

Minutes of the *REGULAR BOARD MEETING* of the Regional District of Central Okanagan held at Regional District Offices, 1450 KLO Road, Kelowna, B.C. on Thursday, October 11, 2012

Directors:

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

Regrets:

- A. Blanleil (City of Kelowna)
- M. Werstuik (Westbank First Nation)

Staff:

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

1. CALL TO ORDER

Chair Hobson called the meeting to order at 10:45 a.m. There was consensus to discuss 6.1 first.

6.1 Delegation: BDO Dunwoody – Audited Financial Statements to December 31, 2011 (*All Directors - Unweighted Vote*)

Staff report dated October 3, 2012 provided an overview of the Regional Board's discussion to invite the BDO Dunwoody auditors to a meeting to address any questions the Board may have regarding the 2011 management letter and the audited financial statements to December 31, 2011 previously approved by the Board.

BDO staff Mike Gilmour and Markus Schrott, were in attendance to address questions. As noted, in the 2011 management letter the issue of sick leave accrual was raised. Following Board discussion at previous meetings, staff met with the auditors and have agreed that an actuarial review could be done in 2013 and that staff will budget for the review. The auditors noted that this type of review is being recommended across the country by many audit firms. The review will look at the risk and whether there are enough funds being put into reserves. Staff and the auditors believe the RDCO is conservative in our approach.

The auditors noted that while they work closely with staff, in the future they should meet annually with the Audit Committee. A meeting with the Audit Committee will provide the opportunity for detailed questions to be raised before an audit begins and when it is completed.

A question was raised regarding the retirement employee benefit note raised on page 21 of the audited financial statements. This is in relation to the Municipal Pension Plan (MPP) and is an unfunded liability shared by all contributors. It is under the direction of the administrator of the Plan. It is not an RDCO liability, but a liability of the MPP. The question was raised whether it is an operational concern for the RDCO and whether it would impact the RDCO in the future. The MPP is one of the best plans in the country. It has over \$19 billion in assets. A liability wouldn't happen all at once, but it was noted that it does take many years to correct funding. Of note, the MPP did an actuarial review in 2012 with recommendations coming forward to the Pension Board in the near future. Requirements of the Plan are through provincial legislation

#217/12

GRAY/FIELDING

THAT the presentation on the audited financial statements by BDO Dunwoody be received;

AND THAT main motion, #182/12 postponed at the July 23, 2012 Board meeting, be reconsidered.

CARRIED

#182/12 FIELDING/BAKER

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

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

Amendment to the main motion:

#218/12 FINDLATER/OPHUS

THAT the first paragraph be amended to read – THAT the Regional Board approve an actuarial review of the sick pay obligation of the RDCO in 2013;

The amendment CARRIED

The main motion as amended was CARRIED

The Board recessed at 11:00 a.m.

The Board reconvened at 11:20 a.m.

2. ADDITION OF LATE ITEMS

- 6.2 Communication Strategy for Public Input of Paradise Valley Residents Regarding the Feasibility of a Water System (resolution #213/11-Sept. 17, 2012)

3. ADOPTION OF THE AGENDA

#219/12

BAKER/GIVEN

THAT the agenda be adopted.

CARRIED

4. ADOPTION OF MINUTES

- 4.1 Regular Board meeting – September 17, 2012

#220/12

BAKER/ZIMMERMANN

THAT the regular Board meeting minutes of September 17, 2012 be adopted.

CARRIED

5. CORRESPONDENCE

- 5.1 UBCM – Approval of Fuel Management Prescription - Stephen's Coyote Ridge Park Prescription 2012 (*for information only*)
- 5.2 UBCM – Approval of Fuel Management Prescription – Coldham Regional Park Prescription – 2012 (*for information only*)

#221/12

BAKER/HANSON

THAT the September 20, 2012 letter from the Union of BC Municipalities confirming approval for fuel management prescription for Stephen's Coyote Ridge Park for a total of \$11,250.00 be received for information;

AND THAT the September 20, 2012 letter from the Union of BC Municipalities confirming approval for fuel management prescription for Coldham Regional Park for a total of \$10,125.00 be received for information.

CARRIED

6. UNFINISHED BUSINESS

- 6.1 Delegation: BDO Dunwoody – Audited Financial Statements to December 31, 2011 (*All Directors - Unweighted Vote*)

6.1 was discussed first on the agenda

6.2 Communication Strategy for Public Input of Paradise Valley Residents Regarding the Feasibility of a Water System (Resolution #213/11-Sept. 17, 2012) *(All Directors - Unweighted Vote)*

In follow-up to discussions at the September 17, 2012 Board meeting at which time staff were directed to develop a communication strategy for input from Paradise Valley residents regarding the feasibility of a water system, the resident letter and survey was provided for Board information. Residents will be asked to respond to the survey online through 'survey monkey' in order to receive the response quickly. Staff will then report back to the Board on whether to proceed with a feasibility study based on input received.

It was noted that the Regional District wants to be very clear that moving forward with a feasibility study or a potential water system, should that be the wish of the Board, should not give residents the understanding that there would be any greater hope of increased density than what there is today.

#222/12

EDGSON/OPHUS

THAT the October 15, 2012 draft letter to residents of the Trepanier-Paradise Area property owners and proposed survey be received;

AND THAT staff be directed to report the survey results to the Board.

CARRIED

7. PARKS SERVICES

7.1 Reallocation of Regional Parks Budget – Purchase of Tractor *(All Directors - Weighted Vote)*

Staff report dated September 10, 2011 provided background for a request to approve reallocation of parks capital funds for the purchase of a small tractor for \$18,045 instead of purchasing a side-by-side all-terrain vehicle as originally planned in the 2012 budget. Staff identified this request as a higher priority at this time based on operational efficiencies completed in 2012.

#223/12

OPHUS/BAKER

THAT the Regional Board approve the reallocation of \$18,045 of Parks Services regional park capital funding for the purchase of a new small tractor and defer the purchase of a side by side all-terrain vehicle to a future budget review.

CARRIED

7.2 Kettle Valley Railway/Trans Canada Trail Update *(for information only)*

Staff report dated October 3, 2012 provided background information as previously directed by the Board on the current status of the Trans-Canada Trail in regards to the Regional District of Okanagan Similkameen's support to have the Trans-Canada Trail remain as a non-motorized trail. It is noted that the RDCO has no legal or statutory authority of the Trans-Canada Trail which resides on the Kettle Valley Railway and is Crown land under the jurisdiction of the Province and therefore does not have the ability to address motorized versus non-motorized usage on the Trail.

#224/12

GIVEN/OPHUS

THAT the report dated October 3, 2012 regarding the Kettle Valley Railway/Trans Canada Trail be received for information.

CARRIED

8. **COMMITTEE RECOMMENDATIONS**

8.1 Rise and Report - Governance & Services Committee meeting of October 11, 2012

a) Approval of Terms of Reference for the Aggregate Supply & Demand Study *(All Directors - Unweighted Vote)*

The Terms of Reference for update of the region's Aggregate Supply & Demand study have been developed by EBA Engineering Consultants Ltd. and are provided for consideration.

#225/12

OPHUS/EDGSON

THAT the Regional Board approve the Terms of Reference for the Aggregate Supply and Demand Update prepared by EBA Engineering Consultants Ltd. dated October 2, 2012;

AND FURTHER THAT staff be directed to proceed with the Request for Proposal tender process.

CARRIED

b) Update on the Regional Septic Treatment Facility

Staff report dated September 20, 2012 provided an update on the regional septic treatment facility. The Board had directed staff to provide background information including financials for the facility.

#226/12

BAKER/EDGSON

THAT the September 20, 2012 report titled, Regional Septic Treatment Facility, be received for information;

AND THAT staff be directed to review the Septic Tank Effluent and Regulation Bylaw No. 358 for possible amendments to rates for users outside of the Central Okanagan;

AND FURTHER THAT staff be directed to review a financial model based on asset renewal for the septic treatment plant due to the increased value of the facility.

CARRIED

9. DIRECTOR ITEMS

- a) Community Action Towards Children's Health (CATCH)
Director Fielding noted that the CATCH 'State of the Child Report' is being released Nov 20th.
- b) Gellatly Nut Farm Tree Ceremony
Director Baker attended the tree ceremony recently held at Gellatly Nut Farm. It was noted that a heritage mapping inventory has now been completed on the nut trees at the Farm.
- c) Ironman Canada
Director Gray thanked the Board for the great support received for Kelowna's application to host Ironman Canada. Kelowna is awaiting news likely not being made until next week.

10. ADJOURN IN CAMERA

#227/12

BAKER/GIVEN

THAT pursuant to Section 90 of the *Community Charter* the Regional Board adjourn and convene to an 'In-Camera' session to discuss a personnel/legal issue and negotiations for the provision of services at a preliminary stage.

CARRIED

There being no further business the meeting was adjourned at 11:45 a.m.

CERTIFIED TO BE TRUE AND CORRECT



R. Hobson (Chair)



P. Macklem (Chief Administrative Officer)