

21st Annual Cando Conference
“Collaboration: Realizing Opportunities”
September 22-25, 2014

Vancouver Island Convention Centre
Nanaimo, BC

Presenter: Patrick Michell, EDO
Kanaka Bar Indian Band



“Tangible and Intangible Benefits”

- Hello to all in attendance.
- Thank you to the Coast Salish.

You are welcome to ask me questions today or tomorrow on what I have written and what I have shared today and you are welcome to contact me in the future as well.

My email address is patrickmichell@hotmail.com and phone number is 250-455-2200.

Our individual and community experiences with wealth, or at least the pursuit of wealth, is not great.

Why then would Kanaka consider economic development then?

Kanaka's history: wealth is not good.

1857/1858 – Fraser Canyon War
1858 - Colony
1860 – Cariboo Wagon Road
1871 – Confederation
1876 – Indian act
1878 – Reserve Lands
1884 – CPR
1913 – CNR
1927 – Trans Provincial Highway
1951 – Highway 1
1967 – BC Hydro 500 KV line
1970/1982 - Logging

The words of

- Lets share together
- this is good for you
- trust us

are overshadowed by

- marginalisation
- dispossession
- dependency
- despair

How do you reverse all the negativity?

Actions speak louder than words.

You don't need me to tell you the affects of colonisation – you have lived it.

I will say this – despite the best efforts of a lot of people, we are still here!

I guess if you are happy with your personal or community circumstances, there is no reason to seek change.

If you are not happy with the status quo – then I encourage you to do something about it. Don't wait for or expect a 3rd party too come along and save you.

Doing Something different

- A key seems to be that it is the pursuit of wealth by others that creates the negativity.
- That will likely continue unless First Nations take control over their own present and thus the future.

1978: we are Indians we don't do stuff like that.

1990: 12 Years later – we applied for a water license to develop the hydro electric potential of Kwoiek

We became developers!

If they can do it, why can't we?


Overcoming our own fear of change was the first issue.

Then we had to find a project – so we watched what others were doing and realised that most ventures done elsewhere were not going to be successful here at Kanaka.

An epiphany occurred.

Our ancestors choose our location for a reason. The perfect harmony of water, sun, wind and land. Are ancestors used these resource to live sustainably and we thought the same.


Ground Breaking: Dec 15, 2011



A project 36 years in the making!

- 1978: Kanaka not ready yet
- 1990: water license filed by Kanaka
- 2000: First EAO review
- 2008: Second EAO Review

Dec 15 2013:
Keys to the Powerhouse



Kanaka Bar and Innergex

A partnership built on recognition, mutual respect and collaboration

Project Information pamphlet in binder. A website is available too.

It is possible to work together to do something really meaningful.

- Remember the Conference title?
 - *Collaboration: Realizing Opportunities*

2003- parties meet in person

2004 - parties sign a Development Agreement and Set up Partnership

2006 –Partners gets an Electricity Purchase Agreement

2009 – project gets an EAO Certificate

2011 – ground breaking

2012 – 7 Partnership Agreements replace Development Agreement

2013 – Commissioning

2014 – Operations Phase commences Jan 1, 2014

Tangible Benefits

What you can quantify or attribute a value to.

- | | |
|--|--|
| <ul style="list-style-type: none">• Jobs (all phases)• Subcontracts• Procurement<ul style="list-style-type: none">– Supplies, materials• Personal Services<ul style="list-style-type: none">– (food, rooms etc)• Leases (1)• Permit fees (3)• Stumpage & Sand and gravel fee<ul style="list-style-type: none">– (1 time payment)• Bursary and Scholarship | <ul style="list-style-type: none">• Capacity Support for Band<ul style="list-style-type: none">– Money, technology and people• Training: external and internal• Tax Revenue<ul style="list-style-type: none">– Kanaka is a taxing authority• Investment Return<ul style="list-style-type: none">– 14% paid annually• Royalty Agreement• Revenue Sharing<ul style="list-style-type: none">– With Province at 20%• 50% Net Revenues for 40 yrs• 100% ownership after 40 years |
|--|--|

Benefits which generate social change at our own pace.

Workers made a decent wage and it was tax free for status employees (on reserve).

- One friend came up to me after 2 years and said – for the first time in my life I am debt free and my house and vehicle is paid off.
- One friend (a rock truck driver) worked 30 days straight. 300 hours @ \$26/hour = 7800. With the overtime – he netted over \$10,000 in one month. Prior to the project - he was working 4 hours/day 5 days a week at @20/hour. He is now working on another hydro project somewhere.

In terms of financial returns to Kanaka

- We have seven remaining diversified revenue streams
 - These net flows are planning dollars in excess of \$500,000 per year
- 2 others are tied to the cash drawer so they are variable and could go to zero
 - Royalty is 2.5% of the free cash flow (after operating costs and loan payment)
 - 50% of net revenues (If Innergex is happy, Kanaka will be too)

In-tangible Benefits

How can you attribute a dollar value to:

Individual

- Pride
- Self esteem
- Competency
- Confidence
- Capacity Increase
- New Relationships

Community

- Self-sufficiency
- Independence
- Capacity increase
- Exercising rights and title in a modern way
- New Relationships
- Sharing our history and our story

After 36 Years, do you honestly think Kanaka did it for the money?

Capacity Increase

- 100% local employment
 - Short term (twice in 2014)
- Fibre Optics (Mar 2014)
- Cell Service (Dec 2011)
- CEO (May 2013)
- Education Officer (July 2014)
- EDO (Aug 2014)
- September 2014:
 - Communications Officer
 - Second Bookkeeper

Equity

- 3 million invested at 14%

Revenue Sharing:

- FCRSA (37.5%)
- ECDA (less than 1%)
- Hydro (20%)
 - With more on the way

Financial Certification

- FMB July 2014

Multiple future projects

Future opportunity (many)

New Relationships

Everyone we have had business with in the past is at the table again.

Those old agreements need to be brought to today's standards!

Membership

- Open door policy
- monthly meetings
- Annual event

Recent Visitors

- 9 MLA's
- 2 Ministers
- INAC Senior Admin
- 40 First Nations
- Dutch and Australian delegates
- 250 visitors for dinner on August 28 2014

Clean Energy Projects

Its is the Game Changer
for First Nations.

- <http://fnbc.info/blogs/judith-sayers/first-nations-see-clean-energy-game-changer>

The annual Conference

- <http://www.cleanenergybc.org/conferences/generate-2013/>

It's a viable, sustainable economic development opportunity

– what are you looking at?

Red: The Nlaka'pamux

White: The explorers, colonisers, the subsequent governments and BC's industry.

Black: The history between all

Yellow: The future

Blue: A new relationship for all brought together by Clean Energy.

With a new future for our community.....



Thank you, any questions?

I call this project logo "Collaboration"

If you get it, priceless.

August 28 2014 Open House



A gathering of friends, family, leadership and membership who invited guests to come over for a visit, shares stories and of course, have some fish..