

# Steveston Harbour Authority

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Mayor and Councillors City of Richmond 6911 No. 3 Road Richmond, BC V6Y 2C1

Via email: mayorandcouncillors@richmond.ca

## RE: CRITICAL STATUS OF THE STEVESTON CANNERY CHANNEL

Dear Mayor Brodie and City Councillors:

I write you today to highlight a major problem that we are continually facing here at Steveston Harbour: maintenance dredging of the Cannery Channel. This is an issue that many of you are likely familiar with to some extent and my hope is that this letter will draw additional awareness and understanding to what I consider to be an existential threat to the functionality of Steveston Harbour as a whole.

As you all know, a vast amount of commerce takes place in Steveston, which is Canada's largest commercial fishing harbour. This economic activity provides employment to hundreds of people, both directly and indirectly. Furthermore, Steveston's storied fishing heritage combined with the fact that it remains an active fishing harbour makes it a truly unique tourist destination. Steveston Harbour is without a doubt, the most popular tourist attraction in the entire City of Richmond and generates vast amounts of revenue for local businesses of all types.

Several years ago, Steveston Harbour Authority's (SHA's) Board of Directors resolved to make its primary goal to transform Steveston Harbour into the central hub of the BC fishing industry. We believe that SHA has made significant progress in achieving this goal by attracting a wide range of fishing-related tenants to our site. This consolidation of services into one convenient central location, combined with SHA's subsidized rates, provides tremendous value to commercial fishers. We believe this value creation will drive growth and prosperity in the area for years to come.

#### Sediment Infill in the Cannery Channel: A Significant, Ongoing Problem

Despite the amazing progress we have achieved in a relatively short period of time, there does however remain an immense, looming issue which threatens the economic sustainability of the entire region: sediment infill in the Cannery Channel. We believe significant steps must soon be taken to address the Cannery Channel's maintenance dredging needs.

The sediment in many sections of the Cannery Channel is quickly approaching critical levels, one such area that is of deep concern to us is a large hump at the entrance of the Cannery Channel. This sediment buildup creates serious navigational and safety hazards, especially for larger vessels. Presently, many large ships may only enter

Steveston at high tide and the situation is worsening with each passing day. The only way to remedy this issue is to enact a regular maintenance dredging campaign that will increase the water depth throughout the channel. It is vital that we ensure Steveston's waterways remain fully accessible so that local commerce may continue unimpeded.

In addition to providing in-water access to Steveston Harbour and housing significant, critical infrastructure for the BC fishing industry, the Cannery Channel is also of great importance to various properties belonging to the City of Richmond. The channel is used by visiting transient boaters who wish to access Steveston Village as well as the Cityowned docks at Imperial Landing and Britannia Heritage Shipyards.

## **Background**

Historically, maintenance dredging of local channels has been the federal government's responsibility. Public Works began dredging in 1901, and in 1982, the responsibility was passed to the Canadian Coast Guard. In 1998, the *Canada Marine Act* transferred responsibility to commercial users and the commercial ports, which resulted in an abrupt halt of dredging activity.

The Port of Vancouver implemented the *Local Channel Dredging Program* in 2009, whereby stakeholders responsible for the 14 local channels along the Fraser River could each apply for up to \$500,000 in funding for the purpose of dredging. While \$500,000 may have potentially been enough to finance dredging for a smaller channel, it was barely enough to even get us started. \$125,000 was spent to dredge the channel entrance and the remainder was put towards a small portion of the western wing of the channel (Phase I). In order to complete the dredging of the western wing, an additional \$786,000 was required, which was provided to us by the City of Richmond and the BC Provincial Government.

Once this work was completed, SHA began actively working with all levels of government in an attempt to raise more funds to dredge the eastern half of the channel. Eventually, SHA entered into a cost-sharing agreement with the City of Richmond and the Province of BC in order to finally complete dredging of the western channel arm (Phase II), a full 5 years after the western portion was dredged. Further to this cost-sharing agreement, SHA contributed \$590,000 of its own funds, making SHA the first and only harbour in the *Small Craft Harbours Program* to have ever contributed funds for the purpose of channel dredging. Funding for dredging is far outside of SHA's mandate, but we had no choice but to provide these last funds in order to enable the dredging project to proceed.

The Port of Vancouver ended the *Local Channel Dredging Program* in 2019, leaving stakeholders of each channel in a precarious position as dredging costs continue to rise. In response to this unwise and abrupt decision, SHA has taken it upon itself to create a "Sediment Management Fund" which is funded by levying a surcharge on all transactions. All money collected in this fund is earmarked for dredging purposes. Despite these efforts, we are still faced with a considerable funding shortfall and thus still require significant aid from other stakeholders in order to finance future dredging projects.

## The Present Reality: Skyrocketing Costs and Long Wait Times

A recent estimate pegged the cost of dredging the entire Cannery Channel to be as much as \$5,000,000, which would be a 79% increase to the cost of the last program, which itself was not sufficient at the time, as we ran out of funds before the entire Channel was dredged. In addition to the shocking sticker price for this work, we also anticipate significant delays in obtaining the permits that are required for channel dredging. This means that SHA must begin the permit application process now if we hope to perform any sort of maintenance dredging in the next two years.

Due to the timing issues and financial constraints laid out above, SHA finds itself in a difficult position as we expect serious navigational and safety hazards to occur if we do not dredge the harbour in the very near future. To this end, we have been lobbying the Provincial and Federal Governments for financial aid as well as potential solutions to the overly burdensome permitting process. We are hopeful that these governmental agencies as well as the City of Richmond are able to assist us in overcoming these challenges.

#### **Our Proposed Solution**

We believe that it is in everyone's best interest to ensure that the Cannery Channel is well-maintained and accessible to all vessels at all times. Similar to the previous dredging campaign, we are proposing that the various stakeholders enter into a cost-sharing agreement to finance the next channel dredging project. At this time, we are requesting that the SHA, City of Richmond and BC Provincial Government each agree to contribute up to 33% of the funding that is necessary to dredge the entire channel to desired grade. We are also engaging with the Federal Government in hopes of including them into the funding agreement as well. Despite Ottawa previously indicating that they would no longer finance local channel dredging, our lobbying efforts appear to be gaining traction as the issue seems to be back on the table for discussion. We are hopeful that by educating them of the Cannery Channel's importance, they will come around and realize that the waterway is far too important for them to ignore. If the Federal Government were included in the proposed funding partnership, it would reduce each party's share to 25% of the total cost.

SHA firmly believes that the financial challenges outlined in this letter can be overcome with the proper inter-governmental collaboration. We look forward to working with you to ensure the continued success of Steveston Harbour and the BC commercial fishing industry. Please call Jaime Gusto at 604-272-5539 or email her at <a href="mailto:jaime@stevestonharbour.com">jaime@stevestonharbour.com</a> so that we may further discuss these issues and plan the next steps accordingly.

Yours truly,

Robert Kiesman, Board Chairman Steveston Harbour Authority

Jaime Gusto, General Manager Steveston Harbour Authority

Cc: SHA Board of Directors