

# Okanagan Basin Water Board Meeting Agenda



**Okanagan Basin**  
WATER BOARD

**DATE:** Tuesday, July 6, 2021

**TIME:** 10 a.m. to 12 p.m.

**PLACE:** \*Online (see notation below)

## 1. CALL MEETING TO ORDER

1.1 Acknowledgement of First Nations Traditional Territory

*We acknowledge that we are holding this meeting on the unceded territory of the Syilx Okanagan Nation.*

## 2. INTRODUCTION OF LATE ITEMS

## 3. APPROVAL OF AGENDA

## 4. ADOPTION OF MINUTES

4.1 Minutes of the Regular Meeting of the Okanagan Basin Water Board of June 1, 2021 held online. (page 1)

## 5. DELEGATION

5.1 Markus Schrott, Assurance & Accounting Service Line Leader, BDO; presenting on the OBWB's 2021 Audited Financial Statements

5.1.1 OBWB Draft 2021 Financial Statements (page 5)

5.1.2 BDO Management Letter to OBWB (page 26)

5.1.3 BDO Audit Letter to Board of Directors (page 27)

## 6. STAFF REPORTS

6.1 Executive Director Report (page 30) (resolution required)

6.1.1 DRAFT OBWB letter to ENV re source protection (will be sent separately)

6.1.2 Working for Watersheds brief (page 34)

6.2 Policy and Planning Specialist Report (page 36)

6.3 Water Stewardship Director Report (page 38) (resolutions required)

6.4 Operations and Grants Manager Report (page 40)

6.5 Special Projects Coordinator Report (page 42)

6.6 Communications Director Report (page 43)

## 7. NEW AND UNFINISHED BUSINESS

7.1 Advancing the relationship between the OBWB and the Okanagan Nation Alliance (page 49)

## 8. CORRESPONDENCE

8.1 RDNO letter to B.C. Ministry of Forests, Lands, Nat. Res. Ops re. source protection (page 51)

8.2 Village of Lumby letter to B.C. Ministry of Environment re. invasive mussels (page 54)

## 9. NEXT MEETING

9.1 The next meeting of the Okanagan Basin Water Board will be **Friday, September 10, 2021 at 9 a.m. online**. (PLEASE NOTE THE CHANGE IN WEEKDAY & EARLIER START TIME – CALENDAR INVITE TO FOLLOW)

## 10. ADJOURNMENT

**\* NOTE:** Meetings of the Okanagan Basin Water Board are open to the public, and only closed for in-camera sessions as set out in the B.C. Community Charter. Given the current situation with COVID-19, the board will be holding its meeting online. If you are interested in attending this online meeting, please contact our Communications Director Corinne Jackson at [corinne.jackson@obwb.ca](mailto:corinne.jackson@obwb.ca) for further details. Thank you for your patience and understanding.



**MINUTES OF A REGULAR MEETING OF THE OKANAGAN BASIN WATER BOARD  
HELD JUNE 1, 2021, ONLINE  
OKANAGAN, B.C.**

---

**PRESENT**

Chair Sue McKortoff	Regional District Okanagan-Similkameen
Vice-Chair Cindy Fortin	Regional District Central Okanagan
Director Victor Cumming	Regional District North Okanagan
Director Rick Fairbairn	Regional District North Okanagan
Director Bob Fleming	Regional District North Okanagan
Director James Baker	Regional District Central Okanagan
Director Colin Basran	Regional District Central Okanagan
Director Doug Holmes	Regional District Okanagan-Similkameen
Director Christopher Derickson	Okanagan Nation Alliance
Director Bob Hrasko	Water Supply Association of B.C.
Director Scott Boswell	Okanagan Water Stewardship Council

**REGRETS**

Director Rick Knodel	Regional District Okanagan-Similkameen
----------------------	--

**STAFF**

Anna Warwick Sears	Executive Director
Nelson Jatel	Water Stewardship Director
Corinne Jackson	Communications Director
James Littley	Operations and Grants Manager
Carolina Restrepo-Tamayo	Special Projects Coordinator
Kellie Garcia	Policy and Planning Specialist

**TECHNICAL OBSERVER**

Tessa Terbasket	Okanagan Nation Alliance
-----------------	--------------------------

**1. CALL MEETING TO ORDER**

Chair McKortoff called the meeting to order at 10:00 a.m.

Chair McKortoff respectfully acknowledged that the meeting was being held on the traditional and unceded territory of the Syilx Okanagan Nation. She also called for a moment of silence to honour the 215 children discovered by the Tk'emlups te Secwepemc First Nation on the grounds of the former Kamloops Indian Residential School.

**2. APPROVAL OF AGENDA**

***"THAT the agenda of the regular meeting of the Okanagan Basin Water Board of June 1, 2021 be approved."***

**CARRIED**

**3. ADOPTION OF MINUTES**

- 3.1 Minutes of the Regular Meeting of the Okanagan Basin Water Board of May 4, 2021 held online.

***“THAT the minutes of the regular meeting of the Okanagan Basin Water Board on May 4, 2021 held online be approved.”***

**CARRIED**

#### **4. STAFF REPORTS**

##### **4.1 Executive Director Report**

Dr. Sears noted that a report is being prepared with Okanagan Nation Alliance (ONA) on ways the two groups can work more strategically together on mutual water goals. A joint memo will be taken to the ONA Chiefs Executive Council later in June and then brought to the OBWB board in July. ONA's upcoming release of its *Sylx siwkw Water Strategy* was noted. Dr. Sears said that she would inquire about a possible presentation to the board.

The board was told that the province is expected to release the OBWB's gap analysis report soon, with study recommendations to update the Okanagan Lake Regulation System infrastructure and management plan.

Staff are working on a source water protection letter to be sent to the provincial government. The letter is based on the presentation by B.C. Ministry of Environment and Climate Strategy's Ted Zimmerman at the joint board-Okanagan Water Stewardship Council meeting in May, as well as the council's Source Protection Committee report to the board in April.

Dr. Sears added that conditions are dry and there is increasing concern about potential drought and wildfires.

***“THAT the Executive Director's Report, dated May 26, 2021, be received.”***

**CARRIED**

##### **4.2 Policy and Planning Specialist Report**

Ms. Garcia told the board that updates have been made to the Okanagan Drought Response Strategy, including updating local utility contact lists for potential drought communications. It was noted that the province will be adjusting its reporting of droughts from four to six levels this summer, to be consistent with North American Drought Monitor's six-level framework. If found beneficial, this will become a permanent change. Also, local water utilities are starting to roll out communications to its agricultural customers, promoting water efficiency in anticipation of a dry season.

Work on the Source Protection Toolkit is almost complete and work is now underway to develop a website and webinars for local government and First Nations staff.

***“THAT the Policy and Planning Specialist's Report, dated May 25, 2021, be received.”***

**CARRIED**

##### **4.3 Special Projects Coordinator Report**

Ms. Restrepo-Tamayo noted that it was decided to move the Osoyoos Lake Water Science Forum to April 28-30, 2022. Several contributions and grants have been confirmed and the event planning committee is looking to fundraise the remaining \$15,000. Work on a web-microsite for the event is also underway.

The AquaHacking Western Canada challenge recruited 137 participants and created 21 teams. Participants came from across Canada and even international students took part. In the end, 10

teams pitched at the semi-final on May 15 and four top teams were selected and announced at a May 18 live event. These four teams are now being mentored and are honing their projects. The final event will be on Sept. 14.

Tessa Terbasket joined the meeting at 10:30 a.m.

***“THAT the Specialist Projects Coordinator’s Report, dated May 26, 2021, be received.”***  
**CARRIED**

#### 4.4 Communications Director Report

Ms. Jackson told the board that the “Make Water Work” (MWW) campaign will be launching June 14, with mayors being invited to post pledge videos. Additional items will be rolling out in the days just prior and after the launch. Final creative is also being developed for a re-launch of “Don’t Move A Mussel.” The campaign will include some of the same advertising elements as MWW, but also some specific efforts to target water recreationists coming to the Okanagan.

Work is continuing on the “*Our Relationship with Water in the Okanagan*” education guide project, she added, noting a co-presentation with Syilx Knowledge Keeper Pamela Barnes at a Vernon Teachers Professional Development Day Conference in May.

***“THAT the Communications Director’s Report, dated May 26, 2021, be received.”***  
**CARRIED**

#### 4.5 Water Stewardship Director Report

Mr. Jatel provided an update on Okanagan Water Stewardship Council and committee work, including the addition of two new committees on climate change and alluvial fans. Dr. Brian Guy will be presenting at the next meeting on his report, prepared for the OBWB to the B.C. government, regarding studies to update the Okanagan Lake Regulation System.

Work on the hydrometric network project is continuing with the recent re-establishment of a hydrometric station on Pearson Creek with Environment and Climate Change Canada. West Kelowna is also working with the project team to put a station on Powers Creek.

***“THAT the Water Stewardship Director’s Report, dated May 26, 2021, be received.”***  
**CARRIED**

#### 4.6 Operations and Grants Manager Report

Mr. Littley gave an update on the milfoil control program, noting that de-rooting is done and the milfoil crew is preparing for harvesting season in late June-early July. New milfoil trucks have arrived and a new crane truck is expected to follow in the fall. Staff are looking at the possibility of doing milfoil surveys on the eastside of Wood Lake. The question of the potential relationship between milfoil and algae was discussed. Dir. Fleming suggested that the province should be made aware of this. The potential benefit of milfoil control in helping with the protection and recovery of native chinook and prevention of invasive predator fish, was also noted.

***“THAT the Operations and Grants Manager Report, dated May 26, 2021, be received.”***  
**CARRIED**

### 5. IN-CAMERA

#### 5.1 In-camera session (under sec. 90(2)(b) of the Community Charter)

6. RISE & REPORT FROM IN-CAMERA

*“THAT the OBWB approve the allocation of an additional \$70,000 as outlined above to the 2021 Okanagan Lakes Bathymetric Project.*

*“AND THAT following the RFP process, the Executive Director is authorized to execute a contract with the selected supplier for the 2021 Okanagan Lakes Bathymetric Project, up to \$370,000 plus any external funding received for the project.*

**CARRIED**

*“THAT the OBWB provide a sole source contract to Northwest Hydraulics Consultants Ltd. for a fixed contract price of \$75,000 to produce a comparison of Okanagan and Wood-Kalamalka Lake Floodplain Maps under two management scenarios.*

**CARRIED**

NEXT MEETING

6.1 The next meeting of the Okanagan Basin Water Board will be held Tues. July 6, 2021 at 10 a.m. at location TBD.

7. ADJOURNMENT

*“THAT there being no further business, the regular meeting of the Okanagan Basin Water Board of June 1, 2021 be adjourned at 11:37 a.m.”*

**CARRIED**

Certified Correct:		
Chair		Executive Director



Okanagan Basin Water Board  
Financial Statements  
For the year ended March 31, 2021

**Contents**

---

<b>Management's Responsibility for Financial Reporting</b>	<b>3</b>
<b>Independent Auditor's Report</b>	<b>4-5</b>
<b>Financial Statements</b>	
Statement of Financial Position	6
Statement of Financial Operations	7
Statement of Change in Net Financial Assets	8
Statement of Cash Flows	9
Summary of Significant Accounting Policies	10-11
Notes to Financial Statements	12-21

---

## Management's Responsibility for Financial Reporting

---

The accompanying financial statements of the Okanagan Basin Water Board are the responsibility of management and have been approved by the Chairperson on behalf of the Board.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Certain amounts used in the preparation of the financial statements are based on management's best estimates and judgements. Actual results could differ as additional information becomes available in the future. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Okanagan Basin Water Board maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Board's assets are appropriately accounted for and adequately safeguarded.

The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Board meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditor's report.

The financial statements have been audited by BDO Canada LLP Chartered Professional Accountants in accordance with Canadian generally accepted auditing standards on behalf of the Board. The independent auditor's report expresses their opinion on these financial statements. The auditors have full and free access to the accounting records and to the Board of the Okanagan Basin Water Board.

---

---

Board of Directors Chairperson

---

Executive Director  
July 6, 2021





---

## Independent Auditor's Report

---

### To the Directors of Okanagan Basin Water Board

#### Opinion

We have audited the financial statements of the Okanagan Basin Water Board (the "Board"), which comprise the statement of financial position as at March 31, 2021, and the statements of financial operations, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Okanagan Basin Water Board as at March 31, 2021, and its financial operations, change in net financial assets and cash flows for the year then ended in accordance with public sector accounting standards.

#### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Board in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information included elsewhere in the annual report.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Board's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Kelowna, British Columbia  
July 6, 2021

## Okanagan Basin Water Board

### Statement of Financial Position

March 31	2021	2020
<b>Financial assets</b>		
Cash (Note 1)	\$ 3,153,460	\$ 3,389,778
Accounts receivable	237,547	435,580
	<u>3,391,007</u>	<u>3,825,358</u>
<b>Financial liabilities</b>		
Accounts payable and accrued liabilities	225,276	211,211
Grants payable (Note 2)	319,009	421,972
Holdback payable	-	146,363
	<u>544,285</u>	<u>779,546</u>
<b>Net financial assets</b>	<u>2,846,722</u>	<u>3,045,812</u>
<b>Non-financial assets</b>		
Prepaid expenses	53,571	-
Tangible capital assets (Note 3)	324,460	387,553
	<u>324,460</u>	<u>387,553</u>
<b>Accumulated Surplus (Note 4)</b>	<u>\$ 3,224,753</u>	<u>\$ 3,433,365</u>

Approved on behalf of the Board:

\_\_\_\_\_  
Chairperson

## Okanagan Basin Water Board

### Statement of Financial Operations

For the year ended March 31	2021	2021	2020
	Actual	Budget	Actual
<b>Revenue (Note 10)</b>			
Levies from member Regional Districts (Note 5)	\$ 3,451,929	\$ 3,451,930	\$ 3,449,170
Grants	265,608	-	1,254,950
Interest and other income	15,094	40,800	72,107
	<b>3,732,631</b>	<b>3,492,730</b>	<b>4,776,227</b>
<b>Expenses (Note 10)</b>			
Aquatic weed control	662,962	820,500	664,949
Sewerage facilities assistance	1,330,077	1,330,080	1,270,368
Water management	1,948,204	1,372,150	2,892,566
	<b>3,941,243</b>	<b>3,522,730</b>	<b>4,827,883</b>
<b>Annual (Deficit) Surplus (Note 10)</b>	<b>(208,612)</b>	<b>(30,000)</b>	<b>(51,656)</b>
<b>Accumulated Surplus, beginning of year</b>	<b>3,433,365</b>	<b>3,433,365</b>	<b>3,485,021</b>
<b>Accumulated Surplus, end of year</b>	<b>\$ 3,224,753</b>	<b>\$ 3,403,365</b>	<b>\$ 3,433,365</b>

## Okanagan Basin Water Board

### Statement of Change in Net Financial Assets

For the year ended March 31	2021	2021	2020
	Actual	Budget	Actual
<b>Annual (deficit) surplus</b>	\$ (208,612)	\$ (30,000)	\$ (51,656)
Acquisition of tangible capital assets	(6,898)	-	(3,993)
Amortization of tangible capital assets	69,990	-	78,852
Prepaid expenses	(53,570)		
<b>Net change in net financial assets</b>	<b>(199,090)</b>	(30,000)	23,203
<b>Net financial assets, beginning of year</b>	<b>3,045,812</b>	3,045,812	3,022,609
<b>Net financial assets, end of year</b>	<b>\$ 2,846,722</b>	\$ 3,015,812	\$ 3,045,812

## Okanagan Basin Water Board

### Statement of Cash Flows

For the year ended March 31	2021	2020
<b>Operating activities</b>		
Annual (deficit) surplus	\$ (208,612)	\$ (51,656)
Amortization	69,990	78,852
Gain on disposal of tangible capital assets	-	-
	<u>(138,622)</u>	<u>27,196</u>
Changes in working capital:		
Accounts receivable	198,033	357,816
Accounts payable and accrued liabilities	14,065	(200,126)
Grants payable	(102,963)	16,868
Holdback payable	(146,363)	6,883
Prepaid Expenses	(53,570)	
	<u>(90,798)</u>	<u>181,441</u>
<b>Cash from operations</b>	<u>(229,420)</u>	<u>208,637</u>
<b>Investing Activities</b>		
Net change in investments	-	2,915,874
	<u>-</u>	<u>2,915,874</u>
<b>Capital Activities</b>		
Purchase of tangible capital assets	(6,898)	(3,993)
<b>Change in cash during the year</b>	<b>(236,318)</b>	<b>3,120,518</b>
<b>Cash, beginning of year</b>	<u><b>3,389,778</b></u>	<u>269,260</u>
<b>Cash, end of year</b>	<b>\$ 3,153,460</b>	<b>\$ 3,389,778</b>

---

## Okanagan Basin Water Board

### Summary of Significant Accounting Policies

**March 31, 2021**

---

**Nature of Business**

The Okanagan Basin Water Board ("The Board") is established under Section 138 of the Municipalities Enabling and Validating Act (Province of British Columbia) and administers and operates the aquatic weed control program, the sewerage facilities assistance fund, and a water management program as an agent of the three participating regional districts. The participating regional districts are: Regional District of Central Okanagan (R.D.C.O.); Regional District of Okanagan-Similkameen (R.D.O.S.); and Regional District of North Okanagan (R.D.N.O.).

**Basis of Presentation**

It is the Board's policy to follow accounting principles generally accepted for municipalities in the Province of British Columbia and to apply such principles consistently. The financial statements include the account of all funds for the Board. All inter-fund transfers have been eliminated. They have been prepared using guidelines issued by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles for British Columbia Regional Districts require management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

**Portfolio Investments**

Portfolio investments are recorded at the lower of cost and market value.

**Financial Instruments**

The Board's financial instruments consist of cash, portfolio investments, accounts receivable, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Board is not exposed to significant interest, currency, or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

---

## Okanagan Basin Water Board

### Summary of Significant Accounting Policies

**March 31, 2021**

---

#### **Tangible Capital Assets**

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees, and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Buildings	25 years
Equipment	4-10 years
Vehicles	5-7 years
Office Furniture & Equipment	10 years
Computers	4 years

#### **Revenue Recognition**

The levies from member Regional Districts are recognized when the levies for the fiscal year are approved by the Board and requisitioned.

Grants, interest and other income are recognized in the period in which they are earned.

#### **Government Transfers**

Government transfers, which include grants and funding agreements are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimate of the amount can be made.



---

## Okanagan Basin Water Board

### Notes to Financial Statements

**March 31, 2021**

---

**1. Cash**

The Board's bank account is held at one financial institution. The bank account earns interest at bank prime minus 2.25%.

---

**2. Grants Payable**

The sewerage facilities grants program provides funds for municipalities to upgrade their waste water treatment system, the Board's grants provide partial funding for debt repayment on 20 - 25 year MFA notes. The process for the sewerage facilities grants program involves municipalities requesting an approximate grant amount early in their funding process, then verifying the final grant amount once municipalities have secured MFA notes and begin making payments. Once the grants are awarded, the Board will only issue the grants based on the proper documentation submitted by individual municipalities, such as formal invoice to the Board.

The Water Conservation and Quality Improvement grant program provides funds to Okanagan local governments, improvement districts, and non-government organizations to support innovative, tangible, on the ground, water initiatives. The program takes a collaborative approach to water management issues and promotes more uniform standards and best practices throughout the valley. Up to \$350,000 per year is made available for Okanagan projects. Grants will be expensed in the year of approval as per the budget.

## Okanagan Basin Water Board

### Notes to Financial Statements

March 31, 2021

#### 3. Tangible Capital Assets

	Buildings		Equipment		Vehicles		Office Furniture & Equipment		Computers		Work In Progress		2021 Total	
<b>Cost</b>														
Balance, beginning of year	\$	118,352	\$	1,233,201	\$	166,022	\$	3,773	\$	25,542	\$	-	\$	1,546,890
Additions		-		-		-		-		6,898		-		6,898
Balance, end of year		118,352		1,233,201		166,022		3,773		32,440		-		1,553,788
<b>Accumulated amortization</b>														
Balance, beginning of year		61,439		934,777		139,264		2,859		20,998		-		1,159,337
Amortization		4,743		43,015		18,235		152		3,845		-		69,990
Balance, end of year		66,182		977,792		157,499		3,011		24,843		-		1,229,327
Net book value	\$	52,170	\$	255,409	\$	8,523	\$	762	\$	7,597	\$	-	\$	324,460

## Okanagan Basin Water Board

### Notes to Financial Statements

March 31, 2020

#### 3. Tangible Capital Assets (continued)

Prior year comparative information:

		Buildings	Equipment	Vehicles	Office Furniture & Equipment	Computers	Work In Progress	2020 Total
<b>Cost</b>								
Balance, beginning of year	\$	118,352	\$ 1,233,201	\$ 166,022	\$ 3,773	\$ 27,181	\$ -	\$ 1,548,529
Additions		-	-	-	-	3,993	-	3,993
Disposals		-	-	-	-	(5,632)	-	(5,632)
Balance, end of year		118,352	1,233,201	166,022	3,773	25,542	-	1,546,890
<b>Accumulated amortization</b>								
Balance, beginning of year		56,697	883,258	121,028	2,707	22,427	-	1,086,117
Amortization		4,742	51,519	18,236	152	4,203	-	78,852
Disposals		-	-	-	-	(5,632)	-	(5,632)
Balance, end of year		61,439	934,777	139,264	2,859	20,998	-	1,159,337
<b>Net book value</b>	\$	56,913	\$ 298,424	\$ 26,758	\$ 914	\$ 4,544	\$ -	\$ 387,553

## Okanagan Basin Water Board

### Notes to Financial Statements

**March 31, 2021**

#### 4. Accumulated Surplus

The Board maintains a reserve for future expenditures. Canadian public sector accounting standards require that non-statutory reserves be included with operating surplus. The reserve and changes therein are included in the operating surplus as follows:

	2021	2020
<b>Aquatic Weed Control Equipment Reserve</b>		
Balance, beginning of year	\$ 662,855	\$ 417,468
Proceeds from sale of tangible capital assets	-	-
Net surplus	153,452	174,740
Transfer of amortization	61,990	70,647
Balance, end of year	878,297	662,855
<b>Invested in Tangible Capital Assets</b>		
Balance, beginning of year	387,553	462,412
Transfer for acquisition of tangible capital assets	6,898	3,993
Transfer of amortization	(69,990)	(78,852)
Balance, end of year	324,460	387,553
<b>Sewerage Facilities Assistance Reserve Fund</b>		
Balance, beginning of year	1,385,860	1,264,966
Net deficit	(49,427)	120,894
Balance, end of year	1,336,434	1,385,860
<b>Water Management Accumulated Surplus</b>		
Balance, beginning of year	997,097	1,340,175
Net deficit	(312,637)	(347,290)
Transfer of amortization	8,000	8,205
Transfer for acquisition of tangible capital assets	(6,898)	(3,993)
Balance, end of year	685,562	997,097
	\$ 3,224,753	\$ 3,433,365

## Okanagan Basin Water Board

### Notes to Financial Statements

**March 31, 2021**

**5. Levies from Member Regional Districts**

	2021		2021		2020
	Actual		Budget		Actual
North Okanagan	\$ 600,290	\$	600,290	\$	602,570
Central Okanagan	2,158,147		2,158,148		2,153,662
Okanagan Similkameen	693,492		693,492		692,938
	<b>\$ 3,451,929</b>	\$	3,451,930	\$	3,449,170

**6. Sewerage Facility Grants to Member Local Governments**

Included in Sewerage Facilities Assistance are the following grants to member local governments:

	2021		2020
City of Kelowna	\$ 182,882	\$	182,882
City of Penticton	152,338		170,336
City of Vernon	91,131		87,748
City of West Kelowna	43,317		43,317
District of Coldstream	11,339		11,340
District of Lake Country	205,330		153,850
District of Peachland	145,289		130,889
District of Summerland	262,516		269,880
Town of Osoyoos	27,922		11,278
Regional District of North Okanagan	4,679		4,679
Regional District of Okanagan Similkameen	119,665		119,665
Westbank First Nation	43,669		44,503
	<b>\$ 1,290,077</b>	\$	1,230,367

---

## Okanagan Basin Water Board

### Notes to Financial Statements

**March 31, 2021**

---

#### 7. Budget Information

The budget adopted by the Board was not prepared on a basis consistent with that used to report actual results based on current Canadian public sector accounting standards ("PSAB"). The budget was prepared on a modified accrual basis while PSAB now require a full accrual basis. The following reconciles the difference.

	<u>2021</u>
Budget surplus (deficit) for the year as per board budget	\$ -
Less:	
Transfer from previous years surplus in revenues	<u>(30,000)</u>
Budget deficit per statement of financial operations	<u>\$ (30,000)</u>

---

#### 8. Commitments

The Board has exercised its right to renew their lease with the Regional District of North Okanagan for another five year term, which will end March 31, 2024 for the lease of land, on which the Board's machine shop building resides. The original agreement provided for an annual lease payment of \$14,560, with increases in 2014 and 2019 indexed to the annual CPA for British Columbia. At the conclusion of the lease term, ownership of the Board's building will be transferred to the Regional District of North Okanagan.

The Board is also currently in a five year lease agreement, which expires December 31, 2023, with the option to renew for one additional term of five years, with the Regional District of Central Okanagan for office rent and operating and overhead costs as well as financial, administrative and technology services. The agreement provides for a monthly payment of \$9,303.

---

---

## Okanagan Basin Water Board

### Notes to Financial Statements

**March 31, 2021**

---

#### **9. Employee Benefits**

##### **Retirement Benefits**

The Board and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2019, the plan has about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The Board paid \$61,693 (2020 - \$62,541) for employer contributions to the plan in fiscal 2021.

The next valuation will be as at December 31, 2021, with results available in 2022.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

---

## Okanagan Basin Water Board

### Notes to Financial Statements

March 31, 2021

---

#### 10. Segment Disclosures

##### **Aquatic Weed Control**

This program controls the growth of Eurasian watermilfoil in the shallow waters around Okanagan beaches and boating areas. This is a year-round program managing weed growth with rototillers in the winter and harvesters in the summer. The goal of the program is to keep public areas clear of weed, but when time allows operators and equipment will also contract work on a cost-recovery basis.

##### **Sewerage Facilities Assistance**

This program reduces the discharge of polluted water to Okanagan lakes and streams by supporting upgrades of sewage treatment plants and community sewers. Grants go to Okanagan municipalities as a local match for senior government infrastructure funding. It is one of the Board's longest-running programs, and has led to great improvements in water quality.

##### **Water Management**

This initiative undertakes projects and programs that support water sustainability in the Okanagan. It supports the original mandate of the board, providing leadership and coordinating water management activities in the interests of Okanagan citizens. The initiative includes the Water Conservation and Quality Improvement grant program, water education and outreach, advocacy to senior government for Okanagan water concerns, and establishing the science and monitoring systems required for informed decision making. Many of the projects are conducted as multi-year partnerships with other funding agencies, and operating surplus balances are specifically designated for project commitments through funding agreements with senior government, or targeted to planned projects in development. The Water Management Accumulated Surplus includes \$545,964 (2020 - \$879,743) for previously committed projects.



## Okanagan Basin Water Board

### Notes to Financial Statements

For the year ended March 31, 2021

#### 10. Segment Disclosures and Expense by Object (continued)

	Aquatic Weed Control	Sewerage Facilities Assistance	Water Management	2021 Total
<b>Revenues</b>				
Levies	\$ 811,500	\$ 1,276,580	\$ 1,363,849	\$ 3,451,929
Grant income	-	-	265,608	265,608
Interest income	4,914	4,070	6,110	15,094
Gain on disposal of assets	-	-	-	-
	<u>816,414</u>	<u>1,280,650</u>	<u>1,635,567</u>	<u>3,732,631</u>
<b>Expenses</b>				
Assistance grants	-	1,290,077	350,000	1,640,077
Amortization	61,990	-	8,000	69,990
Contract services	6,650	-	907,960	914,610
Director's remuneration and expenses	9,572	-	9,572	19,144
Equipment costs	83,767	-	366	84,133
Insurance	34,049	-	(1,555)	32,494
Interest charge	13	-	426	439
Office	13,976	-	33,545	47,521
Outreach and publicity	-	-	96,977	96,977
Overhead allocation	(20,000)	40,000	(20,000)	-
Professional fees	39,013	-	37,996	77,009
Rental costs	23,462	-	8,903	32,365
Safety	3,291	-	225	3,516
Stewardship council expenses	-	-	791	791
Travel, conferences and meetings	3,267	-	4,324	7,591
Utilities, yard supplies and maintenance	18,664	-	816	19,480
Wages and benefits	385,248	-	509,858	895,106
	<u>662,962</u>	<u>1,330,077</u>	<u>1,948,204</u>	<u>3,941,243</u>
<b>Annual surplus (deficit)</b>	<b>\$ 153,452</b>	<b>\$ (49,427)</b>	<b>\$ (312,637)</b>	<b>\$ (208,612)</b>

## Okanagan Basin Water Board

### Notes to Financial Statements

For the year ended March 31, 2021 (Prior year comparative information)

#### 10. Segment Disclosures and Expense by Object (continued)

	Aquatic Weed Control	Sewerage Facilities Assistance	Water Management	2020 Total
<b>Revenues</b>				
Levies	\$ 824,900	\$ 1,363,320	\$ 1,260,950	\$ 3,449,170
Grant income	-	-	1,254,950	1,254,950
Interest income	14,789	27,942	29,376	72,107
Gain on disposal of assets	-	-	-	-
	<u>839,689</u>	<u>1,391,262</u>	<u>2,545,276</u>	<u>4,776,227</u>
<b>Expenses</b>				
Assistance grants	-	1,230,368	318,746	1,549,114
Amortization	70,647	-	8,205	78,852
Contract services	12,689	-	1,774,789	1,787,478
Director's remuneration and expenses	12,872	-	12,872	25,744
Equipment costs	82,208	-	2,825	85,033
Insurance	32,484	-	1,556	34,040
Interest charge	25	-	641	666
Office	13,028	-	29,144	42,172
Outreach and publicity	19	-	151,110	151,129
Overhead allocation	(20,000)	40,000	(20,000)	-
Professional fees	37,873	-	37,873	75,746
Rental costs	23,462	-	8,903	32,365
Safety	3,410	-	200	3,610
Stewardship council expenses	-	-	4,731	4,731
Travel, conferences and meetings	2,181	-	52,789	54,970
Utilities, yard supplies and maintenance	18,236	-	954	19,190
Wages and benefits	375,815	-	507,228	883,043
	<u>664,949</u>	<u>1,270,368</u>	<u>2,892,566</u>	<u>4,827,883</u>
<b>Annual surplus (deficit)</b>	<u>\$ 174,740</u>	<u>\$ 120,894</u>	<u>\$ (347,290)</u>	<u>\$ (51,656)</u>



Tel: 250 763 6700  
Fax: 250 763 4457  
www.bdo.ca

BDO Canada LLP  
1631 Dickson Avenue, Suite 400  
Kelowna BC V1Y 0B5 Canada

July 6, 2021

Okanagan Basin Water Board  
1450 KLO Road  
Kelowna, BC  
V1W 3Z4

Dear Dr. Sears, Executive Director

The objective of an audit is to obtain reasonable assurance whether the financial statements are free of any material misstatement and it is not designed to identify matters that may be of interest to management in discharging its responsibilities. Accordingly an audit would not usually identify all such matters.

During the course of our audit of the financial statements of Okanagan Basin Water Board for the year ended March 31, 2021, we did not encounter any significant matters which we believe should be brought to your attention.

This communication is prepared solely for the information of management and is not intended for any other purposes. We accept no responsibility to a third party who uses this communication.

We would like to express our appreciation for the cooperation and assistance which we received during the course of our audit from Suzanne Williams.

We shall be pleased to discuss with you further any matters mentioned in this report at your convenience.

Yours truly,

Markus Schrott, BBA, BPA, CA  
Partner through a corporation  
BDO Canada LLP  
Chartered Professional Accountants

MS/cr



Tel: 250 763 6700  
Fax: 250 763 4457  
www.bdo.ca

BDO Canada LLP  
1631 Dickson Avenue, Suite 400  
Kelowna BC V1Y 0B5 Canada

## **Private & Confidential**

July 6, 2021

Members of the Board of Directors  
Okanagan Basin Water Board  
1450 KLO Road  
Kelowna BC V1W 3Z4

Dear Sirs/Mesdames:

Re: Audit of the Financial Statements of Okanagan Basin Water Board  
For the year ended March 31, 2021

The purpose of our report is to summarize certain aspects of the audit that we believe would be of interest to the Board of Directors and should be read in conjunction with the financial statements and our report thereon.

Our audit and therefore this report will not necessarily identify all matters that may be of interest to the Board of Directors in fulfilling its responsibilities.

This report has been prepared solely for the use of the Board of Directors and should not be distributed without our prior consent. Consequently, we accept no responsibility to a third party that uses this communication.

### **Independence**

At the core of the provision of external audit services is the concept of independence. We are communicating all relationships between BDO Canada LLP and its related entities and Okanagan Basin Water Board and its related entities that, in our professional judgment, may reasonably be thought to have influenced our independence during the audit engagement.



In determining which relationships to report, we have considered the applicable legislation and relevant rules of professional conduct and related interpretations prescribed by the appropriate provincial institute/order covering such matters as the following:

- holding of a financial interest, either directly or indirectly in a client;
- holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- economic dependence on a client; and
- provision of services in addition to the external audit engagement.

We are not aware of any relationships between the Okanagan Basin Water Board and us that, in our professional judgment, may reasonably be thought to bear on our independence to date.

#### **Materiality**

Misstatements, including omitted financial statement disclosures, are considered to be material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As communicated to you in our Planning Report to the Board of Directors, preliminary materiality was \$143,000. Final materiality remained unchanged based on year-end figures.

#### **Likely Aggregate Misstatements**

During the audit, we detected no uncorrected misstatements by management.

#### **Auditor's considerations of possible fraud and illegal activities**

We are responsible for planning and performing the audit to obtain reasonable assurance that the financial statements are free of material misstatements, whether caused by error or fraud.

The likelihood of not detecting a material misstatement resulting from fraud is higher than the likelihood of not detecting a material misstatement resulting from error because fraud may involve collusion as well as sophisticated and carefully organized schemes designed to conceal it.



During our audit, we noted no instances of fraud to report to the Board of Directors and the scope of the work we performed was substantially the same as that described in our Planning report to the Board of Directors.

#### **Management Representations**

During the course of the audit, management made certain representations to us. These representations were verbal or written and therefore explicit, or they were implied through the financial statements. Management provided representations in response to specific queries from us, as well as unsolicited representations. Such representations were part of the evidence gathered by us to be able to draw reasonable conclusions on which to base the audit opinion. These representations were documented by including in the audit working papers memoranda of discussions with management and written representations received from management.

#### **Management Letter**

We wish to express our appreciation for the co-operation we received during the audit from the organization's management and staff who have assisted us in carrying out our work. We would be pleased to discuss with you the contents of this report and any other matters that you consider appropriate.

Yours truly,

Markus Schrott, CPA, CA  
Partner through a corporation  
BDO Canada LLP  
Chartered Professional Accountants

MS/cr

## MEMORANDUM

Okanagan Basin Water Board  
Regular meeting  
July 6, 2021  
Agenda No: 6.1

To: OBWB Directors  
From: Anna Warwick Sears  
Date: June 30, 2021  
Subject: **Executive Director Report**

---

### **COVID-19 Considerations:**

OBWB office-based staff continue to work mostly from home, coming into the office only as needed. Milfoil staff are observing COVID-19 safety protocols while moving equipment, and mostly work alone. We will transition back into the office in the next few months, as OBWB staff become fully vaccinated. We will likely begin with a hybrid schedule, with some office days and some work-from-home days.

### **Presentation of Annual Audited Financial Statements**

The first thing on today's agenda is a presentation by Markus Schrott, our auditor at BDO. He will present the OBWB's audited 2021 financial statements, for the year ending March 31, 2021, for review and adoption by the board at this meeting. The financial statements will then be posted on the OBWB's website, and included in our Annual Report.

**Recommended resolution:** *"THAT the Okanagan Basin Water Board approve the 2021 Audited Financial Statements as presented."*

### **OBWB Annual Public Meeting**

After discussing with Chair McKortoff and Vice Chair Fortin, I am recommending that the OBWB holds an abbreviated online version of our Annual Public Meeting on Friday, September 10 (the date set at beginning of the year), starting at 9 a.m. The proposed schedule will be: OBWB regular board meeting (9:00 a.m. – 10:15 a.m.); then a short break, and then the Annual Public Meeting (10:30 a.m. – 12:00 p.m.). The Public Meeting will include introductory remarks, a welcome by a representative of the Okanagan Nation, presentation of a "2021 year in review" PowerPoint, highlighting the release of the annual report, and presentation of the Make Water Work Community Award. I'm happy to take other suggestions for what should be included.

We decided to go with this abbreviated format because there is still uncertainty about B.C.'s opening plans, which makes it difficult to plan large in-person gatherings.

### **CIBC Credit Card**

As the OBWB has now moved its banking to CIBC, I would like to also move our corporate credit card account to CIBC, to simplify administration. To open this account, CIBC needs a board resolution

approving borrowing at a minimum of \$20,000, which was what we had for the BMO credit account (in the process of being closed). The balance on the account is paid in full every month.

**Recommended resolution: *THAT the OBWB approve opening a corporate credit card account with the Canadian Imperial Bank of Commerce (CIBC), with a monthly credit limit of \$20,000.***

### **Growing the ONA/OBWB Relationship**

At this meeting, under New and Unfinished Business, we will have a joint presentation by Chief Derickson and me, to discuss how the OBWB and Okanagan Nation Alliance (ONA) can improve our organizational alignment and partnerships. The ONA released their Sylix Water Strategy (titled “We will Protect the Water”) on June 22, which demonstrates that many areas of shared values and priorities. The Strategy can be downloaded [here](https://www.pibc.bc.ca/sites/default/files/internal_pages_pdfs/planning-west/Planning%20West%20Spring%202021_FINAL-WEB.pdf). For further background reading, please note two articles on Indigenizing Planning in B.C. from Planning West magazine. You can find them here:

[https://www.pibc.bc.ca/sites/default/files/internal\\_pages\\_pdfs/planning-west/Planning%20West%20Spring%202021\\_FINAL-WEB.pdf](https://www.pibc.bc.ca/sites/default/files/internal_pages_pdfs/planning-west/Planning%20West%20Spring%202021_FINAL-WEB.pdf). The relevant articles are: “Indigenizing Planning” (p. 8); and “BC’s UNDRIP Legislation: An Opening for Better Relationship Building?” (p. 11).

### **Flood Resilience**

We are still waiting for the Province of B.C. to release the report we prepared: a gap analysis for the work needed to review and update the Okanagan Lake Regulation System infrastructure and management plan. This will provide a road map for many future projects by the OBWB, the province, local governments, the ONA and numerous other partners. This month’s Water Stewardship Director report, by Nelson Jatel, provides a description of a presentation by Dr. Brian Guy, on the need to modernize the system. Dr. Guy was the author of the gap analysis report.

### **Source Protection Communication to the Province**

Following up on the presentation by Renee Clark (from the Okanagan Water Stewardship Council) in April, with recommendations on Source Protection in the Okanagan, and on the presentation by Ted Zimmerman and Jennifer Vigano (from the B.C Ministry of Environment and Climate Change Strategy) in May, I have now written a letter to the province, **sent separately as it is still in draft**. The letter links the work by the Council to the proposed provincial Watershed Security Strategy, as well as the recent source protection issues experienced by Greater Vernon Water (see related letter in Correspondence).

**Recommended resolution: *THAT the OBWB send the letter on the Source Water Protection in the Okanagan Basin to George Heyman, B.C. Minister of Environment and Climate Change Strategy, as provided.***

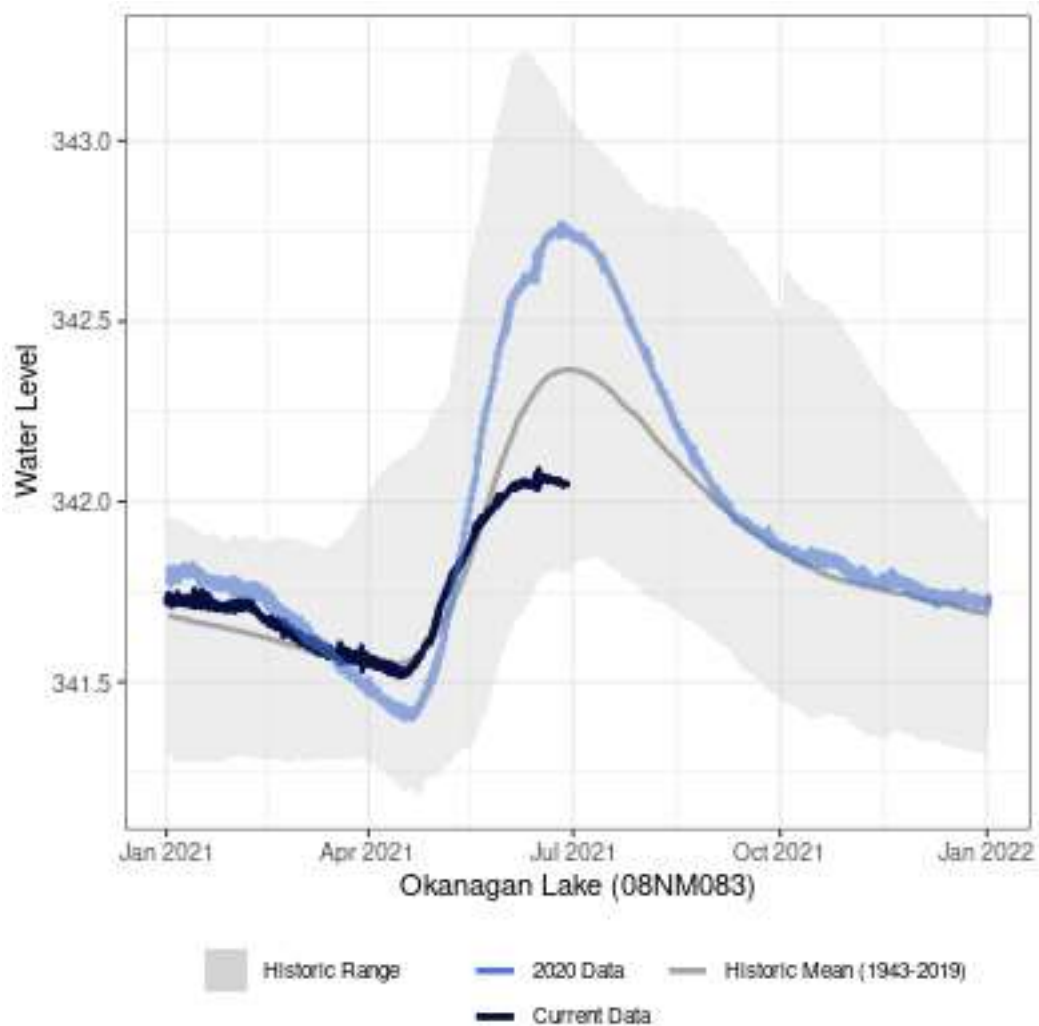
### **Working for Watersheds Report**

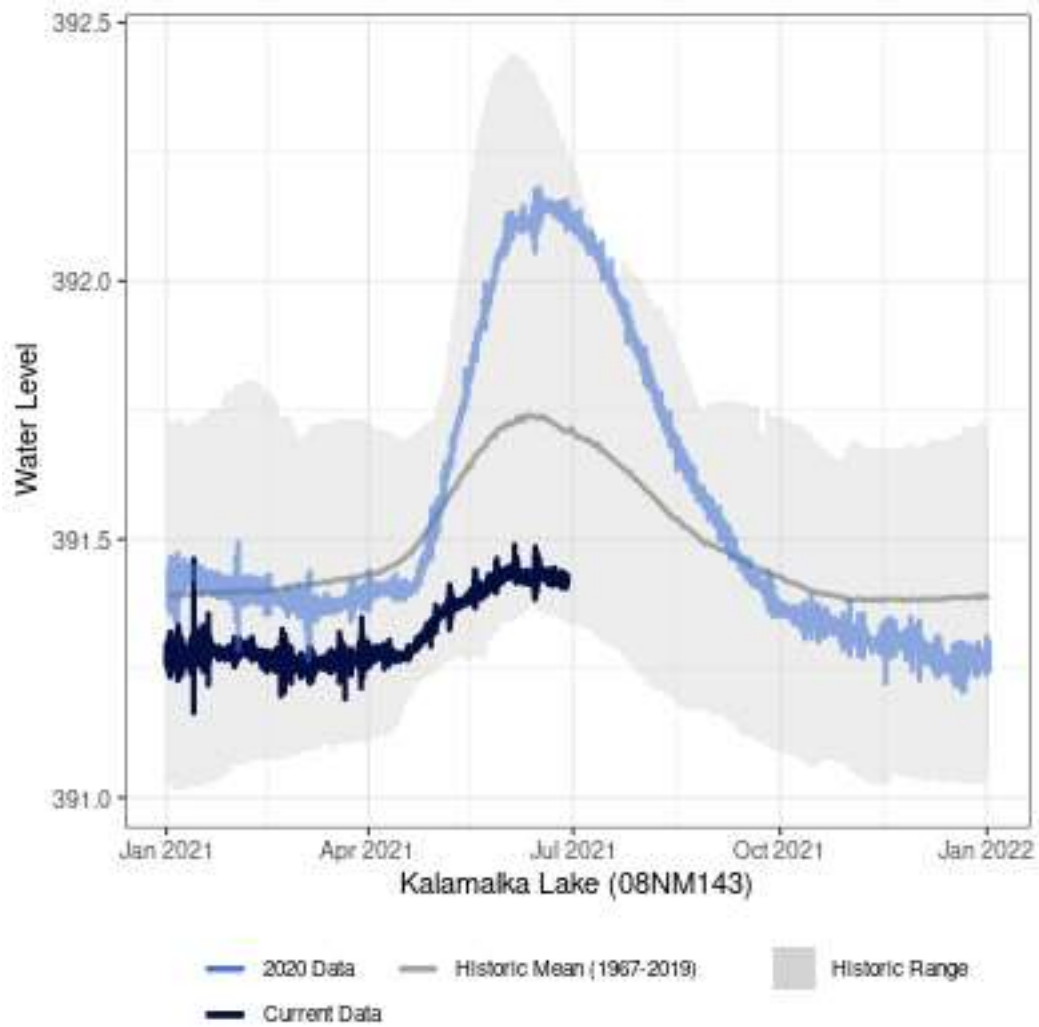
The Delphi Group was recently commissioned by the BC Water Funders Collaborative (of which OBWB is a member, although we did not contribute financially to the report), the BC Freshwater Legacy Initiative, and the POLIS Water Sustainability Project to document the current economic and employment contribution of BC’s watershed sector and its potential for growth. The findings are remarkable, showing that work in watersheds contributes substantially to B.C. The full report is available [here](#), and I have attached a brief on the project.



### Weather Report

What a difference a month makes! All the current weather news is about the unprecedented hot weather in B.C., while last month we still had near-normal snow pack. The important thing to keep an eye on over the summer will be mainstem lake levels, water demand for irrigation, and the need for adequate river flows to support fish habitat (water volume and water temperature). The following graphs are from ECCC data, on June 29, 2021.





## TOPLINE FINDINGS

**WORKING FOR WATERSHEDS:****Opportunities for Growth in British Columbia's Watershed Sector**

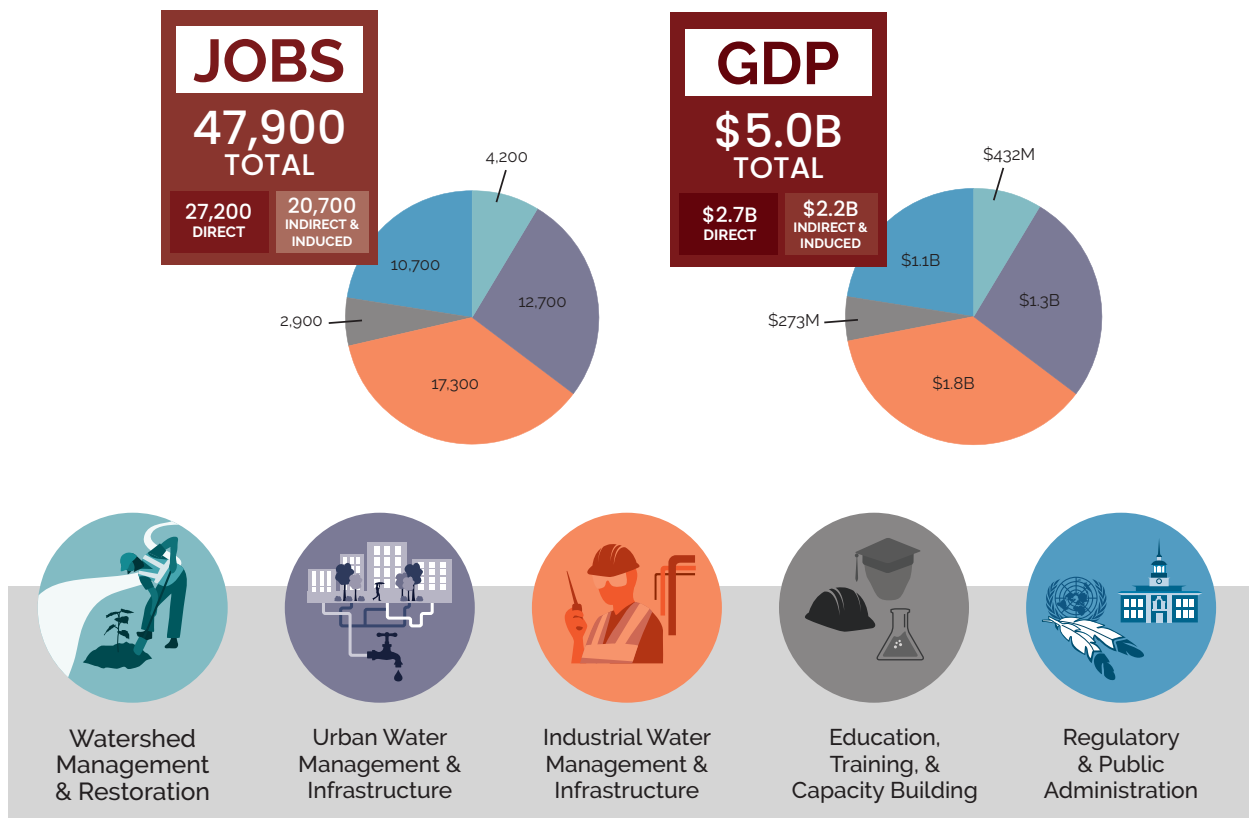
*This study led by The Delphi Group:*

- *Defines BC's watershed sector and its current economic and employment contribution*
- *Forecasts the watershed sector's growth potential to 2030*
- *Quantifies the returns from a Watershed Security Fund investment*

**1**

**BC's watershed sector is a major employer and contributes billions to the province's economy.**

The watershed sector encompasses activities that directly support the maintenance, restoration, or improvement of healthy watersheds. **In 2019, the watershed sector is estimated to have directly employed 27,200 people and more broadly supported jobs for 47,900 British Columbians in five sub-sectors (below).** This level of employment compares favourably with other sectors, including agriculture, mining, and oil and gas. In 2019, the watershed sector contributed an estimated **\$5 billion** to the province's GDP.



## 2 The watershed sector supports a diverse spectrum of jobs in rural and urban areas, with widespread opportunities for growth across all five sub-sectors.

From entry-level to skilled, seasonal to permanent, technical to policy, and urban to rural, the watershed sector supports British Columbians at all career stages and specialization levels.

Many opportunities exist to amplify growth and capitalize on momentum, including in the areas of natural asset management, private sector innovation and watertech, and support for Indigenous employment and economic development.



Photo credit: BCWF Wetlands Education Program

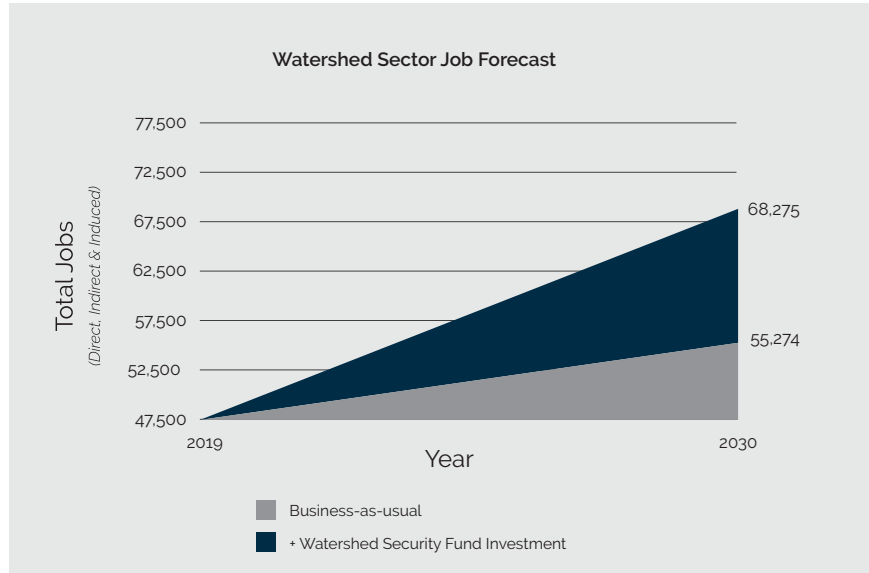
## 3 A Watershed Security Fund investment will optimize the sector's growth and yield significant employment and economic returns.

A \$100 million/year Watershed Security Fund investment over 10 years will create an estimated **13,000** more jobs and contribute **\$1.3 billion** more to provincial GDP by 2030 than under a business-as-usual scenario.

This growth is in addition to the massive economic costs avoided through investments in watershed health (e.g., costs associated with response and recovery from floods, droughts and other water-related climate disasters).

The Watershed Security Fund will play a key role in attracting other investments, including federal funding, private sector investments, and local government capacity and resources.

The Fund offers a vehicle for the Province to make lasting gains on reconciliation and Indigenous economic development and employment, stimulate rural economic opportunities, and achieve climate and biodiversity targets.



*For less cost than building one major bridge, the provincial government can create a legacy of long-term employment and healthy watersheds throughout the province of British Columbia.*

## MEMORANDUM

Okanagan Basin Water Board Regular meeting July 6, 2021 Agenda No: 6.2
---

File No. 0550.04

To: OBWB Directors  
From: Kellie Garcia  
Date: June 29, 2021  
Subject: Policy and Planning Specialist Report

---

### Drought Preparedness Activities

#### ***Thompson Okanagan Regional Drought Response Team***

The drought response team met on June 9 and 23. We heard about current water supply conditions from provincial staff and discussed appropriate responses. I provided information about local water supply conditions and watering restriction stages obtained via email from water suppliers before the meetings. The Okanagan remains at a Level 1, with the exception of the Shuttleworth Creek and Vaseux Creek watersheds, which are at a Level 2. Provincial staff are closely monitoring streamflow conditions in the Thompson Okanagan during this heat wave and we will revisit the drought levels next week. Refer to the [BC Drought Information Portal](#) and click on the Thompson Okanagan Stream Watch tab to view current drought levels.

#### ***Mainstem Drought Stage Trigger Guidelines***

In 2016-17, the OBWB worked with a technical team and a committee of water suppliers to develop drought stage trigger guidelines for the Okanagan mainstem lakes and river. The guidelines are based on lake levels in July to October, and consider Okanagan Lake dam operations. The triggers can be used together with other considerations like infrastructure capacity, access to alternate water sources, and customer demand to help a water supplier decide when to move to higher water restrictions. A report with information about the project, a description of the hydrology and regulation of the mainstem lakes, an explanation of the drought stage triggers and their application, and recommended responses for each stage is available [here](#).

We haven't needed to use the mainstem triggers since they were released in 2017, but they may be useful this year given the below average lake levels we are experiencing heading into July. I am currently working with water suppliers to help them consider the triggers in their drought response decisions this summer.

#### ***Watering Restrictions and Heightened Communications***

After an exceptionally dry spring and temperatures surpassing 40 degrees Celsius this week, several water suppliers are ramping up communications with their customers and some have moved to higher water restriction stages. It is important to note that most Okanagan communities have year-round, assigned day water conservation measures in place (called either "Normal" or "Stage 1" depending on the community). The water restrictions remain in effect regardless of how much water is available because they help to decrease the demand on reservoirs and reduce water treatment and delivery costs.

Of note this week, the District of Lake Country moved from Normal to Stage 1 restrictions on June 28, meaning property addresses that end with an even number may water on even numbered calendar days and property addresses that end with an odd number may water on odd numbered calendar days. Agriculture is permitted a maximum application of 762 mm (3,8083 m<sup>3</sup> per acre of water rights) for 108 days.

The City of Kelowna, which is currently in their Normal stage, sent out a news release on June 28 reminding customers to keep water conservation top of mind and warning that if the hot, dry weather and high water demand continue through the next few weeks the City Utility may need to consider Stage 1 restrictions.

The District of Summerland moved to Stage 2 water restrictions on June 29, and put out an urgent call for customers to reduce water use by 30%. The district says in a media release the water treatment plant will have to be shutdown, followed by a lengthy boil water notice, if the 30% target is not met. The restrictions are required due to excessive demand putting pressure on the water treatment plant and because of a lack of water storage. In addition to the media release and information on their website, the District has been using CivicReady e-alerts to communicate about the water restrictions.

Other water suppliers are also considering moving to higher restriction stages but have not yet reached a decision.

### **Source Water Protection Toolkit**

Work continues on the toolkit project, with the graphic design almost complete and a website under development ([www.sourcewaterprotectiontoolkit.ca](http://www.sourcewaterprotectiontoolkit.ca)). We are also well into planning a webinar series to be launched mid-September. And the toolkit pilot with the City of Penticton will begin this week. The project working group met yesterday to provide feedback on these initiatives and to connect on other source protection related activities going on in the Okanagan Basin.



## MEMORANDUM

Okanagan Basin Water Board  
Regular meeting  
July 6, 2021  
Agenda No: 6.3

File No. 0550.04

To: Board of Directors  
From: Nelson R. Jatel  
Date: June 28, 2021  
Subject: **Water Stewardship Director's Report**

### Okanagan Water Stewardship Council (Council)

Our last Council meeting on June 10<sup>th</sup>, we had excellent attendance with 45 in attendance. Dr. Brian Guy presented on “**Modernization of the Okanagan Lake Regulation System (OLRS)**”. The following provides some background and notes on his presentation:

*The ORLS consists of a series of dams and other structures located on major lakes and the Okanagan River between Penticton and Osoyoos in the southern Okanagan valley. The OLRS, initially called the Okanagan Flood Control Project, was constructed jointly by the federal and provincial governments in the 1950s primarily to control flooding in the Okanagan valley. It was designed and constructed without Indigenous involvement, and significantly altered or destroyed valley-bottom habitat and ecosystems. The Okanagan Basin Agreement, finalized in 1974 (again, without Indigenous involvement), included recommendations for managing the mainstem lakes and the Okanagan River to achieve other economic, environmental, and social benefits in addition to flood control, and these recommendations remain the foundation of the current OLRS Operating Plan that prescribes lake elevation and river flow targets that vary throughout the year. Operation of the system is becoming increasingly challenging because of the changing nature of the Okanagan hydrologic regime in response to ongoing climate change, and in addition, the OLRS assets are approaching the end of their service life. Driven by these realities, the Province of B.C. anticipates that changes to the OLRS infrastructure and to the way it is managed will be required to maintain or improve the benefits provided by the system. Society has evolved since the 1950s and 1970s, and a modernized OLRS will reflect modern priorities and values. In addition, it is now expected that Indigenous knowledge and values will be considered in planning the OLRS modernization project. The Plan of Study anticipates Indigenous participation in both the scientific studies and in the final step in this Plan of Study—developing a plan to modernize the OLRS.*

This presentation by Dr. Brian Guy was recorded and will be made available on our OBWB-OkWaterWise YouTube channel: <https://www.youtube.com/OkanaganWaterWise>. It should be posted in early July.

Our next Council meeting is scheduled for Thursday, September 9<sup>th</sup> from 1 p.m. – 3 p.m. and will be hosted virtually on Zoom. Our guest speaker will be on water governance and provincial commitments

to UNDRIP. Guest speakers are currently being identified. Board members are encouraged to attend.

### **Project Management**

We are building on previous OBWB flood modelling and LiDAR projects. An active RFP to complete an Okanagan Flood Risk Mapping project has the following timeline:

RFP Issued:	Tuesday, June 8th
RFP Closes:	Tuesday, July 6 <sup>th</sup> (2 pm)
Proposed committee review meeting:	Monday, July 12 <sup>th</sup>
Award contract:	Monday, July 12 <sup>th</sup>

A technical advisory committee will be struck to adjudicate and score received proposals and provide recommendations to staff. To facilitate this flood risk mapping project financial management, staff recommend the board consider the following motions:

***THAT the OBWB approve the allocation of the budgeted \$500,000 for completion of the Okanagan Basin Flood Risk mapping project; AND THAT following the RFP process, the Executive Director is authorized to execute a contract with the selected supplier for the 2021 Okanagan Basin Flood Risk mapping project, up to \$500,000.***

### **OBWB Hydrometric Service**

The OBWB's Okanagan Basin Hydrometric Information Network program is a component of the Water Management Program with the objective to develop and manage an adequate hydrometric information network for the Okanagan.

The Technical Advisory Committee met for the second time on June 22 to finalize the operational plan for 2021. Three areas of activities are underway: (1) maintaining and adding four new stations to the OBWB/ONA hydrometric network, (2) add two new Environment Canada and Climate Change hydrometric stations, and (3) increase third party hydrometric data into the publically available data warehouse. It was reported yesterday, that the first new ECC hydrometric station is now operational on Pearson Creek (a tributary to Mission Creek). The committee identified the following priority station installations (2021 – 2022):

#### **OBWB / ONA Real-time Stations (2021 Installation)**

- Naramata Creek (at mouth)
- McLean Creek
- Shuttleworth Creek
- Deep Creek (upstream from Otter Lake)
- Powers Creek – New station at Bridge (in collaboration with City of West Kelowna)
- Mill Creek (in collaboration with City of Kelowna)

#### **Environment and Climate Change Canada (2021 Installation)**

- Pearson Creek (INSTALLED and OPERATIONAL)
- Trout Creek (in planning – mid-summer installation)
- BX Creek (in planning. Installation – 2022)

I continue to working with staff from the Okanagan Nation Alliance, Environment and Climate Change Canada and our project team in developing the operational plan for the upcoming.





1450 KLO Road, Kelowna, BC V1W 3Z4  
P 250.469.6271 F 250.762.7011  
www.obwb.ca

## MEMORANDUM

Okanagan Basin Water Board  
Regular meeting  
July 6, 2021  
Agenda No: 6.4

File No. 0550.04

To: OBWB Directors  
From: James Littley  
Date: June 23, 2021  
Subject: Operations and Grants Manager Report

### Milfoil Control Program

Milfoil harvesting is now underway in Osoyoos Lake and the Vernon arm of Okanagan Lake. Typically, we would begin one machine in Wood Lake, but due to low water levels in Okanagan Lake, we have started harvesting there, and will move that machine to Wood Lake next. Harvesting operations began a week earlier than normal this summer (June 21<sup>st</sup>) due to unseasonably hot weather, and low lake levels, which will allow the plant to reach the surface earlier in its growth cycle.

### Okanagan Lakes Topo-Bathymetric LiDAR Project

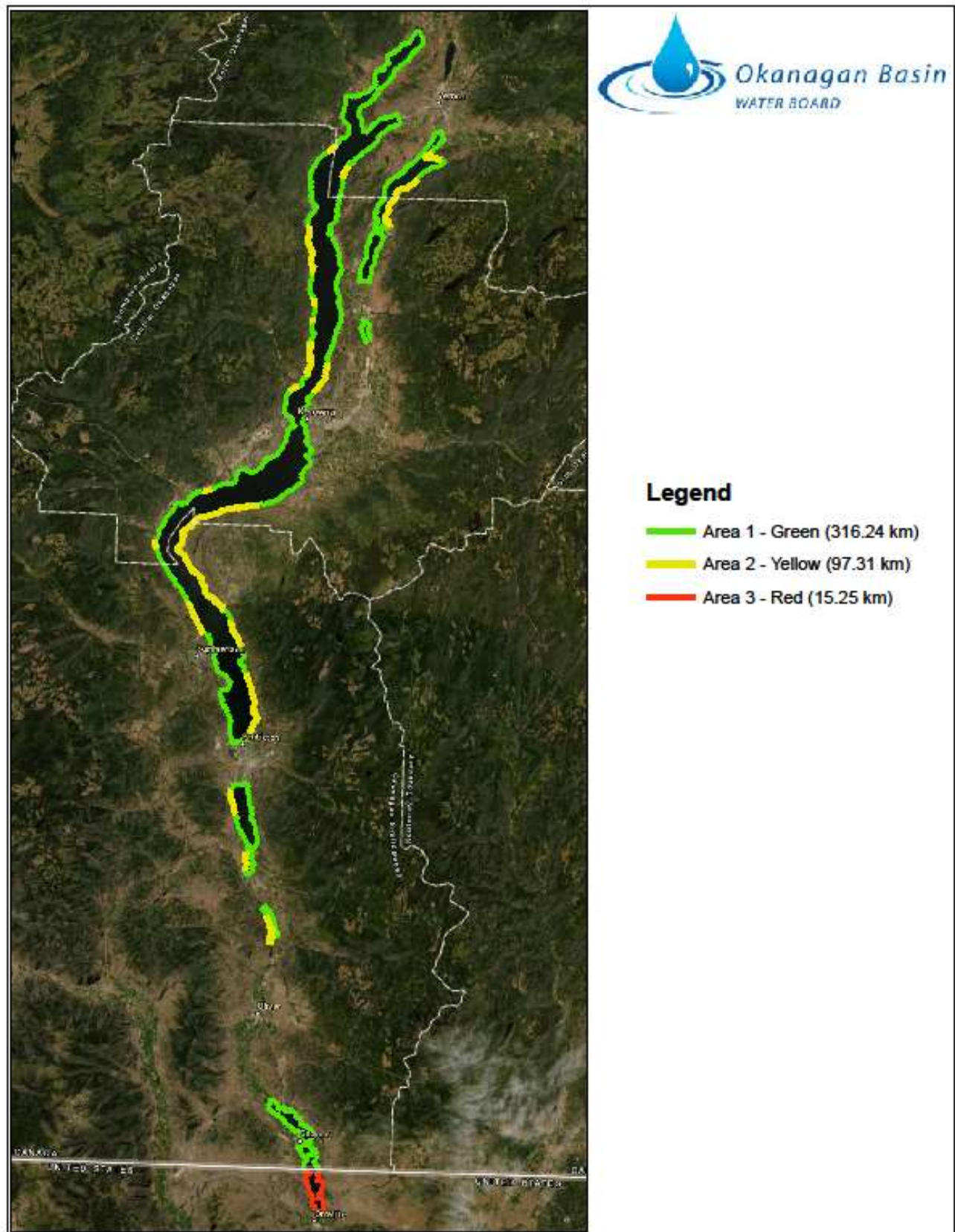
We have now released an RFP for gathering topo-bathymetric LiDAR as well as high-definition aerial photography for the seven mainstem lakes in the Okanagan. This data will be primarily used to help model wind and wave effects in flood-prone and built areas, creating an improved set of flood maps to inform future flood construction levels and emergency planning. The prioritized areas are outlined on the map below in green, with the yellow areas being secondary and the U.S. side of Osoyoos Lake (in red) being included if budget allows.

This new data can also be used in the future by OBWB or other organizations for a number of other purposes which may include:

- Teaching and education purposes
- Reservoir operation models
- Habitat mapping – plants and Sockeye habitat
- Recreational boating chart updates
- Water management decision making
- Substrate classification
- Predictive modelling for milfoil growth and water quality
- Lake Circulation Modelling

The RFP closes on July 13, and we anticipate issuing a contract by July 23<sup>rd</sup>, with all project deliverables due in March 2022. An explanation of the basic technology and method can be seen here:

<https://www.youtube.com/watch?v=10gfK4eEEE8&t=1s>



## MEMORANDUM

Okanagan Basin Water Board  
Regular meeting  
July 6, 2021  
Agenda No: 6.5

To: OBWB Directors  
From: Carolina Restrepo Tamayo  
Date: June 30th, 2021  
Subject: **Special Projects Coordinator report**

---

During June I have been working on two initiatives: The AquaHacking Challenge 2021 and the Osoyoos Lake Water Science Forum 2021, Below is a short report on the status of each of them.

### Osoyoos Lake Water Science Forum (OLWSF) 2022

- Planning for the event in April 2022 is in progress, both venues are confirmed for the new dates and we will adapt the planning to it. From now on we will identify the event as OLWSF 2022.
- Finances Committee: with about 85% of the conference budget confirmed, the efforts will now concentrate in fundraising the \$15,000 remaining according to the current budget plus the \$8,000 we estimate will come from registrations, so we can keep registration costs as low as possible. Our main target will be consulting companies in both the U.S. and Canada along with businesses in Osoyoos and Oroville.
- Program Committee: Draft program is advancing, we continue working in having a program that is balanced as much as possible in aspects such as: US/CAN representation, science/indigenous knowledge, gender representation among others.

### AquaHacking

Current areas we are working on:

- We are in phase two of the Challenge, during this phase the Top 4 teams continue working on the improvement of their solutions with the support of different mentors according to their needs.
- During the month of June, the teams participated in the virtual leadership boot camp a great activity organized by Waterlution where the participants worked on team building and leadership and learned about Indigenous perspectives on water.
- Finally, we have begun the planning for the final event that will take place on September 14<sup>th</sup> 2021, where the winners will be announced.

## MEMORANDUM

Okanagan Basin Water Board  
Regular meeting  
July 6, 2021  
Agenda No: 6.6

File No. 0550.04

To: OBWB Directors  
From: Corinne Jackson  
Date: June 30, 2021  
Subject: Communications Director Report

### "Make Water Work" 2021 Launch

The "Make Water Work" (MWW) campaign launched June 14, with Okanagan mayors starting to post pledge videos, sharing who they were pledging for and which of the six pledges they were committing to follow to make water work better this summer. Once again – the videos are all excellent! If you haven't seen them, I encourage you to check them out. We are hoping that these videos will spur others to post their own videos (including other OBWB board directors). **A reminder to mayors and board directors, if you have not actually gone to the Make Water Work website to pledge, please do so here: <https://www.makewaterwork.ca/pledge/>!**

Find the various mayor pledge videos here:

- **Osoyoos Mayor and OBWB Chair Sue McKortoff:**  
[https://www.facebook.com/permalink.php?story\\_fbid=3004520946458328&id=100007013567403](https://www.facebook.com/permalink.php?story_fbid=3004520946458328&id=100007013567403)
- **Peachland Mayor and OBWB Vice-chair Cindy Fortin:**  
<https://www.facebook.com/DistrictofPeachland/videos/961120548038946>
- **Lake Country Mayor and OBWB Dir. James Baker:**  
<https://www.facebook.com/lakecountry.gov/posts/4063196313735763>
- **Kelowna Mayor and OBWB Dir. Colin Basran:**  
<https://www.facebook.com/cityofkelowna/posts/10159000124904029>
- **West Kelowna Mayor Gord Milsom:**  
<https://www.facebook.com/cityofwestkelowna/posts/5537610236313055>
- **Summerland Mayor Toni Boot:**  
<https://www.facebook.com/SummerlandBC/videos/2948178365448645>
- **Armstrong Mayor Chris Pieper:**  
<https://www.facebook.com/CityofArmstrong/posts/150676080459907>
- **Oliver Mayor Martin Johansen:**  
<https://www.facebook.com/TownofOliver/posts/3704395029672124>



Above: Screenshot of District of Peachland Facebook post with Mayor Cindy Fortin taking the Make Water Work pledge.



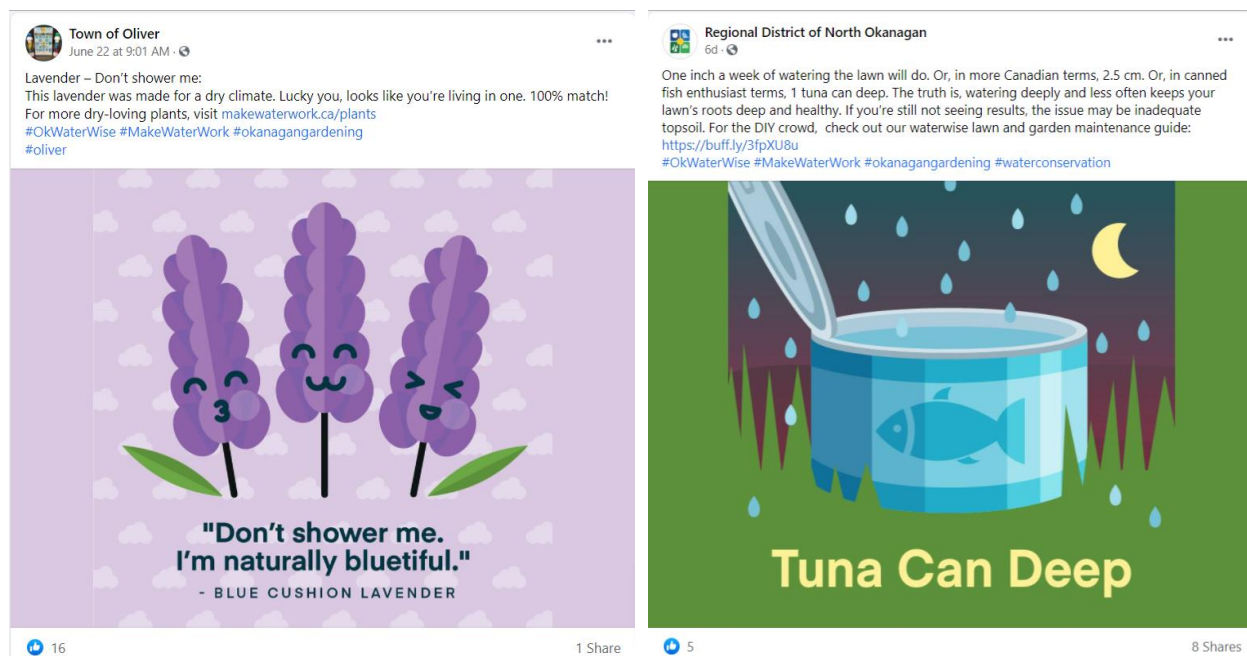
In addition to the above, we issued a **news release**. You can see some of the media coverage noted in the “Summary of OBWB-related news media” below, including [this piece on Global Okanagan](#).

We are also offering two prizes of a \$750 WaterWise yard upgrade. One prize is awarded to one lucky winner who pledges at [www.MakeWaterWork.ca](http://www.MakeWaterWork.ca). A second prize is awarded to someone who posts their own MWW video on Facebook or Instagram. (Note OBWB staff, board members, MWW committee members and business partners are not eligible for the prize but still encouraged to pledge).

MWW **billboards**, **bus shelters**, **transit shelters** are posted throughout the valley. Local government and utility partners have also received: **sandwich boards**, MWW **bookmarks** that include the pledges, MWW Plant Collection and contest info., **frisbees** (water measuring devices!), **pins/buttons** to be worn and that can be filled out with who/what you are making water work for, and MWW **social media images and copy** for their use. They will also be receiving MWW branded **garden kneeler boards** soon. Our business partners have also received MWW bookmarks, copies of the **MWW Plant Collection List**, and **buttons** to fill out and wear. Those requiring them also received MWW **plant stakes** and **banners**. The **MWW website** ([www.MakeWaterWork.ca](http://www.MakeWaterWork.ca)) has also been updated and is looking very attractive.

Finally, we are running **digital and social media ads**, and ads on **Global Okanagan** and **Castanet**.

Below are some of the images from this year’s campaign.



Above: Some of the Make Water Work social media creative that partners have been posting on their own social media feeds.



### “Don’t Move A Mussel” 2021 Launch

This year, we have developed new creative for the Don’t Move A Mussel (DMM) campaign, while keeping banding consistent. In doing so, we are ensuring to keep what we know works, and avoiding confusion. Now in its 9<sup>th</sup> year, our strategy is to refine the threats and potential impacts of invasive mussels to the Okanagan, get the attention of existing and new audience members, discourage lax behaviours and encourage Okanagan residents to become DMM ambassadors.

Final creative is being tweaked, printed and posted, ready for the July long-weekend. Some of the material, such as **billboards** have been running since June 7. Additional items will include updated **DMM website** ([www.DontMoveAMussel.ca](http://www.DontMoveAMussel.ca)), DMM info sheets, **sandwich boards** (for outside tourism info centres), **posters**, **postcards** (for locals to send to visiting family and friends who are bringing watercraft, urging them to stop at inspection stations and clean, drain, dry before launching in local waters), **mussel muscle shirts**, **social and digital ads**. Also, new this year, ads on **Spotify** (audio streaming service) and a **contest**, encouraging people to post photos of them cleaning, draining or drying their water toys for a chance at a DMM prize pack, including a popular Yeti Cooler.

A few images from the campaign are posted below.



Above: Sample creative with new messaging. Billboard on right, sandwich board on left.



4 X 6 POSTCARD WITH NOSE CUT-OUT FOR SELFIES





#### Boat inspection checklist (VIDEO)



#### IG + FB COPY:

Invasive mussels are more dangerous than they look. And just as sneaky. Tiny byssal threads help them hitch rides on any surface they touch. These mussels would ruin Okanagan waters. All water recreation equipment needs to be checked before launching. That includes kayaks, paddleboards and your fishing gear. Check it before you wreck it.

Learn more at [DontMoveAMussel.ca](https://DontMoveAMussel.ca)

Above: Sample social media ads.

### Other communication initiatives

In addition to the above, this past month was spent providing communications support to various projects including three OBWB-Water Conservation and Quality Improvement Grant projects: FreshWater Life's "Assessing Microplastics in Okanagan Lake" project, the City of Kelowna "Water Conservation Classroom Educational Toolkit," and UBC Okanagan's "Waterways - The Past, Present and Future of the Okanagan Waterscape" exhibit project.

I have also been invited to be a contributor to a UBCO-led project aimed at de-colonizing and indigenizing education. This is a five-year project. Partners include ONA, IndigenEYEZ, the University of Alberta and Ottawa, the Central Okanagan School District, Kelowna Museums and Art Gallery. The invitation comes, in part, based on the development of the "Our Relationship with Water in the Okanagan – Explorations in Outdoor Education to Support the B.C. Curriculum" project. I attended the group's first meeting on June 9. More information on this project can be found here:

<https://education.ok.ubc.ca/research-partnerships/co-curricular-making/>

### Summary of OBWB-Related News Media

May 26	"Keep Mussels Out, Check Before You Launch," <i>AM1150 (iHeartRadio)</i>
May 27	" <a href="#">Water Worries: Calls to protect water with lead agency mounting in Okanagan</a> ," <i>Vernon Morning Star</i>
May 29	Success so far but more work to be done in restoring Mission Creek," <i>Castanet.net</i>
June 5	" <a href="#">The Okanagan Basin Water Board says it is preparing for drought</a> ," <i>Castanet.net</i>
June 6	"Early hot weather could contribute to earlier than usual milfoil growth in Okanagan lakes," <i>Castanet.net</i>
June 7	"Drought preparations underway for the Okanagan," <i>VernonMatters.ca</i>



- June 8            "[Okanagan bracing for what could be a severe drought this summer.](#)" *Global Okanagan*
- June 11        "Summerland's reservoirs continuing to spill," *Penticton Western News, Summerland Review, Keremeos Review, Similkameen Spotlight*
- June 14        "Extremely dry spring brings water shortage worries to the South Okanagan," *Penticton Western News*
- June 20        "Okanagan Mayors call to action on water conservation," *Castanet.net*
- June 23        "[Okanagan residents challenged to 'make water work'](#)" *Global Okanagan*
- June 24        "Too early to tell droughts impacts on Okanagan agriculture," *Castanet.net*
- June 28        "Use water wisely during heat wave City of Kelowna," *KelownaNow*

# MEMORANDUM

Okanagan Basin Water Board  
Regular meeting  
July 6, 2021  
Agenda No: 7.1

File No. 0550.04

To: OBWB Directors  
From: Chief Christopher Derickson and Anna Warwick Sears  
Date: June 30, 2021  
**Subject: Advancing the OBWB and Okanagan Nation Alliance Relationship**

---

This memo was written jointly by and for the Okanagan Nation Alliance and the Okanagan Basin Water Board. The ONA Chiefs Executive Council received this document on June 17<sup>th</sup>, 2021.

## PURPOSE:

To provide an update on the advancing relationship between OBWB and the *syilx* Nation.

## ISSUE(S):

- 1) All water management decision-making and partnerships in *syilx* Territory must reflect joint decision making with the *syilx* Okanagan Nation.
- 2) BC's mandate to implement DRIPA should be reflected by the OBWB in their relationship with the *syilx* Okanagan Nation.

## BACKGROUND:

In July, 2014 the *siw̓k̓w* Water Declaration was endorsed as a living document. It reflects a strong collective voice of our Nation and the responsibilities we have as *syilx* people to act for water.

On November 27, 2019 the Okanagan Nation Alliance Chiefs Executive Council appointed Chief Christopher Derickson to be the *syilx* Nation representative on the OBWB as per TCR *Okanagan Basin Water Board Okanagan Nation Appointment* with Tessa Terbasket, Okanagan Nation Cultural Research Lead as a technical non-voting representative.

Declaration on the Rights of Indigenous Peoples Act was passed on November 28, 2019. This legislation is intended to harmonize BC Laws with UNDRIP. BC Water Law is an important priority for the *syilx* Nation to pilot this work.

## ANALYSIS:

- With the OBWB consisting of twelve local political directors, many of the issues are shaped by local municipal perspectives.
- Increasingly, water use, distribution and allocation are becoming larger and larger issues within the Okanagan Valley and the Okanagan Nation represents a broader watershed and sustainability perspective.

- The OBWB's Purpose is as follows<sup>1</sup>; to:
  - I. Organize or receive proposals from private interests, organizations or agencies and all levels of governments regarding best practices for water use and management;
  - II. Define water problems and priorities, economic feasibility of solutions, responsibility, necessary legislation and required action;
  - III. Communicate and coordinate between levels of government and their agencies about water use and management;
  - IV. Present proposals and recommendations to local or senior governments, according to jurisdiction and responsibility;
  - V. Participate financially or otherwise, in surveys, investigations or projects on behalf of Okanagan local governments;
  - VI. Participate in an aquatic weed control program for Okanagan lakes.
- The OBWB facilitates discussions and studies on important water issues that need water management decisions on the Territory. There is a growing awareness of local government responsibilities to ensure that the Okanagan Nation role is central and that they require the Nation's consent prior to finalizing their water related decisions.
- The OBWB are also seeking an ONA representative on their Water Stewardship Council.
- Under UNDRIP articles 18 and 27, new co-governance processes will need to take into account and work co-operatively with Syilx peoples' own "laws, traditions, customs and land-tenure systems." Article 32 further states "Indigenous peoples have the right to determine and develop priorities and strategies for the development or use of their lands or territories and other resources".

#### **RECOMMENDATION:**

That the OBWB and ONA relationship be advanced in the following ways:

- a. Establish a working group to implement the spirit of UNDRIP and Syilx Rights/Responsibilities into the OBWB Board.
- b. Endorse a change to the OBWB Board Governance to ensure the *syilx* Nation's seat has equal voting power to the local government representatives.
- c. OBWB and ONA to continue co-led water partnerships that are meaningful to the Nation and aligned with the *syilx* Water Declaration.
- d. OBWB Board and staff to undertake UNDRIP and *syilx* cultural awareness training, as committed in the OBWB's strategic plan.

<sup>1</sup> Supplementary Letters Patent, issued to RDNO, RDCO, RDOS in 1970 (I – V) and 1981 (VI).

OFFICE OF: UTILITIES

OUR FILE No.: 5750.03.02.01.09.2021

April 29, 2021

Ministry of Forests, Lands, Natural Resource Operations, and Rural Development  
Attn: Honourable Katrine Conroy, M.L.A.

And

Ministry of State for Natural Resources Operations  
Attn: Honourable Nathan Cullen, M.L.A.

Via e-mail: [FLNR.Minister@gov.bc.ca](mailto:FLNR.Minister@gov.bc.ca)

Dear Honourables Katrine Conroy and Nathan Cullen:

**RE: Opposition to Tolko Industries Ltd.'s (Tolko) Decision on Block LV1243 above the Headgates Intake**

---

Today, we write you out of an urgent need to protect our community drinking water and put measures in place to ensure its protection for generations. On April 21, 2021, the Regional District of North Okanagan (RDNO) Board of Directors (BOD) unanimously resolved that the BOD "adamantly opposes the current proposal to log the Tolko block identified as LV1243 and instruct staff to undertake the necessary actions to support this opposition". Furthermore, the BOD directed staff to write a letter to the Honourable Katrine Conroy, M.L.A., Minister of Forests, Lands, Natural Resource Operations, and Rural Development (MFLNRORD), and the Honourable Nathan Cullen, M.L.A., Minister of State for Natural Resources Operations, to request legislative amendments that result in the prioritization of drinking water over timber harvesting in community watersheds.

The need for legislative changes to protect drinking water is evidenced by an ongoing and unresolved situation posing a serious risk to RDNO water infrastructure, which services 60,000 people as well as many businesses and a thriving agricultural section.

In 2016, the RDNO was made aware of Tolko's interest in logging a block (LV1243) located 500m upslope of the water intake and reservoir that supplies 60% of RDNO's Greater Vernon Water utility's water. Given the proximity to this vital infrastructure and Tolko's dismissal of our expressed concerns, the RDNO retained a hydrologist to assess the risk to RDNO infrastructure should this logging activity occur.

The Hydrological Report found the slopes adjacent to the site are unstable, and the drainage path from this site leads directly into the intake reservoir. Therefore, logging and land disturbance could trigger a landslide or debris torrent, which would end up in the water reservoir, the impacts of which could result in extended Boil Water Notices to the loss of water source for weeks to months. Suppose this were to occur during spring or early summer. In that case, the

economic outcome of this scenario could cause many millions of dollars of damage to the agricultural community due to crop loss and to GVW to rebuild significant infrastructure.

Despite the unaddressed concerns and severity of potential risks, with only three (3) weeks' notice, Tolko informed the RDNO of their plans to submit for cutting authority and begin logging activity in May of 2021. The RDNO has attempted to work with Tolko and the MFLNRD District office (Okanagan-Shuswap), even proposing alternative areas that would link to the Duteau Creek fire break outside of the Community Watershed but has not received a response. There is no clear path the Regional District can take to halt this work that could begin as early as next week.

The ability for this dangerous situation to arise and the lack of available actions water providers can take to protect the safety of drinking and agricultural water from the risk of nearby logging are symptoms of the gaps in legislation.

As drinking water providers, the RDNO remains focused on our mandate to protect and provide clean safe drinking water to our community. We must consider the RDNO's risk on that front and our responsibility under the *Drinking Water Protection Act*. In contrast, Tolko first must consider volume-based timber harvest and fibre availability on their portion of the Okanagan Timber Supply Area and their boundaries under the *Forest and Range Practices Act* (FRPA) and other legislation. In this regard, the two (2) goals are in opposition and the legislation conflicts.

While we implore Tolko to pause their plans, the block is within the Timber Harvest Land Base, and they are doing all they are legislatively required to do. Their required work dictated through *FRPA* focuses on the specific conditions within their block and does not adequately identify the risks at a greater landscape level (i.e. downslope) nor does it adequately include the protection of drinking water. As recently stated by the RDNO BOD chair, the RDNO is not opposed to logging and has never opposed a block before, which speaks to the unique risks associated with this cut block.

Greater Vernon Water has invested over \$72 million since 2003 to bring our water utility to provincial standards and still has many millions to go. In addition, RDNO has spent significant time and money on watershed protection to first understand the Duteau Creek watershed from an integrated perspective (cattle, recreation, and logging) and to develop one of the first Source Water Protections Plans in our area. Since 2009, we have formally worked with provincial staff, subject matter experts, forest licensees, and cattle ranchers to consider everyone's needs, bring the drinking water perspective to the table, and work with all partners to develop solutions for sustainable integrated watershed management. We have taken the time to understand and consider our watershed partners' needs and expect they do the same by understanding and respecting the protection of drinking water. We also expect the Province to honour our hard work and the information we have collected and consider this during their decision making.

We believe sustainable forest management is possible within the Duteau Creek community watershed and that our goal of drinking water protection is directly in line with both of your mandate letters:

*“Lead the transition of our forestry sector from high-volume to high-value production, increasing the value-added initiatives of our forest economy, including by making mass timber a priority in public buildings moving forward.”*

and

*“Support the work of the Ministry of Environment and Climate Change Strategy to protect clean water, including through the creation of a Watershed Security Strategy and the associated Watershed Security Fund.”*

High volume harvest in the Duteau Creek area is posing a risk to drinking water. It is time to retract logging rights in areas where it is deemed appropriate and prioritize the highest value (in this case drinking water) over available timber. We know a balance can be reached and have been working toward this for a very long time.

We have no authority over the watersheds from which we draw our drinking and agriculture water supply, but we are mandated to protect them. Changes must happen to address this. In the immediate term, we ask the Government to consider the RDNO's request that Tolko is not granted a cutting permit for LV1243 until a suitable option to protect drinking water is established. We also request the Government of British Columbia make legislative amendments to resolve the conflict between the *DWPA* and *FRPA* with a clear path to protect higher values above timber harvest.

If you require any information to assist with our request, please do not hesitate to contact the undersigned at [tricia.brett@rdno.ca](mailto:tricia.brett@rdno.ca).

Sincerely,

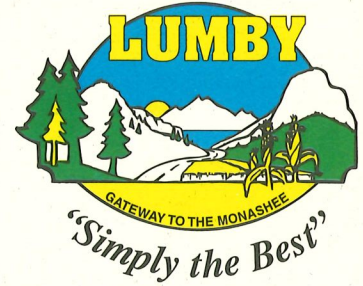


Tricia Brett  
Manager, Water Quality

TB/ls

ec: Ray Crampton, District Manager, Okanagan-Shuswap District, MFLNRORD  
Zee Marcolin, General Manager, Utilities, RDNO  
David Sewell, Chief Administrative Officer, RDNO  
Pouria Mojtahedi, Specialist Environmental Health Officer, Interior Health  
Joanne Edwards, Provincial Drinking Water Officer, Ministry of Health  
Harwinder Sandhu, Member of Legislative Assembly, Vernon-Monashee





*Office of the Mayor*

June 3, 2021

Honourable George Heyman  
BC Minister of Environment and Climate Change Strategy  
Room 112 Parliament Buildings  
Victoria, BC V8V 1X4

RE: Increased measures needed for invasive mussels and invasive clams in British Columbia

Dear Minister Heyman:

The Village of Lumby Mayor and Council are writing to you to ask that increased measures be taken to ensure the pristine quality of our BC waterways and keep a potentially dangerous infestation of invasive mussels and/or invasive clams at bay.

The whole of the Shuswap and the Okanagan Valley is a tourism hotspot for travelers from across the country, with many of those travelers bringing their boats, canoes, kayaks, sea doo's, and other water pleasure toys. As there are many points of entry into the province of BC, and only 9 watercraft inspection stations in BC as of 2020, it is likely only a matter of time that waters become infested if stricter measures are not taken.

Council does realize that the BC provincial website, as well as the Okanagan Basin Water Board site advises boaters that they are required to contact the Provincial Program to determine if the boat is a high-risk and should be decontaminated, but how many people from out of our regions are aware of this program? How many people are traveling at times of the day, when the inspection facilities may be closed? There needs to be more steps taken so that visitors bringing boats do not slip through the borders and do stop at mandatory inspection stations.

A member of Council did a kayak trip into the Rockies and stopped at an inspection facility on the way through Golden. As the kayak fit into the vehicle, she was questioned as to why she was stopping. Once she advised where she had been, her kayak was checked and she was given even more pertinent information regarding the issue with these invasive mollusks. This Councillor was aware of the program, so knew the importance of stopping. What about people who do not know about the program, people who are traveling at night and others who just do not care to stop? What types of enforcement is there in place to make sure that all boaters are following the proper protocols?

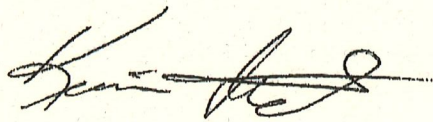
Council does understand that fines can be issued for failure to stop at an open facility, allowing an aquatic invasive species (AIS) to escape, and for failing to comply with an officers order to remove species from a watercraft. Council would like to see stricter fines, closer to double the amount

## THE CORPORATION OF THE VILLAGE OF LUMBY

currently stated, as more of a deterrent to people who break the law and ignore the rules that are put in place to help keep our waters safe! In 2021 it would be nice to see the roving stations set up at the most popular boat launches over the summer months, when travel is at its peak, and in other, more remote locations that are attractive for recreation.

Council would like to thank you for considering our request and look forward to your response. If you require any further information, please feel free to contact myself directly at [mayoracton@lumby.ca](mailto:mayoracton@lumby.ca), 250-307-3132, or CAO Tom Kadla at [tomk@lumby.ca](mailto:tomk@lumby.ca) or 250-547-2171.

Sincerely,



Mayor Kevin Acton

cc: MP, Mel Arnold, #1 – 3105 – 29<sup>th</sup> Street, Vernon, BC V1T 5A8  
MLA Harwinder Sandhu, B-2920 – 28<sup>th</sup> Avenue, Vernon, BC V1T 1V9  
UBCM, #60 – 10551 Shellbridge Way, Richmond, BC V6X 2W9  
OBWB, 1450 KLO Road, Kelowna, BC V1W 3Z4