

To: Mackenzie Valley Land and Water Board

**From: Helmut Epp, President,
Yellowknife Historical Society**

The Yellowknife Historical Society wishes to provide the attached information on the Society's current renovation plans and future operations, that would be adversely affected by the remediation work proposed as part of the Giant Mine remediation project water licence application. We trust this will provide a basis for our claim for compensation to the Board.

It should be noted that the YKHS is willing to work with the GMRP to establish appropriate compensation outside of the legislative process. At minimum, this would include greater certainty regarding timelines and being reasonably informed of decisions that may affect the YKHS operations.

We thank the Mackenzie Valley Land and Water Board for their time in considering our views and our claim for compensation. The Society anticipates that we will continue to work cooperatively with the GMRP to reach productive and effective solutions as we have always done in the past.

Sincerely,

A handwritten signature in black ink that reads "Helmut Epp". The signature is written in a cursive style with a large, sweeping initial 'H' and a long, trailing flourish at the end.

Helmut Epp
President

1. Yellowknife Historical Society (YKHS) vision and future plans

As a long-term occupant of the property in question, the YKHS has a vested interest in not only the outcome of the Giant Mine remediation but also in the remediation process itself. To this end, the Society has provided suggestions to the Board for minimizing the impacts on the landscape and surrounding environment as well as on the YKHS current and future operations.

The Society aims to enhance the local experience for locals and visitors including students, academic researchers, industry and government and contribute to overall tourist opportunities. To this end, the establishment of a museum and interpretive centre (Centre) at the old Giant Mine Recreation Hall in Yellowknife will showcase the story of Yellowknife with its rich tapestry of indigenous culture in the area for thousands of years combined with the arrival of newcomers and the mining industry, businesses and government. The Society has spent over \$1M to date in extensive renovations on the site.

The Centre will offer a main exhibit hall, a coffee shop, gift shop, meeting room and archives/library. It will also include outdoor displays utilizing vintage machinery and vehicles and historic structures and walking trails with interpretive information on the area. Additionally, groups would be able to rent facilities in the Centre for meetings or gatherings which will be an additional source of revenue supplementing revenues from the museum and the coffee shop.

The Centre's strategic location next to the local Marina (which was anticipated to attract visitors in the summer who are in the area for boating activities) and in the winter as a popular aurora watching site on the shores of Great Slave Lake, is well placed to attract visitors as well as locals with its facilities and was anticipated to become a focal point for heritage and culture in the region as well as becoming a significant contributor to the NWT tourism potential.

Current renovations are expected to take 4-5 years given no delays in schedules with operations anticipated to commence in the year 2025.

2. Sub-Lease arrangement and Customary use area

The Society has a recurring land sub-lease arrangement with the City of Yellowknife that encompasses the main museum building and surrounding parking area. The Lease will be up for renewal October 2019. The City of Yellowknife has always been supportive of the Museum plans and as we understand, is currently in discussion with the GNWT on the City's lease arrangement for the site in order to renew the sub-lease arrangement with the YKHS.

The customary use areas outside of the YKHS sub-lease currently includes the outdoor displays as well as the Giant Mine Commissary building which is the Society's primary storage facility for its museum collections and artifacts.

3. Potential Impacts

As an owner of Property (building only) and Occupier of Land (sub-leased) we believe that the YKHS has a valid claim for compensation as the Society operations would be adversely affected by the remediation plans put forward by the Giant Mine Remediation Project (GMRP) in its application for a water licence for the project. The following Table, summarises the potential impacts with both provable and potential loss or damage. It will also outline the adverse effects and the extent/duration of those effects on the YKHS future plans and anticipated revenues.

Where available YKHS has obtained quotes for the costs that could be incurred and these are noted. Other costs are estimated and may be refined as more detail becomes available.

Please see attached Table for detail.

TABLE 1: Potential adverse impacts to YKHS museum project and costs

	Component Affected	Description of Adverse effects (Extent/duration)	Nature of adverse effects	Costs	Comments
1	Access to main building for renovations during the remediation period	<p>Potential impeded access to the site at times resulting in delays, loss of suppliers or contractors and delay in achieving opening date for the Centre</p> <p>Duration: 4-5 years during the renovation period for the YKHS museum building</p>	<p>Potential loss of funding from mainly Government sources which is dependent on ensuring timelines and the project is proceeding as planned.</p> <p>Additionally, potential loss of 1-2 years (estimate) income if opening of the museum is delayed.</p>	<p>Estimated</p> <p>\$200,000/ year</p>	<p>The GMRP has <u>verbally</u> indicated that YKHS will have access to its main building during the remediation period. YKHS would like written confirmation that GMRP activities would not generally impede access in order that YKHS can secure funding which is highly tied to ensuring that timelines for opening the facility can be met without impediment. Obtaining Museum related funding is highly dependent on the potential for meeting timelines for commencing operations and having a ‘good’ visitor experience</p>
2	YKHS outdoor displays & surrounding area	<p>A considerable number of heavy outdoor displays will need to be moved temporarily to another part of the site or re-located at considerable expense while soil remediation is occurring</p> <p>Duration – for as long as the remediation occurs in the outdoor display area</p>	<p>Provable outlay of expenditure for moving equipment.</p>	<p>Quote – \$46,000 - equipment and buildings moved to an alternative site. \$46,000 to move these items back. Additionally, the original cost to set up and build the display is estimated at \$46,000</p> <p>Total: \$138,000</p> <p>Estimated additional \$60,000 if necessary,</p>	<p>The preferred alternative for YKHS would be to stage the remediation so that displays could be moved away to another area of the site and be returned following soil remediation. This would result in significantly lowered costs compared to re-locating/storage and return of displays from an outside location at one of the off site industrial parks in town.</p>

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				to relocate offsite including storage fees	
3	Commissary Building storage of Museum collections	<p>The reconfiguration of Baker Creek with ensuing floodplain will impact the YKHS commissary building in its current location.</p> <p>Duration: 4-5 years for site remediation possibly longer depending on Baker creek re-alignment</p>	Potential loss of storage facility resulting in the need to provide alternative storage for museum collections	<p>\$54,000 estimated for alternative on site storage facility and for moving costs to the new facility <u>on site</u></p> <p>If storage is required <u>Offsite</u> cost is estimated at \$4,000 per year for 5 years Total \$20,000</p>	<p>YKHS has been informed that a structural assessment of the building will determine if it can be moved. If not, YKHS is seeking compensation for securing an alternative storage facility or facilities to replace current storage</p> <p>*It is noted that the proposed flow for the re-alignment of Baker Creek does not conform to the recorded 1937 flow channel which was the original channel. Given that the new channel is not the original, if the proposed re-alignment could be altered minimally especially in the area of the proposed floodplain there would be no need to move this building and therefore no claim.</p>
4	Museum and Centre operations when completed in 4-5 years	<p>The noise, dust, blasting of rock faces directly across from the Museum will affect the aesthetic appeal of the site for visitors and cause inconvenience.</p> <p>Duration: For as long as the remediation occurs following the opening of the YKHS centre anticipated in 2025. Estimated for 2 more years to 2027</p> <p>Additionally, the removal of the Marina amounts to excising a</p>	Potential loss of future visitor revenues (museum, café, gift shop and meeting venue) between 2025 - 2027	<p>Loss of visitor revenue estimated at \$20,000 per year for 2 years following the opening of the YKHS facility. Total estimate: \$40,000</p>	<p>There is a high degree of uncertainty as to whether there will be a viable Marina in the current location following remediation. Should the Marina not return to its current operations, this would result in significant loss of revenue for YKHS whose business case to funding agencies included the Marina traffic as a source of revenues.</p>

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		<p>significant source of revenue from Marina users who would be expected to use our Café, gift shop and outdoor deck facilities</p> <p>Duration – Museum opening anticipated in 2025 and continued operations. However, YKHS will confine its claim to 3 years following its Museum facility opening.</p>	<p>Marina revenue loss would occur if continued use of the area was not granted to the Sailing club and marina users.</p>	<p>loss of revenue from Marina users 2025 and into the future Estimated at \$2000/4 months of the year total \$8000 / year.</p> <p>YKHS claim will be for a 3 year period Total: \$24,000</p>	
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Requirements for a Notification of an Intent to file a Claim for Water Compensation

Notifications must be received by the Board no later than August 15, 2019.

1 Information about the Application or File

Water Licence application or file number(s) associated with this claim:	
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2 Information about the Claimant

Claimant's Name (individual or group/association):			
Group or Association legal entity:			
Mailing Address:			
Email:		Tel.:	

3 Information about Eligibility

Please identify the category/categories that best describe your relationship with the waters potentially affected by the subject Licence.

Subsection 72.03(5) of the MVRMA or 26(5) of the <i>Waters Act</i>		
(a)(i)(A) or (B)	Existing licensee or Applicant with precedence	
(b)(ii)	Domestic users	
(b)(iii)	In-stream users	
(b)(iv)	Authorized users	
(b)(v)	Authorized waste depositors	
(b)(vi)	Persons who use waters or deposit waste (without a licence) under the territorial law	

(b)(vii)	Persons referred to in paragraph 61(d) of the <i>Nunavut Waters and Nunavut Surface Rights Tribunal Act</i> ,	
(b)(viii)	Owners of property	
(b)(ix)	Occupiers of property	
(b)(x)	Holders of outfitting concessions, registered trapline holders, and holders of other rights of a similar nature	

Please provide information regarding the nature of your use, the duration of your use, and extent of your use of the waters in question.

4 *Information about Potential Impacts*

Please provide information regarding the potential impacts resulting from the subject Licence on the use of waters described above.