

**Island Corridor Foundation
Annual General Meeting**
April 27th, 2017 - 10:00AM TO 12 noon
Vancouver Island Conference Centre
101 Gordon Street – Nanaimo River Room
Nanaimo, BC

MINUTES

Chair	Judith Sayers	Director at Large
Designated	Lucas Banton	Alberni Clayoquot Regional District
Representatives	Kerry Davis	Cowichan Valley Regional District
	Larry Jangula	Comox Valley Regional District
	Ray Gauthier	Stz'uminus First Nation
	Lonnie Norris (By phone)	Halalt First Nation
	Jim Tatoosh	Hupacasath First Nation
	Bob Rogers	Regional District of Nanaimo
Absent	Lanny Seaton	Capital Regional District
	Albie Charlie	Cowichan Tribes
	Georgina Livingstone	Lake Cowichan First Nation

1. CALL TO ORDER

Judith Sayers called the AGM meeting to order at 10:15AM.

2. APPROVAL OF AGENDA

3. APPROVAL OF MINUTES OF 2016 AGM

That the 2016 Annual General Meeting minutes be approved.

Moved Kerry Davis Seconded Larry Jangula CARRIED

4. ELECTION OF DIRECTORS

That Albie Charlie and Jim Tatoosh, be elected as director to a two year term ending April 2019 to represent First Nation members.

Moved Ray Gauthier Seconded Lucas Banton CARRIED

That Ken McRae and Alec McPherson be elected as director to a two year term ending April 2019 to represent Regional District members.

Moved Lucas Banton Seconded Bob Rogers CARRIED

That Mary Ashley be elected to a two year term ending April 2019 as a Director at Large.

Moved Larry Jangula Seconded Kerry Davis CARRIED

5. FINANCIAL STATEMENTS

a) 2016 Financial Statements Presentation – Dan Little & Cara Light

That the Island Corridor Foundation 2016 Financial Statements as presented be approved.

Moved Kerry Davis

Seconded Jim Tatoosh

CARRIED

b) Appointment of Auditors

That Grant Thornton be appointed Auditors for 2017

Moved Ray Gauthier

Seconded Lucas Banton

CARRIED

6. SOLICITORS REPORT – Scott Ritter

I'd like to speak briefly about the distinction between the rolls of Designated Representative (of members) and Directors.

ICF has 2 categories of members: Regional District and 1st Nations

Designated Representatives – The roll of Designated Reps is fairly limited: They attend the AGM on as the representative of the member. They Vote on member resolutions and receive notices that are to go to a member. See Section 2.2 of the Bylaws. A Designated Rep is to be chosen by each member, according to their internal procedures. Notice in writing of choice of the Designated Rep must be given to the ICF.

Purpose – Purpose of the Designated Rep is to identify who acts on behalf of each member as obviously ICF cannot take instructions from each counselor of a Regional District or 1st Nation.

The intent is for the member to choose their representative internally and then let the ICF know who is to represent them at members meetings etc.

Directors – Directors roll is distinct from Member Representatives. Directors are responsible for overall direction of ICF. Have fiduciary duties to the ICF under the Canada Not for Profit Act and general law. Directors are elected for 2 year staggered terms (Section 5.3 of Bylaws) Each Regional District has right to nominate director and members **MUST** vote to elect them (Section 5.3) First Nations have right to equivalent amount of Directors chosen internally. Also 2 At Large Directors are nominated by the Board.

Rational – One of the reasons things were set up the way they were was to isolate Regional Districts and 1st Nations from liability for acts of ICF. Thus members do not directly control the ICF but do so through nominating directors. The purpose is also partly inherent in the Canada Not for Profit Act.

7. CHAIRMAN'S REPORT – Judith Sayers

ICF Chair Report to the Annual General Meeting

April 27, 2017

Another year has passed and many things have happened with ICF.

Disappointingly, the federal government has not shown any leadership in negotiating a settlement with Snaw-Na-Was First Nation. Canada will not release the committed federal track infrastructure funding until this claim is resolved.

As you know, Snaw-na-was started a law suit on December 22, 2015 against the Government of Canada to have the portion of the corridor that passes through their reserve

returned to them. SNA claim they have a revisionary right to have the corridor land returned to them if it is no longer used as a railway.

The taking of the lands for the E & N railway was an act of the federal government. They took the lands without regard for the fact that it was reserve lands. Though many First Nations have been trying for many years to have the federal government resolve the taking of huge tracts of lands for the E&N railway, the federal government has refused to work with them to resolve this long outstanding issue. The federal government is now expecting ICF to resolve this issue they created. As you are aware, ICF acquired these lands from CP Rail who had operated on these tracks for many years.

ICF remains open and willing to negotiate with Snaw-na-was but they have not been open to negotiations after they made one offer that we had countered. ICF is working with our lawyer to bring an application to the court to determine whether or not the railway is still an operating railway. If the court concludes that is in an active railway, then Snaw-na-was claim cannot proceed.

The Cowichan Nation Alliance (which consists of Cowichan Tribes, Stz'uminus First Nation, Penelakut Tribe and Halalt First Nation) expressed concerns with the ICF statement of Defence and we worked with them to have wording that they could agree with. They are members of the ICF and it was important for us to address their concerns.

The ICF has been working on the terms of reference for the directors on the board as this was expressed as a concern by some members.

The ICF has been working on updating our business plan. We have reached out to the public for input into our business plan and many people have contributed comments and suggestions. We look forward to completing an updated business plan that is inclusive of the general public's input.

We held a community round table in February and a presentation to the AVICC members in April and continue to provide information to ICF members and the public through the website and constant contact

ICF continues to work with cities, regional districts and First Nations on the development of trail on ICF lands. Connecting communities with trail is a major objective of the ICF. The most recent completion of new trail is the first section on the Alberni sub from Parksville to Coombs. This was undertaken by the Regional District of Nanaimo.

In June of last year, ICF and SVI met with Mayors Screech and Desjardin to work with them to look into commuter rail from Langford into Victoria. The commencement of the construction of the McKenzie interchange is very disruptive to traffic and the ability to have commuter rail would help lessen the backlog of cars. The mayors created a small committee with the help of Bay View properties and did more work on commuter rail. SVI put a lot of time and effort in looking at the various options for commuter rail. In March, the province of BC announced a study group to look at various options. Much work has already been done by the mayors committee so hopefully the work being done by the province's committee will not take long. SVI has agreed to participate on the working group committee and to represent the interests of ICF. ICF is very supportive of commuter rail.

I wanted to take the time to thank Mayor Bill McKay who has been Co-Chair of the ICF for the past 2 years. He will not be on the board in the upcoming term and we want to thank

him for all his hard work and dedication to the ICF and helping to work through some of the tough issues we faced in the past few years.

A big thank you as well to Frank Butzelaar, former President and CEO of Southern Railway of BC (SRY) who has moved on to be the CEO of Seaspan. Frank is an amazingly supportive person who kept SVI on Vancouver Island and has been enormously instrumental in keeping the rail on Vancouver Island. We can't say enough about all that Frank has done. We welcome Derek Ollmann, the new President and CEO of SRY and look forward to working with him.

Through SVI's commitment to rail and the update of the ICF business plan we will revise the approach to improving rail for the Island and continue focusing on expanding the trail network and improving our stations.

The ICF Board of Directors is fully committed to protecting the corridor and is aware of the many competing interests for uses along the corridor. The Board is mindful that the long view is an important factor in weighing decisions as is the historical perspective and the relationship amongst all communities.

8. CEO REPORT – Graham Bruce

CEO 2016 Annual Report

Much of 2016 was taken up with managing contrary issues and refuting uninformed attacks on the ICF. The Snaw-Naw-As claim and subsequent legal action has taken time, money and focus from getting track infrastructure improvements on the Victoria sub completed.

Uninformed criticism has hurt the reputation of the Foundation and caused delay in attending to the main business at hand. We have undertaken significant effort to improve and expand the ICF website and to produce board meeting notes to increase awareness and thoughtful comment through factual reporting. We directly email to over 3500 'Friends of the Corridor' and all member councillors and directors. Local government liaison meetings are held twice per year and have been well attended.

While there are many opinions on how best to redevelop rail or even if rail should continue at all, there are appropriate ways to convey those views without accusations and personal innuendo. It is important to note the Snaw-Naw-As First Nation has approached their issue in a respectful and amicable manner.

For the record in 2013 the ICF and Southern Rail filed with the federal and provincial governments, a comprehensive 10 year capital track and bridge infrastructure plan for the Victoria sub and a passenger service operating plan which included the new VIA Rail train service agreement. In the plan Southern had agreed to cover any operational cost deficiency for a ten year period. This plan had gone through several reviews and had provincial sign off.

Unfortunately due to circumstances beyond the control of ICF and SVI the final federal funding sign-off was delayed, and now a new submission is required.

While this has caused frustration for the ICF Board and SVI, other positive initiatives have been accomplished. The Foundation continued to strengthen the cash position while

dealing with greater maintenance expense along the corridor. Maintenance of way is becoming a bigger issue in dealing with squatters, garbage and vegetation. Developing management protocols with various authorities will help in dealing with these issues in a more timely fashion.

More attention and investment is also being focused on the Alberni sub in cooperation with the Alberni Pacific Railway and the newly created McLean Mill Society. The City of Port Alberni formed the society to help develop a stronger business and marketing plan for the national heritage McLean Mill and Steam Train tourism attraction.

This spring they will have spent \$50,000 on rail improvements including replacing 500 ties. The McLean Mill Steam Train operates on six miles of ICF track from the rebuilt station in town to the mill. Southern Rail and ICF is providing advice and assistance as requested by the City.

On the eastern section of the Alberni Sub the first trail construction from Parksville to Coombs was completed by the Regional District of Nanaimo. As interest and demand increases further rail/trail construction linking Coombs to McLean Mill will hopefully become a reality.

In cooperation with Southern Rail the ICF initiated the discussion with Esquimalt and View Royal concerning a commuter train link between Victoria and Langford on that section of the Victoria sub. In March the BC Government announced the establishment of a working group to develop terms of reference to study transit options for this area.

The initial approved infrastructure plan for track improvements from Victoria to Courtenay cannot proceed with the Snaw-Naw-As claim unresolved. As this will take time the ICF has requested Southern Rail to bring other options for incremental track improvements on the Victoria sub that would not include the Snaw-Naw-As area of claim.

However, whatever option is agreed upon it will take a strong concerted effort to convince senior levels of government to honour their commitments to fund track improvements.

It is important to remember the key requirement for successful rail operations is having a committed well - funded professional rail operator and this we have in Southern Rail. Southern has demonstrated a long-term view to restoring rail service if Islanders want it. Southern has developed a 'Four Pillar' approach for rail service and has stated they can be successful with three of the four:

- Intercity Passenger – VIA
- Freight
- Tourism/Excursion/Rail Trail
- Commuter

Southern is currently drafting their strategic rail plan that will dovetail with the ICF business plan.

I am hopeful through the public in-input process in updating the ICF business plan that we can get a clearer picture of the public opinion regarding rail service. Our consultant will provide further info about the process at the end of this meeting.

The ICF business plan review also provides an opportunity for comment about trail development and the restoration of the heritage stations.

It is anticipated that additional sections of trail in the CRD and the City of Courtenay will proceed through planning and construction phases this year.

The Cowichan Valley Historical Society received funding confirmation for improvements to the Duncan Station that will provide a more welcoming entrance to the museum located in the station.

Unfortunately Courtenay Rotary has had to bow out of the second phase of restoration for the Courtenay Station. Rotary put on a new roof and upper siding in Phase I. We will continue to search out other community groups to assist in the next phases.

I too would like to add my appreciation for the significant support Frank Butzelaar provided to the ICF and wish him well in his role as CEO of Seaspam Marine. I look forward to working with Derek and his SVI team of Don and Al and the rest of the crew.

I very much appreciate the dedication of the directors and the support of John, Nicole, Janice and Anneke.

The Foundation deals with many moving parts, numerous regulatory agencies, and volunteer groups, considerable public and political opinion and has overcome significant challenges to this point. I don't see that changing in the near future which continues to make each day an interesting one.

Thank you

9. SOUTHERN RAIL REPORT – Derek Ollmann – President – Power Point on Website

10. DISCUSSION

11. AJOURNMENT OF FORMAL MEETING

Motion: To adjourned the meeting at 11:15AM

Moved Ray Gauthier Seconded Larry Jangula

CARRIED

UPDATE ICF BUSINESS PLAN – PUBLIC INPUT – Sarah Morden

Sarah gave an overview of the Business Plan process. She urged everyone there to share the plan urging all to participate in their view of the future of rail and the corridor - Noted was the extension of the time to be involved for feedback to May 19th, 2017. Power Point of the Draft Business Plan is on the Website. As well as the feedback form.

www.IslandRail.ca

PUBLIC QUESTIONS

Approximately 30 people of the general public attend and several members had questions and comments.