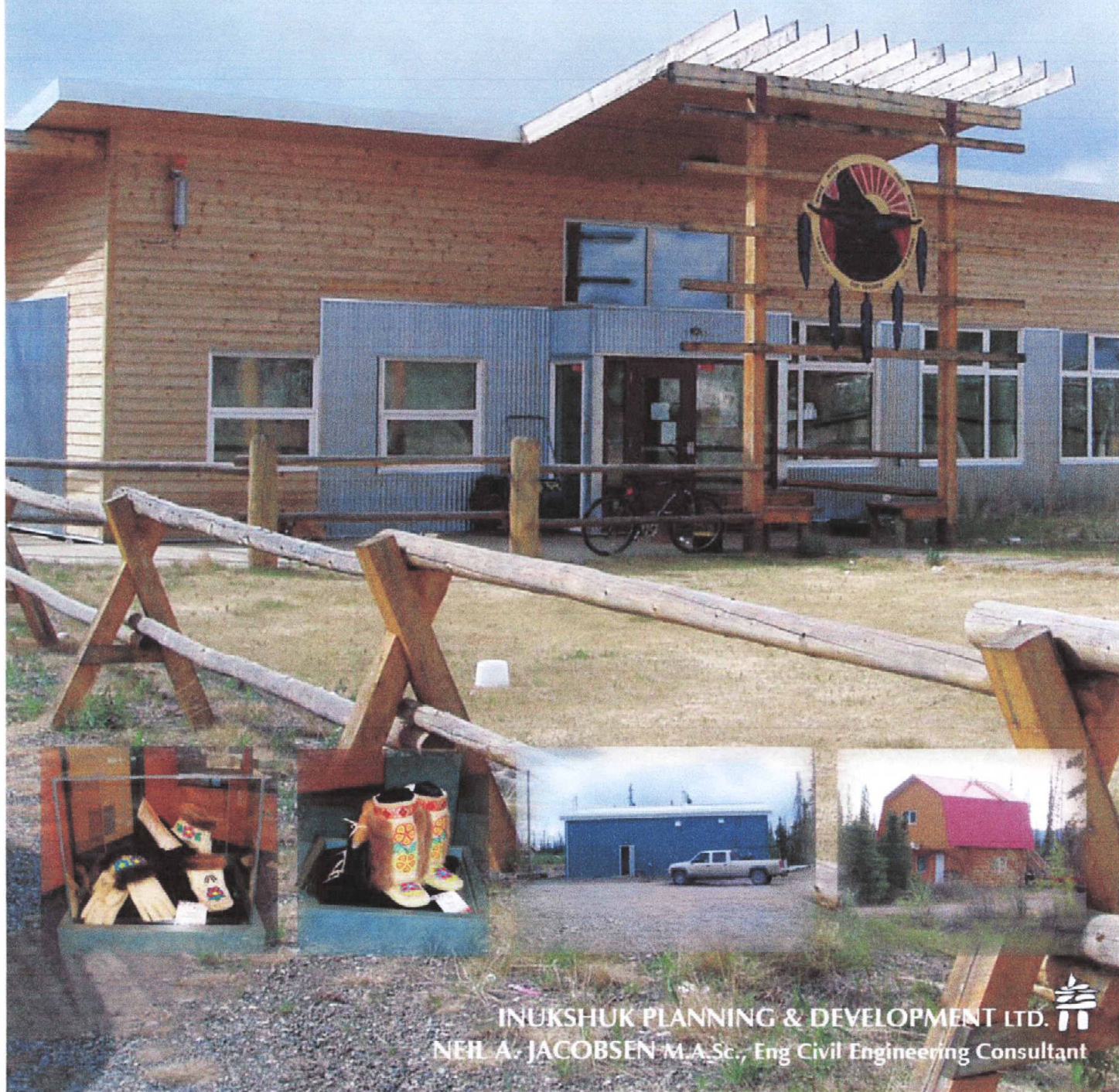


WHITE RIVER FIRST NATION COMPREHENSIVE COMMUNITY DEVELOPMENT PLAN

DECEMBER 2009



INUKSHUK PLANNING & DEVELOPMENT LTD. 
NEIL A. JACOBSEN M.A.Sc., Eng Civil Engineering Consultant



White River First Nation

Recommended for Approval,
Capital Director

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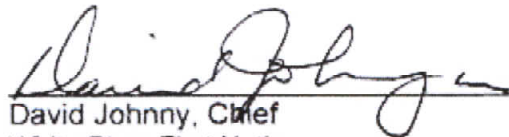

David Johnny, Chief
White River First Nation

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White River First Nation Comprehensive Community Development Plan 2009

Executive Summary

This Comprehensive Community Development Plan incorporates components of the 2008 Five Year Capital Plan and the requirements for an Integrated Community Sustainability Plan to access White River's share of gas tax funding.

The White River First Nation faces many challenges that limit the First Nation's ability to plan within their traditional territory and for their citizens' needs within the community of Beaver Creek. These challenges are:

- An unsettled land claim that means the First Nation has no land base or reserve lands though there are "lands set aside" in anticipation of an anticipated agreement;
- Less than 50 First Nation citizens live in the community and they represent approximately 50% of the community population;
- Two-thirds of the First Nation's registered population (137 June 2009) live outside the traditional territory mainly in Whitehorse;
- Beaver Creek is an unincorporated community of approximately 100 people and because of its small size it only offers the most basic services to residents making it difficult to attract citizens back to the community;
- The small size also makes it difficult to create sustainable year-round employment and diversify the local economy; and
- Without an economic base to generate own source income, the First Nation is reliant on Indian and Northern Affairs Canada to fund capital projects, day-to-day operations and the delivery of services to White River citizens.

The small population base, limited economy and status as an Indian Act band but without reserve status mean that many of the traditional approaches to community development and projecting future needs are not applicable. Until the settlement of the outstanding land claim, the First Nation is essentially treading water, caught in a limbo. The focus of this plan is on building a solid foundation and clear vision for the future going forward within the resources, capabilities and realities of today.

In a community where the arrival or departure of one family can result in a 4% change in the growth rate, it is important to focus on the basics that set the foundation for eventual sustainability. This means recognizing what the First Nation can afford to do or not do including the consequences associated with the choices made. For example, it makes sense during the short term to focus on building renovations that improve energy efficiency because heating costs continue to rise and the pay back period on such investments has a direct benefit on the First Nation's operating budget. Education and training are examples of a long-term investment that can help build local governance capacity, which is an essential component of preparing for eventual self-governance.

Community growth will not happen without economic development and diversification. In a community the size of Beaver Creek, this means job and business creation occurs one job at a time and every job created or lost matters.

The current trend in Beaver Creek for the last decade has been a loss of private sector jobs and businesses through retirement, the downturn in the Alaska Highway based economy and the difficulty of attracting new capital for business renovation and modernization.

The First Nation is now and will continue to be the main employer of WRFN citizens for the next 5-10 years. From a business investment perspective it is important that the First Nation focus on capital projects that both maintain local skills and build future capacity. In simple economic terms this means that for every dollar the First Nation receives, it needs to think how many local hands it can pass through before it leaves the community. Thus renovating or building houses using local labour for example, supports local trades, and retains local skills in the community.

Similarly, it means that in job creation, the first objective is often to create a new part time or seasonal job that can eventually evolve into year round employment. This can also apply to business creation. It is not uncommon in small communities to combine 2 or more seasonal jobs to create year round employment or to work part time for government and part time for oneself.

Comprehensive Community Development Plan Highlights

- Focus on compact development form in vicinity of the Administration Building to take advantage of proximity to existing infrastructure.
- Negotiate with Yukon for transfer of expansion lands around lot 1017 to establish basic land base for immediate and short term needs.
- Integrates capital and community planning with DIAND ACRS asset management system to improve project scheduling and budgeting.
- Capital project priorities include an extension to the existing Administration Building to replace the drop-in centre and land claims office, the construction of 4 new homes and refurbishment of the remaining 10 existing homes over the next 2 years to extend building service life, meet immediate needs and maintain local employment. Road upgrades and BST treatment of 2.1 km of road is also proposed and would be coordinated with the Government of Yukon plans. Several septic systems will be replaced and additional funds set aside in subsequent years for wellhead protection and improved septic tank maintenance.
- It is suggested that a First Nation street naming program also be included in proposed road system improvements.
- A Potlatch House needs assessment and feasibility study should be prepared including a business case for project funding.
- Gas tax funding should be used for subdivision expansion and the incorporation of energy efficiency improvements in housing renovations and particular projects such as expansion of the Administration Building and construction of a Potlatch House.

White River First Nation Comprehensive Community Development Plan 2009

1.0 Introduction

White River First Nation is centred in the community of Beaver Creek, Yukon. Beaver Creek is Canada's most westerly community located approximately 32 kilometres from the Alaska border and 458 kilometres by road from Whitehorse. **Figure 1** shows the location of Beaver Creek and White River First Nation's traditional territory.

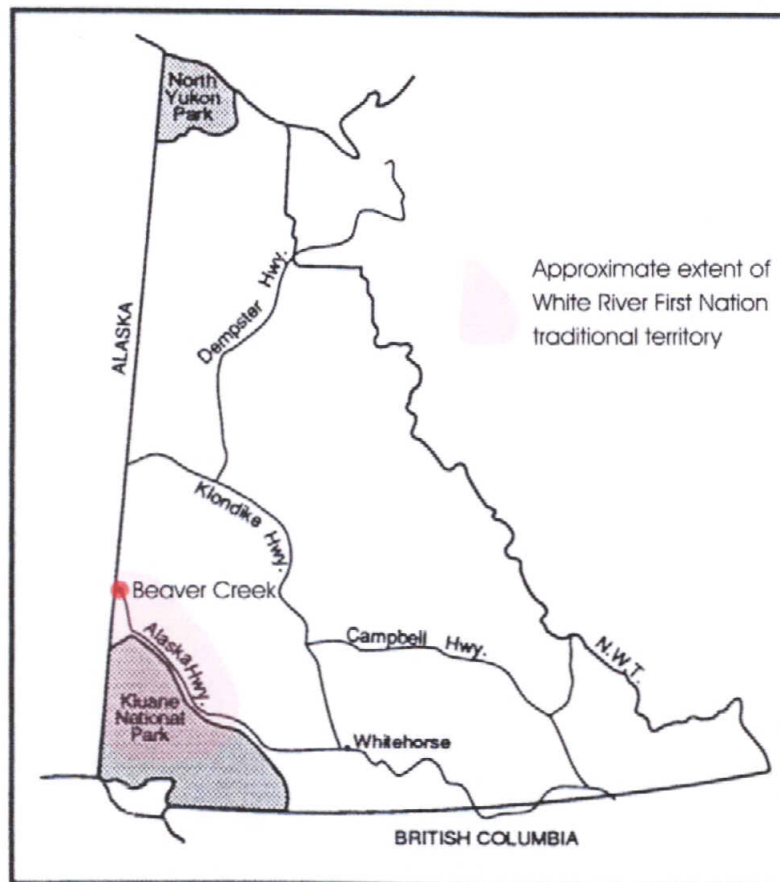


Figure 1: Regional Location

1.1 First Nation Profile

People from the Upper Tanana and Northern Tutchone make up the membership of the White River First Nation. White River's traditional territory extends from the southern tip of Kluane Lake northwest to the Canada/Alaska border. Traditionally, the White River people moved throughout their traditional territory in a seasonal round, hunting, fishing and trapping.

In 1961, the Government of Canada relocated the White River people to Burwash Landing to become part of Kluane Band. In 1991 after separating from Kluane First Nation, White River became its own First Nation based in Beaver Creek. Since 1991 White River has been providing Health, Education and Social Assistance services to its members. As of 2009, the White River First Nation remains an Indian Act band since it has not yet successfully negotiated a land claim settlement (First Nation Final Agreement and Self-Government Agreement).

As a consequence of a breakdown in negotiations with the federal government, White River is currently pursuing full reserve status. White River lands are presently designated as "lands set aside" rather than as reserve lands limiting the ability of the First Nation to effectively manage, use and develop these lands according to their own priorities.

As of June 2009 White River First Nation had a registered population of 137. Of the total registered population, the majority (67%) live away from Beaver Creek. The First Nation makes up approximately 45% of the community's population at any given time.

1.2 Community Context

Beaver Creek is home to the White River First Nation. The area around Beaver Creek was traditionally the area in which the Upper Tanana people camped while on their seasonal round. Situated close to the Alaska border, Beaver Creek is primarily a border post and service centre along the Alaska Highway. It was established initially as a camp for surveyors marking the Canada-Alaska border and evolved into a community with construction of the Alaska Highway and relocation of the Canada Customs border post in 1952. Given its small size it is an unincorporated community with no local government administrative structure

In 2009 the population of Beaver Creek was recorded as 104. The community has a variety of commercial services as well as tourist accommodation. In addition, the border post and territorial government services provide employment for local residents. Government services – federal, territorial and First Nation – provide the majority of permanent year round jobs in the community.

Basic community services are available. These include a local school (K-8), library, arena, RCMP, volunteer fire service, and a nursing station. White River First Nation provides social assistance; elder and home care services as well as skills training to its members. In addition, the First Nation administers housing and community infrastructure services (water, sewer, road maintenance and recreation) to members.

The community's small size, relative isolation and dependency on Alaska Highway traffic limit the community's economic development and employment prospects. This has implications for the First Nation in terms of local employment opportunities, attracting and retaining qualified staff and making it possible for beneficiaries, especially families with secondary school age children, to live in the community. At the same time, many White River people are in the unique position of being directly related to their Upper Tanana cousins across the United States border in Northway, Alaska.

The Upper Tanana people who are part of the White River First Nation relocated from Snag and Scottie Creek to Beaver Creek during WW2 with construction of the Alaska Highway. Both areas continue to be used for traditional pursuits on a regular basis.

1.3 Existing Land Use

Beaver Creek has developed in a linear fashion along the Alaska Highway with highway oriented commercial services such as motels, and gas stations geared to serve the highway traveller. The residential lots are generally located on the western side of the Alaska Highway while the airport and customs post is located just north of the main developed portion of the community.

The lands surrounding the community include highly productive wetlands and extensive areas of permafrost precluding agriculture and large-scale forestry opportunities. Within the community itself there are limited areas suitable for development because of discontinuous permafrost. There is no real industrial land use in the community with the exception of light industrial uses such as the highway compound. A corridor for the Alaska Highway Pipeline has been identified which crosses the highway between the community and the airport. Throughout Beaver Creek there are a number of sizeable land parcels currently classified as interim protected land awaiting an agreement between White River First Nation and the federal government.

As of 2008 there were 31 buildings in the White River First Nation community including residential housing, the administration building, drop-in centre and land claims office.

Figure 2 shows the location of the main commercial and community facilities in Beaver Creek.

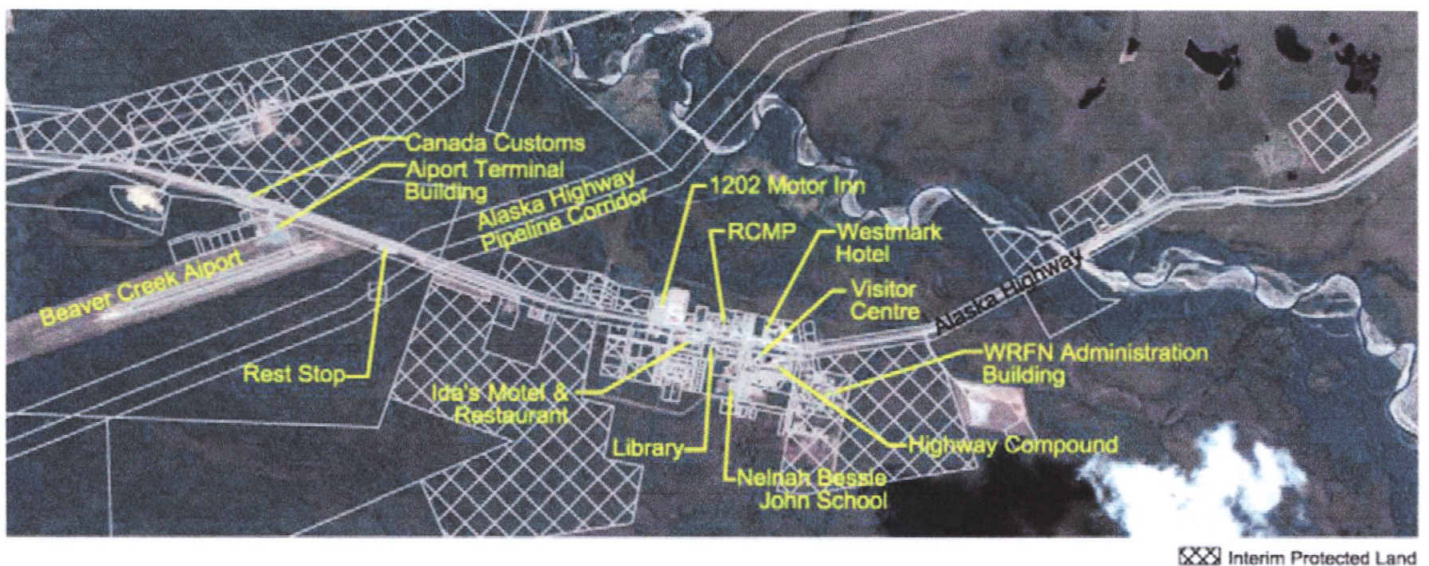


Figure 2: Location of main commercial and community facilities in Beaver Creek

2.0 Planning Process

To be eligible for federal Gas Tax revenue, both First Nation and unincorporated communities in the Yukon must produce an Integrated Community Sustainability Plan (ICSP). At present, the Yukon Government is developing an ICSP for all unincorporated communities in the territory. As Beaver Creek is an unincorporated community, the Yukon Government will produce its ICSP while the ICSP for White River has been developed as part of this community plan. With Beaver Creek being home to White River First Nation, it is essential that both the unincorporated community and the First Nation ensure that their respective ICSP's are mutually supportive of one another in both their development and implementation. It is understood for example that the Yukon government recently approved \$250,000 for additional work for the community centre that is used by all community residents.

White River remains subject to the Indian Act as it has yet to settle its outstanding land claims with the federal government. As part of the Indian Act, the community is required to develop five-year capital plans along with annual capital plan updates. The most recent capital plan for White River was produced in 2008 by Neegan Burnside Ltd. The updated capital plan for White River is included in this document updated to the 2010-11 fiscal year.

3.0 Vision Statement

A vision statement reflects the values and aspirations the First Nation has for the future. In the case of White River, the First Nation is made up of Upper Tanana and Northern Tutchone people who followed the seasonal round moving between the Yukon and Alaska long before the border was established between Canada and the United States. The international border has disrupted some of this natural movement and cultural interrelationships.

As a small First Nation with a significant portion of its beneficiaries living outside the traditional territory, White River faces significant challenges in creating a stable base in a community the size of Beaver Creek. Nevertheless the goal of the First Nation as reflected in the vision statement is:

White River will be a strong, healthy and prosperous First Nation, respectful stewards of our traditional lands and guardians of our culture and language.

3.1 Our Values

As noted previously, the White River First Nation is culturally affiliated with the Upper Tanana people of Alaska and the Northern Tutchone people of northwest Yukon. The First Nation's traditional values emphasized respect, cooperation and stewardship of the land. These values helped their ancestors survive for thousands of years as they pursued a nomadic way of life. They followed the seasonal round hunting, trapping, and fishing, moving as required and setting up camps wherever there was an abundance of natural resources and food. They developed a strict social order within their clan systems and social organization. They celebrated all occasions of life with the institution of the potlatch, a tradition that is still carried on today. This land and stewardship ethic is a core value underlying the First Nation belief system. It is also one of the reasons that development of a Potlatch House has been identified as a future priority.

3.2 Our Vision for the Future

The First Nation population has grown from approximately 10 people living in the community in 1990 to about 45 people today. The main First Nation employer is the First Nation itself. With such a small population and two-thirds of the beneficiaries living outside the traditional territory, the First Nation faces a number of significant challenges in meeting its stated goals. A healthy, prosperous First Nation needs economic diversification and employment stability. Without full reserve status or a self-governance agreement, in place, the First Nation has limited options to move forward. It must identify and focus on developing niche business opportunities compatible with local capacity and general community needs.

White River envisions a future where the First Nation shares equitably in the revenues generated from the development of resources within its traditional territory. At the same time, maintaining the ability of citizens to pursue traditional lifestyles also needs to be protected.

A prosperous future for White River will be based upon respecting and promoting the First Nation's culture, including its history, language, customs, heritage and arts. Future success for White River will require finding the proper balance between the First Nation's traditional economy and lifestyles with the demands and opportunities of the modern economy.

3.3 Sustainability in Our Eyes

Sustainability starts with ensuring the ecological health of the land and preserving the First Nation's cultural identity. Unplanned resource development and impacts related to climate change are two examples of evolving concerns. Permafrost degradation is already a major problem along this section of the Alaska Highway. It is forecasted to get worse.

Significant mineral staking is occurring near the confluence of the White and Yukon rivers to the east of their traditional territory. Should viable mining opportunities result, thought will have to be given to whether the area would best be accessed by upgrading and extending the Snag Road from the west or creating an alternate connection from Dawson City to the east. If the connection comes from Dawson to the east, that community rather than Beaver Creek is likely to receive the lion's share of any economic benefits created for two reasons. First, it has more mining support infrastructure in place and a trained labour supply. Second, depending on routing, access will be shorter.

Two other large-scale projects have potential implications for Beaver Creek and the First Nation. The first is the Alaska Highway Pipeline that has an established right-of-way passing through the community. Construction will create the opportunity for some short-term jobs over 1-2 years but the real value to the First Nation would be to have a pipeline service facility based out of the community on their land.

While only a few long-term jobs may be created, the First Nation may be able to lease land and buildings to the operating company as part of a local benefits package. The current target for completion is 2018, which means local benefit packages would likely be negotiated during the next 3 years with pipeline construction in the White River traditional territory in 2015 at the earliest.

The second long-range opportunity relates to the possible construction of an Alaska-BC Rail Link. If built the tentative routing would pass east of the community. If that occurred, railways have a larger on-going labour requirement that could result in more long-term jobs. However, this project is likely still 20-30 years away unless it is coupled with support for construction of the pipeline.

Projects such as these tend to create a "boom/bust" impact in small communities such as Beaver Creek and the impact on the First Nation could conceivably include the following:

- An increase in staff turnover;
- More beneficiaries suddenly wanting to return to the community and demanding housing and other benefits;
- An increase in social problems triggered by a sudden increase in income; and
- Residual costs to the First Nation after the boom phase when pipeline construction is complete.

Achieving sustainability in a small community such as Beaver Creek (population 104, June 2009) is always a difficult challenge. The population has not fluctuated by more than a family or two for the past 20-25 years. This means there is significant economic leakage because the community as a whole is too small to support more than very basic services. For the White River First Nation this has meant that the majority of beneficiaries live and work elsewhere. The First Nation is the main year round employer for those members choosing to live in the community.

The consequences for the First Nation involve higher costs for everything from food to housing and the construction/maintenance of infrastructure.

It also means that families with high school age children for example, must choose between sending their children to the student residence in Whitehorse or moving to another community where high school is available such as Haines Junction.

The small size of the community also means that any discussion of job creation and economic diversification will be small scale and quite often seasonally related. It also means that products that could be produced locally, such as handicrafts or log cabins have to be export oriented and competitive with pricing for similar products produced elsewhere, which are generally closer to the main markets. For young people it often means moving away to find employment. This also puts the First Nation in a bind since the vast majority of beneficiaries live away from Beaver Creek and consequently see little direct benefit.

The absence of a settled land claim also means the First Nation is in an unenviable position since it does not have reserve status to fall back on. The absence of a land base is a major constraint. While there are “lands set aside” for White River, they are contingent on settlement of the outstanding land claim.

This means WRFN is currently not able to take advantage of either the tax benefits or revenue generating possibilities that settled First Nations can. This means the First Nation has limited access to own source financial resources to pursue independent economic initiatives on its own. While pursuing partnerships to undertake business possibilities reduces risk, the First Nation must have something else to bring to the partnership that the other partner needs so there are mutual benefits and common interests. Another consideration is that the First Nation with band status under the Indian Act is restricted in how it can spend funds provided by Canada. Most self-governing First Nations separate their business and governance arms so business is not vulnerable to political interference or the government at risk if a business fails.

The net result is that for White River to achieve any real measure of sustainability, it must work collaboratively with the governments of Canada and Yukon to obtain funding support for common community infrastructure objectives and economic development.

The following goals reflect our cultural values and long-term objectives:

- To provide First Nation citizens desiring to return to live or return to live and work in Beaver Creek with the opportunity to do so by encouraging a healthy, stable community.
- To develop sufficient self-governance capacity to plan, manage the use of these lands and resources within our traditional territory in a sustainable manner
- To pass on our traditional First Nation values, land stewardship ethic, language and culture to future generations.
- To help build a viable and sustainable local economy in Beaver Creek to the extent possible for a small community of our size so Beaver Creek is a good place to live, work and play.

3.4 Measures of Progress and Success

Despite the socio-economic development challenges described above, the White River First Nation can measure progress towards a more sustainable future. The key is to focus on measures that are appropriate to the resources available to the First Nation at this time.

Indicators can provide a useful measure of how successful the First Nation is in moving towards its stated goals. These measures may include social, cultural and economic indicators such as the following:

Employment

- No net job loss
- Number of new part time, seasonal and year round jobs created.
- Number of part-time and seasonal jobs converted to full time employment
- Reduction in seasonal and yearly unemployment rate and use of social assistance
- Expansion of existing businesses and creation of new businesses
- Participation rates of local members in skills upgrading and training programs
- Increase in number of employment ready beneficiaries in Beaver Creek and other communities where they live
- The employment rate of White River members in Beaver Creek
- The number of members leaving and/or returning to Beaver Creek for employment reasons

Economic Prosperity

- Participation rate of beneficiaries in all community businesses
- Degree of the involvement of White River beneficiaries in development projects occurring within their traditional territory
- Rate of new business creation
- Employment income consistent with Yukon community wide trends
- Ability of White River citizens to obtain loans and access resources for business development
- No net loss of local businesses

Wellness, Social & Cultural Health

- A reduction in crimes related to alcohol and drug abuse, family violence rate in the community as a whole
- Percentage of White River youth graduating high school and/or pursuing post secondary education
- The continued operation of the local school
- Volunteer participation rates (e.g. recreation, fire protection etc)
- Participation rates of beneficiaries in aboriginal language retention
- The numbers of members pursuing traditional activities on the land and participation rates in the traditional economy
- The degree of interest among members in the community's history, language, customs, heritage and arts
- Availability and affordability of local housing

In practical terms, WRFN needs to recognize that in a community of this size, an increase or loss of one family can have a larger impact on community health and viability than in larger communities. For example the enrolment at Nelnah Bessie John School has declined steadily from 25 in 1998 to 8 in 2008. The continued loss of students could eventually result in closure causing additional families to leave the community and other citizens not to return.

This means the First Nation needs to focus on stabilizing local conditions and pursuing job creation one job at a time. This can mean that converting a part time job to a seasonal job and then year round employment can be just as effective as trying to establish a new business.

There are also certain businesses that will always be required simply because of Alaska Highway traffic. While demand for services during the summer may be sufficient to sustain a business during that period, year round operation may not be viable. The key is to scale business size to reflect local circumstances.

3.5 Relationship to the Community of Beaver Creek

Beaver Creek is an unincorporated community with no local governance structure. This means that the Government of Yukon is responsible for all community services a local incorporated municipality might provide. This includes services such as fire protection, solid waste disposal, municipal infrastructure maintenance (e.g. roads) and related services. There is an appointed local government agent to serve as a central contact point for the Government of Yukon. It is unlikely that the present situation will change for the foreseeable future because of the community's small size.

Therefore, in terms of the preparation of an Integrated Community Sustainability Plan for Beaver Creek, the two partners are the White River First Nation and the Government of Yukon. White River as a First Nation is entitled to access funds over and above those available from Yukon to all unincorporated communities. With respect to those communities, Beaver Creek must compete for an allocation of the funds for unincorporated communities with other communities in the same circumstance. There is no guaranteed minimum allocation of funds and no one local body really in a position to speak up for overall community needs and priorities.

4.0 Community Evaluation

This section discusses the existing infrastructure condition as of 2009 and projected needs over the next decade.

4.1 Infrastructure Condition

The following overview of the condition of White River First Nation infrastructure is based upon the analysis detailed in the White River 2008 Five-year Capital Plan Update (Neegan Burnside Ltd May 2008) that incorporated the analysis and conclusions of N. A. Jacobsen Civil Engineering Consultant.

4.1.1 Housing

According to the 2008 five year capital plan update, there are 31 existing buildings in the community including residential housing, the main administration building, drop-in centre and land claims office.

Of those 31 buildings, renovations were recently completed on 11 while 10 remaining houses require renovation to address deteriorating conditions and extend the building life. Neegan Burnside estimates the cost to renovate the remaining existing homes would cost \$200,000 in 2008 dollars. Staff now estimates the remaining renovations can be completed within the next two years but will cost between \$250,000 and \$500,000. Much of the work can be done using local labour.

Focusing on renovation in the short term would provide time for the First Nation to negotiate the acquisition of lands next to lot 1017, which could accommodate 10-11 lots. This would take advantage of proximity to existing infrastructure.

The housing supply is generally adequate to meet immediate needs. Given past history it is reasonable to project that without expanded economic activity in Beaver Creek, the demand for new housing is unlikely to exceed one or two houses per year. This suggests that expansion beyond lot 1017 would meet projected demand for the next 5-8 years. This level of construction would help sustain local employment, reduce economic leakage outside the community and is within the First Nation's capacity to manage. The estimated cost to construct 4 homes within 5 years would be approximately \$1M.

4.1.2 Water Supply

Until 2008, White River First Nation's water supply consisted of ten domestic wells and three community wells with no water treatment and wellhead protection. All but one of the domestic wells is a cluster well serving two residential buildings each.

With approximately \$2.8M of funding under the Indian & Northern Affairs Canada First Nation Water Management Strategy the existing water supply system was overhauled and the improvements commissioned in 2009. The new system consists of two independent systems, one serving 11 buildings surrounding the Administration Building and a second system serving 8 residences to the north. Both systems include new pump houses and standby generators and looped, shallow bury insulated distribution lines. New wells were also drilled at each pump house. Six existing wells were decommissioned in system 1 and 2 wells and the existing distribution system abandoned in system 2.

EBA Engineering Consultants also completed an Aquifer and Well Head Protection Plan (AWHPP) for the two WRFN community wells and two proposed back-up wells that would be situated in close proximity to the community wells. The groundwater in the Beaver Creek aquifer is of good quality but the underlying soils consist of sands and gravels with high hydraulic conductivity. This means there is some potential for contamination from surface sources and septic fields that could infiltrate into the groundwater if not managed carefully.

The water is now chlorinated and two certified water treatment plant operators have been trained to manage the system. There is concern among some First Nation citizens who do not like the taste of chlorine in their drinking water. Two options were examined ranging in cost between \$1,000– 1,500 each. These are point-of-entry (POE) or point-of-use (POU) filtration installed in each house. These upgrades were completed in 2009.

Some houses will continue to be served by individual wells until it becomes economic to extend services. The existing systems have been designed to accommodate limited expansion. The 4 new houses proposed would require 2 new cluster wells at an estimated cost of \$60,000. This is included in the lot 1017 expansion infrastructure budget.

The new system will require additional O&M funding for operator training, regular bacteriological testing, water system maintenance and aquifer protection. The estimated cost is approximately \$130,000/year.

4.1.3 Sewage Disposal

All White River First Nation buildings are serviced by on-site septic systems. A community septic tank is connected to six houses in the north end of the community. All of the buildings except two consist of a septic tank followed by an in-ground disposal system. The septic system serving houses 25 and 26 is suspect and problems have been encountered recently with house #6. The septic system for house #2 is also due for replacement. Fencing the community septic system is also recommended. Fencing, repair and/or replacement of septic systems are expected to cost up to 40,000.

It is recommended that the maintenance budget be increased by \$5,000 annually. A separate line item for septic system pump-out on a bi-annual basis should be included in the budget (@ \$2,500/yr). New septic systems to serve the 4 proposed new houses are budgeted at \$30,000.

4.1.4 Roads

There are approximately 2.1km of roads. Some sections of road were chip-sealed in 1993 and were partially patched in 2008 after the installation of the new water lines along with some ditch drainage improvements. Several roads are still gravel. The 2008 Capital Plan identified a number of deficiencies with local roads including poor drainage, poor surfacing and a lack of proper signage. The cost to repair, upgrade the existing road structure where necessary, add culverts and street signs is estimated to cost \$42-45,000. Building additional road in lot 1017 is estimated to cost \$90-110,000 and is included in the subdivision expansion budget.

Using native language street names is now common practice and reinforces cultural renewal. The estimated cost for a street address program and street name signage is \$10,000.

The estimated cost to apply BST to all 2.1 km of existing road is likely to be between \$110-150,00. It would make sense to coordinate this work with other resurfacing work in the community planned by the Yukon Government. The lead-time for coordination of the Yukon Government chipping crew is a minimum of 1 year and the work would be done on a cost recovery basis.

If the 4 new homes are built opposite houses 28-31 then the existing gravel road can be used and the only cost would be chip-sealing the road.

4.1.5 Power & Telephone

The same applies to power and telephone since the basic infrastructure is in place to service lots 28-31. To achieve this economy of scale the land transfer error for the remainder of lot 1017 has to be resolved quickly over the next year.

Beaver Creek is a community that is on diesel power and this is expected to continue for a number of years down the road. Ideally, the community as a whole would like to be able to use a renewable energy source but in the absence of that opportunity in the near term, the focus should be on demand side management reducing consumption through improved energy efficiency. Possibilities include the use of solar collectors, the adoption of “green building” principles, re-using waste heat where possible and exploring ground heat possibilities.

This is a case where the First Nation’s small size could be an advantage for a pilot project. Potential partners include the Yukon government’s Energy Solutions Centre, CMHC and DIAND. White River’s proportion of any project costs could be funded from their gas tax allocation.

4.1.6 Infrastructure Summary

Most of the major infrastructure deficiencies have now been addressed with the exception of road improvements. Some projects may be eligible for gas tax funding. WRFN is eligible for \$327,336 through the first 5 years with a further \$654,675 over the following 5 years. The challenge for White River is to use this limited funding effectively and strategically. Since new capital projects generate additional O&M costs, it may be more prudent to focus in the short term on those improvements that result in operational cost savings in areas where current and future costs can safely be predicted to rise. Energy costs are a good example. Building system improvements could include energy upgrades to the existing Administration Building or be given a greater emphasis in planning for a Potlatch House.

Eligible projects include water projects (such as extension of the new water system) wastewater treatment facilities, solid waste disposal, community energy systems and building system improvements (e.g. Administration Building) and active transportation infrastructure. The First Nation generates its share of waste and could contribute towards improved recycling. However, solid waste disposal in unincorporated communities is the responsibility of the Government of Yukon and the First Nation needs to be careful in not assuming their responsibilities.

Given the First Nation’s limited financial capacity and ability to raise own source revenue to supplement its operating budget, it makes sense to concentrate on those improvements that reduce ongoing life-cycle costs. Each capital project needs to include a life cycle operating cost assessment so the true cost of construction, operation and maintenance as well as eventual replacement are considered in the funding decision.

As a rule of thumb the First Nation needs to set aside a minimum of 2% of the capital project cost in a replacement reserve account and add 3% to the department's operating budget for general O&M for each new project undertaken.

In practice, deferred maintenance is a common problem throughout northern Canada and this can reduce the operating life of an asset from 40 years by 30-50%. Recent comparative studies on Yukon First Nation asset management costs suggest the 5% rule of thumb is too conservative and a figure of 6-8% is more representative of actual circumstances.



Figure 3 Existing Road Conditions

5.0 White River Integrated Community Sustainability Priorities

The following is a list of potential projects and community development priorities that have been ranked by Chief & Council. They reflect projects identified in the 2008 5 Year Capital Plan as well as activity areas that the First Nation feel need priority attention in coming years.

An "A" priority ranking means the project should be complete within 5 years while a "B" ranking project may be underway but not completed within 8 years. "C" priority projects could take up to 10 years to complete and will not be started within the next 5 years unless circumstances change.

Various projects may be eligible for financial assistance from existing, traditional funding sources while others will need to be proposal driven as funding opportunities become available or new programs are initiated. In some situations, innovative partnerships, business joint ventures and other mechanisms may be needed to advance specific proposals. Priorities will also changeover time and it is expected that the present list will be reviewed annually during subsequent year budget debates as projects are completed.

Capital Project	Priority	Estimated Cost
Lot 1017 west infrastructure extension	A	\$ 250 – 350,000
Repair/Renovate remaining 10 existing housing units over next 2 years	A	500,000
Replace/repair septic systems (house #2, 25 & 26)	A	40,000
Administration Building Expansion to consolidate offices	B	500 – 750,000
Construct 4 new houses (2 two bedroom, 2 three bedroom units)	B	1,000,000
Upgrade and BST 2.1 km of roads	B	110-150,000
First Nation Street Numbering and Naming Signage	B	10,000
Existing building energy efficiency upgrades @ \$35,000/yr	B	350,000
Plan and build Potlatch House	B	750,000 – 1,250,000
Fleet management & equipment replacement	C	267,000
Replace fire truck	C	350,000
	Sub-total	5,017,000
Program/Activity Focus		
Resolve Lot 1017 ownership issue	A	5,000
Employment and local business development @ \$75-100,000/yr	A	1,000,000
Education & Training 2 \$75-100,000/yr	A	1,000,000
Replace Learning Centre with log structure (ARDA, YHC, Yukon College) support	A	125,000
	Sub-total	2,130,000
Total Estimated 10 Year Cost		7,147,000

Figure 4 – Community Sustainability Targets

These targets reflect the First Nation's current vision and the measures identified in section 3.4 for determining progress towards that end.

6.0 Comprehensive Community Development Plan

The plan acknowledges that the White River First Nation is in a difficult position with an unsettled land claim. Although there are lands set aside for eventual First Nation selection, negotiations have reached an impasse. White River is a recognized First Nation band under the Indian Act but it does not have reserve status with a land base to potentially generate own source revenue.

This limits the options open to the First Nation. They can purchase private land including undeveloped lots from the Yukon Government land inventory but do not have access to lands set aside unless Canada and Yukon are prepared to change their current position.

It is somewhat ironic that if Canada had not accidentally transferred the requested subdivision expansion land adjacent to lot 1017 to Yukon in 2003 rather than directly to the First Nation, White River would have had sufficient land to meet immediate needs. The present situation is unfair and untenable for the First Nation. While recognized under the Indian Act as a separate Indian band they were not given the reserve land option when they split from the Kluane First Nation. Thus they are now in a "catch 22" situation unable to access "lands set aside" because of no land claim settlement agreement and without any reserve lands to meet basic needs.

This means the plan has to focus on optimizing the use of available First Nation lands through infill development and orderly expansion from the core area around the Administration Building. A compact urban form that takes advantage of the potential to extend existing community infrastructure is the only option until the larger land base issue is resolved. The immediate need is for the land previously agreed to for subdivision expansion.

6.1 Physical Development Plan

The **Physical Development Plan** (next page) sets out the direction the First Nation hopes to take when access to "lands set aside" becomes possible. The First Nation needs access to lands for potential commercial and industrial development along the Alaska Highway and in the vicinity of the Alaska Highway pipeline right-of-way, the airport and Canada Border Services customs facilities.

The Physical Development Plan anticipates a slow growth scenario in part because of the community's past development history, present economic circumstances and small size. The community population is simply too small to sustain many basic services other communities take for granted such as a general store and this suggests the need to find innovative solutions to basic service needs.

The economic development principle is to ensure that every dollar that comes into the community circulates through as many hands as possible before it ends up in Whitehorse.

Jobs need to be created one job at a time. For example, the person who starts a part time hairdressing business on the side out of their home not only provides an important basic service to the community but also keeps a dollar in Beaver Creek.

Building a community greenhouse and garden was one way White River tried to improve community health by improving the quality of produce available locally. However, as has been seen elsewhere, if there are no local community champions to organizer and sustain interest over time, the full potential of such initiatives will not be realized. The Little Salmon Carmacks First Nation pioneered a successful greenhouse/garden initiative that has subsequently been copied by others with mixed success. The main difference between success and failure has been the absence of a community champion to keep the project going over time. The other missing ingredients are making the project fun to build interest and support and recognizing the small scale entrepreneurial possibilities associated with such a project.

For example, there is a potential captive market to sell surplus produce to in the local motel kitchens and to RV visitors travelling the Alaska Highway. Reliability of supply is the main concern to potential purchasers. The point of this example is to illustrate how social and economic development objectives can be linked in a sustainable way at a scale that minimizes risk and keeps money circulating in the community.

With access to the Internet, many home-based businesses can sell locally made products to a much larger market at little marketing cost. Creative solutions come from creative ideas developed to fit local realities. Establishing an on-line cooperative to sell locally made crafts is one way to overcome the community's isolation from markets.

As noted earlier, the immediate challenge is also to maintain existing services. For example the school-aged population has steadily declined over the past decade. There are now only 7 to 8 students in a school that is now over 50 years old. Maintaining the present school, while not a First Nation operating responsibility, must be a priority as closure could cause more existing White River citizens to move away or not move back even when jobs are available.

The Plan focuses on preparing a stable foundation for the first Nation to move forward over the next 5 years. With an Alaska Highway Pipeline possibly being built beginning in 2015-16, the community would likely experience a brief boom and bust period during the 1-2 year construction period. There will be both positive and negative socio-economic impacts and the first nation needs to use the intervening years to get its house in order and decide how it once to participate and what lasting benefits it hopes to achieve.

The Physical Development Plan provides a possible roadmap for development over time, predicated either on completion of a land claim agreement or achievement of reserve status and the acquisition of some sort of land base. The plan:

- Focuses on compact development form in vicinity of the Administration Building to take advantage of proximity to existing infrastructure.
- Assumes Yukon will transfer the remaining lot 1017 lands to establish basic land base for immediate and short term needs.
- Integrates capital and community planning with DIAND ACRS asset management system to improve project scheduling and budgeting.

- Sets out capital project priorities including an extension to the existing Administration Building to replace the drop-in centre and land claims office, the construction of 4 new homes and refurbishment of the remaining 10 existing homes over the next 2 years to extend building service life, meet immediate needs and maintain local employment. Road upgrades and BST treatment of 2.1 km of road is also proposed and would be coordinated with the Government of Yukon plans.
- Recommends a First Nation street naming program also be included in proposed road system improvements.
- Recognizes the long-term desire to establish a Potlatch House beginning with a needs assessment and feasibility study to build the business case for project funding.
- Recommends gas tax funding be used for subdivision expansion and the incorporation of energy efficiency improvements in housing renovations and particular projects such as expansion of the Administration Building and construction of a Potlatch House.

6.2 Plan Implementation

Beaver Creek is an unincorporated community of which the first Nation makes up roughly half of the population. As noted previously, the community's small size and remoteness leaves the community economically and socially vulnerable even in the provision of basic services. For example, keeping the local school open is becoming increasingly difficult and were it to close, there would not only be the loss of the teaching staff but also the likely relocation of some families. Similarly, without a local school there would be another barrier discouraging First Nation citizens to return to the community.

White River faces an uphill challenge in trying to move forward and achieve greater sustainability. It cannot do so alone and must work closely with the Government of Yukon and others to take maximum advantage of all possibilities.

This context is important. The community of Beaver Creek has to think and act as one community and leverage every opportunity available for economic development. This will be achieved by creating one job at a time, minimizing economic leakage where possible and ensuring that when a new dollar comes into the community it circulates through as many hands as possible. One of its unique assets is that the community is a border town so certain services and jobs will likely always be required. Border towns also present opportunities for particular businesses such as duty free shops and custom brokers. Certain businesses such as the Westmark Hotel chain maintain a seasonal presence in the community to support their highway bus tours. Finding and understanding niche business and employment opportunities is one way to increase community stability.

This plan uses a 10-year horizon. The pace and scale of change is anticipated to be slow with one exception. The possibility of an Alaska Highway Gas Pipeline being constructed within the next decade is acknowledged. If it proceeds, there will be an inevitable "boom and bust" period of 1-2 years during actual construction. At that point there will likely be very few permanent jobs created. The challenge for Beaver Creek will be to attract those few positions either through staffing of a compressor station or location of a maintenance field office. How the First Nation is able to negotiate a benefits agreement will have a large bearing on the nature of impacts that will result.

With that exception, the capacity of the community to generate significant new employment is minimal. The focus will largely be one of job and business retention to maintain the status quo. This is not to imply that new jobs will not be created but that they are most likely to remain seasonal or be created one job at a time through community creativity in finding untapped niches.

The **Capital Plan Forecast** is illustrated on the following page.

The Capital Forecast uses colour coding to show which projects present opportunities for partnerships to facilitate implementation. In particular, as an unincorporated community, the Yukon government has an important policy and financing role to help strengthen the community's overall sustainability. For example, the First Nation with the support of DIAND purchased one of the community's two fire trucks. This will have to be replaced in approximately 10 years. While there are precedents for funding cooperation in other unincorporated communities with a significant First Nation population, other unincorporated communities have received complete financial support including the provision of fire trucks and a Firehall. Although listed in the forecast for planning reasons, it is intended as a "placeholder" only so the issue of how eventual truck replacement is not forgotten.

The First Nation will also face another larger challenge over the long term. As of June 2009, the registered population of the White River First Nation was 137. Two thirds of the registered population live away from Beaver Creek and it is only a matter of time before these members seek benefits similar to those available to the membership living in Beaver Creek. Without a land base and realistic prospect for generating own source revenue to support economic growth in Beaver Creek or elsewhere, the First Nation will face increasing challenges in sustaining what already exists including balancing the budget.

Of particular concern to the First Nation is its lack of a land base and limited ability to raise own source revenue in the absence of a land claim settlement or full reserve status. The immediate priority is to resolve the status of lot 1017 that was inadvertently transferred to Yukon from Canada instead of the First Nation. Resolving that issue expeditiously resolves immediate land requirements for the 4 new housing units and allows completion of that subdivision to proceed. It does not address land base requirements for commercial and industrial development particularly if the gas pipeline were to proceed.

White River's options are to try and reopen land claim negotiations, obtain additional portions of lands set aside as part of obtaining full reserve status or purchasing raw land directly from Yukon. Negotiating any of these options will take considerable time and resources at a time when the First Nation has limited resources.

Finally, the first Nation needs to make better use of DIAND'S asset control management system (ACRS) for planning and community development purposes. In particular, the life cycle costs of any new asset purchased or acquired has to be built into the O&M budget with a reserve set aside for eventual replacement. There are many signs of deferred maintenance and most First Nations, like many local governments fail to build in sufficient funds into their O&M budgets to cover the true life cycle costs of newly constructed or acquired assets.