

2.0 THE APPLICATION

In November, 1991, Kan-Alta applied to the Board for approval to proceed with a golf course development in the Evan Thomas Creek area of Kananaskis Country. The application included a Development Plan and EIA, submitted in accordance with the Land Surface Conservation and Reclamation Act. In response to the Board's Request for Supplemental Information pertaining to the project, Kan-Alta filed additional information with the Board on March 24, 1992 and May 6, 1992.

2.1 Site Selection

Four alternative locations for the proposed golf course development were considered by Kan-Alta. These were the Ribbon Creek, the Marmot Creek, the Wedge Pond and the Evan Thomas Creek sites. In selecting suitable alternative sites, Kan-Alta considered only lands with predominantly Zone 8-Facility designation, in accordance with the Kananaskis Country Sub-Regional Integrated Resource Plan. Criteria used to select the preferred site from the alternatives included:

- convenience of access to major highways;
- travel distance from tourist facilities such as hotels and campgrounds;
- access to adequate water supply;
- access to utilities and sewage disposal; and
- a minimum land base of 120 hectares (ha) of undulating terrain with visual appeal, with a maximum number of hours of sunshine.

No environmental criteria were used to evaluate the suitability of the alternative sites, and Kan-Alta explained that the preferred site had been discussed in principle with KCIC and KCAC prior to Kan-Alta retaining consultants to prepare an environmental study. Therefore, no detailed comparisons of site alternatives were provided.

2.2 Project Layout

Kan-Alta advised that the proposed golf course development is designed to be an 18-hole layout, with associated clubhouse, driving range, maintenance facilities, access road and utilities. The proposed development would fall entirely on the east side of Highway 40, approximately one km south of the existing Kananaskis Country Golf Course. The total area within the proposed development lease is approximately 165 ha, although only 83 ha would actually be cleared to accommodate facilities.

The clubhouse and associated parking lot, main access road, maintenance facilities and driving range would be situated on the north side of Evan Thomas Creek. Three of the 18 holes (i.e., holes 1, 10, and 18) would cross the active channel of Evan Thomas Creek. All of the remaining holes would be located on the historic floodplain or adjacent rolling terrain south of the creek channel. Four ponds and approximately 55 sand bunkers are planned as hazards for the course.

Both sand and topsoil would be imported from off-site locations for construction of the course. Of the estimated 55,000 cubic metres (m³) of topsoil required, approximately two-thirds would be imported from the Calgary area, with the remainder to be available

on-site. White silica sand, comparable to that used on the existing Kananaskis Golf Course, would be imported for the bunkers.

2.3 Project Facilities

Kan-Alta advised that the proposed clubhouse and maintenance building would be the only structures on-site. The clubhouse would provide 2,070 square metres (m²) of floor area on three levels, and would house a pro shop, cart storage area, snack bar, dining room (80 person capacity), lounge (120 person capacity), and a private meeting space for 40 people, in addition to a locker room (approximately 160 lockers). The clubhouse would be finished in a combination of wood and stone in keeping with the architectural theme developed for Kananaskis Country. Parking for 170 public vehicles, 40 staff vehicles and buses would be developed immediately north of the clubhouse. The one story maintenance building proposed for the project would provide approximately 650 m² of floorspace, with an associated 1,800 m² service yard.

The main access road to the clubhouse would exit Highway 40 approximately 300 metres (m) north of the highway bridge across Evan Thomas Creek, and would follow the existing trail in that area. The road would be a paved, 12 metre-wide two lane roadway within a 20 metre-wide cleared easement. A four metre-wide graveled maintenance road would also be looped through the lease area, and would require two bridge structures across the creek. Three additional smaller bridges across the creek would be constructed to accommodate golf traffic.

2.4 Project Utilities

Kan-Alta advised that power and telephone service would be provided via underground connections from the existing TransAlta and AGT facilities in the Kananaskis Country utility corridor west of Highway 40. Propane-fired or electrical heating would be used in the on-site buildings.

It is proposed that domestic water would be supplied from on-site wells drilled near the clubhouse. Irrigation water would be drawn from Evan Thomas Creek, via a combination of open ditches and buried pipelines, and would be stored in four ponds developed on-site as water hazards. Groundwater supplied from wells would serve as a back-up source for irrigation in the event of low flows in Evan Thomas Creek.

The sewage system proposed for the project would be connected to the existing sanitary sewer and the Evan Thomas Sewage Treatment Plant. This connection would be accomplished using a gravity main that would follow new roadways and existing cleared corridors between the on-site buildings and the utility corridor located on the existing golf course. Solid wastes would be collected by the Kananaskis Country Improvement District No. 5 and transported to the existing collection bin south of the Mount Kidd Recreational Vehicle Park.

2.5 Project Schedule

Under Kan-Alta's proposed project schedule, clearing for the access road, fairways, and maintenance area would commence in September 1992. Access road construction and utility installations would be completed during the summer and early fall of 1993, while

fairway grading and construction would commence in spring 1993, and continue through to summer 1994. The maintenance facility would be completed during the summer of 1994. Construction of the clubhouse would require a full construction year (i.e., June, 1994 to July, 1995). The scheduled opening for the course would be summer 1996.

3.0 POSITIONS OF THE INTERVENERS

3.1 Sarcee Fish and Game Association

The Sarcee F and G Association is a Calgary-based hunting and fishing group, with approximately 450 members. The Association is involved in habitat enhancement projects for both fish and wildlife, generally within a 200 to 300 km radius of Calgary. The Sarcee F and G Association has participated in elk monitoring within the Bow Valley corridor and Kananaskis Valley, and members of the Association have been involved with the public input process for developments in the Bow Valley Corridor and Kananaskis Country.

The Sarcee F and G Association emphasized that baseline information provided by Kan-Alta was not sufficient to understand the biophysical impacts of the proposed project, or to determine the net cost or benefit of the proposed project in social and economic terms. It also emphasized the importance of the Evan Thomas Creek area for a variety of wildlife because of its gentle topographic characteristics, habitat diversity, and probable use as a movement corridor.

The Sarcee F and G Association recommended that the Board reserve its decision on the project "...until the critical deficiencies have been adequately addressed and detailed monitoring, evaluation and environmental management options have been prepared for the non-critical deficiencies" and "...in light of the impact which the critical deficiencies will have on the determination of net benefits, including opportunity costs, of this proposal."

3.2 Trout Unlimited

Trout Unlimited Canada is a national organization with more than 3,000 members across the country. It is involved in stream and lake enhancement projects to maintain and enhance angling opportunities and fisheries stocks. Trout Unlimited representatives at the hearing were participating on behalf of the Bow River, Jumping Pound and Upper Bow Valley chapters of Trout Unlimited (combined membership of approximately 1,200), as well as the Upper Bow Valley Fish and Game Association (125 members).

Trout Unlimited emphasized that baseline information provided by Kan-Alta pertaining to the existing fisheries resource and seasonal flows within Evan Thomas Creek was insufficient to permit project-related impacts on the creek to be adequately assessed, and that proposed protection measures would not ensure the well-being of the creek.

Trout Unlimited stated that "we could support a decision in favor of the proponent, subject to conditions being applied to ensure our concerns were adequately addressed."

3.3 Dr. P. Paquet

Dr. Paquet is a carnivore researcher currently active in an on-going wolf research study in the Bow Valley corridor. Dr. Paquet advised that he was attending the hearing as a neutral intervener, and wished to serve as a wildlife information source for other hearing participants.

Because of the large seasonal ranges and movements of the wolves, Dr. Paquet indicated that the study area was, of necessity, expanded to include Kananaskis Country.

Extensive ground tracking of wolves, as well as their major prey species, has been undertaken during the study. Consequently, the study has generated additional information on ungulates as well as wolves.

Preliminary telemetry data from Dr. Paquet's study demonstrated the extensive use of the Kananaskis Valley bottom (including the Evan Thomas Creek area) by a collared wolf from June 1991 to April 1992. Scat analysis indicated a heavy dependency by wolves on elk as a prey item in the region.

Dr. Paquet took no position respecting the application but presented his opinion on several wildlife-related issues surrounding the proposed golf course development. These included:

- observations of very low productivity in elk in the Evan Thomas Creek area, relative to Banff herds;
- based on winter track observations of ungulate and carnivore use of the existing golf courses, Dr. Paquet did not feel that the operation of the proposed golf course, in combination with other existing developments, would present an obstruction to winter wildlife movements;
- Dr. Paquet considered disturbance from construction would have a significant effect on animal distributions, and suggested that an August/September construction window would be least disruptive to wildlife;
- Dr. Paquet recommended that any wildlife-related mitigation measures implemented for the proposed project should be monitored as construction proceeds to identify shortcomings and necessary modifications;
- if the golf course does permanently displace ungulates from the area, decreases in ungulate populations for the region would occur. He further suggested that even temporary displacement during critical periods could also result in animal losses;
- Dr. Paquet estimates that 50 elk and 10 moose use the Evan Thomas Creek area;
- in a wide enough valley, Dr. Paquet feels that ungulates will accommodate developments in their movement corridors by displacing to secondary corridors, if they are available;
- he was of the opinion that spreading out the golf course with greater distances between fairways (as proposed) would maintain better community diversity for wildlife.

3.4 Stoney Tribe

The Stoney Tribe consists of three bands: the Goodstoney Band, the Bearspaw Band and the Chiniki Band. The Stoney Reserves are situated in several different locations, the two closest locations to the proposed development being Morley and Eden Valley.

During its presentation, the Stoney Tribe emphasized the historic and cultural significance of the Evan Thomas Creek area to the Stoney people, stating that the area has been used for hunting, fishing, trapping, cultural ceremonies and education for many generations. The Stoney representatives were disappointed that Kan-Alta had not consulted the Tribe on the proposed development, and expressed concerns that the project would further restrict their hunting and trapping activities in the valley. They also felt that the historic overview completed by Kan-Alta had overlooked the Stoney people, and their involvement with the Kananaskis Valley. The low employment rate on the reserve (20 percent) and the availability of Stoney workers for the project was reviewed by the Tribe. Their strong desire to share the Stoney culture with non-Stoney and non-aboriginal people through such projects as the Kan-Alta golf development was also expressed. The Tribe participated in the hearings not as supporters of the project but instead "seeking a positive benefit in mitigation of the losses that the Stoney people will suffer, if the project is approved".

3.5 Federation of Alberta Naturalists

The Federation indicated that it was participating in the NRCB process on behalf of numerous members whose recreational use of the Evan Thomas Creek area would be affected by the proposed project. It stated its opposition to a golf course development on the habitat enhancement site north of Evan Thomas Creek, stating: "This particular enhancement area, selected to be on the opposite side of the road from major developments, and a part of a long sweep of undeveloped land suited both to the rather boundaryless needs of wildlife and to wildland recreation, has succeeded so well at its primary purpose as to have attracted a newly split-off pack of wolves, a species long extirpated from the area."

The Federation opposed the development of a golf course on the east side of the highway, indicating that although zoned for development, such zoning was generally established without the benefit of good baseline data on wildlife in the area, and that Zone 8 lands do not have to be fully developed for intensive recreational use.

The Federation's position was that the project should "be refused as inappropriately situated" or that project approval be deferred for at least one year "to allow for the collection of baseline data against which mitigation measures may be assessed". Should the project be approved, the Federation stated that "it should be so only under the conditions of strict monitoring of changes in the behavior of wildlife maintained throughout the life of the project".

3.6 Mr. L. Boyd

Mr. Boyd, a rancher from Longview, expressed concern that the political dimension has dominated Kananaskis Country, and that "politics has eclipsed all other considerations, even the environment". He summarized his position by stating that "Kananaskis Country, if maintained in its natural state as possible, is attractive to more individuals and groups with a greater variety of interests from all over the world than any further, large scale intrusion into the environment of Kananaskis Country."

3.7 Dr. H. Miller

Dr. Miller indicated his support for Kan-Alta's proposal and tourism in Kananaskis Country. He stated that he built the first cottage at Kananaskis, and considered himself "well aware" of the Kananaskis area.

He further emphasized the need for more tourist facilities in Canada to increase the foreign tourist trade. He felt that more facilities (such as Kan-Alta's proposal) were required in Kananaskis Country to make the area a first class tourist destination.

3.8 Mr. W. Hermiston

Mr. Hermiston operates a retail outlet at the Lodge at Kananaskis, and is supportive of the Kan-Alta proposal. Mr. Hermiston discussed the high degree of appreciation expressed by his customers for the existing Kananaskis Golf Course, and the need for more golf capacity in the area. He expressed the opinion that the Kan-Alta project would be a healthy recreational addition to the area which "would work with harmony with everything in the valley".

3.9 Mr. M. Faubert

Mr. Faubert, General Manager of Ski Kananaskis Inc., is supportive of the Kan-Alta proposal. Mr. Faubert stated that the development could proceed without compromising existing wildlife, fish, or recreational values in the area, and stressed the importance of the tourist industry to the overall economy of Alberta. He stressed the need for broadening the tax base in the area, through the approval of additional responsible recreational developments, such as the Kan-Alta proposal. He encouraged all stakeholders, including operators, government, residents, users, and special interest groups to work together in developing a long-term plan and strategy for Kananaskis Country.

4.0 PRELIMINARY JURISDICTIONAL ISSUES

During the hearing, counsel for the applicant raised a number of issues related to the jurisdiction of the NRCB. The Board believes it should address two of these issues prior to considering the proposed project.

The applicant suggested that the NRCB has limited jurisdiction to deal with issues which would be dealt with by other authorities considering additional approvals required for the project. The examples given for the applicant included:

- in reference to the Water Resources Act: "Conditions like the construction of buffers and appropriate development setbacks from Evan Thomas Creek. It seems to me that it's premature for this Board to get into those kinds of conditions at this point because of the potential to be in conflict or constrain in some way the Director of Water Resources";
- and in reference to the Agricultural Chemicals Act: "Where ... an agricultural chemical is causing or is likely to cause damage to the environment, the Director has the power to issue what we call a chemical control order ... again, powers that ... you have to keep in mind in determining what jurisdiction you have at the end of the day ...".

The Board does not agree with the position put forward by counsel for the applicant, particularly if it was intended to suggest that the NRCB does not have jurisdiction respecting such matters. The Board must consider all significant "... social and economic effects" and "... the effect of the projects on the environment" in assessing the public interest. The issues raised in the examples previously cited relate to such effects and must be considered by the Board. It is quite conceivable that the Board might find a project in the public interest only if a particular condition is applied. Referring to the applicant's examples quoted above as an illustration, the Board could conclude that conditions requiring certain design or construction practices are necessary to prevent environmental effects that might otherwise render the project not in the public interest. If such conditions could not be attached, the Board would have no alternative but to reject the application. The Board does not believe that this was the intent of the legislators and the Board does not believe that the wording in the legislation supports such an interpretation. At the same time, the Board fully recognizes that others do have ongoing responsibilities respecting many social, economic and environmental issues. It does have regard for those regulators and review agencies and their responsibilities in considering the issues, particularly as they may relate to any terms and conditions which might be included in an approval.

The other matter the Board believes it should comment on relates to the jurisdiction of the NRCB to consider the viability of the project being assessed. Mr. O'Ferrall, on behalf of Kan-Alta, stated "... clearly the Board would want to have regard, in considering a project, (for) the economic effects of the project from the perspective of the public. But I'm not so certain that the Board has any jurisdiction to inquire into the economic viability of a particular project from the point of view of competition of other golf courses." However, he subsequently said in reference to the matter that "... the economic and social implications of those projects and the economic and social impacts of those projects are included in the statute, we would submit, to -- in many ways, to simply give you something to weigh against the environmental impact."

5.0 BASIS OF DECISION

The Board is directed by the NRCB Act to review the subject application to determine whether, in the Board's opinion, the proposed development of an additional 18-hole golf course in Kananaskis Country is in the public interest, having regard to the social and economic effects of the project and its effect on the environment. In assessing the effects, the Board must have regard for the existing circumstances in the region, so that the effects may be considered on a cumulative basis.

Recognizing that the project is proposed to be located on public lands and that proceeding with construction of the project would have the potential to change the character and use of the land, the Board believes the first issues it should consider are:

- The justification for the proposed project;
- The general location of the proposed project; and
- The ability of the applicant to implement the proposed project.

If the Board were to conclude that there is sufficient justification for the proposed project and site, and that the applicant would be able to proceed with it, the Board would then go on to assess in detail, having regard for the input received from the participants in the hearing, the effects that would likely result and the mitigative measures that may be taken to reduce any adverse effects. In doing so, the Board would analyze the effects of the proposed project by comparison with a continuation of the current uses of the area. The Board would deal specifically with the following matters:

- Effects on the environment, including
 - water quantity and quality,
 - other water related issues,
 - aquatic life,
 - on-site soils,
 - vegetation, and
 - wildlife.
- Socio-economic effects, including
 - visual resources,
 - recreational use of the area,
 - historical and archaeological resources,
 - economic effects,
 - need for municipal and other services, and
 - the Stoney Tribe.

The Board would make its decision as to whether the proposed project is in the public interest on the basis of its conclusions respecting the various effects that would result, some of which may be beneficial and some of which may be adverse to the public interest.

7.0 PROPOSED PROJECT LOCATION

This section of the report deals with the question of the general location of the proposed course, in the Evan Thomas Creek area. Details regarding the proposed location will be dealt with later.

7.1 Views of the Participants

7.1.1 Applicant

Four sites, within the recreational Facility Zone 8 of the Kananaskis Country Sub-Regional Integrated Resource Plan (IRP), were evaluated by Kan-Alta as a potential golf course location. These included the Ribbon Creek, Marmot Creek, Wedge Pond and Evan Thomas Creek sites, with the Evan Thomas Creek site being selected for technical and aesthetic reasons. When questioned on the disadvantages of the other sites, Kan-Alta explained that the Ribbon Creek site was intersected by powerlines and was a considerable distance from Highway 40, the Marmot Creek site did not offer sufficient flat land, and the Wedge Pond site would largely fall outside Zone 8.

No specific site descriptions were provided by Kan-Alta for the Ribbon Creek, Marmot Creek or Wedge Pond sites, and no environmental criteria were used to compare and evaluate the alternative sites. Kan-Alta explained to the Board that the initial selection of the Evan Thomas Creek site had pre-dated both the NRCB process and the request for an EIA, and that no detailed environmental comparison of alternative sites had been required during the early planning stages of the project. More specifically, Kan-Alta confirmed that Terms of Reference for the present EIA were developed long after the Evan Thomas Creek site was selected as the preferred location.

When questioned by the NRCB on whether the Evan Thomas Creek site would have been selected as the preferred site if the environment had been the most important selection criterion, Kan-Alta emphasized that very few impacts associated with the Evan Thomas Creek site "have been classified high or medium-high in magnitude".

7.1.2 Sarcee Fish and Game Association

The Sarcee F and G Association expressed concern with the site selection process and the project location, stating that wildlife was clearly not considered in the analysis of alternative sites. However, the Association did not make a specific recommendation for the relocation of the site, and instead focused on the need for an improved data base and on-going monitoring requirements, should the project proceed.

7.1.3 Federation of Alberta Naturalists

The Federation expressed its opposition to any development on the east side of Highway 40 in the vicinity of Evan Thomas Creek, stating that "Our opposition, fundamentally, is to the idea of the failure to hold these large uninterrupted spaces clear of development...." It felt that the construction of a golf course on the existing habitat enhancement sites would set a worrisome precedent that would raise questions about the effectiveness of future mitigation. The Federation stated its preference for the concentration of recreational development on the west side of the highway: "leaving the animals' areas alone."

7.1.4 Trout Unlimited

Trout Unlimited rejected Kan-Alta's proposal in its present form, expressing particular concern for that portion of the development falling on the Evan Thomas Creek floodplain. However, Trout Unlimited did not make a specific recommendation for the relocation of the site.

7.2 Views of the Board

The Board notes that the location of the proposed course was selected over several alternatives primarily for technical and aesthetic reasons. It believes that environmental effects should have been a significant criterion but recognizes the unusual circumstances of this proposal having been well advanced before the NRCB Act was proclaimed.

The applicant's comments regarding the general environmental setting of the alternative sites were useful. Also, the Board notes the designation of the Evan Thomas Creek site as Facility Zone 8 in Government planning documents. The Board also believes it significant that the proposed location is across the highway from the existing Kananaskis golf courses, lodges and a recreational vehicle park. Having regard for the information available, although somewhat limited, the Board is satisfied that the general location of the proposed course is reasonable, subject to an analysis of environmental and other effects.

10.0 SOCIO-ECONOMIC EFFECTS OF THE PROPOSED PROJECT

10.1 Visual Resources

References to the beauty of the proposed site were made by a number of participants including the applicant, the Stoney Tribe, Trout Unlimited, and the Sarcee F and G Association. The applicant indicated that the site's setting was one of the primary factors which would determine the success of the project. Evidence by the Stoney Tribe indicated an instinctive appreciation of the site's beauty. The Sarcee F and G Association suggested that there are a number of other golf courses planned for the area, many of which have equally beautiful settings and fewer environmental impacts. Trout Unlimited pointed out that anglers, like golfers, appreciate the beauty of the area but that, whereas there are many potential sites for a golf course, there are only a limited number of trout streams.

There is no question that the area proposed for the golf course is attractive from an aesthetic viewpoint. Indeed, that is a key reason for wanting to locate the course in that area. In the Board's judgement, construction of an additional 18-hole golf course facility, as proposed, will not represent a further significant impact on the visual attractiveness of the region. Thus, there is no reason to turn down the application because of negative impacts on visual resources.

Given that the proposed golf course would accommodate golfers that apparently cannot be accommodated at the existing course, more people will be able to enjoy the beauty of the area while playing golf. This enjoyment by greater numbers of golfers may be offset somewhat by a reduced number of other recreational users enjoying the beautiful setting of the area.

10.2 Recreational Use of the Area

10.2.1 Hunting and Fishing

Both Trout Unlimited and the Sarcee F and G Association were concerned that the development would negatively affect hunting and fishing opportunities. Data on current use of the lease area for hunting and fishing and the potential for loss of such activities were not provided by Kan-Alta.

Given the likelihood that most anglers would enter the stream from the bridge on Highway 40 and walk upstream, Trout Unlimited estimated that development of the proposed golf course would result in the loss of two km of stream out of a possible total of four km. Whatever the actual potential for losses, Trout Unlimited suggested that it is important to consider the cumulative impacts spatially and over time, stating that fisheries resources have already been severely degraded due to past developments and, in addition to potential losses from Kan-Alta's proposal, angling opportunities may be further impacted by future developments. Although Trout Unlimited acknowledged that fishing would still be possible at Wedge Pond, it suggested that this does not offer the same experience as a naturally reproducing fishery.

Both Mr. Hermiston and Mr. Faubert were of the view that the fishing in Evan Thomas Creek is of poor quality, particularly given that a portion of the stream is dry for part of the year, and that potential losses of recreational fishing would not be significant.

The Sarcee F and G Association estimated the extent of hunting in the area to be 2,200 day users in 1990-91. Hunting is concentrated in the fall, whereas non-consumptive activities are heaviest in the spring, summer and winter. The Sarcee F and G Association stated that, if the proposal results in significant reduction of regional wildlife carrying capacity, the entire hunting benefit from the lease area would be lost.

Currently, no hunting is allowed in the Evan Thomas Recreational Area, which covers part of the proposed project area. The Sarcee F and G Association concurred with Kan-Alta that if the proposal goes ahead, the recreational area should be expanded.

With respect to fishing, information provided at the hearing raises considerable doubt as to the quality of fishing in Evan Thomas Creek in the area of the proposed golf course. The Board accepts that part of the reason for the low quality of fishing is probably related to human activities, but the fact is, for whatever reason, the current fishing opportunities in the immediate vicinity of the proposed golf course are not great.

The Board recognizes that restrictions at the proposed golf course would further limit the use of part of the area to recreation anglers. However, fishing would continue to be possible in the upper portions of Evan Thomas Creek, where the quality is reportedly better. Having this in mind, the Board does not believe that the degree to which the proposed golf course would restrict recreational use of the area by anglers is significant enough to cause it to deny the application.

In terms of hunting, the Board recognizes that there has been considerable recreational use of the area for that purpose. The number of such users would be considerably less than could be expected to enjoy the area by golfing at the proposed project. Also, the use of the area by hunters cannot be considered as an activity that contributes to the attractiveness of the area, either to other users or wildlife. The Board therefore concludes that a reduction in hunting opportunities is not an adequate reason to consider turning down the application.

Hunting is already restricted in the portion of the area currently most used by golfers and for other forms of recreation. If the proposed Kan-Alta development proceeds, the restricted area should be expanded. The Board would make such a recommendation to Fish and Wildlife as indicated in Section 9.7.

10.2.2 Hiking, Skiing, Horseback Riding and Other Recreational Uses

Both the Federation and the Sarcee F and G Association expressed concern about the potential effect of the proposed golf course on hiking and cross-country skiing trails. According to statistics provided by the Association, in 1990-91 approximately 70,000 people used the Evan Thomas Creek and Wedge Pond day-use areas for a variety of recreational activities. The Sarcee F and G Association expects that a large number of the 70,000 were trail users; hikers, skiers, mountain bikers, and walkers.

Development of the proposed golf course would require that the existing Evan Thomas Creek and Wedge Pond Trails be rerouted. The Sarcee F and G Association was concerned that the rerouted trails would be steeper (with slopes of 13 percent to 50 percent) than those currently in place, making them less accessible to seniors, those whose mobility is impaired and cross-country skiers.

Kan-Alta stated that the proposed facility would not interfere with access to the wilderness country to the east of the property, where it believes that most of the recreational activity in the area takes place, and that the proposed project would actually increase public access to the course site. Kan-Alta indicated that the new route for the Wedge Pond Trail has not been finalized; its location would be determined in conjunction with KCIC. Thus, it is not yet known what its slopes would be. Rerouting of the trail to the north of the property is relatively firm, but Kan-Alta stated that it would likely be no steeper than the original route and that those affected by the greater steepness of the Wedge Pond Trail could use the Evan Thomas Creek Trail to get to the same location. Kan-Alta further noted that cross-country skiing would be allowed on the property in winter, potentially subject to restrictions to encourage wildlife to use the area, and that a walking trail and viewing area would be constructed at the north end of the property, thus potentially increasing opportunities for these activities in the area.

With respect to horseback riding, the existing equestrian parking lot would remain and Kan-Alta would run an equestrian trail to the north end of the property. These plans have been developed in conjunction with KCIC.

The construction of the proposed golf course would restrict some recreational use of part of the area and would cause the rerouting of portions of certain trails. The Board accepts Kan-Alta's evidence that such rerouting can be done in a manner which would minimize negative impacts and possibly enhance recreational use opportunities for certain groups in certain areas at certain times of the year. The Board recommends, if the project proceeds, that KCIC work with the applicant to ensure the minimization of any negative affects on general recreational use of the area.

10.3 Historical and Archaeological Resources

Kan-Alta stated that there is a low probability of encountering palaeontological sites in constructing the golf course and that Alberta Culture and Multiculturalism agrees with this assessment. Historical resource studies have not been done for the Evan Thomas Creek area but, because the area was not of great importance for coal mining and logging, it is thought to be unlikely to contain major sites within the "resource development" theme identified by Alberta Culture and Multiculturalism. Kan-Alta stated that prehistoric resource potential, dating back to as early as 12,000-11,000 years ago, is high and that prehistoric sites can be expected anywhere within the development area.

Based on these conclusions, Kan-Alta stated that prehistoric sites would be the focus of the Historical Resources Impact Assessment which has been requested by Alberta Culture and Multiculturalism, although palaeontological and historic sites would be recorded if found. In doing this assessment, Kan-Alta indicated that it would follow the requests made by Alberta Culture and Multiculturalism.

The survey program would begin once the centreline of the various disturbed areas was identified. Standard surficial inspection and shovel hole testing would be used to identify historic and recent sites whereas backhoe testing would be required for identifying ancient, deeply buried sites. Kan-Alta stated that, if necessary, the company would have an observer on site to determine whether or not there were any significant artifacts unearthed.

If materials were found, Kan-Alta indicated that work would be stopped and measures taken to preserve and collect the material. Kan-Alta stated that the "importance" of the material would be determined by interested parties, which in turn would be identified by the team doing the survey. A specific mitigation program would be developed after prehistoric and historic sites were identified and assessed.

The Board notes that the Department of Culture and Multiculturalism would be involved in any assessment of historical resources and would provide direction. The Board recommends that Kan-Alta adhere to the direction from the department, and on that basis is satisfied that any potential effects on historical or archaeological resources would be manageable.

10.4 Economic Effects

Kan-Alta stated that construction of the proposed golf course would result in capital expenditures of at least \$6.5 million and that the use of provincial goods, services, and labour for most of the construction and operation of the project would be maximized. Up to 50 people would be employed during construction. Operations staff would total some 75 on a seasonal basis, with a payroll in excess of \$1.0 million per year and operating expenses of \$2.4 million per year. Kan-Alta said that further economic benefits associated with the project would include the generation of \$100,000 per year of public revenue from land lease costs and municipal taxes.

Kan-Alta also stated that the proposed course would satisfy some of the existing excess demand for world class golf in the Kananaskis area, and estimated that the increase in golfing activity would result in increased direct expenditures by tourists within Alberta of \$4.5 million per year.

Mr. Hermiston and Mr. Faubert indicated that the current inability of some hotel guests to get tee times was hurting local business and that the proposed project would increase tourism in the area, to the benefit of both local businesses and the province as a whole. The need for a broader tax base in the area was emphasized by Mr. Faubert who claimed that regional property taxes would continue to increase to offset declining funds available from the Province for maintaining Kananaskis Country.

Mr. Boyd and the Sarcee F and G Association suggested that current uses of the area are more valuable than the proposed use. An analysis by the Sarcee F and G Association concluded that not only would the proposed project be economically unfeasible from a private perspective if use or golfer expenditures declined by 12 percent from those estimated, but that its social costs would likely far outweigh its social benefits. The Association disputed the estimate provided by Kan-Alta of the increase in tourism expenditure as a result of the proposed project, noting that the estimate of \$4.5 million likely double-counted the spending associated with playing golf. It suggested that the current users of the Evan Thomas Creek and Wedge Pond day-use areas spent roughly \$2.6 million per year related to their activities of which hunters spent about \$100,000.

Trout Unlimited and the Sarcee F and G Association both contended that development of the proposed project would reallocate to a single user group, without significant investment, a public resource which is currently available to all Albertans.

The proposed golf course is not a large project in terms of economic impacts. The Board expects it would result in expenditures for goods and employment of at least \$5 million in Alberta during construction, and about \$2.4 million annually as a result of operations. The latter would include seasonal work for about 75 persons, and this would be beneficial to the province and area, recognizing the current high rates of unemployment.

The additional golf that could be accommodated by the proposed course would also contribute to the income of the region, but some portion of these expenditures may well have been otherwise spent in the province in any case. Recognizing that the other recreational uses of the area would not be seriously affected, the additional expenditures of golfers would likely more than offset any reduced expenditures from these other users.

The Board has reviewed the information submitted by the Sarcee F and G Association suggesting that a very small reduction in the number of golfers could cause the proposed project to be uneconomic. The Board, on the basis of the applicant's submission, understands there is currently considerable demand for golf in Kananaskis Country, and expects it will continue in future. Also, even though the proposed project would be financially sensitive to the degree of use of the golf course, the Board is confident that it would not proceed, even if approval is given, unless the applicant's studies indicate an ongoing demand for golf in the area.

All things considered, the Board sees an economic benefit to the area and province if the proposed project proceeds.

10.5 Need for Municipal and Other Services

10.5.1 Sewage

According to the applicant, the Evan Thomas Sewage Treatment Plant will have to be upgraded whether or not the proposed project proceeds. A recent report done for Alberta Public Works Supply and Services estimates the cost of upgrading to meet existing requirements would be \$462,000 (in 1990 dollars). An additional \$421,000 would be required to meet the additional demand associated with "probable" developments, in which an 18-hole golf course and various types of staff housing are included. Based on the report's estimates, if a one-to-one ratio is assumed for sewage flows to cost of upgrading, 26 percent of these costs would be attributable to the golf course.

Kan-Alta stated that the estimates of the golf course sewage flows in the report are too high, by 30-35 percent, and that the amount of the upgrading attributable to the golf course would be about 20 percent. If additional staff housing were required, this would increase the 20 percent figure slightly; however, Kan-Alta did not consider that housing requirements would be significant.

The Sarcee F and G Association estimated that the Kan-Alta project would account for just under 50 percent of the costs of upgrading the sewage plant to accommodate probable developments. Its estimate included the golf course plus provision of staff housing. The Association was also concerned that provincial residents are already subsidizing regional utilities to a significant extent. In response to this concern, Mr. Faubert suggested that this is not inappropriate given that users of Kananaskis Country are mostly day users who do not pay to use the area or the utilities.

The Board recognizes that an expansion to the regional sewage facility will be required in any case. The size of the expansion can therefore be increased to efficiently accommodate the needs of the proposed golf course and club house and any other related facilities. If the Kan-Alta project proceeds, the Board recommends that KCIC officials ensure that the arrangements with Kan-Alta to pay for the additional sewage capacity are fair to all parties, including the general public in the province.

10.5.2 Housing

Kan-Alta said that it expects an operating staff of approximately 75 people. Based on experience at the existing golf course, it is expected that 20-25 percent of staff would commute from nearby locations. Kan-Alta indicated that it is in its interests to hire locally to the greatest possible extent both to reduce "cabin fever" and to minimize the need for staff housing.

Kan-Alta indicated that due to planning uncertainties and constantly changing demand for existing housing, as well as Kan-Alta's wish not to over-build, it had no specific plans regarding on-site accommodation. Kan-Alta stated that it would determine the need for and timing of additional housing when the construction schedule for the proposed golf course was finalized. Application for additional housing would be made to KCIC at that time. Kan-Alta would bear all associated costs but because staff housing would generate revenues, the need to provide additional accommodation would not affect the financial viability of the proposed golf course.

Kan-Alta indicated that existing housing would accommodate one-third of the projected staff. If housing additions were required, they would take place only in areas already designated for such development. Because existing utilities have been designed to allow for such expansions (with the exception of the sewage treatment plant), it is Kan-Alta's view that additions to housing would have a minimal impact on utility infrastructure.

The Sarcee F and G Association expressed concern that Kan-Alta did not adequately address the question of staff housing. If additional housing were required, it would add to the environmental impacts and, the Association felt, should be considered in order to determine the cumulative impacts of the development.

The Board is satisfied with Kan-Alta's plans regarding housing for staff. If the proposed project proceeds and additional staff housing is needed and constructed, the Board recommends that financial arrangements be such that they are fair to all involved parties, including the general public.

10.6 Effects on the Stoney Tribe

10.6.1 Views of the Participants

In its written submission, the Stoney Tribe claimed that an approval of the proposed Kan-Alta project ought to provide specifically for the Stoney Tribe as a special population group which "will be significantly affected by the proposed development, socially, economically and culturally".

The Stoney Tribe advocated mitigation of its losses, if the application were to be approved, by conditioning any approval so that Kan-Alta be required to enter into an agreement with the Stoney Tribe committing:

- to hire Stoney members in all phases of the development and have Stoney members on payroll at any time;
- to obtain natural resources, such as gravel, sand and topsoil from the Stoney Reserve, as well as sawmill products such as rough timbers for cribbing;
- to require bids awarded to contractors to show that a minimum number of Stoney band members would be employed;
- to give employment priority to Stoney Tribe members who are qualified or who indicate willingness to be trained for the positions advertised;
- to utilize the human resource facilities of the Stoney Tribal Administration in posting employment opportunities with the proposed development, in screening potential applicants and in implementing training programs for Stoney members and others, the price for such service to be negotiated by Kan-Alta and the Stoney Tribe;
- to develop cross-marketing opportunities with Stoney businesses, such as Nakoda Lodge Ltd. and Chiniki Restaurant;
- to set aside an area at the proposed resort to promote Stoney culture and the historical significance of the area as it pertains to the Stoney people;
- to use Stoney names where possible in the development;
- to identify business opportunities on the Kan-Alta site that would be available to the Stoney Tribe, more specifically, a gift shop;
- to establish a Stoney cultural information centre on the site of the proposed development in recognition of the importance of the area as a traditional Stoney site, to be managed by the Stoney Tribe at Kan-Alta's expense and to display, among other things, any artifacts that may be uncovered at the site during the construction phase; and
- to compensate the Stoney Tribe for the loss of the Evan Thomas Creek hunting area and for the reduction in elk and other ungulates hunted for food in the area by Stoney members.

Kan-Alta indicated that it is prepared to consider a number of the requests made by the Stoney Tribe such as using topsoil from the Reserve, if it is suitable, promoting cross-marketing opportunities, establishing a cultural information centre, and using Stoney place names for golf holes or places on the golf course. In addition, Kan-Alta stated that it is prepared to hire Stoney members and to work with the Tribe's economic development department to provide employment training. However, Kan-Alta was opposed to a quota

approach to employment of Stoney's or to imposition of any of the Stoney's requests as conditions to any approval. Indeed, Kan-Alta argued that the Board did not have jurisdiction to impose such conditions, and pointed to a case involving the Athabasca Tribal Association where the Courts had ruled that the Energy Resources Conservation Board (ERCB) did not have jurisdiction to include an affirmative action condition in an approval.

Kan-Alta suggested that any contractual rights of the Stoney Tribe to the area are limited to those attached to Mr. Lazarus Wesley's trapline, which encompasses the majority of the lease area, but noted that Mr. Wesley has not formally registered his use of the trapline since 1981. Mr. Wesley indicated that it has been used continually by other Stoney members, consistent with Mr. Wesley's cultural authority as the designated holder of the trapline to grant such permission.

In response to the argument by the applicant that the NRCB did not have jurisdiction to impose the requested conditions, the Stoney Tribe contended that the responsibilities of the NRCB were more specific than the ERCB with respect to the social effects of proposed projects. It argued that the Tribe is a special population group within the Board's authority and that "...the Stoney's right to the natural resources of the Evan Thomas Creek area are being affected". The Stoney Tribe claimed that jurisdiction does exist for the NRCB to condition any approval issued in the manner requested by the Tribe.

10.6.2 Views of the Board

The Board does not believe that the use of the area by the Stoney Tribe would be substantially altered from what is currently possible recognizing the existence of golf and other facilities in the area.

With respect to the conditions requested by the Stoney Tribe, the Board believes it has jurisdiction to include in an approval, conditions related to social, economic or environmental matters if they are necessary to ensure the proposed project is in the public interest. In the subject case, the Board has assessed the various effects of the project to determine if it is in the public interest. As it relates to the Stoney Tribe, although the Board supports the overall intent of the requested conditions, it is not able to conclude that the absence of such conditions would mean the project was not in the public interest. It therefore doubts that it has the jurisdiction to include them as requested.

The Board notes that Kan-Alta expressed the view that it is willing to work with the Stoney Tribe to ensure that the project provides employment and business opportunities and minimizes negative cultural or other effects. The Board is very supportive of this approach and believes that arrangements such as those reflected in the conditions requested by the Stoney Tribe may be more effective when negotiated directly between parties than when imposed by some outside party. If the project goes forward, the Board would recommend that Kan-Alta work with the Administration of the Stoney Tribe towards optimizing benefits to the Tribe. Information was provided to the applicant at the hearing regarding the type and timing of contacts that would be appropriate.

Regarding Mr. Lazarus Wesley's trap line, the Board believes the matter of compensation is an issue to be directly settled by Mr. Wesley and Kan-Alta. If agreement cannot be reached, the Board understands that there is a Trapper's Compensation Board established by the Government of Alberta which may be able to assist with the dispute.

10.7 Overall Conclusions of the Board Regarding Socio-Economic Effects of the Proposed Project

The proposed project is not a major one and would be located in an area where two other golf courses already exist. Since the new golf course is proposed by the operator of the existing courses, it would have certain advantages in terms of sharing staff and services and in operating experience. There would likely be limited negative impacts on other recreational users of the area, but numerically at least, these would probably be more than offset by the number of golfers enjoying the attractive area.

The economic effects would not be great, on a provincial basis, but would be beneficial in that they could provide increased employment and expenditures for goods and services, particularly in the immediate region. Any required municipal or other services could be reasonably handled.

The proposed project might have some minor negative effects on the use of the area by the Stoney Tribe, but these could be offset by potential economic benefits.

Having regard for all of these matters, the Board does not see significant negative social effects resulting from the proposed project, and sees significant economic benefits to the region, and to a lesser extent, to the province as a whole.

