

OKANAGAN WATER STEWARDSHIP COUNCIL

A Technical Advisory Body to the Okanagan Basin Water Board

MINUTES OF A MEETING HELD ON THURSDAY, JANUARY 14, 2010, AT THE KELOWNA AND DISTRICT FISH AND GAME CLUBHOUSE, 4087 CASORSO ROAD, KELOWNA, BC

PRESENT

Council Members:

Bernie Bauer, Chair	UBC Okanagan
Ted van der Gulik, Vice Chair	Ministry of Agriculture and Lands
Anna Page	Regional District North Okanagan
Bal Poonian	Urban Development Institute
Bob Hrasko	Water Supply Association of BC
Brian Guy	Canadian Water Resources Association
Bryn White	South Okanagan Similkameen Conservation Program
Chris Radford	Regional District Central Okanagan
Dan Millar	Environment Canada – Pacific & Yukon Region
Denise Neilsen	Agriculture & Agri-Food Canada, Research Branch
Doug Edwards	Agriculture & Agri-Food Canada
Doug Geller	BC Ground Water Association
Hans Buchler	BC Agriculture Council
Howie Wright	Okanagan Nation Alliance
Jillian Tamblyn	Regional District of Okanagan Similkameen
Ken Cunningham	Ministry of Environment, Water Stewardship
Kerry Rouck	Shuswap Okanagan Forestry Association
Kirby Rietze (alternate)	Agriculture and Agri-Food Canada
Lee Hesketh	BC Cattlemen's Association
Lorne Davies	Oceola Fish and Game Club
Lorraine Bennest	BC Fruit Growers Association
Representative	Okanagan Collaborative Conservation Program
Mark McKenney	Osoyoos Lake Water Quality Society
Mark Watt	City of Kelowna
Rob Birtles	Interior Health Authority
Steve Matthews	Ministry of Environment, Environmental Stewardship

Staff:

Anna Warwick Sears	Executive Director, OBWB
Nelson Jatel	Water Stewardship Director, OBWB
Genevieve Dunbar	Office and Grants Administrator, OBWB
Corinne Jackson	Communications and Research Coordinator, OBWB

Others:

John Slater	Parliamentary Secretary for Water Allocation
Toby Pike	OBWB Director/Water Supply Association of BC
Beth Sobieszcyk	Office of the Auditor General of BC
Jane Bryant	Office of the Auditor General of BC
Lilliam Marin	Office of the Auditor General of BC
Bill Caswell	South East Kelowna Irrigation District
Conrad Pryce (alternate)	Ministry of Environment, Water Stewardship
Solvej Patschke	Ministry of Environment, OWSC Source Protection Committee
Doug Flintoft	Kelowna and District Fish and Game Club
John Janmaat	UBC Okanagan
John Thompson	Alberta Water Research Institute
Judie Steeves	Kelowna Capital News
Maria Besso	District of Coldstream Councillor

1. CALL MEETING TO ORDER

Chair Bauer called the meeting to order at 1:00 pm and welcomed members and guests.

2. APPROVAL OF AGENDA

Moved by Doug Geller

Seconded by Hans Buchler

"That the agenda for the January 14, 2010 meeting of the Okanagan Water Stewardship Council be approved."

CARRIED

3. ADOPTION OF MINUTES

3.1 Minutes of a regular meeting of the Okanagan Water Stewardship Council held December 10, 2009, at Benvoulin Heritage Church, Kelowna

Amendments:

Page 4, change Mr. Millar's comment about flood prevention to water levels. Add three "lake" studies "on behalf of Board of Control."

Page 4, amend Ms. Tamblin's comments to public hearing on "Okanagan-Similkameen Regional Growth Strategy." Add "Strong public support for the RGS which contains significant sections on water conservation. We are looking at having water quality development permits for Rural Princeton, and are monitoring the proposed dam in the US."

Moved by Dan Millar

Seconded by Lee Hesketh

"That the minutes from the December 10, 2009 meeting of the Okanagan Water Stewardship Council be approved as amended."

CARRIED

4. BOARD REPORT

Dr. Warwick Sears provided an update on topics covered at the January 5, 2010 OBWB meeting, including a presentation by Susan Latimer on the Foreshore Inventory Mapping project. She noted that the board is very interested in the work and its potential uses.

Dr. Brian Guy also made a presentation to the board regarding the Okanagan Water Supply and Demand (OWS&D) Project and reported on preliminary supply and demand scenarios, noting that conservation will be important in the next 20 years. The study will be launched as part of UBC-O World Water Week events. A workshop regarding Water Act Modernization (WAM) will also occur this week, Dr. Warwick Sears added.

With the OWS&D Project moving into Phase 3, the board voted to reinstate the steering committee, allowing the project to shift from data collection to policy making.

Dr. Bauer added that the relationship and communication between the board and the OWSC is strengthening. He noted that the board gave the council clear direction at its last meeting that it wants the OWSC to provide recommendations on WAM that it can forward to the province.

5. ROUND TABLE – MEMBER UPDATES

Council members provided an update on their organization's activities.

- Ms. Dunbar: The call for Water Conservation and Quality Improvement Grant application has gone out. The deadline is Feb. 19. Information has been gathered so potential applicants know how to get on their council's agenda for application approval – a requirement of the application. Call if you have questions.
- Ms. Jackson: A meeting was held with members of OBWB's target audience for the WaterWise strategy to discuss the proposed website, appropriate language, rollout plan, etc. It was a very good discussion which we hope to continue. An e-mail was sent reminding people to provide input on the Living Water Smart blog, and a link to the blog has now been added to the OBWB website.
- Mr. Matthews: Significant changes in government are coming and business planning for the next fiscal year is underway. Ecosystem flows and drought management are some of the priorities. Strong coordination with OWSC will be important.
- Mr. Pryce: Senior levels of government had a meeting about drought management and will be meeting again Jan. 20. A number of the issues raised at the OBWB's drought workshop in the summer will be looked at.
- Mr. Cunningham: The ministry is currently busy with the Water Act Modernization (WAM). Business planning process is underway. The BC Auditor General is currently doing an audit of groundwater. The ministry is investigating the contamination of Antwerp Springs that resulted in a "Do Not Drink" notice for some residents of Lavington and Coldstream. In the meantime, Coldstream residents need to use alternate water sources.
- Mr. Watt: Kelowna is working on updating the Official Community Plan and groundwater is being discussed. The city is also working on drought policy as result of the OBWB's summer workshop. We want consistency in drought response so we're working with Southeast Kelowna Irrigation District (SEKID) and Black Mountain Irrigation District. We're also looking to address sourcewater protection.
- Mr. Hesketh: A lot of Farmland Riparian Interface Stewardship Programs in place, however we're having difficulties with core-funding. We might need to re-evaluate the program for next year. People are invited to come out and take a biodiversity tour at the Silver Hills Ranch this spring.
- Mr. Rietze: An application has gone in from B.C. to the Canada-British Columbia Water Supply Expansion Program for \$10,000,000 to support a new grant program for BC agriculture.
- Ms. Bennest: It hasn't been a good year for apple or pear crops. The BC Fruit Growers Association is hosting a workshop next week.
- Ms. Page: The big news right now is the contamination of Antwerp Springs in Coldstream. RDNO and Greater Vernon Water staff are working to remedy the situation.
- Mr. Pike: SEKID is under a water quality advisory. WAM is of great interest to our district and the Water Supply Association of B.C. We have been reviewing the B.C. Living Water Smart blog comments and encourage others to do the same. Since agriculture is our largest water user my main interest in WAM is how it will affect this sector. The BC Auditor General's report on groundwater is timely with WAM and hope they will compliment each other. Suggest the Auditor General next provide an updated report on source water.
- Mr. Jatel: RFP has gone out for the Streamlined Water Use Reporting Tool, which will allow water users to report monthly groundwater use. Hope to have contract in place by early February. We expect there will be four meetings with water users and four meetings with water data users as we develop the software.
- Mr. Slater: Very happy with the work of OWSC and want to see us continue to work together on issues such as WAM and drought management workshops. Urge members to read and contribute to the Living Water Smart blog and work within your ministries/NGOs to provide input.
- Dr. Bauer: An Agri-flex proposal is almost completed. We're also working on a project that looks at climate change adaptations for water management and will include looking at systems in Sri Lanka and Bangladesh. A conference call was held with various government officials and NGOs about a water symposium in September. I am now sitting on the Okanagan Aggregate Planning Committee

as an OBWB representative, evaluating existing and proposed aggregate mining areas in the Central Okanagan.

- Dr. Warwick Sears: Phase 2 of the Okanagan Water Supply and Demand Project is coming to an end. Have been invited to a Peachland Planning Charette next week and the Okanagan Kootenay Cherry Growers Association AGM in February. Watching the WAM process with great interest.
- Mr. Caswell: As a member of the OWSC's sub-committee on WAM looking at groundwater, please let me know if you would like to provide some input for recommendation to go to the OBWB.
- Mr. Millar: Currently assisting on the Fraser Basin Council's Watershed Planning Guide and beginning to consider the future of the Columbia River Treaty. Also working on the OWSC's WAM subcommittee.
- Mr. Geller: We're working on an application to the OBWB. We have requested a meeting with BC Environment Minister Barry Penner about the pace of Phase 2 Groundwater Protection regulations. We're preparing for our AGM in March, and are happy that the WAM process is underway.
- Ms. Besso: Speaking as a guest and a councillor with the District of Coldstream, concerned with the aquifers/groundwater (Antwerp Springs) that was compromised last night in our community.
- Mr. Davies: The Ocoala Fish and Game Club is looking for a solution to an upstream development that is affecting the water flowing through a wildlife preserve in Lake Country.
- Dr. Janmaat: Currently working with Dr. Bauer on grant applications and WAM. Also looking at sending out a water survey through the mail since we can't find students to conduct a phone survey.
- Ms. Bryant: The BC Office of the Auditor General is looking to update its review of groundwater since it last did this 10 years ago. Ms. Bryant added that she appreciated her and her staff being able to attend the OWSC meeting to gain a better understanding of the issue. Dr. Bauer invited the staff to also review OBWB documents pertaining to groundwater (e.g. The Groundwater Bylaws Toolkit).
- Mr. Hrasko: WAM and recreational use around water are both big issues right now for the Water Supply Association of B.C. and Black Mountain Irrigation District. Ministry staff members delivered a presentation to the regional district about trails in Peachland and other watersheds, and are drafting a report on appropriate activity.

6. PRESENTATION

John Thompson, Policy Analyst – Alberta Water Research Institute

Overview of Water Management in Alberta – Lessons for the Okanagan Basin

In 1992, Mr. Thompson worked on redrafting the Alberta Water Act. As the process unfolded, he recalled how people became upset about losing rights when actually the changes were probably securing their rights better than ever. As such, there was a great need to educate the public to ensure the best input to modernize the act. Looking back, Thompson added, he can see where there were shortcomings. His presentation is an attempt to prepare the Okanagan Basin and the province for the work ahead in its Water Act Modernization process and to take what they can from the Alberta experience.

Legislative and Regulatory Reform: Feds transferred ownership of water to Alberta in 1930. The Province initiated a review of the legislation in 1991. This prompted a major shift in water management, introducing management flexibility and more tools to manage water shortages, also expanded the use of FITFIR (First in Time– First in Right). Important changes included water for the environment, water sharing, basin management plans, and most importantly, severing water rights from land.

As part of the changes, it was determined that government could reserve unallocated water. And, with Water for the Environment efforts it was decided that in cases where a water right is sold, it is still subject to FITFIR (seniority), but that the province can withhold up to 10 percent of transferred water for conservation.

The new Water Act forbids transferring water among basins unless authorized through a special act

of the legislature. Water export is also prohibited and can only be authorized through a special act of the legislature – this does not apply to processed or municipal water, Thompson added.

Policy and Strategic Initiatives

In 2003, Alberta took on a Water for Life strategy requiring scientific research, partnerships - getting people involved in creating policy, and water conservation efforts. One of the objectives adopted at that time was to improve efficiency and productivity of water use by 30% from 2005 levels by 2015. Thompson noted that one has to be careful with firm targets – we don't want to create hardship, we just want to prevent drought, so the targets should be moveable. In 2008, the strategy was renewed aimed at safeguarding water sources, accelerating actions to protect water sources now.

South Sask. River Basin

Like the Okanagan Basin, the South Saskatchewan River Basin (SSRB) is in crisis, Thompson said. Whereas demand is going up, the supply fluctuates. And, as in the Okanagan, this created a problem in 2002-2003. The health of the aquatic environment is in decline, and 10% of 33 river reaches are below ecologically acceptable values.

As a result of the drought in 2001, allocations under FITFIR were suspended and licencees agreed to share water, but Thompson cautioned, this was not a long-term solution. As a result of being “good neighbours,” farmers were hurt economically and were unlikely to share again.

In 2002, Phase 1 of the SSRB Water Management Plan was introduced, authorizing water allocation transfers and water conservation holdbacks on these transfers. As well, new water applications would not be accepted on some of the rivers pending recommendations from Phase 2 of the plan.

In 2006, Phase 2 of the plan was introduced, extending the suspension of new water allocation applications on the basin. As well, it was decided that the Crown would reserve water not currently allocated to only be used for: water conservation objectives, to store peak flows to mitigate impacts on the aquatic environment and support existing licencees, and for First Nations reserves.

There are some important outstanding issues facing the SSRB, Thompson concluded. Among them, consumption will continue to rise even with no new allocations as licencees sell off unused portions of their licencees. There will be shortages for junior licencees and with that comes the potential for illegal withdrawals and the need for enforcement. And, there will be insufficient water to meet water conservation objectives (WCOs).

In response to questions, Thompson noted that in Alberta, they monitor allocation, licenced use and actual use, whereas in B.C. we monitor licenced use (which we sometimes refer to as allocation) and actual use. Alberta's licencees, he added, are commitments.

Dr. Bauer asked if someone trades their water right, is it assumed the new person will use the same amount. Thompson responded that return flows are assumed in licencees and so one can use all that they are licenced for without getting into trouble.

Mr. Slater noted that Alberta's goal of being more efficient with irrigation use actually means they'll be using more. Thompson agreed, adding use will get higher with better efficiency so it's important to not over-allocate.

Mr. Rietze added that Alberta's system probably leads people to retain their water licencees knowing the value of them. Thompson agreed again and noted one of the outstanding issues on SSRB is that they're not meeting WCOs.

There was some debate about what to do with unused licencees but Thompson urged policy makers in B.C. to not cancel them, because they end up at the bottom of the allocation priority list - instead government should buy them in order to retain the FITFIR seniority of the licence.

Thompson noted that there was a huge battle about where water for the environment fits within the priorities and it will be a big issue in BC too, he warned. Groundwater is being used more and more, yet the extent of that resource is poorly understood.

Current Alberta Issues

Although there are issues with FITFIR, Thompson said he believes it is an effective Drought Management Plan. It allows government to buy senior licences and reserve that water. And, most issues are settled using FITFIR, he added.

As a licence holder, you can use the water for yourself or you can sell your water licence for a year.

There are problems with it, however, noted Thompson. Water Conservation Objectives are not being met and transfers can result in increased use. As well, licencees can use their entire allocation without putting anything back, so this needs to be resolved.

Opportunities for Okanagan Basin

There are a number of differences between Alberta and B.C. in the way they regulate water. For example, groundwater is licenced in Alberta. As well, the Okanagan approach to water allocation right now appears to be based on voluntary sharing of shortages, regardless of legal entitlements.

Alberta's experience is that sharing in times of shortage is a short-term solution, and instead relies on the market to redistribute water to meet demand. Markets have been shown to provide licencees with incentive to be innovative and increase their water efficiency.

Finally, Thompson concluded, what is the alternative when demands are changing and no new rights are being issued? It's important that policy makers start planting the seed of transferable water rights.

In order to expedite the meeting, it was decided to have further discussion as part of Mr. Slater's report on the Water Act Modernization under 7.1.

7. NEW & UNFINISHED BUSINESS

7.1 MLA John Slater, Parliamentary Secretary for Water Allocation

- Update – Water Act Modernization (WAM) initiative

Mr. Slater noted there are four goals the province is trying to address in the Water Act: stream health, governance arrangements, allocations, and groundwater.

There will be public consultation throughout the spring. It's important, added Slater, that all those affected by the new laws have the opportunity to provide their input. A draft outline of the legislation will be given to cabinet in the fall, but actual legislation will not be introduced until spring 2011 and then made into law in summer/fall 2011.

Dr. Bauer asked if the draft legislation will be circulated for comment. Mr. Slater answered that he believes so.

Mr. Thompson advised that some people may complain about parts of the legislation, not understanding that they're not new, but rather part of the existing system. People need to know how the system works now and ask for comments; otherwise without that early dialogue it can cause people to get up in arms over nothing.

Mr. Buchler asked if more authority would be given to local bodies, for example, over groundwater. Mr. Slater said it is being looked at and a task force is looking at watershed

governance as a whole. Mr. Thompson noted that in Alberta, stakeholders create basin plans that the bureaucrats have to use to guide regulatory decisions.

There was discussion about alternatives to the FITFIR system. Mr. Pryce suggested a voluntary water use plan like the one implemented by the Southeast Kelowna Irrigation District and Black Mountain Irrigation District for Mission Creek– so when there is a drought, there is a game plan. We haven't had a problem with battles over water, Mr. Pryce added. If there were we'd need another tool, but in many cases it's been a good tool to address drought.

Mr. Slater added that another problem with FITFIR is where cities have grown and licences are old, who loses their water first in a drought year? Mr. Thompson responded that if you know there's a particular amount of water available, perhaps you can stagger uses so people get what they need. This requires more active management, he added, noting if someone refuses to cooperate you have to back off. It's an old system and difficult to change, he said.

With an active water market, Mr. Thompson noted, people want to know what they're getting, so they want the water meters. This way they know how much of their allocation they're using and they can sell some. This leads to voluntary monitoring and reporting. In response to Mr. Pike, Mr. Thompson said Alberta has enforcement staff to ensure appropriate use of water licences.

Mr. Slater said the licencing of groundwater is important. Mr. Thompson said all groundwater is licenced in Alberta, except domestic. There are currently 22,000 surface and groundwater licences. Mr. Slater noted he doesn't want to see the province of B.C. licence single family dwellings.

In response to Mr. Matthews, Mr. Thompson said Alberta is not getting value from legislating groundwater yet, but they now have a historical record. So if there is a shortage they're not starting from the beginning to determine what's happening. It will be useful down the road, he said.

Dr. Bauer noted that we're currently looking at a 40-year timeline for licences. Mr. Thompson said Alberta issued licences in perpetuity until recently. But term licences can be difficult, he added, because it allows potential buyers to look at senior licences instead of end-of-term licences. This gets in the way of the market system. But term licences do work sometimes, he conceded.

In regards to the tar sands at the base of the Athabasca River and FITFIR, Mr. Thompson said there is no storage on the river, and the province and feds have set up a zone that water users cannot enter. If they do, they are told to cut back or stop work. Because it's still FITFIR, the junior operators are told to stop first. There is now a mad scramble to improve technology to ensure tar sands development is not slowed by lack of water, he added, noting the benefit to Crown owning storage.

7.2 Okanagan Drought Management – communication strategy

Mr. Jatel introduced discussion about improving water supply communication by having a regular conference call with BC Ministries of Environment and Agriculture, and Agriculture Canada, to provide updates to water purveyors on potential drought issues and allow an opportunity for them to ask questions. Discussion ensued as to the best timing.

It was agreed that such meetings would be held about monthly, for a 6-month period each year, and likely led as short conference calls.

7.3 OBWB AgriFlex Proposal – Strategic groundwater management – priority well-monitoring initiative

Mr. Jatel reported on an OBWB/Ministry of Environment (MoE) submission to AgriFlex for a priority well-monitoring project, looking at high sensitivity aquifers where there is little information recorded. MoE will fund ongoing monitoring and the sighting of actual wells. Local government will be asked to fund the installation of wells, but the cost would be offset by the Agriflex grant.

8. **NEXT MEETINGS**

The next meeting of the Okanagan Water Stewardship Council will be held February 11, 2010 at Kelowna and District Fish and Game Club clubhouse.

9. **ADJOURNMENT**

The meeting was adjourned at 4:44 pm.

Moved by Daniel Millar

“That there being no further business, the meeting of the Okanagan Water Stewardship Council of January 14, 2010 be adjourned.”

CARRIED

CERTIFIED CORRECT:

Chair

Executive Director