

REGIONAL DISTRICT OF OKANAGAN-SIMILKAMEEN

Thursday, August 15, 2019 RDOS Boardroom – 101 Martin Street, Penticton

SCHEDULE OF MEETINGS

9:00 am	-	10:15 am	Environment and Infrastructure Committee
10:15 am	-	10:30 am	OSRHD Board
10:30 am	-	12:00 pm	RDOS Board
12:00 pm	-		Lunch

"Karla Kozakevich"

Karla Kozakevich RDOS Board Chair

Advance Notice of Me	Advance Notice of Meetings:				
September 5, 2019	RDOS Board/Committee Meetings				
September 19, 2019	RDOS Board/OSRHD Board/Committee Meetings				
October 3, 2019	RDOS Board/Committee Meetings				
October 17, 2019	RDOS Board/OSRHD Board/Committee Meetings				
November 7, 2019	RDOS Board/Committee Meetings				
November 21, 2019	RDOS Board/OSRHD Board/Committee Meetings				
December 5, 2019	RDOS Board/Committee Meetings				
December 19, 2019	RDOS Board/OSRHD Board/Committee Meetings				



REGIONAL DISTRICT OF OKANAGAN-SIMILKAMEEN

Environment and Infrastructure Committee Thursday, August 15, 2019 9:00 am

REGULAR AGENDA

A. APPROVAL OF AGENDA RECOMMENDATION 1

THAT the Agenda for the Environment and Infrastructure Committee Meeting of August 15, 2019 be adopted.

B. Delegation – Ministry of Environment

Representatives from the Ministry of Environment will address the Committee regarding the Provincial Integrated Pest Management Plan for the Southern Interior.

C. Delegation – Ministry of Transportation and Infrastructure

Steve Sirett, Program Manager, will provide the Committee will provide an update on ongoing projects.

D. Extended Producer Responsibility for Commercial Paper and Packaging

1. Draft letter from TNRD to Minister of Environment and Climate Change Strategy

RECOMMENDATION 2

THAT the Board endorse the letter drafted by the Thompson-Nicola Regional District regarding the implementation of an Extended Producer Responsibility program for paper and packaging produced by the Industrial, Commercial and Institutional sector;

AND THAT the Board send supporting correspondence to the Province of BC regarding issues identified with the Industrial, Commercial and Institutional sector within the RDOS to support the Province engaging in public consultation on this issue.

E. Single Use Plastics Consultation – For Information Only To advise how RDOS Staff will be engaging with the Province on single use plastics.

F. ADJOURNMENT



ADMINISTRATIVE REPORT

TO:	Environment and Infrastructure Committee
FROM:	B. Newell, Chief Administrative Officer
DATE:	August 15, 2019
RE:	Extended Producer Responsibility for Commercial Paper and Packaging

Administrative Recommendation:

THAT the Board endorse the letter drafted by the Thompson-Nicola Regional District regarding the implementation of an Extended Producer Responsibility program for paper and packaging produced by the Industrial, Commercial and Institutional sector;

AND THAT the Board send supporting correspondance to the Province of BC regarding issues identified with the Industrial, Commercial and Institutional sector within the RDOS to support the Province engaging in public consultation on this issue.

Purpose:

To support the TNRD in informing the Province that there is a problem with the lack of recycling options for the Packaging and Printed Paper (PPP) waste stream for the Industrial, Commercial and Institutional (ICI) recycling throughout BC and public consultation through the Province should be considered.

Reference:

Attached - Draft Letter from TNRD - Dated July 31st, 2019 - Subject: Request to include Industrial, Commercial, and Institutional (ICI) Recycling in the Recycling Regulation

Background:

The world recycling market has been negatively affected by the restrictions placed by China on the importation of recyclables. British Columbia has been hardest hit on the cardboard and paper recycling market as the cost to recycle these materials has increased significantly. Local recyclers, including the Penticton based not for profit Paper Shuffle, are having problems finding recycling markets.

Cardboard and paper make up a large portion of the materials that produce methane in the landfills as it breaks down over time. Businesses continue to place large amounts of office paper and cardboard in garbage. Other recyclable paper products, like single use cups and wrappers, are a high percentage of the waste collected from restaurants.



The Thompson Nicola Regional District (TNRD) is contacting other Regional Districts, some of whom have already submitted individual letters, about coming together for a unified response to the Minister. The letter asks the Province to include Printed Paper and Pacakaging (PPP) from the Industrial, Commercial and Institutional (ICI) sector under the Recycling Regulation. Presently only residential PPP is required to have an Extended Producer Responsibility (EPR) program which requires the generators of a material pay for the end of life of the material.

The RDOS conducted a recent survey of the small and medium buinsess sector. The survey showed the desire for more recycling options for this sector along with more education of existing programs. The audits conducted also showed a large variance between businesses on the volume and types of recyclable materials and the levels of contamination.

Analysis:

Supporting the TNRD in raising the issue of ICI recycling will provide more weight than each Regional District submitting their own letter.

RDOS Staff recommend sending an accompanying letter stressing the need for public consultation on this issue. The complexity of the ICI sector and the potential options that could be considered will require extensive consultation before any actions could take place. The current public consultation on single use plastics conducted by the Province could be used as a template.

Communication Strategy:

If the resolutions are supported, RDOS Staff will contact the TNRD and prepare an accompanying letter to be signed by the Chair regarding public consultation.

Respectfully submitted:

Cameron Baughen

C. Baughen, Solid Waste Management Coordinator

July 31, 2019

The Honourable George Heyman Minister of Environment and Climate Change Strategy PO Box 9047 Stn Prov Govt Victoria, BC V8W 9E2

Dear Minister Heyman,

Subject: Request to include Industrial, Commercial, and Institutional (ICI) Recycling in the Recycling Regulation

Throughout North America, BC is recognized as a leader in Extender Producer Responsibility (EPR) programs. In particular, the addition of Packaging and Printed Paper (PPP) to the Recycling Regulation in 2014 has resulted in better access to recycling services province wide. Many small rural communities now have access to recycling, which was not economically viable prior to this change. We believe EPR programs set the framework for stable, long term end markets for recyclable material to be created here in British Columbia.

We are writing to request that the Recycling Regulation be amended to include PPP from the Industrial, Commercial, Institutional (ICI) sector. Presently there is a gap in service to many members of our communities. The ICI sector, including small businesses, schools, hospitals, municipal offices, care homes, and tourism resorts are often left with no viable option for recycling. Because PPP from the ICI sector is not included in the provincial EPR program, many of our regions have seen an increase in recyclable material ending up in landfills.

Furthermore, in many cases fees are paid into the Recycle BC program for products that are not accepted in the Recycle BC system, simply because of where the material is discarded. For example, a paper cup from a coffee shop can be recycled by a resident (either at depot or curbside), but the same paper cup can't be recycled at a school, public library, or senior's home. In our experience, trying to distinguish between ICI and residential PPP is challenging, frustrating, and arbitrary.

We recognize this challenge is heightened by the drastic changes in the global commodity market for recyclables. We also recognize that we are moving into a new reality where countries need to develop more capacity to process recyclable material locally, instead of shipping to overseas markets. As the current Recycle BC system controls a large portion of PPP in the province, there is little opportunity or incentive for competing commercial recycling companies to expand. In some cases, commercial recycling companies have reduced service because there is less material on the open market. We feel that regulating ICI recycling will give industry more confidence to invest in technology to process materials within the province.

At present, most Regional District's are in a dilemma. Do we step in to provide recycling services to the ICI sector at a significant cost to the tax payers, or do we allow recyclable materials to end up in our landfills? Each of the undersigned RD's have unique characteristics and are responding to this challenge in different ways. However, we are united in our view that adding ICI PPP to the Recycling Regulation will accomplish the following:

- Improve the level of service to businesses and institutions in our communities;
- Create framework for processing recycling materials in BC;

- Remove the burden of handling ICI recycling from taxpayers; and
- Reduce recyclables going to landfill.

We, the undersigned, urge you to give serious consideration to adding ICI generated PPP into the Recycling Regulation, enabling appropriate collection and processing of these materials. We see this as a natural and crucial next step for EPR programs, showing that BC will continue to be a leader in waste reduction policy.

Thank you for your time and attention on this matter. We look forward to hearing from you.

Sincerely,

THOMPSON-NICOLA REGIONAL DISTRICT

Chair

**Add more signatures as needed



ADMINISTRATIVE REPORT

TO: Environment and Infrastructure Committee

FROM: B. Newell, Chief Administrative Officer

DATE: August 15, 2019

RE: Single Use Plastics Consultation

Administrative Recommendation:

For Information Only

Purpose:

To inform the Environment and Infrastructure Committee how RDOS Staff will be engaging with the Province of BC on single use plastics.

Reference:

- June 20th, 2019 Environment and Infrastructure Committee Discussion Regarding Plastic Bag Ban in Okanagan
- <u>Webpage CleanBC Plastics Action Plan</u>

Background:

The Board resolved on July 4th, 2019 "THAT the RDOS Board of Directors express their support to the Province and Federal governments for a single use plastics ban."

Since that resolution was adopted, the Province of BC has entered into public consultation on single use plastics ban. Under the CleanBC program, the Province will be accepting input on single use plastics until September 18th, 2019. The four main topics the Province is seeking input on are:

- Bans on single-use packaging;
- Methods to reduce the creation of plastics;
- Increased recycling of plastic items; and
- Intiatives to increase the take back of beverage containers in BC.

The CleanBC program has developed a survey for individuals and a submission process for organizations such as the RDOS.

Analysis:



In order to meet the Board's direction, RDOS Staff will submit correspondence to the Province asserting the Board's position that the Province and Federal government should oversee the development of a single use plastic ban.

Additionally, the RDOS will encourage all RDOS residents to complete the online survey prior to September 18th. The website link to access the survey is <u>https://cleanbc.gov.bc.ca/plastics</u>.

Communication Strategy:

RDOS Public Works will develop a submission for the consultation. Local governments across BC are organizing discussions on single use plastics that the RDOS will participate in.

The RDOS will share information with the public on the Provincial public consultation through our webpage, information release, Facebook and CivicReady. All Directors are encouraged to promote this Provincial public consulation through their municipality, newsletters or social media.

Respectfully submitted:

Cameron Baughen

C. Baughen, Solid Waste Management Coordinator

OKANAGAN – SIMILKAMEEN

REGIONAL HOSPITAL DISTRICT

BOARD of DIRECTORS MEETING

Thursday, August 15, 2019 10:15 am

BOARD MEETING AGENDA

A. ADOPTION OF AGENDA

RECOMMENDATION 1 (Unweighted Corporate Vote – Simple Majority) **THAT the Agenda for the Okanagan-Similkameen Regional Hospital District Board meeting of August 15, 2019 be adopted.**

B. MINUTES

1. OSRHD Board Meeting – May 23, 2019

RECOMMENDATION 2 (Unweighted Corporate Vote – Simple Majority) **THAT the Minutes of the May 23, 2019 Okanagan-Similkameen Regional Hospital District Board meeting be adopted.**

C. FINANCE

1. 2017 & 2018 Audited Financial Statements

- a. OSRHD 2017 Audited Financial Statements
- b. OSRHD 2018 Audited Financial Statements

RECOMMENDATION 3 (Weighted Corporate Vote – Majority) **THAT the 2017 Audited Financial Statements of the Okanagan-Similkameen Regional Hospital District as of December 31, 2017 be received;**

THAT the RDOS Board adopts all reported 2017 transactions as amendments to the 2017 Final Budget

THAT the 2018 Audited Financial Statements of the Okanagan-Similkameen Regional Hospital District as of December 31, 2018 be received;

AND THAT the RDOS Board adopts all reported 2018 transactions as amendments to the 2018 Final Budget

OKANAGAN – SIMILKAMEEN

REGIONAL HOSPITAL DISTRICT

Minutes are in DRAFT form and are subject to change pending approval by the Regional District Board BOARD of DIRECTORS MEETING

Minutes of the Board Meeting of the Okanagan-Similkameen Regional Hospital Board (OSRHD) of Directors held at 1:34 pm on Thursday, May 23, 2019, in the Boardroom, 101 Martin Street, Penticton, British Columbia.

MEMBERS PRESENT:

Chair P. Veintimilla, Town of Oliver Vice Chair T. Boot, District of Summerland Director M. Bauer, Village of Keremeos Director J. Bloomfield, City of Penticton Director G. Bush, Electoral Area "B" Director B. Coyne, Electoral Area "H" Director S. Coyne, Town of Princeton Director R. Gettens, Electoral Area "F" Director D. Holmes, District of Summerland Director J. Kimberley, City of Penticton

MEMBERS ABSENT:

Director R. Knodel, Electoral Area "C" Director K. Kozakevich, Electoral Area "E" Director S. McKortoff, Town of Osoyoos Director S. Monteith, Electoral Area "I" Director M. Pendergraft, Electoral Area "A" Director R. Obirek, Electoral Area "D" Director F. Regehr, City of Penticton Director T. Roberts, Electoral Area "G" Director J. Vassilaki, City of Penticton

STAFF PRESENT:

B. Newell, Chief Administrative Officer C. Malden, Manager of Legislative Services

J. Kurvink, Manager of Finance

A. ADOPTION OF AGENDA

RECOMMENDATION 1 (Unweighted Corporate Vote – Simple Majority) <u>It was MOVED and SECONDED</u>

THAT the Agenda for the Okanagan-Similkameen Regional Hospital District Board meeting of May 23, 2019 be adopted. - CARRIED

B. MINUTES

1. OSRHD Board Meeting – March 21, 2019

RECOMMENDATION 2 (Unweighted Corporate Vote – Simple Majority) <u>It was MOVED and SECONDED</u>

THAT the Minutes of the March 21, 2019 Okanagan-Similkameen Regional Hospital District Board meeting be adopted. - **CARRIED**

C. FINANCE

1. <u>Capital Update</u> – for information only

D. ADJOURNMENT

By consensus, the meeting adjourned at 1:43 p.m.

APPROVED:

CERTIFIED CORRECT:

P. Veintimilla OSRHD Board Chair B. Newell Corporate Officer



ADMINISTRATIVE REPORT

то:	Okanagan-Similkameen Regional Hospital Board
FROM:	B. Newell, Chief Administrative Officer
DATE:	August 15, 2019
RE:	2018 & 2017 Audited Financial Statements

Administrative Recommendation:

THAT the 2017 Audited Financial Statements of the Okanagan-Similkameen Regional Hospital District as of December 31, 2017 be received;

THAT the RDOS Board adopts all reported 2017 transactions as amendments to the 2017 Final Budget

THAT the 2018 Audited Financial Statements of the Okanagan-Similkameen Regional Hospital District as of December 31, 2018 be received;

AND THAT the RDOS Board adopts all reported 2018 transactions as amendments to the 2018 Final Budget

Business Plan Objective:

Objective 1.1.1: By providing the Board with accurate, current financial information.

Background:

The 2017 and 2018 Financial Statements for the OSRHD are presented with an unqualified audit opinion. In the opinion of our auditors, our financial statements represent fairly, in all material respects, the financial position of the OSRHD in accordance with GAAP (Generally Accepted Accounting Principles) and PSAS (Public Sector Accounting Standards).

Please note that the attached 2017 & 2018 Financial Statements are not on letterhead or signed by the auditors or OSRHD representatives. Canadian Audit Standards requires the auditors to keep the audit file open until the Board has received and taken ownership of the financial statements. Ownership transfers with the passing of the above noted resolution. The attached document is the proposed final 2018 and 2017 Financial Statements and once accepted by the Board, the document will include the appropriate letterhead and signatures of the auditors and OSRHD representatives



Respectfully submitted:

"John Kurvink, Manager of Finance/CFO"

J. Kurvink, Finance Manager

Okanagan-Similkameen Regional Hospital District Financial Statements For the year ended December 31, 2017

Okanagan-Similkameen Regional Hospital District TABLE OF CONTENTS For the year ended December 31, 2017	
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Management's Responsibility for Financial Reporting

The accompanying financial statements of Okanagan-Similkameen Regional Hospital District are the responsibility of management and have been approved by the Board Chair on behalf of the Board of Directors.

These financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. 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.

Okanagan-Similkameen Regional Hospital District maintains systems of internal accounting and administrative controls, consistent with reasonable costs. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Hospital District's assets are appropriately accounted for and adequately safeguarded.

Okanagan-Similkameen Regional Hospital District 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 of Directors reviews the Hospital District's financial statements and recommends their approval to the Chief Administrative Officer and the Board Chair. 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, financial statements and external auditor's report.

The financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards, BDO Canada LLP has full and free access to the Board of Directors.

Chief Administrative Officer

Board Chair

To the Board of Directors Okanagan-Similkameen Regional Hospital District

Opinion

We have audited the financial statements of Okanagan-Similkameen Regional Hospital District (the Hospital District), which comprise the statement of financial position as at December 31, 2017, and the statement of operations and accumulated surplus, the statement of change in net financial assets (debt) and the statement of 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 Hospital District as at December 31, 2017, and its results of operations, its change in net financial assets, and its cash flows for the year then ended in accordance with Canadian 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 Hospital District in accordance with the ethical requirements that are relevant to our audit of the financial statements of 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.

Other Matters - Comparative Information

The financial statements of the Hospital District for the year ended December 31, 2016 were audited by another auditor who expressed an unqualified opinion on those financial statements on October 19, 2017.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian 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 Hospital District'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 Hospital District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Hospital District'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 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 Hospital District'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 Hospital District'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 Hospital District 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

Penticton, British Columbia August 15, 2019

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Okanagan-Similkameen Regional Hospital District Statement of Financial Position

December 31	2017	2016
Financial assets Cash and cash equivalents (Note 2) Short-term investments (Note 2) Accounts receivable (Note 3) Debt reserve fund (Note 4)	\$ 550,935 14,224,677 30,897 104,784	\$ 587,226 18,911,969 133,266 104,081
Liabilities Accounts payable and accrued liabilities (Note 5) MFA short-term financing (Note 6) Debt reserve fund (Note 4) Long-term debt (Note 7)	14,911,293 772,455 31,527,000 104,784 492,495	19,736,542 432,531 - 104,081 614,761
Net financial assets (debt)	32,896,734 (17,985,441)	1,151,373 18,585,169
Debt reserve fund (Note 4) Long-term debt (Note 7) Net financial assets (debt) Non-financial assets Tangible capital assets (Note 8) Accumulated surplus (deficit) (Note 9)	93,000	<u>93,000</u> \$ 18,678,169
	φ (17,052,441)	\$ 10,070,109
Approved on behalf of Council		
- Natt -	Board Chair	
0	Chief Administra	tive Officer

Okanagan-Similkameen Regional Hospital District Statement of Operations and Accumulated Surplus

	(Note 11)		
For the year ended December 31,	Budget	2017	2016
Revenues			
Tax requisitions	\$ 6,136,460	\$ 6,136,461	\$ 5,839,485
Interest income	280,000	327,900	\$ 5,059,405 581,443
Actuarial earnings	200,000	62,228	58,024
Grant in lieu of taxes	_	30,584	43,066
MFA debt surplus		50,504	3,238
Mi A debt sulpids			5,250
Total revenues for the year	6,416,460	6,557,173	6,525,256
		0	
Expenditures			
Capital grants	47,150,000	42,442,302	26,462,579
Interest - short-term	-	206,701	-
Interest - long-term	512,760	34,346	47,250
Office supplies	5,000	295	90
Professional fees	6,000	5,355	5,750
Salaries and benefits	67,000	35,084	37,332
Section 20 grants	403,700	403,700	399,400
Total expenditures for the year	048,144,460	43,127,783	26,952,401
Deficiency of revenue for the year	(41,728,000)	(36,570,610)	(20,427,145)
²			
Annual Deficit	(41,728,000)	(36,570,610)	(20,427,145)
Accumulated surplus, beginning of year		18,678,169	39,105,314
Accumulated ourplus (definit), and cuer		¢ (47 000 444)	¢ 10 670 160
Accumulated surplus (deficit), end of year		\$ (17,892,441)	\$ 18,678,169
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Okanagan-Similkameen Regional Hospital District Statement of Change in Net Financial Assets (Debt)

For the year ended December 31,	(Note 11) Budget	2017	2016
Annual deficit	\$ (41,728,000)	\$ (36,570,610)	\$ (20,427,145)
Net financial assets, beginning of year		18,585,169	39,012,314
Net financial assets (debt), end of year		\$ (17,985,441)	\$ 18,585,169
		2010	
	AUGUST		
200	proval		
Net financial assets, beginning of year Net financial assets (debt), end of year			

Okanagan-Similkameen Regional Hospital District Statement of Cash Flows

For the year ended December 31,		2017	2016
Cash flows from operating activities Cash received in the year		6,331,642	\$ 5,910,955
Cash paid in the year Interest paid Interest earned	(4	42,546,811) (241,047) 327,900	(27,521,168) (47,250) 581,443
	(;	36,128,316)	(21,076,020)
Cash flows from financing activities		10)	<i></i>
Repayment of debtenture debt Reduction of debtenture debt by actuarial adjustments Increase in MFA interim financing	5	(60,038) (62,228) 31,527,000	(62,184) (58,025) -
JSI NO		31,404,734	(120,209)
Cash flows from investing activities Decrease (increase) in short-term investments Increase (decrease) in cash for the year Cash, beginning of year		4,687,291	17,702,954
Increase (decrease) in cash for the year		(36,291)	(3,493,275)
Cash, beginning of year		587,226	4,080,501
Cash, end of year	\$	550,935	\$ 587,226
Cash, end of year april			
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December 31, 2017

1. Summary of Significant Accounting Policies

Government Reporting Entity	The Okanagan-Similkameen Regional Hospital District ("the Hospital District") is a governing agency of the hospitals in the Okanagan and Similkameen Health region and is incorporated under the Hospitals District Act. Its principal activities include financing capital construction projects and capital equipment purchases for the health care facilities within the Okanagan-Similkameen Health Region.
Basis of Accounting	These financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments, as recommended by the Public Sector Accounting Board (PSAB).
	PSAB requires expenditures to be presented by function on the statement of operations. As there is only one function for expenditures for the Hospital District, expenditures have been presented by object.
Asset Classification	Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired assets that do not provide resources to discharge existing liabilities but are employed to deliver government services and are not for resale. Non-financial assets include tangible capital assets.
Short-Term Investments	Short-term investments are recorded at cost.

December 31, 2017

1. Summary of Significant Accounting Policies (continued)

Measurement Uncertainty	The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts in the financial statements and the disclosure of contingent liabilities. Significant estimates in these financial statements include the determination of the valuation of the contaminated sites obligation and assessment of legal claims. For common financial statement items, such as accounts payable and allowances for doubtful accounts, measurement uncertainty is inherent but not assessable. These estimates and assumptions are based on management's judgment and the best information available at the time of preparation and may differ significantly from actual results. Estimates are reviewed annually to reflect new information as it becomes available.
Revenue Recognition	Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized.
Capital Project Expenses	The Hospital District has no claim on the assets purchased as part of capital project expenses, and as such, has adopted the policy of expensing these amounts. The debenture debt interest expense associated with these capital projects is considered to be a normal part of operations.
Capital Grants	Capital grants are recorded in the accounts when approved to the extent that qualifying expenses are incurred. It is the Hospital District's policy to expense the grant amounts when paid, as there is no claim of ownership on the assets purchased with these funds.
Financial Instruments	The Hospital District's financial instruments consist of cash, portfolio investments, GICs, accounts receivable, accounts payable and accrued liabilities, and debenture debt. Unless otherwise noted, it is management's opinion that the Hospital District is not exposed to significant interest, currency, or credit risks arising from these financial instruments. The fair value of these instruments approximate the carrying values, unless otherwise noted.
Budget Figures	The budget figures are from the Annual Budget Bylaw that is adopted annually. Subsequent amendments, if any, have been made by the Board to reflect changes in the budget as required by law.
Long-term Debt	Long-term debt is recorded net of related sinking fund balances and actuarial earnings.

December 31, 2017

1. Summary of Significant Accounting Policies (continued)

Tangible Capital Assets

and Amortization

Tangible capital assets are not available to discharge existing liabilities and are held for use in the provision of goods and services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Tangible capital assets are valued at acquisition cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset.

Tangible capital assets are made up of land only. No amortization is recorded against these assets.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Hospital District's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net writedowns are accounted for as expenses in the statement of operations.

downs are accounted for a approved appr

December 31, 2017

2.	Cash and Short-term Investments		2017	2016
	Consists of: Cash	\$	550,935	\$ 587,226
	Short-term Investments Term deposits MFA short-term bond fund (Market value-\$8,968,871 (2016-\$18,911,969)		5,026,972 9,197,705	- 18,911,969
		5	14,224,677	18,911,969
		\$	14,775,612	\$ 19,499,195
	Term deposits consist of the following: One-year cashable GICs at 1.70% - 1.85% per annum, maturing Ser	oter	nber 2018.	
3.	Accounts Receivable		2017	2016
	Due from Regional District of Okanagan-Similkameen MFA debt interest accrual (net of actuarial earnings) Federal government grant in lieu of taxes Provincial government grant in lieu of taxes The Corporation of the Village of Keremeos Other	\$	- 17,125 7,193 4,398 1,651 530	\$ 102,721 15,368 7,305 4,609 3,000 263
	Net accounts receivable	\$	30,897	\$ 133,266

December 31, 2017

4. Debt Reserve Fund - Municipal Finance Authority

The Hospital District is required to obtain its long-term debt through the Municipal Finance Authority ("MFA"). As a condition of borrowing, 1% of the gross debenture proceeds are withheld by the MFA as a debt reserve fund and 0.06% of the gross debenture proceeds are withheld as a debt issue expense. The debt reserve fund is invested by the MFA and interest earned and expenses incurred are reported annually to the Hospital District. If at any time the MFA does not have sufficient funds to meet payments or sinking fund contributions due on its obligations, the payments will be made from the debt reserve fund. Details of cash deposits held in the debt reserve fund are as follows:

	Debt reserve fund - cash deposits	 2017	2016
	Demand notes Cash deposits	\$ 68,029 36,755	\$ 68,029 36,052
	Lught	\$ 104,784	\$ 104,081
5.	Accounts Payable and Accrued Liabilities	 2017	2016
	Interior Health Authority (accrued capital project costs) Accrued liabilities Wages payable Due to Regional District of Okanagan-Simiklameen	\$ 762,416 5,500 4,000 539	\$ 423,531 5,000 4,000
		\$ 772,455	\$ 432,531

6. Short-term debt

The MFA provides short-term financing under various pieces of legislation to help local governments with their cash flow needs. There are no fees to set up a short-term loan and there is no security required to be pledged. Interest is calculated daily, compounded monthly and automatically collected the 2nd business day of the following month. The debt is payable on demand at MFABC's discretion. No security as at December 31, 2017 the Hospital District had been advanced \$31,527,000 (2016 - \$0) in short-term financing at a variable interest rate of 1.940% (2016 - N/A).

December 31, 2017

7. Long-term Debt

All long-term debt is reported net of sinking fund balances. Sinking fund instalments are invested by the MFA and earn income, which together with principal payments are expected to be sufficient to retire the debt issue at maturity. Where the MFA has determined that sufficient funds exist to retire a debt issue on its maturity date without further instalments, payments are suspended by the MFA and the Hospital District's liability is reduced to nil. Should those funds prove to be insufficient at maturity, the resulting deficiency becomes a liability of the Hospital District. The 2017 earnings in the sinking fund were calculated to be \$62,228 (2017 - \$58,024) and are included in interest and investment income on the Statement of Operations.

Debentures issued mature at various dates ranging from 2020-2022 with interest rates ranging from 3.05% to 3.15%. The weighted average interest rate on long-term debt was 3.08% (2016 - 2.73%) and interest expense was \$34,347 (2016 - \$47,250).

		S		
MFA BC	Maturity	Rate	2017	2016
Issue #	Date		Net Debt	Net Debt
73	2020	3.150%	160,910	209,994
74	2021	3.050%	228,617	279,133
75	2021	3.050%	101,172	123,528
77	2022	3.050%	1,796	2,106
Total	andaki		492,495	614,761

Principal payments and sinking fund instalments due in the next five years and thereafter are as follows:

	draft	_	Total Payment
2018		\$	60,037
2019			60,037
2020			146,460
2021			224,789
2022		_	1,172
Total		\$	492,495

December 31, 2017

8. Tangible Capital Assets

Tangible capital assets consist of land only and as such, there are no assets subject to amortization.

9. Accumulated Surplus (Deficit)

Reserves are non-statutory reserves which represent an appropriation of surplus for specific purposes and are comprised of the following.

	Balance Dec. 31, 2016	Transfers Surplus Balance to (from) (Deficit) Dec. 31, 2017
Unrestricted deficit Investment in tangible capital assets	\$ (614,761) \$ 93,000	60,038 \$ 62,228 \$ (492,495) 93,000
	(521,761)	60,038 62,228 (399,495)
Capital Health South Similkameen Health	18,894,735 305,195	(60,038) (36,632,838) (17,798,141) 305,195
	19,199,930	(60,038) (36,632,838) (17,492,946)
6	\$ 18,678,169 \$	- \$(36,570,610) \$(17,892,441)

In 2016, Interior Health commenced the construction of the David E. Kampe Tower at Penticton Regional Hospital. The total capital cost for this project was \$312,455,000 of which the share attributed to the Hospital District was \$116,983,000. The Hospital District funded its share through the drawing down of reserves accumulated in prior years together with acquisition of debt funded through the Municipal Finance Authority. Under PSAB Standards both of these sources of funds can not be recognized as revenue for financial statement purposes. The Statement of Operations and Accumulated Surplus reflect this as indicated by deficits in 2016 and 2017.

10. Comparative Figures

Certain comparative figures presented in the financial statements have been restated to conform to the current year's presentation.

December 31, 2017

11. Budget

The Okanagan-Similkameen Regional Hospital District Budget Bylaw adopted by the Board of Directors on February 15, 2017 was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget figures anticipated use of surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to nil. As a result, the budget figures presented in the statements of operations and change in net financial assets represent the Budget adopted by the Board of Directors on February 15, 2017 with adjustments as follows:

× No .	2017
Budget bylaw deficit for the year	\$-
Budget bylaw deficit for the year Less: Debt principal	60,000
Add: Budgeted transfers from accumulated surplus Bank loan proceeds	(19,150,000) (22,638,000)
Budget deficit per statement of operations	\$ (41,728,000)
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Okanagan-Similkameen Regional Hospital District Financial Statements For the year ended December 31, 2018

Okanagan-Similkameen Regional Hospital District TABLE OF CONTENTS For the year ended December 31, 2018

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Management's Responsibility for Financial Reporting

The accompanying financial statements of Okanagan-Similkameen Regional Hospital District are the responsibility of management and have been approved by the Board Chair on behalf of the Board of Directors.

These financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. 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.

Okanagan-Similkameen Regional Hospital District maintains systems of internal accounting and administrative controls, consistent with reasonable costs. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Hospital District's assets are appropriately accounted for and adequately safeguarded.

Okanagan-Similkameen Regional Hospital District 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 of Directors reviews the Hospital District's financial statements and recommends their approval to the Chief Administrative Officer and the Board Chair. 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, financial statements and external auditor's report.

The financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards, BDO Canada LLP has full and free access to the Board of Directors.

Chief Administrative Officer

Board Chair

To the Board of Directors Okanagan-Similkameen Regional Hospital District

Opinion

We have audited the financial statements of Okanagan-Similkameen Regional Hospital District (the Hospital District), which comprise the statement of financial position as at December 31, 2018, and the statement of operations and accumulated surplus, the statement of change in net financial assets (debt) and the statement of 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 Hospital District as at December 31, 2018, and its results of operations, its change in net financial assets, and its cash flows for the year then ended in accordance with Canadian 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 Hospital District in accordance with the ethical requirements that are relevant to our audit of the financial statements of 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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian 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 Hospital District'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 Hospital District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Hospital District'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 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 Hospital District'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 Hospital District'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 Hospital District 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

Penticton, British Columbia August 15, 2019

orattorboard approval August 15, 2019

Okanagan-Similkameen Regional Hospital District Statement of Financial Position

December 31	2018	Prior Year 2017
Financial assets	• • • • • • • • • • • • • • • • • • •	* -------------
Cash and cash equivalents (Note 2)	\$ 3,578,564	\$ 550,935
Short-term investments (Note 2) Accounts receivable (Note 3)	14,123,403 43,059	14,224,677 30,897
Debt reserve fund (Note 4)	43,059 105,584	104,784
	103,304	104,704
	17,850, 610	14,911,293
Liabilities		
Accounts payable and accrued liabilities (Note 5)	468,011	772,455
$\Lambda = \Lambda$ and the set the set of α (Niete C)		31,527,000
Debt reserve fund (Note 4)	105,584	104,784
Long-term debt (Note 7)	364,361	492,495
	58,456,956	32,896,734
Net financial debt	(40,606,346)	(17,985,441)
Non-financial assets Tangible capital assets (Note 8)	93,000	93,000
Accumulated deficit (Note 9)	\$ (40,513,346)	\$ (17,892,441)
Net financial debt Non-financial assets Tangible capital assets (Note 8) Accumulated deficit (Note 9)		
Approved on behalf of Council		
A Contraction of the second seco	Board Chair	
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Okanagan-Similkameen Regional Hospital District Statement of Operations and Accumulated Surplus

For the year ended December 31,	(Note 11) Budget	2018	Prior Year 2017
Revenues Tax requisitions Interest income Actuarial earnings Grant in lieu of taxes	\$ 6,377,840 105,000 _ 	\$ 6,377,840 300,474 68,096 49,160	\$ 6,136,461 327,900 62,228 30,584
Total revenues for the year	6,507,840	6,795,570	6,557,173
Expenditures Capital grants Section 20 grants Interest - short-term Interest - long-term Office supplies Professional fees Salaries and benefits Total expenditures for the year Deficiency of revenue for the year Loss on disposal of investments	31,212,000 392,300 1,050,000 36,100 5,000 6,000 68,400 32,769,800 (26,261,960)	27,614,644 392,300 1,101,257 34,259 206 5,000 39,975 29,187,641 (22,392,071) (228,834)	42,442,302 403,700 206,701 34,346 295 5,355 35,084 43,127,783 (36,570,610)
Annual deficit	(26,261,960)	(22,620,905)	(36,570,610)
Accumulated deficit, beginning of year		(17,892,441)	18,678,169
Accumulated deficit, end of year		\$ (40,513,346)	\$ (17,892,441)

Okanagan-Similkameen Regional Hospital District Statement of Change in Net Financial Assets (Debt)

For the year ended December 31,	(Note 11) Budget	2018	Prior Year 2017
Annual deficit	\$ (26,261,960)	\$ (22,620,905)	\$ (36,570,610)
Net financial debt, beginning of year		(17,892,441)	18,678,169
Net financial debt, end of year		\$ (40,513,346)	\$ (17,892,441)
Net financial debt, end of year		2019	
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For the year ended December 31,	2018	Prior Year 2017
Cash flows from operating activities Cash received in the year Cash paid in the year Interest paid Interest earned	\$ 6,482,935 (28,356,569) (1,135,517) 300,474	\$ 6,331,642 (42,546,811) (241,047) 327,900
Cash flows from financing activities Repayment of debtenture debt Reduction of debtenture debt by actuarial adjustments Increase in MFA interim financing	(22,708,677) (60,038) (68,096) 25,992,000	(36,128,316) (60,038) (62,228) 31,527,000
Increase in MFA interim financing Cash flows from investing activities Decrease (increase) in short-term investments Loss on disposal of investments Increase (decrease) in cash for the year	25,863,866 101,274 (228,834)	31,404,734 4,687,291
Increase (decrease) in cash for the year Cash, beginning of year	(127,560) 3,027,629 550,935	4,687,291 (36,291) 587,226
Cash, end of year	\$ 3,578,564	\$ 550,935
drattforb		

Okanagan-Similkameen Regional Hospital District Statement of Cash Flows

December 31, 2018

1. Summary of Significant Accounting Policies

Government Reporting Entity	The Okanagan-Similkameen Regional Hospital District ("the Hospital District") is a governing agency of the hospitals in the Okanagan and Similkameen Health region and is incorporated under the Hospitals District Act. Its principal activities include financing capital construction projects and capital equipment purchases for the health care facilities within the Okanagan-Similkameen Health Region.
Basis of Accounting	These financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments, as recommended by the Public Sector Accounting Board (PSAB).
	PSAB requires expenditures to be presented by function on the statement of operations. As there is only one function for expenditures for the Hospital District, expenditures have been presented by object.
Asset Classification	Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired assets that do not provide resources to discharge existing liabilities but are employed to deliver government services and are not for resale. Non-financial assets include tangible capital assets.
Short-Term Investments	Short-term investments are recorded at cost.

December 31, 2018

1. Summary of Significant Accounting Policies (continued)

Measurement Uncertainty	The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts in the financial statements and the disclosure of contingent liabilities. Significant estimates in these financial statements include the determination of the valuation of the contaminated sites obligation and assessment of legal claims. For common financial statement items, such as accounts payable and allowances for doubtful accounts, measurement uncertainty is inherent but not assessable. These estimates and assumptions are based on management's judgment and the best information available at the time of preparation and may differ significantly from actual results. Estimates are reviewed annually to reflect new information as it becomes available.
Revenue Recognition	Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized.
Capital Project Expenses	The Hospital District has no claim on the assets purchased as part of capital project expenses, and as such, has adopted the policy of expensing these amounts. The debenture debt interest expense associated with these capital projects is considered to be a normal part of operations.
Capital Grants	Capital grants are recorded in the accounts when approved to the extent that qualifying expenses are incurred. It is the Hospital District's policy to expense the grant amounts when paid, as there is no claim of ownership on the assets purchased with these funds.
Financial Instruments	The Hospital District's financial instruments consist of cash, portfolio investments, GICs, accounts receivable, accounts payable and accrued liabilities, and debenture debt. Unless otherwise noted, it is management's opinion that the Hospital District is not exposed to significant interest, currency, or credit risks arising from these financial instruments. The fair value of these instruments approximate the carrying values, unless otherwise noted.
Budget Figures	The budget figures are from the Annual Budget Bylaw that is adopted annually. Subsequent amendments, if any, have been made by the Board to reflect changes in the budget as required by law.
Long-term Debt	Long-term debt is recorded net of related sinking fund balances and actuarial earnings.

December 31, 2018

1. Summary of Significant Accounting Policies (continued)

Tangible Capital Assets

and Amortization

Tangible capital assets are not available to discharge existing liabilities and are held for use in the provision of goods and services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Tangible capital assets are valued at acquisition cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset.

Tangible capital assets are made up of land only. No amortization is recorded against these assets.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Hospital District's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net writedowns are accounted for as expenses in the statement of operations.

downs are accounted for a approved appr

December 31, 2018

2. Cash and Short-term Investments

	_	2018	Prior Year 2017
Consists of:			•
Cash	\$	3,578,564	\$ 550,935
Short-term Investments Term deposits MFA short-term bond fund		1,029,776 13,093,627	5,026,972 9,197,705
(Market value-\$997,979 (2017-\$8,968,871)			0,101,100
		14,123,403	14,224,677
	<u>S</u> <u></u>	17,701,967	\$ 14,775,612
	, AUGU		
Term deposits consist of the following:			

Five one-year cashable GICs at 2.35% - 2.80% per annum maturing September and October 2019, and one eighteen-month cashable GIC at 2.90% maturing March 2020.

3. Accounts Receivable

	 2018	Prior year 2017
Due from Regional District of Okanagan-Similkameen	\$ 12,984 \$	-
MFA debt interest accrual (net of actuarial earnings)	18,968	17,125
Federal government grant in lieu of taxes	11,716	7,193
Provincial government grant in lieu of taxes	155	4,398
The Corporation of the Village of Keremeos	(1,294)	1,651
Other	 530	530
Net accounts receivable	\$ 43,059 \$	30,897

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December 31, 2018

4. Debt Reserve Fund - Municipal Finance Authority

The Hospital District is required to obtain its long-term debt through the Municipal Finance Authority ("MFA"). As a condition of borrowing, 1% of the gross debenture proceeds are withheld by the MFA as a debt reserve fund and 0.06% of the gross debenture proceeds are withheld as a debt issue expense. The debt reserve fund is invested by the MFA and interest earned and expenses incurred are reported annually to the Hospital District. If at any time the MFA does not have sufficient funds to meet payments or sinking fund contributions due on its obligations, the payments will be made from the debt reserve fund. Details of cash deposits held in the debt reserve fund are as follows:

	Debt reserve fund - cash deposits	 2018	2017
	Demand notes Cash deposits	* 68,029 37,555	\$ 68,029 36,755
	LUGN.	\$ 105,584	\$ 104,784
5.	Accounts Payable and Accrued Liabilities	 2018	2017
	Interior Health Authority (accrued capital project costs) Accrued liabilities Wages payable Due to Regional District of Okanagan-Similkameen	\$ 453,511 10,500 4,000 -	\$ 762,416 5,500 4,000 539
		\$ 468,011	\$ 772,455

6. Short-term debt

The MFA provides short-term financing under various pieces of legislation to help local governments with their cash flow needs. There are no fees to set up a short-term loan and there is no security required to be pledged. Interest is calculated daily, compounded monthly and automatically collected the 2nd business day of the following month. The debt is payable on demand at MFABC's discretion. No security as at December 31, 2018 the Regional District had been advanced \$25,992,000 (2017 - \$31,527,000) in short-term financing at a variable interest rate of 2.798% (2017 - 1.940%).

December 31, 2018

7. Long-term Debt

All long-term debt is reported net of sinking fund balances. Sinking fund instalments are invested by the MFA and earn income, which together with principal payments are expected to be sufficient to retire the debt issue at maturity. Where the MFA has determined that sufficient funds exist to retire a debt issue on its maturity date without further instalments, payments are suspended by the MFA and the Hospital District's liability is reduced to nil. Should those funds prove to be insufficient at maturity, the resulting deficiency becomes a liability of the Hospital District. The 2018 earnings in the sinking fund were calculated to be \$68,096 (2017 - \$62,228) and are included in interest and investment income on the Statement of Operations.

Debentures issued mature at various dates ranging from 2020-2022 with interest rates ranging from 3.05% to 3.15%. The weighted average interest rate on long-term debt was 3.08% (2017 - 3.08%) and interest expense was \$34,347 (2017 - \$47,250).

MFA BC	Maturity	Rate	2018	2017
Issue #	Date		Net Debt	Net Debt
73	2020	3.150%	109,616	160,910
74	2021	3.050%	175,575	228,617
75	2021	3.050%	77,699	101,172
77	2022	3.050%	1.471	1,796
Total	2022 ROPTO	3.030 %	364,361	492,495

Princial payments and sinking fund instalments due in the next four years and thereafter are as follows:

	walt for	_	Total Payment
2019 2020	0,	\$	60,037 119,995
2021			183,326
2022			1,003
Total		\$	364,361

December 31, 2018

8. Tangible Capital Assets

Tangible capital assets consist of land only and as such, there are no assets subject to amortization.

9. Accumulated Surplus (Deficit)

Reserves are non-statutory reserves which represent an appropriation of surplus for specific purposes and are comprised of the following.

	Balance Dec. 31, 2017		rplus Balance eficit) Dec. 31, 2018
Unrestricted deficit Investment in tangible capital assets	\$ (492,495) \$ 93,000	60,038 \$ 68, -	096 \$ (364,361) - 93,000
	(399,495)	6 0,038 68,	096 (271,361)
Capital Health South Similkameen Health	(17,798,141) 305,195	(60,038) (22,689, -	001) (40,547,180) - 305,195
	(17,492,946)	(60,038) (22,689,	001) (40,241,985)
5.	\$ (17,892,441) \$	- \$(22,620,	905) \$ (40,513,346)
- Children			

In 2016, Interior Health commenced the construction of the David E. Kampe Tower at Penticton Regional Hospital. The total capital cost for this project was \$312,455,000 of which the share attributed to the Hospital District was \$116,983,000. The Hospital District funded its share through the drawing down of reserves accumulated in prior years together with acquisition of debt funded through the Municipal Finance Authority. Under PSAB Standards both of these sources of funds can not be recognized as revenue for financial statement purposes. The Statement of Operations and Accumulated Surplus reflect this as indicated by deficits in 2017 and 2018.

December 31, 2018

10. Budget

The Okanagan-Similkameen Regional Hospital District Budget Bylaw adopted by the Board of Directors on February 15, 2018 was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget figures anticipated use of surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to nil. As a result, the budget figures presented in the statements of operations and change in net financial assets represent the Budget adopted by the Board of Directors on February 15, 2018 with adjustments as follows:

		2018
Budget Bylaw deficit for the year	\$	-
Budget Bylaw deficit for the year Less: Transfer to capital reserve Debt Principal		0,000 0,040
Add: Budgeted transfers from accumulated surplus Bank loan proceeds	(3,03 (25,99	0,000) 2,000)
Budget deficit per statement of operations	\$ (26,26	1,960)
drattforboale		



REGIONAL DISTRICT OF OKANAGAN-SIMILKAMEEN

BOARD of DIRECTORS MEETING

Thursday, August 15, 2019 10:30 am

REGULAR AGENDA

A. APPROVAL OF AGENDA

RECOMMENDATION 1 (Unweighted Corporate Vote – Simple Majority) **THAT the Agenda for the RDOS Board Meeting of August 15, 2019 be adopted.**

- 1. Consent Agenda Corporate Issues
 - a. Electoral Area 'C' Advisory Planning Commission July 16, 2019 THAT the Minutes of the July 16, 2019 Electoral Area 'C' Advisory Planning Commission meeting be received.
 - **b.** Electoral Area 'H' Advisory Planning Commission July 16, 2019 THAT the Minutes of the July 16, 2019 Electoral Area 'H' Advisory Planning Commission meeting be received.
 - **c.** Planning and Development Committee August 1, 2019 THAT the Minutes of the August 1, 2019 Planning and Development Committee meeting be received.
 - **d.** RDOS Regular Board Meeting August 1, 2019 THAT the minutes of the August 1, 2019 RDOS Regular Board meeting be adopted.

RECOMMENDATION 2 (Unweighted Corporate Vote – Simple Majority) **THAT the Consent Agenda – Corporate Issues be adopted.**

- 2. Consent Agenda Development Services
 - a. Development Variance Permit Application 3992 39th Street, Electoral Area "A"
 i. Permit

To allow for a new single detached dwelling within a front parcel line setback area.

THAT the Board of Directors approve Development Variance Permit No. A2019.017-DVP.

- b. Development Permit Application (Okanagan Falls Town Centre Commercial) 5219 9th Avenue, Okanagan Falls
 - i. **Permit** To allow for façade alterations to one-storey retail building.

THAT the Board of Directors approve Development Permit No. D2019.001–DP.

 c. Agricultural Land Commission Referral ("non-adhering residential use") – 579 Lawless Creek Road, Electoral Area "H"
 To allow for an "additional residence" in the Agricultural Land Deserve

To allow for an "additional residence" in the Agricultural Land Reserve.

- 2 -

THAT the RDOS "authorize" the application for a "non-adhering residential use" at 579 Lawless Creek Road (District Lot 936, YDYD) in Electoral Area "H" to proceed to the Agricultural Land Commission.

RECOMMENDATION 3 (Unweighted Rural Vote – Simple Majority) **THAT the Consent Agenda – Development Services be adopted.**

B. DEVELOPMENT SERVICES – Rural Land Use Matters

1. Agricultural Land Commission Referral (ALR Exclusion) – 8111 – 148 Avenue, Electoral Area "A"

To exclude a 690 m2 portion of a 4.2 ha parcel from the Agricultural Land Reserve (ALR).

RECOMMENDATION 4 (Unweighted Rural Vote – Simple Majority)

THAT the RDOS Board "not authorize" the application to exclude a 690 m² portion of a 4.2 ha parcel located at 8111 148th Avenue (Part of Lot 459 on Plan B5895, DL 2450s, SDYD, Plan 1949 Except Plan H126) to proceed to the Agricultural Land Commission.

- 2. Development Variance Permit Application 2779 Noyes Road Naramata
 - a. Permit
 - b. Representations

To increase the maximum height for an accessory building to allow a detached garage/workshop.

RECOMMENDATION 5 (Unweighted Rural Vote – Simple Majority) **THAT the Board of Directors deny Development Variance Permit No. E2019.013**-**DVP.**

C. PUBLIC WORKS

1. Water and Sewer Utility Acquisition Policy

a. Draft Water and Sewer Utility Acquisition Policy

To create a process that existing utilities and the RDOS can follow in order to facilitate the transfer of ownership of a utility in a responsible and transparent manner that does not put the RDOS at undue risk, or compromise our operations. RECOMMENDATION 6 (Unweighted Corporate Vote – Simple Majority) THAT the Water and Sewer Utility Acquistion Policy be adopted as attached to the report to the Board of Directors dated August 15, 2019 from CAO Bill Newell.

2. RBC Social Impact and Real Estate Foundation of BC Grants

To obtain continued support funding from the major contributors to the Guidebook for the printing of more guidebooks and ability to conduct more workshops in 2019 and 2020.

RECOMMENDATION 7 (Unweighted Corporate Vote – Simple Majority) THAT the Board of Directors support applications to the Royal Bank of Canada -Social Impact (RBC) and the Real Estate Foundation of BC Grant (REFBC) to augment printing costs and continue on-the-ground outreach for the Building Climate Resilience in the Okanagan Guidebook, A Homeowner's Resource Guide.

D. FINANCE

1. Bylaw No. 2868 Area C – Community Works Gas Tax Reserve Expenditure a. Bylaw No. 2868

RECOMMENDATION 8 (Weighted Corporate Vote – 2/3 Majority) THAT Bylaw No.2868, 2019, Electoral Area "C" Community Works (Gas Tax) Reserve Fund Expenditure Bylaw for the contribution of \$100,000 towards the Small Wheels Playground project be read a first, second and third time and be adopted.

2. Community Emergency Preparedness Fund

a. Grant Application

To support the Grant Application for funds from the "Community Emergency Preparedness Fund" (Volunteer & Composite Fire Departments Equipment & Training.

RECOMMENDATION 9 (Unweighted Corporate Vote – Simple Majority) **THAT the Board of Directors support the Grant Application by the Okanagan Falls Volunteer Fire Department for the Community Emergency Preparedness Fund**

E. LEGISLATIVE SERVICES

- 1. Electoral Area "I" Economic Development Service Establishment
 - a. Bylaw No. 2869

RECOMMENDATION 10 (Unweighted Corporate Vote – Simple Majority) **THAT Electoral Area "I" Economic Development Service Establishment Bylaw No. 2869, 2019 be read a first, second and third time and be forwarded to the Inspector of Municipalities for approval; and further,**

THAT the Board of Directors authorize the approval for the bylaw be given with the consent of the Electoral Area "I" Director, in accordance with the Local Government Act.

- 2. Petition to Enter Kaleden Fire Protection Service Area
 - a. Bylaw No. 1238.03

To bring a property into the fire service area.

RECOMMENDATION 11 (Unweighted Corporate Vote – Simple Majority) **THAT Kaleden Fire Department Fire Protection Local Service Establishment Amendment Bylaw No. 1238.03, 2019 be adopted.**

F. CAO REPORTS

1. Verbal Update

G. OTHER BUSINESS

1. Chair's Report

2. Board Representation

- a. BC Grape Growers Association and Starling Control Bush, Monteith (Alternate)
- b. BC Rural Centre (formerly Southern Interior Beetle Action Coalition) Gettens, Obirek (Alternate)
- c. Intergovernmental First Nations Joint Council Kozakevich, Bauer, Pendergraft
- d. Municipal Finance Authority Kozakevich (Chair), Bauer (Vice Chair, Alternate)
- e. Municipal Insurance Association Kozakevich (Chair), Bauer (Vice Chair, Alternate)
- f. Okanagan Basin Water Board McKortoff, Boot, Knodel, Pendergraft (Alternate to McKortoff), Holmes (Alternate to Boot), Monteith (Alternate to Knodel)
- g. Okanagan Film Commission Gettens, Holmes (Alternate)
- h. Okanagan Nation Alliance Steering Committee Kozakevich, Monteith (Alternate)
- i. Okanagan Regional Library Kozakevich, Roberts (Alternate)
- j. Okanagan-Kootenay Sterile Insect Release Board Bush, Knodel (Alternate)

- k. South Okanagan Similkameen Fire Chief Association Pendergraft, Knodel, Monteith, Obirek, Roberts
- I. South Okanagan Similkameen Rural Healthcare Community Coalition (formerly Developing Sustainable Rural Practice Communities) *McKortoff, Bauer (Alternate)*
- m. Southern Interior Municipal Employers Association Knodel, Kozakevich (Alternate)
- n. UBCO Water Research Chair Advisory Committee Holmes, Bauer (Alternate)

3. Directors Motions

4. Board Members Verbal Update

H. ADJOURNMENT



Minutes

Electoral Area 'C' Advisory Planning Commission Meeting of: *Tuesday, July 16, 2019* Community Centre, Oliver BC

Present:

Members: Rick Knodel, Director, Electoral Area 'C' Sara Bunge, Chair Ed Machial, Vice-Chair David Janzen

Jessica Murphy Jack Bennest Louise Conant

Absent: Terry Schafer, Alternate Director, Electoral Area "C"

Staff: JoAnn Peachey, RDOS Planner Sofia Cerqueira, Recording Secretary

Delegates: Beantjit & Gurmeet Chahal David Konowalchuck, Outreach Neon Ltd.

1.	CALL TO ORDER	
	The meeting was called to order at 7:00p.m.	
	ADOPTION OF AGENDA	
	MOTION	
	It was Moved and Seconded that the Agenda be adopted with the amendment to discuss the Covert Farms Development Variance Permit Application.	
	CARRIED	

2.	DELEGATIONS		
2.1	Chahal, Gurmeet for Development Variance Permit Application		
	Agent: David Konowalchuk, Outreach Neon Ltd.		
	C05465.000/ C2019.015-DVP		
3.	DEVELOPMENT APPLICATIONS		
	C05465.000/C2019.015-DVP – Development Variance Permit Application		
3.1	Administrative Report submitted by JoAnn Peachey, Planner		
	MOTION		
	THAT the APC recommends to the RDOS Board of Directors that the subject development application be denied and that:		
	 i) Bylaw enforcement be brought to bear to correct signage which is already in breach of the bylaw. ii) The RDOS Board of Directors review and update the signage regulations within the zoning bylaws 		
	CARRIED		
4.	OTHER		
	A discussion took place regarding the Covert Farms Development Variance Permit.		
5.	ADJOURNMENT		
	MOTION		
	It was Moved and Seconded that the meeting be adjourned at 8:25pm.		
	CARRIED		

Sara Bunge

Advisory Planning Commission Chair

Sofia Cerqueira

Recording Secretary



Minutes

Electoral Area 'H' Advisory Planning Commission Meeting of Tuesday, July 16, 2019 Riverside Centre – 148 Old Hedley Road, Princeton, BC

- Present: Linda Allison (standing in for Bob Coyne)
- Members: Ole Juul (Chair), Lynne Smyth, Gail Smart, Tom Rushworth, Rob Miller, Marg Reichert,
- Absent: Marg Reichert
- Staff: Christopher Garrish, Planning Manager Fiona Titley, Planning Student

Recording Secretary: Tom Rushworth

Delegates: AllTerra Land Surveying

1. CALL TO ORDER

The meeting was called to order at 7:01 p.m.

2. ADOPTION OF AGENDA

MOTION

It was Moved and Seconded that the Agenda be adopted.

CARRIED

3. DEVELOPMENT APPLICATIONS

3.1 H00724.040/ H2019.010-ZONE – OCP / Zoning Bylaw Amendment Application

<u>MOTION</u>

It was Moved and Seconded that the APC recommends to the RDOS Board of Directors that the subject development application be approved.

CARRIED

4. APPROVAL OF PREVIOUS MEETING MINUTES

<u>Motion</u>

It was Moved and Seconded by the APC that the Minutes of January 15 & February 19, 2019 be approved.

CARRIED

5. OTHER

Discussion of "For Information Only" Crown Land Referral Memorandums

There was discussion of the "For Information Only" memorandums sent out by email, but no disagreement with any of them.

6. ADJOURNMENT

MOTION

It was Moved and Seconded that the meeting be adjourned at 7:41 pm.

CARRIED

Advisory Planning Commission Chair

Advisory Planning Commission Recording Secretary / minute taker



REGIONAL DISTRICT OF OKANAGAN-SIMILKAMEEN

Planning and Development Committee Thursday, August 1, 2019

9:00 a.m.

Minutes

MEMBERS PRESENT:

Chair M. Pendergraft, Electoral Area "A" Vice Chair R. Knodel, Electoral Area "C" Director M. Bauer, Village of Keremeos Director K. Kozakevich, Electoral Area "E" Director J. Bloomfield, City of Penticton Director T. Boot, District of Summerland Director G. Bush, Electoral Area "B" Director B. Coyne, Electoral Area "H" Director S. Coyne, Town of Princeton

MEMBERS ABSENT:

Director R. Gettens, Electoral Area "F"

STAFF PRESENT:

B. Newell, Chief Administrative OfficerC. Malden, Manager of Legislative Services

Director D. Holmes, District of Summerland Director J. Kimberley, City of Penticton Director S. McKortoff, Town of Osoyoos Director S. Monteith, Electoral Area "I" Director R. Obirek, Electoral Area "D" Director F. Regehr, City of Penticton Director T. Roberts, Electoral Area "G" Director J. Vassilaki, City of Penticton Director P. Veintimilla, Town of Oliver

B. Dollevoet, General Manager of Development ServicesC. Garrish, Manager of Planning

A. APPROVAL OF AGENDA

RECOMMENDATION 1

It was MOVED and SECONDED

THAT the Agenda for the Planning and Development Committee Meeting of August 1, 2019 be adopted. - **CARRIED**

B. CLOSED SESSION

RECOMMENDATION 2

It was MOVED and SECONDED

THAT in accordance with Section 90.(1)(i) of the *Community Charter*, the Committee close the meeting to the public on the basis of the receipt of advice that is subject to solicitorclient privilege, including communications necessary for that purpose. - **CARRIED**

The meeting was closed to the public at 9:02 a.m.

The meeting was opened to the public at 9:25 a.m.

By consensus, the Planning and Development Committee meeting adjourned at 9:25 a.m.

APPROVED:

CERTIFIED CORRECT:

M. Pendergraft Committee Chair B. Newell Chief Administrative Officer



REGIONAL DISTRICT OF OKANAGAN-SIMILKAMEEN BOARD of DIRECTORS MEETING

Minutes of the Regular Board Meeting of the Regional District of Okanagan-Similkameen (RDOS) Board of Directors held at 9:30 a.m. Thursday, August 1, 2019 in the Boardroom, 101 Martin Street, Penticton, British Columbia.

MEMBERS PRESENT:

Chair K. Kozakevich, Electoral Area "E"	Director R. Knodel, Electoral Area "C"
Vice Chair M. Bauer, Village of Keremeos	Director S. McKortoff, Town of Osoyoos
Director J. Bloomfield, City of Penticton	Director S. Monteith, Electoral Area "I"
Director T. Boot, District of Summerland	Director M. Pendergraft, Electoral Area "A"
Director G. Bush, Electoral Area "B"	Director R. Obirek, Electoral Area "D"
Director B. Coyne, Electoral Area "H"	Director F. Regehr, City of Penticton
Director S. Coyne, Town of Princeton	Director T. Roberts, Electoral Area "G"
Director D. Holmes, District of Summerland	Director J. Vassilaki, City of Penticton
Director J. Kimberley, City of Penticton	Director P. Veintimilla, Town of Oliver
MEMBERS ABSENT:	
Director R. Gettens, Electoral Area "F"	

STAFF PRESENT:

B. Newell, Chief Administrative Officer	B. Dollevoet, Gen. Manager of Development Services
C. Malden, Manager of Legislative Services	J. Kurvink, Manager of Finance

A. APPROVAL OF AGENDA

RECOMMENDATION 1 (Unweighted Corporate Vote – Simple Majority) <u>IT WAS MOVED AND SECONDED</u>

THAT the Agenda for the RDOS Board Meeting of August 1, 2019 be adopted. - CARRIED

- 1. Consent Agenda Corporate Issues
 - a. Similkameen Recreation Commission July 2, 2019 THAT the Minutes of the July 2, 2019 Similkameen Recreation Commission meeting be received.
 - b. Electoral Area "A" Advisory Planning Commission July 8, 2019 THAT the Minutes of the July 8, 2019 Electoral Area "A" Advisory Planning Commission meeting be received.
 - c. Electoral Area "E" Advisory Planning Commission July 8, 2019 THAT the Minutes of the July 8, 2019 Electoral Area "E" Advisory Planning Commission meeting be received.

- d. Electoral Area "D" Advisory Planning Commission July 9, 2019 THAT the Minutes of the July 9, 2019 Electoral Area "D" Advisory Planning Commission meeting be received.
- e. Community Services Committee July 18, 2019 THAT the Minutes of the July 18, 2019 Community Services Committee meeting be received.
- f. Corporate Services Committee July 18, 2019 THAT the Minutes of the July 18, 2019 Corporate Services Committee meeting be received.
- g. Environment and Infrastructure Committee July 18, 2109 THAT the Minutes of the July 18, 2019 Environment and Infrastructure Committee meeting be received.
- h. Planning and Development Committee July 18, 2019 THAT the Minutes of the July 18, 2019 Planning and Development Committee meeting be received.

THAT the Parkland Dedication policy be referred to the Advisory Planning Commissions for comment.

- i. Protective Services Committee July 18, 2019 THAT the Minutes of the July 18, 2019 Protective Services Committee meeting be received.
- j. RDOS Regular Board Meeting July 18, 2019 THAT the minutes of the July 18, 2019 RDOS Regular Board meeting be adopted.

RECOMMENDATION 2 (Unweighted Corporate Vote – Simple Majority) <u>IT WAS MOVED AND SECONDED</u>

THAT the Consent Agenda - Corporate Issues be adopted. - CARRIED

- 2. Consent Agenda Development Services
 - a. Temporary Use Permit Application, 16435 87th Street, Osoyoos, Electoral Area "A"

i. Permitii. Representations*THAT the Board of Directors approve Temporary Use Permit No. A2019.005-TUP.*

 Development Variance Permit Application, 200/400/450 Covert Place, Electoral Area "C"

i. Permit

THAT the Board of Directors approve Development Variance Permit No. C2019.021-DVP.

c. Development Variance Permit Application, 2116 Naramata Road, Electoral Area "E"

i. Permit

THAT the Board of Directors approve Development Variance Permit No. E2019.020-DVP.

RECOMMENDATION 3 (Unweighted Rural Vote – Simple Majority) <u>IT WAS MOVED AND SECONDED</u>

THAT the Consent Agenda – Development Services be adopted. - CARRIED

B. DEVELOPMENT SERVICES – Rural Land Use Matters

1. Area "D" Tourist Accommodation Study

For the Board to consider a recommendation from the Electoral Area "D" Advisory Planning Commission from their July 9th meeting

RECOMMENDATION 4 (Unweighted Rural Vote – Simple Majority) It was MOVED and SECONDED

THAT the Regional District refer the recommendation from the Area "D" APC regarding Non-Traditional Tourist Accommodation for consideration in the 2020 Business Plan/Budget for the Area D Economic Development Service. - **CARRIED**

- 2. Development Variance Permit Application, 5535 Highway 97, Electoral Area "C"
 - a. Permit
 - b. Representations

To allow for new signage for advertising the sale of product produced on a farm

It was MOVED and SECONDED

THAT the Development Variance Permit for 5535 Hwy 97, Electoral Area "C" be granted with the condition that the electric sign only be on during business open hours and that on adoption of an up to date bylaw that this and all other signage in the area be brought into compliance.

It was MOVED and SECONDED

That the part of the motion which states "with the condition that the electrical sign only be on during business open hours" of operation be removed from the motion on the floor. – **CARRIED**

Question on Main Motion

THAT the Development Variance Permit for 5535 Hwy 97, Electoral Area "C" be granted and that on adoption of an up to date bylaw that this and all other signage in the area be brought into compliance. - **CARRIED**

- 3. Temporary Use Permit Application, 2183 Carmi Road, Penticton, Electoral Area "D"
 - a. Permit
 - b. Representations

To allow for the use of three accessory buildings in a modified "bed and breakfast" operation

RECOMMENDATION 5 (Unweighted Rural Vote – Simple Majority) It was MOVED and SECONDED

THAT the Board of Directors support Temporary Use Permit No. D2019.001-TUP.

It was MOVED and SECONDED

THAT the Board of Directors support the amended of Temporary Use Permit No. D2019.001-TUP "to be valid for 18 months" - **CARRIED**

Question on the Main Motion

THAT the Board of Directors support Temporary Use Permit No. D2019.001-TUP to be valid for 18 months. - **CARRIED** Opposed: Director B. Coyne

- **4.** Official Community Plan (OCP) & Zoning Bylaw Amendment, 336 Tulameen River Road, Electoral Area "H"
 - a. Bylaw No. 2497.11
 - b. Bylaw No. 2498.18
 - c. Representations

To rezone the southern portion of the property to allow for the creation of an 8.6 ha parcel

RECOMMENDATION 6 (Unweighted Rural Vote – Simple Majority) It was MOVED and SECONDED

THAT Bylaw No. 2497.11, 2019, Electoral Area "H" Official Community Plan Amendment Bylaw and Bylaw No. 2498.18, 2019, Electoral Area "H" Zoning Amendment Bylaw be read a first and second time and proceed to public hearing;

AND THAT the Board of Directors considers the process, as outlined in this report from the Chief Administrative Officer dated August 1, 2019, to be appropriate consultation for the purpose of Section 475 of the *Local Government Act*;

AND THAT, in accordance with Section 477 of the *Local Government Act*, the Board of Directors has considered Amendment Bylaw No. 2497.11, 2019, in conjunction with its Financial and applicable Waste Management Plans;

AND THAT the holding of a public hearing be scheduled for the Regional District Board meeting of September 5, 2019;

AND THAT staff give notice of the public hearing in accordance with the requirements of the *Local Government Act*. **CARRIED**

- 5. Official Community Plan (OCP) & Zoning Bylaw Amendments, 5021 Highway 97C, Electoral Area "H"
 - a. Bylaw No. 2497.10
 - b. Bylaw No. 2498.17
 - c. Restrictive Covenant

To allow for a service station, drive-thru restaurant, commercial card-lock facility and highway maintenance yard ("outdoor storage").

RECOMMENDATION 7 (Unweighted Rural Vote – Simple Majority) <u>It was MOVED and SECONDED</u>

THAT Bylaw No. 2497.10, 2019, Electoral Area "H" Official Community Plan Amendment Bylaw and Bylaw No. 2498.17, 2018, Electoral Area "H" Zoning Amendment Bylaw be adopted. - **CARRIED**

C. PUBLIC WORKS

1. Olalla Pump House Back Up Power Design and Construction Award

To approve the award of construction to a contractor to complete the construction of backup power system for the Olalla Pump House

RECOMMENDATION 8 (Weighted Corporate Vote – Majority) <u>It was MOVED and SECONDED</u>

THAT the Regional District award the "Olalla Pump House Back Up Power Design and Construction" project to Martech Electrical Systems Ltd. in the amount of \$91,828.00 plus applicable taxes; and

THAT the Regional District approve a contingency for unforeseen construction issues up to \$30,000.00; and,

THAT the Regional District award additional generator-related upgrades in the pumphouse up to \$60,000.

CARRIED

- 2. Video Surveillance Apex Mountain Transfer Station
 - a. Video Surveillance Policy

To obtain approval from the Board for the installation of surveillance cameras in accordance with RDOS Policy

RECOMMENDATION 9 (Unweighted Corporate Vote – Simple Majority) <u>It was MOVED and SECONDED</u>

THAT the Board of Directors approve the installation of one video surveillance camera

on the outside of the Apex Mountain Transfer Station to view the parking area and one on the inside of the Apex Mountain Transfer Station building. - **CARRIED**

D. COMMUNITY SERVICES – Protective Services

1. Community Wildfire Protection Plan Update Award of Contract

A Community Wildfire Protection Plan (CWPP) is a high-level plan that provides wildfire risk rankings, along with recommendations to mitigate those risks. It is a foundational document that supports/directs UBCM-funded FireSmart and wildfire mitigation efforts in the RDOS.

RECOMMENDATION 10 (Weighted Corporate Vote – Majority) <u>It was MOVED and SECONDED</u>

THAT the Board of Directors award a contract to Frontline Operations Group for \$50,393.95 to update the RDOS Community Wildfire Protection Plan. - **CARRIED**

E. COMMUNITY SERVICES – Rural Projects

Rural Dividend Program – Similkameen Rail Trail Development

 Map

To secure a grant that will provide 60% funding of a regional trail project between Keremeos and Cawston

RECOMMENDATION 11 (Unweighted Corporate Vote – Simple Majority) <u>It was MOVED and SECONDED</u>

THAT the Board endorse an application to the B.C. Rural Dividend Program for \$175,000 towards the development of the 'Similkameen Rail Trail' by converting an existing rail line into a non-motorized multi-use trail to connect the communities of Keremeos & Cawston. - **CARRIED**

F. FINANCE

Bylaw No. 2866, 2019 Area A – Community Works Gas Tax Reserve Expenditure

 Bylaw No. 2866, 2019

RECOMMENDATION 12 (Weighted Corporate Vote – 2/3 Majority) It was MOVED and SECONDED

THAT Bylaw No.2866, 2019, being the Electoral Area "A" Community Works (Gas Tax) Reserve Fund Expenditure Bylaw for the contribution of \$15,000 towards the purchase of an electric ice re-surfacer at Sun Bowl Arena be read a first, second and third time and be adopted. - **CARRIED**

- 2. Bylaw No. 2867, 2019 Security Issuing Bylaw Town of Osoyoos
 - a. Bylaw No. 2867, 2019 <u>REFORMATTED</u>
 - b. Town of Osoyoos Resolution

RECOMMENDATION 13 (Weighted Corporate Vote – 2/3 Majority) It was MOVED and SECONDED

THAT Bylaw 2867, 2019 Regional District of Okanagan Similkameen Security Issuing Bylaw be read a first, second and third time and be adopted. - **CARRIED**

G. LEGISLATIVE SERVICES

Bylaw Notice Enforcement Bylaw Amendment No. 2507.11, 2019

 Bylaw No. 2507.11

To amend the current Bylaw Notice Enforcement Bylaw (No. 2507) to correct reference numbers within Schedule 5(A) as well as minor housekeeping errors.

RECOMMENDATION 14 (Unweighted Corporate Vote – 2/3 Majority) It was MOVED and SECONDED

THAT Bylaw Notice Enforcement Bylaw Amendment No. 2507.11, 2019 be read a first, a second and third time and be adopted. - **CARRIED**

Bylaw No. 1238.03 - Petition to Enter Kaleden Fire Protection Service Area
 Bylaw No. 1238.03, 2019

RECOMMENDATION 15 (Unweighted Corporate Vote – Simple Majority) <u>It was MOVED and SECONDED</u>

THAT Kaleden Fire Department Fire Protection Local Service Establishment Amendment Bylaw No. 1238.03, 2019 be read a first second and third time. - **CARRIED**

3. Bylaw No. 2447 Electoral Area "D" Economic Development Service a. Bylaw No. 2447.02, 2019

To remove Electoral Area "I" parcels from the Electoral Area "D" Economic Development Service

RECOMMENDATION 16 (Unweighted Corporate Vote – Simple Majority) <u>It was MOVED and SECONDED</u>

THAT Bylaw No. 2447.02, 2019, being a bylaw for the establishment of the Electoral Area "D" Economic Development Service be amended to exclude Electoral Area "I"; and,

THAT the amending bylaw be read a first, second and third time and be forwarded to the Inspector of Municipalities for approval. - **CARRIED**

- **4.** Penticton Indian Band Request for Support to Establish a Forest Management Regime on Carmi Mountain
 - a. Letter from Penticton Indian Band <u>PowerPoint</u>

To discuss an invitation from the Penticton Indian Band to assist PIB in the development of a long-term area-based Syilx forestry management regime in the Carmi Mountain area.

It was MOVED and SECONDED by 2/3 vote

THAT James Pepper from Penticton Indian Band be permitted to address the Board of Directors. - CARRIED

5. Alternate Director, Electoral Area "A" Vacancy – for information only

To acknowledge the absence of an Electoral Area Director and confirm efforts to comply with the Local Government Act with respect to appointing an Alternate Director.

6. Declaration of State of Local Emergency Approval

RECOMMENDATION 17 (Unweighted Corporate Vote – Simple Majority) <u>It was MOVED and SECONDED</u>

THAT the Board of Directors request the Minister of State for Emergency Preparedness to extend the Declaration for the State of Local Emergency for the area surrounding Electoral Area "C" due to expire 19 July 2019, at midnight for a further seven days to 26 July, at midnight.

THAT the Board of Directors request the Minister of State for Emergency Preparedness to extend the Declaration for the State of Local Emergency for the area surrounding Electoral Area "C" due to expire 26 July 2019, at midnight for a further seven days to 02 August, at midnight. **CARRIED**

H. CAO REPORTS

1. Verbal Update

I. OTHER BUSINESS

- 1. Chair's Report
- 2. Directors Motions
- **3.** Board Members Verbal Update

J. ADJOURNMENT

By consensus, the meeting adjourned at 11:35 a.m.

APPROVED:

CERTIFIED CORRECT:

K. Kozakevich RDOS Board Chair

B. Newell Corporate Officer TO: Board of Directors

FROM: B. Newell, Chief Administrative Officer

DATE: August 15, 2019

RE: Development Variance Permit Application — Electoral Area "A"

Administrative Recommendation:

THAT the Board of Directors approve Development Variance Permit No. A2019.017-DVP

Purpose:	To allow for a new single detached dwelling within a front parcel line setback area.
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<u>Owners</u> :	Cheryl and Randal Taylor	<u>Agent</u> : n/a	<u>Folio</u> : A-01214.068
<u>Civic</u> :	3992 39 th Street	Legal: Lot 2, Plan KAP49192, District Lots 42 and 100, SDYD	
<u>OCP</u> :	Low Density Residential (LR)	Zone: Residential Single Family One (R	RS1)
Variance Request: to reduce a front parcel line setback from 7.5 metres to 2.3 metres			

Proposed Development:

This application is seeking a variance to undertake construction of a new single detached dwelling at 3992 39th Street.

Specifically, it is being proposed to reduce the minimum setback for a front parcel line from 7.5 metres to 2.3 metres, in order to facilitate siting of a new dwelling.

In support of this request, the applicant has stated, that "the existing road has originally been designed with a turnaround with a large arc but a lane was installed at the end in lieu. The new lane resulted in the turnaround becoming unnecessary. By making the setback variance change we will be closer in line with the existing houses".

Site Context:

The subject property is approximately 2,410 m² in area and is situated on the west side of 39th Street, in a half cul-de-sac bulb. The property is currently vacant.

The surrounding pattern of development is characterised by residential to the immediate north, south and east, and vacant land designated as Parks and Recration (PR) to the west. Further to the east there are agricultural lands and further west, along the shores of Osoyoos Lake, there are commercial lands.

Background:

The subject property was created by a plan of subdivision registered in the Land Title Office at Kamloops on March 10, 1993. There are no available Regional District records to indicate that Building Permits have been issued.



Under Electoral Area "A" Official Community Plan No. 2450, 2008, the subject property is designated as Low Density Residential (LR).

The property is within the Agricultural Land Reserve (ALR); however it is outside of the Agricultural Protection Area for Electoral Area "A".

Under the Electoral Area "A" Zoning Bylaw No. 2457, 2008, the property is zoned as Residential Single Family One (RS1), which requires a minimum setback for principal buildings of 7.5 metres from a front parcel line.

As the proposal is within 4.5 metres of a right-of-way under Ministry of Transportation and Infrastructure jurisdicition, a setback permit was required and subsequently granted on June 28, 2019.

The property has been assessed as Residential (Class 01) by BC Assessment.

Public Process:

Adjacent property owners will have received notification of this application with written comments regarding the proposal being accepted until the commencement of the regular Board meeting. Any comments will be on the agenda as separate item.

Analysis:

There are several purposes of parcel line setbacks, which act to maintain separation between buildings and neighbouring properties, establish the rhythm of the streetscape, ensure visual sightlines to roadways, and promote orderly development within a parcel.

In this instance, the subject parcel abuts a portion of right-of-way in the shape of half a cul-de-sac bulb which interrupts the streetscape rhythm and pushes the front parcel line setback further southwest than the existing dwellings along 39th Street. Accordingly, Administration considers the proposal to be in line with the existing dwellings along the west side of 39th Street and in keeping with the character of the neighbourhood.

Further, given the topography of the site, siting the dwelling on the eastern portion of the property closer to the road requires less fill than an alternative siting that would comply with the setback regulations, making it a preferred alternative that is more aligned to site conditions.

In addition, the garage entrance is designed to be accessed from within the property, which avoids scenarios where vehicles back out of the garage with limited visibility while entering the right-of-way or circumstances where vehicles encroach into the right-of-way by parking in front of the garage entrance.

Conversely, it could be argued that the proposal is not required for use and enjoyment of the parcel, and that the existing single detached dwelling could be located elsewhere or redesigned. However, the variances would enable siting of the dwelling that is complementary to the siting of the neighbouring dwellings and in a manner that provides safe ingress/egress from the property.

For the reasons listed above, Administration supports the requested variance and is recommending approval.

Alternatives:

- 1. That the Board deny Development Variance Permit No. A2019.017-DVP.
- 2. That the Board defer consideration of the application and it be referred to the Electoral Area "A" Advisory Planning Commission.

Respectfully submitted

Endorsed by:

Endorsed by:

J. Peachey, Planner I

C. Garrish, Planning Manager

B. Dollevoet, G.M. of Dev. Services

<u>Attachments</u>: No. 1 – Site Photo (Google Streetview)




Development Variance Permit

FILE NO.: A2019.017-DVP

Owner: Randal and Cheryl Taylor 6-290 Newport Drive Port Moody, BC, V3H 5N2 Agent: Randal Taylor 6-290 Newport Drive Port Moody, BC, V3H 5N2

GENERAL CONDITIONS

- 1. This Development Variance Permit is issued subject to compliance with all of the bylaws of the Regional District of Okanagan-Similkameen applicable thereto, except as specifically varied or supplemented by this Permit.
- 2. The land described shall be developed strictly in accordance with the terms and conditions and provisions of this Permit, and any plans and specifications attached to this Permit that shall form a part thereof.
- 3. Where there is a conflict between the text of the permit and permit drawings or figures, the drawings or figures shall govern the matter.
- 4. This Development Variance Permit is not a Building Permit.

APPLICABILITY

5. This Development Variance Permit is substantially in accordance with Schedules 'A', and 'B', and applies to and only to those lands within the Regional District described below, and any and all buildings, structures and other development thereon:

Legal Description:	Lot 2, Plan KAP49192, District Lot 42 and 100, SDYD	
Civic Address:	3992 39 th Street	
Parcel Identifier (PID):	018-150-055	Folio: A-01214.068

CONDITIONS OF DEVELOPMENT

- 6. The land specified in Section 5 may be developed in accordance with the following variances to the Electoral Area "A" Zoning Bylaw No. 2451, 2008, in the Regional District of Okanagan-Similkameen:
 - a) the minimum front parcel line setback for a principal building in the Residential Single Family One (RS1) Zone, as prescribed in Section 11.1.6(a)(i), is varied:
 - i) from: 7.5 metres

to: 2.3 metres to the outermost projection as shown on Schedule 'B'.

7. COVENANT REQUIREMENTS

a) Not Applicable

8. SECURITY REQUIREMENTS

a) Not applicable

9. **EXPIRY OF PERMIT**

The development shall be carried out according to the following schedule:

- a) In accordance with Section 504 of the *Local Government Act* and subject to the terms of the permit, if the holder of this permit does not substantially start any construction with respect to which the permit was issued within two (2) years after the date it was issued, the permit lapses.
- b) Lapsed permits cannot be renewed; however, an application for a new development permit can be submitted.

Authorising resolution passed by the Regional Board on ______, 2019.

B. Newell, Chief Administrative Officer

101 Martin St, Penticton, BC, V2A-5J9 Tel: 250-492-0237 Email: <u>planning@rdos.bc.ca</u>



Development Variance Permit

File No. A2019.017-DVP







Development Variance Permit No. A2019.017–DVP Page 5 of 6



TO:	Board of Directors	RDOS
FROM:	B. Newell, Chief Administrative Officer	OKANAGAN SIMILKAMEEN
DATE:	August 15, 2019	
RE:	Development Permit Application (Okanagan Falls Town Centre Commercial) — Electo Area "D" Okanagan Falls	oral

Administrative Recommendation:

THAT the Board of Directors approve Development Permit No. D2019.001–DP

Purpose:	To allow for façade alterations to one-storey retail building.				
<u>Owners</u> :	Imraj Holdings Enterprises, Ltd.	Agent: Harpreet Toor	<u>Folio</u> : D-00998.081		
<u>Civic</u> :	5212 9 th Avenue, Okanagan Falls	Legal: Lot A, Plan KAP16980, District Lot 3	374, SDYD		
<u>OCP</u> :	Town Centre (TC)	Zone: Okanagan Falls Town Centre (OFTC)		

Proposed Development:

This application is for a form and character development permit related to the Okanagan Falls Town Centre Development Permit Area, as outlined in Section 24.8 of the Electoral Area "D" Official Community Plan, Bylaw No. 2603, 2013.

Specifically, the applicant is proposing to alter the front exterior facade for a storefront that was damaged by fire within a one-storey retail building by replacing the sign and roof supports to match those damaged by fire, and to include the following alterations:

- Exterior material from cultured stone to off-white stucco
- Reduce window opening
- Extend roof canopy to match canopy of adjoining storefront

Site Context:

The subject parcel is approximately 613 m² in area and is situated on the north side of Highway 97 in the Okanagan Falls Town Centre. The property contains a commercial building containing two retail units, one of which was damaged by fire.

The surrounding pattern of development is characterised by commercial uses along Highway 97 and residential uses to the north towards Skaha Lake.

Background:

The subject property was created by a plan of subdivision deposited in the Land Titles Office in Kamloops on March 1, 1967. Available Regional District records indicate that building permits have been previously issued for a shed (1974), storage building (1975), addition to a storage building (1976 and 1978), conversion of a storage building to retail space, (1988) and interior renovations (2016).

Under the Electoral Area "D" OCP Bylaw No. 2603, 2013, the subject parcel is designated as Town Centre (TC) and is also situated within the Okanagan Falls Town Centre Development Permit Area.

Under Electoral Area "D" Zoning Bylaw No. 2455, 2008, the property is zoned Okanagan Falls Town Centre (OFTC), which permits various commercial uses including general retail stores.

As the proposal is within 4.5 metres of a right-of-way under Ministry of Transportation and Infrastructure jurisdiction, a setback permit is required.

The property has been assessed as Business and Other (06).

Public Process:

Where no variances have been requested, the Regional District does not provide notification of a Development Permit.

Analysis:

The intent of the Okanagan Falls Town Centre Development Permit Area is to ensure consistent, highquality design for all new developments within the Town Centre, including exterior alterations to existing buildings.

The Okanagan Falls Town Centre guidelines discourage façade cladding materials such as cultured stone and encourage soft, muted building colours. The proposed design removes the existing cultured stone cladding and introduces off-white stucco to achieve a design that is consistent with the design guidelines.

As the façade will no longer match the adjoining store front, the proposed façade improvements help to divide the commercial building into two individually expressed storefronts, which is encouraged throughout the Okanagan Falls Town Centre guidelines.

Weather protection is provided by the extension of the roof canopy and the proposed window openings provide permeability into the storefront to have the opportunity for active, visible uses along the street.

The proposed façade alterations and repairs are considered to be a positive streetscape improvement to the Okanagan Falls Town Centre and consistent with the design guidelines. For these reasons, staff recommends approval of the façade alterations and repairs.

Alternatives:

- .1 THAT the Board of Directors deny Development Permit No. D2019.001-DP; or
- .2 THAT the Board of Directors defer consideration of Development Permit No. D2019.001-DP and refer the application to the Electoral Area "D" Advisory Planning Commission.

Respectfully submitted:

Endorsed by:

J. Peachev, Planner I

B. Dollevoet, G.M. Development Services

Attachments: No. 1 – Applicant's Site Photo







Development Permit

Okanagan Falls Town Centre

FILE NO.: D2019.001-DP

Owner: Imraj Holdings Enterprises Ltd., Inc. No. BC0832489 11631 87th Street Osoyoos, BC VOH 1V2

GENERAL CONDITIONS

- 1. This Development Permit is issued subject to compliance with all of the bylaws of the Regional District of Okanagan-Similkameen applicable thereto, except as specifically varied or supplemented by this Permit.
- 2. The land described shall be developed strictly in accordance with the terms and conditions and provisions of this Permit, and any plans and specifications attached to this Permit that shall form a part thereof.
- 3. Where there is a conflict between the text of the permit and permit drawings or figures, the drawings or figures shall govern the matter.
- 4. This Development Permit is not a Building Permit.

APPLICABILITY

5. This Development Permit applies to, and only to, those lands, including any and all buildings, structures and other development thereon, within the Regional District as shown on Schedules 'A', 'B', and 'C' and described below:

Legal Description:	Lot A, Plan KAP16980, District Lot 374, SDYD		
Civic Address:	5212 9 th Avenue, Okanagan Falls		
Parcel Identifier (PID):	003-720-730	Folio: D-00998.081	

CONDITIONS OF DEVELOPMENT

- 6. In accordance with Section 24.8 of the Electoral Area "D" Official Community Plan Bylaw No. 2603, 2013, the land specified in Section 5 may be developed in accordance with the following conditions:
 - a) THAT the proposed exterior alterations to the existing commercial building be undertaken in accordance with site plan attached as Schedule 'B':
 - b) THAT the proposed exterior alterations to the existing commercial building is constructed in accordance with the following:

- i) Exterior finishes will be stucco and stucco will be an off-white colour, as shown in Schedule 'C'.
- ii) Existing cultured stone cladding will be removed, as shown in Schedule 'C'.
- iii) Weather protection will be provided in the form of a roof overhang, as shown in Schedule 'C'.
- iv) Window and doors openings will be provided to provide permeability into the storefront, as shown in Schedule 'C'.

COVENANT REQUIREMENTS

7. Not applicable.

SECURITY REQUIREMENTS

8. Not applicable

EXPIRY OF PERMIT

- 9. The development shall be carried out according to the following schedule:
 - (a) In accordance with Section 504 of the *Local Government Act* and subject to the terms of the permit, if the holder of this permit does not substantially start any construction with respect to which the permit was issued within **two (2) years** after the date it was issued, the permit lapses.
 - (b) Lapsed permits cannot be renewed; however, an application for a new development permit can be submitted.

Authorising resolution passed by Regional Board on _____ day of _____, 2019.

B. Newell, Chief Administrative Officer

101 Martin St, Penticton, BC, V2A-5J9 Tel: 250-492-0237 Email: <u>info@rdos.bc.ca</u>



Okanagan Falls Development Permit

File No. D2019.001-DP



101 Martin St, Penticton, BC, V2A-5J9 Tel: 250-492-0237 Email: <u>info@rdos.bc.ca</u>

Okanagan Falls Town Centre Development Permit

Schedule 'B'



REGIONAL DISTRICT RDDOS OKANAGAN-SIMILKAMEEN

File No. D2019.001-DP

Development Permit No. D2019.001 DP Page 4 of 5

101 Martin St, Penticton, BC, V2A-5J9 Tel: 250-492-0237 Email: info@rdos.bc.ca

Okanagan Falls Town Centre Development Permit



File No. D2019.001-DP





ADMINISTRATIVE REPORT

		REGIONAL DISTRICT		
TO:	Board of Directors	RDOS		
FROM:	B. Newell, Chief Administrative Officer	OKANAGAN SIMILKAMEEN		
DATE:	August 15, 2019			
RE:	Agricultural Land Commission Referral ("non-adhering residential use") – Electoral	Area "H"		
Administrative Recommendation:				

THAT the RDOS "authorize" the application for a "non-adhering residential use" at 579 Lawless Creek Road (District Lot 936, YDYD) in Electoral Area "H" to proceed to the Agricultural Land Commission.

<u>Purpose</u>: To allow for an "additional residence" in the Agricultural Land Reserve.

<u>Owners</u>	: G. & S Garrison, et. al.,	Agent: Glenn Garrison	<u>Folio</u> : H-00827.000
<u>Legal</u> :	District Lot 936, YDYD	Civic: 579 Lawless Creek Road	
<u>OCP</u> :	Agriculture (AG)	Zone: Agriculture Three (AG3)	

Proposed Development:

An application to the Agricultural Land Commission (ALC) under Section 20.1(2) of the Agricultural Land Commission Act (the Act) has been referred to the Regional District in order to allow the development of an accessory dwelling on a parcel of land within the Agricultural Land Reserve (ALR).

Specifically, the applicant is seeking the Commission's approval "to complete the permit application for an existing permanent dwelling" for a 71.3m² residence.

In support of this proposal, the applicant has stated, amongst other things, that:

- The cow calf operation can not be operated, further developed or maintained with out the residence.
- My house is situated beside my partner in the cow calf operation. It has abundant water, reasonable soil quality and good sub soil for construction. The southern exposure is ideal for off grid power considerations.
- There is no additional infrastructure necessary for this residence.

Statutory Requirements:

Under Section 34 of the Agricultural Land Commission Act, the Regional District of Okanagan-Similkameen (RDOS) must "review the application, and ... forward to the commission the application together with [its] comments and recommendations", unless Section 25(3) applies wherein the Board has the ability to refuse to "authorise" an application.

In this instance, Section 25(3) is seen to apply as the property "is zoned by bylaw to permit [an] agricultural or farm use".

Site Context:

The subject property is approximately 65 ha in area and is located to the west of Lawless Creek Road, approximately 3.5 kilometres North West of Tulameen. The property is understood to comprise two seasonal cabins that are occupied part time and one residence that is occupied full time, an RV shelter, a hay barn, an agricultural equipment storage facility, 3 water wells, a cow-calf operation combined with raising-selling beef calves and pastures which are used for rotational grazing.

The surrounding pattern of development is characterised by largely vacant agricultural and resource area land.

Background:

It is not clear when the property was created by subdivision. Available Regional District records indicate that previous Farm Building exemptions have been issued for two farm sheds, an equipment shed, a loafing shed, a barn, and a farm machinery storage building. Three Building Permits have also been issued for a Single Family Dwelling (2016), an RV shelter (2016) and a seasonal cabin (2018) while a Build Without Permit (i.e. Stop Work Notice) has been issued for a single family dwelling.

Under the Electoral Area "H" Official Community Plan (OCP) Bylaw No. 2497, 2012, the subject property is designated as Agriculture (AG).

Under the Electoral Area "H" Zoning Bylaw No. 2498, 2012, the property is zoned Agriculture Three (AG3), which allows for parcels greater than 16.0 ha a maximum of one (1) principle dwelling and, four (4) secondary suites, accessory dwellings or mobile homes with a gross floor area not exceeding 360 m². However as the property is situated in the ALR, all accessory dwellings in excess of one (1) must be used only for farm worker accommodation.

On February 22, 2019, amendments to the *Agricultural Land Commission (ALC) Act* came into effect, and made important changes to the regulations governing the construction of dwelling units on lands in the Agricultural Land Reserve (ALR). The following is a summary of key changes provided by the ALC:

- generally land in the ALR may have no more than one (1) residence per parcel;
- the Commission may approve an application for an additional residence if necessary for farm use, but the Commission is prohibited from approving an additional residence otherwise;
- the total floor area of a principal residence must be 500 m² or less in order to comply with the ALC Act;
- provisions facilitating the construction of additional dwellings for farm help, manufactured homes for immediate family members, accommodation above an existing farm building, or (in parts of the province) a second single family dwelling have been deleted from the ALC Act.

Currently on the property there is a principal dwelling (135.45m²), and two cabins (45m² and 58m²). The applicant has stated that the principal dwelling and one of the accessory dwellings are used seasonally for recreation on the property. The other cabin is for farm use.

The property has been assessed as Residential (Class 01) and Farm (Class 09) by BC Assessment.

Analysis:

In considering this proposal, Administration notes that the applicant's proposal is consistent with the current density provisions for the AG3 Zone, which allows one (1) principal dwelling and four (4) accessory dwellings for parcels greater than 16.0 ha.

It is on this basis that Administration is recommending that the application be "authorised" to proceed to the ALC for their determination.

It is noted that construction on the dwelling is almost complete and this application is a result of a Stop Work Notice which was placed in 2015. The property owners initiated a building permit application in 2015 but failed to provide necessary documentation for their application. As a result, they were unsuccessful in obtaining a building permit prior to February 22, 2019, when the updated ALC regulations regarding dwelling units came into effect.

Alternative:

- 1. THAT the RDOS not "authorize" the application for a "non-adhering residential use additional residence for farm use" at 579 Lawless Creek Road (Lot 936, YDYD) in Electoral Area "H" to proceed to the Agricultural Land Commission.
- 2. THAT the Board of Directors defers making a decision and directs that the proposal be considered by the Electoral Area "H" Advisory Planning Commission (APC).

Respectfully submitted:

Endorsed by:

Endorsed by:

Fiona Titley

Fiona Titley, Planning Student

C. Garrish, Planning Manager

Banf 200al

B. Dollevoet, G.M. of Dev. Services

Attachments: No. 1 – Context Maps

- No. 2 Applicant's Site Plan
- No. 3 Site Photo
- No. 4 Applicant Photos (Fields surrounding location of additional dwelling)





File No: C2019.009-ALC

Attachment No. 2 – Applicant's Site Plan



Attachment No. 3 – Site Photo





Attachment No. 4 – Applicant Photos (Fields surrounding location of proposed dwelling)

File No: C2019.009-ALC

TO:	Board of Directors	
FROM:	B. Newell, Chief Administrative Officer	OKANAGAN- SIMILKAMEEN
DATE:	August 15, 2019	
RE:	Agricultural Land Commission Referral (ALR Exclusion) – Electoral Area "A"	

Administrative Recommendation:

THAT the RDOS Board "not authorize" the application to exclude a 690 m² portion of a 4.2 ha parcel located at 8111 148th Avenue (Part of Lot 459 on Plan B5895, DL 2450s, SDYD, Plan 1949 Except Plan H126) to proceed to the Agricultural Land Commission.

Purpose:	To exclude a 690 m ² portion of a 4.2 ha parcel from the Agricultural Land Reserve (ALR)			
<u>Owner</u> :	Enotecca Wineries and Resorts	Ltd.	Applicant: McElhanney Ltd.	<u>Folio</u> : A-06011.010
<u>Civic</u> :	8111 148 th Avenue	<u>Legal</u> : Pa	art of Lot 459, DL 2450s, SDYD, Plan 19	49 Except Plan H126
<u>OCP:</u>	Agriculture (AG)	Zoning:	Agriculture One (AG1) Zone	

Proposed Development:

An application to the Agricultural Land Commission (ALC) under Section 30 (1) of the Agricultural Land Commission Act (the Act) in order to have land excluded from the Agricultural Land Reserve (ALR).

Specifically, the applicant is seeking the Commission's approval to exclude approximately 690 m² of land along the eastern portion of the property at 8111 148th Avenue from the reserve.

The applicant has indicated that "the small exclusion amount of approximately 690 square meters will be offset by a greater amount (1,100 square meters) of inclusion of land into the ALR. The excluded area will be added by subdivision to the adjacent non-ALR waterfront parcel. The purpose for the exclusion is to increase the size of the farm parcel and make a more "buildable" building envelope on the non-ALR waterfront lot as the waterfront SPEA (setback) consumes a 15 metre wide strip of land along the lakefront, making the building envelope very narrow".

Statutory Requirements:

Under Section 34 of the *Agricultural Land Commission Act,* the Regional District of Okanagan-Similkameen (RDOS) must "review the application, and … forward to the commission the application together with [its] comments and recommendations", unless Section 25(3) applies wherein the Board has the ability to refuse to "authorise" an application.

Site Context:

The subject property is approximately 4.2 ha in area, situated to the south of 148th Avenue, and is located approximately 3 km north of the Town of Osoyoos. The subject parcel contains a winery and vineyards.

The surrounding pattern of development is generally characterised by agriculture, with residential along the lakeshore to the north.

Background:

It is unknown when the current boundaries of the subject property were created, while available Regional District records indicate building permits for a winery (2007), and demolition of a single detached dwelling (2006).

Under the Electoral Area "A" Official Community Plan (OCP) Bylaw No. 2450, 2008, the subject property is currently designated Agriculture (AG) and is also within the "Agricultural Protection Area" in Electoral Area "A".

Under the Electoral Area "A" Zoning Bylaw No. 2451, 2008, the property is currently zoned Agriculture One Zone (AG1), which requires a minimum lot size of 4.0 ha.

The applicant has also submitted a separate application to include a portion of the abutting parcel to the east at 13821 148th Avenue. If the ALR exclusion is approved, it is the intention of the applicant to apply for a lot line adjustment with 13821 148th Avenue. Lot lines would be adjusted to exchange the 690 m² portion of 8123 148th Avenue (subject to this ALR exclusion application) with the 1,100 m² portion of 13821 148th Avenue (subject to ALR inclusion application).

Under Section 6.1.2(c) of the Zoning Bylaw, the lot line adjustment would result in reduction of the parcel area to less than that of the smallest parcel that existed prior to the alteration, and the minimum parcel size for subdivision requirements would apply. As such, a zoning bylaw amendment to minimum parcel size would be required to facilitate the lot line adjustment to reduce the minimum parcel size from 4.0 ha to 0.454 ha for 13821 148th Avenue.

In 2007, the ALC approved the exclusion of the adjacent parcel to the east (i.e. 13821 148th Avenue) from the ALR on the basis that land is largely unsuitable for agricultural use. In making this decision, the "Commission wished to make it clear that should significant building or septic field setbacks from the lake make it difficult (or impossible) to construct residences it is not supportive of expanding the development area on the adjoining ALR land" (i.e. 8111 148th Avenue).

BC Assessment has classified the property as Residential (01), Light Industry (05) and Business and Other (06).

Public Process:

Under Section 36 of the *Agricultural Land Commission Act*, a person who makes an application to excluded lands from the ALR is required to give notice of the application in accordance with Agricultural Land Reserve General Regulation 171/2002, including newspaper publications, a notification sign on the property, and notification to adjacent owners of agricultural land.

All comments submitted to the Regional District in relation to these notification requirements are included as a separate agenda item.

Analysis:

In considering this proposal, Administration notes that Agricultural Protection Area Policies under Section 6.3.19 of the Electoral Area "A" OCP Bylaw state that the Board will generally not support

applications seeking to exclude land from the ALR for the purposes of future urban, recreation or amenity uses.

The Board also encourages land to be included into the ALR and the Electoral Area "A" OCP Bylaw contains a Broad Goal to support and encourage agriculture in the community through preservation of the agricultural land base (Section 3.2.1).

Further, the Regional Growth Strategy Bylaw No. 2770, 2017, contains objectives to protect the agricultural land base.

Given the use of the subject property as well as surrounding properties includes farming operations, Administration considers the ALR designation to be appropriate.

It should be noted that this application has not been supported by a capability study prepared by a qualified individual that would support the exclusion of this property on the basis of it being unsuitable for agricultural use.

Although the area proposed for exclusion is minor (690 m²), this proposal represents the erosion of the agricultural land base in favour of residential development in the Agricultural Protection Area and has the effect of facilitating non-agricultural uses in an area with active farm operations.

Administration also notes that the ALC has previously signalled (2007) that it would not be supportive of facilitating the development of 13821 148th Avenue by surrendering adjacent agricultural lands, including on the subject property – which is precisely what the current application is contemplating.

Conversely, this exclusion application is associated with a separate inclusion application to the ALC (ID No. 59407) to facilitate a lot line adjustment that purports to increase the farming area of the subject parcel. Although a net increase of ALR land would result, applications must be evaluated on their own merits, in isolation, without regard for "land swapping".

Further, even if the inclusion application was to be considered, the area of inclusion was previously excluded from the ALR based on the grounds that the land is largely unsuitable for agricultural use and does not counterbalance removing a contiguous portion of land from the agricultural land base.

In summary, the application to exclude a portion of the subject parcel from the ALR is inconsistent with the Electoral Area "A" OCP Bylaw and Regional Growth Strategy policies that aim to protect agricultural land. For these, it is Administration's recommendation not to authorize the application to proceed to the Agricultural Land Commission.

Alternatives:

- 1. THAT the RDOS Board "authorize" the application to allow exclusion of land from the Agricultural Land Reserve at 8111 148th Avenue to proceed to the Agricultural Land Commission.
- 2. THAT the RDOS Board defers making a decision and directs that the proposal be considered by the Electoral Area "A" Advisory Planning Commission (APC).

Respectfully submitted

J. Peachey, Planner I

Endorsed by:

C. Garrish, Planning Manager

Endorsed by:

B. Dollevoet, G.M. of Dev. Services

Attachments: No. 1 – Context Map

No. 2 – Applicant's Site Plan

No. 3 – Aerial Photo (2007)



Attachment No. 1 — Context Maps



Attachment No. 2 — Applicant's Site Plan

Attachment No. 3 – Aerial Photo (2007)



TO: Board of Directors

FROM: B. Newell, Chief Administrative Officer

DATE: August 15, 2019

RE: Development Variance Permit Application — Electoral Area "E"

Administrative Recommendation:

THAT the Board of Directors deny Development Variance Permit No. E2019.013-DVP

Purpose:	To increase the maximum height fo	or an accessory building to allow a detached g	garage/workshop	
<u>Owner</u> :	Gregory and Cynthia Giddings	Applicant: Greg and Cindy Giddings	<u>Folio</u> : E-02090.010	
<u>Civic</u> :	2779 Noyes Road, Naramata	Legal: Lot 1, Plan 33921, District Lot 207, SD	DYD	
OCP:	Low Density Residential (LR)	Zoning: Residential Single Family One (RS1)		
Variance Request: To increase the maximum height for an accessory building from 4.5 metres to 4.8 metres				

Proposed Development:

This application seeks a development variance permit to increase the maximum height for an accessory building to accommodate a 210 m² two-storey detached garage and workshop with an attached 46.8 m² covered parking area.

Specifically, it is proposed to increase the maximum height for an accessory building in the RS1 zone from 4.5 metres to 4.8 metres.

The applicants have stated that "the shop design is cut into the hillside as deep as possible so it is kept as low profile as possible while maintaining access to the main level from natural grade".

Site Context:

The subject parcel is approximately 1,620 m² (0.42 acres) in area, dual-fronting, situated between Noyes Road to the east and Gammon Road to the west, and sloping up towards the single detached dwelling site with the lowest elevation abutting Gammon Road.

The property currently has an active building permit issued for a single family dwelling to be accessed from Noyes Road. The surrounding pattern of development is characterised by residential to the north, south and east, and agricultural to the west.

Background:

The subject property was created by a subdivision plan deposited in the Land Title Office in Kamloops on March 25, 1983, while available Regional District records indicate that a Building Permit was issued in 2019 for a single family dwelling.



Under the Electoral Area "E" Official Community Plan (OCP) Bylaw No. 2458, 2008, the property is designated Low Density Residential (LR).

Under the Electoral Area "E" Zoning Bylaw No. 2459, 2008, the property is currently zoned Residential Single Family One (RS1) which allows for single detached dwellings as a principal use and accessory buildings, among other uses, as a secondary use.

Accessory buildings are subject to regulations in Section 7.13 of the Electoral "E" Zoning Bylaw, including prohibiting showers and bathtubs, bedrooms, sleeping facilities or other living areas, and limiting bathrooms to one (1) with a maximum floor area of 3.0 m².

Under Section 4.0 (Definitions) of the Electoral Area "E" Zoning Bylaw, the "height" of a building is determined by taking the average of all sides of a building from the finished ground level at its perimeter. The resulting average *may* be less than the actual height of the building from its highest point to the natural ground level.

The building is within 4.5 metres of a road right-of-way and the Ministry of Transportation and Infrastructure has issued a permit (Permit No. 2019-03709) to allow siting of the building no closer than 3.0 metres from the property line.

The subject property has been assessed as "Residential" (Class 01), and possesses a geotechnical classification of "limited or no hazard of slumps and slides. No development problems anticipated."

At its meeting July 8, 2019, the Electoral Area "E" Advisory Planning Commission (APC) resolved to recommend to the Board that the subject development application be approved with the condition that the increase of the maximum height be changed from 4.5 metres to 4.8 metres, rather than the 5.12 metres previously proposed. The applicant has since modified their proposal to 4.8 metres to align the the Electoral Area "E" APC recommendation.

Public Process:

Adjacent property owners will have received notification of this application with written comments regarding the proposal being accepted until the commencement of the regular Board meeting. Any comments will be on the agenda as separate item.

Analysis:

The purpose of a maximum height regulation is to establish a uniform built environment with consistency of streetscape and reasonable expectations of built form within a neighbourhood. In absence of maximum floor area regulations for accessory buildings, it can act as a mechanism to limit the size and prominence of accessory buildings to maintain the dominance of the principal dwelling on the parcel.

In this instance, the surrounding residential properties along Gammon Road do not feature large buildings close to the road and principal dwellings have generally been built higher up the slope. Accordingly, the overall size of the proposed building is much larger than surrounding built form along Gammon Road.

Due to the natural topography of the site, the overall effect is of a two-storey building within close proximity to the road right-of-way. As such, it will become a prominent feature on Gammon Road, given its massing, height, and location.

Despite the primary dwelling being the dominant building along Noyes Road, due to the site topography and siting, the proposed accessory building will not appear to be subordinate in nature along the Gammon Road streetscape, which is contrary to the purpose of a lower height regulation for accessory buildings.

Although the floor plans indicate use of the accessory structure for workshop/storage, there is concern that large accessory buildings, like the one proposed, may be converted to an accessory dwelling in the future, which is not a permitted use in the RS1 zone.

Administration also considers that there are reasonable available alternatives to the proposed design to alleviate the need for a height variance. The building could be redesigned to be less impactful on the Gammon Road streetscape such as lowering the overall height to one-storey. It should be noted that the proposal already benefits from finished grade averaging which gives opportunity for taller ceiling heights when buildings are built into a sloped area.

Conversely, the proposed building complements the natural topography of the site. By placing the building on the lower portion of the property, it will be in the least prominent location on the hill side, and will have the least impact on views of adjacent property owners. It also avoids less desirable alternatives such as cutting into the hillside or increasing grade at street level to benefit from finished grade averaging.

However, for the reasons listed above, Administration does not support the variance request to exceed the maximum height regulations.

Alternative:

That the Board approve Development Variance Permit No. E2019.013-DVP.

Respectfully submitted

Endorsed by:

J. Peachey, Planner I

C. Garrish, Planning Manager

<u>Attachments</u>: No. 1 – Site Photo (Google Streetview)

Endorsed by:

B. Dollevoet, G.M. of Dev. Services



Attachment No. 1 – Site Photo (Google Streetview)



Development Variance Permit

FILE NO.: E2019.013-DVP

Owner: Gregory and Cynthia Giddings 2779 Noyes Road Naramata, BC, VOH-1N0 Agent: Gregory and Cynthia Giddings 2779 Noyes Road Naramata, BC, VOH-1N0

GENERAL CONDITIONS

- 1. This Development Variance Permit is issued subject to compliance with all of the bylaws of the Regional District of Okanagan-Similkameen applicable thereto, except as specifically varied or supplemented by this Permit.
- 2. The land described shall be developed strictly in accordance with the terms and conditions and provisions of this Permit, and any plans and specifications attached to this Permit that shall form a part thereof.
- 3. Where there is a conflict between the text of the permit and permit drawings or figures, the drawings or figures shall govern the matter.
- 4. This Development Variance Permit is not a Building Permit.

APPLICABILITY

5. This Development Variance Permit is substantially in accordance with Schedules 'A', 'B', 'C, 'D', 'E', 'F', 'G' and 'H', and applies to and only to those lands within the Regional District described below, and any and all buildings, structures and other development thereon:

Legal Description:	Lot 1, Plan 33921, District Lot 207, SDYD	
Civic Address:	2779 Noyes Road, Naramata	
Parcel Identifier (PID):	002-600-234	Folio: E-02090.010

CONDITIONS OF DEVELOPMENT

- 6. The land specified in Section 5 may be developed in accordance with the following variances to the Electoral Area "E" Zoning Bylaw No. 2459, 2008, in the Regional District of Okanagan-Similkameen:
 - a) the maximum height for an accessory building in the Residential Single Family One (RS1) Zone, as prescribed in Section 11.1.7(b), is varied:

- i) from: 4.5 metres
 - to: 4.8 metres, as shown on Schedule 'B'

7. COVENANT REQUIREMENTS

a) Not Applicable

8. SECURITY REQUIREMENTS

a) Not applicable

9. **EXPIRY OF PERMIT**

The development shall be carried out according to the following schedule:

- a) In accordance with Section 504 of the *Local Government Act* and subject to the terms of the permit, if the holder of this permit does not substantially start any construction with respect to which the permit was issued within two (2) years after the date it was issued, the permit lapses.
- b) Lapsed permits cannot be renewed; however, an application for a new development permit can be submitted.

Authorising resolution passed by the Regional Board on _____, 2019.

B. Newell, Chief Administrative Officer

101 Martin St, Penticton, BC, V2A-5J9 Tel: 250-492-0237 Email: <u>planning@rdos.bc.ca</u>



Development Variance Permit

File No. E2019.013-DVP


101 Martin St, Penticton, BC, V2A-5J9 Telephone: 250-492-0237 Email: info@rdos.bc.ca

Development Variace Permit

AVERAGE HEIGHT ABOVE CRADE C5.60M Building Height: 5.86. 4.8 m Measured from 5.33m average finished grade to top of roof 2779 NOVES RD. NARAMATA BC NOTES: DIMENSIONS: * THE FINISHED GRADE ON N/SIDE IS H WIDTH - 8.23M (W/SHED - 11.89M) SHOP PROJECT SIDEWALK, NORTH OF THIS, THE FINISHED LENGTH - 12.8M (W/DECK) 14.78m) GAC GIDDINGS GRADE MAKES THE AVENAGE BUILDING HEIGHT - 5. DOM (AVG W/SIDE)* HEIGHT ON WEST VIEW C 5.64m





File No. E2019.013-DVP



101 Martin St, Penticton, BC, V2A-5J9 Telephone: 250-492-0237 Email: <u>info@rdos.bc.ca</u>

Development Variace Permit



File No. E2019.013-DVP

Development Variance Permit No. E2019.013–DVP Page 5 of 10



101 Martin St, Penticton, BC, V2A-5J9 Telephone: 250-492-0237 Email: <u>info@rdos.bc.ca</u>

Development Variace Permit



File No. E2019.013-DVP

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Development Variace Permit



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File No. E2019.013-DVP

Development Variance Permit No. E2019.013–DVP Page 8 of 10



101 Martin St, Penticton, BC, V2A-5J9 Telephone: 250-492-0237 Email: <u>info@rdos.bc.ca</u>

Development Variace Permit



File No. E2019.013-DVP



Schedule 'G'

101 Martin St, Penticton, BC, V2A-5J9 Telephone: 250-492-0237 Email: <u>info@rdos.bc.ca</u>

Development Variace Permit





File No. E2019.013-DVP

Development Variance Permit No. E2019.013–DVP Page 10 of 10

REGIONAL DISTRICT	Feedback Forr Regional District of Okanagan Similkameen 101 Martin Street, Penticton, BC, V2A-5J9 Tel: 250-492-0237 / Email: <u>planning@rdos.bc.ca</u>	VED Vistrict 0.8 2019 Wartin Street Penticton BC V2A 5J9		
TO: R	egional District of Okanagan Similkameen FIL	E NO.: E2019.013-DVP		
FROM: Name: David Gatrell, Kimberley Gratrell (please print)				
St	reet Address: <u>2</u>	ramata.		
RE: Development Variance Permit (DVP) Application 2779 Noyes Road, Naramata, Electoral Area "E"				
My comments / concerns are: I do support the proposed variances at 2779 Noyes Road I do support the proposed variances at 2779 Noyes Road, subject to the comments listed below. I do not support the proposed variances at 2779 Noyes Road				
	All written submissions will be considered by the Regional	District Board		
My property is adjacent to the south of the Gidding's property. They have been very forthcoming in all their building plans and very considerate to all neighbours in the design and placement of both their home and workshop.				
	of have any objection to the are requesting.	ne variance		

Feedback Forms must be be submitted to the Regional District office prior to the applicable Board meeting. All representations will be made public when they are included in the Board Agenda.

Protecting your personal information is an obligation the Regional District of Okanagan-Similkameen takes seriously. Our practices have been designed to ensure compliance with the privacy provisions of the *Freedom of Information and Protection of Privacy Act* (British Columbia) ("FIPPA"). Any personal or proprietary information you provide to us is collected, used and disclosed in accordance with FIPPA. Should you have any questions about the collection, use or disclosure of this information please contact: Manager of Legislative Services, RDOS, 101 Martin Street, Penticton, BC V2A 5J9, 250-492-0237.



ADMINISTRATIVE REPORT

RE:	Water and Sewer Utility Acquisition Policy
DATE:	August 15, 2019
FROM:	B. Newell, Chief Administrative Officer
TO:	Board of Directors

Administrative Recommendation:

THAT the Water and Sewer Utility Acquistion Policy be adopted as attached to the report to the Board of Directors dated August 15, 2019 from CAO Bill Newell.

Purpose:

The purpose of this policy is to create a process that existing utilities and the RDOS can follow in order to facilitate the transfer of ownership of a Utility in a responsible and transparent manner that does not put the RDOS at undue risk, or compromise our operations. This policy will replace an existing policy that is dated.

Reference:

Policy: P0100-00.13 Governance Transfer Policy Improvement District/Private Water System

Background:

The RDOS created a Governance Transfer Policy in 1999 in order to provide the requirements that must be met in order for the Regional District to be comfortable with the transfer of a water system.

The proposed policy is a process that identifies the component parts necessary for a water or sewer utility to be transferred to the RDOS. The proposed policy has been vetted by the Provincial government and Interior Health to ensure that it meets all provincial laws and best management practices.

Attached to the policy is a sample agreement that can be used to transfer any private utility to the Regional District. The use of agreement is not applicable for an Improvement District utility, as the transfer of ownership comes from a Cabinet Order. While the agreement requires that the Regional District is admonished of all debts and liabilities from the previous owner, this may not be reasonable and can be considered by the Board as part of the transfer process.



The Policy was reviewed at the July 4th, 2019 Environment and Infrastructure Committee. At that time staff were asked to allow for provision of further public communication as part of the acquisition process. The policy has been revised to include this review within the "Transition Plan" section of the policy should such a review be desired.

Analysis:

Once this policy has been adopted, it will form a template for future acquisition applications, deliverables and agreements necessary for the successful acquisition of a water or sewer utility by the RDOS.

Respectfully submitted:

A. Reeder, Operations

//attached



Water and Sewer Utility Acquisition Policy

REGIONAL DISTRICT OF OKANAGAN-SIMILKAMEEN

BOARD POLICY

POLICY:	Water and Sewer Utility Acquisition Policy
---------	--

AUTHORITY: Board Resolution _____.

POLICY STATEMENT

The Regional District of Okanagan Similkameen (RDOS) believes that essential services are best provided by government, where citizens can elect representatives interested in their well-being and will operate the service in the most effective and efficient manner possible. Further, potable water and sanitary sewerage systems are determined to be essential to a high quality of life and citizens should expect their local government to assist in acquiring and operating those systems where ratepayers to the system concur.

PURPOSE

To establish the policy and procedure for the acquisition of utilities.

APPLICATION

This Policy applies to Water and Sanitary Sewer systems in an electoral area of the RDOS operated by public or private owners serving citizens within the Regional District of Okanagan Similkameen geographic boundaries.

DEFINITIONS

"BOARD" means the BOARD of Directors for the Regional District of Okanagan Similkameen;

"CAO" means the Chief Administrative Officer for the RDOS, or a designated representative;

"IMPROVEMENT DISTRICT" means

- (a) the corporation into which the residents of an area are incorporated as an improvement or irrigation district under the *Local Government Act* or a former Act, or
- (b) the geographic area of the improvement or irrigation district corporation;

"RDOS" means the Regional District of Okanagan Similkameen.

"SCADA" means Supervisory Control and Data Acquisition

"STAFF" means an employee(s) of the RDOS

"UTILITY" means a water or wastewater system RESPONSIBILITIES

The Board shall:

- (1) Make such revisions, additions or deletions to the Water and Sewer Utility Acquisition Policy as may be required.
- (2) Approve any system acquisition

The CAO shall:

- (1) Review the Policy periodically and, if appropriate, make recommendations to the Board for amendments.
- (2) Implement the Policy
- (3) Make recommendations to the Board on the acquisition of a Utility meeting the terms and conditions herein.

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1.0 Guiding Principles

Water:

The RDOS wishes to enhance the safety and delivery of clean drinking water to all of its citizens at equitable rates while ensuring affordable, reliable supply to all of its agriculturists. Access to clean safe drinking water is a foundational component of a sustainable healthy community.

Sewer:

There is a benefit to treating human waste to an acceptable standard before we discharge them into our watersheds. The RDOS chooses to improve the protection of the environment and ensure public safety by collecting and treating sewage in a cost effective and environmentally superior manner.

Purpose of Adopting a Policy of Acquisition:

There are a number of existing water and sewer systems within the RDOS that are struggling to meet environmental and public health standards. Many of these systems are old and do not meet increasing minimum provincial regulation or standard municipal design. System owners often find that they no longer have the financial ability or technical expertise required to meet current regulation. Further, these Utilities can have difficulty obtaining volunteers, expertise, insurance and are ineligible for provincial and federal grants.

In order to assist communities with these existing systems this policy has been developed to create process in which the RDOS can acquire these systems while enhancing the protection of public health, the public purse and the environment. The purpose of this policy is also to ensure that the RDOS does not accept undue liability and has the resources to assist. This policy and any standards herein are not applicable to new development.

Benefits:

The RDOS offers numerous benefits to residents wishing to transfer ownership of their Utility. These include:

- Grants: Access to provincial and federal grants for capital improvements to the Utility are available to local governments. Grants can vary in value depending on the program and availability.
- Insurance. The RDOS carries up to \$40 million in liability insurance. This cost is shared amongst all of its various functions and is very affordable.
- Borrowing rates. The RDOS is part of the Municipal Finance Authority and typically has long term borrowing rates lower than any bank.
- Professional work force. The RDOS has a work force with professional engineers, engineering technologists, certified professional accountants, and Level 1 to 4 water and sewer operators. Because we own and operate a large number of water and sewer systems we can provide professional services and advice that would otherwise require the hire of consultants and/or contractors.
- Economies of scale. RDOS equipment, resources, telemetry and systems in place allow the shared use of common resources. This has the affect of reducing costs for any new users.
- 24/7/365 coverage. The RDOS has Staff available during normal office hours, but also has Staff on standby during weekends, holidays and at night. This means we are able to deliver service to any emergency 24 hours a day, seven days a week.

2.0 Process

Use of this document:

A process has been outlined within this policy with each section described in more detail later within the body of the policy. It is expected that the applicant has read each section of the policy before any application is made. This policy and any standards herein are not applicable to new development.

Process:

- 1. Before a Utility owner makes an application to the RDOS to transfer ownership of the Utility assets they should ensure that the *minimum eligibility criteria* have been met.
- 2. A Utility meeting the minimum eligibility criteria can apply to the RDOS by a simple resolution from the governing body or the shareholders of the Utility indicating desire to consider being transferred to the RDOS. This does not commit either the RDOS or the Utility owner to a transfer at this point. A *sample resolution* has been identified in section 3.0. As part of the application the proponent should confirm that they have met the eligibility criteria.
- 3. The RDOS will confirm that the eligibility criteria have been met, the expected timing for the following processes, the inclusion into any current work plan, and any mitigating circumstances concerning the urgency for a transfer. Depending on available funding and Staff availability, an application may not start within the calendar year in which the application has been made. As part of the report, *the* method of funding for an engineering assessment and financial, liability and asset report options shall be confirmed. Further, the method of public assent will be identified and the required levels of effort and costs, (see section 10.0). It is expected that a Staff capacity assessment, financial plan, public review process, transition plan and transfer agreement can be completed in-house with the results presented to the Board at the end of the process.
- 4. An *Engineering Assessment* of all works. An assessment of all infrastructure the RDOS is expected to own, operate and maintain shall take place in order to determine any required capital costs and additional operating costs.
- 5. A *Financial, Liability and Asset Report*. In order to understand any existing debt, reserves, assets, and any potential liabilities, an audit is required.
- 6. *Staff Capacity Impact Assessment*. With a finite number of employees, every Utility that the RDOS acquires will impact the capacity of Staff to respond to other existing systems. As part of the final report to the Board, an assessment will be provided that outlines the impacts that an acquisition will have on our ability to deliver current levels of service.
- 7. *A Financial Plan*. Financial plan(s) will be developed that will show the expected costs for the RDOS to operate and maintain the Utility proposed to be transferred and to provide any upgrades required to meet provincial and federal regulation/law.
- 8. *A Transition Plan* (if necessary). The governance, Staffing and transfer of the Utility assets over a set period of time will be developed if deemed necessary. The intent is to ensure a transition that is respectful of the existing systems, Staffing and the wishes of local residents.

- 9. A Public Review Process. A plan to review the findings from our engineering assessment, audit, potential costs, and benefits of becoming an RDOS function will be shared with the public. The plan will include a public assent process for the creation of an establishment bylaw and borrowing (if needed) that is acceptable to the province.
- 10. *Transfer Agreement*. A transfer agreement must be signed by the owners of the Utility if the Utility is not an Improvement District. In the case of an Improvement District assets are transferred to the RDOS by an Order in Council. Within any transfer agreement all assets will be transferred to the RDOS for \$1 and will not be contingent on any development rights. A sample agreement has been provided in Appendix A.
- 11. *Final Board Approval.* Once all of the above plans, assessments and agreements are in place. Staff will review the above information with the Board to confirm whether or not they wish to proceed with the transfer of the Utility. The Board will have the final approval on any Utility acquisition.

3.0 Minimum Eligibility Criteria

Before an application to transfer a Utility is made the following criteria must be met:

- 1. An applicant must not have any fines or law suits pending or underway against the Utility. Any liability that is assumed by the RDOS with the transfer may affect the entire RDOS, so the applicant must declare and confirm that they are not aware of any potential or current legal action against the Utility.
- 2. The RDOS must be able to respond to an emergency within 1 1/2 hrs after the call out. Failure to respond to an emergency call out within a timely fashion is a risk to the residents of the Utility and a liability to the RDOS.
- 3. The governing body or owner of the Utility must be willing to agree to transfer all assets, reserves and water rights to the RDOS at the end of the application process. The applicant is expected to sign a transfer agreement similar to the attached for a cost of \$1 and will not be contingent on any development rights.
- 4. The Utility must have all of the valid licenses and permits in place required for the RDOS to own, operate and maintain the system. For example, a water system must have all ground water or surface water permits before the RDOS will take on the ownership of a Utility. These licenses must be transferable to the RDOS.
- 5. Due to the effort, resources and expense the process, assessment, audits and studies required to review an application, should an application for Utility transfer be rejected either by the RDOS or the public, the owner of the Utility must not reapply within five years of the date of the original application.
- 6. This policy is for existing Utilities only. Any transfer of Utilities for new development will have a different process and standards to follow.

Sample Application Resolution

Therefore, be it Resolved:

THAT the (Name of the Utility) intends to dissolve the (Name of the Utility) and transfer the assets of the utility to the RDOS, on such a date that it is appropriate to transfer all operations, assets and any liabilities to be assumed by the RDOS.

4.0 Method of Funding an Application

Funding will be required to pay for an Engineering Assessment, a Financial Audit, Staff time, a public assent/ public review process and any costs to transfer assets, rights of way, bylaws and files to the RDOS. Options to pay for the above include: the Electoral Area Rural Projects Funds, the applicant applying for the Utility transfer provides funding, a provincial governance review grant up to \$20K that the RDOS will apply for (not available for privately owned utilities). Should a public assent process be approved by the ratepayers, costs may be recovered by the RDOS in future budget years depending on available funds. The grant from the Province is only available if the transfer is successful and the application is for the transfer of an Improvement District. A provincial grant application is not automatically approved nor is there a set amount available.

5.0 Engineering Assessment

As part of the Water and Sewer Utility acquisition policy the RDOS will hire a consultant to assess all of the Utility's existing infrastructure in order to determine compliance with federal and provincial legislation and engineering design norms. The engineering assessment shall determine the capital and operational costs required to meet the aforementioned minimum requirements. The study will also determine the longer term capital and operational cost required to meet municipal standards and those of the RDOS's development and regulatory bylaws. Any infrastructure encroachments or trespasses will also be identified and included in the longer term capital plan. These longer term costs should include asset replacement and be consistent with the RDOS asset management plan. Infrastructure that has reached the end of its serviceable life should be included in the works identified as the minimum upgrades or requirements.

The RDOS recognizes that older Utility systems may have been designed and constructed to previous, lower standards, may not meet current municipal and fire protection standards, and may be nearing the end of their serviceable life. Over time, as funding becomes available, the RDOS will bring all existing Utility systems it acquires into compliance with the design standards and construction specifications outlined in the appropriate RDOS bylaws and prioritize the works through future master plans and asset management plans.

All Utility systems will have SCADA telemetry systems installed on all of its core infrastructure. This is to ensure responses to emergencies are in a timely, safe and efficient manner. These include structures such as wells, chlorination stations, pump stations, lift stations, booster stations, and water and waste water treatment facilities.

The minimum requirements used to create a financial plan will be those requirements needed to meet all provincial and federal regulation, operating certificate, health, safety, and environmental standards. Further, it will include any upgrades required to meet the minimum operational standards. These include SCADA, telemetry, alarms, failed infrastructure and reasonable operating conditions. These upgrades will form the basis of a financial plan and borrowing bylaws that will be presented to the public. Further, the RDOS will review the potential for grant funding for any required upgrades.

The RDOS will discourage point-of-use or point-of-entry (to an individual dwelling) devices as a means of treating water supplied by a water supply system. The RDOS will not take on responsibility for existing point-of-use or point-of-entry systems in a candidate water system. These will need to be decommissioned or looked after by the property owner. Boiling water is not deemed acceptable as a long term water treatment solution for any system.

Any existing sewage system must be compliant with the existing Liquid Waste Management Plan, if any.

The RDOS will discourage pump-and-haul as an approach to removing sanitary sewerage from community Utility systems for treatment and disposal at another location.

The Utility must have all of the valid licenses and permits in place required for the RDOS to own, operate and maintain the system. The review will confirm that all appropriate licenses are in place required to operate the Utility. For example, a water system must have all ground water or surface water licenses in place and any dam or water system structure must have appropriate licenses. These licenses must be transferable to the RDOS.

6.0 Financial, Liability and Asset Report

In order to understand existing debt, reserves, assets and any potential liabilities, specified procedures will be undertaken by an audit firm resulting in a special report the RDOS can rely on. Regional Districts have service areas for all of their functions. This means that the assets and reserves will be used for the service and service area. It also means that any liabilities, fines and debts that are to be assumed by the RDOS will also remain with any newly created service area.

It is expected that there will be no material change in assets, debts or liabilities from the last audited year-end financial statements of the Utility to the time that the Utility assets are transferred to the RDOS.

The RDOS or their agent will review working papers, audits, bank statements, etc. required to provide the financial position of the Utility. The applicant is expected to cooperate to this end. Further, the applicant will permit the RDOS or their agent to contact the Utility's insurer to confirm that there are no existing or pending lawsuits. The RDOS may also conduct court registry searches in this regard.

A list of physical assets to compliment the Engineering Assessment shall be provided and roughly estimated in replacement value. These may include lands and investments that are owned by the Utility but are not directly tied to the Utility infrastructure (i.e. public works building/ office).

7.0 Staff Capacity Impact Assessment

While any Utility is expected to have full cost recovery, the addition of any Utility to the RDOS will have an impact on the workload of existing Staff and the capacity of the organization. Depending on the size and complexity of the Utility, the increase in workload may or may not require additional Staff. In some cases, alternative service delivery mechanisms may be considered. In order to assess the impacts to the organizational capacity of the RDOS, Staff will estimate the additional Staff hours required to operate, maintain, and administer the newly acquired Utility and then convert these hours to Full Time Equivalents (FTEs). While the FTE may be fractional, it will be very difficult if not impossible to hire professional part time Staff and any additional workload may trigger the need to increase Staffing levels or decrease existing workload in other areas. Any FTE amount over one should result in the hire of Staff upon the transfer of the Utility to the RDOS. All costs attributable to a Utility will be charged to that Utility service area.

8.0 A Financial Plan (with and without grants)

A financial plan will be developed that identifies expected operational and capital costs required to meet standard operating procedures and the minimum upgrades stipulated in the engineering assessment and address debts, assets and reserves identified in the financial assessment. The budget will consider existing reserves and debt. Should upgrades be required, an option with senior government grants will be developed if grant funding is applicable. Further, a borrowing bylaw will be prepared for any required upgrades as part of any public assent process. All expected costs will be provided to the public as part of the public review/assent process.

9.0 Transition Plan (Optional)

A Transition Plan may be needed if the transfer of the Utility to the RDOS is controversial, complex or needs to consider existing Staff.

Depending on the size of the system and the circumstances surrounding the transfer of ownership to the RDOS, a transition plan may or may not be needed. Such a plan could include a user fee rates review if there was a concern with the equity and apportionment of water system costs. Utility management and operation is technical in nature and resources such as labour and equipment are shared between systems. Advisory committees are labour intensive to support and are not recommended.

10.0 Public Review Process

Depending on the type of water system, the method and formality of public assent may vary. The RDOS will contact the province to confirm the method that will be acceptable. Once the public assent has been obtained, it may take several months until the provincial government approves any transfer of a Utility depending on the type of Utility system. If it is determined through the engineering or financial assessment that a borrowing bylaw is advantageous then this can be integrated into the public assent process.

The RDOS will work with the existing governing body or owner of a water system to host a public meeting or open house in which residents will have an opportunity to review the results of the engineering assessment, financial audit, financial plan and a transition plan (if desired). The intent of an open house is to ensure that residents understand any existing safety, debt, risk, environmental or operational issues with their Utility, and understand the costs required to fix their system to meet minimum standards. Benefits as well as any expected taxes or fee increase will be clearly identified.

The following are examples of water system types and acceptable methods of public assent.

Improvement District: A resolution by the Improvement District Board of Directors that affirms the dissolution of the Improvement District and the transfer of all assets to the RDOS is required. As part of the financial plan described above a borrowing bylaw may be required. If borrowing is required, authorization will be required by public vote.

Once resolved and agreed to by the RDOS, provincial approval is required.

A private water system: The owner of a private water system must sign the transfer agreement and the ratepayers must agree to the creation of a service establishment bylaw and possibly a borrowing bylaw through a formal public assent process.

A Water Users Community: a water users' community is a public corporate body created under the Water Users' Communities Act. <u>All</u> owners must agree to the transfer agreement, sign over all water rights and agree to the creation of a service establishment bylaw and possibly a borrowing bylaw through a formal public assent process.

Private utilities, regulated under the Water Utilities Act and Utilities Commission Act, require authorization from the Comptroller of Water Rights prior to finalizing the sale of assets to RDOS. Any sale to the RDOS must be subject to B.C. Water Comptroller approval. Improvement Districts are transferred by an Order-in-Council and do not require Comptroller approval or a transfer agreement.

Formal public assent process:

Once the contents of the engineering report and the overall financial picture have been discussed, residents will be asked if they wish to go to the next step, a formal public assent process. A public assent process basically asks, —Are you in favour of the RDOS taking over the system and charging you for the capital and maintenance costs? This can be accomplished by referendum, formal petition, or through an alternative approval process. A public assent process may include the transfer of any required water licenses. For example, a petition process may include a formal transfer of a water licence. Further, it will include an establishment bylaw and may include a borrowing bylaw.

Sample Resolution upon Completion of the Public Assent Process:

THAT the (Name of the Utility) transfer its assets to the RDOS and dissolve the (Name of the Utility) and that the (Elected President Chair or Chief Executive Officer) be authorized to sign all agreements, proclamations and other documents required to effect such transfer and dissolution.

If the public assent process is successful, the RDOS will prepare the necessary bylaws and paperwork to establish a service area, legally transfer ownership of the Utility, and will develop operational criteria.

11.0 Final Board Approval

In order to adopt service establishment and borrowing bylaws, public assent must be obtained. The Board will receive a report that summarizes the results of the above plans and the public assent process. Should there be sufficient public support through the public assent process for a borrowing bylaw, if needed, and a service establishment bylaw, the RDOS will proceed with the readings of the bylaw(s). Should there be significant risk to the RDOS, or be insufficient public support for the bylaws, then Staff will recommend that the utilities application be rejected. Significant risk shall include, but not be limited to, pending or existing lawsuits, unresolved Utility encroachments, an inability to meet existing regulation through a rejection of the borrowing bylaw or the inability of the RDOS to operate the Utility through the lack of existing licenses or the ability to transfer these licenses to the RDOS.

Appendix A - Sample Transfer Agreement for Privately Owned Utilities

UTILITY SYSTEM TRANSFER AGREEMENT

THIS AGREEMENT dated for reference ______,

BETWEEN:

REGIONAL DISTRICT OF OKANAGAN-SIMILKAMEEN

Address for Delivery: 101 Martin Street, Penticton, B.C., V2A 5J9 Contact Person: Email Address:

("RDOS")

AND:

[insert name and address of Utility owner/operator]

Address for Delivery: Contact Person: Email Address:

("Operator")

GIVEN THAT:

The Operator owns and operates a domestic _______ system located within the boundaries of the RDOS, as shown generally on the map attached as Schedule A, (collectively, the "**Utility System**").

The RDOS wishes to acquire certain Utility System assets and incorporate those assets as part of an RDOS __________ service and the Operator and the RDOS wish to enter into this Agreement to provide for the transfer of the Utility System to the RDOS.

THIS AGREEMENT IS EVIDENCE THAT in consideration of the promises exchanged below, and of the payment of \$1.00 by the RDOS to the Operator (the receipt and sufficiency of which the Operator acknowledges), the Operator and the RDOS covenant as follows:

Sale & Transfer of Utility System

1. On the terms and conditions of this Agreement, the Operator shall sell, assign, transfer and set over to the RDOS, and the RDOS shall purchase from the Operator, all of the Operator's rights, title and interest in and to the following property and assets:

- (a) all buildings, improvements, works, machinery and equipment in any way related to or associated with the Utility System, including as described in Schedule B;
- (b) all land, easements, rights of way, licenses, permits, railway crossing agreements, encroachment agreements and other interests and agreements under which any part of the Utility System is permitted to be located or operated or as is otherwise necessary for the operation of the Utility System, including as listed in Schedule C;
- (c) all funds held in the reserve funds, if any, listed in Schedule D (the "Reserve Funds");
- (d) the additional property and assets listed in Schedule E; and
- (e) any property of any kind whatsoever, real or personal, wheresoever located, pertaining to or in any way related to or associated with the Utility System that is identified for acquisition by the RDOS pursuant to the terms of this Agreement;

but specifically excluding the assets and property listed in Schedule F (the "Excluded Assets and Interests").

In this Agreement, the term "Assets" refers to the assets and property to be transferred as identified under this section, excluding, for clarity, the Excluded Assets and Interests.

Purchase Price

- 2. On the Completion Date, the RDOS shall pay \$1.00 (the "**Purchase Price**") to the Operator as consideration for the sale, transfer and assignment of the Utility System under this Agreement.
- 3. If the Assets include any land owned in fee simple by the Operator, adjustments to the Purchase Price in respect of such land, both incoming and outgoing, usually the subject of adjustment between a vendor and a purchaser in connection with the purchase and sale of land, including adjustments of property taxes, utilities and rents, shall be made up to and including the Completion Date.

Operator Obligations Before Completion

- 4. From and after the execution of this Agreement until the Completion Date, the Operator covenants to:
 - take all reasonable care to protect and safeguard the Assets and operate and otherwise deal with the Assets as a careful and prudent owner and operator would do and in such a manner that the Operator's representations and warranties under this Agreement remain true and correct;
 - (b) maintain in full force and effect insurance coverage in respect of the Assets against such risk and to such limits as are in accordance with prudent business practice and suitable to the Assets and the Utility System;
 - (c) not sell, transfer, dispose of, or mortgage, pledge, charge, subject to lien, grant a security interest in or otherwise encumber, the Utility System or the Assets in whole or in part;

- (d) use and expend monies held in any of the reserve funds in the normal operation of the Utility System and only for the purposes which the applicable reserve fund is established and in accordance with any trusts upon which such monies are held and to provide notice to the RDOS of any such expenditure as soon as possible;
- (e) use all reasonable best efforts to obtain any third-party consent or approval necessary for the transfer and assignment to of the Assets to the RDOS;
- (f) permit the RDOS, its employees, agents and contractors, to have access during normal business hours to the Utility System and the Assets and to all plans, drawings, specifications, operating manuals, books, accounts, data, records and other documents and material pertaining to the Utility System or the Assets and the operation, maintenance and repair thereof; and
- (g) permit the RDOS, its employees, agents and contractors to make inspections, surveys, tests and studies of the Assets.
- 5. Within 21 days following the date of execution of this Agreement, and from time to time following notice from the RDOS, the Operator shall deliver to the RDOS copies, in electronic format where available, of all plans, drawings, specifications, operating manuals, books, accounts, data, records and other documents and material pertaining to the Utility System or the Assets.

Timing of Transfer

6. The date for completion of the transfer of the Assets to the RDOS (the "**Completion Date**") shall be the day that is 28 days following the date that all of the conditions precedent under this Agreement are satisfied or waived or, if that day is not a business day, the next following business day.

Free and Clear Transfer

7. On the Completion Date, the Operator shall transfer, convey, assign and set over to the RDOS all of the Operator's rights, title and interest in and to the Assets, free and clear of all liens, claims, charges and encumbrances and if the Assets include any lands owned in fee simple by the Operator, the Operator shall convey title to such lands to the RDOS free and clear of all liens, claims, claims, charges and encumbrances other than those in favour of the RDOS or that have been approved in writing by the RDOS.

Closing Documents

- 8. On or before the Completion Date:
 - (a) The Operator shall, as directed by the RDOS, deliver to the RDOS or the solicitors for the RDOS, the following documents, each executed by the Operator and, where applicable, in a form registrable in the land title office:
 - i. one or more Form A Transfers for lands owned by the Operator that are included in the Assets (the "**Transfers**");

- an assignment or assignments registrable in the land title office with respect to any Assets that are interests in land registered in the land title office (the "LTO Assignments");
- iii. a general conveyance, assignment and transfer of all Assets;
- iv. a certified cheque payable to the RDOS in an amount equal to the amount of funds held in the Reserve Funds;
- v. a statutory declaration of a senior officer of the Operator certifying that the Operator is not a "non-resident" within the meaning of the Income Tax Act;
- vi. certified copies of resolutions of the shareholders and directors of the Operator authorizing the execution, delivery and implementation of this Agreement and of all documents to be delivered by the Operator under this Agreement;
- vii. a certificate of the president of the Operator certifying that all of the Operator's representations and warranties in this Agreement are true as at the Completion Date and
- viii. such further deeds, acts, things, bills of sale, transfers, assignments, certificates and assurances as may be requisite in the reasonable opinion of the RDOS' solicitor for more perfectly and absolutely assigning, transferring, conveying and assuring to and vesting in the RDOS, good and marketable title to the Assets, free and clear of all liens, claims, charges and encumbrances, immediately registerable in all places where registration of such instruments is required; and
- (b) The Operator shall deliver to the RDOS all manuals, records, accounts and other documents pertaining to the Utility System.

The RDOS shall cause its solicitors to prepare the above documents, which shall be in such form as may be determined by the RDOS and its solicitor.

Completion

9. On the Completion Date, after receipt of all of the documents and things to be delivered by the Operator to the RDOS on the Completion Date pursuant to this Agreement, the RDOS shall cause all Transfers and LTO Assignments to be submitted for registration in the Land Title Office and upon receipt of a satisfactory post application land title office title search indicating such that in the normal course the RDOS shall be (i) the registered owner in fee simple of all of the lands identified in any Transfers, free and clear of all liens, charges and encumbrances except those in favour of or approved in writing by the RDOS, and (ii) registered owner of all of the interests identified in the LTO Assignments, the RDOS shall deliver a cheque to the Operator in an amount equal to the Purchase Price, as adjusted pursuant to the terms of this Agreement.

Possession and Risk

10. On the Completion Date, the RDOS shall be entitled to possession of all of the Assets and, if any lands or buildings are included in the Assets, the Operator shall give vacant possession of such lands and buildings to the RDOS. The Assets are at the Operator's risk until application is made to register the Transfers and LTO Assignments in the Land Title Office on the Completion Date and thereafter are at the risk of the RDOS.

Fees and Taxes

- 11. The RDOS shall pay, as and when, due and payable:
 - (a) any property transfer tax payable under the *Property Transfer Tax Act* (British Columbia) with respect to its acquisition of any of the Assets;
 - (b) any Land Title Office fees in connection with the registration, filing or deposit with the LTO of any document or plan to be deposited, filed or registered pursuant to this Agreement;
 - (c) any provincial sales tax payable in respect of the RDOS's acquisition of the Assets; and
 - (d) any GST payable in respect of RDOS's acquisition of the Assets.

Each party shall be responsible for its own legal fees and disbursements incurred in respect of this Agreement.

Operator Representations and Warranties

- 12. The Operator represents and warrants to the RDOS that the following are true, and shall be true on the Completion Date, acknowledging that the RDOS is relying on the following representations and warranties in connection with its acquisition of the Assets, which representations and warranties shall survive the completion of the transaction under this Agreement:
 - the Operator is the legal and beneficial owner of, and has good and marketable title to, Assets free and clear of all liens, charges, security interests, encumbrances and claims of any kind;
 - (b) the Operator has operated the Utility System and the Assets in compliance with all applicable enactments and all orders, directives, rulings, decisions, requirements and approvals of any government authority having jurisdiction with respect to their operation, including under the Water Act, Water Users Communities Act, Utilities Commission Act, Water Sustainability Act, Environmental Management Act or otherwise; and
 - (c) If the Operator is a corporation, the Operator identity duly incorporated, validly existing and in good standing under the Business Corporations Act, has made all necessary filings required by that Act and has never been struck from the Registrar of Companies maintained by the office of the Registrar of Companies for British Columbia;
 - the Operator has the legal capacity, power and authority to own the Utility System and the Assets and to enter into this Agreement and perform all of its obligations under this Agreement;
 - (e) all necessary actions, steps and other proceedings have been taken to approve and authorize, validly and effectively, the entering into, and the execution, delivery and performance of this Agreement and the transfer of the Assets to the RDOS;
 - (f) there is no action, suit, claim, litigation or proceeding pending or to the Operator's knowledge threatened against the Operator or in respect of the Utility System or the

Assets before any court, arbitrator, arbitration panel or administrative tribunal or agency that might affect the Operator's ability to perform any of its obligations under this Agreement and no state of facts exist that could constitute the basis of any such action, suit, claim, litigation or proceeding;

- (g) neither the Operator entering into this Agreement nor the performance by the Operator of the terms of this Agreement shall result in the breach of or constitute a default under any term or provision of any instrument, mortgage, deed of trust, lease, document or agreement to which the Operator is bound or subject;
- (h) the Operator has complied with all Environmental Laws in its operation of the Utility System and the Assets, during the period that the Operator has owned the Utility System, the Operator has not caused or permitted any Contaminants to be introduced, and is not aware of any Contaminants having been introduced into, onto or under, or migrating to or from, any land comprised in the Utility System or the Assets;
- (i) to the best of the Operator's knowledge, the land comprised in the Assets contains no active or inactive above ground or below ground storage tanks;
- to the best of the Operator's knowledge, there is not now and has not been in the past any action, proceeding, investigation, prosecution or claim, pending or threatened under Environmental Laws in respect of, or related to the presence of Contaminants in, on or under any land comprised in the Assets, whether relating to the presence of Contaminants in the soils or ground water or migrating thereto or therefrom or otherwise;
- (k) to the best of the Operator's knowledge, there are no reports, soil test reports, assessments, audits, studies, permits, licenses or records with respect to the lands comprised in the Assets concerning or relating to Contaminants or compliance with Environmental Laws, whether or not prepared for the Operator or any other person, including any predecessors in title or tenants;
- to the best of the Operator's knowledge, there are no Contaminants in, on or under the lands comprised in the Assets or migrating or having migrated to or from the lands comprised in the Assets;
- (m) there is no liability, contingent or otherwise, for any Governmental Charges in respect Utility System or the Assets;
- (n) the Operator is not a "non-resident" of Canada within the meaning of the Income Tax Act
 (Canada) and is not acting as agent, trustee or nominee for any person in connection with
 the transaction contemplated by this Agreement; and
- (o) there are no debts due or owing for any work, labour, service or materials provided to or performed on any land comprised in the Utility System or the Assets under which a lien or charge has arisen or could arise under the Builders Lien Act (British Columbia).

In this section,

"Contaminants" means

- (i) as defined in the *Environmental Management Act*, any biomedical waste, contamination, contaminant, effluent, pollution, recyclable material, refuse, hazardous or special waste or waste;
- (ii) matter of any kind which is or may be harmful to safety or health or to the environment; or
- (iii) matter of any kind the storage, manufacture, disposal, emission, discharge, treatment, generation, use, transport, release, remediation, mitigation or removal of which is now or is at any time required, prohibited, controlled, regulated or licensed under any Environmental Laws;

"Environmental Law" means any past, present or future, common law or principle, enactment, statute, regulation, order, bylaw or permit, and any requirement, standard or guideline of any federal, provincial or local government authority or agency having jurisdiction, relating to the environment, environmental protection, pollution or public or occupational safety or health; and

"Governmental Charges" includes all taxes, customs, duties, rates, levies, assessments, re-assessments and other charges, together with all penalties, interests and fines with respect thereto, payable to any federal, provincial, local or other government or governmental agency, authority, board, bureau or commission, domestic or foreign.

Operator Default

13 If on the Completion Date any of the representations or warranties made by the Operator under this Agreement are untrue, or the Operator is in default under any of the covenants and obligations to be observed or performed by the Operator under this Agreement, the RDOS may elect not to complete the purchase of the Assets under this Agreement or to complete the purchase of the Assets under this Agreement, in either case without prejudice to any rights or remedies the RDOS may have in respect of the Operator's breach or default.

Conditions Precedent

- 14 The obligation of the RDOS to complete the transaction provided for in this Agreement is subject to the satisfaction of the following conditions precedent being satisfied or waived on or before the applicable date specified, each of which is for the exclusive benefit of the RDOS and may be waived in whole or in part by the RDOS in writing at any time on or before the applicable date specified:
 - (a) On or before the date that is 365 days following the date of execution of this Agreement by the parties, the RDOS will be satisfied in its sole discretion with the results of any due diligence investigations it undertakes with respect to the Utility System and the Assets.
 - (b) On or before the date that is 365 days following the date of execution of this Agreement by the parties, the RDOS will, in its sole and unfettered discretion, have enacted such bylaws as may be necessary in order to establish a new RDOS service or extend an existing RDOS service so as to provide services to the properties serviced by Assets

- (c) On the Completion Date, the representations and warranties of the Operator under this Agreement shall be true in all material respects, with the same effect as though the representations and warranties had been made on the Completion Date.
- (d) On or before the Completion Date, the RDOS shall have received all required consents of all government authorities and third parties necessary to permit any of the Assets to be transferred and assigned to the RDOS pursuant to this Agreement.

The Operator shall execute and deliver to the RDOS or to any governmental authority or other third party as directed by the RDOS such consents, authorizations and directions as may be necessary to enable the RDOS to conduct such due diligence investigations it chooses to undertake under paragraph (a) of this section and to enable the RDOS to receive the consents referred to in paragraph (d) of this section.

If any of the conditions precedent under this section is not satisfied or waived within the applicable time provided under this Agreement, this Agreement shall terminate and the parties shall have no further obligations to, nor rights against, each other in respect of this Agreement. In consideration of \$1.00 non-refundable paid by the RDOS to the Operator and other good and valuable consideration, the receipt and sufficiency of which the Operator acknowledges, the Operator agrees to remain bound by the terms and conditions of this Agreement while it remains subject to the conditions precedent under this section.

15. If the Utility System is a domestic water system or includes works for the supply of domestic water, the parties' obligations to complete the transfer of the Assets are subject to, and conditional upon, the satisfaction of the following condition precedent:

On or before the date that is 365 days following the date of execution of this Agreement by the parties and the Comptroller of Water Rights shall have approved, of the disposition of the Utility System under this Agreement on conditions, if any, acceptable to the RDOS exercising its sole discretion.

The conditions precedent created by this section may not be waived and if such condition is not satisfied on or before the date set out above, this Agreement shall terminate and the parties shall have no further obligations to, nor rights against, each other in respect of this Agreement.

For clarity, if the Utility System is not a domestic water system and does not include works for the supply of domestic water, the condition precedent under this section shall not apply.

Additional Assets and Property

16. If during the course of any due diligence investigations the RDOS undertakes with respect to the Utility System and the Assets, the RDOS determines it necessary or desirable to include in the acquisition under this Agreement additional assets or property, of any kind whatsoever, real or personal (including contracts and intellectual property of any kind), wheresoever located, associated with or related to the Utility System that are not currently included as part of the Assets, the RDOS may provide notice of that determination to the Operator identifying such additional property and assets and upon such notice such property and assets shall be included as "Assets" and the transfer and assignment to the RDOS under this Agreement.

Post Completion Operator Obligations

17. If after the Completion Date any of the Assets remain in the name of the Operator, the Operator shall hold such Assets in trust for the RDOS until such time as those Assets are in the name of the RDOS and during that period the RDOS shall have a license to use such Assets to the same extent as if such Assets where held in the name of the RDOS.

No RDOS Assumption of Utility System Liabilities

- 18. For clarity:
 - (a) Except as provided for under paragraph (c) of this section and for any debts or other liabilities expressly assumed by the RDOS pursuant to a separate written agreement between the RDOS and the Operator, the RDOS is acquiring the Assets only and does not assume in any way responsibility or liability for any liabilities, debts or other obligations of the Operator in any way relating to or associated with the Utility System or the Assets.
 - (b) Without limiting paragraph (a) of this section and for any debts or other liabilities expressly assumed by the RDOS pursuant to a separate written agreement between the RDOS and the Operator, the Operator will be solely responsible for any continuing obligations under any contracts or agreements not included in the Assets and transferred and assigned to the RDOS under this Agreement and for taking such steps as the Operator considers necessary or desirable to terminate such contracts and agreements.
 - (c) From and after closing on the Completion Date, the RDOS shall be responsible for performing all obligations arising after closing under the terms of any rights of way, easements, crossing agreements, contracts and agreements that are Assets transferred and assigned to the RDOS under this Agreement.

Operator Indemnity of RDOS

- 19. The Operator hereby indemnifies and saves harmless the RDOS and its elected and appointed officials, officers, employees and agents from and against:
 - (a) any and all liabilities and debts, whether accrued, absolute, contingent or otherwise, existing at closing on the Completion Date;
 - (b) any and all losses, damage and deficiencies resulting from any misrepresentation, breach of warranty or non-fulfilment of any covenant on the part of the Operator under this Agreement or from any misrepresentation in or omission from any certificate or other instrument furnished or to be furnished to the RDOS under this Agreement; and
 - (c) any and all claims, actions, suits, demands, proceedings, assessments, judgments, costs and legal and other expenses incident or related to any of the foregoing.

General Provisions

- 20. <u>Further Assurances</u> The Operator shall promptly execute and deliver all such further documents, deeds and instruments, and do and perform such other acts, as the RDOS may consider necessary or desirable to give full effect to the intent and meaning of this Agreement.
- 21. <u>Operator Performance</u> The Operator shall perform its obligations, including under any covenants, under this Agreement at its own expense and without compensation or reimbursement from the RDOS.
- 22. <u>Notice</u> Any notice which may be or is required to be given under this Agreement will be in writing and be delivered or sent by email to the applicable address set out above, or to such other address notice of which is given in accordance with this section. Any notice that is delivered or sent by email is to be considered given on the day it is delivered or sent, except that if that day is not a Business day, the notice is to be considered given on the next Business day after it is sent.
- 23. <u>No Effect on Powers</u> This Agreement does not, and nothing herein will:
 - (a) affect or limit the discretion, rights, duties or powers of the RDOS or the approving officer for the RDOS under the common law or any statute, bylaw or other enactment;
 - (b) affect or limit the common law or any statute, bylaw or other enactment applying to the Operator Lands; or
 - (c) relieve the Operator from complying with any common law or any statute, regulation, bylaw or other enactment.

Without limiting the foregoing, the Operator acknowledges and agrees that where fulfillment of a condition precedent under this Agreement requires that the RDOS adopt bylaws or pass resolutions, the adoption of such bylaws and passage of such resolutions is within the absolute and unfettered discretion of the Board and the provisions of this Agreement will not in anyway obligate the Board to adopt such bylaws or pass such resolutions or affect the Boards' discretion with respect thereto.

- 24. <u>Time of Essence</u> Time is of essence of this Agreement.
- 25. <u>Interpretation</u> In this Agreement:
 - (a) all dollar amounts referred to in this Agreement are Canadian dollars;
 - (b) reference to the singular includes a reference to the plural, and vice versa, unless the context requires otherwise;
 - (c) article and section headings have been inserted for ease of reference only and are not to be used in interpreting this Agreement;
 - (d) the term "enactment" has the meaning given to it under the Interpretation Act (British Columbia) on the reference date of this Agreement;

- (e) reference to any enactment includes any regulations, orders or directives made under the authority of that enactment;
- (f) reference to any enactment is a reference to that enactment as consolidated, revised, amended, re-enacted or replaced from time to time, unless otherwise expressly provided;
- (g) reference to a particular numbered section or article, or to a particular lettered Schedule, is a reference to the correspondingly numbered or lettered article, section or Schedule of this Agreement and any Schedules to this Agreement form part of this Agreement;
- (h) where the word "including" is followed by a list, the contents of the list are not intended to circumscribe the generality of the expression preceding the word "including"; and
- (i) "Business Day" means a day other than a Saturday, Sunday or statutory holiday in British Columbia.
- 26. <u>Tender</u> Any tender of documents or money to be made upon a party may be made at that party's address set out in this Agreement or upon their solicitor.
- 27. <u>No Other Agreements</u> This Agreement is the entire agreement between the parties regarding its subject and it terminates and supersedes all other representations, warranties, promises and agreements regarding its subject.
- 28. <u>Assignment</u> The Operator may not assign all or any part of this Agreement, or the benefit hereof, without the prior written consent of the RDOS, which may be withheld arbitrarily and without reason.
- 29. <u>Schedules</u> The following are Schedules to this Agreement and form an integral part of this Agreement:

Schedule A – Drawing or Map of Utility System

Schedule B – Buildings, Improvements, Works, Machinery and Equipment

Schedule C – Land, Easements, Rights of Way, Licenses, Permits, Railway Crossing Agreements, Encroachment Agreements and Other Interests and Agreements

Schedule D – Reserve Funds and Amounts (if any)

Schedule E – Additional Property and Assets to be Purchased (if any)

Schedule F – Excluded Assets and Interests (if any)

30. <u>Modification</u> – This Agreement may not be modified except by an instrument signed in writing by the parties, except that the Completion Date may be changed by their agreement through their respective solicitors upon instructions to their solicitors as evidenced promptly thereafter in writing by their solicitors.

- 31. <u>Governing Law</u> This Agreement will be governed by and construed in accordance with the laws of British Columbia.
- 32. <u>Non-Merger</u> None of the provisions of this Agreement will merge in the transfer of the Assets or any other documents delivered on the Completion Date and the provisions of this Agreement will survive the completion of the purchase and sale transaction under this Agreement.

<u>Counterparts and Electronic Execution & Delivery</u> - This Agreement may be executed in any number of counterparts and delivered by e-mail, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, provided that any party delivering this Agreement by e-mail shall also deliver to the other party an originally executed copy of this Agreement.

As evidence of their agreement to be bound by this Agreement, the RDOS and the Operator have executed this Agreement below.

REGIONAL DISTRICT OF OKANAGAN-SIMILKAMEEN

by its authorized signatories:

Chair:

Corporate Officer:

[insert name of Utility corporation] by its authorized signatories:

Name:

Name:

List of Schedules:

- Schedule A Drawing or Map of Utility System
- Schedule B Buildings, Improvements, Works, Machinery and Equipment
- Schedule C Land, Easements, Rights of Way, Licenses, Permits, Railway Crossing Agreements, Encroachment Agreements and Other Interests and Agreements
- Schedule D Reserve Funds and Amounts (if any)
- Schedule E Additional Property and Assets to be Purchased (if any)
- Schedule F Excluded Assets and Interests (if any)

APPENDIX B – APPLICATION FORM

RDOS UTILITY SYSTEM ACQUISITION

APPLICATION FORM

Name of Organization:				
Contact Name (s):				
Contact Mailing Address:				
Email(s):				
Phone(s):				
UT	ILITY INFO	RMATION		
Location:				
Description:				
Number of Connections:				
Does your Utility have all surface and we	ell water Li	censes & Permits	Yes	
necessary for the RDOS to own, operate	and maint	ain the Utility? Is	No	
anything missing?				
Are you willing to transfer all assets (inc	-	•	Yes	
the end of this process for \$1 subject to public and provincial approval?			No	
(See policy)				
Have you applied to the RDOS within the last 5 years to have the Utility			Yes	
transferred?			No	
Are you aware of any lawsuits liabilities	• •	•	Yes	
RDOS might inherit should the Utility be	transferre	d to the RDOS?	No	
Have you read the RDOS Utility Acquisit	ion Policy?		Yes	
			No	
Has your Board resolved to apply to the RDOS for transfer? (See Section		Yes		
3 of the Utility Acquisition Policy) Includ			No	
DECLARATION:				
Ideclare that the statements made above are truthful to the				
(Print Name) best of my knowledge.				
Signature		Date		



ADMINISTRATIVE REPORT

Administrative Recommendation:		
RE:	Request for support to apply to RBC Social Impact and Real Estate Foundation of BC Grants	
DATE:	Aug 15, 2019	
FROM:	B. Newell, Chief Administrative Officer	
то:	Board of Directors	

Administrative Recommendation:

THAT the Board of Directors support applications to the Royal Banks of Canada - Social Impact (RBC) and the Real Estate Foundation of BC Grant (REFBC) to augment printing costs and continue on-the-ground outreach for the Building Climate Resilience in the Okanagan Guidebook, A Homeowner's Resource Guide

Purpose:

To obtain continued support funding from the major contributors to the Guidebook for the printing of more guidebooks and ability to conduct more workshops in 2019 and 2020.

Reference: Link to guidebook

http://www.rdosmaps.bc.ca/min_bylaws/PublicWorks/Building_resilience_Guidebook/SOREBRDOS.pdf

Background:

In the past years of RDOS Water Conservation and related outreach, a single theme developed; there was not a comprehensive single 'go to' compendium to provide information on the various climate resilience topics to new and existing residents. The information was out there, but in disparate places and often difficult to find easily. Feelers were put out to potential funders to bridge this information gap.

The South Okanagan Real Estate Board (SOREB) recognized the opportunity to both produce a valuable tool for Realtors, and partner with RDOS/RBC to provide a comprehensive guidebook to the general public. In 2018, RDOS and SOREB jointly appied to REFBC for funding. The funding was successfully secured (\$60,000), and Realtor education was an added key component to the deliverables of the publication. The RBC was supportive of utilizing dollars towards this project, from grant reserves previously obtained by the RDOS to assist with the printing costs.

The guidebook published and launched in June 2019, to wide success. Realtor workshops were very well attended.



Analysis:

The RDOS in partnership with the REFBC, RBC, Okanagan Nation Alliance, South Okanagan Real Estate Board have received accolades and requests for more guidebooks and workshops to support the content. The RDOS PW Projects Coordinator has identified the publication as a keystone educational piece to support the New Water Use Regulations Bylaw outreach. In addition, the Okanagan Nation Alliance has requested to utilize the guidebook in their communities, valley-wide. This will require the additional grant funding and outreach dollars

Letter of support for the grants has been received from the ONA, and in-kind support from RDNO, RDCO has been confirmed.

Royal Bank Social Impact Stream (previously the RBC Blue Water Grant) - request \$25,000

Web-site Description: *RBC Environmental donations aim to ensure the availability and* sustainable management of water while simultaneously combating the negative impacts of climate change. Our approach builds on the knowledge, expertise and network of partners resulting from our 10 year, \$50 million RBC Blue Water Project commitment. We will continue to support organizations addressing water challenges and have expanded our approach to include initiatives that help address issues related to climate change. (open now)

Real Estate Foundation of BC – request \$25,000

Web-site Description: General Grants can fund projects in all five of REFBC's interest areas: land use, built environments, fresh water, food lands, and real estate. There are two intake cycles per year. Applications are open to any non-profit organization doing work related to land use or real estate in BC. (September deadline)

Alternative:

The Board may choose to not provide support for one or both of the grant applications listed.

Communication Strategy:

Continued communications strategy from the original grant applications as dictated by funders and RDOS; through media outlets, workshops, earned and purchased media, reports, and evaluations.

Respectfully submitted:

Liisa Bloomfield

L.Bloomfield, Manager of Engineering


ADMINISTRATIVE REPORT

то:	Board of Directors
FROM:	B. Newell, Chief Administrative Officer
DATE:	August 15, 2019
RE:	Bylaw 2868 Area C – Community Works Gas Tax Reserve Expenditure

Administrative Recommendation:

THAT

Bylaw No.2868, 2019, Electoral Area "C" Community Works (Gas Tax) Reserve Fund Expenditure Bylaw for the contribution of \$100,000 towards the Small Wheels Playground project be read a first, second and third time and be adopted.

Reference:

Bylaw 2402, 2006 - Regional District Okanagan Similkameen Electoral Area "C" Community Works (Gas Tax) Reserve Fund Establishment Bylaw.

Bylaw 2868, 2019 – Electoral Area "C" Community Works (Gas Tax) Reserve Fund Expenditure Bylaw

Background:

In 2006, the RDOS Board created the Electoral Area "C" Community Facilities Capital Reserve Fund for the purpose of expenditures for or in respect of capital projects within Electoral Area "C" meeting the eligibility criteria for the Community Works Gas Tax Program.

The RFP process for the Design/Build of the Oliver Small Wheels Playground facility was completed in February 2018 with the tender awarded to New Line Skateparks of Langley, BC. In the spring, recreation staff along with New Line completed the design process for the Small Wheels Park in Lion's Park including the geotechnical survey of the site so that the project would be "shovel ready" when the necessary funds for construction become available through grants, fundraising and inkind donations. The estimated cost of the project as designed is \$260,000.

Analysis:

This project meets the criteria as set out for the Community Works Gas Tax Program.



The Oliver Parks & Recreation Society was awarded a BCAA Play Now Grant of \$100,000. The remaining \$65,000 cost of this project will be raised through community fundraising efforts. See attached minutes of OPR Society meeting of Monday July 15, 2019.

After deducting the expenditures already committed in 2019, the balance in the Area A Community Facilities Reserve Fund is \$997,423.67.

Alternatives:

Status Quo – Project does not go forward or is delayed until funds can be raised through another means.

Respectfully submitted:

"John Kurvink, Manager of Finance/CFO"

J. Kurvink, Finance Manager

REGIONAL DISTRICT OF OKANAGAN-SIMILKAMEEN

BYLAW NO. 2868, 2019

A bylaw to authorize the expenditure of monies from the Electoral Area 'C' Community Works Program Reserve Fund to provide \$100,000 towards the Oliver Small Wheels Playground Project.

WHEREAS Section 377 of the Local Government Act, and Section 189 of the Community Charter authorises the Board, by bylaw adopted by at least 2/3 of its members, to provide for the expenditure of any money in a reserve fund and interest earned on it;

AND WHEREAS the 'Electoral Area 'C' Community Works Program Reserve Funds' have sufficient monies available for community capital projects;

NOW THEREFORE, the Board of the Regional District of Okanagan-Similkameen in open meeting assembled enacts as follows:

1 Citation

- 1.1 This Bylaw shall be cited as the "Electoral Area 'C' and Community Works Program Reserve Fund Expenditure Bylaw No. 2868, 2019"
- The expenditure of up to \$100,000 from the Electoral Area 'C' Community Works Program Reserve Funds are hereby authorized towards the Oliver Small Wheels Playground Project

READ A FIRST, SECOND, AND THIRD TIME this ____ day of ____, 2019

ADOPTED this ____ day of ____, 2019

RDOS Board Chair

Corporate Officer



ADMINISTRATIVE REPORT

TO: Board of Directors

FROM: B. Newell, Chief Administrative Officer

DATE: August 15, 2019

RE: Community Emergency Preparedness Fund

Administrative Recommendation:

THAT the Okanagan Falls Volunteer Fire Department requests a Board resolution from the Board of Directors of the Regional District of Okanagan Similkameen

Purpose: To support the Grant Application for funds from the "Community Emergency Preparedness Fund" (Volunteer & Composite Fire Departments Equipment & Training)

Reference: Application dated July 17, 2019 attached

Respectfully submitted:

Rob Oliver, Fire Chief

C:\Users\John\Documents\Administrative Report Community Emergency Preparedness Fund.Docx

Community Emergency Preparedness Fund Volunteer & Composite Fire Departments Equipment & Training 2019 Application Form

Please complete and return the application form by <u>November 15, 2019</u>. All questions are required to be answered by typing directly in this form. If you have any questions, contact cepf@ubcm.ca or (250) 387-4470.

SECTION 1: Applicant Information	AP	(for administrative use only)
Name of Local Government or First Nation: Regional District of Okanagan Similkameen- Okanagan Falls Volunteer Fire Department	Date of Application	on: July 17,2019
Contact Person*: Rob Oliver	Position: Fire Ch	ief
Phone: 250.497.5700	E-mail: okfire@s	haw.ca

* Contact person must be an authorized representative of the applicant.

SECTION 2: For Regional Projects Only

- Identification of Partnering Applicants. For all regional projects, please list all of the partnering applicants included in this application. Refer to Sections 2 and 3 in the Program & Application Guide for eligibility.
 N/A
- 2. Rationale for Regional Projects. Please provide a rationale for submitting a regional application and describe how this approach will support cost-efficiencies in the total grant request.

N/A

SECTION 3: Project Summary

3. Name of the Project:

Jaws of Life Grant Application

4. Project Cost & Grant Request:

Total Project Cost: \$26,176.79 Total Grant Request: \$25,000.00

Have you applied for, or received funding for, this project from other sources? No

5. Project Summary. Provide a summary of your project in 150 words or less.

The existing Jaws of Life used by the Okanagan Falls Volunteer Fire Department is over 25 years old. With the increased call volume for motor vehicle accidents requiring the use of the jaws of life we feel the requirement to upgrade with a new state of the art, battery powered jaws of life (cutter and spreader). If approved the new jaws of life would be installed in the second first responder truck which will travel out of the fire protection district as required. The existing jaws of life was purchased with donated funds and from annual yard sales sponsored by the fire department

SECTION 4: Detailed Project Information

- 6. Requirement to be Volunteer or Composite Fire Department. Please list the name and location of each eligible fire department that is included in this application and describe the composition (volunteer or composite) of each.
 - Okanagan Falls Volunteer Fire Department
- 7. Operating Budget(s). Please indicate the annual operating budgets of each fire department included in this application and describe the extent to which that budget enables each fire department to purchase essential equipment and/or provide training.

\$400,368.00

8. Proposed Activities. What specific activities will be undertaken as part of the proposed project? Refer to Sections 3 and 4 of the Program & Application Guide for eligibility.

Purchase of equipment for the volunteer fire department

9. Resiliency. Describe how the proposed project will build the resiliency of volunteer or composite fire departments in your community.

This piece of equipment would efficiently assist the members of the fire department in serving the travelling public where the jaws of life is required to extricate patients.

10.Mental Well-Being. Describe the extent to which proposed training will specifically address the mental wellbeing of eligible fire department staff and volunteers.

N/A

11. Transferability. Describe the extent to which the proposed project may offer transferable resources and supplies to other local governments and First Nations (i.e. trained staff and/or equipment that will be made available to other communities, training resources other communities will be invited to utilize, etc.).

N/A

12. Partnerships. Identify any other organizations or stakeholders you will collaborate with on the proposed project and specifically outline how you intend to work together.

N/A

13. Evaluation. How will the project be evaluated? How will performance measures and/or benchmarks be used to measure outcomes (i.e. tracking number of training events and exercises, external evaluators, etc.)?

N/A

14. Additional Information. Please share any other information you think may help support your submission.

As a small volunteer fire department, with limited funds, access to grant funds to assist in the purchase of equipment is invaluable.

SECTION 5: Required Application Materials

Only complete applications will be considered for funding. The following separate attachments are required to be submitted as part of the application:

- Local government Council or Board resolution, Band Council resolution or Treaty First Nation resolution, indicating support for the current proposed activities and willingness to provide overall grant management.
- Detailed budget for each component identified in the application. This must clearly identify the CEPF funding request, applicant contribution, and/or other grant funding.
- <u>For regional projects only</u>: local government Council or Board resolution, Band Council resolution or Treaty First Nation resolution from each partnering applicant that clearly states their approval for the primary applicant to apply for, receive and manage the grant funding on their behalf.

SECTION 6: Signature

I certify that: (1) to the best of my knowledge, all information is accurate and (2) the area covered by the proposed project is within our local authority's jurisdiction (or appropriate approvals are in place).

Name: Rob Oliver	Title: Fire Chief
Signature: Roduce An electronic or original signature is required.	Date: July 17, 2019

Submit applications to Local Government Program Services, Union of BC Municipalities E-mail: cepf@ubcm.ca

Mail: 525 Government Street, Victoria, BC, V8V 0A8

Trans-Care Rescue Ltd.

Box 559, Langham, Saskatchewan, S0K 2L0 Phone: 1-800-71-RESCU or (306) 283-4496 / Fax (306) 283-4456

	accounting@trans-carerescue.com	
ESTIMATE FOR:		DATE:

OKANAGAN FALLS VOL. FIRE DEPT. Box 484 5013 11th Ave Okanagan Falls BC V0H 1R0

Phone: 250-497-5309

TCR

Fax: 250-497-5764

Delivery: Contact: rob Phone: Fax:

Salesman: Jory

7/9/2019

PARTNUMBER	DESCRIPTION		QTY	LIST	PRICE	TOTAL	FA.
001-IC550	Ion Cutter - Flexvolt60V(26Ah Batteries and Charger)		1.00		11,210.06		
001-IS280L	Batteries and Charger) Ion 28" Spreader w/ Lighted Handle -Flexvolt60V(26Ah batteries and charger)		1.00	15,092.16	13,720.22	13,720.22	G
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Estimate valid for 30 days.

All orders shipped FOB Saskatoon SK.

 Sub Total
 \$24,930.28

 P.S.T.6%
 \$0.00

 GST 5%
 \$1,246.51

 Total
 \$26,176.79

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47

GST#: 82773 1324 RT0001

Page 1 of 1



ADMINISTRATIVE REPORT

RE:	Electoral Area "I" Economic Development Service Establishment Bylaw No. 2869, 2019
DATE:	August 15, 2019
FROM:	B. Newell, Chief Administrative Officer
то:	Board of Directors

Administrative Recommendation:

THAT Electoral Area "I" Economic Development Service Establishment Bylaw No. 2869, 2019 be read a first, second and third time and be forwarded to the Inspector of Municipalities for approval; and further,

THAT the Board of Directors authorize the approval for the bylaw be given with the consent of the Electoral Area "I" Director, in accordance with the Local Government Act.

Purpose:

To create a new economic development service in Electoral Area "I"

Reference:

Local Government Act

Background:

With the division of Electoral Area "D" creating Electoral Area "I" in 2018, many service establishment bylaws have been indentified as requiring attention to address whether the Electoral Area "I" director wished to continue participating in the service.

The Director for Electoral Area "I" has recently indicated an intent to withdraw Electoral Area "I" from the Electoral Area "D" Economic Development Service. As a result, the Board of Directors, on August 1, 2019, gave three readings to the amendment of Bylaw No. 2447 Area "D" Economic Development, to remove all properties from the service which now fall into the new Electoral Area "I".

Analysis:

The Director for Electoral Area "I" would like to proceed with the creation of an economic development service which is specific to Electoral Area "I" only.

The Board of Directors may authorize approval for the bylaw to be given under s. 347 of the *Local Government Act*, that is with the consent of the Electoral Area Director.



An establishing bylaw for an economic development service, under s. 339 (2)(d) of the *Local Government Act*, is excepted from the requirement to set a maximum amount that may be requisitioned for a service; therefore, this bylaw does not include a maximum requisition limit.

Alternatives:

THAT the Board of Directors not proceed with Bylaw No.2869, 2019 and an Electoral Area "I" economic development service not be created.

Respectfully submitted:

"C. Malden"

C. Malden, Manager of Legislative Services

REGIONAL DISTRICT OKANAGAN-SIMILKAMEEN

BYLAW NO. 2869, 2019

A bylaw to establish and operate the promotion of economic development as a service in the Electoral Area "I" of the Regional District Okanagan-Similkameen.

WHEREAS the Board of Directors (the "Board") of the Regional District of Okanagan-Similkameen (the "Regional District") may adopt a bylaw to establish and operate the promotion of economic development as a service in Electoral Area "I" of the Regional District;

AND WHEREAS for a proposed electoral participating area, a board may authorize approval under section 342(2)(d) of the *Local Government Act* to be given under section 347 if, in the case of an establishing bylaw for a service referred to in section 339(2), the proposed participating area for the service includes all of the electoral area and the service can be established without borrowing;

AND WHEREAS the director for Electoral Area "I" of the Regional District has, under section 347 of the *Local Government Act*, consented in writing on behalf of the electors in the proposed electoral participating areas to adopting this bylaw;

NOW THEREFORE the Board of the Regional District, in open meeting assembled **ENACTS** as follows:

1. <u>ESTABLISHMENT OF THE SERVICE</u>

- (a) The promotion of economic development is established as the Economic Development Service (the "service") in Electoral Area "I" of the Regional District.
- (b) The Board may operate the service in the Economic Development Service Area (the "service area") and, without limitation, enter into a contract with a third party to implement the service.

2. <u>SERVICE AREA</u>

The boundaries of the service area are those of Electoral Area "I" of the Regional District.

3. PARTICIPATING AREA

Electoral Area "I" of the Regional District is the participating area for the service.

4. METHODS OF COST RECOVERY

- (a) The annual costs of the service are to be recovered by a requisition under section 387 of the *Local Government Act*.
- (b) The amount requisitioned must be collected by a property value tax imposed in accordance with section 388 of the *Local Government Act* on the basis of the net taxable value of land and improvements.

5. <u>CITATION</u>

This bylaw may be cited as the Electoral Area "I" Economic Development Service Establishment Bylaw No. 2869, 2019.

READ A FIRST, SECOND, AND THIRD TIME this xx day of xx, 2019.

ELECTORAL AREA "I" DIRECTOR CONSENT OBTAINED this xx day of xx, 20xx.

APPROVED BY THE INSPECTOR OF MUNICIPALITIES this xx day of xx, 20xx.

ADOPTED this xx day of xx, 20xx.

Chair

Corporate Officer

TO: Board of Directors
FROM: B. Newell, Chief Administrative Officer
DATE: August 15, 2019
RE: Petition to Enter Kaleden Fire Protection Service Area



Administrative Recommendation:

THAT Kaleden Fire Department Fire Protection Local Service Establishment Amendment Bylaw No. 1238.03, 2019 be adopted.

Reference:

Kaleden Fire Department Fire Protection Local Service Establishment Bylaw No. 1238, 1991. August 1, 2019 Administrative Report re: Petition for Inclusion into Kaleden Fire Service Area.

Background:

At the August 1, 2019 Board meeting, the Board of Directors gave first three readings to Bylaw No. 1238.03 which proposes to bring lands legally described as "Plan KAP4841B, Section 14, Township 88, Similkameen Div of Yale Land District, Portion NE 1/4, Except Plan H101" (310 Highway 97, Kaleden) into the Kaleden Fire Department Fire Protection local service area. The lands are currently outside of any fire protection service area.

Analysis:

Under Regional District Establishing Bylaw Approval Exemption Regulation 113/2007, the Board may adopt a bylaw without approval of the Inspector of Municipalities if a sufficient petition and consent from the Electoral Area is received. The petition received in relation to this bylaw has been certified sufficient and consent has been obtained; therefore, the Board may now adopt the bylaw.

Alternatives:

THAT first, second and third readings of Kaleden Fire Department Fire Protection Local Service Establishment Amendment Bylaw No. 1238.03, 2019 be rescinded and the bylaw abandoned.

Respectfully submitted:

"Christy Malden"

C. Malden, Manager of Legislative Services

REGIONAL DISTRICT OF OKANAGAN-SIMILKAMEEN

BYLAW NO. 1238.03, 2019

A bylaw to amend the boundaries of the Kaleden Fire Department Fire Protection Local Service.

WHEREAS the owners of the property described in this bylaw have petitioned the Board of the Regional District to extend the boundaries of the Kaleden Fire Department Fire Protection Local Service Area to include that property;

AND WHEREAS consent on behalf of the participating areas has been given by the Director of Electoral Area "I" in accordance with the *Local Government Act*;

NOW THEREFORE, the Board of the Regional District of Okanagan Similkameen, in open meeting assembled, ENACTS AS FOLLOWS:

1.0 <u>CITATION</u>

1.1 This bylaw may be cited as the Kaleden Fire Department Fire Protection Local Service Establishment Amendment Bylaw No. 1238.03, 2019.

2.0 SERVICE AREA EXTENSION

2.1 The Kaleden Fire Department Fire Protection Local Service Establishment Bylaw No. 1238 is amended by adjusting Schedule "A" to that bylaw to include within the boundaries of the service area that portion of the Lands legally described as

Plan KAP4841B, Section 14, Township 88, Similkameen Div of Yale Land District, Portion NE 1/4, Except Plan H101

as outlined in heavy black on the plan attached as Schedule "A" to this Bylaw.

READ A FIRST, SECOND AND THIRD TIME this 1st day of August, 2019.

ELECTORAL AREA "I" DIRECTOR CONSENT OBTAINED on 1st day of August, 2019.

ADOPTED this day of , 2019.

Chair

Corporate Officer

FILED with the Inspector of Municipalities this _____ day of ____, 2019

Schedule A

