)					
3.3	Design Fees for Highway 15 ITS/CVO System Enhancements.	11522-DF	261,724	-	261,724	-
	Sub-total		261,724	-	261,724	-
5.0	Highway 15/88th Avenue (Proj. 1.6 Agreement) (\$3,275,000)					
5.1	Hwy 15/88th Ave Intersection Improvement: to accommodate historic and future traffic growth at this congested intersection, a second through traffic lane as well as left-turn bays will be added to all approaches.	71101MJ5000	-	175,000	175,000	1,300,000
5.1	Project Management and Design	092CS10988	-	-	-	641,925
5.1	Construction Supervision and Field Services	092CS13623	-	-	-	116,500
5.1	Utilities and Materials	Util_Materials_11648	-	-	-	150,000
	Sub-total		-	175,000	175,000	2,208,425
6.0	Highway 13 (Proj. 1.7 Agreement) (\$926,000)					
6.1	Truck Climbing Lane: development of a long-term corridor plan to determine the long term needs of Hwy 13 and the construction of a 1.7 km northbound truck climbing lane leading away from the Aldergrove, BC/Lyndon, WA border crossing		-	-	-	-
6.2	Provincial Expenditures	11649-PE	4,385	-	4,385	-
6.3	Design Fees	11649-DF	-	-	-	-
		11649-PL	-	111,000	111,000	-
	Sub-total		4,385	111,000	115,385	-

Project Number	Project/Claim Description	Contract Number	Previous Year Expenditure	Current Year Eligible Costs Claimed	Total to Date	Eligible Costs Remaining in Existing Contracts
7.0	Highway 11 (Proj. 1.8 Agreement) (\$1,562,185)					
7.1	Commercial Vehicle Staging Area: located on the Canadian side of the Huntington, BC/Sumas, WA border crossing, the staging area is expected to provide 15 pull-through spaces for semi-trailers as well as public washrooms	11650-0001	682,000	492,660	1,174,660	-
7.2	Provincial Expenditures	11650-PE	227,376	48,913	276,289	-
7.3	Design Fees	11651-DF	100,787	10,448	111,235	-
	Sub-total		1,010,163	552,021	1,562,184	-
8.0	Highway 15/99 (Proj. 1.9 Agreement) (\$600,000)					
8.1	ATIS: deploy an Advanced Traveller Information System to monitor and report on border delays at Highway 99 and Highway 15.	11560-0001	600,000	-	600,000	-
	Sub-total		600,000	-	600,000	-
9.0	Highway 99 (Proj. 1.4 Agreement) (\$96,402)					
9.1	NEXUS Lane Extension: extension of the existing dedicated commuter lane on Hwy 99 southbound by approximately 700 meters.	11647_Paving	-	1,892	1,892	-
9.1	Utilities and Signage	11647_Util_Signage	-	18,984	18,984	-
9.2	Provincial Expenditures	11647-PE	25,911	46,516	72,427	-
9.2	Gravel	11647_Gravel	-	3,099	3,099	-
	Sub-total		25,911	70,491	96,402	-
10.0	Environmental Assessment Costs (\$80,000)					
10.1	Environmental Assessment costs.	Env_SHIP_BCC	11,400	-	11,400	38,600
10.2	Audit	OAG_03/04	-	4,410	4,410	-
	Sub-total		11,400	4,410	15,810	38,600
	TOTAL		2,559,137	11,508,057	14,067,194	8,409,064



Report of the Auditor General of British Columbia

*To the Members of the Management Committee
on behalf of the Provincial Minister of Transportation, and
the Federal Minister of Transport:*

At the request of the Ministry of Transportation on behalf of the Management Committee, I have audited the Schedule of Detailed Expenditure Claims under the *Strategic Highway Infrastructure Program Agreement* against the eligible costs of the agreement (as defined in Schedule C of the agreement dated March 5, 2002 with Transport Canada) for the year ended March 31, 2005. This financial information is the responsibility of the management of the Ministry of Transportation. My responsibility is to express an opinion on this financial information based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial information is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial information. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial information.

In my opinion, this schedule presents fairly, in all material respects, the detailed expenditure claims under the *Strategic Highway Infrastructure Program Agreement* for the year ended March 31, 2005 in accordance with the provisions of Schedule C of the agreement referred to above.

Victoria, British Columbia
May 30, 2005

Wayne Strelloff, FCA
Auditor General

CANADA/BRITISH COLUMBIA

IMPROVEMENTS AT BORDER CROSSINGS

Schedule of Detailed Expenditure Claims

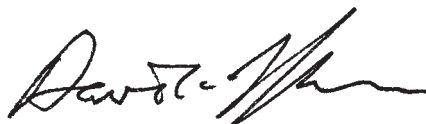
For the Year Ended March 31, 2005

Project Number	Project/Claim Description	Contract Number	Current Year Eligible Costs Claimed
1	8th Avenue Improvements (Proj 11 Agreement)		
1.1	8th Avenue Improvements: four laning 8th Avenue and interchange improvements at both Highway 99 and 15	153MJ0430	6,465,084
1.1	8th Avenue Improvements: four laning 8th Avenue and interchange Project Supervision	CS11257 – 11647	833,835
1.1	8th Avenue Improvements: four laning 8th Avenue and interchange Utilities and signage	11257 – 11647 – Util	40,824
1.2	Provincial Expenditures	11257 – PE	147,376
1.3	Design Fees	11257 – DF	532,455
	Sub-total		8,019,574
2	Highway 15 (Proj 12& 15 Agreement)		
2.1	ITS/CVO Truck Lane and NEXUS Lane: construction of a combined and dedicated FAST/NEXUS /bus lane from 4th Ave. to 1st Ave. on Hwy. 15 diverging to three separate lanes at the Pacific Hwy., BC/Blaine, Washington border crossing	153MJ0435	1,978,259
2.1	Paving	11651 – Paving	20,347
2.1	Project Supervision	11651 – CMS – Focus	275,158
2.1	Pipes Reconstruction	Surrey – Pipes	15,000
2.1	Utilities and Signage	11651 – Util – Signage	66,815
2.2	Provincial Expenditures	11651 – PE	141,628
2.2	Gravel	11651 – Gravel	20,111
2.3	Design Fees	11651 – DF	582,43
	Sub-total		2,575,561
3	Highway 15 (Proj 13 Agreement)		
3.3	Design Fees for Highway 15 ITS/CVO System Enhancements	11522 – DF	-
	Sub-total		-
5	Highway 15/88th Avenue (Proj 16 Agreement)		
5.1	Hwy. 15/88th Ave. Intersection Improvement: to accommodate historic and future traffic growth at this congested intersection, a second through traffic lane as well as left-turn bays will be added to all approaches	71101MJ5000	175,000
5.1	Project Management and Design	092CS10988	-
5.1	Construction Supervision and Field Services	092CS13623	-
5.1	Utilities and Materials	Util – Materials – 1164	-
	Sub-total		175,000
6	Highway 13 (Proj 17 Agreement)		
6.1	Truck Climbing Lane: development of a long-term corridor plan to determine the long term needs of Hwy. 13 & the construction of a 17 km northbound truck climbing lane leading away from the Aldergrove, BC/Lyndon, Washington border crossing		-
6.2	Provincial Expenditures	11649 – PE	-
6.3	Design Fees	11649 – DF	-
6.3	Planning	11649 – PL	111,000
	Sub-total		111,000
7	Highway 11 (Proj. 1.8 Agreement)		
7.1	Commercial Vehicle Staging Area: located on the Canadian side of the Huntington, BC/Sumas, WA border crossing, the staging area is expected to provide 15 pull-through spaces for semi-trailers as well as public washrooms	11650 – 0001	492,660
7.2	Provincial Expenditures	11650 – PE	48,913
7.3	Design Fees	11651 – DF	10,448
	Subtotal		552,021




Project Number	Project/Claim Description	Contract Number	Current Year Eligible Costs Claimed
8	Highway 15/99 (Proj. 1.9 Agreement)		
8.1	ATIS: deploy an Advanced Traveller Information System to monitor and report on border delays at Highway 99 and Highway 15	11560 – 0001	-
	Subtotal		-
9	Highway 99 (Proj. 1.4 Agreement)		
9.1	NEXUS Lane Extension: extension of the existing dedicated commuter lane on Hwy. 99 southbound by approximately 700 meters	11647 – Paving	1,892
9.1	Utilities and Signage	11647 – Util – Signage	18,984
9.2	Provincial Expenditures	11647 – PE	46,516
9.2	Gravel	11647 – Gravel	3,099
	Subtotal		70,491
10	Environmental Assessment Costs		
10.1	Environmental Assessment costs	ENV_SHIP_BCC	-
10.2	Audit	OAG – 03/04	4,410
	Subtotal		4,410
	TOTAL		\$11,508,057

Approved by:



David Marr
Executive Director
Program Development and Monitoring



Sheila Taylor
Assistant Deputy Minister and Ministry's EFO
Finance

Notes to the Schedule of Detailed Expenditure Claims For the Year Ended March 31, 2005

1. Purpose of this Statement

The Schedule of Detailed Expenditure Claims and accompanying notes has been prepared to disclose eligible costs incurred under the "Improvements at Border Crossings" Contribution Agreement between Canada and the Province of British Columbia signed on November 19, 2002. This agreement provides support to enable the Province to undertake improvements at or in the vicinity of British Columbia border crossings situated at Douglas, Pacific Highway, Huntingdon and Aldergrove through a 50/50 cost sharing arrangement for eligible costs

2. Eligible Costs

The Agreement specifies "Eligible Costs" in Section 4.02, as *"all those costs, fees and expenditures directly incurred by the Province and directly related to the performance by the Province of its undertakings as set out in Schedule B of this agreement with the exception of ineligible costs as described in Section 4.02.02."*

3. Basis of Accounting and Accounting Policies

The Schedule of Detailed Expenditure Claims has been prepared in accordance with Canadian generally accepted accounting principles for senior government. Expenditures are recorded at cost on an accrual basis. Costs included are net of any recoveries and net of GST.

