



KITSELAS BAND COUNCIL

REGULARLY SCHEDULED MEETING - January 9, 2024 Minutes

Present: Chief Councillor Glenn Bennett, Councillors Cyril Bennett-Nabess, Gerald Nyce, Geneva Mason, Ken McDames Jr., and Jericho Collison (virtual)

Cheryl Campbell, Linda Morven, Ulyses Venegas, John Balough, Chris Apps, Matilda Henry (virtual), Marlene George (community member)

Regrets: Councillors Judy Gerow & Victor Wright

1. Call Meeting to Order & Opening Prayer – The meeting was called to order at 3:04 pm. Opening prayer by Cyril.

2. Adoption of Agenda

MOTION 2024-01-09 (ONE)

THAT Kitselas Band Council approves the agenda for January 9, 2024.

Moved by: Geneva Mason

Seconded by: Gerald Nyce

Carried

Housing – 3:15 pm

3. Community Centre

Steel framing started showing up last week, and trucks arriving next week. Plans changed a bit because of the steel, but we didn't stop working. Construction is behind. We will know with more accuracy once the metal structure is complete. Right now, looking at beginning of June.

Have a couple of funding applications. One is January 15 for the totem poles. Newer spaces application for daycare. We have to make this community centre sustainable. Looking at community engagement 3rd week in February. Ulyses to provide regular updates.

Housing – Terrace paving wasn't able to pave last year. They don't start doing anything until April/May, so we'll get the paving done at that time. Council is the Society. In the Society Act, a Society cannot have more than 5 directors. We have 7 members right now. The decision making, high level, will always come from Council. I would like to advertise community members to the Housing Society who will make the decisions. Will register under the Society Act. Looking at website to get housing applications.

Roof replacements – Looks like one house leaked. Put a tarp down and started pouring rain. Hold the contractor responsible – did everything they were asked to do. It is addressed, and is fixed. Unfortunately, it created panic in the community. And now, have another complaint from another house. I followed up and attic hatch was left open and created moisture. Wasn't insulated properly when it was built. Being very proactive.

We have 2 houses with this issue. Brought ½ million from CMHC to take care of this work.

Marlene – New homes have security cameras? Have people speeding in the community, and will get worst. Lighthouse and bus stop, needs work. Teens drinking around the community. Window was broken around the firehall again. Importance of having a 2nd exit out of Gitaus and look at planning for it – climate change and threat of fire. My house was egged by community kids – last year and 2 weeks ago. Have had to install a 3rd security camera. Don't know if Council can pay to have my house cleaned as I can't reach.

Ulyses - Everyone has a door bell and security cameras in the back, and each household has 2 cameras. It has to be a professional cleaner. We don't have funding for the shelters.

Community Centre Financing

Worst case scenario, only have \$7.15 million secured, and \$15.7 million required.

RBC – Finally yesterday, gave us a document, and sent us a proposal last night.

TD – Did in December. Let us know today their rates are going down. Almost ½ point difference between TD and RBC, but RBC not going to charge us the fees. TD asking to maintain \$9.5 million in liquidity and financing would include all entities.

FNFA – 3.7/3.8 and would be half less, won't charge us any fee. Don't require any paperwork because Kitselas already went to getting FAL and FN Financing Administration Board. We're part of it and already pre-approved. All asking for is the latest audit report.

Obvious, the FNFA is a better deal. Lower rate, pre-approval. Cons – 10 year term. Bank rates going to continually go down. Will always offer government rate, and won't know the rate when we go into the mortgage. We are approved for the construction mortgage, variable. Right now, we've exhausted the grant monies.

Cyril – It would be a loan that we'd have to secure, and it's a loan that exceeds \$4 million. Think we need to bring this to community.

Glenn – We started this process over two years, and community is quite aware.

Community Centre 2024-01-09 (ONE)

Whereas:

1. Kitselas Band Council is an Indian Act Band, subject to the Indian Act and the Financial Administration Law (FAL);
2. The Comprehensive Community Plan has identified a communal need for a community/wellness centre in Gitaws (Kitselas Indian Reserve #1);
3. Ongoing discussions have taken place with community regarding the construction of the Kitselas Community Centre, reflecting the community's support and interest;

4. Fundraising efforts through Benefit Impact Agreements (BIA) and Grants have been pursued to contribute to the financing of the Kitselas Community Centre;
5. Kitselas Band Council has received proposals from several financial institutions for a Construction Mortgage to finance up to \$16 million dollars for the construction of the Kitselas Community Centre; and
6. After careful consideration, Kitselas Band Council has selected and recommends the most comprehensive and competitive submission;

Be It resolved that Kitselas Band Council authorizes the Chief Administrative Officer and Director of Housing and Public Works to secure a Construction Mortgage, in accordance with the First Nations Finance Authority proposal, for financing up to \$16 million dollars for the construction of the Kitselas Community Centre, following a community information session.

Moved: Cyril Nabess-Bennett
Seconded: Geneva Mason
Carried

4. Minutes, December 5, 2023

MOTION 2023-12-05 (TWO)

That Kitselas Band Council approves the minutes of December 5, 2023 as amended (change CJ to Cyril).

Moved by: Cyril Bennett-Nabess
Seconded by: Gerald Nyce
Carried

5. Business Arising from the Minutes

Linda and Darrin meeting with Maggie, City of Terrace, on January 25. KSEDC posted the CEO position, and putting together the briefing for a meeting to review their proposed steps. Internal Communications Committee established and meeting on January 18. NIFCS meeting rescheduled to January 29. FAC still hasn't met to adopt the quarterly statements. All requirements were met. \$5 million investment completed. First elder's disbursement in February. Our opposition to the Lax Kw'alaams Business Development LP fish wheel was submitted. No response to date.

Lands & Resources – 4:30 pm

6. Chris Apps & John Balogh – Overview on Negotiations in the territory. Excited about the VOPAK agreement. 1st agreement that shows direct respect for Kitselas. Negotiations coming in the New Year. We're getting close to having an agreement with Cedar. Will be bringing the Agreement forward for approval. Coastal Fund Agreement – ensured accommodation, but will still try get BC in the room. TRT Line, already have an agreement that was approved in 2016. Indicated to them, let's sit down with them, and comes with that, provincial pipeline agreement. Port development – dealing with them has been very difficult. Slowly coming along in the background.

7. K'uul Power, BC/BC Hydro & North Coast Transmission Line Project

Seek some guidance from Council as it's a little complicated. Taking a different approach with FN's. Rather than individual approach, taking a collaborative approach. One of the entities developed as a result is K'uul Power. It's unclear where the priorities lie as there are different priorities of FN's. Moving very fast with BC Hydro and BC, and a lot of private interests. We've met with BC Hydro and BC and Kitselas has signed on with K'uul Power. Draft Framework Agreement – still collaborative approach. Essentially this question, what do we want to do? Have a few thoughts with K'uul Power – equity approach.

John – There's not a crisis here. Where does this project sit within Kitselas territory? When I read the Framework Agreement, there's lots of outs. When I read it, I read 2 things. It is written in such a way it assumes upgraded lines is a good thing. Negotiation policy – decide whether it's good for Kitselas at all levels. Equity ownership – talk about it as a being a good thing. Equity or ownership – consent is significant. Consent once completed all requirements, and assessed it.

Darrin – A lot to unpack. Complicated as there are so many moving parts. More importantly, the voice of K'uul Power. We need to find a path that our voice is being heard. Multi-layers of tables.

Chris – Kitselas has gone through a lot of industrial development, and has a lot on the go – Coast Gas Link, LNG, etc. In this draft agreement, all on this line, and some of them may not be remotely affected as Kitselas. So much activity happening here. Do we want to just go with the flow and take this collaborative role or do we want to remove ourselves? With K'uul Power, we want to be the owner of the pipeline. That steps away from Kitselas with an IMBA or an accommodation agreement with BC Hydro/BC. Do we monitor K'uul, but we need the bilateral relationship.

John – Recommendations, mandate for our small caucus group to gather further information, and then come back with firm recommendations. Kitselas puts its interests in writing to all parties – to BC, BC Hydro, K'uul Power. We have a great policy approach that we've built over time.

Gerald – We have a lot of questions on this. I like the idea of the social license agreement. Williams Creek – huge fish bearing. I'd like to know what the benefits are. Maybe bringing this to the community as well. Don't know if any trap lines will be affected.

Glenn – Kitselas in my mind has the most impact. BC hydro is clear, only has one agreement.

Geneva – Would we be taking on those roles of brushing – tax in lieu – given have so many creeks and lakes.

Darrin – At one end, have BC Hydro, equity model. Twinning, they would undertake the procurement and delivery of the entire upgrade from beginning to end including operational control of the line and see little things change. First right of refusal, matter of negotiation and getting people employed. K'uul Power – all facets of ownership, and greater obligations for the line, but ultimately, BC Hydro obligation to provide power. Time will tell with further meetings.

Dinner Break

Skeena Entities – Rick Brouwer

8. Expression of Interest & Decision Document

Skeena went bankrupt and went into receivership, and process to make a bid on Skeena entities. In November, was asked to check into it, and gave leadership a summary end of November. Kitselas and Kitsumkalum submitted an Expression of Interest for all entities for \$13.2 million. It was non-binding. Chief Glenn Bennett and Chief Don Roberts signed it. 4 entities approved to proceed with the bid. One is the original owner who submitted a bid to buy back to get rid of their debt. There's definitely things in favour of the original owner. It's been a very tight timeline. Think we have a pretty good handle on things. Rick reviewed the scenarios.

Recommending should proceed with the bid understanding that there are factors in play. The deadline for submission of this offer is 10%, non-refundable deposit, of \$675k, and complete the sale, and that we re-write that we don't lose the \$675 m.

Glenn – This is a very trying industry. Going forward, we're going to be very careful. Who is going to put up the \$650 k that's needed. We're looking at financing our community centre, and have to be very cautious moving forward. Is our forestry going to take on the cost?

If we weren't the successful bidder, the money would come back.

Gerald – Looking at the 4 options and doesn't look good. Questions how the tax credit would look.

Rick – We're working on it, but can't guarantee it. It's not real yet, and may never be real. The timing is right for this tax credit. It isn't there yet. Scenario 3 is what I'm basing my recommendation on.

Gerald – Terrace is a forestry town. I see the benefit of owning a sawmill, but again, we're coming back to market prices. I would like to see Kitselas grow into this market, but it's a tough one and risky to me. I would like to see more information.

Rick – I agree. I'm not comfortable with the timeline, but there's risk on that deposit. There's value on it, and write the bid so there's no risk on the deposit.

Gerald – If we do work with Kitsumkalum, how will that look?

Rick – That’s one of the things that needs to get done – the corporate structure.

Glenn – Rick will consult with Rick, and will require more thought. Council isn’t prepared to put up a deposit, and referring this to KDC.

Kitselas Economic Development Corporation

9. LNGC – See attached Briefing and Motion

Darrin reviewed the briefing, and documents. We don’t know what it looks like until we sign a non-disclosure agreement.

KDC-01-09-24 (ONE)

Whereas

- i. Kitselas First Nation (“KFN”) and LNG Canada Development Inc. (“LNG Canada”) signed an Impact Management and Benefits Agreement in February of 2016, and the parties continue to work collaboratively to implement that Agreement;
- ii. LNG Canada has recently communicated their intentions related to the addition of two LNG trains (Trains 3 and 4) to the LNG Canada project (“Phase 2”) and their desire for KFN, together with certain other First Nations groups (together, the “Multi-Nation Table”), to have new opportunities within Phase 2 as part of their ongoing efforts to ensure meaningful inclusion and commitment to reconciliation;
- iii. The Band Council of KFN has reviewed a Non-Disclosure Agreement (the “NDA”) to be entered into by, among others, KFN and LNG Canada in respect of confidential information relating to the Phase 2 opportunities, a copy of which is attached to this Resolution; and
- iv. The Band Council of KFN has also reviewed a draft Capacity Funding Agreement (the “Funding Agreement”) to be entered into by, among others, KFN and LNG Canada, a copy of which is attached to this Resolution; and
- v. The Band Council of KFN wish to authorize certain individuals to represent KFN’s interests at the Multi-Nation Table and to sign any non-binding agreement with LNG Canada relating to the commercial framework for progressing discussions on Phase 2 opportunities;

Be It resolved that Kitselas First Nation

- A. Has read and understood the terms of the NDA;
- B. Approves the NDA and consents to its execution and delivery, substantially in the form attached to this Resolution;
- C. Authorizes Darrin McCormack, CEO of Kitselas Development Corporation, to execute the NDA, substantially in the form attached, on behalf of KFN;
- D. Has read and understood the terms of the Funding Agreement;
- E. Approves the Funding Agreement and consents to its execution and delivery, substantially in the form attached to this Resolution;

- F. Authorizes Darrin McCormack, CEO of Kitselas Development Corporation, to execute the Funding Agreement, substantially in the form attached, on behalf of KFN;
- G. Authorizes Darrin McCormack, CEO of Kitselas Development Corporation, in collaboration with Linda Morven, CAO of Kitselas First Nation, to:
- H. Represent KFN's interests at the Multi-Nation Table as the Multi-Nation Table enters into discussion and negotiations with LNG Canada regarding the Phase 2 opportunities; and
- I. Negotiate and sign, on behalf of KFN, any non-binding agreements with LNG Canada relating to the commercial framework for progressing discussions on the Phase 2 opportunities.

Moved by: Gevena Mason

Seconded by: Cyril Bennett-Nabess

Carried

10. KDC Strategic Planning (2 Council members)

January 22 & 23, KDC Strategic Planning, invite 2 Council members to join us. Goes without saying, Chief Glenn Bennett is invited. It will be in the Boardroom, and Linda is invited as CAO. Geneva and Cyril will attend. Also extends invite to KDC Community Meeting.

Treaty

11. December 19-20, 2023 Treaty Update

12. \$5 Million RBC Investment Update – provided in business arising.

13. Specific Claims – IR #1 Update

14. RDKS – KFN Member – Gerald retains KFN membership.

15. Honoraria – Section 4.4 Council Remuneration, KFN Governance Policy

Getting the honoraria is hit and miss. Is a barrier that we shouldn't have to take.

Would like to see other Council members attend events.

\$150 day travel, and \$300 full day meeting. It does affect the decision to travel at the end of the day.

Direction: Direct the administration to explore other options for remuneration for travel and present to Council for consideration.

16. CAO Report

Chris shares his resignation. Loves working with the community. Time for him to grow. It's not an easy decision, but it's time. I'm working with Linda to work on a transition plan. I'm not leaving Terrace. One thing I ask. I haven't shared with my staff yet. Please keep it confidential until I share with staff tomorrow. My resignation is in effect on February 28. It's not my intention to leave anyone in the lurch. Chief Glenn Bennett

thanks Chris for his hard work (him and his staff has done). The work you've done has been very professional. Left a big imprint and very big shoes to fill.

- a. Director of Finance/CFO Update – Reviewing what has been completed and will see how to move forward.
- b. Declaration Act Engagement Fund & Strategic Planning – February 2-3, 2024
- c. Budget 24-25 – In Progress.
- d. Audit Update – Waiting on one question to be answered from BC Housing and the audit will be complete.

17. Next Meeting Date & Adjournment – January 24, 2024

MOTION 2024-01-24 (THREE)

THAT Kitselas Band Council adjourns the meeting.

Moved by: Geneva Mason

Seconded by: Gerald Nyce

Carried

Meeting adjourned at 7:18 pm.