Minute No. 140
Report – Executive Policy Committee – January 13, 2010

Item No. 2 **Provision of Grant to Shoal Lake #40 First Nation for Economic Development Initiative**
eFile G-8

COUNCIL DECISION:

Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That a grant in the amount of $100,000.00 be provided to Shoal Lake First Nation #40, as the City's partnership share in a Shoal Lake #40 economic development initiative.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

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DECISION MAKING HISTORY:

Moved by His Worship Mayor Katz,

That the recommendation of the Executive Policy Committee be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On January 13, 2010, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

ADMINISTRATIVE REPORT

ISSUE: PROVISION OF GRANT TO SHOAL LAKE #40 FIRST NATION FOR ECONOMIC DEVELOPMENT INITIATIVE

Critical Path: Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
D.P. Sacher, P. Eng. Manager of Water Services	B. D. MacBride, P. Eng. Director, Water and Waste	P. Olafson Acting CFO	A. Robinson Acting CAO

RECOMMENDATIONS

That a grant in the amount of $100,000 be provided to Shoal Lake First Nation #40, as the City's partnership share in a Shoal Lake #40 economic development initiative.

IMPLICATIONS OF THE RECOMMENDATIONS

Shoal Lake #40 has requested funding to construct a winter access road from the Trans-Canada Highway to the Shoal Lake #40 community. This project is the second phase of their land use inventory and resource management plan. The first phase of the project has identified marketable timber resources, and construction of the winter road enables the development of a forest-based business for the community. Specifically, Shoal Lake #40 has obtained written commitments of support from local timber industries regarding the supply of forest products. Pineland Nurseries is interested in securing a supply of timber products for their biomass furnace, used for heating and electrical generation. Weyerhauser has expressed written support for the possibility of Shoal Lake #40 supplying timber to their lumber mills. Additionally, the creation of a seasonal access road to the community will allow for multiple social and economic benefits for the Shoal Lake #40 First Nation, as follows:

- The winter road will enable access to other resources that may be identified in the first phase of the project, such as round wood, chip wood, forest-based medicinal/nutriceutical products, or aggregate.
- The road will provide a shorter route to potential employment opportunities west of the community (Pineland Nurseries or Falcon Lake businesses, for example).
- The project will develop skills and training on heavy equipment operation for community members working with the contractor during the construction of the winter road.

- The establishment of the winter road will improve access for transportation of goods and materials to and from the community.
- The winter road route and aqueduct crossing represent the first steps in the future development of an all weather access road to the community.

The potential partners have been identified for this project are as follows:

- First Nations Forestry Program (funded jointly by Indian and Northern Affairs Canada, and Natural Resources Canada

- Province of Manitoba

- City of Winnipeg

The City of Winnipeg has been approached to contribute a one-third share of the cost of the program. Since the project cost is identified as $300,000, the City of Winnipeg has been requested to contribute $100,000. This is consistent with the intent of the Tripartite Agreement. The City of Winnipeg will also contribute in-kind services, which includes engineering assistance for design and construction of the road crossing over the aqueduct.

HISTORY

In 1989, the Province and the City entered into the Shoal Lake Tripartite Agreement with Shoal Lake #40. The intent of the agreement is to protect and maintain the high quality of Winnipeg's drinking water source, and promote sustainable economic development for Shoal Lake #40.

Contained within the Tripartite Agreement are the following clauses:

"46. The City and the Province shall make every effort to promote economic development beneficial to the Band in the Shoal Lake area. It is understood that this obligation is consistent with the preservation of water quality.

47. In recognition of the need of the development for an economic base for the Band, the City and the Province shall provide their best efforts to make available employment, contracts, and training to Band members within commuting distance of the Shoal Lake Band #40 community each year during the course of this Agreement."

FINANCIAL IMPACT

The following financial impact statement for this project has been prepared in accordance with the recommendation adopted by Council on December 13, 2000.

Financial Impact Statement

Date: December 15, 2009

Project Name:

PROVISION OF GRANT TO SHOAL LAKE #40 FIRST NATION FOR ECONOMIC DEVELOPMENT INITIATIVE

First Year of Program **2010**

	2010	2011	2012	2013	2014
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 100,000	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 100,000	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	100,000	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Funding for this project will be provided for in the 2010 proposed Operating Budget.

"Original signed by L. Szkwarek, C.G.A."

tws
15-Dec-09

Lucy Szkwarek, C.G.A.
Acting Manager of Finance and Administration

CONSULTATION

In preparing this Report there was consultation with:

N/A

SUBMITTED BY

Water and Waste Department
Water Services Division
Prepared by: Tim Shanks, P. Eng.
Processed by: Tamara Siemens
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