



HABITAT
CONSERVATION TRUST
FOUNDATION

Evaluation of Project #0-451

BC/TNTBC Joint Conservation Land Management Program

2018-19 West Coast Region



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West Coast Region 2018-19

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Appendix 1: O&M Guiding Principles

1. Introduction

The Habitat Conservation Trust Foundation (HCTF) provides annual funding to the Province of British Columbia (Province) for operations and management (O&M) costs on conservation lands, mainly those administered by the Ministry of Forests, Lands, Natural Resource Operations & Rural Development (FLNRORD). The Province subsequently transfers a portion of this grant to The Nature Trust of British Columbia (NTBC) and Ducks Unlimited Canada (DUC) in the South Coast Region only for the purpose of carrying out land management activities identified in their jointly-submitted application, as approved by the HCTF Board.

NTBC is a non-profit land conservation organization that leases some of their properties to the Province. In the West Coast and South Coast Region, land management of eligible sites under this program is undertaken by a partnership program. In the West Coast region, this long-standing partnership program is called the West Coast Conservation Land Management Program (WCCLMP) and is administered by NTBC. The program in the South Coast Region has been running for a few years and is administered by DUC.

The program is made up of three funding envelopes with different sites being eligible for the various funding envelopes, as shown in Table 1 below.

Table 1: Funding Envelopes included in the Conservation Land Operations & Management Funding Program

Funding Envelope	Eligibility	Source	% of total, 2016-19 Cycle
Conservation Land Endowment (CLE/NTBC)	Properties owned by NTBC and leased to the province	Interest generated on a \$6M endowment provided to HCTF by the Province	43%
Conservation Lands Operating Account (CLOA)	Properties included on the eligible sites list, including land leased to the Province from NTBC, and land owned and managed by NTBC or FLNRORD	Interest generated on an endowment, with funds from the Province (\$3.5M) and HCTF surcharge contributions	31%
Land Management Revenue	Properties owned and managed directly by FLNRORD.	Revenue generated on Conservation Lands, e.g. Range Tenures, Land Act Leases	26%

The inaugural three-year cycle of the program began in April 2013 and, at the time of the evaluation, was in the third funding cycle (2019-22). The program was developed with a set of guiding principles which are included as Appendix 1. This purpose of this evaluation is in part to confirm that the program remains consistent with the guiding principles set out for the program. This report summarizes the results of the evaluation looking at expenditures for the 2018-19 fiscal year in the West Coast region.

2. Goals & Objectives

The overall goals of this evaluation are to assess whether: 1) money invested in the program resulted in tangible outcomes on conservation lands consistent with the approved plan, and 2) funding was used in accordance with the program's administrative guidelines. The more specific objectives of this evaluation are as follows:

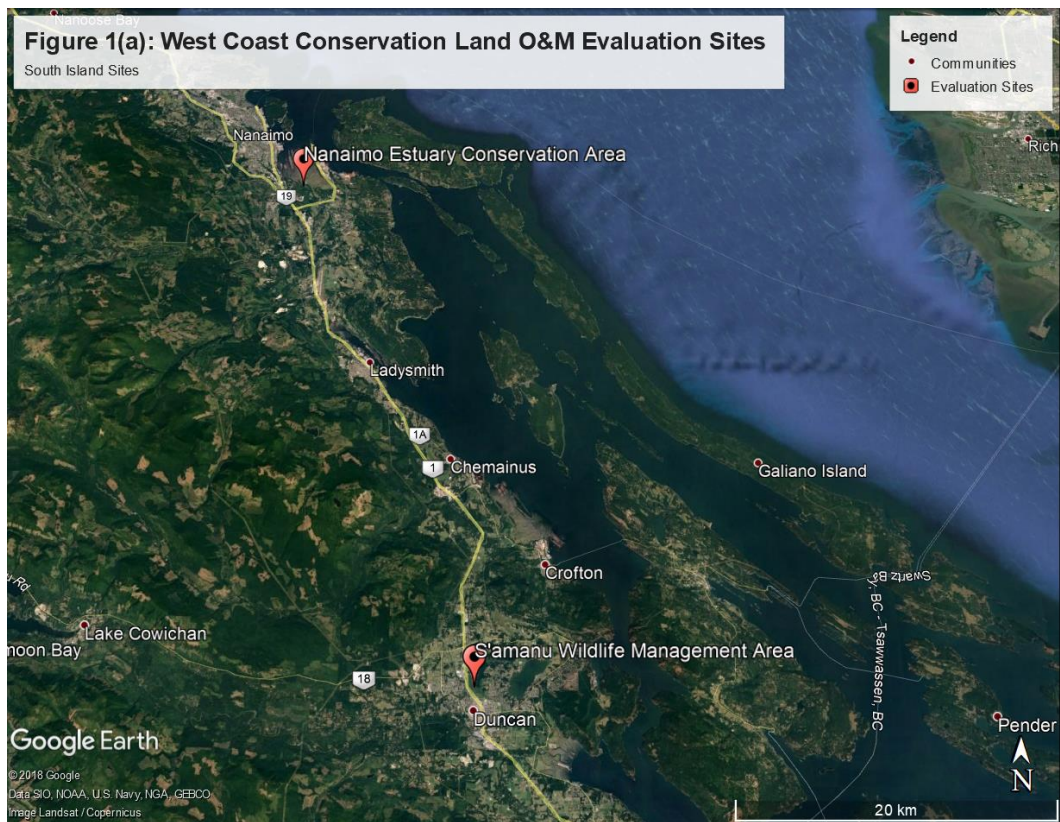
1. Conduct a financial audit of the total expenses reported per site in the West Coast region's 2018-19 report to determine: the figures are accurate and in agreement with the program's *Eligible Activities List*; activities were undertaken on an eligible site included in the proposal; and expenses were charged to an approved funding envelope for the site.
2. Conduct field visits on a subset of sites to determine whether the activities were completed, and operational outcomes were met as reported in the 2018-19 West Coast report.
3. Evaluate the cost effectiveness of expenses given the outcomes reported, as per the O&M program guiding principles (Appendix 1).
4. Recommend any potential improvements to the program, including the report format and any other considerations for the next funding cycle (2022-25).

3. Scope

This report focused on expenditures and outcomes included in the West Coast region's 2018-19 report. HCTF requested and reviewed non-labour expenditures for the entire region and compared the actual expenditures to the amounts included in the Report. After reviewing this information, we selected four properties for an in-depth financial review and field site visit. The properties selected were as follows:

1. S'amunu Wildlife Management Area (formerly Somenos Marsh Conservation Area)
2. Nanaimo Estuary
3. Salmon River Conservation Area
4. Baynes Sound Conservation Area

These four sites were selected as they had significant spending and a combination of multiple funding envelopes. Other factors included the size of individual invoices and proximity to each other for ease of transportation during site visits. The locations of the properties are illustrated in Figure 1(a) and (b) below.



4. Methodology and Approach

The evaluation included a review of expenditures for the region, with a further financial and field review of select sites. Work in the West Coast region is coordinated and implemented by the West Coast Conservation Land Management Program (WCCLMP). This region was chosen for the 3rd evaluation of the Conservation Land Operations and Management Program, primarily because it has the largest budget of all regions, and also to provide for a more detailed look at the new application and reporting format piloted by the West Coast Region.

The first step in the evaluation was to request a breakdown with detail of financial expenditures for all charges to the program. NTBC provided a financial report with general ledger reports of all invoices charged to the program and identifying which funding envelope was charged. An additional report was submitted which detailed the number of days charged for the Land Manager and Technician, by site and funding envelope. All the information received was compared against reports received to determine if reporting was accurate. Once this information was compiled, any discrepancies against reporting were noted for discussion. All charges were also checked to ensure the correct funding envelopes were accessed depending on site eligibility under the program guidelines. All sites were also confirmed to have background plans as was approved in the proposal.

All invoices charged to the program for the 4 selected sites were requested and received, and this information and labour charges were compared against the reporting. Cost effectiveness of most individual activities was difficult to assess as labour costs were lumped into categories, so a more general assessment of cost effectiveness for the program was conducted.

The next step in the process was undertaking the field visits of the four selected sites to determine whether the activities were completed as described in the report. After the field visits, we also had a conference call with WCCLMP and NTBC finance staff to complete an evaluation questionnaire adapted from the questions used in HCTF's evaluation process for the Enhancement and Restoration Grant program.

In addition to the site visits and conference call, HCTF staff also reviewed an Invasive Species Summary Report provided by the WCCLMP that they had submitted to the Ministry as reported under the Invasive Alien Plant Database (IAPP). This document includes the invasive plant inventory and control work undertaken by the WCCLMP and is referred to later as the IAPP report.

5. Results and Discussion

5.1 Financial Review

5.1.1 Eligibility - Sites, Activities & Funding envelopes

Sites that are eligible for spending under this program must be on the Eligible Sites List and have an up-to-date background plan. All sites that were included in the current evaluation were eligible and had an

up-to-date plan. Some eligible sites have adjacent parcels owned by the Nature Trust of BC which are not eligible, but they are managed as a unit, e.g. Salmon River Estuary. This can make accounting for time difficult, as the Land Manager and staff attempt to partition travel time to and from one unit according to parcel.

All activities undertaken in the region were eligible as listed on the Eligible Activities List.

5.1.2 Funding Envelope Eligibility

All sites in the region accessed the appropriate eligible funding envelopes. No concerns were found with respect to funding eligibility.

5.1.3 Report and Financial Review

A detailed review of expenditures from the four selected sites was undertaken by reviewing invoices and financial records to check totals against those in the report. Table 2 below shows the totals included in the report versus the actual figures charged to the project.

Table 2: Funding envelope totals: reported vs. reviewed figures for four selected sites

	CLOA	CLE (TNTBC)	LMR	TOTALS
ORIGINAL REPORT	\$6,938	\$24,145	\$6,267	\$37,351
FINANCIAL REVIEW	\$10,789	\$21,925	\$4,381	\$37,095
VARIANCE	-\$3,851	\$2,221	\$1,885	\$256

There were some discrepancies between the report and the actual financial totals for two reasons. One large invoice for a legal survey at the S'amunu WMA was split between the three funding envelopes in the report but was charged solely to CLOA. The change in allocation when the report was completed was not provided to the financial staff to update in the financial system. The discrepancy in the grand total (\$256) is due to the accounting of the 50% GST refund provided to non-profit organizations. WCCLMP staff track expenditures directly including the full amount of the GST prior to sending invoices to the NTBC head office where they are entered into the financial tracking software and 50% of the GST is removed from the amount charged to HCTF. This concern is mitigated by the confirmation from NTBC that this GST refund is provided back to the regional budget for use on conservation lands.

These discrepancies were discussed with Tom Reid, Manager, WCCLMP and Laurie Desrosiers, CFO of NTBC. The changes to funding envelope allocation in the report were made with the intention of providing those updates to the accounting staff to enter in the financial system. Tom Reid was recently granted read-only access to the financial system, so it should be easier in future to ensure figures tracked by the regional staff are kept up to date and match records in the financial system.

5.1.4 Cost Effectiveness and Leveraging

The 2018-19 West Coast O&M Regional Report lists “regional partner contributions” as \$610,000, with \$444,647 as cash, and the rest as in-kind contributions. HCTF requested more information about how this number was calculated, and the WCCLMP provided a memorandum explaining the calculation. This program leverages approximately 3 dollars for every dollar contributed by HCTF. This number represents all the funds administered by the WCCLMP which includes lands not eligible under this program, so the leveraging may be slightly less for eligible sites; however, the additional matching resources represents significant additional value for the management of these lands and, in turn, enhances the cost effectiveness of HCTF funding. Some of the additional resources brought in for specific sites is described in the field component section below (Section 5.2).

5.1.5 WCCLMP Labour

NTBC provided information on O&M labour costs by site, funding envelope, and activity type (Management, Restoration, Inventory, Monitoring or Operational Policy). They also showed the labour breakdown between the Land Manager and Field Technician, broken down by the first 6 months of the year, and the second two quarters. We discussed labour tracking and the challenges to track in detail given the small amounts of time spread across several different sites on any given day. The Land Manager and Field Technician report quarterly to the accounting department with a breakdown of how many days have been spent at each site, which is then invoiced to the Province. Labour costs charged to each site are described in the field component section below (Section 5.2).

5.2 Field Component of Evaluation

Field visits on the selected sites were undertaken on October 23rd and 24th, and attended by HCTF staff Christina Waddle and Jade Neilson for both days and Karen Barry for Day 1 only, Karen Wipond of FLNRORD, and Tom Reid and Shawn Lukas of the West Coast Conservation Land Management Program (WCCLMP). S’amunu Wildlife Management Area and Nanaimo Estuary Conservation Area were visited on October 23, and the Salmon River Estuary Conservation Area on the second day. We had scheduled a visit to Baynes Sound Conservation Area on the second day but the visit to Salmon River took more time than expected, so we discussed the site en route rather than visiting in person. Below is a summary of the activities viewed and/or discussed for each site.

5.2.1 S’amunu Wildlife Management Area

This site name recently changed from the Somenos Marsh Conservation Area to the S’amunu Wildlife Management Area (WMA) with the designation as a WMA in December 2018. A total of \$16,303 of HCTF O&M funds were spent at this site, including \$9,024 for labour and \$7,279 for contractors, materials and supplies.

This 155 Ha site is located within the city of Duncan, so there are challenges associated with being close to an urban centre. For example, several homeless camps within the WMA have created health and safety concerns for staff and require significant clean-up costs and staff time including regular liaising with local by-law enforcement and the RCMP. We viewed a new kiosk (Figure 2) and interpretive signage at the Ye'yumnuts site – a significant ancestral site of the Cowichan People. We also discussed the legal survey that was funded by HCTF to verify the location of the boundary in order to notify adjacent landowners who are encroaching on the property.

The IAPP report notes that 13 sites were assessed and notes removals of Scotch broom, Himalayan blackberry, thistles and Queen Anne's lace were completed. During the site visit we discussed the presence of Parrot's Feather on the site and the challenges with trying to control it (Figure 3). We also discussed management of reed canary grass through mowing and covering with pond liners (Figure 4).

We discussed other regular O&M activities, such as farmers who plant cover crops for wintering waterfowl forage, and mowing of snowberry in the Garry Oak area to open up space for Garry Oak associated plants, many of which are species at risk.



Figure 2: Ye'yumnuts Kiosk



Figure 3: Parrot's Feather (*Myriophyllum aquaticum*), an aquatic invasive plant is present at the site.



Figure 4: Pond liner installation for control of reed canary grass in area supporting the endangered plant Tall Woolly-heads (*Psilocarphus elatior*)

5.2.2 Nanaimo River Estuary Conservation Area

The Nanaimo River Estuary is the largest estuary and one of four Class 1 estuaries on Vancouver Island. The property is mostly NTBC lands leased to the Ministry, with one Transfer of Administration (TAC) site, so the site is eligible for all three funding envelopes. The WCCLMP staff participate on the Nanaimo Estuary Management Committee as part of the management and planning for the wider estuary, which requires some land manager time each year.

Total spending on Nanaimo Estuary was ~\$8,850 with approximately half of the amount for labour and the other half for materials and contract labour. One major expense was aerial mapping using drones to create a detailed elevation and vegetation map, which cost \$3,300. The report and mapping provided by the contractor was submitted to HCTF for review. The mapping work was discussed during the field visit, specifically how it is used to support restoration planning in the estuary. The WCCLMP has been

successful in securing other funding for restoration works in the estuary, some of which were discussed on the field visit.

The Nanaimo Estuary is one of the sites included in the estuary monitoring program which includes the installation of rSET (rod surface elevation tables) and other data loggers to collect elevation data and other information. Additional equipment was installed in 2018-19 for a total of 5 stations at the site.

Other work discussed during the site visited included new signage (Figure 5), invasive species removal at Holden Creek (Figure 6) and maintenance of infrastructure (Figure 7). In addition, annual Short-eared Owl surveys were undertaken and Vancouver Island University students have conducted some terrestrial monitoring and small mammal inventory.



Figure 5: New signage installed to promote keeping dogs on leash



Figure 6: Scotch Broom removal at Holden Creek at Nanaimo Estuary



Figure 7: Viewing platform at the Nanaimo Estuary in the distance, an example of some of the infrastructure requiring maintenance (area cleared of Himalayan Blackberry in 2019 not long before the site visit)

5.2.3 Salmon River Estuary Conservation Area

The Salmon River Estuary is the only significant area of coastal wetland habitat located on a relatively steep and rugged 250km stretch of coastline from Campbell River to estuaries further north on Vancouver Island. This site contains only NTBC leases and is therefore not eligible for LMR funding. CLE

funds were used to fund labour costs - 5 days of land manager time, and 10 days of technician time (total of \$4,850). This overall conservation complex includes NTBC property that is not O&M eligible (not leased).

Some of the land manager time includes workplan meetings with other organizations involved in the area including the Village of Sayward, K'omoks First Nation and others. The Village of Sayward has a goal of increasing tourism in the area and wanting more access, parking etc, so there has been considerable back and forth with the municipality to manage concerns with potentially higher use.

In December 2018, the site was impacted by storm damage and required considerable clean up (e.g. trees blocking trails) which is part of the labour allocation. O&M funded activities included maintenance of the trail and viewing platform (Figure 8), invasive species management (Figure 9), and breeding bird surveys. The IAPP report included updates for seven IAPP records and notes that removals were undertaken for Burdock, Scotch Broom and Himalayan blackberry. Chemical treatments of Bohemian Knotweed were also undertaken by FLNRORD with assistance from the WCCLMP. Additional rSET and data loggers were installed in the estuary as part of the ongoing estuary monitoring program (similar to the Nanaimo Estuary). There are now four monitoring sites at the Salmon River Estuary.

Some of the activities included in the submitted report were related to a restoration project on the non-eligible adjacent property. It was difficult to determine which activities included were O&M eligible and whether they contributed to the overall labour charges to the CLE account for this site. HCTF recognizes the challenges in accounting for labour when visits to the site include activities on the overall conservation complex. This time allocation for this site also involves considerable staff time for travel due to the more remote location.

HCTF staff appreciated the opportunity to visit the adjacent property and the restoration project undertaken there which was also funded by HCTF under the Enhancement and Restoration Grant program. In addition, the acquisition of the adjacent property was funded, in part, through HCTF's Habitat Acquisition Grant.



Figure 8: Viewing platform at the Salmon River Estuary (recently replaced stairs)



Figure 9: Scotch Broom removed at the Salmon River Estuary

5.2.4 Baynes Sound Conservation Area

We did not have enough time to visit the Baynes Sound site, instead we discussed the site and the 2018-19 activities. This conservation complex is made up of three units – one to the north near in Comox called Millard Creek and two to the south - the largest unit is at Fanny Bay and Coal Creek lies just south of Fanny Bay. All sites are leased lands plus some TAC lands at Fanny Bay. Approximately \$7,000 was spent at this site, almost exclusively on labour. Some of the activities discussed include:

- An emergency access road that was built through the property requires maintenance of the access and possible improvements to the road, involving significant time in negotiation with the neighbours and the Fire department
- Degraded viewing platform was removed rather than replaced due to costs and ongoing maintenance requirements
- Spartina inventory and removals were conducted along the coastline at this property and beyond through other funding from the province
- Other various land management issues including attempts at expanding shellfish tenures into the Fanny Bay TAC area

The IAPP report includes an entry for the Fanny Bay Conservation Area including 10 IAPP site inventories and manual removal of 75lbs of meadow knapweed along the dike.

6. Overall Summary and Recommendations

Based on this evaluation, HCTF has determined that the WCCLMP is managing HCTF funds well and completing important operations and management activities on conservation lands to support fish and wildlife habitat, in a manner consistent with the guiding principles of the program.

There were a few minor concerns noted in the report with recommendations for improvement. These include working to ensure accuracy between reports submitted to HCTF and the actual amounts invoiced by NTBC to FLNRORD. Also, any activities included in the report on sites which are not eligible under the program should be specified with a note in the report, e.g. restoration plan completed for adjacent non-leased NTBC property, as it is often assumed when reviewing the report that any activities included in the report are on an eligible site.

In summary, the activities conducted by WCCLMP are resulting in positive conservation outcomes and that WCCLMP is meeting the requirements of the Conservation Land Operations and Management Program. In addition, HCTF appreciates the additional resources secured by this partnership program in this region, particularly in the areas where WCCLMP is going beyond regular O&M activities to conduct habitat enhancement on conservation lands in the region.

7. Acknowledgements

HCTF staff which to thank FLNRORD, WCCLMP and NTBC staff for their cooperation and support to undertake this evaluation, namely Karen Wipond of FLNRORD, Tom Reid and Shawn Lukas of the WCCLMP and Laurie Desrosiers of NTBC.

Appendix 1: O&M Guiding Principles¹

HCTF has developed the following guiding principles for all O&M funds:

- i. **Accountability**
All parties will meet the requirements of the Endowment Agreement and any other funding agreements associated with O&M on conservation lands.
- ii. **Financial Sustainability – “Live Within the Means”**
Wildlife O&M funding will live within the investment income interest. HCTF will not backstop any overages with surcharge dollars.
- iii. **Maximum Conservation Benefit**

All activities will seek to follow an ecosystems approach and achieve the maximum conservation benefit.
- iv. **Cost Effectiveness**
Applicants must use least cost / most benefit methods in applications.
- v. **Administrative Simplicity**
HCTF will strive to simplify the application process, technical review and reporting processes.
- vi. **Adaptability**
If conditions change, the Board can approve changes / amendments to existing eligible activities and/or sites.
- vii. **Cooperation / Coordination**
Joint application and sign-off between the Ministry and The Nature Trust of BC are required for leased lands.

¹ Developed for meeting held January 12 2012 with staff from The Nature Trust of BC, Ministry of Forests, Lands and Natural Resource Operations and HCTF. Suggested revisions from that meeting are reflected in the list.