

**REPORT TO ENVIRONMENTAL SERVICES COMMITTEE
MEETING OF WEDNESDAY, JUNE 26, 2019**

SUBJECT **Abandoned Boats Program Update**

ISSUE

To provide an update on progress on the regional Abandoned Boats Program.

BACKGROUND

Abandoned boats are found all along the regional coast and waterways. They present navigation hazards, environmental risks from contamination and habitat destruction, and impacts on the aesthetic and recreational enjoyment of our regional waters.

Transport Canada developed the Abandoned Boats Program (ABP) with two funding streams: Education & Awareness (E&A) and Assessment & Removal (A&R). The program is designed to assist in the assessment and removal of abandoned and derelict boats in navigable waters throughout Canada and to increase awareness of abandoned boats in the region. Eligible expenses for abandoned boat assessments are covered 100% by the ABP grant. For E&A and boat removal funds, 75% of the eligible costs are covered by the grant and 25% must come through other sources.

In July 2017, the Capital Regional District (CRD) Board directed staff to submit regional applications for the federal ABP funding and designated \$350,000 through the Environmental Resource Management (ERM) Sustainability Reserve to support the 25% in-kind contribution required by the ABP. These funds are available to support ABP grants submitted by CRD and municipal staff, the Dead Boats Disposal Society (DBDS), and any other group seeking funding to remove and dispose of abandoned vessels with the CRD.

In November 2017, the Board approved additional funds (\$100,000) from the ERM Sustainability Reserve to cover tipping fee charges for marine debris associated with these abandoned and derelict boats that is non-eligible under the federal ABP. By January 2018, staff had developed a controlled waste permit process to allow tracking and proper disposal of abandoned boat waste and boating-related marine debris. On March 20, 2018, Transport Canada announced that the CRD had obtained the funding for a \$66,700 public outreach campaign (E&A) and \$26,400 funding to assess the boats in Tsehum Harbour and Sooke Harbour (A&R). The DBDS also received significant ABP funding for boat removal in late 2018.

The CRD is coordinating with the DBDS to identify, assess and remove abandoned boats in the capital region. In March 2019, the CRD entered into a grant funding agreement with the DBDS and Salish Sea Industries Ltd. whereby the CRD commits to provide the 25% funding requirement for Transport Canada ABP for its approved funding applications.

Through this partnership, 40 abandoned boats from the capital region have been assessed, removed and disposed of; the CRD has provided a total of \$268,000 as the 25% funding requirement to support the removal and disposal of these boats.

Staff anticipate that more abandoned boats (current estimate is ~35) will be identified through ongoing efforts.

ALTERNATIVES

That the Parks & Environment Committee recommend to the CRD Board:

Alternative 1

1. That use of the funds set aside for marine-related debris disposal to be reallocated to the removal and disposal of abandoned boats; and
2. That the CRD Board advocate to Transport Canada to have 100% of future abandoned boat disposal and removal costs paid through their funding program.

Alternative 2

1. That staff be directed to leave the funding structure as is and wind down the initiative at the end of available funding; and
2. That the CRD Board advocate to Transport Canada to have 100% of future abandoned boat disposal and removal costs paid through their funding program.

Alternative 3

That the CRD District Board allocate an additional \$100,000 from the ERM Sustainability Reserve fund to support additional, anticipated local applications to Transport Canada's Abandoned Boat Program.

FINANCIAL IMPLICATIONS

The CRD committed \$333,000 to provide the 25% contribution required by the Transport Canada ABP. An additional \$100,000 was designated for disposal costs of boating-related marine debris. To support Transport Canada and the DBDS in the removal and disposal of the 40 abandoned boats to date, approximately \$268,000 of the CRD funds has been expended; \$66,000 remains. There has been no uptake on funds designated for boating-related marine debris, leaving ~\$166,000 in unused funds to date.

The DBDS estimates there could be 30-35 additional abandoned boats identified in the region and anticipates another funding request through Transport Canada ABP of \$600,000-\$800,000. The estimated 25% contribution requirement for a grant of that size would be approximately \$150,000-\$200,000, which would expend all remaining funds the CRD has designated to support the ABP and for disposal of boating-related marine debris and could require additional funding. If there is an increase on boat abandonment as a result of Bill C-64, additional funding may be required.

SOCIAL IMPLICATIONS

Staff launched the abandoned boats public outreach campaign this spring. This campaign will increase awareness and educate boat owners, First Nations communities, local governments and the public about abandoned boat issues and the responsibilities of boat owners, communities and government agencies in addressing these end-of-life boat issues (including appropriate recycling

and disposal options). Through the CRD's "See One, Say Something" campaign, boaters are asked to provide information about the location of abandoned boats. This information is then passed onto the DBDS, which then submits the appropriate paperwork to Transport Canada to obtain salvage rights for the boats and to obtain funding for their assessment and removal. The information can also be used to inform senior levels of government about the magnitude of the issue along our coastline.

INTERGOVERNMENTAL IMPLICATIONS

Recently passed into law, Bill C-64, The Wrecked, Abandoned or Hazardous Vessels Act, prohibits vessel abandonment and increases owner responsibility and liability for vessels while simultaneously enabling the Government of Canada to remove problem vessels and send owners the bill. Not complying with the Act now can result in penalties of up to \$50,000 for individuals and \$250,000 for companies or corporations, while regulatory offence prosecution could result in a maximum fine of \$1M for individuals and \$6M for companies or corporations. Additional measures currently being undertaken include improving vessel owner identification, creating an inventory of problem vessels and assessing their risks, and establishing a polluter pay approach for vessel clean-up.

With the passage of this new Bill, it is anticipated there could be an increase in boat abandonment in the region before C-64 is implemented and enforced. This could lead to increased costs to the CRD, if the region chooses to continue supporting the program.

Throughout the first two years of the funding program, Transport Canada has been responsive to streamlining the funding process to make things easier for local entities to access funds in a timely manner. However, given the scale of the issue, staff recommend that the Board advocate to Transport Canada that 100% of eligible abandoned boat removal and disposal costs be funded through the federal program.

CONCLUSIONS

Abandoned vessels present an environmental risk to the region's shorelines and nearshore waters. These vessels also degrade the aesthetic enjoyment of these areas and present a safety risk to the public. To date, the CRD and the DBDS have successfully worked together to identify, assess and remove 40 abandoned boats from the harbours and shorelines of our region. However, more boats are expected to be identified and work needs to be done and the funds the CRD has provided to support this effort will soon be expended.

Funding provided by Transport Canada to the CRD will provide 100% of all assessment costs (including pre-testing requirements), but only 75% of the removal costs. Continuation with this initiative will either require additional contributions from the CRD, or the CRD could advocate to the federal government that 100% of abandoned boat removal costs be covered by the federal program

Currently, the CRD has a residual balance of \$166,000 for the initiative, including \$100,000 set aside for marine-related debris disposal that has been unclaimed. These funds could be used to leverage federal grants for further abandoned boat removal in the region. However, the scale of

the problem across all Canadian coasts appears to be larger than originally anticipated and further federal leadership is required.

RECOMMENDATION

That the Parks & Environment Committee recommend to the Capital Regional District Board:

1. That use of the funds set aside for marine-related debris disposal be reallocated to the removal and disposal of abandoned boats; and
2. That the CRD Board advocate to Transport Canada to have 100% of future abandoned boat disposal and removal costs paid through their funding program.

Submitted by:	Glenn Harris, Ph.D., R.P.Bio., Senior Manager, Environmental Protection
Concurrence:	Larisa Hutcheson, P.Eng., General Manager, Parks & Environmental Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

JW/GH:ss

Attachment: Appendix A – Summary of Abandoned Boats Removed from the Capital Region
and Related Costs – June 2019