



**Annual Report**

Burrard Inlet Environmental Action Program  
Fraser River Estuary Management Program

2002  
2003



April 1, 2002 to March 31, 2003

# Annual Report

Burrard Inlet Environmental Action Program  
Fraser River Estuary Management Program

2002  
**2003**



Burrard Inlet  
Environmental  
Action  
Program



Fraser River  
Estuary  
Management  
Program



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## **Burrard Inlet Environmental Action Program Fraser River Estuary Management Program**

As you will see in the pages that follow, the past 12 months have produced significant accomplishments in the program area. We approved a new plan for Burrard Inlet and launched a process to update the Estuary Management Plan. This past year we also cleared most of the FREMP initiatives that had been backlogged from previous years. And we are wrapping up this success with a reorganization in BIEAP-FREMP operations to ensure the continuation of our program partnership in the face of increased restraint on the ability of partners to fund activities.

Sadly, in 2002, we lost three champions of our program partnership. In May, after a long illness, Brian Wilson, Environment Canada's Regional Director of Environmental Protection, passed away. In September, we learned that our Steering Committee colleague, Rick Pearce, former Fraser Port CEO, had succumbed to his battle with cancer. Furthermore, in October, we were shocked by the news from Kamloops, where our chair of the past two years, Jim McCracken, Director of Regional Operations for the Ministry of Water, Land and Air Protection, had been killed in the workplace in the line of duty. Each of them provided us with their own contribution to making our partnership effective.

As ever, the BIEAP-FREMP partnership presents a dynamic challenge for partners to assert their commitment to the process of linked management. Our Management Committee has been transformed through the past year. We welcomed several new faces around the Management Committee table: Athana Mentzelopoulos, Environment Canada; Colin Masson, Fisheries and Oceans Canada; Alicia Blancarte, Vancouver Port Authority; Patricia Weber, Fraser River Port Authority; Valerie Jones, North Fraser Port Authority; and Brian Clark, Ministry of Water, Land and Air Protection have joined me in the singularly difficult task of restructuring the BIEAP-FREMP secretariat.

The reorganization of BIEAP-FREMP operations forced us to make some difficult decisions. We are continuing our role as a coordinator of partner resources; however, we did lose the services of four of our staff. At this time we would like to acknowledge the dedicated service of Devin Glass, Gary MacKinnon, Helen Pople and Joe Stott. They helped us deliver one of the most ambitious annual work plans we have ever undertaken and demonstrated competent, professional commitment to the transition to the new scope of operations. We thank them and wish them success in all their future endeavors.

Finally, to our staff who have agreed to continue our program partnership: Anna Mathewson, Manager/Policy Coordinator; Daria Hasselmann, Project Review Coordinator; and Corrie Chow, Administrative Assistant, we thank you for rising to the challenge of continuing our success.



Ken Cameron  
Chair

Ken Cameron

# Management Structure

## BIEAP & FREMP

### Funding

#### Partners

#### Steering Committee

#### Members

BC Ministry of Water,  
Land and Air Protection  
*Margaret Eckenfelder*

Environment Canada  
*Don Fast*

Fisheries and  
Oceans Canada  
*Sue Farlinger*

Greater Vancouver  
Regional District  
*Johnny Carline*

Fraser River Port  
Authority  
*Allen Domaas*

North Fraser Port  
Authority  
*Glen MacRae*

Vancouver Port  
Authority  
*Chris Badger*

#### Management Committee Members

BC Ministry of  
Water, Land and  
Air Protection  
*Brian Clark*

Environment Canada  
*Athana  
Mentzelopoulos*

Fisheries and  
Oceans Canada  
*Colin Masson*

Greater Vancouver  
Regional District  
*Ken Cameron*

Fraser River Port  
Authority  
*Pat Weber*

North Fraser Port  
Authority  
*Valerie Jones*

Vancouver Port  
Authority  
*Alicia Blancarte*

### Partners

BC Ministry of Water, Land and Air Protection

Environment Canada

Fisheries and Oceans Canada

Fraser River Port Authority [FREMP]

Greater Vancouver Regional District

North Fraser Port Authority [FREMP]

Vancouver Port Authority [BIEAP]

### Steering Committee

### Management Committee

#### FREMP Water & Land Use Committee

Economic Development Task Group  
Habitat Classification Improvement Task Group  
Dredge Management Advisory Committee

#### FREMP Environmental Review Committee [ERC] Burrard Environmental Review Committee [BERC]

#### Burrard Inlet Plan Committee

#### BIEAP-FREMP Program and Administrative Staff



The **Burrard Inlet Environmental Action Program (BIEAP)** and the **Fraser River Estuary Management Program (FREMP)** are inter-governmental partnerships established to coordinate the environmental management of the two most significant aquatic ecosystems in the Lower Mainland – Burrard Inlet and the Fraser River estuary.

Established in 1985, **FREMP** provides a framework for managing the Fraser River estuary as a Living, Working River. Geographically, FREMP applies to the wet side of the dyke of the Fraser River downstream from Kanaka Creek and Pitt Lake to the Strait of Georgia. FREMP also includes Sturgeon Bank, Roberts Bank and Boundary Bay. The FREMP funding partners are the British Columbia Ministry of Water, Land and Air Protection, Environment Canada, Fisheries and Oceans Canada, Fraser River Port Authority, North Fraser Port Authority and the Greater Vancouver Regional District.

Established in 1991, **BIEAP** provides a joint action program to protect and improve the Burrard Inlet ecosystem. BIEAP applies to the tidal waters east of a line between the southernmost point of Point Atkinson and the westernmost point of Point Grey. BIEAP includes False Creek and all of Indian Arm and Port Moody Arm, and extends to the upstream tidal influence of all watercourses feeding into Burrard Inlet. BIEAP partners are the British Columbia Ministry of Water, Land and Air Protection, Environment Canada, Fisheries and Oceans Canada, Vancouver Port Authority and the Greater Vancouver Regional District.

**BIEAP** and **FREMP** function through Memoranda of Understanding which establish the framework for coordination of partner agencies. Since 1996, the Programs have been jointly administered from an office located in Burnaby. The overall management and policy direction is accomplished through a two-level structure. There is a Steering Committee comprising principals of the signing partners. This committee meets annually. The joint Management Committee deals with program management and policy issues on a monthly basis. Management Committee oversees several subcommittees and task groups.

This year, BIEAP and FREMP completed several projects from the backlog of work that, after accumulating over the past few years, resulted in an increased financial surplus for program operations. As approved, the 2002-2003 BIEAP-FREMP workplan and budget included a planned deficit of annual expenditures over annual partner contributions to catch up on projects carried over from the previous years. This deficit was funded from the cumulative surplus. In conformity with the five-year business plan, the surplus is to be drawn down to a contingency level for ongoing program operations.

Over the past year, we accomplished two major achievements for the policy development aspect of the BIEAP-FREMP partnership. The Consolidated Environmental Management Plan for Burrard Inlet was approved by the partners and endorsed by all but one Burrard Inlet municipal council by the end of the fiscal year on March 31, 2003. In addition, the FREMP Estuary Management Plan update process was largely completed by the end of the fiscal year.

Through a similarly persistent effort, the new Toolbox, which is a central component of the reform package for Coordinated Project Review, was brought to closure with the publication of the *Tools for Coordinated Project Review* in October 2002.

In total, BIEAP-FREMP published seven documents in 2002-2003. These documents provide detailed information on the projects summarized in this annual report. The publications are:

- *Public Consultation and Planning Process: The Consolidated Environmental Management Plan for Burrard Inlet*; BIEAP; July 2002
- *Updating the Estuary Management Plan: Report on Community Workshops held June & July 2002*; FREMP; October 2002
- *Tools For Coordinated Project Review*; BIEAP-FREMP; October 2002
- *Toward an Economic Vision for the Fraser River Estuary*, FREMP; November 2002
- *Fraser River Estuary Management Program Review of Lower Fraser River Sediment Budget - Final Report*; FREMP; December 2002
- *Updating the Estuary Management Plan: Report on November 28, 2002 Workshop*; FREMP; January 2003
- *Estuary Management Plan Update – Draft*; FREMP; February 2003

#### **A Fundamental Evaluation of the Program Partnership**

Despite the achievement of an ambitious program of work over the 2002-2003 fiscal year, the partnership struggled with the reality of reduced resources available to our funding partners. Given the budgetary constraints of our partners, the need to rationalize BIEAP-FREMP operations had been indicated late in the previous fiscal year.

Over a ten-month period, the Management Committee examined every option to the 'business-as-usual' approach to program delivery. Core services were compared to available funding, including the accumulated surplus, and we explored a number of combinations of partner interests that would best be served by the BIEAP-FREMP secretariat.

In the end, the Management Committee crafted a proposal for the Steering Committee, which proposed a new way of ensuring the continuation of BIEAP-FREMP over the long-term. This resulted in a 'back-to-basics' approach, with partners reducing their contributions to the base level of \$40,000 per year to ensure the coordination effort required to sustain the BIEAP-FREMP partnerships. The savings in contributions would provide cost-cutting for some partners, and at the same time, free up the budgetary commitments to the regional objectives of BIEAP-FREMP by the regional district and the three port authorities. Additional resources may be available in the time ahead to fund specific projects, where the start, end and deliverables are considered on their own merits, instead of being considered under the umbrella of an annual work plan and budget.

The Burrard Inlet Environmental Action Program and the Fraser River Estuary Management Program made these changes in the operational support of the Programs with the commencement of the 2003-2004 fiscal year. Effective April 1, 2003, the scope of the Program office has been reduced to focus on two specific aspects of the Program partnerships: policy coordination and project review. It is supported by a secretariat of three staff.



## BIEAP Highlights



### **Consolidated Environmental Management Plan (2002)**

On Friday, July 26, 2002, the GVRD Board of Directors approved the Consolidated Environmental Management Plan for Burrard Inlet, completing the formal approval process by all BIEAP partners. The GVRD Board's approval followed an earlier GVRD Planning and Environment Committee endorsement, where committee members remarked that the document was 'an excellent plan'.

Earlier in the year, the Plan had been approved by Ministry of Water, Land and Air Protection on April 8, by Environment Canada on April 30 and by Fisheries and Oceans Canada on May 6. Approval for the Plan was also received in July from the Vancouver Port Corporation.

Approval of the Plan by BIEAP partners reflects the consensus among the partners regarding a policy framework for the ongoing environmental management of Burrard Inlet. The Plan is a consolidation of BIEAP partners' policies and regulations and will furnish a reference for them in moving forward with positive actions to maintain and enhance the Burrard Inlet ecosystem.

To broaden the commitment to the Consolidated Environmental Management Plan in the wider community, the approved Plan has been circulated to the eight municipal councils adjacent to Burrard Inlet for their endorsement. By the end of the program year on March 31, seven of the eight local governments had endorsed the Plan.

Municipality	Date Plan Endorsed
Village of Anmore	February 25, 2003
Village of Belcarra	January 6, 2003
City of Burnaby	November 25, 2002
City of Port Moody	November 12, 2002
District of North Vancouver	October 24, 2002
City of North Vancouver	September 9, 2002
City of Vancouver	Pending
District of West Vancouver	February 3, 2003

The job of implementing the Plan will be guided by the Burrard Inlet Plan Implementation Committee, which will be chaired by the Vancouver Port Authority representative on the Management Committee, Alicia Blancarte. All partners and most municipalities have named representatives to sit on this committee to review priorities for action in the coming years.

### **False Creek Sediment Management Study**

In 2001, most BIEAP partner agencies, the City of Vancouver and other waterlot owners in False Creek established steering and technical committees to oversee the development of a Sediment Management Plan for False Creek. EVS Environmental Consultants completed a background study to compile sediment data from the past two decades.

In 2002, the technical committee used the EVS study recommendations to develop the scope of work required to complete the Sediment Management Plan. The next phase will be to augment the EVS study with new research on sediment contamination, sediment transport and deposition dynamics within False Creek followed by sediment sampling in the Creek. The City of Vancouver is taking the lead in contracting this work.

### **Burrard Inlet Bird Surveys**

Over the past year, BIEAP maintained support for the semi-annual Bird Survey in Burrard Inlet, which is coordinated by Wild Bird Trust of British Columbia. Over 100 volunteer bird watchers catalogue the number and abundance of bird species for these surveys. The observers conduct their surveys from land and water on a Sunday in the mid-autumn and again in late winter. The Wild Bird Trust celebrated the tenth anniversary of the bird surveys on October 27, 2002. The most recent survey was taken on February 23, 2003.

The surveys produce time-series data that can be useful in monitoring the Burrard Inlet ecosystem. Wild Bird Trust contracted with Catherine Sherlock to coordinate the surveys in 2002-2003 with the administrative support of BIEAP-FREMP office administrator Devin Glass. Nine volunteer skippers from the Port Moody Power and Sail Squadron provided boats for the on-the-water survey component. Lawrence Schmidt coordinated his Power Squadron colleagues for the surveys. Patricia Banning-Lover is the president of the Wild Bird Trust of British Columbia. In addition to staff support, BIEAP also provided a funding contribution to this important volunteer effort.



## FREMP Highlights



Following up on the completion of the 2001 monitoring report, FREMP staff initiated a comprehensive review of the Estuary Management Plan [EMP], which is also known as “A Living, Working River”. Work on the EMP started in 1992 and culminated in a plan approved by the FREMP partners in 1994. All twelve municipalities in the FREMP area endorsed this plan.

While this review process dominated the efforts by FREMP staff in 2002-2003, other significant FREMP accomplishments included development of an economic development task force vision statement for inclusion in the GVRD Sustainable Region Initiative (SRI), the incorporation of new orthophotos in the FREMP Geographic Information System (GIS), habitat inventory mapping, revisions to the habitat classification system, and assessing our tools for managing dredging in the Fraser River estuary.

### **Estuary Management Plan Update**

The Estuary Management Plan [EMP] provides policy direction on the actions and action programs directing the work of FREMP and the Water and Land Use Committee.

The Water and Land Use Committee endorsed the process for updating the EMP and provided staff with advice through the updating process. Keeping the FREMP commitment to community participation in our planning processes, the EMP update included three rounds of consultations with environmental interest groups, industry associations, community organizations, other stakeholders and the general public. A series of regional workshops in June and July of 2002 provided the initial opportunity for input on the scope of the review process. In November 2002, a workshop held in the Fraser River Discovery Centre focused on the substance of the policies and actions to be included in the updated plan.

In January 2003, the Water and Land Use Committee reviewed a first draft of an updated EMP that incorporated consultation input. In February, the committee developed and released a revised draft as the basis for public review. This draft was shared with the Fraser River Coalition early in February, posted on the FREMP web site, and mailed out to over 400 people on the FREMP mailing list for comment.

An Open House held February 27 and 28, 2003 allowed the public to review and comment on the draft Plan. About 30 people attended, including partner representatives, municipal planners, Non-Government Organizations [NGOs] like the Fraser River Coalition, and representatives from industry. Most people indicated support for the draft Plan.

At the end of the 2002-2003 fiscal year, the update of the Estuary Management Plan was on schedule, and the final version of the updated Plan was expected to be ready for Management Committee consideration in April. The FREMP Water and Land Use Committee along with other stakeholders have indicated general

support for the vision, goals, objectives and action programs proposed in the updated EMP, including its concise format and new ideas for managing the environment and activities in the estuary.

### **Orthophoto update for GIS and Habitat Mapping**

Perhaps the most utilized reference for the FREMP partners and project proponents in the Fraser River estuary is the Geographic Information System (GIS) which has evolved over time. The GIS contains a wealth of information about the estuary in a series of geographically referenced layers. Traditional mapping elements can be combined with the habitat colour coding to assist in technical evaluation of shoreline sites in the estuary.

The foundation of the GIS is a layer of orthophotos. Unfortunately, given the rapid rate of growth and change in the communities bordering the estuary, the photographic layer becomes less useful as time passes. The GIS was developed in the mid-1990s using a 1995 aerial photo survey. By 2001 it became evident that a new aerial photo survey was necessary, which FREMP staff coordinated in 2002.

To be most effective, the conditions for flying the new survey needed to be aligned with favourable weather for visibility, a low tide to reveal the inter-tidal zone, and at the optimum point in the growing cycle of trees, shrubbery and aquatic plants. Some spring growth was necessary to help identify plant species, however, too much foliage would obscure shoreline features. The ideal conditions occurred on April 29, 2002. The aerial photos taken at this time were then developed over a number of months into digital orthophotos, which have been incorporated into the FREMP GIS and used to develop a more sophisticated mapping of shoreline and riparian habitat units. This update of the FREMP habitat inventory will be completed in the 2003-2004 year, providing us with an updated polygon layer for riparian and intertidal habitat in the FREMP area, along with a database containing background information. The orthophotos and habitat inventory projects accounted for a large share of the consulting budget for 2002-2003.

### **Habitat Classification**

Three years ago, the FREMP Water and Land Use Committee established the Habitat Classification Improvement Task Group to address a number of problems associated with the FREMP habitat inventory and classification systems. This task group commissioned consultant Gary Williams to conduct two pilot studies in the field to examine the applicability of a habitat 'ecological features and functions approach' for the shoreline of the Fraser River estuary.

The 'features and functions approach' identifies the natural and human processes, such as sediment transport, fish migration and port operations that need to be preserved in any given location, then identifies the types of activities that can occur in these places without compromising these processes. Rather than focusing on specific resources, the 'features and functions approach' reveals the underlying needs within a system — for example tall trees for bird nesting or deep water for ship moorage. The 'features and functions approach' is particularly useful in the FREMP area because it requires managers to look beyond the immediate inter-tidal and riparian zones to understand the role of the

Fraser River in the region as a whole, then encourages site-specific activities consistent with regional requirements.

In May 2002, the BIEAP-FREMP Management Committee approved the Water and Land Use Committee recommendation to adopt the nine recommendations of the task group. Improvement to the habitat inventory and classification systems are now being implemented, including the updated and more comprehensive habitat inventory and a clearer process for responding to requests for colour code changes.

### **Economic Development Task Group Vision**

2002-2003 witnessed significant progress on the economic development front. FREMP staff and the consulting firm Intervistas worked with the FREMP Economic Development Task Group on a vision statement for the Fraser River estuary which focused on water transport as an opportunity to contribute to the sustainability of the Greater Vancouver region.

The work on the vision statement was documented in a report published by FREMP in December 2002. The report was presented to GVRD regional economic development and technical advisory planning committees as a contribution to the GVRD's Sustainable Region Initiative. This work represents the first major achievement in the economic development component for the FREMP mandate since the earlier industrial nodal strategy of a decade ago.

### **Dredging Database Registry**

This past year, Northwest Hydraulic Consultants was commissioned to upgrade the Dredging Registry developed in 2001-2002. The Registry is a customized Microsoft Access data interface shell, used primarily by the Fraser River Port Authority (FRPA) to track dredging activities in the estuary.

Data entry interface was updated and improvements were made to link the Registry and FREMP's Geographic Information System.

### **Sediment Budget Recalibration Study**

When the notion of the Sediment Budget was approved as a management tool for FREMP to achieve a balance in dredging in the Fraser River estuary, it had been agreed that the effectiveness of the technique should be evaluated. After five years of experience with the sediment budget model, Northwest Hydraulic Consultants won the contract to accomplish this evaluation in 2002-2003.

The deposition of sediments in the estuary varies according to the magnitude and duration of the spring freshet in the Fraser River. Forecast estimates of sediment load results in an annual estimate of sediment deposition. This forms the backdrop for annual dredging in the Fraser estuary, with a long-run perspective on balancing the sediment removal in the River with what is deposited.

The conclusion of the recalibration review confirmed that the Sediment Budget remains a valid tool for dredging in the Fraser River estuary.

**Coordinated Project Review**

While policy matters capture a significant amount of the effort of the BIEAP-FREMP partnership, the actual implementation of policy occurs at the technical level through the review of development proposals in the Fraser estuary and in Burrard Inlet. The evaluation of project proposals requires coordination among the BIEAP-FREMP partners and BIEAP-FREMP staff play an instrumental role in this review process.

Originally FREMP established its Environmental Review Committee [ERC] in 1986 to bring the FREMP approving agencies around the same table to conduct a coordinated determination of the authorizations and permits needed for a project to proceed. The FREMP ERC is not an approving authority. Instead, it furnishes a coordination of the approving authorities’ recommendations. The powers to approve permits or *Fisheries Act* authorizations are retained by the appropriate authority. The FREMP ERC provides a one-window approach for project proponents. When BIEAP was established in 1991, a parallel Burrard Environmental Review Committee (BERC) was established to coordinate project reviews in Burrard Inlet. In 2000, the BIEAP-FREMP Management Committee worked with BERC and the FREMP ERC to implement a number of improvements in the process.

The reforms to the Coordinated Project Review Process resulted in a three-phase, four-track process which channels routine projects into a Track 1 stream administered by the port authorities. A key concept was the utilization of standards published in the Toolbox completed in early 2003. The FREMP ERC and BERC review Track 2 projects. BERC and the FREMP ERC monitor the Track 1 reviews and have more time to evaluate the projects in the Track 2 stream. The calendar year 2002 witnessed a decline in BERC (Track 2) reviews, from 71 to 44, as well as a slight decline in track-one reviews conducted by the Vancouver Port Authority, from 26 to 17. Reviews in Burrard Inlet totaled 61 down from the 97 reviews handled in both tracks in 2001. Over the same period, the FREMP ERC reviews (Track 2) increased, from 81 in 2001 to 90 in 2002. Track 1 reviews processed by the Fraser River Port Authority dropped from 23 to 8, yielding a total of 98 reviews in the Fraser River estuary in 2002.

Coordinated Project Review Statistics for the Year Ending December 31, 2002

	<b>Track 1</b>	<b>Track 2</b>	<b>Track 3</b>	<b>Track 4</b>	<b>Total</b>
Burrard Inlet	17	44	0	0	61
Fraser River Estuary	8	90	0	0	98

### **Toolbox publication**

One of the main objectives in devising the improvements to the BIEAP-FREMP Coordinated Project Review Process was the publication of a set of tools to help project proponents prepare better applications. The Track 1 process relies on compliance with the standards and Best-Management-Practices (BMPs) compiled in the Toolbox. After a considerable amount of effort over the past eighteen months, the BIEAP-FREMP partners concluded the first edition of the *Tools for Coordinated Project Review*. An online version of this toolbox is available at our website [www.bieapfremf.org](http://www.bieapfremf.org).

### **Website Referral Log**

In the spirit of continuous improvement, the Referral Logs maintained on the BIEAP-FREMP website now incorporate information on project applications and include the recommendation letters generated as a result of the BERC and FREMP ERC deliberations. The Referral Logs provide timely, up-to-date information about the status of all projects before the review committees.

### **Users' Survey**

Results compiled from the responses received from users of the BIEAP-FREMP Coordinated Project Review Process show a generally positive experience with BERC and FREMP ERC (Track 2) reviews in 2002, January through December. All project proponents in 2002 received questionnaires seeking responses about the coordinated project review process. The return rate was 28 % for BERC users and 30% for FREMP ERC users.

Most survey respondents had prior knowledge of the BERC and FREMP ERC processes.

Most respondents said that the process was clear and understandable and most respondents found the designation of a single lead agency to be helpful. They said that the letters of recommendations are clear and understandable. Improving the communication value of the letters of recommendations was one of the main objectives in Management Committee's package of reforms.

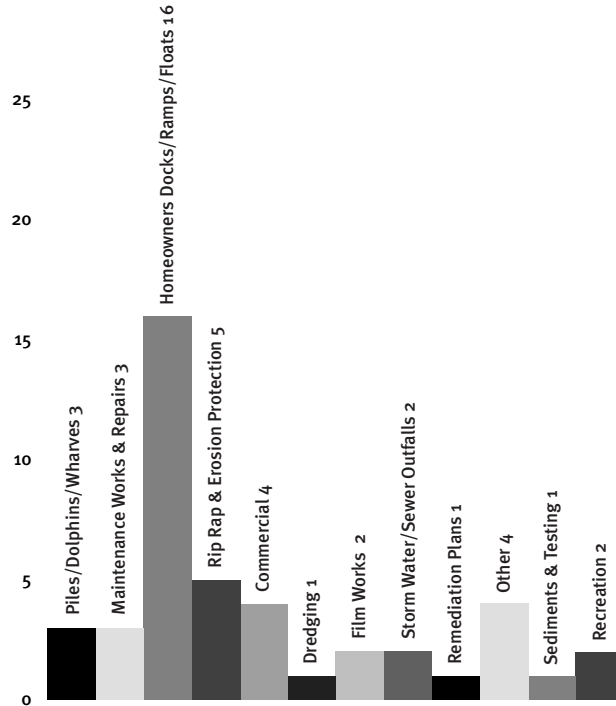
The responses indicate a stable sense of value from the Coordinated Project Review Process since the reforms were introduced in 2000.

# Burrard Environmental Review Committee [BERC] 2002

## Purpose of Track Two Project Applications

Purpose of Project Applications reviewed through the BIEAP Project Review Process – 2002.

*These categories are not mutually exclusive, thus a project may include more than one category.*

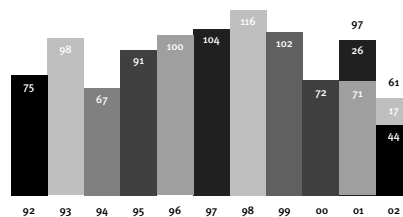


The Burrard Environmental Review Committee comprises representatives from Environment Canada, Fisheries and Oceans Canada, the Canadian Coast Guard, the Ministry of Water, Land and Air Protection, and the Vancouver Port Authority. The committee meets biweekly to review projects submitted for a Track 2 review.

From January to December 2002, BERC considered a total of 44 projects, which is down from the 71 Track 2 projects for 2001. One project was rejected and two files were closed. Significantly, 82% of the projects reviewed were completed within the 30-working-day processing target for the BERC Coordinated Project Review Process. Of the three projects that took longer than 30 days, two were completed within 60 working days. None of the projects reviewed required more than 90 working days.

## Project Applications

Number of Project Applications reviewed through the BIEAP Project Review Process since 1992

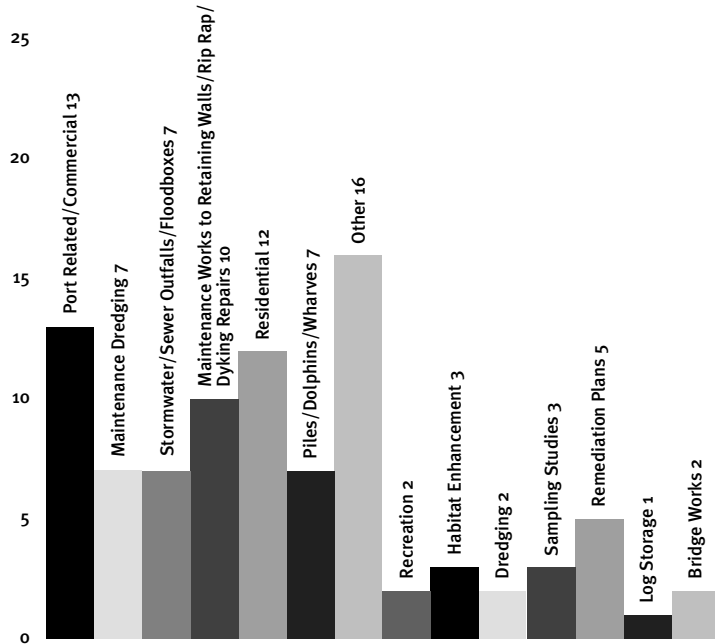


# FREMP Environmental Review Committee [ERC] 2002

## Purpose of Track Two Project Applications

Purpose of Project Applications reviewed through the FREMP Coordinated Project Review Process –2002.

*These categories are not mutually exclusive, thus a project may include more than one category.*

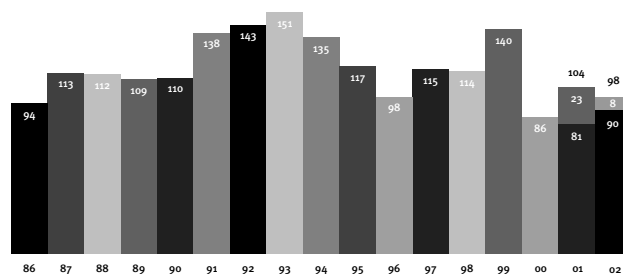


The FREMP Environmental Review Committee comprises representatives from Environment Canada, Fisheries and Oceans Canada, the Canadian Coast Guard, the Ministry of Water, Land and Air Protection, the Fraser River Port Authority and the North Fraser Port Authority. The committee meets biweekly on an alternating schedule with BEREC to review projects submitted for a Track 2 review.

From January to December 2002, the FREMP ERC considered a total of 90 projects, which is an increase from the 81 Track 2 projects reviewed in 2001. While no projects were rejected, files were closed on seven reviews. 73% of projects reviewed were completed within the 30-working-day processing target for the FREMP ERC Coordinated Project Review Process. Of the 15 projects that took longer than 30 days, all were completed within 60 working days.

## Project Applications

Number of Project Applications reviewed through the FREMP Coordinated Project Review Process since 1986







Burrard Inlet  
Environmental  
Action  
Program



Fraser River  
Estuary  
Management  
Program





**Annual Report**

Burrard Inlet Environmental Action Program  
Fraser River Estuary Management Program



## Review Engagement Report

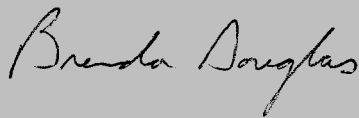
### To the Management Committee

I have reviewed the statement of financial position of Burrard Inlet Environmental Action Program and Fraser River Estuary Management Program as at March 31, 2003, and the statements of operations, changes in accumulated surplus, and cash flows for the year then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by Program management.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

July 2, 2003



Brenda L. Douglas  
Chartered Accountant  
West Vancouver, BC

## Statement of Financial Position

As at March 31, 2003  
 Unaudited

	<b>2003</b>	<b>2002</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and term deposits (Note 3)		
Bank deposits and petty cash	60,522	187,243
Term deposits	222,332	811,887
Total cash and term deposits	282,854	999,130
Accrued interest receivable	431	3,849
Prepaid expenses	11,462	12,906
Total current assets	294,747	1,015,885
<b>Capital assets</b>		
Computer hardware	43,911	55,550
Office furniture and equipment	18,584	22,293
Total capital assets	62,495	77,843
Accumulated amortization	46,768	57,919
Net capital assets	15,727	19,924
<b>Total assets</b>	<b>\$310,474</b>	<b>\$1,035,809</b>
<b>Liabilities and Accumulated Surplus</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$46,207	\$45,861
Deferred revenue	5,000	-
Unearned revenue	-	150,000
Total current liabilities	51,207	195,861
<b>Accumulated surplus</b>		
Invested in capital assets	15,727	19,924
Unrestricted	243,540	820,024
Total accumulated surplus	259,267	839,948
<b>Total liabilities and accumulated surplus</b>	<b>\$310,474</b>	<b>\$1,035,809</b>

APPROVED ON BEHALF  
 OF THE PROGRAMS



KEN CAMERON  
 MANAGEMENT COMMITTEE



BRIAN CLARK  
 MANAGEMENT COMMITTEE

## Statement of Operations

For the Year Ended  
 March 31, 2003  
 Unaudited

	<b>2003</b>	<b>2002</b>
<b>Revenue</b>		
Funding party contributions (Note 4)	610,000	840,000
Specific project contributions	7,000	-
Interest	11,833	35,556
<b>Total revenue</b>	<b>628,833</b>	<b>875,556</b>
<b>Expenses</b>		
Program contracts	516,328	352,347
<b>Administrative expenses</b>		
Accounting and bookkeeping	23,735	20,383
Amortization of capital assets	10,048	16,737
Bank charges	1,053	1,179
Casual labour	2,497	1,343
Computer maintenance and supplies	10,761	8,043
Equipment leasing	10,291	12,290
Insurance	1,939	999
Legal	1,817	10,395
Loss on disposal of capital assets	5,460	-
Office and miscellaneous supplies	16,809	16,719
Postage and delivery	11,010	11,165
Recruitment and training	11,226	14,858
Rent	86,038	86,218
Salaries and benefits	490,117	373,890
Telecommunications	7,129	7,824
Travel	3,256	1,167
<b>Total Administrative expenses</b>	<b>693,186</b>	<b>583,210</b>
<b>Total expenses</b>	<b>1,209,514</b>	<b>935,557</b>
<b>Deficiency of revenue over expenses</b>	<b>\$(580,681)</b>	<b>\$(60,001)</b>

## Statement of Changes in Accumulated Surplus

For the Year Ended March 31, 2003 Unaudited	<b>Invested in Capital Assets</b>	<b>Unrestricted</b>	<b>2003 Total</b>	<b>2002 Total</b>
Accumulated surplus, beginning of year	19,924	820,024	839,948	899,949
Deficiency of revenue over expenses	-	(580,681)	(580,681)	(60,001)
Amortization of capital assets	(10,048)	10,048	-	-
Net Investment in capital assets	5,851	(5,851)	-	-
<b>Accumulated surplus, end of year</b>	<b>\$15,727</b>	<b>\$243,540</b>	<b>\$259,267</b>	<b>\$839,948</b>

## Statement of Cash Flows

For the Year Ended March 31, 2003 Unaudited	<b>2003</b>	<b>2002</b>
<b>Cash flows from operating activities</b>		
Cash received from funding parties	472,000	840,000
Cash paid for programs and administration	(1,192,216)	(898,096)
Net cash generated from (used in) operating activities	(720,216)	(58,096)
<b>Cash flows from investing activities</b>		
Interest received on cash and term deposits	15,251	49,439
Purchase of capital assets	(11,311)	(20,488)
Net cash generated from investing activities	3,940	28,951
Net decrease in cash and term deposits	(716,276)	(29,145)
Cash and term deposits, beginning of year	999,130	1,028,275
Cash and term deposits, end of year	282,854	999,130

For the Year Ended  
March 31, 2003  
Unaudited

**1 Purpose and Structure**

Burrard Inlet Environmental Action Program and Fraser River Estuary Management Program (The Programs) were initiated in 1991 and 1985, respectively, on agreement with several funding parties (see Note 3). Management of the Programs was combined in 1996 under a Memorandum of Understanding, signed by the funding parties, which provides for a common framework for overall planning, management and policy direction.

Burrard Inlet Environmental Action Program (BIEAP) is a coordinated joint action program created to improve and protect the environmental quality of Burrard Inlet.

Fraser River Estuary Management Program (FREMP) was created to coordinate and facilitate the implementation of measures to protect and improve environmental quality, to provide economic development opportunities and to sustain quality of life in and around the Fraser River estuary.

The Programs operate on a non-profit basis and are exempt from income taxes under Section 149(1)(l) of the Income Tax Act.

**2 Significant Accounting Policies**

a) Revenue recognition:

The Programs follow the deferral method of accounting for contributions. Contributions by the funding parties, as determined by the annual Work Plan, are recognized as revenue when received. Any advance funding contributions are recorded as unearned revenue.

b) Capital assets:

Capital assets are recorded at cost. Amortization is recorded, in full, the year of purchase and is calculated as follows:

Computer hardware	Straight line over 3 years
Furniture and equipment	Straight line over 5 years

Capital assets which cost less than \$500 are expensed.

c) Allocation of administrative expenses:

Salaries are allocated to the specific programs of BIEAP and FREMP according to the time spent on each activity. Other administrative expenses are usually allocated in the same percentages as the salaries, unless a more specific basis for allocation is appropriate. The attached Schedule shows the total allocation of revenue and expenses, as presented on the Statement of Operations, to the individual programs of BIEAP and FREMP.

d) Accumulated surplus:

The accumulated surplus, which represents the accumulated excesses of revenues over expenses, is broken down as to the portion attributed to net capital assets and the remaining unrestricted portion.

e) Financial instruments:

The Programs' financial instruments consist of cash, term deposits, interest receivable and accounts payable. It is the Management Committee's opinion that the Programs are not exposed to significant interest or credit risks arising from these financial instruments.

**3 Cash and Term Deposits**

The cashable term deposit matures on March 1, 2004, and earns an effective yield of 2.28%. The cash bank balance earns an effective yield of prime minus 3% (1.5% at March 31, 2002).



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For the Year Ended  
March 31, 2003  
Unaudited

#### 4 Funding Party Contributions

The funding parties contributed the following amounts to the operations of the Programs for the current year.

	BIEAP	FREMP
Fraser River Port Authority	-	90,000
North Fraser Port Authority	-	45,000
Environment Canada, Government of Canada	30,000	45,000
Department of Fisheries and Oceans, Government of Canada	16,000	24,000
Ministry of Water, Land and Air Protection, Province of BC	60,000	90,000
Greater Vancouver Regional District	60,000	90,000
Vancouver Port Authority	60,000	-
Total revenue	\$226,000	\$384,000

The Memorandum of Understanding specifies that the total cost of the Programs is not to exceed \$5,000,000 (BIEAP \$2,000,000 / FREMP \$3,000,000) in a five year period. Expenses for the five year period ended March 31, 2003, totalled \$4,291,867 (BIEAP \$1,639,608 / FREMP \$2,652,259). Any excess in funding party contributions over expenses is carried forward to future periods.

The funding parties have agreed, as outlined in a revised Memorandum of Understanding, to reduce their contributions to the Programs in future years to a total of \$40,000 per party. The Programs will continue on a modified basis.

The Programs have incurred related restructuring costs totalling \$113,278 to June 30, 2003 (\$65,168 to March 31, 2003), which include severance, lease surrender and sundry other payments.

The North Fraser Port Authority has notified the Management Committee of its withdrawal from the Programs effective April 1, 2003. The Fraser River Port Authority has notified the Management Committee of its intention to withdraw from the Programs effective April 1, 2004.

#### 5 Trust Funds

The Programs have entered into agreements with certain government bodies to jointly administer specified projects on behalf of those bodies. Any unexpended funds under these agreements are held in trust by the Programs. Trust funds held March 31, 2003, were \$458 (2002 \$5,458). Trust funds expended on projects for the year totalled \$125,000 (2002 \$6,203). Note that these trust funds have not been reviewed and do not form part of these financial statements.

#### 6 Commitments

The Programs are committed to an operating lease on their premises, which expires on March 31, 2006. Basic rent is \$25,731 per annum plus parking and a portion of operating costs and property taxes. The existing lease was amended, effective June 30, 2003, and part of the premises were surrendered for a sum of \$42,800 compensation to the landlord.

The Programs are also committed to minimum copier lease payments of \$7,268 per year to August 31, 2006.

Minimum future lease commitments total \$149,973, inclusive of the surrender payment.



## Schedule of Allocation of Revenue, Expenses and Accumulated Surplus to Programs

For the Year Ended  
March 31, 2003  
Unaudited

	2003 BIEAP	2003 FREMP	2003 Total	2002 Total
<b>Revenue</b>				
Funding party contributions (Note 4)	\$226,000	\$384,000	\$610,000	\$840,000
Specific project contributions	-	7,000	7,000	-
Interest	1,822	10,011	11,833	35,556
Total revenue	227,822	401,011	628,833	875,556
<b>Allocation of Expenses</b>				
Program management	100,718	100,933	201,651	207,065
BIEAP environmental management plan	111,186	-	111,186	212,552
FREMP water and land use	-	415,018	415,018	309,123
Estuary management plan	-	187,112	187,112	-
Coordinated project review	57,650	68,715	126,365	92,068
Community liaison	59,251	43,763	103,014	114,749
Restructuring costs (Note 4)	26,067	39,101	65,168	-
Total expenses	354,872	854,642	1,209,514	935,557
Deficiency of revenue over expenses	(127,050)	(453,631)	(580,681)	(60,001)
Accumulated surplus, beginning of year	148,132	691,816	839,948	899,949
Accumulated surplus, end of year	\$21,082	\$238,185	\$259,267	\$839,948



The BIEAP and FREMP office is open between 8:30am and 4:30pm Monday through Friday. Services available to the public include a variety of information brochures, a library of reports, maps and reference materials and computer digital maps and databases.

**BIEAP and FREMP Office**

Suite 501 – 5945 Kathleen Avenue  
Burnaby BC  
V5H 4J7

604 775 5756 Phone  
604 775 5198 Fax

mail@bieapfremf.org  
**www.bieapfremf.org**



Burrard Inlet  
Environmental  
Action  
Program



Fraser River  
Estuary  
Management  
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