

Minutes of the **GOVERNANCE & SERVICES COMMITTEE** meeting of the Regional District of Central Okanagan held at Regional District Offices, 1450 KLO Road, Kelowna, B.C. on Thursday, February 9, 2012

Directors:

P. Gambell, alternate for J. Baker (District of Lake Country)
C. Basran (City of Kelowna)
A. Blanleil (City of Kelowna) *arrived at 8:45 a.m.*
J. Edgson (Central Okanagan West Electoral Area)
K. Fielding (District of Peachland)
D. Findlater (District of West Kelowna)
L. Stack, alternate for W. Gray (City of Kelowna)
G. Given (City of Kelowna)
P. Hanson (Central Okanagan East Electoral Area)
R. Hobson (City of Kelowna)
D. Ophus (District of West Kelowna)
G. Zimmermann (City of Kelowna)
M. Werstuik, (Westbank First Nation)

Staff:

H. Reay, Chief Administrative Officer
A. Brennan, Purchasing and Fleet Manager
R. Fralick, Manager of Current Planning
M. Kopp, Director of Parks Services
D. Plamondon, Director of Development Services
C. Radford, Director of Environmental Services
M. Rilkoﬀ, Director of Finance and Administrative Services
B. Smith, Communications
D. Widdis, Regional Growth Strategy Coordinator
M. Drouin, Corporate Services Coordinator (recording secretary)

1. Call to order

Chair Hobson called the meeting to order at 8:30 a.m.

2. Addition of Late Items to the Agenda

Item 8.1 Letter from the City of Kelowna re: 'Kelowna Mountain'

3. Adoption of the Agenda

#06/12

EDGSON/FIELDING

THAT the agenda be adopted.

CARRIED

4. Adopt Governance & Services Committee meeting minutes of January 12, 2012

#07/12

EDGSON/FIELDING

THAT the Governance & Services Committee meeting minutes of January 12, 2012 be adopted.

CARRIED

5. Delegations

5.1 Robert Fine, Executive Director – Economic Development Commission re: Annual Update

Robert Fine provided an overview of EDC's highlights from 2011 as well as the draft 2012 Strategic Plan. Highlights included:

- 2012 Advisory Board membership was noted.
- 2011 census data has been received – population increasing throughout the region.
- Labor force trends were reviewed including: increase in labor force participation and tourism room revenue up. Bankruptcies both consumer and business is down, no change in business licenses and business permits continue to be down but the Central Okanagan is 3rd highest nationally
- Strategic imperatives highlighted including demographic shift, human capital and quality of place
- Program areas: investment attraction, facilitation, business retention and expansion reviewed.
- Core activities: 17,000 inquiries last year, 68 active partnerships, Film Commission is funded through EDC, social media regularly used and updated, workforce development, investment attraction
- Export development program, 268 site visits to Okanagan companies, 112 presentations throughout the area, 25 agriculture site visits, skilled labor program, metabridge program
- What's new in 2012: entrepreneur recruitment, economic summit in fall, Okanagan Youth Professionals, business walk program.

Director Blanche arrived at 8:45 a.m.

#08/12

BASRAN/GAMBELL

THAT the update from the Economic Development Commission be received.

CARRIED

5.2 Barry Jones, President – Central Okanagan Land Trust (COLT) re: Request for Funding Support

Barry Jones provided an overview of the work that the Land Trust (COLT) has been involved with, including working with the Regional District. COLT was created in 1990 by the Central Okanagan Foundation as a means for holding gifts of property in their natural state. Current assets include 322.5 acres plus a further 480 acres to be added in 2012 for a total of 802.5 acres. Covenants are held on five properties totaling 80 acres. The future of COLT was reviewed including the need to increase operating capital, develop an income stream, and phase in responsibilities of a contractor.

The partnerships with RDCO were highlighted: John's property stewardship and development of the covenant on the Strachan property. The future includes: involvement in bigger and more expensive projects through fundraising and partnerships, more focus on water related properties, and continued management of current assets and new assets.

The request for the Regional District to fund a management/administrative services coordinator was reviewed – total financial requirement is \$30,000.

Discussion:

- Is there no funding relationship with the Okanagan Foundation, has a request ever been made to the Foundation for administrative costs? No, RDCO is the first step.
- Would it be a one-time funding request or ongoing? It would be an ongoing request.
- There is co-operative effort between the local governments and COLT. COLT is active in searching for properties not just educating on environmental issues.
- Why now? Trust is growing and more time is needed than what the volunteers can manage. There is a need for sustainability and continuity.
- How much is raised through annual donations? There is no annual donation program at present.
- The intention would be to include the funding in the regional parks budget not as a grant process.
- Concern was expressed about the notion of continued funding and an annual budget item. COLT needs to continue to look for funding opportunities and to review what their exact requirements are—it was not clear what the exact need was for this year.

#09/12

FIELDING/GAMBELL

THAT the overview by the Central Okanagan Land Trust be received;

AND FURTHER THAT that the request of \$30,000 be referred to the budget process for further consideration.

DEFEATED (tied vote)

#10/12

FIELDING/GAMBELL

THAT the overview by the Central Okanagan Land Trust be received.

CARRIED

6. Environmental Services

6.1 Urban Systems re: Utility Rate presentation

Ehren Lee and Michael Trickey provided a review of the draft utility rate (water rates and revenue assessment).

The Regional District owns, operates and maintains six water systems: Falconridge, Sunset Ranch, Westshore, Star Place/Trepanier, Upper Fintry/Shalal and Killiney Beach.

The scope of the work included:

- sustainable funding levels – determine the funding level needed over the next 20 years so that revenues match the capital, operation, maintenance and administration costs of each system; and
- demand pricing – determine a conservation pricing component that promotes water use reductions through charges to customers with relatively high water demands.

A review of each of the water systems was highlighted (20 year averages and observations) including reserves, capital requirements and gaps. Demand management reviewed: objectives include:

- employ a user-pay approach to revenues
- promote conservation
- principles reviewed – consumption goes down, revenue goes down

Next steps:

- Develop a water rate structure
- Bring forward a bylaw for consideration

The question was raised regarding timing, whether an education plan will be developed, and how the increases will be implemented. Staff will provide options at a future date, today was only to present the information gathered. As each system is unique, the Regional District will need to consider levels of service, what efficiencies can be considered, and possibly if there will be gas tax funds which can be accessed. Open houses and an education campaign will be provided as implementation occurs. Need to move forward as soon as possible as residents who use these water systems need to understand what the annual costs are. This will be provided as part of the education plan.

#11/12

HANSON/EDGSON

THAT the presentation by Urban Systems on the Water System Rate and Revenue be received;

AND FURTHER THAT the report be referred to staff for development of a water rate structure for each system and an education component with a further report to the Board.

CARRIED

6.2 Ron Lampreau, BWP Consulting Inc. re: 2011 Final Report – Mosquito Control and West Nile Virus

The Province, through UBCM, provided \$269,900 in funding for the West Nile Virus. BWP provided an overview of the program as it has operated in the past with government funding, and what the program would look like as a nuisance control program. BWP has been contracted by the Regional District for 2011-2015

to perform mosquito control for the District whether that would be for the enhanced program, previously funded by the Province, or the nuisance control program should West Nile virus funding not continue.

6.3 Mosquito Control Program (Interior Health's Letter of January 16, 2012)

Staff report dated January 31 outlined the West Nile Virus (WNV) Risk reduction initiative which was developed in 2005 with funding from the Ministry of Health. The intent was to reduce the risk of the occurrence of the West Nile Virus and to reduce the impacts of the disease should it occur in BC. Previous to this funding, the Regional District operated a nuisance control program (through its Letters Patent) on a much smaller scale. The participating areas include: City of Kelowna, District of Lake Country, Electoral Area East and a small area located within the District of West Kelowna.

It was noted that the Regional District received notification, January 16, 2012, from Interior Health that the Ministry of Health will no longer be providing funding for pre-emptive larviciding and other West Nile Virus mitigation.

Discussion

- Concern was expressed that if the Ministry of Health is not worried about WNV, why should the RDCO continue to treat? At this time, we don't know what will occur. It was felt that should an outbreak occur, IHA and the Ministry could not respond in a timely manner.
- Mosquito infestation is detrimental to the tourist industry and to health. It is believed with the treatment the RDCO has done over the years it has prevented mosquito populations like the prairies have.
- Prior to WNV there was a mosquito problem in the area. It's about getting control of the mosquitos generally.
- It's about livability in the Okanagan – one of the reasons people live here and vacation here, is that there are few mosquitos.
- Is anyone going to continue to do monitoring? In previous years RDOS and IHA contracted separately to do monitoring. IHA noted in their letter that they will continue to carry out monitoring each summer of environmental conditions, mosquito testing and human and animal WNV case surveillance.
- It was noted that funding was cut back throughout the Province last year and that only the valley regional districts received funding.
- Continuing treatment of all areas is important. Mosquitos travel.
- Is it possible to cut back on the education component?
- Just the basic nuisance program is currently included in the 2012 budget – no catch basin treatment or education has been included.
- District of West Kelowna and Peachland directors noted they would likely not enter the service but would look at their own options.

The following costs need to be identified prior to making a decision:

- The enhanced 'nuisance' service area is City of Kelowna, Lake Country and Central Okanagan East (exclude the two small areas in the District of West Kelowna from the enhanced program). Include costs for a full program, as well as if no education and monitoring were included.
- Cost of doing only 'nuisance control' in the two small areas in the District of West

Kelowna (area defined in Letters Patent).

- If Central Okanagan West Electoral Area participates--what areas would be treated and what are is cost of the enhanced service.
- Cost if the District of Peachland participates.
- Cost if the District of West Kelowna participates in the enhanced service throughout their municipal boundary.
- Westbank First Nation participates.

#12/12

BASRAN/EDGSON

THAT the 2011 Mosquito Control and West Nile Virus Update be received;

AND THAT the Governance and Services Committee recommend to the Regional Board that the Nuisance Mosquito Control Program be expanded in principle to include treatments for both nuisance and West Nile Virus mosquito species for areas of the Regional District of Central Okanagan confirmed to participate including Kelowna, Lake Country, Central Okanagan East and Central Okanagan West;

AND THAT the District of West Kelowna, District of Peachland and WFN be consulted and requested to consent to being included in the expanded nuisance mosquito control program;

AND FURTHER THAT staff be directed to review with the region's contractor, BWP Consulting, various budget scenarios for an expanded program ;

AND FURTHER THAT staff be directed to contact IHA to confirm what their mandate and plan is to continue to monitor for West Nile Virus.

CARRIED (opposed Ophus)

The Committee recessed at 10:20 a.m. and reconvened at 10:33 a.m.

7. Parks Services

7.1 2008 Major Lake Recreational Marine Facilities Study Update

Staff report dated January 5, 2012 outlined the background of the 2008 Major Lake Recreational Marine Facilities Study. Following receipt of the report in 2009, the Regional Board directed that the study be forwarded to member municipalities for consideration of the recommendations. Peachland, Kelowna and West Kelowna have considered the report and provide feedback whether the RDCO should take the lead role in establishing a coordinating body to collaboratively work with all governments in the delivery of recreational marine facilities on the lakes. To date, no action has been taken.

At the present time, the RDCO does not have a service defined, nor specific department, to take on this role. Of consideration, the OBWB has been empowered to act as a coordinating body for basin-wide water resource management on behalf of the three regional districts.

Discussion:

- Peachland is interested in supporting the goals of the report but believes the heart of the report was the future governance structure for a collaborative model rather than a new program within the Regional District.
- Lake Country wants a lake capacity study done before moving forward. The issue they have is the smaller lakes are filled to capacity in the summer months.
- Have discussions occurred with OBWB, is this a viable option? No discussion has occurred to this point with OBWB.
- Tourist/commercial issues should not an OBWB mandate. OBWB should discuss water quality issues and everyone can cooperate at that level.
- Working collaboratively is important but it's a political issue regarding what to include in municipal boundaries in terms of boat launches, etc. and this should be made by each municipality.
- It is a municipal issue on how to move forward with options within their boundaries. Individual municipalities have their own plans and deal with various issues as they see fit.
- It was a good study which laid out various options – now each municipality can determine how they wish to move forward with the recommendations.
- It should be up to the private sector to create boat launches—if there is a demand the private sector should meet it.
- There may be a role in the future for the Provincial government and if there is, the RDCO could lobby for that if needed.

#13/12

FINDLATER/ZIMMERMANN

THAT the Governance and Services Committee recommend that the Regional Board receive the January 5, 2012 Major Lakes Recreational Marine Facilities Study update with no further action required.

CARRIED (opposed Stack, Fielding)

7.2 Okanagan Center Regional Park – Harbour Infrastructure Project Update
(verbal)

Staff provided an update on the Okanagan Safe Harbour project. Staff recapped the capital works which have taken place at the Harbour over the last year. Staff will continue to express concerns to the Ministry of Environment regarding the design and the public concerns raised and staff continue to work with the Ministry in an attempt to resolve the issues raised.

It was noted that the facility was originally built with federal funding, subsequently the Federal government left the facility with the region to maintain as a safe harbor but with the refurbishing the RDCO has not be given the approvals to rebuilt it as a safe harbor.

#14/12

GAMBELL/BLANLEIL

THAT the update on the Okanagan Centre Harbour infrastructure project be received.

CARRIED

8. Development Services

8.1 Options for Proceeding with the Proposed RDCO South Slopes Official Community Plan Bylaw No. 1304 (*As per Board Resolution #22/12 of Jan. 23, 2012 'Kelowna Mountain' proposal*)

Staff report dated February 2, 2012 provided a review of the Regional Board's discussions at its January 12th meeting with regards to the proposed RDCO South Slopes Official Community Plan Bylaw and the 'Kelowna Mountain' proposal.

At the request of the Regional Board, City of Kelowna was asked to review the proposal from 'Kelowna Mountain' through the fringe area referral process. It was noted that there is currently no formal application from 'Kelowna Mountain'. Kelowna, recognizing that a project of this magnitude would have technical and financial impacts, note that the City is not prepared or able to undertake a review on the basis of the information provided by 'Kelowna Mountain'. Kelowna's recommendation would be that the RDCO designate the area in question as a 'recreation resort special study area' and move forward with a Public Hearing at which time the Board could hear from the applicant and the public.

Staff outlined that this process would take a great deal of resources and time. Consultants would be required to assist with the proposal. Staff outlined the options if the area was identified before first reading, or identified after first reading and a public hearing. The timeline for either process would be about the same and is dependent upon on the proponent and the reports required. It was noted that a voluntary gifting agreement would be required as the Regional District's cannot receive DCCs, that a study zone does not guarantee the proponent approvals, that due process would be given as with any developer, but that the referral process and studies do take time.

The question was raised what the issues are with the June Springs area. The electoral area director will continue to discuss with staff options which might be considered in the OCP.

#15/12

OPHUS/GIVEN

THAT the Governance and Services Committee recommend that staff bring forward a resolution to the Regional Board for consideration to include that the Regional Board proceed with consideration of the South Slopes Official Community Plan identifying 'Kelowna Mountain' as a recreation resort study area prior to first reading.

CARRIED

8.2 Aggregate Supply and Demand Update and Aggregate Pilot Project

Staff report dated February 2, 2012 provided a review on the establishment of the Aggregate Task Force in 2009 and the work to date. Of consideration at that time was the update of the RDCO Supply & Demand study. Funding was approved for the study in 2010 with an estimated value of \$60,000. Funding for the aggregate pilot project has not been confirmed other than \$5,000 from the Province for a public survey.

It was noted that the Province has yet to recognize the Fraser Valley Regional District's aggregate pilot project which they have been working on since 2004.

Staff noted that the level of communication has improved between the Regional District and ministerial staff. The question was raised whether the update will identify red, yellow and green zones? The supply and demand update will provide information where the supply is located. The study will form part of the Regional Growth Strategy (RGS) update. It won't necessarily speak to the supply zones but staff may be able to overlay the data with the OCP and compliance with the RGS to provide the Board with more information when considering each application.

Chair Hobson will speak with MLA Letnick to discuss where the aggregate pilot project process is with the Province.

#16/12

EDGSON/STACK

THAT the Governance and Services Committee recommends to the Regional Board that the aggregate supply and demand study update proceed in conjunction with the Regional Growth Strategy update;

AND THAT staff be directed to report back on the process to proceed with the aggregate supply and demand study;

AND FURTHER THAT the Aggregate Pilot Project be deferred until there is a clear commitment and direction from the Province to participate and consider the results.

CARRIED

8.3 Policy for Systematic Approach for Consideration of Aggregate Referrals

Staff report dated February 2, 2012 outlined the Regional Board's previous discussion regarding the need to develop a policy for an approach to deal with aggregate referral applications on an individual case-by-case basis in advance of completing an update of the aggregate supply and demand study or a Central Okanagan Aggregate Pilot Project. An update of the supply and demand study will ultimately serve as a valuable tool for staff, the public, aggregate producers and elected officials in the review and consideration of future aggregate referrals from the Province as well as development applications being considered within each local government jurisdiction.

#17/12

EDGSON/FIELDING

THAT the February 2, 2012 staff report be received.

CARRIED

8.4 Regional Growth Strategy (RGS) Review – Regional Greenhouse Gas Emissions Assessment

Staff report dated February 9, 2012 provided a review of the regional greenhouse gas emissions assessment. Staff confirmed that gas tax funds have recently been approved to assist with the update of the RGS. Issue and policy areas highlighted. Continue to meet and collaborate with municipal staff and public.

Yuill Herbert, of Sustainability Solutions, provided an update for the Committee on the greenhouse gas implications of land-use scenarios for the Regional Growth Strategy. The results of the GHG model provide insight to possible GHG emissions and energy consumption base on potential futures. The developed scenarios are not a forecast but possible outcomes. The *Local Government Act* requires targets for local governments to work towards creating a healthy, livable and sustainable community. The effort to reduce GHG emissions benefits the community through lower capital and operating costs, improvement to health, and opportunities for economic development.

The report will be posted on the Regional District's website for public information.

#18/12

OPHUS/GAMBELL

THAT the Regional Growth Strategy Review on regional greenhouse gas emissions assessment be received.

CARRIED

9. Administrative and Financial Services

9.1 Proposed New RDCO Purchasing Policy

Staff report dated February 9, 2012 outlined a proposed new purchasing policy for the Regional District. The last amendment to the policy was in 2003 and various internal and external changes have occurred which require that the policy be revised.

Staff provided an outline of the changes to the policy. Concern was raised that the requirement for Board approval on tenders over \$100,000 has been removed. It was noted that the budget item to be tendered would have already been approved by the Board in its annual budget. The new policy provides assurance that a process is in place. While some municipal policies provide a ceiling, many others rely on the annual budget approvals.

It was noted that staff had been requested to report to the Board on the following issues. It is believed the new purchasing policy will deal with each of these issues and no further reporting is necessary:

- review general policies currently in place that deal with contracting of large projects,
- review bulk vehicle purchasing arrangements, and green fleet vehicles,
- policy on developing design cost estimates.

#19/12

FIELDING/EDGSON

THAT the Governance and Services Committee recommends that the Regional Board approve the new Purchasing Policy.

CARRIED (opposed Ophus, Findlater)

10. Corporate Services

10.1 RDCO Committee Structure Review

In follow-up to direction from the Regional Board, staff was asked to review the Regional District's committee structure in order to determine the feasibility of reducing committees no longer required and to potentially streamline the process of decision making.

Staff report dated January 31, 2012 outlined recommendations for the following committees: HR Committee; Sustainability Committee; Treaty Advisory Committee; Watercraft Committee; Agricultural Advisory Commission; Environmental Advisory Commission; Central Okanagan West Advisory Planning Commission; Central Okanagan East Advisory Planning Commission; Dog Advisory Committee; Westside Wastewater Treatment Plant Stakeholder Committee; Airport Advisory Committee; Highway 97 Coalition; Okanagan Airshed Coalition and the Okanagan Marine Advisory Council

Staff noted that due to concerns raised by the Environmental Advisory Commission which is largely made up of technical people, that by cutting back on its size the effectiveness of the Commission would be jeopardized. It was agreed that further input should be received from the Commission prior to making a final decision on the number of members required.

#20/12

ZIMMERMANN/EDGSON

THAT the Governance and Services Committee recommends to the Regional Board that the committee structure for the year 2012 be amended as follows:

- HR Committee – no longer required
- Sustainability Committee – no longer required
- Treaty Advisory Committee appointments – eliminate until treaty negotiations commence
- Watercraft Committee – no longer required
- Agricultural Advisory Commission – continue as previous
- Environmental Advisory Commission – staff to consult with the EAC on membership and report back to the Board.
- Central Okanagan West Advisory Planning Commission – continue as previous
- Central Okanagan East Advisory Planning Commission – discontinue
- Dog Advisory Committee – hold in abeyance until Dog Control Service Review is completed.

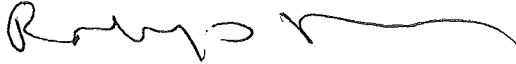
- Westside Wastewater Treatment Plant Stakeholder Committee – continue.
- Airport Advisory Committee – appoint Chair Hobson
- Highway 97 Coalition – no appointment
- Okanagan Airshed Coalition – no appointment
- Okanagan Marine Advisory Council – no appointment

CARRIED

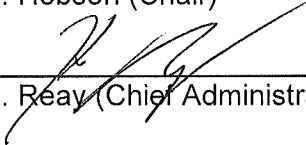
11. Adjourn to a Regular Board Meeting

There was no further business the meeting was adjourned at 12:50 p.m.

CERTIFIED TO BE TRUE AND CORRECT



R. Hobson (Chair)



H. Reay (Chief Administrative Officer)