



The Corporation of the Village of Salmo

REGULAR MEETING #06-22 MINUTES

Minutes of the Regular Meeting of the Council of the Village of Salmo held in Council Chambers at 423 Davies Avenue in Salmo, B.C. on Tuesday, March 22, 2022 at 7:00 p.m.

PRESENT:

In Person:

Mayor Diana Lockwood
Councillor Jennifer Endersby
Councillor Jonathon Heatlie
Councillor Jacquie Huser
Councillor Farrell Segall
CAO Anne Williams
Members of the Public - 0

Electronically:

Members of the Public – 0

REGRETS:

Councillor Jonathon Heatlie.

CALL TO ORDER:

The Mayor called the meeting to order at 7:00 p.m.

AGENDA:

R1-06-22

Moved and seconded, that the draft agenda of Regular Meeting #06-22 of Tuesday, March 22, 2022 be adopted as amended from *Council Procedure Bylaw No. 663, 2014* Schedule "B" to include a New Business section, a Public Question Period, correspondence from RDCK, and an *In Camera* section.

Carried.

DELEGATIONS: NIL

NEW BUSINESS: NIL

MINUTES:

R2-06-22

Regular Meeting
March 8, 2022

Moved and seconded, that the draft minutes of the Regular Council meeting #05-22 of Tuesday, March 8, 2022 be adopted as presented.

Carried.

R3-06-22

Special Meeting
March 9, 2022

Moved and seconded, that the draft minutes of the Special meeting of Wednesday, March 9, 2022 be adopted as presented.

Carried.

REFERRALS FROM DELEGATIONS: NIL

REFERRALS FROM PRIOR MEETINGS:

Cemetery Working
Group - Discussion on
next steps

Council discussed the next steps for the Cemetery Memorial Wall project.

R4-06-22
Motion #1

Moved and seconded, that Council approve the quotation from Trees to Timber and authorizes an expenditure of up to \$15,000 for this project.

Carried.

R5-06-22
Motion #2

Moved and seconded, that Council direct staff to include \$15,000 in the 2022 budget for the Cemetery Memorial Wall project.

Defeated 0-4.

Additional discussion ensued and it was agreed that before approving the contractor, the item should make it on the approved budget.

R6-06-22
Motion #3

Moved and seconded, that Motion #1 be rescinded.

Carried.

R7-06-22
Motion #4

Moved and seconded, that council direct staff to include \$15,000 in the proposed 2022 budget for the Cemetery Memorial Wall project.

Carried.

Staff will clarify how the project can be funded, either fully or partially, by a grant or reserve funds or will it have to go on the tax levy? CAO Williams advised she had checked with the CBT for a grant but had been advised that this project does not qualify.

R8-06-22
Discussion of Aerator &
Clarifier Project

CAO Williams requested permission to order the parts as there is a long lead time on their manufacture. Council requested that staff wait until the Capital Projects budget has happened.

OPERATIONAL REPORTS: (Note: See official minutes and agenda package for applicable reports.)

R9-06-22
Civic Works

Moved and seconded, Council receive for information the written report provided by Civic Works Foreman Fred Paton for the period of February 18, 2022 to March 17, 2022. (see *Appendix A*).

Carried.

R10-06-22
Fire Department

Moved and seconded, Council receive for information the written report dated March 1, 2022 provided by Fire Chief David Hearn for the period of February 2022. (see *Appendix A*).

Carried.

R11-06-22
Bylaw Enforcement

Moved and seconded, that Council receive for information the written report on bylaw enforcement for the period of January and February 2022. (see *Appendix A*).

Carried.

R12-06-22
Administration

Moved and seconded, that Council receive for information the written report as presented by CAO Williams (see *Appendix A*).

Carried.

Strategic Plan NIL

FINANCIAL REPORTS:

R13-06-22
Accounts Payable Moved and seconded, that Council receive for information the list of accounts payable cheques and electronic fund transfers from March 4, 2022 to March 17, 2022 totaling \$75,075.22.

Carried.

R14-06-22
Treasurer's Report Moved and seconded, that Council receive for information the Treasurer's Report for February 2022.

Carried.

CORRESPONDENCE REQUIRING A COUNCIL DECISION:

R15-06-22
Cathy Peters Re: Moved and seconded, that Council approve the request of Cathy Peters to make a presentation to Council at no cost.
Presentation to Council or Stakeholders - #22

Carried.

R16-06-22
Cathy Peters Re: Moved and seconded, that Council direct staff to write the Federal Justice Minister requesting they strengthen and enforce the "Protection of Communities and Exploited Persons Act".
Presentation to Council or Stakeholders - #22

Tabled.

R17-06-22
RDCK CSLSE Bylaw Moved and seconded, that Council authorize the removal of the Village of Salmo from the Community Sustainable Living Service Establishment agreement.

Carried.

CORRESPONDENCE FOR INFORMATION ONLY:

R18-06-22 Moved and seconded, that Council receive for information the following correspondence from:

- (1) City of Abbotsford Re: Support for Resolution Regarding Build Back Better Funding - #23
- (2) City of Elkford Re: Milk Container Recycling in British Columbia - #25
- (3) BC Craft Brewers Guild, Restaurants Canada, AbleBC, BCRFA Re: Reducing Patio Application Red Tape for BC's Hospitality Sector & Economic Recovery - #26

Carried.

MEMBER REPORTS & INQUIRIES:

COUNCILLOR ENDERSBY Councillor Endersby had nothing to report.

COUNCILLOR HUSER See *Appendix B*.

COUNCILLOR SEGALL See *Appendix B*.

MAYOR LOCKWOOD See *Appendix B*.

R19-06-22 Moved and seconded, that the verbal and written reports of Mayor
VERBAL & WRITTEN and Council be received for information.
REPORTS OF MAYOR Carried.
AND COUNCIL

PUBLIC QUESTION PERIOD: NIL

IN CAMERA RESOLUTION:

R20-06-22 Moved and seconded, that the meeting be closed to the public under
8:17 p.m. sections (90)(1)(c)(i) of the Community Charter.
Carried.

RE-OPEN PUBLIC MEETING: Council reopened the meeting at 8:40 p.m.

RISE & REPORT:

R21-06-22 Moved and seconded, that Council report that CAO Anne Williams has
resigned.
Carried.

ADJOURNMENT:

R22-06-22 Moved and seconded, that the meeting be adjourned at 8:40 p.m.
Carried.

I hereby certify the preceding to be a true and correct account of the Regular Meeting of Council held on Tuesday, March 22, 2022.

Originally Signed By:

Diana Lockwood
Mayor

Anne Williams
Chief Administrative Officer

APPENDIX A



Civic Works Foreman Report Period February 18th, 2022– March 17th, 2022

March 22nd, 2022, Regular Council Meeting #06-22

Equipment Repairs & Maintenance

Ford Ranger (2021)

- Changed oil.
- Loader (2018)
- Greased connections.
- Repaired hydraulic quick coupling.
- Repaired turbo line.

Sweeper

- De-winterized.
- Charged batteries.

Dump Truck

- Replaced taillight.

Trackless (2012)

- Topped up hydraulic oils.
- Repaired battery terminals.
- Replaced hydraulic oil breather & main filter.
- Dug out sweeper attachment.

Misc. Equipment

- Greased plow blade.
- Serviced pump and engine of pressure washer.
- Completed maintenance schedules for all vehicles.
- Regularly sanitized machines & equipment per COVID-19 protocols.

Waste Water

- Completed daily checks & tests. (W)
- Pumped out underground chamber. (W)
- Cleaned lift station. (W)
- Cleaned the sludge pipe. (W)
- Cleaned and cleared RAS chamber. (W)
- Wasted the RAS daily. (W)
- Cleaned RAS box. (W)
- Cleaned skid exterior and deck.
- Cleaned screen from screen room. (W)
- Cleaned the aerators.
- Put Actizyme in lift station weekly.
- Removed solids from reaction chamber. (W)
- Ran generator and did maintenance checks.
- Fueled generator.
- Ran tests and exercise trans switch at WWTP.
- Unclogged the pipes coming out of the splitter.
- Checked manhole for plugging issues. (W)
- Pulled and cleaned lift station pump.
- Finished building lift station crane.
- Reviewed information for potential upcoming WWTP maintenance.
- Built & installed stairs outside headworks building at WWTP.
- Built & installed railing at WWTP
- Painted steps at WWTP. (W)
- Broke up sludge blanket at WWTP.
- Co-ordinated, worked with and followed up with contractors on projects including:
 - Blower & Diffuser for Racetracks
 - Drycake
 - Aerators
 - Clarifier
- Ran the skid for the WWTP. (W)
- Ran the press for the WWTP. (W)
- Cleaned headworks screen. (W)
- Cleaned headworks sludge press. (W)
- Emptied waste bin and relined. (W)
- Flushed out effluent manhole. (W)
- Cleaned and filled poly tank. (W)
- Cleaned effluent and splitter box. (W)
- Pulled effluent pump to clear impellers of debris.
- Cleaned both weirs. (W)
- Cleaned out collection trough. (W)
- Cleaned the reactor portion of the poly and sludge tank. (W)
- Switched RI Basins.
- DO Monitoring of second racetrack. (W)
- Greased sludge press. (W)
- Drained compressor. (W)
- Cleaned sludge building floors & walls. (W)
- Cleaned dosage pump valves. (W)
- Cleaned reactor chamber. (W)
- General cleanup around WWTP. (W)
- Checked generator batteries. (W)
- Moved supplies to mixed building.
- Cleaned cone edge.
- Pulled pump to check low flow issue.
- Repaired SVI dipper.
- Shovelled out snow around WWTP.

¹ (W) = Weekend – if a daily activity, it is now being done 7 days a week.

Water

- Routine weekly samples are being sent in and have all come back well within parameters.
- Completed 2 water shut offs/turn-ons.
- Daily recording of lift numbers at wells. (W)
- Completed monthly maintenance checks on wells.
- Completed monthly generator maintenance. (W)

Village Maintenance

- Removed snow off all Village streets, sidewalks and alleys.
- Moved snow piles to off street locations.
- Filled sanders.
- Plowed snow at recycle depot.
- Sanded Village streets and sidewalks.
- Removed garbage from community cans (W)
- Cleared snow from and unclogged drains.
- Filled snow boxes at SVYCC (Grant in aid)
- Met with engineers regarding upcoming dike work.
- General Civic Works shop maintenance and cleanup. (W)
- Refilled doggi-pot bags as needed.
- Picked up supplies from Castlegar.
- Dropped off recycling.
- Ran test on all back-up generators.
- Repaired street signs.
- Removed animal carcass.
- Met with engineers and contractors regarding the CW shop roof repairs.

Parks & Campground

- KP Campground closed for the season.
- KP washrooms closed for the season.

Civic Works Administration

- Records management.
- Staff completed First Aid training.
- Staff completed some of the required training for annual CEU's.
- Prepared and collected daily staff reports.
- Updated services cards.
- Annual budget preparations.
- Updated daily tracking in excel spreadsheets.
- Gathered information for CAO.
- Ordered supplies for shop.
- Prepared Civic Works report for Council.
- Prepared information for trackless report to Council.
- Met with Council regarding proposed WWTP upgrades to aerator & clarifier.

Community Appearance

- 0 Incidents of theft and/or vandalism since last report.

Originally Signed by: Fred Paton

Fred Paton
Civic Works Foreman

UPCOMING EVENTS
Spring Clean-up May 6 th & 7 th , 2022

¹ (W) = Weekend – if a daily activity, it is now being done 7 days a week.



Spring Clean Up

The Village of Salmo Civic Works Crew will be picking up **ORGANIC MATERIAL ONLY** from all residents during the following days:

THURSDAY MAY 5th & FRIDAY MAY 6th, 2022

Be Prepared.

- ▶ Please have all organic material out by 8am for pick-up.
- ▶ Tree cuttings should be tied and left in one location.
- ▶ All other organic materials such as grass, leaves, etc. must be bagged in transparent bags.
- ▶ **Rocks, corrugated cardboard, all recyclable and household materials WILL NOT be picked-up.**



Sustainable Salmo
Exploring Our Future. Together.





Fire Chief's Report: Mar. 01, 2022

Regular Council Meeting #06-22

Since the last report on February 1st, 2022 the Salmo Fire Department responded to 7 calls:

1 Jaws Call 3 Lift Assist 3 Structure Fires

DESCRIPTION

Members of the Salmo Fire Department responded to the report of a structure fire on February 9, 2022 at 10:30 pm. On arrival crews found a fully involved fire in a travel trailer with a severely burned victim that had been pulled from the fire by his friends. While some members attended to the burn victim, other members proceeded to extinguish the fire, while others created a pathway by removing a section of fence and packing down a trail in for the ambulance crew to access the victim and then get him carried out to the ambulance. A total of three persons were transported to the hospital with varying degrees of burns. Sadly one person succumbed to his injuries and died in a hospital in Vancouver the next evening.

We responded to a fifth wheel fire on the same property a few weeks later. The RDCK were planning on doing a site inspection, along with Interior Health and RCMP, but I am not sure if an inspection was ever followed through with.

Misc.

The members of the Salmo Fire Department resumed holding weekly fire practices in February, following all the necessary masking and safety protocols. All the basic fundamental skills were gone over with the members so that they have all had recent use of the various skills we may need to use as firefighters. Special attention was given to rope rescue training, as we recently purchased rope braking devices that add additional safety, while greatly simplifying the rescue procedure.

We are planning on getting together with members of the Ymir Fire Department for some practice nights. We are often on scene with them and it would be beneficial to both fire departments to get to know each other better and to share our knowledge and experiences.

We are looking forward to warmer weather when we can get out and safely run through pumping and drafting scenarios in preparation for another hot summer.

Originally Signed By:

David Hearn, Fire Chief

FILE 7380-20



Bylaw Officer's Report: January 1, 2022 to February 28, 2022

Regular Council Meeting #06-22

Complaints:

INFRACTION TYPE	NO. OF INFRACTIONS	RESOLUTION
-----------------	--------------------	------------

None

Enforcement

INFRACTION TYPE	NO. OF INFRACTIONS	RESOLUTION
Traffic/Snow Removal	5	<ul style="list-style-type: none">• Four (4) notices were given out requesting that the owners move their vehicles off the boulevard/street because they are hindering snow plowing. Compliance achieved in all situations except for one (1). Will follow-up.• The Bylaw Officer attended one (1) residence as the owner was throwing snow from his roof onto the Village road. The Bylaw Officer spoke to the owner. Compliance achieved.
Dog	4	<ul style="list-style-type: none">• Stopped and spoke to four (4) residents about licensing their dogs. One (1) resident had tags on their dogs already. Two (2) residents agreed to go to the office and get licenses (compliance achieved) and one (1) does not live in the Village limits so a license is not required.
Business License	4	<ul style="list-style-type: none">• Four (4) notices were hand delivered to businesses as Business Licenses are past due. Compliance achieved with three (3) businesses. Will follow up with one (1) to ensure compliance.

Information submitted by:
Fred Nevakshonoff, Bylaw Officer

Originally signed and approved by:
Anne Williams, Chief Administrative Officer



The Corporation of the Village of Salmo

REPORT TO COUNCIL

REPORTING PERIOD: February 23, 2022 to March 17, 2022

SUBMITTED BY: Anne Williams, Chief Administrative Officer

1) Utility Billing:

The 2022 Utility invoices were mailed on March 2nd. Those paid before April 15th receive the 10% discount.

2) Grants:

(a) **Celebrate Canada:** We applied for a \$5,000 federal grant and received \$3,360 for our Canada Day celebrations. The grant received is based on a formula to do with population size and varies each year. The money is applied to the cost of the fireworks.

(b) **Mining Equipment Project** – Project scheduled for this spring once the snow is gone.

3) Zoning (Land-Use) Bylaw: Review of Council feedback almost complete. Expect to circulate Version 7 very soon.

4) Bylaw Enforcement:

I continue to work with staff, the Building Inspector and the Bylaw Enforcement Officer to address issues with property owners regarding building structures that don't comply with the Village's bylaws, particularly unsightly premises.

5) Budget & Annual Audit

The draft budget for capital projects and major maintenance projects is nearly complete and ready for discussion with Council at a special meeting.

The annual audit by this year's audit firm, Grant Thornton, is well underway.

6) Brewery Application to Make the Patio Permanent

Erie Creek Brewery has applied to the Liquor and Cannabis Regulation Branch (LCRB) to make their seasonal outdoor patio a permanent annual item.

Despite the Village's Outdoor Patio Bylaw #730, the Village is again required by the Ministry to consult the public on the matter. Therefore, we are running an ad requesting comments on the application by April 15th in the Salmo Valley News and on our website and Facebook pages. Letters will also be sent to the immediate neighbours. Once public comments, if any, are received the request will come to Council at the April 22nd meeting for a resolution to endorse the application or not. Council will receive the feedback prior to the meeting.

Note: Council has also received a letter (see Council package) regarding support for *Reducing Patio Application Red Tape for BC's Hospitality Sector and Economic Recovery*. The

process is quite onerous, repetitive and time consuming for both facility owners and municipalities.

7) Shop Roof

The insurance company has assigned Valet Restorations to this job. Fred is working with their engineer on the scope of work.

8) Dike Management

We are gearing up for pre-freshet dike work at the top of Ninth Street. Ninth Street dike-side residents are being advised by letter of the pending work. None of the work planned is behind any homes, so the letter is just to let them know what's happening. We are also coordinating with the Penticton Indian Band as they require that an observer be on site for some or all of the work. They determine how long they are needed for once they get here.

APPENDIX B



THE CORPORATION OF THE VILLAGE OF SALMO REPORT FROM COUNCIL

COUNCILLOR HUSER

Council Report for Council Meeting held on March 22, 2022.

PORTFOLIOS

Salmo Valley Youth & Community Centre: the 2022 meetings are going to be: April 26, June 28, Sept 27 (AGM)

Parks: Awaiting discussion on the KP Park Concession building – I heard that the roof has leaked quite a bit during the last 2 years – do we have funds available to get the roof fixed and some general maintenance so that it could be used until a new building is decided on? Has there been an assessment of this building done?

Cemetery Working Group: Still have a few emails to get converted – waiting to hear if any other quotes have been received by the office.

Civic Works: Nothing to report

Bylaw & Policy Review: Zoning Bylaw – looking forward the COTW for a full review.

RDCK Alternate Director: Nothing to report

OTHER MEETINGS OR ACTIVITIES OF NOTE

March 8th, 2022 – RDCK Budget Presentation – Attended the in-person budget presentation at SVYCC

Respectfully submitted,
Councillor Jacquie Huser



THE CORPORATION OF THE VILLAGE OF SALMO REPORT FROM COUNCIL

COUNCILLOR SEGALL

Council Report for Council Meeting to be held on 22nd March, 2022.

PORTFOLIOS

Economic Development

1. ETSI Funding

10th March – Participated in the 1st Anniversary Online event.

During their 1st year the group managed to contribute \$3.1 million in grant funding in the region.

Salmo was grateful for receiving \$15000 towards our much needed transit study.

We were one of 85 projects that received support in the region.

2. Salmo and District Chamber of Commerce

Followed up on the 22nd February report with reference to a Buy, Stay and Play Project funding opportunity.

Unfortunately this was a missed opportunity for Salmo, the Chamber looks forward to working much more closely with the Village of Salmo on future potential grant applications.

The following detailed response was received from the Chamber office.

"On Monday Jan.31 at 4:07 pm I received an email from Mayor Lockwood that went to Henry, Darren Davidson and the cao@salmo.ca. regarding the buy stay and play local grant.

Later that day Jan. 31 at 4:18 pm I received a cc email from Darren Davidson that was addressed to Mayor Lockwood stating "I'll see if I can learn a little more about the program, and report back."

As the banners are the Village of Salmo's, and in the past, have been purchased, designed and placed by them, I understood that Darren would follow up and report back to Mayor Lockwood, it seemed that the grant was being looked into by Darren.

On Feb. 8th at 7:11 PM Darren sent an email to the Mayor and cc to myself, Henry and the COA, I did not see this until the morning of Feb. 9th.

Darren stated that he had been in touch with CBT and a buy-local branding or marketing campaign like new banners for town, highlighting different sectors of the Salmo economy might very well fall into the types of eligibility for the program and he said that the "Deadline is fast approaching though! It's the end of the week, Feb 11."

Unfortunately, we did not have a shelf-ready project that could be applied for in 2 days and it had been my understanding that Darren was looking into this on behalf of our chamber.

Maybe if the Mayor or Village office has an idea that would fit with a grant that the Chamber could apply for, they could gather the information and the Chamber could do the application (when it is something the Village has information on). The Mining project was done in this way but reverse, the Chamber gathered the information, put it together and the Village applied for the grant."

OTHER MEETINGS OR ACTIVITIES OF NOTE

1. Kootenay Cannabis Economic Development Council

2nd March - Participated in a monthly online meeting to determine presence at the upcoming Kelowna Summit on Cannabis
The submission of the group to the Federal authorities is attached.

2. Canada Marches for Freedom

16th March - Attended a welcome potluck and greeting in Salmo for Veteran James Topp as he marches on his way across Canada

February 25, 2022

Re: Budget 2022 Consultation

The first few years of cannabis legalization have been fraught with challenges for producers who have been licensed under the Cannabis Regulations. The most severely impacted have been small-scale private Canadian businesses, who due to regulatory requirements are often forced to sell their products to their larger competitors. However, today, our focus is on a budgetary issue that affects **every** single licensed producer, big and small, though it is an existential issue for small and medium enterprises (SMEs) that has already forced several popular brands to go out of business (such as [Shelter Market](#) and [CannMart](#)).

The current excise duty regime for cannabis in Canada is incredibly problematic. In a nutshell, the excise duty owed on cannabis flower is currently set at \$1/g or 10%, **whichever is higher**. There has been a significant price compression since the outset of legalization. Since the licence holder is obligated to pay the higher amount, at \$1 per gram, the excise duty is often 30-130%. This is not a typo. Outdoor cannabis flower often sells for under \$1/g (and can be lower than 50 cents). For many producers in Canada, the government makes more money than the actual farmer, and this does not include sales tax, provincial markups, and the various other unavoidable costs of doing business.

This elevated excise duty regime has no parallel in any other regulated industry in Canada. Some companies are paying 30% of their top-line revenue in excise duty, and some (such as [Tantalus Labs](#)) say they pay about 3 times as much in excise duty every month as they do in payroll. The current excise regime makes it so that companies cannot be profitable. The profit that they would have made (due to sound business decisions) all goes to the government. This is unsustainable, and will result in a market where solely the largest public companies remain, due to both economies of scale and their ability to absorb these costs with the millions of dollars they received for their shares. The effects of this have already begun, with a handful of beloved and incredibly popular craft cannabis brands shutting down their operations due to an inability to be profitable, largely due to the excise duty regime.

Additionally, this excise duty regime does not differentiate between medical and recreational cannabis. Charging this much duty on medicine is completely unacceptable. [Prescription medicines are generally "zero-rated"](#), exempt from both excise duty and sales tax to keep the costs of medicine as accessible as possible. Medical cannabis is the exception to this rule, with patients required to pay both excise and sales taxes due to a technicality: cannabis prescriptions are officially "medical documents," and therefore not "prescriptions". Canada is *the only* North American jurisdiction that [taxes medical cannabis identically to recreational cannabis](#), and over 27,000 Canadians have asked for this taxation to end for medical patients.

In Canada, there are tens of thousands of small scale cannabis producers working in either unlicensed or medical markets. The vast majority of these producers are heavily involved in their communities, and a Department of Justice Canada report showed that 95% of illicit growers do not have any connection to organized crime. These producers fought for decades to legalize the medicine that they are passionate about, and most of them today are choosing not to transition to the licensed world because it doesn't make any financial sense for them to do so. If

they get a license (which will cost them hundreds of thousands of dollars), they will go out of business because it is near impossible today to turn a profit.

The cannabis sector, particularly the small and medium scale producers, suffer from assumptions that cannabis is a highly profitable enterprise, which results in a cumulative and unbearable load of fees, taxes, and other costs. For example, credit unions are among the few banks that are willing and able to open bank accounts for licensed cannabis businesses: as a result, cannabis businesses have no other choice but to pay \$250 / month in banking fees, even when there is no activity on the account. Business licenses provided by local government can be as much as ten times a regular business license. In our region, many of our long-licensed operators are still waiting to make any profit, based on the limited pathways to market, extremely high overhead, and payment schedules for the goods that they produce that do not recognize nor accommodate the precarious nature of their financing and cash flow.

If the Canadian government were to change the excise duty regime to be comparable to other regulated industries, and to reduce the excise duty on medical cannabis to be in line with other prescription medicine, a few things would happen:

1. Initially, the tax revenue for the government would decrease slightly. Using data from Bloomberg and from the [Deloitte economic impact report](#), of the taxes collected in the first three years of legalization, *only* \$1 billion of cannabis tax revenue came from the excise taxes. The remaining \$14.9 billion came from other tax sources (e.g. sales tax, corporate tax, personal income tax, property tax, etc.).
2. Licensed small-to-medium cannabis producers would stop shutting down their operations, since for the first time since legalization, they would be able to reliably turn a profit.
3. Significantly more small-to-medium cannabis producers would begin applying for licenses, since now there would be a legitimate path to financial viability.
4. Most of those license applicants would be transitioning from the illicit market, which would greatly reduce the size of that market - helping achieve that stated goal of the Canadian government in legalizing recreational cannabis.
5. Within a few years, the revenue that the Canadian government would receive from the excise duty regime would likely dwarf the current revenue.

Some things to note:

A) The publicly available 2021 Health Canada cannabis statistics show that 37% of Canadians purchased cannabis through illicit channels. However, this data came from a government survey. This means 37% of Canadians were comfortable telling the government that they purchased cannabis illegally. The actual number is quite logically much, much higher than these survey results imply.

B) The Deloitte report shows that the legal cannabis industry has already had huge positive impacts for the Canadian economy. Since legalization, there has been \$29 billion spent on capital expenditures, \$11 billion in legal cannabis sales, and a \$43.5 billion boost to Canada's GDP. Additionally, the legal cannabis industry is directly sustaining 98,000 jobs.

Micro licenses were growing at an exponential rate for the first few years of legalization, but they have now tapered off, since people have realized that it's near impossible to be financially

viable. By altering the excise duty regime and therefore making it easier for small-to-medium businesses to thrive in the regulated market, the rate of new licensees will return to a growth pattern.

If the excise regime is updated to use the same logic used for literally every other regulated industry in Canada, we expect thousands more SMEs to transition, enabling many tens of thousands of additional sustainable jobs, allowing rural communities in Canada to contribute to economic recovery post-pandemic, and increasing Canada's GDP much further.

It would be important to take into consideration that larger standard processors often package cannabis for micro and small standard cultivators. Various provincial governments are actively determining policies to take into account the reality that cultivators rely on processors to access distribution channels, and any excise costs are passed on to the cultivators and both recreational and medical consumers.

We therefore recommend:

1. Remove the \$1 minimum per gram tax per gram, and maintain a graduated percentage on every recreational gram sold for LPs of all sizes. Remove the requirement to charge excise duty on medical cannabis.
2. Tax businesses based on scale, as we see in the Canadian beer industry. This compensates for the substantial economies of scale enjoyed by large producers. Introduce different tax tiers for:
 - Micro license holders
 - Craft scale standard license holders
 - Small to medium enterprise standard license holders
 - Large enterprise standard license holders

Thank you for taking the time to read this submission.

Sincerely,



Abra Brynne, Coordinator
Kootenay Cannabis Economic Development Council



THE CORPORATION OF THE VILLAGE OF SALMO REPORT FROM MAYOR/DIRECTOR

MAYOR/DIRECTOR LOCKWOOD

Mayor/Director's Report for Council Meeting held on March 22, 2022.

EXTERNAL AGENCIES:

Area G Emergency Preparedness: TBA

Alternate – Ktunaxa Kinbasket Local Government Treaty:

PORTFOLIOS/LIAISONS:

Citizen Engagement:

Economic Development: Having Canada Days go forward this year will help groups and businesses start on a path of economic health and prosperity.

Fire Department:

Budgets/Utilities: Utility bills are out and paying before April 11 you receive 10% discount.

RDCK:

Board: The Board passed the first three readings with regard to removing the Village from service S105 - Community Sustainability. The Five-Year Financial Plan included the Village being in this service, but once the fourth reading is through, we will have two options:

- i. that we stay with the service for the remainder of the year, or
- ii. the RDCK would refund the taxpayers in 2023 for the prorated amount for 2022.

The Salmo Outdoor Pool Rebuild Grant application for \$150,000 has been accepted and awarded by the CBT for the period February 24 to December 31, 2022. Phase one includes replacing heating and sanitization equipment and the mechanical room. We would like to thank the CBT for this contribution.

A new service bylaw will be established for the Salmo and Electoral Area G Library Aid Service subject to staff conducting a public consultation process; voter approval will be done through the Alternative Approval Process.

Community development funds supported Salmo's 2021 firehall upgrades in the amount of \$30,000.

In-person DOT Night has been approved with modifications. It will happen on April 27, 2022, from 5:00 to 7:00 pm at the Salmo Valley Youth and Community Center. Dots will be handed out to residents of Salmo and Area G. There will not be any presentations this year. However, there will be information available about the projects requesting funding. The cut off time to get dots will be 7:00 pm.

The RDCK Five-Year Financial Plan bylaw has had three readings and adopted.

Joint Resource Recovery Committee: The Resource Recovery Facilities Regulatory Bylaw No. 2803, 2022 will be brought back to this committee in April as we expand what is accepted and what is not accepted into the organics landfills for the Central and Creston sites. We also set tipping fees.

There is an RFP being issued for the procurement of up to five (5) Roll-Off Bins for the collection of organic waste at the Ootischenia Landfill and Grohman Transfer Station.

Community Sustainable Living Advisory Committee: Bylaw being sent to the Board to remove Salmo from this service.

All Recreation: June 29, 2022

Recreation Commission: Next meeting April 11, 2022

West Kootenay Transit Committee: Next meeting June 22, 2022

West Kootenay Boundary Regional Hospital District: Next meeting June 22, 2022

Other meetings of note:

Mayor's and chair Highway 3 Coalition:

Southeast Regional Meetings:

Respectfully submitted,

Mayor/Director Diana Lockwood

