

Annual Report

Burrard Inlet Environmental Action Program
Fraser River Estuary Management Program

20092010



BIEAP and FREMP Boundaries



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Improving Ecological Health

It is my great pleasure to present the 2009-2010 BIEAP-FREMP Annual Report on behalf of the Partner Agencies. The past year marked an extremely busy and productive period in the promotion of sustainable initiatives and the ecological health of Burrard Inlet and the Fraser River Estuary.

During this period the Burrard Inlet Environmental Action Program (BIEAP) achieved a major accomplishment with the completion of a key environmental indicator—Shoreline Change Over Time. During the summer of 2009, BIEAP staff and partner agencies surveyed the entire shoreline and foreshore of Burrard Inlet to create a comprehensive online Geographic Information System (GIS) based map. This data informed a historical analysis of shoreline change between the 1930s and 2005. The final report, summarizing key trends and effects for fish and wildlife habitat, is available through the BIEAP-FREMP website.

To further advance sustainable navigation of the River, the Fraser River Estuary Management Program (FREMP) engaged with Partner and affected agencies on ongoing and emerging issues including dredging, debris control, flood control and fish and wildlife habitat. FREMP retained renowned Fraser River expert Dr. Michael Church to undertake an overview of river dynamics and provide information gaps and recommendations as to sustainably manage the Lower Fraser River.

BIEAP-FREMP also coordinated and hosted a public forum to launch the report entitled “Strategic Directions for Biodiversity Conservation in the Region.” Academics, scientists and key Partner agency staff mingled with local politicians and concerned community members to discuss their vision for the region. The Regional Biodiversity Conservation Forum Video and the Forum Proceedings are also available through the BIEAP-FREMP website!

BIEAP-FREMP will continue to advance efforts to coordinate activities that protect, improve and help us better understand the environmental quality of Burrard Inlet and the Fraser River Estuary so that we can achieve the balance of improving the ecological health within Canada’s largest and most diverse port next to British Columbia’s largest metropolitan area.

Darrell Desjardin
Chair

About BIEAP-FREMP

The **Burrard Inlet Environmental Action Program (BIEAP)** and **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** provided 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 Environment, Environment Canada, Fisheries and Oceans Canada, Transport Canada, Port Metro Vancouver and Metro Vancouver.



Burrard Inlet
Environmental
Action
Program



Fraser River
Estuary
Management
Program

Established in 1991, **BIEAP** provided a joint action program to protect and improve the Burrard Inlet. 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 Environment, Environment Canada, Fisheries and Oceans Canada, Transport Canada, Port Metro Vancouver and Metro Vancouver.

BIEAP and **FREMP** function through a Memorandum of Understanding which establishes 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. A Partners Committee comprising principals of the signing partners meets as needed to provide strategic direction for the programs, and a Management Committee deals with program management and policy issues on a quarterly basis. The Management Committee oversees several subcommittees and task groups.

Management Structure

BIEAP & FREMP Funding Partners

Partners Committee Members 2009–2010

BC Ministry of Environment

Lynn Bailey

Environment Canada

Paul Kluckner

Fisheries and Oceans Canada

Diana Trager

Transport Canada

Lori Young

Metro Vancouver

Johnny Carline

Port Metro Vancouver

Darrell Desjardin/Chris Badger

Management Committee Members 2009–2010

BC Ministry of Environment

Brian Clark

Environment Canada

Ken Brock

Fisheries and Oceans Canada

Corino Salomi

Transport Canada

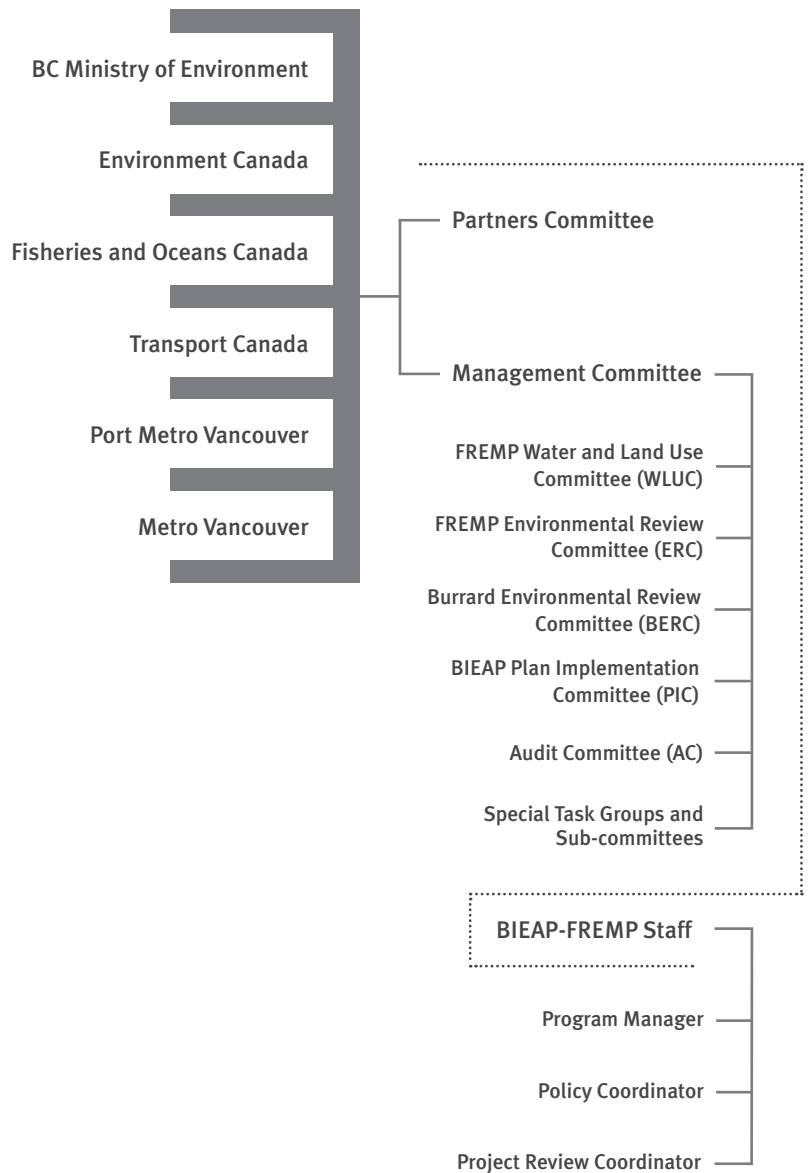
Bob Sisler

Metro Vancouver

Hugh Kellas/Albert van Roodselaar

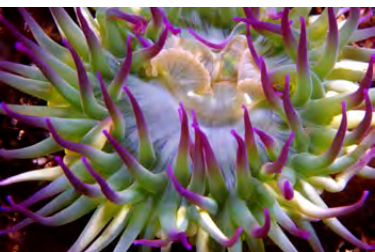
Port Metro Vancouver

Darrell Desjardin



Liquid Waste Management Plan

Over the past 24 years, Metro Vancouver (formerly GVRD) has implemented a Liquid Waste Management Plan (LWMP) under the B.C. Waste Management Act, to provide a comprehensive approach to managing municipal liquid waste in the region. The LWMP addresses both point and non-point source discharges from sanitary, stormwater and combined sewers. This long-term strategy is based upon the principle that the region will manage liquid waste in a manner that protects and enhances environmental quality.



Improving water quality and enhancing the environmental quality of Burrard Inlet and the Fraser River Estuary has been pivotal to the BIEAP and FREMP Programs and their Partners. These shared goals led to a request by BC Ministry of Environment (formerly Minister of Water, Land and Air Protection) in 2002, that any outstanding concerns from the federal agencies, with respect to treatment plant effluent toxicity, should be resolved through the BIEAP-FREMP forum.

In March 2008 and in May 2009, two workshops were organized for BIEAP-FREMP to provide comments on the Metro Vancouver Discussion Document —Strategy for Updating the LWMP, Jan 2008 and the LWMP for the Draft Greater Vancouver Sewerage & Drainage District and Member Municipalities respectively. All feedback was integrated into the 2009 Liquid Waste Management Plan. The 2009 LWMP was considered by the Metro Vancouver Board on November 27, 2009 where it was referred to the Finance Committee for further input regarding the financing and timing of the treatment plan upgrades.

Metro Vancouver continues to provide biannual reports to BIEAP-FREMP to update the Management Committee on work targeted to assess and to address end-of-pipe toxicity test results for Metro Vancouver's waste water treatment plants, in particular the Iona Island and Lions Gate primary plants and to obtain the committee's input on these initiatives.

BIEAP Highlights

Consolidated Environmental Management Plan (CEMP)

The Consolidated Environmental Management Plan (CEMP) for Burrard Inlet was approved by the BIEAP partners in 2002, and contains 21 action items to achieve four shared goals:

Goal #1 Improve water quality in Burrard Inlet

Goal #2 Minimize the effects of contaminated soils and sediments on human and ecological health

Goal #3 Maintain and enhance productive fish and wildlife habitat and the natural biodiversity of Burrard Inlet

Goal #4 Encourage human and economic development activities that enhance the environmental quality of Burrard Inlet

The BIEAP Plan Implementation Committee (PIC) guides Plan implementation and consists of representatives from the BIEAP partner agencies and surrounding municipalities and First Nations: Environment Canada (EC), Fisheries and Oceans Canada (DFO), Port Metro Vancouver (PMV), BC Ministry of Environment (MOE), Metro Vancouver (MV), City of Burnaby, City of North Vancouver, City of Port Moody, City of Vancouver, District of North Vancouver, District of West Vancouver, Village of Anmore, Village of Belcarra and Squamish First Nation. The PIC meets quarterly and reports to the BIEAP-FREMP Management Committee.



Burrard Inlet Shoreline Change — Baseline Assessment

With the generous support of Environment Canada's Environmental Damages Fund, BIEAP has developed an environmental indicator discussing the status of marine habitat in Burrard Inlet. The first phase of the project consisted of an analysis of shoreline change over time through the use of aerial photography from two different time periods (the 1930s and 2005). The second phase involved developing a Habitat Inventory for Burrard Inlet through aerial photo interpretation and field mapping.

BIEAP surveyed the entire foreshore of the inlet from Point Atkinson to Point Grey (excluding Indian Arm) by foot and/or boat and created a comprehensive Geographic Information System (GIS) classifying intertidal substrate and vegetation and recording site specific observations such as invasive species, erosion and overhanging vegetation. BIEAP also recorded the entire shoreline by video and has linked the video to the online GIS.

The final component of the project was to prepare a report summarizing findings and their implications for fish and wildlife habitat in Burrard Inlet. The final report is available to the public and provides important information regarding environmental quality and trends in the inlet.

www.bieapfrempp.org/pdf/burrard_inlet_shoreline_change-baseline_assessment_dec_09.pdf

This project is only the beginning of a community-based mapping system for which BIEAP hopes to facilitate continued growth and enhancement of the central database through collaboration with stewardship groups and partnerships dedicated to protecting the ecological integrity of Burrard Inlet.



Best Management Practices for Non-Point Source Pollution Prevention

Raising awareness of non-point source pollution problems and providing practical tools to assist pollution prevention is critical for reducing pollution of our waterways. Best Management Practices (BMPs) and other resources can play a role in educating business, industry and the wider community about non-point source pollution and its impacts.

BIEAP has been undertaking a research study over the past two years to determine the most effective medium to reach target audiences at risk of introducing non-point source pollution into Burrard Inlet. In 2008, BIEAP undertook a comprehensive research study of existing guidelines and BMPs that can be used to help prevent or reduce the introduction of non-point source pollution into the Burrard Inlet watershed. A series of draft educational materials were produced, outlining how to properly deal with the disposal of toxic substances and how to proceed in the event of accidental spills or emergencies.

Phase II of this project involved continued development of the educational materials. In 2009, BIEAP hired another student to consolidate the information and conduct interviews with target audiences to solicit feedback on format and content in order to determine the most effective medium to deliver the material.

Finalized information was sent to a graphic designer and seven posters have been produced to educate and empower local businesses. In addition to simple ways to improve their business practices, the BMPs also outline the responsibilities of each business owner by law—including information on enforcement and penalties for non-compliance. These posters may also be used by local governments as attachments/business license advisories to various business categories at risk of causing storm drain contamination.



CEMP Tracking Report 2009

The CEMP contains a commitment towards an annual reporting system, namely, that BIEAP will institute an annual public reporting system on the work achieved through the partnership.

The goal of the 2009 CEMP Tracking Report was to acquire information for the 21 CEMP actions identified in the Consolidated Environmental Management Plan for Burrard Inlet. Information was gathered from a number of the stakeholders in the period January–April 2009, and focused on ongoing and future projects related to progress on the selected CEMP actions. Where information was gathered in 2008 for the same action, an update was obtained. The CEMP Tracking Report is available on the BIEAP-FREMP website as a resource for the public to see where progress is being made in implementing the Burrard Inlet Consolidated Environmental Management Plan.

The PIC will update the CEMP Tracking Report again in 2010–2011.



FREMP Highlights

Fraser River Estuary Management Plan

FREMP is guided by the Estuary Management Plan (EMP), “A Living Working River”, which outlines a shared vision, goals and actions for improving the environmental, economic, and social health of the Fraser River estuary. In 2003, the EMP was updated to reflect current realities and new actions.

Implementation of the EMP is guided by the FREMP Water and Land Use Committee (WLUC), an advisory committee reporting to the BIEAP-FREMP Management Committee. Members include representatives of each FREMP partner agency as well as staff from municipalities, First Nations and the Vancouver International Airport Authority. WLUC also functions as a useful information-sharing forum for all those involved in managing and protecting the estuary. The Committee meets quarterly.





Roberts and Sturgeon Banks Reach Overview

FREMP is in the process of completing a Reach Overview for Roberts Bank and Sturgeon Bank. The purpose of a Reach Overview is to provide an analysis of water, shoreline and upland issues that transcends individual municipal and agency boundaries. While there are plans in place for each jurisdiction, these plans cover different areas and interests. No mechanism exists to look at the water and shoreline interface in a more holistic way.

The Reach Overview will provide a river-based description and analysis of water, shoreline and upland issues that transcend individual municipal and agency boundaries and will serve as a planning and decision making tool that integrates foreshore and upland activities.

In 2009, FREMP completed a compilation and synthesis of existing information on the physical, biological and human activities and processes for Roberts and Sturgeon Banks. The report identified and described the main features and functions operating in five categorized habitat types within the reach. This work has provided a foundation for understanding how natural processes are affected by contemporary activities in the area and is a first step towards understanding what should be considered with regards to future development in the reach. Funds for this research were provided by the Fraser Salmon and Watersheds Program.

Fraser River Tour

In October 2009, FREMP hosted a guided tour of the Fraser River with Dr. Michael Church, Professor Emeritus, UBC Department of Geography and Dr. Jeremy Venditti, Professor, SFU Department of Geography. In attendance were senior level representatives from several FREMP Partner Agencies as well as key staff responsible for managing the Lower Fraser. The tour included an overview of river hydrology and dynamics, examples of how previous planning has contributed to the evolution of the river, and was followed by a discussion amongst participants regarding strategies to make effective management decisions.

Next steps will involve engaging Dr. Church to present key recommendations to the FREMP Partners Committee regarding sustainable river management.



Regional Biodiversity Conservation Forum

In April 2009, BIEAP-FREMP hosted a Regional Biodiversity Conservation Forum to launch the document *Strategic Directions for Biodiversity Conservation in the Metro Vancouver Region* (www.metrovancouver.org/about/publications/Publications/StrategicDirectionsBiodiversityConservation.pdf). Main objectives of the Forum were to: celebrate and recognize biodiversity actions in the region, motivate and galvanize efforts for biodiversity conservation and promote collaborative implementation of the Strategic Directions and identify next steps.

Approximately eighty key stakeholders and interested community members attended and participants had the opportunity to choose three out of nine Strategic Directions to discuss in a Breakout Session. The Breakout Sessions were designed to: identify the highest priorities for next steps for implementation of the Strategic Directions, and identify major gaps and how these gaps could be addressed effectively in order to move forward with implementing the Strategic Directions.

All discussions were recorded and have been released in the Forum Proceedings at www.bieapfremf.org.





2009 Environmental Review Process

BIEAP and FREMP use a two-track process to review projects in Burrard Inlet and the Fraser River Estuary. 'Track 1 projects' are generally of a predictable nature, frequently maintenance or repair type activities with little public interest and a low risk of environmental impact. Track 1 applications are dealt with by the Lead Agencies (i.e. Port Metro Vancouver), those agencies with the permitting responsibility and are made available for comment by the other Environmental Review Committee agencies. 'Track 2 projects' constitute proposals of a more complex nature and generally have a greater potential for environmental impacts. These projects are reviewed by the BIEAP and FREMP environmental review committees.

The coordinated review process allows BIEAP and FREMP partners to collectively review proposals before a federal, provincial or municipal authority makes any decision that would allow the project to proceed. It is important to note that the coordinated project review process does not issue project approvals. Instead, it provides the responsible authorities with recommendations and conditions prior to making a decision about approving the project to ensure that projects remain compliant with the legislations administered by the agencies of the review committees. Review of Track 2 projects is the main function of the Environmental Review committees.

Once the Environmental Review Committees (ERCs) are satisfied that a project will not cause environmental harm and that the project does not trigger the need for further permitting by one of the partner agencies, the ERCs will issue a Letter of Recommendations or Project Review letter. The letter describes a list of mitigation measures designed to prevent adverse environmental effects caused by the project and ensure the compliance of the project within the legislative mandates of the partner agencies. The ERC's always aim to have completed project reviews within a 30-business day timeframe, depending on the complexity of the project.

Occasionally a proponent will be sent an interim letter requesting further information or a change in the project design if particular environmental concerns have been raised.

If it is the consensus of the committee that mitigation measures cannot prevent adverse impacts, the ERCs will recommend that a project not be approved.

Partner membership of the Environmental Review committees in 2009 was Fisheries and Oceans Canada, Port Metro Vancouver, Transport Canada, Ministry of Environment and Environment Canada.



Project Categorization

For the purposes of meaningful reporting, Track 2 projects of 2009 were categorized into one of the following **project types**:

New Development projects: new structure, major expansion of the existing project footprint, change of land use or activity that has not previously occurred in that geographic location, e.g. new marina construction.

Maintenance projects: a project that enables the continuation of an activity or the ongoing integrity of a structure e.g. dredging to maintain a wharf facility, improvements to bank stabilization structures.

Renewal projects: activities aimed specifically at improving the environmental integrity of a site or winding down activities on that site, e.g. habitat creation, debris removal, decommissioning or demolition of facilities.

Exploratory testing projects: project which are chiefly to do with testing an environmental parameter, e.g. geotechnical testing.

Events: singular short term usage of land in FREMP jurisdiction e.g. recreational contests, filming, house moving).

Projects were assigned to one project type category which best fitted the activities proposed.

Following the initial **project type** categorization, projects were then classified by *interest group* based on the interests of the proponent initiating the project and the final user group of the project outcomes. Interest group categories are:

Commercial: mostly private enterprise initiated projects aimed at boosting or maintaining earning potential, e.g. upgrades to barge loading facilities

Civil: public infrastructure projects mostly initiated by government agencies and municipalities. e.g. public bridge works.

Private/Residential: projects pertaining to private and/or residential facilities, e.g. waterfront home improvements.

Public recreational: projects specifically related to public recreational facilities, e.g. boat ramps, parks, trails.

Conservation group: groups with a specific conservation mandate undertaking projects aimed at conserving the natural environment and ecosystem services, e.g. seagrass transplanting, invasive plant control.

The specific **activities** undertaken by a project were also recorded in 2009 with applications received covering 14 different project activities as described below. Where application involved several activities, only the major activity was selected for categorization.

Construction (land-based structures)

Dock and float works

Pipe works

Filling (adding fill to a site)

Dike works

Marina (new)

Vegetation management (removal, planting or transplanting)

Rip-rap (shoreline stabilization)

Dredging

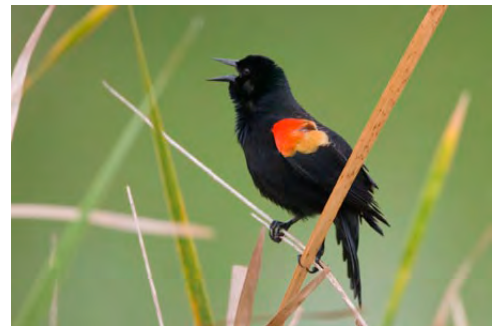
Outfalls (sewer, stormwater)

Debris and Pollutant Removal

Demolition (structures)

Boat Launch (infrastructure)

Breakwater

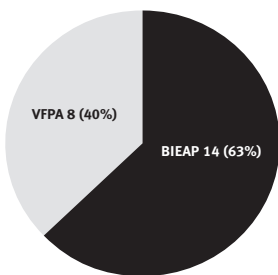


Burrard Inlet Coordinated Environmental Review

In 2009 the Burrard Environmental Review Committee (BERC) processed a total of 67 projects, 45 of which were Track 1s and 22 following the Track 2 process. This is a total of seven fewer projects reviewed by BERC than in 2007.



2009 BERC project review — 2008 Comparison

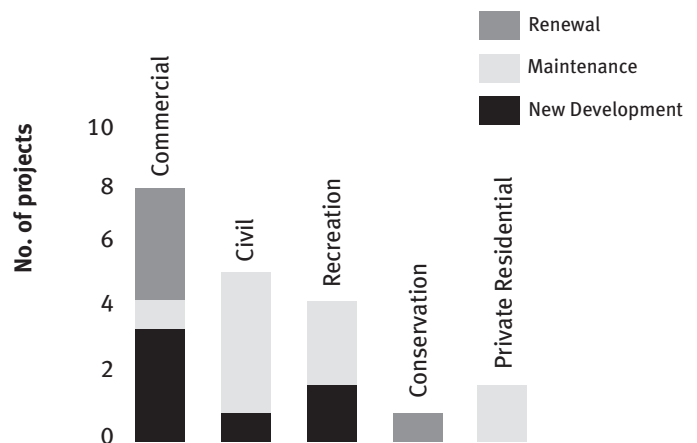


Lead agency distribution of BERC 2009 Track 2 projects.

The lead agency role for BERC 63%, an increase of 15% on BIEAP's 2008 lead agency role. A total of 37% of projects were referred to BERC by the Vancouver Fraser Port Authority (VFPA) as Track 2 projects. Transport Canada did not assume the lead agency role of any projects in 2009. Of the 22 Track 2 Projects referred to BERC, 11 occurred within the City of Vancouver's municipal area.

Project Distribution

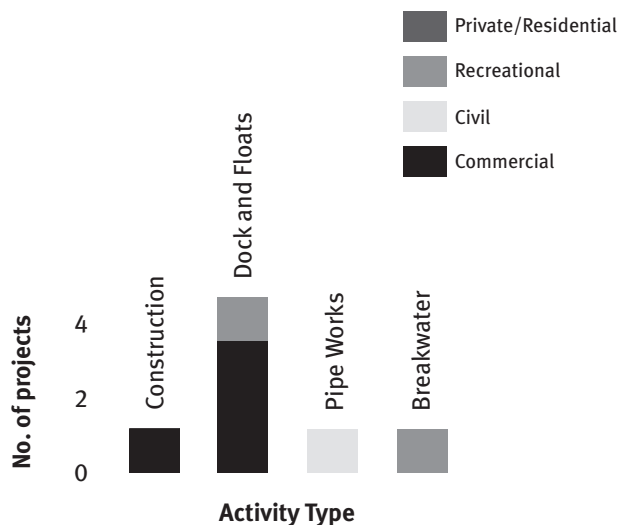
As per 2008, project proposals in 2009 were mostly initiated by commercial entities. Exactly half of the BERC project proposals were categorized as maintenance projects and seven projects constituted new developments. There were three project proposals dedicated to public recreational infrastructure, two projects initiated by private residential interests and one project undertaken by a conservation group.



Track 2 Project Types and Interest Groups.

New Development

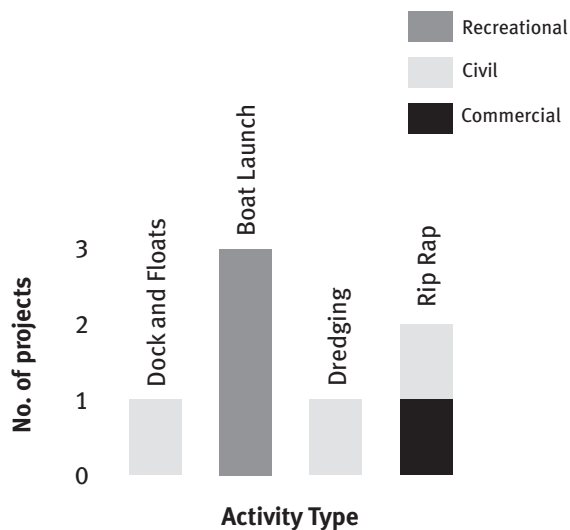
Track 2 Projects consisted of seven new developments, compared to 17 in 2008. The installation of new commercial docks and floats was the most common new developments referred to the FREMP ERC.



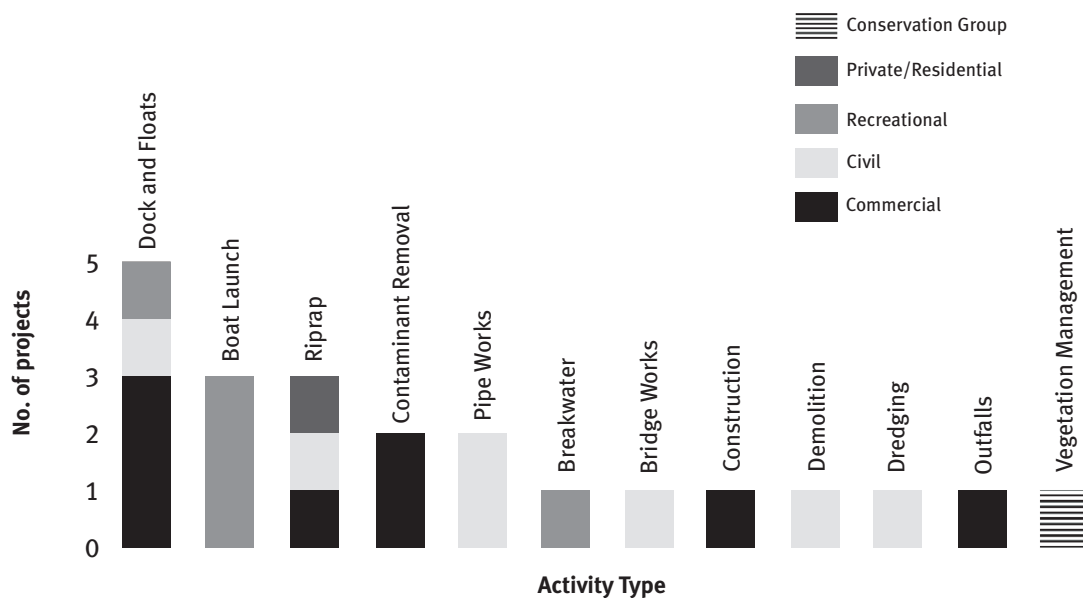
BERC Track 2 'New Development' project activity types represented in 2009.

Maintenance

2009 BERC maintenance type projects were spread over four main activities. These projects included repairs to boat launches at Cates Park North Vancouver and Jericho Sailing Club, riprap upgrades in the City of Vancouver and maintenance dredging at the Royal Vancouver Yacht Club.



BERC Track 2 'Maintenance' project activity types represented in 2009.



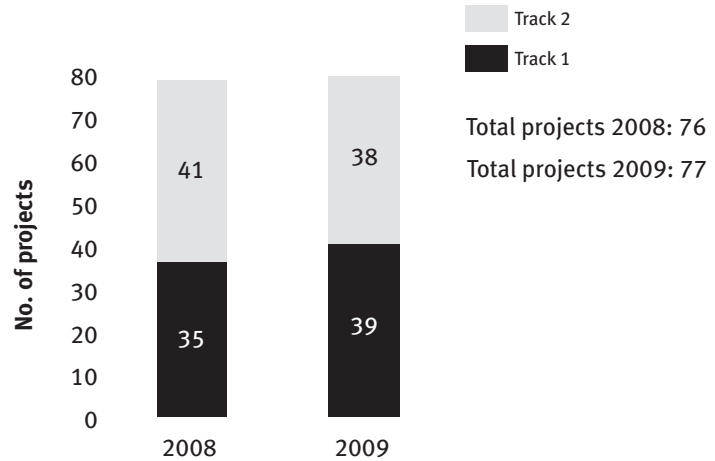
BERC total activity types represented in 2009 Track 2 project applications

There were a total of 12 activity types represented in BERC 2009 project applications. The most common activity was work on docks and floats, followed by shoreline stabilization works as represented by riprap. Compared to 2008 when land based construction totaling 11 projects was the dominant activity, only one land based construction application was reviewed by BERC in 2009.

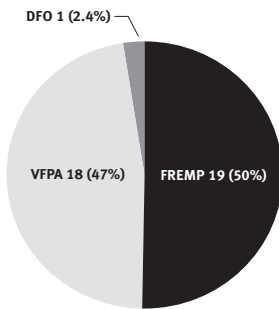
In 2009, 77% of the projects were reviewed under the target time of 30 business days. Two files were closed — one a result of the proponent withdrawing an application for a breakwater due to their inability to modify the design to provide for adequate fish migration. Three 2009 files remained on the agenda at the end of the year awaiting further information from the proponents or the results of wider review and consultation processes.

Fraser River Estuary

In 2009 the Fraser River Estuary Environmental Review Committee (FREMP ERC) processed a total of 77 projects, 39 of which were Track 1s and 38 following the Track 2 process. This is a total of one more project processed than in 2008.



2009 BERC project review — 2008 Comparison



Lead agency distribution of FREMP ERC 2009 Track 2 projects.

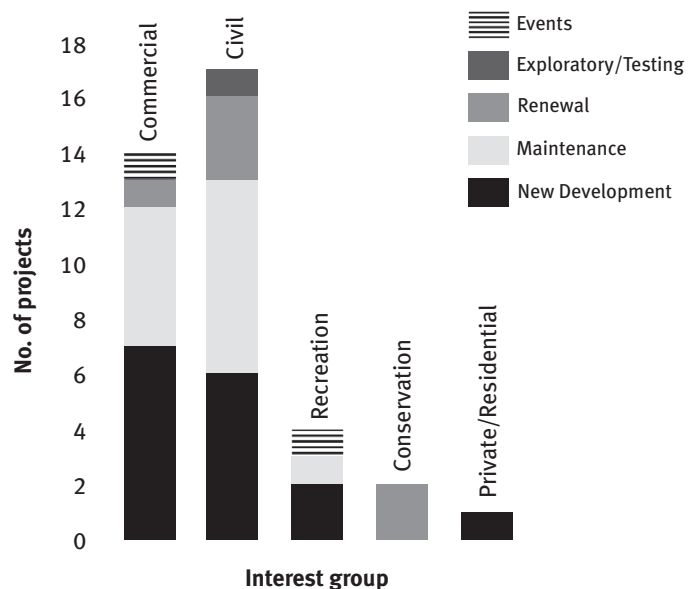
Half of the projects initiated in 2009 saw FREMP assume the role as lead agency. This is reflective of projects whereby the municipalities have the final permitting role and the FREMP project review process informs this permitting process or the reviews acts to notify the partner agencies that a project is compliant within their legislative mandates, such as Fisheries and Oceans Canada (DFO) and the Fisheries Act. It is noted that almost half of all FREMP project applications (14 in total) occurred in the Corporation of Delta's municipal region. The City of Richmond hosted seven projects and the City of Surrey five projects.

The Vancouver Fraser Port Authority referred 18 projects to the FREMP ERC for works under Port permitting jurisdiction. This constituted 47% of total projects reviewed by the FREMP ERC.

One project took place on land administered by DFO Small Crafts and Harbours.

Project Distribution

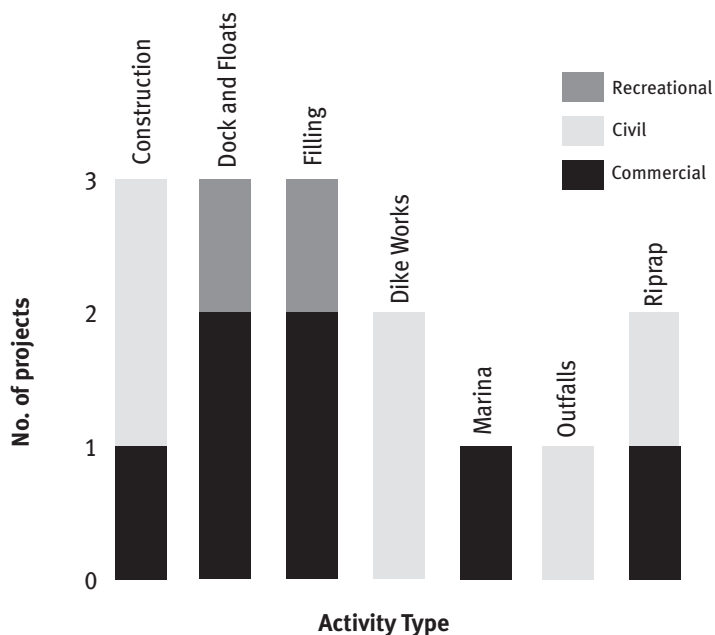
FREMP ERC project proposals were dominated by civil interests, with 20 projects in total. Commercial interest accounted for 14 projects, seven new developments and seven maintenance projects. The 'event' recorded in this category involved the moving of a house across the foreshore of Boundary Bay for transportation by barge.



Track 2 project types and interest group of proponent in 2009.

New Development

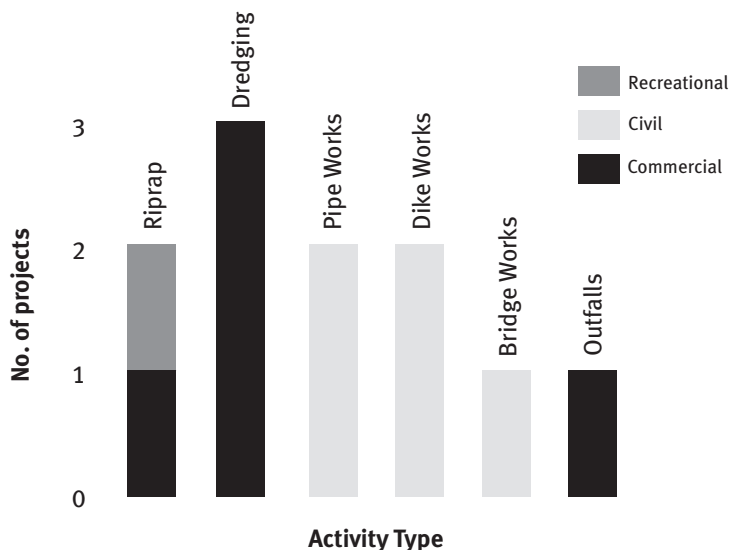
In 2009 the FREMP ERC processed 15 projects considered to be 'New Developments'. These projects were mostly generated by commercial interests and included construction, filling activities and dock and float works. In 2008 new developments accounted for 21 Track 2 applications. The reduced number of New Developments in 2009 is possibly reflective of economic downturn in 2009. Dike works represented as a new development constitute works where dikes have been significantly upgraded and their footprint increased as opposed to those appearing as maintenance activities which are mostly concerned with repairs.



FREMP ERC Track 2 'New Development' project activity types represented in 2009.

Maintenance

The 11 'maintenance projects' processed by the FREMP ERC covered six activity types. Which were mostly initiated by civil and commercial interests and included pipe replacements, dike repairs, bridge maintenance and application for maintenance dredging projects. Project descriptions ranged from the replacement of existing natural gas transmission pipelines across the South Arm of the Fraser River to slope repairs at the Marine Drive Golf Club.



FREMP ERC Track 2 'Maintenance' project activity types represented in 2009.

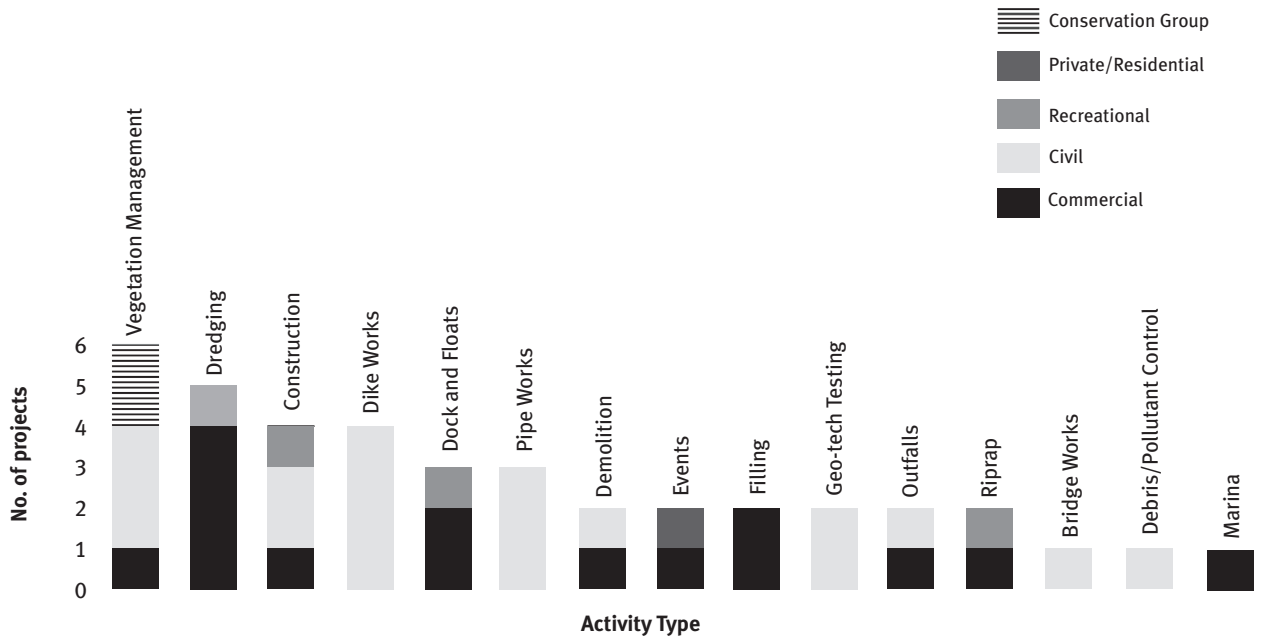


Figure 5: FREMP ERC total activity types represented by 2009 projects

The 38 Track two projects featured a total of 14 activity types. Vegetation management was the most common activity constituting six projects which included *Spartina anglica* control at Boundary Bay, harvesting of eelgrass donor stock for transplanting and marsh plug harvesting for habitat compensation projects. Works on dock and floats, pipes, dikes and dredging activities were the next most common Track 2 applications.

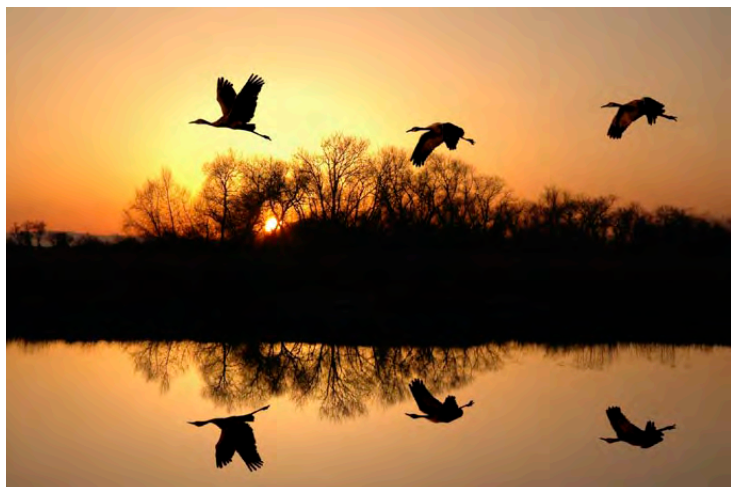
As per 2008, projects processed in 2009 were mostly reviewed within the 30 business day target of the ERC. Three projects from 2009 remained on the ERC agenda at the end of 2009. These are mostly on hold due to wider stakeholder consultations or the proponent is seeking approvals or permits which must be obtained before the ERC review can be completed.

Conclusion

Project review in 2009 saw a general decline in Track 2 project applications, particularly applications for new developments involving land-based construction. Maintenance activities remained steady and there was a slight increase in Track 1 applications in both BIEAP and FREMP jurisdictions, again a reflection of maintenance activities. This is possibly an indicator of the slowing 2009 economy whereby expenditure on infrastructure was mostly limited to necessary maintenance.

Differences between activity types for BERC and ERC reflect the major differences between a river system (Fraser) and a marine inlet. The Fraser River with its many tributaries has an extensive dike system which requires ongoing maintenance to protect the land from flooding. Similarly, the diversity of the land use in the lower Fraser inherently results in a greater range of FREMP activity types from bridge repairs and maintenance to eelgrass harvesting for transplantation.

The more densely populated Burrard Inlet supports an extensive commercial landscape of Port activities. With this comes the requirement of continued maintenance and upgrading of dock facilities which constitute a large proportion of the commercial construction projects referred to BERC. Civil infrastructure projects processed by BERC mostly occurred in the City of Vancouver area. Some of these projects including stormwater system retrofits, relocation of an Aquabus ferry dock and upgrades to the Cambie Street Bridge were related to improving facilities for the Winter Olympics held in Vancouver in February 2010.





Financial Statements of

**BURRARD INLET ENVIRONMENTAL
ACTION PROGRAM AND
FRASER RIVER ESTUARY
MANAGEMENT PROGRAM**

Year ended March 31, 2010
(Unaudited)

REVIEW ENGAGEMENT REPORT

To the Members of Burrard Inlet Environmental Action Program and Fraser River Estuary Management Program

We have reviewed the statement of financial position of Burrard Inlet Environmental Action Program ("BIEAP") and Fraser River Estuary Management Program ("FREMP") (the "Programs") as at March 31, 2010 and the statements of operations and changes in fund balances and cash flows for the year then ended. Our 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 us by the Entity.

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

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

The 2009 comparative figures have not been subject to review.

A handwritten signature in black ink that reads "KPMG LLP". The signature is written in a cursive, stylized font. Below the signature is a single horizontal line.

Burnaby, Canada

May 26, 2010

BURRARD INLET ENVIRONMENTAL ACTION PROGRAM AND FRASER RIVER ESTUARY MANAGEMENT PROGRAM

Statement of Financial Position

March 31, 2010, with comparative figures for 2009
(Unaudited)

	2010	2009
Assets		
Current assets:		
Cash and cash equivalents (note 2)	\$ 371,749	\$ 318,691
Accounts receivable and accrued interest	3,132	7,949
Prepaid expenses	7,829	5,289
	<u>387,710</u>	<u>331,929</u>
Long term investments (note 3)	5,000	-
Capital assets (note 4)	2,791	2,129
	<u>\$ 390,501</u>	<u>\$ 334,058</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 31,887	\$ 26,504
Deferred contributions (note 5)	53,922	40,003
	<u>85,809</u>	<u>66,507</u>
Fund balances:		
Capital	2,791	2,129
Contingency	94,657	93,854
Plan Implementation	516	6,141
Operating	206,728	165,427
	<u>304,692</u>	<u>267,551</u>
Commitments (note 7)		
Economic dependence and continuing operations (note 8)		
	<u>\$ 390,501</u>	<u>\$ 334,058</u>

See accompanying notes to financial statements.

Approved on behalf of the Board:

(signature removed)
Management Committee

(signature removed)
Management Committee

BURRARD INLET ENVIRONMENTAL ACTION PROGRAM AND FRASER RIVER ESTUARY MANAGEMENT PROGRAM

Statement of Operations

Year ended March 31, 2010, with comparative figures for 2009
(Unaudited)

	2010	2009
Revenues:		
Funding partner contributions (note 6)	\$ 388,000	\$ 377,500
Specific project contributions (note 6)	73,553	16,000
Plan Implementation Fund contributions (note 6)	18,949	17,304
Interest	2,479	6,355
	482,981	417,159
Direct program expenditures:		
Partnership programs (schedule 1)	115,474	37,532
Plan Implementation Fund (schedule 2)	15,774	17,326
	131,248	54,858
Program administrative expenditures:		
Accounting	17,706	16,160
Amortization of capital assets	2,047	1,634
Bank charges and payroll fees	1,141	919
Computer maintenance and supplies	7,532	6,943
Equipment leasing and maintenance	4,827	3,379
Insurance	1,688	1,931
Office and miscellaneous supplies	11,430	7,663
Postage and delivery	632	2,303
Professional fees	1,922	2,562
Recruitment and training	1,810	2,564
Rent	45,339	43,977
Salaries and benefits	211,738	179,264
Telecommunications	5,737	6,474
Travel	1,043	1,109
	314,592	276,882
Total expenditures	445,840	331,740
Excess of revenue over expenditure	\$ 37,141	\$ 85,419

See accompanying notes to financial statements.

BURRARD INLET ENVIRONMENTAL ACTION PROGRAM AND FRASER RIVER ESTUARY MANAGEMENT PROGRAM

Statement of Changes in Fund Balances

Year ended March 31, 2010, with comparative figures for 2009
(Unaudited)

	Capital Fund	Contingency Fund	Implementation Fund	Plan Operating Fund	2010	2009
Fund balance beginning of year	\$ 2,129	\$ 93,854	\$ 6,141	\$ 165,427	\$ 267,551	\$ 182,132
Excess of revenue over expenditures:						
BIEAP/FREMP operations – schedule 1	-	-	-	33,966	33,966	84,877
Plan Implementation Fund – schedule 2	-	-	3,175	-	3,175	542
Interest earned transfer	-	803	-	(803)	-	-
Amortization of capital assets	(2,047)	-	-	2,047	-	-
Investment in capital assets	2,709	-	-	(2,709)	-	-
Fund transfer	-	-	(8,800)	8,800	-	-
Fund balance, end of year	\$ 2,791	\$ 94,657	\$ 516	\$ 206,728	\$ 304,692	\$ 267,551

See accompanying notes to financial statements.

BURRARD INLET ENVIRONMENTAL ACTION PROGRAM AND FRASER RIVER ESTUARY MANAGEMENT PROGRAM

Statement of Cash Flow

Year ended March 31, 2010, with comparative figures for 2009
(Unaudited)

	2010	2009
Cash provided by (used in):		
Operations:		
Excess (deficit) of revenues over expenditures:		
BIEAP/FREMP (schedule 1)	\$ 33,966	\$ 84,877
Plan Implementation Fund (schedule 2)	3,175	542
	37,141	85,419
Items not involving cash:		
Amortization	2,047	1,634
	39,188	87,053
Change in non-cash operating working capital:		
Accounts receivable and accrued interest	4,817	(1,758)
Prepaid expenses	(2,540)	(1,372)
Accounts payable and accrued liabilities	5,383	18,885
Deferred contributions	13,919	(30,375)
	60,767	72,433
Investments:		
Increase in long-term investments	(5,000)	-
Purchase of computer equipment	(2,709)	(2,720)
	(7,709)	(2,720)
Increase in cash and cash equivalents	53,058	69,713
Cash and cash equivalents, beginning of year	318,691	248,978
Cash and cash equivalents, end of year	\$ 371,749	\$ 318,691

See accompanying notes to financial statements.

BURRARD INLET ENVIRONMENTAL ACTION PROGRAM AND FRASER RIVER ESTUARY MANAGEMENT PROGRAM

Notes to Financial Statements

Year ended March 31, 2010
(Unaudited)

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 partners (see Note 6). Management of the Programs was combined in 1996 under a Memorandum of Understanding, signed by the funding partners, 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.

1. Significant accounting policies:

a) Presentation and basis of accounting:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

b) Fund accounting:

The Programs follow fund accounting procedures whereby available resources and their related expenditures are recorded in separate funds in accordance with determinations made by the management committee and limitations and restrictions imposed by sources outside the Programs.

For financial reporting purposes, the accounts have been classified into the following funds:

(i) Operating fund:

The operating fund accounts for revenue and expenditures relating to the general operation of the Programs.

(ii) Capital fund:

The capital fund reports the assets and expenditures, including amortization, related to the Program's capital assets.

(iii) Contingency fund:

The contingency fund represents funds that have been internally restricted by the management committee for potential closure costs against program wind-up. The potential costs would be split 40/60 between BIEAP and FREMP.

BURRARD INLET ENVIRONMENTAL ACTION PROGRAM AND FRASER RIVER ESTUARY MANAGEMENT PROGRAM

Notes to Financial Statements

Year ended March 31, 2010
(Unaudited)

1. Significant accounting policies (continued):

b) Fund accounting (continued):

(iv) Plan Implementation Fund:

The Plan Implementation Fund (PIF) is periodically funded by certain BIEAP and FREMP partners and other parties for environmental programs.

c) Revenue recognition:

The Programs follow the deferral method of accounting for contributions. Contributions by the funding partners, as determined by the annual work plan, are recognized as revenue when received. Advance funding is recorded as deferred contributions.

Restricted contributions and specific fund contributions are recognized as revenue in the year in which related expenditures are incurred, other than those related to capital projects, which are amortized to revenue over the estimated useful life of the related capital asset.

d) Capital assets:

Capital assets are recorded at cost and amortization is calculated annually as follows:

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

The Programs assess the carrying amount of long-lived assets initially based on the net recoverable amounts determined on an undiscounted cash flow basis. If the carrying amount of an asset exceeds its net recoverable amount, an impairment loss is recognized to the extent that fair value is below the asset's carrying amount. Fair value is determined based on quoted market prices when available, otherwise on the discounted cash flows over the life of the asset.

e) 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 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.

f) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

BURRARD INLET ENVIRONMENTAL ACTION PROGRAM AND FRASER RIVER ESTUARY MANAGEMENT PROGRAM

Notes to Financial Statements (continued)

Year ended March 31, 2010
(Unaudited)

1. Significant accounting policies (continued):

g) Financial instruments:

All financial assets and liabilities are classified into one of the following five categories: held for trading, held-to-maturity, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments are included on the balance sheet and initially measured at fair market value. Subsequent measurement and recognition of changes in fair value of financial instruments depend on their initial classification. Held for trading financial investments are measured at fair value and all gains and losses are included in net income in the period in which they arise. Available-for-sale financial instruments are measured at fair value with revaluation gains and losses included in fund balance. Loans and receivables held-to-maturity financial investment and other financial liabilities are measured at amortized cost using the effective interest rate method.

The Programs financial assets and liabilities are as follows:

(i) Cash and cash equivalents:

Cash and cash equivalents are designated as held for trading and recorded at their fair value.

(ii) Accounts receivable and accounts payable and accrued liabilities:

Accounts receivable and accounts payable and accrued liabilities are classified as loans and receivables and other financial liabilities and are therefore recorded at amortized cost, which approximate their fair value due to their relatively short periods to maturity.

(iii) Long term investments:

Long term investments are designated as held for trading and recorded at their fair value.

h) Adoption of accounting standards:

(i) Amendments for Not-for-Profit Organizations:

In September 2008, the CICA issued amendments to handbook Sections 4400, Financial Statement Presentation by Not-for-Profit Organizations, and the 4470, Disclosure of Allocated Expenses by Non-for-Profit Organizations. The amendments are effective for the Program's fiscal year commencing April 1, 2009 and remove the requirement to disclose net assets invested in capital assets, clarify capital asset recognition criteria and amortization, expand interim financial statement requirements to not-for-profit organizations that prepare interim financial statements, require disclosure of allocated fundraising and general support expenses by not-for-profit organizations, and include the requirement to follow Handbook Section 1540, Cash Flow Statements. The adoption of these standards resulted in additional disclosure regarding the allocation of expenses in note 1.

BURRARD INLET ENVIRONMENTAL ACTION PROGRAM AND FRASER RIVER ESTUARY MANAGEMENT PROGRAM

Notes to Financial Statements (continued)

Year ended March 31, 2010
(Unaudited)

1. Significant accounting policies (continued):

h) Adoption of accounting standards (continued):

(ii) Section 1535 Capital Disclosures:

Effective April 1, 2009, the Programs adopted the CICA Handbook Section 1535 - *Capital Disclosures*. Under this new standard, the Programs are required to disclose both qualitative and quantitative information that enables users of the financial statements to evaluate the Programs' objectives, policies, and processes for managing capital. It also includes disclosure regarding what the Programs regard as capital, whether the Programs have complied with any external requirements and in the event of non-compliance, the consequences of not complying with these capital requirements.

The Programs receive their principal source of capital through contributions from partners of the Programs. The Programs define capital to be net assets which include amounts held in the capital fund, plan implementation fund, contingency fund and operating fund.

The Programs are not subject to any other external capital requirements or restrictions.

i) Future accounting standards:

The Programs are classified as a not-for-profit organization. The Accounting Standards Board has recently released an exposure draft relating to the future of financial reporting by not-for-profit organizations with a proposed effective date of year-ends beginning on or after January 1, 2012. The Programs are in the process of reviewing the potential impact of the proposals on its reporting framework and financial statements.

2. Cash and cash equivalents:

Cash and cash equivalents are comprised of the following:

	2010	2009
Cash	\$ 62,103	\$ 74,586
Restricted cash	94,657	93,500
Guaranteed investment certificates (GIC)	214,989	150,605
Total cash and cash equivalents	\$ 371,749	\$ 318,691

The GIC's are cashable, earn yields of 0.55% to 1.65% per annum, and mature from February 1, 2011 to March 24, 2011.

Restricted cash represents funds that have been internally restricted by the management committee for potential closure costs against program wind-up. The potential cost would be split 40/60 between BIEAP and FREMP.

BURRARD INLET ENVIRONMENTAL ACTION PROGRAM AND FRASER RIVER ESTUARY MANAGEMENT PROGRAM

Notes to Financial Statements (continued)

Year ended March 31, 2010
(Unaudited)

3. Long term investment

The long term investment consists of a non-redeemable GIC yielding 1.65% per annum and matures on May 13, 2011.

4. Capital assets:

	Cost	Accumulated amortization	2010	2009
Computer hardware	\$ 24,400	\$ 22,612	\$ 1,788	\$ 1,813
Furniture and equipment	20,760	19,757	1,003	316
	\$ 45,160	\$ 42,369	\$ 2,791	\$ 2,129

5. Deferred contributions:

Deferred contributions include contributions received from funding parties for specific projects which will be recognized when the funds are disbursed.

	2010	2009
Greater Vancouver Regional District (GVRD) – funding party contributions for the year ended March 31, 2011	\$ 37,875	\$ 36,750
GVRD – Biodiversity Conservation Strategy	6,752	-
Pacific Salmon Foundation	4,710	-
Vancouver Fraser Port Authority – Shoreline Change Indicator Program	4,585	-
Plan Implementation Fund – British Columbia Ministry of Environment	-	3,253
	\$ 53,922	\$ 40,003

BURRARD INLET ENVIRONMENTAL ACTION PROGRAM AND FRASER RIVER ESTUARY MANAGEMENT PROGRAM

Notes to Financial Statements (continued)

Year ended March 31, 2010
(Unaudited)

6. Contributions:

The funding partners contributed the following amounts to the operations of the Programs for the current year:

	BIEAP	FREMP	Total
Operations:			
Environment Canada	\$ 22,500	\$ 22,500	\$ 45,000
Fisheries and Oceans Canada	24,500	24,500	49,000
Transport Canada	24,500	24,500	49,000
British Columbia Ministry of Environment	24,500	24,500	49,000
GVRD	24,500	24,500	49,000
Vancouver Fraser Port Authority	73,500	73,500	147,000
	194,000	194,000	388,000
Specific project contributions:			
Vancouver Fraser Port Authority – Shoreline Change Indicator Program	35,415	-	35,415
GVRD – Biodiversity Conservation Strategy	8,778	8,470	17,248
Pacific Salmon Foundation	-	20,890	20,890
	44,193	29,360	73,553
PIF – Funding partners contributions:			
British Columbia Ministry of Environment	2,022	1,231	3,253
Environment Canada	15,696	-	15,696
	17,718	1,231	18,949
	\$ 255,911	\$ 224,591	\$ 480,502

7. Commitments:

The Programs are committed to leases for their office premises and equipment, requiring future minimum lease payments over the next five years as follows:

2011	\$ 24,510
2012	3,468
2013	3,468
2014	3,468
2015	867
	\$ 35,781

BURRARD INLET ENVIRONMENTAL ACTION PROGRAM AND FRASER RIVER ESTUARY MANAGEMENT PROGRAM

Notes to Financial Statements (continued)

Year ended March 31, 2010
(Unaudited)

8. Economic dependence and continuing operations:

The Programs are economically dependent on the continued funding from each of the funding partners. Any of the funding partners may terminate its involvement in the Programs upon submission of formal notification of its intended withdrawal within one full fiscal year prior to the intended date of withdrawal.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern.

On March 30, 2010, Vancouver Fraser Port Authority submitted formal notification that its funding contribution will be reduced to an equivalent level of funding as the other Partners commencing for the March 31, 2012 fiscal year-end.

The reduction in funding is approximately 25% of the total current annual funding partner contributions. The ability of the Programs to continue as a going concern and realize assets and discharge liabilities in the normal course of operations is dependent upon the continued support from funding partners and on its ability to find additional funding or reduce expenditures accordingly. Management has assessed that the reduction in funding will have no significant impact on the basic operations in fiscal 2011. Management is currently assessing the impact of the reduction in funding on the 2012 operations, specifically the types of projects to be delivered, the level of expenditures, and the overall continuing viability of the Programs in 2012 and beyond.

9. Comparative figures:

Certain 2009 comparative figures have been reclassified to conform to the financial statement presentation adopted for 2010.

BURRARD INLET ENVIRONMENTAL ACTION PROGRAM AND FRASER RIVER ESTUARY MANAGEMENT PROGRAM

Schedule 1 - Revenues, Expenditures and Net Assets – Partnership Programs

Year ended March 31, 2010, with comparative figures for 2009
(Unaudited)

	BIEAP	FREMP	2010	2009
Revenues:				
Funding party contributions	\$ 194,000	\$ 194,000	\$ 388,000	\$ 377,500
Specific project contributions	44,193	29,360	73,553	16,000
Interest	1,239	1,240	2,479	5,791
	239,432	224,600	464,032	399,291
Direct expenditures:				
Plan implementation	76,367	37,159	113,526	29,674
Community liaison	974	974	1,948	7,858
	77,341	38,133	115,474	37,532
Allocated program administrative expenditures:				
Program management	115,581	115,581	231,162	127,596
BIEAP environment management plan	-	-	-	43,465
FREMP water and land use committee	-	-	-	32,180
Coordinated project review	30,615	30,615	61,230	60,939
Community liaison	11,100	11,100	22,200	12,702
	157,296	157,296	314,592	276,882
Total expenditures	234,637	195,429	430,066	314,414
Excess (deficiency) of revenue over expenditures	4,795	29,171	33,966	84,877
Fund balance - beginning of year	102,742	158,668	261,410	176,533
Fund transfer	5,969	2,831	8,800	-
Fund balance - end of year	\$ 113,506	\$ 190,670	\$ 304,176	\$ 261,410

BURRARD INLET ENVIRONMENTAL ACTION PROGRAM AND FRASER RIVER ESTUARY MANAGEMENT PROGRAM

Schedule 2 - Revenues, Expenditures and Fund Balance – Plan Implementation Fund (PIF)

Year ended March 31, 2010, with comparative figures for 2009

(Unaudited)

	BIEAP	FREMP	2010	2009
Revenues:				
Deferred balances carried forward (note 5)	\$ 2,022	\$ 1,231	\$ 3,253	\$ 18,753
Contributions for current year	15,696	-	15,696	1,804
Balance deferred to next year	-	-	-	(3,253)
Net funding	17,718	1,231	18,949	17,304
Interest income	-	-	-	564
	-	-	18,949	17,868
Expenditures:				
Environment Canada – Habitat Trends project	15,696	-	15,696	17,304
Bank charges	78	-	78	22
Total expenditures	15,774	-	15,774	17,326
Excess (deficiency) of revenues over expenditures	1,944	1,231	3,175	542
Fund balance- beginning of year	4,541	1,600	6,141	5,599
Fund transfer – Plan Implementation	(5,969)	(2,831)	(8,800)	-
Fund balance - end of year	\$ 516	\$ -	\$ 516	\$ 6,141



Burrard Inlet
Environmental
Action
Program



Fraser River
Estuary
Management
Program

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

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