



DEVELOPMENT and PLANNING SERVICES COMMITTEE

Special Meeting - Wednesday, March 04, 2015

City of Salmon Arm

Council Chamber

City Hall, 500 - 2 Avenue NE

4:00 p.m.

Page #

Section Item#

1. CALL TO ORDER

2. DECLARATION OF INTEREST

3. REPORTS

n/a

4. PRESENTATIONS

1-50

4.1 Sherry Hurst, Leftside Partners Inc., Shuswap Watershed Water
Quality Service Feasibility Study

5. CORRESPONDENCE

6. IN CAMERA

n/a

7. LATE ITEM

n/a

8. ADJOURNMENT

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Service Feasibility Recommendations

Final Draft

December 2014

Shuswap Watershed Water Quality Service Feasibility Study

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Service Feasibility Recommendations

1.0 INTRODUCTION

The purpose of this study is to assess the feasibility of a multi-regional Watershed Water Quality service and provide a recommended governance framework, cost recovery and implementation plan for the service. The recommendations build on the scope of the program identified previously as well as the subsequent Governance Elements and Options discussion paper.

Context

The impetus for this study arose from the Shuswap Lake Integrated Planning Process (SLIPP), which began in 2008. That process was launched in response to increased development, pollution entering the lakes, and conflicting demands on recreation resources, and focused on development, water quality and recreation on Shuswap and Mara Lakes. The process culminated in a strategic plan for Shuswap and Mara Lakes. In 2011, a total of \$1 million was committed to implementation of the plan, included a three-year financial commitment from the Columbia Shuswap Regional District (CSRD), the Thompson-Nicola Regional District (TNRD) and the City of Salmon Arm, and a one-year financial commitment from the District of Sicamous. As of March 31st 2014, the SLIPP pilot project was completed.

There were many positives that came out of SLIPP, and one of the successes was the coordination and collaboration of the many partners involved with water quality monitoring within the watershed. A short and long term water quality monitoring plan, water quality summary, report on sources of nutrients and water quality monitoring maps were some of the outcomes, in addition to the benefits of collaborating, sharing information and working together to get a broader picture of the health and water quality throughout the watershed.

In order to capitalize on the progress made on water quality, and the shared understanding of the benefits of sharing information and taking a watershed-wide perspective, the Shuswap Watershed Council (SWC) was formed, which followed from the SLIPP Steering Committee. The committee, with one year of interim funding, has been investigating how shared watershed-wide collaboration could continue on water quality, protection and monitoring issues. The scope for the proposed service was prepared, and the Fraser Basin Council has been working with the SWC while the CSRD agreed to fund the service feasibility study to examine potential governance, funding and implementation aspects of the service.

Through the summer the Fraser Basin Council has undertaken open houses to present and discuss the concept of the Shuswap Watershed Council and the

scope of the proposed service and program with the public. The Watershed Council has been working on what is essentially the content or program for the service, in addition to an associated budget. Notably, although the Watershed Council currently exists, the governance of the service that is being proposed and contemplated does not have to be constituted the same way as the current Watershed Council. As with the creation of any new service, all governance options are still on the table for discussion and consideration through the feasibility study process.

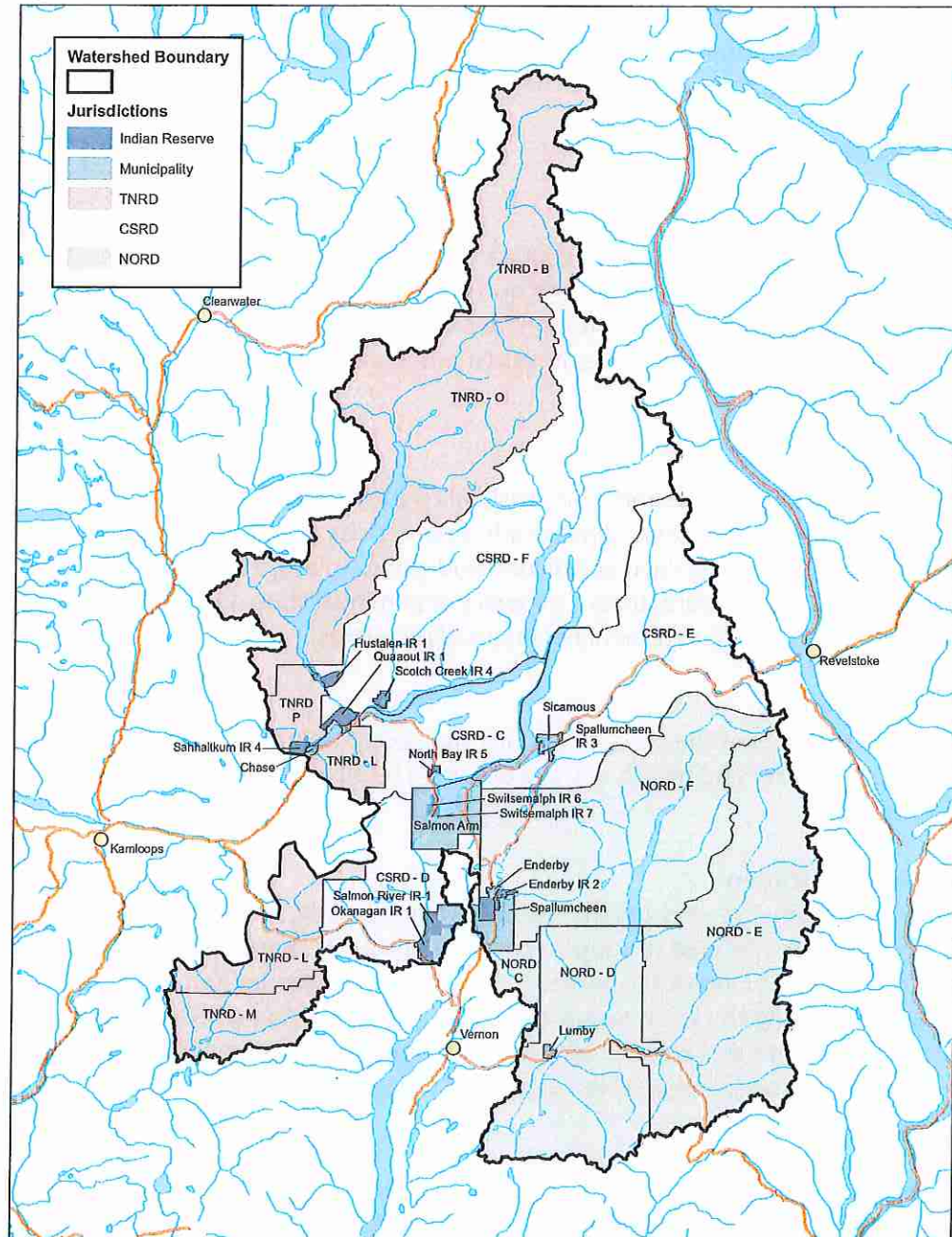
Process

The feasibility study began with the confirmation of the scope of the proposed service with the various partners. The scope is included in Appendix A, and is referenced later in this paper. Subsequently, a discussion paper introduced the elements of governance to provide some background and context for a workshop that was held with staff from the regional districts. At the workshop the elements, including representation, committees, independence, cost recovery and allocation, were discussed in more detail, together with challenges and benefits of various models. A survey was also sent to members of the Shuswap Watershed Council to provide an opportunity for feedback from some of the elected representatives that have been involved with the SLIPP and Watershed Council process. The survey questions are included as Appendix B. The Chair of the SWC was also interviewed.

As part of the investigation into potential governance models, research was conducted on other models in use, focusing in particular upon other watershed governance, as well as other models that involve participation from multiple regions. Models such as the Okanagan Basin Water Board, the Cowichan Watershed Board, the Sterile Insect Release Program, as well as other multi-regional services such as the Comox Strathcona Waste Management Service, North Island 911 Corporation, Island Rail Corridor Foundation and more were examined. The research highlighted not only what was possible, and varying models for cooperation, but offered valuable lessons on what had worked, what factors contributed to success, the challenges encountered, and how each service addressed the complexities of multi-regional and multi-stakeholder involvement. Some of that research is summarized in Appendix C. From the research conducted, it is apparent that watershed governance – aligning decision-making with watershed boundaries, as opposed to political or jurisdictional boundaries – is gaining prominence and is increasingly seen as not only a legitimate basis for governance, but an imperative one.



The draft recommendations contained in this report are the result of the consultation, research and workshops conducted. It is intended that the draft results will be reviewed with CSRD staff, and then presented to the CSRD Board and made available to the various partners for review and input. That process will be followed by refinements to the draft, as well as an implementation guide.



2.0 GUIDING PRINCIPLES AND KEY CHARACTERISTICS

The following principles were outlined previously as objectives for the service, through discussions held with the various partners, and based on the consultants' understanding of the project. These are followed by some key service characteristics that have also helped to shape the options and criteria for evaluation. Subsequent to the workshop and feedback received, some additional objectives and criteria have been added.

2.1 PRINCIPLES

Collaboration

It is only through collaboration that a broader and more holistic picture of the quality of the water can be understood and evaluated. SLIPP initiated some of that collaboration and coordination, but one of the key purposes in establishing a service is to create the authority and mandate for inter-regional and multi-agency cooperation.

Efficient/cost-effective

The service governance must be sensitive to the need for efficiency and cost-effectiveness. While governance models need to be inclusive and respectful of the various roles that each jurisdiction and agency plays, at the same time creating excessive bureaucracy or layers of administration and authority adds cost to a service that has minimal financial resources.

Transparency

One of the aims of the service is to provide access to information regarding the quality of water and health of the watershed by all affected agencies as well as the public.

Avoid duplication

While coordination and collaboration is a key principle, at the same time the service is not intended to support or initiate projects that are the responsibility or jurisdiction of individual partners. The service is intended to recognize the value in sharing the information collected, and identifying and discussing options or potential ways to address some concerns that are known or revealed through the monitoring, while respecting the various authorities or jurisdictions.

Communication

Communication between the agencies and partners is one of the objectives as well as an outcome of the coordination and collaboration. However, the service is also expressly aiming to share information with the public, so communication



with a broader audience is one of the principles included that should be facilitated through the governance structure.

2.2 SERVICE CHARACTERISTICS

In addition to identifying key principles, it is important to recognize some of the key characteristics of the proposed service and to keep them in mind while contemplating the various governance options.

Technical Nature of the Service

The purpose of the service is primarily to ensure that those who have responsibility for regulating are aware of the quality of the water in the Shuswap Watershed, through the shared results from water quality monitoring efforts, as well as shared analysis of those results. Through the service, it is anticipated that in addition to meeting the individual objectives of each partner (such as monitoring for specific purposes to meet permits or regulations), the group can identify gaps in information, or concerns regarding the results, and determine a more strategic water quality monitoring program to ensure a true picture of the water quality of the Watershed is being provided and recorded. The SLIPP process already set the baseline for this work; the service would carry on with monitoring trends, filling gaps and investigating known areas of concern.

It is emphasized that the current vision for this service is limited to the relatively narrow focus of water quality monitoring, followed by the communication of the results and implications to the various local governments and partners, as well as the public. An element of water protection is also included, although this is likely to be a much more minor role of the service. Any regulatory actions to directly resolve the problems identified by the monitoring or water protection initiatives will continue to be the responsibility of the respective partners, and not specifically part of this service.

The fact the service is relatively narrow and technical, combined with the need for ongoing communications and reporting to broader range of stakeholders and the public, needs to be emphasized while governance options are considered.

Multiple Partners

Given the nature of watershed boundaries – which cross many local government boundaries, as well as the multitude of agencies that are involved with and affected by water quality, any water quality monitoring program necessarily involves many partners. The chart on the following page provides an overview of the partners and their general areas of responsibility.

Agency	Partner	Water-related Responsibilities
Federal Government	Fisheries and Oceans Canada	Protection and conservation of fish and fish habitat, boating safety and licensing
First Nations	Shuswap Nations <ul style="list-style-type: none"> - Neskonlith - Simpcw - Adams Lake - Splots'in - Little Shuswap Okanagan Nation Alliance <ul style="list-style-type: none"> - Okanagan 	Protection of rights and title to water, land and fish; Stewardship of water resources Management of water resources
Provincial Government	BC Ministry of Environment	Legislation and policies for environmental protection, promote and restore environmental quality, environmental standards for liquid waste, water quality monitoring and reporting, protection of fish and fish habitat, water licensing
	BC Ministry of Forests, Lands and Natural Resource Operations	Policy and standards for forest practices, water resource management
	BC Ministry of Agriculture	Policy and standards for farming practices
	Ministry of Health	Legislation for health protection, including <i>Drinking Water Protection Act</i>
Local Government	Regional Districts <ul style="list-style-type: none"> - Columbia Shuswap - North Okanagan - Thompson Nicola Municipalities <ul style="list-style-type: none"> - Salmon Arm - Sicamous - Enderby - Lumby - Spallumcheen - Chase 	Land use planning, liquid waste management, water supply and treatment, rainwater management, Riparian Areas Regulation bylaws, drainage
Other organizations	Interior Health	Public health and health protection, water quality monitoring of recreational water, and posting of advisories for drinking water



Limited Financial Resources

Primary costs for the service will be the water quality monitoring itself – both the sampling as well as the lab costs of the results and the subsequent analysis – as well as the administration and coordination of the service, the communication expertise and corresponding materials (reports, presentations, etc.).

Given the limited ability of every government to expand the number, scope and cost of services, the scope remains intentionally narrow at this stage, with the goal of securing sufficient funding from the various partners to be able to operate at this minimal level of service. Committing to a narrow scope in the early stages is intended to enable the financial support from partners, and provide time to build cooperation and support, and demonstrate the value of the coordination and communication to the various partners and public.

The service will be funded through contributions from the various partners. How the cost is distributed among partners will be a subsequent step in the process, but the allocation of costs among partners can be done based on a variety of methods. There will be both in kind contributions (i.e. doing the monitoring, providing the monitors, collecting and collating the data, providing staff resources) as well as funding contributions needed to run the service. The costs and how they will be allocated will be explored in more detail as part of the process.

2.3 ADDITIONAL CONSIDERATIONS

In addition to these guiding principles and service characteristics, feedback through the workshop, discussions with partners and surveys highlighted the following imperatives to help guide the creation of the service.

Momentum

The funding committed to SLIPP, and now to the Watershed Council, is coming to a close. In order to sustain the benefits of collaboration, there is a desire to provide a solution that is immediate. There is a shared recognition of the danger of allowing the existing efforts to lapse and remain unfunded while options for a joint regional authority or Board are investigated – particular given that any proposals that require legislative changes or provincial approvals will require considerable time. While a multi-regional board with additional legislative powers may be a desirable governance approach, there is an impetus for an interim solution that enables the existing levels of cooperation to be maintained and built upon prior to the end of the Watershed Council's current funding arrangement.

Sustainable Funding

The need for a more sustainable and fair funding model is seen as key to the success of any multi-regional service. Even though cost effectiveness and limited financial resources are referenced above, discussions with the various partners, as well as research into other services and case studies, have emphasized just how critical the funding is to the success of the service. Funding is often the source of tension in any multi-partnered service arrangement. The success of the entire service may rest on the ability of each jurisdiction to commit funds, and the perceived fairness of the model. In the past gas tax was used as a source, but those funds are not intended to support the operation of an ongoing service. While several different funding allocations were examined, there was an emphasis on the practical “achievability” of the funding model to support the service.

3.0 SCOPE

As mentioned, the scope of the project was determined at the outset, building on the work done by the Shuswap Watershed Council, and refined through interviews with the service participants. Based on the scope (included in Appendix A), the SWC, with the help of the Fraser Basin Council, has been working on the content to deliver the program identified in the scope. This work has been ongoing during this study.

The service scope focuses on:

1. Monitoring water quality using a variety of types and locations of monitoring (based on results from previous years, priorities identified by the technical team based on the analysis). Providing consistency in the data collection, parameters tested, analysis, and data entry into a single database, available to all. Monitoring would continue to be done by various agencies based on their own specific interests (i.e. Interior Health requires water purveyors to provide water quality sampling, municipalities do their own, etc.), as well as additional areas identified by the group as part of the an overall plan to ensure information is not being missed (i.e. identify gaps), and that duplication is not occurring. Comprehensive annual reporting on the results of the combined information will be provided to all participants, and to the public.
2. Where water quality concerns are identified, following up to determine sources and identify causes where possible.
3. Recommend implementation/action tasks to partner agencies (modified management approaches, action plans to remedy pollution or encourage best practices or alternate approaches, focused education/communication efforts, etc.) where individual partners have areas of authority. Where other funding opportunities are available, and there is agreement, take actions directly.
4. Educate recreational users of all watershed waterways of safety on and in the water. Collaborate with other agencies with safety mandate to avoid duplication and ensure consistent safety messages, as well as best approaches to distribute information.

The proposed service would not have the authority or responsibility to require compliance with any specific regulations, and limited resources to investigate specific point sources of pollution, or evaluate the effectiveness of solutions. The responsibility for enforcement or regulation will still lie with the individual local governments, or where fisheries or environmental issues are identified, with the federal or provincial agencies. The ability of the service to effect changes or address problems in water quality therefore will not be through any express authority, but rather through the identification of problems and

concerns, and collaborative discussions on ways to address the concerns. The service would work with the authorities and stakeholders to help the various authorities develop programs, such as educational programs or best practice guides to address the problems identified through the service. Having a coordinated body to monitor and determine where concerns are, and have that information widely and publicly available, provides an opportunity and forum to identify, assess and discuss the threats to water quality in the greater watershed.

A program has been prepared by the SWC for 2015-2020 that focuses on two initiatives – water monitoring and water protection. These two elements are summarized as including the following:

WATER MONITORING

- Monitoring water quality in the lakes, tributaries and groundwater of the Shuswap to track the overall health of the watershed
- Efficient coordination of work among all monitoring partners, to cut duplication and ensure efficiency
- Data analysis to identify water quality trends
- Identification of emerging issues
- Public reports on monitoring results

WATER PROTECTION

- Reduction in the volume of nutrients, especially phosphorus, that enter the Shuswap tributaries and lakes
- New voluntary opportunities for agricultural producers to manage animal feed, manure and fertilizers in a way that limits run-off, erosion and seepage
- Dialogue with leaders in the agricultural sector to find out what education, incentives and support will work best in the sector

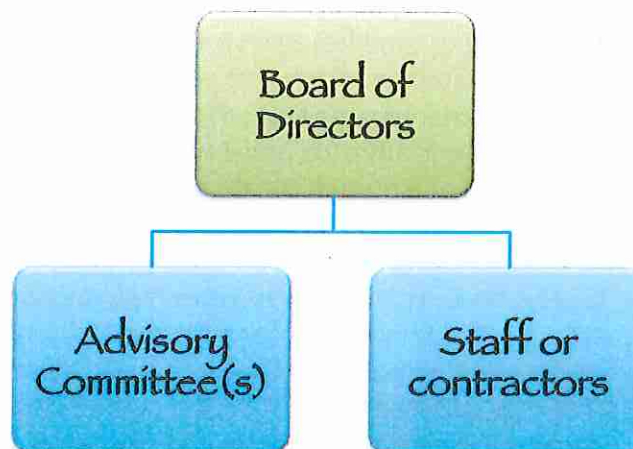
As part of the process, the Watershed Council will be reviewing preliminary budgets for a 5-year program to deliver on the scope and program referenced above. Rough cost estimates of that process range from about \$200,000 to \$250,000 per year. These estimates are preliminary, and have not yet been reviewed or approved by the SWC, but provide an indication of the cost involved with the proposed activities. The bulk of the costs over a five-year period are associated with the water quality monitoring and water quality programs (approximately 50% and 30% of the budget respectively), with the remainder allocated between the recreation safety education component, communications, and program management and administration. Notably the costs do not include in-kind contributions. Contributions include staff time from all the partners (local government, provincial government, federal government, Interior Health) on the technical committees, but also the sharing of water



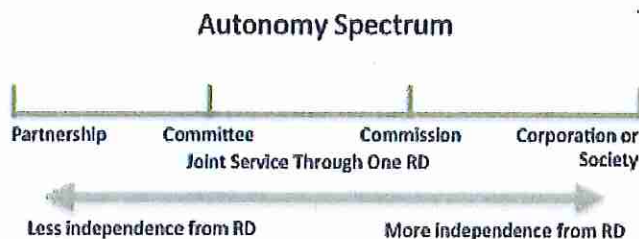
quality monitoring data, and the use of the Ministry of Environment's database to collate and report on the shared data.

4.0 GOVERNANCE STRUCTURE

Governance structure addresses who has the authority to make, and be held accountable for, decisions. The governance structure involves not only the body that guides a service, but also how decisions are made, and the relationship between those who make the decisions, those who provide input, and those who operate or deliver the service. The structure typically includes a board where decisions are made, but also involves the use of committees that provide advice, oversight, or other valuable inputs to the operation of the service, as well as the staff or consultants involved in delivering the service. Different governance models have implications for board composition, authority, autonomy, flexibility and each has its own challenges and advantages.



There is some flexibility in designing a governance framework or structure to suit the service, but the structure is also influenced by what is legally possible. From a legal point of view, the models provide varying degrees of authority and autonomy. On the one end of the spectrum are bodies that have been created by changes to the Letters Patent and have specific legislated authority, such as the Okanagan Basin Water Board and Sterile Insect Release program. At the other end, there are services that are created through existing mechanisms in the *Local Government Act* that enable multi-regional cooperation in a specific service, such as extra-territorial participants, or the use of a Commission with delegated authority that has representation from a variety of multi-regional



stakeholders. Additional options may be revealed once regulations for the *Water Sustainability Act* are written that may enable some authority to be delegated to watershed bodies. What that authority may be, or look like, remains to be seen.

While the creation of an independent board with taxation authority is an appealing model, given the independence from each of the three regional governments, as well as the potential for delegated authority such as taxation, that approach appears premature for a few reasons. One of the key reasons is the urgency to establish a service to enable the momentum from SLIPP and the Shuswap Watershed Council to continue. An independent board requires legislative amendments that will take considerable time. The legislative agenda is planned far in advance, and it would not be accomplished in 2015. A second concern is that although collaboration has been forged and relationships built throughout SLIPP, the proposed service does not yet have full buy-in from all partners. Uncertainties about funding, scope and the desired level of authority suggest that all partners are not yet fully supportive of the proposed service, and accordingly ready to commit to the legislative changes to create an independent corporation. Now that the watershed is being considered as a whole (as opposed to the SLIPP process which concentrated more on the Shuswap Lake), both upstream and downstream partners need to better understand the value of the service before there is a wider appreciation of the need and benefits of the service. The use of existing *Local Government Act* provisions to create the service would therefore provide time to continue building relationships and demonstrate value. If, in another few years time, there is continued or enhanced support, then there may be sufficient rationale and commitment for requesting legislative changes to allow for the more fundamental transition required to create an independent board with delegated authority for certain aspects of water quality protection and monitoring. At the same time, during the operation of a five-year interim service, the regulations for the *Water Sustainability Act* may also provide some interesting options that the body could pursue instead of legislative changes.

For those reasons, the more immediate options for the creation of a multi-regional service, provided for within the *Local Government Act*, that are considered more fully as options for this proposed service include:

- Extra-territorial service
- Service of the CSRD with multi-regional representation on the Commission
- Partnership between regions under a memorandum of understanding

The scope of work proposed for this service could be achieved through any of these three governance options. What is different is how the partners are



represented, who sits at the decision-making table, and what the implications are for authority, administration of the service, and how the costs of it can be recovered. The options are explained below, and included in a chart format in Appendix D.

4.1 EXTRA-TERRITORIAL SERVICE

Under this option, one regional district would be the “host” regional district, and the others would participate in the service as though they were part of that same regional district. It is assumed, based on the land area and funding formula proposed later in this paper, that the host regional district would be the CSRD. For service decisions, the TNRD and RDNO participants would have the opportunity to vote as though they represent participating areas in the service. Votes would be weighted on the same basis as they currently are within the CSRD (voting units based on each 2,500 population). Given the number of participating areas, there would likely be about 20 members making decisions regarding the service. On some issues such as budgets, which would typically be made by the full Board, the full CSRD Board would vote (as the creator of the service), in addition to the 13 RDNO and TNRD extra-territorial members, for a total of 24.

The extra-territorial service does not set up any separate legal entity, and there would be no corporation. The service would require approval by each of the affected local governments, as well as an order of the Lieutenant Governor in Council. Funding would be provided by the CSRD through requisition, as though the other regional districts were part of the CSRD. An example of this approach is the Greater Vancouver Regional Parks Service, which includes the City of Abbotsford as an extra-territorial participant.

The service would be supported by a technical committee which would provide recommendations to the elected officials. The technical committee would include staff from the partners involved in water quality monitoring, including:

- Regional district, municipal and First Nations staff involved in water quality and monitoring
- Ministry of Environment
- Ministry of Forest, Lands and Natural Resource Operations
- Interior Health
- Department of Fisheries and Oceans

Other technical committee members could include water purveyors that are involved in water testing, as well as water stewardship groups that undertake water quality monitoring or protection activities or scientists and academics involved in relevant water quality research. These groups can be involved either

on the technical committee itself, or be brought in as stakeholders during relevant technical committee discussions, or through ad hoc working groups needed in response to any particular projects underway at the time.

4.2 CSR SERVICE WITH COMMISSION

Another option within the *Local Government Act* is for the CSR (or any regional district) to create a service, but then to include other regional district representatives on a joint commission that is delegated authority to operate the service. The commission could be delegated authority for decisions on operations, making expenditures, planning, setting targets, administering contracts and directing staff. Legally, a commission is not an independent corporate body, and cannot have employees. However, the Province's guide to regional district delegation to commissions and committees states that a regional district can delegate the authority to enter into contracts that are within the budgeted amounts approved by the regional board.¹ Commissions are generally considered to be "action bodies" as opposed to committees that operate only in an advisory capacity. Generally speaking, the role of the regional board is reduced to reviewing and approving the service's budget. In practice, the CSR Board would typically make decisions regarding the service only on the recommendation from the commission.

A commission can also be created under the extra-territorial option, but would still require the Lieutenant Governor in Council approval. The commission can be created more simply as the service of one regional district, with contributions from the other regional districts. Any decisions regarding funding from the RDNO or TNRD would have to be voted on by those respective Boards. It is anticipated that the other two regional districts would commit to a 5-year funding formula and amounts through an MOU. How those amounts are raised (such as parcel taxes or property value tax) would be up to the individual regional districts.

Participation on the joint commission could include political or non-political representatives. Feedback provided during the workshop and discussions indicated that there was a preference for the service to be guided by elected officials (although that was not a unanimously held opinion). Representation by elected officials provides accountability and a democratic link to the taxpayers who are contributing to the service. Given the sheer number of elected officials from the electoral areas and municipalities (which, depending on which areas

¹ *A Guide to Regional district Board Delegation to Committees and Commissions*. BC Provincial Government, Ministry of Community, Women & Aboriginal Services. October 2003, p. 8.



the TNRD wants to include, would number 20 or greater), a simplified approach might be to include two members from each regional district, as well as a representative from each of the First Nations tribal councils within the boundaries – Shuswap Nation Tribal Council and Syilx Okanagan Nation. There is one band within the Shuswap Nation (Little Shuswap Band) that is not a member of the Tribal Council, so other options might be to include two representatives from the Shuswap Nation bands (one from Little Shuswap and one from the SNTC), plus one from Okanagan Band, or one representative from each of the four Bands that comprise the majority of the First Nations population within the watershed – Okanagan, Adams Lake, Splots'in and Little Shuswap Indian bands. A commission of between 8 and 10 would provide a simpler and more manageable working group from which to make decisions.

Feedback during the workshop suggested that weighted voting might not be necessary at this level, given the fact that the service is primarily technical in nature. However, lessons from multi-jurisdictional service arrangements in other regions suggest that discrepancies in funding can often be the source of friction. Given that the proposed funding for the service is weighted quite heavily to the CSRD, with little or no financial contribution anticipated from the First Nations, and minimal contribution from the RDNO, there is the potential for concern regarding the equity of decisions that impact finances. Even though the commission can only allocate money within its budget, and the CSRD would make final budget decisions, it would do so on the recommendations of the Commission. It is possible to provide for some limited weighted votes on issues with major financial impacts such as budget recommendations to provide the link between accountability for how money is spent (and whose money is being spent) and ensure those who are investing the majority of the funds for the service have an equitable voice in the allocation of those funds.

As in the previous model, the commission would be supported by a technical committee that would provide recommendations to the commission.

Given that the other regional districts are not actual participants in the service, there may be a perception that there is less commitment from the other regional partners in this option. Service withdrawal and review may be more easily taken given that the service will be established by one regional district. Funding may also be perceived as less fixed, and will be agreed to in advance through an MOU. An example of this type of governance model is the Enderby and District Services Commission, which delivers recreation, cemetery and dog control services to the City of Enderby and one electoral area.

4.3 PARTNERSHIP

The last option would recognize that the service itself is more of a technical service, and that the key collaboration, coordination and analysis is required at the staff level. Accordingly, a partnership or agreement to cooperate in an inter-regional staff committee, with funding support from each of the partners, will suffice. This would be akin to the technical committee in the other models, but without the guidance from a board or commission. The partnership would involve the creation of an MOU to reference commitments to the service, and provide some continuity, as well as express ongoing funding or support. A partnership would involve the least level of commitment, and would be the easiest to withdraw from. The board of each participating jurisdiction would retain authority for any involvement and decisions required as part of the partnership. Accountability would be provided through the approval of the budget and reporting to each of the respective regional districts.

4.4 EVALUATING THE OPTIONS

As mentioned previously, the objectives and scope of the service as detailed through this feasibility study could be achieved through any one of these three options. To assist in the evaluation of the options, the guiding principles can be applied to determine the advantages and challenges of each option, in addition to a few extra criteria. Chart 4.4.1 summarizes some of the points explained below.

	Extra-territorial	Commission	Partnership
Collaboration	●	●	⊙
Cost Effective	⊙	⊙	●
Transparency	●	⊙	○
Avoid Duplication	⊙	○	○
Communication	●	⊙	○
Multiple Partners	⊙	●	⊙
Independence	⊙	●	○
Sustainable Funding	●	⊙	⊙
Urgency	⊙	●	●
Simplicity	⊙	●	●
Commitment	●	⊙	○

○ = lowest ⊙ = middle, ● = highest

Collaboration

- All the models allow for collaboration, although both the extraterritorial and commission models facilitate collaboration both at the technical (staff) level as well as at a political level.

Cost effective/efficiency

- The partnership model is likely a slightly “cheaper” model as it removes some of the political level meetings and discussions from the group. In lieu of the guidance that would be provided by the commission or extra-territorial board, the technical committee would have to seek approval for various spending and budget decisions from the respective regional boards, which may result in some duplication and inefficiencies.

Transparency

- The extra-territorial service is the most transparent in terms of elected representatives having public votes at meetings and participating together in the decision-making. The commission model is slightly less transparent because it is the commission making the majority of decisions and is one step removed from the regional boards. Although commission meetings would still be open to the public, and commission members would be elected representatives, the relationship between those paying for the service and those making the decisions is less direct. Transparency is the lowest in the partnership option, where many of the decisions will be discussed and made at the staff level, without the involvement of elected officials.

Avoid Duplication

- The only duplication that is anticipated is the overlap in having to gain approvals, and keep various boards informed. In the case of the extra-territorial service there is less need to seek additional approvals from the individual regional boards, as they will all be participating in the decisions made at the CSRD table.

Communication

- Communication between the partners is high in all instances, but the communication between the staff (technical committee) and the regional board would be greatest in the extra-territorial model where those involved in the service would be at the table for discussions regarding the issues. The commission model and the partnership require an additional step to ensure the respective regional boards remain informed and up to date on the service issues.

Multiple Partners

- All of the options involve multiple partners. The commission offers the most flexibility in including various partners – both from the regional districts but also First Nations, and both elected and appointed officials. The partnership model also provides the opportunity for a wide range of partners, but elected officials are only involved as individual approving boards.

Independence

- None of the options provides for independence from the regional district. The commission model allows for some independent decision making (whatever is delegated), but not all topics can be delegated to the commission.

Sustainable funding

- All options would allow for taxation through the regional districts. The extra-territorial model allows for the CSR to issue requisitions to the other participants (TNRD and RDNO) via the surveyor general, compared to the commission and partnership options which require that the individual regional district's agree on the budget amount (through an MOU), apply their taxes, and forward money to the CSR. Financially there is no difference in the two approaches, but there may be the perception that an MOU involves less commitment compared to full participation and funding through a more formal service.

Urgency

- The partnership and commission models require fewer approvals to create, and may be easier to implement and have in place to capitalize on the momentum generated by SLIPP and the subsequent Shuswap Watershed Council. The extra-territorial model requires approval not only by the participating areas, but also by the Lieutenant Governor in Council.

Simplicity

- The simplest models are the easiest to understand and implement. The partnership and the commission models are simpler because they require fewer approvals. In addition, the voting and board decisions are less complicated, without the extra-territorial members at the table (and their weighted votes). Although the partnership seems the easiest to implement, it would still require an MOU and commitment to funding, and the respective boards would still be required to approve the budget for the joint partnership.



Commitment

- Although MOUs do demonstrate a commitment and intent, an MOU may have more flexibility than full service participation. Service participation has more rules regarding the establishment of the service, and provisions for withdrawing and service review. Participation in a service implies a longer-term intention (even with a sunset clause) that is not necessarily equal to a 5-year MOU. In this way, of the three options, the extra-territorial participation represents the greatest commitment. Participating on a CSRD Commission, and committing some funds through an MOU is a slightly lower level of commitment.

First Nations involvement

- Another aspect to consider is the ability of the model to engage and receive support from First Nations. The feasibility study thus far has not had considerable input from First Nations. During the outset, discussions were held with a representative from the Shuswap Nation Tribal Council and Adams Lake Indian Band. The same representative also provided input through the survey. No other feedback has been provided through the governance options paper, despite multiple attempts to contact representatives of both Syilx and SNTC by phone and email, and no First Nations representatives attended the workshop. First Nations have been involved with SLIPP, and now through the SWC. There has been interest expressed in participating in the process.

First Nations participation should be a key component of this service. While it is not necessarily anticipated that First Nations will be major financial contributors to the process or monitoring program, their knowledge and stewardship of the land, as well as their involvement and support, will be valuable to the service.

5.0 SERVICE DELIVERY

Service delivery generally refers to whether the service is undertaken by staff or by a contractor. In this instance, the service involves the coordination of the water quality monitoring program, the creation of water protection strategies, and preparation of communication materials – reporting on the water quality monitoring, but also water safety, and water protection. A general understanding of the technical aspects of water quality is required, as are facilitation, administrative and communication skills.

Some of the options typically considered for joint service arrangements include delivery by:

- staff (existing or specifically hired) at one of the regional district partners;
- staff (existing or specifically hired) at one of the municipal partners;
- third party contractor (e.g., a non-profit society or a private sector company), either existing or specifically created to deliver the service;
- a separate corporation wholly owned by a local government.

The service doesn't have to be delivered through one alone – combinations are possible. For instance the meetings and administrative coordination could be done by a staff member, and contractors or consultants could prepare communications plans and materials, and provide technical expertise on monitoring plans or water protection research.

The service delivery options selected can impact efficiency, independence (real and perceived), flexibility and cost. The following elaborates on the implications of the various service delivery options.

Efficiency

Given the coordination of three regional districts, a central location for hosting meetings for both technical committees and the governing body would be preferable. The primary advantage of a central location is to provide easier access to information and people, including staff or other partners with whom face-to-face contact would be beneficial. There may also be advantages to locating the service in an area where there is a greater concentration of population, given that the intention is to inform and engage the public through this service. The most central area with the highest population in the watershed is Salmon Arm. A staff member at the CSRD or the City of Salmon Arm is therefore an option.



Independence

While the use of a staff member in a central location can enhance the communication (or opportunity for communication) with some of the partners, this can also be construed as an imbalance of influence or control. There may also be the perception that the host partner is in fact the one “running” the service, because they are managing the staff member. Any imbalance regarding control over the service delivery may cause unnecessary tension in the group. As noted in the Provincial guide to regional service arrangements “tensions tend to become acute in cases where regional directors feel that they have lost control over the day-to-day delivery of the service.”² The delivery of the service from a contractor may reduce the impression that any one partner has undue influence or control over the service.

Flexibility

Given the newness of the service, there may be some “growing pains” and adjustments needed to the work levels and expertise needed to deliver the service. Different opinions have been expressed over whether a full-time staff member would be required, or whether it is more of a part-time position that is more intense at some times. There may be more flexibility in the delivery of the service by a third party contractor than staff. Flexibility may be important when work levels vary – rather than having someone full-time at all times, the job may require different work levels throughout the year, which contractors or consultants may be able to balance together with other contracts. Contracts generally involve fees only when there is a service being performed, and are likely adjustable based on the workload at the time (high at some, low at others), whereas staff costs are generally based on a pre-set workload assumption (full-time, part-time).

Cost

It is not clear whether hiring a staff member would provide any cost advantages over the contractor option. A full-time staff member would likely be in the \$70,000 range, given the ideal skill level (facilitation, communications and technical understanding) for the position. In addition, benefits add another 30% to that cost. Given the current budget for the service, which has not been approved or reviewed by the SWC, program management and administration (financial management, contract management, facilitation) is approximately \$25,000, with an additional \$25,000 on communications and report publishing, as well as work on the content of the water quality and water protection areas as well – likely bringing the total to a similar level as a full-time staff member.

² Guide to Regional Service Arrangements, p. 17

5.1 EVALUATION

The option of creating a separate corporation that is wholly owned by the regional district and staffed separately is unlikely given the constraints of timing (momentum imperative referenced previously), as well as the size and scope of the proposed service. The advantages of using a contractor or staff member are summarized below.

Contractor

Delivery of the service through a contractor provides greater independence from any one partner. The governing body would therefore be responsible for the management and performance collectively, rather than the staff member(s) reporting to any one partner. In addition to independence from the influence of any one partner, one advantage of contracting out is typically the ability to draw on a range of skills and expertise that are difficult to find in any one individual. While it is possible to contract the administration and delivery of the service to one person (an executive director of the service, such as the Cowichan Watershed Board), it is more common to use an organization that has a range of skills available to it, including administrative, communications, and potentially technical knowledge as well.

The only established service provider or precedence already set is the SWC. The SWC mandate, and indeed a portion of the SLIPP program that preceded it, has been delivered by the Fraser Basin Council. The SWC and its partners have therefore experienced the service through a contracted provider. Service delivery by a third party provides a precedence that can be both a positive and a negative. On the one hand, the existing partners are familiar with and have developed a working relationship with the provider, and on the other hand, SLIPP had some political hiccups and public backlash that, although not related to the delivery by a third party, may cause some to want to distance themselves – not necessarily from the particular service provider – but from that model. The contractor model requires a contract that is flexible, and a governing body that effectively manages the contract to ensure it is receiving the services it needs, and is receiving value for money.

Local Government Staff Member

Often when a joint service is created there may be one of the partners that is either already offering a similar service, or delivering that same service in a smaller area, or one partner that has expertise to offer. In such instances the service can contract the local government to provide the service to a wider area. In this case, while several partners provide water quality testing, that is not the same as delivering and coordinating the broader service, and providing the administrative and communications support for watershed issues and the service scope. The administration of the service involves coordination and



facilitation of the various partners, as well as communication skills – the compiling and understanding of technical water quality information, sharing of that information in an understandable format, as well as preparation of materials for educational and reporting purposes.

The use of a staff member at one of the local government partners is often perceived as a better use of funds, less expensive than consultants, and contributes to building local capacity. In reality, finding the right combination of skills in any one person can be a challenge. Because this service is new, and not the expansion of an existing service, it is unlikely that any of the partners has an existing employee that fulfills these roles or has this combination of skill sets.

6.0 FINANCIAL STRUCTURE

As referenced in the previous governance options paper, two key issues in creating a service are cost allocation – how the costs are divided between the partners – as well as cost recovery – how the funds are raised. A third related issue identified through SLIPP, and indeed by other case studies and examinations of funding of watersheds and watershed governance, is the lack of sustainable funding sources.

6.1 FUND SOURCES

Generally the funds for services are provided through taxation, grants, user fees, licenses and permits, as well as through the provision of in-kind contributions. Water quality protection and monitoring services typically rely on taxation as the primary source of funds, as there is no obvious user fee, license or permit that would logically fund the water quality service. There are permits required for the use of water, and discharge of effluent, or even recreational boating but these are often regulated through the Province (water licenses) or even Federally (Canadian Boating License), and are not provided to the local government operating the water quality service. Instead the local governments must rely upon the use of property taxes as well as grants, in-kind contributions from various agencies and partners, and volunteering from stewardship groups to help pay for the scope of services.

Some of the watershed organizations and other multi-regional services researched as part of this study are formed as independent multi-regional bodies with taxation authority. Other models were reviewed where the organization is incorporated as a non-profit society in order to access additional grants and private donations. Grants are an option for local government bodies, but often relate or are limited to specific projects rather than general operation of a service. Given the scope of the proposed service, and the recommended program content, there may be opportunities for grants for specific projects, and those should continue to be identified. Projects such as the outreach with the agricultural community, as well as the eventual need for a re-built database that provides better reporting functionality and public access are potential projects that may be suited to grant funding. However, a local government cannot count on having consistent grant funding, so reliance upon grants is not considered a “sustainable” funding strategy for service operations.

Similarly, while senior government funding is desirable, often this is provided through in-kind services. Given the scope of this particular service, in-kind contributions are assumed through the provision of data from a variety of partners, including local governments, the Provincial Government, the Department of Fisheries and Oceans, Interior Health, as well as from some



private water purveyors, all of whom currently undertake some water quality monitoring. In addition, the Ministry of Environment has thus far provided the database, for all the monitoring and test results, both as a means of maintaining records, but also to aggregate the information and provide analysis and updated reports. The Ministry, DFO, as well as staff from the various local government partners, also provided expertise regarding water quality, monitoring and impacts to the SLIPP program. These in-kind contributions are significant but have not been quantified for the purposes of determining the cost of the proposed service. The \$200,000 to \$250,000 rough budget prepared for the service therefore does not include the in-kind contribution of expertise, database use and inputting provided by partners.

6.2 COST ALLOCATION

As mentioned previously, the program under development for the next five years, based on the scope referenced in this paper, is estimated at approximately \$200,000 to \$250,000 per year. Under the options referenced in the governance section – an extraterritorial service or a CSRD service with a multi-regional commission – the cost allocation is expected to be the same, but the cost recovery mechanisms may be different. There may be a slight cost saving in the partnership option, given the reduced number of meetings of elected representatives, but in general the estimate of \$200,000 to \$250,000 would still apply.

Costs for a service are divided up between the service participants. There are many bases from which to allocate costs. A variety of bases for allocation were examined, including converted assessment totals (land, improvements and total), number of parcels, population, and land area. Ultimately each of these were discarded due to the inequities in funding totals that would be required, particularly given that the RDNO has historically not contributed to the service. None of the traditional methods of cost allocation were consistently supported by the partners as either fair or palatable, not to mention achievable. Several partners expressed the concern that one partner's objection to the funding formula could undermine the feasibility of the entire service and emphasized the need to agree on a formula that was achievable. The rough formula used in the implementation phase of the SLIPP process was referenced as a starting point as both a minimum that is needed to sustain the service, as well as a reflection of the magnitude of costs that may be generally supported or achievable by any individual jurisdiction.

The funding agreed to for SLIPP implementation included:

- \$50,000 from TNRD
- \$0 from RDNO

- \$20,000 from Salmon Arm
- \$2,500 from Sicamous
- \$260,000 from CSRD Electoral Areas

These rough amounts have therefore been used as a starting point for determining an allocation. For discussion purposes, a formula that includes 70% from CSRD, 20% from TNRD and 10% from RDNO can be used. Assuming a \$225,000 budget, this would result in the allocation shown in table 6.2.1

TABLE 6.2.1: Fixed Proportion Cost Allocation

	%	Total
TNRD	20%	\$50,000
CSRD	70%	\$175,000
RDNO	10%	\$25,000

In either governance structure (extra territorial service or CSRD service with multi-regional commission), the funding could be done through a custom arrangement such as the fixed proportions referenced above, which would be referenced in the establishment bylaw. The amounts would either be requisitioned by the CSRD, in the case of the extra-territorial service, or would be agreed to through an MOU, and each regional district would recover the cost of the service as it best saw fit, and forward the amount to the CSRD through a grant-in-aid.

Therefore, in the latter case, the respective regional district partners could determine how the cost is shared among the participating electoral areas and municipalities within the region. The TNRD has already established a service area to recover the \$50,000 it contributed to the SLIPP implementation process, and levies a property tax based on converted assessment totals (land and improvement). The service area encompasses Kamloops, Ashcroft, Chase and riverside portions of five electoral areas (I, J, L, O and P).³ The boundaries of the service area are not the same as the boundaries of the watershed, but the regional district included properties that were along the Thompson River, as well as all of Chase, Ashcroft and Kamloops based on the premise that these properties were most affected by (and have the greatest impact on) the water quality, as well as the fact that the intake for the City of Kamloops drinking water is from the South Thompson River. If that same approach were used to recover the fixed proportions of the service cost from the CSRD (\$175,000), Salmon Arm would be required to contribute close to \$65,000 and Sicamous \$17,000 toward the CSRD total. Both those contributions are expected to be

³ These are not the same areas that are encompassed by the watershed map, which covers Chase and portions of electoral areas B, L, M, O and P, however the TNRD's current service area is used in this analysis. RDNO figures do not include the portion of Spallumcheen.



out of line with the amounts those jurisdictions within the CSRD are willing to commit to the proposed service.

Other means of sharing the cost within the CSRD may therefore be needed to gain support for the service. Other approaches were examined, such as the use

TABLE 6.2.2: Cost Sharing Approaches in CSRD

	\$7 Parcel Tax	Land Area & Total Assessment (50/50)	Land Area & Population (50/50)	Land Area (75%) & Total Assessment (25%)
Salmon Arm	\$56,028	\$35,503	\$46,027	\$20,511
Sicamous	\$17,836	\$8,632	\$6,288	\$4,556
C	\$45,381	\$31,204	\$27,768	\$24,387
D	\$15,036	\$15,701	\$20,829	\$18,653
E	\$11,095	\$27,076	\$25,540	\$35,771
F	\$31,465	\$56,884	\$48,548	\$71,123
Total	\$176,841	\$175,000	\$175,000	\$175,000

of population, land area, and combinations of approaches. The chart (Table 6.3) shows the impacts of three different approaches –

a \$7 parcel tax, a combination of the land area and total assessment (50/50 split), and a combination of land area and population (50/50 split), and one that relies primarily (75%) on land area, and 25% on total assessment. These cost sharing formulas could also be used in the TNRD⁴ and RDNO to distribute their costs, but under the commission model it is not necessary to harmonize the formula in all regions.

6.3 COST RECOVERY

Regardless of whether the service has specific taxation authority, or whether it relies primarily on regional districts to levy taxes and forward the funds to the service, the majority of revenues for the service will be raised through taxes. Property taxes are most often levied on the assessed value of property, for both land and improvements, but can be calculated on the land portion only, or the improvement portion only. Another option is the levying of parcel taxes, which are typically a flat rate for each parcel, or can be structured based on the frontage or the area of the parcel. A hybrid could be used that levies both a parcel tax for some of the cost, with the remainder recovered through property taxes. Taxes that are related to the assessed value (ad valorem tax), are

⁴ Based on a rough estimate of the land area in the current TNRD Service Area, this cost sharing formula would reduce the costs in Kamloops by approximately \$10,000 and slightly reduce costs in Chase, but increase the overall amount recovered from the electoral areas by \$5,000 and increase the proportion shared by Ashcroft by approximately \$6,000.

generally considered to better reflect ability to pay, and are therefore considered to be a more equitable form of taxation.

If the fixed proportions referenced in Section 6.2 above were recovered as a parcel tax from each of the jurisdictions, those in the TNRD would pay approximately \$1.50 per parcel (assuming the same service area as currently used in the TNRD, despite the fact that its boundaries are not the same as the watershed), \$3 in RDNO, and \$7 per parcel⁵ in the CSR. An area-based parcel tax would result in a charge that is less than \$0.50 per hectare in CSR and RDNO, and closer to \$1.40 per hectare in the TNRD service area, although the areas used in the calculation are rough estimates, and would need to be refined

TABLE 6.3.1: Cost Recovery Approaches

	Property Tax (total assessment)	Flat Parcel Tax	50% Flat Parcel, 50% Property Tax
TNRD	\$0.98	\$1.50	\$1.24
CSR	\$6.40	\$6.93	\$6.67
RDNO	\$3.79	\$3.11	\$3.45

to determine the exact charge and net out any untaxable areas. The associated property taxes levied on an average \$300,000 home (total assessed values), would add about

\$1 to a TNRD tax bill, \$6.40 in the CSR and \$3.80 in RDNO. Table 6.3.1 provides some options based on a property valued at \$300,000.

One of the benefits of the commission model is that each of the contributing regional districts could determine its own approach for cost recovery. While the default is converted assessment values, as demonstrated by chart 6.3.1, if different approaches are used, the cost is distributed throughout the region differently.

6.4 FUNDING COMMITMENT

While taxation is a sustainable source of funding, the technical partner and the commission models rely upon the “voluntary” contributions from both the RDNO and TNRD, and the use of an MOU to commit to longer term funding. Even though the MOU is a legal document and demonstrates the commitment to the service, the MOU could provide for additional flexibility and less commitment than full participation in a service. Concerns may arise if, in any given year, one partner is unable or unwilling to make their contribution as per the MOU. Under the extra-territorial service option, each of the partners would be sent a requisition from the CSR.

⁵ BC Assessment “occurrences” were used to calculate the parcel tax.



One of the issues may be recognition of the “in kind” contributions of partners that are undertaking some of the water quality monitoring, including the data collection, and sharing the results with the group. Several partners are required to conduct monitoring as part of a permit or legislative requirement. Monitoring activities are already budgeted for as part of individual operations. However, the sharing of the data, or possibly even monitoring of extra parameters and uploading of that data to the shared database provides valuable information to the group as a whole, and contributes to the creation of a broader understanding of watershed health. There is therefore value to the service in both the collection and sharing of individually collected results. The participation by all partners and sharing of information is what provides the broad understanding of water quality; these are results that cannot be achieved by any one organization alone. These contributions are not quantified, or recognized in the funding formula, yet they are vital to the success of the service. Senior governments provide the majority of in-kind contributions, including the management of the database and reporting from it by the Ministry of Environment.

Another issue may be the funding arrangements with First Nations. There needs to be flexibility to include First Nations partners using different financial approaches than other participating jurisdictions. With the OBWB one Band contributed to infrastructure upgrades through taxes on leasehold properties, and another has annual property taxes and is investigating options for creating a mill rate on reserve properties. At this time no contributions are assumed from the First Nations within the watershed. However, there is often tension regarding the participation in services from partners who are not paying into a service. Water quality is something that everyone benefits from, and while it is important to continue to foster collaboration with as many partners in the watershed as possible, financial contribution to the service denotes a shared commitment, and greater voice in the direction of the service. Continued discussions should be held with the First Nations in the watershed to better understand their interest and ability to contribute to the service.

7.0 IMPLEMENTATION

With the establishment of a service there are many details that need to be resolved. The primary ones are the scope of the service, the governance model, service delivery and cost recovery. However, there are many implementation issues, such as how approval will be obtained, whom it is needed from, the mechanics of getting the bylaws and approvals in place, as well as options for withdrawal provision and service review. An implementation guide, including a brief communications strategy to move the service forward and build support, will be provided as a final step in the study once feedback has been received on the primary elements and recommendations within this paper.



8.0 RECOMMENDATIONS

Based on the input received thus far, there is support for establishing a collaborative multi-regional service based on the narrow scope defined herein. The key challenge appears to be gaining support and “buy-in” – literally and figuratively – from all partners. The following recommendations are provided for discussion purposes and are based on the feedback provided thus far.

Governance Framework

It is recommended that one of the models provided for through the *Local Government Act* be used to establish the service, thus providing for a more immediate establishment of a service with minimal lag between the conclusion of the Shuswap Watershed Council’s interim funding, and the new service. There is concern that if a longer process is undertaken to gain approval from the province, such as one that is more complex and requires legislative changes through the *Municipalities Enabling and Validating Act*, then the momentum and impetus for the service will be lost and difficult to recover. Although there are advantages to the more complex models, such as an increased level of independence and authority, there does not yet appear to be sufficient support to proceed with the lengthy approval process involved. An interim service that provides for a sunset clause (thus requiring joint approval to continue) after five years would enable the parties to continue to build relationships and better determine the value in the service. After the five-year period, the parties can choose to continue the service, or make adjustments to meet the partners’ evolving needs.

The service can be established either as a commission under the CSRD, or a commission under the extra-territorial service creation model. The extra-territorial model is slightly more complicated, both in terms of the approvals required (Lieutenant Governor in Council) as well as in the representation at the Board and default weighted voting. Given the relatively narrow scope and funds required to run the service, a complicated and unwieldy governance structure seems unnecessary. The extra-territorial option is only recommended if the additional implied commitment and ability to requisition the other regional districts is a key objective of all parties.

The creation of a service at the CSRD as well as a multi-jurisdictional commission to guide and operate the service is recommended as a simpler means to control the representation and have a more manageable decision-making group. The Commission would have at least two representatives from each of the three regional districts, as well as First Nations participation. It would be delegated as much authority as possible for operations and management of the service to provide some independence from the CSRD Board. The Commission would operate primarily on consensus basis, but weighted voting on limited issues

may be necessary given the inequity in funding formula. The Commission would make recommendations to the CSRD Board on issues that cannot be delegated to the commission.

Service Delivery

It is recommended that service delivery continue to be done through a third party contractor. This approach is recommended to reinforce the idea that although the service would be established through one regional district (the CSRD), it is not operated by the CSRD. The contractors would be selected by, and report directly to the joint Commission. This is also intended to eliminate any perception of undue influence or control by any one partner.

Cost Allocation

A predetermined cost allocation between the three partners is recommended (70% CSRD, 20% TNRD, 10% RDNO), that builds on what the parties agree is achievable. The ability of First Nations to also contribute to the service cost should also be investigated. Each partner will commit to a level of funding through a 5-year memorandum of understanding.

Cost Recovery

Each regional district will recover its allocation of funds through any means available. Funds will be forwarded to the CSRD through grants in aid.

Implementation

As referenced in the governance framework, it is recommended that the service would be established through one regional district (CSRD), and then significant control delegated to a joint commission. The service establishment bylaw will reference the cost allocation as well as a five-year sunset clause that requires a review of the service and conscious decision to enable it to continue. During that time the service participants may want to investigate other options for the service, such as the creation of a more independent body, the applicability of any new regulations that accompany the *Water Sustainability Act* and additional funding arrangements.

Appendix A: Service Scope

The collaborative and coordinated approach to water quality monitoring within the Shuswap Watershed, and the compilation of the information within one database, with access to provided to all participants, was seen as one of the tangible benefits and great successes of the Shuswap Lake Integrated Planning Process (SLIPP). To build on that momentum and multi-jurisdictional cooperation, in December of 2013, the SLIPP Steering Committee approved a terms of reference for a Shuswap Watershed Water Quality Program (attached). The proposed water quality program is intended to focus more specifically on the water quality monitoring and promotion of safety on the water within the Shuswap watershed.

PROCESS

As a start to the investigation of the feasibility of the service, we spoke with representatives from the various participants, including the three regional districts, the municipalities of Salmon Arm and Sicamous, and a representative of the Shuswap Nation Tribal Council. In addition, we met with the Fraser Basin Council to get the background regarding their involvement and the administration of the SLIPP process.

SERVICE SCOPE

Our initial discussions highlighted the shared understanding of the need for continued water quality monitoring of the Lakes and its tributaries, to identify trends, and as an early warning system to detect water health concerns in both the Lakes and the broader watershed. Due to the fact the watershed does not follow administrative boundaries, cooperation between multiple communities, First Nations and regional districts is required to facilitate a broader understanding of watershed health.

It is worth noting that some jurisdictions would like to extend cooperation to other areas, to collaboratively discuss land uses and activities that could have an impact on the health of the watershed, including impacts of land use such as residential, agriculture and forestry uses, as well as recreational uses of the water. Others referenced the water safety and recreational boating issues as high priorities, and interest in increased enforcement and awareness of boating regulations as an opportunity to work together. At a minimum, there appears to be agreement on the need to continue working together, an appreciation of the health of the watershed as vital to the area's environmental and economic well-being and quality of life of the wider region.

Our discussions did highlight less support for the water safety aspects of the proposed service from some at the staff level, and concern that there are already many other agencies with this mandate. While there is no doubt that

water safety is a concern, and a laudable objective, there were questions about whether that is a role best assumed by local governments. In this respect, the focus of the service could be more narrowly focused on the water quality monitoring aspects, and collaborating on the identification of water quality related concerns within the watershed.

In short, while there were calls for both a broader and narrower scope, our initial discussions did not raise any consistent message that suggested that changes to what has been initially proposed as the scope of the service were required. Starting with a narrow focus on water quality monitoring, and providing a means to continue the multi-jurisdictional cooperation, where agreement is greatest, will allow for a focused approach to a service. The dangers in broadening the scope is that at this stage such a service may not receive sufficient political buy-in from the individual players, thus reducing the momentum and cooperation established through the SLIPP process. Part of the rationale in maintaining a narrowly focused service, is to secure broader support. In time, if the cooperation and collaboration can be sustained through this type of inter-jurisdictional service, there may be other opportunities to collaborate on a broader range of issues. Furthermore, without pre-judging the next steps in the service feasibility process, there appear to be challenges with funding even a narrowly focused service at this stage, which would likely only be magnified with a more broadly-defined service. Conversely, while concerns regarding the water safety aspects were noted, it was not a concern held by many participants, and therefore will remain as part of the service for this feasibility study.

The service scope focuses on:

1. Monitoring water quality using a variety of types and locations of monitoring (based on results from previous years, priorities identified by the technical team based on the analysis). Providing consistency in the data collection, parameters tested, analysis, and data entry into a single database, available to all. Monitoring would continue to be done by various agencies based on their own specific interests (i.e. Interior Health requires water purveyors to provide water quality sampling, municipalities do their own, etc.), as well as additional areas identified by the group as part of the an overall plan to ensure information is not being missed (i.e. identify gaps), and that duplication is not occurring. Comprehensive annual reporting on the results of the combined information will be provided to all participants, and to the public.
2. Where water quality concerns are identified, following up to determine sources and identify causes where possible.
3. Recommend implementation/action tasks to partner agencies (modified management approaches, action plans to remedy pollution or encourage best practices or alternate approaches, focused



education/communication efforts, etc.) where individual partners have areas of authority. Where other funding opportunities are available, and there is agreement, take actions directly.

4. Educate recreational users of all watershed waterways of safety on and in the water. Collaborate with other agencies with safety mandate to avoid duplication and ensure consistent safety messages, as well as best approaches to distribute information.

SERVICE AUTHORITY

The proposed service would not have the authority or responsibility to require compliance with any specific regulations, and limited resources to investigate specific point sources of pollution, or evaluate the effectiveness of solutions. The responsibility for enforcement or regulation will still lie with the individual local governments, or where fisheries or environmental issues are identified, with the federal or provincial agencies. The ability of the service to effect changes or address problems in water quality therefore will not be through any express authority, but rather through the identification of problems and concerns, and collaborative discussions on ways to address the concerns. The service would work with the authorities and stakeholders to help the various authorities develop programs, such as educational programs or best practice guides to address the problems identified through the service. Having a coordinated body to monitor and determine where concerns are, and have that information widely and publicly available, provides an opportunity and forum to identify, assess and discuss the threats to water quality in the greater watershed.

NEXT STEPS

This summary of the scope is being circulated to the participants to confirm the starting point for the evaluation of the watershed water quality service, being lead by the Columbia Shuswap Regional District. This scope will be used as the basis for evaluating service delivery, governance and funding options. If there are any further concerns or feedback you would like to provide regarding the proposed scope, please contact the Sherry Hurst of the consulting team by phone or email at 250-516-0748 or shurst@leftside.ca. Any comments would be appreciated prior to **4 pm on June 20**.

A variety of service delivery and governance models for the proposed water quality service are currently being researched and explored and will be summarized in a discussion paper. The paper will focus on the benefits and challenges of the various approaches, and identify a preferred approach. The consultants will circulate the discussion paper and schedule a workshop for all service participants to go through the models and gain feedback on preferred options.

Appendix B: Survey Questions

The CSRD has commissioned a study to determine the feasibility of a multi-regional service that would build on the work done by the Shuswap Lake Integrated Planning Process, and the interim Watershed Council, and would focus on water quality monitoring within the Shuswap Watershed. As one component of the study, the potential governance models for the service are being considered. As a member of the Watershed Council, you have valuable first hand experience with the governance of a multi-regional partnership. The survey below builds on the issues outlined in the discussion paper provided to you. Thank you in advance for taking the time to share your perspective on governance issues, and enabling the proposed service to benefit from your experience.

1. The Shuswap Watershed boundary extends over three regional districts, encompasses six municipalities, and six First Nations bands. In addition, there are other federal and provincial agencies involved with water quality monitoring in the Watershed, the local health authority, as well as non-profit interest and stewardship groups. Who should be represented on the decision-making board of the proposed Shuswap Watershed water quality monitoring service? (choose all that apply)

- Political representatives from each of the Regional Districts
- Political representatives from each of the municipalities
- Political representatives from each of the First Nations
- Political representatives from only those jurisdictions making financial or in-kind contributions to the service
- A staff member from each of the Regional Districts
- A staff member from each of the municipalities
- A staff member from each of the First Nations
- A staff member from each of the senior government ministries or departments
- A staff member from the local health authority
- A staff member from only those jurisdictions making financial or in-kind contributions to the service
- Representatives from local stewardship or non-profit groups impacted by water quality.
- Other (please specify).

2. Regardless of how many people are on the governing board, various weighted voting approaches are often used to address inequalities in the governance structure. Often these provisions apply only to specific issues such as budgets, due to the cost implications of these decisions. Please evaluate the following statements. (Indicate strongly disagree, disagree, neither disagree or agree, agree, strongly agree)

- On budget issues, each board member should have weighted votes that relate to the percent of the population within the watershed that the board member is representing.
- On budget issues, each board member should have weighted votes that relate to the percent of the land area within the watershed that the board member is representing.
- On budget issues, each board member should have weighted votes that relate to the total dollars being contributed by the jurisdiction that the board member is representing.
- On budget issues, only board members from jurisdictions that contribute financially to the service should be able to vote.
- On budget issues, only political representatives should be able to vote.
- Budget issues should have different voting rules than other issues that do not impact financial operations of the service.

3. What committees, if any, are needed to support the Board and who should be represented on them?

4. How should costs be apportioned between service participants?

- Proportion of converted assessment within the Shuswap Watershed
- Proportion of land area within the Shuswap Watershed
- Proportion of population within the Shuswap Watershed

5. The governance discussion paper references three models – a multi-regional board, an extra-territorial service and a commission. While various elements from the models can be mixed and matched, which of the models appeals to you?

- Multi-regional Board
- Extra-territorial Service
- Commission
- I don't know
- Other (please specify)

6. What about the model(s) appeals to you?

7. Based on your experience, please use the space below to provide one piece of advice that will help in the creation of a successful governance structure for the proposed service.

8. Based on your experience, please use the space below to describe one situation that should be avoided in order to create a successful governance structure for the proposed service.

Your advice and comments will be added to the input gathered from a workshop with staff from the senior and local governments and First Nations within the Shuswap Watershed. All comments will remain confidential. Together the comments will help guide the recommendations regarding the governance options for the proposed service. The recommendations will be presented to the CSRD, as well as to all the partners within the Shuswap Watershed.

Thank you for your participation. If you would like to provide any further input at this stage of the process, please feel free to forward any comments to Sherry Hurst of Leftside Partners Inc. at shurst@leftside.ca

Appendix C: Research Summary and Lessons Learned

Watershed governance has come to the fore over the past few years in BC, as well as throughout Canada and the United States. Watershed governance aligns watershed decision-making with watershed boundaries, as opposed to political or jurisdictional boundaries. In BC, a few bodies and organizations have formed on the basis of watershed boundaries, such as the Okanagan Basin Water Board, Cowichan Watershed Board, and the Nicola Watershed Community Round Table. With the exception of the OBWB, roles have largely focused on stewardship and advisory capacities, with little or no independent decision-making or regulatory authority delegated to these bodies. As part of the process to design a governance framework for the proposed Shuswap Watershed Water Quality Service, these models, and other multi-regional service models (i.e. not watershed based) were examined to determine their applicability for the Shuswap, and to learn from their challenges, successes and experiences. The following provides a summary of three of the models that were examined in greater detail, and highlights some lessons that are relevant for the creation of a Shuswap Watershed Water Quality service.

Governance Models

1. Cowichan Watershed Board

One of the prominent examples of watershed governance in the province is the Cowichan Watershed Board. This organization evolved out of the Cowichan Basin Water Management Plan, which recommended the creation of a multi-stakeholder governance body. There are some important similarities between the Cowichan and the Shuswap watersheds. The formation of the Cowichan Watershed Board came after the preparation of a plan that involved multiple jurisdictions, including First Nations. In addition, Cowichan has experienced some water-related crises, including a drought in 2003, and more recently in 2014. The crises have helped to bring water issues to the fore. Likewise, the Shuswap Watershed Council has evolved from an extensive planning process (the multi-faceted Shuswap Lake Integrated Planning Process), and the area has experienced some crises that have elevated water quality issues, including an algae bloom in 2008, and Mara Lake had a similar experience in 2010. While not toxic, the events raised awareness of the area's reliance on the lake for drinking water, salmon health, recreation and the region's economy. These events helped mobilize the public around water quality issues.

The Cowichan Watershed Board does not span multiple regional government jurisdictions, but does involve important partnerships between the Cowichan Valley Regional District (CVRD) and the Cowichan Tribes. The Board includes representatives from those two governments (three CVRD and two Cowichan

Tribes members), as well as four appointed jointly by the CVRD and Cowichan Tribes, and appointees recommended by the Ministry of Environment (two) and Department of Fisheries and Oceans (one). The Board is co-chaired by a CVRD and Cowichan Tribes representative. The Board operates on a consensus model of decision-making, and is supported by a technical committee that includes representatives not only from government staff (local, provincial and federal) and the health authority, but also from multiple stewardship groups and one of the area's key employers. The CVRD and Cowichan Tribes fund the Board jointly.

The success of the Board has evolved from the collaborative process of the Cowichan Basin Water Management Plan, leadership from the CVRD and the Cowichan Tribes, the crisis (drought of 2003) that prompted the plan, the ongoing drought concerns (2014) and strong partnerships, technical information and funding. Factors identified by the Board that have hampered success, include a lack of regulatory authority, a lack of clear accountability among agencies, an unwillingness of provincial ministries to accept advice from the Board, a lack of sustainable funding (or authority to sustain funding), boundary issues and ongoing requirements for monitoring and research. The need to obtain updated information and data, particularly on water quality, was one of the group's key concerns, as identified in a recent case study (prepared by the UVic POLIS Project on Ecological Governance). A water quality study was later initiated in response to the UVic study. The water quality study noted that "due to resourcing issues, commitment from provincial ministries is still an area where improvement is required."¹

Some of the key lessons from the Cowichan experience include the importance of relationship building and collaboration as key components of creating effective governance and working relationships, gaining support and earning legitimacy. The Cowichan Watershed Board had a modest beginning, with an operating budget of approximately \$70,000. This funding supported basic administration, coordination and communication, including meeting expenses, a website and a part-time coordinator. During that time, considerable effort was dedicated to developing a detailed understanding of issues, building relationships and establishing priorities. The Board was also able to identify additional funding opportunities. The Board incorporated as a non-profit society in 2013 as a means to gain access to other funding avenues. The Cowichan Watershed Board is awaiting the regulations that will be developed for the province's new *Water Sustainability Act* to understand how those

¹ Hunter, Rodger with Oliver M. Brandes, Michele-Lee Moore and Laura Brandes. *The Cowichan Watershed Board: An Evolution of Collaborative Watershed Governance*. Polis Project on Ecological Governance. August 2014, p. 15.



regulations may enable delegation of authority to watershed entities (under Section 126), as well as the potential funding to support watershed governance.

2. Okanagan Basin Water Board

The Okanagan Basin Water Board (OBWB) is a multi-regional board with the mandate of promoting sustainable water management to protect and enhance the quality of life and environment in the Okanagan Basin. When the Board was created, back in 1969, some of the objectives were to define water resource problems in the Okanagan valley and determine priorities and opportunities for solving them. The Board sought funding for water management projects and to improve communication and collaboration among levels of government and government agencies. It evolved from the former Okanagan Watershed Pollution Control Council, which did not have the authority or framework to enable cost sharing and collaboration.

The OBWB promotes best water management practices by supplying science, information, grants and other incentives. It focuses on projects and programs that benefit the Okanagan watershed as a whole. The Board is not a regulatory agency and does not enact or enforce law.

The Board is governed by 12 directors, including three elected directors from each of the participating regional districts (i.e., Regional District of Okanagan Similkameen, Regional District of Central Okanagan and Regional District of North Okanagan). The other directors include one appointed by the Okanagan Nation Alliance; one appointed by the Water Supply Association of BC; and one appointed by the Okanagan Water Stewardship Council. The Stewardship Council was established in 2006 as a technical advisory committee to the Board and is comprised of water experts and volunteers. The last three directors were added after a study of the Board in 2006.

Directors are encouraged to represent the best interests of the entire basin. Votes are equally weighted except with respect to financial decisions where only regional district directors vote. The group is funded through property taxes (the Board has taxation authority) based on converted assessed values. In 2014 the mill rate was 0.058 for \$1,000 in assessed value.

The OBWB is a local government entity, and as such the Board receives senior government funding and is able to apply for gas tax funding. The Board is not, however, incorporated, which has led to some corporate challenges over time.

Lessons for the Shuswap include the concern from the local governments represented regarding the Board's expanding mandate and the associated costs. Indeed the experience of the OBWB was referenced as a reason some

local government partners within the Shuswap watershed were reluctant to commit to a joint service (i.e., there is concern that the scope, mandate and corresponding budget will expand over time). Another issue that has created tension within the OBWB is the lack of funding contribution – at least in the same way (property tax) – by First Nations in the basin. One band contributes to infrastructure upgrades through taxes on leasehold properties. However, the inequity in the funding model has created tensions regarding who is (and who should be) involved in decision-making related to funding. As mentioned previously, only regional district representatives vote on financial decisions.

Another lesson for the Shuswap watershed is that the OBWB does not have the ability to enforce regulations, but instead has worked on an approach of providing incentives, assistance and grant funding to help its partners meet common goals. This was seen as a preferred approach and was more successful at obtaining community buy-in than the creation of an authority that achieves results through enforcement. Notably, the proposed scope and authority for the Shuswap Watershed Water Quality Service does not include any enforcement or regulatory powers, however some partners have indicated an interest in that approach.

Lastly, of note, the OBWB has recently invested some time and energy to ensure the Board has sufficient status as an entity to hold and acquire assets (and incur liabilities). The OBWB is referenced in the *Municipal Enabling and Validating Act* simply as a “board,” which, on its own, does not provide for such powers. Considering the current scope and mandate of the proposed Shuswap watershed service, it is not anticipated that the governance body would need such capacity.

3. Sterile Insect Release Board

The Sterile Insect Release (SIR) Board is the multi-regional body governing the SIR Program, an area-wide, environmentally friendly approach to managing the codling moth. All, or portions of, four regional districts are within the service area and participate in the Program, including the Regional District of Okanagan Similkameen (RDOS), Regional District of Central Okanagan (RDCO), Regional District of North Okanagan (RDNO) and Columbia Shuswap Regional District (CSR). The Regional District of Central Kootenay (RDCK) initially participated in the Program, but subsequently withdrew.

The SIR Program was initiated in 1992 in the South Okanagan. In 1993, the \$7.4 million insect rearing facility in Osoyoos was complete. The Program focuses on the rearing and release of sterile codling moths; however, it also features a variety of other services, including monitoring, education and enforcement.



Service regulations provide the authority to enter property, and to order or undertake codling moth cleanup.

The Board is governed by 10 directors. Eight of the 10 are voting directors, including two appointed from the RDCO; one appointed from each of the RDOS, RDNO and RDCS; and three grower representatives (one from each grower zone). Two additional non-voting directors also sit on the board, appointed by Agriculture and Agri-Food Canada and the Ministry of Agriculture. The voting structure evolved from one vote per regional district to include two for the RDCO. The additional RDCO vote was added to respond to the disproportionate requisition amount received from the RDCO.

All directors participate in discussions and although the majority makes decisions, consensus is the norm. On financial matters, decisions are made by majority, plus there is a requirement for support from at least three of the five regional district directors. The Board does not need approval from the “home” regional district boards to set their budgets or operating procedures.

Industry and area residents share in the cost of the Program. The Program is funded through property value taxes (land only) and parcel taxes on apple and pear growers in the service area. Each parcel of property that is 0.3 acre or greater in size, with 20 or more codling moth host trees (apple, pear, crabapple and/or quince) is levied the parcel tax. In 2014, the parcel tax was \$139.26 per planted acre.

In researching the SIR Program one of the lessons passed on by Program staff was the importance of planning for adequate technical support. In the case of the SIR Program, the associated technology is specialized and would benefit from a technical advisory group that could support decision-making on such matters. Program staff also stressed that although the Board operates with a level of independence from each area’s home regional board, it remains very important for staff to pursue communication and other efforts to ensure the represented regional districts remain on-side with the direction of the Program. Staff are keenly aware the Program must continually demonstrate value to the jurisdictions involved.

It is also worth noting that when the SIR Program was originally established, there was no formalized mechanism for withdrawal from the service. Through much conflict, the regional district partners were able to negotiate the withdrawal of the RDCK (one of the original participants), setting precedent for future withdrawals from the service. Staff recommend that similar inter-regional partnerships or services include a formalized process for withdrawal at the time the service is established.

INTER-REGIONAL GOVERNANCE MODELS - MATRIX

BOARD NAME	OKANAGAN BASIN WATER BOARD	STERILE INSECT RELEASE BOARD	COWICHAN WATERSHED BOARD
Mandate	Watershed health	Management of codling moth	Sustainable water management
Service Area	Okanagan Basin	Fruit growing areas of the Okanagan, Similkameen and Shuswap Valleys	Cowichan watershed and adjoining areas
Established	1970	1989 Program 1992	2010
Participating RDs	RD Central Okanagan RD Okanagan Similkameen RD North Okanagan	RD Central Okanagan RD Okanagan Similkameen RD North Okanagan RD Columbia Shuswap	Cowichan Valley RD
Other Board Participants	Okanagan Nation Alliance Water Supply Association of BC Okanagan Watershed Stewardship Council	Grower Rep – Zone 1 (organic) Grower Rep – Zone 2 Grower Rep – Zone 3 Agriculture and Agri-Food Canada Ministry of Agriculture and Lands, Food Safety and Quality Unit	Cowichan Tribes Provincial Government Federal Government
Examples of Functions/ Initiatives	Non-regulatory Leadership Provides science Provides grants Communications among regions, between regions and senior gov't	Regulatory Sterile insect production Sterile insect release Mating disruption Population monitoring Urban visits Enforcement Education	Non-regulatory Securing funding Relationship building Education Communication Monitoring Environmental Farm Plans Cowichan Water Conservation Challenge

REPRESENTATION & VOTING			
Board Membership	<p>Total = 12</p> <p><u>Voting</u></p> <p>3 - RD Central Okanagan Directors</p> <p>3 - RD Okanagan Similkameen Directors</p> <p>3 - RD North Okanagan Directors</p> <p><i>Note: RD reps should include one rep from each major urban centre</i></p> <p><u>Voting (except on financial Initiatives)</u></p> <p>1 - Okanagan Nation Alliance</p> <p>1 - Water Supply Association of BC</p> <p>1 - Okanagan Watershed Stewardship Council (OWSC)</p>	<p>Total = 10</p> <p><u>Voting</u></p> <p>2 - RD Central Okanagan</p> <p>1 - RD Okanagan Similkameen</p> <p>1 - RD North Okanagan</p> <p>1 - RD Columbia Shuswap</p> <p>1 - Grower Rep – Zone 1 (organic)</p> <p>1 - Grower Rep – Zone 2</p> <p>1 - Grower Rep – Zone 3</p> <p><u>Non-Voting</u></p> <p>1 - Agriculture and Agri-Food Canada</p> <p>1 - Ministry of Agriculture, Food Protection</p>	<p>Total = 13</p> <p><u>Voting</u></p> <p>3 – Cowichan Valley RD Directors</p> <p>2 – Cowichan Tribes</p> <p>4 – Jointly Appointed (by above) from CW communities</p> <p>Up to 2 – Recommendation by G of Canada (DFO) and jointly appointed (by above)</p> <p>Up to 2 – Recommendation by G of BC (MOE) and Jointly Appointed (by above)</p>
How was the number of RD directors determined?	Balance among RD regardless of requisition or population	Evolved from one per RD to two for RDCO due to the disproportionate requisition amount received.	
Voting Notes	<p>All participate in discussion</p> <p>All have one vote, except on financial matters (see above)</p> <p>Votes not weighted</p> <p>Majority decisions but consensus is the norm</p> <p>On financial matters only RD reps vote</p>	<p>All participate in discussion</p> <p>Only RD Directors and grower reps vote</p> <p>Votes not weighted</p> <p>Majority decisions but consensus is the norm</p> <p>On financial matters, majority decisions, plus requirement for support from at least 3 of the 5 RD Directors</p>	<p>All participate in discussion</p> <p>All have one vote</p> <p>Votes not weighted</p> <p>Consensus decisions</p>
Term	1 year	1 year for Directors from RDs Grower reps (one from each zone) are nominated by the BC Fruit Growers Association to the relevant RD who then makes the appointment – not set term, sit on the board until a different	Directors from CVRD and Cowichan Tribes coincide with their terms of office. All others have 3 year terms.

		appoint is made	
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LEGAL STATUS & AUTHORITY			
Legal Status	Municipalities Enabling and Validating Act (MEVA) Supplementary Letters Patent No Service Establishing Bylaws or Regulations	Municipalities Enabling and Validating Act (MEVA) Corporation SIR Service Establishing Bylaws SIR Services Regulation - BC Reg. 17/90, including methods of cost recovery, cost-sharing, authority to enter on property, to order or undertake clean up Add Reg. – including authority enter into funding agreements with senior government and others and provide incentives/grants Notes: Does not have a formal mechanism for service withdrawal; however, precedence states that withdrawal would be negotiated by the RD partners, through the SIR Board.	Society Act Cowichan Watershed Society Constitution Cowichan Watershed Society Bylaw Special resolutions to amend the Constitution and Bylaw
Authority	Non-regulatory Needs each RD Board's approval for each policy change, procedural change, and overall budget (includes capital expenditures). Only RD Board members (of each RD Board) who are in the basin are allowed to vote.	Regulatory Issue and enforce cleanup orders Taxation Authority Doesn't need RDs approval to set budgets or operating procedures Notes: In reality it is recognized the Board must keep RDs on-side, must demonstrate value to RDs	Non-regulatory No requisitions Authority as set by <i>Society Act</i> Has borrowing powers – raise or secure the payment or repayment of money and issue debentures

FINANCE			
Funding Mechanism	Property value tax (all uses, land and improvements) Requisitions sent to RDs (budgets approved through individual RDs) Funding contributions from provincial and federal government agencies (e.g., grants from Natural Resources Canada) Private sector donations	Industry/residents share costs Property value tax (land only) Parcel taxes on apple and pear growers in the service area Requisitions through RDs (but budget approval not required) Note: slightly higher proportion funded through property value taxes compared to industry Senior government funding irregular	Annual funding contributions from Cowichan Tribes and CVRD, (gas tax funding) One time grant from Real Estate Foundation and BC Innovation Fund
Funding Notes	Ceilings for property value tax: Ceiling for program is \$0.036/\$1000 (doesn't include Sewage Facility Program) (close to what is charged) Ceiling for Sewage Facility Program – \$.21/\$1000 (not close to what is charged)	Each parcel of property that is 0.3 acre or greater in size with 20 or more codling moth host trees (apple, pear, crabapple and/or quince) is levied the parcel tax Parcel tax in 2014 was \$139.26 per planted acre	

STAFF & COMMITTEES			
Service Delivery	Staff and contracts	Staff and contracts	Contract
Service Administration	4 permanent/1 seasonal: Executive Director Water Stewardship Director Office and Project Manager Communications Director Communications Staff (seasonal contract)	16 permanent/1 seasonal: General Manager GM Assistant Entomologist Compliance Officer Area Coordinators (+ Staff) Rearing Facility Manager (+ Staff) Finance & IT (RDCO contract)	CWB Coordinator
Committees and Advisory Groups	<u>Okanagan Water Stewardship Council (28) 2006- no decision authority</u> Meet monthly Broad-based advisory body Consists of all stakeholders Communication channel to water stakeholders Mandate to investigate current basin-wide issues and provide recom. to the Board Enhances effectiveness of Board recommendations	<u>CAO Committee (4)</u> Meets on-demand, rarely meets Consists of the CAOs of 4 participating RD Input on governance, admin, budgets <u>Operations Advisory Committee (6 approx.)</u> Meets on-demand, rarely meets Stakeholder advisory committee Recommendations on delivery of program operation Not often called on in practice	<u>Technical Advisory Committee</u> The Committee will draw upon its members' diverse range of knowledge and technical expertise to develop options and recommendations for consideration by the CWB and, as appropriate, implement the actions needed to achieve the goals of the Cowichan Water Basin Management Plan. The Committee recommends only those actions that can be undertaken within the bounds of the CWB's mandate.

	<p>Required by letters patent <u>Executive Committee (5)</u> Provided for but never been formed</p> <p>Consists of the Chair, Vice Chair, Executive Director, and two other Directors appointed by nomination of the Board such that there is representation from each RD; and from at least one large municipality, one small municipality, and one rural area.</p>		
Reporting Relationship to Board	Council Chair is a voting member on Board (on non-financial matters)	Board Chair participates in Committee	Formulates recommendations
Represented Groups on Advisory Committee	<p><u>Okanagan Water Stewardship Council</u></p> <p>Assoc. of Professional Engineers & Geoscientists of B.C.</p> <p>BC Agriculture Council</p> <p>BC Cattlemen's Association</p> <p>BC Fruit Growers Association</p> <p>BC Ministry of Agriculture</p> <p>BC Min. Forests, Lands, Natural Res. Ops.(Ecosystems)</p> <p>BC Wildlife Federation Region 8</p> <p>Canadian Water Resources Association</p> <p>City of Kelowna</p> <p>City of Vernon</p> <p>Environment Canada – Pacific & Yukon Region</p> <p>Fisheries and Oceans Canada</p> <p>Interior Health Authority</p> <p>Okanagan Collaborative Conservation Program</p> <p>Okanagan Nation Alliance</p> <p>Regional District of Central Okanagan</p> <p>Regional District North Okanagan</p> <p>Regional District of Okanagan-Similkameen</p> <p>Shuswap Okanagan Forestry Association</p> <p>UBC Okanagan</p> <p>Agriculture & Agri-Food Canada Research Branch</p> <p>BC Ground Water Association</p> <p>BC MFLNRO Resource Mgmt</p> <p>Water Supply Association of BC</p> <p>Okanagan College</p> <p>Okanagan Mainline Real Estate Board</p>	<p><u>Operations Advisory Committee</u></p> <p>RD Rep - SIR Board Member</p> <p>BCFGA - SIR Board member</p> <p>BC Organic Tree Fruit Association</p> <p>Pacific Agriculture Research Centre Summerland</p> <p>Okanagan Tree Fruit Company</p> <p>BC Ministry of Agriculture and Lands</p> <p><u>Invited</u></p> <p>Integrated Environmental Plant Management Association</p> <p>BC Ministry of Environment</p> <p>Canadian Food Inspection Agency</p> <p>Pest Management Regulatory Agency</p>	<p><u>Technical Advisory Committee</u> (preliminary list)</p> <p>Catalyst Paper</p> <p>Cowichan Economic Development Commission (CEDC)</p> <p>Tourism Cowichan</p> <p>Cowichan Lake and River Stewardship Committee (CLRSC)</p> <p>Cowichan Tribes</p> <p>Cowichan Valley Naturalists' Society (CVNS)</p> <p>Cowichan Valley Regional District (CVRD)</p> <p>Department of Fisheries and Oceans Canada (DFO)</p> <p>Living Rivers Trust</p> <p>BC Ministry of Agriculture and Lands (MOAL)</p> <p>BC Ministry of Environment (MOE)</p> <p>BC Ministry of Healthy Living and Sport (MHLS)</p> <p>BC Ministry of Transportation and Infrastructure (MOTI)</p> <p>Private Forest Landowners Association (PFLA)</p> <p>Quamichan Lake Stewardship Committee (Quamichan Stewards)</p> <p>Somenos Marsh Wildlife Society (SMWS)</p> <p>Island Health Authority (VIHA)</p>

MODEL	EXTRA-TERRITORIAL SERVICE	COMMISSION	PARTNERSHIP
REPRESENTATION AND VOTING			
Political Representation on Board	<p>RD Columbia Shuswap</p> <ul style="list-style-type: none"> Electoral Areas C, D, E, F Salmon Arm Sicamous <p>RD North Okanagan</p> <ul style="list-style-type: none"> Electoral Areas C, D, E, F Enderby Lumby Spallumcheen <p>RD Thompson Nicola*</p> <ul style="list-style-type: none"> Electoral Areas L, M, O, P, B Chase <p>* The areas above are those included within the geographical area of the watershed. However, for the contribution to the current SWC process, TNRD has identified different portions of the region that are affected, including Kamloops and Ashcroft, and riverside portions of I and J, in addition to some of the areas within the watershed boundaries.</p>	<p>RD Columbia Shuswap</p> <p>Other areas would be represented on the Commission rather than the Board</p>	<p>Each individual RD Board (CSRD, TNRD and RDNO) would retain authority to make decisions.</p>
Non-political Representation on Board	None	None on the Board, but representatives are included on Commission, which has delegated authority from the Board for most decisions.	None on the individual RD Boards that would make the ultimate decisions, but the recommendations and service guidance, collaboration and information sharing would occur at the technical staff partnership level.
Voting	Voting is in accordance with defaults referenced in the <i>Local Government Act</i> (and relates to participation and population).	Voting at CSRD Board is in accordance with <i>Local Government Act</i> (and relates to population). Voting on Commission is flexible.	Voting on RD Boards is in accordance with <i>Local Government Act</i> . Voting within the technical (staff) partnership is flexible.
Decision-making Authority	Decision-making is done at the Board level, with advice provided by the Committees.	Board makes decisions on budget, and a few other items (e.g. service establishment bylaws), but delegates the bulk of decisions to the Commission.	Decision-making would be done by the individual RD Boards, and the technical partnership group would make recommendations to each Board.
Committee Membership	Flexible to include any political or non-political representatives.	Flexible to include any political or non-political representatives.	<p>Technical committee membership would be flexible to include non-political representatives, but would include staff from:</p> <ul style="list-style-type: none"> RD Columbia Shuswap RD Thompson Nicola RD North Okanagan Ministry of Environment FLNRO DFO Health Authority <p>Model is flexible and additional representatives can be included</p> <p>Additional committees or sub-committees could be used on specific topics or issues, but the entire group is essentially a technical committee</p>
Committee Role	Advisory – makes recommendations to Board.	Commission will be the primary decision-making body on most issues. The Commission can be supported by advisory committees that make recommendations to the Commission.	The technical committee would guide the service, although would be advisory in that the approval for budget and operational issues would be required from RD boards. Additional committees could be formed as working groups on specific topic areas to support the aims of the group.
INDEPENDENCE AND LEGAL STRUCTURE			
Independence from RD	Structured as a service of one RD, so tied closely to the RD.	Although structured as a service of the RD, decision-making authority for several areas is delegated to a Commission, providing some independence.	Not independent from any of the RDs.
Relationship to RD	Representatives from all participating areas (and RDs) are	Representatives from participating areas sit on	Members are staff of the RDs, as well as staff of other agencies.

	on the Board. Representatives can report back to their respective full RD Boards.	Commission, and can report back to their respective RD Boards. The CSRD Board, as the host RD, will receive reports directly from Commission.	
Relationship to Taxpayers	Taxpayers are represented through their elected RD representative (every participating electoral area and municipality) sitting on the Board.	Taxpayers are represented more broadly through the participation of elected members from each RD on the Commission. An elected representative from every participating electoral area or municipality may not necessarily sit on the Commission. CSRD taxpayers will also be represented through elected representatives on the CSRD Board, which will make some decisions.	Staff provide professional advice, but do not represent the taxpayers. RD Boards make decisions on budget and operational issues, and represent taxpayers.
Ease of Withdrawal From Service	Service withdrawal is provided for through <i>Local Government Act</i> .	Service withdrawal is provided for through the <i>Local Government Act</i> . Withdrawal in this model is likely simpler, due to the fact the service is the creation of (and at the Board level only involves participation from) one RD.	Provisions to withdraw from the service will be agreed to and referenced in the MOU to ensure other partners have notice and a procedure in place to address withdrawal issues.
Legal Structure	Enabled through existing legislation (<i>Local Government Act</i>).	Enabled through existing legislation (<i>Local Government Act</i>).	No legal structure – body would be created through an MOU between the partners.
FINANCE			
Cost Recovery	CSRD would collect taxes through requisitions to all participating areas. Funding may also include senior government contributions and/or grants, and FN contributions.	Service would be funded through taxes levied by the individual RDs. Funding may also include senior government contributions and/or grants, and FN contributions.	Service would be funded through contributions from each of the individual RDs as agreed to in an MOU.
Cost Allocation	Flexible	Flexible	Flexible
EXAMPLES			
Examples	Greater Vancouver Regional District Parks Service	Enderby and District Services Commission Peninsula Recreation Commission	Okanagan Similkameen Airshed Coalition* * although this body includes a committee with political representatives, it is otherwise similar with respect to the multi-regional participation (RDCO, RDOS, RDNO), aims of the partnership, commitment to participate through an MOU, and no financial or staffing contributions unless agreed to by the individual RDs.