

OKANAGAN-KOOTENAY STERILE INSECT RELEASE PROGRAM BOARD

Minutes of a Regular Meeting of the **OKANAGAN-KOOTENAY STERILE INSECT RELEASE (SIR) PROGRAM BOARD** held in the Woodhaven Room of the Regional District of Central Okanagan, Kelowna, BC, on Friday, MAY 6th 2016.

Voting Members:

Director Duane Ophus, Chair	Regional District of Central Okanagan
Director Brad Sieben	Regional District of Central Okanagan
Director George Bush	Regional District of Okanagan Similkameen
Director Chad Eliason	Regional District of Columbia Shuswap
Billy Potash	Grower Representative – Zone 1 (Organic)
Amarjit Lalli	Grower Representative – Zone 2
Dave Dobernigg	Grower Representative – Zone 3

Non-Voting Members:

Dr. Kenna Mackenzie	Agriculture & Agri-Food Canada
Susanna Acheampong	BC Ministry of Agriculture and Land

Guests:

Glen Lucas, General Manager	BC Fruit Growers Association
Judie Steeves	Freelance Reporter
Peter Geh, BA, CA	BDO Canada LLP

Regrets:

Director Shirley Fowler, Vice-Chair	Regional District of North Okanagan
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Staff:

Cara Nelson (remotely)	OKSIR General Manager
Melissa Tesche	OKSIR Acting General Manager
Carol Teschner	CORD Finance Manager
Hugh Philip	Contract IPM Specialist
Elysia Zimmer	Recording Secretary

1. CALL TO ORDER

The Chair called the meeting of the OKSIR Board to order at 9:04am.

2. ADOPTION OF AGENDA

2.1 Adoption of Agenda

Moved by: Director Eliason

Seconded by: Director Sieben

"THAT the May 6, 2016 meeting agenda be adopted with the addition of 7.3 Nomination of OKSIR's 4 Regional Districts for UBCM's 2016 Community Excellence Award for "Partnerships"."

CARRIED

3. MINUTES

3.1 Regular Board Meeting – February 5, 2016 – for adoption

Moved by: Grower Potash

Seconded by: Grower Lalli

"THAT the SIR Regular Board Meeting Minutes of February 5, 2016 be adopted."

CARRIED

3.2 Business Arising from Minutes

N/A

*Glen Lucas arrived at 9:07am.***4. DELEGATION/PRESENTATION**

- 4.1 Peter Geh, BA, CA, Manager of Accounting and Assurance Services, BDO Canada LLP**
a. Audit letter dated May 6, 2016 from BDO, Michael Gilmore, CA, CFP, Partner BDO
b. Presentation of 2015 Audited Financial Statements

Peter Geh, Manager of Accounting and Assurance Services, BDO Canada LLP presented the Audit Letter and reviewed the 2015 Audited Financial Statements to the Board in detail.

Moved by: Director Eliason

Seconded by: Director Bush

"THAT the OKSIR Board approves the 2015 Audited Financial Statements."

CARRIED

Mr. Geh left the meeting at 9:25am

5. CORRESPONDENCE / INFORMATION

- 5.1 Staff Report from Cara Nelson, General Manager/Director of Business Development, dated April 22, 2016 re: Business Development Activities Update**

The OKSIR is registered as a secured shipper in accordance with Transport Canada. In-house trials using a variety of different shipping containers will begin next week. Also, OKSIR has been accepted into the IAEA Research Coordination Meeting which will assist in making connections with other organizations also involved in shipping live insects.

The structure of OKSIR often makes it ineligible for funding. The Board discussed investigating options to establish a "for-profit" subsidiary or partnership vehicle that would be eligible for senior government funding. The Board also discussed the time frame for determining viability of international markets for OKSIR sterile codling moth. It was noted demonstration trials dealing with biological products require at least three years to determine results.

Grower Dobernigg arrived at 9:42am

Ms. Steeves arrived at 9:45am

The Board discussed the next steps to assess the viability of business development for revenue generation. The importance was noted to keep in mind that there are two objectives for revenue generation: 1) to find funding for R&D business development/market expansion, and 2) to generate commercial revenue. It was suggested that the Summerland Varieties Corp. provides an example of the business establishment process. It was noted that start up of a commercial business can take 5-10 years before returns are profitable and business is viable. It was also noted that working with biological trials requires at least three year to determine results.

It was recommended that a report outlining the options for funding opportunities/structures be provided at the September Board meeting. As well, it was recommended that a strategic planning session be held in Spring 2017. The timing will allow for consultation with growers at the BCFGA AGM. A strategic planning session will lead to the development of a more detailed business plan with evaluation checkpoints and appropriate benchmarks of how to proceed to with long-term viability.

Moved by: Director Sieben

Seconded by: Grower Lalli

"THAT the Board continue to work on its business development initiative as budgeted in 2016; AND THAT the Board evaluate the progress of the initiative at its next Strategic Planning session by March 31, 2017."

CARRIED

Moved by: Director Sieben

Seconded by: Grower Lalli

"THAT staff explore revenue generation opportunities and report back by September 30, 2016."

CARRIED

5.2 Staff Report from Melissa Tesche, Acting General Manager, dated April 28, 2016 re: Program Update

The Board requested that the Grower Mailout be sent to all councils.

Moved by: Grower Lalli

Seconded by: Director Eliason

"THAT the Staff Report from Melissa Tesche, Acting General Manager, dated April 28, 2016 re: Program Update be receive."

CARRIED

6. UNFINISHED BUSINESS

6.1 Recognition of Staff Service

Awards for extended service were presented to staff at a meeting in the Spring of 2016. The Acting General Manager recognized the following for their years of service to the SIR program as of 2015:

- Bruce Garska – 20 Years
- Joanne Parker – 20 Years
- Sharon Montgomery – 15 Years
- Olga Evans – 10 Years
- Elysia Zimmer – 5 Years

7. NEW BUSINESS

7.1 BC Climate Action Initiative – Canadian Adaptation of WSU's Decision Aid System

The Board recommended that staff extend an invitation to UBCO to join the collaboration. Although WSU's system is proprietary, this could be beneficial for local public perception.

The Board was advised that direct financial efficiencies have been reported by the growers to WSU for this tool. The other big benefit is that it gives OKSIR a direct link to research. Access to this system will be valuable to growers and consultants alike. Training or an online guide to using DAS could potentially be made available.

Moved by: Director Bush

Seconded by: Director Eliason

"THAT OKSIR lead the Canadian adaptation of the WSU Decision Aid System and enter into a 5 year contract with Washington State University, for an amount not to exceed \$190,000 USD over the 5 years, subject to BC climate action initiative funding of \$90,000 CAN."

CARRIED

Director Sieben left the meeting at 10:56am.

7.2 Interim Financial Statements to March 31, 2016

The Finance Manager presented and discussed the Interim Financial Statements in detail with the Board.

Moved by: Director Eliason

Seconded by: Grower Lalli

"THAT the OKSIR Board receives the Interim Financial Statement ending March 31, 2016."

CARRIED

7.3 Nomination of OKSIR's 4 Regional Districts for UBCM's 2016 Community Excellence Award for "Partnerships"

Moved by: Director Eliason

Seconded by: Grower Dobernigg

"THAT OKSIR get permission from the Chairs of the four partnering Regional Districts to nominate the Regional Districts for the "Partnerships" category of the 2016 UBCM's Community Excellence Awards based on their 20+ years of collaboration in OKSIR."

CARRIED

8. ADJOURN TO IN-CAMERA

Moved by: Grower Potash

Seconded by: Grower Lalli

"THAT pursuant to Section 90 of the Community Charter the SIR Board adjourns and convenes to an 'In-Camera' session to discuss legal and personnel issues."

CARRIED

9. OTHER BUSINESS

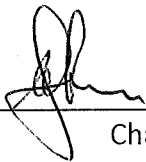
10. ADJOURNMENT

Moved by: Director Eliason

Seconded by: Grower Lalli

"THAT the SIR Board meeting be adjourned at 11:12am."

CARRIED



Chair



Corporate Officer