



## DISTRICT OF COLDSTREAM

# REPORT/RECOMMENDATION TO COUNCIL

**FROM:** Howie Choy, Planner  
Development Services

**FILE NO.** 22-010-ALC

**DATE:** July 27, 2022

**SUBJECT:** Non-Farm Use application for "That Part of Lot 21 said to contain 2 acres more or less as shown on Plan B4048; Section 22 Township 9 Osoyoos Division Yale District Plan 455," located at 3380 Reservoir Road

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### 1. Purpose:

To present District Council with a proposal for an *Agricultural Land Commission* (ALC) Non-Farm Use on lands within the *Agricultural Land Reserve* (ALR), to allow for a redevelopment of the Mission Hill Water Treatment Plant, located at 3380 Reservoir Road.

### 2. Recommendation:

THAT Council support the proposed Non-Farm Use as outlined in the report entitled, "Non-Farm Use application, for 'That Part of Lot 21 said to contain 2 acres more or less as shown on Plan B4048; Section 22 Township 9 Osoyoos Division Yale District Plan 455,' located at 3380 Reservoir Road," dated July 27, 2022, and submitted by the Planner;

AND THAT Council direct Staff to forward Application No. 22-010-ALC, indicating Council's support of the application, to the *Agricultural Land Commission* (ALC) for their adjudication.

### 3. Alternatives & Implications

#### **Option #1: Forward the proposal for an ALC Non-Farm Use to the ALC for a decision (Recommended)**

The purpose of the proposal is to allow for the construction of a new Drinking Water Filtration at the Mission Hill Water Treatment Plant (MHWTP) at 3380 Reservoir Road (refer to Attachments "A" and "B").

The Regional District North Okanagan (RDNO) is the Applicant for the current development proposal, which will be partially funded through the *Canada Infrastructure Program, Green Infrastructure – Environmental Quality Fund (Green Fund)* in the amount of \$30,000,000.

The total estimated cost of the project is \$45,000,000. The remainder will be funded from Greater Vernon Water (GVW) capital reserves.

The RDNO/GVW has informed District Staff of the time sensitive nature of the development proposal, which is tied to the Federal grant funding for the MHWTP capital works project.

## Option #2: Not forward the proposal for NARU to the ALC for a decision

District Council may defer forwarding the proposal to the ALC, if Council deems the proposed design and layout is inappropriate, and/or if further information is required from the Applicant.

If the ALC Non-Farm Use application is deferred, the following Council resolution is recommended:

*THAT District of Coldstream Development Application 22-010-ALC, for “that part of Lot 21 said to contain 2 acres more or less as shown on Plan B4048; Section 22 Township 9 Osoyoos Division Yale District Plan 455”, not be forwarded to the Agricultural Land Commission for a decision.*

If Council has decided to defer or deny forwarding the current ALC Non-Farm Use application to the ALC for a decision, it is recommended that Council provide its reasoning in writing to the Applicant.

## 4. Discussion/Analysis



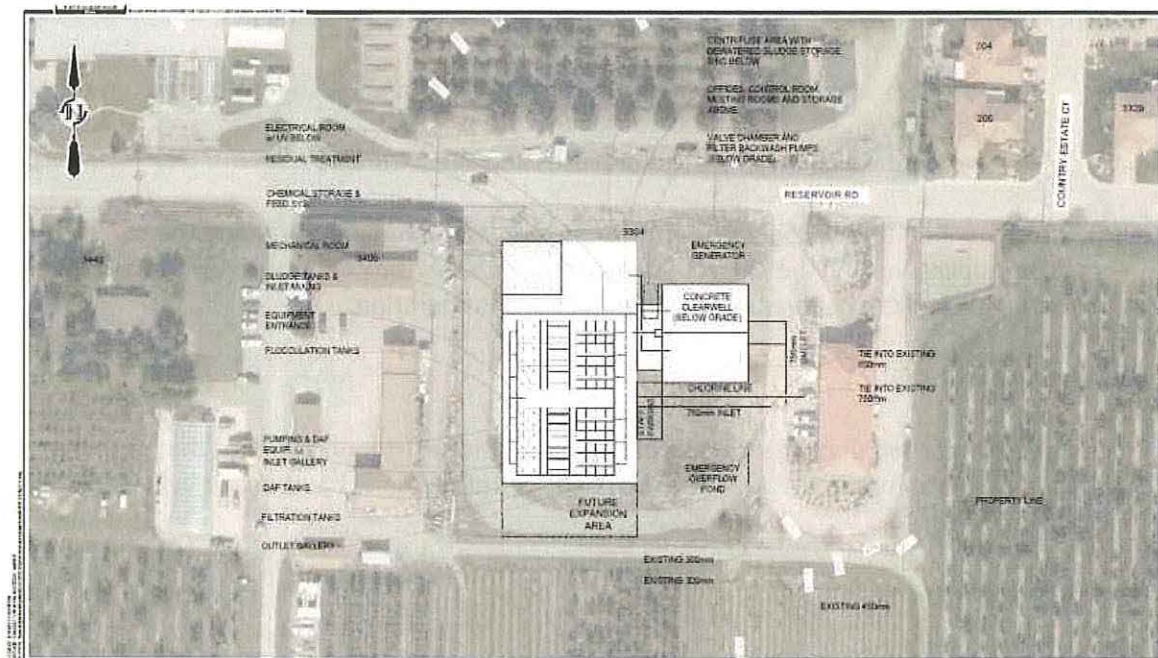
Registered Owner	Regional District of North Okanagan
Civic Address	3380 Reservoir Road
Legal Description	That part of Lot 21 said to contain 2 acres more or less as shown on Plan B4048; Section 22 Township 9 Osoyoos Division Yale District Plan 455
PID	012-314-251
Parcel Size	1.0 hectares (2.5 acres)
OCP Designation	Agricultural
Zone	Rural Two Zone (RU-ALR)
Existing Use	Agriculture

<b>Surrounding Land Uses</b>	<p>North – City of Vernon</p> <p>South – Agricultural lands (RU-ALR)</p> <p>East – Agricultural lands (RU-ALR)</p> <p>West – Agricultural lands (RU-ALR), Okanagan University College (P1)</p>
<b>Water</b>	Community Water
<b>Sewer</b>	Community Sewage

### Background:

The intent of the MHWTP Drinking Water Filtration is to reduce the risk of boil water notices or Do Not Use orders that may result due to Climate Change, which includes but is not limited to, algae blooms, winter milfoil, freshets, seiche events, and the like (refer to Attachments "A"). If approved, and the project would provide safe and reliable water supply for approximately 100,000 residents within the GVW service area.

### **Conceptual Filtration Footprint**



The lot has been used for the purposes of water treatment since 1911, and the current water infrastructure dates back to the 1950s, according to the RDNO/GVW. Although the non-farm use on the lot is considered legal non-conforming under the *Local Government Act* (LGA), expanding the non-farm use is inconsistent with the *ALR Use Regulation*. Therefore, the registered owner of the lot is required to apply for a ALC Non-Farm Use application to allow for such a use.

A non-farm use for the purposes of a public utility use is permitted in the RU-ALR Zone, in accordance with Section 314.1(c) of the Zoning Bylaw. The minimum setback from all lot lines must not be less than 2.0 m (6.7 ft). The current proposal would meet those criteria.

The lot is located within a Farm Protection Development Permit Area (DPA). However, District Staff

have decided that it will consider DPA requirements based on comments provided by the ALC as part of their adjudication and decision on the proposal. The current proposal does not include any detailed landscape plan.

Due to the overall community benefit of the MHWTP capital works project to the North Okanagan, District Staff are recommending that the ALC Non-Farm Use application be forwarded to the ALC for their adjudication and decision on the matter, while District Staff engage in discussions with RDNO/GVW regarding landscaping and buffering requirements, in accordance with the Farm Protection Development Permit.

#### Advisory Planning Committee

The Advisory Planning Committee (APC) is not required to comment on the non-farm use proposal, unless directed to do so by District Council, in accordance with Municipal Policy PLD24.

### **5. Strategic Objectives**

Council's objectives and policies for rural and agricultural lands are as follows:

1. Preserve the rural and agricultural character of Coldstream to the greatest extent possible; and
2. Retain the viability of agricultural uses and agricultural land.

It is recommended that if Council intends to provide any comment regarding the current ALC Non-Farm Use application for the MHWTP project that the above-noted objectives within the Official Community Plan (OCP) be forwarded to the ALC for consideration.

### **6. Legislative Authority**

The *Agricultural Land Commission Act* (ALCA) allows the registered owner of the lot to apply to the ALC for a non-farm use in the ALR. The use is not permitted unless authorized by a resolution of the local government.

### **7. Financial Implications**

Not applicable at this time.

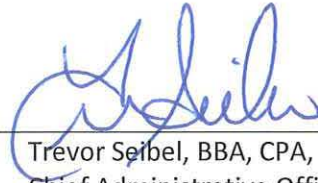


Prepared by:



Howie Choy  
Planner

Approved for submission to  
Council:



Trevor Seibel, BBA, CPA, CA  
Chief Administrative Officer

**REVIEWED WITH**

**DATE**

**COUNCIL AGENDA INFORMATION**

Financial Admin	_____	_____
Corporate Admin	_____	_____
Infrastructure Services	_____	_____
Development Services	<u>182</u>	<u>Jul 26/22</u>
Other: _____	_____	_____

<input checked="" type="checkbox"/> Regular	Date: <u>Aug 8/22</u>
<input type="checkbox"/> In-Camera	Date: _____
<input type="checkbox"/> CoW	Date: _____
<input type="checkbox"/> CoW In Camera	Date: _____
<input type="checkbox"/> Other _____	Date: _____

**ATTACHMENTS:**

**ATTACHMENT "A"** – Project Summary

**ATTACHMENT "B"** – Preliminary Site Plan



**REGIONAL  
DISTRICT  
NORTH  
OKANAGAN**

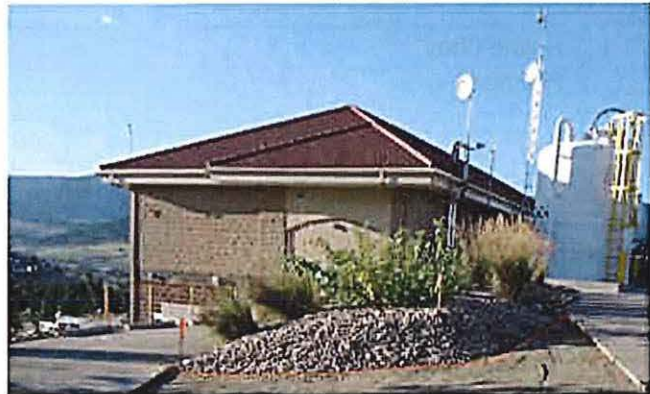
*Canada-BC Investing in Canada Infrastructure Program  
Green Infrastructure – Environmental Quality  
Drinking Water Filtration at the Mission Hill Water Treatment  
Plant for Greater Vernon Water*

**WHAT?**

The Regional District of North Okanagan (RDNO) is currently in the process of design for Filtration at the Mission Hill Water Treatment Plant (MHWTP).

**HOW MUCH?**

The RDNO was successful in their application for grant funding through *Canada Infrastructure Program, Green Infrastructure – Environmental Quality Fund (Green Fund)* in the amount of \$30,000,000. The total estimated filtration cost is \$45,000,000 with the remainder funded from Greater Vernon Water capital reserves.



**WHY?**

The 2017 Greater Vernon Water Master Water Plan identified filtration at the MHWTP as the highest priority project for Greater Vernon Water (GVW). Interior Health is in full support of the project to meet the Medical Health Officers goal for large utilities to meet Provincial Standards by 2025.

The MHWTP treats water sourced from Kalamalka Lake and is the primary water source of over 58,000 Greater Vernon residential and Industrial, Commercial and Institutional customers. The water is currently only disinfected with ultraviolet and chlorine which is sufficient most of the time but only when the weather is good. During weather events or during other times (freschet, high levels of toxic algae, lake turn over in the fall, winter milfoil rototilling, seiche events, etc.) the MHWTP is shut off and customers are supplied by the Duteau Creek source, which occurs approximately six times a year. If Greater Vernon Water (GVW) cannot shut off the MHWTP (i.e. during summer peak flow months) or if the Duteau Creek source is experiencing water quality issues at the same time (as occurred during 2017 freschet), a Boil Water Notice (BWN) must be issued or a Do Not Use (DNU) order if a toxic algae bloom occurs. Algae blooms are increasing in all of BC lakes due to climate change. The only way to reduce the risk of BWN or DNUs on the GVW system is to install filtration.

**IMPACTS OF BOIL WATER NOTICES?**

Based on a survey completed by the RDNO, the 10 day BWN in 2017 resulted in an economic burden of **\$2.2M to \$3.5M** to the community, which does not include staff time, emotional distress or the risk to vulnerable citizens. Some of the most concerning impacts were the cancellation of hospital surgeries and that the most vulnerable populations to waterborne illness such as the elderly and very young, were the mostly likely to be unaware or forget to avoid drinking the water.

**WHO BENEFITS?**

The City of Vernon, District of Coldstream, as well as serviced areas of RDNO-Electoral Areas "B", "C" and "D", and the Township of Spallumcheen will benefit with improved water supply safety and reliability. The population currently served by this water source is approximately 58,000, and is expected to grow to over 80,000 by 2052.

**WHEN?**

Estimated project schedule:

- Engineering start: June 2022
- Estimated construction period: October 2023 to April 2025
- Funding Deadline: March 31, 2026

### ALR CONSIDERATIONS:

- The property housed water infrastructure including a reservoir since the 1950's prior to the ALC being formed (see attached Figure 1). The property has been a primary water treatment site since 1911.
- GVW's infrastructure is value at well over \$700 Million. The water treatment and distribution system for the Kalamalka Lake water source was constructed around this site. Moving this site would be extremely difficult, expensive and take many years due to the required land acquisition and pipe main construction that would be required.
- Improvements to water quality through filtration for the GVW customers will sustain the area for future generations.
- Agricultural water from Kalamalka Lake is supplied from this property as well as the Duteau Creek water treatment plant located in Lavington.
- Project landscaping will remove invasive plant species and the perimeter of the property which is currently fenced will include native drought tolerant species and a tree buffer from neighbouring agricultural properties will be included in the design.
- The project anticipates indirectly benefitting over 100,000 people in the Primary Trading Area who engage in tourist activities, shopping and employment in the Greater Vernon area. Direct benefit supporting our local farmers through increased produce sales.
- Partnering with the neighboring tree farm within the ALR to use the plant process water not suitable for potable purposes but acceptable for non-potable use (from analyzers, backwash and centrifuge) will be explored during design.
- Emergency overflow water will be reviewed for discharge to a man-made wetland benefiting the local environment, also in consultation with neighbouring agricultural sites.
- The project addresses energy efficiency through use of solar panels, LED lighting, high efficiency equipment and the use of raw water for heating purposes.
- Reports submitted for acquiring grant fund:
  - Climate Resilience
  - Green House Gas Mitigation
  - Community Employment Benefits Identification
- Conditions exist within the grant funding agreement to address:
  - Value engineering
  - BC Drinking Water Protection Act
  - Water sustainability and conservation
  - Financial stability
  - Emergency management
  - Climate change
  - Asset management



Figure 1 – 1970 aerial photo of reservoir (Yellow Highlight)



