

**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, June 24, 2013**

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Directors

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

Regrets:

M. Werstuik, (Westbank First Nation)

Staff:

M. Rilkoﬀ, Deputy Chief Administrative Officer  
R. Fralick, Manager of Planning  
C. Radford, Director of Community Services  
P. Rotheisler, Manager Environmental Services  
B. Smith, Communications  
M. Drouin, Manager - Corporate Services (recording secretary)

**1. CALL TO ORDER**

Chair Hobson called the meeting to order at 7:35 p.m.

**2. ADDITION OF LATE ITEMS**

There were no late items to the agenda.

**3. ADOPTION OF THE AGENDA**

**#117/13**

BAKER/FIELDING

THAT the agenda be adopted.

CARRIED

**4. ADOPTION OF MINUTES**

4.1 Minutes – June 13, 2013

**#118/13**

OPHUS/EDGSON

THAT the Regional Board meeting minutes of June 13, 2013 be adopted.

CARRIED

## **5. DELEGATION**

### **5.1 Opposition to the proposed RDCO Water Systems Fees and Regulations Amendment Bylaw**

Ian Kilpatrick/Harry Pospolita, on behalf of a petition submitted in opposition to changes to the water system fees, addressed the Board. Residents can ill afford the rate proposed. They now have 201 signatures on the petition. They believe the statistics are flawed as only an 18 month billing period is used. Comparison does not take into consideration high interface fire zone.

Diane Baldwin, President, North Westside Ratepayers Association. Spoke in opposition to the increase. No mention is given that the area is a semi-aired area. Fear won't be able to afford to water gardens. Concerned consumption tax will continue to increase. Why increase the rates now when statistics are only over a short period of time. Asked the Board to reconsider the water consumption threshold.

Marsali Maclver, President, North Westside Communities Association. Spoke in opposition to the increase. Does it have to be such as drastic reduction in the threshold? Believes the people who are trying to conserve will bear the brunt of the increase.

*With Board consensus 9.5 was moved up on the agenda*

### **Environmental Services:**

#### **9.5 Regional District of Central Okanagan Water Systems Fees and Regulations Amendment Bylaw No. 1328 *1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> readings and Adoption* (Stakeholder Weighted Vote [Central Okanagan West (3 votes) and Central Okanagan East Electoral Areas (1 vote)])**

Staff report dated June 14, 2013 outlined the bylaw amendment which is a reduction in the RDCO water consumption fee threshold to  $>90\text{m}^3$  /billing period from  $>235\text{m}^3$ /billing period effective July 1, 2013.

Establishing a new Consumption Fee threshold of  $90\text{m}^3$  for all RDCO water utilities is supported by several factors:

- Many RDCO customers have been demanding that the Consumption Fee threshold be significantly reduced to encourage water conservation and ensure that heavy water users are paying for the extra costs associated with heavy water use.
- A  $90\text{m}^3$  quarterly threshold is in line with the second tier Consumption Fee threshold within our member municipalities, with the exception of the District of Peachland.
- The  $90\text{m}^3$  quarterly threshold ( $360\text{m}^3$  annualized) is close to Environment Canada's average household water consumption estimate for British Columbia of  $325\text{m}^3$ /year
- Based on a scatter plot of the 4,978 quarterly water consumption values for RDCO water utilities over the last 1.5 years,  $90\text{m}^3$  per quarter threshold represents a clear transition between heavy water users and average to below average water users.

Peter Rotheisler addressed the bylaw amendment:

- In March 2012, new water rate structure was approved. Since that time, there has been feedback from customers to reassess the consumption fee.
- Current fee reviewed - only exceeded on 3% of utility bills in 1.5 years.
- Supporting factors - user pay structure, conservation is critical, the cost of water will increase, 90m<sup>3</sup> threshold is in line with conservation by other member municipalities.
- Financial implications – it is difficult to estimate due to short record and behaviour change but it is estimated there will be between \$3-\$5,000 in additional revenue in 2013.
- Staff will continue to review the water rate.
- Misconception that the proposed change will result in a significant fee increase.

*Discussion:*

- There are consumers who have requested this change and there is a responsibility to move toward conservation of water.
- The actual implications are very minor. If a water waster will need to pay.
- This same discussion happens at every municipality across the valley and residents oppose rate increases.
- Is the base rate set high enough to cover what it really costs to operate the systems? That was the basis for running a financially sustainable system.
- Would it be feasible to change the billing system so not to hit the threshold in the summer? It is important to ensure users are paying for the water they use and not hiding the water used. Billing frequency is set quarterly and provides the opportunity for information to be provided on the water system. It also provides an opportunity to determine any possible leakage detection.
- 80-85% of fees are fixed fees whether threshold is changed or not.
- Cannot customize water rates based on individual needs.
- How many users are there in the electoral areas? There are six separate systems, 869 users throughout the electoral areas (approximately 580 users in the two North Westside electoral area).
- Staff noted the protest petition represents incorrect information and therefore they do not believe it is a valid petition.
- The idea that water is free is a long past – it is a scare commodity in the region. It costs to provide and administer a water service and it will only increase over time. IHA requirements continue to be a concern and will cost all water users in the future.
- What is the actual impact on a user? The worst impact would be just over \$200 per year. Those exceeding 235 m<sup>3</sup> costs will be about \$50 per quarter. The average consumer uses approximately 54.7 m<sup>3</sup> per ¼ billing. Base rate is base rate regardless.

#119/13

EDGSON/HANSON

THAT the Regional Board endorse a reduction in the RDCO Water Consumption Fee threshold to >90m<sup>3</sup> /billing period from >235 m<sup>3</sup>/billing period effective July 1, 2013; AND THAT Regional District of Central Okanagan Water Systems Fees and Regulations Amendment Bylaw No. 1328, 2013, be given first, second and third readings and adopted this 24<sup>th</sup> day of June 2013.

CARRIED

*The Board recessed at 8:45 p.m. and reconvened at 8:50 p.m.*

5.2 Allan Neilson, consultant re: Update on RDCO Dog Control Service Implementation Plan

Allan Neilson, Neilson-Welch Consulting Inc., in his report dated June 18, 2013 provided an update of the dog control service model implementation.

- Moving forward with implementation planning.
- Key points included: responsible dog ownership, local government on its own cannot effectively manage dog interactions – when dog owners care for their dogs we see the number of problems and enforcement decrease.
- Board endorsed the new model in the fall of 2012.
- May 2013 and early June met with staff to begin: help develop implementation plan (identify and map out the various steps); propose some targets the model will achieve (revenues, enforcement, incidents); outline performance and updates to the Board; engagement of stakeholders (municipalities and resource group); resource needs.
- Expect to return to Board in October to present a full plan. In addition will work with staff to assist with current plans: staff have started work including redrafting of bylaw, licensing initiatives, setting up a resource group to be used as a sounding group (current developing the Terms of Reference);
- Development of the rewards program is underway.
- The 'push' to license all dogs in the Central Okanagan is underway.
- Resources are limited.
- Implementation will take at least a year, some changes will not occur until 2014 ie: dog ambassador program in 2014.
- Change will be somewhat slow, there will be incremental change, but it will not occur overnight. A cultural shift will need to occur--with staff, member municipalities, and dog owners.

*Discussion:*

- Stick to the full program and not piecemeal it.
- Stakeholder involvement: meet with the different Councils and staff of member municipalities so they understand the program.
- The resource group is not a dog advocacy group.
- Need to focus on licenses to increase licensing. Will never get cost recovery if only focus on expenses.
- Is consideration being given to banning specific breeds? It was noted that this falls 'in and out of favor' over time. Ontario has banned pit bulls province wide but is reconsidering the ban. Now science is saying it is a function of the owner not the breed (Calgary does not ban).

#120/13

BAKER/EDGSON

THAT the update by Allan Neilson of the dog control service model implementation be received.

CARRIED

**6. CORRESPONDENCE**

No Board action required/requested.

**7. UNFINISHED BUSINESS**

No Board action required/requested.

**8. FINANCE & ADMINISTRATIVE SERVICES**

8.1 Actuarial Review – Update (*All Directors - Unweighted Vote*)

Staff report dated June 14, 2013 provided the report from AON Hewitt on the Actuarial Review of the Sick Leave Cash Out and Compensated Absence Benefits requested by the Regional Board. The Board's Audit Committee reviewed the report and had no comments. It was suggested staff review in three years whether it is necessary to complete a further review.

#121/13

OPHUS/EDGSON

THAT the Regional Board receive the report from AON Hewitt dated March 29, 2013 on the actuarial reviews of the Sick Leave Cash Out and Compensated Absence Benefits;

AND FURTHER THAT staff be directed to review the need for any further actuarial review in three years.

CARRIED

8.2 Late Financial Statements – Letter from the Ministry of Community, Sport and Cultural Development (*All Directors - Unweighted Vote*)

Staff report dated June 14, 2013 provide a copy of a letter to the Board from the Ministry of Community, Sport and Cultural Development notifying that the RDCO has not met the statutory financial reporting deadline for 2013. The correspondence was provided to the Audit Committee at which time staff noted that one-third to one-half of local governments have not met the deadline. Due to various commitments by the Finance Department, staff shortages and complicated reporting to the Province it has become difficult to meet these deadlines. Staff are following up with other local governments to determine their support for requesting the Ministry moving the reporting deadline forward.

It was noted that the workload in Finance has not slowed down, even with reorganization in the department. Staff will continue to incorporate one further change but if this is not successful will be coming forward with a staff resource increase in 2014.

#122/13

BAKER/GRAY

THAT the letter dated June 11, 2013 from the Ministry of Community, Sport and Cultural Development regarding the statutory financial reporting deadline for 2013 be received;

AND FURTHER THAT staff continue to review position workloads with the Finance Department during 2013, and continue to make changes internally to work toward meeting Ministry deadlines in 2014.

CARRIED

8.3 Approval of 2012 Regional District of Central Okanagan Financial Statements (*All Directors – Unweighted Vote*)

Staff report dated June 14, 2013 provided an overview of the work completed by the RDCO auditors on the 2013 financial statements. The Audit Committee reviewed the financial statements with the Auditor at its June 12<sup>th</sup> meeting and recommends approval.

#123/13

EDGSON/BAKER

THAT the Regional Board approve the Regional District of Central Okanagan Financial Statements for the year ended December 31, 2012.

CARRIED

8.4 2012 Financial Disclosure Schedules (Remuneration and Expenses for Board and Employees) and Schedule of Payments Made for the Provision of Goods or Services – 2012, Schedule of Guarantee and Indemnity Agreements (*All Directors - Unweighted Vote*)

Staff report dated June 14, 2013 outlined the financial disclosure schedules for 2012.

#124/13

BAKER/FIELDING

THAT the Regional Board approve the 2012 Schedules required under the *Financial Information Act and Regulations* including:

- Schedule of Board Remuneration
- Scheduled of Employee Remuneration
- Schedule of Payments to Suppliers
- Schedule of Guarantee and Indemnity Agreements.

CARRIED

**9. COMMUNITY SERVICES**

**Inspection:**

9.1 Building Statistics – May 2013 (*All Directors - Unweighted Vote*)

#125/13

EDGSON/BAKER

THAT the building statistics for the month of June 2013 be received for information.

CARRIED

**Planning:**

Bylaws: (First Reading) (Unweighted Vote)

9.2 Joe Rich Rural Land Use Bylaw No. 1195-08 for P. Holman (owner) J. Holman (agent) to amend the land use designation on the subject property from CR Country Residential to CRs Country Residential (Secondary Suite) to permit a legal suite attached by a breezeway to a single detached house. Location is adjacent to Greystokes Road (RLUB-13-01) Central Okanagan East Electoral Area (Electoral Areas)

Staff report dated June 17, 2013 outlined the Joe Rich Rural Land Use Amendment Bylaw to amend the land use designation on the subject property from CR Country Residential to CRs Country Residential (Secondary Suite). The applicant intends to develop a legal suite attached to an existing single family residence.

Staff noted this is the first ever application of a secondary suite which was recently introduced into the Joe Rich Rural Land Use Bylaw. It was noted that requirements for water quantity/quality are not required to be proved as part of the application. The Board could ask for additional information if requested.

#126/13

HANSON/EDGSON

THAT Joe Rich Rural Land Use Amendment Bylaw No. 1195-08 (application RLUB-13-01) be given first reading this 24<sup>th</sup> day of June 2013;

AND FURTHER THAT the application be scheduled for a Public Hearing.

CARRIED

9.3 Zoning Amendment Bylaw No. 871-218 for O. Zeiter (owner) to amend the zoning from RU1 Rural 1 to RU2 Rural 2 to allow the subdivision of seven rural residential lots of 4 ha in size and larger. Adjacent to McCulloch Road. (Z13/03) Central Okanagan East Electoral Area (Electoral Areas)

Staff report dated June 17, 2013 outlined a zoning amendment bylaw from RU1 Rural 1 to RU2 in order to permit subdivision of the parcel into seven rural residential lots of 4 hectare and larger in size.

A similar proposal came forward about five years ago and did not proceed due to objections from key agencies. There is no change in the position from staff on this type of application. The area is outside the OCP bordering on McCulloch Lake and has no services or fire protection.

Plan of subdivision was provided including the road structure. Each of the lots would be 4 ha or larger.

Staff outlined the rationale for non-support of the application including:

- Not within the OCP or established fire protection area;
- Similar lands to the west within South Slopes OPC designated 30 ha minimum;
- Approval of the application would set precedent for similar requests;
- Application is not supported by staff, the Environmental Advisory Commission, and South East Kelowna Irrigation District.

It was noted that Kelowna also has similar regulations for 30 ha minimum. There is no environmental information submitted as part of this application. The RDCO does not have the ability to require an environmental assessment on the property.

As there is non-support the applicant was provided the opportunity to address the Board. Mr. Zeiter addressed the Board.

- Crown land surrounds the property and it has all been clear-cut.
- Treed lands are only on private property.
- There is development underway at McCulloch Lake which is only 1½ miles away.

*Discussion:*

- Director Hanson noted that rural lifestyle, on large properties is important to the area. It is possible to have a letter of intent provided for water sprinklers in the buildings.
- Where is the water coming from for this development? It is unknown, not known if there is a well source although there is a creek through the property.
- This is totally contrary to the Regional Growth Strategy and development in rural areas.
- Environmental assessments would have to be dealt with through covenants. How would that be enforced? Would a covenant be enforceable?
- South East Irrigation District has major concerns for development in this area. There is very strong opposition from all key agencies if development is allowed to occur in a rural area such as this. There would be a lot more than 7 lots that would impact the area. It is anticipated that other applications will come forward as well. It is problematic to give a signal to other property owners that other applications would be considered.
- This area is one of the primary water systems for Kelowna.
- There are no planning tools to manage the environmental impact as it is outside an OCP.



- Although other directors do not have the ability to vote on this amendment there was strong opposition for moving this forward.
- It was recommended that staff's alternate recommendation be considered and by consensus the resolution was amended to include it.

#127/13

HANSON/EDGSON

THAT Zoning Amendment Bylaw No. 871-218 (application Z13/03) be given first reading;

AND FURTHER THAT the scheduling of the application for a public hearing be withheld pending:

- Receipt of an Environmental Assessment prepared by a qualified environmental professional;
- Environmental planning staff and the Environmental Advisory Commission review the environmental assessment and provide further comment and/or recommendations prior to scheduling the public hearing;
- The Environmental Assessment is to specifically address concerns raised through the referral, including the need to conduct a Riparian Area Assessment and potential impacts on drinking water quality; and
- Receipt of comment from the Ministry of Transportation and Infrastructure.
- The applicant be requested to provide a letter of intent for including a sprinkler system in the buildings.

DEFEATED (Edgson opposed)

Bylaws: (Adoption) (Unweighted Vote)

9.4 Zoning Amendment Bylaw No. 871-217 for Gary and Blanche Beda (owners/applicants) to amend the zoning from RU3 Rural 3 to RU3 Rural 3s (Secondary Suite) to develop a legal suite attached to a proposed single family residence located adjacent to Browse, Banff, and Bancroft Roads at Wilson's Landing (Z13/02) (Central Okanagan West) (*Electoral Areas, Kelowna and West Kelowna Fringe Areas*)

#128/13

OPHUS/EDGSON

THAT Zoning Amendment Bylaw No. 871-217 (application Z13/02) be adopted this 24<sup>th</sup> day of June 2013.

CARRIED

**Environmental Services:**

9.5 Regional District of Central Okanagan Water Systems Fees and Regulations Amendment Bylaw No. 1328 **1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> readings and Adoption** (*Stakeholder Weighted Vote [Central Okanagan West (3 votes) and Central Okanagan East Electoral Areas (1 vote)]*)

*This issue was dealt with earlier in the agenda.*

9.6 Provincial Printed Paper and Packaging Financial Incentives (*All Directors - Weighted Vote*)

Staff report dated June 18, 2013 provided an overview of this new incentives. All details have been completed and are on the cusp of implementing the program. Province approved MMBC PPP stewardship plan on April 22, 2013. Program start dates May 2014. Staff provided an overview of the new program. Presentations are being given to municipal Councils. The deadline for agreeing to the program is September 2013.

MMC is offering financial incentives to local government for: collection, depot collection; multi-family collection; resident education and administrative services. Offers are non-negotiable and can be accepted or dismissed. If dismissed, MMBC will provide the service.

Each member municipality has a separate contract for curbside collection. RDCO does the day-to-day contract administration on behalf of member municipalities. All contracts expire April 2016.

Staff reviewed the costs and financial incentives offered by MMBC. Compare quite favourably with current rates. It was noted that generally the public would not notice a change at curbside other than they will be able to put more in their recyclable container. The 5-Year Financial Plan outline is pretty close to what currently is in place. By accepting incentives our program will continue as it currently is in place. Current haulers would become a subcontractor. There will be issues with the transfer station-it will cost more to run than what is collected. Same system will be run, but it will need to be subsidized.

#129/13

OPHUS/BAKER

THAT the Regional Board accept the financial incentives offered by Multi Material British Columbia for curbside collection, recycling depot service, resident education and service administration;

AND FURTHER THAT the Regional District enter into a contract with Multi Material British Columbia for a term that coincides with the term of the Regional District's curbside collection contract (April 2016)

CARRIED

10. NEW BUSINESS

No Board action required/requested.

**11. DIRECTOR ITEMS**

- a) Shannon Lake Regional Park

Director Findlater noted that concern has been raised by a resident regarding accessibility at Shannon Lake Regional Park ie: tree roots on the trail and a dock for accessibility to the pond. It was noted that a dock had been considered in the past but was not supported by area residents.

#130/13

FINDLATER/BAKER

THAT staff be directed to review accessibility risks on the trail at Shannon Lake Regional Park, and review whether a dock is warranted and affordable in the regional parks budget plans.

CARRIED

- b) Community Action Towards Children's Health (CATCH)

The question was raised regarding funding provided to CATCH. It was noted that the Regional Hospital District provides \$5,000 annually as an operational grant.

- c) Local State of Emergency

A Local State of Emergency has been declared over the weekend at the request of Emergency Management BC in order to affect removal of the buildings on the Muttitt property. The Ministry of Transportation and Infrastructure lead the way to remove the structure and will be on site for the next couple of days cleaning up the debris. It is expected the Local State of Emergency will last for the remainder of the week.

**12. ADJOURN IN CAMERA**

#131/13


BAKER/GIVEN



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

CARRIED

There being no further business the meeting was adjourned at 10:55 p.m.

CERTIFIED TO BE TRUE AND CORRECT

  
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R. Hobson (Chair)

   
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M. Rilko (Deputy Chief Administrative Officer)