

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, March 12, 2015

Directors

J. Baker (District of Lake Country)
C. Basran (City of Kelowna)
W. Carson (Central Okanagan West Electoral Area)
R. Donn, alternate for M. DeHart (City of Kelowna)
D. Findlater (District of West Kelowna)
C. Fortin (District of Peachland)
G. Given (City of Kelowna)
T. Gray (City of Kelowna)
P. Hanson (Central Okanagan East Electoral Area)
D. Ophus (District of West Kelowna)
B. Sieben (City of Kelowna)
L. Stack (City of Kelowna)
C. Derickson (Westbank First Nation)

Staff:

B. Reardon, Chief Administrative Officer
R. Fralick, Manager - Planning
M. Kopp, Director of Parks & Police Services
C. Radford, Director of Community Services
M. Rilkoﬀ, Director of Finance & Administrative Services
B. Smith, Communications
M. Drouin, Manager – Corporate Services (recording secretary)

1. **CALL TO ORDER**

Chair Given called the meeting to order at 8:35 a.m.

2. **ADDITION OF LATE ITEMS**

6.4 Quarterly Measures Report – Year-Ended December 31, 2014

3. **ADOPTION OF THE AGENDA**

#19/15

FINDLATER/BAKER

THAT the agenda be adopted as amended.

CARRIED Unanimously

4. **MINUTES**

4.1 Approval of the February 12, 2015 and February 25, 2015 minutes

#20/15

OPHUS/GRAY

THAT the February 12, 2015 and February 25, 2015 Governance & Services Committee meeting minutes be adopted.

CARRIED Unanimously

5. DELEGATIONS

5.1 Okanagan Collaborative Conservation Program (OCCP) update on the Okanagan Biodiversity Conservation Strategy - Presentation by Carol Luttmner, OCCP Coordinator

Staff report dated March 3, 2015 outlined the background of the Okanagan Biodiversity Conservation Strategy (BCS) for the Okanagan region. The Strategy was completed in 2014 and provided a 'big picture' view of the status of regional biodiversity and highlighted conservation priorities for the future. The OCCP has initiated the implementation and monitoring and provided an overview of the progress towards the BCS vision.

Director Basran arrived at 8:37 a.m.

Carol Luttmner provided an overview of the OCCP:

- Formed in 2007, partners signed a statement of cooperation – protecting species at risk and balancing growth with conservation.
- Over 35 partners representing academic, all levels of government and non-government organizations.
- Primary role is to facilitate collaboration of resources.
- Last few years focusing on data collection and mapping.
- The Okanagan has 0.8% of the land mass in BC – but has 36% of species at risk.
- Guiding principles include: protect representative core habitat areas; protect habitats characteristic of our region; connect habitat areas; maintain a matrix of lands outside of core areas and corridors; maintain diversity of ecosystems, species and genetics; look at biodiversity from a regional perspective; share responsibility; and practice precautionary decision-making.
- Strategy outline was reviewed.
- Type of map Decision Tool: conservation ranking, relative biodiversity, wildlife connectivity and land management classes.
- Next steps: work with government and non-government agencies and First Nation to implement the strategy. Main areas to focus on: sharing mapping, education and outreach, collaboration and partnerships will continue (BC Wildlife Federation, Okanagan Similkameen Stewardship Society, non-government business).
- Funding history reviewed: 81% funding comes from grants and foundations.

#21/15

BAKER/SIEBEN

THAT the staff report dated March 3, 2015 and the presentation on the Biodiversity Conservation Strategy for the Okanagan Region be received for information.

CARRIED Unanimously

5.2 UBC-Okanagan – Nancy Holmes, UBC-O Faculty of Creative and Critical Studies re: Update Woodhaven Regional Park Partnership - Woodhaven Eco Culture Centre

The annual report on the Woodhaven Eco Culture Centre partnership with UBC-Okanagan was provided. An MOU was established between UBC-Okanagan and the Regional District for this program. Nancy Holmes outlined the activities undertaken for the past year including:

- Pilot project until June 2016
- Woodhaven Regional Park (Raymer Road in Kelowna) is where the project is undertaken
- In May 2014 events around ecology and art began (from May to August)
- Research section of eco-culture
- Unique program in BC, wonderful opportunity for students, local and visiting artists.
- In 2015, woodshed readings (Canada Council grant), indigenous art intensive program, creative writing classes for the public and students at UBC-O, development of a garden (edible plants).
- Need to integrate culture as part of nature.

Discussion:

- Do you work with the School District? Yes, UBC-O has a Memorandum of Understanding with Dorothea Walker Elementary School to host classes there. In the summer work with the Creative Artist Alliance – performance groups with kids around the natural world.
- Access to this area of the park is restricted at times. Special events are held for the public.
- Woodhaven Park is a public park, open seasonally. This facility (an 8-acre parcel) is restricted to the public as resident artists live on the property. The RDCO has a lease agreement with UBC-O.

#22/15

SIEBEN/BAKER

THAT the presentation by Nancy Holmes, UBC-O Faculty of Creative and Critical Studies, regarding the Woodhaven Regional Park Partnership – Woodhaven Eco Culture Centre be received for information.

CARRIED Unanimously

6. REVIEW OF 2015-2019 FINANCIAL PLAN

- 6.1 Delegation: Okanagan Regional Library (Stephanie Hall, Executive Director or Don Nettleton, Manager-Finance) re: Electoral Area Population Statistics

The Okanagan Regional Library staff was invited, following discussion at the February 25th budget meeting, to present to the Committee the background information with regard to the increase in electoral area population counts used in the ORL levy calculation which have resulted in a large increase to the levy.

Stephanie Hall and Don Nettleton were in attendance to provide an overview, including:

- The ORL allocates its levy to over four regional districts based on 50% on population and 50% on assessments.
- In 2015, the increase in population counts used for electoral areas varies disproportionately from all other participants across the regional districts. The average increase for all participants was 1.98% or 7,013. The RDCO electoral area population increase was 27.255% from 5,742 to 7,307. BC Assessment growth rates indicate 1.12-2.88% in the electoral areas.
- Different avenues are open to the Board: appealing to the Library Board before the budget is adopted (fall of the year), if the revision amounts to more than 25% of the levy, appeal to the Province.
- For 2015, the appeal process is past as the budget has been adopted.
- The statistics provided to the ORL under the *Library Act*. The Ministry of Finance uses the BC Stats which are updated annually.
- BC Stats numbers are used for calculations which fluctuate widely from Canadian census data.
- Next Canadian census won't be released until 2017.
- Levy is 50% based on assessment and 50% based on population.
- Next ORL budget process begins soon. ORL adopts its budget in the fall (Oct). The numbers are provided to the local governments in August and the Board discusses the budget in the fall. Revised population figures will be provided in the summer and this would be the time to review the population figures and address any concerns.
- WFN population numbers are not included in the RDCO share of funding.

Discussion:

The question was raised whether this is a major issue that all government levels should get involved in? ORL staff noted that the current system has been used for 20-30 years, but that it has been an issue over the last 3-4 years with the massive growth in the Central Okanagan. With the incorporation of the District of West Kelowna the question was raised if the population numbers were broken out correctly. When the numbers were broken out the question of accuracy for the electoral areas became an issue. Basically, the allocations to the municipality and WFN were done, and what was left was assigned to the electoral areas.

ORL staff had contacted the Province last year and challenged the numbers. The Province did look at the numbers and believed they are accurate. This information was brought forward to the previous ORL Board. The change is representation of 2-3 years of data by the Province, not just one year. To correct it, they agreed to use 2011 Federal Census in 2014, then adjusted going forward.

It was noted that WFN did appeal their population numbers a few years ago and are currently content with their numbers. The RDCO could appeal the process and ask the ORL Board to review their policy. This should be done early in the process. There are no options for this current year as the budget is set.

There is the possibility that going forward, the ORL could appeal to the Province and decide on a different way to distribute budgets (all 25 councils would have to agree to this).

#23/15

FINDLATER/STACK

WHEREAS the population counts used by the Okanagan Regional Library for RDCO Electoral Area varies disproportionately from all other participants—the average population increase for all participants was 1.98% whereby the electoral area population increase was 27.255% which has resulted in a large levy increase in 2015 for the electoral areas of the Central Okanagan;

THEREFORE, THAT the RDCO file an appeal to the Okanagan Regional Library for the increase in the population counts used for RDCO Electoral Areas and that the ORL be requested to review the population statistics used for the electoral area calculations now and for future calculations.

CARRIED Unanimously

It was agreed that accurate numbers are required and that the Ministry of Finance should be able to justify how their statistics are calculated for the electoral areas.

#24/15

STACK/SIEBEN

THAT the Regional District forward a letter of appeal to the Province (Ministry of Finance) regarding the calculation of population statistics for the electoral areas of the Central Okanagan for purposes of the *Library Act* and request an explanation on how BC Stats are calculated in this regard and the discrepancy in the population increase.

CARRIED Unanimously

6.2 Delegation: District of West Kelowna re: Regional Rescue – Technical Rescue Services within DWK Boundaries

Staff report dated March 6, 2015 provided an update on the technical rescue service proposal from the District of West Kelowna. The Regional Board at its April 28, 2014 meeting approved a resolution authorizing the Administrator to enter negotiations with West Kelowna for the provision of non-core regional rescue services on the west side of W.R. Bennett Bridge. Since that time, West Kelowna has trained and equipped its fire department to respond to and provide technical rescue services within its boundaries. Negotiations for the provision of rescue services in Peachland, Westbank First Nation and Central Okanagan West Electoral Area have been ongoing.

The Board had previously discussed that there are numerous benefits to having a fully trained and operational rescue team on the west side of Okanagan Lake. It was noted that there is support for this at the administrative level by all parties.

West Kelowna staff provided a review of the service including:

- Current delivery model was outlined. DWK delivers low embankment, ice rescue and auto extrication within its boundaries.
- DWK asking for training resource funding for keep their staff trained.
- Benefits of a technical team being trained and ready to respond on the west side of Okanagan Lake bridge was highlighted.
- As part of the implementation of a new technical rescue program equipment has been purchased.
- RDCO staff has observed the training program and resources and are confident they have the capability and expertise to deliver the service on the west side of Okanagan Lake.

Discussion:

- There will be a higher level of service on the west side, and a rapid response.
- The regional rescue budget is consistent with how the service is currently funded.
- Concern was expressed that the regional rescue budget continues to increase, not decrease as originally thought when the service review was undertaken. Why is there no a decrease in the budget for the team? Have efficiencies been achieved in budget? Why is it costing more when you don't get more services, only quicker service? There is a cost to training. The west side team is part of the overall regional rescue service.
- The Regional rescue service review for fire dispatch is not yet completed so there may be savings realized once this is finalized.

#25/15

FINDLATER/BASRAN

THAT the Governance & Services Committee recommend the Regional Board approve funding a second regional rescue team on the west side of Okanagan Lake starting in 2015;

AND FURTHER THAT the Governance & Services Committee recommend the Regional Board authorize its signing officers to enter into a five (5) year agreement with the District of West Kelowna for the provision of regional rescue services at a 2015 cost of \$46,854.32 with annual increases of 2.5% up to and including 2019.

CARRIED (opposed Baker)

The Committee recessed at 10:07 a.m., reconvened at 10:17 a.m.

6.3 Review of 2nd Draft – 2015 Budgets and 5-Year Financial Plan

Staff report dated March 4, 2015 outlined additional information to the 5-year financial plan as provided from input following the February 25th meeting.

The comparative changes for general taxes by area from February 5 to March 12 draft are as follows:

	2014 Total Tax per House. Avg House Value \$474,000	2015 House Value	Feb 25 Draft		Mar 12 Draft	
			2015	2015	2015	2015
			Total Tax per House	Change per Avg House over 2014	Total Tax per House	Change per Avg House over 2014
Kelowna	\$156.29	\$489,000	\$152.72	\$ (3.57) -2.28%	\$155.52	\$ (0.77) -0.46%
Peachland	186.57	495,000	\$184.39	\$ (2.18) -1.17%	\$187.46	\$ 0.89 0.48%
Lake Country	182.01	490,000	\$177.93	\$ (4.09) -2.25%	\$181.10	\$ (0.91) -0.50%
West Kelowna	172.47	487,000	\$168.43	\$ (4.04) -2.34%	\$171.46	\$ (1.01) -0.58%
C. O. West	584.61	457,000	\$586.39	\$ 1.78 0.30%	\$574.27	\$ (10.34) -1.77%
C. O. East	533.96	482,000	\$558.16	\$ 24.20 4.53%	\$545.98	\$ 12.02 2.27%

The following changes have been incorporated in this draft budget:

Overhead participant breakdown was provided for information. Other refers to 911 (other regional districts contribute to the service). Overhead policy vs. assessment recovery was highlighted.

Year-end program measures report was highlighted. This report is now reported in detail at the end of the year as directed by the Board. Want to ensure the Board has access to the full information should they wish. The auditors support the report being provided to the Board. The Executive Summary highlights each program.

The question was raised regarding biosolids management and whether it is expected to have an increase in funding. In the recent months protesting has started along the transportation site (Hwy8) regarding the composting facility. The contractors has been advised to send the material elsewhere. We do not want to compromise the program. The alternative hauling options are a long distance away so costs have increased. Negotiations continue to look for alternative management options. The situation is fluid at the moment – options are being reviewed.

Community Services:

Sewer:

470 – RDCO Lift Stations/ Collector Systems: - In reviewing 2014 amounts for year end, a cost centre keying error for an expense for Peachland's generator inspection maintenance and testing was discovered. This reduced the deficit carried forward by \$3,278. As a result, DWK's share has been reduced from \$296,102 to \$293,506, and WFN's share has been reduced from \$77,764 to \$77,083.

472 – Peachland Lift Stations/ Collector Systems: In reviewing 2014 amounts for year end, a cost centre keying error for an expense for Peachland's generator inspection maintenance and testing was discovered. This reduced the surplus carried forward by \$3,278. As a result, Peachland's service fee increases from \$199,339 to \$202,617.

Planning:

110 – Regional Planning: Budget was amended due to change in 2014 surplus carried forward from \$97k to \$82k. During year end reviews, staff found a \$15k OBWB grant that should have been coded to 111 – Electoral Area Planning instead. Increases total tax requisition by \$15k.

111 – Electoral Area Planning: Budget was amended due to change in 2014 surplus carried forward from \$45.7k to \$60.7k re: OBWB grant discussed above. Decreases total tax requisition by \$15k.

Fire Protection Services:

019 – Electoral Area Fire Prevention: Fire Services Study for \$50k has been removed. \$2k for Special Projects added. Reduced use of Operating Reserve from \$9.8k to zero.

Upon further review of the Fire Services study it was determined that the intent of the review was to focus on the four Electoral Area Fire Departments. Since many properties within this function do not receive fire protection from these Departments, the cost of the study would need to be allocated out directly to the Fire Departments themselves.

The question was raised whether the review can be done in-house. The Administrator noted there are reasons for a consultant's review. The terms of the study have not been identified. Further discussion will be deferred to the Board's In Camera meeting.

In the first budget draft, with the costs included, there would have been an increase of \$11.98 per average home throughout the electoral areas. Now there will be a decrease of \$0.32 per average home.

This reduction will now be offset by the following increases for homes only in the fire protection areas. The tax rates vary due to the assessment values of each of the local service areas:

- **021 – Ellison Fire Department:** Costs for Fire Department Service Review of \$12.5k have been added. Electoral Area Director also requested increase to Training of \$5k. Due to assessment growth, there is still a decrease to the average home of \$2.06.
- **022 – Joe Rich Fire Department:** Costs for Fire Department Service Review of \$12.5k have been added. Electoral Area Director also requested increase of \$2k for training and \$500 for firefighter recognition. Increase to average home \$37.65. Staff noted that due to the upcoming truck purchases in 2020 and 2024, reserve transfers should not be reduced.
- **023 – North Westside Road Fire Rescue:** Costs for Fire Department Service Review of \$12.5k have been added.

Overall increase to average home is now \$10.55. Staff noted that due to the upcoming truck purchase in 2016 and 2018, reserve transfers should not be reduced, or financing will be required.

- **024 – Wilson’s Landing Fire Department:** Costs for Fire Department Service Review of \$12.5k have been added. The majority of the tax requisition increase is attributable to the swing from a surplus carried forward to a deficit (\$19.7k). Staff noted that transfers to reserves were reduced from 2014 level accordingly, and should not be reduced any further due to scheduled purchases in 2032. The first budget draft showed an increase to the average home of \$17.63, and that has now increased to \$44.34 per average home.

030 – Regional Rescue: Adding \$47k for Technical Rescue Services within West Kelowna boundaries (a second regional rescue team on the west side) increases tax requisition further. Cost increase to average home now \$1.75 (from \$1.09).

Parks:

142 – Regional Parks: As per Board direction at the February 25th meeting, added \$200k transfer of surplus to operating reserve to reduce future rate impacts. Impact to average home is \$0.37 increase.

Corporate Services:

007 – Electoral Areas: Reduced transfer to reserves by \$3k (from \$25k to \$22k) as there will be sufficient funds available to fund orthophotos in the future. Overall tax decrease for this service for an average home is \$2.59.

085 – Ellison Transit Service: Added funds for public consultation for service expansion. Tax requisition same as 2014 level. No increase.

EDC

120 – Economic Development Commission: Correction to February 25th budget included adding \$18.6k for business liaison. There is an overall decrease of \$6,680 to the requisition, or \$0.39 per average home.

Board

011 – Grants – Regional: Revised Regional Grant in Aid as per schedule. Removed transfer to operating reserve of \$11,370 which reduced partner contribution totals by related grant contributions from previous years that were forfeited by recipients.

013 – Grants – Electoral Area Central Okanagan East: Added \$500 as requested by Area Director. Overall tax decrease of \$2.71 per average home.

Outstanding Item:

Municipal participation in Fringe Area Planning: the municipalities have until the March 27th meeting to make their determination if they wish to participate in fringe area planning. Discussions are ongoing.

#26/15

BAKER/GRAY

THAT the Governance & Services Committee receives for information the staff report dated March 4, 2015 and the updated 2015-2019 Financial Plan;

AND FURTHER THAT staff be directed to bring forward any recommended amendments to the 2015-2019 Financial Plan that were agreed to today, to the March 27, 2015 Regional Board final budget meeting that were agreed to today.

CARRIED Unanimously

6.4 Quarterly Measures Report – Year-Ended December 31, 2014

Staff report dated March 6, 2015 reported on the summary of 2014 activities for each individual service as set out in the 2014-2018 Financial Plan. The highlights for the year are not inclusive—there are too many items to be covered for each service. Multi-year comparative statistics by service/program are available in the full report.

#27/15

OPHUS/HANSON

THAT the Year End December 31, 2014 Quarterly Program Measures report be received for information.

CARRIED Unanimously


7. ADJOURN TO A REGIONAL BOARD MEETING

There being no further business the meeting was adjourned at 10:55 a.m.

CERTIFIED TO BE TRUE AND CORRECT



G. Given (Chair)



B. Reardon (Director of Corporate Services)