

**ALBERTA  
CITIES  
TRANSPORTATION  
PARTNERSHIP**

**ADMINISTRATIVE  
PROCEDURES  
MANUAL**

**CITY TRANSPORTATION FUND**

JULY 2001



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**ACTP – CITY TRANSPORTATION FUND**

# **ACTP – CITY TRANSPORTATION FUND**

## **ADMINISTRATIVE PROCEDURES OVERVIEW**

At the present time, only the Cities of Calgary and Edmonton are eligible to receive this grant.

The City Transportation Fund provides financial assistance to cities for the development and implementation of safe and effective highway routes and major streets through the cities, as well as modern bus and LRT public transit systems. The grant is based on the number of litres of taxable gasoline and diesel fuel delivered within the city boundaries

The City Transportation Fund Agreement includes the administrative procedures, the project eligibility criteria, and the annual program application and reporting requirements applicable to this program. A typical agreement includes a preamble specific to the municipality plus all of the following:

1. The preamble is incorporated as an integral part of this Agreement.
2. The parties agree that the City shall execute this Agreement prior to the Minister transferring any funds to the City under this Agreement.
3. The Minister agrees to provide funds to the City for the City Transportation Fund subject to the following eligibility criteria:
  - I) Receipt of the City's annual Application for Program Acceptance;
  - II) Review and acceptance by the Minister of eligible projects contained therein.
4. The Minister and the City agree that the amount of funding provided will be equivalent to \_\_\_\_ cents per litre of taxable gasoline and diesel fuel delivered to service stations and bulk dealerships within the City of \_\_\_\_\_ as confirmed by Alberta Treasury in accordance with Schedule 1
5. The City agrees to provide to the Minister as a condition of the Agreement:
  - I) prior to March 31 of each year, the city's Program Application listing all projects to be carried out utilizing the funding provided under section 4,

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- A) the Program Application may be updated in accordance with the timing specified by the Minister following consultation with the City. The program update may be in the form of either a Supplementary Program Application or a full annual updated Program Application. The full annual program update shall list all previously accepted projects being continued as well as new projects being initiated and for which the City wishes to allocate funding from the City Transportation Fund,
  - II) the City's annual Pavement Management System Summary Report indicating the current average pavement condition for each of the following road classifications i) all numbered highway connector routes, ii) freeways, iii) major streets, and vi) other streets as may be determined by the Minister from time to time following consultation with the city, and
  - III) the City's annual Transit Indicator Summary Report indicating i) the percent of the total in service transit vehicle fleet with a vehicle age in excess of the optimum vehicle design life, ii) the number of transit rides carried per annum per 1,000 population, iii) the current percentage of the total fleet which is accessible to persons with disabilities in accordance with the barrier free design guidelines, or iv) other indicators as may be determined by the Minister from time to time following consultation with the city, and
  - IV) the City's previous calendar year-end (December 31) Statement of Funding and Expenditures pertaining to the City Transportation Fund, including certification by the City of the statement and attesting to compliance with the terms and conditions of this Agreement prior to March 31 of each year.
6. The City hereby agrees to accept the funds provided by the Minister in accordance with Sections 4 and 5 on the following additional terms and conditions:
- I) the City shall maintain a separate accounting for the funds provided;
  - II) the City may invest the funds provided, or unutilized portions thereof, in accordance with the terms of Section 250 of the Municipal Government Act;
  - III) the City shall determine the "actual income earned" on the funds provided or unexpended funds invested as in II) above, and all such income shall be reported on the annual Statement of Funding and Expenditures as outlined in Section 5 above;

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- IV) any income earned shall not be deemed to be part of the maximum funding allocation as approved by the Minister, but shall be added to the City Transportation Fund balance as if it were part of the fund, and allocated to projects accepted by the Minister under the fund;
  - V) the City shall ensure that expenditures accounted for against the principal amount of the funds provided, the income earned thereon, and other credits to the fund are only for projects accepted by the Minister on the City's Program Application under the City Transportation Fund;
  - VI) the City shall submit a Program Application as early as possible prior to the coming fiscal year and no later than April 1st of each year during the currency of this Agreement to the Minister for acceptance. This annual application shall include all previously accepted projects being continued in the current year as well as new projects being initiated in the current year. Supplementary Program Applications may be submitted from time to time when new projects are added to the City's program. The application, including supplementary applications, shall list all projects for which the City wishes to allocate funding from the City Transportation Fund during the calendar year;
  - VII) all funds provided and income earned, not expended prior to December 31 in any year may be retained by the City and expended in accordance with the City's Program Application under the City Transportation Fund in the following years.
  - VIII) on any accepted project the work shall be carried out in accordance with the rules, regulations and laws governing such works and in accordance with the best general practice.
7. The City shall indemnify and save harmless the Minister, his servants, agents and employees, from and against all actions, claims and demands arising directly or indirectly from the preparation for or implementation of the projects, whether or not the damage arose as a result of the actions or omissions of third parties.
8. The City agrees to allow the Minister and/or his agents, including but not limited to, the Auditor General of Alberta, and representatives of Alberta Transportation, access to the project site; any engineering drawings or documents; any books of accounts relating to funding, earnings, and expenditures claimed under this agreement; and any other such project related documents as deemed necessary by the Minister in performing an audit of the projects undertaken under this agreement. All project-related documents shall be kept by the City for a minimum of three years following completion of the project.

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9. The City agrees it is not entitled to claim compensation for its costs, expenses, inconvenience or time expended in relation to the administration of the funds provided under this Agreement nor in respect to this Agreement.
10. The parties agree that all projects receiving funding from the Minister under the City Transportation Fund shall be undertaken fully in accordance with the City Transportation Act, R.S.A. 2000, Chapter C-14, the Regulations passed pursuant to the Act and any amendments to both which may be made from time to time.
11. Under this agreement, the following general types of capital transportation projects may be funded from the City Transportation Fund subject to the award of contract criteria outlined and the credit items listed:

### **I) ROADWAYS**

- A) To be funded under this agreement, a roadway must be on the City's Transportation System Bylaw as an Arterial Road, (including Freeways and Expressways) and subject to the following conditions:
  - i) All currently designated numbered highway connector routes through the city must be open to all registered vehicles at all times.
  - ii) The location of currently designated numbered highway connector routes through the city may not be altered unless such alterations are first accepted by the Minister in writing.
- B) Eligible Projects
  - i) Construction, Reconstruction and Rehabilitation of Roadways.
  - ii) Construction, Reconstruction and Rehabilitation of Road Structures.
  - iii) Construction, Reconstruction and Rehabilitation of Railway or LRT Grade Separations.
  - iv) Other ancillary works such as sidewalks, commuter bikeways, lighting, traffic control signals, pedestrian signals, storm drainage and utility relocations.
  - v) Other capital transportation projects as may be deemed appropriate by the Minister.

### **II) TRANSIT**

- A) Eligible Projects
  - i) Construction and Major Rehabilitation of L.R.T. lines, Station Structures, Park and Ride Facilities, and L.R.T. Maintenance Facilities. L.R.T. lines must be designated in the City's Transportation System Bylaw.

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- ii) Construction and Rehabilitation of Major Public Transit Terminals and Transit Garages.
- iii) Purchase of LRT vehicles, "Low-Floor" standard 40-foot buses, articulated buses, and accessible community Public Transit Vehicles as well as Specialized Transit Vehicles for Seniors and/or Persons with Disabilities.
- iv) Major Rehabilitation of Public Transit Vehicles.
- v) Major comprehensive transit-stop retrofit programs to achieve a "barrier free path of travel" to accessible transit services.
- vi) System-wide capital improvement or upgrading projects
- vii) Purchase, development, and rehabilitation of major capital security devices, communication equipment, and other public safety enhancements.
- viii) Other capital transportation projects as may be deemed appropriate by the Minister.

### III) GENERAL - ROADWAY/TRANSIT

- A) Engineering including planning, design, and construction supervision.
- B) Construction or Implementation of major Transportation Systems Management Projects such as major intersection improvements, major traffic signal coordination, etc.
- C) Significant Enhancements or Improvements for the Safety of users of the Transportation Systems.
- D) Restoration of grass-standard landscaping in areas disturbed by construction or reconstruction of transportation facilities.
- E) Enhanced landscaping where necessary for the mitigation of the environmental impacts of eligible transportation facilities, subject to approval by the Minister.
- F) Net direct cost of right-of-way purchased, including maintenance costs, taking into account as credit items the salvage value of any improvements on the original site, proceeds from sale of residual lands, appraised value of residual land in year of construction and net income from land purchased in advance of construction.
- G) City-wide or Regional Transportation Planning Studies and major Systems Planning Reviews.
- H) Functional Planning and Design Studies for Eligible Roadways, and Public Transit Capital Projects.
- I) System-wide reviews where such reviews will have an impact on capital expenditures.
- J) Transportation Studies to address specific Environmental and/or Safety Concerns including Environmental Impact Assessments.



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- K) Construction of noise attenuation devices as a part of an eligible project, and rehabilitation of existing noise attenuation devices on an eligible roadway or transitway, consistent with the City's approved noise attenuation policy.
- L) Future reimbursement of eligible third party costs for projects initially funded by a third party under an agreement between the City and the third party identifying such future reimbursement, subject to the prior approval of the reimbursement agreement by the Minister.
- M) Project signs for major projects where requested by the Minister.
- N) Other capital transportation projects as may be deemed appropriate by the Minister.

### IV) AWARD OF CONTRACTS AND USE OF CITY FORCES

- A) The City may award contracts for planning, design, engineering, and construction of a transportation facility by public tender, on agreed unit prices, or lump sum amounts. In some instances, where approved by the Minister, the City may undertake such work with its own forces subject to B) below. (City Transportation Act, Alberta Regulation 301/80, Clause 6(1)).
- B) In those cases where the City utilizes its own forces on projects under the City Transportation Fund, the City is required to submit an economic analysis to the Minister indicating that this will result in a lower cost or more cost-effective project.
- C) Where the City recommends that any tender other than the low tender be accepted, the City must submit its recommendation respecting such awarding, together with details of all tenders received to the Minister for his written approval.

### V) CREDIT ITEMS

- A) The following credit items shall be applied to an accepted project under the City Transportation Fund on which any provincial funds have been expended by the City:
  - i) salvage value of any material obtained from removal or demolition of any structure or any part of the facility or goods required for construction and not used.
  - ii) actual sale price of any residual lands and improvements and, if sold prior to construction, accrued interest at rates earned by the city.

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- iii) appraised value, at the time of project construction, of any residual land and improvements purchased but not sold prior to construction.

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- iv) net income from all land purchased until sale of the land or time of construction, whichever comes first.
    - v) income from the sale of buses or other capital items that previously received a financial contribution from the Province.
    - vi) funding from other sources such as developers, railway companies, private organizations and other government agencies (including other provincial government departments) where such funding has been designated to a project funded under the City Transportation Fund and is not subject to an approved reimbursement agreement accepted by the Minister.
  - B) Where the credit items in A) above result in net proceeds to the City, such proceeds shall be credited to the City Transportation Fund so as to be available for allocation to other projects accepted under the fund.
12. The parties further agree that the current Basic Capital Grant agreement, including all extensions and amendments, as well as the 1998 and 1999 Premier's Task Force recommended supplemental grant, shall terminate, effective \_\_\_\_\_, and no new funds will be provided under that agreement, subject to the following:
- I) The City agrees to submit a Statement of Funding and Expenditure for the 20\_\_ calendar year-end (December 31) prior to July 1, 20\_\_, and a similar statement each successive year until all funds provided under the agreement, and including all interest earned thereon, have been fully expended according to the conditions of that agreement.
  - II) The City agrees that for any continuing projects accepted under the agreement, the project eligibility criteria and cost-sharing ratio in effect at the time of acceptance will continue to be in effect until the completion of those projects.
  - III) The City further agrees to submit an annual Application for Program Acceptance under the agreement including all continuing projects and any new projects until all funds provided under the agreement are fully expended.
13. The parties further agree that the current Primary Highway Maintenance Grant shall terminate, effective March 31, 20\_\_, and no new funds will be provided under that program.
14. The parties agree to give this Agreement a fair and reasonable interpretation and, when required, to negotiate with fairness and candor any modifications or alteration thereof for the purpose of carrying out the intent of this Agreement and or rectifying any omission in any of these provisions.

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15. Any notice, demand or other document required or permitted to be given under the terms of this agreement shall be sufficiently given to the party to whom it is addressed if delivered or forwarded by Registered or Certified Mail to the Minister at:

Legislature Building  
10800 – 97 Avenue  
Edmonton, Alberta  
T5K 2B6

or to the City at:

City Hall

\_\_\_\_\_  
\_\_\_\_\_, Alberta  
\_\_\_\_\_

or to such address as either party may furnish to the other from time to time.

16. This Agreement shall ensure to the benefit of and be binding to the parties hereto and their successors and assigns.

**IN WITNESS WHEREOF** this Agreement has been duly executed by the parties hereto as of the date first above written;

**SIGNED, SEALED AND DELIVERED**  
by the Province in the presence of:

\_\_\_\_\_

\_\_\_\_\_  
**MINISTER OF  
TRANSPORTATION**

**SIGNED, SEALED AND DELIVERED**  
by the City in the presence of:

\_\_\_\_\_

\_\_\_\_\_  
**MAYOR**

# SCHEDULE 1

## METHODOLOGY TO DETERMINE FUEL DELIVERIES

1. Alberta Treasury, Tax & Revenue Administration (TRA), registers all fuel refiners, importers, and resellers pursuant to the Fuel Tax Act. These registrants together compose all those who deliver fuel to a service station or bulk dealership in the Province of Alberta, and all those who sell fuel for pick-up from a refinery or loading rack.
2. TRA requires monthly reporting from registrants by the 28<sup>th</sup> day of each month, of fuel delivered in the previous month. If the 28<sup>th</sup> falls on a weekend or a government holiday, then the report is due the 29<sup>th</sup> day of the month. There are administrative penalties and fines for not submitting a return when due.
3. TRA will add a new schedule to the tax return. The schedule will require registrants to report separately all taxable gasoline and diesel fuel delivered to a service station or bulk fuel dealership within the City of \_\_\_\_\_ during the reporting period. In this context “delivered” includes delivered by the seller to a location within the City, picked up by a reseller for delivery to his service station or bulk fuel dealership located within the City, or picked up by a consumer from a refinery or loading rack located within the City. No adjustment will be made to account for volumes delivered but not consumed within the City or vice versa. No adjustment will be made for taxable fuel delivered that is subsequently sold tax-exempt.
4. TRA will aggregate the information on the schedules from each of the registrants. As soon as all the information for a reporting period has been obtained, TRA will provide the aggregate volumes to the City of \_\_\_\_\_, and Alberta Transportation.
5. TRA conducts audits of its registrants. It will add to its audit program, a mandatory step to verify the information provided on the schedules by means of the normal audit sampling techniques. If information from a registrant proves to be incorrect, TRA will show the adjustment on the following month’s aggregate volumes.
6. TRA will conduct desk and field audits of fuel tax returns in accordance with its normal priorities and the resources available. TRA will not be required to increase its audit coverage as a result of the addition of the new schedules to the tax return.
7. TRA will co-operate with the City to the greatest extent possible in providing information on volume fluctuations, including why those fluctuations may have occurred. However, TRA will not provide any registrant-specific data to the City.
8. TRA will not seek reimbursement from the City for any costs incurred in providing the information.

# SCHEDULE 2

## *City Transportation Fund Application for Program Acceptance*

City of \_\_\_\_\_

For the Period: \_\_\_\_\_ To \_\_\_\_\_

**SECTION A:**

IGIS Record ID	{1}				{2}		{3}	<u>Duration of Project Estimates</u>		<u>Current Year Estimates</u>			PAPA No.	For City Use
	Project ID				Project Identification		For	Total Project	Actual	{6}	{7}	{8}		
	Proj. No.	Type Code	Phase No.	Work Code	Project Name <small>(Street name or general name)</small>	Limits and Details <small>(or other descriptive information)</small>	A.T. Use Only	Costs All Years	Expenditures Prior to 20__	Calendar Year Total Cost	Non-Eligible Items: GST, Admin, etc.	Net Eligible Costs		
<i>note: shaded areas are for A.T. use only</i>							<b>SUB TOTAL THIS PAGE</b>							
<b>SECTION B:</b>							<b>TOTALS</b>							

<b>SECTION C:</b>	Estimated Provincial Commitment \$ to City Transportation Fund this period _____	<b>SECTION F:</b>	\$ _____	Net Fund Amount
<b>SECTION D:</b>	Carryover of City Transportation \$ Funds From Previous Year _____	<b>SECTION G:</b>	\$ _____	Balance
<b>SECTION E:</b>	Net City Transportation Fund \$ Amount Available this period _____			

\_\_\_\_\_

# SCHEDULE 2

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*City Engineer*

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*City Commissioner*

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*Date*

# SCHEDULE 3-A

## PART A - PROGRAM FUNDING

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**CITY TRANSPORTATION FUND  
STATEMENT OF FUNDING AND EXPENDITURES  
FOR THE CALENDAR YEAR ENDING December 31, 20\_\_\_**

**CITY OF \_\_\_\_\_**

1.	<b>Funds Carried Forward from Previous Year 20___</b>	\$ _____
2.	<b>ADD:</b>	
	a) Funds Received in Current Year	\$ _____
	b) Actual Amount of Income Earned on Funds	\$ _____
	c) Other Credits to Transportation Fund (Specify)	
	i) _____	\$ _____
	ii) _____	\$ _____
	iii) _____	\$ _____
3.	<b>Total Funds Available This Calendar Year</b>	\$ _____
4.	<b>LESS</b> Actual Expenditures (Total Provincial Funds Applied) From <b>PART B – PROJECT EXPENDITURES</b> attached	\$ _____
5.	<b>TOTAL FUNDS CARRIED FORWARD TO YEAR 20___</b>	\$ _____

### COMMENTS:

### PART C - ATTEST - CERTIFICATION - To Alberta Transportation

This is to certify that all information contained in this Statement of Funding and Expenditures represents a true and correct representation of actual funding and expenditures and that this information complies with the guidelines included in the agreement entitled "City Transportation Fund" between the City and Alberta Transportation, dated \_\_\_\_\_. It also certifies that all non-shareable costs, such as G.S.T., and administrative and financing costs, have not been included in the amounts identified as Net Eligible Cost, as these costs are not eligible for Provincial funding.

Dated \_\_\_\_\_ City Engineer \_\_\_\_\_

Dated \_\_\_\_\_ City Manager/  
Commissioner \_\_\_\_\_

Dated \_\_\_\_\_ City Mayor \_\_\_\_\_





## SCHEDULE 3-B