

OKANAGAN-KOOTENAY STERILE INSECT RELEASE PROGRAM BOARD

Minutes of the Regular Meeting of the **OKANAGAN-KOOTENAY STERILE INSECT RELEASE (SIR) BOARD**
held at the RDCO Woodhaven Boardroom November 28th, 2025

Voting Members:

Director George Bush
Grower Steve Day
Director Shirley Fowler
Director Kevin Kraft
Director Tim Lavery
Director Rick Webber

Regional District of Okanagan Similkameen
Grower Representative – Central
Regional District of North Okanagan
Regional District of Central Okanagan (virtual)
Regional District Columbia Shuswap (virtual)
Regional District of Central Okanagan

Non-Voting Members:

Andrea Kalischuk

AAFC Associate Director, Research, Development and
Technology (virtual)

Guests/Delegates:**Regrets:**

Grower Joginder Dhand
Grower Walter Makepeace
Dr. Susanna Acheampong

Grower Representative – North
Grower Representative – South, Organic
Entomologist, BC Ministry of Agriculture and Food

Staff:

Michelle Cook
Evan Esch
Tanya Littley
Shane Matheson
Peter Rotheisler
Cody Troutman

OKSIR General Manager
OKSIR Entomologist
OKSIR Office Manager
RDCO Financial Analyst
OKSIR Operations Manager
RDCO Financial Services Manager

1. CALL TO ORDER

Chair Fowler called the meeting of the OKSIR Board to order at 10:10 am.

2. ADOPTION OF AGENDA**2.1 Adoption of Agenda**

The agenda for the November 28, 2025, meeting was adopted with no amendments.

Moved By: Director Bush

"THAT the November 28, 2025, meeting agenda be adopted as presented."

Seconded by: Director Webber

CARRIED

3. MINUTES

3.1 Regular Board Meeting – October 3, 2025 – For Adoption

The minutes of the October 3rd, 2025, board meeting were adopted as presented.

Moved By: Director Bush

Seconded by: Director Webber

"THAT the OKSIR Regular Board Meeting Minutes from October 3, 2025, be adopted as presented."

CARRIED

3.2 Business Arising from Minutes

There was no business arising from the minutes.

4. DELEGATION/PRESENTATION

4.1 Staff Presentation of Report from Evan Esch, Program Entomologist, dated November 21, 2025, re: Measuring Program Success: 2025 Season Results

The Program Entomologist opened by welcoming board members and provided information on the purpose of the program, the codling moth lifecycle and the historic reliance on frequent pesticide applications to manage codling moth populations. He described how the Sterile Insect Release (SIR) Program strategically times sterile moth releases to disrupt mating and suppress wild moth populations. In cases where wild populations are too high for sterile releases to be effective alone, staff work with growers to implement supplemental pest management strategies, including targeted pesticide applications.

Mr. Esch reviewed seasonal conditions, noting that although spring weather was relatively typical, July and August brought sustained heat. The South Okanagan experienced more pronounced warmth, contributing to increased third-generation codling moth activity. This is particularly challenging, as third-generation pressure coincides with harvest when growers are less inclined to spray.

Two key monitoring tools were highlighted: pheromone traps that capture adult males and orchard fruit damage surveys. While pheromone trap captures were consistent to 2024 overall, as always they are an imperfect monitoring tool, so systematic fruit damage sampling is also completed as it provides a more reliable measure of trends year-over-year.

The Program's objective is for 90% of the acreage to have $\leq 0.2\%$ fruit infested by the codling moth. This season, damage sampling came back slightly below the target at 86% compared to meeting this target in 2024. Most orchards above the threshold were just above it, and only a small number were severely infested.

Staff reported that while infestation changes overall were minor, new infestations appeared in some previously clean orchards, often due to proximity to unmanaged or heavily infested properties. Several large orchards also experienced localized infestations, significantly influencing overall acreage results.

Geographically, increased damage was observed across a number of regions, with no single area responsible for the change. Mr. Esch addressed the recent reduction in trap numbers (a 15% decrease), noting that analysis showed no relationship between trap removal locations and increased damage.

Several contributing factors were identified. The warmer season accelerated third-generation development,

increasing late-season pressure, particularly in the South Okanagan. Movement of infested apple bins from packing plants remains a persistent concern, as larvae can cocoon under bins and be transported long distances to infest previously clean orchards.

Program staff continue to prioritize education, monitoring, and mitigation around bin piles. While the large influx of bins from Washington earlier in the year was closely monitored, it did not introduce new infestations.

Cideries were noted as another recurring challenge. Some cider-focused operations maintain practices that inadvertently support codling moth persistence, including unthinned fruit clusters that reduce spray penetration and lower quality fruit damage standards. Engagement and compliance vary widely among cideries, with some cooperative and others resistant.

Moved By: Grower Day

"THAT the staff report from the Program Entomologist be received."

Seconded by: Director Bush

CARRIED

5. CORRESPONDENCE/INFORMATION

5.1 Staff Report from Michelle Cook, General Manager, dated November 21, 2025, re: Program Update

Director Kraft joined the meeting virtually at 11:07 am.

The General Manager provided a brief update on current operations. Seasonal staff have now completed their work terms, and the field offices have been closed for the season. Off-season maintenance and improvement work is underway at the facility while production levels are low, as this work cannot be completed during peak summer operations.

The facility is collaborating with the University of British Columbia – Okanagan on an exuviae counting robotics project. The project aims to automate the counting of empty pupal casings used to measure larval survival rates. Staff currently perform this task manually on a weekly basis.

The organization successfully renewed its license with the Canadian Nuclear Safety Commission for another five-year term.

The Program Entomologist recently attended the International Atomic Energy Agency's third research coordination meeting in South Africa. The General Manager will travel to France next week to deliver a presentation highlighting 30 years of integrated pest management using Sterile Insect Technique (SIT) for codling moth, as part of an SIT-focused event hosted by CTIFL, a French agricultural organization who visited SIR in 2018.

2025 concluded with adult moth sales to M3 aligning with expectations. Overall sales revenue was lower than budgeted due to the loss of the Program's egg sheet customer BioTepp. M3 indicated plans to purchase the same quantity of moths in 2026 as in 2025, despite not selling their full 2025 inventory. A price increase for the cost of adult moths was implemented. Staff noted that moth exports were not subject to tariffs at the US border in 2025, though tariff risk remains an ongoing concern.

The Board discussed the potential benefits and risks of purchasing moth diet ingredients early to take advantage of currency fluctuations. Staff confirmed that ingredient purchasing begins in December as usual, with some limitations due to the shelf life of certain ingredients. Financial staff noted that exchange-rate assumptions for 2026 anticipate some strengthening of the Canadian dollar.

Moved By: Director Bush

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

Seconded By: Director Lavery

CARRIED

6. UNFINISHED BUSINESS

6.1 Proposed 2026 Meeting Schedule

The rescheduling of the proposed October meeting date to October 2nd, 2026, was discussed and approved by the Board. The remainder of the proposed meeting schedule remains unchanged.

Moved By: Director Webber

"THAT the 2026 meeting schedule of the Okanagan-Kootenay Sterile Insect Release Board be approved as presented."

Seconded By: Director Kraft

CARRIED

7. NEW BUSINESS

7.1 Bylaw No. 47 – SIR 2026-2030 Five Year Financial Plan – Three Readings and Adoption

- a. **Memo re: 2026 -2030 Five Year Financial Plan from Cody Troutman, Finance Manager**
- b. **Bylaw No. 47 SIR Program 2026-2030 Five Year Financial Plan**
- c. **Schedule A to Bylaw No. 47**

The General Manager provided a 2026 budget context presentation which included staffing changes at the facility in preparation for the Facility Manager's upcoming retirement. Recruitment for a new Facility Manager is underway, along with an internal promotion of Garnet Watkins to Facility Maintenance Manager. Mr. Arthur will begin training and delegating several of his current responsibilities to those staff.

Production levels will increase in 2026 due to lower-than-planned output in 2025, which in turn means diet ingredient purchases came in under what was budgeted for 2025.

For the field program, both acreage and seasonal staffing are expected to remain consistent with 2025 levels, aside from the removal of one seasonal supervisor position in the Vernon area. Program efforts in 2026 will prioritize achieving the target of 90% of orchards with less than 0.2% damage. No drone operations are planned for 2026. The drone program is currently not moving forward due to cost, regulatory constraints, and lack of operational efficiency, though the technology will continue to be monitored for future potential operations.

The proposed 2026 budget reflects the previously approved 10% tax increase for both parcel and land value taxes, with projections showing the same increase in the following two years (subject to future board approval). Sales assumptions include continued demand from M3 at 1,375 cups per week and no border tariffs. An increase in the cup sale price was negotiated and accepted by M3.

Expenses include \$250K annual reserve contribution toward the irradiator cobalt replacement, wage and benefit increases due to cost-of-living increases and minimum wage increases with expected staffing levels of approximately 18 full time staff, 5 seasonal supervisors, and 38 seasonal employees. Cross-Commodity Leadership Support Program staff costs remain within grant-funded project budgets. Budget lines were refined

to more accurately reflect actual spending.

Under strategic and business development, the plan maintains support from sales consultant Sean Beirnes, includes investment to explore out-of-province Canadian market opportunities, and sets aside funds to support collaboration on federal/provincial grant applications for future capital needs. A small allocation is included should the Board wish to undertake a strategic plan. Capital spending for 2026 includes replacement of a third cooling unit, one truck, and two ATVs.

The RDCO Financial Services Manager, Cody Troutman, reviewed the memo outlining the 2026–2030 Five-Year Financial Plan and the Bylaw No. 47 proposed for three readings and adoption.

The 2026 requisitions reflect a 10% increase from just over \$2M in 2025 to just over \$2.2M. The parcel tax increased from \$169.19/acre to \$186.11/acre. A 5% decrease in acreage is assumed; any further variance will be covered by reserves.

Codling moth sales to M3 remained stable, and a negotiated price increase will positively support revenues. SIR continues to administer grant-funded projects, retaining administrative fees between 5% and 8.5%.

Expense projections were tightened to align with actuals. Annual contributions of \$250K to the capital reserve continue to support cobalt replacement into 2028. Updated quotes will be obtained as the timeframe approaches, with alternative Canadian sources now available that will be explored.

A \$52K draw from the operating reserve is included for 2026, with reserves projected at approximately \$1.6M at year-end. From 2027 onward, the operating plan anticipates contributing to reserves rather than drawing from them.

Board members discussed reserve levels, operational impacts, past budget over-projections, vehicle replacement strategies, and research and program development variances. Clarification was provided on diet ingredient savings, reduced use of business development services, and discontinued drone program costs. Questions regarding long-term reserve targets and grower affordability were raised, with staff noting the forthcoming asset management plan will help guide future reserve requirements and adjustments will be made as necessary.

Action Item: The Board requested staff produce a 2027 asset management plan to be included in a future meeting agenda.

Moved By: Director Bush

Seconded by: Director Webber

"THAT the SIR 2026-2030 Five Year Financial Plan, Bylaw No. 47, 2025, be given three readings and adopted."

CARRIED

7.2 Bylaw No. 48 – 2026 OKSIR Board Revenue Anticipation Borrowing Bylaw No. 48, 2025 – Three Readings and Adoption

The Board reviewed the proposed borrowing bylaw for three readings and adoption.

A question was raised regarding the purpose of the borrowing, with clarification provided that the line of credit is used strictly for cash-flow management. Staff explained that while the organization expects approximately \$3M in revenue, it does not receive tax requisition funds until early August. As a result, short-term borrowing is required annually to cover operating costs, primarily payroll, during June and July.

The Board was advised that interest costs on the line of credit are minimal and are more than offset by the interest earned once tax revenues are deposited. Alternative approaches were examined, but due to statutory timing of tax payments and remittances, there is no practical method to avoid temporary borrowing. The Board acknowledged the explanation and proceeded without further discussion.

Moved By: Director Lavery

*"THAT the 2026 OKSIR Board Revenue Anticipation Borrowing Bylaw No. 48, 2025,
be adopted."*

Seconded by: Grower Day

CARRIED

7.3 Interim Financials to Oct 31, 2025

The Board reviewed the interim financials as presented.

Moved By: Director Kraft

"THAT the interim financial statements be received."

Seconded by: Director Bush

CARRIED

8. OTHER BUSINESS

The Board discussed the potential benefits of seeking funding to assist growers and packing houses to shift from wooden to plastic bins. They discussed if pursuing funding for bin replacement would yield sufficient program value.

The Board emphasized the need to prioritize advocacy efforts toward initiatives with the greatest strategic impact, such as cobalt replacement or other long-term program requirements. No formal motion was required.

Action Item: The Board requested staff clarify the extent of codling moth issues attributable to bin movement compartmented to other management factors.

9. ADJOURNMENT


The regular board meeting was adjourned at 12:05 pm.

Moved By: Director Webber

"THAT the SIR Board meeting be adjourned at 12:05 pm"

Seconded by: Grower Day

CARRIED


Chair


Corporate Officer