

OKANAGAN-KOOTENAY STERILE INSECT RELEASE PROGRAM BOARD

Minutes of a Regular Meeting of the **OKANAGAN-KOOTENAY STERILE INSECT RELEASE (SIR) PROGRAM BOARD**
held virtually via Teams, on Friday, May 13, 2022

Voting Members:

Director Shirley Fowler, Chair	Regional District of North Okanagan
Director George Bush, Vice Chair	Regional District of Okanagan Similkameen
Director James Baker	Regional District of Central Okanagan
Director Tim Lavery	Regional District Columbia Shuswap
Director Brad Sieben	Regional District of Central Okanagan
Grower Tarsem Goraya	Grower Representative – Zone 2

Non-Voting Members:

Dr. Susanna Acheampong	BC Ministry of Agriculture, Food and Fisheries
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Guests/Delegates:

Allison Lickley	Cascadia Partners
Jonathon Snoek	Cascadia Partners
Markus Schrott	BDO Canada LLP
Glen Lucas	BC Fruit Growers Association

Regrets:

Grower Walter Makepeace	Grower Representative – Zone 1, organic
Grower Joginder Dhand	Grower Representative – Zone 3
Taras Pojasok	Agriculture and Agri-Food Canada

Staff:

Melissa Tesche	OKSIR General Manager
Carol Bellingham	RDCO Financial Manager
Paul Thiessen	OKSIR Operations Manager
Evan Esch	OKSIR Entomologist
Michelle Cook	OKSIR Project Manager
Shelby Austen	OKSIR Administrator & Project Coordinator
Scott Arthur	OKSIR Facility Manager

1. CALL TO ORDER

The Chair called the meeting of the OKSIR Board to order at 9:02am.

The Chair welcomed the addition of two new grower representatives to the SIR Board; Joginder Dhand of North Okanagan and Tarsem Singh Goraya of Central Okanagan.

2. ADOPTION OF AGENDA

2.1 Adoption of Agenda

Moved by: Director Baker

Seconded by: Grower Goraya

“THAT the May 13, 2022, meeting agenda be adopted as amended.”

CARRIED

3. MINUTES**3.1 Regular Board Meeting – March 11, 2022 – for adoption****Moved by: Director Baker****Seconded by: Director Lavery***“THAT the SIR Regular Board Meeting Minutes of March 11, 2022, be adopted as presented.”***CARRIED****3.2 Business Arising from Minutes****4. DELEGATION/PRESENTATION****4.1 Markus Schrott, BBA, CPA, CA, Partner, BDO Canada LLP, Presentation of the 2021 Audit Results****a. Audit letter dated May 13, 2022 (Page 7)****b. 2021 Audited Financial Statements (Page 12)**

Mr. Schrott presented the 2021 audited financial statements in detail. Mr. Schrott informed the Board that there were no instances of fraud affecting the program and that all assets and liabilities other than cash, which has decreased, are consistent with previous years. Mr. Schrott commended the financial team that prepares the OKSIR books. The Chair thanked Mr. Schrott for his presentation.

Moved by: Director Baker**Seconded by: Director Bush***“THAT the OKSIR Board accept the Audit Letter dated May 14, 2021, and accept and approve the 2021 Audited Financial Statements as presented.”***CARRIED****4.2 Mr. Jonathon Snoek and Ms. Allison Lickley, Cascadia Partners, re: Report Value of SIR Program****a. Sterile Insect Release Program Evaluation & Funding Model Final Report, dated March 31, 2022 (Page 28)**

The Chair introduced Mr. Jonathon Snoek and Ms. Allison Lickley of Cascadia Partners to the Board.

Mr. Snoek and Ms. Lickley presented the results of their SIR Program Evaluation to the Board in detail. They reported extensive work with stakeholders including orchardists, packers, consultants, entomologists, and SIR staff to compile their report. Mr. Snoek informed the Board that the main conclusion of their evaluation was that they do not believe that the BC apple industry would survive without the SIR Program.

He reminded the Board that the first phase of the project had been an investigation of the local context for the program, the results of which had been presented to the Board earlier in the year. The second phase of the project was a jurisdictional scan of the apple growing regions in Creston Valley and Washington state to understand the codling moth presence/challenges in other areas and allow for a financial comparisons and valuation of the program. These findings reinforced the idea that SIR provides numerous quantifiable financial benefits to the area’s growers. Ms. Lickley explained to the Board that some conventional growers in other regions reported spending \$1500 per acre on sprays and organic growers outside the region are paying much more than that. It was noted that feedback stated that most local growers recognize that the price they pay for SIR services is a good deal and worth the cost. Their analysis predicts that within 1-3 years of OKSIR’s end, the industry would experience higher than ever codling moth pressure and few growers would be able to afford continued production, especially in the organic sector.

The Board thanked Mr. Snoek and Ms. Lickley for their presentation.

Moved by: Director Baker

Seconded by: Director Bush

"THAT the OKSIR Board accept the SIR Evaluation report dated March 31, 2022, as presented."

CARRIED

5. CORRESPONDENCE/ INFORMATION

5.1 Letter from Glen Lucas, General Manager, BCFGA, dated May 4, 2022, to Chair Loyal Wooldridge, RDCO, re: Sterile Insect Release Board – Nomination of Industry Representatives Zone 2

5.2 Letter from Glen Lucas, General Manager, BCFGA, dated May 4, 2022, to Chair Loyal Wooldridge, RDCO, Chair Kevin Action, RDNO, and Chair Kevin Flynn, CSRD re: Sterile Insect Release Board – Nomination of Industry Representatives Zone 3

Moved by: Director Baker

Seconded by: Director Lavery

"THAT the letters from the BCFGA be received."

CARRIED

5.3 Staff Report from Melissa Tesche, General Manager, dated January 26, 2022 re: Program Update

The General Manager gave the staff report in detail.

The General Manager informed the Board that the facility is now in full production and introduced the Facility Manager to speak about upcoming equipment decisions. The Facility Manager spoke on the subject and informed the Board that the current chiller unit is nearing the end of its life and an upgrade will soon be needed.

The General Manager informed the Board that hiring remains difficult. SIR has put in place a \$1000 end of season completion bonus for staff that remain the full length of their season. This bonus works out to roughly a \$1/hour raise.

The implementation of the Tree Fruit Industry Stabilization plan is still underway, and the General Manager remains an active participant serving on the broad implementation as well as several sub-committees.

The General Manager reached out for an update on the Tax Apportionment process and the Ministry confirmed that it is moving through the system.

Australia has received a permit to import live sterile codling moths from the program and they are hoping to receive shipments from OKSIR. Staff are investigating possible shipping arrangements.

Moved by: Director Bush

Seconded by: Grower Goraya

"THAT the staff report from the General Manager be received."

CARRIED

6. UNFINISHED BUSINESS

7. NEW BUSINESS

7.1 Interim Financials to February 28, 2022

Ms. Bellingham presented the interim financial statements in detail. SIR has received some grant revenue to offset expenses and parcel tax revenue will come in in August.

The chair presented a retirement gift and big thank you to Ms. Bellingham for all her work over her 14 years at RDCO.

Moved by: Director Bush

Seconded by: Director Baker

"THAT the interim financial statements be received."

CARRIED

ADJOURN TO IN-CAMERA

N/A

8. OTHER BUSINESS

The General Manager congratulated the Facility Manager for his 20-year anniversary at SIR, noting that it would not be an exaggeration to say that Mr. Scott Arthur is the world's leading expert in the mass rearing of codling moth. The Board presented Mr. Arthur with his service award and thanked him for his dedication and continuing to take pride in his work.

The General Manager informed the Board that a Strategic Planning Session will likely happen in combination with the next Regular Board Meeting.

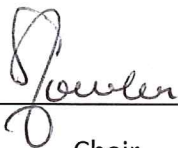
9. ADJOURNMENT

Moved by: Grower Goraya

Seconded by: Director Lavery

"THAT the SIR Board meeting be adjourned at 10:57am"

CARRIED



Chair



Corporate Officer