

# Okanagan Basin Water Board Meeting Agenda



Okanagan Basin  
WATER BOARD

**DATE:** Tuesday, Nov. 2, 2010

**TIME:** 10 a.m. to 2 p.m.

**PLACE:** Coast Capri Hotel  
1171 Harvey Ave., Kelowna, B.C.

1. **CALL MEETING TO ORDER**

2. **APPROVAL OF AGENDA**

3. **INTRODUCTION OF LATE ITEMS**

4. **ADOPTION OF MINUTES**

4.1 Minutes of the Regular Meeting of the Okanagan Basin Water Board of Oct. 5, 2010 at the Regional District of North Okanagan in Coldstream, B.C. (page 1)

5. **NEW AND UNFINISHED BUSINESS**

5.1 OBWB provisional budget for 2010-2011 – Budget features (page 9)  
5.1.1 Consolidated provisional budget for 2011-2012 (page 12)

6. **ADJOURN TO IN-CAMERA MEETING**

6.1 Matters pertaining to OBWB staffing

7. **RESUME REGULAR MEETING**

8. **STAFF REPORTS**

8.1 Executive Director Report (page 14) (includes recommendation)

8.1.1 Water Supply & Demand update (page 24) (includes recommendation)

8.2 Water Stewardship Director Report (page 26) (includes recommendation)

8.3 Communications and Research Coordinator Report (page 30)

8.4 Office and Grant Administrator Report (page 36)

9. **CORRESPONDENCE**

9.1 Letter from MLA Ben Stewart, Ministry of Community and Rural Development, regarding Topsoil Bylaws Primer grant (page 37)

10. **ADJOURN TO OKANAGAN WATER STEWARDSHIP COUNCIL (OWSC) MEETING**

11. **APPROVAL OF OWSC AGENDA**

12. **INTRODUCTION OF LATE ITEMS**

13. **ADOPTION OF MINUTES**

13.1 Minutes of the Meeting of the Okanagan Water Stewardship Council of Oct. 10, 2010 at the Coast Capri Hotel in Kelowna, B.C.

14. **DELEGATIONS**

14.1 Drew Kaiser – Joe Rich restoration project update

15. **NEW AND UNFINISHED BUSINESS**

15.1 Farm classification memorandum – Ted van der Gulik, Ministry of Agriculture (page 39)

16. COUNCIL/BOARD DIRECTOR UPDATES

17. ADJOURNMENT OF OWSC

18. NEXT MEETING

18.1 The next regular meeting of the Okanagan Basin Water Board will be held Dec. 7, 2010 at Regional District of Okanagan-Similkameen.

19. ADJOURNMENT

16. COUNCIL/BOARD DIRECTOR UPDATES

17. ADJOURNMENT OF OWSC

18. NEXT MEETING

18.1 The next regular meeting of the Okanagan Basin Water Board will be held Dec. 7, 2010 at Regional District of Okanagan-Similkameen.

19. ADJOURNMENT



**MINUTES OF A REGULAR MEETING OF THE OKANAGAN BASIN WATER BOARD  
HELD OCTOBER 5, 2010, AT REGIONAL DISTRICT OF NORTH OKANAGAN,  
9848 ABERDEEN RD., COLDSTREAM, B.C.**

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**PRESENT**

|                           |  |
|---------------------------|--|
| Vice-Chair Rick Fairbairn | Regional District North Okanagan                   |
| Director Buffy Baumbrough | Regional District North Okanagan                   |
| Director Gyula Kiss       | Regional District North Okanagan                   |
| Director James Baker      | Regional District Central Okanagan                 |
| Director Doug Findlater   | Regional District Central Okanagan                 |
| Director Graeme James     | Regional District Central Okanagan                 |
| Director Gordon Clark     | Regional District Okanagan-Similkameen             |
| Director Bill Schwarz     | Regional District Okanagan-Similkameen (alternate) |
| Director Mark Pendergraft | Regional District Okanagan-Similkameen (alternate) |
| Director Bernie Bauer     | Okanagan Water Stewardship Council                 |
| Director Toby Pike        | Water Supply Association of BC                     |

**REGRETS**

Director George Saddleman      Okanagan Nation Alliance

**OBWB STAFF**

|                    |   |
|--------------------|---|
| Anna Warwick Sears | Executive Director                      |
| Nelson Jatel       | Water Stewardship Director              |
| Melissa Tesche     | Interim Office and Grants Administrator |
| Corinne Jackson    | Communications and Research Coordinator |

**GUESTS**

Ehren Lee      Urban Systems

1.      **CALL MEETING TO ORDER**  
Vice-Chair Fairbairn called the meeting to order at 10:05 a.m.

2.      **APPROVAL OF AGENDA**

*“THAT the agenda of the regular meeting of the Okanagan Basin Water Board of Oct. 5, 2010 be approved as amended.”*

**CARRIED**

3.      **INTRODUCTION OF LATE ITEMS**  
7.3      Sewage Facilities Grants, Terms of Reference  
7.4      Reservoir lot update

4.      **ADOPTION OF MINUTES**  
4.1      Minutes of the Regular Meeting of the Okanagan Basin Water Board of Sept. 7, 2010 at Regional District of Okanagan-Similkameen in Penticton.

Amendment: A couple small wording changes.

***“THAT the minutes of the regular meeting of the Okanagan Basin Water Board of Sept. 7, 2010 at Regional District of Okanagan-Similkameen in Penticton be adopted as amended.”***

**CARRIED**

**5. DELEGATIONS** *(appeared after 6.1)*

5.1 Ehren Lee, Urban Systems: Water Pricing Survey

Mr. Jatel noted that the results of a recent Water Pricing Survey represent Phase 1 of 2 in this project. The purpose of the survey was to determine a baseline of prices in the Okanagan.

Mr. Lee reported there were four questions used as a starting point for developing the survey: 1) What pricing policies are Okanagan water utilities using, 2) How many water utilities have developed water conservation policies, 3) What are the projected capital costs for utilities over the next five years? and 4) What further studies would be helpful to support local water utilities manage their systems?

The survey was developed, recognizing that administration, costing and pricing in each utility varies (e.g. some collect user fees, others use connection fees, or Development Cost Charges. etc). Some 20 utilities provided feedback, including three regional districts, eight municipalities and two other utilities. Revenue collected per cubic meter ranged between \$0.15 and \$1.20.

The results:

Volumetric pricing is crucial to sustainable water pricing and water conservation, noted Mr. Lee. Metered connections are surprisingly high (about 60 percent of residential customers), but only 25% of respondents use volumetric pricing policies and 40% have water conservation policies. Interestingly, one utility uses over 50 different pricing formulas for various types of users on their system.

Among those surveyed, operating and capital costs per cubic metre range between \$0.09 to \$1.49/m<sup>3</sup>. The average is \$0.55/m<sup>3</sup>. For a number of utilities, their costs were higher than their revenue. Others had higher revenues or the two were very close, but if they priced their water use appropriately there would be less variation, Mr. Lee added.

There are various ways utilities collect funds to supply water: government grants, general taxes, connection fees and user fees. Those surveyed use some or all of these methods in various percentages. On average, 50% is collected through user fees, 32% from taxes, 12% from grants and 6% from connection fees. Those grant fees, however, are not sustainable, noted Mr. Lee.

The survey also found that agricultural water pricing is very different than residential and commercial. Some respondents couldn't separately report on agricultural water use even though they have high agricultural percentages.

About 35% of survey respondents could not provide a replacement value for water assets. One utility reported that it increases water rates to account for "tangible capital assets," but 19 did not. Generally, utilities are not building reserves for specific purposes, Mr. Lee added.

Recommendations:

1) assist utilities to transition to volumetric pricing, 2) recognize that the link between agriculture water pricing and water conservation is not as easy as with residential and commercial customers, 3) recognize that education, operations tools and automation may be

better suited to reducing agricultural and industrial water use, and 4) recognize that infrastructure investment planning is a key step in understanding the true cost of service delivery and in communicating the value of water to Okanagan residents.

Alt. Dir. Schwarz noted that the study doesn't account for the value of water and suggested this needs to be determined. Mr. Jatel responded that this survey provides a baseline of information to ask more intricate questions.

Dir. Pike noted that one must be careful in setting rates, adding he doesn't want to charge people volumetrically for water and then have to hope that it doesn't rain just to keep his revenues up. Some areas have large agricultural demand and the cost to replace infrastructure is very high. We need to take a social approach, he added, recognizing the value of agriculture. Mr. Lee said that understanding the real cost of supplying water is a good start.

Dir. James said that some landowners have been unable to make a living by farming and yet people want them to keep these lands as green space for future food production. One of the only benefits to keeping it green right now is the low water rate these owners receive. Unreasonably high water rates would be counterproductive, he warned. We have to start looking at what the costs are to maintain that green space and what the average person should be paying to keep it that way, he added.

## 6. STAFF REPORTS

### 6.1 Executive Director Report

Dr. Warwick Sears encouraged board members to attend the Oct. 28 to 29 "From Rain to Resource" workshop.

Discussion around Similkameen Water Governance was postponed until Chair Wells was present.

Dr. Warwick Sears noted that staff members are working with individual finance departments in the Okanagan regarding reporting on the Sewage Facilities Grants Program.

There are potential issues around milfoil removal in Osoyoos Lake, Dr. Warwick Sears reported. Because of the trouble with massive weed beds on the lake this past summer, the milfoil crew was hoping to try and control it with earlier rototilling. However, a Rocky Mountain Ridged Mussel was found in the north end of the lake. The OBWB is working with Ministry of Environment and Department of Fisheries and Oceans, regarding permits to work in the lake, but nothing can be done until this is negotiated.

In response to questions, Dr. Warwick Sears added that the mussel is indigenous to the area and is listed as "at risk."

Alt. Dir. Schwarz entered the room at 10:15 a.m.

Dr. Warwick Sears noted that the Okanagan Water Supply and Demand Project Phase 3 management team are reviewing additional scenarios. Copies of the Phase 2 Summary Report have been provided to local governments in the valley. And, an Executive Summary of the Phase 2 Report has also been provided to OBWB Board of Directors, outlining how Phase 2 results can be used by local government. Dr. Warwick Sears invited directors to take the summary back to their councils and boards and encourage use of it in their planning.

Dir. Findlater spoke to a graph he provided to the board which shows response from Westbank

Irrigation District customers to demand management practices, starting with sprinkling regulations, then metering and then billing on metering. The graph shows a decline in water use between 2002 and 2010, despite growth in connections and population.

In response to a request to review the meeting pay rate for board directors, Dr. Warwick Sears noted that the OBWB pays \$130 per meeting and mileage, and regional districts pay \$136 on average. The rate can be revisited in the next budget cycle, she added, saying she will re-check some of the rates following questions from Dir. Clark.

Dr. Warwick Sears recommended that the Jan. 4 board meeting be canceled.

***“THAT the January 4, 2011 board meeting of the Okanagan Basin Water Board be canceled due to the winter holidays.***

**CARRIED**

Dir. Bauer noted that it is important the board have a full understanding of the implications of the Okanagan Water Supply and Demand (OWSD) Project. Scenarios are going to be generated in Phase 3 to determine water supplies and demands for the next 20 to 30 years and how this will affect future water management. There are going to be tax and policy implications to whatever direction the board takes to address these issues, he added, suggesting perhaps there should be regular reporting to the board as phase 3 progresses.

Dr. Warwick Sears suggested that a memo could be included with each meeting agenda, and that the Okanagan Water Stewardship Council could be asked how best to address this issue.

Dir. Findlater added that local governments are already developing plans to address future water needs. It's important that Phase 3 results don't come in too late for communities to respond to them in their plans. Dr. Warwick Sears said the OWSD Project Committee is providing them to local government staff as timely as possible. For example, the committee is already providing information to Regional District of Central Okanagan staff to use in their Regional Growth Strategy.

Dir. Bauer added that it is important to also consider how we get the public on board to ensure a sustainable water supply.

Dir. Pike said he agrees with the need for the board to be kept informed, and for planners and the public to get on board, but it's important to remember that Phase 3 is an evolving process – similar to an Official Community Plan – and we need to recognize its limitations too.

Dir. Baker noted that it's important board members go back to their communities and encourage the use of the information. A strategic plan would help.

Dir. Bauer offered to go to the OWSC and ask for recommendations to bring back to the board.

***“THAT the Executive Director Report from Dr. Warwick Sears, dated Sept. 29, 2010, be received.”***

**CARRIED**

## 6.2 Water Stewardship Director Report

Mr. Jatel reported that the next OWSC meeting, Oct. 14, should include some new organizations represented, including the Urban Development Institute and chambers in the valley.

The following OWSC meeting will be held Nov. 2, directly following the monthly board meeting and will be held at Kelowna's Coast Capri Hotel. The meeting was organized to bring members of the two bodies together to get to know each other better.

The OBWB has been busy planning for the Oct. 28 and 29 workshop, "From Rain to Resource: Managing Stormwater in a Changing Climate." Board members are encouraged to attend.

Water board staff have put in a proposal to AgCanada to study the intrinsic value of water for agriculture, and the defining of an Agricultural Water Reserve for the Okanagan.

Dr. Warwick Sears added that water is a big concern for the Agricultural Land Commission, the ALC's chair Richard Bullock has shown interest in research on the Ag Water Reserve. Mr. Jatel concluded, saying that the complete project will be worth \$1.6 million with a \$50,000 investment, over two years, from the OBWB.

Five wells are planned to be drilled by the end of this fiscal year as part of the Groundwater Well Monitoring Project. The project is a partnership with Agriculture Canada, Environment Canada the B.C. Ministry of Environment and local government.

Two bids have been received on the Hydrologic Connectivity Study, looking at 25 utilities and how communities are connected to one another through water flow but also through water licences. This work is possible as a result of the Okanagan Water Supply and Demand Study and will be useful for local governments, said Mr. Jatel. The work should be done by April 1, 2011 done.

***"THAT the Water Stewardship Director Report from Mr. Jatel, dated Sept. 29, 2010, be received."***

**CARRIED**

#### 6.2.1 Okanagan Water Pricing Study – Phase 1 Results

***"THAT the Okanagan Water Pricing Study – Phase 1 Results from Mr. Jatel, dated Sept. 29, 2010, be received."***

**CARRIED**

#### 6.3 Communications and Research Coordinator Report

Ms. Jackson noted the success of this year's AGM and that there is already talk about next year's.

The province held a Mobilizing Climate Action workshop at UBC-O, providing an interesting perspective on engaging the public and helping change attitudes and behaviours which should prove useful in creating change on water issues.

Ms. Jackson reported that she attended the grand opening of the Okanagan Xeriscape Association's Un-H2O Demonstration Garden on Sept. 24. It's a fantastic partnership between the OBWB, the City of Kelowna, OXA, and many others who donated supplies. She invited board members to go and view the gardens in front of Kelowna's H2O Fitness Centre or view pictures on the Okanagan WaterWise Facebook page.

The Watersmart Innovations Conference is set to go Oct. 6 to 8, known as the world's preeminent urban water efficiency conference, and includes a number of tracks including



marketing and outreach, education, conservation and incentive programs, code and policy, and others. Ms. Jackson said she would be attending with a view to learning what is working and not working in encouraging communities to adopt water conservation and protection behaviours. A report will be provided at the next board meeting.

***“THAT the Communications and Research Coordinator Report from Ms. Jackson, dated Sept. 28, 2010, be received.”***

**CARRIED**

**7. NEW AND UNFINISHED BUSINESS**

**7.1 Recommendation to B.C. government re: water licencing fees**

Mr. Jatel introduced a memo, submitted jointly with Dr. Warwick Sears, regarding the use of the province's water licencing fees, noting it came as a response to concerns heard from BC Ministry of Environment (MoE) staff.

Currently, the province collects water licence fees from utilities and puts it in general revenue and, at the same time, is underfunding water stewardship. Mr. Jatel said that the current system provides no connection to the value of environmental water. Alberta spends more than two times the amount we spend on water resources than we do in B.C., he added.

Dr. Warwick Sears said that their recommendation is to have a portion of these fees go into water stewardship and that this isn't without precedence.

Alt. Dir. Schwarz suggested that a percentage figure should perhaps be included in the recommendation.

Directors also suggested that staff approach Okanagan MLAs Ben Stewart, John Slater, and Steve Thompson and let them know of the OBWB's intention with this recommendation, and seek their advice and support.

Dir. Bauer added that it may be helpful to speak with the Fraser Basin Council and others to get their input and support.

Dir. Baker noted that perhaps the funds could go into something similar to the Gas Tax Fund so local government can access it.

***“THAT the Okanagan Basin Water Board provide the board with a draft letter to the B.C. Government recommending the principle of cost recovery be applied to meeting the Living Water Smart goals for water management, whereby a portion of water rents be directed to the Water Stewardship branch and support: water management, hydrometric monitoring , enforcement of water regulations, and a Water Fund for local purposes.***

***AND that the Okanagan Basin Water Board study the benefits and impacts of increased water rents for Okanagan water users.”***

**CARRIED**

**7.2 Bear Creek Water Quality Report and communication with MoTCA**

Dr. Warwick Sears reported that she received a request from John Glaspie at B.C.'s Ministry of Tourism, Culture and the Arts that the OBWB update its public records on the ministry's work to address recreational impacts in the Bear Creek Watershed. In particular, the ministry has been

trail building. Mr. Glaspie pointed to a report prepared by Summit Environmental on its work. Dr. Warwick Sears suggested the board send a letter commending the ministry for its work and encouraging them to follow through on Summit's recommendations.

Dir. Findlater responded that important work has been done, but more is needed. For example, Lakeview Irrigation District is still concerned about the potential for e-coli in the area.

Dir. Baker added that motorized activity in watersheds is costly to local government and that the ministry should be promoting soft footprint tourism which still protects these areas.

Directors agreed to receive the report with no further action.

***“THAT the Bear Creek Report from Dr. Warwick Sears, dated Sept. 29, 2010, be received.”***

**CARRIED**

### 7.3 Sewage Facilities Grants, Terms of Reference

Alt. Dir. Pendergraft opened discussion asking that, since the OBWB has decided to review its Sewage Facilities Grants Program, the board reconsider support for projects that allow treated wastewater to be discharged into rivers in the future. The OK Falls sewer project, which received an OBWB grant, is an example of this.

Alt. Dir. Schwarz responded, noting that the OK Falls plant will be a tertiary treatment plant with UV treatment of its water before releasing it into the river. Indeed the plant meets environmental standards and will be better than some plants in the Okanagan, he added.

Dr. Anna Warwick Sears told the board that the OBWB's grant program relies on the province to do the environmental and engineering reviews. Projects are not approved for funding unless they've been approved by the province. The purpose of the OBWB grant program is to encourage communities to move to sewer and towards tertiary plants. The OK Falls project, she added, is an RDOS project so if there is an issue it should be referred to them.

Alt. Dir. Pendergraft agreed that the specifics of the OK Falls plant should be a debate for the RDOS, but said that he also wanted the OBWB to consider encouraging water reuse rather than river discharge.

### 7.4 Reservoir lot update

Dir. Baker told the board that he met with B.C. Minister of Forests and Range Pat Bell last week and was assured that the Integrated Land Management Bureau had taken the sale of reservoir lots off the table. Local MLAs Ben Stewart (Minister of Community Affairs), Steve Thompson (Minister of Agriculture) and Norm Letnick were all in favour.

The board acknowledged this as very welcome news and noted that it is unfortunate that former OBWB Brian Given is not here to see this since he worked so hard on this effort.

## 8. CORRESPONDENCE

### 8.1 Pat Bell, B.C. Minister of Forests and Range, regarding Reservoir Lots correspondence

***“THAT the Okanagan Basin Water Board receives the correspondence from Pat Bell, B.C. Minister of Forests and Range, regarding Reservoir Lots correspondence.”***

**CARRIED**

**9. NEXT MEETING**

The next regular meeting of the Okanagan Basin Water Board will be held on Nov. 2, 2010. The November Okanagan Water Stewardship Council meeting will follow. Both meetings will be held at the Coast Capri Hotel in Kelowna.

**10. ADJOURNMENT**

***“THAT there being no further business, the regular meeting of the Okanagan Basin Water Board of Oct. 5, 2010 be adjourned at 1:32 p.m.”***

**CARRIED**

|                    |  |                    |
|--------------------|--|--------------------|
| Certified Correct: |  |                    |
|                    |  |                    |
| Chair              |  | Executive Director |

DRAFT

## MEMORANDUM

Okanagan Basin Water Board  
Regular meeting  
Nov. 2, 2010  
Agenda No: 5.1

File No. 0550.04

To: OBWB Directors  
From: Anna Warwick Sears, Executive Director  
Date: October 26, 2010  
Subject: Budget Features for 2011-2012

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### Requisition

Next year's budget focuses on priority water programs and services. The most recent audited financial statements (2009-10) for the delivery of the three primary OBWB services (watermilfoil control, sewage facilities grants program and water management) were presented at this year's AGM in September.

The following recommendations build on current service levels, emphasis a responsible management framework and efficient operations. Recommendations for Board consideration for 2011-12 have the following features:

- The overall OBWB requisition is \$3,727,050.
- As a percentage of assessments, the requisition is unchanged from that of the previous two years, at 6 cents/\$1000.
- There is a net 4.6% increase over 2010-11, the majority attributable to the commitment for the UBCO Water Research Chair.

### Overhead Charges

The biggest change to our operations budget is an increase in financial administration costs for accounting and auditing services. Under new RDCO policy, we are charged a cost-recovery hourly rate for these services, increasing our professional fees from \$30,000 to \$75,000. I believe that these charges are reasonable, and we are receiving a very high level of service. We should be able to partly compensate for these costs through our external project grants, but have not built this offset into the proposed budget.

RDCO financial services to OBWB include administration of the sewage facilities infrastructure grants program, accounts payable, and employee payroll and benefits. The RDCO CFO functions as the OBWB CFO with respect to the annual audit, and certain government grants. Other overhead costs, including building and IT systems and support, phones, and use of photocopiers, have not increased.

We are continuing to overhaul our financial systems, with new software and an organizational structure that better matches our current financial administration of projects and external grants.

### **Sewage Facilities Grant Program**

The requisition for sewage facilities grants is 3.5 cents/\$1000 assessment, with little change from 2010. The requisition ceiling for this program is 21 cents/\$1000. The reserve fund for sewage facilities grants, as of the 2010 audit, is \$993,212.

We benefited this year by a reduction in interest rates through the municipal finance authority (MFA). We are undertaking a financial review of the program, and revising our grant retirement projections to 2030, based on the information we receive from local governments. We anticipate a new grant application this year for West Kelowna sewer extensions.

### **Watermilfoil Control Program**

The requisition for watermilfoil is 0.9 cents/\$1000 assessment, up from 8.6 cents/\$1000 last year. Increased costs reflect financial administration costs and additional budget to train a new employee to prepare for upcoming staff retirements. No major equipment expenses are expected for the coming fiscal year. There is approximately \$250,000 in the equipment reserve. We will review the tangible capital assets analysis over the next several months to determine the optimal level for the reserve (which is intended to cover replacement costs).

### **UBCO Water Research Chair**

This year, the three Okanagan regional districts passed a consensus resolution to fund a new Water Research Chair at UBC Okanagan, through the OBWB. This is a commitment of \$100,000/yr for 5 years, beginning in 2011-2012 (the current budget). This commitment is equivalent to 0.2 cents/\$1000.

### **Water Management**

The requisition for water management is 1.6 cents/\$1000 assessment, about the same as 2010. As with watermilfoil, some additional budget was needed to cover administration and cost of living. Implementation funding is included for the top priority water management projects reviewed by the Board and identified in the Sustainable Water Strategy.

Projects for the coming year include drought management, groundwater, water pricing, water education, the water supply and demand project, and funding to host a water science conference in Osoyoos in anticipation of the renewal of operating orders for Osoyoos Lake/Zosel Dam. We anticipate additional matching grants for all our projects from senior government agencies. The ceiling for the watermilfoil, UBCO water research chair, and water management programs together is 3.6 cents/\$1000, and these currently total 2.7 cents/\$1000.

### **Water Supply & Demand Project**

As of 2010-2011, OBWB has taken over project management of the Water Supply & Demand project. We continue to have strong financial support from senior government, and the project is guided by an interagency management committee. However, now that we have are managing the budget, we are showing these funds in our budget report (previously, these were reviewed by the OBWB under a separate project budget).

Agenda No: 5.1.1

Regular:  In-Camera:

Date: Nov. 2, 2010



**Regional District Provisional Assessment  
Budget For The Year Ending March 31, 2012WB**



|                                     | Central<br>Okanagan | Okanagan<br>Similkameen | North Okanagan | Total            |
|-------------------------------------|---------------------|-------------------------|----------------|------------------|
| 2010 Authenticated Assessments      | 34,928,708,077      | 13,054,774,204          | 11,622,287,913 | 59,605,770,194   |
| Percentage Share                    | 0.58599542          | 0.21901863              | 0.19498595     | 1.00             |
| <b>REQUISITION</b>                  |                     |                         |                |                  |
| Water Management                    | 569,330             | 212,790                 | 189,440        | 971,560          |
| Aquatic Weed Control                | 320,305             | 119,716                 | 106,579        | 546,600          |
| Sewerage Assistance                 | 1,235,800           | 461,886                 | 411,204        | 2,108,890        |
| UBCO Water Research Chair           | 58,600              | 21,900                  | 19,500         | 100,000          |
| <b>Total</b>                        | <b>2,184,035</b>    | <b>816,292</b>          | <b>726,723</b> | <b>3,727,050</b> |
| <i>Total Prior Year Requisition</i> | <i>2,092,554</i>    | <i>773,116</i>          | <i>694,130</i> | <i>3,559,800</i> |



Budget for the year ending March 31, 2012

Agenda No: 5.11.



Regular:  In-Camera:

Date: Nov. 2, 2010

**BWB**

|   | Water Management | Water Supply & Demand | Water Milfoil  | Sewerage Facilities | UBCO Water Research Chair | Consolidated     | Consolidated Prior Year Budget | Consolidated 2010 Audited Year End |
|---|------------------|-----------------------|----------------|---------------------|---------------------------|------------------|--------------------------------|------------------------------------|
| <b>Revenues</b>   |                  |                       |                |                     |                           |                  |                                |                                    |
| Requisitions  | \$ 971,560       | 0                     | \$ 546,600     | \$ 2,108,890        | \$ 100,000                | \$ 3,727,050     | \$ 3,559,800                   | \$ 3,424,301                       |
| Grant income  | 0                | 50,000                | 0              | 0                   | 0                         | 50,000           | 259,384                        | 821,018                            |
| Interest income   | 3,000            | 0                     | 0              | 10,000              | 0                         | 13,000           | 55,000                         | 16,265                             |
| Sale of services  | 0                | 0                     | 0              | 0                   | 0                         | 0                | 0                              | 2,674                              |
| Transfer from reserve                                     | 0                | 30,000                | 0              | 0                   | 0                         | 30,000           | 327,274                        | 0                                  |
|   | <u>974,560</u>   | <u>80,000</u>         | <u>546,600</u> | <u>2,118,890</u>    | <u>100,000</u>            | <u>3,820,050</u> | <u>4,201,458</u>               | <u>4,264,258</u>                   |
| <b>Expenses</b>   |                  |                       |                |                     |                           |                  |                                |                                    |
| Assistance grants   | 300,000          | 0                     | 0              | 2,098,890           | 100,000                   | 2,498,890        | 2,578,074                      | 2,129,107                          |
| Administration  | 0                | 0                     | 0              | 0                   | 0                         | 0                | 0                              | 0                                  |
| Amortization  | 0                | 0                     | 35,000         | 0                   | 0                         | 35,000           | 35,000                         | 34,952                             |
| Transfer amortization to tangible capital assets (note 1) | 0                | 0                     | (35,000)       | 0                   | 0                         | (35,000)         | (35,000)                       | (34,952)                           |
| Contract services   | 239,310          | 69,500                | 0              | 0                   | 0                         | 308,810          | 688,584                        | 872,998                            |
| Director's remuneration and expenses                      | 11,000           | 0                     | 11,000         | 0                   | 0                         | 22,000           | 25,000                         | 21,858                             |
| Stewardship council expenses                              | 9,000            | 0                     | 0              | 0                   | 0                         | 9,000            | 11,000                         | 8,719                              |
| Equipment costs   | 0                | 0                     | 90,000         | 0                   | 0                         | 90,000           | 86,500                         | 110,314                            |
| Insurance   | 1,500            | 0                     | 22,500         | 0                   | 0                         | 24,000           | 21,000                         | 23,107                             |
| Interest charges  | 0                | 0                     | 300            | 0                   | 0                         | 300              | 0                              | 614                                |
| Office  | 15,250           | 0                     | 11,350         | 0                   | 0                         | 26,600           | 19,700                         | 31,325                             |
| Outreach and publicity                                    | 32,060           | 0                     | 4,750          | 0                   | 0                         | 36,810           | 43,500                         | 33,654                             |
| Overhead allocation                                       | 0                | 0                     | (20,000)       | 20,000              | 0                         | 0                | 0                              | 0                                  |
| Professional fees   | 37,500           | 0                     | 37,500         | 0                   | 0                         | 75,000           | 30,000                         | 52,029                             |
| Rental costs  | 8,500            | 0                     | 21,600         | 0                   | 0                         | 30,100           | 29,800                         | 28,112                             |
| Safety  | 1,000            | 0                     | 2,500          | 0                   | 0                         | 3,500            | 5,000                          | 1,806                              |
| Travel, conferences and meetings                          | 45,940           | 0                     | 4,000          | 0                   | 0                         | 49,940           | 52,000                         | 15,540                             |
| Utilities, yard supplies and maintenance                  | 400              | 0                     | 8,100          | 0                   | 0                         | 8,500            | 12,900                         | 5,579                              |
| Wages and benefits  | 283,600          | 0                     | 343,000        | 0                   | 0                         | 626,600          | 578,400                        | 549,284                            |
| Water management initiative                               | 30,000           | (30,000)              | 0              | 0                   | 0                         | 0                | 0                              | 0                                  |
| Water supply & demand initiative                          | (40,500)         | 40,500                | 0              | 0                   | 0                         | 0                | 0                              | 0                                  |
| Transfer  | 0                | 0                     | 10,000         | 0                   | 0                         | 10,000           | 20,000                         | 0                                  |
|   | <u>974,560</u>   | <u>80,000</u>         | <u>546,600</u> | <u>2,118,890</u>    | <u>100,000</u>            | <u>3,820,050</u> | <u>4,201,458</u>               | <u>3,884,046</u>                   |
| Net (deficiency of) revenues over expenses                | \$ -             | \$ -                  | \$ -           | \$ -                | \$ -                      | \$ -             | \$ -                           | \$ 380,212                         |

Note 1: Consolidated 2010 audited year end - effect of amortization restated.



## MEMORANDUM

Okanagan Basin Water Board  
Regular meeting  
Nov. 2, 2010  
Agenda No: 8.1

File No. 0550.04

To: OBWB Directors  
From: Anna Warwick Sears, Executive Director  
Date: October 26, 2010  
Subject: **Executive Director Report**

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### **OBWB/RDNO Budget Communication Process**

This year, arising from discussions about the OBWB Governance Manual, the RDNO Board requested more engagement with the OBWB budget approval process. After discussions with Greg Betts, the administrator, and a joint meeting with all three regional district administrators, we reached the following understanding (outlined in the attached memorandum to the RDNO Board). I have committed to make two budget-related presentations each year to the RDNO board – one in October, reviewing the status and outlook for OBWB projects and programs, and the other in December, answering questions about the OBWB budget for the coming fiscal year. My presentation on October 20<sup>th</sup> was well-received, and I am scheduled to make my second presentation on December 8<sup>th</sup>.

### **Sewage Facilities Program**

We have received responses to our request for an annual report from our grant recipients – detailing the grants they currently receive, and the retirement and payment schedules for each. Over the next month we will be following up with the other recipients. This was a useful process during the budgeting period – for example, our records showed a grant to Oliver retiring in 2011, but their records showed it retiring in 2013.

### **Watermilfoil Control Program**

We are in the process of launching all the rototillers this week, and are waiting for the go-ahead from the Ministry of Environment to begin our winter treatment season (see memo from Melissa Tesche). We will begin work in Osoyoos Lake, Wood Lake, and the Vernon arm of Okanagan Lake. Dave Caswell, our new trainee, will begin work on November 1<sup>st</sup>.

A group from Washington State is organizing an international MOU on milfoil control – recognizing the need for a coordinated approach on a weed that doesn't respect political boundaries. They have invited us to sign on, and a draft of this MOU is attached. By participating, we would commit to at most twice-yearly meetings, and ongoing information exchange. I believe that by participating we would have better access to the latest management practices (including mapping techniques and biological control), and can exchange information about spread and growth patterns. OBWB Directors are invited to provide comments on the draft MOU.

**Recommendation:** *That the OBWB send a letter of interest in to the other participants in the Upper Columbia River System Cooperative Weed Management Area (CWMA), indicating provisional commitment to the terms expressed in the draft MOU. A final commitment would depend on the terms of the finalized MOU.*

### **Similkameen Water Governance**

In September, OBWB Directors asked staff to consider the pros and cons of the Similkameen local governments joining the OBWB. My recommendation is that we continue to remain separate, but provide advice and support as they undertake their own water governance process.

The OBWB gains much of its strength from the geographic basis of its jurisdiction. There is an undeniable logic to the “One water, one watershed” approach; activities in upstream have a direct affect on water quality and availability downstream, and water requirements (for the environment or for water use) in the lower reaches of the watershed must be met by upstream users. The Similkameen, like the Kettle watershed and the Shuswap, is a close neighbor, with which we share many common values and concerns. However, there are much fewer direct cause-and-effect relationships between activities in these watersheds and our own. For this reason, it will likely be difficult to argue, for example, for the need to use funds from Lake Country taxpayers to support source protection in Keremeos or vis versa.

The Similkameen has a number of unique complexities, including supply obligations and dam issues relating to the United States, very different flow dynamics, and a strong existing working relationship between the local municipalities, rural areas, and First Nations bands. They have not formally expressed an interest in joining the OBWB, and it is not clear how the “fit” would be. However, there are many opportunities for mutual exchange and cooperation, especially as their water governance process progresses



REGIONAL DISTRICT  
of  
NORTH OKANAGAN

# REPORT

File No. 220.01

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**TO:** Board of Directors  
**FROM:** Greg Betts, Administrator  
**DATE:** September 7, 2010  
**SUBJECT:** Okanagan Basin Water Board Budget Approval

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**RECOMMENDATION:**

That the September 7, 2010 report from the Administrator regarding the Okanagan Basin Water Board Budget Approval be received; and further,

That the Okanagan Basin Water Board (OBWB) Executive Director be requested to make two presentations to the Regional District of North Okanagan regarding OBWB budgets and programs, as follows:

- a conceptual level presentation taking place annually in October of each year
- a final budget submission presentation occurring annually in early December.

**ISSUE:**

At the March 10, 2010 Board meeting, the Board of Directors passed the following resolution:

That as recommended by the Committee of the Whole, the Okanagan Basin Water Board be requested to engage the Regional District of North Okanagan in the future, in the review and development of the OBWB budget prior to final approval.

**DISCUSSION:**

Following the direction from the Board, the Administrator from the Regional District of North Okanagan (RDNO) met on July 13, 2010 with the Administrators of the Regional District of Central Okanagan (RDCO) and the Regional District of Okanagan Similkameen (RDOS) as well as the Executive Director of the Okanagan Basin Water Board to discuss the concerns raised by the RDNO Board.

It was acknowledged that the RDNO Board, along with the Boards of the RDOS and RDCO had approved the Governance Manual which, in addition to other policies, had codified the recent historical OBWB budget approval process for the Regional Districts. This codified policy had evolved by agreement from the past practice wherein each Regional District in effect "approved" the budget, to a process wherein each Regional District "incorporated" the budget submitted by OBWB into their Regional District financial plan.

The Administrators from the RDCO and RDOS indicated that their respective Boards had expressed no concerns with the current budget approval procedures and noted that it was being

done in accordance with the Governance Manual which had been endorsed and adopted by all three Regional District Boards.

It was acknowledged that the budget approval process endorsed in the Governance Manual, places greater importance, reliance, responsibility, and accountability on the respective appointees to represent the views or concerns of the Board and to provide ongoing communications back to the Board on budget or other matters.

In terms of addressing the concerns of the RDNO Board, two topics were discussed for consideration: Board Appointees to the OBWB, and a modified budget communications strategy.

### **Board Appointees to the Okanagan Basin Water Board**

It could be argued that the evolved budget process has, in effect delegated authority to, or raised the expectations of, the respective Regional District representatives to the OBWB with respect to the budget approval process. In the instances of the RDCO and RDOS, all representatives are Regional Board directors, however, in the case of the RDNO, only one of the three representatives is a Regional Board director, two are alternate board members.

Therefore, in the case of the RDNO a greater reliance is placed on only one of their three appointees to express the concerns or provide input and feedback between the OBWB and the RDNO Board stakeholders. The RDNO Board may wish to give consideration to appointing only board directors if they believe that having three board members instead of one attending the OBWB will provide a greater opportunity for liaison, communications and accountability than is the case with the current practice.

### **Budget Communications Strategy**

Rather than simply receiving a final budget submission for incorporation into the RDNO Financial Plan, the option of providing two presentations to the Board by the Executive Director of the OBWB was discussed. One presentation could be scheduled in October to discuss the past year programs and budget performance, together with a heads up on any potential new programs or significant challenges anticipated or being considered for the following year. A second presentation could be then be provided in early December which would incorporate all matters into a final budget submission from the OBWB.

### **Summary**

With respect to the budget process, the OBWB is following the policies and procedures outlined in the Governance Manual adopted by the three Regional District Boards. Notwithstanding the approved policy, the Executive Director is prepared to enhance communications by making two budget related presentations to the RDNO Board.

With respect to enhancing the potential for improved liaison, communications and continuity, the RDNO Board may wish to consider appointing only directors to the OBWB.

Respectfully submitted,



Greg Betts,  
Administrator

**MEMORANDUM OF UNDERSTANDING Concerning the International  
Control of Invasive Aquatic Vegetation for the Upper Columbia River System  
Cooperative Weed Management Area (CWMA)**

BETWEEN

**USDA Forest Service, Okanogan-Wenatchee National Forest  
USDA Forest Service, Colville National Forest  
NOAA Marine Fisheries  
Bureau of Reclamation  
National Park Service  
US Fish and Wildlife Service  
US Army Corp of Engineers  
USDA Natural Resources Conservation Service, Okanogan Office  
Colville Confederated Tribes Fish and Wildlife  
Colville Confederated Tribes/Bureau of Indian Affairs  
Washington State Department of Natural Resources, Northeast Region  
Washington State Department of Agriculture  
Washington State Department of Ecology  
Washington State Noxious Weed Control Board  
Washington State Department of Fish and Wildlife  
Washington State Parks and Recreation Commission  
Washington State University Extension, Douglas County  
North Central Washington Resource Conservation and Development  
Chelan County Public Utility District  
Douglas County Public Utility District  
Okanogan Conservation District  
Cascadia Conservation District  
Chelan County Noxious Weed Control Board  
Ferry County Noxious Weed Control Board  
Lincoln County Noxious Weed Control Board  
Okanogan County Noxious Weed Control Board  
Stevens County Noxious Weed Control Board  
Pend Oreille County Noxious Weed Control Board  
South Okanogan Similkameen Invasive Plant Society, Canada  
and  
Boundary Weed Management Committee, Canada**

The USDA Forest Service, Okanogan-Wenatchee National Forest, USDA Forest Service, Colville National Forest, Bureau of Recreation, NOAA Marine Fisheries, National Park Service, US Fish and Wildlife Service, US Army Corp of Engineers, USDA NRCS RC&D Okanogan, Colville Confederated Tribes Fish and Wildlife, Colville Confederated Tribes/BIA, Washington State Department

of Agriculture, Washington State Department of Ecology, Washington State Noxious Weed Control Board, Washington State Department of Natural Resources, Washington State Department of Fish and Wildlife, Washington State Parks and Recreation Commission, Chelan County Public Utility District, Douglas County Public Utility District, Okanogan Conservation District, Cascadia Conservation District, Chelan County Noxious Weed Control Board, Ferry County Noxious Weed Control Board, Lincoln County Noxious Weed Control Board, Okanogan County Noxious Weed Control Board, Pend Oreille County Noxious Weed Control Board, Stevens County Noxious Weed Control Board, South Okanogan Similkameen Invasive Plant Society, and Boundary Weed Management Committee, hereinafter jointly referred to as “the Parties”:

Recognizing that Eurasian Watermilfoil (*scientific name*) is an invasive species of aquatic plant not native to the Columbia River and its tributaries;

Recognizing that invasive aquatic vegetation (also referred to as aquatic noxious weeds), including Eurasian Watermilfoil, presents an imminent threat to the native fish and plant species in the river, including those populations listed as species of special concern to the State of Washington and the Federal Government of the United States, (*and the Canadian Provinces / Government?*);

Having a common interest in integrated water resources management (IWRM) and aquatic noxious weed abatement;

Having independent missions with technical activities of mutual interest, and with each Party having an independent mission to eradicate aquatic noxious weeds, including Eurasian Watermilfoil;

Recognizing that the prevention and elimination of aquatic noxious weeds, including Eurasian Watermilfoil, in the Upper Columbia River system requires the coordinated effort of all the Parties;

Recognizing the need to develop an integrated approach to invasive aquatic vegetation management through the development of scientific research, education, training and awareness raising at all levels, the development of appropriate coordinated policies and practices, the networking of scientists in the region, and the transfer of information and knowledge by establishing a region-wide Partnership, and the Parties’ interest in contributing to this partnership;

Desiring to promote, encourage and advance systems for safer, more economical, efficient, and environmentally sound aquatic noxious weed management and eradication in the Upper Columbia River through research, development and cooperation in these fields; and

Recognizing the benefit to each Party's water resources management, scientific and capacity-building missions through mutual cooperation and joint activities when consistent with the policies, goals and laws governing each Party;

Do hereby simultaneously declare the following framework for partnership:

### ***Article I***

Uncontrolled invasive aquatic weed populations in one jurisdictional area greatly affect the ability of other land managers to control aquatic noxious weeds on lands/ waters they administer. The Cooperators desire to come together in a formal manner and promote an integrated weed management program throughout the cooperative weed management area that includes public relations, education, and training in the aquatic noxious weed arena as well as coordination of weed control efforts and methods, sharing of information and designing other desirable resource protection measures relative to weed management.

The Parties agree to use their best efforts to establish a forum for cooperation and partnership in the field of the control of invasive aquatic vegetation in the Upper Columbia River system.

The Parties are especially interested in pursuing cooperative opportunities in the following areas of common interest:

1. Providing a communication forum to keep all parties informed of weed control concerns and activities, and/or other resource protection activities relative to integrated weed management
2. Coordinating for the biological control of Eurasian Watermilfoil in the Upper Columbia River System
3. Coordinating rapid response planning and alerting
4. Capacity building and training
5. Educational and outreach methods and systems
6. The sharing of resources where allowable by subsequent agreements

### ***Article II***

International Upper Columbia River System Invasive Aquatic Vegetation Control Cooperative Weed Management Area (CWMA) is the geographic area generally contained within all boundaries of the Upper Columbia River System and its tributaries.

### ***Article III***

Each Party shall designate a Principal Representative to serve as the primary point of contact between the parties on all matters arising under this Partnership Document. The Principal Representatives shall meet regularly, no less than biannually, to coordinate and discuss

approaches to the prevention and elimination of invasive aquatic vegetation in the Upper Columbia River System.

***Article IV***

Any cooperative activity undertaken between the Parties shall only be done under the authority of the laws, regulations, and policies governing each Party individually.

***Article V***

Notwithstanding any other provision herein, nothing in this Partnership Document shall be construed as binding under International Law. Nothing in this Partnership Document shall override agreements already in place under the Federal Columbia River Power System agreements or any other agreements between Parties to this document. Further, nothing in this document shall be construed as either authorizing or obligating any Party to commit funds or resources to any project or work, nor does it commit any agency Party to participate in any projects outside their jurisdictional area except as otherwise authorized by the laws, regulations, and policies governing each party individually.

***Article VI***

This Partnership Document shall become effective when signed by all Parties and shall remain in effect for 5 years from the date of execution. At the end of 5 years the agreement will automatically terminate. The agreement may be extended or amended upon written request of any of the Parties and the subsequent written concurrence of the others.



**MEMORANDUM OF UNDERSTANDING Concerning the International Biological Control of Eurasian Watermilfoil for the Upper Columbia River System Cooperative Weed Management Area (CWMA)**

**Collective Participant Signature Page**

**The Undersigned agree to the Memorandum of Understanding Concerning the International Biological Control of Eurasian Watermilfoil for the Upper Columbia River System Cooperative Weed Management Area (CWMA)**

This Cooperative Agreement is made and entered into by and between the USDA Forest Service, Okanogan-Wenatchee National Forest, USDA Forest Service, Colville National Forest, Bureau of Recreation, NOAA Marine Fisheries, National Park Service, US Fish and Wildlife Service, US Army Corp of Engineers, USDA NRCS RC&D Okanogan, Colville Confederated Tribes Fish and Wildlife, Colville Confederated Tribes/BIA, Washington State Department of Agriculture, Washington State Department of Ecology, Washington State Noxious Weed Control Board, Washington State Department of Natural Resources, Washington State Department of Fish and Wildlife, Washington State Parks and Recreation Commission, Chelan County Public Utility District, Douglas County Public Utility District, Okanogan Conservation District, Cascadia Conservation District, Chelan County Noxious Weed Control Board, Ferry County Noxious Weed Control Board, Lincoln County Noxious Weed Control Board, Okanogan County Noxious Weed Control Board, Pend Oreille County Noxious Weed Control Board, Stevens County Noxious Weed Control Board, South Okanogan Similkameen Invasive Plant Society, and Boundary Weed Management Committee. These entities are collectively referred to as the Parties in this agreement.

International Upper Columbia River System Eurasian Watermilfoil Control CWMA: The Cooperative Weed Management Area is the geographic area generally contained within all boundaries of the Upper Columbia River System and its tributaries.

This Agreement will provide an efficient means of handling, controlling and communicating about noxious weed management in the geographic area covered by this Agreement. The sharing of knowledge will achieve better control of weeds while improving working relationships with the partners and members of the public served by each.

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Signature (Name & Agency of Signee)

Date

**MEMORANDUM OF UNDERSTANDING Concerning the International Biological Control of Eurasian Watermilfoil for the Upper Columbia River System Cooperative Weed Management Area (CWMA)**

Principle Representative Signature Page

The Undersigned agrees to participate as the Principle Representative for the Memorandum of Understanding Concerning the International Biological Control of Eurasian Watermilfoil for the Upper Columbia River System Cooperative Weed Management Area (CWMA)

Dated this \_\_\_\_\_ Day of \_\_\_\_\_, 2010

Name of Party: \_\_\_\_\_

Name of Agency or Entity: \_\_\_\_\_

Title / Role: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone #: \_\_\_\_\_

## MEMORANDUM

Okanagan Basin Water Board  
Regular meeting  
Nov. 2, 2010  
Agenda No: 8.1.1

File No. 0550.04

To: OBWB Directors  
From: Anna Warwick Sears, Executive Director  
Date: October 26, 2010  
Subject: **Water Supply & Demand Project Update**

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### **Water Supply & Demand Project Update**

**Database:** Work continues on the Okanagan Water Database, getting set up to mine further information from the Water Supply & Demand data. Ron Fretwell, who is responsible for setting up the database and running the models for future scenarios, is also overseeing the integration of the various OBWB web tools, including the Streamlined Water Use Reporting Tool (SWURT) and the Okanagan Water Viewer. He is also providing support to the team undertaking the Hydrologic Connectivity study (creating a technical framework for a basin-wide drought agreement), and answering data requests from local governments (our most recent request was regarding Powers Creek in West Kelowna).

I have arranged for an expert in local government planning to help us draft a report on what data is available from the Water Supply & Demand project, and how it can be used by local government planning and engineering staff to answer different practical questions or inform OCP development and other processes.

**Scenarios:** We have funding from NRCan (RAC) to undertake more climate scenarios and develop a report on the outcomes. This work must be completed by March 31, 2011. I have been actively developing a project plan with the assistance of a committee from the Water Supply & Demand interagency management team. The majority of the work will be done by Ron Fretwell, under our existing contract. Experts at Environment Canada and Agriculture Canada have created additional future climate data sets for us to test, including a recreation of the 1930s-level drought conditions.

To complete the scenarios work we will need to undertake two new contracts. One is for technical support, with DHI Water and Environment, Inc. (the company who developed the models) to help ensure that Ron Fretwell can complete the required modeling work. The second contract is to write a report, interpreting the results. I recommend that we issue a contract for this work to Lars Uunilla (Polar Geoscience Ltd), the lead hydrologist on the project, and familiar with all aspects of the model results and data. I do not believe that another contractor could provide the same level of expert advice for this project. Each of these contracts will be for less than \$30,000.

**Recommendation:** *That the OBWB enter into a technical support contract with DHI Water and Environment Inc., to assist with the transition and use of the Okanagan Hydrology Model and the Okanagan Water Accounting Model for future scenario modeling; and, that the OBWB further enter into a contract with Polar Geoscience Inc. to interpret and report the results of that modeling process.*

**Water Map:** Advanced GIS students from BCIT will be creating an interactive watershed map for us with the information from the Water Supply & Demand Project. At no cost to the OBWB, we will have two students (supervised by their instructors, and working out of Vancouver), spending 45 days each on the project during the period between January – May. Such projects are a graduation requirement for the advanced GIS degree program. This project will be geared toward much simpler information, than the Okanagan Water Viewer, and will display a clickable map of information such as water provider areas, the names of streams and lakes, and basic hydrology information (depth of the lake, annual recharge). These are “frequently asked questions” from the public, and we would likely integrate the map with the WaterWise website. We will get additional assistance on the project from UBC-O.

## MEMORANDUM

Okanagan Basin Water Board  
Regular meeting  
Nov. 2, 2010  
Agenda No: 8.2

File No. 0550.04

To: Board of Directors  
From: Nelson R. Jatel, Water Stewardship Director  
Date: October 26, 2010  
Subject: **Water Stewardship Director's Report – November**

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This memo provides an update on some of the ongoing activities of the OBWB's Water Management Program.

### 1.0 OKANAGAN WATER STEWARDSHIP COUNCIL, TECHNICAL ADVISORY COMMITTEE

October's council meeting marked the start of the third 18-month term of the Water Stewardship Council. Dr. Bernie Bauer, with UBC Okanagan, was re-elected as chair and Mr. Ted van der Gulik, with BC Ministry of Agriculture, was re-elected as vice-chair.

Council members are appointed by the Board of Directors and represent organizations (not individuals). Four new organizations have expressed interest in becoming members of the council and include: Association of Professional Engineers and Geoscientists (APEGBC); City of Vernon, South Okanagan Real Estate Board and the Okanagan Mainline Real Estate Board.

Staff recommend that all four organizations be included as Council members for the upcoming 18 month term. The added voices will contribute to the nuance in the dialogue that supports the advice and recommendations to the board.

### 2.0 PROJECT UPDATES

#### 2.1. Streamlined Water Use Reporting Tool

A meeting was held October 21<sup>st</sup> with the software design project manager, Dave Morton, and the Central Okanagan Regional District IT staff to start the dialogue on transferring the software over to the local server. A range of issues were considered including: security, log-in protocol and software maintenance scheduling. It is anticipated that the software will be moved over to the local server in November for testing. A small group of water purveyors have volunteered to test the beta version of the software in December. The final software build will be launched in January 2011. As part of the project, training and support for Okanagan water purveyors will be provided.

A presentation by Dave Morton of Spot Solutions and project co-chairs, Bruce Wilson and Michael Stamhuis, was well received by the BC Water Supply Association on October 22<sup>nd</sup>.

The url name chosen by the technical committee for this project is: [www.okwateruserreporting.ca](http://www.okwateruserreporting.ca) and we will also reserve the name [www.bcwateruserreporting.ca](http://www.bcwateruserreporting.ca) to support transfer of the system if and when it is applied across the province at a later date.

This web-based reporting tool project is a partnership between the OBWB and senior levels of government. This information is intended to support drought planning and provide improved supply and demand modeling for the Okanagan Basin.

### *2.2. Okanagan Groundwater Monitoring Project*

This project is led by a technical advisory committee made-up of the following members: Oleg Ivanov (MoE), Doug Edward (AAFC), Gwyn Graham (Environment Canada), and Nelson Jatel (OBWB).

An agreement between OBWB, Ministry of Environment and Agriculture and Agri-Food Canada is under development to provide clarity on roles and responsibilities within the scope of the project.

For this year's drilling program, the following wells are scheduled to be implemented:

- Anarchist Mountain (x2)
- Twin Lakes (x2)
- Oliver (x1)

A Request for Qualification for well drillers closed on October 22<sup>nd</sup>. The TAC is currently reviewing submissions.

This year will see six monitoring wells developed that will provide long-term reporting on groundwater conditions in sensitive Okanagan aquifers.

### *2.3. Hydrologic Connectivity Study*

The hydrologic connectivity study Technical Advisory Committee has reviewed the two submitted proposals and awarded the contract to Summit Environmental Consultants Inc. This project will build on the Supply and Demand model and provide local governments and water utilities identify how water is shared within the Okanagan and what are some of the implications of the First-in-time, first-in-right (FITFIR) licensing system.

## OBWB Water Stewardship Council Members: 2010-11

18 Month Term: October 2010 - April 2012

### Organization

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Agriculture and Agri-Food Canada: Agri-Environment Services Branch

Agriculture and Agri-Food Canada: Pacific Agri-Food Research Centre

BC Agriculture Council

BC Cattlemen's Association

BC Fruit Growers Association

BC Groundwater Association

BC Groundwater Association

Canadian Water Resources Association

City of Kelowna Water Conservation program

CORD Environmental Advisory Committee

Environment Canada - Pacific and Yukon Region

Interior Health

Kelowna Fish and Game Club

Ministry of Agriculture and Lands

Ministry of Environment - Environmental Stewardship Division

Ministry of Environment, Water Stewardship Division

Kelowna Fish and Game Club

Okanagan Collaborative Conservation Program (OCCP)

Okanagan College

Okanagan Nation Alliance

Osoyoos Lake Water Quality Society

Regional District of North Okanagan

Regional District of Okanagan-Similkameen

Shuswap Okanagan Forestry Association

UBC Okanagan

Urban Development Institute

Water Supply Association

Interest has been expressed to participate on the council by the following organizations:

- City of Vernon
- Okanagan Mainline Real Estate Board
- Professional Engineers and Geoscientists of BC
- South Okanagan Real Estate Board



**Regular Monthly Meeting Highlights – October 2010**

*Excerpts from Council Member Reports\*:*

- Priority actions for the following 18 month term were identified: (1) respond to technical questions raised by the Board, (2) provide a space for discussing and exploring contemporary water issues facing the Okanagan, (3) develop a progress report for the Sustainable Water Strategy, and (4) develop recommendations for Board consideration.
- Identified priority content and issues including the following: (1) prepare a comprehensive water management plan for the Okanagan Basin; (2) develop a basin-wide source protection strategy; and (3) explore establishing an agriculture water reserve.
- The OBWB staff submitted at the request by Agriculture and Agri-Food Canada (AAFC) a funding application to the Innovative Approaches Program. The goal of this AAFC program looks at economic instruments to develop, test and evaluate innovative approaches to delivering Agri-Environmental policy and programming that will enhance sustainability of the agriculture sector. The proposal identified four unique deliverables: (1) value of irrigated agricultural land, (2) agricultural water pricing survey, (3) a water utility tool kit that includes water pricing policy support, and (4) a systematic analysis of an agricultural water reserve and how it may be developed. Project support letters were provided by AAFC-Environment Services Branch, POLIS Project, Brock University and UBC Okanagan. The Stewardship Council identified the need to have agricultural producers involved both at a steering and technical committee level. It was agreed that the proposal would be circulated to interested council members for comment and input. Mr. Jatel stated that the rationale behind developing the proposal was to support local food production, something that is a value shared by council members. It is anticipated that the Water Stewardship Council will play a significant role in shaping the project scope, subject to the project being funded.

\* For full report summary see attached Council Meeting Minutes (October 2010).

**Presentations & Policy Review:**

The Ministry of Agriculture is requesting support for a process to save water in areas severely affected by drought. The intent is to waive the farm income requirements to maintain farm status in regions that are affected by a drought level 3 or higher. The region that will benefit most by this initiative is the Okanagan.

Ministry of Agriculture is asking for a letter of support from OBWB for this initiative.

**Council Members (2009-10):**

- |   |  |
|---|--|
| ○ Interior Health                             | <b>Rob Birtles</b>                     |
| ○ UBC Okanagan                                | <b>Bernie Bauer (chair)</b>            |
| ○ Okanagan Collaborative Conservation Program | <b>Carolina Restrepo-Tamayo</b>        |
| ○ BC Fruit Growers Association                | <b>Lorraine Bennest</b>                |
| ○ Environment Canada                          | <b>Alan Boreham/ Daniel Miller</b>     |
| ○ Okanagan Nation Alliance                    | <b>Gwen Bridge/ Howie Wright</b>       |
| ○ BC Agriculture Council                      | <b>Hans Buchler</b>                    |
| ○ MoE, Water Stewardship Division             | <b>Ken Cunningham</b>                  |
| ○ OCEOLA Fish and Game Club                   | <b>Lorne Davies / Aron Chatten</b>     |
| ○ Agriculture and Agri-Food Canada            | <b>Doug Edwards / Kirby Rietze</b>     |
| ○ BC Groundwater Association                  | <b>Doug Geller</b>                     |
| ○ Canadian Water Resource Association         | <b>Brian Guy</b>                       |
| ○ BC Cattlemen's Association                  | <b>Lee Hesketh</b>                     |
| ○ Water Supply Association                    | <b>Bob Hrasko</b>                      |
| ○ Regional District of North Okanagan         | <b>Anna Page / Anthony Kittel</b>      |
| ○ Community Futures                           | <b>Don Main</b>                        |
| ○ MoE - Fish and Wildlife Science             | <b>Steve Matthews</b>                  |
| ○ Osoyoos Lake Water Quality Society          | <b>Mark McKenney</b>                   |
| ○ Agriculture Canada PARC / PFRA              | <b>Denise Neilsen</b>                  |
| ○ Urban Development Institute                 | <b>Bal Poonian</b>                     |
| ○ RDCO Environmental Advisory Committee       | <b>Chris Radford</b>                   |
| ○ Shuswap Okanagan Forestry Association       | <b>Kerry Rouck</b>                     |
| ○ Regional District of Okanagan-Similkameen   | <b>Jillian Tamblin</b>                 |
| ○ Ministry of Agriculture and Lands           | <b>Ted van der Gullik (vice-chair)</b> |
| ○ City of Kelowna Water Conservation program  | <b>Mark Watt / Don Degen</b>           |
| ○ Okanagan College                            | <b>Douglas MacLeod</b>                 |

**Membership**

The Okanagan Water Stewardship Council is a broad-based advisory body, representing a range of water stakeholder groups and local sources of technical expertise. Council members are nominated for 18-month terms by their respective organizations, and these nominations are ratified by the OBWB.

For more information visit [www.obwb.ca](http://www.obwb.ca) or [www.okwaterwise.ca](http://www.okwaterwise.ca)

Or contact:  
**Nelson R. Jatel**, Water Stewardship Director  
[nelson.jatel@obwb.ca](mailto:nelson.jatel@obwb.ca)  
 (250) 469-6295



## MEMORANDUM

Okanagan Basin Water Board  
Regular meeting  
Nov. 2, 2010  
Agenda No: 8.3

File No. 0550.04

To: OBWB Directors  
From: Corinne Jackson  
Date: October 26, 2010  
Subject: **Communications and Research Coordinator Report**

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### Watersmart Innovations Conference

The WaterSmart conference, held Oct. 6 to 8 and put on by the Southern Nevada Water Authority, was a fantastic opportunity to learn from others, across North America, regarding outreach initiatives to conserve and protect water.

Interestingly, we face a lot of the same issues (such as the need to curb outdoor lawn watering), allowing for some shared learnings. It was also heartening to see that we are on the right track with who we need to focus our efforts on (i.e. young women and children), helping encourage everyone else to follow.

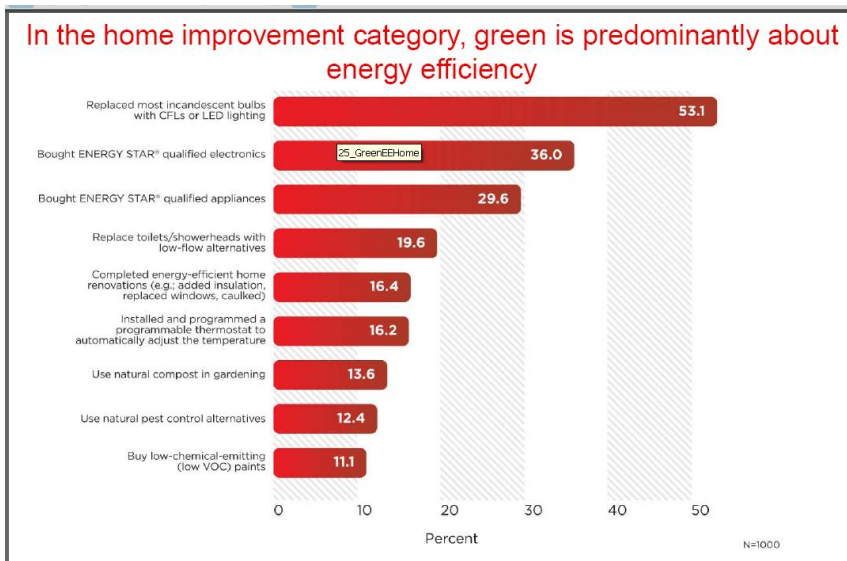
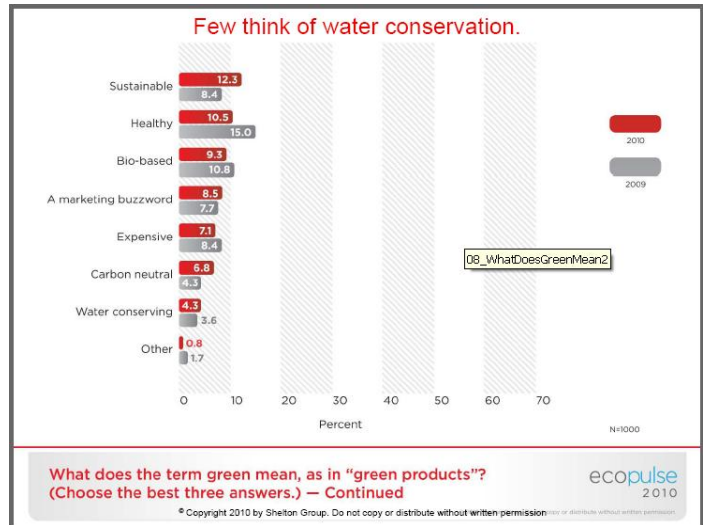
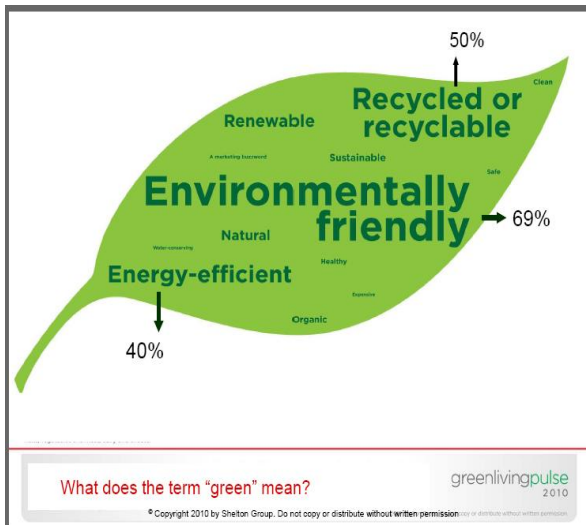
Attendees heard of efforts that worked in reaching the public, and efforts that didn't, but where lessons were learned to ensure better success in the future.

There were a number of tracks attendees could choose from including: *Alternate [Water] Sources* (with a large focus on stormwater); *Code, Policy and Rates*; *Conservation and Incentive Programs*; *Construction and Development*; *Drought Management*; *Education*; *Landscapes*; *Marketing and Outreach*; *Plumbing, Appliances and Fixtures*; *Utility and Infrastructure*; and *Water Loss Management*.

Presentations are available for viewing at [www.watersmartinnovations.com/2010\\_sessions.php](http://www.watersmartinnovations.com/2010_sessions.php). However, I wanted to share a few slides from one of the sessions I attended.

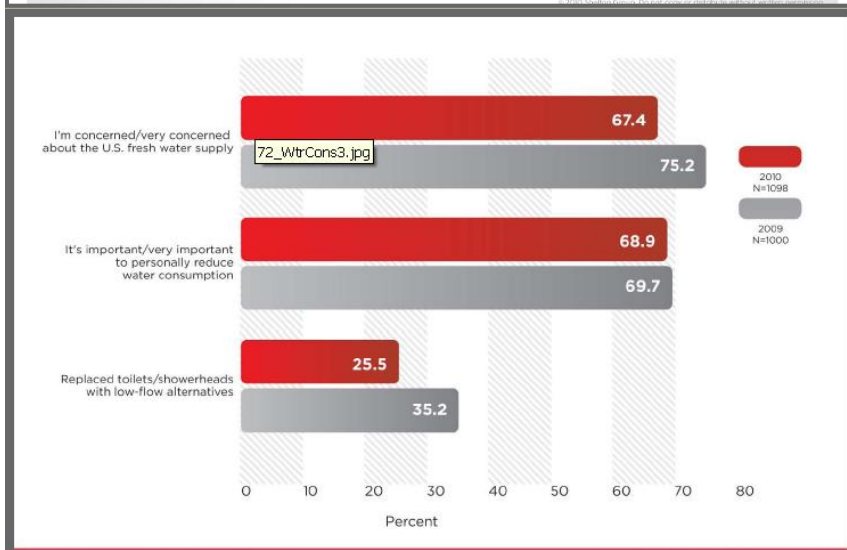
The presentation was given by Suzanne Shelton of Shelton Group, an ad agency that focuses on motivating mainstream consumers to make sustainable choices. First, it was noted that research shows that "Green" is officially mainstream. However, water conservation isn't currently top of mind in the green conversation.

In fact, as you go through the slides, you'll see that research shows that being green usually involves energy conservation. However, when people are asked their feelings about water, they say that they are concerned, but are not following it up with water-saving behaviours.



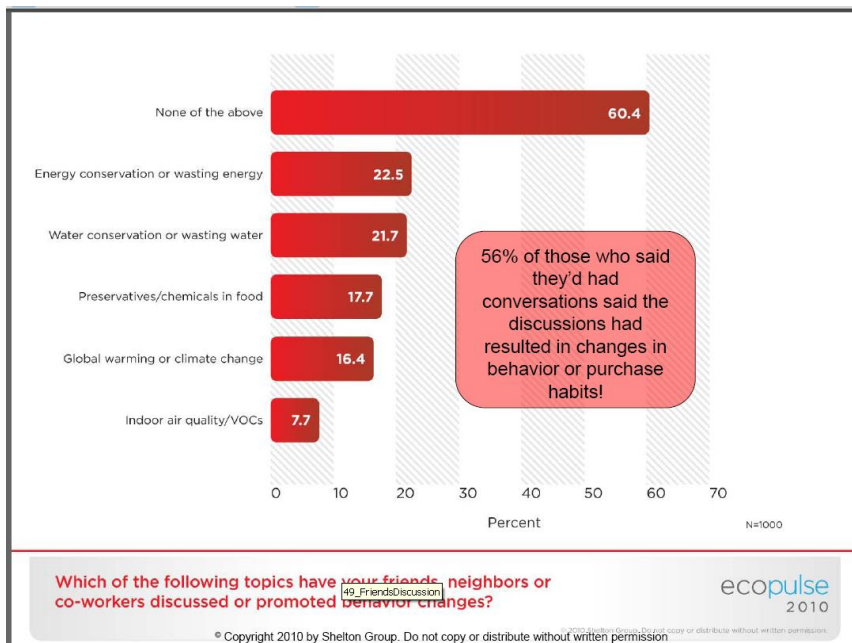
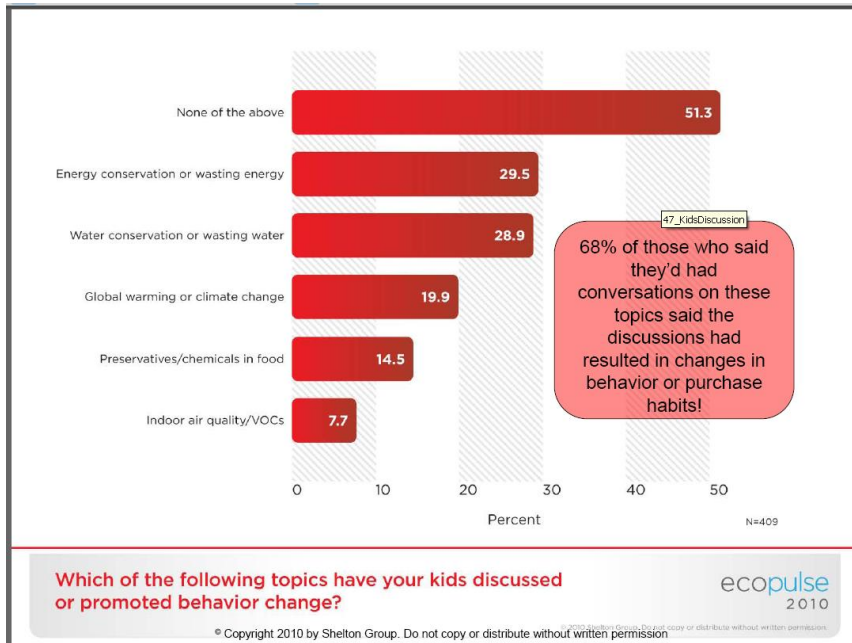
How green is your lifestyle? (Home products purchased or improvements made) ecopulse 2010

\* Copyright 2010 by Shelton Group. Do not copy or distribute without written permission.



So if people care about water, how do we reach them? The answer, according to the research is that the message needs to be simple and relatable (i.e. cocktail-type conversation). It also has to appeal to the heart and mind, not just one at the exclusion of the other. And, research also shows that “conversations matter.”

Indeed, research by Shelton Group found that people were more likely to adopt water conserving behaviours after their kids discussed it with them – even more so than hearing it from their friends, neighbours and co-workers.



The information provide by this research and by a number of the presenters, as well as the ongoing conversation that is happening among people who attended the conference, should serve

the Okanagan Basin Water Board well as it moves forward with its Okanagan WaterWise campaign.

Photos of the conference are provided at the end of this report.

### **Update on other communication activities**

The survey that was handed out to attendees of the OBWB Annual General Meeting is now up on Survey Monkey. The survey asks people's opinion on current OBWB programs and services, and where we should focus our efforts in the coming year. An e-mail was sent out to our distribution list on Oct. 21. As of the 26<sup>th</sup>, we have 34 responses, including a few from board members and Okanagan Water Stewardship Council members. If you have not already filled out the survey, please do so. There are only seven questions which should take less than five minutes to answer. The survey can be found at: <http://www.surveymonkey.com/s/PG3MZS8>.

A media advisory was sent Oct. 25 regarding the OBWB and BC Water and Waste Association's "From Rain to Resource" workshop and tradeshow - Oct. 28 and 29. It is expected that CHBC, Astral Media (AM1150, Sun FM, Silk FM, and EZ Rock), as well as Black Press (Kelowna Capital News) will be attending.

### **Summary of Recent Media**

- Sept. 30 "Climate change workshop," *Kelowna Capital News*
- Oct. 13 "Okanagan to get drought condition warning signs," *Sun FM Penticton, EZ Rock Penticton, AM1150*
- Oct. 13 "OBWB proposes \$1.6 million study on water costs and irrigated lands," *Sun FM Penticton, AM1150*
- Oct. 13 "OBWB completes water price survey," *EZ Rock Penticton, AM1150*
- Oct. 15 "Crown reservoir waterfront lots now off the market," *Kelowna Capital News*
- Oct. 15 "Workshop prepares for changing climate," *Vernon Morning Star*
- Oct. 18 "Water woes - Prices to quality concerns," *SunFM Vernon, AM1150*
- Oct. 21 "Sewer concerns cleared up," *Penticton Western News*
- Oct. 23 "Mussels focus of milfoil control plans," *Vernon Morning Star*

### **Summary of Upcoming Presentations**

- Oct. 28-29 From Rain to Resource workshop/tradeshow (Kelowna) – Dr. Warwick Sears (panel member)
- Oct. 28-29 From Rain to Resource workshop/tradeshow (Kelowna) – Chair Wells, Mr. Jatel and Dr. Warwick Sears (emcee/session chairs)
- Nov. 16 Building Sustain-Able Communities (Kelowna) – Dr. Warwick Sears

### **Recently Delivered Presentations**

- Oct. 6 Gaining Ground Conference Panel (Vancouver) - Dr. Warwick Sears
- Oct. 20 Regional District of North Okanagan (Coldstream) – Dr. Warwick Sears
- Oct. 22 Water Supply Association of BC, AGM (Osoyoos) – Dr. Warwick Sears
- Oct. 21-24 Waterlution: Canadian Water Innovation Lab 2010 (Exshaw, Alta.) – Mr. Jatel



**Photos from WaterSmart Innovations 2010**



Keynote speaker Hunter Lovins, "natural capitalism" advocate.



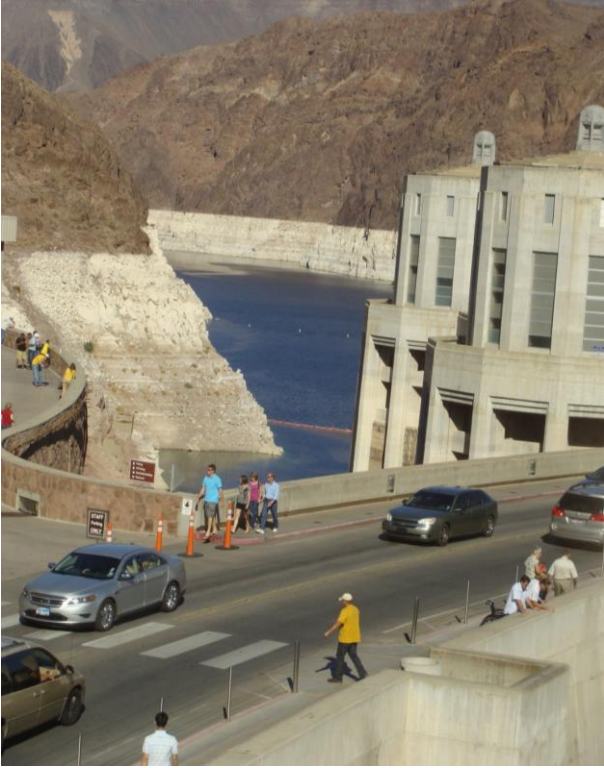
Lisa Masini, Okanagan Xeriscape Association, at "poster session."



Keynote speaker Steven Solomon, author of the best-seller "Water: The Epic Struggle for Wealth, Power and Civilization."



Exhibit hall



The dramatic water level line at Lake Mead, taken from Hoover Dam and the highway.



## MEMORANDUM

Okanagan Basin Water Board  
Regular meeting  
November 2, 2010  
Agenda No: 8.4

File No. 0550.04

To: OBWB Directors  
From: Melissa Tesche, Office and Grants Administrator  
Date: October 24, 2010  
Subject: **Office and Grants Administrator Report**

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### Water Conservation and Quality Improvement Grant Program

Midpoint reports have come in from grant recipients for 2010, and we are in the process of reviewing the reports and visiting sites where possible. Most projects have been progressing well. Of particular note is the City of Penticton's project, partially funded by the OBWB, which received a 2010 FortisBC Powersense Leadership Award. The call for applications for 2010-11 WCQI grants will go out in early December.

### Eurasian Water Milfoil Program Update

The start of the 2010-11 rototilling season has been delayed. We had hoped to begin the rototilling season early to get a jumpstart on the dense beds in Osoyoos and the Vernon arm, but have been delayed by new permitting requirements. As the milfoil control program was originally a province-run program, we were never subject to the permitting process. This fall, when seeking permission to begin rototilling early, we were asked to submit a full application of notification to the Ministry of Environment (MoE) for all our works. Our application for notification is still currently under review.

The tightened permitting requirements are in part because of concerns surrounding an endangered mussel that has been found in Osoyoos and Vernon arm. We met with the senior ecosystem biologist at MoE to request a rush on the approval process, and determine how the mussels might impact our operations. For the time being, it seems that most of our treatment areas will be approved. It is likely this will become a semi-annual administrative process.



Agenda No: 9.1  
Regular:  In-Camera:   
Date: Nov. 2, 2010  
**OBWB**

Ref: 137110

September 27, 2010

Dr. Anna Warwick Sears  
Okanagan Basin Water Board  
1450 KLO Road  
Kelowna BC V1W 3Z4

Dear Dr. Anna Warwick Sears:

On behalf of the Province of British Columbia (Province), I am pleased to advise you that your application under the *Local Government Grants Act* for an infrastructure planning grant has been approved for the following project:

| <b>Grant Description</b> | <b>Amount</b> |
|--------------------------|---------------|
| Topsoil Bylaws Primer    | \$10,000      |

Details of the terms and conditions attached to this grant will be dealt with in an agreement which will be forwarded to you by Ministry of Community and Rural Development (Ministry) staff as soon as possible. This agreement must be signed and returned to the Ministry, indicating your acceptance of the terms and conditions.

The Province welcomes the opportunity to support planning in the Okanagan Basin Water Board. We believe that early planning is the best way to ensure that the environmental and health needs of your community will continue to be met in the years ahead.

.../2

Ministry of Community  
and Rural Development  
  
Office of the Minister



PO Box 9056 Stn Prov Govt  
Victoria BC V8W 9E2  
  
Phone: 250 387-2283  
Fax: 250 387-4312  
www.gov.bc.ca/07

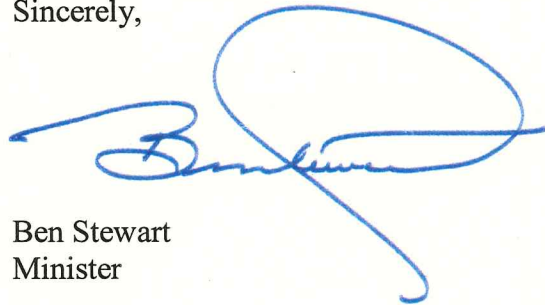


Dr. Anna Warwick Sears  
Page 2

Through your planning efforts, the Province encourages you to find ways to use new technology to promote environmental excellence and sustainable economic development.

Congratulations on your successful application and my best wishes with your infrastructure study.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ben Stewart". The signature is stylized with a large loop at the top and a long, sweeping underline.

Ben Stewart  
Minister

## **Memorandum to: Okanagan Basin Water Board**

**From: Ted van der Gulik, Senior Engineer, Ministry of Agriculture**

Date: October 24th, 2010

**Issue:** The Ministry of Agriculture is requesting support for a process to save water in severe drought affected areas. The intent is to waive the farm income requirements to maintain farm status in regions that are affected by a drought level 3 or higher. The region that will benefit most by this initiative is the Okanagan region.

**Background:** S6.1, Standards for the Classification of Land as Farm Regulation, authorizes Cabinet to suspend income and production requirements for a specified period where exceptional circumstances are demonstrated, allowing farmers at risk to retain farm classification status. At a June 2010 meeting between Minister Thomson and Minister Bennett, (previous Minister of Community and Rural Development), verbal assent was given by both Ministers in support of the request to waive the 2010 income and production requirements for farm land in identified Drought Level 3 areas. However, both Ministers now have different portfolios and work to inform the Ministers will start again.

### **Discussion:**

The original intent of the initiative was to save water in drought affected areas by allowing small producers to not grow a crop and allowing the farm income level to be waived. The additional benefits of this initiative would be:

- Application of s6.1 to designated drought areas will assist small farmers who temporarily cannot grow a crop due to drought conditions; these farmers would be assisted by lifting the burden of application for exemption from income and production requirements to retain farm classification. Income thresholds (\$2500) must be met every other year, but there must be a sale each year to retain farm status; therefore, it can be assumed that mainly small operators will be affected.
- There is an administrative gain by invoking s6.1 as BC Assessment will not have to deal with a number of individual applications, nor will they have to undertake assessment field work in designated area(s).
- Producers will not have to individually apply for exemptions if unable to grow or harvest a crop.
- Government will be seen as responding in a positive manner to farmers in distress.
- There is no anticipated cost to government.

### **Request to OBWB:**

Ministry of Agriculture is asking for a letter of support from OBWB for this initiative. There have been some questions regarding local government support and a letter from OBWB would help in this regard.