



**REPORT TO CORE AREA LIQUID WASTE MANAGEMENT COMMITTEE  
MEETING OF WEDNESDAY 14 JULY 2010**

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**SUBJECT      HARBOURS ENVIRONMENTAL ACTION PROGRAM – PARTICIPATING  
MUNICIPALITIES AND COST-SHARING PARAMETERS**

**ISSUE**

The Capital Regional District (CRD) needs to establish a revised cost-sharing formula for a new establishing bylaw for the Harbours Environmental Action Program under the Core Area Liquid Waste Management Plan (LWMP).

**BACKGROUND**

The Harbours Environmental Action Program was originally established and implemented under the Liquid Waste Management Core Area and Western Communities Service Establishment Bylaw No. 1, 1995: A Bylaw to Convert the Authority for Liquid Waste Management to a Service for the Core Area and Western Communities.

The primary focus of the Harbours Environmental Action Program is to coordinate harbours environmental protection and improvement efforts in order to deliver on CRD commitments under the Core Area LWMP. These commitments are implemented through participation in the Victoria and Esquimalt Harbours Environmental Action Program, Esquimalt Lagoon Stewardship Initiative and Gorge Waterway Initiative, as well as carrying out special projects. CRD staff work on behalf of municipalities to coordinate the restoration, protection and enhancement of harbour resources and habitat. The CRD also works with other stakeholders (i.e., provincial and federal agencies and ministries, First Nations, private partners and local non-governmental organizations) to achieve the goals of the harbours environmental management strategy.

In 2008, Oak Bay withdrew from contributing to the program because it does not lie within the harbour watershed boundaries nor has shoreline associated with the harbour areas included in the current service. Also, in both 2009 and 2010, the program has been supported through direct agreements with the participating members.

Upon completion of an internal review of the program, it has been determined that the program now requires a separate establishing bylaw and associated cost-sharing formula.

CRD and municipal staff have met on several occasions and considered various cost-sharing options, including the incorporation of different land use factors, tree cover area, watershed area, shoreline length and converted assessments. Staff were unable to arrive at a combination of options acceptable to all participants.

In 2009, the Environmental Sustainability Committee struck a subcommittee to determine a revised cost-sharing formula for the Millstream remediation service. This process provided an opportunity for participants to contribute philosophical considerations and debate various options from a financial, political and technical perspective. A similar process could be considered to establish the cost-sharing formula for the Harbours Environmental Action Program.

### **ALTERNATIVES**

1. That the cost-sharing formula for the Harbours Environmental Action Program be established as one-third shoreline length, one-third watershed area and one-third converted assessments; or
2. That the cost-sharing formula for the Harbours Environmental Action Program be established as one-half shoreline length and one-half watershed area; or
3. That the cost-sharing formula for the Harbours Environmental Action Program be established as 100% converted assessments.
4. That a subcommittee to recommend a cost-sharing formula for the Harbours Environmental Action Program be struck.

### **FINANCIAL IMPLICATIONS**

The current 2010 budget for the program is approximately \$253,000, which is a reduction from the proposed 2010 budget amount of \$270,000 as a result of Oak Bay's withdrawal from the program.

### **COST-SHARING IMPLICATIONS**

Many cost-sharing options and factors could be considered for the service. There are implications to the three options presented by staff. Cost-sharing alternative 1 reflects both the direct and indirect relationships between the upland areas and the marine receiving environment. Cost-sharing alternative 2 reflects only the direct relationships between upland areas and the marine receiving environment. Oak Bay would not contribute under this option. Cost-sharing alternative 3, based on 100% converted assessments, reflects the broader responsibilities and benefits of the harbours program to all participants in the plan area.

The breakdown of costs for the participants under the three cost-sharing options is presented in Table 1 (attached).

### **CONCLUSION**

The Harbours Environmental Action Program is a commitment under the Core Area LWMP. However, not all core area municipalities have a direct connection with the harbour environment. Many factors can be considered appropriate to include in a cost-sharing formula. Inclusion of converted assessments reflects annual changes in land usage categories and that all participants in the LWMP benefit from the service. Shoreline length and watershed area are also reasonable parameters to include in a cost-sharing formula for a harbours program.

Staff recommend striking a subcommittee to establish the cost-sharing formula for the Harbours Environmental Action Program.

### **RECOMMENDATION**

That the Core Area Liquid Waste Management Committee strike a subcommittee to recommend a cost-sharing formula for the Harbours Environmental Action Program.

**Core Area Liquid Waste Management Committee – 14 July 2010**  
**Re: HEAP – Participating Municipalities and Cost-sharing Parameters**  
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Concurrence

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Attachment: 1

**Table 1. Estimated Potential Participant Costs in Comparison to Current Cost Allocation Using 2010 Budget as an Example**

Jurisdiction	Current	Alternative 1	Alternative 2	Alternative 3
	Using sewage flow-based formula	1/3 shoreline + 1/3 watershed area + 1/3 converted assessment	1/2 shoreline + 1/2 watershed area	Converted assessment only
<b>City of Victoria</b>	\$111,580	\$62,673	\$48,808	\$90,403
<b>District of Saanich</b>	\$82,658	\$84,661	\$78,393	\$97,196
<b>Township of Esquimalt</b>	\$14,194	\$26,770	\$34,640	\$11,029
<b>Town of View Royal</b>	\$13,011	\$33,027	\$45,614	\$7,853
<b>District of Oak Bay</b>	\$0*	\$7,362	\$0	\$22,087
<b>City of Langford</b>	\$14,310	\$22,763	\$20,165	\$27,959
<b>City of Colwood</b>	\$14,729	\$29,011	\$37,087	\$12,858
<b>Songhees Band</b>	\$2,120	\$2,325	\$3,179	\$616
<b>Esquimalt Band</b>	\$910	\$1,410	\$2,114	n/a
<b>TOTAL (rounded, approximate 2010 budget)</b>	\$253,500*	\$270,000	\$270,000	\$270,000

\* Oak Bay did not participate in the 2010 service which reduced the actual budget.