

13 February 2008

Honourable Pat Bell
Minister of Agriculture and Lands
PO Box 9043 STN Prov Govt
Victoria, BC, V8W 9E2
Telephone: 250.387.1023

Re: *Okanagan Reservoir Lakes Lease Lots*

Dear Honourable Pat Bell,

Our constituents, the local governments of the Okanagan, have voiced strong opposition to the sale and anticipated development of lots on Okanagan upper-watershed drinking water sources. This important file has generated significant comment by Local Government and Water Purveyors (attached). The Okanagan Basin Water Board requests an update from the Minister regarding ILMB's progress on this important file.

The Okanagan Basin Water Board, the Water Supply Association of BC, many individual water utilities, the North Okanagan Medical Health Officer, and the Regional Boards in the Valley, along with a number of municipalities have registered their opposition to the proposed sale of leased lots on Okanagan reservoir lakes. So far the ILMB has ignored these objections. Concerns relate to the quantity and quality of water in the drinking reservoirs. Fee simple transfer of land adjacent to drinking water supplies will inevitably lead to increased development density and create significant reservoir management issues – interfering with our ability to adapt to climate change and the increasing water demands of our population.

The Okanagan Basin is one of the most arid regions in the province. With our booming economy, large agricultural sector and expanding population, community leaders now recognize that protecting the quality and availability of water is key for continued growth and prosperity of the valley. Selling leased reservoir lots will benefit a small number of individual lease holders, but these benefits come at the expense of the health of the citizens, economy, and environment of the Okanagan.

Once these reservoir lots enter private ownership, they will be extremely difficult to reclaim, sharply curtailing the flexibility we need to protect water supply for downstream communities. Rather than selling lots to current lease holders, the Okanagan Basin Water Board urges the Ministry of Agriculture and Lands to not renew these leases past their current tenure. The small size of upland water reservoirs (compared to mainstem lakes) reduces their ability to dilute pollution, making them sensitive to leaking septs and recreational overuse. As snow-water storage declines as a result of climate change, upland lakes are a strategic resource for maintaining (and possibly increasing) our potable water supply to meet the needs of a rapidly growing population and economy in the Okanagan. Developing a strategy, based on best available science, to protect our limited upper-watershed reservoirs is an important policy decision with significant implications on the quality of life of Okanagan citizens. Public ownership is essential for preserving the quality and supply of water in the Okanagan, now and in the future.

Should you require further information, please do not hesitate to contact the Okanagan Basin Water Board office. We look forward to your response providing our Board with an update on this important file.

Sincerely,



John Slater, Chair
Okanagan Basin Water Board

Enclosure

Cc: Premier Gordon Campbell
Integrated Land Management Bureau
Sindi Hawkins, MLA
Tom Christensen, MLA
Al Horning, MLA
Rick Thorpe, MLA
Bill Barisoff, MLA
Okanagan Nation Alliance
Stockwell Day, MP
Ron Cannan, MP
Colin Mayes, MP
Regional District of North Okanagan
Regional District of Central Okanagan
Regional District of Okanagan-Similkameen
Okanagan Mayors
Water Supply Association of B.C.
Interior Health Authority
Okanagan Water Stewardship Society

➤ **APPENDIX 1**

**NOTED OPPOSITION TO SALE
OF RECREATIONAL LOTS ON
RESERVOIR LAKES**

➤ **APPENDIX 2**

CORRESPONDENCE

➤ **APPENDIX 3**

REPORTS

APPENDIX 1

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File No: 0400-20

2008-MAR-10

Honourable Pat Bell
Minister of Agriculture and Lands
PO Box 9043, Stn Prov Govt
Victoria, BC V8W 9E2

Dear Minister Bell:

Re: Sale of Lease Lots on Reservoir Lakes

The District of Westside Mayor and Council recently received a copy of correspondence addressed to you, from Mr. Robert Hobson, Chair of the Central Okanagan Regional District with respect to the proposed sale of recreational lease lots on reservoir lakes located in the Okanagan Region (see attached). Council discussed this matter at their 2008-FEB-26 meeting and passed a motion supporting Okanagan Valley communities that oppose the sale of recreational lease lots on reservoir lakes.

As you are aware, many of the lakes are community watersheds and must be protected to guarantee that the water source, availability and quality is maintained. Further, protection must be in place to ensure provision for future reservoir expansion.

District Council agrees with neighbouring local governments within the Okanagan Valley that reservoir lakes must be protected and Council encourages the Province to reconsider their proposal to sell the lease lots.

We would welcome a meeting with you to discuss this issue and obtain the Provincial Perspective.

Please contact us at your earliest convenience so we can arrange a meeting.

Sincerely,

Rosalind Neis
MAYOR

copy: Honourable Rick Thorpe, MLA
Kevin Dickenson, Manager, Crown Land Adjudication,
Integrated Land Management Branch
Central Okanagan Regional District
South Okanagan Regional District
Mayor and Council, City of Kelowna
Mayor and Council, District of Lake Country
Mayor and Council, District of Peachland
Mayor and Council, District of Summerland
Chief and Council, Westbank First Nation
Okanagan Basin Water Board
Lakeview Irrigation District
Westbank Irrigation District



January 3, 2007

File: 0221-01

Attention: Mr. Steve Carr
Regional Executive Director
Integrated Land Management Bureau
43145 – 3rd Avenue
Kamloops, B.C.
V2C 3M1

Dear Mr. Carr:

RE: Sale of Reservoir Lots

At the Council Meeting of December 12, 2006, great concern was expressed surrounding the proposed sale of leased lots located on reservoir lakes in our watershed. The development and sale of cottage lots and the impacts on water quality are inextricably linked and will have a very negative impact on water quality and quantity.

Over one million people in British Columbia source their drinking water from multiple use crown land watersheds and the absence of source water protection is the weakest link in the approach to the safety of the public water supply. It makes no sense from a long term financial, public health or public policy perspective.

I hope you will re-consider the proposed sale of crown leases on our drinking water reservoirs. Water is the most precious resource and nowhere is this truer than in the semi-arid climate of the Okanagan Valley.

Yours respectfully,

James Baker
Mayor

Cc: Premier Gordon Campbell
The Honourable George Abbott, Minister of Health
The Honourable Pat Bell, Minister of Agriculture
Mr. John Slater, Chairman, Okanagan Basin Water Board
Mr. Bruce Wilson, Water Supply Association of B.C., Rutland Waterworks District



Central Okanagan Regional District

Excerpt from:
Regular Board Minutes – March 8, 2004 (page 3)

3.2 John Slater, Chair – Okanagan Basin Water Board re: Sale of leased recreation lots

#89/04 HEIN/HARRIMAN

THAT the February 12, 2004 letter from John Slater, Chair – Okanagan Basin Water Board re: sale of leased recreation lots be received.

AND FURTHER THAT the following resolution be forwarded to the Okanagan Mainline Municipal Association for consideration at the 2004 Conference:

WHEREAS the Okanagan Valley has the fewest water resources per capita of any region in Canada;

AND WHEREAS local governments and water suppliers require the ability to optimize available water resources;

AND WHEREAS local governments and water suppliers are obligated to ensure public health and safety in provision of water supplies;

AND WHEREAS Land and Water B.C. Inc. (LWBC) are proposing to transfer to fee simple numerous existing leased recreation lots surrounding drinking water reservoir lakes which serve Okanagan Valley customers;

AND WHEREAS the vast majority of these lots are substantially smaller than the 1 hectare minimum provincial funding standard for new lot subdivisions not served by community sewer;

THEREFORE BE IT RESOLVED that the Okanagan Mainline Municipal Association request the Minister of Sustainable Resource Management to instruct LWBC to immediately abandon the proposal to transfer to fee simple and sell the leased recreation lots in the watersheds serving drinking water reservoir lakes.

CARRIED



Office of the Chairman

1450 K.L.O. Road
Kelowna, B.C. V1W 3Z4

Telephone: (250) 763 4918
Fax: (250) 762-7011
www.regionaldistrict.com

February 20, 2008

File No.: 0530-02/D.S:3020-01 Reservoir Lake Leases

Honourable Pat Bell
Minister of Agriculture and Lands
P.O. Box 9043 Stn. Prov. Gov't
Victoria, BC
V8W 9E2

Via Fax: 250-387-1522

Dear Minister Bell:

On behalf of the Regional Board and the communities of the Central Okanagan region, I write to express comments arising from the proposed sale of recreational lease lots situated on upland reservoir lakes as intended by Integrated Land Management Bureau.

In 2006, the Regional Board endorsed its staff participation in facilitated discussions with ILMB, Okanagan Cottage Owners Association, BC Water Supply Association, Interior Health Authority and provincial agencies. When identifying community and cottage owner interests, we understand that the group articulated a vision of a continued wilderness cottage environment with enhanced watershed management. It is misleading to suggest that this committee was a steering committee—it was created by the ILMB and others participated. It wasn't a committee who developed a consensus position. ILMB took input from everyone but the position was created by the ILMB so it's a bit misleading that everyone agreed with all the conclusions. There was some issues where there was consensus but there were some issues where consensus was not reached i.e.: sale of lease lots.

Having substantial experience in managing private land development, community expansion, and investment in the Okanagan and with attention to the constraints on water supply, the Regional District of Central Okanagan considers the matter of reservoir lake and community watershed protection to be of paramount importance. We note that the ILMB proposal entails sale of 80 lots intended for residential purpose and six commercial resorts situated on 13 reservoir lakes. The reservoirs are established and operated by community water purveyors for purpose of drinking water to four major downstream communities including a substantial agricultural land base.

Upon receiving presentation from ILMB in November 2007, the Regional Board deliberated on the proposed conditions of sale, including transfer of lots from lease to fee simple title. We note that lease holders have been informed that sales may be pursued on the basis of individual site suitability for septic disposal, building setbacks in accord with Riparian Area Regulations, increase in some reservoir levels, local government tenure, a land act reserve around lakes to limit further development, and additional risk reduction strategies that will be determined through lake specific referral processes.

The proposed sale of recreation lease lots relinquishes the Ministry from adjudicating conditions of the lease with management of Crown land for broad public purpose. It further facilitates conversion from seasonal recreation to exclusive residential use that compounds issues of public health and reservoir operations.

Further it has been suggested that if the recreation lease lots are sold, ILMB will do a better job to manage other sites on Crown lands so as not to adversely affect the water resource. Those other uses should be managed and this management should not be dependent on the sale of Crown lots. There is a fiduciary responsibility to manage those other uses.

Given this understanding, the Regional District of Central Okanagan considers the above conditions of sale to be a starting point for further consultation. The Regional District is prepared to continue working with lease holders and the Ministry to reconcile the interests of long standing seasonal recreation use with public health and reservoir expansion issues. It is however our considered opinion that individual offers for sale must be contingent upon full agreement with individual water purveyors and downstream communities that appropriate measures are in place to ensure sustainability for a community health and economic perspective. As well, if the government insists on proceeding with the sales, it must protect unsurveyed foreshore from future sales, as promised in the report.

The Regional District reiterates our fundamental opposition to sales and further notes that all local governments and water purveyors in the valley agree with this position.

Yours sincerely,



Robert Hobson
Chair

cc: Kevin Dickenson, Manager, Crown Land Adjudication,
Integrated Land Management Branch
Regional Directors
Mayor and Council, City of Kelowna
Mayor and Council, District of Westside
Mayor and Council, District of Lake Country
Mayor and Council, District of Peachland
Chief and Council, Westbank First Nation
Okanagan Basin Water Board



District of Summerland

"Building a Unique Community with Quality, Efficiency and Respect"

Office of the Mayor

13211 Henry Avenue
P.O. Box 159
Summerland, B.C.
V0H 1Z0
Tel: (250) 494-6451
Fax: (250) 494-1415
www.summerland.ca

February 11, 2004

Minister Bill Barisoff
Minister of Water, Land and Air Protection
PO Box 9047
STN PROV GOVT
Victoria, BC V8W 9E2

Dear Mr. Minister:

Re: Sale of Lease Lots on Reservoir Lakes (File: 0410-35)

Municipal Council of the District of Summerland has asked that I write to you to convey our serious concerns with respect to BC Land and Water's proposed sale of leased lots on Okanagan reservoir lakes. As you are no doubt aware, Summerland suffered through an extreme water shortage in 2003 and as a result, Council found it necessary to ban domestic sprinklering and to reduce commercial irrigation. Council is now in the process of looking at ways to ensure the quality and quantity of our future water supply and is facing significant capital expenditures to accomplish this.

Reservoir lakes are currently our main source of water. Selling off recreational lots abutting our drinking water supply could have a serious effect on the quality of our water. Pollution from increased human habitation along with the potential for fuel spills from boating are a serious concern. We note that the reservoirs serving the GVRD are all fenced for good reason—to reduce the risks of human contamination of the GVRD's water supply. The residents of Summerland deserve this same protection.

Selling off recreational lots will also make it impossible for us to adjust reservoir levels to meet the future needs of our community. A significant number of the leasehold lots your government is looking at selling about our reservoirs. The costs of acquiring freehold lots in order to raise our reservoirs will only add to the future burden taxpayers will have to bear as our community grows.

I would urge you to do whatever is necessary to cancel BC Land and Water's initiative of selling these lots in the Okanagan Valley. The short term financial gain for the Province may be far outweighed by the serious consequences the residents of Summerland and the Okanagan Valley will pay.

Yours sincerely,

Tom Johnston
Mayor

/gdm

Copy to: Okanagan Basin Water Board
Regional District of Okanagan-Similkameen
Regional District of Central Okanagan
Regional District of North Okanagan





THE CORPORATION OF THE CITY OF VERNON

File: 08-04-011

February 11, 2004

Mr. Bob Brodie,
Acting Land and Water Mgr.
Land and Water B.C. Inc.
145 – 3rd Street
3rd Floor
Kamloops, BC

Dear Sir:

Re: Sale of Lease Lots on Reservoir Lakes

It has come to the attention of the City of Vernon Council that the provincial government is proposing to sell residential lots on water reservoir lakes.

This letter is to advise that the City of Vernon is opposed to the creation and sale of lots on water shed lakes.

We request that Council's opposition be included as of your review process of the water quality study over the reservoir lakes.

Yours truly,

Karla Lanktree
City Clerk

pc: **Okanagan Basin Water Board**
Tom Christensen, MLA

RECEIVED

FEB 13 2004

MUNICIPAL DISTRICT OF
VERNON



REGIONAL DISTRICT OF NORTH OKANAGAN

9848 ABERDEEN ROAD, COLDSTREAM, B.C., V1B 2K9
Phone: (250) 550-3700
Fax: (250) 545-1445
Email: info@nord.bc.ca

OFFICE OF : BOARD CHAIR

OUR FILE No.: 5617.7.09

February 9, 2004

The Honourable George Abbott
Minister of Sustainable Resource Management
P.O. Box 9054, Stn. Prov. Govt.
Victoria, B.C.
V8W 9E2

Dear Mr. Minister:

RE: Land and Water BC Inc. – Proposal to Sell Leased Lots on Drinking Water Reservoirs

On behalf of the Board of the Regional District of North Okanagan, we hereby request that you abandon all plans to sell the leased recreation lots on Crown held watershed lands surrounding drinking water storage lakes in the Okanagan.

When this proposal was initially put forward by Land and Water BC Inc. it met with considerable local opposition. Land and Water BC Inc. (LWBC) have responded by undertaking a study, presumably to investigate potential impacts this proposal could have on water quality on those reservoirs.

We have received a copy of the consultant's report on this study and find that the report was simply an attempt to justify a pre-determined conclusion. The attached excerpts from a letter from our staff to LWBC show clearly that the report lacks all credibility. This report dealt only with the water quality issue. We have been advised that further consultant reviews are being planned to look at water quantity issues.

Mr. Minister, if further consultants' reports are merely attempts to justify LWBC's pre-determined agenda, we urge you to abandon this initiative and stop this waste of money. We cannot see how you can allocate scarce tax dollars in an attempt to justify a proposal that places

MEMBER MUNICIPALITIES:

CITY OF ARMSTRONG
DISTRICT OF COLDSTREAM
CITY OF ENDERBY

VILLAGE OF LUMBY
TOWNSHIP OF SPALLUMCHEEN
CITY OF VERNON

ELECTORAL AREAS:

B SWAN LAKE
C B.X. DISTRICT
D LUMBY (RURAL)

E CHERRYVILLE
F ENDERBY (RURAL)

in jeopardy our ability to optimize water resources in the region that has the fewest water resources per capita of any region in Canada.

We look forward to your favourable response to this request.

Yours truly,

Stan Field, Chair
Regional Board

Attachment

cc: Premier Gordon Campbell
Honourable Murray Coell – Ministry of Community, Aboriginal and Women's Services
Honourable Bill Barisoff – Ministry of Water, Land and Air Protection
Honourable Tom Christensen – Minister of Education and MLA – Okanagan-Vernon

Excerpt from Letter to Land and Water B.C. Inc.

- 1) In Sections 3.3.5. and 3.3.6. of the report, the consultants make reference to the work done in Wisconsin and Minnesota. The consultants have copied verbatim sections 3.1.5. and 3.1.6. from their April 2003 report to the Cariboo Regional District entitled "Lakeshore Management Policy Review". However, in each of these sections they have deleted the paragraphs outlining actual lot size standards for these states. The omitted paragraphs indicate standards that would **NOT** be met by the vast majority of the lots proposed for sale. For some reason the consultants fail to mention this fact in their report.
- 2) In Sections 3.4.1. and 3.4.2. the consultants discuss the policies of the Okanagan-Similkameen Regional District and the Central Okanagan Regional District with respect to land use around lakes. Omitted in any part of the discussion is the fact that both Regional Districts have passed resolutions opposing the proposed sale of leased lots. As with the discussion regarding the two states, any discussion around policy not mentioning this must be considered as a serious misrepresentation of the facts.
- 3) In Section 4.1. of the report the consultants discuss the various lakes (reservoirs) and the lots proposed for sale thereon. Typical lot sizes tend to be around 0.12 hectare with some lots as small as 0.07 hectare. There are repeated references to these lots having "ample area for future septic systems." This is interesting because in their report to the Cariboo Regional District, Lakeshore Management recommend "...as a minimum standard for all lakes in the District: ...i.v. continue the Lakeshore Residential zoning minimum parcel size of 0.4 ha (1 acre) and establish a minimum lot width of 45.7m (150 feet) for all lakeshore property within the Regional District." The majority of the lots proposed for sale would not conform to this recommendation from the consultants.
- 4) In the same section of their report to the Cariboo Regional District, the consultants also make the following recommendation: "... iii) Ensure that buffer leave strips are required on all new developments within 250m of a high sensitivity lake to protect water quality and shoreline habitat. A buffer strip of 15 metres is recommended" For some reason, this recommendation is conspicuously absent from any recommendations listed by the same consultant in Section 7 of the Report.
- 5) In Section 4.1.1. the Report makes reference to Lots 1685 and 1733 on Swalwell Lake as follows: "Lots 1685 and 1733 are more developed and appear to be serviced by septic systems. These properties have poor riparians that have been cleared resulting in siltation problems. Improvements are needed to the riparian areas to alleviate impacts to water quality." Here is direct evidence of more development impacting water quality yet the consultant somehow fails to make the simple connection that fee simple ownership of property will encourage development. This is in spite of the fact that, in Section 9.0 of their report to the Cariboo Regional District, the consultants identify Horse Lake as having 88.2% of total residences classified as permanent, and a reference to another report as follows: "Horse Lake has had a detailed assessment of water quality (Zirnhelt et al, 1997). The report concluded that phosphorus levels may be increasing in Horse Lake....."

- 6) In Section 3.1. of the Report, the consultants repeat verbatim the first three paragraphs of Sections 5.1. of their report to the Cariboo Regional District. What is of concern is the remaining 1½ pages of discussion in the Cariboo Regional District report that the consultants have omitted from this Report. These 1½ pages largely discuss the shortcomings of septic systems and their management, to protect water quality. Given that the discussion of the Report suggests reliance on “Standard Health Branch Inspections” the absence of this section is telling.
- 7) In Section 3.5. of the Report, reference is made to the OSLRMP guidelines and a list of “objectives and strategies that may be related ...” The list is in Appendix 1 and is nine pages long. I have been advised by members of the LRMP Implementation Monitoring Committee that these nine pages list strategies and objectives that appear to be **in conflict** with the proposal. It is interesting to note that in the Text Section 3.5. the statement is made: “However, it is considered important that the listed strategies be reviewed prior to final decisions made on disposition of the leases.” Strangely, this is absent from the Report’s recommendations.
- 8) In Section 5.2.2. a table shows that the vast majority of the lakes already suffer from some eutrophication, being either mesotrophic or meso-eutrophic. Given that the consultants had a demonstrated awareness of the inadequacy of Health Regulations to protect water quality (Cariboo Regional District Report April 2003) and that they recognize in this section the potential of eutrophication to damage water quality, I cannot understand why they do not strongly recommend against the sale of the majority of the affected lots.
- 9) In their conclusions, the consultants state, “it appears, based on observation and published reports, that other activities in the watershed have a much greater chance of impacting water quality in the watersheds.” This statement shows clear bias in two ways. First, in Section 4.3. the consultants attempt to make the case that activities other than human are the main detriments to water quality. Percentages of ecoli generation are provided for humans alone at 7.8% and 15% respectively on Kelowna and Mission Creeks. Somehow the consultants have failed to consider domestic animals as a direct relation to human activity and the fact that their combined contributions are 26% and 28% respectively. This is hardly insignificant. Second, this conclusion carried with it the implication that we should not be concerned about human impact as other quality impacts are worse implies a cavalier attitude towards the issue in general.



North Okanagan Water Authority
A Service of the Regional District of North Okanagan

9848 Aberdeen Road, Vernon, B.C. V1B 2K9

Tel: (250) 545-5368
Fax: (250) 545-1445
E-Mail: admnord@junction.net

Your File:

Our File:

July 24, 2006

Feb 7 / 2004

Honourable Stan Hagen
Minister of Sustainable Resource Management
P.O. Box 9054, Stn Prov Govt
Victoria, B.C.
V8W 9E2

Dear Honourable Minister:

RE: Land and Water B.C. Inc. Proposal to Sell Crown-Leased Properties on Drinking Water Reservoirs

The North Okanagan Water Authority opposes the proposed sale of crown leases located adjacent to drinking water reservoirs. Further, in the interests of source water protection, we request that Land and Water British Columbia Inc. consider the non-renewal of such leases at an appropriate future date.

Our rationale for this position is as follows:

- **Source water protection:** Water quality is inextricably linked to land use. Rainfall can pick up contaminants from the atmosphere, from natural sources, and from a whole range of human land uses before entering streams and lakes or seeping underground into aquifers.

The impact of recreation on water quality has been very difficult to quantify until quite recently. Two recent reports sponsored by the Water Quality Branch (WQB) of the former Ministry of Environment have demonstrated quite dramatically the impact that human and domestic animals can have in community watersheds.

Two detailed studies, one in the Kelowna area, and a second in the North Okanagan area have shown that the presence of humans, domestic animals and cattle in the watershed clearly has a detrimental impact on water quality. The opportunity to develop provincial crown land use policy to directly benefit and protect public health is obvious. This applies not only to the regulation of recreation, but to the regulation of all land use (agriculture/forestry/mining) within community watersheds.

A number of recent reports have cited the need for water purveyors to develop a multi-barrier approach as the key to providing safe, potable water to the residents of B.C. These reports include: Office of the Auditor General. (1999). 1998/1999 Report 5. *Protecting drinking water sources*; Ministry of Health Planning. *Provincial Health Officer's Annual Report 2000. Drinking Water Quality in British Columbia: The Public Health Perspective*. Victoria. Queen's Printer. 2001.; Ministry of Water, Lands and Air Protection. *Drinking Water Review Panel Interim Report*. Fraser Basin Council. December 14, 2001., and; Ministry of Water,

Lands and Air Protection. *Final Report: Panel Review of British Columbia's Drinking Water Protection Act*. Fraser Basin Council. February 13, 2002.

The multi-barrier approach to safe drinking water is one that applies a "best practices" method to each aspect of drinking water delivery. Source water protection, water treatment, water distribution and operator training each present an opportunity to enhance the safety of the drinking water supply. An effective multi-barrier approach will make sure each of these fundamentals are managed to maximize public health and safety. Clearly, land use decisions in community watersheds that minimize the potential for pathogen contamination of the water supply are at the core of source water protection.

- **Pending legislation:** Provincial authority governing water resources consists of a matrix of ministries and regulations. There is no lead agency responsible for potable water from source to tap in the province. A number of ministries and agencies with overlapping jurisdictions and mandates regulate the local water purveyor. Current legislation and provincial government responsibility for drinking water is piecemeal and haphazard and the time has come for thoughtful review of public policy and the regulations pertaining to the protection and safety of the public water supply in B.C.

In the wake of a highly critical report on source water protection by the Auditor General in 1999 and the more recent Walkerton Tragedy in May of 2000, the former Minister of Environment, Lands and Parks presented the *Drinking Water Protection Act* to the legislature in the spring of 2001. The act received third reading in the legislature before the spring election, at which time the newly elected government chose to subject the act to a thorough review by an impartial panel of experts. The Drinking Water Review Panel (DWRP) issued an interim report on December 14, 2001 and a final report in February of this year.

We are highly supportive of the DWRP final report. We feel that the panel has managed to identify the key challenges facing water purveyors throughout this province and suggest bold and innovative ways for government and industry to meet these challenges. Key among the panel's recommendations is the creation of a lead provincial agency for drinking water and the implementation of a number of measures and procedures to protect source water quality.

We had hoped the government would announce its decision on the panel's recommendations this past spring. The decision has been delayed, however, and it is hoped an announcement will be coming this fall. Given our opposition to the sale of crown leases and the pending decision regarding the Drinking Water Protection Act, it would be premature for Lands and Water BC Inc. to move forward with the proposed sale of crown leases at this time.

- **Crown lease sales would promote development:** A change in tenure from lease to fee simple ownership would likely result in a higher level of investment in the properties. Landscaping, paving, fuel storage, the use of pesticides and more frequent visits all pose additional threats to water quality. The increased silt and phosphorous resulting from these activities, among other contaminants, would result in added algal growth – a primary water quality concern for both taste and odour.
- **Increased use:** Increased investment in these properties would almost certainly result in increased year round use. This would not only result in an incremental increase in the degradation of water quality due to the factors already mentioned, but increased winter use would require additional fuel storage for heating with the attendant risks to water quality.

- **Low volume Reservoirs:** Many of the reservoirs in question are small in volume and have a limited ability to tolerate these types of human impact.
- **Road Access:** Private ownership has implications on the right of access to the properties. Road access would be permanent with no possibility for deactivation. Roads have been demonstrated to have a negative impact on water quality in direct relation to the proximity to the drinking water source.
- **Fee simple rights:** Private ownership provides limited control over land use. Properties can be logged, graded or farmed. Fewer controls are typically in place for foreshore development. These activities can lead to excessive runoff and attendant water quality problems.
- **Reservoir level control:** Additional investment resulting from ownership of these properties would result in more piers, docks and other foreshore structures being built. These types of structures rely on consistent water levels and water purveyors would be under increasing pressure to maintain water levels for recreational purposes. This could result in regulations to protect private property from flooding and limiting the drawdown on water reserves.
- **Lease sales would set a precedent:** The sale of crown leases in community watersheds would set a dangerous and likely irreversible precedent. The ever increasing demands for recreational properties will not abate and the temptation for the provincial government to raise revenue through these types of offerings is not likely to subside for some time.
- **Lease sales could hinder future reservoir development:** Private ownership of these waterfront properties could hinder further reservoir expansion projects. Raising reservoir levels could require costly expropriations and the requisite compensation to the owners of these properties.

The majority of leases proposed for sale under this program are located next to drinking water reservoirs. The value of this land is derived from its waterfront location. These waterfront properties would not exist if not for the water purveyor who developed the reservoirs in the first place. The funding for the reservoirs comes from the taxes and tolls of the residents benefiting from the water supply. These same residents and taxpayers will be faced with the increased risk to public health and safety that would result from the sale of these crown leases.

We thank you for your enlightened reconsideration of this important matter.

Yours very truly,

Ted Osborn, Chair
North Okanagan Water Authority

cc: Premier of British Columbia
Minister of Health Planning
Minister of Water, Land and Air Protection
Minister of Competition, Science and Enterprise
Honourable John Weisbeck
Minister of Health Services



File No: 0470.30

February 4, 2004

Vanessa Sutton, CAO
Regional District of Okanagan Similkameen
101 Martin Street
Penticton BC V2A 5J9

Dear Ms. Sutton:

SUBJECT: SALE OF LEASE LOTS ON RESERVOIR LAKES

We wish to advise that our Council passed the following resolution at the last regular meeting held February 2, 2004:

Resolution 20/04:

That we write a letter to the Regional District of Okanagan Similkameen in support of the Okanagan Basin Water Board's request for the regional district to consider examining a zoning approach aimed at protecting reservoir lakes within the RDOS boundaries against further development, which is in response to the provincial government's proposed sale of leased lots on Okanagan reservoir lakes.

The foregoing resolution was prompted by the Council's receipt of the attached letter dated January 19, 2004 from John Slater, Chair, Okanagan Basin Water Board (OBWB), expressing concern over the proposed sale of lots adjacent to reservoir lakes and the impact it could have on the ability to adjust reservoir levels to meet future water consumption needs.

Our Council requests your Board's consideration of this matter.

Yours truly,

Alleson Mandziuk, BComm, CRM
Deputy Clerk

Attach.

c. Okanagan Basin Water Board

E:\Users\Alleson\DOCUMENT\ALLESON\RDOS - Sale of Leased Lots.doc



Regional District of Okanagan-Similkameen

The climate is right... good for business... good for life.

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**Excerpt from
REGULAR BOARD MEETING
OF THE REGIONAL DISTRICT OF OKANAGAN-SIMILKAMEEN
JANUARY 23, 2003**

7.11 Sale of Lease Lots on Reservoirs

Background:

At the September 5, 2002 Rural Land Use Matters Meeting Directors Wish and Logan indicated that they were not in favour of the sale of crown leases within watersheds and adjacent to reservoirs for the Chute and Headwater Lakes.

At the September 5, 2002 Rural Land Use Matters Meeting the Board passed the following Resolution (B475/02):

“that the Board forward a letter to support the District of Summerland’s opposition to the sale of crown leases in the watersheds and adjacent to reservoirs; and that there be no further leases approved adjacent to the District of Summerland’s water source.

B060/03L

MOTION: ROBERGE/SLATER

that the letter dated January 16, 2003 from R. Hein, Mayor, District of Lake Country regarding Sale of Lease Lots on Reservoirs be received.

CARRIED

B061/03L

MOTION: MAYER/SLATER

that the Board reissue the letter outlining the Boards position with a copy of the letter being forwarded to Mayor Hein.

CARRIED

**Excerpt from:
BOARD MEETING
RURAL LAND USE MATTERS
OF THE REGIONAL DISTRICT OF OKANAGAN-SIMILKAMEEN
MARCH 6, 2003**

Item 16.4.3 Sale of Lease Lots on Reservoirs

B210/03L

MOTION: CHAPMAN/GULLEN

That the following correspondence be received:

Letter dated February 17, 2003 from T. Johnston, Mayor, District of Summerland regarding Provincial Sale of Recreational Lots in the Headwaters Area.

Addendum

16.4.3.1

Letter received February 28, 2003 from B. Wilson, Chairman, Water Supply Association of B.C. regarding Selling of Existing Crown Leases.

CARRIED

March 6, 2003

B211/03L

MOTION: GULLEN/MAYER

WHEREAS Land and Water B.C. plan to convert Crown leased properties on drinking water reservoirs to fee simple properties; and

WHEREAS Land and Water B.C. are considering additional development on the foreshores of drinking water reservoirs,

We, the Chair and Board of the Regional District of Okanagan-Similkameen hereby stand unanimously and unequivocally opposed to this initiative and further,

We hereby request the Premier of the Province of British Columbia to take immediate steps to suspend permanently all initiatives to sell or develop Crown leases on drinking water reservoirs serving the Okanagan Basin,

that we forward this information onto Interior Health Authority seeking their support.

CARRIED



Office of the Chairman
Councillor Robert Hobson
Telephone: (250) 868-5224
Fax: (250) 763-0606
January 21, 2003
File No.: 0530-02

1450 K.L.O. Road
Kelowna, British Columbia
V1W 3Z4

The Honourable Sindi Hawkins
Kelowna Mission
#102-2121 Ethel Street
Kelowna, BC V1Y 2Z6
Via Fax: 712-3626

The Honourable Rick Thorpe
Okanagan Westside
2524 Main Street
Westbank, BC V4T 2E3
Via Fax: 768-8436

John Weisbeck
Kelowna-Lake Country
103,151 Commercial Drive
Kelowna, B.C. V1X 7W2
Fax: 765-7283

Dear Members of the Legislative Assembly:

Re: Sale of Recreational Lots on Reservoir Lakes

I am writing on behalf of the Regional District Board to reiterate our opposition to the sale of recreational lots on reservoir lakes. This view is shared by local governments in the Valley, as well as by the water purveyors and Public Health Officers. The arguments have been well articulated and are known to you.

As our elected representatives, I would urge you to put our concerns before Minister Hagen and your caucus colleagues to reverse this decision.

At a time when we are faced with higher costs and standards to protect domestic water supply, and in view of the potential impacts of climate change on our water needs, we simply cannot afford to add additional contingent liabilities in the form of private property owners adjacent to our reservoir lakes.

I would urge you to take this matter seriously and to support the concerns of your constituents. While the Province may generate several million dollars in revenue in lot sales, local water purveyors and municipalities will pay the long-term costs. Thank you for your attention to this matter.

Yours truly,

Robert Hobson
Chair



WATER SUPPLY ASSOCIATION OF B.C.
P.O. Box 22022, Penticton B.C. V2A 8L1
Phone and Fax: (250) 497-5407 email: watersupply@shaw.ca

A Position Statement of the Water Supply Association of B.C. Regarding the Proposed Sale of Crown Leases on Drinking Water Reservoirs

June 18, 2002

At a meeting of the Board of Directors held at the offices of the Black Mountain Irrigation District in Kelowna, BC at 2:30 PM June 12, 2002 the following position statement was passed unanimously by the Board of Directors.

Present:

Jack Allingham
Kevin Huey
Mike Mercer
Andre Miller
Toby Pike

Phil Ruskowsky
Mike Stamhuis
Karen Walker
Bruce Wilson

The Water Supply Association of B.C opposes to the proposed sale of crown leases located adjacent to drinking water reservoirs. Further, in the interests of source water protection, the board requests that Land and Water British Columbia Inc. not renew these leases past the current tenure.

Rationale:

- **Source water protection:** Water quality is inextricably linked to land use. Rainfall can pick up contaminants from the atmosphere, from natural sources, and from a whole range of human land uses before entering streams and lakes or seeping underground into aquifers.

The impact of recreation on water quality has been very difficult to quantify until quite recently. Two recent reports sponsored by the Water Quality Branch (WQB) of the former Ministry of Environment have demonstrated quite dramatically the impact that human and domestic animals can have in community watersheds.

The following table has been adapted from the WQB sponsored report: *The Effects of Recreation on Drinking Water Quality within the Lamby, Kelowna and Mission*

FORMERLY THE ASSOCIATION OF B.C. IRRIGATION DISTRICTS
Representing the interests of British Columbia's domestic and irrigation water suppliers and their customers



- 2 -

Creek Watersheds, Kelowna, British Columbia 2000, Burke Phippen, RPBio – BWP Consulting, May 2001.p28.

Frequency distribution of the ribosomal RNA results for *E. coli* samples collected at the SEKID, GEID and LID intakes¹:

	SEKID		GEID		LID	
	#	%	#	%	#	%
Cattle	46	27.7	57	34.1%	3	12.0%
Humans and Domestic An	47	28.3	43	25.7	8	32.0
Wildlife	53	31.9	54	32.3	11	44.0
Unknown	20	12.0	13	7.8	3	12.0
Total	166	100.0	167	100.0	25	100.0

As the above study clearly shows, the presence of humans, domestic animals and cattle in the watershed clearly has a detrimental impact on water quality. The opportunity to develop provincial crown land use policy to directly benefit and protect public health is obvious. This applies not only to recreational regulation, but also to agricultural policy within community watersheds.

- **Pending legislation:** Provincial authority governing water resources consists of a matrix of ministries and regulations. There is no lead agency responsible for potable water from source to tap in the province. A number of ministries and agencies with overlapping jurisdictions and mandates regulate the local water purveyor. Current legislation and provincial government responsibility for drinking water is piecemeal and haphazard and the time has come for thoughtful review of public policy and the regulations pertaining to the protection and safety of the public water supply in B.C.

In the wake of a highly critical report on source water protection by the Auditor General in 1999 and the more recent Walkerton Tragedy in May of 2000, the former Minister of Environment, Lands and Parks presented the *Drinking Water Protection Act* to the legislature in the spring of 2001. The act received third reading in the legislature before the spring election, at which time the newly elected government chose to subject the act to a thorough review by an impartial panel of experts. The

¹ SEKID: South East Kelowna Irrigation District; GEID: Glenmore Ellison Improvement District; LID: Lakeview Irrigation District.



- 3 -

Drinking Water Review Panel issued an interim report on December 14, 2001 and a final report in February of this year.

The WSABC is highly supportive of the DWRP final report. The association feels the panel has managed to identify the key challenges facing water purveyors throughout this province and suggest bold and innovative ways for government and industry to meet these challenges. Key among the panel's recommendations is the creation of a lead provincial agency for drinking water and the implementation of a number of measures and procedures to protect source water quality.

The association had hoped the government would announce its decision on the panel's recommendations this past spring. The decision has been delayed, however, and it is hoped an announcement will be coming this fall. Given the WSABC's opposition to the sale of crown leases and the pending decision regarding the Drinking Water Protection Act, it would be premature for Lands and Water BC Inc. to move forward on this initiative at this time.

APPENDIX 2

CORRESPONDENCE

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WATER SUPPLY ASSOCIATION OF B.C.

P.O. Box 22022, Penticton, B.C. V2A 8L1
Phone and Fax: (250) 497-5407



January 1, 2008

Regional District of North Okanagan
9848 Aberdeen Road
Coldstream, BC, V1B 2K9

Attention: Chair Jerry Oglow

Dear Chair Oglow:

Re: "Okanagan Reservoir Lakes Lease Lots Steering Committee, Results and Future Considerations, October 16, 2007"

This letter is written in regard to the above captioned document and is meant to state clearly the position of the Water Supply Association of B.C. (WSABC) on the proposed sale of Crown Land Leases located on drinking water reservoirs in the highlands of the Okanagan Basin.

I had the opportunity to participate in the meetings referenced in the above document from March of 2006 until October of 2007. The Integrated Land Management Bureau's (ILMB) document does provide an accurate assessment of the deliberations between the various stakeholders involved in the discussions. It should be stated clearly, however, that at no time during the process did the WSABC withdraw our opposition to the private sale of these public lands and the association remains opposed to this initiative. We firmly contend it is not in the interests of public health and long term water resource management to have private holdings encumbering public water supplies.

The "Conditions/Considerations" for the sale of the lots noted in the document assume the sales, in some cases, will proceed. If that happens, the impact on our water supplies may be moderated by these conditions to some extent. It is a poor substitute for not selling the lots, however, and I am sure any implication in the document that the WSABC's opposition to the proposed sales was placated by these subjects was unintentional.

Sincerely,

Toby Pike
Vice Chair

Distribution: RDOS, RDCO, NORD, member municipalities
CC: IHA, ILMB

OBW B

FORMERLY THE ASSOCIATION OF B.C. IRRIGATION DISTRICTS

Representing the interests of British Columbia's domestic and irrigation water suppliers and their customers



District of Lake Country

Municipal Office

10150 Bottom Wood Lake Road

Lake Country, British Columbia V4V 2M1

E-mail: administrator@lakecountry.bc.ca

Telephone: (250)766-6671 Fax: (250)766-2903

File No.

December 12, 2007

Attention: Kevin Dickenson, Regional Executive Director
Integrated Land Management Bureau
Ministry of Agriculture and Lands
145 – 3rd Ave Floor 3
Kamloops B.C.
V2C 3M1



Dear Mr. Dickenson:

Re: Okanagan Reservoir Lakes Lease Lots

Thank you for administering the consultation process regarding the Okanagan Reservoir Lake Lease Lots proposal. We appreciate the time and effort that was put into the process, noting that the conditions precedent to the sale of lease lots is an attempt to reach consensus.

After reviewing your report and deliberating on the proposal, Council directed that the District express its strong opposition to the sale of lease lots on reservoir lakes.

General Comments

We believe that the sale of crown land for residential or commercial purposes on our drinking water source is short-sighted. We know from experience with land use matters that community sewer is necessary to protect water bodies from impacts of development. We also know that the value of land along any water body has increased to the point where property owners intensify use to recover costs associated with waterfront ownership. Lots sold today for \$100,000 to \$150,000 will, within a short period of time, be worth \$400,000 to \$500,000 on the open market; thus market forces will create an impetus for further development on our reservoirs.

At a time when governments across Canada, including British Columbia, are implementing more stringent requirements respecting protection of water resources and treatment of water, we question the philosophy of selling lands that are critical to the health of our residents. We note that the current proposal will benefit a few, and potentially harm many taxpayers who are dependent on a safe water supply. We believe that if you proceed with your proposal, then you have a responsibility to provide water purveyors with funding to help offset the additional costs that will undoubtedly follow.

From a policy perspective, we believe that over time, the reservoir lease lots should be phased out with the land returning to a natural riparian state. We believe this is consistent with British Columbia's policy on drinking water source protection. We feel so strongly about this that we are prepared to manage the leases on behalf of the Crown with an eye toward eventually acquiring them over time. It is truly a shame that the taxpayers of British Columbia may have to buy back land it once owned at inflated prices.

As outlined in our meetings with you, the impacts of beetle kill in our watersheds will be taking us through a 30 year cycle of flooding and drought and we will therefore need to increase the height of our reservoirs. We respect the rights of the owners of existing resorts and rustic cabins enjoying their crown leases; although, the conversion of leases to fee simple lots and the ultimate replacement and expansion of buildings is quite different. We object in the strongest possible terms to their conversion to fee simple lots and their ultimate redevelopment.

Conditions Precedent

Recognizing that a decision to sell reservoir lease lots is outside our control, we provide the following comments respecting the conditions precedent being proposed by the Integrated Land Management Bureau:

Generally we are pleased with your attempt to address many of the issues raised by the water purveyors, which are reflected in the conditions precedent to the sale of reservoir lots. We view all these conditions as absolutely necessary to minimize the damages and problems we will face in the future.

We do not support the creation of lots using conventional septic disposal systems. We believe that there should be a community sewer system or type 3 onsite sewage disposal systems. We note that provincial and local government policy requires community sewer for lots less than 1 hectare in size and respectfully request that ILMB honor this policy.

We would request that there should be a minimum setback of 250 metres around all reservoir lakes; that buildings should be relocated outside of this setback area; and that the land should be turned over to water purveyors for management.

Summary

We appreciate the effort that ILMB has made in an attempt to reach consensus with all the stakeholders and we thank you for allowing us to participate in the process. In a situation where we cannot control the decision, the conditions precedent to the sale of reservoir lease lots is appreciated, yet concerning, respecting the problems we may face in the future. Respectfully, we remain strongly opposed to the idea of selling reservoir lease lots and ask you to reconsider the initiative.

OCT 31 2006



Reference: 143927

John Slater, Chair
Okanagan Basin Water Board
9848 Aberdeen Rd
Coldstream BC V1B 2K9

Dear Mr. Slater:

Thank you for your letter dated September 8, 2006 regarding the sale of Crown lease lots on some Okanagan reservoir lakes.

A process has been established to ensure that outstanding issues related to the potential impact of the sale of leased lots are addressed. An initial meeting was organized on March 10, 2006 which included Integrated Land Management Bureau (ILMB) staff and many of the stakeholders in the area. Additional meetings have occurred since that time, with the most recent being October 6, 2006, when time was also spent in the field inspecting individual lots. This process is considering many issues in the various watersheds with an overarching goal of determining which lots would be made available for sale.

Your Board's concern for protecting the safety of the public water supply is shared by many. The current project review process will help to ensure that your concerns are raised and examined in an objective manner. Kevin Dickenson, Manager, Crown Land Adjudication, ILMB-Southern Interior Region, will be contacting you to discuss the project in more detail.

Sincerely,

Pat Bell
Minister

pc: Honourable Gordon Campbell
Premier

Kevin Dickenson, Manager
Crown Land Adjudication (Kamloops), ILMB



9848 ABERDEEN ROAD
COLDSTREAM, BC V1B 2K9
PHONE (250) 550-3773
FAX (250) 550-3701
EMAIL: greg.armour@nord.ca
EMAIL: anna.warwick.sears@nord.ca

Our File No.: 5280.70

September 08, 2006

Honourable Pat Bell
Minister of Agriculture and Lands
Government of British Columbia
P.O. Box 9120 STN PROV GOVT
Victoria B.C., V8W 9B4

Dear Minister Bell,

Re: Proposed Sale of Leased Lots on Drinking Water Reservoirs

The Okanagan Basin Water Board has recently received the attached letter from the Okanagan Water Stewardship Council, regarding the Province's proposed sale of leased lots on drinking water reservoirs in the Okanagan. The Okanagan Water Stewardship Council was constituted as an advisory body for technical issues on water policy, and includes representatives from all the primary water stakeholder groups in the valley.

The Council's letter echoes our own long-standing concern—communicated to the Province when this issue was last raised in 2004—that the sale of these lots will severely restrict flexibility for water supply management in the Okanagan, and the potential to increase water storage capacity into the future.

This is a matter of public trust. On behalf of the Okanagan Basin Water Board, the Okanagan Water Stewardship Council, and the citizens of the Okanagan that rely on these reservoirs for their drinking water, I again ask that the Province not sell these lots and develop plans to phase out the leases on these lots. Help us protect the ability of local jurisdictions to provide safe and reliable water supplies to Okanagan residents now and in the future.

With respect,

John Slater, Chair
Okanagan Basin Water Board

GA

.2

Minister of Agriculture and Lands
September 08, 2006
Page 2

Enclosure

cc: Honourable Gordon Campbell, Premier of British Columbia
Honourable Michael de Jong, Minister of Aboriginal Relations and Reconciliation
Honourable Murray Coell, Minister of Advanced Education
Honourable Wally Oppal, Attorney General
Honourable Tom Christensen, Minister of Children and Family Development
Honourable Ida Chong, Minister of Community Services
Honourable Colin Hansen, Minister of Economic Development
Honourable Shirley Bond, Minister of Education
Honourable Claude Richmond, Minister of Employment and Income Assistance
Honourable Richard Neufeld, Minister of Energy, Mines and Petroleum Resources
Honourable Barry Penner, Minister of Environment
Honourable Carole Taylor, Minister of Finance
Honourable Rich Coleman, Minister of Forests
Honourable George Abbott, Minister of Health
Honourable Olga Ilich, Minister of Labour and Citizens' Services
Honourable John Les, Minister of Public Safety and Solicitor General
Honourable Rick Thorpe, Minister of Small Business and Revenue
Honourable Stan Hagen, Minister of Tourism, Sport and the Arts
Honourable Kevin Falcon, Minister of Transportation

Honourable Pat Bell
Minister of Agriculture and Lands
Government of British Columbia
P.O. Box 9120 STN PROV GOVT
Victoria B.C., V8W 9B4

June 30, 2006

Dear Minister Bell,

The Okanagan Water Stewardship Council would like to respectfully register its strong opposition to the Province's proposed sale of leased lots on drinking water reservoirs in the Okanagan Basin. The Stewardship Council, which was instituted in April, 2006 by the Okanagan Basin Water Board, is a technical advisory body with members representing a broad range of sectors concerned with wise water resource management in the Okanagan – including water suppliers, agriculturalists, scientists, business people, and representatives of local jurisdictions. Selling leased reservoir lots will benefit a small number of individual lease holders, but these benefits come at the expense of the health of the citizens, economy, and environment of the Okanagan.

The Okanagan Basin is one of the most arid regions in the province. With our booming economy, large agricultural sector and expanding population, community leaders now recognize that protecting the quality and availability of water is key for continued growth and prosperity of the valley.

The sale of leased reservoir lots, which will permit permanent development on these properties, threatens the ability of water providers to raise reservoir levels and increase storage capacity in the future. Recent scientific studies, conducted by researchers with Environment Canada and the University of British Columbia, indicate that global climate change will increase drought frequency and reduce winter snow pack, strongly increasing the need for water storage. As the cost of developing alternative water storage is extremely high, any actions that restrict the ability to expand reservoir capacity are fiscally unviable.

Further development of lots will also compromise water quality in these reservoirs – through leaking septic systems, pesticide and fertilizer runoff from landscaping, and erosion from expanded roads, trails and driveways; as well as increased recreational use of these lakes by property owners. The expense of treating contaminated waters is then borne by taxpayers elsewhere in the watershed. Although initially, sale of lots may lead to some improvement in the condition of properties, it will be difficult and expensive to monitor the actions of property owners and enforce restrictions on land use – or to assign accountability for non-point source pollution to drinking water in the future.

Once these reservoir lots enter private ownership, they will be extremely difficult to reclaim, sharply curtailing the flexibility required to protect the water needs of downstream communities. Rather than selling lots to current lease holders, the Okanagan

Water Stewardship Council urges the Ministry of Agriculture and Lands to not renew these leases past their current tenure. Public ownership is essential for preserving the quality and supply of water for our citizens, now and in the future.

Sincerely,

Hon. Tom Siddon, Chair,
Okanagan Water Stewardship Council

CC: Premier Gordon Campbell; Okanagan Basin Water Board; Water Supply Association of B.C.; Interior Health Authority; Regional District of North Okanagan; Regional District of Central Okanagan; Regional District of Okanagan-Similkameen.

"That the minutes of a meeting of the Okanagan Water Stewardship Council held on June 08, 2006 at the Regional District of Central Okanagan Woodhaven Board Room be adopted as amended."

CARRIED.

5. NEW AND UNFINISHED BUSINESS

5.1 Sale of Reservoir Lots Proposed by Ministry of Environment

The Okanagan Basin Water Board has concerns regarding lease lot sales on water reservoir lakes and the impacts on water quality and future storage capabilities. The need to preserve flexibility in our water supplies has been brought to the forefront by drought conditions in the Okanagan during recent summers.

The Province is committed to proceeding with the sale of lease lots.

Moved by David Arsenault

Seconded by Michelle Boshard

"That Anna Warwick Sears, Jeff Curtis and Bob Hrasko prepare a statement to the three Regional Districts expressing concern of the sale of lease lots on water reservoir lakes. The statement is to be reviewed by the Water Stewardship Council and approved by the Okanagan Basin Water Board before being delivered to the Regional Districts."

CARRIED.

5.2 Interior Health Authority – Water Quality Standards for Beach Closures

Memo from Tourism Kelowna regarding Interior Health Beach Water Quality Notification Campaign was received by the Water Stewardship Council for information and discussion.

Mr. Adams pointed out that sampling and guidelines for recreational water is comparing with health authorities in other jurisdictions where there is already some form of notice to users when the level of bacteria in the water is over limit. Mr. Wells added that himself along with John Slater attended the public launch meeting in Kelowna on June 16 and he considered the Campaign to be worthwhile. Notices are not posted permanently but can be changed according to the needs of the municipalities.



REGIONAL DISTRICT OF NORTH OKANAGAN

9848 ABERDEEN ROAD, COLDSTREAM, B.C., V1B 2K9

Phone: (250) 550-3700

Fax: (250) 550-3701

OFFICE OF: **CHAIR, REGIONAL BOARD**

OUR FILE No. 5617.710

YOUR FILE No:

October 6, 2005

The Honourable Barry Penner
Minister of Environment
PO Box 9047 Stn Prov Govt
Room 112, Parliament Buildings
Victoria, BC V8W 9E2

Dear Mr. Minister:

Re: Proposed Sale of Crown-Leased Lots on Drinking Water Reservoirs

In a series of letters to the various ministers involved, the Regional District of North Okanagan Board of Directors expressed their opposition to the 2003 proposal from Land & Water BC Inc. regarding the sale of crown leases on several drinking water reservoirs in the Okanagan.

We wish to hereby advise that the Board's position on this matter remains unchanged, and that we support the District of Lake Country in their attached request that the current moratorium on such sales continue *"until science, local government, the Okanagan Basin Water Board, the Water Supply Association, and all levels of governance in the Okanagan, including First Nations, have been consulted and a consensus reached."*

We look forward to your response concurring with the request that the moratorium would continue until this consensus is reached. We thank you for your thoughtful consideration of this matter.

Yours truly,

Stan Field
Regional Board Chair

MAS/cca

Attachment

cc Pat Bell – Minister of Agriculture and Lands
Olga Ilich - Minister of Tourism, Sports and the Arts

J:\5610 - NOWA\5617.7 - Watersheds Integrated Resource Management (General)\Letter to Minister Barry Penner from Stan Field re Proposed Sale.doc

MEMBER MUNICIPALITIES:

CITY OF ARMSTRONG
DISTRICT OF COLDSTREAM
CITY OF ENDERBY

VILLAGE OF LUMBY
TOWNSHIP OF SPALLUMCHEEN
CITY OF VERNON

ELECTORAL AREAS:

"B" SWAN LAKE
"C" B.X./SILVER STAR
"D" RURAL LUMBY

"E" CHERRYVILLE
"F" RURAL ENDERBY



*District of Lake Country
Municipal Office*

10150 Bottom Wood Lake Road
Lake Country, British Columbia V4V 2M1
E-mail: rseabrook@lakecountry.bc.ca
Telephone: (250)766-5650 Fax: (250)766-

August 30, 2005

Mr. Greg Armour
Okanagan Basin Water Board
9848 Aberdeen Road
Vernon, BC
V1B 2K9

Dear Sir:

Please see the enclosed copies of letters in regards to the 'Proposed Sale of Lease Lots on Reservoirs in the Okanagan'.

Mayor Hein has asked that a copy of the enclosed letters be forwarded to your directors and administration for their information and review.

Yours truly,

R Seabrook

Reyna Seabrook
Customer Service Clerk

rs

Enc.





File No. Watershed

August 29, 2005

COPY

The Honourable Barry Penner
Minister of Environment
PO Box 9047 Stn Prov Govt
Rm 112, Parliament Buildings
Victoria BC
V8W 9E2

Dear Mr. Minister:

Re: Proposed Sale of Lease Lots on Reservoirs in the Okanagan

It has been some time since last discussing this initiative by B.C. Land and Water with a Minister - we note your Ministry is responsible for water stewardship. I am writing to encourage you to read the documents in the binder provided, which is a 2004 presentation to Premier Campbell on behalf of the citizens of the Okanagan Valley. The last correspondence we had on this topic was with Minister Abbott on September 9, 2004 (attached).

The following is excerpted from The Polis Project on Ecological Governance (University of Victoria, May 2005), for your information.

Developing Water Quantity and Quality Sustainability

We must start focusing on an enabling environment that ensures holistic water management. Our common goal should be ecological governance where natural ecosystem processes are carefully considered at all levels, up and down the watershed. By definition, sustainability respects biophysical limits. However, while *sustainable development* merely imposes constraints on traditional economic development, *developing sustainability* seeks to liberate new processes for social and economic transformation.

Developing water sustainability requires a shift that embeds ecosystem integrity in the fundamental basis of all planning. This approach limits the expansion of supply-oriented infrastructure, addresses cumulative effects at the watershed, and unleashes the full potential of conservation and quality oriented innovation. The best source of water is not filtered or chlorinated. It is better to protect the watershed and the water we already withdraw.

Key Concepts

To develop sustainability, four key concepts must guide water planning and management:

1. Prevention and Precaution

To maintain ecosystem integrity, prevention of harm is better than subsequent compensation or remediation. A precautionary approach is the best hedge against an uncertain future. Allow science to assist decision making, not financial gain or political will.

2. Ecosystem-based management

Ecosystem-based management adapts economic, political and social processes to fit within the ecosystem, instead of the reverse. Rather than managing a watershed as an adjunct to human needs, ecosystem integrity sets the context for management decisions.

3. Matching authority to jurisdiction

Watershed governance recognizes that local people and institutions are best situated to monitor environmental feedback and respond with tailored solutions. However, local powers must also be "nested" within higher level institutions that hold them accountable, coordinate with other local institutions, and participate in broader collective actions.

4. Adaptive management

Plans and policies should be continually modified to respond to ecological, economic, and social feedback through an ongoing process of informed "trial and error." Decisions that are provisional and reversible can create and apply critical knowledge to refine decision making in an uncertain world.

Allocating water in the 21st Century

Ecosystem-based management starts at the source to protect ecological function and ecosystems. Only after ecological needs are met can water then be accessed for human activities. Once the ecological limit of an aquifer, river basin or watershed is reached, future water demands must be met through increased water "productivity." This liberates the full potential of demand management.

Enabling local water planning and conservation

Senior governments can uniquely address the institutional inertia of the supply-side paradigm that now prevents the long-term planning and decision making needed to implement demand side practices. They can ensure local governments have a sustainability strategy based on long-term water conservation planning and an integrated approach to water quality and quantity management.

Patterns of supply and demand, ground and storm water use, energy and land use decisions can all be shaped and transformed. Specific tools and practices to foster such transformation include funding, guidelines, data and information, building and sharing technical knowledge, increasing staff resources, providing incentives for innovative management and ensuring widespread public education.

Facilitating urban water demand management

Demand management programs can reduce infrastructure costs and ecological impacts. However, water conservation does not just happen. Success requires coordinated efforts from all stakeholders and an environment where demand management is the primary focus of water managers.

Senior governments can facilitate a demand-oriented focus through the creation of model bylaws and standardized Best Management Practices (BMPs). They can act as a central clearinghouse of information and undertake research, pilot projects and educational programs. They can also move forward specific DSM opportunities such as product labeling, social marketing, conservation-based pricing and reuse and recycling technologies. We are fortunate to have the Okanagan Water Board in place to enhance these needed initiatives.

Thinking like a watershed

Sustainable water management requires managers, in effect, to “think like a watershed” – to consider the complex interaction of human activities and natural processes in planning and decision-making. Ecological governance is only possible where management focus shifts away from manipulating the watershed and toward managing human activities within the watershed.

Demand management is a foundational tool for watershed managers. When applied not only within the urban sector but in all sectors – including power generation, industry, manufacturing and agriculture – up and down the watershed a broader social process of ecological governance begins to take root.

Future Directions

A future different from the past is possible for British Columbia. Financial, technological, legal and social tools are available to grapple with water issues before they reach crisis proportions. But the long-term solution requires a fundamental shift to watershed governance – an institutional shift towards ecologically-based water allocation, innovation in planning, managing water use with a “soft path” approach, and ecosystem-based management at the watershed scale.

The challenge now is to ensure that these new approaches, resources and institutional arrangements are implemented in the Okanagan. Senior government must provide the leadership to make this happen, taking steps to ensure water agencies at all levels of government have the ability and the incentives to implement comprehensive solutions and programs. The opportunity is here, and the time for action is now.

At a Watershed

Water managers worldwide are slowly abandoning the endless quest for more water. They are turning away from the traditional “supply-side” paradigm that has underpinned growth historically. Out of necessity, they are moving incrementally toward a demand-side approach. This approach emphasizes efficient use of water and conservation – achieving the same benefit for humans while using less of the precious resource.

This tells managers that it is no longer enough just to supply water for public and economic needs. A demand orientation requires institutions, consumers and others to protect the environment, restore ecosystems, and achieve social equity – it is only within these constraints that they can carry out their function of supplying sufficient water for public safety, economic growth and ongoing development.

Incorporating ecological sustainability *into the very fabric of government, industry and civil society* represents a shift towards “ecological governance,” and requires reform of existing institutions and ways of thinking. Once such reform involves how watersheds and, more broadly, ecosystems fit into our collective decisions. Such “ecosystem governance” – a subset of the broader ecological governance – provides the critical context within which a paradigm shift from supply-oriented to demand-oriented water management can and must occur. We are literally, “at a watershed.”

The objective is not to add more ad hoc programs. Its central goal is to elucidate the character of the enabling environment that can foster a long-term, integrated and comprehensive approach to water management where ecosystem health and social sustainability take a primary role.

Ecological governance cannot simply be designed in the abstract and then implemented: instead it must evolve out of the constellation of interests, practices and institutions that already exist.

Institutional failure and in-built “unsustainability”

Take the case of Canada’s water protection laws. Existing water laws focus almost entirely on achieving ambient water quality by setting standards at the end of the pipe rather than protecting water sources on an ecosystem or a watershed basis.

To clean the water, our system would rather impose ten billion dollars in regulatory costs on the politically vulnerable than achieve a greater clean up, and save money, by eliminating subsidies and tax preferences. Failed planning processes often result in continued degradation of water resources despite broad policies attempting to address social and environmental objectives.

Maintaining ecosystem services

Functioning ecosystems are the building blocks of life. Beyond providing such basics as air and water, ecosystems are the hidden underpinnings of the human economy.

Uncertainty

The modern science of ecology is concerned with the diversity and complex inter-dependencies in ecosystems. Embedded within this science is the knowledge needed to maintain functioning and healthy ecosystems. Yet ecological inter-dependencies and the difficulties of fully understanding the effects of human activities on ecosystems create pervasive uncertainties.

Chaos theory demonstrates how small errors in measurement can lead to actual outcomes that are very different from those predicted. The ecological effects of human activities may also follow a “non-linear” path. For example, unexpected “synergistic” or cumulative effects can produce relatively sudden, perhaps even catastrophic, changes when combinations occur, or unknown thresholds are passed.

Given these inter-dependencies and uncertainties, a central goal of applied ecological science is to maintain ecosystem resilience, defined as “the buffer capacity or the ability of a system to absorb perturbations.” This resilience is important because stressed ecosystems tend not to change gradually but in lurches, through threshold effects and in surprises, whereby outcomes differ from predictive models not only quantitatively but qualitatively.

Prevention and precaution

To maintain ecosystem resilience and integrity, prevention of harm is far better than relying on remedies, compensation or remediation after the harm is done. With rapidly advancing technologies and the increasing scale of economies, applying the precautionary principle has become an ecological imperative.

Central to the precautionary principle is a *presumption* of consequence in the face of uncertainty – the opposite of a “wait and see” attitude. The approach is proactive, especially in the face of high risk activities, insofar as it places the burden of proof on those who propose such actions to show they are safe, rather than on others to show they are unsafe. In the process, the regulatory burden of proving harm is shifted from regulators to resource users and polluters, demanding that such proof attain a fairly exacting level of probability.

One effect of this shift in thinking is a stronger emphasis on technological and process innovation to avoid harm, with a focus on minimizing waste that produces no effluent. This contrasts sharply with a focus on increasing resource supply and “end-of-pipe” regulation of waste discharges.

Precautionary Principle

Environmental measures must anticipate, prevent and attack the causes of environmental degradation. Where there are threats of serious or irreversible damage, lack of full scientific uncertainty should not be used as a reason for postponing measures to prevent environmental degradation.

Water sustainability – threats and criteria

The scale and intensity of human activity in and around bodies of fresh water poses major threats to the sustainability of the aquatic environment. Municipal and industrial extractions deplete many sources of fresh water, while discharges of wastewater and pollution pervasively undermine water quality. Water policy often fails to address these cumulative impacts on aquatic ecosystems that threaten the ecological and economic services Canadians depend on.

Achieving water sustainability in Canada requires a basic shift to put the ecosystem in the centre of planning, limit the expansion of built infrastructure, address cumulative effects, and harness conservation. The next source of "new" water is not new water at all, but dramatically better management of the water we are already using.

Key elements of ecological governance

To develop sustainability, a critical place to start is the immediate context for human activities: the watershed. Historically, managers have focused on the physical environment of managing the watershed and not the human activity affecting it. A sustainable future requires that we begin to manage the whole system, including both human activity and the physical watershed, with the goal of maintaining ecosystem processes and functions.

Moving to a water ethic

Adopting a water ethic would represent a historical philosophical shift away from the strictly utilitarian, divide-and-conquer approach to water management and toward an integrated, holistic approach that views people and water as related parts of a greater whole. It would make us stop asking how we can further manipulate rivers, lakes, and streams to meet our insatiable demand, and instead ask how we can best satisfy human needs while accommodating the ecological requirement of healthy water systems.

Mr. Minister, we respectfully request that the initiative to sell recreation lease lots on Okanagan reservoirs continue its moratorium until science, local government, the Okanagan Basin Water Board, the Water Supply Association and all levels of governance in the Okanagan, including First Nations, have been consulted and a consensus reached.

Yours truly,



Rolly Hein,
Mayor

/kd

Encl.



COPY



DISTRICT OF LAKE COUNTRY	
To: <u>WATER FILE</u>	VANCOUVER 2010
C.C.	
Received SEP 16 2004 - in ES	
Action: <u>15 by mail</u>	
Cross Ref:	File Ref:

SEP - 9 2004

Ref: 15103

His Worship Mayor Rolly Hein
and Councillors
District of Lake Country
10150 Bottom Wood Lake Rd
Lake Country BC V4V 2M1

Dear Mayor ^{Rolly} Hein and Councillors:

Thank you for your letter of July 7, 2004, regarding the Okanagan Reservoir Lakes Project which is being coordinated by Land and Water British Columbia Inc. (LWBC).

As noted in Mr. Brodie's letter of June 23, 2004, the project has been put on hold as LWBC is going through a reorganization. Prior to the completion of the reorganization, it is not known if or when the project will be reinstated. This decision can only be made once staffing levels and the Corporation priorities are known. If the project is to proceed, the District of Lake Country will be notified.

If you wish to discuss this further, please contact Kevin Dickenson, Acting Service Centre Director in Kamloops, at (250) 377-7043.

Yours truly,

George Abbott
Minister

pc: Kevin Dickenson



REGIONAL DISTRICT OF NORTH OKANAGAN

9848 ABERDEEN ROAD, COLDSTREAM, B.C., V1B 2K9

Phone: (250) 550-3700

Fax: (250) 550-3701

Email: info@nord.ca

OFFICE OF : BOARD CHAIR

YOUR FILE No.: 14943

OUR FILE No.: 5617.7.09

August 16, 2004

Honourable George Abbott
Minister of Sustainable Resource Management
P.O. Box 9054, Stn Prov Govt
Victoria, BC V8W 9E2

Dear Mr. Minister:

RE: Proposed Sale of Leased Lots on Drinking Water Reservoirs

Thank you for your correspondence advising that this matter has been put on hold indefinitely. As you are no doubt aware of our position on this issue we are pleased with this information and remain hopeful that this project will ultimately be abandoned altogether.

As the long term fate of the project has not been determined we respectfully request that the Regional District be notified immediately upon any change in the project status.

Once again, we appreciate your time and effort in keeping us fully apprised of developments in this matter.

Yours truly,

Stan Field
Board Chair

cc: Honourable Gordon Campbell, Premier
Honourable Bill Barisoff, Minister of Water, Land and Air Protection
Honourable Tom Christensen, MLA, Minister of Education
Honourable Murray Coell, Minister of Community, Aboriginal and Women's Services
Bob Brodie, Land & Water B.C. Inc.
Okanagan Basin Water Board

MEMBER MUNICIPALITIES:

CITY OF ARMSTRONG
DISTRICT OF COLDSTREAM
CITY OF ENDERBY

VILLAGE OF LUMBY
TOWNSHIP OF SPALLUMCHEEN
CITY OF VERNON

ELECTORAL AREAS:

B SWAN LAKE
C B.X. DISTRICT
D LUMBY (RURAL)

E CHERRYVILLE
F ENDERBY (RURAL)



Ref: 14613

JUL 12 2004

Greg Armour
Field Supervisor
Okanagan Basin Water Board
9848 Aberdeen Rd
Coldstream BC V1B 2K9

Greg
Dear Mr. Armour:

Thank you for your letter of April 23, 2004, inviting me to attend a meeting of the Okanagan Basin Water Board (the Board).

As Minister of Sustainable Resource Management, I support the concept of a valley-wide approach to water management in the Okanagan valley. As you may be aware, I plan to attend the July 13, 2004 meeting of the Board.

If you wish to discuss this matter further prior to the Board meeting, please contact Kevin Dickenson, Acting Director in the Kamloops Service Centre of Land and Water British Columbia Inc., at (250) 377-7043.

I look forward to meeting with the Board on July 13.

Yours truly,

George Abbott
Minister

pc: Kevin Dickenson



June 8, 2004

The Minister of Sustainable Resource
Management
PO Box 9054, Stn PROVGovt
Victoria BC V8W 9E2

Attention: Honourable George Abbott

Dear Mr. Abbott:

Re: Your Ref: 14618. LWBC proposed sale of crown leases on Okanagan drinking
water reservoirs

Thank you for your letter dated May 19, 2004. I appreciate your efforts to address some of the concerns raised in my letter of April 21, 2004 regarding the proposed sale of crown recreational leases on Okanagan drinking water reservoirs.

Respectfully, not all the concerns raised in my letter were addressed and those issues that were responded to were not supported by convincing argument. I will respond to your points as they were presented in your letter.

We are aware that LWBC commissioned a study by an independent consultant to look at the potential impact this initiative could have on water quality. Unfortunately, this report, entitled *Okanagan Reservoir Lake Project*, was largely copied from an earlier report the same consultant had done in April of 2003 entitled *Cariboo Regional District/Lakeshore Management Policy Review*. Interestingly, identical material from the first report was edited to support a different conclusion in the second.

As mentioned in my previous letter, a detailed critique of the Okanagan report is available at www.wsabc.com or www.sekid.ca. This critique includes two reviews of the report by professional engineers, working independently, reaching similar conclusions. I would urge you to read this critique and review the report again in this context. We maintain the study does nothing to advance LWBC's proposal.

In reference to the validity of the studies of recreational impacts on water quality done in our area by the former Ministry of Environment, Lands and Parks, I would disagree with your advisors that recreation by the general public is somehow different than that done by recreational lease holders. We have always maintained that this is more than a septic waste issue.

Septic disposal is an important consideration and is the one area that LWBC has agreed will be addressed in the course of assessing this proposal. It is equally important,

however, to look at the direct impact on water quality caused by the recreational activities of both the general public and those people using the lease sites.

The MELP studies found conclusively that recreation in these reservoir lakes contributes a significant pathogen load into the public water supply. At any given time some of the people recreating on these reservoirs are using recreational lease lots. Fee simple tenure will make the situation worse. The certainty and security provided by fee simple tenure will inevitably lead to increased investment and development of these sites which, in turn, will lead to even greater recreational use of the reservoir.

The question that needs to be answered is this: should the provincial government be promoting recreation in drinking water reservoirs when there is proof that pathogen loads have increased due to recreational activity?

At the recent BCWWA conference in Whistler May 4, 2004 the author of these MELP reports, Dr. Rick Nordin, was asked by the Provincial Drinking Water Officer about his findings in the context of public health and source water protection. Dr. Nordin responded that if he were managing a water utility in this area he would be "very concerned" about recreational impacts on pathogen loads in the water supply. The sale of recreational lease lots and recreational impacts on water quality are inextricably linked. It has already been demonstrated by science that the sale of crown lease lots will negatively impact water quality.

On the next issue raised in your letter, I am not quite sure about the nature of the argument of the GVRD and CRD leases being issued in the 1930s and 1940s. Standards and regulations are regularly updated to recognize advances in science and this is particularly relevant in terms of public health protection. If the suggestion is that source water protection is somehow an outdated practice, this is contrary to many prominent reports including the *Provincial Health Officer's Annual Report 2000*, the *Office of the Auditor General, Protecting Drinking Water Sources, Report 5* and the *Walkerton Inquiry Reports 1 & 2*, not to mention your own government's *Action Plan for Safe Drinking Water in British Columbia*.

The central tenet of these reports is to insure the safety of the water supply by applying a multi-barrier approach to providing potable water service. All water utilities in the province have been mandated to follow the multi-barrier model, which includes source water protection, water treatment, distribution system operations and water quality monitoring. It is widely accepted that employing best management practices in each one of these fields will create multiple barriers to water contamination and provide a safe water supply.

Your reference to facilities being constructed in the CRD and GVRD to treat water is consistent with the multi-barrier approach to public health protection and certainly would

be expected of large utilities with considerable financial resources, serving a population of 2.5 million.

Your reference to LWBC staff offering to discuss land use management on appurtenant crown lands was made by LWBC officials with the explicit condition that such discussions would only take place if opposition to the sale of crown leases was withdrawn. This was a condition that SEKID was unable to agree to. Given the widespread opposition to the sale proposal throughout the valley, it is not surprising the offer was rejected valley wide.

Additionally, this condition on LWBC's offer implies that agency considers that meeting "both short and long-term water quality objectives" is an objective to be negotiated – this in itself raises concerns about that corporation's mandate and whether it is acting in the best interests of British Columbians in terms of public health. This doubt is further supported when you consider that the Interior Health Authority is also on record as opposing the lease sales. It is also evident that LWBC's actions are at odds with your own ministry's stated role in source water protection as presented on page 8 of the *Action Plan for Safe Drinking Water in British Columbia*.

Do we have all the answers for source water protection? No, we do not. When it comes to public health protection, it is prudent to err on the side of caution and take the time to carefully research and consider the issue prior to making decisions that are difficult and costly to reverse.

SEKID has recently entered into a partnership with the Regional District of Central Okanagan and the Okanagan Boys and Girls Clubs to purchase the former McCulloch Lake Fishing Resort, located on the shores of our main drinking water reservoir. The facility has been renamed the McCulloch Outdoor Environmental Education Centre and the purchase demonstrates SEKID's commitment to protecting our source water quality.

A key objective of the new centre will be educating our children about the environment and the importance of protecting our source water quality. The facility will become a regional park operated by the OBGC and an interpretation centre will be constructed as a centre piece of the facility. The interpretation centre will explain the history of McCulloch Reservoir and show ways to minimize the impact of recreation on water quality.

In future we would hope that we will be able to work with MSRM and other provincial ministries and agencies to assist in developing best management practices for managing, mitigating and eliminating recreational impacts on water quality. This could be done by using methods applied in other jurisdictions and by developing methods unique to British Columbian watersheds.

To that end, the centre could be used as a base to engage and enable independent study of the impacts that recreation and other land uses have on water quality and evaluate and define best management practices to reduce those impacts. Such initiatives would require the scientific community to model appropriate study and would require funding. The ultimate objective would be to provide a sound knowledge base on which to develop public land use policies that would optimize multiple uses of crown land community watersheds without compromising water quality and public health.

Over one million people in this province source their drinking water from multiple use crown land watersheds and the absence of best management practices for source water protection is the weakest link in the multi-barrier approach to the safety of the public water supply.

Another issue equally important to water quality in these watersheds is water quantity. Many experts agree that climate change is a reality and will affect precipitation patterns throughout the province. The current drought conditions in the Okanagan Valley could be a sign of things to come.

The editor of the report entitled *Water Management & Climate Change in the Okanagan Basin*, Dr. Stuart Cohen, stated at a March 2, 2004 drought management workshop in Penticton that 2003 could be considered a “normal” year in a very short period of time. If this is the case, additional water supply strategies will have to be employed to ensure there is enough water to meet the demands of a growing population. This will include expanding reservoir capacity, the cost of which will be increased substantially if the expropriation of fee simple land needs to be factored in with construction costs.

Over the past eighteen months SEKID has re-established two abandoned MELP hydrometric stations and commissioned two new stations in our watershed to resume collecting water supply information that was originally collected by the province. This information will be used over time to monitor our long term dependable surface water supply and adjust, if necessary, for the effects of climate change. As mentioned above, these “adjustments” could well affect lands being considered for sale by the province and having to expropriate fee simple lands to expand our reservoir would greatly increase the cost to the district.

We maintain that selling waterfront lots on drinking water reservoirs is not a best management practice for source water protection and certainly all local governments and authorities in the Okanagan Valley affected by this proposal agree. This lease sale proposal brings into question why the province would advance this issue when the vast majority of people in the region are opposed to it. It makes no sense from a financial, public health or public policy perspective. It is inconsistent with the above mentioned provincial action plan and, as stated in my previous letter, is counter to the dictates of sound public policy towards the stewardship of our drinking water resources.

Thank you for taking the time to respond to the district's concerns regarding this issue. Land use planning is a complex matter with many differing points of view. Water is the most precious resource and nowhere is this truer than in the semi-arid climate of the Okanagan Valley. I hope you will consider carefully the points discussed in this letter and I trust you will respond favorably to stop the proposed sale of crown leases on our drinking water reservoirs.

Sincerely,

Toby Pike
General Manager

cc: Premier Gordon Campbell
Honourable John Weisbeck
Bob Brodie, LWBC
Ken Christian - IHA, Kamloops
Elizabeth Sigalet - IHA, Kamloops
Mike Adams - IHA, Vernon
Paul Hasselback - IHA, Kelowna
Greg Baytalan - IHA, Kelowna
Ron Johnston - IHA, Penticton



REGIONAL DISTRICT OF NORTH OKANAGAN

9848 ABERDEEN ROAD, COLDSTREAM, B.C., V1B 2K9

Phone: (250) 550-3700

Fax: (250) 550-3701

Email: info@nord.ca

OFFICE OF: BOARD CHAIR

YOUR FILE No.: 14551

OUR FILE No.: 5617.7.09

June 7, 2004

Honourable George Abbott
Minister of Sustainable Resource Management
P.O. Box 9054, Stn Prov Govt
Victoria, BC V8W 9E2

Dear Mr. Minister:

RE: Sale of Leased Lots on Drinking Water Reservoirs

Thank you for your response to our letter expressing concern over the proposed sale of lots that are currently leased on drinking water reservoirs that serve the Okanagan Valley.

We are pleased to hear that local governments will have ample opportunity to provide comments on a redrafted report. However, we are concerned that you have identified this redraft as a "final report". If it is indeed "final", what would be the purpose of providing comment?

It should be noted that our misgivings about this report are so fundamental that we are skeptical about any redraft that would properly address all of the issues.

We have been advised that your office has received a copy of the video of Headwaters Lake. We urge you to view this personally (if you have not already done so) prior to forwarding to Mr. Brodie in the Kamloops office of Land and Water BC. While we do not have a copy of the study linking phosphorous generation to cottage development, it can be obtained directly by contacting the Freshwater Science Department at the North Kelowna Campus of the Okanagan University College.

We are disappointed that you are unable to meet with us at this time. However, we are pleased to hear that you do not intend to sell these lots until both the water quality and quantity issues have been considered. We are also pleased that water quantity will not be looked at prior to resolving all water quality concerns. As we anticipate this would, if achievable at all, take some time, could we please receive assurance that you will schedule a meeting with us before any sales of these lots ultimately take place?

1 of 2 Pages

MEMBER MUNICIPALITIES:

CITY OF ARMSTRONG
DISTRICT OF COLDSTREAM
CITY OF ENDERBY

VILLAGE OF LUMBY
TOWNSHIP OF SPALLUMCHEEN
CITY OF VERNON

ELECTORAL AREAS:

B SWAN LAKE
C B.X. DISTRICT
D LUMBY (RURAL)

E CHERRYVILLE
F ENDERBY (RURAL)

Page 44

Thank you for your consideration of our concerns regarding this matter.

Yours truly,

Stan Field
Board Chair

cc: Honourable Gordon Campbell, Premier
Honourable Bill Barisoff, Minister of Water, Land and Air Protection
Honourable Tom Christensen, MLA, Minister of Education
Honourable Murray Coell, Minister of Community, Aboriginal and Women's Services
Bob Brodie, Land & Water B.C. Inc.

MEMBER MUNICIPALITIES:

CITY OF ARMSTRONG
DISTRICT OF COLDSTREAM
CITY OF ENDERBY

VILLAGE OF LUMBY
TOWNSHIP OF SPALLUMCHEEN
CITY OF VERNON

ELECTORAL AREAS:

B SWAN LAKE
C B.X./SILVER STAR
D RURAL LUMBY

E CHERRYVILLE
F RURAL ENDERBY

May 17, 2004

File 5280.03

Minister George Abbott
Minister of Sustainable Resource Management
PO Box 9054 Stn Prov Govt
Victoria, BC
V8W 9E2

Dear Minister Abbott:

Re: Your Letter (Ref: 14194) re: Sale of Reservoir Lots

The Okanagan Basin Water Board wishes to express its appreciation to you for taking another look at the impact of selling property on reservoir lakes in the Okanagan.

As you are aware, many Okanagan valley local governments, including the OBWB, have expressed concerns about lot sales and the impacts on water quality and future storage capabilities. The need to preserve flexibility in our water supplies has been brought to the forefront by drought conditions in the Okanagan the past two summers. (And it appears we are headed for a third season of water shortages)

We again thank you for your action and look forward to discussion of any information from new studies and having the opportunity for input into your final decision.

Sincerely yours,

John Slater,
Chair

Copy: District of Summerland



APR 15 2004

Okanagan Basin Water Board
9848 Aberdeen Road
Coldstream, BC V1B 2K9

Attention: Greg Armour

Greg
Dear Greg,

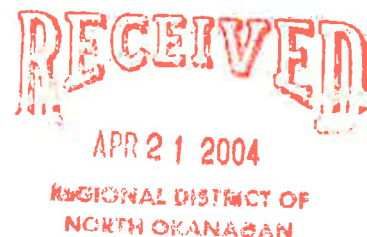
I would like to take this opportunity to once again offer my apologies for being unable to attend the Okanagan Basin Water Board workshop on March 19th. It was my intention to be there and make a short presentation, unfortunately due to conflicting commitments I was unable to attend.

I would like to participate in a future Board meeting so that I may be apprised of further developments.

Yours truly,

George Abbott

George Abbott
Minister



April 23, 2004

George Abbott
Minister of Sustainable Resource management
PO Box 9054 Stn Prov Govt
Victoria, BC
V8W 9E2

Dear Minister Abbott,

Re: Workshop On Water Management Within the Okanagan Basin

I would like to thank you, on behalf of the Okanagan Basin Water Board, for your continued interest in regional water management in the Okanagan. I am attaching an Executive Summary of the workshop for your information.

Some of my own thoughts about this subject (not to be taken wholly as the Board's position) include the following:

The legislated approach, including taxation authority, represented by the current structure of the Water Board, has not worked in bringing about a valley wide approach to water management. It is seen by some as a threat to local autonomy and decision making and there are questions about the usefulness of the structure and what it could do in the present form. There is a tendency among local Councils to be competitive rather than cooperative and to want to 'bring things' to their own area.

The drought of the past two years, and to some extent the fires of last summer, created awareness of the need to work together. Perhaps this is the 'usual' response to crises situations, but nevertheless a situation we would like to take advantage of.

I was surprised at the degree of agreement from the Valley mayors who attended our workshop, that there was an urgent need to look at a new manner of valley water management. They wished to foster a more efficient and well planned way to use and conserve water throughout the Okanagan.

The subcommittee created from volunteers from the workshop was charged to come up with a management structure that would be politically acceptable, have representation from a broader range of stakeholder than solely local government, and be adaptable to changing needs of the valley. (Valerie Cameron of your Ministry is a member of the subcommittee) The model would be presented to local government for comment and we

will have some sort of public input sessions as well. We hope to avoid this being seen as more bureaucracy and rather a common meeting ground to lay out problems and try to arrive at mutually agreeable solutions. The Water Board would like to minimize its direct role in this process. We want it to be guided by the people it is intended to serve. The Board has agreed to pursue any approach that will foster regional cooperation and we are anxious help this process move quickly and take advantage of the current momentum.

I think your participation in a Board meeting, or a subcommittee meeting, would be a big boost to these efforts. Our next regular Board meeting is Tuesday, May 11th here in Vernon.

Yours truly,

Greg Armour



Ref: 14194
APR 15 2004

His Worship Mayor Tom Johnston
and Councillors
District of Summerland
PO Box 159
Summerland BC V0H 1Z0

RECEIVED
APR 21 2004
REGIONAL DISTRICT OF
NORTH OKANAGAN

Dear Mayor Johnston and Councillors:

Thank you for your letter of February 11, 2004, addressed to Honourable Bill Barisoff, Minister of Water, Land and Air Protection, regarding the potential sale of leased lots on various Okanagan reservoir lakes. As Minister responsible for Land and Water British Columbia Inc. (LWBC) I have been asked to respond.

When the sale of the leased lots was first considered, LWBC staff were not aware of any factual information indicating that the sale of the leases would have a significant harmful impact on water quality of the reservoirs. This information is necessary to support land-use decisions and to ensure the existing lessees are treated in a fair and open manner. For this reason, LWBC commissioned a study by an independent consultant to examine water quality issues associated with the possible sale of leased lots on the reservoir lakes. The draft report has been completed and the consultant will be reviewing comments received from concerned parties and will be finalizing the report shortly. If the District of Summerland is aware of any specific studies or information that concerns the potential impact of the leases on water quality, please contact Bob Brodie, Acting Land and Water Manger in the Kamloops Service Centre, at (250) 377-7704. This information will be provided to the consultant for consideration in his final report.

Your concerns about changing reservoir water levels are also noted. I agree with your comments that leases should not be sold if there is potential that they may impact any changes to water levels in the future. This issue will be addressed following completion of the water quality report.

.../2



District of Summerland

"Building a Unique Community with Quality, Efficiency and Respect"

Office of the Mayor

13211 Henry Avenue
P.O. Box 159
Summerland, B.C.
V0H 1Z0
Tel: (250) 494-6451
Fax: (250) 494-1415
www.summerland.ca

February 11, 2004

Minister Bill Barisoff
Minister of Water, Land and Air Protection
PO Box 9047
STN PROV GOVT
Victoria, BC V8W 9E2

Dear Mr. Minister:

Re: Sale of Lease Lots on Reservoir Lakes (File: 0410-35)



Municipal Council of the District of Summerland has asked that I write to you to convey our serious concerns with respect to BC Land and Water's proposed sale of leased lots on Okanagan reservoir lakes. As you are no doubt aware, Summerland suffered through an extreme water shortage in 2003 and as a result, Council found it necessary to ban domestic sprinklering and to reduce commercial irrigation. Council is now in the process of looking at ways to ensure the quality and quantity of our future water supply and is facing significant capital expenditures to accomplish this.

Reservoir lakes are currently our main source of water. Selling off recreational lots abutting our drinking water supply could have a serious effect on the quality of our water. Pollution from increased human habitation along with the potential for fuel spills from boating are a serious concern. We note that the reservoirs serving the GVRD are all fenced for good reason—to reduce the risks of human contamination of the GVRD's water supply. The residents of Summerland deserve this same protection.

Selling off recreational lots will also make it impossible for us to adjust reservoir levels to meet the future needs of our community. A significant number of the leasehold lots your government is looking at selling about our reservoirs. The costs of acquiring freehold lots in order to raise our reservoirs will only add to the future burden taxpayers will have to bear as our community grows.

I would urge you to do whatever is necessary to cancel BC Land and Water's initiative of selling these lots in the Okanagan Valley. The short term financial gain for the Province may be far outweighed by the serious consequences the residents of Summerland and the Okanagan Valley will pay.

Yours sincerely,

Tom Johnston
Mayor

/gdm

Copy to: Okanagan Basin Water Board
Regional District of Okanagan-Similkameen
Regional District of Central Okanagan
Regional District of North Okanagan





REGIONAL DISTRICT OF NORTH OKANAGAN

9848 ABERDEEN ROAD, COLDSTREAM, B.C., V1B 2K9

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OFFICE OF : BOARD CHAIR

OUR FILE No.: 5617.7.09

April 13, 2004

Honourable George Abbott
Minister of Sustainable Resource Management
P.O. Box 9054, Stn Prov Govt
Victoria, B.C. V8W 9E2

Dear Mr. Minister:

RE: Proposed Sale of Leased Lots on Drinking Water Reservoirs

We appreciate your response to our letter advising of our concerns regarding the Land & Water British Columbia Inc. (LWBC) proposal to sell existing leases on numerous lots on drinking water reservoirs serving the Okanagan.

Our letter of February 9, 2004 outlined the many shortcomings in the consultant report you refer to. Your response to our letter indicates that "LWBC staff are not aware of any factual information to support claims that the sale of leases will have a significant harmful impact on water quality of the reservoirs." This tone of the response is disturbing for several reasons as follows:

- 1) We believe that the importance of sufficient quantity and quality of drinking water is so great that the onus should not be placed on objectors to prove negative impact. Rather, the onus should be on LWBC to prove that there will be no impact.
- 2) Our letter of February 9, 2004 pointed out serious flaws in the study conducted. You have not indicated whether these will be examined or if any further work is being done on this study to deal with these matters.
- 3) It is clear that the size and setbacks of the vast majority of these lots do not meet criteria established by your previous Ministry, the Ministry of Community, Aboriginal and Women's Services. It should be clearly established why these standards, along with the standards set by the Ministry of Health, should be ignored. The study commissioned by LWBC clearly fails to do this.

MEMBER MUNICIPALITIES:

CITY OF ARMSTRONG
DISTRICT OF COLDSTREAM
CITY OF ENDERBY

VILLAGE OF LUMBY
TOWNSHIP OF SPALLUMCHEEN
CITY OF VERNON

ELECTORAL AREAS:

"B" SWAN LAKE
"C" B.X. DISTRICT
"D" LUMBY (RURAL)

"E" CHERRYVILLE
"F" ENDERBY (RURAL)

- 4) Your letter requests that we provide information that supports our claim that the sale will negatively impact water quality. Notwithstanding item #1 above, we suggest that LWBC investigate the following information:
 - a) A video of Headwaters Lake which looks at impacts of development. It paints a dramatically different picture than presented in the consultant study.
 - b) A study linking phosphorus generation to cottage development and lake morphology conducted by the Freshwater Science Department at Okanagan University College.
- 5) While the issue of impacts of this proposal on water quality is very serious, the potential impact of this initiative on our ability to meet our water quantity needs may be even more so. Neither the consultant study nor your response speaks to this vital issue.

The Board of the Regional District of North Okanagan is sufficiently alarmed over this issue that it requests the opportunity to meet with you to further discuss it. On behalf of the Board, I look forward to your response regarding this opportunity.

Yours very truly,

Stan Field, Chair
Regional Board

cc: Honourable Gordon Campbell, Premier
Honourable Bill Barisoff, Minister of Water, Land and Air Protection
Honourable Tom Christensen, MLA, Minister of Education
Honourable Murray Coell, Minister of Community, Aboriginal and Women's Services
Bob Brodie, Land & Water B.C. Inc.

From: Toby Pike [pike@sekid.ca]

Sent: Wednesday, January 21, 2004 11:12 AM

To: Shaun Peck

Cc: XT:HLTH Baytalan, Greg; Robert Hobson; Phil Ruskowsky; Mike Adams; Andre Miller; Mike Stamhuis; Kevin Huey; Jack Allingham; Dave Stirling; Cheryl Hala; Bruce G Wilson; Brian Jamieson; Bill Moorehead; Shew Wai Teo-Cheong; Michael Mercer

Subject: Annual drinking water report

Dr. Peck,

I would like to draw your attention to a matter that might warrant mention in the PHO's annual DWPA report under Section 4.2(1).

The matter of concern is Land and Water B.C.'s plan to sell approximately 156 recreational leases located on some 18 drinking water reservoirs in the highlands surrounding the Okanagan Valley. This issue has met widespread opposition from virtually every level of local government authority in the Okanagan Valley. Official opposition in the form of council or board resolutions in opposition to this proposal have been passed by all three regional districts and all affected municipalities and improvement districts. The Okanagan Basin Water Board has also passed a resolution in opposition to the proposal and, significantly, officials from the Interior Health Authority are also on record as opposing the sale of these lots. I believe you have received correspondence to that effect from the local MHO.

As you are aware, this initiative was first announced in the spring of 2002 prior to the DWPA coming into effect. The arguments against the proposal are well known. All of these leases are within multi-use crown land watersheds and these reservoirs are highly sensitive to water quality degradation and increased pathogen loads that would arise from the increased recreation that would be facilitated by the development of fee simple lands. An equally compelling argument against these sales is the limited water supply available in the Okanagan. Given the projected growth of the area, the potential impact of climate change on water supplies and the restrictions these leases would have on expanding the storage capacity of these reservoirs in the future, common sense would dictate that the interests of the public would best be served if the sales did not proceed.

To date this opposition has fallen on deaf ears at both the Ministry of Sustainable Resource Management and Land and Water B.C.. I would bring this issue to your attention under Section 4.2(1) of the DWPA on the grounds that the actions of LAWBC pose a public health threat in terms of both water quality and quantity and that these actions are contrary to the source drinking water protection policies of all affected local governments and authorities.

Please feel free to contact me if you require any additional information.

Respectfully,

Toby Pike
South East Kelowna Irrigation District
Phone: (250) 861-4200
Fax : (250) 861-4213
Web: <http://sekid.ca/>

January 19, 2004

File 5280.01

Regional District of North Okanagan
9848 Aberdeen Road
Vernon, BC
V1B 2K9

Chair and Directors:

Re: Sale of Lease Lots on Reservoir Lakes

Significant concerns have been raised about BC Land and Water's proposed sale of leased lots on Okanagan reservoir lakes. The Water Board, the Water Supply Association of BC, many individual water utilities, the North Okanagan Medical Health Officer, and the Regional Boards in the Valley have registered their opposition to this action but so far the Province has ignored these objections. Concerns relate to the quality of water in the drinking reservoirs as lots become more developed and populated and the inability to adjust reservoir levels to meet future water consumption needs.

Land and Water BC commissioned a consultant report forwarded to local government on Friday, December 19, 2003. A meeting was scheduled January 6, 2004 for input on this sixty-five page report. This was hardly enough time to respond to such a document. Following is an excerpt from a review compiled by M.A. Stamhuis, Manager of Community and Infrastructure Services for NORD. In his letter, Mr. Stamhuis discredits the report's analysis and conclusions and claims that the report was biased to meet the client's objectives. The excerpt from his letter is as follows:

" . . . I hereby support the assertion with the following:

- 1) In Sections 3.3.5. and 3.3.6. of the report, the consultants make reference to the work done in Wisconsin and Minnesota. The consultants have copied verbatim sections 3.1.5. and 3.1.6. from their April 2003 report to the Cariboo Regional District entitled "Lakeshore Management Policy Review". However, in each of these sections they have deleted the paragraphs outlining actual lot size standards for these states. The omitted paragraphs indicate standards that would **NOT** be met by the vast majority

of the lots proposed for sale. For some reason the consultants fail to mention this fact in their report.

- 2) In Sections 3.4.1. and 3.4.2. the consultants discuss the policies of the Okanagan-Similkameen Regional District and the Central Okanagan Regional District with respect to land use around lakes. Omitted in any part of the discussion is the fact that both Regional Districts have passed resolutions opposing the proposed sale of leased lots. As with the discussion regarding the two states, any discussion around policy not mentioning this must be considered as a serious misrepresentation of the facts.
- 3) In Section 4.1. of the report the consultants discuss the various lakes (reservoirs) and the lots proposed for sale thereon. Typical lot sizes tend to be around 0.12 hectare with some lots as small as 0.07 hectare. There are repeated references to these lots having “ample area for future septic systems.” This is interesting because in their report to the Cariboo Regional District, Lakeshore Management recommend “...as a minimum standard for all lakes in the District: ...i.v. continue the Lakeshore Residential zoning minimum parcel size of 0.4 ha (1 acre) and establish a minimum lot width of 45.7m (150 feet) for all lakeshore property within the Regional District.” The majority of the lots proposed for sale would not conform to this recommendation from the consultants.
- 4) In the same section of their report to the Cariboo Regional District, the consultants also make the following recommendation: “... iii) Ensure that buffer leave strips are required on all new developments within 250m of a high sensitivity lake to protect water quality and shoreline habitat. A buffer strip of 15 metres is recommended” For some reason, this recommendation is conspicuously absent from any recommendations listed by the same consultant in Section 7 of the Report.
- 5) In Section 4.1.1. the Report makes reference to Lots 1685 and 1733 on Swalwell Lake as follows: “Lots 1685 and 1733 are more developed and appear to be serviced by septic systems. These properties have poor riparians that have been cleared resulting in siltation problems. Improvements are needed to the riparian areas to alleviate impacts to water quality.” Here is direct evidence of more development impacting water quality yet the consultant somehow fails to make the simple connection that fee simple ownership of property will encourage development. This is in spite of the fact that, in Section 9.0 of their report to the Cariboo Regional District, the consultants identify Horse Lake as having 88.2% of total residences classified as permanent, and a reference to another report as follows: “Horse Lake has had a detailed assessment of water quality (Zirnhelt et al, 1997). The report concluded that phosphorus levels may be increasing in Horse Lake.....”

- 6) In Section 3.1. of the Report, the consultants repeat verbatim the first three paragraphs of Sections 5.1. of their report to the Cariboo Regional District. What is of concern is the remaining 1½ pages of discussion in the Cariboo Regional District report that the consultants have omitted from this Report. These 1½ pages largely discuss the shortcomings of septic systems and their management, to protect water quality. Given that the discussion of the Report suggests reliance on “Standard Health Branch Inspections” the absence of this section is telling.
- 7) In Section 3.5. of the Report, reference is made to the OSLRMP guidelines and a list of “objectives and strategies that may be related ...” The list is in Appendix 1 and is nine pages long. I have been advised by members of the LRMP Implementation Monitoring Committee that these nine pages list strategies and objectives that appear to be **in conflict** with the proposal. It is interesting to note that in the Text Section 3.5. the statement is made: “However, it is considered important that the listed strategies be reviewed prior to final decisions made on disposition of the leases.” Strangely, this is absent from the Report’s recommendations.
- 8) In Section 5.2.2. a table shows that the vast majority of the lakes already suffer from some eutrophication, being either mesotrophic or mesoeutrophic. Given that the consultants had a demonstrated awareness of the inadequacy of Health Regulations to protect water quality (Cariboo Regional District Report April 2003) and that they recognize in this section the potential of eutrophication to damage water quality, I cannot understand why they do not strongly recommend against the sale of the majority of the affected lots.
- 9) In their conclusions, the consultants state, “it appears, based on observation and published reports, that other activities in the watershed have a much greater chance of impacting water quality in the watersheds.” This statement shows clear bias in two ways. First, in Section 4.3. the consultants attempt to make the case that activities other than human are the main detriments to water quality. Percentages of ecoli generation are provided for humans alone at 7.8% and 15% respectively on Kelowna and Mission Creeks. Somehow the consultants have failed to consider domestic animals as a direct relation to human activity and the fact that their combined contributions are 26% and 28% respectively. This is hardly insignificant. Second, this conclusion carried with it the implication that we should not be concerned about human impact as other quality impacts are worse implies a cavalier attitude towards the issue in general.”

The Okanagan Basin Water Board would like to ask that the Regional Districts examine a zoning approach aimed at protection of water quality in the reservoir lakes. If this is feasible it may be one means to stop or delay the Provincial plan to sell the lots.

It is our understanding that local government usually has land use authority, even on Crown Lands. If lots are not held fee simple it may be possible, for example, to zone the land around the reservoir area for large parcels or parks through a bylaw. Existing leases would remain but dwellings could not be developed further and no new lots could be created. The absence of development potential would presumably deter the sale of lease lots. The Regional District building bylaw would have to apply to the reservoir areas for this to happen.

We submit this idea for your consideration and request your appreciation of the short time remaining for action.

Yours truly,

John Slater, Chair Slater
Okanagan Basin Water Board



REGIONAL DISTRICT OF NORTH OKANAGAN

9848 ABERDEEN ROAD, COLDSTREAM, B.C., V1B 2K9
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OFFICE OF : COMMUNITY AND INFRASTRUCTURE SERVICES

OUR FILE No.: 5617.7.09

January 5, 2004

Land and Water BC Inc.
Land Management Division
3rd Floor, 145 – 3rd Avenue
Kamloops, B.C.
V2C 3M1

Attn: Bob Brodie
Senior Land Officer

Dear Sir:

**RE: Sale of Leased Lots on Drinking Water Reservoirs – Lakeshore Environmental Ltd.
Report**

Please accept this as my commentary on the December 2003 report entitled "Okanagan Reservoir Lake Project" prepared by Lakeshore Environmental Ltd.

I am very disturbed with the short and adverse timeframe provided to respond to this report. This report was circulated immediately prior to the start of the Christmas break with the requirement that the meeting to discuss the report be on January 6, only the second day after the Christmas break. This necessitated time away from planned family visitation over the Christmas break to review and prepare commentary. Even if the circumstances you put forward are legitimate, it smacks of curtailment of informed discussion. I believe that you could have either scheduled the meeting without the consultant present, with another representative from the Firm present, or delayed the meeting until the consultant's return. The immortal words of a former prime minister come to mind: "YOU HAD AN OPTION SIR ...".

In my correspondence over the proposed Terms of Reference for this study last spring I made a number of suggestions, all of which were ignored except for one. That one suggestion was, that the study should be conducted by an independent agency rather than Land and Water BC to avoid any bias or tailoring of the study to meet the clients' objectives. This suggestion was met with righteous indignation from yourself. After review, it is clear that the study has been biased and that your indignation was feigned. I hereby support this assertion with the following:

1 of 3 Pages

MEMBER MUNICIPALITIES:

CITY OF ARMSTRONG
DISTRICT OF COLDSTREAM
CITY OF ENDERBY

VILLAGE OF LUMBY
TOWNSHIP OF SPALLUMCHEEN
CITY OF VERNON

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D LUMBY (RURAL)

E CHERRYVILLE
F ENDERBY (RURAL)

- 1) In Sections 3.3.5. and 3.3.6. of the report, the consultants make reference to the work done in Wisconsin and Minnesota. The consultants have copied verbatim sections 3.1.5. and 3.1.6. from their April 2003 report to the Cariboo Regional District entitled "Lakeshore Management Policy Review". However, in each of these sections they have deleted the paragraphs outlining actual lot size standards for these states. The omitted paragraphs indicate standards that would **NOT** be met by the vast majority of the lots proposed for sale. For some reason the consultants fail to mention this fact in their report.
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- 3) In Section 4.1. of the report the consultants discuss the various lakes (reservoirs) and the lots proposed for sale thereon. Typical lot sizes tend to be around 0.12 hectare with some lots as small as 0.07 hectare. There are repeated references to these lots having "ample area for future septic systems." This is interesting because in their report to the Cariboo Regional District, Lakeshore Management recommend "...as a minimum standard for all lakes in the District: ...i.v. continue the Lakeshore Residential zoning minimum parcel size of 0.4 ha (1 acre) and establish a minimum lot width of 45.7m (150 feet) for all lakeshore property within the Regional District." The majority of the lots proposed for sale would not conform to this recommendation from the consultants.
- 4) In the same section of their report to the Cariboo Regional District, the consultants also make the following recommendation: "... iii) Ensure that buffer leave strips are required on all new developments within 250m of a high sensitivity lake to protect water quality and shoreline habitat. A buffer strip of 15 metres is recommended" For some reason, this recommendation is conspicuously absent from any recommendations listed by the same consultant in Section 7 of the Report.
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- 8) In Section 5.2.2. a table shows that the vast majority of the lakes already suffer from some eutrophication, being either mesotrophic or meso-eutrophic. Given that the consultants had a demonstrated awareness of the inadequacy of Health Regulations to protect water quality (Cariboo Regional District Report April 2003) and that they recognize in this section the potential of eutrophication to damage water quality, I cannot understand why they do not strongly recommend against the sale of the majority of the affected lots.
- 9) In their conclusions, the consultants state, “it appears, based on observation and published reports, that other activities in the watershed have a much greater chance of impacting water quality in the watersheds.” This statement shows clear bias in two ways. First, in Section 4.3. the consultants attempt to make the case that activities other than human are the main detriments to water quality. Percentages of ecoli generation are provided for humans alone at 7.8% and 15% respectively on Kelowna and Mission Creeks. Somehow the consultants have failed to consider domestic animals as a direct relation to human activity and the fact that their combined contributions are 26% and 28% respectively. This is hardly insignificant. Second, this conclusion carried with it the implication that we should not be concerned about human impact as other quality impacts are worse implies a cavalier attitude towards the issue in general.

In summary, I believe that this report is a feeble and transparent attempt to provide some scientific legitimacy to a proposal that can only be described as egregious. Further, if you insist that your consultants have been unbiased and independent in the preparation of their report, one can only conclude that they have come down with an acute case of amnesia!

Sincerely,

Michael A. Stamhuis, P. Eng.
General Manager, Community and Infrastructure Services



WATER SUPPLY ASSOCIATION OF B.C.

P.O. Box 22022,
Penticton, B.C. V2A 8L1
Phone and Fax: (250) 497-5407
Email: watersupply@shaw.ca



December 12, 2003

Okanagan Basin Water Board
c/o 9848 Aberdeen Road
Coldstream, B.C.
V1B 2K9

Attn: Mr. John Slater, Chairman

Dear Sir:

RE: Crown Land Sales on Drinking Water Reservoirs

On behalf of the Water Supply Association, I wish to extend my appreciation for your presentation and participation at our Annual Conference in Osoyoos in October. There are clearly many areas where our Association can work with you to pursue mutual interests, especially in the area of ensuring a sustainable, high quality water supply.

A key area of mutual concern is the matter of the sale of leased lots on our drinking water reservoirs. While the process has been delayed, we believe that Land and Water BC remain determined to sell off many of their currently leased properties along the shoreline of our reservoirs. The potential impacts of this action on both water quality and quantity have been well documented.

Land and Water BC have commissioned a study on the water quality of the reservoirs. We believe that this study may not adequately address the impacts of the proposed changes. We also understand that the study will not address the water quantity issue.

The Water Supply Association was promised a copy of the study upon its completion, originally scheduled for late October. To date we have not received it.

We are requesting that the Okanagan Basin Water Board, as a representative of all of the local governments in the Valley, continue its involvement in this matter in the following ways:

- 1) Request copies of the consultant study as soon as it is complete.
- 2) Send letters to the Premier and Minister Stan Hagen (responsible for Land and Water BC) expressing concern and urging deferral of any lot sales until all issues with respect to water quality and quantity have been fully resolved.
- 3) Encourage your member local governments to send similar correspondence.

2./

FORMERLY THE ASSOCIATION OF B.C. IRRIGATION DISTRICTS

We would look forward to working alongside you in this effort and will endeavour to share any information received with your Board. We appreciate your continue interest in this matter.

Yours very truly,

Water Supply Association

Bruce Wilson, Chairman



REGIONAL DISTRICT OF NORTH OKANAGAN

9848 ABERDEEN ROAD, COLDSTREAM, B.C., V1B 2K9

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OFFICE OF: COMMUNITY AND INFRASTRUCTURE SERVICES

September 22, 2003

OUR FILE No.: 5617.7.09

Land and Water B.C. Inc.
145 - 3rd Avenue, Floor 3
Kamloops, B.C.
V2C 3M1

Attn: Mr. Bob Brodie
Senior Project Manager

Dear Sir:

RE: LRMP Implementation & Monitoring Committee Commentary on Land and Water B.C. Inc. Proposal to Dispose of Crown Leased Lots on Upland Lakes and Reservoirs in the Okanagan Valley

The Okanagan-Shuswap LRMP Implementation & Monitoring Committee has met and discussed the Land and Water B.C. Inc. proposal along with your comments that suggest the proposal does not conflict with the LRMP objectives and strategies (letter dated May 14, 2003).

I hereby take issue with your comments and request that this proposal be suspended until:

- 1) A proper consultation process has been achieved; and
- 2) It has been demonstrated conclusively that the LRMP objectives do not conflict with the proposal.

I anticipate that this will be difficult as it appears that there is conflict both in the SCOPE of the proposal as well as the PROCESS under which this project has been undertaken.

I enclose a list of objectives and strategies for your review and hereby list where we perceive a conflict:

A. SCOPE

- 1) CLGMZ 2.0. requires that "... opportunities for Crown land dispositions and reserves are available in the future to meet a broad spectrum of conservation, settlement, economic development and other societal needs." The intent statement as follows "(i) Maintain options for future uses; (ii) That dispositions consider both today's needs and future needs." The concern is that sale of lots may restrict the ability to adjust water levels which may be needed in the future.

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B SWAN LAKE
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D RURAL LUMBY

E CHERRYVILLE
F RURAL ENDERBY

- 2) Water GMZ 2.8. *"Review storage opportunities where appropriate to supplement low flows or replace instream consumptive demand."* The sale of lots would prohibit implementation of this strategy.
- 3) Water GMZ 5.0. *"Manage for good water quality as indicated by levels of turbidity, temperature, sediments and contaminants."* Encouraging development along the foreshores of these small lakes is inconsistent with this objective.
- 4) Water GMZ 5.17. *"Ensure that sewage plants, recreational users, etc. are not contributing harmful levels of parasites or harmful bacteria to the streams at any time."* Sale of the properties would result in higher potential for tile field failures or septic tank overflows if pumpouts are not regulated. Mechanisms to ensure that these would not occur do not appear to have been considered.
- 5) Water GMZ 5.19. *"Avoid degrading water quality and quantity where proposed developments have the potential to impact domestic water supplies outside community watersheds."* *"This strategy recognizes the importance of watersheds that provide water for domestic consumption."* There do not appear to be any safeguards in place to avoid the degradation. The proposal for sales is clearly in conflict.
- 6) CCIRMZ 3.0.3.1. *"Permitting agencies are to consider inclusion of mitigating conditions when approving permits if local government has concerns."* Will the province restrict septic permits? What about building permits or foreshore leases?
- 7) CCIRMZ 4.0. *"Direct the disposition of Crown land for new residential, commercial and industrial development to areas designated within OCP's, rural land use bylaws or regional growth strategies."* The disposition of these lots does not appear to consider local government legislation and falls outside of the affected local government settlement areas. However, it is clear that local governments will be responsible for dealing with the land use conflicts.
- 8) FAERMZ 1.2. *"Conduct a risk assessment prior to development in watersheds."* It is our understanding that a consultant study is underway. However, I have neither terms of reference nor any indication that the study includes a rigorous risk assessment.
- 9) CWRMZ 1.0. *"Maintain water quality in community watersheds to minimize, where practical, the measures that are required to treat water to meet minimum standards."* Disposal of these properties would result in permanent development, which would put water quality at risk due to various human-induced impacts.
- 10) CWRMZ 3.0. *"Address water quality impacts related to physical access."* Permanent development will require long term access with attendant potential impacts on water quality. No evidence has been provided showing that this issue has been suitably addressed.

B. PROCESS

- 1) CLGMZ 3.1. *"These parcels must also be appropriately zoned or designated within a local government land use plan."* It appears that no attempt has been made to include local government in the process by which these lands are so zoned or designated.
- 2) CLGMZ 1.3. *"...strive to separate incompatible uses..."* It is arguable that residential development and drinking water use is not compatible, but no effort has been made to separate out these uses.
- 3) CLGMZ 1.3. *"(i) Provide a list of new Land Act applications to the Monitoring Committee."* The Monitoring Committee has not been informed of the Land and Water B.C. Inc. proposal, let alone asked for input.
- 4) CLGMZ 3.3. *"Give priority consideration to local government requests to acquire such land for infrastructure or other community interests."* *"(i) This recognizes the significance of local government needs for infrastructure and community purposes."* The legitimate concerns of local governments and water purveyors appear to have been ignored to date. Please provide any comments that demonstrate clear evidence to the contrary. I have seen evidence only of concerns and objections from local governments and water purveyors.
- 5) FAEGMZ 10.1. *"Address cumulative impacts of multiple land and water uses on both Crown and private land through watershed planning and stewardship."* I have no evidence of this being done.
- 6) Water GMZ 1.1. *"Identify all watersheds that support water licences, and prioritize those ones that require or would benefit from water management plans to make the most effective use of the resource considering all values."* No evidence of any effort to work with licence holders to allow for water management planning has been done.
- 7) CCIRMZ 4.3. *"... dispositions of Crown land under the Land Act shall include local governments in consideration of adequate servicing to lands, as well as the social, economic and environmental impacts of the proposal."* What local governments have been included in this process?
- 8) FAERMZ 3.9. *"... restrict development when alienating (i.e. selling or tenuring) Crown-owned shoreline or foreshore."* *"(v) In most cases the width of the strip will be a minimum of 15 metres."* There is no evidence that this will be adhered to. Can Land and Water B.C. Inc. say that it will remove from the market all lots that cannot be developed outside the 15 metre boundary?

The LRMP Implementation & Monitoring Committee has not been consulted in this matter. As it is clear from that above that the proposal is in direct conflict with the objectives and strategies adopted through the LRMP process, I request that this proposal be put on hold until both the

scope and process issues are dealt with to the satisfaction of the LRMP Implementation & Monitoring Committee members, local governments and water purveyors.

As I understand that Land and Water B.C. Inc. has hired consultants to come up with recommendations regarding this proposal, I hereby also request that you provide me with the names of the consultants, their terms of reference and the expected timeline for their assignment. I fully expect that the LRMP Implementation & Monitoring Committee will receive a copy of their report and that no disposition of parcels will take place until consultation with the LRMP Implementation & Monitoring Committee has taken place that goes beyond the efforts provided by your agency to date.

Thank you for your attention to my requests.

Yours very truly,

A handwritten signature in dark ink, appearing to read 'Rob Smailes', with a stylized flourish at the end.

Rob Smailes
Planner

cc: Honourable Stan Hagen
Minister of Sustainable Resource Management
Po Box 9054, Stn Prov Govt.
Victoria BC V8W 9E2



REGIONAL DISTRICT OF NORTH OKANAGAN

9848 ABERDEEN ROAD, COLDSTREAM, B.C., V1B 2K9
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Email: info@nord.bc.ca

OFFICE OF : COMMUNITY AND INFRASTRUCTURE SERVICES

OUR FILE No.: 5617.7.09

June 5, 2003

The Honourable Stan Hagen
Minister of Sustainable Resource Management
P.O. Box 9054, Stn. Prov. Govt.
Victoria, B.C. V8W 9E2

Dear Mr. Minister:

RE: Land and Water BC Study – Impacts of Sale of Leased Lots on Drinking Water Reservoirs

Thank you for your response to our letter expressing concern over the possible exclusion of water quantity impacts of the Land and Water BC proposal. While we share concerns over the impacts on water quality, we believe that the impacts of overall water quantity in the region will be of far greater import. We therefore repeat our request to ensure that a detailed study of these impacts be included in the consultant's terms of reference. In fact, any study that does not properly consider impacts on water supply quantity would effectively be considered worthless to the Regional District of North Okanagan.

In your response to us you questioned our interest in this matter. Our reasons for this interest are as follows:

- 1) We remain concerned over possible development of Crown Lands around our reservoirs. While the proposed study is not intended to be used for additional lots on reservoirs of NORD water utilities, we do not have any guarantees that this would not occur in the future. If the Province of B.C. can guarantee in perpetuity that it will not be developing any property around our water supply reservoirs, we would have a diminished interest in this matter. In the absence of any such guarantee, please accept that our interest in this matter is legitimate.
- 2) We have submitted an application for a licence reserve on Okanagan Lake. Should there be future water quantity problems with upland reservoirs that would impact demands and supplies on Okanagan Lake, the Regional District's interests would be directly impacted.
- 3) The Regional District is interested in this matter as it is in any matter that could affect the region as a whole. The Regional District feels that the legitimate

MEMBER MUNICIPALITIES:

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DISTRICT OF COLDSTREAM
CITY OF ENDERBY

VILLAGE OF LUMBY
TOWNSHIP OF SPALLUMCHEEN
CITY OF VERNON

ELECTORAL AREAS:

B SWAN LAKE
C B.X. DISTRICT
D LUMBY (RURAL)

E CHERRYVILLE
F ENDERBY (RURAL)

concerns of water purveyors in the region have not been given due consideration. As a water purveyor in the Okanagan, the Regional District has a shared interest when such an issue occurs.

Recognizing our legitimate interest in this matter we thank you for your thoughtful consideration of our concerns and look forward to being part of the consultation process as the study proceeds.

Yours very truly,

Stan Field, Chair
Regional Board



REGIONAL DISTRICT OF NORTH OKANAGAN

9848 ABERDEEN ROAD, COLDSTREAM, B.C., V1B 2K9

Phone: (250) 545-5368

Fax: (250) 545-1445

Email: info@nord.bc.ca

OFFICE OF : COMMUNITY AND INFRASTRUCTURE SERVICES

412812003

OUR FILE No.: 5617.7.09

Land and Water BC Inc.
Land Management Division
3rd Floor, 145 – 3rd Avenue
Kamloops, B.C.
V2C 3M1

Attn: Bob Brodie
Senior Land Officer

Dear Sir:

RE: Sale of Crown Leases

The issue of sale of Crown leases is of such importance that a response to your email of April 8th is required.

First of all, your use of such words as "offensive" and "disturbing" would indicate a debate that is more personal than it should be. I deeply regret this as I mean you no ill will whatsoever. Rather, I sympathize with your position in having to carry forward a task that is so overwhelmingly opposed by water purveyors, local and regional governments, and medical health officers alike.

LWBC has, until recently, taken the position that it had clear marching orders to proceed with this initiative. It appears that this study is being undertaken as a reaction to the overwhelming opposition. The consulting community are aware of this, making it difficult for them to provide subjective yet unbiased reporting on this issue. This does not mean they have been "bought off". Rather, it means that the process should be handled by a party that is seen to be free from any stake in the study outcome. This includes the water purveyors as well as LWBC.

I understand that you are disturbed that we would not change our opinion if the study did not reveal the negative impacts of the lot sale proposal. Unfortunately, for many of us in the water supply industry, the evidence of this is so compelling, we do not see the need for any study to confirm this. I am advised that virtually all of the participants in the meeting of March 26th were opposed to the sale. I understand that there was a willingness to advise on the study terms of reference only because it was felt the study may convince your political masters of the problems

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"F" ENDERBY (RURAL)

Page 70

this initiative will create. I also note that the meeting was **not** targeted to all water suppliers and health officials.

I will attempt to explain why I am convinced that the study, if done correctly, will show that this initiative will be detrimental to the Okanagan Valley water supply both from a quality and quantity perspective.

I am convinced that the sale of the lots will seriously affect the water quality of these reservoirs. It is true that depending upon the size of the reservoirs, their unique situations and the number of lots sold, impacts will vary. Nevertheless, all will either see direct negative quality impacts or face elevated risk of contamination. There has already been a clear link established between human activity around the reservoirs and e-coli contamination. There is substantial evidence that lot sales change the level of activity around the reservoirs. Uses may change from summer cabins to year round homes. Investments on the property will substantially increase. With these investments come additional risk of contamination from much higher cumulative septic loading (will you be able to regulate the pumpouts of septic tanks as they fill or the repair of tile fields if they foul?) from fuel storage from vehicles, boats, snowmobiles and permanent heating systems, from phosphorous loading from fertilizers used in landscaping, from siltation caused by increased road, driveway and property use, and from foreshore construction. All of these activities contribute either to contamination risk or eutrophication. Eutrophication leads to algae growth, taste and odour in water supplies, toxicity and fouling of treatment systems. While there may not be specific studies regarding the sale of leased properties, evidence of these changes abounds. Water purveyors are opposed to these sales because they are able to connect the dots between the various bodies of evidence. (The study terms of reference will have to allow the consultant to connect these same dots.) Information on these issues can be obtained from the B.C. Lake Stewardship Society or the Living by Water Project. The Water Supply Association has made reference to the studies linking human use with e-coli contamination.

While the immediate or short term impacts on water quality are serious, it is my opinion that they will pale in comparison to the long term issue of water quantity. The combined impacts of population growth and climate change are leading inexorably to a water crisis sometime this century. Any initiative that fetters or has the potential to fetter water suppliers' ability to maintain or increase supplies must be seen as shortsighted. While technology and money can solve water quality problems, it will not create more water. It is for this reason that water supply quantity should be a key component of the study terms of reference.

You asked what interest NORD has in this issue. NORD does not have a direct interest in Bouleau Lake as it is not a water supply reservoir for any NORD utilities. We are uncertain if it supplies any water for separate private water utilities or improvement districts over which we have no jurisdiction.

Our interest in this issue is two-fold. First, if LWBC can change leases to fee simple lots on reservoirs, by extension what would prevent LWBC from developing new leased or fee simple lots on the reservoirs we have on Crown Land that are vital to the Regional District's water supply?

Secondly, the Regional District has applied for a license reserve on Okanagan Lake. Should there be future water quantity problems with upland reservoirs that would impact demands and supplies on Okanagan Lake, the Regional District would be directly impacted.

Bob, it is because I am hopeful that LWBC will convince your political masters that they should not proceed with this initiative, that I am responding to you in such a forthright manner. I look forward to continued open and upfront communication with you as the process continues.

Yours very truly,

Michael A. Stamhuis, P. Eng.
General Manager, Community and Infrastructure Services

MAS/lm

cc: Bruce Wilson – Water Supply Association of B.C.



REGIONAL DISTRICT OF NORTH OKANAGAN

9848 ABERDEEN ROAD, COLDSTREAM, B.C., V1B 2K9
Phone: (250) 545-5368
Fax: (250) 545-1445
Email: info@nord.bc.ca

OUR FILE No.: 5617.7.09

April 16, 2003

The Honourable Stan Hagen, MLA
Minister of Sustainable Resource Management
P.O. Box 9054, Stn Prov Govt
Parliament Buildings
Victoria, B.C. V8W 9E2

Dear Mr. Minister:

RE: Water Quality Study – Sale of Crown Leases on Drinking Water Reservoirs

The Regional District has received draft Terms of Reference for a study on the impacts of the proposed sale of Crown leased lots on a number of drinking water reservoirs. The Terms of Reference are focussed on water quality issues and indicate that prospective consultants would only review water quantity issues as a secondary consideration, if funds and time are available.

While the Regional District is very concerned over the potential impact of the sale of these lots on water quality, it is recognized that the combined effects of climate change and population growth will inexorably lead to a water supply crisis in the Okanagan Valley. The large valley lakes are approaching fully subscribed status.

It will therefore be necessary to look to the upper reservoirs for additional supplies in the future. Any land use change that fetters the ability of water suppliers to either enhance or maintain their supply capability would seriously exacerbate water shortages. We believe that the impacts on water supply capacity could be so serious as to render the water quality issue insignificant by comparison.

Please ensure that impacts on water quantity form an integral component of the study.

Thank you for your thoughtful consideration of this matter.

Yours truly,

Stan Field, Chair
Regional Board

MEMBER MUNICIPALITIES:

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DISTRICT OF COLDSTREAM
CITY OF ENDERBY

VILLAGE OF LUMBY
TOWNSHIP OF SPALLUMCHEEN
CITY OF VERNON

ELECTORAL AREAS:

"B" SWAN LAKE
"C" B.X./SILVER STAR
"D" RURAL LUMBY

"E" CHERRYVILLE
"F" RURAL ENDERBY

Your File: 412241

September 11, 2002

Honourable Colin Hansen
Minister of Health Services
Box 9050, Stn Prov Govt
Victoria, B.C.
V8W 9E2

Dear Honourable Minister:

**RE: Response to July 11, 2002 letter regarding Proposed Sale of Crown Leases on
 Drinking Water Reservoirs**

We received the attached response from Kersteen Johnston, Executive Director of the Health Protection Planning Division of your Ministry. We find the contents of the letter extremely disappointing. Anyone carefully reading our letter would immediately realize that a response that speaks merely to sewage disposal is woefully inadequate. Impacts on drinking water quality go well beyond sewage disposal.

As it is your Ministry that will be the lead Ministry in implementing the Province's Drinking Water Action Plan, we naturally assumed that you would share our concerns. Suggesting that we work closely with Land & Water B.C. staff does not provide us with any assurance that our concerns will be understood, let alone taken seriously.

We hope that you will re-examine our letter and ensure that the Province's treatment of this matter is consistent with its purported vital concern over British Columbia's drinking water quality.

We look forward to a further response regarding this matter.

Yours very truly,

Bruce Wilson
Chair, Water Supply Association of B.C.

cc: Kersteen Johnston, Executive Director, Health Protection Planning Division

YOUR FILE No.: 68811

OUR FILE No.:

September 11, 2002

Honourable Joyce Murray
Minister of Land, Water and Air Protection
Parliament Buildings
Victoria, B.C.
V8V 1X4

Dear Honourable Minister:

**RE: Response to July 11, 2002 letter regarding Proposed Sale of Crown Leases on
Drinking Water Reservoirs**

We received your response to our letter and are very disappointed, especially considering that your Ministry will be taking a lead role in protecting drinking water sources.

If you have clearly understood the validity of our concerns and if you truly “appreciate the importance that all British Columbians place in safeguarding drinking water”, you would do much more than simply refer our letter to Minister Stan Hagen. We had anticipated that you would take a leadership role in ensuring that this proposal is quashed.

We look forward to receiving a new response outlining clearly what actions you plan to take to ensure that our drinking water reservoirs are protected.

Yours very truly,

Bruce Wilson
Chair, Water Supply Association of B.C.

APPENDIX 3

REPORTS

DATE	AUTHOR	TITLE	PAGE
Oct-07	Integrated Land Management Bureau	Okanagan Reservoir lakes Lease Lots Steering Committee Results and Future Considerations	76
Jun-07	Okanagan Basin Water Board	Ramifications of Land Act Reserves	83
Feb-04	Water Supply Association of BC	A Review of the Report	93

**Okanagan Reservoir Lakes Lease Lots Steering Committee
Results and Future Considerations
October 16th 2007**

1.0 Introduction

This document summarizes the results and conclusions of the Okanagan Reservoir Lakes Lease Lots Steering Committee initiative. It includes a brief background on the Committee, including the highlights from its work, and the conditions developed through the committee's deliberations that the Integrated Land Management Bureau will apply to any future sales of lease lots on the relevant lakes. It also provides an outline of the process that is anticipated to be followed to implement the conditions. Additional information related to the steering committee, such as the consultant reports prepared for it and the minutes of its meetings can be obtained from ILMB in Kamloops (contact Caryn Stroh, caryn.stroh@gov.bc.ca).

2.0 Background

The Okanagan Reservoir Lakes Lease Lots Steering Committee was convened in March of 2006 to provide a forum for discussion between the Integrated Land Management Bureau and key interested parties with respect to the potential sale of recreational lease lots on high elevation reservoir lakes in the Okanagan. The committee included representation of the three Regional Districts (CORD, OSRD, NORD), the Water Supply Association of BC, the Interior Health Authority, the Cottage Lot Owners Association and the Integrated Land Management Bureau. The Steering Committee met 11 times between March of 2006 and October of 2007. In addition, the committee undertook multiple field trips to the different reservoir lakes to view the actual properties and the range of different physical circumstances they are situated within. A total of 20 reservoir lakes and 163 properties were considered by the committee (see attached list).

Highlights from the Steering Committees work include:

- Agreement on a Discussion Framework that set the context for the discussions and included:
 - a menu of options for how the risks to water quality and quantity associated with the use and occupancy and potential sale of the lots could be managed and
 - potential strategies to reduce water quality and quantity risks from other sources that could be linked to the sales if they were to occur. (Framework is attached)
- Agreement on a vision for the lakes that they remain in the semi-wilderness state that currently exists.
- Agreement on a draft Cottage Lot and Conservation Land bylaw for CORD that will (once it is passed) limit development activity, including building size, in keeping with the vision. This bylaw is relevant regardless of whether or not the leases are sold, as the existing leases can and are being developed leading possibly to development patterns that are inconsistent with the vision.
- Exploration of potential applications of the options in the Discussion Framework to specific lake complexes. For example, the committee has explored an option in the McCullough complex that includes:
 - establishment of a land reserve to limit further development around the lake;
 - establishment of a regional park to increase recreational management capacity on and around the lake;

- moving two lots that are close to the shore with ground water just beneath the surface during high water;
- construction of strategic fencing near the lake to reduce cattle access to the lakes; and,
- implementation of the proposed rural cottage lot and conservation land zoning bylaw.
- Completion of a study by Summit Environmental Consultants Ltd. (Vernon BC) of the range of risks associated with the use, occupancy and development of the recreational lots and potential mechanisms that can be used to manage and reduce those risks.
- Completion of an overview study by Oland Engineering Ltd. (Lake Country BC) of the potential to locate sustainable septic disposal systems on the lots (the majority have pit privies at the present time).
- Discussion of a practical set of conditions arising from all the work of the committee that ILMB will adhere to when it considers the sale of any of the lots. These conditions are set out below.

3.0 CONDITIONS/CONSIDERATIONS in the Sale of Lease Lots.

The following conditions will apply to the consideration of sales of the lease lots on the high elevation reservoir lakes in the Okanagan. These conditions will apply over and above any conditions that may arise through the normal referral process which addresses the full scope of public interests and any potential implications for the interests of First Nations.

1. Lots may be relocated in the vicinity of the same lake and/or expanded as needed to reduce risk to water quality and to maintain options for future expansion of the reservoir lake capacity. Boundary adjustments or relocations will be developed through Conditions 2 or 4 (below) either by ILMB or as a proposal from the leaseholder.
2. Lots that limit realistic reservoir expansion options will not be sold unless the boundaries are adjusted to eliminate the limitation.
3. Lots that are sold will have a building site that complies with the Riparian Areas Regulation, applicable Building Code, and sewage regulations.
4. Lots will only be sold if:
 - a. there is a plan for sustainable type 1 septic disposal system certified by a qualified professional (including an alternate field location in the event of field failure) in keeping with the spirit and intent of the subdivision guidelines; or,
 - b. there is a plan certified by a qualified professional for a septic disposal system that will service multiple dwellings with a plan to develop and maintain the system that is acceptable to the Interior Health Authority; and
 - c. existing sources of potential contamination identified by the qualified professional used in Conditions 4a or 4b (above) (e.g. a pit privy located too close to the lake) are addressed (e.g. problem pit privy is moved).
5. ILMB will support local government zoning around the reservoir lakes in keeping with the results of the steering committee discussions (e.g. draft Cottage Lot & Conservation Land Bylaw) including communicating that support to the relevant provincial agency decision makers.

6. ILMB will place a Land Act Reserve (100m to 250m wide) around lakes to the foreshore where lots are sold to limit further development and enhance protection of the watershed area.
7. ILMB will support Local Government applications for management tenures and other management mechanisms to increase local government capacity to protect water quality (e.g. a works permit to undertake stewardship activities like clean up of debris or vegetation management, a watershed protection service area, or the provision of a lease/licence to establish a regional park).
8. ILMB will invest in, as an inventory development cost, practical strategies that will reduce risks to water quality from other users and sources, e.g. fencing to keep cows out of the reservoirs, recreation management.
9. ILMB will place a covenant on the title of lots to be sold in favour of the local water purveyor or relevant local government, to secure commitment to sustainable management as articulated in the draft Cottage Lots bylaw and to ensure sustainable sewage disposal. If the purveyor is ever privatized, the covenant will revert to the relevant regional district or municipality.
10. ILMB will include applicable water purveyors in the referral process for any lots considered for sale.

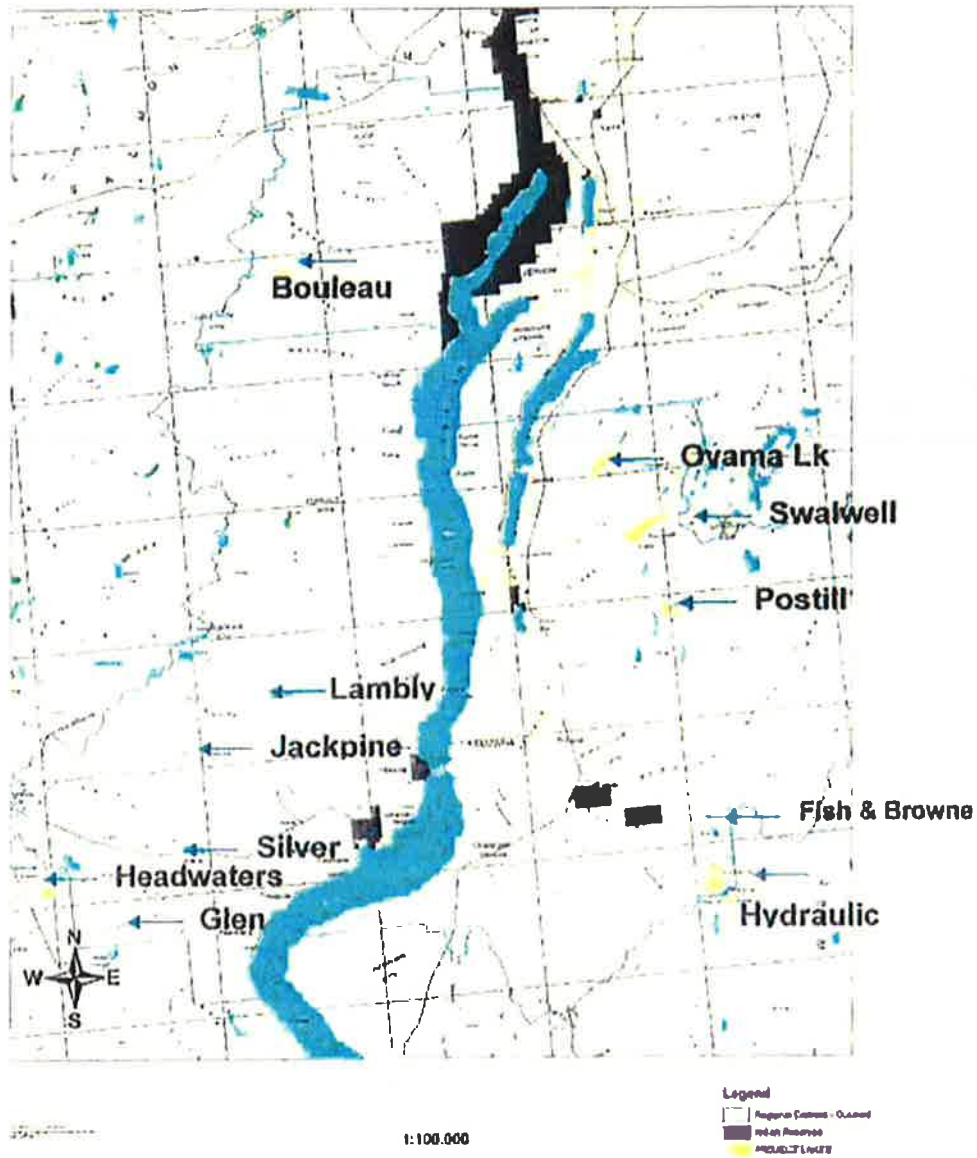
4.0 Implementation Process STEPS

The following steps are anticipated to be taken in considering lease lots sales in order to implement the conditions set out above.

1. Lease lot owners will be notified of the conditions for consideration of sale, be updated on the results of the process described above, and asked to indicate their interest in purchasing.
2. ILMB will initiate an assessment and the actions required of the property related to *Condition 2* (reservoir expansion), *Condition 3* (RAR) and *Condition 9* (covenants).
3. Subject to the results of *Step 1* (above), ILMB and/or the lot owners will initiate the assessment and the actions required as defined in *Condition 4* (Septic Disposal System).
4. ILMB will assemble a referral package that will include the information arising from *Steps 2 and 3* and circulate the referral package to relevant provincial agencies, local governments, First Nations, the Water Purveyors, and other relevant agencies as per the normal referral process.
5. Once the referral process is complete and obligations to First Nations have been met, ILMB will engage in negotiations with the lease holder on a price for the sale of the property.
6. In conjunction with the referral process, ILMB will coordinate meetings with local government, purveyors and other interested parties to determine how best to implement *Condition 6* (land reserve), *Condition 7* (local government tenure), and *Condition 8* (other risk strategies).
7. If the sale is going to proceed, ILMB will implement the results of discussions related to conditions 6, 7, and 8.

	Cabin descriptions
1. Bouleau	13 lease lots not including an institutional lease (church camp); one close to lake others setback to 20m, not a reservoir lake, Downstream licenses
2. Lambly/Bear	Commercial resort
3. Jackpine	Commercial resort 50 m from lake
4. Rous	1 lease lot, not a reservoir lake; considered only for zoning purposes
5. Petersen	3 lease lots, not a reservoir lake; considered only for zoning purposes
6. MacDonald	1 lease lot, not a reservoir lake; considered only for zoning purposes
7. Headwaters (3 lakes)	41 lease lots including 1 commercial lodge, majority of cabins are setback but some are close to shore some septic fields
8. Crescent	1 lease lot, setback 30m from lake, considered only for zoning purposes
9. Whitehead	1 lease lot, setback beyond road; considered only for zoning purposes
10. Glen Lake	4 lease lots, one close to lake others set back or down main road
11. Silver Lake	7 lease lots, various setbacks 20+m from lake, Commercial resort on private land
12. Minnow	3 lease lots, 20m+ from lake
13. Finlay Creek	1 or 2 recreational lease lots at Eneas Creek, not addressed or investigated; considered only for zoning purposes
14. Chute Lake	14 lease lots; most cabins set back beyond the KVR
15. Pear Lake	4 lease lots. Drains south, not a reservoir lake, used to be pumped into reservoir system
16. Haynes	2 lease lots setback 30m to 40m from lake with road between cabins and lake.
17. Hydraulic (McCulloch)	2 lease lots at the lakeshore. Commercial resort on private land.
18. Fish Lake	6 lease lots; - 4 20+ ft setback, 2 cabins 120+ ft setback, large lots, all buildings setback from the lake
19. Browne	9 lease lots; setback more than 15m from lake with road between lake and lots
20. Postill	Commercial Resort with 15 cabins
21. Green (Twin)	1 cabin associated with Postill Lake Resort; considered only for zoning purposes
22. Beaver (Swalwell)	26 lease lots plus 1 commercial resort, 6 within 30 ft of lakeshore, most setback 100 to 300 ft some septic fields, resort with septic field
23. Crooked	15 lease lots, most setback 100 to 150 ft., 1 septic field
24. Dee	49 acre Commercial resort with approx 30 cabins at the lakeshore; septic system
25. Oyama	14 lease lots including 1 commercial resort; most cabins setback 15m + from lake.
26. Loch Long	1 lease lot, not addressed or investigated in consultant studies; considered only for zoning purposes

OKANAGAN RESERVOIR LAKES PROJECT



**Discussion Framework
Okanagan Reservoir Lakes Lease Lots
September 5th, 2006
Final**

This framework identifies potential strategies to reduce the risks to water quality on reservoir lakes in the Okanagan where there may be sales of recreational leases that could also pose a risk to water quality. Some of the strategies relate directly to the lots themselves while others address alternate risk sources. The purpose of the discussions and negotiations is to identify ways and means to reduce the risk to water quality now and in the future should any sales proceed. A number of the strategies can be implemented irrespective of any sales and the discussions are therefore also serving to help identify these as potential actions that can improve the prospects for maintaining water quality into the future. The identification of a set of strategies that would (in the opinion of the participants) be acceptable to mitigate against any future sales of lease lots does not constitute a decision by the Province to sell any lots, and it does not fulfill all the requirements for assessment and consultation that the Province would incorporate into the consideration of such sales (e.g. consultation with First Nations). An acceptable set of mitigating strategies for a particular lake and lot(s) would constitute the basis upon which the Province would consider sale of the lots and proceed with the necessary assessment and consultation.

1. Lot Specific Strategies

- a. Waste water management
 - i. Expand parcel size to 1 ha or greater or provide additional lands for the purposes of waste water disposal (septic fields) in the event that pressurized water is introduced to cabins which would necessitate waste water treatment.
 - ii. Limit use of septic fields by requiring composting toilets, or other low impact technologies.
 - iii. Integrate properties into strata's (or other arrangements) with single treatment systems.
- b. Relocate or realign the parcel boundaries to reduce risks to water quality and riparian area and to facilitate waste water treatment.
- c. Limit building size or use patterns to reduce demand for waste water treatment and maintain rustic/wilderness atmosphere at lakes (see Regional District Zoning below).
- d. Establish riparian management guidelines for waterfront properties.
- e. Keep houses within families or provide first right of refusal to irrigation districts to purchase properties.
- f. Ensure reservoir management and expansion options are maintained.
- g. Do not proceed with sales.
- h. Cancel leases with a long period of notice and provincial compensation to the tenants (e.g. free rent period)

2. Regional District and Crown Land Zoning

- a. Parcel and housing zoning to limit parcel size, frontage, setbacks, coverage, # and height of buildings etc.

- b. Conservation land zoning to limit further development outside of existing parcels and provide direction for recreation management including location of infrastructure.
 - c. Commercial recreation zoning to provide direction to the type and extent of commercial recreation development.
 - d. Regional Park establishment to enhance recreation management.
 - e. Land reserve zoning to eliminate further alienation of crown lands around lakes.
 - f. Amendments to the LRMP to provide further direction to other resource users -- e.g. forestry and range to reduce potential impacts.
- 3. Recreation Management Strategies
 - a. Limit types and location of water based recreation
 - b. Eliminating or reducing wilderness type camping in favor of designated sites with appropriate infrastructure.
 - c. Limiting the size and type of outboard motors (e.g. electric, 4 stroke).
- 4. Cattle Management Strategies
 - a. Provision of funds for fencing in strategic locations to reduce impacts from cattle access to the lakes and direct tributary streams (note requires maintenance commitment)
 - b. Providing direction to grazing management plans to reduce cattle numbers around and in the lakes.
 - c. Provision of funds for construction of water sources removed from the lakes and or tributary streams as an alternative water source for cattle (note requires a water license).
 - d. Realigning range tenures to establish a buffer around the lakes.
 - e. Establish other arrangements with licensees to reduce potential impacts.
- 5. Forestry Management Strategies
 - a. Providing planning direction (by way of LRMP amendment or other means) to reduce the potential impact of forest development on the lake.
 - b. Establish other arrangements with licensees to reduce potential impacts.
- 6. Mining Management Strategies
 - a. Make application for a Mineral Claim Registration Reserve on the reservoir lakes including a buffer around them.
- 7. Water Quality Management and Protection Strategies
 - a. Provision of resources to undertake risk assessments and management plans in support of source water protection from all potential risk factors
 - b. Provision of resources to develop treatment facilities and to separate domestic and agricultural water.

MEMORANDUM

File No.0125.01

To: Okanagan Basin Water Board
From: Inge van Oostveen
Date: August 30, 2007
Subject: Ramifications of Land Act Reserves

Staff was asked to prepare a report on the various Land Act Reserve tenures, the ramifications of such Reserves, and their effect on existing tenures.

Land Act:

Issuance of Leases & Sale of Crown Land

2.1.5 Lease (Section 22)

A lease should be issued where long term tenure is required, where substantial improvements are proposed, and/or where definite boundaries are required in order to avoid land use and property conflicts. A legal survey will be required at the applicant's expense to define the tenured area.

The tenure holder has the right to modify the land and/or construct improvements as specified in the tenure document. The tenure holder is granted the right to exclusive use and enjoyment of the area. The tenure holder also has the right to exclude or charge the public for use of the land and/or improvements, when this is consistent with the terms of the lease. The lessee may, in accordance with section 65 of the *Land Act*, take legal action against trespassers to the lease area.

The standard term for a lease is 30 years. A maximum term of 60 years is available in some land use programs.

Leases of area over 520 ha must be approved by the Minister of the authorizing agency.

In most cases, tenure holders may apply for a tenure replacement at any time following the mid-term of the tenure. Replacement of tenures is at the authorizing agency's discretion. The authorizing agency may decline to replace a tenure, or may alter the terms and conditions of a replacement tenure, if the existing tenure is not in good standing, if development contemplated in an approved management plan has not been completed, or where it is deemed to be in the public interest.

2.2 Sale

2.2.1 Crown Grant

Fee simple dispositions, or sales of Crown land, are made either under the *Land Act* (restricted to Canadian citizens and permanent residents) or the *Ministry of Lands, Parks and Housing Act*.

Crown grants to any individual or corporation for more than 520 ha, except for commercial, industrial, railway, or airport purposes (*Land Act* section 20(2)), must be approved by the Minister of the authorizing agency.

Fee simple disposition of Crown land conveys surface rights only. This includes the right of the land owner to any sand and gravel, earth, soil, peat and marl and construction rock on the land. Rights to sub-surface resources (e.g. minerals, petroleum and natural gas) as well as water resources are retained by the Crown (*Land Act* section 50). A disposition of Crown land will also require payment to the government for the value of the timber on that land.

2.2.2 Lease purchase

Some Crown Land programs allow the conversion of *Land Act* tenures to private ownership.

Reserves

Administrative Instruments to Prevent Alienation of Crown Land

2.4 Reserves, Withdrawals and Transfers

Reserves, withdrawals and transfers are carried out through a variety of administrative instruments. Administrative instruments are formal legal mechanisms, or informal administrative measures, employed by the province to provide for the optimal management or use of Crown land. Administrative instruments include written procedural agreements between agencies; mechanisms used to reserve, withdraw, designate, or record an interest in Crown land; as well as devices used to transfer Crown land and/or the authority to manage Crown land to other agencies.

2.4.1 Reserves

Federal and provincial government agencies and government corporations may apply for the establishment of reserves over high value sites required for public purposes, including research and education. Reserves may authorize a government body to place, construct, maintain or operate any works, structures or other improvements on the reserved land.

Order in Council Reserve (Section 15)

An Order in Council (O.I.C.) reserve is established by authority of the Lieutenant Governor in Council in order to withdraw Crown land from disposition in recognition of a specific value or attribute. It is established pursuant to Section 15 of the *Land Act*. An O.I.C. reserve is an absolute reservation during its term and can be cancelled or amended only by another Order in Council.

An O.I.C. reserve is used in special circumstances where a temporary withdrawal (Section 16) is insufficient to safeguard an acknowledged public interest or concern. Such circumstances include, but are not limited to, the following:

- the resource or potential use of the land is unique, critical, or has provincial or regional significance which should be conserved over the long term;
- long term conservation or maintenance of future options on the land is in the public interest.

An O.I.C. reserve is established for a specific term, with a minimum term of 5 years.

Map Reserve (Section 16)

A map reserve is a withdrawal from disposition, established by the authorizing agency on behalf of the Minister, to temporarily withdraw or withhold Crown land from alienation for all purposes under the *Land Act*. It is established pursuant to Section 16 of the *Land Act*. A map reserve can be established to suit a variety of circumstances, including:

- to permit agencies to undertake operational planning and/or to facilitate market development for a specified use;
- to provide temporary protection of the land base and its resources from use and development; and

EFFECTIVE DATE: August 16, 2004
AMENDMENT NO: 1 (October 21, 2005)

FILE:
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- to permit the province to temporarily maintain options on the future use of the area
- to authorize a government body to use the land for public purposes.

A map reserve is established on Crown land within or outside a municipal boundary for a specific term, with a maximum term of 5 years.

2.4.2 Land Act Designation (Section 17)

Conditional withdrawals can designate a portion of Crown land for a particular use or for the conservation of natural or heritage resources. In this case, the land is withdrawn from dispositions under the *Land Act* except for the designated use(s) and any compatible use(s). Uses identified as compatible or associated with the designated use may be authorized by the province, subject to the specifications of the notice used to establish the area.

Conditional withdrawals are established pursuant to Section 17 of the *Land Act*. A *Land Act* designation may be amended or cancelled by the Minister of the authorizing agency.

A *Land Act* designation may be established to permit the orderly development of a designated area for a specified use (or uses) through the Crown land application process. They may also be used to implement a planned disposition project (including Crown land planning projects) for a variety of non-forest uses. Examples include:

- intensive agriculture *Land Act* designation;
- controlled recreation (ski) *Land Act* designation;
- commercial development *Land Act* designation.

A *Land Act* designation is normally established for a specific term, with a maximum term of 5 years.

2.4.3 Notation of Interest

A Notation of Interest is a recording on provincial reference maps of an interest in Crown land by another provincial ministry or agency. It is not a reserve, withdrawal or designation under the *Land Act*, and does not preclude the acceptance of land applications or disposition of Crown land.

A notation of interest may be used to ensure referral of land applications to agencies or ministries whose mandate, programs or interests dictate a concern with the nature, extent and/or conditions associated with Crown land disposition in a specific area. It may also be used to ensure the involvement of such agencies in planned disposition projects. A notation of interest may be recorded over an area for which a crown land planning project is proposed or has been initiated, in order to bring the planning project to the attention of relevant provincial staff. A notation of interest can also record such long term interests in Crown land as the location of trails, timber sale areas, grazing licences and woodlot licences.

A notation of interest-short term has a maximum term of 2 years, while a notation of interest-maximum term has a maximum term of 5 years.

Leases – 1979 to present

	Purpose	Provisions	Lease Payment	
1979	A Summer Cabinsite – Personal I (b)	Permittee must <ul style="list-style-type: none"> • submit a plan prior to cutting timber or erecting buildings . • repair all damage, except ordinary wear and tear, to roads, trails, irrigation ditches and other improvements on Crown land that results from his use of the permit area 	\$30	Special Use Permit (SUP) Ministry of Forests Yearly permit, renewed annually
1982	Article I: To use and occupy it for non-commercial recreational purposes	<ul style="list-style-type: none"> • To observe, abide by and comply with all laws, by-laws, orders, directions, ordinances and regulations of any competent governmental authority in any way affecting the Land and improvements situated thereon, or their use and occupation • Not to use or occupy the Land for any purpose not permitted under Article 1 • Not to commit or suffer any willful destruction on the Land or do or suffer to be done thereon anything that may be or become a nuisance or annoyance to Owners or occupiers of adjoining land 	\$130	Licence of Occupation – SUP Conversion – Recreational and Residential Ministry of Lands, Parks and Housing 5-year term
1986	Article I: Personal recreational use	<ul style="list-style-type: none"> • To observe, abide by and comply with all laws, by-laws, orders, directions, ordinances and regulations of any competent governmental authority in any way affecting the Land and improvements situated thereon, or their use and occupation • To keep the Land in a safe, clean and sanitary condition satisfactory to the Lessor, and on written notice from the Lessor, to make safe, clean and sanitary any portion of the Land or any improvements that, in the opinion of the Lessor, contravenes the provisions of this covenant. 	\$200	Lease – Recreational Lot Ministry of Lands, Parks and Housing 15-year term

1998	Article I: Personal recreational use	<ul style="list-style-type: none"> • To observe, abide by and comply with all laws, by-laws, orders, directions, ordinances and regulations of any competent governmental authority in any way affecting the Land and improvements situated thereon, or their use and occupation • To keep the Land in a safe, clean and sanitary condition satisfactory to the Lessor, and on written notice from the Lessor, to make safe, clean and sanitary any portion of the Land or any improvements that, in the opinion of the Lessor, contravenes the provisions of this covenant. • Not to commit or suffer any willful destruction on the Land or do or suffer to be done thereon anything that may be or become a nuisance or annoyance to Owners or occupiers of adjoining land • To use and occupy the Land in accordance with the provisions of this lease and any Special Proviso Schedule 	\$3990	Lease – Recreational Lot Ministry of Environment, Lands and Parks 15-year term
2003	Section 2.1: Personal recreation purposes	<ul style="list-style-type: none"> • To observe, abide by and comply with (i) all applicable laws, bylaws, orders, directions, ordinances and regulations of any competent governmental authority in any way affecting the Land and improvements situated thereon, or their use and occupation and (ii) the provisions of this Agreement • In respect of the use of the Land by you or anyone you permit to use the Land, keep the Land and the Improvements in a safe, clean and sanitary condition satisfactory to us, and at our written request, make the Land and the Improvement safe, clean and sanitary. • Not commit any willful or voluntary waste, spoil or destruction on the Land or do anything on the Land that may be or become a nuisance or annoyance to an owner or occupier of land in the vicinity of the Land • Use and occupy the Land only in accordance with and for the purposes set out in Section 2.1 	\$1500	Lease Ministry of Sustainable Resource Management 15-year term

Ramifications of Land Act Reserves

- No further alienation of Crown land around reservoir lakes.
 - No increase in the number of lease lots on reservoir lakes.
- The property values of lease lots currently in existence are expected to increase.
 - Lease fees are tied to property values.
 - Higher property values will result in higher lease fees.
- Higher property values, coupled with higher lease fees, may provide further incentive for the leaseholder to request the option to purchase, and then potentially sell, the leased lot.
 - The new owner may not follow the same stewardship principles as the original owner.
 - Sale of leased lots transfers ownership to the new owner, which removes the ability of the Lessor to place covenants or conditions on the leases.

Effect of Land Act Reserves on Existing Tenures:

- None.

Other Options:

- Relocation of leased lots to non-reservoir lakes.
- Expropriation: when a public agency takes property for a purpose deemed to be in the public interest, even though the owner of the property may not be willing to sell it.
 - Water Act Section 27
 - Legal fees and compensation
 - Expropriation Act
 - Legal fees and compensation

Elimination of risks due to human inhabitation:

- Creation of Land Act Reserves AND
- Expropriation of current lease lots
 - Under the Water Act
 - Under the Expropriation Act

Management of risks:

- Lease lots
- Private lots
- Other watershed activities:
 - Cattle
 - Forestry
 - Mining
 - Recreation

Summit Environmental

Draft Report

ILMB contracted Summit Environmental to draft a report, whose purpose was “to develop/consolidate mechanisms for preventing risks of hazards to water quality from property development, land use, occupation and activities (e.g. fertilizer use, fuel storage) in the vicinity of drinking water reservoirs in the Okanagan”.

- **Does not address water quality impacts from domestic wastewater and sewage.**
 - Oland Engineering is evaluating septic disposal capacity of leased lots.
- **Implies that lot impacts on water quality are negligible, but does not provide any substantiation.**
 - Does not establish whether existing use and occupancy of the properties is causing a deterioration of water quality
- **Does not present a mechanism for preventing risks of hazards to water quality from property development, land use, occupation and activities in the vicinity of drinking water reservoirs in the Okanagan.**
- **States that leases, by their nature, provide options and control to landlords, while transfer of ownership transfers control to the new owner.**

Risks exist, whether the lots are sold or not.

Reservoir Lakes Committee

A Reservoir Lakes Advisory Committee was established in November 2006 and meets regularly. The Committee includes representation from the Regional Districts, water purveyors, the Interior Health Authority, recreational cottage owners and the ILMB, and members include OBWB Director Toby Pike, Mike Stamhuis, Lloyd Manchester, Brian Guy, Mike Adams, and Elizabeth Sigalet.

Potential Strategies

Reducing the risks to water quality on reservoir lakes in the Okanagan.

1. **Lot-specific**
 - a. **Wastewater Management**
 - i. Expand parcel size to 1 ha or greater or provide additional lands for septic fields.
 - ii. Limit use of septic fields by requiring composting toilets or other low-impact technologies
 - iii. Integrate properties into stratas with single treatment systems, or consolidate treatment systems for multiple properties
 - b. **Lot Relocation**

- i. Relocate or realign parcel boundaries to increase riparian buffer
 - ii. Relocate parcels to non-reservoir lakes
- c. **Bylaws, Ordinances, Lease Terms**
 - i. Limit building size
 - ii. Limit use
 - iii. Further define "personal recreational use"
- d. Establish riparian management guidelines for waterfront properties
- e. Upon lease expiration, offer first right of refusal to irrigation districts or regional districts

2. Okanagan-Shuswap LRMP (Land and Resource Management Plan)

- a. Promotes land use compatible with the objective in both provincial and local government activities
- b. The Okanagan-Shuswap LRMP is an approved strategic land use plan within the Province of British Columbia. The plan area is characterized by rapid population growth, a diversifying economy and unique environmental settings - resulting in a range of interests and potential expectations. In conjunction with other legislation, the plan sets an integrated overall strategic direction for the management of crown lands within the Okanagan/Shuswap (Okanagan TSA).
- c. The plan was developed by consensus among representative stakeholder groups over the period 1995 - 2000 and will be a living 'web based' plan - reflecting the ongoing consideration of research, management and environmental/social/economic expectations. Implementation, featuring public representation, is commencing during 2001.

3. Regional District and Crown Land Zoning

- a. Parcel and housing zoning
 - i. Parcel size
 - ii. Frontage
 - iii. Setbacks
 - iv. Coverage
 - v. Number, footprint and height of buildings
- b. Conservation land zoning
 - i. Limits further development outside of existing parcels
 - ii. Provides direction for recreation management, including location of infrastructure
- c. Commercial recreation zoning
 - i. Provides direction for the type and extent of commercial recreational development
- d. Regional park designation
- e. Land reserve zoning
 - i. Section 15 Order-In-Council Reserve
 - ii. Section 16 Map Reserve
 - iii. Section 66 Prohibition of Use
 - iv. Section 17 Land Act Designation

- f. Land Resource Management Plan (LRMP) Amendments**
 - i. Okanagan-Shuswap LRMP**

4. Recreation Management Strategies

- a. Limit types and location of water-based recreation
- b. Eliminate or reduce wilderness camping in favour of designated sites with appropriate infrastructure
- c. Limit the size and type of outboard motors

5. Cattle Management Strategies

- a. Strategic fencing (funding & maintenance)
- b. Grazing management plans and realignment of range tenures to establish a buffer around reservoir lakes
- c. Provision of funds for construction of alternate water sources away from lakes/streams (requires a water licence)

6. Forestry Management Strategies

- a. Strategic fencing (funding & maintenance)
- b. Grazing management plans and realignment of range tenures to establish a buffer around reservoir lakes
- c. Provision of funds for construction of alternate water sources away from lakes/streams (requires a water licence)

7. Mining Management Strategies

- a. Mineral claim registration reserve on the reservoir lakes?

8. Water Quality Management and Protection Strategies

- a. Provision of resource to undertake risk assessments and management plans in support of source water protection from all potential risk factors.
- b. Provision of resources to develop treatment facilities
- c. Provision of resources to separate domestic and agricultural water

Recommendations:

- Do not sell leased lots.
- Establish Land Act Reserves to prevent further alienation of Crown Land around Okanagan reservoir lakes.
- Strengthen lease conditions.
- Lessor to enforce lease conditions.
- Determine actual impact of leased lots on water quality (Oland Engineering?)
- Employ other risk-reduction strategies.



WATER SUPPLY ASSOCIATION OF B.C.

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A Review of the Report:

Okanagan Reservoir Lake Project

***Prepared by
Lakeshore Environmental Ltd
December 2003***

February, 2004

Foreword

The above referenced report was narrowly distributed December 19, 2003. Land and Water B.C. announced at that time a meeting would be held to discuss the report with the author on January 6, 2004. LAWBC were unable to explain why so few of those who had taken an active interest in the proposed sale of crown lease lands on drinking water reservoirs were provided with the report and advised of the meeting.

The Water Supply Association contacted its directors and a number of interested parties to inform of both the availability of the report and the subsequent meeting. Most of those contacted had not received a copy of the report nor were they aware of the meeting. In addition to the poor distribution of this information by LAWBC, the opportunity to obtain and review the report prior to the meeting on January 6 was hindered considerably by the holiday season.

Despite this late notice, the January 6, 2004 meeting was well attended by many directors from the WSABC and officials from the Regional District of Central Okanagan. Significantly, the Medical Health Officer from the Interior Health Authority, Dr. Bill Moorehead also attended, as did the MLA from Kelowna-Lake Country, John Weisbeck. All who attended the meeting were opposed to the sale of crown leases on drinking water reservoirs, except for LAWBC officials and the author of the report.

The purpose of the meeting was to review the above referenced report. Unfortunately, most in attendance had not had the opportunity to read the report because of the problems mentioned above. A critique of the report had been prepared by the WSA and a number of questions were posed to the author of the report. It quickly became evident that in addition to the many questionable assertions of the report, there were also a number of factual errors. LAWBC acknowledged that these factual errors warranted revision of what to that point had been considered the final report.

The decision was made at the meeting that LAWBC would accept written submissions on the report until mid-February 2004. This review is provided for that purpose. This review also assumes the author of the report will practice due diligence and correct basic errors such as incorrect place names, spelling errors, incorrect organization names and factual errors on issues such as water licensing.

Copies of the *Okanagan Reservoir Lake Project* report can be obtained from the WSA website at www.wsabc.com or from the website of the South East Kelowna Irrigation District at www.sekid.ca. Also available on both these sites are copies of a June 2002 position paper on the association's view towards the proposed sale of crown leases.

The following reviews of the report were provided independently by two authors. They are presented as Part 1 and Part 2. The reviews are used by permission of the authors and have been reviewed and endorsed by the board of directors of the WSABC.

Part 1 was written by Jake Thiessen. Mr. Thiessen is a councilor for the District of Lake Country and his review was originally presented to the Lake Country Municipal Council in January of 2004. Lake Country is a member of the WSABC and has taken a lead role in opposition to the crown lease sale proposal. Mr. Thiessen is a professional engineer

Part 2 was written by Mike Stamhuis. It was originally presented as a letter to Land and Water B.C. and has undergone some revision for inclusion with this submission. Mr. Stamhuis is also a professional engineer. He holds the position of General Manager of Community and Infrastructure Services with the North Okanagan Regional District and is a director with the WSABC.

It should be noted that all local authorities affected by the proposal to sell crown leases on drinking water reservoirs are opposed to this initiative. This opposition is rooted not only in the technical arguments about water quality and supply, but also in the broader long range public policy issues dealing with land use planning and source water management and protection. It is the general view of the WSABC that the sale of these lots is counter to the preservation and safety of the public water supply and counter to the dictates of sound public policy towards the stewardship of our drinking water resources.

Part 1:

District of Lake Country

Review of a report entitled Okanagan Reservoir Lake Project

Prepared by Lakeshore Environmental Ltd.

For Land and Water B.C. Inc.

December, 2003

The District of Lake Country received the Okanagan Reservoir Lake Project report on December 19, 2003. The report is somewhat unusual in that no author(s) are named other than the firm of Lakeshore Environmental Inc.

This review will look at the terms of reference for the study and review the methods, results, conclusions and recommendations of the study. Where the study focuses on specific areas this review will be primarily concerned with the reservoirs that form part of the water supply system for the District of Lake Country.

Objectives and Terms of Reference

The terms of reference and objectives of the study were obtained from Land and Water B.C., Southern Interior Region in Kamloops. The stated objective is to determine the potential impacts, risks and mitigation strategies of the proposed sale of existing recreational and commercial leases on the water quality of 16 Okanagan Reservoir Lakes and to recommend mitigation measures. The purpose of the study was to review the possible sale of the leased lots in an objective and comprehensive manner to determine any potential impacts (positive and negative) that the sale of the leases may have. In reviewing the report provided by Lakeshore Environmental Inc. it is obvious that the purpose and objectives of the study have not been addressed.

Some of the most serious shortcomings are:

1. The literature review section is basically a cut and paste copy of another report entitled Cariboo Regional District /Lakeshore Management Policy Review, dated April, 2003 by Lakeshore Environmental Ltd. Some very significant sections of the Cariboo report have been omitted, notably the standards for lakeshore lots in other jurisdictions. If the same standards were applied to the Okanagan lakeshore lots most of them would fail to meet the standards.

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FORMERLY THE ASSOCIATION OF B.C. IRRIGATION DISTRICTS
Representing the interests of British Columbia's domestic and irrigation water suppliers and their customers

2. A summary of other resources that rely on water quality or quantity from these lakes (i.e. fisheries resources) was to be provided. This summary is not in the report.
3. The terms of reference call for a significant amount of water quality data, including historical records, baseline water quality and samples taken at various times and locations. Water quality samples were only collected three times at monthly intervals in 2003. The report does not present any other relevant data.
4. The report was to provide a methodology that will determine the nature and extent of any contamination related to the use of the Crown leases together with any mitigation strategies. No such methodology or mitigation strategies can be found in the report.
5. The report was to identify both the positive and negative impacts of the sale of leased properties on the water quality of the lakes. No impacts are identified.
6. The report was to provide suggestions for available mitigation measures including restrictive covenants and no build areas. These are not mentioned.
7. There was to be a review of individual leases to determine if they meet health standards and if they do not, identify measures that can be taken to comply. Visual inspections simply determined that most properties have pit toilets and no running water.
8. The contractor was to provide a separate cost estimate and methodology to address which lakes may be considered for increased storage capacity and what impacts the increased storage would have to the existing Crown leases and future land use. There is no mention in the report of increased reservoir storage.

It is noted that Land and Water B.C. budgeted \$50,000 for this contract. In view of the serious shortcomings of the report one can only hope that the B.C. taxpayers did not pay the entire budgeted amount for the study.

2.1 Literature review

The report mentions that numerous studies were completed through Forest Renewal B.C. on such subjects as terrain and channel stability in selected community watersheds in the Okanagan region. It is not clear as to whether the FRBC studies were actually reviewed by the consultant since they are not listed under Section 8.0 References Cited or under selected references in Appendix V.

2.3 Lease Site Investigations

According to the report a large portion of the study consisted of field investigations of all 141 lots. If these investigations were in fact carried out one would expect to see some data on the results of the field investigations. The general statements made in the report leave a lot of unanswered questions:

- What were the distances of properties from water bodies and what is considered to be a safe distance?

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- What are the slopes on which these properties are located?
- What is meant by general assessment of soil? Were any soil samples taken and analyzed?
- What was the relationship between waste disposal and depth to groundwater?
- What was found in regards to existing systems relative to Interior Health Requirements?
- What are the present uses of property and the waste disposal methods for each property?

In view of the serious shortcomings in information provided the reader is left with the impression that the field investigations consisted of nothing more than windshield observations with no real measurements taken or data acquired.

2.4 Water Quality Monitoring

This section begins by stating that the ability to assess the impact of individual residential properties on existing lake water quality using normal sampling methodologies is limited. What follows is a discussion on studies and methods that have been used by others and which have proven to be expensive and inconclusive. The consultant then expresses the opinion that water quality sampling of headwater lakes and watersheds would be useful to indicate existing water quality for use in future trend analysis. Trend analyses are long term by definition and require a significant amount of future data. It is not apparent as to how the limited water quality sampling done in 2003 can be used to determine the feasibility of using conventional septic system setbacks or the need for more stringent requirements.

The report seems to be based on the premise that the existing properties are not impacting the water quality in the lakes. This is not a reasonable assumption. What is known is that human waste is being deposited on the surface or in shallow pits in close proximity to reservoirs that are primarily used for downstream water supplies including potable drinking water. A more reasonable assumption would be that both surface runoff and groundwater move from the properties towards the lakes and carry some of the contaminants into the lakes. The objective should be to minimize human and domestic animal activities next to the reservoirs where these activities have a negative impact on water quality.

3.1 Existing Health Standards

This section presents a strong condemnation of the current system of individual home sewage disposal system regulations and approvals. It makes the case that the Health Act does not take into account the potential for sewage disposal systems to cause pollution of adjacent waters. Essentially, as long as the system operates efficiently and effluent does not surface, the Environmental Health Officer has no authority to consider other pollution effects. If what is stated in this section is true, and there is no reason to doubt it's validity,

there is a very strong case for not allowing any sewage disposal systems adjacent to drinking water reservoirs.

3.2 New On-Site Treatment Methodologies

It is stated that there are several new alternate disposal systems available for use where conventional systems are not allowed nor are feasible. Curiously, the first of these alternate systems described is the mound system which is not new at all since it has been used in the prairie provinces for at least 50 years due to the difficulty of disposing of liquids through conventional septic fields in impervious glacial till soils.

The discussion on alternate systems is pointless since the report does not identify that any of these alternate types of systems exist in the study area. Further, there is no basis for the conclusion that the alternate systems described produce a much better quality effluent than the standard septic tank.

3.3 Lakeshore Guidelines

In this section there is considerable discussion on lakeshore management guidelines that have been developed in a number of different jurisdictions. Within B.C. the areas discussed include the Regional District of Fraser Fort George, Peace River Regional District, Thompson Nicola Regional District and Lake Windermere. Out of province jurisdictions include the State of Wisconsin, the State of Minnesota and the Province of Ontario.

The discussion is mainly a cut and paste copy of the April, 2003 report by Lakeshore Environmental Ltd. entitled Cariboo Regional District/Lakeshore Management Policy Review. What is of serious concern however is that the standards for lakeshore lots in other jurisdictions were deleted from the Okanagan report. Many of the lots in this region would not meet the standards required by other jurisdictions. For example, in the State of Minnesota the standards for sewerer lakeshore lots call for minimum lot sizes of from 15,000 to 40,00 square feet (0.14 to 0.36 ha). For unsewered lots the standard increases to 20,000 to 80,000 square feet (0.18 to 0.73 ha). The Okanagan report identifies numerous lakeshore lots that are as small as 0.07 ha. In spite of this, the statement is repeatedly made that there is no problem either with the existing lots or in meeting standards for future septic systems if they are required.

In spite of the false impressions created by the omission of standards there are several points that can be gleaned from this discussion:

- Most jurisdictions seek to regulate land use within 300 metres of a lake
- There is an effort to control the density of development
- There is a need to create a protective buffer of vegetation along public waterways
- Minimize disturbances to water resources
- Minimize the impact on the environment

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- Parcels must be large enough to support on-site septic disposal systems
- Preservation of water quality is paramount
- Protection of foreshore is important
- Sewage disposal setbacks are prescribed
- Site factors (soils, slopes etc.) are important evaluation criteria
- Recognition that lakes have a limited carrying capacity

One of the most important points is that management attention is needed in addition to guidelines to protect lakes. This is in recognition of the wide gap between recommended guidelines and achieving protection through effective enforcement.

3.4 Okanagan Lakeshore Zoning

Key points of this section are:

- The Okanagan-Similkameen Regional District does not have specific lakeshore development guidelines
- The Central Okanagan Regional District has a specific Foreshore Development Plan for Okanagan Lake
- CORD has no specific foreshore development plans for the remainder of the lakes within the district
- The Okanagan Shuswap Land Resource Management Plan provides direction for the management of Crown land and resources
- The OSLRMP recognizes the value of riparian management and it's implications to the various water resources
- A summary of the OSLRMP is included in Appendix 1. A number of the objectives and strategies included in the plan cover a wide range of issues from riparian integrity to considering public and local government input. A number of these may be directly related to the proposal to dispose of Crown leased lots on the reservoir lakes.

4.1 Lease Site Investigations (District of Lake Country)

With respect to Dee Lake the statement is made that the present impact on the water quality from the Dee Lake Wilderness Resort is limited to silt runoff around the boat launch site and from the construction of the new cabins. The report concludes that proper operation of this resort should not impact the quality of Dee Lake and the outlet channel. There is no data or rationale presented to support these statements.

Crooked Lake is said to have 15 recreational leases all with areas of 0.12 ha located approximately 30-45 m from the high water mark of the lake. It is stated that all of these properties have outhouses and appear to have no grey or black water discharges. Then, the surprising assessment is made that there are presently minimal impacts to water quality from these properties. The reader is left to wonder how anyone can come to such

a conclusion without any soils, topography or water quality data to support it. It must also be remembered that in Section 3.3 the statement is made that most jurisdictions seek to regulate land use within 300 metres of a lake.

Another assessment that boggles the mind is the one that states that there is ample area on these properties to site future septic systems if that requirement becomes necessary. This is in contravention of minimum standards enforced by most jurisdictions. The District of Lake Country Official Community Plan requires a minimum lot size of 1.0 ha where septic fields are used for sewage disposal.

Swalwell or Beaver Lake has 22 recreational leases ranging in size from 0.07 to 0.23 ha in size. There is also one commercial lease encompassing 7.8 ha. Similar comments and conclusions are arrived at for the properties on Swalwell Lake as for the upstream lakes. Again there is no evidence or data to support the statement that there is presently no impact to lake water quality from these residences. The writer seems to be more impressed with the state of riparian vegetation than with what might happen to human waste discharges into surface runoff and groundwater near the lake and how these discharges will impact water quality.

Beaver Lake Resort has approximately 16 cabins, a lodge, a store and extensive campground. It is stated that there are little or no impacts from the services at the resort because of properly sited and permitted septic systems and retention of riparian areas. This statement is in contradiction of Section 3.1 where it was stated that permitting of septic systems under the Health Act does not take into account the potential for a system to cause pollution to adjacent waters.

There are 13 recreational leases on Oyama Lake and one commercial lease. The lot sizes range from 0.07 to 0.12 ha in size. As with the other lakes the conclusion is drawn that the existing leases have minimal impacts on water quality. There is no basis for this conclusion other than the visual inspections.

4.2 Water Quality

Water quality samples were collected three times on a monthly basis at the inlets and outlets of each of the study lakes. At Oyama Lake fecal coliform concentrations ranged from 8CFU/100mL to 190CFU/100mL in September. Total nitrogen concentration was 0.35mg/L and the concentration of total phosphorus was 0.029 mg/L. For the Dee Lake / Crooked Lake / Swalwell Lake chain fecal coliform concentrations ranged from below detectable limits to 9 CFU/100mL at the Crooked Lake outlet in July. Total nitrogen concentrations ranged from 0.35 to 0.62 mg/L and total phosphorus was reported to range from 0.005 to 0.021 mg/L. There is no comment on how these readings compare with Canada Safe Drinking Water Guidelines or what the source of contaminants might be.

Table 2 classifies Oyama Lake as being mesotrophic (0.01 – 0.02mg/L of total phosphorus). The Dee Lake, Crooked Lake and Swalwell Lake chain are all classified as meso-eutrophic (0.02 – 0.035 mg/L of total phosphorus). The source of phosphorus content has not been explained however the comment is made that all of these lakes can be considered tolerable for both drinking water and fisheries uses.

4.3 Watershed Impacts

The Vernon Creek Watershed is designated as a “Community Watershed” under the Forest Practices Code. This means that protection of water quality for drinking water purposes should be paramount. Nevertheless widespread uses for grazing, logging and recreational use are still prevalent in the watershed. It is not clear from data submitted in the report as to which of the uses has the greatest impact on water quality.

The report states that generally speaking, water quality in the lower part of the Vernon Creek watershed was poorer than the upper area and impacts occurred below Swalwell Lake. Fecal bacteria concentrations increased downstream after runoff events and when cattle were observed in the vicinity when sampling indicated overland runoff of fecal material. There was evidence that increase in phosphorus levels was a result of cattle waste or runoff from nutrient rich soils.

While the comments with respect to Vernon Creek below Swalwell Lake may be true these comments do not explain the contaminants that were found in the lakes upstream of Vernon Creek as reported in Section 4.2 on Water Quality.

5.0 Discussion

Most of the preamble is taken up with a general discussion of the various watershed land use impacts on water quality. There is no disagreement with most of the preamble until the generalized statement is made that human pathogens have not been the major problem in lake studies, although the possibility still exists. Firstly, there is no evidence presented to support this statement and secondly, if the possibility still exists then the report should be recommending steps to minimize human waste generating activities in watersheds that are a primary source of drinking water.

According to the authors the main reason for this study was to determine whether the existing leased lakeshore lots were having an impact on water quality. They then proceed to tell us that it is very difficult if not impossible to definitively link changes in water quality to those lots. It was therefore decided that the best way to determine the impact of the existing leases on water quality was to individually assess each property to determine potential impact. No soil test data, depth to bedrock, presence of highly permeable subsurface layers or steepness of slopes was given. The reader is therefore left with the impression that what really occurred was a casual visual observance of the properties

with no measurements taken and no data recorded. This can hardly be described as a scientific basis for reaching the conclusions that are listed in Section 6.0.

The property site investigations showed that most of the cottages are serviced by outhouses and have no running water. What is not clear is how these observations could lead the authors to conclude that the properties are having little or no impact on the water quality of the lakes. Outhouses usually discharge untreated human wastes directly to an unlined open pit. If this pit is located in permeable soils in near proximity to the water table it is highly probable that there will also be a direct link to the lake. This is a more likely source of contamination than the normal septic tank and disposal field system. Similarly, the situation of no running water does not mean that waste and contaminants are not getting into the lake. People still wash dishes, clothes and bodies even though the water has to be transported from the lake or a nearby well. The wastewater is then either dumped in the outhouse or disposed of on the ground surface. Either way, there is a potential for contaminants entering the lake.

The report also states that in the vast majority of cases, there was ample property available to meet Interior Health standards for the construction of septic systems. Given the small lot sizes described in Section 4.1 this statement is unsupportable.

The report expresses a concern about the large number of campers using unregulated camping areas with no services resulting in human wastes being left near lakes and streams. It is also felt that a decrease in services at Forestry Recreation sites or closure of these sites will present a major potential impact to water quality of streams and lakes in these watersheds. The downstream water users are concerned not only with unregulated camping but also with all human activities in the watersheds that are the source of their drinking water. These human activities must be closely regulated and their impacts minimized. Regulation will be more difficult if lease holders become property owners.

6.0 Conclusions

- On-site inspections of lease properties and the way that these inspections were done cannot support the conclusion that the properties are having little or no impact on water quality in the reservoirs
- There is no evidence to support the statement that the majority of properties have sufficient area to site conventional septic systems if required in the future.

7.0 Recommendations

All of the recommendations seem to be based on the premise that a decision will be made to sell the leased properties. The recommendation should have been made to not sell the lots thereby retaining a greater level of control over what happens on the properties.

It is curious that one of the recommendations is that dry wells for effluent treatment be not allowed on lakeshore properties. Throughout the report there are statements to the effect that existing outhouses do not have a negative impact on water quality. What then, is the difference between a dry well and an open pit outhouse?

District of Lake Country Summary and Conclusions

- The report prepared by Lakeshore Environmental does not meet the objectives and purpose of the study as called for in B.C. Land and Water's terms of reference.
- There are serious omissions of standards from other jurisdictions provided in the literature review section. Existing lots would fail to meet these standards if they were applied to the Okanagan reservoirs.
- The water quality samples taken are virtually worthless in determining impacts from existing lease lots.
- There is no soils, topography or other pertinent data provided.
- The report did not identify the potential impacts of the sale of leased properties on water quality of the reservoirs.
- The report does not provide suggestions on available mitigation measures.
- There is no mention of future potential for increased storage in the reservoirs.

In view of the serious shortcomings of this report the District of Lake Country strongly recommends that Land and Water B.C. take no action to sell the lease lots. Sale of the lots would result in further loss of control of the use of these properties and the potential negative impacts that this would have on water quality. This control is critical since the lots are located on the source of drinking water of many downstream residents.

As a purveyor of water the District of Lake Country is held responsible for providing safe drinking water to the water users. It is unfathomable to contemplate how one arm of the Government of B.C. can hold a local authority responsible for safe drinking water while another arm of the same government takes a rather blasé approach to maintaining control over land use on the perimeter of reservoirs that have been created solely for the purpose of water supply. Future demands for water will require that these reservoirs be expanded which will become much more difficult if the lease lots are sold.

Part 2

Excerpt from Letter to Land and Water B.C. Inc.

- 1) In Sections 3.3.5. and 3.3.6. of the report, the consultants make reference to the work done in Wisconsin and Minnesota. The consultants have copied verbatim sections 3.1.5. and 3.1.6. from their April 2003 report to the Cariboo Regional District entitled "Lakeshore Management Policy Review". However, in each of these sections they have deleted the paragraphs outlining actual lot size standards for these states. The omitted paragraphs indicate standards that would NOT be met by the vast majority of the lots proposed for sale. For some reason the consultants fail to mention this fact in their report.
- 2) In Sections 3.4.1. and 3.4.2. the consultants discuss the policies of the Okanagan-Similkameen Regional District and the Central Okanagan Regional District with respect to land use around lakes. Omitted in any part of the discussion is the fact that both Regional Districts have passed resolutions opposing the proposed sale of leased lots. As with the discussion regarding the two states, any discussion around policy not mentioning this must be considered as a serious misrepresentation of the facts.
- 3) In Section 4.1. of the report the consultants discuss the various lakes (reservoirs) and the lots proposed for sale thereon. Typical lot sizes tend to be around 0.12 hectare with some lots as small as 0.07 hectare. There are repeated references to these lots having "ample area for future septic systems." This is interesting because in their report to the Cariboo Regional District, Lakeshore Management recommend "...as a minimum standard for all lakes in the District: ...i.v. continue the Lakeshore Residential zoning minimum parcel size of 0.4 ha (1 acre) and establish a minimum lot width of 45.7m (150 feet) for all lakeshore property within the Regional District." The majority of the lots proposed for sale would not conform to this recommendation from the consultants.
- 4) In the same section of their report to the Cariboo Regional District, the consultants also make the following recommendation: "... iii) Ensure that buffer leave strips are required on all new developments within 250m of a high sensitivity lake to protect water quality and shoreline habitat. A buffer strip of 15 metres is recommended" For some reason, this recommendation is conspicuously absent from any recommendations listed by the same consultant in Section 7 of the Report.

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- 5) In Section 4.1.1. the Report makes reference to Lots 1685 and 1733 on Swalwell Lake as follows: "Lots 1685 and 1733 are more developed and appear to be serviced by septic systems. These properties have poor riparians that have been cleared resulting in siltation problems. Improvements are needed to the riparian areas to alleviate impacts to water quality." Here is direct evidence of more development impacting water quality yet the consultant somehow fails to make the simple connection that fee simple ownership of property will encourage development. This is in spite of the fact that, in Section 9.0 of their report to the Cariboo Regional District, the consultants identify Horse Lake as having 88.2% of total residences classified as permanent, and a reference to another report as follows: "Horse Lake has had a detailed assessment of water quality (Zirnhelt et al, 1997). The report concluded that phosphorus levels may be increasing in Horse Lake....."
- 6) In Section 3.1. of the Report, the consultants repeat verbatim the first three paragraphs of Sections 5.1. of their report to the Cariboo Regional District. What is of concern is the remaining 1½ pages of discussion in the Cariboo Regional District report that the consultants have omitted from this Report. These 1½ pages largely discuss the shortcomings of septic systems and their management, to protect water quality. Given that the discussion of the Report suggests reliance on "Standard Health Branch Inspections" the absence of this section is telling.
- 7) In Section 3.5. of the Report, reference is made to the OSLRMP guidelines and a list of "objectives and strategies that may be related ...". The list is in Appendix 1 and is nine pages long. I have been advised by members of the LRMP Implementation Monitoring Committee that these nine pages list strategies and objectives that appear to be **in conflict** with the proposal. It is interesting to note that in the Text Section 3.5. the statement is made: "However, it is considered important that the listed strategies be reviewed prior to final decisions made on disposition of the leases." Strangely, this is absent from the Report's recommendations.
- 8) In Section 5.2.2. a table shows that the vast majority of the lakes already suffer from some eutrophication, being either mesotrophic or meso-eutrophic. Given that the consultants had a demonstrated awareness of the inadequacy of Health Regulations to protect water quality (Cariboo Regional District Report April 2003) and that they recognize in this section the potential of eutrophication to damage water quality, I cannot understand why they do not strongly recommend against the sale of the majority of the affected lots.
- 9) In their conclusions, the consultants state, "it appears, based on observation and published reports, that other activities in the watershed

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have a much greater chance of impacting water quality in the watersheds.” This statement shows clear bias in two ways. First, in Section 4.3. the consultants attempt to make the case that activities other than human are the main detriments to water quality. Percentages of ecoli generation are provided for humans alone at 7.8% and 15% respectively on Kelowna and Mission Creeks. Somehow the consultants have failed to consider domestic animals as a direct relation to human activity and the fact that their combined contributions are 26% and 28% respectively. This is hardly insignificant. Second, this conclusion carried with it the implication that we should not be concerned about human impact as other quality impacts are worse implies a cavalier attitude towards the issue in general.



Interior Health

October 15, 2002

32900-00

Mr. Jerry Johnson, Land Officer
Land and Water BC
145 - 3rd Avenue - Floor 3
Kamloops BC V2C 3M1

Dear Mr. Johnson:

Re: Proposal to Sell Foreshore Leases on Okanagan Reservoir Lakes

I understand Land and Water BC is proposing to sell off 154 foreshore lease lots in the Okanagan. In at least some cases these lots do not meet minimum standards for on-site sewage disposal. We have been working with the water systems on improving their operations, the quality of which begins in the watershed. The government must understand that losing control of these lots is not an option to consider at this time, especially in light of the new legislation being enacted that will impose greater constraints on our water systems. These requirements will include risk assessments and the creation of watershed plans that must be approved by government.

In their current status as leasehold, permanent, year-round habitation at the lots is not likely (not even with good soil conditions would it be desirable from our point of view). With a lack of potential for more substantial housing, there is little chance leaseholders will spend more than a fraction of the year at their lake frontages. These "automatic" constraints are more effective than a restrictive covenant requiring recreational use only. When leases come up for renewal, the government retains the right to cancel, albeit at some cost in some cases, to reimburse for "improvements". The cost for reclaiming purchased land should watershed problems arise would be far greater. Purchasing these lots back may be an option in the future, with continued concerns over drinking water sources. Further, water shortages may force purveyors to raise their dams, flooding the existing foreshore and rendering these lots unusable.

I strongly urge you to retain the status quo, that is, do not convert these lots to freehold. I am not asking for the government to collapse the leases now or at term. If there is direction to continue along this line, Land and Water BC must understand that this proposal seeks to benefit a few at the expense of many. At the very least, Victoria must forestall this process until promulgation of the new drinking water legislation.

Please contact me at 862-4217 at your earliest opportunity to discuss this matter with me.

Sincerely,

William P. Moorehead, MB, ChB, MSc, FRCP(C)
Medical Health Officer
Interior Health Authority

cc. Norm Clarkson, Manager; Ron Johnston, PHE; Bruce Wilson, Chair, KJWC

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Interior Health

October 30, 2002

32800-06/32900-00

Dr. Perry Kendall
Provincial Health Officer
Room 3002-1810 Blanshard Street
Victoria BC V8T 4J1

Dear Dr. Kendall:

Re: Proposal by Land and Water BC to Sell Foreshore Leases

Land and Water British Columbia Incorporated manages crown lands for the province. Some years back, they leased out to the public several Special Use Permits issued by the Forest Service on reservoir lakes in the Central Okanagan. They are now looking to convert these leased properties into fee simple lots, and have asked for our input into the process. There are 156 of these lots on 18 lakes - 149 recreational (15 year lease) and 7 commercial (30 year lease). These affect about 8 lake systems of concern to us. These lakes hold water serving all or portions of the District of Lake Country, the City of Kelowna, Summerland, and hundreds of families in the Regional District.

Some degree of development has already occurred on many of these lots and a large number do not meet statutory requirements for setback distances for onsite sewage disposal. The majority of development has occurred without Health Authority approval (some outhouses have been noted less than 30 metres to the foreshore at one lake), and some dates back years before current regulations were implemented.

We need the agency to consider the possible dangers to drinking water and the concerns that come from Public Health's experience in the Okanagan. The local water purveyors, the Water Supply Association of BC, and the Regional District of Central Okanagan share these worries (see enclosures). The grounds for our joint concerns are as follows:

- Fee simple lots will increase the likelihood that permanent dwellings will be constructed, development will increase, and visits to the lakes will increase in frequency.
- Development of the lots will further denude them and result in increased turbidity in the lakes.
- Future water needs may dictate the need to raise the reservoirs, inundating the lots, causing damage to dwellings and contamination from flooded septic systems/outhouses.
- The Regional District fears development may not be able to occur according to planning, and the roads may not be maintained.
- This referral has not followed the subdivision development process. Development of many (probably the majority) of these lots would require the annexing of more land, possibly in the form of easements, which is not a solution we would allow for the purposes of creating new lots.

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- The Ministry of Community, Aboriginal, and Women's Services has indicated communities that do not plan for the provision of minimum one hectare lots where there is no community sewer will not be eligible for infrastructure grants if onsite sewage disposal systems fail (see the enclosed policy from the Ministry of Community, Aboriginal, and Women's Services' infrastructure application).
- And, in light of all this, and that this may not be the end of development in the watershed, our most important concern is that this may be a prelude to more intensive development in the future. Increased activity in the watershed will result in increased pressure and damage to sensitive sources of drinking water, which the government's Drinking Water Protection Act seeks to prevent.
Paraphrasing from section 23 of the DWPA: *"a person must not introduce anything into, or cause something to be done in a water source so as to incur a health hazard or cause limitations on the use of the drinking water"*. Is it fair for the government to expect assessments of watersheds to be done by purveyors on the one hand when it is creating impacts with the other hand (albeit indirectly through its crown corporation)?

The government must understand that its decisions now will impact the future of these watersheds and will create liabilities that may outstrip any profits in the short run. As the public health authority, we must support the purveyors and communities in opposing this proposal unless it contains elements that would lead to long term improvement and protection of the watershed. It may be helpful to brief the Minister of Health Planning on this issue since it very much falls within her portfolio.

Please contact me at your earliest opportunity to discuss this issue.

Sincerely,

William P. Moorehead, MB,ChB,MSc,FRCP(C)
Medical Health Officer
Interior Health Authority

cc. James Lu, Senior MHO; Ken Christian, Director; Norm Clarkson, Manager; Bruce Wilson, Chair, Water Supply Association of BC, and Kelowna Joint Water Committee

Encl.