

Report

Date	April 17, 2024	File:
Subject	Service Agreement Funding Increase Request from Somenos Marsh Wildlife Society	

PURPOSE

To consider the Somenos Marsh Wildlife Society's (SMWS) request to increase their funding in 2024 to expand on the services provided to North Cowichan.

BACKGROUND

Since 2021, North Cowichan has engaged the SMWS in a service agreement to support North Cowichan's work in the Somenos Watershed on:

- controlling Parrot's Feather, an invasive aquatic weed in Somenos Creek;
- the construction and maintenance of green drainage infrastructure;
- planting native trees to restore riparian ecosystems;
- monitoring surface water quality in Somenos Lake and associated streams;
- removing invasive plants; and,
- engaging the volunteer community to help restore habitats in the Somenos Watershed.

Recent advances by SMWS staff and volunteers to potentially control Parrot's Feather provide an opportunity to make significant steps towards North Cowichan's goal of reducing its presence in Somenos Creek. Therefore, SMWS is asking that Council increase the funding for the service agreement budget to permit more ambitious work to control Parrot's Feather.

DISCUSSION

History of the Service Agreement

North Cowichan entered into service agreements with SMWS in 2021, 2022, and 2023 and will do so again in 2024. Each year, North Cowichan Environment and SMWS staff agree to the work goals and reporting objectives SMWS needs to achieve. Regular meetings (monthly or bi-weekly) are held to monitor progress towards those goals and objectives, exchange progress information, and discuss plans for collaboration between staff on work items. At the end of each year, SMWS prepares an annual report summarizing the year's achievements and identifies opportunities for service agreement work in the coming year.

Highlights of this work activity in the last three years include:

2021

- Parrot's Feather monitoring and control in Somenos Creek;
- water quality monitoring in Somenos Creek and Somenos Lake;
- native tree planting along Somenos Creek;
- assistance in construction of green stormwater site at Beverly Street and planting of 680 trees;

- habitat remediation in Bings Creek; and,
- preparation of reports for North Cowichan.

2022

- Parrot's Feather monitoring and experimental trials of Parrot's Feather control techniques;
- water quality monitoring in Somenos Creek and Somenos Lake;
- planting of 1,500 trees along Somenos Creek;
- habitat remediation in Bing's Creek; and,
- preparation of reports for North Cowichan.

2023

- Parrot's Feather monitoring;
- trial of Parrot's Feather cutting program;
- water quality monitoring in Somenos Creek and Somenos Lake;
- planting of 720 native trees and shrubs along Somenos Creek;
- habitat remediation in Bing's Creek; and,
- preparation of reports for North Cowichan.

In the last three years, staff and volunteers from SMWS have helped North Cowichan make significant progress towards the Council Strategic Plan goal of remediating Somenos Lake, a program to control Parrot's Feather in Somenos Creek, and the development and management of green stormwater infrastructure by the Environment staff (Beverly Street wetland).

During these three years, SMWS staff and volunteers have planted almost 3,000 trees and shrubs in and around Somenos Creek. Tree planting along the creek supports North Cowichan's long-term Parrot's Feather management policy of achieving control of Parrot's Feather growth via shading by restoring riparian treed habitat along the creek.

SMWS staff's water quality monitoring has been invaluable in understanding the efficacy of Parrot's Feather control actions. Given the potential for Parrot's Feather to interfere with drainage and create a nuisance for residents, control of this weed is a priority for North Cowichan.

As an example of the efficacy of the partnership with SMWS in providing a cost-effective means for North Cowichan to address management goals in the Somenos Watershed, SMWS volunteers contributed almost 500 hours of in-kind labour in service agreement work in 2023. Assuming a \$40/hour wage, similar work carried out by North Cowichan staff or contractors would cost approximately \$20,000.

The restoration of treed habitats in riparian areas is anticipated to begin to impact Parrot's Feather in 10 years. Until then, it is the opinion of SMWS and North Cowichan staff that cutting and removing Parrot's Feather at strategic locations can support drainage in and around Somenos Creek, improve water quality, and protect migrating trout and salmon. To that end, North Cowichan Environment staff worked with staff from SMWS and Cowichan Tribes to convince regulators from Fisheries and Oceans Canada and the Ministry of Water, Land and Resource Stewardship to permit the trial cutting of Parrot's Feather in the creek.

SMWS staff and volunteers began trial cutting in the summer of 2023 and used an aquatic weed cutter to remove almost two tonnes of Parrot's Feather from a creek site near York Road. SMWS staff and volunteers demonstrated that cutting allowed the maintenance of a 2-3 m wide clear channel for approximately 600 m at the control site. Given the success of this effort, SMWS is proposing to expand their Parrot's Feather cutting and removal work in the coming year. SMWS is also developing a plan to work with Cowichan Tribes to extend Parrot's Feather removal work to the section of the creek running through Cowichan Tribes' land south of Tzouhalem Road.

Budgeting for the Service Agreement for 2024 and beyond

In each of the three years of the service agreement, \$50,000 has been budgeted for all activities. However, in 2022, delays in preparing riparian restoration plans by a sub-contractor resulted in \$10,000 being underspent, which was carried over to 2023. Therefore, in 2023 \$60,000 was available for the service agreement (Table 1). In addition to this temporary increase, SMWS staff allocated additional funds to the work being done under the service agreement as in-kind work and from grants provided by other agencies to augment the work on service agreement projects. For example, in 2023, SMWS secured external funding from the Pacific Salmon Foundation (PSF), which was used to augment tree planting along and near Somenos Creek. Another case of increased service delivery occurred in the program to control Parrot's Feather Growth. SMWS purchased an aquatic weed-cutting device and was able to commence work to remove Parrot's Feather along portions of Somenos Creek.

In 2024, the service agreement budget returned to the previous funding level of \$50,000. However, when SMWS staff presented a proposed budget for work to be completed for North Cowichan under the 2024 service agreement on January 2, 2024, they indicated that \$70,000 was required to meet the needs of work requested by North Cowichan. This was not expected by staff. The SMWS proposal contained a similar work plan to 2023, i.e., expanded Parrot's Feather control and removal and greater tree planting. The major difference in the budget allocation between 2023 and 2024 is in the Somenos Creek tree planting category. These PSF funds will not be available in 2024, resulting in a cost increase above the 2023 level of spending. Given that tree planting along the Creek will be completed this year, extra funding should not be required in subsequent years; staff are supporting the budget increase for 2024 only.

Table 1: 2023 SMWS SA budget versus proposed budget for 2024		
	2023	2024 (proposed)
Somenos Lake water quality monitoring	\$19,875	\$18,035
Somenos Creek Parrot's Feather control	\$17,854	\$18,120
Somenos Creek tree planting	\$12,863	\$23,365
Annual Report preparation	\$5,688	\$6,880
Overhead and office costs	\$3,600	\$3,600
Total	\$59,880	\$70,000

OPTIONS

1. **(Recommended Option)** THAT Council increase the 2024 budget allocation for the service agreement with the Somenos Marsh Wildlife Society from \$50,000 to \$70,000 and that the increase be funded from unappropriated surplus.
 - *This option will allow SMWS to expand on the services provided to North Cowichan in protecting and restoring aquatic habitat and improving stormwater drainage in the Somenos Watershed and enhance work to control Parrot's Feather in the short-term and help North Cowichan staff reduce its presence in the long term.*
2. Option 2: THAT Council defer the request from the Somenos Marsh Wildlife Society to increase their funding from \$50,000 to \$70,000 for consideration in the 2025 budget process.
 - *This option would freeze spending and will compel North Cowichan staff to direct SMWS to scale back one or more of the work items in the SMWS service agreement.*

IMPLICATIONS

The SMWS service agreement has significantly contributed to North Cowichan achieving its strategic and policy goals in the Somenos Watershed. The value of volunteer contributions is a key component of this agreement and North Cowichan cannot practically duplicate it.

Increasing the budget allocation for 2024 will allow North Cowichan staff to return to spending in 2025 that is in line with previous years' budgets and service plan tasks without interrupting the expanded tree planting and Parrot's Feather achieved in 2023 and possible for 2024. Increasing funding outside of the usual budget process is generally not recommended. After the budget has been set the only options for adding new funds are to reduce the budget in other areas or to use the unappropriated surplus. Best practice suggests that unappropriated surplus should be approximately 4 months of operating expenditures, which would total \$17 million. At the end of 2022 (the most currently completed year end), the balance in unappropriated surplus was \$6 million.

Delegation of work to SMWS allows Environment staff to focus on other strategic and policy goals in North Cowichan, e.g., remediation of algae blooms in Quamichan Lake, securing licensing of summer well operations near the Chemainus River, developing a natural assets management plan, invasive plant control, and responding to requests for support on environmental questions from other departments, e.g., removal of the floating vegetation mat from Quamichan Lake.

The service agreement work proposed for 2024 will support the development of natural stormwater assets in the Somenos Watershed which are likely candidates for early integration into North Cowichan's assets portfolio under that strategic initiative. Work assessing North Cowichan's natural assets value and integration into our assets management will begin in spring 2024.

Enhancing the service agreement provides North Cowichan with an effective way of engaging citizens on work being done to enhance the community, protect property, and restore the environment.

RECOMMENDATION

THAT Council increase the 2024 budget allocation for the service agreement with the Somenos Marsh Wildlife Society from \$50,000 to \$70,000 and that the increase be funded from unappropriated surplus.

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