

**MINUTES**  
Cowichan Tribes Council Meeting  
Cowichan Tribes Council Chambers  
September 27, 2011 @ 5:00 PM  
Confidential

Present:

Chief Lydia Hwitsum	
Lloyd Bob	Andrew Canute
Albie Charlie	
Cindy Daniels	Diane Daniels
Darin George	Howard George [leaves 9:00]
Charles Seymour	William Seymour
Dora Wilson	

Excused:

Calvin Swustus – sick  
Wayne Charlie - sick

Others present:

Maureen Tommy	Shelly Thorne
Stephanie Peter	Patti Williams
Jennie Thomas	William Jack
Jenn George	
Pieter van Gils	
Sandra Seymour	

1. Order 5:45 PM  
Prayer: Albie Charlie
2. Adoption of Agenda  
Addition  
Youth Violence - Albie

**DORA WILSON MOTIONED, SECONDED BY ALBIE CHARLIE TO ADOPT THE AGENDA WITH THE ADDITION.**

**MOTION CARRIED**

3. Adoption of Minutes
  - a) August 4, 2011  
**CHARLES SEYMOUR MOTIONED, SECONDED BY DIANE DANIELS TO ADOPT THE AUGUST 4, 2011 MINUTES AS CIRCULATED.**

**MOTION CARRIED.**

- b) September 13, 2011  
Page 10, 1<sup>st</sup> line posed s/b posted  
**DORA WILSON MOTIONED, SECONDED BY WILLIAM SEYMOUR TO ADOPT THE SEPTEMBER 13, 2011 MINUTES WITH THE CORRECTION.**

## **MOTION CARRIED.**

### 4. Business Arising

### 5. Old Business

#### a) Report on Social Development

An Agenda request from Jennie Thomas she will provide a report to Council.

Jennie – It's a work in process I received an e-mail I didn't know it was an action item on my part so I apologize for that. We posted in the newsletter for anyone interested to sit on the Social Development Committee we did receive 2 letters, I will continue to work with Maureen to get this committee working. I realize there are committees within Cowichan that Social Development has a policy to follow and that pretty much guides our work. I'm not sure of why this would be in place and I need verification of it.

Chief – I think that part of the direction here is understanding that the Social Development in terms of the social welfare payment are very structured in terms of the policy and process you have to follow. Part of the direction was looking at the strategies or developments that we can undertake in reducing reliance on Social Assistance and looking at how we might at a committee level in terms of the discussion.

Dora – Years ago some of the bands did have a welfare committee they dealt with the same things as other committees, appeals in not getting a cheque and answered questions in regard to the policy. We were told when I was in social development that the policy is vital if anybody questions you, you should be able to go to the policy and show where it is in the policy and that's your back up. A lot of people don't know that so it would be good to have a welfare committee.

Jennie – I'm not sure how much information you want

NCBR – 417,459 this fiscal year

I'm not sure how much detail you want me to go into regarding the money.

Chief – Council has had the benefit of going through the budgeting process of reviewing the budgets with you then approving them so short of any specific questions from the Council table it was more of creating some clarification of how to go forward. Either through assistance or direction that this committee may have, at the Council level we would anticipate receiving some draft terms of reference that would capture less of a role in terms of interfering with the policy process you have to follow. But there may be issues that come out of the way policies are handed down there maybe concern and discussion at the Committee level as well as looking at how we go forward in terms of strategically reducing the reliance of social assistance with our citizens.

Jennie – The case load from August 2010 and August 2011, it shows the total employable, persons persistent multiple barriers, people with disabilities, WOP/ASARET and child out parental home.

The WOP we actually get clients experience and we partner up with departments that need people to do some work, it also needs to be training experience as well. We have some in housing, education.

I am a representative of the South Island First Nations Social Development Society of Directors, we meet quarterly every 3 months in Vancouver.

Chief – Jen that flags another item when you're thinking of developing the terms of reference and that would be including a reporting component in terms of our participation on this board. An aspect could be when it comes to your participation at the board there maybe opportunities at the committee level to assist in developing Cowichan's positions that you can bring forward as well. That would be another added element when you think of developing your terms of reference.

Jennie – We do have common issues, we make sure we do our goals and work with clients, do the one on one, and establishes working relationships with other partners. My personal goal is to try and develop as many partnerships as I can and ensure clients get access to services.

Next is the data research project, this is actually the funding out of the Social Development Society they were actually successful in getting \$50,000 in funding. This partnership is Social Development Society, First Nations Knowledge Council, etc. This project is to establish data, manage data, we assess clients, client's success and where are they now. This goes from September to March 31<sup>st</sup>. One question that came up was do we have a Privacy Officer as far as I know we don't.

Compliance review – October 15<sup>th</sup> and 16<sup>th</sup>, she will review files to make sure they're in order that the supporting documents are in place. We will call someone in to get files in order we have to get 90-100% compliance.

Chief – Thank you Jen if we move this forward working with the General Manager, when you get a draft terms of reference I can assist by taking an opportunity to take a look at the draft for input as well before we bring it to the Council table for Council appointments to the committee.

Dora – I just wondered how the IOP program is working I see that the employable singles have increased from last year. Are they on that program all year?

Jennie – During the month of August singles are not in school, we are referring all single employable specifically to IOP, Selena has been working with them to get them into programs. They can access services all the time through IOP.

Dora – The other question I had in regards to the COPH do they have a deadline for turn around to transfer it or are they still working on it?

Jennie – They are in discussions with that right now.

Dora – They've been thinking about it since I left there 7 years ago. In regards to the privacy concerns when they sign the application there used to be a privacy statement on the bottom of the form that says "all information on this form is confidential" so what's the privacy concern.

Jennie – The data information.

Chief – Thank you Jen for coming and informing Council this evening.

b) Fortis BC Investment Opportunity

An Agenda request from Jenn George, together with the recommendation of the Finance and Audit Committee.

Chief – I want to take the opportunity to introduce Pi eter van Gils who is the independent Consultant that we've brought on board to do analysis of this opportunity and all the considerations that had been addressed.

Jenn – Thank you Chief, thank you Council for allowing Peiter and I come here and present the recommendation last Wednesday at the Finance and Audit Committee meeting. I came here a couple of weeks ago and presented to you an update on the project and said we would be back on September 27<sup>th</sup> with the Consultant Peiter to give you the details of the investment opportunity as well as to answer any questions the Council may have. We did have a number of questions at the Audit and Finance Committee meeting and some of those were addressed in the update at the very start of your package. Last year Dominique Collin was the Consultant that worked with us last year, he and I were dealing with negotiations with Fortis to set up the investments so that would not effect Cowichan Tribes assets or finances. Introduces Peiter van Gils from Headwater Capital Consulting, Cowichan Tribes contracted him last fall to start to do an analysis of the investment opportunity and provide recommendations as well as he was charged with sourcing financing for the investment.

Chief – I had asked Jenn to include the work that had been done by Dominique Collin because that was the initial step that was taken to engage the Consultant to say at first brush is this an opportunity that we should invest more time and energy in pursuing. Particularly if it does address a range of key issues of concern to Cowichan with respect to our liability and exposure and what that opportunity looks like. From that information we then pursued to engage with Peiter as an Independent Consultant to take the next steps around the analysis of the opportunity.

Peiter – Thank you for inviting me to your territory.

Peiter reviews package with Council.

It is a big investment with big returns and its complex. The last 3 years a lot of people have worked on this your GM, Finance Manager, Finance and Audit Committee as well as Jenn, lawyers have been hired, and bankers have been involved. The package is representative of everyone's thoughts and due diligence that has gone into it, it's very detailed, it's very technical but the essence of it is not very hard to understand, the basic deal that's in front of you is not hard to understand. I will sketch to you what the deal is then invite you to ask technical questions or over view questions.

Reviews biography, background in Finance – banker, investor, negotiated energy deals for First Nations, exclusively represents First Nations to strike deals with energy companies.

Summary – The summary explains the nature of the deal.

What you have before you is an opportunity to invest in an asset that Fortis has built, Fortis built a storage tank that cost about 200 million dollars they are offering you part ownership of that 7 ½ % and they have offered Chemainus 7 ½% ownership. So they set aside 15% ownership of the storage tank for Cowichan Tribes and Chemainus. The reason that they offer you an investment opportunity is because they want to acknowledge you have been a good partner to them, they needed your cooperation for their business over the last 15 years. It makes good business sense for them to solidify that partnership they want to continue to do business with you so they want you on board they want to acknowledge that you're partners. I'm quite sure that they also want to say to other First Nations that they

are good corporate citizens that they respect rights and title, that they include First Nations and that they give them decent opportunities to become business partners. So this is their rationale they want to reward you, they want you on side, they want your cooperation continued in the future and they want to be able to say that publicly. What they're offering you is an opportunity to buy in and that is a financial reward, there is private ownership but there is no employment, there is no decision making, there are no spin off businesses, there is servicing opportunities. This is a financial deal only this is a way of having you benefit from an investment it's for you to make money that is really all this is about. They have structured a deal whereby you get ownership and then you share the profits you become 7 ½% owner you get 7 ½ % of the profits.

How much is it worth to you and are there any risks? That is what I have looked at how much money does this opportunity represent and are there any risks attached and what would you need to do to make it happen.

This is worth to you net I will tell you how you get there but when all is said and done net - \$250,000 to \$300,000 a year for 40 years. It comes into the Band and its money that's discretionary you can decide what you want to do with that money. Its income that is in return for your cooperation of the last 15 years and your continued cooperation that is what that represents. Over 40 years it's in access of \$10 million to \$13 million dollars it depends on the interest rates how they move over the next 40 years, it depends on BC Utilities Commission which regulates the return for a storage facility like this. But there is a fair amount of certainty that it will be in access of \$10 million dollars or it maybe more over the next 40 years. What you have before you is an opportunity to say yes to investments that will net you any where between \$250,000 to \$300,00 for 40 years.

Risk – Do you need to do anything that's going to risk your assets as a Band? That has been the biggest question that we've had. In 2008 when Terasen came to the Tribes and said we have thought of this way to make you a partner so that you would benefit, the first direction was good, how do we do that and is there any risk involved. Yes there is risk if you are an owner of something and something goes wrong with that like what happens. We spent the last 2 years making sure that risk does not come back to the Tribes and that can be done through legal structure. There is an agreement between Terasen and there will be a subsidiary of the Tribes and what is called in legal terms a "limited partnership" and because it's a limited partnership it's not the Cowichan Tribes itself there is no risk that is attached to you. We have asked Terasen when it's structured its agreement to have that agreement structured into such a way that you can enter into the partnership and make that investment not as Cowichan Tribes but as a partnership. So if something were to go wrong you really don't want that liability so we made sure that you're not. We went to a lawyer and asked if he could do it in such a way and he said yes you can and we had that opinion written and it's part of your package. That's the first thing we did was make sure there was no risk to Tribes.

Financing – Buying into this storage partnership cost roughly 6 million dollars we know that it's completed the cost is 5.7 million dollars. The cost is 5.7 million dollars we had to go out and find that money which we did after canvassing a number of financial institutions the most attractive option is from the Royal Bank. The Royal Bank is willing to make up to 6 million dollars available to you they looked at the deal they said the storage facility is a good deal, the income of it is very solid and we have no problem lending money to the partnership that's going to invest in this. So you can actually go forward and do that the question is then is there a risk in taking out the loan for 6 million dollars that was the other part we

spent in the last 2 years was making sure there isn't because if there is then there is no point in doing this. If you can make an investment but you have to risk your assets for the next 40 years in terms of how much you're going to owe for it then this ceases to be such a good deal. The whole point of this is it has to be a good deal Terasen wants to reward you, Terasen wants to encourage you, Terasen wants you to be a good partner, Terasen doesn't want you to feel that you had to mortgage your assets in a way that's restricting you. They have allowed themselves to be the ones who are going to help the Royal Bank out if something goes wrong. In the contract there are clauses which make sure that if for some reason you want out of this then Terasen will buy the shares back from Cowichan Tribes and the Royal Bank can say we need that money now for their shares. So the conclusion in the financing there is no risk either and that's the only risk that there was.

There is no liability if anything goes wrong with the facility it doesn't come back to you. In terms of the financing the partnership takes up the 6 million dollars as a loan if anything goes wrong it doesn't come back to Cowichan Tribes.

Having looked at this I am recommending this whole heartedly I do not see a reason why you would not take an opportunity like this having \$250,000 to \$300,000 coming to Cowichan Tribes without any risk, that is the essence of my recommendation.

Reviews detailed 40 year financial work.

Chief and Council discussed the recommendation of Pieter van Gils and passed the following motion:

**ALBIE CHARLIE MOTIONED, SECONDED BY LLOYD BOB THAT COWICHAN TRIBES CHIEF AND COUNCIL ARE IN SUPPORT THAT COWICHAN TRIBES EXERCISE ITS OPTION TO ACQUIRE 7.5% EQUITY IN THE MT. HAYES LIMITED PARTNERSHIP AND TO SECURE FINANCING UP TO \$6 MILLION INVESTMENT FROM THE ROYAL BANK OF CANADA.**

**1 OPPOSED – CINDY DANIELS  
MOTION CARRIED.**

6. Land Administration

An Agenda request from Rhonda Sullivan, a BCR is required to renew her appointment as Commissioner.

Chief and Council discussed the request from Rhonda Sullivan for a BCR to renew her appointment for Commissioner the following motion was passed:

**DORA WILSON MOTIONED, SECONDED BY CINDY DANIELS THAT COUNCIL OF COWICHAN TRIBES IN THE PROVINCE OF BRITISH COLUMBIA ON SEPTEMBER 27, 2011 DO HEREBY RESOLVE THAT WE SUPPORT THE APPLICATION MADE BY RHONDA ROBERTA SULLIVAN FOR THE APPOINTMENT AS COMMISSIONER FOR TAKING AFFIDAVITS IN BRITISH COLUMBIA UNDER THE EVIDENCE ACT.**

**MOTION CARRIED.**

7. Cowichan Tribes Tobacco Tax Policy

An Agenda request from Maureen Tommy re Cowichan Tribes draft Tobacco Tax Policy for Council's review and approval. This has been presented to the Audit and Finance Committee their Committee recommendation is attached.

**CINDY DANIELS MOTIONED, SECONDED BY ALBIE CHARLIE THAT CHIEF AND COUNCIL APPROVE THE COWICHAN TRIBES TOBACCO TAX POLICY 2011.**

**MOTION CARRIED.**

8. Update for Cowichan Tribes Chief & Council

An Agenda request from Chief Hwitsum together with an update from acting KDC CEO Bev Martin re proposed collaborate partnership with Cowichan intercultural Film and Festival Association and QCCC.

Chief – I asked that this item is put in so that Council is apprised of a proposal that has been submitted with the Cowichan Intercultural Film and Festival Association contingent on their proposals being accepted for funding. If it is approved we will be able to secure of the funding coming in approximately \$60,000 to go towards improvements and repairs to our theater building at QCCC. Basically there is investments that would go into upgrading the theater including the screen and the model we're delivering the model in. In addition we're delivering a language component at QCCC wherein we would have computers up and actually be able to create a language piece for community as well as the tourist that come in would understand who we are as a people in our language. There would be improvements to the building the roof of QCCC, generally the idea is to support our people create opportunities for training and film making, media arts programming and it would be an opportunity to do community screenings of any of the films or features that would be created by our students that are participating. This Council is for your information it's not a guarantee that this funding is going to come in. We signed a memorandum that if this funding comes in that we would be securing the repairs to our capital asset and we would be retaining in terms of the language piece and any language that would be used at any rate with respect to the language part on the computer. That Cowichan Tribes will maintain the intellectual property and would not be compromising our language programs so that this company could not take it and go and sell it. That any improvements would remain with the QCCC in the event we do get the funding and down the line we don't get anymore funding or the partnership breaks down. So just securing the assets of Cowichan Tribes and ensuring we get some improvements if the funding comes through.

Cindy – I know this is just an update but I thought we had an offer to work with this Intercultural Film years ago and we chose not to back then and I can't recall what our reasons were. This was right before we started forming all those separate boards, I'm wondering if it's only for \$60,000 is this going to cost us anything, we're donating in kind the use of the theater building are we on the hook for hydro, security, liability, parking and staff costs, is this going to start costing us?

Chief – The fact if we're going to have more equipment running there, there will be more costs for hydro but part of the agreement is if this funding comes through we would itemize each cost and ensure that it's addressed whether it's covered under the partnership or by QCCC. We don't anticipate that there will be significant costs to the QCCC in terms of contributions and there is anticipation that the returns were sufficient enough that it was worth undertaking the memorandum of understanding to move this application forward.

Charles – My question is in relation to the impact of the Great Deeds because I was approached and asked if I had a copy of it because they were having trouble finding

their copy of the Great Deeds. To my understanding our program is not responsible for retaining the original so what is the impact to that portion of the business.

Chief – We did have those discussions as well and incorporated into the MOU that any participation that QCCC has in this that any outcomes would not interfere with the existing services and opportunities that are currently available to QCCC. It is anticipated that with the improvements we would have more to offer in terms of people paying to get in. I will keep Council updated on this piece.

9. Membership

An Agenda request, together with a copy of the minutes re:

1. Approval into Membership

Chief and Council discussed the approval into Membership, Transfer into Membership and Loss of Membership and passed the following motions:

**DORA WILSON MOTIONED, SECONDED BY CINDY DANIELS THAT WE APPROVE THE FOLLOWING COWICHAN TRIBES MEMBERSHIP:**

<b>Name:</b> Dave Jack David-Jim	<b>Name:</b> Kloe Iyanna Jade Wilson
<b>Birthdate:</b> Jun 12, 2009	<b>Birthdate:</b> Feb 11, 2010
<b>Registry No:</b> 4462	<b>Registry No:</b> 4461

<b>Name:</b> Drake Darius Thomas	<b>Name:</b> Lindsey Brooklynn Elaine Henry
<b>Birthdate:</b> Dec 1, 2010	<b>Birthdate:</b> April 19/2010
<b>Registry No:</b> 4457	<b>Registry No:</b> 4446

<b>Name:</b> Stqayton Liko Kinola Sampson-James	<b>Name:</b> Michael David Keith Yateman
<b>Birthdate:</b> Sept 27, 2010	<b>Birthdate:</b> April 27, 2010
<b>Registry No:</b> 4469	<b>Registry No:</b> 4464

<b>Name:</b> Ernest Leonard Charlie Campbell	<b>Name:</b> Kelsey Mariah Janaih Sam
<b>Birthdate:</b> Nov 9, 2010	<b>Birthdate:</b> Oct 9, 2010
<b>Registry No:</b> 4471	<b>Registry No:</b> 4468

**MOTION CARRIED.**

2. Transfers into Membership

**DORA WILSON MOTIONED, SECONDED BY CHARLES SEYMOUR TO GIVE NOTICE TO THE REGISTRAR:**

<b>Name:</b> Alec Johnny Henry	<b>Name:</b> Iona Sophie Madeline Harris
<b>Birthdate:</b> July 14, 1961	<b>Birthdate:</b> Sept 24, 1975
<b>Registry No:</b> Pauquachin 258	<b>Registry No:</b> Chemainus 681

<b>Name:</b> Sophia Niah Patricia Joe	<b>Name:</b> Savannah Starr Harris
<b>Birthdate:</b> Sept 20, 2005	<b>Birthdate:</b> Nov 20, 1999
<b>Registry No:</b> Halalt 725	<b>Registry No:</b> Chemainus 681-02

<b>Name:</b> Evan Howard Aleck-Henry Jr.
<b>Birthdate:</b> Dec 6, 2006
<b>Registry No:</b> Halalt 751

**Are approved for transfer into the membership of Cowichan Band and request that the Department records be amended to reflect their addition to our registry group.**

**MOTION CARRIED.**

3. Loss of Membership

**DARIN GEORGE MOTIONED, SECONDED BY LLOYD BOB DO HEREBY**

**RESOLVE: WHEREAS THE FOLLOWING: LOSS OF MEMBERSHIP**

**NAME: DEANA SHERRY GEORGE**

**BIRTHDATE: October 26, 1949**

**REGISTRY NO: 642-00634-02**

**DUE TO SEPARATION AS SHE HAS BEEN SEPARATED FOR YEARS.**

**MOTION CARRIED.**

Dora recommended to revise the Membership Code that it be brought to the Membership Committee.

14. Youth Violence

Albie reported on the Youth Violence 13 year old getting beat up by 4 individuals.

Charles reported that this item was being dealt with.

15. Other Business

Social Development

Chief recommended that the General Manager work with Jennie Thomas to amend the date for the welfare cheques being handed out.

16. Adjourned 10:00 PM