



February 4, 2008

Mayors & Councils, Electoral Area Directors
Regional District Okanagan-Similkameen
Regional District Central Okanagan
Regional District North Okanagan

Dear Colleagues:

**Reference: Okanagan Similkameen Regional Governance
Consultation with Local Government Elected Bodies**

The Okanagan and Similkameen Valleys together represent one of the most dynamic and fastest growing regions in British Columbia. Continuous growth brings tremendous opportunities, but also brings new challenges for communities and their local governments to manage. Some of these challenges are local or sub-regional in nature, and can be managed by individual local governments or through sub-regional partnerships. Other issues transcend political boundaries to affect residents and environments throughout the broader area. New approaches to regional governance may be required to enable local governments to manage these area-wide issues effectively.

In November, 2007, at the invitation of the Minister of Community Services, the Regional Districts of Okanagan-Similkameen (RDOS), Central Okanagan (RDCO) and North Okanagan (RDNO) created the Okanagan Similkameen Regional Working Committee to steer a process aimed at examining area-wide needs and governance options. The Committee's membership of 12 includes three Board members from each Regional District, and the Mayor of each Regional District's largest municipality.

The Committee has met four times since its inception to identify key area-wide issues, establish and refine a list of guiding principles, and develop a set of regional governance options for addressing the issues. In early January, 2008, the Committee hosted a meeting of the full Boards of Directors from the three Regional Districts. At this larger meeting, elected officials worked in small-group and plenary gatherings to review and refine the Committee's work.

The Committee would now like to expand its consultations beyond its own members and the Regional District Boards of Directors to include all Mayors, Councillors and Electoral Area Directors throughout the Okanagan and Similkameen Valleys. To that end, the Committee has asked Mr. Allan Neilson-Welch, an Okanagan-based local government consultant, to meet on its behalf with each Municipal Council and set of Electoral Area Directors in the RDOS, RDCO and RDNO. This letter is intended to help set the stage for the upcoming meetings.

Meetings

The primary purpose of the meetings is to get feedback from the Municipal Councils and Electoral Area Directors on the materials (see later) that have been developed thus far through the Okanagan Similkameen Regional Governance process. The Committee's consultant will begin each meeting by giving a brief overview of these materials. Specific questions will then be posed to guide discussions.

In an effort to allow members of the public to follow the proceedings, the Committee suggests that the meetings with the consultant be open in nature. In the case of Municipal Councils, open Council-in-Committee meetings (or, Committee-of-the-Whole meetings) may be the best forum. Ninety minutes have been set aside for each meeting.

Materials

The materials to be reviewed with each local elected body are outlined in three separate attachments to this letter:

➤ **Attachment 1 Area-Wide Issues**

The Okanagan Similkameen Regional Governance exercise is based on the premise that there are growth-related challenges which transcend political boundaries to affect all communities throughout the Okanagan and Similkameen Valleys. These challenges, which can be referred to as area-wide issues, are difficult to manage effectively under the existing regional governance system. A new model of regional governance may be needed to enable local governments to better deal, collectively, with these issues.

To be sure, not every challenge facing local governments and their communities is an area-wide issue. Many if not most of the issues local governments are expected to address are local in nature and neither require nor warrant collective action. Other issues are sub-regional in nature. Partnerships involving neighbouring jurisdictions can be developed to address these issues; area-wide approaches covering the entire Okanagan and Similkameen Valleys are not necessary.

When discussing the notion of area-wide issues, it is important move from the abstract to the specific. It is important, in other words, to identify which particular issues might best be managed through a collective, area-wide approach. Using input from the January Boards of Directors meeting, the Committee put together a list of the area-wide issues that it feels may best be managed on an area-wide basis, either today or in the years ahead. The list of these issues is presented in Attachment 1. Issues that, in the Committee's view, *must* be managed on an area-wide basis are distinguished from issues that would *benefit* from an area-wide approach, but do not *require* one.

➤ **Attachment 2 Guiding Principles**

Based in large part on the discussions that occurred at the January Boards of Directors meeting, the Committee has developed a set of (draft) guiding principles to frame the

discussion around regional governance and, more particularly, the development of regional governance options. Attachment 2 lists these guiding principles. An effort was made to identify principles that speak to the need for an effective regional governance model, but that also recognize and accommodate some of the concerns that local governments may have when contemplating a new model.

➤ **Attachment 3**
Overview of Regional Governance Options

In December, 2007, a sub-committee on governance developed a preliminary set of regional governance options. These options were presented to the larger Boards of Directors meeting in early January, 2008. Input received from Directors was used to refine the sub-committee's work, and to develop a set of three distinct options. These options are put forward here for consideration against the status quo:

- *Option 1: Single Regional District* — This option would see the amalgamation of the three existing Regional Districts to form one new Regional District for the entire combined area.
- *Option 2: Inter-Regional Alliance* — The three existing Regional Districts would remain in place, but would jointly create an inter-regional coordinating body. The inter-regional body would serve as a forum for representatives of each Regional District to consider area-wide issues, and to develop, by consensus, joint approaches to address the issues. The body would not have the authority to direct the three Regional District Boards.
- *Option 3: Inter-Regional Authority* — Option 3 features the creation of one or more special purpose authorities to manage specific area-wide issues. The three Regional Districts would remain in place under this option. The special purpose authority(ies) would be given the power to requisition monies and take action on issues within its (their) jurisdiction. The governing body(ies) of the authority(ies) would include representatives of the three Regional District Boards of Directors.

These three options are outlined in greater detail, along with the status quo, in Attachment 3. It should be emphasized that the options have not been fully developed — many questions remain unanswered at this stage in the process. The feedback and ideas put forward by local Councils and Electoral Area Directors in the upcoming meetings will help to define the options further.

Next Steps

The meetings with Councils and Electoral Area Directors will be completed during the third week of February, 2008. On February 27, 2008, the consultant will present to the Committee a report on the consultations. The Committee's meeting at which the presentation is to be made will be open to the public, as is the case with all Committee meetings. A copy of the consultant's report will also be available online at the Committee's website: www.valleygovern.ca (individuals who wish to provide further input to the process may do so online at the same site).

On March 7, 2008, the Committee will be hosting a half-day "Council of Councils" meeting for all local government elected officials in the broader Okanagan Similkameen area. At that meeting, the Committee will present to participants a set of materials that incorporates the feedback received during the February meetings.

The Minister of Community Services has asked for a report from the Committee by March 31, 2008. The report, it is expected, will identify which regional governance option(s) the group wishes develop further. Additional work, as well as additional opportunities for consultation, will occur beyond March 31.

Thank you for taking the time to review this letter and its attachments. The Committee looks forward to receiving your feedback and suggestions.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert P. Hobson". The signature is fluid and cursive, with the first name "Robert" and last name "Hobson" clearly distinguishable.

Robert Hobson, Chair
Okanagan Similkameen Regional Governance Working Committee

Encl.

ATTACHMENTS

Attachment 1

Area-Wide Issues

The table below presents the list of area-wide issues that the Committee feels may be best addressed on an area-wide basis, either today or in the years ahead. Issues that, in the Committee's view, *must* be managed on an area-wide basis are distinguished from issues that would *benefit* from an area-wide approach, but do not *require* one.

Question: Do you agree with the Committee's list of area-wide issues that must be addressed on an area-wide basis?

Must Be Managed On Area-Wide Basis	Would Benefit From Area-Wide Approach
Transportation <ul style="list-style-type: none"> Transit Area-wide planning for movement of goods and people Water <ul style="list-style-type: none"> Intra-basin drought management Intra-basin water quality and quantity Development of water best practices Air Quality Solid Waste <ul style="list-style-type: none"> Area-wide SWMP Emergency Preparedness <ul style="list-style-type: none"> Area-wide planning Includes 9-1-1 (already in place) Economic Development <ul style="list-style-type: none"> Efforts to promote area-wide identity Other area-wide efforts that complement local and sub-regional efforts Food Security <ul style="list-style-type: none"> Area-wide planning Climate Change <ul style="list-style-type: none"> Area-wide initiatives Nuisance Flora & Fauna <ul style="list-style-type: none"> Efforts to manage or eradicate challenges such as West Nile virus, milfoil, pine beetle Includes SIR (already in place) Regional Growth Management <ul style="list-style-type: none"> Area-wide Regional Growth Strategy 	Parks & Trails Affordable Housing Strategies GIS Foreshore Management Heritage Programs Crown Lands (LRMP implementation)

Attachment 2: Guiding Principles

In the Committee's view, the guiding principles listed here speak to the need for an effective regional governance model for managing shared challenges, but also recognize and accommodate some of the concerns that local governments may have when contemplating a new model.

Question: Do you agree with the Committee's list of principles to guide the development of regional governance models?

Guiding Principles

Any new area-wide governance model that is developed for the Okanagan and Similkameen Valleys should:

- ensure area-wide coordination, integration and cooperation on issues that have an area-wide impact
- recognize that there are some issues on which area-wide coordination, integration and cooperation are necessary
- not result in the creation of a new level of government
- result in one voice for the broader area on issues on which it is agreed that there is a need for coordination
- recognize the diversity of communities that exists, and that all communities (large, medium, small, rural, electoral areas) should have an opportunity to have their views and concerns represented
- recognize the agreed-upon need to protect agricultural land to ensure food security and the viability of agricultural operations
- recognize the agreed-upon need to follow Smart Growth Management principles, but also the need to further define such principles
- recognize the desirability of direct elector input in determining representation in a regional governance model

Attachment 3

Overview of Regional Governance Options

The table below provides an overview of three regional governance options to compare against the status quo. The status quo itself is described on page 5 of the attachment. Note that the options presented here have not been fully developed — many questions remain unanswered at this stage in the process. The feedback and ideas put forward by local Councils and Electoral Area Directors will help to define the options further.

Questions: Is a new regional governance model required to properly address key area-wide issues?

What concerns do you have with respect to the options here? What do you like about them?
Which of the options appears most promising?

Description	Option 1 Single Regional District	Option 2 Inter-Regional Alliance	Option 3 Inter-Regional Authority
	<p>The three existing Regional Districts would be amalgamated to create one Regional District for the entire combined area.</p> <p>It is assumed that:</p> <ul style="list-style-type: none"> • There would be one Board of Directors for the new Regional District. • The new Board would be structured in an equitable way to take into account geography, community size and community diversity. In number of members, the Board would be smaller than the combined size of the three existing Boards (which totals 43 directors). • The Board would focus its attention on area-wide service issues. Local (i.e., electoral area) and sub-regional services would be provided through sub-regional bodies with full delegated decision-making authority. 	<p>The three existing Regional Districts would jointly create an inter-regional coordinating body to address area-wide issues.</p> <p>It is assumed that:</p> <ul style="list-style-type: none"> • RDOS, RDCO and RDNO would remain in place with their existing mandates. They would continue, as such, to provide local services and governance to electoral areas, provide sub-regional services to groupings of member jurisdictions, and provide regional services throughout their respective regions. • An inter-regional body would be created as a forum for representatives of each Regional District to consider area-wide issues, and to develop, by consensus, joint approaches to address the issues. • Representatives of the three 	<p>One or more special purpose authorities would be created to manage specific area-wide issues.</p> <p>It is assumed that:</p> <ul style="list-style-type: none"> • The three Regional Districts would remain in place with their existing service and governance mandates. • One or more area-wide body would be created by provincial legislation to deal with specific service issues that are deemed area-wide (i.e., that transcend political boundaries to affect the broader area as a whole). • The governing body(ies) of the area-wide authority(ies) would include representatives of the three Regional District Boards of Directors. • The area-wide authority(ies) would be given the power to requisition monies and take action on issues

Option 1 Single Regional District		Option 2 Inter-Regional Alliance		Option 3 Inter-Regional Authority	
Legislative Authority	<p>The Province has the authority to create, restructure and amalgamate Regional Districts.</p> <p>Regional Districts have the authority to create sub-regional bodies, such as service commissions, for the purpose of administering and operating services.</p> <p>Regional Districts have the authority, as well, to delegate to these bodies considerable decision-making power over the functions for which they are responsible. Regional Districts may not delegate specific powers (e.g., power to make bylaws).</p> <p>Legislative amendments may be required to allow for enhanced delegation of decision-making authority to sub-regional bodies under this option. Enhanced delegation would enable the new Regional Board to concentrate on area-wide needs.</p>	<p>Regional Boards would sit on the inter-regional body.</p> <ul style="list-style-type: none"> The inter-regional body would not have the authority to direct the three Regional Boards. Decisions to take joint actions developed by the inter-regional group would rest with the Regional Boards. 	<p>Regional Boards would sit on the inter-regional body.</p> <p>Thought would need to be given to the type of legal structure to use for the coordinating body. Regional Districts have the authority already to establish the body as a corporation or society, or as a less-formal inter-governmental committee.</p>	<p>that are fall under its (their) jurisdiction.</p> <p>There are examples in British Columbia today of inter-regional special purpose authorities — the Okanagan's own Okanagan Basin Water Board is a notable example. Such authorities must, at present, be established by provincial enabling legislation. Regional Districts themselves do not have the legislative authority to create such authorities.</p>	
	<p>The intent would be for the single Regional District Board to focus on area-wide functions, and to delegate sub-regional and local functions (as well as</p>	<p>The inter-regional body would focus its efforts on area-wide issues.</p> <ul style="list-style-type: none"> Which specific issues would the body address? 		<p>Questions to consider:</p> <ul style="list-style-type: none"> Would it be better to establish one multi-function authority to address all shared issues, or several single- 	
Functions					

	Option 1 Single Regional District	Option 2 Inter-Regional Alliance	Option 3 Inter-Regional Authority
	<p>decision-making authority over them) to sub-regional bodies. To consider:</p> <ul style="list-style-type: none">Which specific functions would the Board retain/delegate?Are there region-wide functions that the Regional District would need special authority to undertake?Would the delegated functions and degree of delegation vary from one sub-region to another?		<p>function bodies?</p> <ul style="list-style-type: none">Would the body(ies) have jurisdiction over all service and policy aspects of an area-wide issue, or only parts?Would decisions of the authority(ies) be binding on the Regional Districts and local governments?
Structure	<p>There would be one Board of Directors for the single Regional District. Questions to consider:</p> <ul style="list-style-type: none">How would directors be appointed or elected?How many sub-regional bodies would be required?Would there be one sub-regional body for all delegated services in an area, or more than one?	<p>The intent is to create a body that includes representation from the existing three Regional Districts. Questions to consider:</p> <ul style="list-style-type: none">How would representatives be chosen? Appointed? Elected?Would others sit on the body (e.g., general public, First Nations, provincial appointees, improvement district representatives)?	<p>Questions to consider:</p> <ul style="list-style-type: none">Who would sit on the governing body(ies) of the authority(ies)? Regional District directors? Officials elected to the body? First Nations? Others?To whom would the authority(ies) be accountable?
Boundaries	<p>As a starting point, it is assumed that the boundaries of the single Regional District would match the combined boundaries of the three existing RDs. Questions to consider:</p> <ul style="list-style-type: none">Would boundary adjustments be needed to better match geographic characteristics or service areas?	<p>The inter-regional body would discuss area-wide issues that transcend local political boundaries. Questions to consider:</p> <ul style="list-style-type: none">For this body, does "area-wide" mean the existing Regional Districts' boundaries?	<p>Questions to consider:</p> <ul style="list-style-type: none">Would the boundaries (i.e., geographic jurisdiction) be different for each area-wide issue taken on by the authority(ies)?
Resources	<p>As a Regional District corporation, the single RD would have its own</p>	<p>Questions to consider:</p> <ul style="list-style-type: none">How would the inter-regional body be	<p>Questions to consider:</p> <ul style="list-style-type: none">What would be the staff requirements

Option 1 Single Regional District	Option 2 Inter-Regional Alliance	Option 3 Inter-Regional Authority
<p>administration and, it is assumed, service staff. Services would be funded as they are today in Regional Districts — i.e., service costs would be recovered from benefitting areas.</p> <p>Questions to consider:</p> <ul style="list-style-type: none"> • What would be the staffing needs of the corporation, particularly in regards to area-wide services? • Would staff be assigned to a sub-region on a full-time basis? • What financial responsibilities and authority would the sub-regional bodies have? 	<p>funded? Tax requisitions? Grants? Transfers?</p> <ul style="list-style-type: none"> • Would the inter-regional body have its own staff, or would it rely on staff from the existing Regional Districts (and/or other local governments)? 	<p>of the new authority(ies)?</p> <ul style="list-style-type: none"> • Would the authority(ies) employ its (their) own staff, or second local government staff? • Is it correct to assume that the authority(ies) would fund their administration and service activities, in part at least, using tax requisitions?

Attachment 3 (continued) Overview of Status Quo

Status Quo	
<p>The existing system of regional governance features three Regional Districts: RDCO, RDNO and RDNO. Each Regional District consists of member municipalities and electoral areas.</p> <p>Within the current system, there exist some structures and partnerships to foster inter-regional development and cooperation. The Okanagan Basin Water Board, which is comprised of representatives of all three Regional Districts, is one example. In the past it concentrated on reducing phosphorus and nitrogen inputs to the key lakes the Okanagan Basin, as well on controlling aquatic plants, providing support for sewage treatment and, more recently, considering water sustainability.</p> <p>Another example is the Okanagan-Kootenay Sterile Insect Release program, which exists to protect the fruit growing industry in the RDCO, RDNO and RDNO, as well as in the Columbia-Shuswap Regional District.</p> <p>Examples of other cooperative efforts include the Southern Interior Development Initiative Trust, the Okanagan Partnership and the Central Okanagan Regional Air Quality Committee.</p>	<p>Description</p>
<p>The provincial <i>Local Government Act</i> and <i>Community Charter</i> are the primary pieces of legislation that govern and provide authority to the Regional Districts.</p>	<p>Legislative Authority</p>
<p>The <i>Local Government Act</i> authorizes each Regional District to operate any service that its Board considers to be necessary or desirable for all or part of its area. Each of the three existing Regional Districts provides in excess of 100 services today. Many of these services are local and are provided to single electoral areas, or groups of areas. Other services are sub-regional, provided to collections of municipalities and electoral areas. Still others are regional, provided to all jurisdictions that comprise the particular Regional District.</p> <p>Most services provided by Regional Districts are voluntary in nature — jurisdictions choose, or choose not, to participate. Certain services are mandatory, as specified in the <i>Local Government Act</i>.</p>	<p>Functions</p>
<p>Each Regional District is a corporation with its own Board of Directors. Member municipalities appoint representatives to sit on the Regional District's governing body, its Board of Directors. Voters in each electoral area directly elect</p>	<p>Structure</p>

Status Quo	
	representatives to the Board.
Boundaries	<p>Boundaries are established by letters patent.</p> <p>Questions have been raised regarding the appropriateness of certain boundaries in place today in the three Regional Districts. For example, the northern part of RDNO is within the Shuswap Basin, and tends to identify with the Columbia-Shuswap region. The Similkameen has similarities with communities in the Thompson-Nicola Regional District. And, there are two ski hills in Kootenay-Boundary Regional District that draw services from communities in RDCO and RDOS.</p>
Resources	<p>The Regional Districts employ staff directly to deliver services and implement Board decisions.</p> <p>Regional District services are funded using separate, dedicated service funds (the key feature of Regional District finance). Service costs are recovered from users and from participating jurisdictions and are placed into the service fund. All expenditures on the service come from the same fund.</p>