

TOWN OF SMITHERS

Minutes of the Committee of the Whole Meeting of Council held on Hudson Bay Mountain on Wednesday, February 3, 2010, at 12:15 p.m.

Council Present:

Cress Farrow, Mayor
Mark Bandstra, Councillor
Jo Ann Groves, Councillor
Frank Wray, Councillor.

Council Excused:

Norm Adomeit, Councillor
Lorne Benson, Councillor
Charlie Northrup, Councillor.

Hudson Bay Mountain Adventures Inc. and 2020 Group:

Nancy Treiber, General Manager
Lorne Borgal, President
Mark Grabowski, Mountain Operations
Manager
James Wallwork, Real Estate.

Staff Present:

Deborah Sargent, Chief Administrative Officer
Mark Allen, Director of Development Services
Alison Walker, Planner
Wilf Taekema, Director of Works and Operations.

Staff Excused:

Susan Bassett, Director of Corporate Services
Leslie Ford, Director of Finance
Andrew Hillaby, Director of Recreation, Parks and
Culture
Keith Stecko, Fire Chief
Patricia Berg, Airport Manager.

1. **TOUR**

A tour of was conducted of Hudson Bay Mountain (HBM) Estates proposed development area within HBM ski resort, prior to the discussion.

2. **DISCUSSION**

Discussion began at 12:15 p.m.

N. Treiber provided statistics regarding Hudson Bay Mountain. In 2008/2009 payroll was over \$820,000 and there were 123 employees. Food and beverage purchases made in Smithers totaled \$138,000, and fuel purchased in Smithers was \$102,000. Lift maintenance from 2007 to 2009, not including work done this past summer, was \$268,293. Season pass sales experienced a 34.7% increase in the past two years. In the third season of operation, HBM has had a business increase of 17.2% in an industry that is experiencing a decline. HBM is open 20% to 40% more operating days than any other resort in the north.

L. Borgal, President of 2020, advised that: a) he assembled a syndicate that purchased the real estate; b) the ski hill contributes to the economic vitality of the Town and the Bulkley Valley, with the average daily revenue of approximately \$11,000 and peak revenue of approximately \$29,000; c) it has been a struggle to break even while trying to deliver a standard; d) ski lifts must run reliably; and e) the ski hill is a strong asset.

M. Grabowski, Mountain Operations Manager, advised that the current lifts date back to the early 1970's. The skyline chair was installed in 1980 and it has operated for 30,000 hours, well over the average lift life of 20,000 hours. The assemblies on the lift were recently rebuilt, at a cost of \$300,000, which could extend the life of the lift for another fifteen to twenty years.

Lift "I" will be the next purchase. It will address the lack of advanced,

intermediate terrain. Over time, there have been problems with high winds and fog, resulting in seven non-operational days last year. The installation of Lift "I" will open up 500 acres of terrain eventually, extend several other runs, link up with the Trail to Town, end at Holy Smoke, and reduce closures below the cliff caused by weather. Lift "I" will cost two million dollars to purchase and one-half million dollars to install. It would provide the same vertical as Sunpeaks.

Job Opportunities Program (JOP) funding of \$230,000 was applied for, to complete 700 person hours of labour. This will include: a) finishing the Trail to Town from Ptarmigan; b) working on safe borders around boundaries; c) opening up a glade ski area; and d) creating a new beginner trail off Twinkle Toes. Regarding the Northeast Slope Trails and Simpson's Gulch Road, HBM would like to open that road again to create a boundary.

J. Wallwork, Real Estate Division, advised that costs will be: a) \$2 million to service 13 lots; b) \$2.6 million for construction (\$200,000 per lot); c) \$6.2 million to build 62 townhouses; and d) \$4 million to build a hotel.

L. Borgal explained that: a) the current market area is from Vanderhoof to Prince Rupert; b) people from Prince George do not come to HBM, yet Prince George has one third of the total population of the north; c) it is anticipated that in five years' time, the north will have only one ski hill; d) lot pricing must exceed \$200,000 after the first release, which is \$140,000, and would only allow basic servicing; and e) an opportunity is being missed by not providing attractions to occupy visitors who travel through Smithers by RV or on bus tours.

L. Borgal encouraged Council to keep an open mind regarding the idea of a gondola from Main Street to the ski hill, which 80% of those surveyed favoured, as it will draw more people. There may be opportunities to partner with VIA Rail and bus tour operators. A resort association could collectively bring the resort together with the Town and First Nations.

Mr. Borgal confirmed that because HBM holds a licence on Crown Land, HBM was eligible for JOP funding. Last year HBM applied for a Community Adjustment Fund grant, but was unsuccessful.

Bandstra/Groves

THAT Report DEV 10-103 dated January 26, 2010, from A. Walker, Planner, regarding proposed amendments to the Draft Official Community Plan to reflect the relationship between the Town and Hudson Bay Mountain, be received (3900-01).

CARRIED UNANIMOUSLY.

Groves/Wray

THAT Council direct staff to incorporate the amendments to the Draft Official Community Plan to reflect the relationship between the Town and Hudson Bay Mountain, as proposed in Report DEV 10-103 dated January 26, 2010, from A. Walker, Planner.

CARRIED UNANIMOUSLY.

None.

4. **ADJOURNMENT**

The meeting adjourned at 1:25 p.m.

CARRIED UNANIMOUSLY.

Certified Correct:

Cress Farrow
Mayor

Deborah Sargent
Corporate Administrator/CAO

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Certified a True and Correct Copy of the
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Mountain

Deborah Sargent
Corporate Administrator/CAO