

MUNICIPAL AFFAIRS AND ENVIRONMENT

SUPPLEMENTAL OUTCOMES

March 31 2018



Contents

Overview	1
Introduction	3
The Gas Tax Fund and eligible recipients	3
How eligible recipients access Gas Tax Funds	3
Methodology and Approach	4
Collection of Data	5
The Results.....	6
Active Transportation	7
Capacity Building.....	9
Community Energy Systems	11
Solid Waste	12
Wastewater	13
Water.....	15
Appendix A: Gas Tax Expenditures: 2013-2014	16
Appendix B: Gas Tax Funding: 2006-2014	17
Appendix C: Outcomes and Outcome Measures by category	18

Overview

This supplemental outcomes report is the third outcomes report published in relation to the Canada-Newfoundland and Labrador Agreement on the Transfer of Federal Gas Tax Revenues and describes the results of the federal funding investment from this first agreement.

The federal gas tax fund was designed to achieve or contribute to environmentally sustainable municipal infrastructure. The gas tax funding provides support for the construction; rehabilitation and/or expansion of public infrastructure in five key infrastructure investment categories: Active Transportation, Water, Wastewater, Community Energy Systems, and Solid Waste. A sixth category called Capacity Building is also eligible and was designed to strengthen the ability of local government to develop and implement integrated community sustainability plans and activities that support long-term planning.

This is the final outcomes report to provide information on how the investment of federal gas tax funds under the first gas tax agreement contributed to the national outcome objectives of cleaner air, cleaner water and reduced greenhouse gas emissions. The 2009 report included outcomes on 66 projects (\$6,441,507). The 2014 outcomes report included 1,105 projects (\$128,263,488). This final report shows the outcomes for an additional 355 completed projects which utilized \$20,553,997 in gas tax funds (see Appendix A). This brings the total number of projects completed under the first agreement to 1,526 utilizing \$155,258,992 in gas tax funds. Figure 1 shows the number and percentage of completed projects by project category for the 355 projects.

Figure 1: Gas Tax projects and percentage by project category

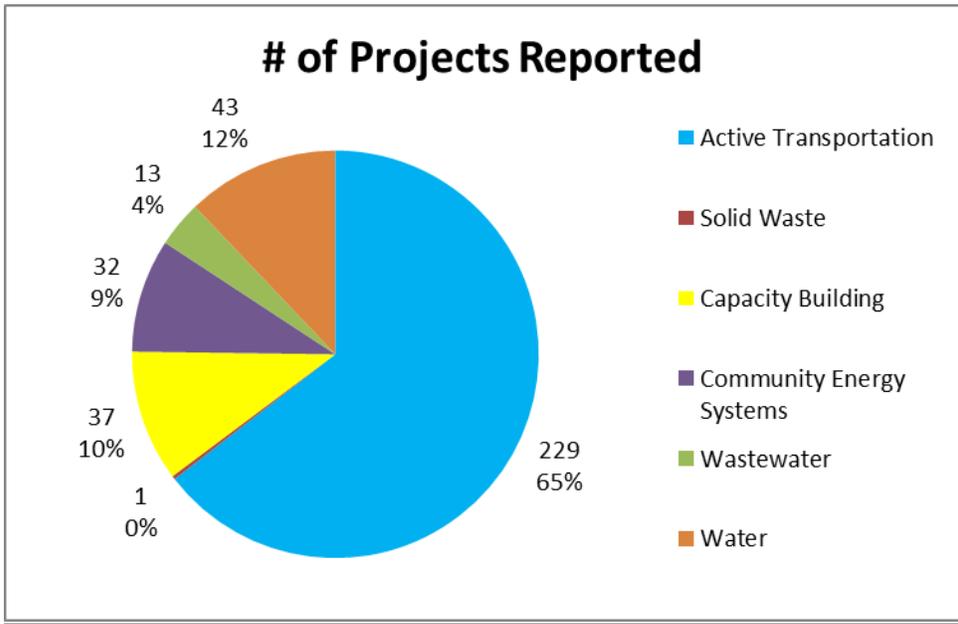
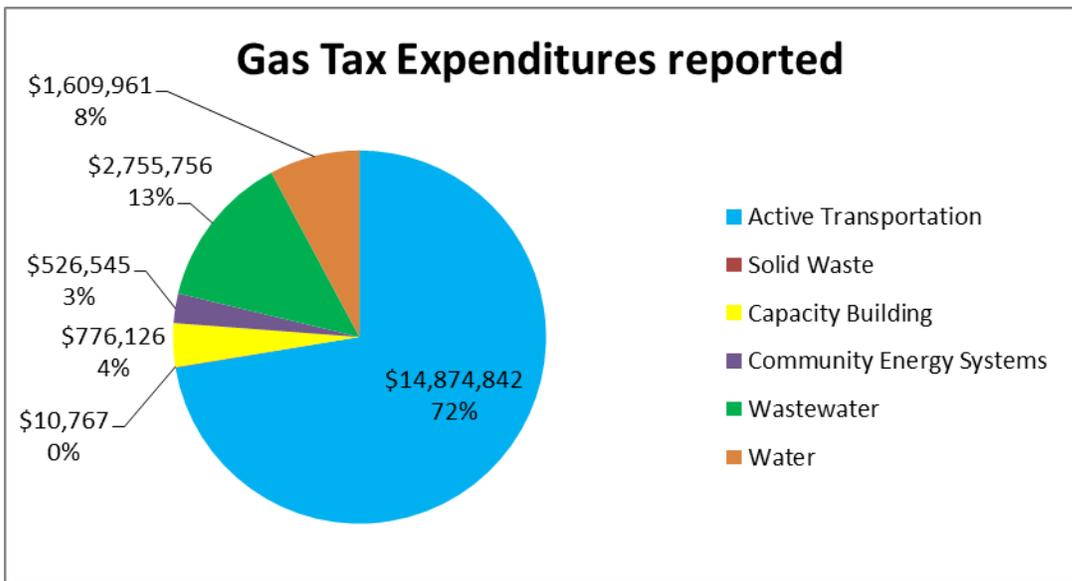


Figure 2 shows the gas tax expenditures and percentage for 355 completed projects by project category.

Figure 2: Gas Tax Expenditures and percentage by project category



Introduction

The Gas Tax Fund and eligible recipients

The first agreement, signed in 2006, committed \$206.9 million of federal gas tax revenues (see Appendix B) distributed among three categories of recipients:

1. Municipal Allocations (\$143 million) – At the signing of the Agreement there were 282 recipients. During the term of the first agreement, through amalgamations and annexations of local governments, that number was reduced to 276 (271 municipalities and 5 Inuit Community Governments).
2. Provincial Waste Management Strategy (\$62.5 million) – Regional Service Boards or communities on behalf of regions.
3. Government of Newfoundland and Labrador (\$1.4 million) for administrative expenses.

A fourth recipient, Municipalities Newfoundland and Labrador (MNL), carried out capacity building projects which were funded from interest earned on gas tax funds received from the Federal Government but not immediately disbursed.

How eligible recipients access Gas Tax Funds

In order to access gas tax funds, an eligible recipient must enter into an agreement with the Province and submit a Capital Investment Plan and a detailed cost estimate, supported by a resolution of Council or Board. The project must be selected from an eligible category, have eligible costs, and meet one of the three national outcome objectives.

Methodology and Approach

The outcomes indicators and project plan was approved at the Oversight Committee meeting on June 22, 2012. In preparation for this report, the population served indicator was added to three categories (Water, Wastewater and Active Transportation) in which the entire population of a community benefited from the project. See Appendix C for the comprehensive list. This report contains information on the cumulative investments made, including information on the degree to which these investments have contributed to the objectives of cleaner air, cleaner water and reduced greenhouse gas emissions. The project category and quantitative outcome measure was included in the capital investment plans submitted by eligible recipients and were reviewed against the audited annual expenditure reports.

Development of the Outcomes Report required the following:

- Indicator development;
- Indicator data measurement;
- Gathering and compilation; and
- Preparation of the environmental outcomes for each project category.

This report will provide the Government of Canada and the general public with comprehensive and verifiable information related to its investments, environmental benefits and results achieved through the first agreement.

Any gas tax funding remaining at March 31, 2014, was transferred to the Administrative Agreement on the Federal Gas Tax Fund which was signed July 2014. All gas tax funds are subject to the terms and conditions of this new agreement.

Collection of Data

The Department of Municipal Affairs and Environment applied the same methodology and approach to the collection of data for the final outcomes report as was used for the 2014 outcomes report. Information in this report was primarily assembled from eligible recipients' capital investment plan applications, audited annual expenditure reports and submitted outcomes reports and was supplemented through discussions with recipients.

The Results

The construction, reconstruction and upgrade of environmentally sustainable municipal infrastructure using gas tax funds had a positive impact on the environmental outcomes of cleaner air, cleaner water and reduced greenhouse gas emissions. A total of 355 gas tax projects were reported by recipients as completed between January 1, 2013 and March 31, 2014. This represented an investment of \$20,553,997 in gas tax funds. Included in the 355 projects are those that were reported as completed up to December 31, 2012, but were not included in the 2014 outcomes report as the information was received by the department after publishing date.

Active Transportation

Active transportation Infrastructure category includes: local, arterial and regional roads, and bridges, which enhance sustainability outcomes including construction, reconstruction, and rehabilitation of roads, bridges and other ancillary works.

A total of 229 active transportation projects were completed using \$14,874,842 in gas tax funding. The majority of these projects (228) improved over 89 kilometres of roads, (utilizing \$14,800,153 in gas tax funds) and made them safer and more efficient. The Town of Whitbourne utilized \$74,689 in gas tax funding, which benefitted the entire community with a population of 916. This project was the reconstruction of a bridge which connected an isolated section of the community.

These projects are anticipated to contribute to a reduction in greenhouse gas emissions by having improved and smoother road and bridge surfaces which helps to reduce air pollution. Based on discussions with the recipients, these investments are anticipated to have many other secondary benefits, including potential boosts to the local economy by improving road transport so that more people, including tourists, will have better access to road networks, economic activities and public infrastructure and services that will improve their livelihoods. Improved roads and bridges will also improve access to jobs, health centers and educational facilities in rural and regional service centers.

Active Transportation – Reduced Greenhouse Gas

Outcome Indicator	Quantitative Outcome Measure	# of Projects Completed	Gas Tax Expenditures
# of KM of road improvements that are safer/more efficient	89.534	228	\$14,800,153
Population served	916	1	\$74,689
		229	\$14,874,842

Capacity Building

Capacity Building category includes investments related to strengthening the ability of local governments to develop long-term planning practices.

There were 32 projects completed totalling \$607,543 in gas tax funds, which benefitted 50,570 citizens. Examples of capacity building projects include municipal plans, integrated community sustainability plans, and acquisition of training and software related to compliance with Public Sector Accounting Board Standards.

Capacity building projects were also carried out by MNL from 2006 to 2014. MNL was approved for \$893,037 in gas tax funds to complete 24 projects. These projects were funded through interest earned on the gas tax funds received from the Federal Government.

Between January 1, 2013 and March 31, 2014, MNL completed five gas tax projects investing \$168,583 in gas tax funds. Examples of projects included:

- updating the Municipal Councillor's Handbook,
- climate change adaption project - MNL worked with the Department of Environment and Conservation on the development of a Community Vulnerability and Assessment tool and a climate change adaption workbook for municipalities.
- municipal benchmarking, Created a website based on MNL's benchmarking information for the municipal sector and assisting municipal governments to establish new methods and systems of evaluating and monitoring all aspects of local government, including governance, infrastructure construction and maintenance and the provision of municipal services.
- development of integrated community sustainability plan (ICSP) assessment tools MNL conducted a thorough review of municipal ICSPs,

worked on collecting and uploading ICSPs for the MNL website, and organized ICSP workshops.

In the previous outcomes report, 15 projects were reported completed using \$741,364 in gas tax funds. Upon further review of audited annual expenditure reports and discussions with MNL, the total gas tax funds spent was actually \$601,252, as gas tax funds spent on projects in progress were included in error. The remaining four approved projects (\$123,202 in gas tax funds) were completed after March 31, 2014, and will be included in the next outcomes report.

Capacity Building

Outcome Indicator	Quantitative Outcome Measure	# of Projects Completed	Gas Tax Expenditures
Population served	50,570	32	\$607,543
# of municipalities served	276	5	\$168,583
		37	\$776,126

Community Energy Systems

The Community Energy System category includes integrated approaches to supplying a local community with energy requirements from renewable sources or high-efficiency co-generation energy sources. Potential benefits include: cost savings from reduced energy and water use, reduced waste production, diminished environmental and emission costs, lower operation and maintenance costs, and an enhanced productivity and healthier environment. The majority of the projects completed under this category focused on the installation of energy efficient doors, windows, heating, lighting and insulation that help improve energy efficiency for numerous municipally-owned buildings and facilities throughout the province.

Newfoundland and Labrador recipients completed 32 community energy systems projects at a value of \$526,545. There are 35 buildings and facilities that have been improved.

Community Energy Systems – Reduced Greenhouse Gas

Outcome Indicator	Quantitative Outcome Measure	# of Projects Completed	Gas Tax Expenditures
# of buildings and facilities that have been improved	35	32	\$526,545
		32	\$526,545

Solid Waste

The Solid Waste category provides recipients with new ways to dispose of their garbage, such as composting, recycling, and landfill cleanup, thereby reducing its environmental impact. Examples of projects may include: waste diversion, material recovery facilities, organics management, collection depots, waste disposal landfills, thermal treatment and landfill gas recuperation and regional waste management systems relating to items mentioned above, including waste transport, onsite equipment and transfer stations.

There were no gas tax projects under the Provincial Waste Management Strategy completed between January 1, 2013 and March 31, 2014. One project, under municipal allocations, utilized \$10,767 in gas tax funds for the upgrade of a local dumpsite and resulted in 78 households with improved solid waste practices. A total of \$10,767 in gas tax funds was invested in the project.

Solid Waste – Reduced Greenhouse Gas

Outcome Indicator	Quantitative Outcome Measure	# of Projects Completed	Gas Tax Expenditures
# of households with improved solid waste practices	78	1	\$10,767
		1	\$10,767

Wastewater

The Wastewater Systems category includes: sanitary and combined sewer systems; separate storm water systems, including outfalls and wastewater treatment facilities; flood proofing infrastructure; and wastewater and storm water collection and treatment systems, including infrastructure to prevent cross contamination in water supply systems.

Newfoundland and Labrador municipalities completed a total of 13 wastewater projects with a financial contribution from gas tax funds of \$2,755,756. Examples of projects include: pump and pump station upgrades, lift station upgrades, and sewer and storm sewer upgrades.

A gas tax investment of \$69,477 to upgrade a lift station in the Town of Port Hope Simpson resulted in 182 households with a reduced risk of flooding. An investment of \$1,227,187 in gas tax funds resulted in 8,599 citizens being provided with upgraded sewer and outfall systems. The Town of Conception Bay South connected 39 new households to a municipal wastewater system by investing \$861,536 in gas tax funding. Six projects invested \$413,121 in gas tax funds to connect 3,515 households to a municipal wastewater treatment and collection system with higher quality treatment. In one project, the capacity to treat wastewater was increased by 14,800 cubic metres a year. This project was undertaken through an investment of \$184,435 in gas tax funds.

Wastewater – Cleaner Water

Outcome Indicator	Quantitative Outcome Measure	# of Projects Completed	Gas Tax Expenditures
# of households currently connected to a municipal wastewater treatment and collection system whose wastewater has been treated to a higher quality	3,515	6	\$413,121
Increase in capacity to treat wastewater (cubic metres/annum)	14,800	1	\$184,435
# of new households connected to a municipal wastewater system	39	1	\$861,536
# of households with reduced risk of flooding	182	1	\$69,477
Population served	8,599	4	\$1,227,187
		13	\$2,755,756

Water

The Water category includes: drinking water supply and storage; drinking water purification and treatment; drinking water distribution; water metering; regional systems; and protection of water resources. Gas tax recipients completed 43 water projects up to March 31, 2014, with an investment of \$1,609,961 in gas tax funds.

A gas tax investment of \$794,744 for 27 projects resulted in improvements to existing municipal water systems and improved potable water quality for 14,137 households. Six recipients invested \$553,167 in gas tax funds to connect 75 new households to municipal water systems. In six projects with an investment of \$151,246 in gas tax funds, 9,165 citizens were provided access to cleaner drinking water. Four projects using \$110,804 in gas tax funds upgraded water systems by installing 1531.52 metres of water main.

Water – Cleaner Water

Outcome Indicator	Quantitative Outcome Measure	# of Projects Completed	Gas Tax Expenditures
# of households currently connected to a municipal water system that has improved potable water quality	14,137	27	\$794,744
# of metres of water main installed	1,531.52	4	\$110,804
# of new households connected to a municipal water system	75	6	\$553,167
Population served	9,165	6	\$151,246
		43	\$1,609,961

Appendix A: Gas Tax Expenditures: 2013-2014

Investment Category	Number of projects completed	Project Cost	Gas Tax Funds Spent
Active Transportation	229	\$17,067,018	\$14,874,842
Water	43	\$1,877,571	\$1,609,961
Wastewater	13	\$5,953,813	\$2,755,756
Solid Waste	1	\$10,767	\$10,767
Community Energy Systems	32	\$526,545	\$526,545
Capacity Building (including Municipalities Newfoundland and Labrador)	37	\$776,126	\$776,126
Totals	355	\$26,211,840	\$20,553,997

Notes:

“Project Cost” is the total cost of the project from all sources including gas tax as reported by recipients. “Gas Tax Funds Spent” is the total amount of the gas tax funds spent on projects completed between January 1, 2013 and March 31, 2014.

Appendix B: Gas Tax Funding: 2006-2014

Funding Year	Newfoundland and Labrador's Allocation received
2006-2007	\$19,740,000
2007-2008	\$13,160,000
2008-2009	\$16,450,000
2009-2010	\$32,900,000
2010-2011	\$31,166,000
2011-2012	\$31,166,000
2012-2013	\$31,166,000
2013-2014	\$31,166,000
Total	\$206,914,000

Notes:

Newfoundland and Labrador received Gas Tax funding in semi-annual payments. The Province received \$31,166,000 from Canada during the reporting period January 1, 2013 to March 31, 2014.

Appendix C: Outcomes and Outcome Measures by category

GTF Project Category	Indicators	National Objective
Active Transportation	# of KM of road improvements that are safer/more efficient Bridges/Tunnels – Reduction in number of kilometres travelled or population served (if no alternate route) Trails/Bike lanes/sidewalks - # of KM of pathways Population served	Reduced GHG Cleaner Air
Capacity Building	Population served (municipalities) # of municipalities served (MNL)	N/A
Community Energy Systems	# of buildings and facilities that have been improved	Reduced GHG Cleaner Air
Solid Waste	# of households with improved solid waste practices Increase in solid waste to be diverted through recycling and composting (metric tons per annum) Reduction in solid waste sent to landfills (metric tons per annum)	Reduced GHG Cleaner Air
Wastewater	# of households currently connected to a municipal wastewater treatment and collection system whose wastewater has been treated to a higher quality Increase in capacity to treat wastewater (cubic	Cleaner Water

GTF Project Category	Indicators	National Objective
	metres/annum) # of new households connected to a municipal wastewater system # of households with reduced risk of flooding # of metres of sanitary sewer installed # of metres of storm sewer installed Population served	
Water	# of households currently connected to a municipal water system that has improved potable water quality # of metres of water main installed # of new households connected to a municipal water system # of households equipped with residential water metres Increase in potable water produced (cubic metres/annum) Population served	Cleaner Water

