



General Purposes Committee

**Anderson Room, City Hall
6911 No. 3 Road**

**Monday, May 6, 2013
4:00 p.m.**

Pg. # ITEM

MINUTES

GP-4 *Motion to adopt the minutes of the meeting of the General Purposes Committee held on Monday, April 15, 2013.*



PLANNING & DEVELOPMENT DEPARTMENT

- 1. REQUEST OF SUPPORT FROM CITY OF PORT ALBERNI FOR DEVELOPMENT OF A CONTAINER TRANS-SHIPMENT AND SHORT SEA SHIPPING TERMINAL BY THE PORT ALBERNI PORT AUTHORITY**

(File Ref. No. 01-0155-20-01) (REDMS No. 3820060 v.2)

GP-8

See Page **GP-8** for full report

Designated Speaker: Victor Wei

STAFF RECOMMENDATION

That the City of Port Alberni be advised that:

- (1) there is insufficient information available at this time for Council to make an informed decision regarding support for the proposed development of a container trans-shipment and short sea shipping terminal by the Port Alberni Port Authority; and*

- (2) *the request can be reconsidered upon completion of the Port Alberni Port Authority's feasibility study of the proposal, which should include the comparative analysis of alternative options to increase short sea shipping in the Lower Mainland.*



COMMUNITY SERVICES DEPARTMENT

2. **ADMIRALTY POINT FEDERAL LANDS**

(File Ref. No. 01-0157-20-EPAR1) (REDMS No. 3837483)

GP-14

See Page **GP-14** for full report

Designated Speaker: Serena Lusk

STAFF RECOMMENDATION

That a letter be sent to the Federal Government in support of the request to transfer the Admiralty Point Federal Lands in fee simple to Metro Vancouver, or lease the lands in perpetuity, to ensure the preservation of these lands for park-use by future generations of Metro Vancouver's citizens.



ENGINEERING & PUBLIC WORKS DEPARTMENT

3. **WASTE FLOW MANAGEMENT IN METRO VANCOUVER**

(File Ref. No. 10-6405-04-02) (REDMS No. 3823131 v.3)

GP-18

See Page **GP-18** for full report

Designated Speaker: Suzanne Bycraft

STAFF RECOMMENDATION

That the staff report dated April 22, 2013 titled Waste Flow Management in Metro Vancouver, from the Director, Public Works Operations, be received for information.



General Purposes Committee Agenda – Monday, May 6, 2013

Pg. #

ITEM

4. **LADNER STEVESTON LOCAL CHANNEL DREDGING
CONTRIBUTION AGREEMENT 2013**

(File Ref. No. 06-2345-00) (REDMS No. 3837484 v.2)

GP-41

See Page **GP-41** for full report

Designated Speakers: Mike Redpath & John Irving

STAFF RECOMMENDATION

- (1) *That the Ladner Steveston Local Channel Dredging Contribution Agreement as attached to the staff report titled Ladner Steveston Local Channel Dredging Contribution Agreement 2013 from the Senior Manager, Parks and Director, Engineering dated April 16, 2013 be approved;*
- (2) *That the Chief Administrative Officer and the General Managers of Community Services and Engineering and Public Works be authorized to sign the Ladner Steveston Local Channel Dredging Contribution Agreement; and*
- (3) *That staff bring forward the finalized dredging budget and scope for consideration prior to any expenditure commitment.*

☐

ADJOURNMENT

☐



General Purposes Committee

Date: Monday, April 15, 2013

Place: Anderson Room
Richmond City Hall

Present: Mayor Malcolm D. Brodie, Chair
Councillor Chak Au
Councillor Linda Barnes
Councillor Derek Dang
Councillor Ken Johnston
Councillor Bill McNulty
Councillor Linda McPhail
Councillor Harold Steves

Absent: Councillor Evelina Halsey-Brandt

Call to Order: The Chair called the meeting to order at 4:00 p.m.

MINUTES

It was moved and seconded

That the minutes of the meeting of the General Purposes Committee held on Tuesday, April 2, 2013, be adopted as circulated.

CARRIED

FINANCE AND CORPORATE SERVICES DEPARTMENT

1. **BUSINESS REGULATION BYLAW 7538 AMENDMENT BYLAW 9013**
(File Ref. No. 12-8275-01) (REDMS No. 3819436)

It was moved and seconded

That Bylaw 9013 which amends Schedule A of Business Regulation Bylaw 7538 to include 8511 Alexandra Road – Unit 100 among the sites which permits an amusement centre to operate, be introduced and given first, second and third readings.

The question on the motion was not called, as in answer to a query, Glenn McLaughlin, Chief Licence Inspector and Risk Manager advised that Richmond has other businesses that are operating under similar circumstances as those the applicant has applied for.

The question on the motion was then called and it was **CARRIED**.

2. **0791964 BC LTD., DOING BUSINESS AS BROWNS SOCIAL HOUSE
UNIT 1020 –11660 STEVESTON HIGHWAY**
(File Ref. No. 12-8275-30-001) (REDMS No. 3821915)

Glenn McLaughlin, Chief Licence Inspector and Risk Manager, noted that the requested increase to this establishment's hours of service is standard for similar businesses', provided that the businesses meet the required criteria to qualify.

It was moved and seconded

That the application from 0791964 BC Ltd., doing business as Browns Social House, for an amendment to increase their hours of liquor service under Food Primary Liquor Licence No. 303140 from Monday to Sunday 9:00 a.m. to 12:00 a.m. to Monday to Sunday 9:00 a.m. to 2:00 a.m., be supported and that a letter be sent to the Liquor Control and Licensing Branch advising that:

- (1) *Council supports the amendment for an increase in liquor service, as the increase will not have a significant impact on the community;*
- (2) *Council's comments on the prescribed criteria (set out in section 53 of the Liquor Control and Licensing Regulations) are as follows:*
 - (a) *The potential for additional noise and traffic in the area if the application is approved was considered;*
 - (b) *The impact on the community if the application is approved was assessed through a community consultation process and considered;*

General Purposes Committee
Monday, April 15, 2013

- (c) *Given there has been no history of non-compliance with the operation, the amendment to permit extended hours of liquor service under the Food Primary Liquor License should not change the establishment so that is operated contrary to its primary purpose;*
- (3) *As the operation of a licensed establishment may affect nearby residents the City gathered the views of the residents as follows:*
 - (a) *Property owners and businesses within a 50 metre radius of the subject property were contacted by letter detailing the application and provided instructions on how community comments or concerns could be submitted;*
 - (b) *Signage was posted at the subject property and three public notices were published in a local newspaper. This signage and notice provided information on the application and instructions on how community comments or concerns could be submitted; and*
- (4) *Council's comments and recommendations respecting the views of the residents are as follows:*
 - (a) *That based on the number of letters sent and the lack of response received from all public notifications, Council considers that the amendment is acceptable to the majority of the residents in the area and the community.*

CARRIED

3. 2013 ANNUAL PROPERTY TAX RATES BYLAW NO. 9007

(File Ref. No. 03-0925-01) (REDMS No. 3813690 v.2)

A brief discussion ensued, during which Ivy Wong, Manager, Revenue advised that Richmond's farm tax rates are based on the value set up by BC Assessment in the 1970s, which factors in specific value per acre as well as the ability of that particular land to yield crops. It was also noted that non-farm related buildings and land on a farm property are treated separately.

It was moved and seconded

That the 2013 Annual Property Tax Rates Bylaw No. 9007 be introduced and given first, second and third readings.

CARRIED

General Purposes Committee
Monday, April 15, 2013

ADJOURNMENT

It was moved and seconded

That the meeting adjourn (4:06 p.m.).

CARRIED

Certified a true and correct copy of the
Minutes of the meeting of the General
Purposes Committee of the Council of the
City of Richmond held on Monday, April
15, 2013.

Mayor Malcolm D. Brodie
Chair

Shanan Sarbjit Dhaliwal
Executive Assistant
City Clerk's Office



City of Richmond

Report to Committee

To GP-May 6 2013

To: General Purposes Committee

Date: March 21, 2013

From: Victor Wei, P. Eng.
Director, Transportation

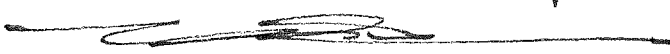
File: 01-0155-20-01/2013-
Vol 01

Re: REQUEST OF SUPPORT FROM CITY OF PORT ALBERNI FOR
DEVELOPMENT OF A CONTAINER TRANS-SHIPMENT AND SHORT SEA
SHIPPING TERMINAL BY THE PORT ALBERNI PORT AUTHORITY

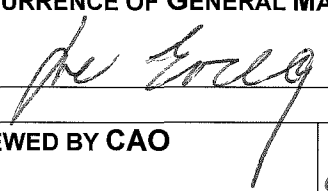


Staff Recommendation

That the City of Port Alberni be advised that:

1. there is insufficient information available at this time for Council to make an informed decision regarding support for the proposed development of a container trans-shipment and short sea shipping terminal by the Port Alberni Port Authority; and
2. the request can be considered upon completion of the Port Alberni Port Authority's feasibility study of the proposal, which should include the comparative analysis of alternative options to increase short sea shipping in the Lower Mainland.


Victor Wei, P. Eng.
Director, Transportation
(604-276-4131)

Att. 1

REPORT CONCURRENCE			
ROUTED TO:		CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Intergovernmental Relations & Protocol Unit		<input checked="" type="checkbox"/>	
REVIEWED BY DIRECTORS	INITIALS: 	REVIEWED BY CAO	INITIALS: 

Staff Report

Origin

The City has received a request from the City of Port Alberni (**Attachment 1**) seeking a letter of support for the proposed development of a container trans-shipment and short sea shipping terminal by the Port Alberni Port Authority (PAPA). This report responds to the request.

Analysis

1. Proposed Container Trans-Shipments and Short Sea Shipping Terminal at Port Alberni

PAPA has identified the development of a container trans-shipment and short sea shipping terminal as its priority long-term initiative. The concept envisions a new terminal on the Alberni Inlet where ships' containers would be off-loaded, sorted and loaded on barges for more direct delivery to their specific distribution hubs along the Fraser River. For example, instead of a ship's containers being off-loaded at Deltaport and then trucked to the Richmond Logistics Hub for distribution, the containers would be barged from Port Alberni directly to the Richmond site. According to PAPA, the concept would:

- mitigate increasing cargo delivery delays in the Lower Mainland area that exist due to a container ship unloading backlog; and
- reduce truck movements throughout the Lower Mainland leading to decreased traffic congestion, less impact to road infrastructure and fewer greenhouse gas emissions.

PAPA states that the concept is intended to provide increased efficiencies and benefits to all ports that are part of the Asia-Pacific Gateway and is not designed to poach other ports' business. PAPA intends to undertake a feasibility study to demonstrate that the concept is economically sound.

PAPA is also seeking status with the federal Asia-Pacific Gateway Corridor Initiative (APGCI), as that program is identified as a significant funding source to support the realization of the concept. Currently, the federal government through the APGCI works in partnership with Port Metro Vancouver and Prince Rupert Port Authority, which are BC's two official Gateway ports. Ultimately, PAPA is seeking official designation as BC's third Gateway port.

2. Potential Benefits of Short Sea Shipping

In principle, water-based transportation has the advantages of a dedicated right-of-way and, relative to land-based transportation, lower infrastructure costs and fewer social and environment impacts. The Fraser River already operates as an efficient mode of transportation for the movement of specific bulk cargos. With growing congestion on the road network and capacity constraints on portions of the rail network, there can be an increasing role for the movement of goods via water transportation.

The City has in the past expressed support for increased waterborne commerce on the Fraser River including short sea shipping (i.e., moving cargo via barges to and from destinations not separated by an ocean). In April 2005, Council considered a report on waterborne initiatives proposed by the Fraser River Port Authority and resolved:

That the City support the efforts of the Fraser River Port Authority to enhance waterborne commerce on the Fraser River by requesting the GVRD to specifically include goods

movement and marine transportation as components in the updated Liveable Region Strategic Plan.

The APCGI is supportive of short sea shipping as the \$1.4 billion program funding includes up to a total of \$20.9 million in five short sea shipping projects in the Lower Mainland. The projects call for the development of specialized facilities (e.g., dock, ramp, fixed-crane infrastructure) that will facilitate the short sea shipping of a variety of cargos (e.g., containers, railcars, break-bulk) that ultimately either originate in Asia or are destined for Asia. These complementary projects are intended to form an integrated short sea shipping network that could potentially carry up to 120,000 forty-foot equivalent units per year. Collectively, the short sea shipping projects are estimated to be capable of reducing the number of trucks on roads in the region by 40,000 trips per year.¹

3. Potential Impacts of PAPA Proposal to Lower Mainland and Richmond

At this time, it is difficult to quantify the potential net direct and indirect economic, social and environment impacts of PAPA's proposal in the Lower Mainland. A comprehensive multiple account evaluation that comparatively assesses not only PAPA's concept but also alternative scenarios whereby ships continue to come to Port Metro Vancouver (PMV) facilities but then use truck or barge transport from there to move the containers to distribution hubs would provide a balanced analysis. The evaluation could provide the insight needed to make an informed decision on the proposal by addressing pertinent topics such as:

- Would a new terminal on Alberni Inlet obviate the need for Deltaport's proposed Terminal 2 expansion?
- Is the cited container unloading backlog at PMV facilities significant enough that the time required to unload, sort and load the containers at the new terminal and then barge them to the Lower Mainland is still less than the status quo (unload and truck from PMV facilities) or an additional option of unload and barge from PMV facilities?
- What is the net impact to overall greenhouse gas emissions when collectively considering all ship, barge and truck movements amongst the options? Would the estimated benefits actually be achieved?
- What are the estimated economic impacts to the Lower Mainland, including Richmond?

Furthermore, the proposal would require the co-operation of Port Metro Vancouver, which may view the concept as competitive rather than collaborative.

4. Response of other Lower Mainland Municipalities

According to the City of Port Alberni staff report, the same letter seeking support for the PAPA proposal was to be sent to seven other municipalities in the Lower Mainland: Vancouver, Surrey, Delta, Burnaby, Coquitlam, Port Coquitlam, and White Rock. Staff at each of these municipalities were contacted to determine their response, if any, to the letter. At the time of writing, none of the

¹ In January 2010, one of the short sea projects was completed with the installation of the Southern Railway of British Columbia (SRY) rail barge ramp at the marine rail terminal on Annacis Island in Delta. The railcar volume expected to be handled at the terminal is close to 6,000 carloads per year, which is estimated to remove approximately 14,000 truck trips per year that currently use the Alex Fraser Bridge and reduce greenhouse gas emissions by approximately 234 tonnes per year.

staff contacted had seen the letter. Some staff suggested that they may not have seen the letter as their respective Councils may have chosen to not seek any comment from staff.

5. Proposed City Response to Request

There are four potential responses to the City of Port Alberni's request as outlined below.

- Option 1 – Provide Letter of Support: this option would recognize the likely overall long-term benefits of increased short sea shipping in the Lower Mainland although the specific costs/benefits of the PAPA proposal are unknown.
- Option 2 – Defer Decision (*Recommended*): the City of Port Alberni would be advised that there is insufficient information available at this time for Council to make an informed decision on the PAPA proposal. Council could request that the City of Port Alberni provide further information upon completion of PAPA's feasibility study and that this study include a comparative analysis of alternative options to increase short sea shipping in the Lower Mainland.
- Option 3 – Deny Support: the City of Port Alberni would be advised that Council has declined to provide a letter support. Staff do not recommend this option as it would be premature to make any decision regarding support for or opposition to the proposal until further information is available to enable an informed decision.
- Option 4 – Do Not Respond: the City would not provide any response to the request. In the interests of continued inter-municipal co-operation, staff do not recommend this option.

Financial Impact

None.

Conclusion

The City of Port Alberni is seeking a letter of support for the development of a container trans-shipment and short sea shipping terminal by the Port Alberni Port Authority (PAPA). While increased short sea shipping in the Lower Mainland likely has net benefits, the specific costs/benefits of the PAPA proposal are unknown. Staff therefore recommend that Council reconsider the request when further information is available upon completion of PAPA's feasibility study, which should also include a comparative analysis of alternative options to increase short sea shipping in the Lower Mainland.

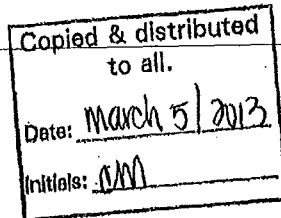


Joan Caravan
Transportation Planner
(604-276-4035)

JC:lce



pl. to treeg

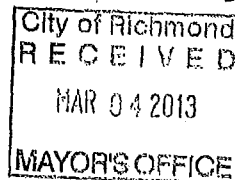


CITY OF PORT ALBERNI

City Hall
4850 Argyle Street,
Port Alberni, B.C. V9Y 1V8
Telephone: 250-723-2146 Fax: 250-723-1003
www.portalberni.ca

February 20, 2013

City of Richmond
Mayor's Office
6911 No. 3 Road
Richmond, British Columbia
V6Y 2C1 Canada



Dear Mayor Brodie:

Re: Support for the Port Alberni Port Authority's Container Trans Shipment & Short Sea Shipping Hub

I write this letter requesting your support towards the proposed concept to develop a Container Trans Shipment and Short Sea Shipping terminal hub by the Port Alberni Port Authority (PAPA).

The concept envisioned by PAPA is in its early stages of feasibility and development. Essentially, the concept involves the construction of a new container port in the Alberni Inlet to capture, sort, and deliver by barge a significant percentage of ocean cargo currently passing by the mouth of the Alberni Inlet along the Great Northern Shipping Route. Much of this cargo is currently destined for the Lower Mainland where it experiences significant off loading and trucking delays or to ports in the states of Washington, Oregon and California where the economic gain to Canada is lost. PAPA's concept will dramatically increase the efficiencies of the logistics chain by receiving and delivering containers just when needed, just where needed and increase the capacity of the overall Asia-Pacific Canada Gateway network.

In addition to the general concept benefits, the proposal will provide a vast number of other positive outcomes that are not only of particular interest to Port Alberni but to communities, like yours, throughout the lower mainland and beyond. The Port and I believe the greatest benefits that your community would realize through the actualization of PAPA's container trans shipment and short sea shipping terminal hub in the Alberni Inlet include:

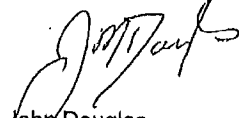
1. Reducing traffic congestion, wear and tear throughout Lower Mainland Infrastructure
2. Reducing traffic congestion will dramatically reduce greenhouse gas (GHG) emissions
3. Reducing number of ship calls and time spent in BC Waters, which also leads to less GHG in coastal BC's atmosphere
4. Capitalizing on underutilized facilities along the Fraser River by maximizing its potential as a "marine highway"
5. Utilizing more container handling facilities in the Vancouver Harbour and along the Fraser River
6. Diversification and strengthening of BC's and Canada's economy
7. In Comparison to the Terminal 2 project, Port Alberni's proposal will result in much smaller environmental impact to land utilization and community exposure

I'm sure you can understand that a project as large as this will have a myriad of other benefits that extend far beyond these particular examples and our communities. In fact, the positive impacts will expand far across the country as PAPA's project will open wider the capacity of the Asia Pacific Gateway.

So, it is for these reasons, and many more, which will be revealed through PAPA's feasibility studies, that the City of Port Alberni requests your support for this project. You may express your support directly to my office, which I will share with PAPA. In this regard, I have attached a support letter from the City of Nanaimo which we recently received.

If desired, representatives of the City and PAPA would be pleased to appear jointly as a delegation to your Council to discuss this matter further. Additionally, if you have any questions about this development please feel free to contact my office at 250-720-2822 and we will be sure to have representatives of PAPA follow up directly with you.

Yours truly,
CITY OF PORT ALBERNI



John Douglas
Mayor

- c. Don Ferster, Chair, Port Alberni Port Authority
Premier Christy Clark
Scott Fraser, MLA Alberni-Pacific Rim



City of Richmond

Report to Committee


TO GP- MAY 6 2013

To: General Purposes Committee
From: Dave Semple
General Manager, Community Services
Re: Admiralty Point Federal Lands

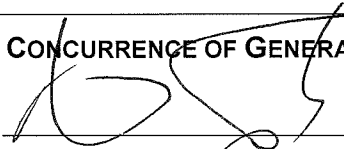

Date: April 16, 2013
File: 01-0157-20-
EPAR1/2013-Vol 01

Staff Recommendation

That a letter be sent to the Federal Government in support of the request to transfer the Admiralty Point Federal Lands in fee simple to Metro Vancouver, or lease the lands in perpetuity, to ensure the preservation of these lands for park-use by future generations of Metro Vancouver's citizens.


Dave Semple
General Manager, Community Services
(604-233-3350)

Att. 1

REPORT CONCURRENCE	
CONCURRENCE OF GENERAL MANAGER 	
REVIEWED BY DIRECTORS 	INITIALS: DW
REVIEWED BY CAO	INITIALS: GD

Staff Report

Origin

The 99-year lease between the Government of Canada and Metro Vancouver for the use of the 76 hectare Admiralty Point Military Reserve recently expired. The Government of Canada is considering options for disposition of the land including the potential disposition to a third party.

The Admiralty Point Military Reserve land is an important waterfront portion of Belcarra Regional Park. The Council of the Village of Belcarra recently passed a resolution requesting the Government of Canada lease or transfer the land to Metro Vancouver in perpetuity to ensure the preservation of these lands for park-use by future generations. The Village of Belcarra is seeking support for this position from other regional municipalities including Richmond.

Analysis

Metro Vancouver staff recently presented a report to the Metro Vancouver Environment and Parks Committee recommending the following:

That the Board:

- a. affirm the importance of the Admiralty Point waterfront lands as part of Belcarra Regional Park and the Regional Parks system (as described in attachment 1 – Statement of Significance); and*
- b. request the fee simple transfer of the Admiralty Point land to Metro Vancouver for addition to Belcarra Regional Park in perpetuity.*

The committee considered these recommendations on April 11th and the outcome of that meeting will be considered by the Metro Vancouver board on April 26th.

In addition to the recommendations, Metro Vancouver staff provided a report for consideration. Key points within the report for consideration are as follows:

- The Government of Canada has invited Metro Vancouver to submit a statement of the significance of the Admiralty Point lands to assist in its deliberations about the range of options for disposition.
- Belcarra Regional Park is the “Stanley Park” of Metro Vancouver’s Northeast sector. It is composed of 1104 hectares of land include 76 hectares of waterfront Admiralty Point Lands.
- The 99-year Admiralty Point lease had no renewal provision and expired in 2011. Since then one-year renewals have been extended for 2012 and 2013 and one contemplated for 2014.

- A statement of significance has been prepared by Metro Vancouver staff which includes characteristics of the land, role in the park, environmental importance, uses, visitation and improvements.
- Metro Vancouver's best interests would be to achieve a fee-simple transfer of lands; failing that, a new 99-year lease with a renewal clause would be the second best choice.
- The Admiralty Point lands are within the traditional territories of 31 First Nations, Tribal Councils and Treaty groups and some of these First Nations have identified the lands as an area of interest.

Based on the information provided in the Metro Vancouver staff report and in recognition of the importance of the Admiralty Point lands to the regional parks system, staff recommend that Council write a letter to the Federal Government supporting the request to transfer the Admiralty Point Lands in a fee simple manner or lease the lands in perpetuity to Metro Vancouver.

Financial Impact

None.

Conclusion

The Admiralty Point Lands are an important part of the regional parks system. Richmond's support for the lands remaining under the management of Metro Vancouver will assist in ensuring the Federal Government understands this importance when considering its options for disposition.



Serena Lusk
Manager, Parks Programs
(604-233-3344)

To: GVRD Board of Directors

From: Environment and Parks Committee

Date: April 11, 2013 Meeting Date: April 26, 2013

Subject: **Belcarra Regional Park - Admiralty Point Lands Statement of Significance**

ENVIRONMENT AND PARKS COMMITTEE RECOMMENDATION

That the Board affirm the importance of the Admiralty Point waterfront lands as part of Belcarra Regional Park and the Regional Parks system, as described in attachment 1 of the March 28, 2013 report titled "Belcarra Regional Park – Admiralty Point Lands Statement of Significance."

At its April 11, 2013 meeting, the Environment and Parks Committee considered the attached report titled "Belcarra Regional Park - Admiralty Point Lands Statement of Significance", dated, March 28, 2013. The Committee subsequently passed part a) of the recommendation as presented above and referred part b) of the recommendation to a closed meeting for consideration.

Attachment:
"Belcarra Regional Park - Admiralty Point Lands Statement of Significance", dated, March 28, 2013



City of Richmond

Report to Committee

To GP - May 6 2013

To: General Purposes Committee

Date: April 22, 2013

From: Tom Stewart, ASCT.
Director, Public Works Operations

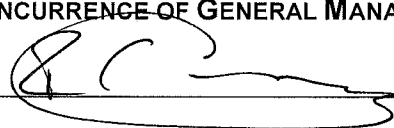
File: 10-6405-04-02/2013-
Vol 01

Re: **Waste Flow Management in Metro Vancouver**

Staff Recommendation

That the staff report titled "Waste Flow Management in Metro Vancouver", dated April 22, 2013 from the Director – Public Works Operations, be received for information.

Tom Stewart, ASCT.
Director, Public Works Operations
(604-233-3301)

REPORT CONCURRENCE	
CONCURRENCE OF GENERAL MANAGER 	
REVIEWED BY DIRECTORS	INITIALS: DW
REVIEWED BY CAO	INITIALS: ED

Staff Report

Origin

Metro Vancouver is currently spearheading consultation on waste flow management options to ensure alignment with the sustainability principles of the Integrated Solid Waste and Resource Management Plan (ISWRMP), including enhancing waste reduction and recycling as part of working toward the waste diversion targets established under the approved ISWRMP (70% by 2015 and 80% by 2020).

The consultation program is being undertaken with government and industry representatives in two phases: Phase 1 (November, 2012 – January, 2013) was to consider initial feedback from which to develop a draft recommended approach. Phase 2, which is currently underway through to the end of May, 2013, is to receive and consider consultation on the recommended approach. The outcome of the consultation process and a recommended approach for waste flow management will be presented to the Metro Vancouver Board in July, 2013.

This report provides further information on this issue and highlights the importance of regional actions designed to manage the flow of waste within the region.

Analysis

Background

The ISWRMP identifies that Metro Vancouver will retain management control of regional disposal facilities in order to ensure that waste reduction and diversion goals can be applied uniformly at all regional disposal facilities. This will ensure equity for all residents and businesses within the region while supporting growth and development of the recycling sector. As part of maintaining management control, the ISWRMP allows for the region to institute flow control measures designed to ensure that the municipal solid waste or the garbage portion is delivered only to regional disposal facilities. Flow control initiatives outlined in the plan include measures such as: requiring that all municipal solid waste originating from within the region be delivered to approved facilities; a split fee bylaw; franchising of waste collection services and licensing of waste collection service providers.

There is an issue currently where at least one commercial hauler is bypassing regional disposal facilities and disposing of residential and commercial solid waste outside of the region (i.e. waste export). This results in lost revenues since these hauler/s avoid paying tipping fees which are needed to support the regional system. The estimated annual loss from current waste export activities is \$5 million annually (50,000 tonnes). Further, any hauler who exports waste can avoid complying with material disposal bans and prohibitions. These are regulatory tools which are required to reduce disposal and promote recycling. Without these tools, the economic viability of the recycling industry and established waste diversion goals are compromised. In addition, disposal of waste outside of the region creates an uneven playing field for the waste management industry. Should Metro Vancouver be unsuccessful in mitigating this trend, it will likely result in further waste export practices.

Failure to implement waste flow management measures will likely result in other commercial haulers following suit to remain competitive. This will further compromise the viability of the regional solid waste management infrastructure through lost revenues needed to maintain the infrastructure, and would lead to higher costs to support continued operation of the system and/or reduced levels of service. The economic viability of the recycling industry would also be compromised since the regulatory tools designed to promote growth in this sector (higher tipping fees, bans and prohibitions) would be undermined since these requirements could not be enforced where waste is exported outside the region.

Consultation Process

Metro Vancouver has undertaken consultation with government staff and industry. Generally, government support managing waste within the region and recognize the importance of this initiative to growth in the recycling sector. Industry is generally not supportive due to concerns of government involvement in disposal facilities, long-term cost impacts, and the potential to stifle innovation.

Summary documents, including comments and key themes arising from the consultation workshops, is included in Attachment 1.

The consultation process began in November, 2012 and is scheduled to continue through the end of May, 2013. Metro Vancouver staff expect to report to their Board in July, 2013 as per the following timeline:

- Phase 1 Engagement and Consultation to receive and consider initial feedback (November 16, 2012 – January 25, 2013). Consultation activity includes:
 - Government staff and industry workshops
 - Online feedback and written comments
- Deliver draft recommended approach and phase 1 consultation results to Zero Waste Committee (February 28) and Board (March 15)
- Phase 2 Engagement and Consultation to receive and consider consultation feedback on draft recommended approach (March to May 2013). Consultation activity to include:
 - Stakeholder workshop (April 18)
 - Special meeting of Zero Waste Committee (May 2)
 - Online feedback and written comments
- Deliver to Zero Waste committee and Board in July:
 - Phase 2 consultation results
 - Recommended approach
 - Bylaw
- Submit bylaw for Ministry of Environment approval: Summer, 2013

Proposed Approach

Metro Vancouver's proposed approach would require residential and commercial garbage to be delivered to regional facilities. Source-separated recyclable materials and materials such as

construction or demolition waste would be exempted. The regulatory tool would be a regional bylaw stipulating this requirement.

Richmond staff consider that the proposed approach meets the waste management control objectives of the ISWRMP in the least obtrusive and administratively efficient manner. By requiring residential and commercial garbage to be delivered to regional facilities, the regional transfer station and disposal network can be sustained at the least cost to the region overall. A level playing field for industry can be maintained, and most importantly, the economic viability of the recycling sector can be maintained and strengthened through disposal bans and prohibitions and through management of the tipping fee.

Financial Impact

None

Conclusion

The ISWRMP has established aggressive waste diversion targets of 70% by 2015 and 80% by 2020. In order to ensure these targets can be achieved and to foster economic growth and private sector investment in waste reduction and recycling infrastructure, it is important to implement waste flow management measures which direct garbage to regional disposal facilities.

A consultation process is currently underway, led by Metro Vancouver, to seek input into waste flow management. This report presents an update on the consultation process to date as well as information on how this initiative supports the waste diversion targets outlined in the ISWRMP. Outcomes of the consultation process and a proposed regulatory approach will be presented to the Metro Vancouver Board in July.



Suzanne Bycraft
Manager, Fleet & Environmental Programs
(604-233-3338)

SJB:

January 8, 2013

**Metro Vancouver Waste Flow Management
Engagement and Consultation Program
Government Staff Workshop
December 6, 2012**



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SERVICES AND SOLUTIONS FOR A LIVABLE REGION

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1. Overview

The communities of the Metro Vancouver region have endorsed progressive waste reduction and recycling goals as part of the Integrated Solid Waste Resource Management Plan (ISWRMP). Metro Vancouver has the authority for the management of municipal solid waste in the region.

Metro Vancouver and the City of Vancouver apply disposal bans on recyclable materials to help meet the regional diversion goals at the Regional Facilities they manage (transfer stations and disposal facilities). The garbage tipping fee at Regional Facilities is set based on cost recovery through a user fee. This fee also encourages the diversion of recyclables including yard trimming and food scraps as they are typically processed at a lower cost. Differential tipping fees and material disposal bans are key tools to meet the waste reduction and recycling goals. Metro Vancouver will implement additional disposal bans on food scraps and wood waste by 2015.

However, certain haulers are currently delivering some residential and commercial and institutional (ICI) waste to disposal facilities other than Regional Facilities, therefore bypassing the waste diversion tools put in place at those facilities.

Bypassing the Regional Facilities allows those commercial haulers to:

- Avoid disposal bans and prohibitions in effect at Regional Facilities, which are designed to encourage diversion and recycling
- Avoid paying their fair share of the costs to maintain a reliable regional waste management system that is available for everyone for the long term
- Create an uneven playing field for commercial haulers that continue to use Regional Facilities.

If action is not taken, and more commercial haulers continue to bypass Regional Facilities, it is likely that the region will not be able to enhance the local recycling industry, achieve the diversion targets set out in the ISWRMP, or deliver cost-effective and convenient waste management services for all residents and businesses throughout the region.

To enable the region to encourage waste reduction and recycling, Metro Vancouver staff identified a range of waste flow management options. These options were shortlisted from a larger selection currently implemented by jurisdictions throughout North America. A staff preferred waste flow management approach was then developed through comparison of the options to a set of guiding principles and also an operational and legal review of the options.

The preferred approach would require all residential and ICI municipal solid waste generated in the Region to be delivered to Regional Facilities, except for material specifically exempted. To promote compliance, the preferred approach would involve licensing of waste haulers.

On September 21, 2012, the Greater Vancouver Sewerage and Drainage District (GVS&DD) Board considered the report titled "Waste Flow Management Update" and directed staff to initiate consultation on the waste flow management options and the staff preferred approach presented in the report.

The objectives of the engagement and consultation program are to provide potentially impacted and interested stakeholders with:

Metro Vancouver Waste Flow Management
Government Staff Workshop Summary – December 5, 2012

- information on waste flow issues facing Metro Vancouver, and waste flow management options
- information on the preferred approach and how it was identified
- opportunities for input regarding the preferred waste flow management approach and the other potential options.

As part of the engagement and consultation program, Metro Vancouver hosted stakeholders at two waste flow management workshops:

- December 5, 2012 for government staff
- December 6, 2012 for industry representatives.

Staff will consider all input received in the development of the recommended Waste Flow Management approach.

Engagement and Consultation Program Timeline

- Phase 1 Engagement and Consultation to receive and consider initial feedback (November 16, 2012 – January 25, 2013). Consultation activity includes:
 - Government staff and industry workshops
 - Online feedback and written comments
- Deliver draft recommended approach and phase 1 consultation results to Zero Waste Committee (February 28) and Board (March 15)
- Phase 2 Engagement and Consultation to receive and consider consultation feedback on draft recommended approach (March to May 2013). Consultation activity to include:
 - Stakeholder workshop (April)
 - Special meeting of Zero Waste Committee (May)
 - Online feedback and written comments
- Deliver to Zero Waste committee and Board in July:
 - Phase 2 consultation results
 - Recommended approach
 - Bylaw
- Submit bylaw for Ministry of Environment approval: Summer 2013

2. Government Staff Workshop

The Government Staff Workshop on Metro Vancouver Waste Flow Management took place December 5, 2012 from 8:30 am to 1:00 pm at the Firefighters' Club Banquet and Conference Centre in Burnaby, BC.

Invitees to the workshop included:

- Member municipal staff (members of Metro Vancouver regional advisory committees and waste reduction coordinators)
- Staff of First Nations and tribal councils/associations whose traditional territories lie within, overlap, or have an interest in Metro Vancouver, Fraser Valley Regional District (FVRD) and Squamish-Lillooet Regional District (SLRD)
- Staff of adjacent regional districts, including FVRD and SLRD
- Government agency staff (e.g. Ministry of Environment)

Metro Vancouver Waste Flow Management
Government Staff Workshop Summary – December 5, 2012

- Private sector representatives who requested to attend the government workshop.

The specific objectives of the workshop were to provide information and receive input related to:

- waste flow issues facing Metro Vancouver
- waste flow management experience in other jurisdictions
- a preferred approach identified by Metro Vancouver staff
- other potential waste flow management options.

The workshop included presentations by:

Paul Henderson
Manager, Solid Waste Department
Metro Vancouver

- Metro Vancouver Waste Flow Management

Gord Helm
Manager, Solid Waste Resources
Halifax Regional Municipality

- The Halifax Experience

Denis Goulet
Vice President and General Manager
Miller Waste Systems

- A Hauler's Experience in Halifax

Presentations and supporting documents are available at:

<http://www.metrovancouver.org/services/solidwaste/planning/Engagement/Pages/WasteFlowManagement.aspx>

The presentations were followed by a panel Q & A and group discussions, which allowed participants to contribute to several table topics. Participants were provided a discussion guide with background on waste flow management and the information on the following topics:

1. core requirements of the preferred approach
2. hauler licensing parameters (thresholds, cost, future opportunities)
3. mechanisms to uphold excellent and cost-effective service delivery at Regional Facilities
4. enforcement and compliance
5. exemptions
6. other options for waste flow management.

3. Participation

Twenty-nine (29) representatives from the following organizations participated in the Metro Vancouver waste flow management government staff workshop:

- BC Ministry of Environment
- City of Burnaby
- City of Coquitlam
- City of North Vancouver
- City of Port Moody
- City of Richmond

Metro Vancouver Waste Flow Management
Government Staff Workshop Summary – December 5, 2012

- City of Surrey
- City of Vancouver
- Corporation of Delta
- District of North Vancouver
- District of West Vancouver
- Fraser Valley Regional District
- North Shore Recycling Program
- Peter's Band
- Ridge Meadows Recycling
- Squamish-Lillooet Regional District
- Stó:lō Tribal Council
- Township of Langley
- Ts'elxweyeqw Tribe
- UBC Electoral Area A

The following industry representatives also participated:

- Progressive Group (government relations consultant)

4. Feedback

Input at the waste flow management industry workshop was received via:

- Participant comments and questions during the panel Q&A (as documented by a note-taker)
- Participant comments and questions during small group discussions (as documented on flip chart paper by table note-takers)

All comments and questions received at the workshop will be responded to in an issue and response table that will form part of the engagement and consultation report to be presented to Metro Vancouver's Zero Waste Committee and Board early in 2013.

In addition, stakeholders were encouraged to provide written feedback on forms provided at the workshop and through an online feedback form on the Metro Vancouver website.

5. Key Themes

The key themes emerging from the panel Q&A and discussion groups are as follows:

Core requirements of the Preferred Approach

- General support for the preferred approach of requiring residential and commercial waste to be delivered to Regional Facilities and licensing haulers
- Support for the preferred approach due to potential benefits of tracking data
- Some participants support the preferred approach but do not support development of new waste-to-energy capacity
- Support for managing waste within the region
- Interest in the impact of waste flow management on the region's disposal tipping fee and diversion rate

**Metro Vancouver Waste Flow Management
Government Staff Workshop Summary – December 5, 2012**

- Interest in the deployment of resources and education to help generators reduce and recycle waste
- Opportunities for haulers to diversify services offered to clients especially if they are introducing more diversion options
- Opportunities for development of private processing facilities and markets for source-separated recyclable materials
- Concern about how the preferred approach could affect both large and small haulers, particularly those at the region's eastern border
- Concern the preferred approach may stifle hauler innovation or that it may be seen as an attempt to control the free market
- Concern regarding unintended consequences including: contamination of the recycling stream, illegal dumping, and overwhelming the capacity for processing and markets for recyclable materials.

Hauler licensing parameters

- Support for licensing all designated haulers in the region, regardless of size – viewed as more equitable than using a tonnage threshold to determine which haulers to license
- Interest in a phased approach to licensing, perhaps starting with larger haulers, in order to facilitate the transition for licensing and enforcement staff and for industry
- Licensing only the haulers that collect above a certain threshold quantity may be used as an advantage by some businesses, or allow haulers to circumvent requirement to use Regional Facilities (e.g. by forming smaller subsidiaries)
- Interest in haulers maintaining records on the location of collection, amount of waste collected, type of waste collected – some individuals noted that many of these records are already kept
- Opportunity identified for municipalities and the region to acquire valuable data on waste flow and composition
- Publicize both compliant and non-compliant haulers.

Mechanisms to uphold excellent and cost-effective service delivery at Regional Facilities

- Streamline procedures at facilities and ensure ease of access to enable efficient drop-off of multiple materials at each site
- Monitor and manage wait times and processing times
- Suggestion to separate commercial and residential haulers to allow commercial users to utilize an automatic-scale system to reduce processing times
- Collect feedback from customers through hotlines, feedback forms and surveys
- Centralize a complaint system to determine areas for improvement
- Ensure that operating hours and staff resources reflect peak demand periods
- Consider minimizing travel time, perhaps through one-stop transfer stations.

Enforcement and compliance

- Support for ensuring and promoting fairness
- Suggestions for penalties for violations include facilities bans, public disclosure of non-compliant haulers, or significant fines

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Metro Vancouver Waste Flow Management
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- Support for incremental penalties for repeated violations
- Interest in the proof to be required to determine compliance
- Interest in municipalities assisting with enforcement by requiring hauler licenses as a pre-requisite for new or renewed business licenses
- Interest in contingency planning for clients whose service would be affected should their hauler's license be revoked
- Suggestion to focus efforts on waste generators and use haulers to educate generators.

Exemptions

- General support for the list of materials proposed by Metro Vancouver to be exempted from the requirement to be delivered to Regional Facilities (Proposed exempted materials are those materials currently being processed at By-Law 181 Licensed Facilities along with new source separated materials specifically permitted under By-Law 181 licenses)
- There were mixed opinions on a suggestion to direct source-separated organics to appropriate facilities, which would extend beyond the current scope of engagement and consultation that relates to waste flow management for residential and commercial mixed waste only, not source-separated organics:
 - Some participants felt introducing this new suggested requirement would prevent substandard organics processors from entering the market.
 - Some participants supported exempting organics from any requirement to be delivered to Regional Facilities or other facilities, as outlined in the preferred approach, noting the Metro Vancouver region does not currently have enough organics processing capacity.

Other Options for Waste Flow Management

- Concern some of the other options identified would be difficult to implement
- Concern that the preferred approach may be an extreme solution
- Comment that open market innovation leads to reduced costs to the taxpayers
- Comment that keeping garbage tipping fees high encourages recycling business development
- Suggestion that allowing residential and commercial waste to be delivered to Non-Regional Facilities may make sense for eastern Metro Vancouver municipalities in regards to distance and convenience, as long as users of Non-Regional Facilities are accountable to compensate users of the regional system for the impact of the loss in revenue
- Some support for municipalities collecting all residential and commercial waste rather than just single family waste. This would allow the opportunity to try different contractual requirements or programs on various waste and recycling streams with the generators to see what works to encourage recycling. It would create a one-stop-shop type of service level
- Some support for franchising for commercial and multi-family waste given that franchising would reduce traffic and allow municipalities more control on waste management services
- Support for working with partners, including municipalities, to achieve objective of the preferred approach
- Support for user-pay approaches and price differential for disposal and diversion

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- Noted that pay-as-you-throw at the generator level may be another mechanism to recover funds for solid waste system operation
- Noted that other regional districts should be allowed / encouraged to use Regional Facilities
- Suggestion to consider a new approach of allowing use of Non-Regional Facilities coupled with municipal requirements to recycle at the source
- Noted that tax-based split tipping fee would not change the municipal tax or utility rate as the tipping fee is already included in this rate
- Concern that options under consideration should not undermine the user-pay principle (e.g. charging per bag).
- Noted that franchising and municipalities providing all waste management services are similar models
- Noted that options other than the preferred approach put pressure on municipalities and impede competition
- Concerns regarding legalities around franchising
- Noted that the status quo is an option, i.e. don't implement any new waste flow management measures.

6. Next Steps

Metro Vancouver is accepting feedback as part of Phase 1 of the Metro Vancouver Waste Flow Management Engagement and Consultation Program until January 25, 2013. You may submit your feedback by visiting Metro Vancouver's website and completing an online feedback form available at:
<http://www.metrovancouver.org/services/solidwaste/planning/Engagement/Pages/WasteFlowManagement.aspx>

Your comments may also be sent before January 25, 2013 to one of the addresses below.

<p>Email: icentre@metrovancouver.org</p> <p>Please include 'Waste Flow Management' in the subject line</p>	<p>Mail: Paul Henderson Manager, Solid Waste Department Metro Vancouver 4330 Kingsway Burnaby, BC V5H 4G8</p>
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Phase 2 - March to May 2013: You will have more opportunities to provide feedback on the upcoming draft recommended approach, which Metro Vancouver will present in March after taking into consideration your initial feedback from Phase 1. The engagement and consultation program timeline is outlined on page 2 of this document.

Final recommended approach – Summer 2013: Metro Vancouver staff will present the final recommended approach based on feedback from Phases 1 and 2 to its Board in July, and then submit it to the Ministry of Environment for approval.

Following Board and Ministry approval of the final approach and any required bylaw provisions, Metro Vancouver will work closely with municipalities, regional processors and haulers, and building owners and managers to put the approach into effect throughout the region.

January 8, 2013

**Metro Vancouver Waste Flow Management
Engagement and Consultation Program**
Industry Workshop
December 6, 2012



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1. Overview

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Metro Vancouver and the City of Vancouver apply disposal bans on recyclable materials to help meet the regional diversion goals at the Regional Facilities they manage (transfer stations and disposal facilities). The garbage tipping fee at Regional Facilities is set based on cost recovery through a user fee. This fee also encourages the diversion of recyclables including yard trimming and food scraps as they are typically processed at a lower cost. Differential tipping fees and material disposal bans are key tools to meet the waste reduction and recycling goals. Metro Vancouver will implement additional disposal bans on food scraps and wood waste by 2015.

However, certain haulers are currently delivering some residential and commercial and institutional (ICI) waste to disposal facilities other than Regional Facilities, therefore bypassing the waste diversion tools put in place at those facilities.

Bypassing the Regional Facilities allows those commercial haulers to:

- Avoid disposal bans and prohibitions in effect at Regional Facilities, which are designed to encourage diversion and recycling
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To enable the region to encourage waste reduction and recycling, Metro Vancouver staff identified a range of waste flow management options. These options were shortlisted from a larger selection currently implemented by jurisdictions throughout North America. A staff preferred waste flow management approach was then developed through comparison of the options to a set of guiding principles and also an operational and legal review of the options.

The preferred approach would require all residential and ICI municipal solid waste generated in the Region to be delivered to Regional Facilities, except for material specifically exempted. To promote compliance, the preferred approach would involve licensing of waste haulers.

On September 21, 2012, the Greater Vancouver Sewerage and Drainage District (GVS&DD) Board considered the report titled "Waste Flow Management Update" and directed staff to initiate consultation on the waste flow management options and the staff preferred approach presented in the report.

The objectives of the engagement and consultation program are to provide potentially impacted and interested stakeholders with:

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**Metro Vancouver Waste Flow Management
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- information on waste flow issues facing Metro Vancouver, and waste flow management options
- information on the preferred approach and how it was identified
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As part of the engagement and consultation program, Metro Vancouver hosted stakeholders at two waste flow management workshops:

- December 5, 2012 for government staff
- December 6, 2012 for industry representatives.

Staff will consider all input received in the development of the recommended Waste Flow Management approach.

Engagement and Consultation Program Timeline

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 - Online feedback and written comments
- Deliver to Zero Waste committee and Board in July:
 - Phase 2 consultation results
 - Recommended approach
 - Bylaw
- Submit bylaw for Ministry of Environment approval: Summer 2013

2. Industry Workshop

The industry workshop on Metro Vancouver Waste Flow Management took place December 6, 2012 from 9:30 am to 2:00 pm at the Firefighters' Club Banquet and Conference Centre in Burnaby, BC.

Invitees to the workshop included:

- waste hauling companies
- Waste Management Association of BC (and individual members)
- solid waste management facility representatives licensed under Bylaw 181
- potential licensees under Bylaw 272 (the amending Bylaw to Bylaw 181)
- residential and commercial property owners and managers
- construction and development industry associations
- non-profit groups, product stewardship associations

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- large waste generators, retail sector representatives
- resident, business, and ratepayers associations

The specific objectives of the workshop were to provide information and receive input related to:

- waste flow issues facing Metro Vancouver
- waste flow management experience in other jurisdictions
- a preferred approach identified by Metro Vancouver staff
- other potential waste flow management options.

The workshop included presentations by:

Paul Henderson
Manager, Solid Waste Department
Metro Vancouver

- Metro Vancouver Waste Flow Management

Gord Helm
Manager, Solid Waste Resources
Halifax Regional Municipality

- The Halifax Experience

Denis Goulet
Vice President and General Manager
Miller Waste Systems

- A Hauler's Experience in Halifax

Presentations and supporting documents are available at:

<http://www.metrovancouver.org/services/solidwaste/planning/Engagement/Pages/WasteFlowManagement.aspx>

The presentations were followed by a panel Q & A and group discussions, which allowed participants to contribute to several table topics. Participants were provided a discussion guide with background on waste flow management and the information on the following topics:

1. core requirements of the preferred approach
2. hauler licensing parameters (thresholds, cost, future opportunities)
3. mechanisms to uphold excellent and cost-effective service delivery at Regional Facilities
4. enforcement and compliance
5. exemptions
6. other options for waste flow management.

The group discussions were limited to three rotations and the workshop was adjourned early due the departure of a significant number of participants. To encourage input from all participants and other interested parties during Phase 1 of the engagement and consultation process, the deadline for written input was extended from the original date of December 31, 2012 to January 25, 2013 (refer to Section 6 for details). Metro Vancouver is also scheduling a follow-up meeting with the Waste Management Association of BC.

3. Participation

Fifty-eight (58) representatives from the following organizations participated in the Metro

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Metro Vancouver Waste Flow Management
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Vancouver waste flow management industry workshop:

- Action Bins
- AECOM
- AjM Disposal Services Ltd.
- Aspera Recycling Inc.
- Basran Industries Ltd.
- Belkorp Environmental Services Inc.
- BFI Canada Inc.
- BSI Biodegradable Solutions
- Cascades Recovery Inc.
- Cloverdale Fuel Ltd.
- Coast Waste Management Association (CWMA)
- Earth Renu Energy Corp.
- Econopro Site Services
- Ecowaste
- Emeltek Int. Services Inc.
- Emterra Environmental
- Encorp Pacific (Canada)
- Fraser Richmond Soil & Fibre / Urban Wood Waste Recyclers
- Gaia Strategies
- Green Coast Rubbish
- Independent Contractors and Businesses Association
- IPL Plastics Inc.
- Ivanhoe Cambridge
- LBIX
- Leonare Gastown
- Livable Laneways
- Lonsdale Quay Market
- Maple Leaf Disposal Ltd.
- Mini Bins
- Net Zero Waste Inc.
- Pacific Mattress Recycling Inc.
- Progressive Group
- Smithrite Disposal
- Super Save Disposal
- Tidy Bins
- Urban Development Institute
- University Neighbourhoods Association
- Urban Impact Recycling
- Vedder Transportation Group
- Waste Control Services Inc.
- Wastech
- West Coast Plastic Recycling Inc.
- WM - Waste Management of Canada Corp.
- Yaletown BIA.

4. Feedback

Input at the waste flow management industry workshop was received via:

- Participant comments and questions during the panel Q&A (as documented by a note-taker)
- Participant comments and questions during small group discussions (as documented on flip chart paper by table note-takers)

All comments and questions received at the workshop will be responded to in an issue and response table that will form part of the engagement and consultation report to be presented to Metro Vancouver's Zero Waste Committee and Board early in 2013.

In addition, stakeholders were encouraged to provide written feedback on forms provided at the workshop and through an online feedback form on the Metro Vancouver website.

5. Key Themes

The key themes emerging from the panel Q&A and discussion groups are as follows:

Core requirements of the Preferred Approach

- Concern with licensing as a component of the preferred approach.
- Concern with requirement for use of Regional Facilities without assurance of reasonable pricing and high service levels.
- Concern regarding potential longer-term cost increases for both customers and haulers
- Concern with potential for rapid future upward trend in tipping fees
- Concern that Metro Vancouver may not be providing a sufficient level of service at regional facilities and may be impeding innovation
- Concern regarding haulers being penalized for loads containing materials banned from disposal; there is no onus placed on customers to comply with material disposal bans
- Rationale for waste flow management questioned; if waste diversion is the target, Metro Vancouver should regulate the source instead of the haulers
- Noted that flow control is unnecessary/excessive; other mechanisms and assets are available
- Noted that Regional Facilities need to improve service levels
- Concern that many banned materials are required to be collected/separated but the infrastructure/market is not in place for many of these materials
- Noted that there may be new business opportunities (innovation, competition) resulting from the preferred approach; Metro Vancouver/municipalities should support these new opportunities (additional capacity, service levels, material recovery facilities)
- Concern that this would create a government monopoly of disposal facilities and would eliminate potential private investment in the disposal sector.
- Noted that the preferred approach creates potential for private investment in the recycling sector. However, Metro Vancouver and other legislative and regulatory

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Industry Workshop Summary – December 6, 2012

bodies make it challenging for the recycling sector to grow in response to the demand (facility licenses, siting, costs, etc).

Hauler licensing parameters

- Opposition to licensing; preference noted for requiring use of Regional Facilities without any licensing, neither now nor as part of a phased approach (bylaw first)
- Licensing will not contribute to increased diversion
- Licensing produces an excessive administrative burden on haulers
- Concern that licensing is excessive and that all haulers are being punished for the poor performance of a few
- Support for levelling the playing field for haulers, but not through proposed licensing systems
- Concerns regarding costs resulting from requiring haulers to keep detailed records of waste collected; haulers could be paid to provide data
- If licensing is pursued, all commercial haulers, regardless of size, should be licensed.

Mechanisms to uphold excellent and cost-effective service delivery at regional facilities

- Reduce wait time and processing time
- Support for tracking cost per tonnes, ease of use, processing time, wait time, traffic flow, and level of convenience
- Support for additional transfer and processing capacity/facilities
- Support for Metro Vancouver/facility operators tracking and reporting service-level performance measures to Waste Management Association of BC(WMABC)
- Support for quarterly review and reporting of tracked performance indicators and Metro Vancouver / Facility Operator responses to WMABC
- Support for utilizing service level guarantees, incentives to transfer station operators for providing effective service, effective communication between owners and operators
- Support for frequent industry consultation (e.g. a Metro Vancouver/industry committee)
- Some participants suggested that different contractors should operate each Metro Vancouver facility to promote competition and cost-effectiveness.

Enforcement and compliance

- Support for strong enforcement efforts
- Education program required for haulers and generators
- Regulations should be enforced at source
- Interest in determining enforcements costs
- Support for consequences for haulers not following regulations
- Suggestion to recognize compliant haulers
- Concern regarding high costs of licensing efforts to haulers, which may be passed to consumers
- Concern that licensing may foster more illegal dumping
- Concern with impact of revoked licenses on clients. Will clients be informed of their haulers' infractions and warnings?

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- Concern that haulers with contaminated loads cannot go to Regional Facilities but they can go to the private sector who will take those loads and either separate them themselves or get rid of them inappropriately.

Exemptions

- Concern with difficulties resulting from loads that have both exempt and non-exempt materials
- Concern with inadequate source separation
- Source separation could be encouraged by more frequent pick up of recyclables and less frequent pick up of garbage
- Other suggestions for exempted materials included: electronics (which are already prohibited from Regional Facilities), Styrofoam, and materials going to material recovery facilities
- Suggestion for exemptions for mixed waste when inadequate source separation is not the fault of the hauler
- Concern that exempt items are only exempt because they have no value to Metro Vancouver
- Suggestion for surveillance in waste sorting areas of ICI generators to help enforce source separation
- Confusion about which waste streams were being discussed. Education will be needed so that haulers know what materials are covered by the new by-law.

Other options for Waste Flow Management

- Support for user-pay (e.g. charging per bag)
- Preference for reduced tipping fee / economic incentive
- Noted different options have different enforcement costs
- Suggestion for an open market system (e.g. private transfer stations) as it could reduce costs and wouldn't require a bylaw
- Request for a better mechanism to pass disposal ban surcharges to offending source generators
- Suggestion for allowing waste to go to non-Regional Facilities also, if they have the same or comparable standards as Regional Facilities
- Comment that this is being implemented to protect current and future capital assets (i.e. new waste-to-energy facility)

6. Next Steps

Metro Vancouver is accepting feedback as part of Phase 1 of the Metro Vancouver Waste Flow Management Engagement and Consultation Program until January 25, 2013. You may submit your feedback by visiting Metro Vancouver's website and completing an online feedback form available at:
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Industry Workshop Summary – December 6, 2012

Email: icentre@metrovancover.org Please include 'Waste Flow Management' in the subject line	Mail: Paul Henderson Manager, Solid Waste Department Metro Vancouver 4330 Kingsway Burnaby, BC V5H 4G8
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Phase 2 - March to May 2013: You will have more opportunities to provide feedback on the upcoming draft recommended approach, which Metro Vancouver will present in March after taking into consideration your initial feedback from Phase 1. The engagement and consultation program timeline is outlined on page 2 of this document.

Final recommended approach – Summer 2013: Metro Vancouver staff will present the final recommended approach based on feedback from Phases 1 and 2 to its Board in July, and then submit it to the Ministry of Environment for approval.

Following Board and Ministry approval of the final approach and any required bylaw provisions, Metro Vancouver will work closely with municipalities, regional processors and haulers, and building owners and managers to put the approach into effect throughout the region.



City of Richmond

Report to Committee

To GP-May 6 2013.

To: General Purposes Committee
From: Mike Redpath,
Senior Manager, Parks

Date: April 16, 2013
File: 06-2345-00/Vol 01

John Irving, P.Eng. MPA
Director, Engineering

Re: **Ladner Steveston Local Channel Dredging Contribution Agreement 2013**

Staff Recommendations

1. That the Ladner Steveston Local Channel Dredging Contribution Agreement as attached to the staff report "Ladner Steveston Local Channel Dredging Contribution Agreement," from the Senior Manager Parks and Director Engineering dated April 16, 2013 be approved.
2. That the Chief Administrative Officer and the General Managers of Community Services and Engineering and Public Works be authorized to sign the Ladner Steveston Local Channel Dredging Contribution Agreement.
3. That staff bring forward the finalized dredging budget and scope for consideration prior to any expenditure commitment.

Mike Redpath
Senior Manager, Parks
(604-247-4942)

John Irving
Director, Engineering
(604-276-4140)

Att. 2

REPORT CONCURRENCE			
ROUTED TO:		CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Law		<input checked="" type="checkbox"/>	
REVIEWED BY DIRECTORS	INITIALS: 	REVIEWED BY CAO	INITIALS:

Staff Report

Origin

At the October 22, 2012 regular Council meeting, the following recommendations were approved in response to the report: Steveston Harbour Long Term Development Concept Update 2012:

- (1) That no greater than \$2.0M in funding from utility provisions be approved as the City's proportionate share for the dredging of the Steveston Channel, which will only be expended upon the approval and commitment by senior governments of matching grants;*
- (2) That Council forward a letter to the Richmond MLAs, MPs, Port Metro Vancouver, Small Craft Harbors and the Steveston Harbour Authority seeking financial support for the future dredging of the Local Area channel in Steveston Harbour; and*
- (3) That Richmond's portion of the funding be applied towards supporting the filling of Lot H, including compensation credits for the red zone.*

The purpose of this report is to provide an update on the Steveston channel dredging project and obtain Council approval for the Steveston Ladner Local Channel Dredging Contribution Agreement (the "Agreement" - **Attachment 1**). The Agreement establishes the process and future funding framework and working relationship between the City, Delta, Port Metro Vancouver (PMV) and the Province of British Columbia for future cooperative dredging in Ladner and Steveston.

Analysis

Since 2009, the City has been working with PMV, the Province, and other stakeholders to develop a strategy and identify funding sources to alleviate the sedimentation problems that are occurring in Steveston Channel.

On December 17, 2012, a joint funding commitment by PMV, the Department of Fisheries and Oceans, the BC Ministry of Transportation and Infrastructure, the Corporation of Delta and the City was announced to undertake local channel dredging around Ladner and Steveston (the "Project").

Following the funding announcement, a steering committee comprising the four funding partners, was established. PMV is the lead agency for the Project and has assigned a Project manager who is responsible for the dredging contractor and securing all regulatory approvals. Dredging has been scheduled to start this summer.

The Agreement

The Agreement specifies that the City, Delta, PMV and others as necessary will work collaboratively to identify areas in need of dredging. For the City and Delta, their respective contributions would only be applied to areas under their jurisdiction- e.g. City monies would only be spent in Richmond. The Agreement also includes mutual indemnification by all parties.

PMV has advised that the agreement must be executed by all parties prior to the Provincial election on May 14, to avoid any increased risk of alternate decision making by the Province. PMV has also advised that the Agreement has now been signed by all parties except the City.

The Agreement as prepared by PMV and the Province does identify potential draft volumes of sediment to be removed, and estimated costs, however it is recognized by PMV and the City that the stated volumes and costs do not reflect accurate data and these numbers will need to be revised upwards to ensure adequate dredging in Steveston Channel. PMV confirms this in their memo dated April 23, 2013 (**Attachment 2**). Section 6.3 of the Agreement explicitly states that "...no Party has any payment of other financial obligations..." until such time as the budget and scope are approved by all Parties, excepting planning, design and RFP costs. Once defined, the final budget and scope will be brought forward to Council for approval.

PMV also confirms that they are moving forward with assessing the feasibility of the habitat enhancement project at the east end of Steveston Harbour that aligns with Council's support of the SHA Long Term Development Concept. PMV could potentially use material from Steveston Channel for the habitat enhancement project, yielding significant cost benefits.

Request for Proposal:

A Request for Proposal (RFP) has been drafted by PMV and is currently on BC Bid and proposals are being solicited for alternative dredging options for both the Steveston and Ladner Channels. The RFP details volumes of sediment to be dredged, specific locations along the existing navigable channels, and seeks methods for dredging (e.g. suction dredging, clamshell removal) and disposal options (on land, river or deep-sea).

Given the limited funding available for dredging at present, the alternative dredging options and associated costs for disposal proposals will be received and no City commitments for either dredging or commitment of funding will be undertaken without future Council approval.

Complementary Dredging:

Specific areas in Steveston outside of the navigable channel which are the responsibility of the City to dredge include Scotch Pond, Imperial Landing Lot H, and Britannia. The city will be able to secure preferred rates and capitalize on the mobilization of dredging equipment and disposal options thus potentially reducing the cost of dredging independently in the future. Subject to confirmation of pricing through the existing RFP process, staff will investigate opportunities for complementary dredging for these specific City owned submerged areas as well.

Financial Impact

Finalized budget and scope for dredging would be presented to Council for consideration prior to expenditure commitment, excepting that planning, design and RFP costs would be committed to immediately under the Agreement. The expected costs to the City are anticipated to be less than \$100k.

Council approved \$2M in funding for dredging cost sharing that remains unspent.

Conclusion

The proposed agreement provided in **Attachment 1** represents the best opportunity for the City to advance dredging in the Steveston Channel in 2013. Should the agreement be endorsed, staff will work with the other parties to define the final budget and scope and return this to Council for approval.



Mike Redpath
Senior Manager, Parks
(604-247-4942)



John Irving, P.Eng. MPA
Director, Engineering
(604-276-4140)

**LADNER STEVESTON LOCAL CHANNEL DREDGING CONTRIBUTION
AGREEMENT**

THIS AGREEMENT made as of the 12th day of April, 2013 (the "Effective Date").

BETWEEN:

VANCOUVER FRASER PORT AUTHORITY, a corporation established pursuant to the *Canada Marine Act*, having an office at 100 the Pointe, 999 Canada Place, Vancouver, B.C. V6C 3T4 ("VFPA")

AND:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the Minister of Transportation and Infrastructure, having an office at 940 Blanshard Street, P0 Box 9850 Stn Prov Govt, Victoria, B.C. V8W 9T5 (the "Province")

AND:

THE CORPORATION OF DELTA, a municipal corporation having an office at 4500 Clarence Taylor Crescent, Delta, B.C. V4K 3E2 ("Delta")

AND:

THE CITY OF RICHMOND, a municipal corporation having an office at 6911 No. 3 Road, Richmond, B.C. V6Y 2C1 ("Richmond")

WHEREAS:

- A. VFPA, the Province, Delta and Richmond (collectively, the "Parties", and individually, a "Party") wish to support port communities and tenants, help to protect existing business activity, and create an opportunity for new investment in Steveston and Ladner;
- B. The Project is the result of an agreement by the Parties publically announced on December 17th, 2012 with the stated objectives of facilitating and improving the movement of commercial and recreational vessels in five designated local channels (Deas Slough, Ladner Reach, Ladner Harbour, Canoe Pass and Sea Reach) within the Corporation of Delta and the designated local channel (Cannery Channel) at Steveston Harbour in the City of Richmond;

- C. The Parties wish to meet the objectives of the Project through the cost-effective planning, design, dredging and funding of the Project;
- D. The Parties agree that VFPA will be responsible for delivery and implementation of the Project in accordance with the terms and conditions of this Agreement;
- E. The Parties have formed a Steering Committee for the purposes of reviewing and approving scope, schedule and budget impacts and ensuring compliance with Project objectives; and
- F. The Parties will each provide a fixed funding contribution for the Project on the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of these premises and other good and valuable consideration (the receipt and sufficiency of which is acknowledged by each of the Parties), the Parties agree as follows:

1.0 DEFINITIONS

- 1.1 In this Agreement (including the recitals) the following terms will have the meanings as defined below:
 - (a) “Agreement” means this contribution agreement and all schedules, as may be amended from time to time;
 - (b) “Delta Maximum Project Contribution” means \$2.0 Million;
 - (c) “Delta Representative” means the person designated by Delta as its representative for the purposes of this Agreement;
 - (d) “Event of Default” means any of the events described in Section 12.1;
 - (e) “Ladner Local Channel Dredging Project” means the dredging of Deas Slough, Ladner Reach, Ladner Harbour, Canoe Pass and Sea Reach as shown in Schedule “A”;
 - (f) “Maximum Project Contribution” means, as the context requires, one or more of the Province Maximum Project Contribution, Delta Maximum Project Contribution, Richmond Maximum Project Contribution or VFPA Maximum Project Contribution;
 - (g) “Project” means the development, design, dredging and associated works associated with the Ladner Local Channel Dredging Project and the Steveston Local Channel Dredging Project, the scope of which are generally described in Schedule “A”;

- (h) "Project Completion" means the condition obtained when the Project, except for those items which are or may be the subject of a warranty claim, has been completed to the satisfaction of VFPA and each Party has paid all monies owing by it under this Agreement;
- (i) "Project Costs" means the Eligible Project Costs of completing the Project as defined in Schedule "B";
- (j) "Project Manager" means the consultant retained by VFPA to coordinate delivery of the Project;
- (k) "Project Scope" means the scope of the Project described in Schedule "A" or as changed by the Parties in accordance with this Agreement;
- (l) "Province Maximum Project Contribution" means \$3.0 Million;
- (m) "Province Representative" means the person designated by the Province as its representative for the purposes of this Agreement;
- (n) "Representative" and "Representatives" mean, as the context requires, one or more of the Province Representative, Delta Representative, Richmond Representative or VFPA Representative;
- (o) "Richmond Maximum Project Contribution" means \$2.0 Million;
- (p) "Richmond Representative" means the person designated by Richmond as its representative for the purposes of this Agreement;
- (q) "Steering Committee" means the committee established to oversee the implementation of the Project consisting of the Parties' Representatives;
- (r) "Steveston Local Channel Dredging Project" means the dredging of Cannery Channel at Steveston Harbour as shown in Schedule "A";
- (s) "VFPA Maximum Project Contribution" means \$2.75 Million;
- (t) "VFPA Representative" means the person designated by VFPA as its representative for the purposes of this Agreement.

2.0 SCHEDULES

2.1 The following Schedules are attached to and form part of this Agreement:

- (a) Schedule "A" - Project Scope
- (b) Schedule "B" - Eligible and Ineligible Costs

- (c) Schedule "C" - Draft Budget Spreadsheet

3.0 PROJECT DELIVERY

3.1 VFPA will, subject to available funding:

- (a) deliver the Project in accordance with the terms of this Agreement;
- (b) fully inform the Steering Committee of the work done and to be done by VFPA in connection with the Project;
- (c) expend funds received under this Agreement in accordance with the terms of this Agreement and only for the purpose of covering Project Costs;
- (d) promptly notify the Steering Committee of any proposed changes that may have a significant impact on the scope, schedule or budget of the Project and obtain the prior written consent of each Party before implementing such changes;
- (e) ensure all procurement processes for the Project comply with public procurement policies of VFPA and that such processes are fair, equitable, open, transparent and competitive and that proponents are afforded a full and fair opportunity to compete;
- (f) comply with all applicable laws, statutes, regulations, by-laws, and directions of all governmental and statutory authorities issued under lawful authority;
- (g) implement the Project in accordance with appropriate standards and specifications; and
- (h) ensure all consents, permits, licences, certificates and approvals necessary to complete the Project are obtained prior to commencement of dredging as part of the Project.

3.2 VFPA will ensure that all communications materials including, but not limited to, media releases, public responses, events and printed materials are provided in advance to the Province, Delta and Richmond for review, input and approval, ensuring reasonable time is provided for such review, input and approval to take place. All public announcements made by VFPA concerning the Project, including publications, news releases, public communications and presentations regarding the Project, will acknowledge contributions of the Province, Delta and Richmond including their significance as a percentage of the Project contributions by all Parties.

3.3 VFPA will provide reasonable notice to the Province, Delta and Richmond Representatives of any proposed ceremony related to the Project.

- 3.4 The Parties and the Representatives of the Parties will work cooperatively and make all decisions required of them under this Agreement in an expeditious, efficient and timely manner during the delivery of the Project to ensure that the schedule for the Project is maintained and to avoid claims for delay by Project design consultants and construction contractors.

4.0 PROVINCE, DELTA, RICHMOND AND VFPA REPRESENTATIVES

- 4.1 The Province Representative, the Delta Representative, the Richmond Representative and the VFPA Representative will each participate on the Steering Committee and will have authority as members of the Steering Committee to participate in Project decisions on behalf of their respective Party, in accordance with the following conditions and processes:
- (a) If any Party wishes to make a change to the Project Scope, it will propose the change to the Steering Committee for consideration;
 - (b) The Representatives of all Parties will participate in decisions related to both the Ladner Local Channel Dredging Project and the Steveston Local Channel Dredging Project;
 - (c) The Province Representative, the Delta Representative and the VFPA Representative will participate in decisions solely related to the Ladner Local Channel Dredging Project;
 - (d) The Province Representative, the Richmond Representative and the VFPA Representative will participate in decisions solely related to the Steveston Local Channel Dredging Project;
 - (e) Decisions of the Steering Committee, or the parts of it referred to in paragraphs (c) and (d) must be made by consensus; and
 - (f) The Steering Committee cannot amend the terms of this Agreement or affect the Maximum Project Contribution of a Party.
- 4.2 Concurrently with the execution of this Agreement, each Party will designate its Representative and delegate authority to that person to administer this Agreement, make decisions and act on its behalf in accordance with the scope of that delegated authority with respect to matters related to the Project. Each Party will notify each of the other Parties as to the name of its Representative.
- 4.3 Each Party's Representative may, at their discretion, consult each other Party's personnel and consultants, as may be required to obtain any approvals, appropriations and authorizations, and the Parties will co-operate to give each other sufficient time to arrange for such consultations and obtain such approvals, appropriations and authorizations.
- 4.4 The Steering Committee shall meet monthly. As determined by the VFPA Representative, the VFPA Representative or the Project Manager shall chair the meeting.

Each Representative shall attend each Steering Committee meeting, in person or by telephone conference, or send a knowledgeable delegate.

- 4.5 A Party may change its Representative by written notice to the other Parties.

5.0 REPORTING AND ACCOUNTING

- 5.1 VFPA will:

- (a) commencing June 30, 2013 and within THIRTY (30) days after the end of every calendar quarter thereafter during the term of this Agreement, provide written quarterly reports (or at such other frequency as agreed to by the Parties) to the Steering Committee, and will immediately advise the Steering Committee of any change that may have a significant impact on the scope, schedule or budget of the Project;
- (b) establish and maintain accurate books of account and records including supporting documentation of all Project expenditures, including Project Costs;
- (c) permit the Province, Delta and Richmond, at any time or times during normal business hours and for up to THREE (3) years after the end of the term of this Agreement, to copy or audit, or both, any or all of the books of account and records (including supporting documentation) referred to in paragraph (b);
- (d) commencing June 30, 2013 and within THIRTY (30) days after the end of every calendar quarter thereafter during the term of this Agreement, provide to each Party a report of all Project activities undertaken and all Project Costs incurred in the previous calendar quarter, together with a written quarterly invoice for payment within THIRTY (30) days after the invoice is delivered to the Party; and
- (e) within NINETY (90) days following Project Completion, provide to the Province, Delta and Richmond a statement of all expenditures made on the Project clearly accounting for all Project Costs and a "Dredging Close-out Report" which generally summarizes all relevant aspects of all Project dredging and channel design, together with any warranty or other outstanding issues related to the Project.

6.0 PAYMENT

- 6.1 The Parties will pay, up to their respective Maximum Project Contribution, incremental quarterly payments to VFPA within THIRTY (30) days after receipt of and based on quarterly reports and invoices referred to in section 5.1. Without limiting section 5.1, such reports and invoices will include:

- (a) progress of Project activities to date and brief description of activities planned for the next quarter;

- (b) an up-to-date summary of actual Project Costs;
 - (c) a description of any significant difficulties encountered, any anticipated claims for extra Project Costs or any other actual or anticipated deviations from the Project budget, schedule or other plans; and
 - (d) an invoice to each Party for payment, signed by the VFPA Representative, in the amount of no more than that Party's proportionate share of all Project Costs incurred in the quarter to which the invoice relates.
- 6.2 Subject to sections 6.3 to 6.5, the Parties agree that it is intended that Project Costs will be shared by the Parties in general conformance with the pro-rata contributions set out in the draft budget spread sheet, attached as Schedule "C". For clarity, Project Costs attributable to or for the benefit of both the Steveston Local Channel Dredging Project and the Ladner Local Channel Dredging Project will be shared by all Parties; Project Costs solely attributable to or for the benefit of the Steveston Local Channel Dredging Project will be shared by Richmond, the Province and VFPA; and Project Costs solely attributable to or for the benefit of the Ladner Local Channel Dredging Project will be shared by Delta, the Province and VFPA.
- 6.3 Subject to section 6.4, the Parties agree that no Party has any payment or other financial obligations under this Agreement until such time as all Parties have approved:
- (a) a final budget for the Project, which includes each Party's contributions to the Project or components of it, to replace that set out in Schedule "C"; and
 - (b) an updated Project Scope to replace that set out in Schedule "A",
- and the Parties further agree that such budget for the Project and updated Project Scope are to be completed prior to VFPA entering into contracts for the implementation of the Project or incurring Project Costs, other than costs for the development, planning and design of the Project.
- 6.4 Despite section 6.3, the Parties will share equally the Project Costs for the development, planning and design of the Project and the request for proposal process.
- 6.5 In no event will any Party's payments or payment obligations under this Agreement exceed its Maximum Project Contribution.
- 7.0 TERM**
- 7.1 Subject to the termination of this Agreement under section 12.2, the term of this Agreement commences on the Effective Date and ends on the date that Project Completion is achieved.

- 7.2 Despite any other provision in this Agreement, sections 5.1(c) and (e), 10.2 and 13.1 survive the expiration or termination of the term of this Agreement.

8.0 REPRESENTATIONS AND WARRANTIES

- 8.1 Each Party represents and warrants to the other Parties with the intent that the other Parties will rely thereon in entering into this Agreement and in completing their obligations under this Agreement that:
- (a) it has the power, capacity and authority, to accept, execute and deliver its obligations under this Agreement;
 - (b) there is no claim or litigation pending or threatened against it which would affect its right to enter into and carry out its obligations under this Agreement;
 - (c) the execution of this Agreement and its performance will not result in a breach of any statute, bylaw or other enactment or of any agreement affecting it; and
 - (d) this Agreement is binding upon and enforceable against it in accordance with its terms.
- 8.2 VFPA represents and warrants to the Province, Delta and Richmond with the intent that the Province, Delta and Richmond will rely thereon in entering into this Agreement that:
- (a) VFPA has, or will retain, the skills and experience necessary to carry out the Project in a professional, competent, timely and diligent manner; and
 - (b) all information statements, documents and reports furnished or submitted by VFPA to the Province, Delta and Richmond Representatives in connection with this Agreement are true and correct to the best of VFPA's knowledge.
- 8.3 All statements contained in any certificate, application or other document delivered by or on behalf of VFPA to the Province, Delta and Richmond Representatives under this will be deemed to be representations and warranties by VFPA under this Agreement.
- 8.4 All representations, warranties, covenants and agreements made in this Agreement and all certificates, applications or other documents delivered by or on behalf of VFPA are material and will conclusively be deemed to have been relied upon by the Province, Delta and Richmond and will continue in full force and effect during the continuation of this Agreement.
- ## **9.0 RELATIONSHIP**
- 9.1 The Parties agree that nothing in this Agreement constitutes any of them as the agent, joint venturer or partner of any other Party or gives any of them any authority or power to

bind any other Party in any way and that all obligations imposed under this Agreement will be several and not joint.

- 9.2 VFPA will not in any manner whatsoever commit or purport to commit the Province, Delta or Richmond or its Representative for the payment of money to anyone.

10.0 FUTURE OPERATION AND MAINTENANCE

- 10.1 VFPA will ensure that until Project Completion, all aspects of the Project are conducted in compliance with all applicable laws, statutes, regulations, by-laws and directions of all governmental and statutory authorities issued under lawful authority.
- 10.2 At the request of the Steering Committee, the Project Manager will develop a 10-year dredging maintenance plan for the five designated local channels within the Corporation of Delta and the one designated local channel at Steveston Harbour in the City of Richmond, which will reflect available funding and will include recommendations for implementation. For clarity, responsibility for undertaking any maintenance dredging is outside the scope of this Agreement.

11.0 CONFIDENTIALITY

- 11.1 Subject to provisions of the *Access to Information Act* or *Freedom of Information and Protection of Privacy Act*, as applicable, each Party will treat as confidential all information supplied to or obtained by it as a result of this Agreement and will not permit the publication, release or disclosure of the same without the prior written consent of the other Parties or their Representatives except if such disclosure is necessary to enable VFPA to fulfill its obligations under this Agreement and to the other Parties in relation to the Project or pursuant to a statutory obligation.

12.0 DEFAULT

- 12.1 Any of the following events will constitute an Event of Default, namely if:
- (a) a Party fails to comply with any provision of this Agreement such as to materially negatively affect the delivery of the Project;
 - (b) any representation or warranty made by a Party in this Agreement is untrue; or
 - (c) any information, statement, certificate, report or other document furnished or submitted by or on behalf of VFPA pursuant to or as a result of this Agreement is untrue.
- 12.2 Upon the occurrence of any Event of Default and at any time thereafter, each of the non-defaulting Parties may, notwithstanding any other provision of this Agreement, at its discretion exercisable by written notice to the other Parties:

- (a) during the continuation of such Event of Default, suspend any payment which would otherwise be payable by it under this Agreement; or
 - (b) terminate this Agreement.
- 12.3 Any rights, powers and remedies conferred on a Party under this Agreement or under any statute or law are not intended to be exclusive and each shall be cumulative and in addition to and not in substitution for every other right, power and remedy existing or available under this Agreement, at law or in equity.
- 12.4 The exercise by a Party of any right, power or remedy will not preclude the simultaneous or later exercise by that Party of any other right, power or remedy.

13.0 INDEMNITY

- 13.1 Each Party will indemnify and save harmless the other Parties, their agents, servants, employees, officers and directors (collectively, the "Indemnified Parties") from and against any and all losses, claims, damages, actions, causes of action, costs and expenses that the Indemnified Parties may sustain, incur, suffer or be put to at any time, either before or after the expiration or termination of this Agreement, where the same or any of them are based on or arise out of anything done or omitted to be done by a Party or its agents, servants, employees, officers, directors, or subcontractors.

14.0 ASSIGNMENT

- 14.1 No Party will, without the prior written consent of the other Parties, assign, whether directly or indirectly, this Agreement or any right under this Agreement.

15.0 NOTICES

- 15.1 Any notice, consent, waiver, statement, other document or payment that any Party may desire or be required to give or deliver to the others will be conclusively deemed validly given or delivered to and received by the addressee, if delivered personally on the date of delivery or, if mailed, on the fifth business day after the mailing of the same in Canada by prepaid post addressed,

if to VFPA:

Attention: Tom Corsie
Vancouver Fraser Port Authority
100 The Pointe, 999 Canada Place
Vancouver, B.C. V6C 3T4
Facsimile: 604-665-9062

if to the Province:

Attention: Svein Haugen
940 Blanshard Street, P0 Box 9850 Stn Prov Govt
Victoria, B.C. V8W 9T5
Facsimile: 250-356-6970

if to Delta:

Attention: Sean McGill
The Corporation of Delta
4500 Clarence Taylor Crescent
Delta, B.C. V4K 3E2
Facsimile:

and if to Richmond:

Attention: Dave Semple
The City of Richmond
6911 No. 3 Road
Richmond, B.C. V6Y 2C1
Facsimile:

15.2 Any Party may, from time to time, give written notice to the other Parties of any change of address of the Party giving such notice and after the giving of such notice the address therein specified will be conclusively deemed to be the address of the Party giving such notice.

15.3 Any notice, report, direction or other document transmitted by facsimile transmission from any Party to another Party will be conclusively deemed validly given to and received by the intended recipient when so transmitted to the facsimile numbers the Parties so advise.

16.0 DISPUTE RESOLUTION

16.1 If any dispute arises under this Agreement, the Parties involved in the dispute will attempt to make decisions regarding resolution of the dispute efficiently, quickly and cost effectively.

16.2 The Parties involved in a dispute under this Agreement will disclose, subject to applicable laws, to each other all relevant information and documents regarding the dispute in a timely fashion with the intent that the Parties resolve any dispute between them within fourteen (14) days of the dispute arising (or within such other time period agreed to by those Parties) through amicable negotiations, failing which those Parties will resolve the dispute by referring the matter to the following representatives of the Parties for resolution or such other representatives as may be appointed by the Parties from time to time:

- (a) the Assistant Deputy Minister, Partnerships Department, for the Province;
- (b) the Chief Administrative Officer, Delta;
- (c) the Chief Administration Officer, Richmond; and
- (d) the Vice President, Real Estate, VFPA.

- 16.3 If a dispute under this Agreement is not resolved within fourteen (14) days of the dispute being referred to the persons identified in section 16.2, or within such other time period agreed to in writing by the Parties to the dispute, the dispute must be resolved by arbitration to which any Party to the dispute may refer the matter. Such arbitration must be conducted by a sole arbitrator appointed under the British Columbia *Commercial Arbitration Act*. The Parties to the dispute will agree on the arbitrator or, failing agreement, the arbitrator will be appointed in accordance with the rules of the British Columbia International Commercial Arbitration Centre and the *Commercial Arbitration Act*.
- 16.4 The cost of the arbitration will be shared equally by the Parties to the dispute and the arbitration will be governed by the laws of the Province of British Columbia.
- 16.5 The arbitration will be conducted at a location agreed upon by the Parties to the dispute.

17.0 NON-WAIVER

- 17.1 No term or condition of this Agreement and no breach by any Party of any such term or condition will be deemed to have been waived unless such waiver is in writing signed by the other Parties.
- 17.2 The written waiver of any breach of any term or condition of the Agreement will not be deemed a waiver of such term or condition or of any subsequent breach of the same or any other term or condition of this Agreement.

18.0 ENTIRE AGREEMENT

- 18.1 This Agreement constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement.

19.0 FURTHER ACTS AND ASSURANCES

- 19.1 Each of the Parties will, upon the reasonable request of any other Party, make, do, execute or cause to be made, done or executed all further and other lawful acts, deeds, things, devices, documents, instruments and assurances whatever for the better or more perfect and absolute performance of the terms and conditions of this Agreement.

20.0 TIME OF ESSENCE

20.1 Time will be of the essence of this Agreement.

21.0 INTERPRETATION

21.1 This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia.

21.2 The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope of any provision of this Agreement.

21.3 Any reference to a statute in this Agreement, whether or not that statute has been defined, includes all regulations at any time made under or pursuant to that statute and any amendments to that statute.

21.4 In this Agreement wherever the singular or neuter is used it will be construed as if the plural or masculine or feminine, as the case may be, had been used where the context so requires.

21.5 No amendment or modification to this Agreement will be effective unless it is in writing and duly executed by the Parties.

21.6 If any provision of this Agreement or the application of it to any person or circumstances is invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to any other person or circumstance will not be affected or impaired thereby and will be enforceable to the extent permitted by law.

21.7 All dollar amounts expressed in this Agreement refer to lawful currency of Canada.

22.0 SUCCESSORS AND ASSIGNS

22.1 This Agreement will enure to the benefit of and be binding upon the Parties and their successors and permitted assigns.

23.0 GENERAL

23.1 Each Party is providing a fixed funding contribution only and each Party expressly disclaims any intention of creating a partnership and nothing in this Agreement shall constitute the Parties to be partners or constitute any Party to be the agent of the any other Party.

23.2 VFPA is entering into this Agreement on its own behalf and not as agent of Her Majesty in right of Canada.

- 23.3 The Province, Delta and Richmond each confirm that they have not, nor has any person on its behalf, given, promised or offered to any official or employee of VFPA or Her Majesty in right of Canada for or with a view to obtaining this Agreement any bribe, gift or other inducement and that it has not had any person on its behalf employed to solicit or secure this Agreement for a commission, percentage, brokerage or contingent fee.

IN WITNESS WHEREOF the Parties have executed this Agreement the day and year first above written.

VANCOUVER FRASER PORT AUTHORITY

by its authorized signatories:

President and CEO

Corporate Secretary

**HER MAJESTY THE QUEEN IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA**, represented
by the Minister of Transportation and Infrastructure

Minister or authorized representative

**THE COMMON SEAL OF THE CORPORATION
OF DELTA** was hereunto affixed in the presence of:

(Signature, Title)

(Signature, Title)

**THE COMMON SEAL OF THE CITY of
RICHMOND** was hereunto affixed in the presence of:

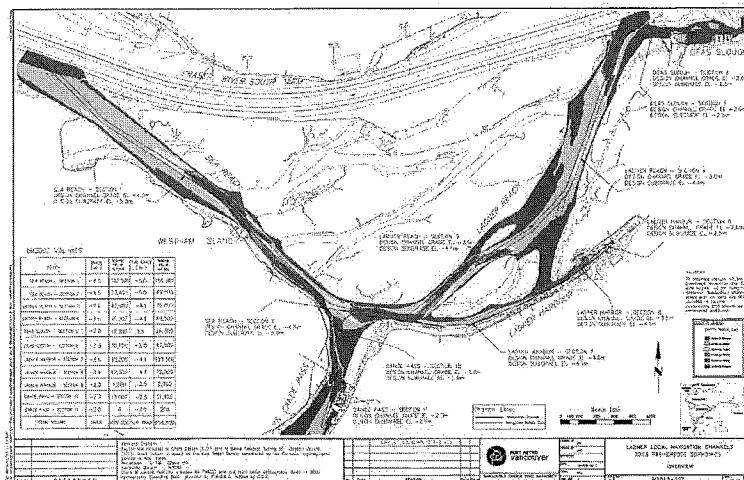
(Signature, Title)

(Signature, Title)

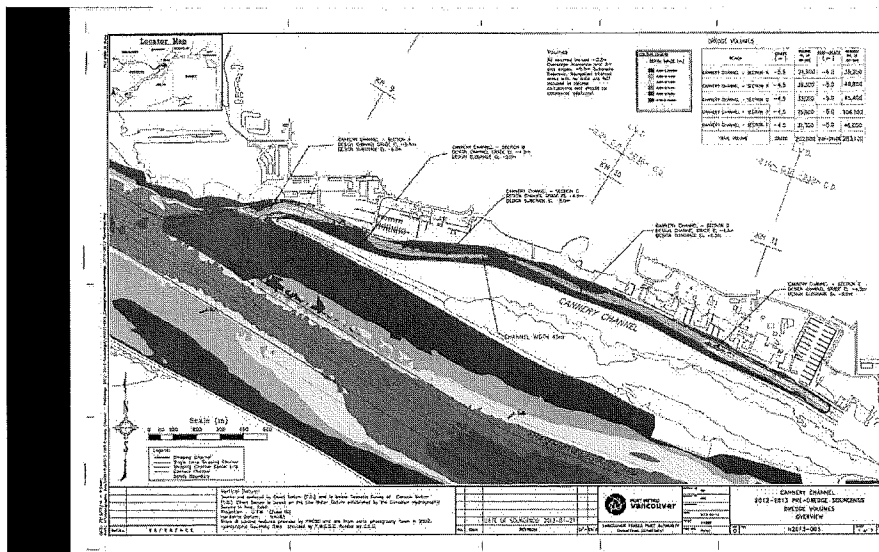
SCHEDULE "A"

1.0 PROJECT SCOPE

- 1.1 The scope of the Project is confined to dredging the local channels described on Figures A.1 and A.2 to sub-grade, subject to the each Party's Maximum Project Contribution.



A.1-Ladner Local Channel Dredging Plan



A.2- Steveston Local Channel Dredging Plan

SCHEDULE "B"

1.0 ELIGIBLE AND INELIGIBLE COSTS

1.1 Eligible Project Costs will mean all direct costs properly and reasonably incurred by VFPA, or approved by the Steering Committee in advance of such costs being incurred, and paid solely and specifically in relation to the Project but does not include any costs referred to in section 2.1 of this Schedule.

1.2 The following are examples of Project Costs that will be eligible for reimbursement under this Agreement, provided that they fall within the definition set out in the immediately preceding paragraph:

(a) Prior to execution of this Agreement

- (i) costs approved by the Parties related to studies, tests, reports, consulting work including the Project Manager, and other actual costs incurred by VFPA after December 17th, 2012, other than staff time or other work internal to VFPA, for work directly related to development, planning and design necessary for the Project; and
- (ii) costs for services related to Project delivery by consultants as agreed to by the Parties;

(b) After execution of this Agreement

Costs actually and reasonably incurred by VFPA for planning, development, design, surveying, securing permits, environmental work, and dredging of and under the Project including:

- (i) costs for services related to Project delivery by consultants as agreed to by the Parties;
- (ii) the Project Manager;
- (iii) costs incurred under design and dredging contracts;
- (iv) actual costs of applications, permits/licences and approvals required for design and dredging of the Project;
- (v) surveying;
- (vi) studies, sampling and testing;

- (vii) actual costs of communications and community relations reasonably incurred for the Project (including Project signs, events, survey, and media releases);
- (viii) actual costs incurred by VFPA to resolve disputes, claims, or litigation by designers, contractors, or third parties arising from the Project; and
- (ix) any other costs as specifically agreed to in writing by the Parties.

2.0 INELIGIBLE PROJECT COSTS

2.1 Notwithstanding the above, the following are examples of costs that are not Eligible Project Costs under this Agreement:

- (a) financing costs / interest on any Party's contribution;
- (b) staff and overhead costs of a Party (e.g. charges for computer usage, cell phones, etc.);
- (c) full cost recovery items paid or funded by others who are not Parties;
- (d) any costs substantially caused by or required by a Party benefiting from the expenditure, except if there are changes in Project Scope, schedule or budget authorized under this Agreement to cover such costs;
- (e) GST and HST, as applicable; and
- (f) works undertaken concurrently by any of the Parties that are not part of this Agreement or Project Scope.

SCHEDULE "C"

Secondary Channels Dredging Funding Allocation Working Document									
	Channel / Area	Dredging Needs measurement	Estimated Cost per measurement	Funding Partners				NOTES	
				PMV	Province of BC	Delta	Richmond		
DELTA	Deas Slough	5,000	\$75,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	All measurments to be confirmed	
	Ladner Reach Upstream	47,000	\$705,000	\$ 235,000	\$ 235,000	\$ 235,000	\$ -	All measurments to be confirmed	
	Ladner Reach West Arm	38,000	\$570,000	\$ 190,000	\$ 190,000	\$ 190,000	\$ -	All measurments to be confirmed	
	Ladner Reach East Arm	98,500	Not to be dredged - not a navigable channel					\$ -	All measurments to be confirmed
	East Ladner Harbour	58,600	\$879,000	\$ 293,000	\$ 293,000	\$ 293,000	\$ -	All measurments to be confirmed	
	West Ladner Harbour	58,300	\$874,500	\$ 291,500	\$ 291,500	\$ 291,500	\$ -	All measurments to be confirmed	
	Ladner Reach Downstream	4,400	\$66,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ -	All measurments to be confirmed	
	Sea Reach	183,000	\$2,745,000	\$ 915,000	\$ 915,000	\$ 915,000	\$ -	All measurments to be confirmed	
	Canoe Pass	4,400	\$66,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ -	All measurments to be confirmed	
	Ladner SCH		DFO-SCH	Contribution for dredging by DFO-SCH					
TOTAL DELTA				\$ 1,993,500.00	\$ 1,993,500.00	\$ 1,993,500.00	\$ -		\$ 5,980,500.00
RICHMOND	Cannery Channel Entrance	600	\$25,000	\$ 8,334	\$ 8,334		\$ 8,334	All measurments to be confirmed	
	Cannery Channel	12,000	\$225,000	\$ 75,000	\$ 75,000		\$ 75,000	All measurments to be confirmed	
	Steveston SCH		DFO-SCH	Contribution for dredging by DFO-SCH					
TOTAL RICHMOND				\$ 83,334.00	\$ 83,334.00	\$ -	\$ 83,334.00		\$ 250,002.00
TOTAL SHARED	TOTAL	411,300	\$6,230,500	\$ 2,076,834	\$ 2,076,834	\$ 1,993,500	\$ 83,334		
	Allocated to Project			\$ 2,750,000	\$ 3,000,000	\$ 2,000,000	\$ 2,000,000		
	Differential remaining			\$ 673,166	\$ 923,166	\$ 6,500	\$ 1,916,666		
	Implementation Costs								
	Project Management		\$170,000	\$ 50,000	\$ 100,000	\$ 10,000	\$ 10,000	Estimate only	
	Permit applications		\$50,000	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	Estimate only	
	RFP development, review, award		\$50,000	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	Estimate only	
	Miscellaneous		\$100,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000		
	Contingency		\$ 62,000	\$ 15,500	\$ 15,500	\$ 15,500	\$ 15,500		
				\$ 115,500	\$ 165,500	\$ 75,500	\$ 75,500		\$ 432,000
	Ladner Sediment Group 10 year maintenance contribution		\$ 475,000	\$ 125,000	\$ 350,000	\$ -	\$ -	minus PMV \$125,000 contribution already made to LSG for Hayco study	
	Steveston Harbour 10 year maintenance contribution		\$ 1,200,000	\$ 400,000	\$ 400,000	\$ -	\$ 400,000	minus PMV \$125,000 contribution already made to SHA for dredging Delta diff offset by remaining funds from PMV and Province	
	Differential			\$ (82,834)	\$ (157,834)	\$ (144,500)	\$ 1,365,666		
	Total Implementation			\$ 640,500	\$ 915,500	\$ 75,500	\$ 475,500		
	TOTAL CONTRIBUTION BY PARTNER		\$ 8,337,502	\$ 2,717,334	\$ 2,992,334	\$ 2,069,000	\$ 558,834		\$ 8,337,502

DELTA CATCH UP DREDGING

PMV	\$ 1,993,500		
Province of BC	\$ 1,993,500	TOTAL PMV	\$ 2,717,334.00
Delta	\$ 1,993,500	TOTAL PROVINCE	\$ 2,992,334.00
Richmond	\$ -	TOTAL DELTA	\$ 2,069,000.00
TOTAL DELTA Catch up Dredging	\$ 5,980,500.00	TOTAL RICHMOND	\$ 558,834.00
DELTA 10 yr MAINTENANCE			
PMV	\$ 125,000.00	TOTAL	\$ 8,337,502.00
Province of BC	\$ 350,000.00		
Delta	\$ -		
Richmond	\$ -		
TOTAL DELTA 10 yr MAINTENANCE	\$ 475,000.00		

RICHMOND CATCH UP DREDGING

PMV	\$ 83,334.00
Province of BC	\$ 83,334.00
Delta	\$ -
Richmond	\$ 83,334.00
TOTAL RICHMOND Catch up Dredging	\$ 250,002.00
RICHMOND 10 YR MAINTENANCE	
PMV	\$ 400,000
Province of BC	\$ 400,000
Delta	\$ -
Richmond	\$ 400,000
TOTAL RICHMOND 10 YR MAINTENANCE	\$ 1,200,000

SHARED COSTS

PMV	\$ 115,500
Province of BC	\$ 165,500
Delta	\$ 75,500
Richmond	\$ 75,500
TOTAL SHARED COSTS	\$ 432,000



Memorandum

April 23, 2013

To: Robert Gonzalez, P.Eng., General Manager, Engineering, City of Richmond

From: Tom Corsie, VP Real Estate

Re: Local Channel Dredging Contribution Program

Further to our meeting of April 18, 2013, please accept this memo as a description of how Port Metro Vancouver is intending to manage the Steveston Harbour Maintenance Dredging Project on behalf of the funding partners.

Currently, a funding partnership agreement (attached) has been negotiated between PMV and the Province of BC with input from the Corporation of Delta and the City of Richmond. To date, the agreement has been signed by the Province, Delta and PMV and is now with the City of Richmond for approval. The funding agreement contemplates contributions totalling \$2.75 million from PMV, \$3 million from the Province, \$2 million from Delta and up to \$2 million from Richmond. In order to protect all available funding, it is important that the funding agreement be signed no later than May 13, 2013.

PMV's funding allocation for Steveston Channel, as per its Local Channel Dredging Contribution Program implemented in 2009, is \$500,000 less the \$125,000 already advanced to the Steveston Harbour Authority for a new total of \$375,000. Under the funding agreement, this would be matched by the Province and the City for a total available for dredging of \$1,125,000.

Schedule C of the funding agreement is a funding allocation worksheet that indicates anticipated volumes to be removed from the various channels under discussion in both Delta and Richmond. The estimated volume for the Steveston Channel portion is shown as 12,600 m³, which we now know was a calculation error determined by a PMV technician. A similar volume discrepancy is apparent within the proposed Delta channels.

The estimated volume to be removed based on recent detailed soundings is 283,100 m³ as shown in the table below; this may increase with the 2013 freshet.

Channel	Original Funding Allocation Model	2012 – 2013 Soundings to Grade	2012 – 2013 Soundings to Sub-Grade	Volume Difference to Grade	Volume Difference to Sub-Grade
Steveston	12,600 m ³	201,000 m ³	283,100 m ³	188,400 m ³	270,500 m ³

Schedule C used a conservative average unit cost of \$15 m³ to estimate costs; this is based on using a clam shell dredging approach. PMV has issued an RFP to several qualified contractors (to close May 24) to more accurately determine the cost of dredging to sub-grade within Steveston Channel. We anticipate the average unit cost for dredging Cannery Channel will be less than \$15 as much of this channel can be dredged using a cutter suction dredge which is more cost effective than clam shell dredging.

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There are a number of steps required before any maintenance dredging can commence within Steveston Channel, which includes approval from environmental authorities, agreement between funding partners, a signed dredging contract and availability of equipment.

Separately, PMV is working with the Steveston Harbour Authority, the City of Richmond and Small Craft Harbours - Fisheries and Oceans Canada as members of a working group called "the Steering Committee for the Steveston Project". This group is focused on delivering a habitat enhancement project to be located at the eastern end of Steveston Harbour just to the east of the harbour jetty. This project is anticipated to create benefits to the ongoing maintenance of Steveston Harbour by reducing infiltration of sediment while preserving adequate water flow.

The Steering Committee for the Steveston Project are currently waiting for an update from PMV on its independent investigation of project viability. PMV is anticipating updating the Committee at its next meeting currently scheduled for May 10, 2013.

Both the City and PMV wish to extract as much beneficial use from the dredgate as possible. It is likely that a substantial volume of sediment within Steveston Channel could be placed onto the Steveston Project area. Therefore, to minimize costs and maximize potential benefits, it is proposed that in 2013, only sufficient volume is removed from the channel to ensure the channel is kept navigable and continues to facilitate economic activity. The remaining volume would be left in the channel until such time as PMV has environmental, tenure and associated capital approved to construct the habitat enhancement project which is anticipated within one year. The remainder of the channel could then be dredged subject to the available Steveston Project capital funds for fill and residual funds from the Local Channel Dredging Contribution Program under the funding partnership agreement for disposal.