



REGIONAL DISTRICT OF NORTH OKANAGAN

MINUTES of a **REGULAR** meeting of the **GREATER VERNON WATER 2012 MASTER WATER PLAN STAKEHOLDER ADVISORY COMMITTEE** of the **REGIONAL DISTRICT OF NORTH OKANAGAN** held in the Boardroom at the Regional District Office on Wednesday, May 18, 2016.

Members:	Alternate Director J. Garlick	District of Coldstream	Chair
	Director J. Cunningham	City of Vernon	Vice Chair
	D. Gibbs	Tekmar Control Systems Representative	
	D. Frost	Vernon Jubilee Hospital Representative	
	J. Westby	School District No. 22 Representative	
	T. Mooney	Citizens for Changes to the Master Water Plan Representative	
	A. Mohammad	Agricultural Representative	
	M. Witt	Agricultural Representative	
	P. Williamson	Residential Representative	
	D. Neden	Residential Representative	
	R. Foisy	Residential Representative	
	M. Carlson	Residential Representative	
	J. Lainsbury	Residential Representative	
	M. Hubbs-Michiel	Residential Representative	
	D. Bodenham	Residential Representative	
Staff:	D. Sewell*	Chief Administrative Officer	
	D. McTaggart	General Manager, Engineering	
	S. Banmen	General Manager, Finance	
	R. Clark*	Water Quality Manager	
	D. Douglas	Clerk, Engineering	
Also Present:	Director D. Dirk	District of Coldstream	
	Councillor G. Kiss	District of Coldstream	
	K. Flick	City of Vernon, Director, Community Infrastructure and Development Services	
	J. Kidston	Alternate Agricultural Representative – Greater Vernon Advisory Committee	
	Media and Public		
	* Denotes presence for part of meeting		

CALL MEETING TO ORDER

The meeting was called to order at 10:02 a.m.

APPROVAL OF AGENDA

Greater Vernon Water 2012 Master Water Plan Stakeholder Advisory Committee – May 18, 2016

Moved and seconded by Representatives Gibbs and Hubbs-Michiel
That it be recommended to the Greater Vernon Advisory Committee, the Agenda of the May 18, 2016 Greater Vernon Water 2012 Master Water Plan Stakeholder Advisory Committee meeting be approved as presented.

CARRIED

ADOPTION OF MINUTES

Greater Vernon Water 2012 Master Water Plan Stakeholder Advisory Committee – April 21, 2016

Moved and seconded by Representatives Foisy and Neden

That the minutes of the April 21, 2016 Greater Vernon Water 2012 Master Water Plan Stakeholder Advisory Committee meeting be adopted as circulated.

CARRIED

NEW BUSINESS

2012 Master Water Plan Review – Stakeholder Advisory Committee Report to the Greater Vernon Advisory Committee

The General Manager, Engineering presented the 2012 Master Water Plan – draft Stakeholder Advisory Committee report showing tracked changes that Committee members submitted prior to the meeting. Each change was discussed with the group and were either accepted/changed or deleted.

Moved and seconded by Representatives Hubbs-Michiel and Gibbs

That it be recommended to the Greater Vernon Advisory Committee the “2012 Master Water Plan Review – Stakeholder Advisory Committee Report” dated May 2016 be received for information; and further,

That the statements and recommendations included in the “2012 Master Water Plan Review – Stakeholder Advisory Committee Report” be individually considered by the Greater Vernon Advisory Committee in their review of the 2012 Master Water Plan.

CARRIED

Moved and seconded by Representatives Williamson and Hubbs-Michiel

That the request from the Citizens for Changes to the Master Water Plan to hire an independent engineering consultant to undertake a peer review of the 2012 Master Water Plan not go forward.

CARRIED

Opposed: Representatives Mooney and Foisy

The Chair confirmed with the Committee that all amendments to the recommendations would be done by consensus of the Committee without a mover and seconder. The amendments are as follows:

Under EXECUTIVE SUMMARY

Amendment 1:

The results of the non-cost analysis through ranking Option 1, 2, 3 and 5 highest over the remaining options demonstrated strong support to maintain the Duteau Creek Water Treatment Plant as a primary source for potable water.

Changed to:

The results of the non-cost analysis through ranking Option 1, 2, 3 and 5 highest over the remaining options demonstrated strong support to maintain the Mission Hill and Duteau Creek Water Treatment Plants as sources for potable water.

Amendment 2:

Added Item XVII - That the Stakeholder Advisory Committee be reassembled after the Board of Directors has adopted a revised Master Water Plan, including a revised financial plan, to work with RDNO staff in preparation of a Communications Plan and an education package for distribution to the public prior to proceeding with a referendum.

Amendment 3:

Added Item XVIII - That a Stakeholder Advisory Working Group be formed to deal with Greater Vernon Water issues.

Under INTRODUCTION

Amendment 4:

This order precipitated immediate action to update the MWP. The development of the 2012 GVW MWP took approximately two (2) years and included:

Changed to:

This order precipitated immediate action to update the MWP. The development of the 2012 GVW MWP took approximately two (2) years and at a cost of over \$470,000 for consulting engineering services (not including staff time) and included:

Under November 19, 2015 SAC Meeting: TM 2 – Evaluation of Water Supply Sources by Brett deWynter, P.Eng., AECOM

Amendment 5:

Added paragraph:

It should be noted that the SAC were advised that they should assume that water licences can be either transferred or obtained for any new option. Staff have been working with the Ministry of Environment to develop a process for making a water licence reserve application on Okanagan Lake for some time. It was also noted that a transfer from Duteau Creek to Kalamalka Lake may be a difficult process because it results in a transfer between the Columbia River Basin and Fraser River Basin.

Under TM 5 - Independent Agricultural System by Brett deWynter, P.Eng., AECOM

Amendment 6:

The MWP includes a complete list of capital work projects required to achieve complete system separation of the domestic and agricultural supplies, for a total estimated cost of \$80.9 million. This cost was used for all options within TM9 that considered/required full/partial separation to enable proper comparison of options.

Changed to:

The MWP includes a complete list of capital work projects required to achieve complete system separation of the domestic and agricultural supplies, for a total estimated cost of \$80.9 million. This cost was used for all options within TM9 that considered/required full/partial separation to enable proper comparison of options.

Varying degrees of separation were considered, however, the separation in the Lavington Area was proposed as the cut off for the following reasons:

- The Lavington area is closest to the source water (Duteau Creek) and the parcels of land being farmed were relatively large and intensively irrigated,
- The cost of construction per hectare of land separated was minimal,
- In the BX area and many other areas of the community, the rural and urban landscapes are mixed. Water consumption in these areas may be lower than other more intensively irrigated areas,
- Some areas are not intensively farmed, but require stock watering, pasture irrigation or small commercial supply, and
- Some lots that are zoned for agricultural have farm status and were previously allocated, but no longer use that allocation.

Under the April 14 2016 SAC Meeting (Review of Financial Options and Considerations Greater Vernon Water Master Water Plan by Stephen Banmen, General Manager, Finance)

Amendment 7:

Added paragraph: The SAC notes that the General Manager, Finance reviewed a possible scenario where GVW could utilize existing reserves, redirect transfer to reserves to debt repayments, minor borrowing of \$10M, diversion of some capital funds to debt payment and a reasonable estimate of federal/provincial grant funding, GVW would have approximately \$45M to fund several of the initial high priority capital projects in the MWP. These estimates should be refined and a similar presentation prepared for the Greater Vernon Advisory Committee in preparation of the financial plan as part of Recommendation No. 10.

Under STAKEHOLDER ADVISORY COMMITTEE RECOMMENDATIONS AND COMMENTS:

Amendment 8:

Item I - That the request from the Citizens for Changes to the Master Water Plan to hire an independent engineering consultant to undertake a peer review of the 2012 Master Water Plan be postponed pending review of the 2012 Master Water Plan by the Committee. (Note, this recommendation was later addressed in recommendations XI, XII and XIII below).

Changed to: That the request from the Citizens for Changes to the Master Water Plan to hire an independent engineering consultant to undertake a peer review of the 2012 Master Water Plan not go forward.

Amendment 9:

Item III - That the final Master Water Plan option provide for the use of two water sources and two water treatment plants.

Changed to: That the final Master Water Plan option provide for the use of two water sources and two water treatment plants.

SAC comment: The opportunity to draw from two watersheds allows the utility to mitigate the impact of drought on the community as well as other source risks. Similarly, it is proposed that two treatment plants be maintained to mitigate risk. While two plants is not the only way to achieve redundancy, the committee supports this approach as there are already two new water treatment plants in operation.

Amendment 10:

Item V - That the SAC is satisfied that all Options contained in TM9 (subject to variations) have adequately considered all feasible options available to meet Ministry of Health standards.

Changed to: That the SAC is satisfied that all Options contained in TM9 (subject to variations) have adequately considered all feasible options available to meet Ministry of Health standards.

SAC comment: It should be pointed out that other scenarios, not presented in TM9, were brought up either in meetings or through questions submitted to staff. These were either found to be variations of existing options, not feasible or not as good as existing options.

Amendment 11:

Item XIII - That the SAC is satisfied with the cost estimates provided in TMs 1 through TM8 supplemented by the additional information provided to the Committee within the SAC Question Papers provided throughout the 2012 MWP SAC review.

Changed to: That the SAC is satisfied with the cost estimates provided in TMs 1 through TM8 supplemented by the additional information provided to the Committee within the SAC Question Papers provided throughout the 2012 MWP SAC review.

SAC comment: Staff explained to the SAC that the 2012 unit prices were based on design details, actual constructability and construction costs from real separation projects including Bella Vista, West Swan Lake and Old Kamloops Road that were all constructed after the 2004 MWP.

Amendment 12:

Added Item XVI - That the SAC select Option 1 being the option with the lowest financial impact to water users based on the lowest Net Present Value (NPV) with no further separation as their second choice moving forward with the 2012 Master Water Plan.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:29 a.m.

CERTIFIED CORRECT



Chair
Jim Garlick



General Manager, Engineering
Dale McTaggart