



OUTCOMES REPORT 2018

Administrative Agreement on the
Federal Gas Tax Fund (GTF)

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LETTER OF TRANSMITTAL

October 24, 2018

Mr. Marc Fortin
Assistant Deputy Minister
Program Operations Branch
Infrastructure Canada
1100-180 Kent Street
OTTAWA ON K1P 0B6

Dear Mr. Fortin:

On behalf of Manitoba's Department of Intergovernmental Affairs, the Manitoba Strategic Infrastructure Secretariat is pleased to provide the Outcomes Report 2018 under the Administrative Agreement on the Federal Gas Tax Fund (GTF). The Outcomes Report provides an analysis on projects completed between January 1, 2014 and December 31, 2016. The report also documents the benefits of critical federal infrastructure investment as an anticipated source of funding and the important role it plays in the sustainable futures of Manitoba municipalities.

Sincerely,



Karlene S. Debance
Assistant Deputy Minister
Intergovernmental Affairs
Manitoba Strategic Infrastructure Secretariat

EXECUTIVE SUMMARY

The 2018 federal Gas Tax Fund - Outcomes Report documents the benefits of critical federal infrastructure funding and the important role it plays in the sustainable futures of Manitoba municipalities. Data collected from all 136 eligible municipalities provides measurable evidence that federal Gas Tax Funds (GTF) are benefiting communities in more ways than just the outcomes of the individual projects themselves.

GTF has also driven forward the importance of long-term infrastructure and asset management planning and the predictability of GTF provides municipalities with an additional source of funds for these plans to be successful. Manitoba's municipalities, using their GTF, contribute to the three national program objectives: productivity and economic growth, clean environment, and strong cities and communities.

From 2005, when the first GTF agreement was signed between Canada and Manitoba, to 2014, Manitoba's municipalities received \$434.9 million. In March 2014, Canada and Manitoba signed a new 10-year (2014-2023) administrative agreement for the transfer of federal Gas Tax Funds. Manitoba's allocation will total \$716 million over the full 10 years. By the end of the current agreement, municipalities in Manitoba will have been allocated over \$1.1 billion¹.

Fast Facts and Beneficial Highlights:

- ✓ Local roads and bridges projects represent **73.8 per cent** of the total projects included in the report.
- ✓ For every dollar of GTF spent between 2014 and 2016, **\$2.72** was leveraged from other sources.
- ✓ At the end of 2016, municipalities were holding over **\$80 million** in GTF reserves for future projects.
- ✓ **Seventy-nine per cent** of municipalities have reported direct benefits from the predictability of GTF.
- ✓ **Fourteen** of the 18 eligible project categories were utilized between 2014 and 2016.
- ✓ Of the 11 new project categories, **recreation** infrastructure was the most used.
- ✓ From the 243 projects that reported on physical condition rating, **81 per cent** increased from "very poor" or "poor" to "good" or "very good."
- ✓ Two hundred and thirty-five projects reported a total gain of **5,432** years of extended useful life for their assets.

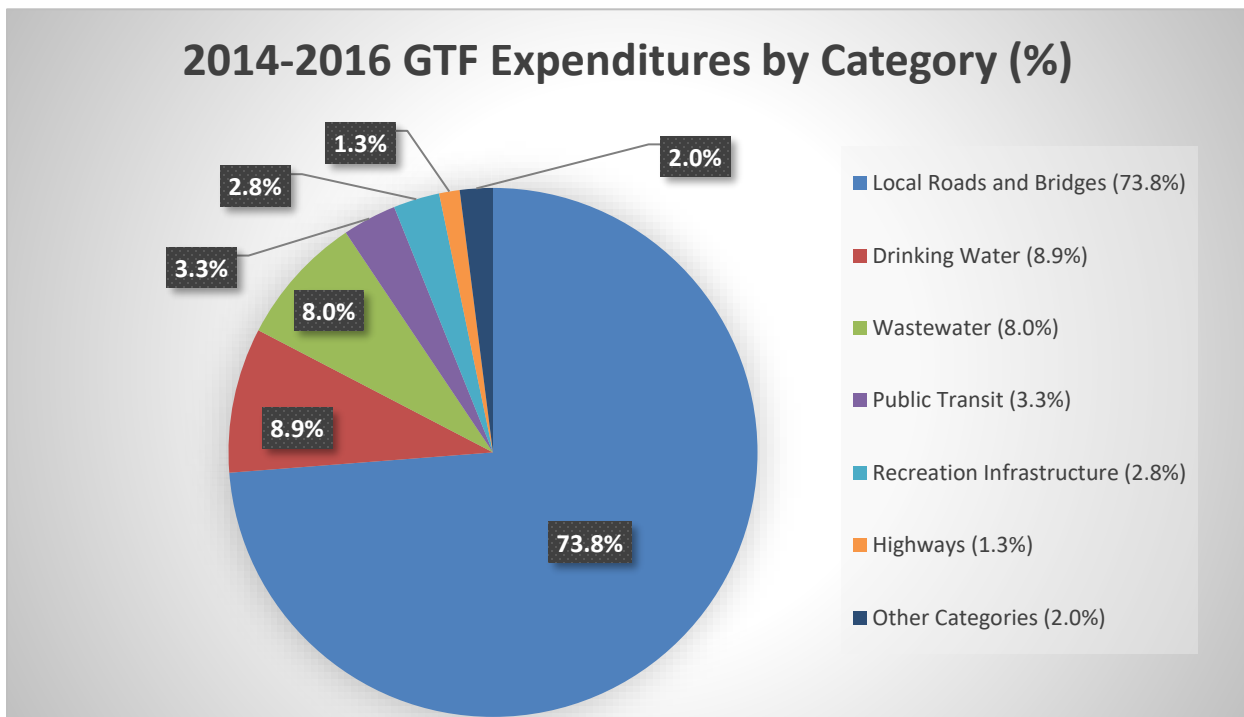
During this reporting period (2014-2016), municipalities expended **\$107 million** on **630** eligible GTF projects in 14 of the 18 project categories. The categories of broadband connectivity, brownfield redevelopment, short-sea shipping and short-line rail were not utilized in this period.

¹ Amounts include Manitoba's administrative allocations, which in the current agreement represent 0.25 per cent of the provincial allocation.

The following illustrates the audited expenditures of GTF by eligible category, between 2014 and 2016.

Project Category	# of Completed Projects	Total GTF Expenditures	Total Project Costs (all funding sources)
Original Categories			
Local Roads and Bridges	453	\$79,080,267	\$220,863,712
Drinking Water	54	\$9,501,793	\$27,980,387
Wastewater	46	\$8,538,612	\$25,819,245
Solid Waste	14	\$497,002	\$535,090
Public Transit	13	\$3,535,836	\$4,583,417
Community Energy Systems	8	\$667,692	\$874,455
Capacity Building	3	\$43,810	\$43,810
New Categories			
Recreational Infrastructure*	16	\$3,030,394	\$3,814,554
Disaster Mitigation*	12	\$793,915	\$3,588,398
Regional and Local Airports*	3	\$59,839	\$59,839
Tourism Infrastructure*	3	\$35,504	\$300,504
Highways*	2	\$1,345,840	\$1,345,840
Cultural Infrastructure*	2	\$26,968	\$1,271,968
Sport Infrastructure*	1	\$33,486	\$33,486
Short-sea Shipping*	0	\$0	\$0
Short-line Rail*	0	\$0	\$0
Broadband Connectivity*	0	\$0	\$0
Brownfield Redevelopment*	0	\$0	\$0
TOTAL	630	\$107,190,958	\$291,114,705

* Indicates new category added to the GTF agreements starting in April 1, 2014



BACKGROUND

Overview

The federal Gas Tax Fund (GTF) is a permanent source of funding provided up front to municipalities in Manitoba to support local infrastructure priorities. Municipalities can pool, bank and borrow against this funding, providing significant financial flexibility.

The 18 different eligible project categories under GTF contribute to achieving three national objectives. Municipalities have the flexibility to direct their GTF to support strategic investments best suited to their community’s needs.

Eligible Project Category	National Objectives
1. Local Roads and Bridges 2. Highways 3. Short-sea Shipping 4. Short-line Rail 5. Regional and Local Airports 6. Broadband and Connectivity 7. Public Transit	Productivity and Economic Growth
8. Drinking Water 9. Wastewater 10. Solid Waste 11. Community Energy Systems 12. Brownfield Redevelopment	Clean Environment
13. Sport Infrastructure 14. Recreational Infrastructure 15. Cultural Infrastructure 16. Tourism Infrastructure 17. Disaster Mitigation 18. Capacity Building	Strong Cities and Communities

The Manitoba Strategic Infrastructure Secretariat (MSIS), whom administers the federal Gas Tax Fund on behalf of Manitoba, prepared this report in aggregate, on the degree to which investments are supporting the progress towards achieving the following three program benefits:

1. *Beneficial impacts on communities of completed eligible projects*
2. *Enhanced impact of GTF as a predictable source of funding including incrementality*
3. *Progress made on improving local government planning and asset management*

Methodology

A collaborative approach was used to establish a set of measurable GTF Project Indicators (Outputs) and Project Outcomes for each of the 18 eligible GTF investment categories. Manitoba consulted with Infrastructure Canada and other jurisdictions to ensure outputs and outcomes would be appropriate, relevant and useful in meeting the Outcomes Report requirements.

In Manitoba, municipalities report on their GTF project expenditures, outputs, outcomes and reserve account balances, using an online tool called *Manitoba Municipalities Online* (MMO). Municipalities completed their Project Indicators and Outputs reporting during August 2018, for projects with expenditures between the calendar years 2013 and 2017. Data from this reporting provides evidence of program benefit #1: *Beneficial impacts on communities of completed eligible projects*. Data results are detailed in the next section, titled Beneficial Impacts by Project Category.

During the same reporting period, municipalities were further required to answer questions providing evidence of program benefit #2: *Enhanced impact of GTF as a predictable source of funding, including incrementality*. Data results are summarized in the section titled Predictability and Incrementality.

Data that supports the incrementality of GTF was gathered from multiple sources. Municipalities' tangible capital expenditures were compiled in a report provided to MSIS from Manitoba Municipal Relations. Tangible capital expenditures were derived from municipalities' audited financial statements. MMO provided the data for GTF expenditures and Canada-Manitoba infrastructure program cash flow records from MSIS provided the source for federal/provincial funding.

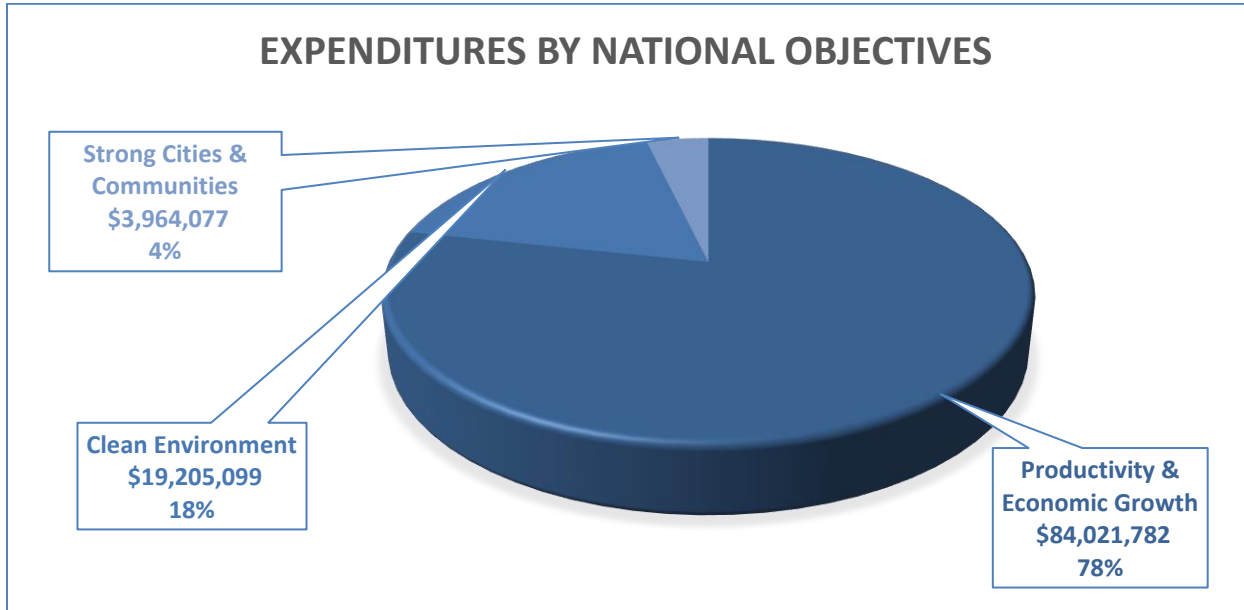
Baseline data supporting program benefit #3: *Progress made on improving local government planning and asset management*, was collected from municipalities in December 2017, through MMO in the 2017 Asset Management Status Report.

Scope

The scope of this Outcomes Report includes project outputs and outcomes for audited eligible GTF projects that were completed between January 1, 2014 and December 31, 2016. As of July 2018, the following number of municipal GTF audited annual expenditure reports (AERs) were outstanding: one report for 2013, four reports for 2014, 13 reports for 2015, and 25 reports for 2016. This totals 43 outstanding audit reports from 2013 to 2016. With the exception of those projects that have been omitted due to outstanding AERs, all other GTF projects from all municipalities are included in the report.

BENEFICIAL IMPACTS BY PROJECT CATEGORY

The breakdown of GTF projects by the national objectives of productivity and economic growth, clean environment, and strong cities and communities, was as follows:



OUTCOMES NOTES:

Municipalities were instructed to report one outcome for each project and to choose the outcome that would be most telling of the benefit in their community for which they had reliable data. All outputs and outcomes are identified in the following pages, regardless of their use.

If municipalities chose to use “Years of useful life have been extended,” the following definition applied: **Expected useful life** of an asset refers to the service life or the productive life of the asset at the time of its acquisition, regardless of their lives reported for income tax purposes.

If they chose “Physical condition rating has increased,” the following scale was used:

Physical Condition Rating Scale

1 = Very Poor	The asset is unfit for sustained service. Near or beyond expected service life, widespread signs of advanced deterioration, some assets may be unusable.
2 = Poor	Increasing potential of affecting service. The asset is approaching end of service life; condition below standard and a large portion of system exhibits significant deterioration.
3 = Fair	The asset requires attention. The assets show signs of deterioration and some elements exhibit deficiencies.
4 = Good	The asset is adequate. Acceptable, generally within mid-stage of expected service life.
5 = Very Good	Asset is fit for the future. Well maintained, good condition, new or recently rehabilitated.

Local Roads and Bridges

National Objective Supported:	Productivity and Economic Growth
Total Projects:	453
Total GTF Expenditures (2014-2016):	\$79,080,267
Total Project Expenditures:	\$220,863,712

Local roads and bridges – roads, bridges and active transportation infrastructure (Active transportation refers to investments that support active methods of travel. This can include cycling lanes and paths, sidewalks, hiking and walking trails).

Local Roads and Bridges - OUTPUTS

# of Projects	Project Indicator	Result
10	# of existing active transportation assets that received investment	51
15	# of existing bridges that received investment	15
92	# of existing local road assets that received investment	352
11	# of KMs of existing active transportation assets received investment	40.84
238	# of KMs of existing local roads that received investment	595.08
19	# of KMs of new active transportation assets that were constructed	22.32
27	# of KMs of new local roads that were constructed	25.15
6	# of meters of existing bridges that received investment	217
3	# of meters of new bridges that were constructed	17.22
9	# of new active transportation assets that were constructed and/or acquired	11
3	# of new bridge assets that were constructed and/or acquired	7
20	# of new local road assets that were constructed and/or acquired	4,511

Local Roads and Bridges - OUTCOMES

# of Projects	Project Outcome	Result
7	Average travel time (in minutes) from point A to B has decreased by	126 minutes
5	Travel distance (in KMs) from point A to B has decreased by	37.48 KMs
23	Daily vehicle usage has increased by	3,298 vehicles
19	Average # of monthly users has increased (AT projects only) by	7,850 users
175	Assets' years of useful life have been extended by	4,033 years
224	Physical condition rating has increased (Scale 1-5): Percentage of projects that reported an average physical condition rating that went from poor (2) or lower, to good (4) or higher.	80 %

Highways

National Objective Supported:	Productivity and Economic Growth
Total Projects:	2
Total GTF Expenditures (2014-2016):	\$1,345,840
Total Project Expenditures:	\$1,345,840

Highways — highway infrastructure.

Highways - OUTPUTS

# of Projects	Project Indicator	Result
1	# of KMs of highways that received investment	8
1	# of highways that received investment	1

Highways - OUTCOMES

# of Projects	Project Outcome	Result
0	Average travel time (in minutes) from point A to B has decreased	Not Used
0	Travel distance (in KMs) from point A to B has decreased	Not Used
0	Daily vehicle usage has increased	Not Used
1	Assets' years of useful life have been extended by	30 years
1	Physical condition rating has increased (Scale 1-5): Percentage of projects that reported an average physical condition rating that went from poor (2) or lower, to good (4) or higher.	100 %

Regional and Local Airports

National Objective Supported:	Productivity and Economic Growth
Total Projects:	3
Total GTF Expenditures (2014-2016):	\$59,839
Total Project Expenditures:	\$59,839

Regional and Local Airports — airport-related infrastructure (excludes the National Airport System).

Regional and Local Airports - OUTPUTS

# of Projects	Project Indicator	Result
0	# of new regional and local airport assets constructed and/or acquired	Not Used
3	# of existing regional and local airport assets that received investment	3

Regional and Local Airports - OUTCOMES

# of Projects	Project Outcome	Result
0	Annual # of takeoffs/landings has increased	Not Used
0	Annual # of passengers has increased	Not Used
0	New permanent jobs created as a result of investment	Not Used
0	Businesses positively affected as a result of investment	Not Used
0	Additional business investment as a result of investment	Not Used
2	Assets' years of useful life have been extended by	38 years
1	Physical condition rating has increased (Scale 1-5): Percentage of projects that reported an average physical condition rating that went from poor (2) or lower, to good (4) or higher.	100 %

Public Transit

National Objective Supported: **Productivity and Economic Growth**
 Total Projects: **13**
 Total GTF Expenditures (2014-2016): **\$3,535,836**
 Total Project Expenditures: **\$4,583,417**

Public Transit — infrastructure that supports a shared passenger transport system, which is available for public use.

Public Transit - OUTPUTS

# of Projects	Project Indicator	Result
1	# of public transit buses acquired	4
6	# of handi-transit vehicles acquired	7
1	# of new public transit infrastructure assets constructed and/or acquired	1
2	# of new handi-transit infrastructure assets constructed and/or acquired	2
2	# of existing public transit infrastructure assets received investment	2
1	# of existing handi-transit infrastructure assets received investment	1

Public Transit - OUTCOMES

# of Projects	Project Outcome	Result
2	Transport capacity has increased	3 riders*
0	Annual ridership has increased	Not Used
2	Average age of fleet has decreased (rolling stock only)	4.7 years
1	Fleet vehicles with safety features have increased by	50 %
14	Assets' years of useful life have been extended by	97 years
1	Physical condition rating has increased (Scale 1-5): Percentage of projects that reported an average physical condition rating that went from poor (2) or lower, to good (4) or higher.	100 %

* (Transport capacity increase was in handi-transit vehicles)

Drinking Water

National Objective Supported:	Clean Environment
Total Projects:	54
Total GTF Expenditures (2014-2016):	\$9,501,793
Total Project Expenditures:	\$27,980,387

Drinking Water — infrastructure that supports drinking water conservation, collection, treatment and distribution systems.

Drinking Water - OUTPUTS

# of Projects	Project Indicator	Result
4	# of new water treatment plant/filtration systems assets constructed and/or acquired	4
6	# of existing water treatment plant/filtration systems assets that received investment	10
15	# of distribution waterlines renewed or installed	284
12	# of metres of distribution waterlines renewed or installed	109,584
12	# of water meters installed	5,364
5	# of new water distribution assets acquired	214
0	# of existing water distribution assets that received investment	Not Used
0	# of water storage infrastructure assets that received investment	Not Used

Drinking Water - OUTCOMES

# of Projects	Project Outcome	Result
22	Additional households that can be connected to drinking water system	1,899
3	Households with improved water quality	3,568
2	Households with protected water supply has increased	750
1	Households with drinking water meeting new standards	179
1	Cubic metres of water treated per day has increased	10
2	Average annual water main breaks have decreased	7.5
2	Cubic metres of average daily water consumption has decreased	29,504
0	Amount of chemicals used to treat water has decreased	Not Used
0	Fewer drinking water advisories	Not Used
0	Average age of waterlines has been reduced	Not Used
0	Kilowatt hours in energy consumption per year has been reduced	Not Used
0	Cubic meters of water storage capacity has increased	Not Used
0	Households served has increased	Not Used
14	Assets' years of useful life have been extended by	328 years
7	Physical condition rating has increased (Scale 1-5): Percentage of projects that reported an average physical condition rating that went from poor (2) or lower, to good (4) or higher.	100 %

Wastewater

National Objective Supported:	Clean Environment
Total Projects:	46
Total GTF Expenditures (2014-2016):	\$8,538,612
Total Project Expenditures:	\$25,819,245

Wastewater — infrastructure that supports wastewater and storm water collection, treatment and management systems.

Wastewater - OUTPUTS

# of Projects	Project Indicator	Result
10	# of metres of wastewater pipes that received investment	4,760.1
5	# of new wastewater collection infrastructure (other than pipes) constructed and/or acquired	6
7	# of existing wastewater collection infrastructure (other than pipes) that received investment	9
8	# of lagoons that received investment	8
8	# of new wastewater treatment infrastructure assets (other than lagoons) constructed and/or acquired	30
3	# of existing wastewater treatment infrastructure assets that received investment	3
5	# of storm water management assets that received investment	5
0	# of cubic metres of lagoons that received investment	Not Used

Wastewater - OUTCOMES

# of Projects	Project Outcome	Result
9	Households with access to sanitary wastewater system has increased	755
3	Cubic metres of daily wastewater collection capacity has increased	245,441
8	Fewer non-compliance incidents	103
1	Kilowatt-hours in energy usage per year has been reduced	90,000,000
1	Cubic metres of capacity to manage storm water has increased	.45
1	Square meters of land area with increased protection/ reduced risk	24,000
0	Average age of wastewater pipes has been reduced	Not Used
0	Cubic metres of daily wastewater treatment capacity has increased	Not Used
0	Cubic metres in untreated water has been reduced	Not Used
0	Households with access to storm water infrastructure has been increased	Not Used
19	Assets' years of useful life have been extended by	615 years
4	Physical condition rating has increased (Scale 1-5): Percentage of projects that reported an average physical condition rating that went from poor (2) or lower, to good (4) or higher.	75 %

Solid Waste

National Objective Supported:	Clean Environment
Total Projects:	14
Total GTF Expenditures (2014-2016):	\$497,002
Total Project Expenditures:	\$535,090

Solid Waste — infrastructure that supports solid waste management systems including the collection, diversion and disposal of recyclables, compostable materials and garbage.

Solid Waste - OUTPUTS

# of Projects	Project Indicator	Result
5	# of solid waste equipment assets acquired	5
5	# of solid waste infrastructure assets received investment	5
1	# of square meters of solid waste assets received investment	18,000
2	# of recycling equipment assets acquired	81
1	# of square meters of recycling assets received investment	16,632
0	# of recycling infrastructure assets received investment	Not Used

Solid Waste - OUTCOMES

# of Projects	Project Outcome	Result
1	Metric tonnes of landfill capacity has been increased	3.67
3	Fewer non-compliance incidents	12
2	Premises participating in recycling has increased	81
0	Metric tonnes of solid waste diverted from disposal per year has increased	Not Used
6	Assets' years of useful life have been extended by	208 years
2	Physical condition rating has increased (Scale 1-5): Percentage of projects that reported an average physical condition rating that went from poor (2) or lower, to good (4) or higher.	100 %

Community Energy Systems

National Objective Supported:	Clean Environment
Total Projects:	8
Total GTF Expenditures (2014-2016):	\$667,692
Total Project Expenditures:	\$874,455

Community Energy Systems — infrastructure that generates or increases the efficient usage of energy.

Community Energy Systems - OUTPUTS

# of Projects	Project Indicator	Result
6	# of energy conservation infrastructure assets that received investment	14
2	# of energy generation infrastructure assets that received investment	2

Community Energy Systems - OUTCOMES

# of Projects	Project Outcome	Result
4	Kilowatt-hours of energy usage (electricity) has decreased	31,525
4	Annual related operational costs, due to energy conservation, have decreased	\$19,893
0	Litres of energy usage (propane, heating fuel) has decreased	Not Used
0	Cubic metres of energy usage (natural gas) has decreased	Not Used
0	Metric tonnes of GHG emissions has decreased	Not Used
0	Kilowatt hours generated off grid has increased	Not Used
0	Metric tonnes of GHG emissions has increased	Not Used

Sport Infrastructure

National Objective Supported:	Strong Cities and Communities
Total Projects:	1
Total GTF Expenditures (2014-2016):	\$33,486
Total Project Expenditures:	\$33,486

Sport Infrastructure — amateur sport infrastructure (excludes facilities, including arenas, which would be used as the home of professional sports teams or major junior hockey teams (ex. Junior A)).

Sport Infrastructure - OUTPUTS

# of Projects	Project Indicator	Result
0	# of new sport infrastructure assets constructed and/or acquired	Not Used
1	# of existing sport infrastructure assets received investment	1

Sport Infrastructure - OUTCOMES

# of Projects	Project Outcome	Result
0	Annual users have increased	Not Used
0	Annual users benefiting from investment	Not Used
0	Assets' years of useful life have been extended by	Not Used
1	Physical condition rating has increased (Scale 1-5): Percentage of projects that reported an average physical condition rating that went from poor (2) or lower, to good (4) or higher.	100%

Recreational Infrastructure

National Objective Supported:	Strong Cities and Communities
Total Projects:	16
Total GTF Expenditures (2014-2016):	\$3,030,394
Total Project Expenditures:	\$3,814,554

Recreational Infrastructure — recreational facilities or networks.

Recreational Infrastructure - OUTPUTS

# of Projects	Project Indicator	Result
9	# of new recreational infrastructure assets constructed and/or acquired	22
7	# of existing recreational infrastructure assets received investment	7

Recreational Infrastructure - OUTCOMES

# of Projects	Project Outcome	Result
2	Annual users have increased	135
8	Annual users benefiting from investment	21,887
4	Assets' years of useful life have been extended by	83 years
2	Physical condition rating has increased (Scale 1-5): Percentage of projects that reported an average physical condition rating that went from poor (2) or lower, to good (4) or higher.	100%

Cultural Infrastructure

National Objective Supported: **Strong Cities and Communities**
 Total Projects: **2**
 Total GTF Expenditures (2014-2016): **\$26,968**
 Total Project Expenditures: **\$1,271,968**

Cultural Infrastructure — infrastructure that supports arts, humanities, and heritage.

Cultural Infrastructure - OUTPUTS

# of Projects	Project Indicator	Result
2	# of new cultural infrastructure assets constructed and/or acquired	2
0	# of existing cultural infrastructure assets received investment	Not Used

Cultural Infrastructure - OUTCOMES

# of Projects	Project Outcome	Result
2	Annual users benefiting from investment	40,000
0	Annual users have increased	Not Used
0	Assets' years of useful life have been extended by	Not Used
0	Physical condition rating has increased (Scale 1-5): Percentage of projects that reported an average physical condition rating that went from poor (2) or lower, to good (4) or higher.	Not Used

Tourism Infrastructure

National Objective Supported: **Strong Cities and Communities**
 Total Projects: **3**
 Total GTF Expenditures (2014-2016): **\$35,504**
 Total Project Expenditures: **\$300,504**

Tourism Infrastructure – infrastructure that attract travelers for recreation, leisure, business or other purposes.

Tourism Infrastructure - OUTPUTS

# of Projects	Project Indicator	Result
3	# of new tourism infrastructure assets constructed and/or acquired	30
0	# of existing tourism infrastructure assets received investment	Not Used

Tourism Infrastructure - OUTCOMES

# of Projects	Project Outcome	Result
2	Annual users benefiting from investment	600
1	Annual visitors to the community have increased	5
0	Annual users have increased	Not Used
0	Assets' years of useful life have been extended by	Not Used
0	Physical condition rating has increased (Scale 1-5): Percentage of projects that reported an average physical condition rating that went from poor (2) or lower, to good (4) or higher.	Not Used

Disaster Mitigation

National Objective Supported:	Strong Cities and Communities
Total Projects:	12
Total GTF Expenditures (2014-2016):	\$793,915
Total Project Expenditures:	\$3,588,398

Disaster Mitigation — infrastructure that reduces or eliminates long-term impacts and risks associated with natural disasters.

Disaster Mitigation - OUTPUTS

# of Projects	Project Indicator	Result
12	# of disaster mitigation infrastructure assets that received investment	24

Disaster Mitigation - OUTCOMES

# of Projects	Project Outcome	Result
9	Properties with increased protection/reduced risk	111
2	Square meters of land area with increased protection/reduced risk	16,319

Capacity Building

National Objective Supported: **Strong Cities and Communities**
 Total Projects: **3**
 Total GTF Expenditures (2014-2016): **\$43,810**
 Total Project Expenditures: **\$43,810**

Capacity Building — includes investments related to strengthening the ability of Local Governments to develop long-term planning practices.

Capacity Building - OUTPUTS

# of Projects	Project Indicator	Result
1	# of individuals completed training related to asset management or municipal long-term infrastructure planning	1
2	# of long-term infrastructure studies and/or strategic assessments conducted	2
0	# of software/systems acquired and implemented that directly support asset management planning	Not Used

Capacity Building - OUTCOMES

# of Projects	Project Outcome	Result
1	Municipalities' or municipal departments' capacity to develop long-term infrastructure planning practices has improved	1
2	Asset Management Plan components further developed or completed	2

Brownfield Redevelopment

National Objective Supported: **Clean Environment**
 Total Projects: **None**

Brownfield Redevelopment — remediation or decontamination and redevelopment of a brownfield site within municipal boundaries, where the redevelopment includes the construction of public infrastructure as identified in the context of any other category under the GTF, and/or the construction of municipal use public parks and publicly-owned social housing.

Brownfield Redevelopment - OUTPUTS

Project Indicator
of square metres of land remediated
of cubic metres of contaminants removed
of square metres of public parks/playgrounds developed
of social housing units constructed

Brownfield Redevelopment - OUTCOMES

Project Outcome
Contaminants removed or reduced to safe exposure level
Taxable assessed value of property has increased
Annual users benefiting from developed park/playground
Residence benefiting from social housing

Broadband Connectivity

National Objective Supported: **Productivity and Economic Growth**
 Total Projects: **None**

Broadband Connectivity — infrastructure that provides internet access to residents, businesses and/or institutions in Canadian communities.

Broadband Connectivity - OUTPUTS

Project Indicator
of new short-sea shipping assets constructed and/or acquired
of existing short-sea shipping assets that received investment

Broadband Connectivity - OUTCOMES

Project Outcome
Fleet capacity has increased
Cargo capacity has increased
Passenger capacity has increased
Assets' years of useful life have been extended
Physical condition rating has increased (Scale 1-5)

Short-sea Shipping

National Objective Supported: **Productivity and Economic Growth**
 Total Projects: **None**

Short-Sea Shipping — infrastructure related to the movement of cargo and passengers around the coast and on inland waterways, without directly crossing an ocean.

Short-sea Shipping - OUTPUTS

Project Indicator
of new short-sea shipping assets constructed and/or acquired
of existing short-sea shipping assets received investment

Short-sea Shipping - OUTCOMES

Project Outcome
Fleet capacity has increased
Cargo capacity has increased
Passenger capacity has increased
Assets' years of useful life have been extended
Physical condition rating has increased (Scale 1-5)

Short-line Rail

National Objective Supported: **Productivity and Economic Growth**
 Total Projects: **None**

Short-Line Rail — railway related infrastructure for carriage of passengers or freight.

Short-line Rail - OUTPUTS

Project Indicator
of new short-line rail assets constructed and/or acquired
of existing short-line rail assets that received investment

Short-line Rail - OUTCOMES

Project Outcome
Fleet capacity has increased
Cargo capacity has increased
Passenger capacity has increased
Assets' years of useful life have been extended
Physical condition rating has increased (Scale 1-5)

PREDICTABILITY AND INCREMENTALITY

Incrementality

Federal Gas Tax Funds are not intended to replace or displace existing sources of funding for recipients’ tangible capital expenditures. The following data was compiled to demonstrate incrementality against the baseline, as provided in the administrative agreement.

Baseline: is the average annual tangible capital expenditures from 1993 to 2003 (inclusive) for the City of Winnipeg and all other local government recipients, as outlined in the administrative agreement.

Tangible Capital Expenditures: are the sum of general fund capital expenditures and utility fund(s) capital expenditures, less land and land improvements expenditures.

Average Annual Incremental Tangible Capital Expenditures: 2010 – 2014 tangible capital expenditures, less 2010 – 2014 Federal Gas Tax Fund Expenditures, less 2010/11 – 2014/15 Canada-Manitoba infrastructure programs cash flow, divided by five years.

	Baseline (1999-2003)	Average Annual Incremental Tangible Capital Expenditures (2010-2014)
City of Winnipeg	\$132,708,400	\$385,422,700
Other Local Government Recipients	\$86,033,800	\$230,275,900

Manitoba’s municipalities have far exceeded the incrementality requirement of their GTF. The City of Winnipeg spent 290 per cent more than the baseline and the other local government recipients combined, spent 267 per cent more incrementally on their tangible capital assets compared to the baseline period.

Predictability

To demonstrate the enhanced impact of federal Gas Tax Funds as a predictable source of funding, municipalities were asked to respond to the following questions.

- Q 1. Has your municipality ever used its predictable sources of federal Gas Tax Funds to plan for an eligible GTF infrastructure project in a long-term capital plan?*
- Q 2. Has your municipality ever, or planned to ever, establish a borrowing by-law using its federal Gas Tax Funds to finance an eligible GTF project?*



A majority (79 per cent) of the municipalities reported benefiting from the predictability of the federal Gas Tax Fund. They indicated they have either used it to borrow against, or have used it to plan for eligible GTF projects.

In addition, recorded interest from GTF reserves, by all 136 recipients between 2014 and 2016, totals more than \$2 million, adding further financial benefit for municipalities that are building their reserve for future infrastructure investments.

ASSET MANAGEMENT

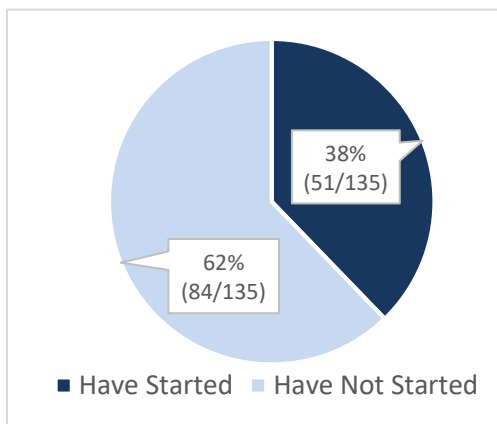
Asset management provides a means for elected officials and municipal administrators to demonstrate the value of infrastructure planning and maintenance, while balancing social, environmental and economic factors. There are many schools of thought pertaining to asset management and the recognized foundation of asset management stems from the ISO 55000 standard.

As per the terms and conditions of the Administrative Agreement on the Federal Gas Tax Fund, Manitoba’s local governments had an obligation to work towards the development and/or implementation of asset management (AM) plans prior to March 31, 2018. Manitoba has the responsibility to report on the progress made toward improved asset management planning practices in this 2018 Outcomes Report.

In order to report on progress, municipalities are required to complete an annual *Municipal Asset Management Status Report* (beginning in December 2017). The report provides documentation of progress made by municipalities to build their own capacity for long-term infrastructure planning. This includes targets that are set and achieved toward development and implementation of formalized asset management plans into their governance and operations.

In 2017, many municipalities were just beginning to develop their capacity for undertaking formalized asset management plans and thus, were not ready to set realistic development targets. Therefore, the initial status report provided an option for municipalities to identify as newcomers to asset management planning and delay identifying specific development targets for completing asset management components until the 2018 report.

The following data provides the baseline for progress made and the targets set by Manitoba’s municipalities as at December 2017.



Municipalities were asked which statement best describes the current state of asset management in their municipality.

- “Our municipality has not started work on any of the fundamental asset management components.”
- “Our municipality has started work on at least one of the fundamental asset management components.”

Of the 135² reporting municipalities, 51 started working on their asset management plans as at December 2017.

² The City of Winnipeg was excluded from the 2017 Municipal Asset Management Status Report.

In 2017/18, the Association of Manitoba Municipalities developed a new Municipal Asset Management Program (MAMP), which included an “Introduction to Asset Management Workshop” and an “Asset Management Readiness Assessment Workshop”. In the status report, municipalities were asked to identify actions they intended to take during 2018, to build their capacity to start or continue developing asset management plans, including whether or not they intended to participate in the MAMP workshops. Nearly all reporting municipalities (134 out of 135) indicated they intended to participate in at least one, if not both workshops. According to statistics provided by the AMM, 101 municipalities participated in the Introduction to Asset Management workshops and 81 municipalities submitted expressions of interest to attend the Asset Management Readiness Assessment workshops. Space was limited due to funding capacity for the readiness workshops.

Additional capacity building activities identified by municipalities included:

- working with consultants and engineers
- participating in certification courses
- undertaking self-learning, using Federation of Canadian Municipalities (FCM) and other organization’s asset management training materials
- investing in and implementing asset management software
- applying to FCM for funding to support their asset management capacity building goals

The municipalities that had begun developing their asset management plans were asked to identify their status of completion and the target completion dates of their asset management components under each asset class. Fundamental components of asset management were defined as the following:

- **Asset management policy** – This policy broadly outlines the principles and requirements for undertaking asset management across an organization in a systematic and coordinated way that is consistent with the organization's strategic plan. An asset management policy provides the framework for an asset management plan.
- **Asset management strategy** – This strategy sets out the overall goals and objectives for asset management.
- **Asset information** – This is an inventory or registry of municipal assets, including technical and financial data, condition assessments and life cycle costs.
- **Risk assessment and management** – This identifies key risk and mitigation measures related to municipal assets.
- **Demand analysis** – This analyzes levels of service expected by residents from the use of the asset.
- **Asset management plan** – This is an overall plan for how assets will be renewed or replaced.

- **Financial strategy** – This strategy will be integrated into municipal financial planning and decision making.

The following data is from 51 municipalities as at December 2017. Note: some municipalities do not own assets in each asset class. Total municipalities reporting on each is noted beside the asset class name. Target completion data is summarized on an estimated completion date, before and after January 1, 2020.

Fundamental Components of Asset Management – Status of Completion Data

	Not Started	In Progress	Completed	Target Completion
Asset Management Policy	43%	51%	6%	79%<2020<21%
Asset Management Strategy	51%	43%	6%	73%<2020<27%

Asset Information	Not Started	Less than 50% Completed	More than 50% Completed	Completed	Target Completion
Roads and Bridges (51)	14%	31%	31%	24%	69%<2020<31%
Water and Sewer (51)	12%	29%	39%	20%	64%<2020<36%
Land & Land Improvements (50)	16%	30%	34%	20%	58%<2020<42%
Municipal Buildings (51)	16%	25%	39%	20%	68%<2020<32%
Vehicles and Equipment (excluding public transit) (51)	10%	20%	43%	27%	58%<2020<42%
Computer Hardware and software (50)	16%	28%	38%	18%	71%<2020<29%
Solid Waste Management (40)	15%	35%	35%	15%	62%<2020<38%
Public Transit (11)	18%	27%	37%	18%	56%<2020<44%
AVERAGE	54%	33%	11%	2%	63%<2020<37%

Risk Assessment & Management	Not Started	Less than 50% Completed	More than 50% Completed	Completed	Target Completion
Roads and Bridges (51)	53%	35%	10%	2%	60%<2020<40%
Water and Sewer (51)	43%	37%	18%	2%	61%<2020<49%
Land & Land Improvements (50)	60%	24%	14%	2%	57%<2020<43%
Municipal Buildings (51)	55%	25%	16%	4%	57%<2020<43%
Vehicles and Equipment (excluding public transit) (51)	55%	23%	16%	6%	56%<2020<44%
Computer Hardware and software (50)	54%	24%	20%	2%	57%<2020<43%
Solid Waste Management (40)	50%	33%	18%	0%	53%<2020<47%
Public Transit (11)	45%	27%	18%	10%	50%<2020<50%
AVERAGE	52%	29%	16%	4%	56%<2020<44%

Demand Analysis	Not Started	Less than 50% Completed	More than 50% Completed	Completed	Target Completion
Roads and Bridges (51)	71%	20%	6%	4%	53%<2020<49%
Water and Sewer (51)	57%	29%	10%	4%	57%<2020<43%
Land & Land Improvements (50)	72%	16%	8%	4%	52%<2020<48%
Municipal Buildings (51)	68%	18%	8%	6%	54%<2020<46%
Vehicles and Equipment (excluding public transit) (51)	68%	16%	8%	8%	56%<2020<44%
Computer Hardware and software (50)	70%	16%	8%	6%	53%<2020<47%
Solid Waste Management (40)	66%	23%	8%	3%	51%<2020<49%
Public Transit (11)	62%	18%	10%	10%	60%<2020<40%
AVERAGE	67%	20%	8%	6%	55%<2020<45%

Asset Management Plan	Not Started	Less than 50% Completed	More than 50% Completed	Completed	Target Completion
Roads and Bridges (51)	59%	31%	8%	2%	52%<2020<48%
Water and Sewer (51)	53%	35%	10%	2%	56%<2020<44%
Land & Land Improvements (50)	64%	24%	10%	2%	49%<2020<51%
Municipal Buildings (51)	63%	25%	10%	2%	52%<2020<48%
Vehicles and Equipment (excluding public transit) (51)	53%	27%	14%	6%	50%<2020<50%
Computer Hardware and software (50)	60%	24%	14%	2%	53%<2020<47%
Solid Waste Management (40)	59%	30%	8%	3%	51%<2020<49%
Public Transit (11)	55%	27%	18%	0%	64%<2020<36%
AVERAGE	58%	28%	12%	2%	53%<2020<47%

Financing Strategy	Not Started	Less than 50% Completed	More than 50% Completed	Completed	Target Completion
Roads and Bridges (51)	55%	29%	14%	2%	48%<2020<52%
Water and Sewer (51)	53%	35%	8%	4%	51%<2020<49%
Land & Land Improvements (50)	66%	22%	10%	2%	47%<2020<53%
Municipal Buildings (51)	61%	29%	8%	2%	50%<2020<50%
Vehicles and Equipment (excluding public transit) (51)	53%	27%	18%	2%	48%<2020<52%
Computer Hardware and software (50)	58%	24%	16%	2%	49%<2020<51%
Solid Waste Management (40)	57%	33%	10%	0%	45%<2020<55%
Public Transit (11)	34%	66%	0%	0%	45%<2020<55%
AVERAGE	55%	33%	11%	2%	48%<2020<52%

Approximately 56 per cent of all fundamental components of asset management are expected to be complete by January 1, 2020, according to the 51 reporting municipalities.

In 2018, the City of Winnipeg completed its [City Asset Management Plan](#).

CONCLUSION

Municipalities in Manitoba invested over \$530M from federal Gas Tax Funds into their infrastructure priorities from 2005 to 2016. Now that GTF has become a permanent predictable source, municipalities are better prepared to plan for their future infrastructure needs through:

- the flexibility of borrowing against forthcoming allocations
- pooling their GTF for future projects
- undertaking capacity-building activities to support formalized long-term infrastructure planning

The 2018 Outcomes Report detailed how \$107 million of GTF investments made by municipalities have supported the three national objectives of productivity and economic growth, clean environment, and strong cities and communities. Program benefits were achieved through measurable outcomes and incremental spending. Manitoba's municipalities are developing their asset management plans and are striving for infrastructure sustainability.

The continued flexibility and predictability of the federal Gas Tax Fund provides Manitoba's communities with a valuable tool and resource to support their strategic infrastructure priorities today and into the future.