



Tsartlip First Nation
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Tsartlip Community Meeting Agenda DRAFT
Wednesday May 11, 2022

Location: Saanichton Fair Ground (Dogwood Room)

Time: 5:00pm-8:00pm

5:00pm – Opening Prayer

5:15-5:45pm – Community Dinner to be served (healthy turkey meal)

6:00 Meeting Begins

1. MÁWUEĆ Updates:

- MÁWUEĆ Addition to Reserve Update – Victor Rumbolt, Administrator
- MÁWUEĆ Remediation – Marek Downarowicz, P.Geo, Active Earth Engineering

2. Boat Ramp Area Improvements – Will Morris, Director of Stewardship

- Tsartlip Marine – Kevin Charpentier, Jesse Garlick, Studio 531 Architecture

3. WJOLEEP Pump update – Victor Rumbolt, Band Administrator

Community Meeting

May 11, 2022

MÁWUEĆ Timeline

July 2018 – BC Housing purchased MÁWUEĆ without consulting Tsartlip First Nation

2018-2020 – Tsartlip First Nation notifies Province of BC about historic use and claim to MÁWUEĆ.

March 2020 – Tsartlip signs settlement agreement with the Province of BC to acquire and remediate the land, and to engage in community planning for the land.

April to December 2020 – Tsartlip pursues due diligence of the lands (environmental, regulatory, legal).

December 2020 – A Tsartlip First Nation-owned corporation acquires MÁWUEĆ.

2021 – Environmental remediation begins.

May 2021 – Tsartlip submits Addition-to-Reserve (ATR) proposal to Indigenous Services Canada (ISC).

September 2021 – ISC formally accepts ATR proposal.

Ongoing – ISC and Tsartlip are working through ATR process; Tsartlip proceeds with community consultation, which is ongoing; environmental remediation is ongoing.

MÁWUEĆ



Tsartlip First Nation's Past, Present, and Future on MÁWUEĆ

Tsartlip First Nation re-acquired MÁWUEĆ (also known as Woodwynn Farm) in December 2020, almost doubling Tsartlip's land base.



MÁWUEĆ is currently zoned for agricultural use.

Significance of MÁWUEĆ

MÁWUEĆ is located at 7779 West Saanich Road, just north of South Saanich IR 1. These lands were originally part of the WJOLELP village site and were used by our ancestors for many purposes including hunting, fishing, gathering medicines, harvesting cedar, farming and ceremony. MÁWUEĆ also includes Hagan Creek where our ancestors would fish. The mouth of which is called KÉNNES, meaning “whale” because a whale was once beached there.

General Facts About MÁWUEĆ Lands

- **Size and Location:** 78 hectares (192 acres), next to the north boundary of Tsartlip reserve South Saanich 1.
- **Assessed Value:** The assessed value as of July 1, 2021, was \$4,520,000.
- **Zoning:** Currently the lands are in the District of Central Saanich and zoned for agricultural use as they are a part of the Agricultural Land Reserve, which restricts land use.
- **Current amenities and uses:** There are some residential buildings and agricultural buildings on the land. The residential buildings are not currently used. The land is mostly undeveloped, agricultural land. The land has been leased to a farmer over the last couple of years for hay. Tsartlip has started environmental remediation, with funding from the province.

Contact Us

Any questions and comments regarding MÁWUEĆ can be sent to: Victor Rumbolt at reception@tsartlip.com

Our next community meeting about MÁWUEĆ will be in the fall 2022.



Addition-to-Reserve Decision and Process

Council decided to proceed with adding MÁWUEĆ to Tsartlip's reserve lands. The reasons Council considered in making this decision included that adding the lands to reserve would: allow Tsartlip the opportunity to eventually control and manage the lands, and permit more land uses because reserve land would not be subject to the provincial laws regarding the agricultural land reserve.

In accordance with Council's decision, Tsartlip submitted a Reserve Creation Proposal to Indigenous Services Canada (ISC) in May 2021. ISC accepted the proposal in late 2021. Tsartlip and ISC have started working together on the various steps required to add the lands to reserve.

Next steps in addition-to-reserve:

The next steps that Tsartlip and ISC have started in the addition-to-reserve process include:

- remediating the lands pursuant to an environmental site assessment,
- consulting with First Nations and the District of Central Saanich, and
- reviewing and dealing with current charges on the land.

All of the above are currently underway.

Land Use Planning and Community Input

Once MÁWUEĆ becomes Tsartlip reserve land, the doors will open for Tsartlip's use and management of the lands. The land could be used for many purposes that will benefit Tsartlip community members including:

- Housing
- Economic development
- Restoring traditional uses (like fishing in Hagan Creek)
- Institutional uses
- Recreational uses

No commitments about land use have been made. Council will consult the community consultation about how this land will be used. Please stay tuned about future opportunities to provide input and tour MÁWUEĆ.

TSARTLIP FIRST NATION SITE: 7779 West Saanich Road

Environmental Remediation Summary – May 11, 2022

Presentation Outline

- Overview of Environmental Concerns
 - Remediation Work Completed to Date
- Remaining Environmental Concerns
 - Remediation Options

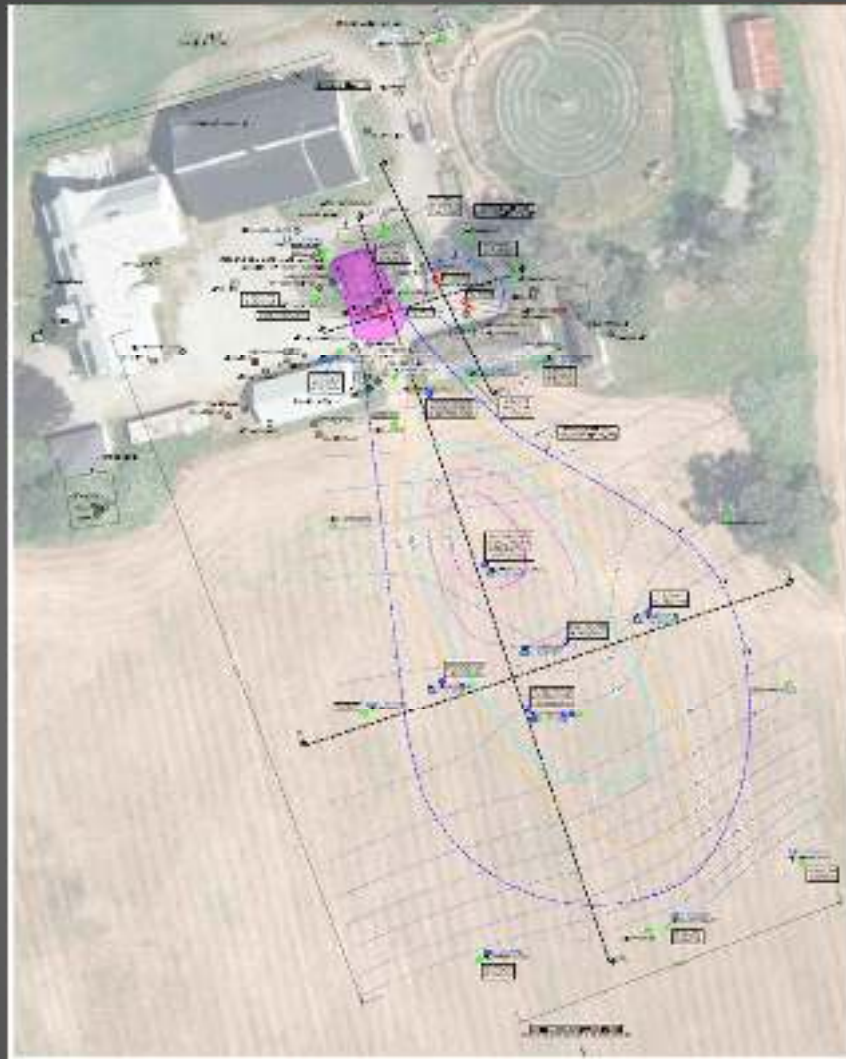
Environmental Concerns

Areas of Potential Environmental Concern (APECs)
APEC 1 - Historical Road Oiling Across the Site
APEC 2 - Lead Based Paint on Buildings
APEC 3 - Showroom Former AST #1
APEC 4 - Compost Shed Former AST #2
APEC 5 - Compost Shed Sump/Auto Repair
APEC 6 - Showroom/Auto Repair
APEC 7 - ASTs #3 and # 4
APEC 8 - Office Septic
APEC 9 - Workshop Fueling Area and Petroleum Product Storage
APEC 10 - Brown House Septic
APEC 11 - White House Former Heating Oil AST Spill
APEC 12 - White House Septic
APEC 13 - Biosolids Fields
APEC 14 - Dump



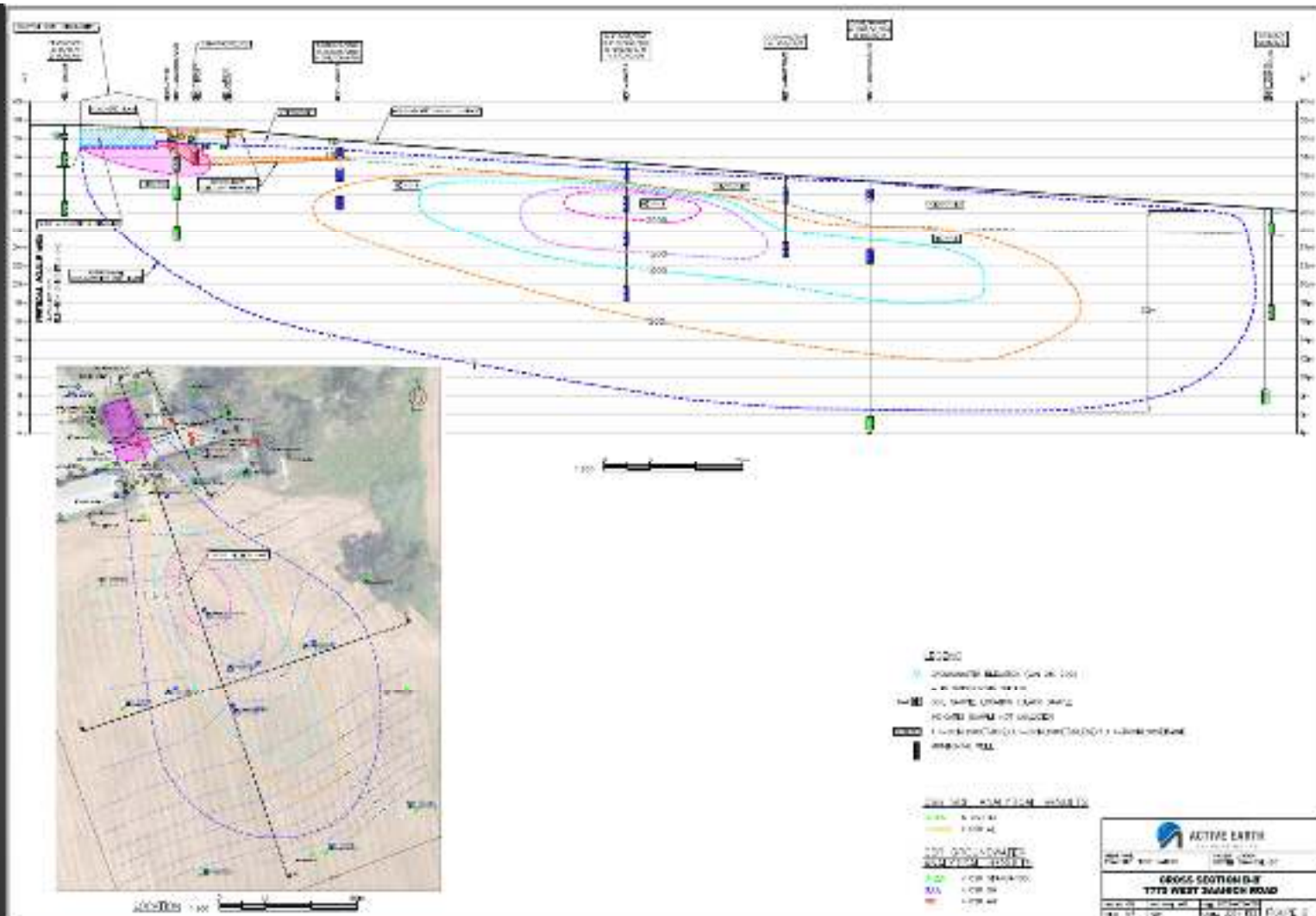
Remediation Work Completed

- Everything Remediated Except for Compost Shed
- Unforeseen Significant Groundwater Contamination Remains



Remaining Contamination

- Volatile Organic Compounds (VOCs) in Groundwater
- Trichloroethane Stored in Concrete Sump Beneath Compost Shed
- Used as Pesticide and/or Solvent
- Degrades to Produce Various VOCs including:
 - 1,1-dichloroethane
 - 1,2-dichloroethane
 - 1,1-dichloroethylene
 - 1,1,2,2-tetrachloroethane
 - 1,1,1-trichloroethane
 - vinyl chloride



Remediation Options

Option 1 – Risk Management (Leave in Place)

Option 2 – Physical Remediation (Complete Removal)

Option 1 – Risk Management (Leave Contamination in Place)

- Requires delineation of all contamination (lateral and vertical)
- Requires confirmation of groundwater contamination plume stability (2 years minimum)
- Source removal only (smaller excavation)
- Restrictive Covenant to prohibit future drinking water and irrigation wells
- Possible mitigation measures required for future buildings to address vapours
- Ongoing Monitoring as condition of COC (minimum 10 years)

Option 2 – Physical Remediation (Complete Removal of Contamination)

- Requires delineation of all contamination (lateral and vertical)
- Remove ALL contamination
- Significant excavation required including blasting bedrock
- Bedrock not contaminated so has beneficial use as aggregate
 - Only groundwater within fractures is contaminated (not the bedrock itself)
- Requires reclamation (backfill) of excavation with clean soil
- Geotechnical considerations for future structures within excavation footprint
- No restrictions on future land use
- No ongoing monitoring

Recommendations

- Confirm viability Option 2 (Physical Remediation)
 - Consult with Tsartlip First Nation
 - Consult with the Province (ENVIRONMENT, MINES)
 - Consult with the Districts (CRD, Central Saanich)
 - Identify any potential concerns and determine mitigation measures
 - Prepare a detailed excavation design and initiate physical remediation planning
- If prohibiting circumstances encountered then proceed with Option 1 (Risk Management)

TSARTLIP MARINE

Marine Stewardship Program



PROJECT DESCRIPTION

Tsartlip is a community of strong, independent people who have built a self-sufficient Nation that thrives in harmony with the Wsáneć culture, lands, and waters to which we belong.

TSARTLIP MARINE STEWARDSHIP PROGRAM:

The Tsartlip Marine Stewardship Program is a recently approved program that will be developed along with up to 33 other nations working together on the Salish Sea Initiative. While the Salish Sea Initiative is a Government of Canada and the Department of Fisheries program, we have ensured that receiving this **funding does not in any way impact or reduce Tsartlip member's existing Aboriginal or Treaty Rights and Title**. The Salish Sea Initiative provides funding and resources for activities that will address and mitigate our concerns about the impact of human activity on the precious ecology of the Salish Sea.

TEAM

Architect:	STUDIO 531 architects
Surveyor:	Polaris
Environmental study:	Aquaparian

GOALS

- 1 Access to Harvest / Food Security / Douglas Treaty.
- 2 Monitor the ecology + Health of our waters.
- 3 Provide opportunities.

More info: <https://tsartlip.com/tsartlip-to-develop-marine-stewardship-initiative/>

KEY FEATURES OF PROJECT

- 1 Upgrade boat ramp and dock for improved function and safety;
- 2 Create a storage area for the Marine Stewardship vessels and equipment;
- 3 Purchase 2 new vessels;

OPPORTUNITIES:

Community + Elder input on how the project can provide the best community benefit.

TIMELINE

Developed over a three-year term, the Marine Stewardship program will focus on developing and implementing a work plan that will be focused on providing safe and immediate access to the sea.

2022: Assessment and Planning to upgrade the existing boat launch. (current phase)

2023: Upgrade Marine infrastructure: boat launch, parking and boat storage facilities.

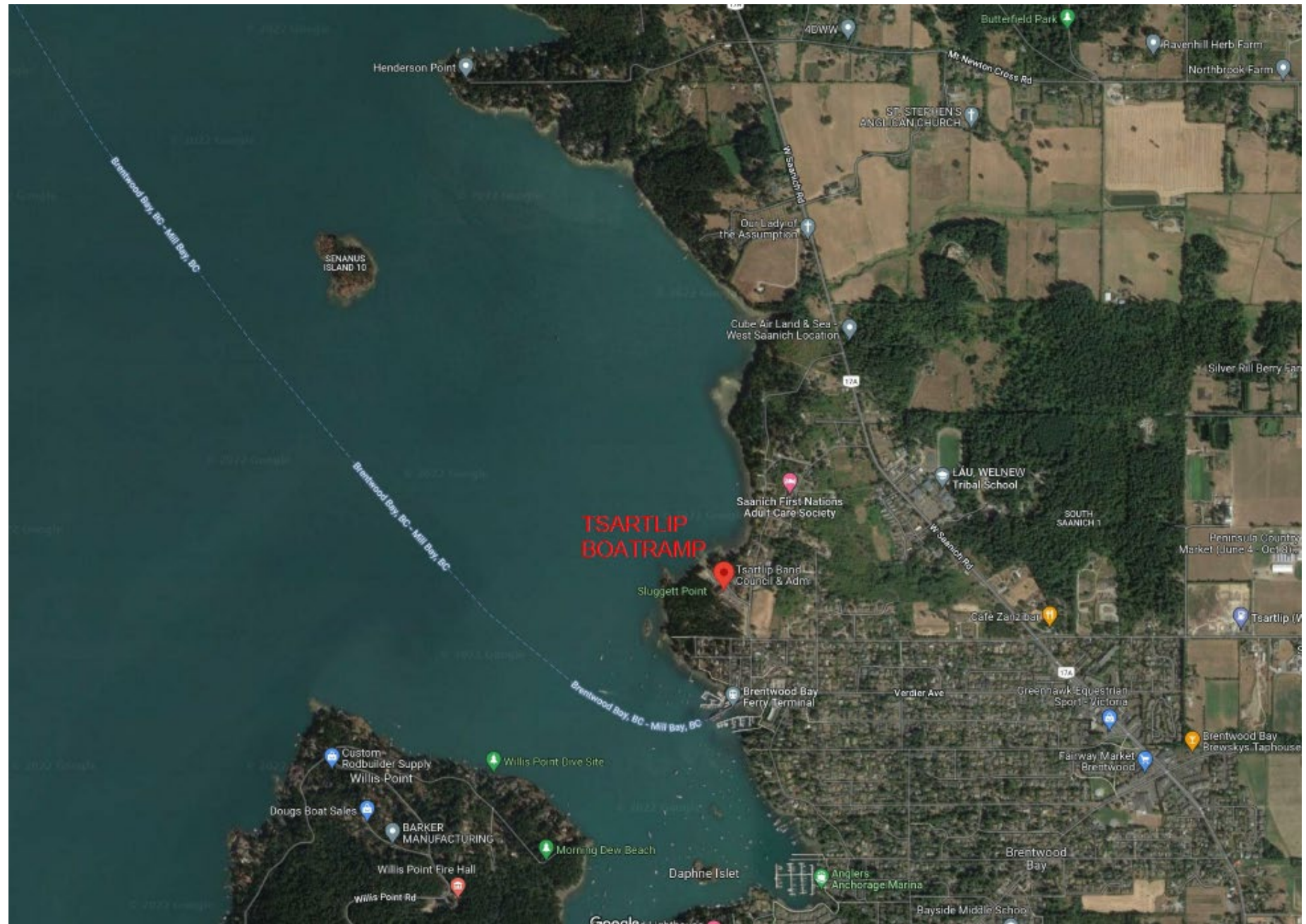
2024: Hiring additional staff, completing the upgrades.

WHY ARE WE HERE?

The goal of the Open House is to inform and gather feedback on the plans.

- What should this place be called?
- How can the Project function?
- How can the project improve Harvest?
- How can the project strengthen community?
- How can the project improve Health & Safety?
- What other activities can we design for? (swimming, kayak, outrigger canoe, fish cleaning, BBQ)

LOCATION

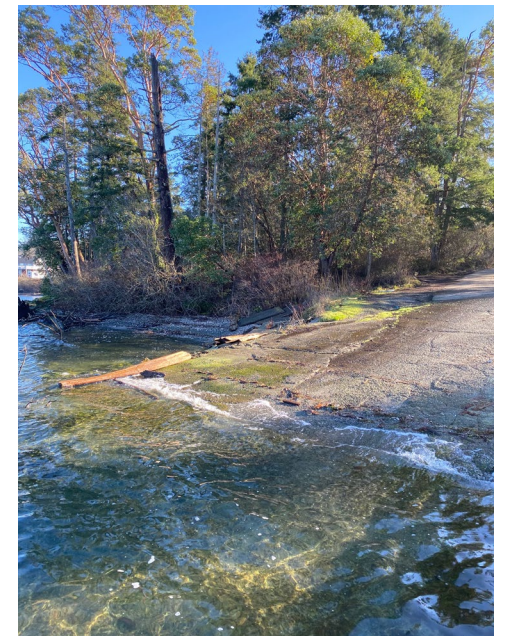
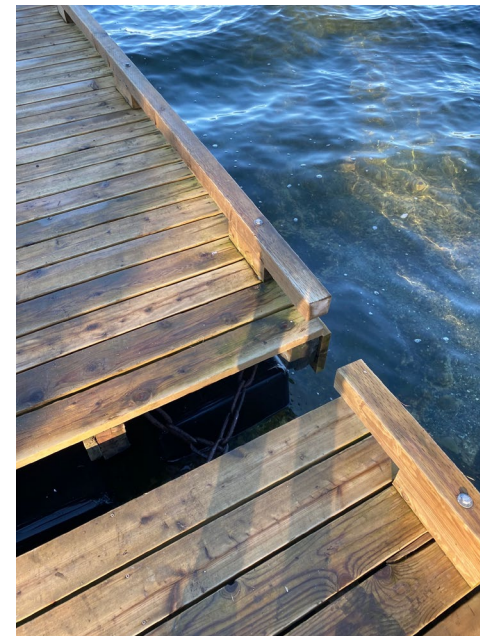
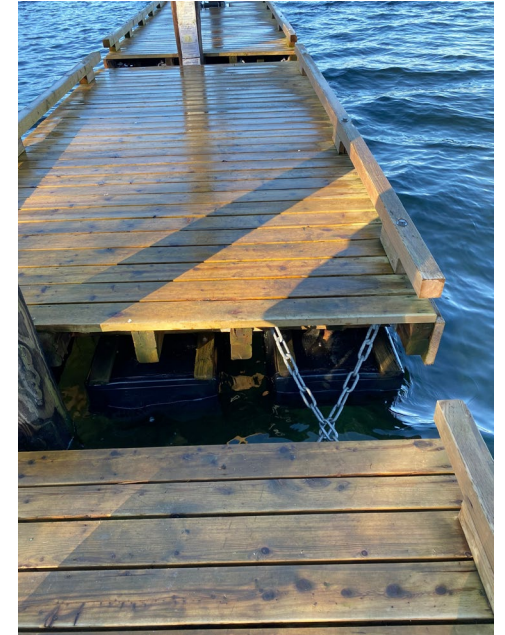


PROJECT AREA

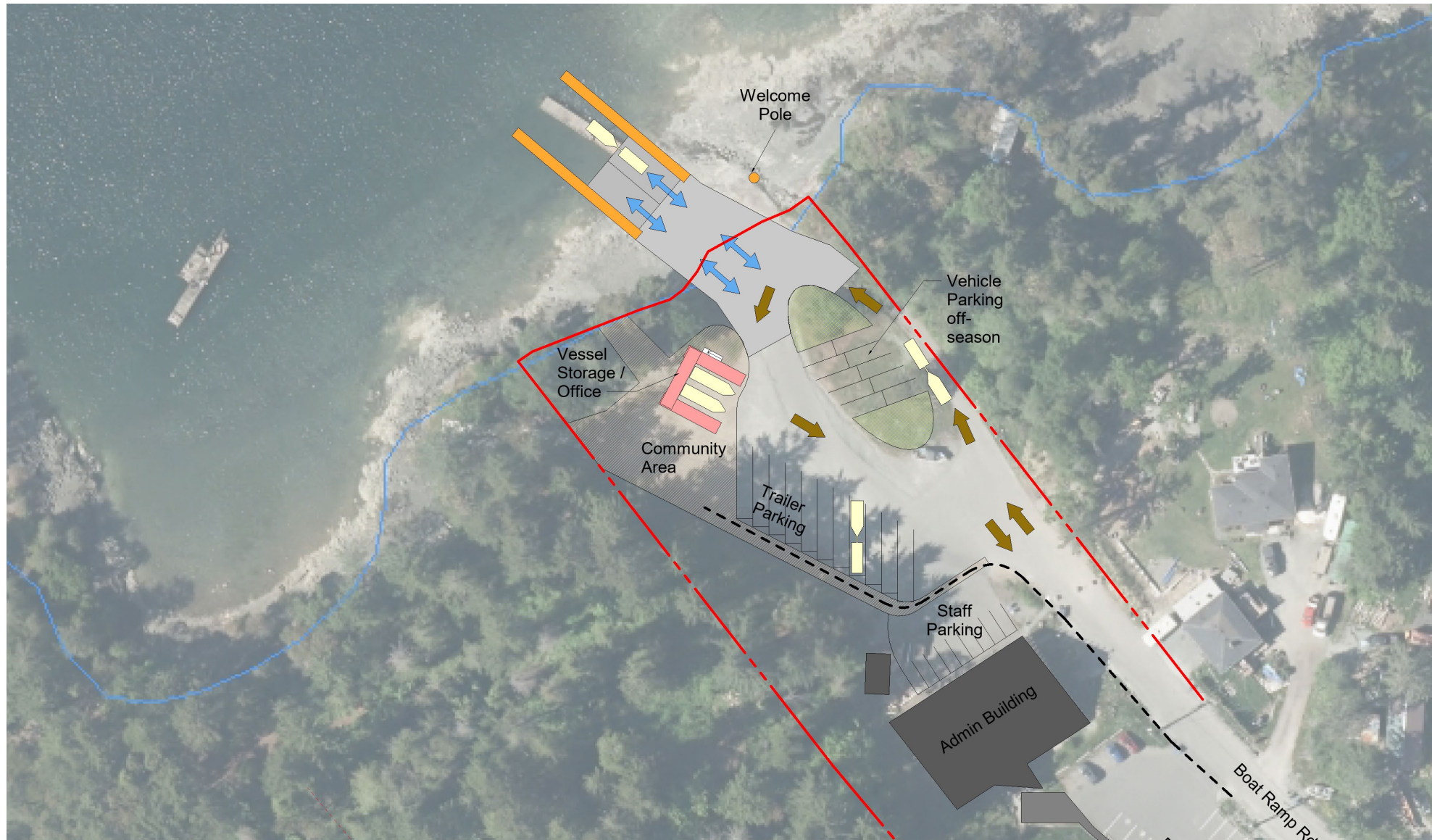


CURRENT DOCK

- Big cracks / joints between the dock parts
- Height of the signage, depending on the tide
- Slippery surface
- Gravel on the loading dock- trailers get stuck
- Trailer and parking circulation



OPTION 1:



OPTION 1: KEY FEATURES

- Double dock and boat launch
- Community area for harvest / Celebrations/...
- Stewardship Storage & Office Building
- Trailer Parking + off season parking stalls
- Work yard next to log-cabin

OPTION 2:



OPTION 2: KEY FEATURES

- Single dock with double launch
- Second dock for non-motorized vessels
- Bigger Community area for harvest / Celebrations/...
- Stewardship Storage & Office Building Overlooking the water
- Trailer Parking
- Work yard next to log-cabin

STEWARDSHIP OFFICE / STORAGE





COMMENTS?

Please fill out the survey with your preferred option or comments.

OR

Email: stewardship@tsartlip.com

THANK YOU

enjoy the rest of the evening





Presentation on:
Financial Performance
and Improvements
Tsartlip Pump
(Gas Station)



Executive Summary

Tsartlip (Wjolelp) Pump



- The Tsartlip First Nation is exploring the possibility of expanding their existing gas station and convenience store and require further analysis to evaluate several courses of action. Before moving on to expansion an evaluation of the current performance of the Station including operations and highlighting areas of improvements for management should be undertaken in conjunction with the station's performance in comparison to other similar stations operating in the area.
- Net profit (loss) is the result of the sales minus all the costs. Tsartlip (Wjolelp) Pump has had very high sales per square foot and has generated a higher profit per square foot versus BC industry averages, however the average profit for the other five businesses was \$186,716 – four of the five businesses had a much higher gross margin and a much lower admin cost for the footprint served illustrating the profit potential controlling costs.
- Overall, Tsartlip (Wjolelp) Pump generated the highest sales; however, also the highest costs resulting in the lowest gross and profit margins than their peers. Average net income of sales should be on average 5.1% as compared to the other operators. The station currently returns .08% and has had incurred losses in two periods.

Historical Performance

Tsartlip (Wjolelp) Pump



Tsartlip (Wjolelp) Pump

Schedule of Revenue and Expenditures Year Ended March 31

Sales Results

	2016	2017	2018	2019	2020	2021	5YR Δ
Fuel Sales	\$1,906,435	\$1,717,615	\$1,963,323	\$2,016,841	\$1,985,053	\$1,455,128	-23.7%
<i>Fuel Sales Annual Change</i>		-10%	14%	3%	-2%	-27%	
Store Sales	\$1,107,968	\$1,203,108	\$1,374,462	\$1,522,931	\$2,277,367	\$2,938,360	165.2%
<i>Store Sales Annual Change</i>		9%	14%	11%	50%	29%	
	\$3,014,403	\$2,945,077	\$3,386,365	\$3,610,878	\$4,285,706	\$4,411,559	46.3%
<i>Sales Annual Change</i>		-2%	15%	7%	19%	3%	
<i>Sales / ft²</i>	\$1,507	\$1,473	\$1,693	\$1,805	\$2,143	\$2,206	46.3%

Cost of Sales Results

	2016	2017	2018	2019	2020	2021	5YR Δ
Cost of Sales - Fuel	\$1,801,471	\$1,541,203	\$1,818,649	\$1,846,196	\$1,592,494	\$1,402,542	-22.1%
<i>Fuel Cost (%)</i>	94.5%	89.7%	92.6%	91.5%	80.2%	96.4%	2.0%
Cost of Sales - Store Items	\$943,510	\$988,424	\$1,184,921	\$1,331,567	\$2,027,371	\$2,470,863	161.9%
<i>Store Cost (%)</i>	85.2%	82.2%	86.2%	87.4%	89.0%	84.1%	-1.3%
Cost of Goods Sold	\$2,744,983	\$2,538,135	\$3,013,467	\$3,189,488	\$3,633,687	\$3,900,863	42.1%
<i>Cost of Goods Sold (%)</i>	91.1%	86.2%	89.0%	88.3%	84.8%	88.4%	-2.9%
<i>CGS / ft²</i>	\$1,372	\$1,269	\$1,507	\$1,595	\$1,817	\$1,950	42.1%
Gross Margin	\$269,420	\$406,942	\$372,898	\$421,390	\$652,020	\$510,696	89.6%
<i>Gross Margin (%)</i>	8.9%	13.8%	11.0%	11.7%	15.2%	11.6%	29.5%
<i>GM Annual Change</i>		55%	-20%	6%	30%	-24%	
<i>GM / ft²</i>	\$135	\$203	\$186	\$211	\$326	\$255	89.6%

Operating and Payroll Expenses

	2016	2017	2018	2019	2020	2021	% of Sales
Total Operating Expenses	\$389,837	\$332,330	\$312,059	\$449,734	\$528,243	\$474,241	10.7%
<i>Payroll Cost (%)</i>	6.0%	4.0%	3.2%	4.9%	6.9%	5.3%	
<i>Admin Cost (%)</i>	6.9%	7.3%	6.0%	7.5%	5.5%	5.4%	
<i>Payroll / ft²</i>	\$91	\$59	\$54	\$89	\$147	\$117	29.2%
<i>Admin / ft²</i>	\$104	\$108	\$102	\$136	\$117	\$120	15.0%

Profitability

	2016	2017	2018	2019	2020	2021	% of Sales
Profit/Loss	-\$120,417	\$74,612	\$60,839	-\$28,344	\$123,777	\$36,455	0.8%
<i>Profit Margin (%)</i>	-4.0%	2.5%	1.8%	-0.8%	2.9%	0.8%	

Historical Performance

Tsartlip (Wjolelp) Pump



- **Sales:** Overall, sales are increasing an average 9.3% annually; sales were approximately \$2,206 per square foot (ft²). It is reported fuel sales declined over five years; however, store sales soared
- **Cost of Sales:** Includes products purchased for resale; overall increased at a slightly lower rate as sales over five years which is good. The difference between retail price and purchase price; however, show significant irregularity. The fuel margin is up 16% since 2020, and overall, has fluctuated from 84.8% of sales to 91.1% of sales. On sales of \$4M, a 6% cost increase is a decrease in gross profit of \$240,000 – a significant impact to the bottom line.
- **Operating Costs:** The final two categories are admin and payroll expenses, both also showing fluctuations over five years whereas they should remain consistent due to its typically uncontrollable nature. Payroll has gone from \$54/ft² to a high of \$147/ft²; admin with a lesser range of \$102/ft² to \$120/ft².
- Although sales have increased higher than the industry average, the costs (product purchases, payroll, and admin costs), are inconsistent and affecting profitability.

Historical Performance

Tsartlip (Wjolelp) Pump



Financial Benchmarking								
Existing Gas Station / Convenience Stores								
Gas Station Financial Benchmarking and Averages								
Per Square Foot: Sales and Expenses								
	Wjolelp Pump	Industry Statistics	Average	Existing Gas Stations with a Store				
				#1	#2	#3	#4	#5
Building size (ft ²)	2000	1800	2810	2500	2500	1250	3000	4800
Sales	\$2,206	\$1,026	\$1,403	\$1,383	\$1,234	\$1,708	\$1,761	\$929
CGS	\$1,937	\$827	\$1,156	\$1,155	\$1,023	\$1,407	\$1,456	\$740
Payroll	\$117	\$88	\$134	\$94	\$155	\$140	\$219	\$63
Admin	\$120	\$99	\$49	\$20	\$58	\$64	\$80	\$22
Profit (Loss)	\$18	\$12	\$64	\$113	-\$2	\$96	\$7	\$104
Profitability								
	Wjolelp Pump	Industry Statistics	Average	Existing Gas Stations with a Store				
				#1	#2	#3	#4	#5
Profit (Loss)	\$36,455	\$21,500	\$183,716	\$282,841	-\$4,438	\$120,494	\$22,193	\$499,785
Profit Margin	0.8%	1.2%	5.1%	8.2%	-0.1%	5.6%	0.4%	11.2%
Gross Margin	12.2%	19.4%	17.8%	16.6%	17.2%	17.6%	17.3%	20.3%
Return on Assets	na	0.6%	5.3%	7.7%	-0.1%	4.0%		9.8%

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Historical Performance

Tsartlip (Wjolelp) Pump



- Sales range from a low of \$929 to \$2,206 per square foot (ft²) with TWP as the leader in generating sales.
- Cost of sales (inventory purchases) also show a significant range from \$740 to \$1,937 / ft² with the same two businesses holding the low and high in the range. The margin between purchase and retail price demonstrates a more disclosing metric; given the highly competitive nature of the industry for both the suppliers and the retailers, theoretically these margins should be similar for all operators. The cause of a higher cost may include, 1) purchasing fuel or store products from a supplier at a higher cost – selling at a competitive price, 2) purchasing same cost but lower markup making the retail price lower than competitors, 3) not all products purchased by the business are being paid for by the customer, or 4) the business provides promotions and product bundling savings (i.e. 2 for the price of one) TWP's cost is the highest overall; on \$4 million of sales, a 5% margin improvement equate into \$200,000 increase in profits.
- The payroll cost to manage and serve the store's footprint is high for TWP compared to the industry average; however, as cost of sales, TWP is much lower. This is an indication that TWP's employees are efficient in producing sales.
- Administration costs include banking, contracts, insurances, maintenance, marketing, professionals, travel, utilities, etc. TWP's admin costs, per square foot and as a percentage of sales are the highest; matching the BC industry's statistics, TWP's profits would increase by \$42,000.

Operational Areas for Improvement

- Cash count insufficient – losses from theft and leakage and will increase with any expansion - proper cash procedures needed.
- Tobacco locker, back room, storage room, and storefront inventory systems are not sufficient to manage leakage - proper inventory procedures lacking or non - existent proper procedures and management oversight needed.
- Fuel basic standard inventory procedures severely lacking for the store, pricing is not properly implemented or established and regularly reviewed and updated - biggest sellers losing money.
- Security Review all areas – hard drives – cloud based – frequency – types, who is viewing and security protocols, cameras lacking systems appear to exist nobodies using them and no oversight to ensure proper daily weekly and monthly procedures are done, security procedures not implemented to accompany security equipment.

Improvements

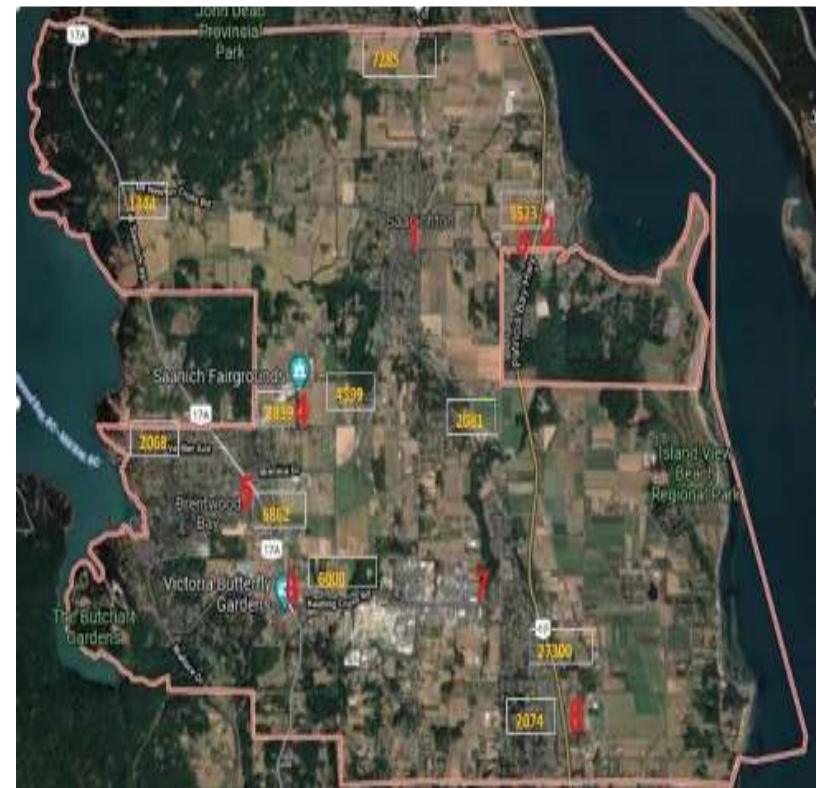
Tsartlip (Wjolelp) Pump



Operational Areas for Improvement

- Inventory, pricing and sales are all deficient. Standard inventory procedures severely lacking for the store. Full costing and pricing matrix / control needed for convenience store to be updated per inventory cycle and profit loss reporting. Potential for upgraded POS (Point of Sale) System for fuel and convenience store sales and inventory management.
- Function - Cleaning and maintenance protocols lacking. Staffing and training plan are insufficient. Need for health, safety, security and environment policies and procedures.
- Administration -Accounting is not synchronized nor sufficient, overall lack of information and accountability. Reporting methodologies, timing and information captured is insufficient. Need insurance review of all assets and insurance.

Existing Gas n Convenience Stores – Saanich



Improvements

Tsartlip (Wjolelp) Pump



Existing Operations: Gas Station and Convenience Store

- Sales per ft2: Historical trends show sales ranged from \$1,500 to \$2,200 / ft2; benchmarked averages range \$1,200 to \$1,800 / ft2. It has been observed past pricing strategies were below industry standards; therefore, price increases are suggested. Price increase will lower demand and sales; however, improve the gross margin. Over ten years, gradual price increases are expected to reduce sales – the forecasted decline is 3% annually.
- Cost of Goods Sold: Historically, has ranged from 84.8% to 91.1%; benchmarked averages are 80.6% to 82.2% and is the objective for Tsartlip Wjolelp Pump. Higher prices and better suppliers facilitate this goal.
- Payroll: Kept constant at 5.5% for employees plus a fixed salary for a permanent manager.
- Administration: Historically, has ranged from \$102 to \$120 / ft2; benchmarked averages range \$56 to \$99 / ft2 and is the objective for Tsartlip Wjolelp Pump.
- Opportunities for expansion after improvements are implemented and industry benchmarks are achieved are shown on the next slide.

Expansion Options

Tsartlip (Wjolelp) Pump



Tsartlip (Wjolelp) Pump Business Expansion Opportunities

Tsartlip Pump

BC Industry Averages / Operator

Expansion Opportunity	Total Score	Industry Score	Community Score	Est. Marketshare	Economic Leakage	Revenues	Profit Margin	Return on Assets	Avg # of Employees
Auto Mechanics	75%	84%	65%	\$557,374	\$242,546	\$728,700	7.0%	30.9%	3.9
Quick Service Restaurant	73%	71%	75%	\$613,111	\$741,114	\$860,700	3.2%	13.6%	12.6
Liquor Store	66%	71%	60%	\$1,706,958	\$660,265	\$2,100,600	3.9%	10.9%	4.3
Car Washes / Detailing	62%	69%	55%	\$334,424	\$32,340	\$472,100	12.3%	15.2%	1.0
Cannabis Stores	54%	48%	60%	\$1,003,273	\$97,019	\$1,212,100	-10.3%	-54.8%	5.5

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