

MEMORANDUM

To: Regional District of Central Okanagan Chair and Board of Directors

From: Anna Warwick Sears, OBWB Executive Director

Date: July 5, 2022

Subject: Water Management Program Renewal

Since it was established in its current form 16 years ago, the OBWB's Water Management Program has led to the Okanagan becoming respected throughout B.C. for watershed management. Under the initial 2006 agreement, the program had to be reviewed prior to completing its first three-year term, and the OBWB was required to apply to the regional districts for renewal of the program. It has gone through the review and renewal process in 2008, 2011, 2014, and 2018. I have attached a draft of the 2022 program review as a separate document.

The OBWB now formally requests that the Okanagan regional districts make the Water Management Program an ongoing function of the OBWB, like the OBWB's Milfoil Control Program and Sewerage Facilities Grants Program. This change can be made by regional district resolutions to update our Governance Manual, and does not require any change to our Supplementary Letters Patent (SLP – our founding provincial legislation).

Initiatives that are currently under the umbrella of the Water Management Program, and are subject to the four-year renewal period include:

- The Okanagan Water Stewardship Council
- Okanagan WaterWise
 - o Don't Move A Mussel
 - o Make Water Work
 - o All other education, outreach, and media support
- Water Conservation and Quality Improvement Grants
- Water Science and Information Projects
 - o Flood and Drought planning and outreach
 - o Okanagan Hydrometric Program
 - o Okanagan Lake Regulation System updates
 - o Environmental Flow Needs
 - o Wetland Strategy
 - o Source Protection

Note that the Okanagan Water Stewardship Council is mandated by the SLP to be a permanent standing "Liaison Committee." However, it relies on the renewal of the Water Management Program to fund the staff position of the Water Stewardship Director, as well as all the logistics related to the Council's ongoing meetings and operations.

The initial Water Management Program review requirement was also an opportunity for local governments to receive an update on OBWB activities and budgets. Since 2009, OBWB has reproduced the activities of the four-year review by publishing annual reports - including audited financial statements – replacing the need for duplication by the review updates. OBWB's annual reports are distributed to all Okanagan local governments, published on our website, and are posted on the B.C. Public Accounts Archive.

Permitting the Water Management Program to become an ongoing function of the OBWB will not reduce the authority of the regional districts. Okanagan regional districts are *empowered* rather than *required* to participate in the OBWB, and can, through their OBWB representatives (or directly), request additional information on OBWB initiatives at any time. Regional districts can withdraw from OBWB, or work with the other regional districts to request changes.

The 2005 regional district resolutions placed a \$0.02/\$1,000 assessment cap on the OBWB's Water Management Program budget. OBWB's SLP also puts a cap on OBWB requisitions: the cost of the Water Management Program and the watermilfoil control program together shall not exceed "\$0.036 per \$1,000 on assessed values" of participating regional districts. In summary, there are existing controls in place to limit the expansion of the OBWB's programs unless regional districts provide assent, and the current requirement to review and renew the program every four years limits the effectiveness of the OBWB's water management activities.

Next Steps

Changes to the Water Management Program are made through updates to the Governance Manual (see below for specific recommended changes). We are seeking to make these changes to the program before September 1, 2022, to allow time to prepare the OBWB annual budget, which must be passed before the municipal election on October 15, 2022.

The three Okanagan regional districts are respectfully requested to pass the following resolution. All three regional districts must pass the resolution for it to come into effect:

Requested Resolution: *THAT the Regional Board receive the Okanagan Basin Water Board, 2022 Water Management Program Review for information;*

AND THAT the Regional Board approve the removal of the four-year review and renewal requirement for the Water Management Program through an amendment to the OBWB Governance Manual (Terms of Reference) as presented at the July 14, 2022 meeting.

Specific Suggested Changes to the OBWB Governance Manual (Pages 13 & 14 in the manual)

7.4 Water Management Program

- 7.4.1 The OBWB Water Management Program was formalized in 2005 by the participating regional districts.¹ Basic elements include:
- Reinstatement of the Liaison Committee² as the Okanagan Water Stewardship Council;
 - Establishing the Water Conservation and Quality Improvement Grants program;
 - Expanding the Board to include representatives from the Okanagan Nation Alliance, the Water Supply Association of BC, and the Okanagan Water Stewardship Council.
 - Granting OBWB authority to approve its operating and capital budgets.
- 7.4.2 Funding for the Water Management Program is capped at \$0.02 per \$1000 assessed property values within the Basin.³
- 7.4.3 The OBWB carries over project funds across fiscal years.⁴
- 7.4.4 The total cost of the Water Management Program and the Eurasian Watermilfoil Control Program cannot exceed the ceiling of \$0.036/\$1000 as given in 7.1.3, above.⁵
- ~~7.4.5 The Water Management Program has a 4-year renewal period.⁶ It is next scheduled for renewal in 2023.~~
- 7.4.6 The OBWB documents the activities of this program in their annual report.⁷
- 7.4.7 The Water Conservation and Quality Improvement Grants Program provides funding to Okanagan local governments and organizations, giving priority to water management projects with Basin-wide significance.⁸

7.5 Financial Approvals

The following financial approval policies have been established for the OBWB.

- 7.5.1 The OBWB fiscal year begins April 1st.⁹
- 7.5.2 The OBWB annual operating budget for the succeeding year is presented for approval to the OBWB by the Executive Director in November each year.¹⁰

¹ Joint regional district resolution approving *Proposal to Enhance the Effectiveness of the OBWB*, (2005, 2008).

² SLP Clause 14. "The Water Board shall establish a Liaison Committee consisting of persons appointed by such municipalities, regional districts, improvement districts and Government agencies as the Water Board may determine, and the Liaison Committee shall advise on such matters as may from time to time be referred to it by the Water Board."

³ Joint regional district resolution approving *Proposal to Enhance the Effectiveness of the OBWB*, (2005, 2008).

⁴ SLP, Clause 5 (ref. to Municipal Act Sect. 782 (2)), Appendix II.

⁵ SLP, Clause 6, Appendix II.

⁶ Joint regional district resolutions (2005, 2008, 2011, 2014).

⁷ Joint regional district resolution, on renewal of the Water Management Program, (2008).

⁸ Terms of reference available on www.obwb.ca. Program must be renewed by every four years.

⁹ Established by practice to be aligned with the provincial and federal year end.

¹⁰ Established by practice.

- 7.5.3 The OBWB may approve its own detail capital and operating budgets, subject to the general annual budget process. This authority is subject to renewal every four years, and is currently in place through March 31, 2023.¹¹
- 7.5.4 The approved OBWB budget for the succeeding year is presented to the regional boards of the participating regional districts for incorporation into their own budget process on or before December 15 each year.¹²
- 7.5.5 The OBWB budget is approved through a weighted vote of the entire regional board during each regional district's budgeting process.¹³
- 7.5.6 Major capital expenditures by the OBWB must be approved in the form of resolution by the regional boards of the participating regional districts.¹⁴
- 7.5.7 Financial approvals by regional district Boards for major capital expenditures are given through a vote of representatives from jurisdictions within the watershed boundaries – that is, representatives of areas that pay into OBWB.¹⁵

¹¹ Joint regional district resolution (2005, 2008, 2011, 2014).

¹² SLP, Clause 11, Appendix II.

¹³ Budget approval process established by the Local Government Act.

¹⁴ SLP, Clause 10, Appendix II. For example, Section 7.2.3. of this Governance Manual

¹⁵ Follows Local Government Act policy for voting on decisions within service areas.