

An Open Letter

To The Residents of Central Elgin,

We would like to put your mind at rest. The divestiture program is proceeding well and all liability issues are being considered. The process, however, has taken more time than we would have liked.

You have recently heard rumours and read a variety of news reports that make the divestiture program for the Port Stanley Harbour appear unplanned and perhaps a bit frightening because of potential liability issues.

Make no mistake; we take environmental issues very seriously. We have been advised by Transport Canada that the contamination that exists in Port Stanley Harbour is no different than the issues in many facilities with commercial operations. Dozens of harbours with similar challenges have been divested to local governments under this same program.

An overriding Environmental Risk Assessment is also being carried out for Transport Canada as part of the divestiture program. The Risk Assessment will be reviewed by the Ministry of the Environment and environmental consultants hired by Central Elgin. Under this assessment, all existing studies and additional studies of contaminants currently underway will be included.

We have asked and Transport Canada has agreed that pre-existing environmental issues that exceed standards for approved future uses of the harbour remain the responsibility of Transport Canada.

Please look at the chart below to see the many parts of the divestiture program that have come into play and the expert consultants Central Elgin hired to ensure that if an agreement is put in place that it is a good one for all parties.



Sylvia Hofhuis
Mayor
The Municipality of Central Elgin



Joe Preston
Member of Parliament
Elgin-Middlesex-London

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History of the Port Stanley Harbour Divestiture Negotiations

The Port Stanley Harbour is owned and operated by Transport Canada. It consists of 11.7 hectares of land, a 52.8 hectare water lot, the west and east breakwaters and the building formerly leased by Olmsteads on the West Pier.

UNRESOLVED

The Walpole Island First Nation land claim includes Port Stanley Harbour and land created on lake bed. This claim is before the Courts.

The specific financial contribution by Transport Canada for repairs and infrastructure upgrades, dredging and operating losses for the period that Central Elgin is required to operate the Harbour.

Legal agreements for the transfer. Agreement needed on the transfer, contribution amount, the use of the funds, auditing, etc. Agreement must provide language protecting the Municipality from future environmental issues and a successful land claim.

OTHER FACTS

Over 470 of the 549 identified Transport Canada regional/local ports have been transferred or demolished. Transport Canada indicates that the average divestiture within Canada has taken 34.7 months.

Transport Canada has identified a number of factors that have affected the rate of divestiture of ports including:

- First Nations Concerns
- Environmental Issues
- Jurisdictional Issues
- Legal and Administrative Impediments

Chronology of divestiture activities

1995	National Marine Policy - allows transfer of the ports that no longer served a national function.	
Late 1990s	Former Village of Port Stanley, the new Municipality of Central Elgin, four industrial users and the County of Elgin investigated divestiture of the harbour.	
2000	County of Elgin ceases negotiations.	
December 2004	Central Elgin announces intent to enter into divestiture negotiations with Transport Canada.	
January 2005	Council authorized the signing of a Letter of Intent. This is when the clock on divestiture officially starts.	
June 2005	Municipality hosts a focus group meeting. The meeting is well attended. Many people share their vision and ideas for future use of the harbour possibly as a small craft harbour with commercial fishing, recreational boats, parkland, and light industrial.	
July 2005	Central Elgin Council identifies divestiture as one of the most important goals.	
July 2005	Central Elgin hires experts to assist in the divestiture program. The lead consultant is Mark Conway of N. Barry Lyons Consultants Ltd., a land use planner with experience in port economic development, to provide planning and negotiating advice. Brian Riggs of Riggs Engineering Ltd., a civil engineer with expertise in marine facilities and Nicholas T. Macos, a	
July 2005	lawyer with experience in development and municipal law are also retained.	July 2005
		Work begins on the vision for Port Stanley Harbour. Analysis so far shows the port may not be economically viable as a commercial/industrial harbour. Even with dredging, harbour draught cannot handle seaway depth.
		January, 2006
		Change in government in federal election puts negotiations on hold for more than a year.
		March 2006
		Remedial Action plan completed by CH2M Hill for Transport Canada as part of the base research needed.
		November 2006
		Municipal election causes further delays in negotiations.
		2007
		Transport Canada requests proposals to carry out a Risk Assessment for Port Stanley Harbour.
		Summer 2008
		Transport Canada, through consultant CH2M Hill, starts a Risk Assessment of the Harbour. Ontario Ministry of the Environment to review results. This process may not be completed until 2010.
		October 2008
		Federal election causes further negotiation delays.
		January 2009
		Dillon Consulting hired to watch out for Central Elgin's interest relating to environmental issues and the Risk Assessment.
		January 2009
		Central Elgin officials meet with Transport Canada. Transport Canada says definitively the harbour will not be dredged until after divestiture.