

**From:** Susan Blakely [mailto:SBlakely@vernon.ca]  
**Sent:** Thursday, March 17, 2011 1:17 PM  
**To:** Living Water Smart ENV:EX  
**Cc:** Brooke Marshall; Patti Bridal; Kim Flick  
**Subject:** BRITISH COLUMBIA WATER ACT MODERNIZATION PAPER

Good Afternoon;

Please find attached the City of Vernon's letter dated March 17, 2011 regarding the captioned document.

A 'hard copy' has been sent via regular mail today.

Thank you;

*Susan Blakely, CMC*  
Deputy Corporate Officer

**City of Vernon**  
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## THE CORPORATION OF THE CITY OF VERNON

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File: 0135-20

March 17, 2011

Water Act Modernization  
Ministry of Environment  
Water Protection and Sustainability Branch  
PO Box 9362  
Stn Prov Govt  
Victoria, BC V8W 9M2

**Via Email:** livingwatersmart@gov.bc.ca

Dear Sir;

**RE: BRITISH COLUMBIA WATER ACT MODERNIZATION PAPER**

Council, at its Regular Open Meeting held March 14, 2011, received the attached Staff report, and discussed the above captioned issue. The following resolutions were adopted:

*'THAT Council support the proposed Water Act Modernization process, subject to clarification on several issues including potential opportunities to comment on the Water Sustainability Act once drafted, opportunities to be consulted on Okanagan specific water management issues, anticipated extent of delegation of water regulation and monitoring responsibilities to local governments, water user prioritization during drought conditions and inter-basin watershed management implications on Vernon and Okanagan water users;*

*AND FURTHER, that Council **request the opportunity to review and comment on the Water Sustainability Act once it is drafted** to ensure that the needs of Vernon water users are not unduly impacted.*

**CARRIED.'**

AND;

*'THAT Council directs the Environmental Planner to prepare a draft resolution regarding the BC Water Act Modernization Paper for the City of Vernon's submission to the Union of BC Municipalities (UBCM), for review and consideration by Council at their March 28, 2011 Regular meeting.*

**CARRIED.'**

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We are enclosing our staff report which provides details as to our assessment and concerns. Please contact Ms. Brooke Marshall, Environmental Planner, at 250-550-3492 or via email at [bmarshall@vernon.ca](mailto:bmarshall@vernon.ca) should you have any questions regarding this matter.

We look forward to hearing from you regarding the requested clarifications and opportunities to provide comment.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Bridal', written in a cursive style.

Patricia Bridal, Corporate Officer  
Manager, Corporate Services

Cc: B. Marshall, Environmental Planner



THE CORPORATION OF THE CITY OF VERNON

**REPORT/RECOMMENDATION TO COUNCIL**

**SUBMITTED BY:** Brooke Marshall, Environmental Planner      **DATE:** March 8, 2011  
**FILE:** 0135-20

**SUBJECT:** BRITISH COLUMBIA WATER ACT MODERNIZATION PAPER

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**PURPOSE:**

To review the Water Act Modernization proposal and the policy direction anticipated for the Water Sustainability Act.

**RECOMMENDATION:**

THAT Council support the proposed Water Act Modernization process, subject to clarification on several issues including potential opportunities to comment on the Water Sustainability Act once drafted, opportunities to be consulted on Okanagan specific water management issues, anticipated extent of delegation of water regulation and monitoring responsibilities to local governments, water user prioritization during drought conditions and inter-basin watershed management implications on Vernon and Okanagan water users;

AND THAT Council request the opportunity to review and comment on the Water Sustainability Act once it is drafted to ensure that the needs of Vernon water users are not unduly impacted.

**ALTERNATIVES & IMPLICATIONS:**

1. Council may choose to not support the Water Act Modernization process proposals.
2. Council may choose to support the Water Act Modernization process proposals without request for clarification.

**ANALYSIS:**

**A. Committee/Board Recommendations:**

The Water Act Modernization proposal was not referred to the Environmental Advisory Committee for consideration. As the referral process is nearly over, there is insufficient time for this proposal document to be referred to the EAC. Should the draft Water Sustainability Act be available for local government comment prior to adoption, the EAC could provide comment at that time.

**B. Rationale:**

1. The Water Act (WA) is a regulation first enacted in 1909, with repeated updates and modifications occurring over time as water demands, increasing population pressures and the understanding of water management has evolved. Population growth projections, in addition to increasing periods of water shortages and the need to address groundwater management, have motivated this latest revision to the Water Act.
2. Ministry of Environment (MOE) initiated a review of the Water Act in 2010 to address concerns over the applicability of the Act to current resource management and water protection considerations. The purpose of the process was to update the existing Water Act with consideration for the goals to:
  - a. protect stream health and aquatic environments;
  - b. improve water governance arrangements;
  - c. introduce more flexibility and efficiency in the water allocation system; and
  - d. introduce groundwater management of extraction and use.
3. Overall, the proposed policy directions outlined in the WA Modernization proposal are modifications that reflect current and anticipated pressures on water resource availability. For example, groundwater management and potential regulation is becoming an increasingly important issue in the Okanagan, as development pressure increases in areas where no water delivery infrastructure exists nor is affordable to provide. The introduction of policy to address these issues is not enough without regulation, enforcement and funding to undertake these additional regulatory responsibilities. As well, it is important for the Water Act to recognize that pressures on water resources must be balanced between domestic uses, agricultural requirements and maintenance of stream and lake ecosystem health. How those interests are balanced, and how a prioritization system will be introduced and enforced, are not yet clear in the WA Modernization proposal.

The Water Sustainability Act, the legislation to be drafted once comment has been received by MOE on the WA Modernization proposal, is intended to address these issues. It is important that local governments be provided with an opportunity to comment on the Water Sustainability Act once it is drafted to address any potential issues which pertain to both regionally specific pressures and priorities, as well as anticipated local government concerns regarding responsibility for undertaking permitting and enforcement once the Water Sustainability Act is in place.

4. The Okanagan has been identified as an area with significant water supply issues and risks to quality. As part of the area based approach proposed, three levels of management have been identified based on existing and anticipated risk, scarcity and competing demands on existing water resources. Other areas identified as at significant risk include the south east area of Vancouver Island and the Lower Mainland (other areas of significant projected population growth). Unlike Vancouver Island and the Lower Mainland, the drought conditions and arid ecosystems of the Okanagan have distinct impacts on water availability, water demand and potential water user conflicts. This distinct set of circumstances, when

compared to the other two areas of significant water supply issues, increases the need for local Okanagan communities to comment on the draft Water Sustainability Act.

5. In addition, it is hoped that local governments throughout BC will be provided with an opportunity to consult on community specific water management issues. As was seen in the spring of 2010, when water restrictions were first put in place in Greater Vernon due to historic low reservoir levels, many water users, such as pool owners and tourism facility operators, are not commonly considered or consulted when water use restrictions are set out. It is these types of users, in addition to the more commonly considered water users, such as agricultural producers, domestic water users and industrial users, who may have as significant a voice in other areas of the province. Local governments may also wish to have clarity on how all of these uses will be considered when looking at any allocations to the United States.
6. The WA Modernization proposal addresses issues of water security through consideration of the introduction of drought preparedness plans and licensee efficiency policies, the introduction of inter-basin water transfers, the creation of an agricultural water reserve and the potential to introduce a hierarchy of users. None of these potential policy approaches to water management is clearly outlined in the WA Modernization proposal. Each could significantly impact regional and local land use, infrastructure and water provision decision making. These potential policy or regulatory approaches to water management are of potentially significant impact to Okanagan communities, such that comment on the draft Water Sustainability Act is important for our community.
7. The WA Modernization proposal suggests that local governments will be required to undertake a great deal of the responsibility for the increased water management approach suggested. While there is no list specifically outlining the responsibilities that would be delegated to local government, many of the policy directions suggest a number of potential additions to local government's role. These include, but are not limited to, watershed management planning, introduction of new incentives and economic instruments, water regulation, permitting and enforcement and groundwater monitoring and potential licensing. The anticipated delegation of water management responsibilities will affect local government budgets, staffing levels and increase involvement in responsibilities that have, until now, rested largely with regional districts and the provincial government.

**C. Attachments:**

Attachment 1 – British Columbia's Water Act Modernization: Policy Proposal on British Columbia's new Water Sustainability Act.

**D. Strategic Plan Objectives:**

The proposed Water Act Modernization policy proposal involves the following objectives in Council's Strategic Plan:

- Maintaining financial stability

E. Policy (Existing/Relevance/None):

N/A

F. Relevant History:

N/A

G. Applicants Response:

N/A

H. Reasons for Bylaw:

N/A

I. Resources:

N/A

BUDGET IMPLICATIONS:

The proposed changes to the Water Act in the Water Act Modernization paper will potentially have significant budget impacts for the City, should the responsibility for groundwater monitoring and licensing be placed in the scope of local government service delivery, plus any additional monitoring, permitting or enforcement responsibilities.

Prepared by:

B Marshall  
Brooke Marshall, Environmental Planner

Approved for submission to Council:

Leon Gous  
Leon Gous, CAO

Date: 9 Mar 2011

APPROVALS		DATE	COUNCIL AGENDA INFORMATION:			
Supervisor	_____	_____	<input checked="" type="checkbox"/> Regular	Date: <u>March 14, 2011</u>	Item # _____	
Division Manager	<u>ES</u>	<u>Mar 8/11</u>	<input type="checkbox"/> In-Camera/COW	Date: _____	Item # _____	
			<input type="checkbox"/> Information Item	Date: _____	Item # _____	
			<input type="checkbox"/> Agenda Addenda	Date: _____	Item # _____	
<u>REVIEWED WITH</u>	<u>REVIEWED WITH</u>	<u>REVIEWED WITH</u>	<u>REVIEWED WITH</u>	Committees		

<input type="checkbox"/> Bylaw & Licences	<input type="checkbox"/> Environment	<input type="checkbox"/> Public Works	<input type="checkbox"/> _____
<input type="checkbox"/> Clerk	<input type="checkbox"/> Facilities	<input type="checkbox"/> Planning	<input type="checkbox"/> _____
<input type="checkbox"/> Economic Dev.	<input type="checkbox"/> Finance	<input type="checkbox"/> Engineering	<input type="checkbox"/> _____
<input type="checkbox"/> RCMP	<input type="checkbox"/> Fire	<input type="checkbox"/> Transit	<input type="checkbox"/> _____
<input type="checkbox"/> Building & Bylaws	<input type="checkbox"/> GVS – Parks	<input type="checkbox"/> GVS - Water	
<input type="checkbox"/> Human Relations	<input type="checkbox"/> Utilities	<input type="checkbox"/> Other _____	

**NOTE:** City Administrator's comments will be provided if required as an addendum to the report