



Greater Victoria Harbour Authority
AGENDA – PUBLIC #75
15 April 2011, 9:00 a.m.
Victoria Executive Centre – Meares Street Room
Third floor, 915 Fort Street, Victoria BC

No.	Item	Responsible	Page Numbers
1.	Call to Order	D. Loughnane*	Verbal
2.	Introductions	D. Loughnane	Verbal
3.	Approval of Agenda	D. Loughnane	3593
4.	Board Chair Election	D. Rand	Verbal
5.	Presentations a) Briane Andersen, Fisherman's Wharf Floathome Owner	B. Andersen	3594-3597
6.	Declarations of Conflict of Interest	Chair	Verbal
7.	Minutes		
	a) Review/Approve Minutes of Public Meeting #74 on February 18, 2011	Chair	3598-3601
	b) Business arising from previous minutes	Chair	Verbal
8.	Rise and Report	Chair	Verbal
9.	Action Items / Board Motions	Chair	3602-3603
10.	Business		
	a) Chair's Report	Chair	Verbal
	b) Acting CEO's Report	S. Ross	3604-3608
	c) Board Correspondence	D. Rand	3610-3625
	d) Shore Power Pre-Feasibility Report	R. Penz	3624-3638
	e) Capital Project Summary	S. Ross	3640-3641
11.	New Business a) Draft Whistleblower Policy b) Board Committee Memberships	D. Rand Chair	3642 3644
12.	Input from the Public	Chair	Verbal
13.	Motion to adjourn to In-Camera meeting	D. Rand	Verbal

*Acting Chair

Guests: Briane Anderson

Reports:
"In The Community"

April 15, 2011 GVHA Board of Directors meeting

Presenter - Briane Andersen, #13 Fisherman's Wharf Floathome Village 250 884 4542

Why:

Differences of opinion with management have created significant unnecessary stress and fear amongst floathome owners. I speak for myself, not for the Fisherman's Wharf Community Association, a registered BC Society.

The floathomes at Fisherman's Wharf add in a significant way to Victorian's pride in our harbour and as a destination for the +/-150,000 residents and visitors who visit our docks each year.

What I'll highlight:

1. Floathomes in the Village at Fisherman's Wharf add significantly to the community, therefore, I propose the GVHA set up a joint project with FWCA to promote, and further highlight the intrinsic value of the Village.
2. The need to establish an Alternate Dispute Resolution (ADR) facility process.
3. Creation of greater Transparency
4. Need for a Governance review

Desire to achieve:

As a public access facility, Fisherman's Wharf Floathome Village is looked upon by our visitors as "different", "eclectic" and many other monikers, but always as a friendly/comfortable place to visit. The Village floathome owners have stressed their willingness to discuss and negotiate our differences, and I concur with this ideal...this policy needs to be reviewed.

With this in mind, I propose that directors of the GVHA take back to their founding members and others, a request that they meet and review the success and failures of the GVHA to date. Looking back will give a strong indication of what changes should be made for the future success of the GVHA's ambitions.

I believe that acknowledging the *value added* by Fisherman's Wharf Village to the GVHA's holdings, instituting a model for fair dispute resolution, revisiting your mandate as determined in the divestiture documents, with greater openness and transparency, will lead to harmony and significant advancement of your harbour goals.

Respectfully submitted,

Briane Andersen

Email: briane.andersen@gmail.com

003594

The following extract is from a letter by Mr. Geoff Young on his thoughts on board governance for the GVHA Society (the letter was written when Mr. Young was **not** a council member) this extract was taken from Geoff Young's Website in a 2005 letter to the then Mayor and City Council of Victoria ... the subject - ***GVHA intention to move to a board model as outlined in Best Practice Guidelines as supported by the Office of the Premier.*** This model is for use by Crown Corporations, educational institutions and health authorities.

Dear Mayor Lowe and Council members,

I would like to thank you for appointing me as an Alternate to the Board of the Greater Victoria Harbour Authority. I enjoyed observing the meetings of the Board and filling in for Councillor Holland once or twice when she was unable to attend. At its May 11 meeting the Board made a decision to eliminate the position of Alternate so I will no longer be serving in this capacity.

It appears that the Board felt that elimination of the Alternates was a step in a continuing process of change resulting from its examination of governance issues. The direction of these likely changes is fairly clear because the Board's Governance Committee (as reported in the Board Minutes of December 9, 2004, posted on the GVHA's web site) has approached the Premier's Office for assistance.

The board model supported by the Office of the Premier for use by Crown corporations, educational institutions and health authorities is outlined in detail in its Best Practice Guidelines (a similar board model is used federally by the airport boards). In this type of board directors are appointed as individuals rather than as representatives of the appointing body, and there are no alternates.

I strongly disagree with the GVHA's apparent intention to continue to move in the direction of adopting the board model outlined in the Best Practice Guidelines.

A central principle of this board model is board unity. Board unity requires that board meetings be private, because obviously a board member cannot be required to observe the principle of board unity and refrain from expressing contrary opinions publicly if board meetings are themselves public. The GVHA's original bylaws, in contrast, generally require that all issues save legal, land and personnel issues be discussed in public (although in practice already the majority of discussion in GVHA meetings is in camera).

The "unified board" model prescribed by the Guidelines is entirely appropriate where the board

is exercising management authority delegated by a government. The Provincial crown corporations, health authorities and educational institutions are the creations of the Province, and their successes or shortcomings are ultimately the Provincial government's. Similarly, the airport boards are dependent on the federal government as both landlord and legislative authority, and it is well understood that the federal government will ultimately be responsible if the boards should ever be seen to fail to represent the best interests of the public.

This is as it should be. If there is a public interest in the ownership of a company or institution, then an elected government should ultimately be responsible. If there is no compelling public interest being served by public control of an operation, then there is no need for public ownership.

The major problem with the GVHA becoming a unitary board is that it is not entirely clear which level of government must step in and assume responsibility should the GVHA ever be unsuccessful in meeting its mandate. The GVHA's properties came from the federal government, but its constitution and bylaws are governed by Provincial legislation. As divestiture continues and the GVHA assumes responsibility for the seabed and for vessel movements that are now under federal jurisdiction, citizens and harbour users should know whether to complain to their MP (or perhaps MLA) or to their municipal council, business association or First Nations government if they disagree with GVHA policies.

If the "unified board" model with private discussion is adopted, the extent to which the board will be responsive to any government or local interest group will decline. A municipal government, business association, or First Nation can appoint a well qualified individual, but this is much different from knowing whether their appointee is actually representing their interests. Further, some GVHA Board members are not appointed by any government or community group at all, but rather by the Board itself. When it eliminated the Alternates the Board also increased to four the number of these directors. While the Board is not yet completely self-perpetuating, this change further dilutes the responsiveness of the GVHA to the local governments and other appointing bodies.

If the GVHA adopts a "unified board" model a city council member, band leader or association executive who disagrees with a GVHA board policy, but is forced to support it in public, will be placed in a difficult position. This kind of conflict led me to resign from the PCC when I was a Council member, and it is why municipal councillors and staff are barred from sitting on the airport boards.

The GVHA can fill an important role in advocating for the development and best use of waterfront sites, and it has already undertaken valuable improvements on its properties. It was intended

to be open and accountable to the community organizations who appoint directors, but if it continues on its present course local citizens may end up with no more influence over the harbour than when it was run by distant federal bureaucrats.

Before supporting further divestiture of lands and authority to the GVHA the City should ensure a return to the GVHA's original board membership structure and to the openness of the board that was intended. The "unitary board" model advocated by the Premier's office is inconsistent with this intent.

Thank you once again for the opportunity to serve Victoria on the Harbour Board. I should mention that should Alternates be reinstated I now feel that a member of Council should be appointed as Alternate in my place. Alternates were created to ensure that significant decisions affecting one of the appointing municipalities, First Nations or stakeholder groups could not be made with that body unrepresented because of illness or unavoidable absence, and for the City I believe this role is best filled by a Councillor.

Geoffrey Young - Author of above

003597



MINUTES OF PUBLIC MEETING #74

**Greater Victoria Harbour Authority
Held at 9:00 a.m. on 18 February 2011
Victoria Executive Centre – Meares Street Room
Third floor, 915 Fort Street, Victoria BC**

In attendance:

Jim Allard
Christopher Causton
Dave Cowen
Barbara Desjardins
Dan Kukat
Dermot Loughnane, Acting Chair
Pamela Madoff
David Rand, Secretary
Bill Wellburn, Treasurer

CEO & Resources:

Ian Crocker, Manager of Operations
Julia Park, Recording Secretary
Rebecca Penz, Manager of Communications
Sonterra Ross, Acting CEO

Regrets:

Chief Robert Sam
Chief Andy Thomas
Mike Williamson

Guests:

Elodie Adams, James Bay Beacon
Bob Barlow, Western Stevedoring
Milton Barnes, Mercury Marine
David Beswick, Ocean Explorations
Clark M. Clark, GVHA Performer
Marg Gardiner, James Bay Neighbourhood Assoc. (JBNA)
Joseph Gonyeau, GVHA
Peter Hartman, Hart Corp.
Barry Hobbis, Victoria Harbour Ferries
Greg McAllister, King Bros. Limited
Alan McGillivray, Prince of Whales
John Parker, Grayline
Paul Ridout, GVHA Board Life Member
Janis Ringuette, JBNA
Brian Scarfe, JBNA
Lyle Soetaert, Victoria Esquimalt Harbour Society
Simon Sobolewski, Red Fish Blue Fish
Gordon Tweddell, Shoal Point Resident
Randy Wright, GVHA Board Life Member

1. **Call to Order**
The Chair called the meeting to order at 9:03 a.m.

2. **Introductions**
None.

3. **Approval of Agenda**

MOVED and SECONDED THAT the agenda be approved as amended.

CARRIED

4. **Presentations**

a) Pinton Forrest & Madden (PFM) – George Madden, partner

GVHA's CEO Selection Committee conducted an RFP for the recruitment of a new CEO. PFM was the successful proponent. It has many years of international recruitment experience at the senior executive level.

The firm spent many hours sourcing candidates worldwide. PFM sought input from many stakeholders including GVHA staff, Songhees and Esquimalt Nations, Northwest Canada Cruiseship Association and other organizations and stakeholders. PFM presented 15 candidates to the Selection Committee of which 8 candidates were shortlisted and 5 were interviewed.

A preferred candidate was selected and will be interviewed by the board in the in-camera without management meeting. All necessary checks for the preferred candidate have been completed.

b) Red Fish Blue Fish – Simon Sobolewski

Ocean Explorations – David Beswick, owner/operator

David Beswick presented the Board with pictures of the SS Beaver under construction and the impact to the Broughton Street Pier. The SS Beaver has been inhibiting Sobolewski's business by blocking access. Heavy construction on the vessel is unsightly and blocks access to the dock on one side.

The SS Beaver's relocation was supposed to be temporary. Construction on the vessel is far more extensive than the repairs GVHA typically allows on boats at its facilities.

Sobolewski presented more pictures of the SS Beaver and the impact to the pier and viewscapes. Demolition included the removal of the top third of the vessel. Large bins on the pier are taking up the seating area.

He pointed out GVHA supplied the materials and labour for the bumpers, as there were none provided by the SS Beaver.

The Manager of Operations stated that the lines used to tie up the SS Beaver were temporary, and work on the vessel was being done during the off-season for Ocean Explorations and Red Fish Blue Fish.

The Chair thanked them for their presentation and noted there would be further discussion on the matter in the in-camera session.

5. **Declarations of Conflict of Interest**
None.

6. **Review/Approve Minutes**

a) Approve minutes of Public Meeting #73 on December 10, 2010.

003599

MOVED and SECONDED THAT the minutes of Public Meeting #73 on December 10, 2010 be approved.

CARRIED

b) Business arising from previous minutes

None.

7. Rise and Report

The Board reported that GVHA's Respectful Workplace Policy was approved and will be available on the website.

8. Business

a) Chairman's Report

As interim Chair, he has focused on CEO recruitment in the last few months. He has not yet been able to get out in the community.

b) Acting CEO's Report

In addition to the Acting CEO's written report, highlights included:

- Management participated in meetings with the major cruise line in January. Feedback on Victoria as a destination and the Ogden Point cruise terminal was very positive.
- Received a letter from Northwest Canada CruiseShip Association (NWCCA), supporting GVHA's efforts to reduce sulphur content in fuel and join the Northwest Ports Clean Air Strategy.
- The Alaska cruise market is very stable; there has been a reduction in the tourism levy of 30%.
- No rock was found during the dredging project. As a result, no blasting was required. Rock will be purchased for rehabilitation of fish habitat.
- GVHA will have two booths at Seatrade to continue building relationships with cruise lines.

The Board discussed the importance of cruise to the community and to GVHA as its largest revenue stream. The Board asked the Acting CEO if the cruise lines had any specific requests for improving services.

The Acting CEO stated one cruise line requested awnings for passengers as they disembark during poor weather. The cruise lines would like to stay longer in port but their itineraries do not allow for it.

The Board noted a Tourism Victoria survey showed high satisfaction with Victoria from cruise passengers, and a large number (6%) intended to return. More research is being conducted by Tourism Victoria to check the survey numbers.

The Manager of Communications reported that several events are being planned in conjunction with first ship arrivals. These include the first call of the Disney Wonder, the first Disney ship to visit B.C.

c) Board Correspondence

The Board Secretary reported that both Songhees and Esquimalt Nations were quick to write letters of support for the dredging project, which helped expedite the environmental assessment. GVHA has sent letters to the Nations regarding net revenue sharing.

MOVED and SECONDED THAT the correspondence be received as circulated.

CARRIED

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9. New Business

a) Board Chair Election

The Board Secretary reported that GVHA's Chair, Mike Williamson, resigned on February 3, 2011 as a result of his initial participation in the CEO recruitment. He remains on the Board as a Community Director.

10. Input from the Public

Marg Gardiner, JBNA

Gardiner stated the need for a safety review for Victoria Harbour regarding float planes. She is concerned GVHA is advocating on behalf of the floatplane operations, due to leases and the floatplane operator that serves on the Board. She is concerned about real or perceived conflicts of interest.

The Qualatech report was sent to GVHA from JBNA. It was accompanied with a request that Transport Canada be urged to conduct a safety case on floatplanes regarding noise levels and volatile organic compounds (VOC's).

Marg Gardiner also stated with regard to the cruise industry, Board members are directly or indirectly benefiting from the cruise line passengers, which puts them in a conflict of interest.

Janis Ringuette, JBNA

Ringuette requested Board member names be on the table for ease of identification. She inquired when the results of the stakeholder/client (Malatest) survey will be released.

Barry Hobbis, Victoria Harbour Ferries

Hobbis stated that the Qualatech Report does support air operations, but the same safety standard should be applied nationally. The job of Transport Canada is to go to the stakeholder, not the opposite. Transport Canada should be consulting with all stakeholders, including GVHA, and conducting a due diligence risk assessment. GVHA should not be inserting itself into the process.

Lyle Soetaert, President, VEHS

Soetaert stated a letter was being written to GVHA's Chair regarding an issue between GVHA and Marine Masters. VEHS is concerned that GVHA's position is not in the best interests of the harbour, its users or GVHA.

Brian Scarfe, JBNA

Scarfe said the harbour safety study by Transport Canada is overdue. He noted the report is pushing for safety, not an attack on floatplane businesses.

The JBNA has a number of issues with GVHA and has tried to move forward with creation of a joint committee.

11. Adjournment

MOVED and SECONDED THAT under section 34 (2) (d) the meeting be moved in-camera as in the opinion of the Board the public interest requires exclusion.

CARRIED

The meeting was adjourned at 10:26 a.m.

David Rand, Secretary

Dermot Loughnane, Acting Chair

003601



PUBLIC BOARD MEETING ACTION ITEMS February 2011

DATE OF BOARD MTG.	ACTION ITEM	RESPONSIBLE	COMPLETED-Y/N-DATE
February 18, 2011	> None		



PUBLIC BOARD MOTIONS

February 2011

MEETING DATE	MOTION	NOTES
February 18, 2011 Public # 74	<p>1. MOVED and SECONDED THAT the minutes of Public Meeting #73 on December 10, 2010 be approved. CARRIED</p> <p>2. MOVED and SECONDED THAT the correspondence be received as circulated. CARRIED</p> <p>3. MOVED and SECONDED THAT under section 34 (2) (d) the meeting be moved in-camera as in the opinion of the Board the public interest requires exclusion. CARRIED</p>	

003603



**Report to GVHA's Board of Directors
Public**

Prepared by: Sonterra Ross, Acting CEO
Board Meeting Date: April 15, 2011
Subject: Acting CEO Report

General Overview

Since the last Public Board Meeting (February 18, 2011) management has focused on:

- Ogden Point Master Plan Economic Analysis with CH2M Hill (Part A – Foundation for Growth, Viability and Development) – In progress
- Completion of Fisherman's Wharf Phase III
- Completion of the dredging/blasting project in time for the March 31, 2011 funding deadline
- Expanding the common area at Fisherman's Wharf in time for the summer season
- Attended Seatrade Cruise Convention from March 14-18, 2011
- Scheduling annual spring public relations campaign, including member agency presentations
- Annual presentation to the James Bay Neighbourhood Association
- Relocated the SS Beaver to the north side of Ship Point
- Issued RFP for Fisherman's Wharf Marina Development Strategy, Facility Plan and Rezoning Application
- Issued RFI for passenger movement options at Ogden Point
- Client relations meetings
- Finalizing the 2011-2012 Strategic and Business Plan
- Cruise Tourism Partnership planning
- Air monitoring partnership with the Ministry of Environment
- Finalizing the Land & Sea mural fundraising agreements
- Sharepoint training for all corporate and permanent marina staff

Management's Priorities for Next Quarter:

- Attend Government Interface Convention from May 30-31, 2011
- Finalize Procurement Policy
- Finalize Ogden Point Master Plan Economic Analysis with CH2M Hill (Part A – Foundation for Growth, Viability and Development)
- Choose Proponent for developing the Fisherman's Wharf Marina Development Strategy, Facility Plan and Rezoning Application
- Fiscal year-end audit

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- New CEO - Curtis Grad, start date June 6, 2011
- Spring PR campaign (member agency meetings)

GVHA/Stakeholder Events

- First cruise ship - April 16, 2011
- North West and Canada Cruise Association Spring Reception - April 19, 2011
- Tourism Victoria AGM - April 28, 2011
- Inaugural visit of the Disney Wonder to BC - May 2, 2011
- Blessing Ceremony - June (TBD)

Public Events

- | | | |
|--|------------------|-------------------|
| • BCYBA Floating Boat Show | April 28 - May 1 | Ship Pt/Causeway |
| • Massive Outdoor & Marine Garage Sale | April 30 | Ogden Pt - Pier A |
| • Opening Day Sail Past (Victoria Day Weekend) | May 19 - 23 | Inner Harbour |
| • Swiftsure Int. Yacht Race | May 28 - 29 | Inner Harbour |
| • Boat for Hope | June 4 | Inner Harbour |
| • International Cycling Festival | June 10-12 | Ship Point |
| • Van Isle 360 | June 15 - 17 | Inner Harbour |

Stakeholders & Harbour Advocacy

Management Guidelines for Committees

Drafted management guidelines for committees (pg 5). These guidelines will steer the development of Terms of References for management committees.

JBNA Presentation

Presentation to the James Bay Neighbourhood Association on April 13, 2011. Management presented the upcoming cruise season and neighbourhood initiatives.

Ogden Point

Cruise

First cruise ship call for 2011 is Saturday April 16, 2011.

The pier expansion ribbon cutting event planned for May 2, 2011 is postponed due to the federal election. The inaugural visit celebration of the Disney Wonder will go ahead.

Seatrade

Attended Seatrade Convention in Miami from March 14-18, 2011. Discussions with cruise lines included:

- Disney's decision to change homeports in 2012 from Vancouver to Seattle. The Disney Wonder will be a regular weekly visitor
- The commitment by the lines to use higher quality fuels in Victoria
- Ogden Point Master Plan progress

The convention was well attended and GVHA was successful at meeting with most of its cruise line clients. Over 1,500 exhibitors participated, including ports from all over the world and cruise industry technology experts.

Cruise BC had a new booth this year, and Cruise BC and Alaska hosted its first joint reception on March 16, 2011.

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RFI for Passenger Movement

GVHA released the RFI for passenger movements on April 6, 2011. The request is centred on moving large numbers of cruise tourism passengers from the Ogden Point terminal to downtown Victoria. The purpose of the RFI is to obtain information from suppliers for all or parts of potential solutions. The RFI was sent to transportation providers and manufacturers, and closes May 31, 2011.

First Nations

Finalized the agreement for fundraising for the Land & Sea Mural. The final panels for Phase II will be secured in the spring of 2011 with a blessing ceremony planned for June 2011.

Because the 2011 Land & Sea Mural project is subject to funding and the fundraising activities are just beginning, this year's phase of the project may be postponed or scaled back.

Fisherman's Wharf

RFP for Fisherman's Wharf Vision

The RFP for a Marina Development Strategy, Facility Plan and Rezoning Application was released April 6, 2011. The successful proponent will develop a Strategy and Facility Plan for marina operations and related functions at Fisherman's Wharf, resulting in a rezoning application to the City of Victoria. The RFP closes April 28, 2011. Proposals will be reviewed by management based on established selection criteria.

Fisherman's Wharf Marketing Tools

GVHA worked closely with Fisherman's Wharf commercial operators on a joint marketing initiative. A new Fisherman's Wharf website will be launched in May. The site is hosted by GVHA and each operator has their own webpage. Commercial operators can upload their own content within the parameters of their signed agreements with GVHA. A new brochure is also in production. This brochure will have a wide range of distribution, including the airport, hotels and the Tourism Victoria information centre.

Fish Offloading – Reefer Trucks

GVHA is working with the fish offloading operator to correct the baffling system for the reefer trucks. The operator will not be permitted to operate until the screen is approved by GVHA. Management continues to gather information on the business case for expanding the Huron Street pier. The expansion will allow the reefer trucks onto the pier itself, further mitigating noise concerns from neighbours. This project is anticipated to begin construction in fall of 2011, subject to approval of the business case.

Organic Composting

This project is delayed because the City of Victoria requires a development permit.

Hop-on/Hop-off

GVHA will not be entering into any new licences for hop-on, hop-off service at Fisherman's Wharf to ensure safety and reduce noise for the neighbours.

Hop-on/hop-off buses can use the bus stop at Erie and Dallas. As part of the park redevelopment, the City has installed a path down to Fisherman's Wharf and is installing signs. Passengers can now easily make their way down to Fisherman's Wharf from the street. The hop-on, hop-off buses are large for that site. Since the reconfiguration of the entrance, they either have to turn contrary to traffic laws or drive up Erie Street, which is noisy for the neighbours.

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Smaller buses servicing the businesses at Fisherman's Wharf will still be allowed to drop-off and pick-up.

Inner Harbour Marinas

SS Beaver

Relocated to the north side of Ship Point. Some of the Prince of Whales zodiacs were relocated to the Causeway floats. The rest will stay moored on the north side of Ship Point.

Causeway

Final permits and approvals are being obtained for the installation of an extension to the crescent float. The extension will provide a pick up/drop off area for Victoria Harbour Ferries and other small vessel operators.

Causeway artist dispute

GVHA revisited its position to not offer caricature artist Dean Lewis a licence, effective April 1, 2011. Management has offered Mr. Lewis a 3-month licence, conditional on him signing a letter of understanding outlining GVHA's expectations of his behaviour. We believe our process was fair but determined that we can strengthen our communications. In moving forward, we will make sure that our concerns are clearly articulated and well-documented. This is essential for fair and transparent processes.

Wharf Street water lot – owned by PCC

GVHA received a one year extension until March 31, 2012. Pilings will be installed to secure the float in the spring of 2011.

Mermaid Wharf

Mermaid Wharf Strata sent a letter to Transport Canada to give GVHA a five year agreement, with a five year option for riparian consent on the water lot. GVHA will continue to lease the water lot from Transport Canada.

Corporate

People & Culture

Corporate, marina and some maintenance staff attended Sharepoint software courses as GVHA transitions to the new content management system.

On April 20, 2011, staff will be participating in a Resiliency Workshop to give them tools to deal with stress.

5 year employees

- Ian Crocker Manager of Operations
- Gary Zulauf Maintenance Foreman
- Genea Thomas Marina Office Receptionist – currently on maternity leave

003607

Greater Victoria Harbour Authority

Management Guidelines for Committees

Purpose: These guidelines set out how GVHA management may facilitate or participate in committees with clients, stakeholders and the public.

Objectives:

Client, stakeholder and public consultation are an important component of GVHA's communications activities. These guidelines are intended to ensure:

- Consistency in how management engages in consultation
- Strategic priorities are maintained through consultation
- All policies of the Board of Directors are followed, especially the Respectful Workplace Policy

Committee Terms of Reference:

Each committee will develop a Terms of Reference that will establish:

- Purpose, objectives and priorities
- Composition of the committee
- Committee communications (including agenda-setting, minute-taking)
- GVHA's Respectful Workplace Policy

Terms of References will not commit GVHA to activities that:

- Contravene the strategic plan, guiding principles, or policies of the Board
- Have financial implications beyond the approved budget
- Impact other stakeholders without their consultation

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**Greater Victoria Harbour Authority Board of Directors
Public Correspondence – April 15, 2011**

DATE	TO	FROM	NOTES	Action
Feb. 4/11	Acting Chair	Treace Alton, CRD	Christopher Causton Board appointment letter	Filed
Feb. 11/11	GVHA	Ryan Burles, Black Ball Ferry Line	Copy of support letter re Maritime Museum's move to CPR building	Filed
Feb. 18/11	GVHA Acting Chair	Lyle Soetaert, President, VEHS	Letter of concern re Marine Masters litigation with GVHA	GVHA Chair to respond
Mar. 10/11	Lyle Soetaert, President, VEHS	Acting Chair	Letter of response to VEHS' letter of Feb. 18/11	None
Feb. 24/11	GVHA Acting Chair	Deirdre Campbell, Tourism Chair	Dave Cowen Board appointment letter	Filed
Mar. 7/11	GVHA Acting Chair	Elaine Andersen, FWCA	Request to meet with GVHA's Acting Chair	Acting Chair responded via email
Mar. 9/11	GVHA	Lachlan McLean, WAM Dev. re Victoria International Marina	Media release re both Esquimalt & Songhees Nations support for new marina	None
Mar. 9/11	GVHA Acting Chair	Geoff Young, CRD Chair	CRD response to GVHA's Jan. 28/11 letter of concerns re sewage treatment plant	Acting Chair to review
Apr. 5/11	GVHA Acting Chair	VEHS President, Lyle Soetaert	Paul Ridout Board appointment letter	Filed

003610

4 February 2011

ACTING ~~Mr. Don Prittie~~
Chair
Greater Victoria Harbour Authority Board
202, 468 Belleville Street
Victoria, BC V8V 1W9

Dear Mr. Prittie:

This is to confirm the appointments of the following Directors to the Board of the Greater Victoria Harbour Authority for 2011:

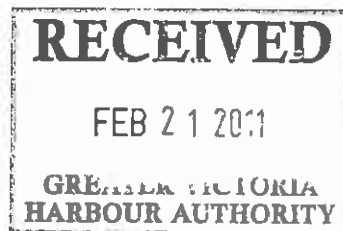
Representative: Christopher Causton
Mayor, District of Oak Bay
Municipal Hall
2167 Oak Bay Avenue
Victoria, BC V8R 1G2

Yours sincerely,



Treace Alton
Executive Assistant to Board Chair
and Chief Administrative Officer

copy: Director Causton



003611



February 11, 2011

Mr. Ray Parks, CEO,
Provincial Capital Commission,
613 Pandora Avenue,
Victoria, B. C., V8W 1N8

Dear Mr. Parks;

RE: Maritime Museum Relocation to CPR Steamship Terminal Building

We hope this letter addresses our support for the proposed relocation of the Maritime Museum to the CPR Steamship Terminal Building in Victoria's Inner Harbour.

Victoria's Inner Harbour traditionally and historically is a working harbour, which by definition implies a wide range of users. What better way of utilizing the CPR Steamship Terminal Building by using this unique landmark as a focal point showcasing the rich maritime heritage and culture of this prime location.

Businesses in and around the harbour would directly benefit from the much needed 'tourist dollars' the museum would bring to the area in particular and to the City of Victoria in general.

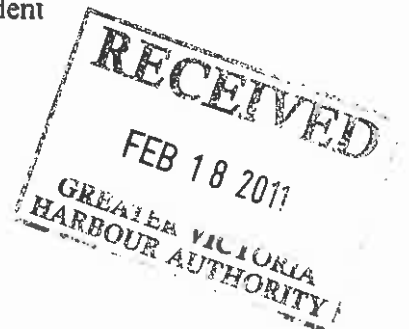
Hopefully, we can create a true vision for Victoria Inner Harbour which will include the past and present and return the CPR building to an appropriate maritime-related use.

Sincerely,

Black Ball Transport, Inc.

Ryan Burles, President

Cc: Seattle Office – Administration
Greater Victoria Harbour Authority
Maritime Museum of BC
Mayor Dean Fortin – Victoria City Hall
Victoria/Esquimalt Harbour Authority



www.cohoferry.com

003612

Port Angeles Terminal
101 E. Railroad Avenue
Port Angeles, WA 98362
Tel: (360) 457-4491
Fax: (360) 457-4493

Administration Office
4209-21st Avenue West, Suite 307
Seattle, WA 98199
Tel: (206) 283-4400
Fax: (206) 283-4405

Victoria Terminal
430 Belleville Street
Victoria, B.C. V8V 1W9
Tel: (250) 386-2202
Fax: (250) 386-2207



February 18, 2011

Dermot Loughnane
Acting Chair
Greater Victoria Harbour Authority
189 Dallas Road
Victoria, BC V8V 1A1

Marine Masters Holdings Ltd

Dear Dermot,

The VEHS would like to express our concerns regarding the GVHA negotiations with Marine Masters Holdings. We have only been able to receive information from Marine Masters Holdings and therefore may not have all the relevant details. Regardless, we find the current situation untenable and would like to see resolution.

The fact that the matter has now gone before the courts reflects poorly on the GVHA and therefore on its members. We wonder how it is that open discussion and communication could not have resolved the issues at hand. Even with broad disagreement there is room for further engagement and alternate avenues to seek consensus.

We ask the GVHA to reopen discussions with Marine Masters Holdings if at all possible. Work to find common ground and a mutually beneficial solution. The earlier this matter can be resolved, the better for all parties concerned.

Kind Regards,

A handwritten signature in black ink, appearing to read "Lyle Soetaert". The signature is fluid and cursive, with a large initial "L" and "S".

Lyle Soetaert
President, VEHS

cc: Sonterra Ross, Acting CEO GVHA
Marine Masters Holdings Ltd.

003613

March 10, 2011

Lyle Soetaert
Victoria/Esquimalt Harbour Society
PO Box 8404, Victoria, BC, V8W 3S1



RE: Response to VEHS letter dated February 18, 2011 regarding the Marine Masters outstanding rents dispute

Dear Lyle,

The dispute between Greater Victoria Harbour Authority (GVHA) and its tenant, Marine Masters, has been resolved. Marine Masters has signed a Consent Order and paid the full amount of outstanding rents and taxes, as well as an amount towards GVHA court costs.

We were not free to discuss the matter while it was before the courts, but can now disclose the nature of the disagreement to you.

The issue began months ago when Marine Masters failed to pay the full rent and taxes owing under its lease with GVHA. The lease commenced June 1, 2010 and was negotiated as part of settled litigation in July 2010. The rent amounts were clearly established in the negotiated lease which Marine Masters had agreed to and signed on July 19th, 2010.

GVHA management notified the client of the outstanding amounts many times, both verbally and in writing. Marine Masters had many opportunities to end the dispute by paying the arrears, however, Marine Masters indicated to GVHA that it did not have the funds to pay and asked if GVHA would consider a payment plan.

While GVHA always prefers to resolve disagreements without taking legal action, "dispute resolution" was not an option in this case. There was no compromise available. The tenant had agreed to pay the amounts established in the lease. GVHA strives to treat all clients equally. We charge market rates to ensure quality facilities and services are provided. The properties are leveraged to benefit the entire community, and no one tenant should receive special treatment nor should particular individuals or businesses be subsidized.

GREATER VICTORIA
HARBOUR AUTHORITY

189 Dallas Road
Victoria, British Columbia,
Canada V8V 1A1

Tel: 250.383.8300

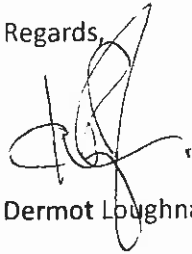
Fax: 250.383.8322

Web: www.victoriaharbour.org

003614

GVHA's Board Executive would appreciate the opportunity to meet with the Board Executive of VEHS to discuss how to strengthen the relationship between our two societies. The Secretary to the Board, Julia Park, will be in touch to set-up a mutually convenient time.

Regards,

A handwritten signature in black ink, appearing to be 'DL', written over the word 'Regards,'.

Dermot Loughnane, Acting Chair

250-383-8300 x230 (Julia Park, Secretary to the Board)

003615

February 24, 2011

Mike Williamson
Greater Victoria Harbour Authority
189 Dallas Road
Victoria, BC V8V 1A1

RE: Tourism Victoria's appointed representative to the GVHA Board of Directors

Dear Mr. Williamson,

I am pleased to confirm Dave Cowen, First Vice Chair, Tourism Victoria Board of Directors, has been re-appointed to the Greater Victoria Harbour Authority Board of Directors for the 2011/2012 term. You may send agendas and other board related material directly to Mr. Cowen care of The Butchart Gardens at the contact information below:

Dave Cowen
General Manager
The Butchart Gardens
Box 4010
Victoria, BC V8X 3X4
davecowen@butchartgardens.com
250-652-4422

Please contact me directly if you have any further questions and we look forward to working with you and your board.

Sincerely,

Deirdre Campbell
Chair

Cc. Dave Cowen, First Vice Chair, Tourism Victoria Board of Directors



003616

March 07, 2011

Mr. Dermot Loughnane, Acting Chair
Greater Victoria Harbor Association Society
189 Dallas Road, Victoria, BC V8V 1A1

Dear Mr. Loughnane:

The float home owners at Fisherman's Wharf would like to meet with you in our continuing effort towards building a good working relationship with the GVHA. We have not had any opportunity for dialogue with the GVHA since October 2010.

Please advise us as soon as possible regarding your availability to meet with our community. To expedite setting up a meeting, you may choose to respond via email to the executive of our Society, the Fisherman's Wharf Community Association (FWCA):

Elaine Andersen elainesandersen@gmail.com

Kim Young: grilligans@telus.net

Dennett Netterville: dennett@telus.net

Jennifer Somerville: mummer53@gmail.com

Sincerely,



Elaine Andersen, Chair

Fisherman's Wharf Community Association

003617



Julia Park

From: dloughn@gmail.com on behalf of Dermot Loughnane [dloughnane@tactmarine.com]
Sent: Monday, March 14, 2011 12:01 PM
To: Julia Park
Subject: Fwd: Your letter of the 7th

----- Forwarded message -----

From: **Dermot Loughnane** <dloughnane@tactmarine.com>
Date: Thu, Mar 10, 2011 at 18:34
Subject: Re: Your letter of the 7th
To: Elaine Andersen <elainesandersen@gmail.com>
Cc: grilligans@telus.net, dennett@telus.net, mummer53@gmail.com, Sonterra Ross <ross@victoriaharbour.org>

Thanks Elaine, I stand corrected.

Dermot Loughnane

Tactical Marine Solutions Ltd.

Applied knowledge

Ph: + 1.250.388.7882
Aus: + 61-2-8014-7216
Fax: + 1.604.909.4675
Mob: + 1.250.507.1466
dloughnane@tactmarine.com
www.tactmarine.com

On 2011-03-10, at 5:41 PM, Elaine Andersen wrote:

Dear Mr. Loughnane,

On behalf of the Fisherman's Wharf Community Association I wish to express our regret that you do not feel able to dialogue with our community members. It is important for us to reiterate that we took the initial steps (to pursue a judicial review of the Residential Tenancy Agency August 2010 decision) when we did, in order to meet a required time line. We have always felt that open honest communication between the GVHA and the float home community is what is desired. We have not "decided to take you to court" but rather have kept our option of requesting judicial review open.

Elaine Andersen
Chair FWCA

003618

On Wed, Mar 9, 2011 at 4:54 PM, Dermot Loughnane <dloughnane@tactmarine.com> wrote:

Hi Elaine, Julia passed me your letter from a couple of days ago. We're always happy to talk to our customers but in this case, since you've decided to take us to court, the advice we've received is that we shouldn't have any communications beyond the legal exchanges until it's settled. Sorry, but looking forward to an exchange in the future!

Dermot Loughnane

Tactical Marine Solutions Ltd.

Applied knowledge

Phn: +1.250.388.7882

Aus: +61.2.8014.7216

Fax: +1.604.909.4675

Mob: +1.250.507.1466

dloughnane@tactmarine.com

www.tactmarine.com

No virus found in this incoming message.

Checked by AVG - www.avg.com

Version: 8.5.449 / Virus Database: 271.1.1/3505 - Release Date: 03/14/11 07:34:00

003619



Media Release

For immediate release:
March 9, 2011

Songhees First Nation and Esquimalt Nation Reach Agreement on Proposed Victoria International Marina

Victoria, BC – The Esquimalt and Songhees First Nations have announced that they have reached an agreement with the proponents of the Victoria International Marina. The agreement will provide the Nations with economic benefits in the short term and over the life of the Project. In return, the Nations are prepared to fully support the project as it seeks to obtain the necessary federal and provincial approvals.

“We are very pleased with the outcome of these negotiations” said Chief Robert Sam of Songhees First Nation. “We are being acknowledged as nations and as governments with legitimate legal interests in our lands, and in this case, in the seabed around our lands,” said Chief Sam. “This is the proper way to approach a First Nation and to reach accommodation and reconciliation.”

Chief Andy Thomas of the Esquimalt Nation added, “We believe this agreement establishes a template for all future development into the Victoria and Esquimalt harbours. Over the past decade, our First Nations have become integral players in the economy of the Victoria area. We see this as an opportunity and a responsibility. This responsibility extends not only to securing the well-being of our communities but in ensuring the protection of our natural environment.”

As a result of the agreement, the Nations have undertaken to withdraw from the litigation that they had previously commenced.

“I am pleased we are able to come to a business resolution with the Songhees First Nation and the Esquimalt First Nation that acknowledges and respects their historic presence in the harbour area,” said Lachlan MacLean, Vice-President of WAM Development Group. “I look forward to an ongoing relationship with both Nations as our project becomes a reality in Victoria.”

-30-

For more information:

Kim Van Bruggen
Communications Director
250-727-7464

Chief Andy Thomas
Esquimalt Nation
250-381-7861

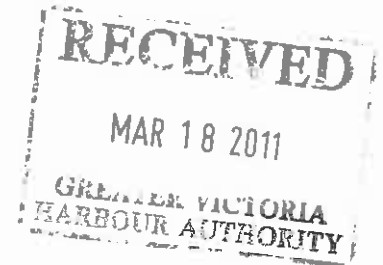
Chief Robert Sam
Songhees First Nation
250-386-1043

003620

March 9, 2011

File: 0360-30

Mr. Dermot Loughnane
Acting Board Chair
Greater Victoria Harbour Authority
189 Dallas Road
Victoria, BC V8V 1A1



Mr. Loughnane:

Re: GVHA Resolution - Proposed McLoughlin Point Wastewater Treatment Plant

Thank you for your letter dated January 28, 2011 regarding the proposed McLoughlin Point wastewater treatment plant (WWTP).

As you are aware, McLoughlin Point as the proposed central WWTP for the core area municipalities represents the outcome of a long, arduous and thorough process to secure a site that ranked the highest in the social, economic and environmental assessment. It should be noted that McLoughlin Point is contaminated from the previous Imperial Oil tank storage operation. The site will be remediated to an industrial standard as part of the WWTP construction. The site is also landlocked with no legal land access. The access issue through the Department of National Defence (DND) land encumbers the site for a business enterprise that requires unfettered vehicle access.

There are numerous examples in North America and around the world where WWTPs are situated on the shoreline. The shoreline is the low point of any system and it provides easy access to a marine outfall. The CRD is no different, with the added challenge of moving the wastewater from the existing Clover Point and Macaulay Point outfalls to the proposed WWTP location. The CRD's analysis has shown that the capital costs increase significantly to convey wastewater long distances and in particular, to higher elevations. The total peak pumping rate from Clover and Macaulay Points is estimated at more than 4,000 litres per second.

There will be no risk to marine tourism activities as a result of the operation of a WWTP at McLoughlin Point. These activities will remain unchanged; if anything, the activities will improve as a result of the CRD implementing wastewater treatment. The proposed WWTP will be built to the highest standards to mitigate noise, odour and aesthetics. Once operational, it will be a challenge for any visitor to our area to discern that the proposed McLoughlin facility is a WWTP.

With respect to addressing the considerations to receive endorsement from the GVHA for a new WWTP at McLoughlin Point, we offer the following:


- During construction of this facility, there will be an opportunity for those businesses involved in the working harbor. It is the CRD's intention to encourage the use of barges during construction to mitigate truck traffic in Esquimalt and other neighbouring communities. As indicated above, once the WWTP is operational, it will have no impact on harbour properties or activities.

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-
- As indicated above, because legal land access is required through DND, it is already impacted in terms of forming an integral part of the harbour activities.
 - The CRD has expended significant effort in the public consultation process and this commitment will continue as we progress into implementation. The CRD is currently in the process of developing a public consultation program that will include siting of the biosolids facility, a general program to provide the latest information to the First Nation Communities and other residents of the CRD. A separate program will be held for Esquimalt and the community that will host the biosolids facility to receive input from residents to allow the CRD to develop an appropriate mitigation plan.
 - The First Nation communities currently have wastewater flows representing less than 0.3% of the total; we are confident we can provide the First Nations communities the capacity they require.
 - The CRD has clearly heard and continue to hear from the residents of the CRD that this facility must be very aesthetically pleasing. The alternative delivery procurement process selected by the CRD will emphasize aesthetics as being very important. This process will provide opportunity to receive proposals from a number of proponents for the CRD to evaluate.

We look forward to a favourable review of our response to the concerns of the GVHA and to your support as we continue to move forward with this very important project for our region.

Sincerely,



Geoff Young, Chair
CRD Board

cc Honourable Chuck Strahl, Minister of Transport, Infrastructure and Communities
Honourable Murray Coell, Minister of the Environment (BC)
Kelly Daniels, CRD Chief Administrative Officer

003622



April 5th, 2011

Greater Victoria Harbour Authority Society
189 Dallas Road
Victoria, BC V8V 1A1
Attention: Dermot Loughnane, Acting Chair

Dear Dermot,

Please be advised that the Board of Directors of the Victoria Esquimalt Harbour Society have elected Mr. Paul Ridout to the position of 'Appointed Director to the Board of the Greater Victoria Harbour Authority Society.'

Paul will join the G.V.H.A. Board for the term of 3 years, effective the 5th of April, 2011.

Contact information for Mr. Ridout is as follows:

C. Paul Ridout
2814 Arbutus Road
Victoria, BC V8N 5X3
Canada
Phone: (250) 721-1595
Cell: (250) 216-4754
Email: paulridout@shaw.ca

I have asked Paul to send a 'mini-bio' to your attention.

The Board of Directors of the Victoria Esquimalt Harbour Society are pleased to have Paul join your organization and we look forward to our continued close working relationship with the G.V.H.A.

Kind Regards,

Lyle Soetaert
Chair, Victoria Esquimalt Harbour Society

cc: Paul Ridout,
V.E.H.S. Board of Directors

003623



**Report to GVHA's Board of Directors
Public**

Prepared by: Rebecca Penz, Manager of Communications
Board Meeting Date: April 15, 2011
Subject: Shore Power Pre-Feasibility Report

Reason for report

- ✓ Information

Management Actions

Management will not pursue a shore power feasibility study unless research and development funding is secured. See attached report.

Issue/Project

See attached report.

Risk Assessment (Legal, reputational, financial)

The pre-feasibility study provides adequate information about the costs of shore power. The study demonstrates that GVHA has researched this opportunity and why it would be unreasonable to proceed further.

Communications Strategy

The results of this report will be used to communicate to the member agencies, community, media and general public about the likelihood of shore power at Ogden Point.

003624

GVHA's Decision Making Checklist

Strategic Direction

Vision

Will this contribute to the creation of a harbour where people live, learn, work and play, a spectacular gateway, a place that links communities and people together?

While a feasibility study would be ideal, the costs of implementing shore power make it prohibitive to pursue.

Mandate

Will this be consistent with our desired leadership role of effective and respective advocates for best water, marine and marine-related use and development of the whole harbour?
AND/OR will it be consistent with our management role of optimizing current and future harbour assets?

The pre-feasibility study demonstrates GVHA's due diligence in researching the potential of shore power.

Goals

Will this align with one of goals, and the current business plan priorities within them?
Do we have the capacity to implement this?
Will this fit within our risk tolerance?

Not implementing.

Guiding Principles

Accountability

Will this be in the best interests of:
Our customers as a whole?
GVHA as an organization?
Our Member agencies and their stakeholders?
The citizens of the Capital Region?

While shore power would benefit our customers and the local community, the initial cost benefit analysis does not justify proceeding with a feasibility study.

Working Harbour

Will this be supportive of the working harbour?
Will this make the best possible use of harbour assets?

Harbour activities will continue, with or without shore power.

First Nations Relationships

Have the Songhees and Esquimalt Nations had the opportunity to provide meaningful input into this?
Has this explored the potential for First Nations' economic development, awareness creation, or capacity building?

N/A

Sustainability

Will this support GVHA's ability to sustain itself financially and/or operationally?
Have we considered the implications of this for the harbour and it's stakeholders:
Economically?
Socially?
Environmentally?

Do we have the measures in place to balance and mitigate these implications?

Initial cost benefit analysis does not justify proceeding with a feasibility study.

003625

2011

**[SHORE POWER FOR OGDEN POINT:
PRE-FEASIBILITY STUDY]**

Greater Victoria Harbour Authority



003626

Shore Power for Ogden Point: Pre-Feasibility Study

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Summary

Shore power eliminates the need to run ship auxiliary engines and significantly reduces air emissions associated with the burning of marine fuels at berth. This includes the reduction of nitrogen oxides (NO_x), sulphur oxides (SO_x), particulate matter (PM), and volatile organic compounds (VOCs). In addition, when ships use shore power, they are significantly reducing emissions of greenhouse gases (GHG) that contribute to climate change.

Shore power can give a port a competitive advantage, particularly when air emissions reduction targets of the North American Emissions Control Area (ECA) of the International Maritime Organization begin in August 2012. With two-thirds of the major cruise lines converting their vessels to be shore-power capable and the industry looking for ways to reduce their fuel costs and environmental impact, shore power is an attractive offering from a port.

However, Ogden Point's shore power potential is limited by several key factors:

- Short stays (on an average call of 7 hours, a ship will only be plugged in for 5.5 hours).
- BC Hydro electric grid would require a significant upgrade at an estimated cost of \$10 – 11 million.
- Shore power infrastructure would cost an estimated \$5 – 9 million.

Funding partners would be essential for advancing this project. In order to secure such partners, a comprehensive feasibility study at a cost of approximately \$20,000 is required to confirm final expenses. Management was not able to find any research and development funding to cover the costs of a feasibility study.

Given the estimates of the huge capital and infrastructure investments required for shore power installation, management will not be proceeding with a shore power feasibility study unless research funding is secured.

003628

Introduction

Greater Victoria Harbour Authority (GVHA) is committed to incorporating and balancing the social, environmental and economic impacts of its activities on the Victoria harbour and the community.

Purpose of Report

The purpose of the pre-feasibility study is to gather readily available information in order to determine the value of conducting a shore power feasibility study.

Key Decision-making Factors

Environment

Shore power eliminates the need to run auxiliary engines and significantly reduces air emissions associated with the burning of marine fuels at berth. This includes reduction of NO_x, SO_x, PM, and VOCs¹. In addition, when ships use shore power, they are significantly reducing emissions of greenhouse gases (GHG) that contribute to climate change. The actual emissions reduced depend on the type of engine and engine technology, and the type of fuel being burned. Reduction of air emissions benefits dock workers, people working on board and the neighbouring communities. Table 1 below illustrates the estimated mid-range values of shore power's emission reduction efficiencies.

Measure	% Emissions reductions (-)/Increase (+) per vessel			
	NO _x	SO ₂	PM	VOC
<i>Shore power (compared with 2.7% S Residual oil)</i>	-97%	-96%	-96%	-94%
<i>Shore power (compared with 0.1% S Marine Distillate)</i>	-97%	0%	-89%	-94%

Table 1. Emission Reduction Efficiencies.

Source: European Commission Directorate General Environment. Shore-side Electricity. August 2005

Social

Shore power eliminates the need to run ship auxiliary engines, thereby reducing air emissions associated with the burning of marine fuels. Consequently, shore power increases the quality of life for residents in the port area, port employees and passengers, who would otherwise be subjected to these air emissions.

Shore power will also provide economic benefits to shipping and power industries that will ensure healthy growth continues in Victoria.

003629

¹ It is important to note that while ships are manoeuvring in port, air emissions reductions as a consequence of shore power connections are not registered as emissions reductions are only attributed to ships while they are docked at berth and connected to the shore power installation.

Financial

A potential shore power installation will improve the marketability of Victoria to the cruise lines. An increasing number of cruise lines are considering installing shore power, in light of new international regulations mandating the use of low-sulphur fuel or alternatives. Depending on sources of funding for such an initiative, GVHA may be financially affected. The installation costs are significant. GVHA would need to engage with both private and public sector partners to share this financial responsibility.

Shore Power Overview

While in port, ships use their engines to produce electricity for hotelling², unloading and loading activities. Shore power enables ships to turn off their engines while docked and connect to electric power.

Electricity travels to ships using specially designed equipment to power the ship's load (e.g. lighting, air conditioning, communication equipment etc.). Power is transmitted from a shoreside transformer to the ship via a cable management system. The length of time needed to connect a ship to shore power and shut down the ship's diesel engines is under 40 minutes. Once connected, the ship's engines are powered down. The corresponding amount of power is simultaneously provided by the utility company to power the ship's load.

The feasibility and cost effectiveness of reducing hotelling emissions via a shore power installation may be dependent upon the dockside load profile, safety requirements, and marine engineering design specifications of the ships in question.

To date, utilization of shore power has been concentrated on the west coast of North America and in Europe. Shore power connections are now available at the US ports of Los Angeles, Long Beach, San Francisco, San Diego, Seattle and Juneau. Installations are also found at Metro Vancouver in Canada and at ports in Germany, Sweden, Finland, the Netherlands, Australia and China.

Driving Forces

While docked at berth, most ships turn off their propulsion engines and use auxiliary engines to provide power to electrical equipment onboard the ship. Combustion of marine fuels with high sulphur content contributes to air pollution in the form of sulphur oxides (SO_x) and particulate matter (PM), harming human health and damaging the surrounding environment.

A key driving force behind shore power is the international directive *MARPOL Annex VI* and subsequent North American Emission Control Area (ECA) that comes into force August 1, 2012³.

² The period of time when the vessel is at the dock is referred to as "hotelling" (Cold Ironing Study, San Diego. May 2007).

The ECA directive requires that emissions from shipping should be limited by reducing sulphur content in the marine fuels to 1.0% (2012) and 0.1% (2015) by weight within a 200nm distance from shore. Cruise lines such as Princess Cruise Lines (PCL), Holland America Line (HAL) and Disney Cruise Lines (DCL) have already retrofitted some of their fleet to ensure ships are shore power capable to limit the impact on human health and the environment, while ensuring they adhere to aforementioned international directives. In addition, increasing fuel costs are beginning to make shore power a more attractive investment, which in turn will facilitate ships' compliance with these new emissions standards.

Information Gathered

1. Frequency of calls by cruise ships equipped to connect to shore power.
2. The availability of an adequate supply of electricity at a reasonable cost.
3. Availability of the same dock and pier facility for these vessels for every call.
4. Adequate dock and uplands space for equipment.
5. Cost of conducting a shore power feasibility study (such as BC Hydro costs, consultant fees, etc.).
6. Funding contributed to other Canadian ports for shore power installations.
7. Probability of cruise lines to transition ships to shore power capable.

Opportunities

The Ports of Los Angeles and Seattle, as well as the Onshore Power Supply project of the World Climate Ports Initiative on shore power, have published studies that outline the advantages of the installation and use of shore power.

Benefits to the Greater Victoria region:

1. Helps in mitigating the health impact that ship air pollution is known to cause from the use of diesel fuel. Eliminates the pollutants ships produce while in port, including Nitrogen Oxides (NO_x), Particulate Matter (PM), Sulphur Dioxide (SO₂). In addition, shore power installations significantly reduce greenhouse gas (GHG) emissions while ships are docked⁴.
2. Improves working conditions at the port.

³ On March 26, 2010, the International Maritime Organization (IMO) amended the International Convention for the Prevention of Pollution from Ships (MARPOL) designating specific portions of U.S., Canadian and French waters as an Emission Control Area (ECA). The proposal for ECA designation was introduced by the U.S. and Canada, reflecting common interests, shared geography and interrelated economies. (US EPA Regulatory Announcement, March 2010).

⁴ During a 10-hour stay in port, the diesel engines of a single cruise ship can burn 20 metric tons of fuel and produce 60 metric tons of carbon dioxide. This is equivalent to the total yearly emissions of 25 average-sized European cars, which can be eliminated by supplying the ship's infrastructure with shore-side power (Source: ABB Group. Accessed from: <http://www.abb.com/cawp/seitp202/84051796b5d6f141c1257715004882a3.aspx>).

3. Gives ships the ability to contribute energy back to the grid in the event of an emergency.
4. Improves the marketability of Victoria to the cruise lines. More lines are considering installing shore power in light of the new international regulations on low-sulphur fuel or alternatives.

Challenges

Some of the draw-backs of implementing shore power in Victoria include:

1. Significant installation and maintenance costs.
2. Short cruise ship stays in Victoria, combined with the length of time required to connect to shore power.
3. Currently, the cost of electricity from the shore is greater than that derived by ship fuel, often by a factor of two or more. Shoreside electricity has to cover the costs of transmission and distribution infrastructure, generation capacity required for the ship and, in some cases, profit for the utility⁵⁶.
4. The need to ensure the compatibility of ship and shore power systems across a range of ports. This can be problematic, given the wide variety in technical standards associated with onboard electricity generation, and the current lack of an international standard governing shore connection systems.
5. The need to ensure a smooth transition from ship to shore power, and vice versa, in view of:
 - a. Sensitive electronic equipment onboard.
 - b. The ability of fixed shore connection points to accommodate a wide variety of ship sizes.
 - c. The large power demands of particularly busy cruise and ferry ports.
6. Ensuring shore power is available on the appropriate side of the vessel.
7. Managing labour concerns.
8. The North American Emissions Control Area will ensure that the ships use low-sulphur fuel in ports (1% by 2012 and 0.1% by 2015).

The Project Concept

A shore power installation at the Ogden Point terminal would drastically reduce the emissions of air pollutants and GHGs that would otherwise emanate from diesel powered engines on

⁵ *Cold Ironing, But Not As We Know It*. Mike Corkhill. Accessed from:

http://editor.bimco.org/en/Members/News/2009/2009/11/11_Feature_Week_46.aspx

⁶ However, the reducing price gap between fuel costs for ships and onshore electricity prices means a fast return on investment (ROI). In addition, with the introduction of the North American Emission Control Area, cruise ships will be mandated to use 1% S (August 2012) and 0.1% S (January 2015). These costs of these fuels are rising and therefore ROI periods will tend to be shorter rather than longer.

cruise ships that dock at the Ogden Point terminal. Reduction of such pollutants would increase:

- The quality of life of the surrounding community.
- The marketability of Ogden Point to the cruise lines.

Proposed Users

All Princess Cruise Line ships, most Holland America Line ships, and the Disney Cruise Line ship on the Alaska run are equipped with shore power. PCL believes the shipboard electrical standards they have established will become the industry standard. Based on the 2011 cruise ship schedule (see Table 2 below), around 70 ship dockings could potentially use shore power, representing a third of total cruise ship visits to Victoria⁷. This would have important and positive health and social effects on the Victoria community.

Cruise line	Name of Vessel	Gross Tonnage	2011 Visits (Projected)	Passengers	Shore power Capable
<i>Carnival Cruise Lines</i>	Carnival Spirit	88,500	18	2,124	No
<i>Celebrity Cruise Line</i>	Celebrity Century	71,545	1	1,808	No
	Celebrity Infinity	91,000	19	2,000	No
	Celebrity Millennium	91,000	2	2,034	No
<i>Crystal Cruises</i>	Crystal Symphony	51,044	11	922	Unknown
<i>Disney</i>	Disney Wonder	83,000	2	2,400	Yes
<i>Holland America Line</i>	Amsterdam	62,735	12	1,380	Yes
	Oosterdam	82,305	21	1,840	Yes
	Statendam	55,451	3	1,270	Yes
	Westerdam	81,811	21	1,840	Yes
	Zaandam	61,396	2	1,440	No
<i>Norwegian Cruise Line</i>	Norwegian Pearl	93,502	20	2,200	No
	Norwegian Star	91,740	1	2,240	Yes
<i>Oceana Cruises</i>	Regatta	30,277	4	684	Unknown
<i>P & O Cruises</i>	Arcadia	83,500	1	1,952	Unknown
<i>Princess Cruise Lines</i>	Golden Princess	109,000	19	2,600	Yes
	Sapphire Princess	116,000	20	2,600	Yes
	Sea Princess	77,000	13	1,950	Yes
	Island Princess	91,627	2	1,970	Yes
<i>Regent Seven Seas</i>	Seven Seas Navigator	28,550	2	500	Unknown
<i>Royal Caribbean International</i>	Rhapsody of the Seas	78,491	15	2,000	No
	Radiance of the Seas	90,090	1	2,500	No
Total			210	412,698	

Table 2. Draft 2011 Cruise ship schedule for Victoria.
Source: Western Stevedoring.

⁷ For a single dedicated shore power installed.

Future Users

In industry discussions with cruise lines in February of 2011, Carnival Cruise Lines and Norwegian Cruise Lines indicated they are likely to transition some or all ships to shore power capable. Those two lines represent around 20 percent of total calls. Royal Caribbean International and Celebrity Cruise Line indicated to GVHA that they are unlikely to retrofit their ships to become shore power enabled (they are studying alternative methods to reduce emissions).

Power Requirements

Princess Cruise Lines, Holland America Line, and Disney Cruise Line ships have similar shore power connectors and power requirements. According to discussions with Princess and Disney, the potential shore power installation should ideally have the following components:

1. 20 MVA load capacity per shore power connection.
2. Dual-voltage capacity of 6.6 kV/11kV.
3. 60 Hz power frequency.

A dedicated line of 20MVA is strongly preferred per shore power connection, with 60 Hz being preferential frequency of the electricity used. Princess officials also indicated a preference for a dual-voltage capacity of 6.6 kV/11kV on any new shore power installation. Given these specifications, BC Hydro officials believe the James Bay electrical grid will need to be upgraded to ensure these needs are met.

Proposed Location

Pier B at the Ogden Point terminal receives the largest number of cruise ships, making it the most practical location for a possible shore power installation. Ideally, both the North and the South berths at Pier B would each have dedicated shore power lines installed to meet the needs of the cruise ships. However, a feasibility study is required to determine the cost of 2 shore power lines.

Project Cost

According to discussions with BC Hydro officials, upgrading the James Bay electrical grid would cost approximately \$11 million⁸. In addition, BC Hydro would need a deposit of \$15,000 to construct a detailed design for the utility component of a potential shore power installation. Other costs that would need more detailed review in a feasibility report would include installation costs from the utility service entrance location to shoreside, a cable management system, and yearly operation and maintenance of the shore power installation. Table 3 below provides rough cost estimates for these key project components.

⁸ Inflation-adjusted value for BC Hydro electrical grid upgrade construction costs for a single 20MVA line (2 circuits).

Component	Range of Costs
Electrical Grid upgrade	\$10 - 11 million
Site installation costs & Cable management system	\$5 ⁹ - 9 ¹⁰ million
Yearly operations	(dependant on operator)
Total	15 – 20 million

Table 3. Rough Cost estimates for Shore power.

Sources: Port of San Diego, Port Metro Vancouver.

Port Metro Vancouver and BC Hydro have developed a rate tariff¹¹ that could be applied at Ogden Point¹².

Project Financing

A survey was made of Canadian ports that currently have shore power installed to determine the range of costs for implementation. The shore power installation at Port Metro Vancouver was made possible by a \$9 million cooperative investment by the Port, Transport Canada, Western Economic Diversification Canada, BC Ministry of Transportation and Infrastructure, Princess Cruise Lines, Holland America Line and BC Hydro. Table 4 below illustrates the role played by each key entity.

⁹ Port of San Diego costs for the following (Source: *Cold Ironing Study*, Port of San Diego. Accessed from: http://www.portofsandiego.org/public-documents/doc_view/672-shore-power-cold-ironing-study.html):

1. Electrical Design & Engineering
2. Utility Engineering and Connection Fees
3. Electrical Gear and Equipment
4. Transformer
5. Infrastructure
6. Ship Cables and Connectors
7. Cable Management
8. Electrical Permit

¹⁰ Port Metro Vancouver costs for the following (Source: *Government of Canada, ecoACTION program*. Accessed from: <http://www.ecoaction.gc.ca/news-nouvelles/20081217-2-eng.cfm>):

1. Installation of primary switchgear (including BC Hydro meters) at the property line on the southeast corner of Canada Place.
2. Installation of overhead conduit and high voltage cables over the roadway on the east side of Canada Place at the underside of the 10-kilometre level.
3. Site preparation, including minor demolition on the west berth.
4. Construction of a rated enclosure for each transformer, one on the east berth and one on the west berth.
5. Installation of secondary switchgear and a capacitor bank for each berth.
6. Installation of a jib crane at the dock face for each berth.
7. Installation of conduit and cables under the dock on the east and west side of Canada Place.
8. Commissioning and testing.

¹¹ BC Hydro made an application to the BC Utilities Commission for a special shore power rate which was approved on the basis of the power being interruptible (If the power was needed elsewhere, the shore power connection can be terminated within 60 minutes). (Source: *Electrifying the Port – Switching to Clean, Green Electricity*. Accessed from: <https://www.cleanenergybc.org/media/Port%20Metro%20Vancouver%20-%20Darrell%20Desjardin%20-%20November%202010.pdf>).

¹² Ships utilizing shore power are directly billed by BC Hydro.

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Partners	Roles	Funding
Transport Canada Western Economic Diversification Canada	<ul style="list-style-type: none"> • Funding 	<ul style="list-style-type: none"> • 1/3 Federal government, up to \$3 million
The province of British Columbia	<ul style="list-style-type: none"> • Funding 	<ul style="list-style-type: none"> • 1/3 British Columbia government, up to \$3 million
Port Metro Vancouver Princess Cruise Lines Holland America Lines	<ul style="list-style-type: none"> • Provide real estate for siting shore power equipment and on-lock infrastructure (structural dock reinforcement, conduit & cables). • Project management support, coordination, civil & structure engineering support • Shore power equipment on dock (incl. Transformers, electrical gear and equipment) • Shore power equipment/infrastructure on vessels (incl. Ship cables & connectors, crane and chain winch. • Project & technical support, best practices, consultation 	<ul style="list-style-type: none"> • 1/3 Industry (\$2 million shared equally between Princess Cruises, Holland America, and Port Metro Vancouver), plus all costs in excess of \$9 million
BC Hydro	<ul style="list-style-type: none"> • Delivery of power to Canada Place. • Approved power rate structure (interruptible, off-peak). • Project & technical support, consultation 	

Table 4: Port Metro Vancouver Shore Power Partners and Funding.

Source: Government of Canada, ecoACTION program: Shore Power. Accessed from: <http://www.ecoaction.gc.ca/news-nouvelles/20081217-2-eng.cfm>.

Shore power in the Prince Rupert Port Authority's Fairview Terminal was made possible by a \$3.6 million cooperative investment by Transport Canada, Western Economic Diversification Canada, the province of British Columbia, Prince Rupert Port Authority and its partners CN Rail and Maher Terminals. Table 5 below illustrates the funding breakdown by each partner.

Partners	Funding
Transport Canada (Marine Shore Power Program)	• \$1.8 million
Western Economic Diversification Canada	• \$700,000
The province of British Columbia	• \$200,000
Prince Rupert Port Authority and its partners CN Rail and Maher Terminals	• \$900,000

Table 5: Prince Rupert Port Authority Shore Power Partners and Funding.

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Source: Prince Rupert Port Authority. Accessed from:

http://www.rupertport.com/pdf/newsreleases/government_of_canada_funds_green_port_project_in_princerupert.pdf

Given that shore power installations require huge capital and infrastructure investments, it is essential that GVHA engage with all relevant stakeholders to secure partners in this venture. These include all levels of government, cruise line owners and any other private sector enterprise(s).

Material Inputs

A shore-power system consists of three basic components¹³:

Shore-side Electrical System and Infrastructure

A land-based power source, transmission system and related infrastructure are required to provide electricity to a hotelling marine ship. The shore-side electrical and infrastructure requirements include an industrial substation to receive power transmitted from the local grid, and a transformer to decrease voltage for compatibility with the ship's electrical specifications. On-shore infrastructure includes distribution switchgear, circuit breakers, safety grounding, underground cable conduits, electrical vaults, power and communications receptacles and plugs.

Cable Management System

An electrical cable system is required to bring shore-side power to the ship during hotelling. A cable management system consists of cables, reel and connectors.

Ship-side Electrical System

Ships participating in a shore power electrical program require the installation of cable receptacles and an associated electrical management system. For ships already in service without shore power capabilities, retrofitting of the current system is necessary. For new builds, the ship owner can request an on-board shore power ready system be included as part of the ship's electrical system design.

Shore Power Equipment

There are many shore power service providers in the market today. These include (but are not limited to) the following:

1. Cochran Marine Inc¹⁴ - Ports of Seattle, Metro Vancouver, San Diego, San Francisco.

¹³ Adapted from *Use of Shore Side Power for Ocean Going Vessels*. AAPA. 2007. Accessed from: <http://westcoastcollaborative.org/files/sector-marine/AAPA-ShorePower-050107.pdf>

¹⁴ Cochran Inc: <http://www.cochraninc.com/marine-electrical>

2. Cavotec Group Inc¹⁵ - Ports of Los Angeles, Long Beach, Alaska, Stockholm, Gotheburg and Helsingborg and ports in Australia and China.

Depending on the findings of a feasibility study, GVHA would need to initiate an open procurement process to determine the best shore power service provider for the Ogden Point terminal. The process would take place as per the procurement policies and procedures of the organization.

Alternative Power Sources

GVHA is developing a conceptual plan to investigate the potential for generation by alternative power sources at Ogden Point. The power needs of the vessels are large enough that it is unlikely any source will be identified that can generate enough energy to power cruise ship auxiliary systems. The conceptual plan will consider the potential of solar, tidal and wind power, geothermal and hydrothermal.

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¹⁵ Cavotec Group Inc: <http://www.cavotec.com/>

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**Report to GVHA's Board of Directors
Public**

Prepared by: Sonterra Ross, Acting CEO
Board Meeting Date: April 15, 2011
Subject: Capital Project Status Report

Reason for report

X Information

Management Actions

Management provides a capital budget as a result of the strategic and business planning cycle and presents the capital budget along with the operating budget for Board approval in February each year. These budgets are in effect beginning April of each year.

To manage and monitor capital projects management has attached a summary of the current capital projects.

Context

Attached are 2 capital status project reports:

- 1) Current capital projects and performance to budget
- 2) Capital projects that are in the planning stage and the anticipated budget

CURRENT CAPITAL PROJECT STATUS UPDATE

PROJECT	APPROVED BUDGET	ACTUAL COST	VARIANCE	ESTIMATED COMPLETION DATE	COMMENTS
FW Reconfiguration Phase III	\$950,000	\$1,125,000	\$175,000	April 2011	<p>There are now 4 unaccounted slips (looking for non-liveboard annual moorage client), all other slips have customers that will move in at various times with full occupation by the end of June 2011.</p> <p><i>Variance explanation – i.e. change of scope for improved operations</i> Fabrication and installation is underway of the security gates, safety ladders, and signage. These tasks will be finished in April 2011.</p> <p>Damage due to freezing was experienced to 3 of the 70 water meters (even though preventative action was taken with compressed air draining). This deficiency is being investigated with Poralu.</p> <p>Holdback of \$25,000 is currently being negotiated with Poralu due to time delay of project completion and impact of loss of moorage</p>
Pier B Dolphin/Blasting Project	\$3.3 Million \$2.4 Million Funding received	\$3.511 Million	See comments	Dredge/Blasting Mar 31 2011	<p>Dredging, rock installation, final soundings and dive inspections are complete.</p> <p>The as-built drawings and report has just been prepared and is being reviewed by DFO. When approval is granted a certificate of completion will be issued by Stantec Consulting.</p> <p>Change due to lack of rock found impacted budget.</p>
Corporate Office Renovations 189 Dallas Road – inc. Western renovations	\$390,000	\$390,000	nil	May 2011	<p>Awaiting final permits for the portable building installation (foundation and deck).</p> <p>In the process of the portable building and basement completion.</p> <p>Meeting space, passenger washroom access and a temporary gift shop area will be created in the warehouse.</p>

Greater Victoria Harbour Authority – Whistleblower & Disclosure Policy

The Greater Victoria Harbour Authority (“GVHA”) expects the highest standards of ethical conduct from its employees and directors. GVHA is committed to fairness and integrity in all aspects of its operations.

The Whistleblower & Disclosure Policy (the “Policy”) allows individuals to bring forward serious information or concerns they may have in respect of the operations or governance of GVHA. This Policy confirms:

- the right and responsibility of employees to raise concerns of wrongdoings or suspected wrongdoings, including suspected or actual occurrence(s) of illegal, unethical or inappropriate behaviours or practices;
- an assurance that a Whistleblower will be protected from any reprisals, harassment or adverse consequence for any information provided in good faith;
- a director may also be Whistleblower with the rights and responsibilities of this Policy.

Responsibility for Reporting

It is the responsibility of all employees and directors of GVHA to comply with the law, the bylaws and policies of GVHA and the Code of Conduct and to report wrongdoings and suspected wrongdoings in accordance with this Policy. Crimes against persons or GVHA property, such as assault or theft should immediately be reported to the Police.

Employees Reporting Concerns, Wrongdoings or Suspected Wrongdoings

Employees are encouraged to promptly share their concerns, questions or complaints with someone who can address them properly. In most cases, an employee's supervisor is in the best position to address an area of concern. However, if an employee is not comfortable speaking with their supervisor or is not satisfied with the supervisor's response or the time required receiving a response, the employee is encouraged to bring forward their concern to a designated member of the Board of Directors pursuant to this Whistleblower Policy.

Designated Members of the Board of Directors

For purposes of this Policy, designated Board members are the Vice-Chair of the Board and the Chair of the Governance Committee.

Handling of Reported Wrongdoings or Suspected Wrongdoings

Wrongdoings or suspected wrongdoings should be reported promptly by the Whistleblower. The designated member of the Board who receives a Whistleblower complaint must:

- acknowledge receipt of the complaint from the Whistleblower;
- act promptly as practicable and necessary in investigating and resolving the complaint;
- provide a report of the complaint and the results of any investigation to the Board;
- provide a report on the results of any investigation to the Whistleblower (if not anonymous).

Reprisals against a Whistleblower

Any supervisor, employee or director who retaliates against a Whistleblower (who reported a wrongdoing or suspected wrongdoing in good faith) is subject to discipline, including termination of employee or directorship status.

Acting in Good Faith

Anyone filing a complaint concerning a wrongdoing, suspected wrongdoing or a violation of the Code of Conduct must be acting in good faith and have reasonable grounds for believing the information disclosed is accurate. Any allegation that proves not to be substantiated and which proves to have been made maliciously or knowingly by an employee or director will result in that individual being subject to discipline, including termination of employee or directorship status.

Confidentiality

Incident(s) of wrongdoing(s) or suspected wrongdoing(s) may be submitted on a confidential basis by the Whistleblower or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

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Board of Directors Committee Membership 2011

Board Executive:

Dermot Loughnane - Acting/Vice Chair, Bill Wellburn - Treasurer, David Rand - Secretary

Note: Colleagues please find below the initial assignment of Directors to Committees. I have tried to keep in mind everyone's wishes but modified by the requirements of the particular committees and available slots.

Ad-hoc Transition Committee:

Dermot Loughnane, Chair
Christopher Causton
Dave Cowen
David Rand
Bill Wellburn
Mike Williamson

Human Resources Committee:

Dave Cowen, Chair
Jim Allard
Barb Desjardins
Bill Wellburn
Mike Williamson

Audit & Finance Committee:

Bill Wellburn, Chair
Jim Allard
Christopher Causton
Dave Cowen
Barbara Desjardins

First Nations Economic Development Cte:

Chief Andy Thomas, Chair
Pam Madoff
David Rand
Paul Ridout
Chief Robert Sam

Governance & Nominating Cte:

David Rand, Chair
Christopher Causton
Paul Ridout
Chief Andy Thomas
Mike Williamson

Ogden Point Ad-Hoc Master Planning Committee:

Mike Williamson, Chair
Barb Desjardins
Pam Madoff
Paul Ridout
Chief Andy Thomas
Bill Wellburn

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