

**Minutes of the *REGULAR BOARD MEETING* of the Regional District of Central Okanagan held at Regional District Offices, 1450 KLO Road, Kelowna, B.C. on Monday, July 23, 2012**

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Directors:

J. Baker (District of Lake Country)  
C. Basran (City of Kelowna)  
A. Blancheil (City of Kelowna)  
J. Edgson (Central Okanagan West Electoral Area)  
K. Fielding (District of Peachland)  
D. Findlater (District of West Kelowna)  
L. Stack, alternate for G. Given (City of Kelowna)  
W. Gray (City of Kelowna)  
P. Hanson (Central Okanagan East Electoral Area)  
R. Hobson (City of Kelowna)  
D. Ophus (District of West Kelowna)  
G. Zimmermann (City of Kelowna)

Regrets:

M. Werstuik, (Westbank First Nation)

Staff:

P. Macklem, Chief Administrative Officer  
R. Fralick, Manager of Current Planning  
D. Plamondon, Director of Development Services  
C. Radford, Director of Environmental Services  
B. Smith, Communications  
D. Widdis, RGS Coordinator  
M. Drouin, Corporate Services Coordinator (recording secretary)

**1. CALL TO ORDER**

Chair Hobson called the meeting to order at 7:05 p.m. following a Public Hearing.

**2. ADDITION OF LATE ITEMS**

Under Director Item - Update on boathouse for the North Westside Fire Department boat.

The question was raised whether the Board would be speaking to the issue of the Madsen's dog Shadow. It was noted that as this is a legal issue currently in the courts, it cannot be discussed publicly.

**3. ADOPTION OF THE AGENDA**

#169/12

STACK/BAKER

THAT the agenda be adopted.

CARRIED

**4. ADOPTION OF MINUTES**

4.1 Regular Board meeting – July 12, 2012

**#170/12**

OPHUS/GRAY

THAT the regular Board meeting minutes of July 12, 2012 be adopted with the following change: under attendance, remove M. Rilkoﬀ, Deputy Chief Administrative Officer and replace with P. Macklem, Chief Administrative Officer.

CARRIED

**5. DELEGATION**

No delegation

**6. CORRESPONDENCE**

6.1 The Corporation of the District of Peachland re: BC Transit Service Agreements

District of Peachland letter of June 4, 2012 gives notice that the District is moving towards managing its own BC Transit service agreement effective March 31, 2012. Staff will be preparing a bylaw amendment for Board approval.

**#171/12**

FINDLATER/FIELDING

THAT the June 4, 2012 letter from the District of Peachland providing notice that the municipality is moving to manage its own BC Transit service agreement effective March 31, 2012 be received.

CARRIED

6.2 Okanagan Basin Water Board Meeting Highlights – July 3, 2012 (*for information only*)

Directors expressed support for both OBWB and the International Osoyoos Lake Board of Control recommendation to the International Joint Commission for renewal of the Osoyoos Lake Orders under the Boundary Waters Treaty regarding the Osoyoos Lake level and no guaranteed flows to the USA. Concern was expressed that any change to guaranteed water flow or delivery into the US may have implications to water levels in Okanagan Lake.

**#172/12**

FINDLATER/BAKER

THAT the July 3, 2012 Okanagan Basin Water Board meeting highlights be received;

AND FURTHER THAT a letter be forwarded to the International Joint Commission (IJC), Canadian Section in support of the Okanagan Basin Water Board's letter regarding the renewal of operating orders for Osoyoos Lake which requests IJC to not consider a major policy change on specific lake levels.

CARRIED

**7. FINANCE AND ADMINISTRATIVE SERVICES**

7.1 Regional District of Central Okanagan Security Issuing Bylaw No. 1310, 2012, **1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> reading and Adoption** (All Directors – Unweighted Vote)

Staff report dated July 23, 2012 outlined that the security issuing bylaw is related to the cost of borrowing from the Municipal Finance Authority for the Upper Fintry, Shalal Road & Valley of the Sun water system.

The questions were raised how many of the 336 parcels of land are vacant; what is the liability in general to the RDCO should a land owner not make payment for their water system, and what is the value of the lots relative to financial obligations for the water system?

**#173/12**

EDGSON/OPHUS

THAT Regional District of Central Okanagan Security Issuing Bylaw No. 1310, 2012 be given first, second and third readings and adopted this 23<sup>rd</sup> day of July 2012.

CARRIED

**#174/12**

OPHUS/BAKER

THAT staff report, using the Fintry, Shalal Road, Valley of the Sun Water System as the example, on what would occur should a landowner not make payment for their water system—whether there is liability to the RDCO or the taxpayers in the region, and what is the value of a lot relative to the obligations of the security issuing bylaw.

CARRIED

**8. ENVIRONMENTAL SERVICES**

8.1 Upper Fintry/Shalal Road/Valley of the Sun Water System – Community Works Fund – Gas Tax Program (All Directors – Unweighted Vote)

Staff report dated July 16, 2012 outlined the need for \$26,500 in Community Works Fund – Gas Tax Program funds to be allocated for additional communications equipment and associated installation costs for the Upper Fintry/Shalal Road/Valley of the Sun Water System. It was noted the unallocated Central Okanagan West Gas Tax funds are currently \$47,000.

**#175/12**

EDGSON/ZIMMERMANN

THAT the Regional Board authorizes a transfer of Community Work Funds – Gas Tax Program from the Central Okanagan West fund in the amount of \$26,500 for additional communications equipment and associated installation costs for the Upper Fintry/Shalal Road/Valley of the Sun Water System.

CARRIED

**9. DEVELOPMENT SERVICES**

Inspection:

- 9.1 Building Statistics – June 2012 (*for information*) (*All Directors - Unweighted Vote*)

#176/12

BAKER/FIELDING

THAT the building statistics for June 2012 and year-to-date, January-June 2012 be received.

CARRIED

Planning:

- 9.2 Report regarding Regional Growth Strategy Transportation Discussion Paper (6430-40) (*All Directors – Unweighted Vote*)

Staff report of July 17, 2012 outlined the background of the RGS Transportation Discussion Paper. An executive summary was provided for the Board's review. The main objective of the transportation discussion paper is to provide a forum for policy analysis of the issue and update the information on regional transportation to support strategic direction in the future.

Staff further outlined the RGS process as part of updating the region's Regional Growth Strategy. The timelines for the update and the purpose of the discussion papers were highlighted. An elected official forum will be held in October to provide an opportunity for further input into the papers, including: Economic Development, Environmental Protection, Housing, Parks and Open Spaces, Transportation and Mobility and Water Resources, Lakes and Streams. They are available for viewing at the Regional District office and on the Regional Growth Strategy website [www.futureok.ca](http://www.futureok.ca).

#177/12

EDGSON/BAKER

THAT the Regional Board receive for information the Regional Growth Strategy Transportation Discussion paper.

CARRIED

- 9.3 FrontCounter BC Referral Application for a License of Occupation for guided horseback tours along new and existing recreational trails. (CL-12-02) Central Okanagan West Electoral Area (*All Directors – Unweighted Vote*)

Staff report dated July 17, 2012 outlined the purpose of the referral application: to request approval of a License of Occupation (up to a 30 year term) to permit guided horseback tours along new and existing recreational trails, and to allow an intensive use area (cabin, corral, tenting, outhouse) all covering approximately 16.81 ha (41.54 acres) of Crown land.

Staff outlined the application including the mapping and referral agency comments. It was further noted that cabin structures are currently not permitted. The proponent would be required to submit a Crown land lease application to the Province and then an application to the RDCO for rezoning. This would be similar to zoning for recreational cabins on upper reservoir lease lots. The proponent would need provincial approvals/authorization before proceeding with a zoning application.

Concern was expressed as this is a small scale, seasonal activity is there the ability for a temporary use permit to only operate horseback riding and to not consider zoning unless the license leads to a Crown grant? As well, concern was raised regarding motorized dirt bikes using the trails and how will this be managed.

#178/12

EDGSON/BLANLEIL

THAT FrontCounter referral application for a License of Occupation (Reference File: 3412471) for guided horseback tours along new and existing recreational trails be conditionally supported subject to the following:

- Incorporation of all recommendations from the RDCO Parks Department noted in their response of July 16, 2012;
- Proponent to obtain a business license from the Regional District;
- A detailed management plan should be developed in concert with all stakeholders that outlines conditions for the operation to ensure environmental protection such as; no structures or land disturbance within 30m of a water course or feature; and no uncontrolled access of horses to riparian areas;
- Additional information should be provided to assist in tenure allocation including: ongoing maintenance of the outhouse; source of water for client use; and uses at Jack Pine Lake including parking of trailers;
- Receipt of approval from Interior Health for installation of outhouses (other than the 'intensive use' area);
- Incorporation of any conditions/requirements of the District of Peachland to ensure that their watershed is protected;
- That there be no motorized vehicle use permitted on any designated trails (ie: trailheads blocked to restrict access for motorized recreation);
- Compliance with all conditions and recommendations of applicable Provincial agencies, First Nations, and other stakeholders;

AND FURTHER THAT the Development Services report dated July 17, 2012, be forwarded to FrontCounter BC planning office for their information and consideration.

CARRIED

*At this time, a number of individuals protesting outside the Regional District offices in regards to a court hearing current underway for the destruction of the Madsen's dog entered the boardroom.*

Chair Hobson read a statement that the RDCO issued a formal statement earlier today that provides factual information on this issue, some of which has not been reported in the media. Copies were available for the public. At this time, the case is before the courts and it would not be appropriate to discuss publicly. The Board will not acknowledge the protesters in a formal way as the agenda guides the meeting. Should the protestors wish to deliver a petition that can be done anytime during regular business hours. When asked whether the Chair would meet with Mr. & Mrs. Madsen, it was confirmed that the Chair and CAO would and to contact the CAO directly.

9.4 FrontCounter BC Referral Application for a License of Occupation and Notice of Work to permit the expansion of an existing rock quarry operation. (CL-12-03) Central Okanagan East Electoral Area (*All Directors - Unweighted Vote*)

Staff report dated July 16, 2012 outlined the purpose of the referral application: to consider a FrontCounter BC referral application requesting approval of a License of Occupation (10 year term) and Notice of Work Permit (5 year term) for the purpose of expansion of an existing rock quarry operation which would cover approximately 9.59 ha (23.70 acres) of Crown land.

Staff outlined the application including the referral agency comments.

#179/12

HANSON/EDGSON

THAT FrontCounter referral application for a License of Occupation and Notice of Work to permit the expansion of an existing rock quarry operation be conditionally supported subject to the following:

- Applicant is to provide the City of Kelowna with information on how they will mitigate concerns regarding use of retarder brakes from haul trucks; and due to potential impact to City roads, the applicant is to provide the City with identification of routes and final destinations for the material, as well as truck volumes and GVW.
- Subsequent comment or recommendations from the City are to be forwarded to the Province and should be considered prior to any approvals being granted for a License of Occupation and/or Mines Act Work Permit.
- A Qualified Environmental Professional (QEP) be retained to assess erosion and sediment to ensure that runoff from the expanded operation does not impact downstream waterways of Cedar and Lebanon Creeks. The assessment should also address invasive species, reclamation and assessment of existing communities, and high wildlife habitats. A reclamation plan should be developed by the QEP to assist in the proposed reclamation work with appropriate bonding being obtained for the restoration work.
- Approval be granted for Phase 2 at this time (additional 3.65 ha of land) for a maximum of five years. Consideration of Phases 3 & 4 should not be considered until such time as the applicant demonstrates that all conditions of the original permit and all identified agency concerns are being adhered to.
- That hauling is restricted to Monday - Friday, and work hours restricted from 7:00 AM to 5 PM daily.

- Any permanent crushing/screening, or other permanent processing not be permitted under the Mines Act Work Permit unless the lands are re-designated in the Official Community Plan and rezoning is approved by the Regional District.
- Compliance with conditions/recommendations identified by other affected agencies and stakeholders, including First Nations, Interior Health, and Ministry of Forests, Lands and Natural Resource Operations.

AND FURTHER THAT the Development Services report dated July 16, 2012, be forwarded to FrontCounter BC's planning office for their information and consideration.

CARRIED

9.5 'Kelowna Mountain' Development Application (Incomplete) - Central Okanagan East Electoral Area (3360-01) (*All Directors - Unweighted Vote*)

Staff report dated July 16, 2012 outlined that a zoning amendment application has been received by the proponents of 'Kelowna Mountain'. Staff has conveyed to the applicant that the application is incomplete. To date, the applicant has not provided any further information. Based on a legal opinion received by staff, it is recommended that the zoning application of May 14, 2012 be returned to the applicant as incomplete. It was noted that staff have extended the opportunity to meet with the applicant but have not yet had that opportunity. The applicant has not yet contacted the RDCO to arrange a meeting.

It was noted that Chair Hobson and the Administrator have been invited to tour the 'Kelowna Mountain' site later this week and that it may be appropriate to postpone further discussion until this has occurred.

#180/12

GRAY/HANSON

THAT consideration of the staff report dated July 16, 2012 regarding the incomplete zoning amendment application for 'Kelowna Mountain' be *POSTPONED* until the Board Chair and Administrator complete their tour of the proposed development area, and report back to the Regional Board.

CARRIED

Bylaws: (Second and Third Reading) (Unweighted Vote)

9.6 Zoning Amendment Bylaw No. 871-211 for Regional District of Central Okanagan (applicant) to amend the text and mapping of Zoning Bylaw No. 871, 2000. (Z12/01) Central Okanagan West and East Electoral Areas (*All Directors – Unweighted Vote*)

#181/12

BAKER/FIELDING

THAT Zoning Amendment Bylaw No. 871-211 (application Z12/01) be given second and third readings this 23<sup>rd</sup> day of July 2012;

AND FURTHER THAT reconsideration and adoption be withheld pending receipt of bylaw approval from the Ministry of Transportation and Infrastructure.

CARRIED

**10. COMMITTEE RECOMMENDATIONS**

10.1 Audit/HR Committee Report re: BDO Dunwoody's 2011 Management Letter-Actuarial Review (*All Directors – Unweighted Vote*)

Staff report dated July 16, 2012 outlined that following Board direction at its June 14<sup>th</sup> meeting, the Audit/HR Committee met and discussed BDO Dunwoody's management letter regarding an actuarial review of sick pay obligations. At its' July 12<sup>th</sup> meeting, the Committee reviewed the auditors recommendation and are comfortable with the current sick payout estimates and no management change is required. The Committee further recommended in future years that the auditors be requested to meet with the Audit/HR Committee to review the audited financial statements prior to the statements being submitted to the Regional Board.

Discussion ensued regarding whether the auditors, even after the 2011 financial statements have been approved by the Board, should be requested to address the Board directly. Staff noted that there were no other concerns in the management letter other than the sick leave.

#182/12

FIELDING/BAKER

THAT the Regional Board not approve an actuarial review at this time based on the Audit/HR Committee's comfort level with the current estimates of the sick pay obligation of the RDCO;

AND FURTHER THAT the auditors be requested to meet annually with the Audit/HR Committee to review the audited financial statements prior to the statements being submitted to the Regional Board.

**#183/12 FINDLATER/EDGSON**

THAT resolution #182/12 be *POSTPONED* and that the auditors be invited to attend a future Governance and Services Committee meeting to discuss the 2011 Audited Financial Statements;

AND FURTHER THAT BDO Dunwoody's management letter be circulated to the Board for their information.

CARRIED

**11. NEW BUSINESS**

No Board action required/requested.



**12. DIRECTOR ITEMS**

- a) North Westside Fire Boat House  
Director Edgson noted that staff are working on a proposal for the boathouse for the North Westside Fire Department's fireboat and have kept the area director informed throughout the process. A report will be coming forward to the Board in the near future.
  
- b) Regional Emergency Services Oversight Committee (RESOC)  
Director Zimmermann, Chair of RESOC, confirmed the committee has met and reviewed the Terms of Reference for the continued review of the regional rescue service. Clear options and costs will be brought forward for further discussion and approval.
  
- c) City of Kelowna Press Release  
Director Gray noted that the City of Kelowna, earlier today, issued a press release that Kelowna will be reviewing extension of boundaries to include Ellison, June Springs, Lakeshore Road, and the South Slopes. Council has embarked on a study and discussion with Lake Country regarding a potential boundary adjustment between Lake Country and Kelowna and have also agreed to look at whether there is an appetite of the public for extension of Kelowna's boundary.
  
- d) Okanagan Safe Harbour Breakwater  
Director Baker thanked the RDCO for the new breakwater at the Okanagan Safe Harbour—comments have been received that it does indeed function again as a 'safe harbour'.

**12. ADJOURN IN CAMERA**

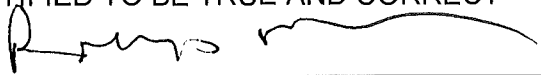
#184/12

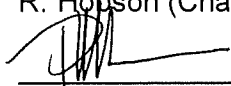
EDGSON/OPHUS

THAT pursuant to Section 90 of the *Community Charter* the Regional Board adjourn and convene to an 'In-Camera' session to discuss a land acquisition issue.

There being no further business the meeting was adjourned at 8:25 p.m.

CERTIFIED TO BE TRUE AND CORRECT

  
\_\_\_\_\_  
R. Hobson (Chair)

  
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P. Macklem (Chief Administrative Officer)