



File No. 32-91

July 5, 2017

Her Worship Ann Seamans
Mayor of Riverview
30 Honour House Court
Riverview NB E1B 3Y9

Dear Mayor Seamans:

The Department of Transportation and Infrastructure (DTI) is now looking ahead to the 2018 construction season and preparing to assess proposals under its Municipal Designated Highway Program. We are requesting that each municipality carefully review its requirements and submit an updated Five-Year Plan. Your submission will be evaluated in conjunction with the needs of all 102 municipalities in the province.

Your updated Five-Year Plan should indicate the proposed priorities for 2018, and list the improvements, proposed design, approximate cost, amount of the municipal contribution and the importance of each request. Capital projects eligible for funding consideration on designated highways are from curb-to-curb or shoulder-to-shoulder, including storm sewer, curb and gutter, street reconstruction and surface treatments.

To assist DTI in considering requests in preparation for the budget process and in coordinating the engineering design of many of these projects, your municipality is asked to update and send your Five-Year Plan to me, with a copy to the DTI District Engineer in your area, as soon as possible, but no later than September 30, 2017. Your local District Engineer will be able to assist you in preparing your priorities for 2018. Further assistance may also be obtained from the Municipal Engineer in DTI's Design Branch, Mr. Raymond Brun. Mr. Brun can be reached at (506) 461-4492.

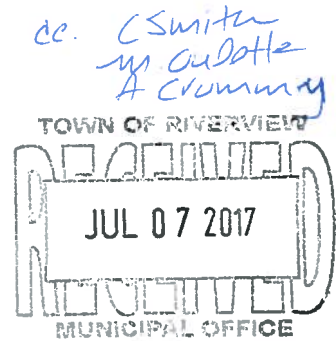
DTI's Municipal Designated Highway Program plays an essential role in the provision of much-needed infrastructure upgrades across the province, while also spurring economic activity and job creation. I therefore look forward to receiving your submission.

Sincerely,

Bill Fraser
Minister

c.c. Clerk
District Engineer

Enc.



Municipal Designated Highway Program

Through its Municipal Designated Highway Program (MDHP), the Department of Transportation and Infrastructure will partner with municipalities in New Brunswick to share eligible and approved costs of maintaining and upgrading provincially designated highways located within municipal boundaries. The fund is \$25 million in 2018-19. Not only will the program contribute to responsible asset management of strategic transportation infrastructure, but it will also generate economic development and create jobs from construction and export activity.

Eligibility

To be considered for funding, all proposed projects must contribute to maintaining or rehabilitating a provincially designated highway in a municipality. Examples of work that will be considered under the program include the following:

- Highway resurfacing
- Highway reconstruction
- Culvert replacement
- Ditching
- Highway widening
- Storm Sewer System
- Curb and Gutter

It should be stressed that the program will not fund trails, land, water main, sanitary sewer, sidewalks, lighting, landscaping, etc. and other costs that DTI does not consider critical to the asset's lifecycle.

Criteria

The criteria by which proposed projects will be evaluated under the MDHP include the following:

- the leverage of funds;
- the potential for job creation and the sustainability of those jobs;
- the readiness of the project; and
- the potential for the bundling of contracts to obtain savings

Financial Assistance Available

Under the MDHP, \$25 million will be available in 2018-2019. This funding will be divided into two pools, a partnering pool where DTI and the municipality will share the eligible project costs and a traditional funding pool where DTI will cover 100% of the eligible project costs.

DTI can partner with municipal governments on eligible projects under the following shared cost amounts:

Municipal share of eligible costs:

Cities: 15% to 50%

Towns: 15% to 25%

Villages: 5% to 15%

Municipal government may source their shares of the required funding from own revenues, the federal government, the Municipal Capital Borrowing Board, but not from any funding amounts received from other provincial entities such as Regional Development Corporation.

To illustrate funding amounts, the following two examples are presented:

Example 1

City A, as part of its Asset Management Plan, proposes to rehabilitate 2 kilometres of a provincially designated highway that travels through its city. The rehabilitation work is expected to cost \$4 million, including the replacement of two culverts and some widening of the road to accommodate increased traffic. As this work would be considered 100% eligible and the applicant has proposed a cost share percentage of 40%, DTI would fund \$2.4 million ($\$4 \text{ million eligible} \times 60\%$)

Example 2

Village B with a proposed cost share percentage of 8%, plans to widen its main street at a cost of \$1 million. At the same time, it plans to replace a deteriorating sidewalk and add trees and shrubbery which is expected to bring the total cost to \$2 million. DTI would fund \$920,000 of this \$2 million project ($\text{eligible work of } \$1 \text{ million} \times 92\%$)

How to Apply

All projects to be considered must be submitted by September 30, 2017 and be part of an updated five-year plan by the municipal applicant. All proposed costs will be verified by DTI before funding is approved. DTI will review the applications and municipalities will be advised of their approved projects and funding amounts by the Minister.

Contact

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Transportation and Infrastructure
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