



INFORMATION REPORT

DATE: February 10, 2020
SUBJECT: Mayor's Monthly Report
FROM: Mayor Zeleznik



January 20th

Campground Committee meeting – Discussed a rough layout of ideas as per map of what we are proposing to council. This was a drone footage, and our next action plans for expansion require approximate pricing costs for electrical, roads, water, sewer, and sani dump, renovation of washroom/shower, signage, and new entrance office building.





January 21st - Attended the Nakusp Seniors Association AGM meeting. New re-elected President is Tom Lei, Vice President is Guy Duchaine, Secretary is Doreen Desrochers, and Treasure is Elizabeth Miller. There were 62 members in 2019, and since I turned 65 bought my first membership. The community needs to thank Joe Desrochers who built all the inside kitchen cupboards at the senior's hall and donated his time, labor, and material, a savings of \$15,000.00.

January 22nd – Attended the West Kootenay Boundary Regional Hospital Directors WKBHRD. Highlights: Stated the major renovations to surgery area at our Arrow Lakes Hospital is behind schedule by at least two months. Under New business recommendation ask of the board to fund the full amount of the Interior Health Authority's 2020 funding request for 2020/21 of \$2,771,820.

Presentation to the WKBHRD by Brent Hobbs, Director of Patient Transportation Interior Health and Chelsea Mossey, Manager of Government Relations BC Transit on Patient Transportation.

IH and Northern Health Comparison



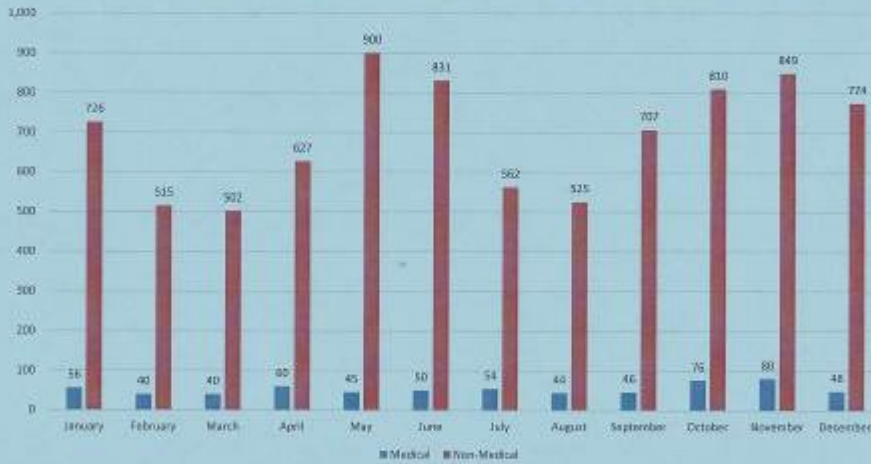
- \$5M annual budget
- Contracted coach services
 - Long haul routes
 - Referrals to PG and Vancouver
 - Exclusively for patients
- One municipal transit partnership (Kitimat-Terrace)
 - Mixed use (medical & non-medical)



- \$1.3M annual budget
- Municipal transit partnerships
 - Local health area referrals
 - No connection to Kelowna
 - Mixed use (medical, non-medical)
- Volunteer driver subsidies
 - Boundary Hospice, Salmo, Central Kootenay



Health Connections Ridership (2019) Medical Versus Non-Medical



KB Fares (IH Subsidy)

Trip	Distance	Fare (1 way)	Cost Recovery (IH) <small>(This includes fares for Health Connections)</small>
Castlegar to Trail*	30 KM	\$2.00	3% (97% subsidy)
Nelson to Trail*	70 KM	\$3.50	9% (91% subsidy)
Kaslo to Trail	140 KM	\$4.00	5% (95% subsidy)
Nakusp to Trail	170 KM	\$4.00	5% (95% subsidy)

* Indicates where HC and conventional transit services are fully integrated



January 27th – Attended the West Resource Recovery Committee WRRRC meeting. Was presented with the 2020 – 2024, Five Year Financial Plan Highlights:

Under Capital Expenditures:

Nakusp closure and transfer – begin closure plan 2022, transfer 2023, and landfill closure 2024. The cost projected to finalize this closure and transfer will be approximate 1,550,000 million. Asked about ongoing testing of landfill and does the land revert to the crown? Was told there would be ongoing testing and would not go back to the crown. Stated in some communities after cleanup have made parks, and in Kamloops that the community has made a subdivision on top of their old landfill. User fees for 2020 for large disposals will increase to \$110/tonne MW; Beginning in 2021 increases to \$125/tonne MW, will need to update the community.

January 28th - Met with members of the Regional District of Central Kootenay on Tax Requisition and Calculated Tax Rates for Municipalities and Electoral Areas. Attending for RDCK was CAO Stuart Horn and RDCK Area K, Paul Peterson, along with 3 members of council and Director of Finance/ Deputy CAO, along with 3 members of the public. Good understanding of rate structure that are shared resources between the Village of Nakusp and RDCK Area K and defined areas. One item for further discussion will be the Fire Department, and thanked the RDCK Director with help offsetting some of the costs to the recent increase to our fire dept.

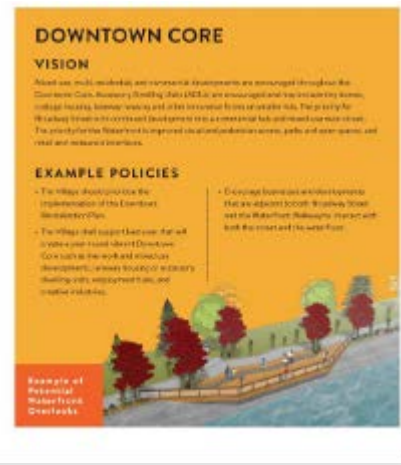
January 29th - Council and Staff met with the group from B&A for an update on our Nakusp Official Community Plan and also attended the open house on January 30th at the Nakusp & District Sports Complex Auditorium. Was a very interesting concept for going forward and decisions will need to be made on the vision of Nakusp for the future. The community has had the opportunity to participate and we will be able to use their information and ideas for the future of Nakusp. More engagements to follow:

February –March –Online Engagement –Survey or Other

March – Submit DRAFT OCP to Village, Refinements as needed

March – April – External and Internal Circulation of the OCP by the Village April – May – Final Revisions

TRIP 3 – May – June Final Public Information Sessions (Coffee Chats?), Council Review & Council Approval



January 29th - Attended an Investment Ready committee meeting. The good news is that Nakusp is having a record year for development. Regional District of Central Kootenay Permit Statistics to the end of August show a building boom in Nakusp. \$4.9m in Building Permits have been taken out so far this year, across 25 Building Permits, which is higher than any year on record, including the heights of 2007 and 2010, and represents over half of the value in the Region.

The recent Nakusp and Area – Rental Property Management Feasibility Study by Incentica, February 2019, determined that Nakusp is growing at 2.3% per year, and that there are approximately 230 rental units in Nakusp out of a total of 760 private households. It also determined that 74% of Nakusp houses were built before 1981. “The shortage of long-term rental accommodation has been identified as a deterrent for individuals and families who are considering moving to the Nakusp area, and therefore is considered a constraint on economic growth for the region.

Next steps include assisting owners in preparing plans, concept drawings and pro formas to support their investment in development or marketing of opportunities. Village Staff are always available to discuss opportunities and address questions. Future articles will provide recommendations and ideas on how to work with the Village, navigate the Official Community Plan, Zoning and Development Bylaws, and how to optimize development and investment. IRN is a partnership between the Village of Nakusp, both Council and Staff, your Nakusp & Area Development Board, Nakusp and District Chamber of Commerce, Columbia Basin Trust, and Arrow & Slokan Lakes Community Services. Please find more information at <https://investmentreadynakusp.ca/>.

January 30th - Columbia Basin Broadband Corporation CBBC Planning Session and Next Steps

Slocan – Nakusp Connectivity Planning Session at Silverton Memorial Hall with representation from council Nakusp to Slocan, municipal staff, RDCK Director, CBT, and Ministry.

CBBC update on the Fiber Optic Backbone Project:

Design and Permitting: we continue to work on permitting processes on numerous fronts and have multiple applications proceeding in parallel.

Here is a snapshot of where we are at:

- Slocan Heritage Rail Trail: In December, we received a ‘notice of final review’ from the province regarding the License of Occupation application. In order to meet all the final deliverables to receive the final License of Occupation, we need to receive approval from the Agricultural Land Commission (ALC has indicated that response expected in early February) and demonstrate that we’ve obtained a Heritage BC Site Alteration Permit (permit application submitted). Timelines associated with receiving both the ALC and SAP approvals are of course outside of our control. We hope to have all the permit dependencies wrapped up in the spring/summer and have the License of Occupation executed.
- Slocan Lake/Summit Lake: The public consultation and referral process associated with the License of Occupation closed at the end of December. The province has informed us verbally that no concern or issue has been raised (so far) that would prevent the application from moving to a ‘notice of final review’ phase. After several discussions, RDCK has confirmed that Watercourse Development permit is not required. The fiber cable shore landings (Slocan, Silverton, New Denver, Rosebery, north end of Slocan Lake) require a Section 11 Water License. Our permit application for Section 11 is currently active and the referral window is open. We’ve had two First Nation’s indicate that they will be conducting a review of the application. We’ll be meeting with FLNR staff this week to discuss status of the Section 11 application.

Hills to Nakusp to Shoreholme: the aerial/pole access component is reliant on a request currently in Telus’ queue to determine an estimate for utility pole ‘make-ready’ costs.

Unfortunately, despite numerous escalations we've had no tangible updates from Telus on this application. The CBBC team has begun reflecting on a possible 'Plan B' in the event that the Telus application doesn't come to fruition. Should a 'Plan B' become a viable alternative, we'll provide more substantive information to you. Due to the slow process we may not begin the Hills to Nakusp line until middle of summer of 2021, so possibly two years away yet – Very Frustrating!!!

- Procurement: In December, CBBC issued three separate RFPs (on BCbid) for underground, submarine and aerial fiber construction. Those RFPs are scheduled to close in February, the evaluation and subsequent award process will follow.

- Project Schedule: As noted in previous updates, we are beholden to the permitting process and the time necessary for the issuance of required permits. In addition, given weather, environmental and recreation construction windows the most precise we can be at this stage is to provide a range: construction will likely take place between in the Fall/Winter 2020.

Project Website: a reminder that we maintain a website containing pertinent info about the project. <https://broadband.ourtrust.org/projects/slocan-valley-fibre-optic-backbone-project/>

Also prior to this CBBC meeting some of the representatives met with Elena Kinakin who is the CEO of TeraSpan Networks Inc. TeraSpan Networks Inc. was founded in 2000, in Vancouver, BC. The company is registered with the CRTC as a Non-Dominant Carrier and is headquartered in British Columbia, Canada. TeraSpan successfully designs, builds, and maintains fiber optic networks that dramatically improve the economics of network deployment by reducing costs and increasing the speed of deployment. They are looking at putting together a proposal to provide fiber-to-the-home, including residential and business internet service, IPTV and IP telephone service in our region, at no cost to the municipality. All the cable would be underground to each home, business, or industrial no wireless or wires hanging off poles, no worries of radioactive waves as some residents have expressed concerns.

TeraSpan is a Full-Service Fiber Provider - At TeraSpan, they rapidly deliver the fiber optic infrastructure that is needed to support high speed / high bandwidth demanding services and data transmission. The experience gained by building and maintaining networks for many years gives TeraSpan the ability to provide quality, reliable, and low impact solutions to our customers. TeraSpan provide a variety of solutions for:

- Carriers, municipalities, healthcare authorities, and private network operators.

Their solutions range from full turnkey network deployments, network design and maintenance, micro-trench network deployment products and dark fiber lease / IRU.

Their customers find that TeraSpan's deployment solutions provide both installation cost savings and reduced time to market when compared with other traditional deployment methods. Click on their link to fully understand what they are capable of.

<https://www.teraspan.com/>

The screenshot shows the TeraSpan website with a navigation menu (HOME, PRODUCTS, SERVICES, ABOUT US, CON) and four service tiles. Each tile includes an image, a title, a brief description, and a 'Learn more' link.

- FTTX Consulting and Design:** We can build and implement a...
- FTTX Deployment Services:** Let us assist you with everything...
- Technical Services:** We provide the technical resources to build or expand your network.
- Dark Fiber Network Lease:** TeraSpan offers customers with the ultimate fiber optic connectivity solution. With dedicated dark fiber leases, customers are able to connect multiple facilities with a dedicated private fiber optic network.

- Teraspan are proposing that the network they implement would be “open”, i.e. other ISPs would be able to buy bandwidth on the fiber-to-the-home network at wholesale prices, and so homes and businesses would not be wholly dependent on Teraspan for service. This helps to provide some protection for the citizen, but the open network promise may not get carried over to TeraSpan heirs and successors.
- The prices that Elena was proposing were very competitive when compared with older technology (e.g. cable, wireless, ADSL). \$59/month for 25mbps, \$69/month for 50mbps and \$99/month for 1Gbps. They are comparable with fiber based plans from Telus, Columbia Wireless.
- It would be worth asking how others have dealt with the ownership question. I couldn't see anything on the Northern Development website that considered ownership of the network asset after implementation. If TeraSpan end up owning the network to everyone's home, then they have a very good deal, as they are effectively paying 25c on the dollar for the implementation of a last mile network to a captive market. This will be a valuable asset that they will have on their balance sheet but will only have had to pay 25% of the cost.
- It is probably worth pointing out (based on the conversation that we were involved after the meeting) that education and healthcare organizations (ALH) will be committed to Telus due to the province-wide contract for some years to come. While it is up for renewal, as Dave Lampron pointed out, it will be very difficult for anyone to unseat Telus from this.
- Did state TeraSpan would have two IT techs stationed in the valley for repairs and monitor.

Possible opportunities: This certainly seems like an opportunity to partner with a technology firm. I don't think it makes sense for the Village to get into the ISP business but partnering on some basis which avoids the risk of the village being held hostage by a commercial vendor would be worth exploring.

Would require a clause that is a legal contract that states if at any time this company defaults or receivership/ bankruptcy the municipality takes full ownership at a reasonable price (cannot sell to someone else).

We have the asset (community) and could look at reaching an agreement of a percentage agreement between both parties.

We are also in a dilemma as the granting deadlines from the Federal Government 50% and the Provincial Government 25% may dry up before the BACKBONE arrives to Nakusp.

From New Denver to Slocan these communities will be a year well ahead of us and would have already applied for the funding while Nakusp and area are still in limbo!!

Need to decide next steps, do we ask CBBC to complete the backbone from the ESB site to Summit Lake using the old rail trail bed to speed up the process, so we are near ready at our end. The proposed site for the backbone would also be built that means the building that will house the backbone and dark fiber, plus the fence, generator, and propane would be already to go.

Do we apply for the funding now and invite this company with our proposal to lay the dark fiber for now? This means the dark fiber would already have been built underground 18 inches in depth to property lines, homes, businesses, and commercial/industrial.

Note: the dark fiber would only be at their property lines giving the owners the choice to purchase this service or not. This approach would be near ready at our end in Nakusp and area when the backbone does arrive.

Do we invite TeraSpan for a presentation to council, staff, and the community along with discussion on the proposals above that I have presented?

Dark fiber refers to unused fiber-optic cable. Often companies lay more lines than what's needed in order to curb costs of having to do it again and again. The dark strands can be leased to individuals or other companies who want to establish optical connections among their own locations.

I believe was stated would cost \$4000.00 on average to construct the dark fiber underground 18" in depth to each home?

1000 homes would cost 4 million?

\$99/month for 1Gbps to 1000 homes = 1.2 million per year

Elena did state that she said it would take 1500 homes/businesses to make economic sense to invest in the network.

January 29th I met with one of the Nakusp Launch Society members to decide next steps for our Nakusp Breakwater and Marina. Also wish to share the facts of the Nakusp Breakwater and Marina that have been recently been misconstrued.



Under the terms of the 1980 agreement and 1982 modification agreement between BC Hydro, the Village of Nakusp, and the Nakusp Volunteer Launch Society, BC Hydro constructed the Nakusp marina, paved parking lot, fencing, lighting, rest station facility and marina breakwater at a cost of \$3million between 1980 and 1986. In 1986, BC Hydro constructed an additional western breakwater for the marina at a cost of 2.2million.

As per the agreement, the marina and breakwaters were transferred to the Village upon completion, and BC Hydro has no further obligation to maintain this asset.

The breakwater and marina are now nearly 40 years old and the life cycle given at the time we were told to be 20 to 25 years. The volunteer non-profit launch society and the Village of Nakusp over these years have worked very hard to keep up with the maintenance, but the costs have gone above the Village reserves and the volunteer non-profit launch society funds. It has come to a point where the breakwater is now past its lifetime and beyond repair and any further maintenance of the marina is futile due to the massive storms and the fluctuation of the lake.

I am unsure why the Village of Nakusp/Launch Society of the day entered into an agreement in 1980 and 1982 with BC Hydro to take ownership of a burden that was way too big for our small community to undertake and to maintain. But we are “not” here today to judge the past, we are looking past the past ... looking for solutions! So that the community does not lose a significant economic loss to this community.

On September 26, 2013 a letter was received from the BC Comptroller of Water Rights stating:

“It appears that the breakwaters provide protection mostly to the marina, and the marina in turn appears to provide protection to the boat launch. The marina was not included in the Order to BC Hydro to provide reservoir access hence there is no license obligation or their part toward it,

The above leads me to conclude there currently is no water license requirement by BC Hydro to maintain or replace the breakwaters at Nakusp. Should there come a time however when the marina is no longer there, BC Hydro would be responsible for providing breakwaters to protect and allow safe use of the new boat launch.

Glen Davidson, P.Eng.
Comptroller of Water Rights”

Over the past few years past and present council have reached out to BC Hydro at UBCM conferences, and other meetings to ask for help, knowing full well that both parties knew there was a previous agreement in 1980 that stated BC Hydro has no legal obligation to assist with repairs.

BC Hydro recently has come forward and offered a one-time only contribution of \$100,000 to help assist with the breakwater and wish to stay committed to be a good partner in the community. (There is that very small matter of 200-240 million they owe us for the bridge promised, and the loss of acres of arable land and fourteen lake-shore communities ... but that's another story.)

Behind the scenes we have been looking for solutions and reaching out to search for more funds, knowing the one-time only fund of \$100,000 from BC Hydro would only fund for an engineer study, does not include the legal, liability, and environmental, yet let alone the breakwater structure costs that could easily amount to over \$500,000 this figure does not include the rebuilding of the marina in stages once the breakwater is in place.

Currently we are working with the volunteer launch society to help bring local knowledge, businesses, corporations and others to rebuild both breakwaters so that we do not lose this marina, and the significant economic loss to this community. Note: BC Hydro has also acknowledged that they may be willing to help in some capacity if they see more community involvement!!!

Have also reached out to Columbia Basin Trust to help with funding this facility, but their policy is not to fund municipal infrastructure. I thank CBT for what they have contributed to our community over the past years and future endeavours and crossing fingers possibly could break this small rule that brings economic benefit to our community, also apologize if words were taken recently out of context.

So please do not judge these two corporations until all the facts are known.

We are now reaching out to the whole community for your support, solutions, ideas, recruitment, for the building of the new breakwater if it is at all possible.

The launch society meetings are happening soon, so please reach out to these society members if wish to help in any capacity.

The most powerful force ever known on this planet is human cooperation!!

February 3rd – Caribou Maternity Penning update at our own Nakusp Hot Springs property.

Met with Bob Keating CBC reporter who covers the Kootenay's along with Hugh Watt, Frances Swan, Paul Seaton, and myself.



The reporter interviewed everyone at this meeting hearing each of our perspective why this is important for the community, ourselves, and the caribou along with discussing where we are at with the penning project, planned completion date, and the more funding we are requiring.

One of the main questions to each of us was why is the Provincial government only giving their support, but no help in funding the project?

Expected to air next week, stay tuned for more updates!!!

Respectfully Submitted
Tom Zeleznik, Mayor