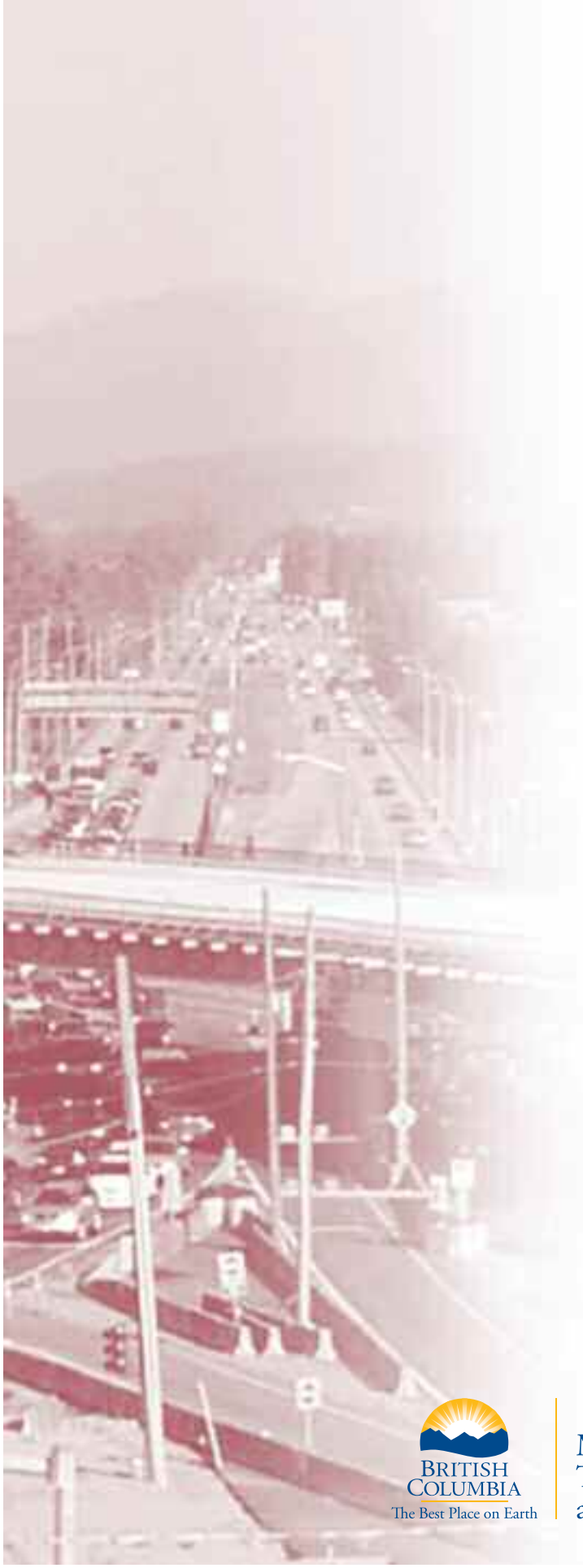

CANADA/BRITISH COLUMBIA ASIA-PACIFIC GATEWAY AND CORRIDOR TRANSPORTATION INFRASTRUCTURE FUND

ANNUAL REPORT 2008/09

(FISCAL YEAR ENDED MARCH 31, 2009)

July 2009

BRITISH COLUMBIA
The Best Place on Earth

Ministry of Transportation and Infrastructure

Canada
Transport Canada
Infrastructure Canada

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An annual progress report is required under sections 8.3 and 9.5 and Appendix D (Audit Framework) of the CANADA – BRITISH COLUMBIA ASIA-PACIFIC GATEWAY AND CORRIDOR INITIATIVE TRANSPORTATION INFRASTRUCTURE FUND 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 2008/09 (ending March 31, 2009) the status of the six projects, Environmental Assessment and Audits were as follows[1]:

- **Pitt River Bridge and Mary Hill Interchange –** This project entails:
  - Construction of a new, high, level-fixed Pitt River Bridge, located between the existing structures to replace the existing swing bridges. The new seven-lane structure will have six through-lanes and one auxiliary eastbound lane for truck traffic;
  - Construction of a new interchange at Mary Hill Bypass and Lougheed Highway to eliminate the existing complex signalized intersection. The interchange is to provide free-flow conditions for all major movements; and,
  - Upgrades to the intersection at Kennedy Road and Lougheed Highway to improve access to and from the CP Rail inter-modal yard. The upgrades should be sufficient to allow container-truck movements in and out of the inter-modal yard without significant delay.

  The approval of the environmental review (CEAA) was given by Transport Canada on July 20, 2006. A total of $143,228,173 has been expended (claimed) against four contracts, as of the end of the 2008/09 fiscal year. Claims for the 2008/09 fiscal year entailed $53,990,074.

- **South Fraser Perimeter Road Environmental Assessment –** The environmental assessment of the proposed South Fraser Perimeter Road (SFPR) is subject to both provincial and federal environmental assessment legislation. In accordance with the Canada-BC Agreement on Environmental Assessment Cooperation, the environmental assessment has been harmonized between both jurisdictions according to the agreement, with each retaining its decision making authority. The SFPR project is being administered through a separate contribution agreement. This project entails, primarily, a 40-kilometre, four-lane, 80-km/h route along the south side of the Fraser River, extending from Deltaport Way in Southwest Delta to 176th Street (Highway 15) and the new Golden Ears Bridge in Surrey/Langley. The SFPR will link primary gateway facilities such as Deltaport, Fraser Surrey Docks, Canadian National Railway's intermodal yard, along with Canada/US border crossings and the Tsawwassen ferry terminal to Vancouver Island.

  A total of $ 4,000,000 has been expended (claimed) against one contract, as of the end of the 2008/09 fiscal year. Claims for the 2008/09 fiscal year entailed $608,222.

- **Simon Fraser Bridge –** This project in Prince George entails construction of a new two-lane bridge parallel and upstream of the existing bridge and tying back into the existing Queensway interchange on the north side of the Fraser River and Highway 97 on the south side. The existing bridge will require rehabilitation in the future but the rehabilitation of the existing structure is not included under this contribution agreement. The approval of the environmental review (CEAA) was given by Transport Canada on October 4, 2007. A total of $ 22,519,700 has been expended or accrued against ten contracts, as of the end of the 2008/09 fiscal year. Claims for the 2008/09 fiscal year entailed $18,893,893.

[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 Pitt River Bridge project is estimated at $198 million but only $180 million is eligible for cost-sharing.

- **Highway 16: Silver Road to McBride Timber Road Passing Lane –** The scope of the project includes the construction of two kilometres of eastbound passing lane and shoulder widening; westbound left-turn lane at Silver/Sweden Road; eastbound and westbound left-turn lanes and right turn deceleration lanes at McBride Timber Road; and additional intersection lighting. The approval of the environmental review (CEAA) was given by Transport Canada on April 4, 2008. A total of $2,100,000 has been expended (claimed) against one contract, as of the end of the 2008/09 fiscal year. This project was completed September 30, 2008 with a Schedule G (Affidavit of Completion) submission on November 5, 2008.

- **Highway 1: Hilltop to Balmoral –** This project entails four lane undivided standard highway with improved geometry, frontage roads to provide safe access to adjacent properties, and a mixture of new grade separated intersections and upgrades to the existing at-grade intersections with separate turning lanes for all movements. The proposed upgrade will connect with the recently upgraded section of highway between Balmoral Road and Ford Road. A total of $988,933 has been expended (claimed) against three contracts, as of the end of the 2008/09 fiscal year. Claims for the 2008/09 fiscal year entailed $988,933.

- **Highway 97: Wright Station Curves –** This project located between 100 Mile House and Williams Lake affects 4.6 kilometres of existing two- and three-lane, rural, arterial highway. The proposed project is limited to four-laning the 3.5 kilometres middle and south sections (total 3.9 kilometres of new construction). A total of $1,682,259 has been expended (claimed) against one contract, as of the end of the 2008/09 fiscal year. Claims for the 2008/09 fiscal year entailed $1,682,259.

- **41B Street Overpass at Deltaport Way Project –** Even though this project was technically added after the formal end of the 2008/09 fiscal year, and thus there are no claims, it is included to provide continuity in the annual reports in the years to come.

Overall, as of the end of the fiscal year 2008/09, 20 contracts had been established on HIGHWAY CONTRIBUTION MANAGEMENT SYSTEM (HCoMS) for a total cost of $231,282,601, out of a total HCOMS-active sharable cost (across seven projects, audits and environmental assessments) of $253,500,000 (91.24% of HCOMS-active sharable cost). A total of $174,519,066 has been expended against these 20 contracts (75.46% of the existing value of the 20 contracts), with $78,263,381 expended (claimed) in the 2008/09 fiscal year. It should be noted that, in the fiscal year 2007/08, the contribution agreement was expanded to include the Simon Fraser Bridge project. Three additional projects (Highway 16: Silver Road to McBride Timber Lake Road; Highway 1: Hilltop to Balmoral; and Highway 97: Wright Station Curves) were added in the 2008/09 fiscal year. Also, one additional project was added after the formal end of the 2008/09 fiscal year.

[2] After the end of the 2007/08 fiscal year three additional projects were added to the original three and thus the total shareable costs as of July 2008 total $246,500,000. After the end of the 2008/09 fiscal year, one additional project was added and thus the total shareable costs as of July 2009 amount to $253,500,000.

DATE, LOCATION AND MINUTES OF OFFICIAL MANAGEMENT COMMITTEE MEETINGS.

Asia-Pacific Gateway and Corridor Transportation Infrastructure Fund (APGCTIF) Management Committee Meeting

Date: June 17, 2008
Location: Teleconference

IN ATTENDANCE

BC Ministry of Transportation and Infrastructure	David Marr (BC Provincial Co-Chair) Don Wharf (BC Ministry of Transportation and Infrastructure) Avi Ickovich (BC Ministry of Transportation and Infrastructure)
Transport Canada	Jim Lothrop (A/Federal Co-Chair) Kim Aziz (TC) James Clarkin (TC) Cathy Hainsworth (TC) Matthew Cloutier (TC) Bradley Hunt (TC)

RECORD OF DISCUSSIONS

1.0 Opening Remarks – Introductions

2.0 Administrative Details

2.1 Bradley Hunt was designated as the note-taker

2.2 Minutes of the October 29, 2007 Management Committee meeting were accepted and approved

3.0 Program Management

3.1 Status of projects

3.1.1 Highway 97: Simon Fraser Bridge
Both the foundation and abutments are complete and the contractor is ahead of schedule, subject to schedule for steel fabrication and delivery being maintained.

3.1.2 Highway 16: McBride/Timber Passing Lane
Tendered and awarded; contractor is preparing to mobilize

3.1.3 Highway 97: Wright Station Curves
BC is ready to tender this project subject to receipt of CEAA approval.

3.1.4 Highway 7: Pitt River Bridge/Mary Hill Interchange
The project is proceeding as scheduled, see attachment.

3.1.5 Mountain Pine Beetle (MPB) Projects
The 2007-2008 PAYE (federal accrual) was lower than proposed expenditure claim and reconciliation is required.

3.2 Revision to Schedule B – adding Mountain Pine Beetle projects
Schedule B revision will be completed once PAYE issue resolved.

3.3 Status of CEAA's

3.3.1 Highway 16: McBride Forest Road
CEAA approval received.

3.3.2 Highway 97: Wright Station Curves
Transport Canada is working to finish the CEAA process, just waiting for final comments.

3.4 Status of SFPR TB submission

The SFPR Treasury Board (TB) submission is scheduled to be presented at the June 19, 2008 TB meeting and Jim will inform BC on June 20, 2008 on the decision. If passed by the TB, there is a lot of work to be done before the fall to have everything ready for the start of construction.

3.5 Annual Report and Audit

Due to the PAYE issues, this annual report will most likely be the last of the programs to be finished. It is expected to be finished by early to mid-July.

4.0 Streamlining the CEAA Process

Transport Canada is to review BC's Project Description Guide and to provide comments. Transport Canada advised that submitted environmental assessment reports are not to be referenced as 'Final Report' until the review process was completed. Cathy Hainsworth will continue to work with Angela Buckingham (BC) to streamline the CEAA process.

5.0 Other Items

5.1 Government Project Signs

The two-sign policy will be maintained for the APGCTIF until further notice. Jim will follow up with communications about this issue by June 27, 2008.

5.2 Communication Opportunities

Both Transport Canada and BC will check with their communication groups to see if there are any communication opportunities available.

Canada/British Columbia SHIP, SHIPB, CSIF, BIF, APGCTIF and APGCTIF: SFPR Management Committee Meeting

Date: December 11, 2008
Location: Victoria, BC

IN ATTENDANCE

BC Ministry of Transportation and Infrastructure	David Marr (BC Provincial Co-Chair) Dirk Nyland (BC Ministry of Transportation and Infrastructure) Simon Leung (BC Ministry of Transportation and Infrastructure) Kari McKeel (BC Ministry of Transportation and Infrastructure) Craig Hilborne (BC Ministry of Transportation and Infrastructure) Avi Ickovich (BC Ministry of Transportation and Infrastructure)
Transport Canada	James Clarkin (A/Federal Co-Chair) Mark Thompson (TC) Kim Aziz (TC – via teleconference) Matthew Cloutier (TC) Randy Jenkins (Infrastructure Canada – via teleconference)

1.0 Opening Remarks – Introductions

2.0 Administrative Details

2.1 Note-taker – It was decided that Mark Thompson (TC) would be the note-taker

2.2 Minutes of the June 17, 2008 Management Committee meeting were accepted and approved.

2.3 Affidavits of completion
Dirk Nyland (BCMOT) and Jim Lothrop (TC) have been discussing how to deal with affidavits where no engineer was responsible for the entire project. Consultants on some projects were not comfortable signing the document in its current form. The proposed solution is to have an affidavit for each part of the project that an engineer was responsible for and to have a document signed by Dirk Nyland for the overall project.

3.0 BIF Program Management

3.1 Status of projects
Program is complete including Highway 15/88th Avenue Intersection, which was completed under BIF but funded under Strategic Highway Infrastructure Program – Border Crossing Component (SHIP-B). Minor works will continue on Mt Lehman project in 2009.

3.2 Amendment to the BIF agreement to extend to 2009-2010 will be processed by Transport Canada

3.3 Final payment
The final payment is contingent on the Province providing a signed Schedule G (Affidavit of Completion). This will be completed by the Province through Dirk Nyland (Chief Highway Engineer) who will be the coordinating engineer and sign off the signatures of the constituent engineers.

This affidavit solution will also be utilized for CSIF (Park Bridge: Kicking Horse Canyon, Phase 2) and SHIP (Yoho Bridge Project: Five Mile).

On a long-term basis (for future Contribution Agreements), the Province and Transport Canada will continue to work on developing a schedule that will address the concerns of the Consulting Engineers of BC.

3.4 An annual report covering the work performed in 2008/09 and minor works on the Mt. Lehman project in early 2009/10 may be submitted, combined, as a final annual report. Separate audits will still be required for the 2008/09 and 2009/10 fiscal years.

4.0 CSIF Program Management

4.1 Final payment

The final payment for this program will not be held up pending the sign-off of an Affidavit of Completion as there was no mention of such a requirement in the Contribution Agreement. However, as an act of good faith, the Province will provide a signed schedule at its earliest convenience.

5.0 SHIPB Program Management

5.1 Status of projects

The last project completed under this program is the Highway 15/88th Avenue intersection. All projects are now complete.

5.2 Final payment

The requisite Schedule C will be completed as part of the sign-off for the Border Infrastructure Fund (BIF), under which the project was completed.

6.0 SHIP Program Management

6.1 Discussion on Schedule G

This affidavit will be completed by the Province through Dirk Nyland (Chief Highway Engineer), who will be the coordinating engineer, and sign off the signatures of the constituent engineers for the Yoho (Five Mile) Bridge project.

6.2 Final payment

This will be processed by Transport Canada once the Schedule G is signed off by the Province.

7.0 APGCTIF Program Management

7.1 Status of projects

Pitt River Bridge/Mary Hill Bypass
- 100% design completed
- Deck section is being raised
- Project 66% completed as of September 30th

Mountain Pine Beetle – Silver Road-McBride Timber Road Passing Lane
- Schedule G – Affidavit of Completion sent to Transport Canada on November 6, 2008

Highway 97: Simon Fraser Bridge
- Sub-deck is done
- Only the deck is still left to be done and some work on approaches
- Project 70% complete
- Project to be completed May or June of 2009 (ahead of schedule)

Highway 1: Hilltop to Balmoral – Four-Laning and Frontage Roads
- Tendering to commence in March 2009
- $1.509 million was transferred from the Simon Fraser Bridge project to this project

Highway 97 – Wright Station Curves (Realignment)
- This project is shut down for the winter and will proceed in May/June 2009

7.2 Transfer of funds between Mountain Pine Beetle projects

- $1.509 million was transferred from the Simon Fraser Bridge project to Highway 1: Hilltop to Balmoral project

8.0 APGCTIF:SFPR Program Management

8.1 Status of project – Provided by Province

- Preloading has started along some sections
- RFQ for SFPR construction has closed. RFP expected to be released in January 2009

9.0 Other Items

9.1 BCF projects

- KHC – Brake Check to Yoho: construction underway
- KHC – Golden Hill to West Portal: moving forward slowly to show continuous progress in the Kicking Horse Canyon
- Winfield to Oyama: expect to tender in 2010

9.2 Accelerating Infrastructure

- Announced projects are moving ahead well and cannot be accelerated.
- BCMOT in discussions with INFC for new projects

9.3 Communications events

Brief discussion on possible upcoming communications events. No events are foreseen for the near future.

9.4 Program Signs

Some program signs may be changing. TC will work with BCMOT to ensure the appropriate signs are installed at all project sites.

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 7 (April 4, 2008) – This is the last of revision at the end of the 2007/08 fiscal year.

Revision 8 (June 25, 2008) – This revision entailed the following changes:

- Addition of the Silver Road to McBride Timber Road Passing Lane project for $2,100,000, entirely in the 2008/09 fiscal year;
- Addition of the Hilltop to Balmoral project for $16,000,000 with $1,109,350 in the 2008/09 fiscal year, $6,680,050 in the 2009/10 fiscal year and $8,210,000 in the 2010/2011 fiscal year; and,
- Addition of the Wright Station Curves project for $8,400,000 with $7,031,850 in the 2008/09 fiscal year and $1,368,150 in the 2009/10 fiscal year.

Revision 9 (November 12, 2008) – This revision entailed the following changes:

- Due to efficiencies in construction in the Simon Fraser Bridge project, $5,660,134 was moved from the 2010/2011 fiscal year back to the 2008/09 and 2009/10 fiscal years respectively;
- Due to efficiencies in construction in Hilltop to Balmoral project, $149,940 was moved from the 2010/2011 fiscal year back to the 2008/09 fiscal year; and,
- Due to delays in construction, $4,929,902 was moved from the 2008/09 fiscal year to the 2009/10 fiscal year for the Wright Station Curves project.

Revision 10 (January 29, 2009) – This revision entailed the following change:

- Due to delays in construction, $14,335,204 was moved from the 2008/09 to the subsequent two years.

Revision 11 (July 8, 2009) – This revision entailed the following changes at the end of the fiscal year:

- Finalizing claims of the fiscal year and adjusting for accruals (PAYE) for the Pitt River Bridge and Mary Hill Bypass project;
- Finalizing claims of the fiscal year and adjusting for accruals (PAYE) for the Simon Fraser Bridge project;
- Finalizing claims of the fiscal year and adjusting for accruals (PAYE) for the Hilltop to Balmoral project;
- Finalizing claims of the fiscal year and adjusting for accruals (PAYE) for the Wright Station Curves project;
- Addition of the 41B Overpass at Deltaport Way project. Even though this project was technically added after the formal end of the 2008/09 fiscal year and thus there are no claims, it is included to provide continuity in the annual reports in the years to come.

Schedule B during the Fiscal Year 2008/09 (As of March 31, 2009)

	Project	Estimated Project Cost	Sharable Project Cost	Agreement Contribution		Breakdown of Expenditures						
				Federal	Provincial	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Revision #6	(Last revision of 2007/08)											
04-Apr-08	Pitt River Bridge and Mary Hill Interchange	$ 198,000,000	$ 180,000,000	$ 90,000,000	$ 90,000,000	$16,233,775	$ 73,004,324	$ 69,393,549	$ 21,368,352	$ –	$ –	$ –
	South Fraser Perimeter Road Environmental Assessment	4,000,000	4,000,000	2,000,000	2,000,000	566,225	2,825,553	608,222	–	–	–	–
	Simon Fraser Bridge	42,000,000	36,000,000	18,000,000	18,000,0000	–	3,625,807	17,414,059	9,300,000	5,660,134	–	–
	Total	**$ 244,000,000**	**$ 220,000,000**	**$ 110,000,000**	**$ 110,000,000**	**$ 16,800,000**	**$ 79,455,684**	**$ 87,415,830**	**$ 30,668,352**	**$ 5,660,134**	**$ –**	**$ –**
Revision #7												
25-Jun-08	Pitt River Bridge and Mary Hill Interchange	$ 198,000,000	$ 180,000,000	$ 90,000,000	$ 90,000,000	$16,233,775	$ 73,004,324	$ 69,393,549	$ 21,368,352	$ –	$ –	$ –
	South Fraser Perimeter Road Environmental Assessment	4,000,000	4,000,000	2,000,000	2,000,000	566,225	2,825,553	608,222	–	–	–	–
	Simon Fraser Bridge	42,000,000	36,000,000	18,000,000	18,000,0000	–	3,625,807	17,414,059	9,300,000	5,660,134	–	–
	Silver Road to McBride Timber Road Passing Lane	3,400,000	2,100,000	1,050,000	1,050,000	–	–	2,100,000	–	–	–	–
	Hilltop to Balmoral	20,000,000	16,000,000	8,000,000	8,000,000	–	–	1,109,350	6,680,650	8,210,000	–	–
	Wright Station Curves	11,200,000	8,400,000	4,200,000	4,200,000	–	–	7,031,850	1,368,150	–	–	–
	Total	**$ 278,600,000**	**$ 246,500,000**	**$ 123,250,000**	**$ 123,250,000**	**$ 16,800,000**	**$ 79,455,684**	**$ 97,657,030**	**$ 38,717,152**	**$ 13,870,134**	**$ –**	**$ –**
Revision #8												
12-Nov-08	Pitt River Bridge and Mary Hill Interchange	$ 198,000,000	$ 180,000,000	$ 90,000,000	$ 90,000,000	$16,233,775	$ 73,004,324	$ 69,393,549	$ 21,368,352	$ –	$ –	$ –
	South Fraser Perimeter Road Environmental Assessment	4,000,000	4,000,000	2,000,000	2,000,000	566,225	2,825,553	608,222	–	–	–	–
	Simon Fraser Bridge	42,000,000	36,000,000	18,000,000	18,000,0000	–	3,625,807	22,536,000	9,838,193	–	–	–
	Silver Road to McBride Timber Road Passing Lane	3,400,000	2,100,000	1,050,000	1,050,000	–	–	2,100,000	–	–	–	–
	Hilltop to Balmoral	20,000,000	16,000,000	8,000,000	8,000,000	–	–	1,259,290	6,680,650	8,060,060	–	–
	Wright Station Curves	11,200,000	8,400,000	4,200,000	4,200,000	–	–	2,101,948	6,298,052	–	–	–
	Total	**$ 278,600,000**	**$ 246,500,000**	**$ 123,250,000**	**$ 123,250,000**	**$ 16,800,000**	**$ 79,455,684**	**$ 97,999,009**	**$ 44,185,2470**	**$ 8,060,060**	**$ –**	**$ –**
Revision #9												
29-Jan-09	Pitt River Bridge and Mary Hill Interchange	$198,000,000	$180,000,000	$ 90,000,000	$ 90,000,000	$16,233,775	$ 73,004,324	$ 55,058,345	$33,703,556	$2,000,000	$ –	$ –
	South Fraser Perimeter Road Environmental Assessment	4,000,000	4,000,000	2,000,000	2,000,000	566,225	2,825,553	608,222	–	–	–	–
	Simon Fraser Bridge	42,000,000	36,000,000	18,000,000	18,000,0000	–	3,625,807	22,536,000	9,838,193	–	–	–
	Silver Road to McBride Timber Road Passing Lane	3,400,000	2,100,000	1,050,000	1,050,000	–	–	2,100,000	–	–	–	–
	Hilltop to Balmoral	20,000,000	16,000,000	8,000,000	8,000,000	–	–	1,259,290	6,680,650	8,060,060	–	–
	Wright Station Curves	11,200,000	8,400,000	4,200,000	4,200,000	–	–	2,101,948	6,298,052	–	–	–
	Total	**$ 278,600,000**	**$ 246,500,000**	**$ 123,250,000**	**$ 123,250,000**	**$ 16,800,000**	**$ 79,455,684**	**$ 83,663,805**	**$ 56,520,451**	**$10,060,060**	**$ –**	**$ –**
Revision #10												
08-Jul-09	Pitt River Bridge and Mary Hill Interchange	$198,000,000	$180,000,000	$ 90,000,000	$ 90,000,000	$16,233,775	$ 73,004,324	$ 53,990,074	$33,703,556	$3,068,271	$ –	$ –
	South Fraser Perimeter Road Environmental Assessment	4,000,000	4,000,000	2,000,000	2,000,000	566,225	2,825,553	608,222	–	–	–	–
	Simon Fraser Bridge	42,000,000	36,000,000	18,000,000	18,000,0000	–	3,625,807	18,893,893	13,480,300	–	–	–
	Silver Road to McBride Timber Road Passing Lane	3,400,000	2,100,000	1,050,000	1,050,000	–	–	2,100,000	–	–	–	–
	Hilltop to Balmoral	20,000,000	16,000,000	8,000,000	8,000,000	–	–	988,933	6,680,650	8,330,417	–	–
	Wright Station Curves	11,200,000	8,400,000	4,200,000	4,200,000	–	–	1,682,259	6,717,741	–	–	–
	41B Overpass at Deltaport Way	24,000,000	7,000,000	3,500,000	3,500,000	–	–	–	1,000,000	5,000,000	1,000,000	
	Total	**$ 302,600,000**	**$ 253,500,000**	**$ 126,750,000**	**$ 126,750,000**	**$ 16,800,000**	**$ 79,455,684**	**$ 78,263,382**	**$ 61,582,247**	**$16,398,688**	**$ 1,000,000**	**$ –**

Table 1

Table 2

Statement of Changes for Schedule B during the Fiscal Year 2008/09 (Year Ending March 31, 2009)

	Project	Estimated Project Cost	Sharable Project Cost	Agreement Contribution		Breakdown of Expenditures						
				Federal	Provincial	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Revision #6 to Revision #7												
	Pitt River Bridge and Mary Hill Interchange	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
	South Fraser Perimeter Road Environmental Assessment	–	–	–	–	–	–	–	–	–	–	–
	Simon Fraser Bridge	–	–	–	–	–	–	–	–	–	–	–
	Silver Road to McBride Timber Road Passing Lane	3,400,000	2,100,000	1,050,000	1,050,000	–	–	2,100,000	–	–	–	–
	Hilltop to Balmoral	20,000,000	16,000,000	8,000,000	8,000,000	–	–	1,109,350	6,680,650	8,210,000	–	–
	Wright Station Curves	11,200,000	8,400,000	4,200,000	4,200,000	–	–	7,031,850	1,368,150	–	–	–
	Total	**$ 34,600,000**	**$ 26,500,000**	**$ 13,250,000**	**$ 13,250,000**	**$ –**	**$ –**	**$ 10,241,200**	**$ 8,048,800**	**$ 8,210,000**	**$ –**	**$ –**
Revision #7 to Revision #8												
	Pitt River Bridge and Mary Hill Interchange	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
	South Fraser Perimeter Road Environmental Assessment	–	–	–	–	–	–	–	–	–	–	–
	Simon Fraser Bridge	–	–	–	–	–	–	5,121,941	538,193	(5,660,134)	–	
	Silver Road to McBride Timber Road Passing Lane	–	–	–	–	–	–	–	–	–	–	–
	Hilltop to Balmoral	–	–	–	–	–	–	149,940	–	(149,940)	–	–
	Wright Station Curves	–	–	–	–	–	–	(4,929,902)	4,929,902	–	–	–
	Total	**$ –**	**$ –**	**$ –**	**$ –**	**$ –**	**$ –**	**$ 341,979**	**$ 5,468,095**	**$ (5,810,074)**	**$ –**	**$ –**
Revision #8 to Revision #9												
	Pitt River Bridge and Mary Hill Interchange	$ –	$ –	$ –	$ –	$ –	$ –	$ (14,335,204)	$ 12,335,204	$ 2,000,000	$ –	$ –
	South Fraser Perimeter Road Environmental Assessment	–	–	–	–	–	–	–	–	–	–	–
	Simon Fraser Bridge	–	–	–	–	–	–	–	–	–	–	–
	Silver Road to McBride Timber Road Passing Lane	–	–	–	–	–	–	–	–	–	–	–
	Hilltop to Balmoral	–	–	–	–	–	–	–	–	–	–	–
	Wright Station Curves	–	–	–	–	–	–	–	–	–	–	–
	Total	**$ –**	**$ –**	**$ –**	**$ –**	**$ –**	**$ –**	**$ (14,335,204)**	**$ 12,335,204**	**$ 2,000,00**	**$ –**	**$ –**
Revision #9 to Revision #10												
	Pitt River Bridge and Mary Hill Interchange	$ –	$ –	$ –	$ –	$ –	$ –	$ (1,068,271)	$ –	$1,068,271	$ –	$ –
	South Fraser Perimeter Road Environmental Assessment	–	–	–	–	–	–	–	–	–	–	–
	Simon Fraser Bridge	–	–	–	–	–	–	(3,642,107)	3,642,107	–	–	–
	Silver Road to McBride Timber Road Passing Lane	–	–	–	–	–	–	–	–	–	–	–
	Hilltop to Balmoral	–	–	–	–	–	–	(270,357)	–	270,357	–	–
	Wright Station Curves	–	–	–	–	–	–	(419,689)	419,689	–	–	–
	41B Overpass at Deltaport Way	24,000,000	7,000,000	3,500,000	3,500,000	–	–	–	1,000,000	5,000,000	1,000,000	
	Total	**$ 24,000,000**	**$ 7,000,000**	**$ 3,00,000**	**$ 3,500,000**	**$ –**	**$ –**	**$ (5,400,423)**	**$ 5,061,796**	**$6,338,628**	**$ 1,000,000**	**$ –**

PROJECT UPDATES

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" (Table 3). However, it is important to mention that there are no major anomalies from forecasts earlier in the fiscal year 08/09.

Major milestones include

Pitt River Bridge and Mary Hill Interchange

- August 2008 – First structural steel work for main span is erected.
- September 2008 – First deck panels are placed.
- October 2008 – First cable stays are erected.
- February 2009 – Control Tower is successfully lowered (to build deck span).

South Fraser Perimeter Road Environmental Assessment

- Over the year, the South Fraser Perimeter Road Project continued through the final stages of a harmonized federal-provincial environmental assessment review.
- The Project Team continued to work closely with federal and provincial agencies, working groups, municipalities, environmental experts and the public to ensure the project reflects the highest environmental standards.
- The Environmental Certificate was signed off by the Federal Government in July 2008, thus allowing this massive project to begin preliminary works and preparation for large scale construction activity.

Simon Fraser Bridge

- Completed the bridge substructure (piers and abutments).
- Completed the fabrication and erection of the structural steel.
- Completed the grading and bottom lift pavement for the two new northbound lanes.

Highway 16: Silver Road to McBride Timber Road

- Project completed and in service September 2008 with an Affidavit of Completion (Schedule G) signed off and submitted to Transport Canada on November 5, 2008.

Highway 1: Hilltop to Balmoral

- September 2008 – 100% functional design completed.
- October 2008 – Value Engineering and second Road Safety Audit completed.
- March 2009 – 90% detailed design completed.

Highway 97: Wright Station Curves

- Construction began September 23, 2008.
- Spring construction start-up occurred on March 30, 2009.

The following pages of the report entail a series of photographs for the current projects and are meant to provide not only a portrayal of the actual project, but also a broader geographic and topographical context, and as such, some pictures are overviews.

PROJECT OVERVIEW:
PITT RIVER BRIDGE AND MARY HILL INTERCHANGE

Work accomplished

Pitt River Bridge and Mary Hill Interchange
Annual Report Update for 2008/09

Milestones

- 2008 – February — Final bridge design is completed
- 2008 – August — First structural steel work for main span is erected
- 2008 – September — Pylons are completed (not including struts)
- 2008 – September — First deck panels are placed
- 2008 – October — Event – Project is two-thirds complete
- 2008 – October — First cable stays are erected
- 2009 – January — Traffic pattern changes diverts traffic under the new overpass
- 2009 – February — Control Tower is successfully lowered (to build deck span)
- 2009 – February — Project is three-quarters complete
- 2009 – June — Gap is closed on main bridge structure deck span

The following pictures represent these milestones achieved over the fiscal year.

October 2008
Two-thirds complete

February 2009
Lowering of Control Tower to make room for deck span

February 2009
Three-quarters complete

April 2009

May 2009
Traffic travelling under the new overpass
(implemented January 2009)

May 2009
Deck span almost closed over Control Tower

May 2009

May 2009

June 2009

Work to be completed and Upcoming Milestones

Future Milestones

- 2009 – July — Main deck pour to take place
- 2009 – October — Three lanes of traffic opens to vehicles
- 2009 – November — Seven lanes of traffic opens to vehicles
- 2010 – Summer — Existing bridges removed

The Provincial Gateway Program has an ongoing community-relations program to ensure that residents, municipalities and other key stakeholders are well informed and have their inquires addressed in an effective, timely way. As part of the program, they will be distributing Community Updates on a regular basis, as well as attending community events in local municipalities. The following link provides further information that is continuously updated and is available to the public in the period between the publication of the requisite Annual Reports and Audits on this subject of public consultation:

http://www.th.gov.bc.ca/gateway/prb-maryhill/commnty_rltns.htm

The following link provides further information that is continuously updated and is available to the public in the period between the publication of the requisite Annual Reports and Audits with regard to progress and milestones achieved:

http://www.th.gov.bc.ca/gateway/prb-maryhill/photo_gallery.htm

PROJECT OVERVIEW:
SOUTH FRASER PERIMETER ROAD ENVIRONMENTAL ASSESSMENT

Work accomplished

South Fraser Perimeter Road
Annual Report Update for 2008/09

Milestones

- 2008 – May — Traffic Management Consultation
- **2008 – July — Environmental Assessment Certificate received**
- 2008 – July — RFQ released
- 2008 – September — Early construction begins
- 2009 – January — Official Launch of Construction
- 2009 – January — Short-list three teams for RFP
- 2009 – April — RFP Issued

Future Milestones

- 2009 – November — Technical submissions due
- 2010 – February — Financial submissions due
- 2010 – February — Announcement of preferred proponent
- 2010 – 2012 — Final design and construction
- 2012 — South Fraser Perimeter Road project completion (opening day)

The Environmental Assessment Certificate allowed the project team to move forward with contractor selection, preliminary and final design and construction of South Fraser Perimeter Road, which began in the 2008/2009 fiscal year. Details about this project can be found in the corresponding Annual Report and Audit:

Asia-Pacific Gateway Corridor Transportation Infrastructure Fund
South Fraser Perimeter Road
ANNUAL REPORT
2008/09 (Fiscal Year Ended March 31, 2009)

Environmental management plans to protect the environment during construction and operation were developed and put in place prior to construction.

PROJECT OVERVIEW: SIMON FRASER BRIDGE

Work accomplished

2008/2009: Project continued with construction of the new Simon Fraser Bridge and began construction of the bridge approaches to the new bridge:

- Completed the bridge substructure (piers and abutments)
- Completed the fabrication and erection of the structural steel
- Removed the river access work bridge
- Completed the grading and bottom lift pavement for the two new northbound lanes

Planned Fiscal 2009/10 Accomplishments/Milestones

April to September 2009

- Complete the bridge concrete deck, utility placements and electrical
- Complete the bridge approach grading, paving and electrical
- In service status

The following pictures provide a visual timeline of progress:

Week 16 – April 13, 2008

Cleaning out rock socket at Pier 2

Concreting the top of the ballast wall and wing wall at north abutment

Moving rock socket reinforcing cage.

Lowering rock socket cage into pile.

Pier 4 – clean out of piles

Week 23 – June 1, 2008

Form work for Pier 1 peir cap

Form work for Pier 1

Debris at Pier 3 cofferdam

Pier 4 pil cap

Southern abutment

River (finally) receding

Week 37 – September 7, 2008

Communication ducts at North abutment

Watermain

North abutment

Overview of Pier 3 Delta Frame

Delta legs at Pier 3

View across the river on the grade of the top flanges

Ready to make the leg to girder connection

Communication ducts at North abutment

Lifting girder 8 and 9 into position. Mobilizing two 300-Tonne cranes from heavy-lift locations at Pier 3 to Pier 2

Positioning girder line B above Pier 3

Bridge Approach

Week 46 – November 9, 2008

Lock block wall complete

West end of lock block wall existing fill

Counterweight mock up

Earthworks complete southeast quadrant of the bridge

Pier 1 looking North

Drainage trough to contain leaking seal – existing bridge

Pier 3 looking South

Week 58 – February 1, 2009

Deck formwork viewed from South abutment

Final overhang panels

Preparing to fabricate counterweight support mechanism

Installing final overhang panels

River conditions looking downstream

Overview of structure from Penden Hill

The following pictures provide a visual status in May 2009, shortly after the end of the 2008/09 fiscal year.

Stage 1 placed from southern abutment

Placing South abutment deck thickening

View along screed rail

Curing deck concrete

Copy of Pier 3

Checking cover to reinforcing steel

Deck Stage 1 placement

Preparing burlap/concrete curing

PROJECT OVERVIEW:
HIGHWAY 16:
SILVER ROAD TO MCBRIDE TIMBER ROAD PASSING LANE

The environmental assessment, a prerequisite for tendering and subsequent construction (under the terms of the contribution agreement) was approved and signed off on April 4, 2008. Subsequent to this date the following activities were initiated:

- Design completed spring 2008;
- Contract tendered and awarded - April 28 2008;
- Construction commenced June 2008;
- Project completed September 30, 2008; and,
- Schedule G (Affidavit of Completion) submission to Transport Canada on November 5, 2008.

The following two pictures present a "Before" and "After" comparison.

Silver Road looking East – October 2006 (before)

Silver Road looking East – October 2008 (after)

2009 Activities Required

As a result of some unexpected drainage and slope stabilization issues the following measures were undertaken after the project was put in-service.

April – May 2009

- Erosion and sedimentation mitigation of drainage areas including sandbagging, ditch blocks, Silt fence, spreading of straw on exposed slopes, rip rap armouring and reapplication of hydro-seeding.
- Slope stabilization west of McBride Timber Road: back slope failure which affected on BCTC pole. Required installation of culvert with a clean out and gravel back fill.

Installation of culvert and sub-drain pipes at slope failure west of McBride Timber Road

Reinstalling silt fencing

Sandbag ditch blocks diverting water in culvert

Work Remaining (Anticipated Date of Completion – July 2009)

- Geotechnical investigation to determine depth of slope failure on west end of project (west of Silver Road). This area is approximately twice the length of the failure at the east end (McBride Timber Road).
- Depending on geotechnical results, repairs may be similar to those at the east end of the project (installation of culvert and clean out) or may require removal of the soft soils and replacement with granular materials.
- This work is required in order to protect the integrity of the BCTC line and to mitigate future erosion and sedimentation issues.

Reapplication of revegetative seeding and west end back slope failure still requiring repair

PROJECT OVERVIEW:
HIGHWAY 1 – HILLTOP TO BALMORAL

This project is in the vicinity of the Highway 1: Broderick to Ford and General Improvements project successfully delivered and completed in November 2004 by the Province under the federal-provincial Strategic Highway Infrastructure Program (SHIP).

Fiscal 2008/09 Accomplishments/Milestones

- April – 2008 Value Analysis Review and Road Safety Audit completed
- June – 2008 50% functional design completed
- July – 2008 Public Information Session held
- September – 2008 100% functional design completed
- October – 2008 Value Engineering and second Road Safety Audit completed
- March – 2009 90% detailed design completed
- March – 2009 Second Public Information Session held

Planned Fiscal 2009/10 Accomplishments/Milestones

- June – 2009 Received CEAA exemption (completed)
- June – 2009 100% detailed design completed (completed)
- July – 2009 Contract Tender documents scheduled for completion
- July – 2009 Property acquisition scheduled for completion
- July – 2009 Project scheduled for Tender
- August – 2009 Anticipate award of Construction Contract and start construction

PROJECT OVERVIEW: HIGHWAY 97: WRIGHT STATION CURVES

SCOPE

- Re-align 4.2 kilometres of Highway 97, between 100 Mile House and Williams Lake, to a 100 km/h corridor standard and construct to 4-lanes in concert with the Cariboo Connector 4-Laning Strategy
- Access management improvements include turn slots and deceleration lanes at Wright Station and Butler Roads, as well as consolidation of other minor roads and accesses

WORK ACCOMPLISHED

The following is a summary of the work completed up to May 31, 2009.

Property Negotiation and Agricultural Land Requirements

- Relocation of 127 Mile Roadhouse: On August 2, 2008, the historic 95-year-old, two-storey landmark was relocated to allow room for the realignment of the hazardous Highway 97 curve at Wright Station. It took a four-man crew to move the 100-ton house over a kilometre to its new location. A roadhouse has existed in this location since 1867, with the original destroyed by fire in 1904 and the second burned down in 1916. The third roadhouse built on the original site is the existing building.

Moving the historic roadhouse to its new location

The 100-ton roadhouse on the move

Design

- Design by RF Binnie & Associates Ltd.

Construction

- BC Ministry of Transportation and Infrastructure project team role on site:
  - Site supervision, construction monitoring and auditing
  - Traffic Management review
  - Archaeological and environmental monitoring

Initial site clearing

Type C material excavation

Final days before winter shut-down 2008

- Construction by Wiltech Developments Inc. – contract was awarded in August 2008.
  - Construction began September 23, 2008.
  - Completed 30% of earthworks as of the end of the construction season December 2008.
  - Spring construction start-up occurred on March 30, 2009.
  - Installation of the 2,000 mm wildlife culvert is complete; 54% of all required drainage and badger culverts have been installed.
  - There has been 2.62 kilometres (41%) of fencing installed between the Right of Ways and the edge of the properties.
  - Drilling and blasting of Type C material: difficulties were encountered during excavation due to the presence of a very hard Type C material (hard clay till). Drilling and blasting have been employed to break up the material. To date 163,304 m^3 (58%) of material has been removed.

First blast of Type C material

Result of the Type C blast

- Drainage and runoff concerns requiring mitigation: extensive underground seepage was encountered once stripping of the ground began. Perforated pipe, drain rock, Geotextiles, and subdrains were installed to help mitigate the excess water. Saturated material was aerated in order to dry it for use and avoid hauling it for disposal.

Runoff requiring mitigation

Seepage requiring mitigation

Embankmant construction, May 2009

Innovative Technology

- Machine controlled grading: utilizing GPS (Global Positioning System) data and DTMs (Digital Terrain Models) which allows computer software to control the functions of various pieces of equipment (Wiltech uses the MCG on their excavators, graders, and bulldozers).

GNSS screen on Cat 345 hoe

Operator's view of GNSS (grey line indicates cut clope, blue lines R/W)

Public Consultation

- Ongoing liaison with stakeholders including (but not limited to) property owners, regional districts, utility companies, and First Nations (including providing First Nations with employment and training opportunities).
- Community open house was held Feb.7, 2008 providing an opportunity for members of the general public and stakeholders to learn more about the project, raise any concerns, and have their questions answered.

Quality Management

- Both the Ministry and the contractor have implemented their respective quality management programs.

Environmental Permitting Status

- All environmental permits are in place; CEAA approval June 30, 2008.
- Contractor's environmental management program provides bi-weekly inspections, recommendations and reports.
- Environmental monitoring and auditing is ongoing.

WORK TO BE COMPLETED AND UPCOMING MILESTONES (2009/10)

- Finalize excavation and embankment construction.
- Remaining culverts, sub-drains, interceptor ditches and bio-filtration-water-quality swales.
- Aggregate production and placement – paving, barrier placement, signing, rumble strips, pavement marking, hydro-seeding and site cleanup.
- Milestone Date – September 15, 2009: completion of top lift paving.
- Milestone Date – October 31, 2009: project completion.

COMMUNICATION ACTIVITIES COMPLETED DURING FISCAL YEAR

Communications activities completed during 2008/09 fiscal year featuring Federal/Provincial involvement.

1. News Release / Federal and Provincial / Canada and B.C. Improve Highway Safety, Create Jobs – March 12, 2009

VICTORIA – An accelerated investment of $174 million for highway improvements in B.C.'s Interior will create jobs, stimulate the economy and improve road safety, announced federal Transport and Infrastructure Minister John Baird, and B.C. Transportation and Infrastructure Minister Kevin Falcon, today. Construction on the first of the highway projects is expected to begin in the upcoming construction season.

"Only three, short months ago, I met with my provincial counterparts in Vancouver where we agreed to fast-track infrastructure spending, stimulate the economy and create new jobs for Canadians," said Baird. "Today's announcement is a clear example that we are delivering on our promise."

"The B.C. government has been working with the Government of Canada to get these dollars flowing quickly into communities across the province," said Falcon. "Not only are these projects important improvements to safety, they're an important stimulus to local economies, and it's estimated that this investment will create over 1,700 direct and indirect jobs."

The funding will allow for engineering for five highway improvement projects along highways 1 and 97A in the Southern Interior region of the province to be accelerated, enabling tendering and construction to advance as quickly as possible.

Both the Province and the Government of Canada have identified these projects as a priority for infrastructure funding consideration. The federal government is setting aside up to a maximum of $78 million, which will amount to a maximum of 50 per cent of eligible costs, for these projects. Federal funding is conditional on the projects' meeting all federal eligibility requirements of the Building Canada Fund and the signing of a contribution agreement(s) with the Province of B.C. The B.C. government is contributing over $96 million for these projects.

The Government of Canada is accelerating and expanding recent federal investments in infrastructure with almost $12 billion in new infrastructure stimulus funding over two years. These highway projects are part of an overall $14-billion, capital-infrastructure program supported by the Province to create jobs and vital public infrastructure in every region of B.C.

For more information about Canada's Asia-Pacific Gateway and Corridor Initiative, please visit www.tc.gc.ca.

2. Information Bulletin / Provincial / South Fraser Perimeter Road Shortlist Released – July 29, 2008

SURREY – Another key milestone has been reached today with the decision to invite three pre-qualified bidding teams to participate in the request for proposals (RFP) stage to design, build, finance and maintain the South Fraser Perimeter Road (SFPR).

The request for qualifications (RFQ) closed on September 29, 2008. A thorough evaluation of the RFQ submissions was undertaken by an evaluation committee. Three teams have been selected to be on the shortlist. They are:

- Fraser Transportation Group – includes Iridium Concesiones de Infraestructuras, S.A. of Spain and Zachry American Infrastructure of Texas as equity partners and Dragados S.A. as the lead design build contractor

- South River Connector – includes Babcock & Brown Public Partnerships Limited Partnership and Bilfinger Berger Project Investments Inc. as equity partners, with Peter Kiewit Sons Co. and PCL Consultants Westcoast Inc. as the design build contractors.
- The Riverway Partnership – includes the Spanish firm of Cintra Concesiones de Infraestructuras de Transporte, S.A. and the Canadian firm of SNC-Lavalin Inc. as equity partners, with Ferrovial Agromàn, S.A. of Spain and locally based SNC-Lavalin Constructors (Pacific) Inc. as design build contractors.

The finalization of the shortlist signals the completion of the RFQ process, which began on July 29, 2008. The RFQ process identifies bid teams with the development, construction and financial capacity to undertake a project of this size and complexity. An RFP is expected to be issued in the coming weeks.

The fairness advisor, Jane Shackell, is the appointed monitor of the procurement process and has found the evaluation process to be fair and unbiased. The fairness advisor's report will be made available as soon as it is complete, at www.partnershipsbc.ca.

3. Information Bulletin / Provincial / South Fraser Perimeter Road Competitive Process Opens – July 29, 2008

VICTORIA – The Ministry of Transportation and Infrastructure has issued a Request for Qualifications (RFQ) to identify proponents capable of designing, building, financing, operating and maintaining the new South Fraser Perimeter Road (SFPR).

The ministry will select up to three respondent teams to participate in the next phase of the competitive selection process, the Request for Proposal stage. The RFQ closes on September 29, 2008.

The SFPR project is part of the Province's Gateway Program, which will improve roads and bridges for people, goods and transit throughout Metro Vancouver. The SFPR will be a new 40-km, four-lane route along the south side of the Fraser River. It will extend from Deltaport Way in Southwest Delta to 176th Street (Highway 15) in Surrey, with connections to Highways 1, 91, 99 and to TransLink's new Golden Ears Bridge connector, which is currently under construction.

Congestion in Delta and Surrey communities increases every year, with growing impacts to residents, the environment and the economy. Employment growth in Metro Vancouver is projected to increase by around 500,000 jobs in 2031, and the area south of the Fraser River in particular will see significant growth.

Government is taking a balanced approach to improving movement of people, goods and transit through investment in new rapid transit projects, port and rail facilities as well as improved roads and bridges through the Gateway Program in Metro Vancouver.

The SFPR will remove trucks and regional traffic from community streets and put them back on the highway, resulting in reduced congestion and better overall access. It will provide a continuous and efficient route to serve the port facilities, rail yards and industrial areas along this key economic corridor. The project will be a design-build-finance-operate, performance-based public-private partnership. Construction under this contract will begin in 2009, with completion in 2012.

4. News Release / Provincial / $4.7 Million Contract For Simon Fraser Bridge Approaches – July 7, 2008

PRINCE GEORGE – A $4.7-million contract has been awarded to build the approaches to the new Simon Fraser Bridge beginning in August, Transportation and Infrastructure Minister Kevin Falcon announced today.

"The Simon Fraser Bridge is one of the key pieces of our Cariboo Connector strategy to improve the safety and efficiency of Highway 97 between Prince George and Cache Creek," said Falcon. "Highway 97 is our key north-south trade corridor, so it's vital that we continue to make improvements to the highway to support economic growth and improve B.C.'s competitiveness."

IDL Projects Inc. of Prince George has been awarded the contract to build the approaches that will tie the new Simon Fraser Bridge into the northbound lanes of Highway 97.

"The awarding of this contract is another important milestone in the construction of the twinned Simon Fraser Bridge," said Prince George-Mount Robson MLA Shirley Bond. "Construction of the new bridge is proceeding extremely well, and the bridge approaches are the next prominent piece of the work."

"This project is essential for the economic development of our northern communities," said Prince George-Omineca MLA John Rustad. "By upgrading the Simon Fraser Bridge, we are investing in future tourism and expansion of the North."

"The Province understands the necessity to maintain and support Highway 97, our link between the North and southern B.C.," said Prince George North MLA Pat Bell. "This investment ensures safer travel for our visitors and residents and strengthens our community for the future."

The $42-million project will increase the capacity of Highway 97 across the Fraser River to four lanes by twinning the Simon Fraser Bridge. The federal government is providing up to $18 million of the funding through its Mountain Pine Beetle Program under the Asia-Pacific Gateway and Corridor initiative. The new bridge is expected to be completed in summer 2009.

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, 2009, for each of the respective milestones:

- **Pitt River Bridge and Mary Hill Interchange –** Four contracts have been established for a total cost of $180,000,000. A total of $143,228,173 has been expended against these four contracts (79.57% of the existing contracts).
- **South Fraser Perimeter Road Environmental Assessment** – One contract has been established for a total cost of $4,000,000. A total of $ 4,000,000 has been expended against this one contract (100% of the existing contract).
- **Simon Fraser Bridge –** Ten contracts have been established for a total cost of $36,000,000. A total of $22,519,700 has been expended or accrued against these 10 contracts (62.55% of the existing contracts).
- **Highway 16: Silver Road to McBride Timber Road Passing Lane –** One contract has been established for a total cost of $2,100,000. A total of $2,100,000 has been expended or accrued against the one contract (100% of the existing contract).
- **Highway 1: Hilltop to Balmoral –** Three contracts have been established for a total cost of $16,000,000. A total of $988,933 has been expended or accrued against these three contracts (6.18% of the existing three contracts).
- **Highway 97: Wright Station Curves –** One contract has been established for a total cost of $8,400,000. A total of $1,682,259 has been expended or accrued against this one contract (20.03% of the existing contract).
- **41B Overpass at Deltaport Way –** As this project was added after the end of the 2008/09 Fiscal Year, there were no contracts established and consequently no claims for this period.

Overall, as of the end of the fiscal year 2008/09, 20 contracts corresponding to the seven projects have been established on the HIGHWAY CONTRIBUTION MANAGEMENT SYSTEM (HCoMS) for a total cost of $231,282,601 out of a HCOMS-active sharable cost of $253,500,000. A total of $174,519,066 has been expended against these 20 contracts (75.46% of the existing value of the 20 contracts), with $78,263,381 claimed in the 2008/09 Fiscal Year, with:

- 2006/07 Fiscal Year = $16,800,000
- 2007/08 Fiscal Year = $47,836, 369 + $31,619,315 (Accruals/PAYE)
- 2008/09 Fiscal Year = $78,263,381

TABLE 3 – CANADA-BRITISH COLUMBIA AGREEMENT ON THE ASIA-PACIFIC GATEWAY AND CORRIDOR INITIATIVE – TRANSPORTATION INFRASTRUCTURE COMPONENT

Schedule of Detailed expenditure claims for the year ended March 31, 2009

Project Number		Project/Claim Description	Contract Number	Previous Years Expenditures ($)	Eligible Costs Claimed in 2008/09 ($)	Accruals (PAYE) ($)
1.0		**Pitt River Bridge and Mary Hill Interchange ($180,000,000)**				
	1.1	Construction of a new high-level bridge to replace existing structure (Pitt River Bridge). The new, seven-lane structure will have six through-lanes and one auxiliary eastbound lane for truck traffic. Construction of a new interchange at Mary Hill Bypass and Lougheed Hwy to replace existing interchange. Upgrade to the intersection at Kennedy Road and Lougheed Highway to improve access from CP Rail Inter-modal Yard.	PR_048DB6013	87,145,188	52,985,985	140,131,173
	1.1	To provide Site Supervision, design review, and testing.	PR_048CS1003	1,460,511	–	1,460,511
	1.1	To provide Construction Supervision, Owners' Engineer Services and Environmental Monitoring Surveillance Services.	PR_048CS6012	632,400	1,004,089	1,636,489
			PRB_Stipend	–	–	–
			Subtotal	**89,238,099**	**53,990,074**	**143,228,173**
2.0		**South Fraser Perimeter Road Environmental Assessment ($4,000,000)**				
	2.1	Environmental assessment costs.	SFPR_Env	3,391,778	608,222	4,000,000
			Subtotal	**3,391,778**	**608,222**	**4,000,000**
3.0		**Simon Fraser Bridge ($36,000,000)**				
	3.1	General engineering services.	097CS0591	60,637	467,466	528,103
	3.1	Bridge Design Construction Engineering.	097CS0649	21,374	161,566	182,940
	3.1	Environmental monitoring.	097CS0692	2,250	24,285	26,535
	3.1	Day labour for bridge approach grading, paving and electrical construction.	36191_Day_Labour	–	–	–
	3.1	Construct a new, two-lane bridge parallel to the existing bridge and tie back into the existing Queensway Interchange.	36191MJ0000	3,541,546	16,577,670	20,119,216
			36191MJ0001	–	1,640,048	1,640,048
			36191_Arch	–	5,789	5,789
			36191_PDA	–	3,000	3,000
			36191_Signage	–	5,607	5,607
			36191_Util	–	8,462	8,462
			Subtotal	**3,625,807**	**18,893,893**	**22,519,700**
4.0		**Hwy 16 – Silver Road to McBride Timber Road Passing Lane ($2,100,000)**				
	4.1	Construction of an east bound passing lane on Highway 16 between Silver Road and McBride Timber Road, including an asphalt pavement overlay. Work also includes intersection improvements consisting of left turn lanes and overhead lighting.	36395MJ0000	–	2,100,000	2,100,000
			Subtotal	**–**	**2,100,000**	**2,100,000**
5.0		**Hwy 1 – Hilltop Rd to Balmoral ($16,000,000)**				
	5.1	Functional and Detailed design for project.	256CS0809	–	962,586	962,586
			22714_Geotech	–	20,239	20,239
			22714_Signage	–	6,108	6,108
			Subtotal	**–**	**988,933**	**988,933**

Project Number	Project/Claim Description	Contract Number	Previous Years Expenditures ($)	Eligible Costs Claimed in 2008/09 ($)	Accruals (PAYE) ($)
6.0	**Hwy 97 – Wright Station Curves ($8,400,000)**				
6.1	Grading and paving on Highway 97, eight kilometres north of Lac La Hache, between 100 Mile House and Williams Lake.	20389MJ0000	–	1,682,259	1,682,259
		Subtotal	**–**	**1,682,259**	**1,682,259**
		TOTAL	**96,255,684**	**78,263,381**	**174,519,065**

Note: For the Fiscal Year 2007/08, claims audited were $47,836, 369 plus $31,619,315 of accruals (PAYE) which were cleared in the subsequent year (2008/09). Therefore, the claims in this table for the 2008/09 fiscal are less than the audited statements which at $101,277,265 entail considerable accrual from the previous year. More specifically:

2006/07	*Actual*	*$ 16,800,000*
2007/08	*Actual*	*$ 47,836,369*
2007/08	*PAYE*	*$ 31,619,315*
2008/09	*Actual*	*$ 78,263,381*
		$ 174,519,065

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 the Auditor General of BC.**

Report of the Auditor General of British Columbia

To the Management Committee of the
Canada–British Columbia Asia-Pacific Gateway and Corridor Initiative
Transportation Infrastructure Component, 2006 – 2007 / 2013 – 2014:

At the request of the British Columbia Ministry of Transportation and Infrastructure on behalf of the Management Committee, I have audited the Schedule of Detailed Expenditure Claims under the *Canada – British Columbia Asia-Pacific Gateway and Corridor Initiative Transportation Infrastructure Component, 2006 – 2007 / 2013 - 2014* against the eligible costs of the agreement (as defined in Schedule C of the agreement dated January 11, 2007) for the year ended March 31, 2009. This financial information is the responsibility of the management of the British Columbia Ministry of Transportation and Infrastructure. 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 *Canada – British Columbia Asia-Pacific Gateway and Corridor Initiative Transportation Infrastructure Component, 2006 – 2007 / 2013 - 2014* for the year ended March 31, 2009, in accordance with the provisions of Schedule C of the agreement referred to above.

Victoria, British Columbia
July 23, 2009

John Doyle, MBA, CA
Auditor General

CANADA - BRITISH COLUMBIA ASIA-PACIFIC GATEWAY AND CORRIDOR INITIATIVE
TRANSPORTATION INFRASTRUCTURE COMPONENT
2006-2007 / 2010-2011

Schedule of Detailed Expenditure Claims
For the Year Ended March 31, 2009

Project Number	Project/Claim Description	Contract Number	Eligible Costs Claimed in 2008/09 ($)
1.1	**Pitt River Bridge and Mary Hill Interchange**		
	Construction of a new high-level bridge to replace existing structure (Pitt River Bridge). The new seven-lane structure will have six through-lanes and one auxiliary eastbound lane for truck traffic. Construction of a new interchange at Mary Hill Bypass and Lougheed Hwy to replace existing interchange. Upgrade tc the intersection at Kennedy Rd and Lougheed Hwy to improve access from CP Rail Inter-modal Yard.	PR_048DB6013	68,988,511
	To provide Site Supervision, design review, and testing.	PR_048CS1003	393,488
	To provide Construction Supervision, Owners' Engineer Services and Environmental Monitoring Surveillance Services.	PR_048CS6012	1,355,337
	Sub-total		**70,737,336**
2.1	**South Fraser Perimeter Rd Environmental Assessment**		
	Environmental assessment costs.	SFPR_Env	3,433,775
	Sub-total		**3,433,775**
3.1	**Simon Fraser Bridge**		
	General engineering services.	097CS0591	522,935
	Bridge Design Construction Engineering.	097CS0649	177,793
	Environmental monitoring.	097CS0692	26,535
	Construct a new two-lane bridge parallel to the existing bridge and tie back into the existing Queensway Interchange.	36191MJ0000	20,105,930
	The supply and construction of grading, paving, and electrical installation for approximately 1 km of roadway approaches to the Simon Fraser Bridge.	36191MJ0001	1,640,048
	Cleanup and decommission an archaelogical site	36191_Arch	5,789
	Pile driving analysis and engineering services	36191_PDA	3,000
	Signage	36191_Signage	5,607
	Utility relocations	36191_Util	8,462
	Sub-total		**22,496,099**
4.1	**Hwy 16 - Silver Rd to McBride Timber Rd Passing Lane**		
	Construction of an east bound passing lane on Highway 16 between Silver Road and McBride Timber Road including an asphalt pavement overlay. Work also includes intersection improvements consisting of left turn lanes and overhead lighting.	36395MJ0000	2,100,000
			2,100,000
5.1	**Hwy 1 - Hilltop Rd to Balmoral**		
	Functional and Detailed design for project.	256CS0809	801,449
	Geotechnical	22714_Geotech	20,239
	Signage	22714_Signage	6,108
	Sub-total		**827,796**
6.1	**Hwy 97 - Wright Station Curves**		
	Grading and paving on Highway 97, 8km north of Lac La Hache between 100 Mile House and Williams Lake.	20389MJ0000	1,682,259
	Sub-total		**1,682,259**
	TOTAL		**101,277,265**

Approved by:

David Marr
Executive Director
Program Development and Monitoring

Nancy Bain
Assistant Deputy Minister & Ministry's EFO
Finance and Management Services

CANADA-BRITISH COLUMBIA
ASIA-PACIFIC GATEWAY AND CORRIDOR INITIATIVE
TRANSPORTATION INFRASTRUCTURE COMPONENT
2006-2007/2010-2011

Notes to the Schedule of Detailed Expenditure Claims
For the Year Ended March 31, 2009

1. Nature of the Agreement

The Government of Canada and the Province of British Columbia entered into the *Asia-Pacific Gateway and Corridor Initiative, Transportation Infrastructure Component Agreement, 2006-2007/2010-2011* ("the Agreement") on January 11, 2007. The Agreement has been amended to extend the program to March 31, 2014.

The purpose of this Agreement is to improve the multimodal transportation network for the movement of international trade in British Columbia through a 50/50 cost sharing agreement for eligible costs to a maximum of $126.75 million.

2. Costs

Eligible Costs:

The Agreement specifies "Eligible Costs" in Schedule C – Project Review and Selection Framework, at paragraph C.2.1. Within certain restrictions, also specified in the Agreement, these include:

a) *Capital costs, as defined and determined according to generally accepted accounting principles, and relating to the construction, rehabilitation or improvement of highways, roads, bridges, multi-modal facilities, grade crossings/separations, ITS and any other infrastructure project that meet the above selection criteria;*
b) *Costs related to signage, lighting, highway markings and utility adjustments;*
c) *The costs of communication activities (press releases, press conferences, translation, etc.) and road signage recognition set out in the Communication Protocol that will form part of the agreement;*
d) *All planning (including plans and specifications) and evaluation costs specified in the agreement such as the costs of environmental planning, surveying, engineering, architectural, supervision, testing and management consulting services, to a maximum of 15% eligible costs;*

e) *The costs of engineering and environmental reviews, including environmental assessments and follow-up programs as defined in the Canadian Environmental Assessment Act and the costs of remedial activities, mitigation measures and follow-up identified in any environmental assessment;*

f) *The costs of developing and implementing innovative techniques for carrying out the Project;*

g) *Recipient audit and evaluation costs as specified in the agreement;*

h) *Compensation, at the discretion of Canada, to unsuccessful bidders on Public, Private Partnerships and other alternatively financed projects, with significant bid related costs, where the bid material has become the intellectual property of the recipient;*

i) *Other costs that, in the opinion of Canada, are considered to be direct and necessary for the successful implementation of the Project and have been approved in writing prior to being incurred.*

Ineligible Costs:

The Agreement specifies "Ineligible Costs" in Schedule C – Project Review and Selection Framework, at paragraph C.3.1. as: :

a) *Costs incurred prior to the final federal project approval (approval by the responsible Ministers for the TIF, i.e., Minister of Transport, Infrastructure and Communities, in consultation with the Minister for Pacific Gateway, subject to Treasury Board approvals as required) and after the agreement termination date;*

b) *The cost of developing a proposal;*

c) *The cost of purchasing land, associated real estate and other fees, financing charges and interest payments on loans;*

d) *Leasing land, buildings, and other facilities;*

e) *Provincial sales tax and the Goods and Services Tax for which the recipient or a third party is eligible for a tax rebate and all other costs eligible for rebates;*

f) *Costs that have been shared under other federal statutes or programs;*

g) *Legal fees;*

h) *General repairs and maintenance of a project work and related structures;*

i) *Services or works normally provided by the Ministry of Transportation of a Province incurred in the course of implementation of the Project except those specified as eligible costs;*

j) *Employee wages and benefits, overhead costs as well as other direct or indirect operating, maintenance and administrative costs of British Columbia and more specifically these costs as related to survey, engineering, architecture, supervision, management and other services provided, or contracted for, by British Columbia's permanent staff.*

3. Basis of Accounting and Accounting Policies

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

The Eligible Costs Claimed in 2008/2009 represents the actual value of claims submitted to the Federal Government during the 2008/2009 fiscal year. This may include eligible expenses incurred in fiscal 2007/2008 that were submitted for reimbursement during fiscal 2008/2009.