



# Chief Administrative Officer Report January 2023

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It has been nearly six years since I began serving as your Chief Administrative Officer. When I took this position, it was a goal of mine to get the right person in the right role. It is this way that we will move our Nation forward. We have come a long way in reaching this goal. Between the Nations and the businesses, we have increased to 65 employees with 10 more jobs that are vacant, bringing us to 75 jobs. This does not include casual and seasonal workers. 5 years ago we had 36 jobs between the Nations and the businesses.

We are working on improving systems, processes, and building capacity.

## Human Resource

Director of Operations; was finally filled in 2021 by Tracy Moulaison. This is an important new Human Resource (HR) role that can help develop and advise on the Nation's policies, manage HR related programs, advise the Directors, oversee operations of the two offices, and manages communications. Another key component of this role is coordinating capacity development. An HR Manager will be added to the administration team.

## Fiscal Negotiations

- **Finance Agreement (FFA):** we will begin negotiating for the renewal of the Fiscal Finance Agreement. This is the core funding for the Nations programs and departments.
- **Housing** – Canada announced \$565 million for Housing, KCFN is negotiating for a portion of those funds. We submitted housing data, based on the housing inspections KCFN had done of each house, which will be used for allocating this funding.
- **Infrastructure** – Operations and Maintenance, and Capital Reserves (potentially \$2.5 million annually) as part of stage 1 negotiations. Stage 2 will take place in the new year.
- **Lands and Resource** potentially \$2.5 million annually to fund the Lands and Resource department. This is a much-needed funding for an underdeveloped department for KCFN to fully manage the lands, resources and wildlife withing KCFN territory.
- **Language** potentially \$1.5 million annually for language revitalization for KCFN.
- **Taxation** – working on language to revise the treaty to permit extension of tax exemptions for transaction, income, and property taxes.



### **KCFN joined Strathcona Regional District**

We worked with Ministry of Indigenous Relations and Reconciliation, Ministry of Municipal Affairs, and Strathcona Regional District (SRD) on preparations for KCFN to join SRD.

Kevin Jules is the SRD board member representing KCFN as of April 1, 2021.

### **Capital Projects**

KCFN had condition assessments completed for infrastructure and houses in Houpsitas. The assessments showed that there are several assets requiring major repairs or replacement in the next 3-10 years. The three top assets requiring attention are water, sewer and powerlines; each could experience failure and cause significant interruption to the community.

*Water and Sewer:* KCFN received an \$8.5 million grant to overhaul the water and sewer systems that are at the end of their service life. This project is ongoing, although it was stalled through 2020 and part of 2021. A new water system and reservoir will be installed in 2023. The water and sewer pipes will all be replaced over the next few years. We have been making repairs to the systems until it can be replaced.

*Powerline:* KCFN owns the powerline within the community and out to the water system. We are looking into possibility of burying the powerlines in Houpsitas. Since 2020 we were able to fix significant safety issues with our powerline and fix the operation of the existing backup generator.

*Kindergarten:* repaired rotting beams, replaced some siding, flooring and upgraded the kitchen and installed a new propane furnace. Funding has been obtained for this project.

*Kyuquot Health Clinic:* repairs required on the clinic. Funding has been obtained for this project.

*Docks:* we will need to replace the cement dock and expand the government dock.

*Housing:* KCFN will coordinate condition assessments on each house in Houpsitas. These condition assessments were used to seek funding for improvements or new houses. Some funding was received last year and we expect more funding the next 5 years to fund the renovations/replacements. There have been increasing requests from members for KCFN to provide housing away from Houpsitas. KCFN will be looking at how this is possible, what is required, and what funding programs are available for this type of initiative.

### **Qacca Trust**

I have served as the Trustee representing KCFN since inception – April 2011. Nicole Nicolaye recently joined as KCFN's second trustee. These are funds received from treaty and Qacca Trust is formed by KCFN, Toquaht, and Uchucklesaht.

- annual return on investment of 6.4% and a portfolio of \$29 million. We have seen a decrease in returns this last year due to market downturns. Here are the returns since inception.

### **Implementation Fund Committee**

I have been KCFN's committee member since April 2011. The funds are invested in perpetuity and the annual returns are used to grow the funds and to fund some of the costs of being a self-



governing nation. The Funds have seen annual return on investment of 5.5% and a portfolio of \$12 million.

## **BC Utilities Commission**

Complaint against Kyuquot Power Ltd to the BC Utilities Commission, Worksafe BC and Technical Safety BC for various violations and negligence is still going through the process with the BCUC.

BCUC finally issued an order that requires KPL to have a professional engineer and a qualified arborist engaged in monitoring their powerline system and vegetation. Our team of engineers and professionals are concerned that there may be major issues with the line this winter. This is why we have installed the three new generators and solar panels at the Y.

BCUC recognizes and emphasizes that the system is at capacity, and something must be done. KPL must prepare a long-term plan for meeting forecasted loads supporting KCFN community aspirations

The power limitations affect the KCFN community expansion, housing renovations, the big house, economic growth, and our neighbors on the surrounding islands. We are seeing limitations even as we plan housing renovations and improve electrical, heating, and appliances in the homes.

## **Conclusion**

KCFN needs to expand and hire more staff, now that we have the funding. As a self-governing nation, we need people working for us that have the knowledge and expertise that keep our Nation moving forward. This is going to require our people to get training and education to take on these jobs.

Much of our community infrastructure is nearing the end of its life and we have begun major repairs and upgrades. This will be ongoing for several more years. This too is going to require our people to get training and education to maintain and operate this infrastructure.

Strategic planning for the future of KCFN is more important now than ever. It is encouraging seeing and hearing people getting involved and offering ideas for the Nation's future. We hope many of our citizens and leaders are involved in the upcoming plans; economic development plan, comprehensive community plan, land use plan.

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*Cynthia Blackstone*

Chief Administrative Officer