Job Creation Partnership Amendment & Extension Request

Contract #CJCP469641500164

from Pebble in the Pond Environmental Society



Canada BRITISH COLUMBIA

The Employment Program of British Columbia is funded by the Government of Canada and the Province of British Columbia.

This Project is funded by the Government of Canada and the Province of British Columbia through the Job Creation Partnership.

On April 1, 2014, the Tanned, Wild, and Woolly Project was initiated by Pebble in the Pond Environmental Society. The main objective for this project was training of at least five participants in waste reduction, organic tanning of sheep skins, production of value-added agricultural products, social enterprise set-up and operation, including small business management, communication, marketing, sales, customer service, processing, transportation and supplier liaison. The sub-objective of the project was the processing of at least 450 animal skins, which would be removed from the waste stream. This processing would establish an ongoing not-for-profit social enterprise to produce and market value-added agricultural products and continue to reduce agricultural waste.

By the end of April, 2014, five participants had been hired after screening of all interested applicants, working through Career Link in Powell River. Immediately after hiring the participants, they were tasked with the first goal which was the set up of the new processing site, which included research into the site needs and design of the operations. Social media was used to find and pick up free or discount materials for the site set up.



Photo 1, Early Set Up: This photo is from the first few weeks of the project, when materials were still being picked up from 'free sites' in town, including roofing material, old bath tubs, and holding tanks. The trailer on the left is only good for secure storage at this point, since the roof has large holes in it. The trailer on the left is the main work trailer. The holding tanks have just been deposited to the right of the main trailer, and some bath tubs and roofing are seen on the right.

It became obvious very quickly that there was a serious safety problem with one of the proposed steps in the processing of the skins, and that an alternative long-term solution had to be developed immediately to provide for long-term safety and sustainability of the project.

The safety problem identified by the participants in the initial research was the potential for harm to employees in the use of alum salt for tanning. Alum salt is commonly used in North America by farmers,

however it is not considered safe for ongoing processing in a commercial operation if the intention is for long-term, ongoing use.

At every stage of our planning and development, we have been receiving helpful input from Nicki Port in the UK who owns Organic Sheepskin www.organicsheepskins.com and she informed us that the European Union will no longer allow any sheep skins enter the UK or Europe if they have been tanned by alum, because of the perception of its possible harm.



We investigated 'brain tanning' which is done by many hunters, and which is considered to be the method that produces the softest leather.

We had a workshop from a local wild hide tanner using pig's brains from our partner Gunter Brother's, however we could not find a way to make this system into something that could be done on a larger scale. Brain tanning could be used for 'exclusive' leather production on a very small scale, for a custom order, but it did not seem feasible to create a system from it.

The project supervisor and most of the participants had a strong negative reaction to the thought of regular work with brains. The ones used for the test were donated by Gunter Brothers and were pig brains, and they are prepared to donate more as requested. They currently go into the waste.

Photo 2, Research Workshop: s.22 : blends up pig brains for an on-site demonstration of leather tanning.



In addition, Nicki Port told us that leather produced using brains has been banned from many countries because of mad cow disease.

Photo 3, Research Workshop: s.22 s.22 soaks a small animal hide in blended brain and water.

After we finished all of this research and uncovered the list of dangers and options, and with help from Nicki Port, we learned that tannin tea can be made from boiling tree bark, and that tannin tea will provide a beautiful product in tanning sheep skins. Tannin tea is very difficult to source commercially since no one in North America appears to be using it. It can be made fairly easily, however finding out the exact recipe for tannin tea was very difficult, because it is the oldest method of tanning and when sheep skins and leather were industrialized, most of the information was lost.

We turned to aboriginal elders and hunters for information on how to make tannin tea, and there were many different recipes and methods used. We calculated how much we would have to make in order to tan our goal of 150 hides per week, and found that we needed about 80 oak barrels or similar containers. Fortunately, Jackson-Triggs Winery was just de-commissioning their oak barrels, primarily from Chardonnay which was being bottled after the winter fermentation. Jackson-Triggs donated 82 oak barrels, a value of approximately $32,000, and City Transfer donated the transportation up to Powell River from Richmond.

We had to pay a discounted transport cost from Penticton to Richmond of $600, and then we borrowed a one tonne flatbed truck from Rona Building Supply. s.2 and s.22 made about ten trips between City Transfer and the processing site transporting the barrels, and so we ended up with all the barrels on site for the cost of one leg of transport and the gas for the truck. We did damage the sides of the Rona truck, and paid the $100 repair cost to re-weld the steel struts.



Photo 4, Oak barrels donated by Jackson-Triggs Winery are put in the smaller trailer to keep secure until tannin tea can be made to fill them.

In order to secure the barrels at the site, which is near the Sunshine Coast trail and sometimes has considerable foot traffic, we had to build frames. Don Bowes was hired to work with s.22 , s.22 and sometimes s.22 to demonstrate design and construction tips, and to improve their skills while they assembled the frames for the barrels. This was an additional cost in professional fees.

The project to secure a work area for the participants that was relatively safe from bears, cougars, wolves, and also potential theft or vandalism from humans meant some design challenges. We had to ensure a well-ventilated area for all processes to safeguard participant air quality, and we had to build frames for the oak barrels so that they could not be stolen and so that they would be stored in a way that suited the holding and access to the tannin tea once the recipe for the tea could be determined.



Photo 5, participant s.22 and some loose oak barrels



Photo 6, Outdoor racks almost complete: Some participants work to learn basic assembly and carpentry.



Photo 7, Outdoor Barrels: Many of the barrels are secure and accessible outside the trailer. Barrels inside are now protected by the breezeway roof.

While creating the secure area for the barrels, the participants, under the guidance of Don Bowes, also designed a way to create an outdoor work area between the two trailers. Roof trusses worth about $5000 were donated by T&R Contracting, and once wood frames were in place, the trusses spanned the distance between the trailers. Maradadi Pacific donated about $2500 worth of metal roofing and some tarps, and these were used for the roofing materials, creating a rain catchment area between the two trailers. Tannin tea works best with rainwater because it is low in the minerals often found in well water, and lacks the chlorine and fluoride often found in municipal water systems. The tannery plans to use a series of salvaged bath tubs and two long troughs, donated by Maradadi Pacific, to catch rain over the fall and winter.



Photo 8, Breezeway: The breezeway between the trailers provide shade and shelter. Don Bowes donated the wooden sign for the tannery.

The change in strategy to tannin tea from alum for the long-term processing incurred a number of additional costs that were not in the original budget. These include Professional Fees paid to Don Bowes, who provided on-site training in design and construction to participants, particularly s.22 s.22 and s.22), for a total paid and anticipated of $7,384.05. They also include additional materials and supplies costs of $13,246.49 and higher client costs, primarily for safety gear such as goggles and mariner gloves, of $2,259.39. Approved rent was for the two sites, however the processing site required basic amenities, and this solution took the budget up by $5,668. Adjustments were made to other budget items to try to offset these additional costs, however as is shown in the budget pasted below, the Amendment request is for approximately 10% additional funding for the project to allow us to work to January 16, 2014.

Item	Approved	Spent/ to be spent	Needed to Project Close	Costs/ funds	Final
Staff Wages & other related staff costs					
Staff wages and MERCS	$ 56,391.00	$21,427.86	$34,963.14	$ -	
Other employement-related WCB	$ 870.00	$ 246.32	$ 623.68	$ -	
Staff and volunteer travel	$ 5,750.00	$ 437.12	$ 400.00	-$ 4,912.88	
SubTotal	$ 63,011.00	$22,111.30	$35,986.82	-$ 4,912.88	$ 58,098.12
Professional Fees					
Accountant	$ 4,000.00	$ -	$ 2,000.00	-$ 2,000.00	
IT support/online set up/training	$ 5,000.00	$ 350.00	$ 4,000.00	-$ 650.00	
Groundskeeper	$ 2,500.00	$ -	$ -	-$ 2,500.00	
Don Bowes	$ -	$ 6,384.05	$ 1,000.00	$ 7,384.05	
SubTotal	$ 11,500.00	$ 6,734.05	$ 7,000.00	$ 2,234.05	$ 13,734.05
Client Costs					
Safety gear, mileage, supplies	$ 2,850.00	$ 2,059.39	$ 3,050.00	$ 2,259.39	
SubTotal	$ 2,850.00	$ 2,059.39	$ 3,050.00	$ 2,259.39	$ 5,109.39
Other Costs					
Basic telephone & internet	$ 5,500.00	$ 4,136.06	$ 1,250.00	-$ 113.94	
Insurance	$ 1,500.00	$ 2,075.00	$ -	$ 575.00	
Postage & Courier	$ 2,500.00	$ -	$ 20.00	-$ 2,480.00	
Rent & Utilities	$ 18,402.00	$14,385.00	$ 9,685.00	$ 5,668.00	
Equipment Lease, rental, purchase	$ 7,233.00	$ 6,831.03	$ -	-$ 401.97	
Bank Charges	$ 200.00	$ 14.00	$ 96.00	-$ 90.00	
IT maintenance	$ 500.00	$ -	$ -	-$ 500.00	
Materials and supplies	$ 5,000.00	$16,646.49	$ 1,600.00	$13,246.49	
Advertising	$ 9,000.00	$ 4,564.46	$ 2,000.00	-$ 2,435.54	
Equipment/furniture under $1000	$ 1,000.00	$ 690.89	$ 309.11	$ -	
Operational printing contracted	$ 500.00	$ 95.02	$ 190.00	-$ 214.98	
SubTotal	$ 51,335.00	$49,437.95	$15,150.11	$13,253.06	$ 64,588.06
Total Costs	$128,696.00	$80,342.69	$61,186.93	$12,833.62	$141,529.62

While trying to determine how to make tannin tea, we received our first shipments of skins from Gunter Brothers, and began the tanning process using alum salt and extreme caution. We did this so that we could perfect the processes before and after the tanning solution, so that we would not lose time on the JCP. Client costs for additional kept the participants protected at all stages of processing.



Photo 9, Safety Gear: Worksafe gloves, glasses, visors, aprons, and boots were needed due to the salts in use

The processing site had to be set up with power and running water, which was done by the landlord, however there was an issue with respect to washrooms and a work area that was out of the weather and the processing. We looked at the cost of outhouses, which were almost $300 per month and only had hand sanitation through use of a gel. We were able to rent a 1978 motorhome, which provides a warm area to sit and eat lunch, hot and cold running water, and a toilet, plus a basic kitchen as needed.

Photo 10, 1978 motorhome: provides seating area, washroom, and secure storage



The challenge of two sites, one of them relatively remote, led to decisions regarding communication including smart phones and tablets.

A cost analysis was done of land lines versus mobile devices, plus an analysis of the effectiveness of paying for a business line that would only be at one site, the office. The office has an opportunity for shared facilities, however the project would have had to pay for a technician to extend the phone line into the back room. It turned out that purchasing the mobile devices, with one for the main line and three for participants, with two participants using their existing phones, was more effective.

In addition, three of the participants had never used smart phones for business, therefore they received, and continue to receive, training on the use of the phones for research, communications, and social media marketing. The monthly cost is for all four phones on a shared data plan that is adequate for mobile 'hot spot' usage on the processing site. This means the motor home can also be an office where laptops or tablets can be used, with the phones set up as the wireless hot spot.

The motor home seemed the most cost-effective solution, and in addition it has proven a useful and safe storage area during festivals like Sea Fair and the Fall Fair.

The processing of the skins had to be innovated using ancient methods and finding modern techniques that would work and "scale up" so that we could divert the maximum number of skins from the waste stream and create a viable social enterprise.

We brought in local tanning experts to provide us with workshops on the processes at each stage. It became clear that although we needed to learn the steps used on a small scale, that we would have to design our own processes on a larger scale or else we would not be able to fulfill the mandate of diverting 1500 sheep skins and creating at least 450 finished products.

We quickly became very good at using social media to find free items, including bath tubs and washing machines, to expand our capacity to process the sheep skins. We have also had to say 'no thank you' to so many people wanting help tanning bison, bear, goat, and rabbit skins, since we just did not have the capacity to do anything beyond the sheep skins at this point.

Workshops with local tanners helped participants understand the process from skirting to salt curing to fleshing to tanning to 'breaking' the skin and finally to finishing the leather.

At every step, the team has sought to innovate local, sustainable options for the processing.



Photo 11, Elder s.22 : participants learn hand fleshing using salt and spoons

Salt curing is done with different salts, and after considerable experimenting, the team determined that pool salt did the best job and was also the most affordable.

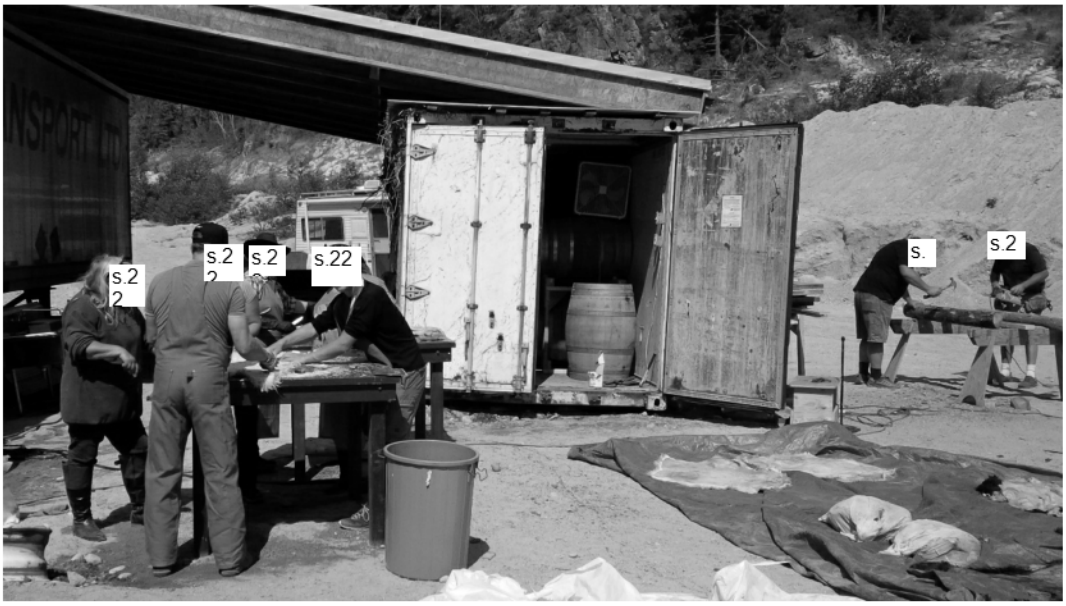


Photo 12, On site training: participants learn skirting with s.22 and s.22 while s.22 works with Don Bowes

The issue of fleshing was a difficult one to innovate a modern solution to a very time-consuming and challenging procedure. "Fleshing" is the step that takes the sheep skin from its post-slaughter stage and removes any flesh or fat that is still on the side that will become the leather. The training sessions showed fleshing on a table with sharp spoons, or on a log with a draw knife, which is the kind of knife used for removing bark from trees.



Photo 13: s.22 Training: participants learn how to remove flesh and fat using a draw knife

Because the ancient methods are generally only used today for one or two skins at a time by hobbyists, they are difficult to apply to a large number of skins. Still, the method was essential to learn so that the participants could innovate a modern solution.



Photo 14, Team work: four participants try to find an efficient technique for fleshing sheep skins.

One surprising and pleasant discovery is that the five participants and the supervisor all work together very well and there is a very happy dynamic at work, even during very messy processing. There is a wide and divergent skill set in the participants, and each of them work to expand the experiences of their team members. There is so much laughter on location that people tend to comment on it, and it is a welcome development.

After significant research into fleshing options, the participants decided to explore the use of a power washer, with hand processing only done if needed after the power washing. This proved to be an amazing success and much easier on the participants in terms of back, shoulder, and arm stress.



Photo 15 s.22 Fleshing: a power washer takes off the layers on top of what will become the leather. The plywood board and bungy cords hold the skin in place.



Photo 16, Raw Skins: sheep skins from Gunter Brothers waiting to be fleshed, with towel rags to wrap them in for freezing.

Every step required of the tanning required innovation, and Gunter Brothers saved skins through the month of June, which meant that we suddenly had a five foot stack of salted sheep skins in need of processing with no ability to do more than flesh them.

We spent a few days getting all the skins fleshed, then we wrapped them up and froze them until we could have the next step ready to receive them.



Photo 17, Fleshing Station: The team designed a fleshing station to secure

As the weeks progressed, the participants were able to hand higher volumes of skins for fleshing and putting into the tanning solution. This had to be managed around the issue of wildlife such as bears, cougars, and predatory birds.



Photo 18, Skins Drip on Racks: the skins cannot be dry, but should have excess water out before going into the tanning solution.

We made tannin tea and we tried test strips of sheep skin to determine if it would work. We conducted more research and found that in order to feel secure in the effectiveness of the tea, we needed access to tannin tea test kits. These were very difficult to find, however we did find and order them and eventually they arrived.

Our research showed that fresh waste wood is idea for making tannin tea, and that alder trees are high in tannins. Fortunately, alder is the most common waste wood in our region, and there are a number of companies and individuals ready to work with us to provide the wood when we are ready.

We do require a wood chipper for the wood, unless we can find a company which will donate access to one.



Photo 19, oak barrel with tannin tea: tannin tea made from hemlock bark is stored in a recycled peanut butter jar at the ribbon cutting

The summer heat created serious problems with the attempts to develop a predictable tanning process. There were a few weeks were the average day time temperature at the processing site was 34 degrees, which is extremely unusual. Sadly, we had to dispose of about forty skins before fleshing because they had not managed to survive the heat, even with salt curing. Also, the team was very sad the day they pulled about thirty skins out of the alum tubs to find that the heat had "cooked" them, and they had to be thrown away. This created a set back in the project plans to have 450 skins tanned by January 16, 2014.

A number of changes to the site storage were made to try to mitigate the impact of the heat, and the skin pick ups were moved to weekly trips during the heat, which increased some costs of the program temporarily. These changes appeared to make a difference. Gunter Brothers responded very well in helping to resolve the overexposure to heat and air.

In addition to the solutions created for replacing alum with tannin tea, storing the tea, securing the storage, fleshing large-scale using natural processes (as opposed to heavy metal chemicals), and freezing skins to stabilize them while we scale up, we had to create a method to break the skins and use the large sheep drum donated by Maradadi Pacific to the process.

The drum needed maintenance for its motor, and it needed a mesh door and a secure site where it could be operated without damaging anything nearby. This was designed by the team and the motor was rehabilitated by [s.22] in consultation with mechanics in the community.



Photo 20, Drum in Breezeway: the sheep skin drum is located on a wooden platform at the rear of the breezeway, near the skirting tables. The breezeway is framed in but there are not yet walls or doors.

The issue of how to stretch the skins and 'break' the fibre took several weeks to innovate. s.22 took the lead in designing the bungy-cord, wood frame stretchers with Don Bowes, and all team members had input. These allow for a hand-crafted interaction with the skins but save considerable time in the drying and stretching of the skins. It is a modern innovation of the original indigenous method of sewing onto wood frames, and it protects the leather perimeter.



The product produced by this stretcher method is exceeding expectations, and the team is hoping to have ten stretchers constructed by the end of September, which will allow for up to fifteen skins per session, and up to three sessions per week.

Photo 20, Stretchers in Trailer: the first stretchers are in the trailer with a fan and two heaters, gearing up for larger production.

After time in the drum, followed by stretching, and then more time in the drum to break the skin, the leather is ready for final work. We are working on a method to produce the highest quality leather as a finished product, while reducing the amount of direct physical labour. Right now, the skins are sanded after they are stretched and run through the drum twice.



Photo 21, Final Steps, Leather: s.22 sands the leather carefully. Next it will be treated with oil. Neatsfoot oil is being used, and we are experimenting with essential oils to enhance the 'spa' factor.

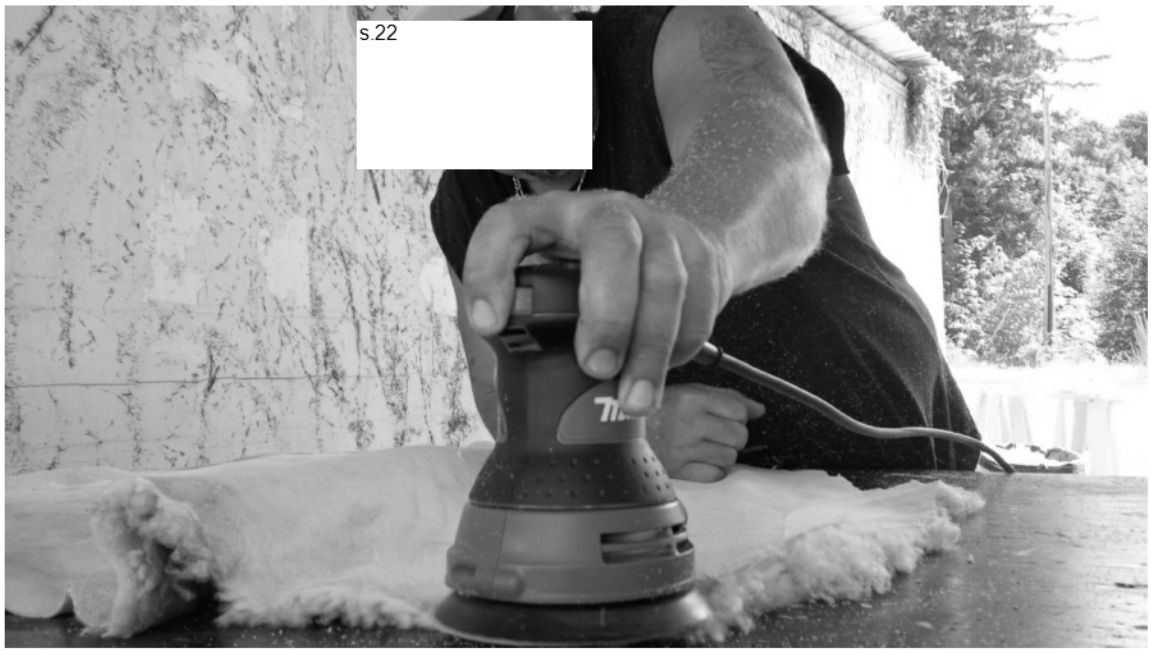


Photo 22, Edge Sanding: s.22 takes care with the edges after a final skirting of a finished sheep skin, working in the breezeway.

After several months of research, hard work, design, innovation, construction, marketing sessions, public interaction, and planning, the team is now setting up for large-scale production. The second slaughterhouse to come on board is Plecas Slaughterhouse in Nanaimo, who process the sheep from Salt Spring Island, known for their beautiful wool. This will allow for approximately 150 skins from both abattoirs in November alone, and the team is preparing to be able to have all stages of processing ready to receive this volume.

There is considerable optimism that this production will result in the creation of beautiful, valuable products. The farmers are very keen to begin working with us, which will also save them money in terms of waste disposal.

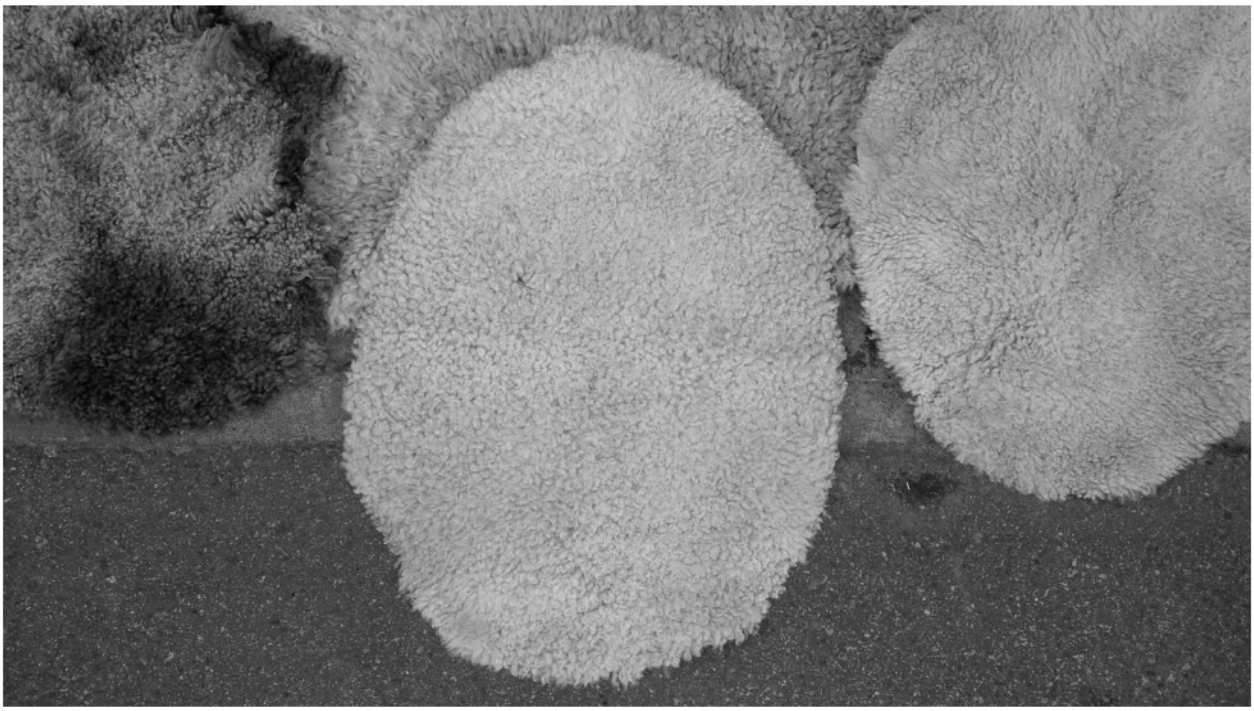


Photo 23, Finished Product: Early sheep skins are quite beautiful on the wool side, and it is only the leather finishing that is the final innovation underway

The final step is sales, and the response to our presence online and in person has been very high, even though we have not started to market product because we do not have inventory.

In our direct interaction with potential consumers, all of them have wanted to feel the sheep skins and the leather side.

Based on all of our market research, the key to building initial sales will be direct interaction, followed up by online sales portals and social media. To that end, it is requested that the advertising budget focus be amended to allow one trade show, in Vancouver at the PNE Grounds, called Make It Vancouver. This is the largest hand-crafted product trade show in BC, with over 30,000 people attending in 2013. Our booth will cost approximately $780 including the table, the materials for preparation including displays

and print materials will be approximately $250, and the travel for two participants for the five days will be approximately $1400. These costs are included in the budget proposal with this amendment, and are effectively a diversion of the social media spending originally proposed.

We have several retail outlets waiting to take our product on consignment, and once we have product that we believe is "commercially viable", which we expect will be by the end of September, we will do some test presentations for customers, starting at Ecossentials.

Status of Project

Tanned, Wild, and Woolly has been extremely well received in the community, with huge support from businesses including Rona Building, who loan us a 1 tonne truck for pick ups, and a local fisherman who has loaned us his fish tote for skin picks ups and storage. In kind donations are much higher than anticipated, especially with the donation of the oak barrels and their transportation. Innovation and design has led to the basis for a very viable social enterprise, and plans are underway to continue the tannery after the Job Creation Partnership is complete.



Photo 24, MP John Weston: TWW had a very popular booth at the Seafair Festival in July, and the Member of Parliament came by to show support, with s.2 s.22 and s.22

participants, and Judi Tyabji, Supervisor.



Photo 25, Ribbon cutting at tannery processing site: from left to right CaroleAnn Leishman, Director, Pebble in the Pond, Melissa Call, Director Pebble in the Pond, s.22 , JCP participant marketing director, Don Bowes, designer/builder, (hidden behind the mayor is s.22 , JCP participant & site manager), Mayor Dave Formosa, s.22 JCP participant & outreach coordinator, Honourable Don McRae, Minister of Social Development, Judi Tyabji, JCP supervisor and President, Pebble in the Pond, s.22 JCP participant, and operations coordinator s.22 JCP participant and technical coordinator.

Extension Request and Justification

In addition to this amendment request, there is a request to consider an eight week extension to the program, with a budget attached to this document. This will add an additional 10% to the final cost of the JCP. The reason for this request is so that we can make up for the time lost as we redirected our efforts to create an innovative, sustainable tanning method with the tannin tea, and most important, in order to meet the objective of tanning 450 sheep skins, and so that we can finalize the groundwork for the social enterprise so that the participants have the best opportunity for permanent work.

Gunter Brothers is doing an excellent job of working with us, and now Plecas Slaughterhouse in Nanaimo is also saving, salting, and contributing sheep skins to the Tanned, Wild, and Woolly project.

Full Budget: Amendment and Extension to March 13, 2015

Item	Approved	Spent/ to be spent	Needed to Project Close	Costs/ funds	Final	Plus 8 weeks to Mar. 13
Staff Wages & other related staff costs						
Staff wages and MERCS	$ 56,391.00	$ 21,427.86	$ 34,963.14	$ -		$ 10,741.00
Other employement-related WCB	$ 870.00	$ 246.32	$ 623.68	$ -		$ 123.00
Staff and volunteer travel	$ 5,750.00	$ 437.12	$ 400.00	-$ 4,912.88		$ -
SubTotal	$ 63,011.00	$ 22,111.30	$ 35,986.82	-$ 4,912.88	**$ 58,098.12**	$ 10,864.00
Professional Fees						
Accountant	$ 4,000.00	$ -	$ 2,000.00	-$ 2,000.00		$ -
IT support/online set up/training	$ 5,000.00	$ 350.00	$ 4,000.00	-$ 650.00		$ -
Groundskeeper	$ 2,500.00	$ -	$ -	-$ 2,500.00		$ -
Don Bowes	$ -	$ 6,384.05	$ 1,000.00	$ 7,384.05		$ -
SubTotal	$ 11,500.00	$ 6,734.05	$ 7,000.00	$ 2,234.05	**$ 13,734.05**	$ -
Client Costs						
Safety gear, mileage, supplies	$ 2,850.00	$ 2,059.39	$ 3,050.00	$ 2,259.39		$ 250.00
SubTotal	$ 2,850.00	$ 2,059.39	$ 3,050.00	$ 2,259.39	**$ 5,109.39**	$ 250.00
Other Costs						
Basic telephone & internet	$ 5,500.00	$ 4,136.06	$ 1,250.00	-$ 113.94		$ 500.00
Insurance	$ 1,500.00	$ 2,075.00	$ -	$ 575.00		$ -
Postage & Courier	$ 2,500.00	$ -	$ 20.00	-$ 2,480.00		$ -
Rent & Utilities	$ 18,402.00	$ 14,385.00	$ 9,685.00	$ 5,668.00		$ 3,000.00
Equipment Lease, rental, purchase	$ 7,233.00	$ 6,831.03	$ -	-$ 401.97		$ -
Bank Charges	$ 200.00	$ 14.00	$ 96.00	-$ 90.00		$ 7.00
IT maintenance	$ 500.00	$ -	$ -	-$ 500.00		$ -
Materials and supplies	$ 5,000.00	$ 16,646.49	$ 1,600.00	$ 13,246.49		$ -
Advertising	$ 9,000.00	$ 4,564.46	$ 2,000.00	-$ 2,435.54		$ -
Equipment/furniture under $1000	$ 1,000.00	$ 690.89	$ 309.11	$ -		$ -
Operational printing contracted	$ 500.00	$ 95.02	$ 190.00	-$ 214.98		
SubTotal	$ 51,335.00	$ 49,437.95	$ 15,150.11	$ 13,253.06	**$ 64,588.06**	$ 3,507.00
Total Costs	**$ 128,696.00**	**$ 80,342.69**	**$ 61,186.93**	**$ 12,833.62**	**$ 141,529.62**	**$ 14,621.00**

Gillespie, Alice SDSI:EX

From: McCleave, Lori SDSI:EX
Sent: Tuesday, April 28, 2015 9:31 AM
To: Hultman, Jacquelyn SDSI:EX
Subject: R1-052 JCP Close Out - Contractor Evaluation
Attachments: R1-052 Contractor Evaluation.pdf; Tanned Wild and Woolly JCP Final Report.pdf

Hi Jackie

Attached is the Contractor Evaluation for the Pebble in the Pond JCP. Also attached to the R1-052 JCP SharePoint Site. In regards to the comments provided by the Project Holder, specifically comment on page 3 in response to a particular condition identified when considering re-contracting with this organization, the Project Holder notes that the original contract manager expressed support of expenditures deemed necessary with approval /amendment anticipated. This is not actually correct as evidenced by the information within the contract file. The Project Holder had used funding negotiated within advertising to purchase t-shirts. The CEP CAPA identified this purchase when reviewing a payment claim and questioned the Project Holder about same as this expense was not negotiated. The Project Holder, at that time, provided rational to support the expenditure for which the CEP CAPA then deemed reasonable and allowed. However, it was after the fact. Anyways, I just thought it was important to point that out.

I have now received the required WCB forms from the Project Holder, as previously discussed, and will be forwarding to WorkSafe BC. I was able to connect with Liza Wong at WorkSafe BC who requested the Form 7 and Form 6 be completed, scanned and sent to her with notification that the original documents were coded to the incorrect employer.

This will close out the file. Thank you.

Lori McCleave
Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca
(250)739-6652

Page 022 to/à Page 023

Withheld pursuant to/removed as

s.22

QUESTION:

I am in the process of preparing an Assessment and Recommendation Rationale for a JCP proposal under which the applicant, a non-profit organization, wishes to establish a social enterprise to produce value-added agricultural products (tanning sheep skins).

In determining whether or not such a venture could be eligible under JCP, we were guided by advice originally provided by Program Policy (Leah) in July 2012 relation to a project with New Page Human Service Society, who were looking to establish an online service stream for their used bookstore, a business which they used to generate revenue to fund their programs. As they were a non-profit society and intended to use any additional revenue generated to fund a salary for their bookstore manager, it was deemed this endeavor could be eligible.

However, in again reviewing the response in that case, I note that the Policy response indicated that one factor considered was that revenue generation would occur after the project period.

In the current case, there is not a question of competition with other businesses (as there was in the New Page case), because the proposal is for a market niche not currently served. Their objective is to establish a social enterprise which would be self-sustaining and would provide ongoing employment for some or all of the project participants beyond the project period. However, the applicant expects revenue would be generated during the course of the project.

If revenues are generated during the course of the project, would they have to be applied directly against project costs (i.e. for project materials or ongoing anticipated costs for marketing the products to potential customers, some of which are costs that would be covered in the proposed budget)?

Or, could revenue generated be used to reinforce and grow the social enterprise, even if those monies were not applied directly to reduce our contribution to project costs?

For example, could revenues be used to buy materials or equipment for the tanning operations, or cover other costs related to the social enterprise, even if those materials were to be used in the future, after the project end date (i.e. if costs in one month were $5,000 and they generated $2000 in revenues, could the full $5,000 still be eligible for reimbursement by SDSI as long as the $2000 in revenue was put towards other costs of the social enterprise)? Or, would any revenues have to be applied to the current costs during the project (i.e. if costs in one month were $5000 and they generated $2000 in revenues, only $3000 would be eligible for reimbursement, and the other $2000 paid for with the revenue generated)?

On a similar note, would the applicant have to spend any revenues generated during the project, before the project end date? Or would they be able to put revenue towards operating costs of the social enterprise after the project ends and we are no longer providing any contributions (e.g. to put towards wages of participants who continue to work after the project ends and we stop contributing Living Supports)? One potential complication I see there is that if money were set aside during the project until after the end date, we would not have any way to ensure it was used for costs we consider appropriate.

Finally, would any revenues have to be used only to offset project costs or costs of the social enterprise? In other words, would the project holder be prohibited from using revenues generated by the JCP project activities to cover other costs the organization incurs in other programs? I assume that is the case, but would like to confirm that. It seems to me that if a

viable ongoing social enterprise were established that created enough revenue to not only sustain itself, but to fund other activities of the non-profit organization, then they would have leeway to use the revenue in that way after the project. But during the project it seems that any revenue generated would have to go towards incremental costs of the social enterprise. Otherwise, our JCP could be used, albeit indirectly, to provide funding to cover the organization's day-to-day or core costs.

ANSWER
Friday, February 21, 2014 1:17:04 PM lhubensk
Hi, Andy

After reading your enquiry I think that before worrying about Revenue Generation, it needs to be clearly established that the Project Activities actually meet that basic conditions of a JCP ie, that the ACTIVITIES is INCREMENTAL to the ongoing activities of the Organization, they must be FINITE in nature, and DISTINCT activities. I am wondering if this project activities meet all of these as it sounds like the activities of the project continue on after the end of the project and are the main activity of the Social Enterprise.

With regarding to Revenue Generation the answer is clear. If revenues are generated by the project activities, then the revenue generated must be used to offset the expenses for the project. Revenues cannot be used to buy future materials or equipment that were not part of the Project and will not be substantially consumed during the project period. Revenue also cannot be directed to another part of the Organization. Best Practice is would be that any revenues generated be applied against project costs, not to buy additional material or equipment not included in the Project.

In looking at your enquiry I think that we need to have some further clarification on SOCIAL ENTERPRISES and what they are and how they can operate and what this means for CEP projects. I will discuss with Tracy Shelling.
Generally, Social Enterprises are revenue generating businesses. Whether operated by a non-profit organization or by a for-profit company, a social enterprise has two goals: to achieve social, cultural, community economic or environmental outcomes; and, to earn revenue. So the challenge on proposals from organizations that say they are 'Social Enterprises' are to insure that the Activities actually meet the JCP Policy on Eligible Activities.

There are some very interesting articles on Social Enterprises and the legal and tax implications.

For example
http://www.socialenterprisecanada.ca/webconcepteurcontent63/000024540000/upload/Toolkits/development/SEGUIDE_Web_Chapter_Seven.pdf

Which states the following....
Non-profit organizations and business ventures
The law (and even some CRA findings) concerning business ventures by non-profit organizations is not completely clear.

Non-profit organization status applies to entities that meet the requirements of section 149(1)(l) of the federal Income Tax Act. They must:
1) not be charities;
2) be both organized and operated "exclusively" for "any purpose except profit"; and
3) not distribute or otherwise make available for the personal benefit of a member any of its income.
If the entities meet these requirements, they enjoy exemption from income tax. Unlike registered charities, non-profit organizations cannot issue tax receipts for donations, nor can they receive grants from charities. But they are subject to fewer legal and administrative requirements than charities. Non-profit organizations usually incorporate under provincial society legislation, or the soon-to-be-replaced Canada Corporations Act, Part II. These provincial acts are not identical when it comes to business ventures . For example, the BC Society Act states that a society must not be created for "the purpose of carrying on a business, trade, industry or profession for profit or gain" (section 2(1)(f)). It then goes on to state that "carrying on a business, trade, industry or profession as an incident to the purposes of a society is not prohibited, but a society must not distribute any gain, profit or dividend or otherwise dispose of its assets to a member of the society without receiving full and valuable consideration...". This allows societies incorporated under the BC Act to engage in "incidental" business activities. It is also important to be aware of the federal government's interpretation of the Income Tax Act provisions noted above. If the CRA concludes that your society is engaging in too much business, it may treat it as a for-profit business, subject to income tax. In short, the federal view of the business activity may differ from any provincial position

Additional Resources
http://www.centreforsocialenterprise.com/index.html
http://www.centreforsocialenterprise.com/f/The_fine_print.pdf
http://www.cra-arc.gc.ca/chrts-gvng/chrts/plcy/cgd/cmtycnmcdvpmt-eng.html
http://www.millerthomson.com/assets/files/article_attachments2/S-Manwaring_A-Valentine_Social-Enterprise-in-Canada_Miller-Thomson.pdf

Hopefully, this helps you. Please do not hesitate to contact me if you need further information.
Leah Hubensky
Senior Policy Advisor

JCP – File Reference # R1-052
CFMS #CJCP469641500164
Project Name: Tanned, Wild and Woolly Processsing Plant

Combined Activity and Financial Monitor Summary

This review is based on the Contract in effect on the date the activity took place.

Project Holder: Pebble in the Pond

Review Area(s):

Review Completed by: David Olsen **Date:** February 17, 2015
QA CAPA

CEP CAPA Debrief Lori McCleave
N/A, project complete, no significant items noted

Agreement Details

Start Date:
April 01, 2014

End Date:
March 13, 2015

# of Participants: 5

Location: Powell River

Agreement Value $181,635.67

JCP – File Reference # R1-052
CFMS #CJCP469641500164
Project Name: Tanned, Wild and Woolly Processsing Plant

	Question	Y/N/NA	Evidence
1	Are the reported activities consistent with project goals?	Yes	Monthly activity reports indicate that activities are consistent with project goals
2	Are milestones and deliverables being achieved?	Yes	Review of Apr/14 – Jan/15 activity reports
3	Are explanations for changes in project and spending plans, timelines and budgets reasonable?	N/A	No major changes noted in payment claims/activity reports
4	Is there evidence that the Project Holder is reporting to the referring ESC as required (weekly attendance and monthly progress)?	N/A	Monitored by ESC
5	Does it appear that the Project Holder has implemented and maintained proactive policies respecting worker safety?	Yes	The first monthly activity report (April 2014) submitted indicates that appropriate safety clothing, boots and gloves were provided to all participants
6	Is there evidence that the Project Holder provided participants with an orientation that meets the requirements of sections 3.22 – 3.25 of the Occupational Health and Safety Regulation?	Unknown	Unable to determine whether or not participants were provided with orientation soecific to sections 3.22 – 3.25 of the Occupational Health & Safety Regulation
7	Is there evidence that the Project Holder is providing adequate supervision to participants?	Yes	Detail provided in activity reports leads to a reasonable conclusion that participants are being adequately supervised
8	Is there evidence that the Project Holder is providing participants with adequate time for job search?	N/A	No evidence on file that suggests participants are not receiving adequate time for job search

9	Has the Project Holder ensured that participant information collected on behalf of the Province is treated as confidential and stored in a secure location with limited access?	Yes	Review of monthly activity reports indicates Project Holder has good understanding of JCP requirements. No indication of any problems in this area
10	Has the Project Holder posted signage that acknowledges the Province and the Government of Canada (Agreement, 9.1 e)?	Yes	Evidence found of CM CAPA discussing requirements for signage acknowledging the Province of BC and Government of Canada conrtributions, and of CM CAPA approving same. Evidence found in Correspondence Log on Sting Drive
11	Has the Project Holder acknowledged the Province in any materials produced and distributed to the public for the purpose of publicizing or promoting the project (Agreement, 9.1 d)?	Yes	As above (Question 10).

JCP – File Reference # R1-052
CFMS #CJCP469641500164
Project Name: Tanned, Wild and Woolly Processsing Plant

Financial

	Question	Y/N/NA	Evidence
1	Did the agreement holder provide a financial summary with each activity report?	Yes	Monthly activity/financial report submissions from April 2014 – January 2015
2	Did the financial summary provide sufficient detail to understand the amounts and costs claimed for reimbursement?	Yes	General ledger submitted each month is clear and easy to follow
3	Is there evidence the Project Holder provided copies of receipts for amounts claimed, when asked?	Yes	Evidence found in Correspondence Log on Sting Drive
4	Were the receipts reviewed and any questions answered (if yes, no further financial review is necessary?	Yes	Evidence found in Correspondence Log on Sting Drive
5	For closed projects, is the total reimbursed (through CFMS) consistent with the project budget?	N/A	Project end date is March 31, 2015

Modification Agreement

Contract #: CJCP469641500164 Modification #: 2

This Modification Agreement dated for reference the 16th day of January 2015.

Between:

HER MAJESTY THE QUEEN
IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA
as represented by the Minister of Social Development and Social Innovation
(the "Province", "we", "us" or "our" as applicable)

AND:

Pebble In The Pond Environmental Society
(the "Contractor", "you" or "your" as applicable)

BACKGROUND

A. The parties entered into an agreement, Contract number CJCP469641500164 dated January 16, 2015, which the parties have amended from time to time since that date (the "Agreement").

B. The parties have agreed to modify the Agreement.

AGREEMENT

The parties agree as follows:

1. To delete paragraph 9 of Schedule B to the Agreement and replace it with the following:

Fiscal Year: 2014/2015

Cost Category:	LMDA Funding:	Other Funding:
Capital Assets	$0.00	$0.00
Client Costs	$10,863.79	$0.00
Other Project Costs	$83,652.62	$88,686.00
Professional Fees	$17,023.11	$15,000.00
Project Staff Wages & Other Related Staff Costs	$70,096.15	$0.00
TOTAL:	$181,635.67	$103,686.00

2. In all other respects, the Agreement is confirmed.

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BRITISH COLUMBIA | Ministry of Social Development and Social Innovation

Partnership and Innovation Fund
Modification Agreement
Job Creation Partnerships

SIGNED By the Province:

Signature	Print Name and Title	Date
	Jackie Huttman, CEP Team and Contract Lead.	Jan 30/15

SIGNED for the Contractor by its duly authorized representative(s):

Signature	Print Name and Title	Date
	CaroleAnn Lipishman-Vice President	Jan 26/15
	Melissa Call - Director	JAN 26/15

HR5626E (13/05/27)
Security Classification: MEDIUM SENSITIVITY

Canada BRITISH COLUMBIA
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Modification Agreement

Contract #: CJCP469641500164 Modification #: 1

This Modification Agreement dated for reference the 31st day of March 2014.

Between:

HER MAJESTY THE QUEEN
IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA
as represented by the Minister of Social Development and Social Innovation
(the "Province", "we", "us" or "our" as applicable)

AND:

Pebble In The Pond Environmental Society
(the "Contractor", "you" or "your" as applicable)

BACKGROUND

A. The parties entered into an agreement, Contract number CJCP469641500164 dated March 31, 2014, which the parties have amended from time to time since that date (the "Agrement").

B. The parties have agreed to modify the Agreement.

AGREEMENT

The parties agree as follows:

1. 'Funding Period' means the period commencing April 1, 2014 and ending March 13, 2015.

2. To delete the paragraph of Schedule A to the Agreement entitled [Objective][Description of Activities] [Deliverables / Expected Results] and replace it with the following:

OBJECTIVE
Between April 1, 2014 and March 13, 2015, Pebble in the Pond Environmental Society will assist a minimum of five (5) eligible participants with up to 48 weeks of work experience and skill enhancement in the Powell River area. Participants will receive instruction and experience in waste reduction, organically tanning sheepskins to produce value-added agricultural products, and all aspects of social enterprise set-up and operation including small business management, communication, marketing, sales, customer service, processing, transportation, and supplier liaison.

SUB-OBJECTIVE
By March 13, 2015 a minimum of 500 animal skins will be removed from the waste stream and processed, and Pebble in the Pond will establish an ongoing not-for-profit social enterprise to produce and market value-added agricultural products, and continue waste reduction.

ACTIVITIES
The project holder will
• Hire a Project Supervisor
• Select eligible project participants
• Provide work experience in the areas of animal skin tanning, customer and supplier liaison, market research, product development and pricing, budget development, product evaluation and improvement, promotion and marketing, sales and shipping, and customer service.

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• Provide project orientation, WorkSafe BC safety orientation, supervision, support, and mentoring to the project participants
• Complete and submit monthly activity reports and a final project report

The JCP participants will
• Participate in a general project orientation including an onsite WorkSafe BC safety orientation
• Complete 20 tanning batch runs to produce a minimum of 500 finished sheepskins
• Develop a database of sources for raw skins
• Develop procedures for acquiring and transporting source materials
• Develop a customer database
• Develop and implement marketing strategies
• Develop a retail framework including budgeting, pricing, product delivery, and customer service

MILESTONES

By April 15, 2014
• The Project Supervisor will be hired.
• Five project participants will be recruited and selected, and provided with a WorkBC safety and project orientation prior to beginning work on the project.

By May 31, 2014
• The first batch, with 11 skins, will be picked up and tanning processing of Batch 1 will begin
• Participants will develop a schedule for customer database development, social media activities, retail framework, and product delivery

By June 30, 2014
• The second batch, with 50 skins, will be picked up and tanning processing of Batch 2 will begin
• Participants will begin customer outreach and provide product samples to local businesses for feedback
• Participants will research trade shows or markets in the region for showcasing of product in late July to October
• Partners will be sought to carry products on commission
By July 31, 2014
• The third batch, with 57 skins, will be picked up and tanning processing of Batch 3 will begin
• Skins considered good quality from batches 1 and 2 will go into the freezer awaiting the final stage of processing
• Samples of unfinished skins will be showcased at SeaFair for customer feedback

By August 15, 2014
• Skins considered good quality from batch 3 will go into the freezer awaiting the final stage of processing.
• Lists of potential customers seeking samples will be finished and first samples will be sent out
• Mechanization of process will be innovated to assist with larger-scale processing

By August 31, 2014
• The fourth and fifth batches, with 40 skins, will be picked up and tanning processing of Batch 4 and 5 will begin
• Analysis of customer interactions and follow-up on feedback on product samples will begin
• Operational meetings with participants will identify strengths and weaknesses in process and in final product, and steps will be refined
• Loss of skins due to summer heat will be investigated for quality control and temperature impact. Issues with wildlife interaction such as bear or cougar impacts on site will be analyzed for safer procedures.
• Mechanical innovations will be tested on sheep skins, after thawing freezer stock, to assist in the development of a good final step to complete skins.
By September 30, 2014
• Skins considered good quality from batches 4 and 5 will go into the freezer awaiting the final stage of processing

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- Online systems will be finalized
- Participants will be trained in social media, shared drive usage, and real-time promotions and interaction, plus research of effective methods of connecting with potential markets
- A booth will be manned by participants at the Fall Fair allowing for large-scale interaction with potential customer base
- A deposit system will be initiated to identify serious potential clients by accepting a 'down payment' on unfinished products, and participants will work with these clients to develop a satisfactory final product over the next three to six months.

By October 15, 2014
- Batches 6 through 10, with 125 skins, will be picked up and tanning process on Batches 6 through 10 will begin
- Participants will develop a quality control system and a 'grading system' in order to assist with pricing and planning
- Participants will identify the most effective method for sales of finished product based on feedback from potential customers and resellers

By October 31, 2014
- The final step of the tanning process will begin on all skins considered good quality from Batches 1 through 10
- Participants will have ongoing responsibility for customer relations, dialogue, inventory, sales, expansion of sales and marketing, and updating promotional material
- The deposit system developed to track potential customer and feedback will be evaluated for effectiveness

By November 15, 2014
- Batches 11 and 12, with 80 skins, will be picked up and tanning processing on Batches 11 and 12 will begin
- Customer database will be improved, with analysis of easiest market response, best opportunity for return on investment, and pricing in order to direct the final batches of processing, particularly regarding 'fee for service' opportunities and non-sheep skin tanning
- Participants will create a default weekly schedule for processing that takes into account the actual reality of tanning time, temperatures, and processing so that they can begin to predict long-term production schedules

By November 30, 2014
- Batch 13, with 50 skins, will be picked up, and tanning processing will begin
- The final step of the tanning process will be completed on all batches 1 through 12 resulting in 200 quality sheep skins eligible for showcasing to potential clients at the Make It Vancouver tradeshow December 3 to December 6, 2014.

By December 15, 2014
- Batches 14 and 15, with 50 skins, will be picked up and tanning processing of Batches 14 and 15 will begin
- Retail customers will have product in store for potential sales
- Website and online systems will be operational and published with full interactivity and product showcasing

By January 5, 2015
- A formal inventory will be identified
- A processing schedule will be finalized and set for all production
- A supply chain with abattoirs will be established and new potential suppliers identified
- A customer database will be complete and customers categorized
- Quality control systems will be established

By March 13, 2015
- Batches 16 through 20, with 150 skins, will be picked up and the tanning process of Batches 16 through 20 will begin.
- The final step of the tanning process on Batches 13 to 20 will be completed resulting in an additional 250 quality sheep skins

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- A higher capacity processing system will be set up to allow for 50 to 100 sheep skins tanned per week creating the potential for long-term financial viability for the tannery through expanded ability to supply finished product to identified retail partners
- Participants will receive training in inventory creation, tracking, and expanded customer relationship development
- Online sales systems will be active, and new customers will be recruited
- A customer relationship management system will be in place

EXPECTED RESULTS
By March 13, 2015
- A minimum of five participants will have obtained up to 45 weeks each of work experience and skill enhancement in waste reduction, organically tanning sheepskins to produce value-added agricultural products, and in all aspects of social enterprise set-up and operation including small business management, communication, marketing, sales, customer service, processing, transportation, and supplier liaison
- A minimum of 500 animal skins will have been removed from the waste stream and converted into value-added products
- A non-profit social enterprise will have been developed to sustain ongoing tanning production and waste reduction.

3. To delete paragraph 3 of Schedule B to the Agreement and replace it with the following:
Fiscal Year: 2014/2015

Cost Category	LMDA Funding	Other Funding
Capital Assets	$0.00	$0.00
Client Costs	$10,863.79	$0.00
Other Project Costs	$68,086.06	$88,686.00
Professional Fees	$13,734.50	$15,000.00
Project Staff Wages & Other Related Staff Costs	$68,676.91	$0.00
TOTAL:	$161,389.76	$103,686.00

4. In all other respects, the Agreement is confirmed.

SIGNED by the Province:

Signature — Agnes J. Pindera — Print Name and Title: A/ Team + Contract Lead — 2014-10-22 — Date

SIGNED for the Contractor by its duly authorized representative(s):

Signature — Carole Ann Leishman — Print Name and Title: Vice President — Oct 20, 2014 — Date

Signature — Melissa Call — Print Name and Title: Secretary — Oct 20, 2014 — Date

P & I Activity Monitor Worksheet

Agreement Holder: **Pebble in the Pond Environmental Society**	**CFMS Number:** **CJCP469641500164**
Claim Period: **Activity Monitor – On Site** **February 11 & 12, 2015**	**Agreement and Partnership Agent (APA):** **Lori McCleave**
Start/End Date: **April 1, 2014 to March 13, 2015**	**Participants:** **5**
Monitor Location: **Powell River – 6797 Cranberry Street**	**Project Value:** **$181,635.67**

Scheduling of Monitors

Please consult your Regional Monitoring Schedule. You should have filled in your Regional Monitoring Schedule based on your completed CFMS CEP Risk Assessment.

Level of Risk	# Of Monitors (For Projects Equal to or less than 6 months in duration)	# Of Monitors (For Projects Greater than 6 month in duration)
Low Risk	**2**	**3**
Medium Risk	**2**	**4**
High Risk	**3**	**6**

P & I Activity Monitor Worksheet

PROJECT ACTIVITY MONITORING		INITIALS	DATE
Are the reported activities consistent with project goals? Please provide comments.	☒ Yes ☐ No Comments: Progress on activities is included with the monthly P&I Payment invoice and activity reports. Activities are consistent with project goals	LM	12/2/15
Are milestones and deliverables being achieved? Please provide comments.	☒ Yes ☐ No Comments: Reviewed deliverables with Project Holder. All milestones as outlined within Schedule A have been achieved to date other than the following: 80 finished sheep skins were available to showcase to potential customers at the Make It Vancouver Trade Show. However, 70 were taken and 10 left behind in order to fill any on-line orders obtained. The anticipated 200 completed sheepskins was not reached due to various issues arising from extreme weather experienced at the Industrial Site processing plant resulting in many lost skins (rotted). Details of same have been captured within the various monthly activity reports. The move to the new site January 1st, allows for an indoor processing and storage area for the sheep skins preventing loss of skeep skins. To date, the project has an inventory of 148 skins, 50 finished skins, and 98 in various stages of processing. To date, 14 finished skins have been sold, 11 during the Make It Vancouver Trade Show, 2 through Eccossentials, and 1 through on-line sales. Currently Eccossentials is the only retail outlet for which the finished skins are being sold. Project Holder did note that finished sheep skins are being displayed	LM	12/2/15

P & I Activity Monitor Worksheet

PROJECT ACTIVITY MONITORING		INITIALS	DATE
TradeShowReport.pdf	at Sprit Gallery, however, they are not for sale. The move to the new site, includes a store front which allows the project to set up its own retail store. This will allow for more revenue back into the business as opposed to having to pay a commission to various retail outlets selling the skins on behalf of the business. It is to note that Eccossentials does not receive any commission for sale of the sheep skins. 100% of revenue received minus gst/pst is provided to the Project and captured as revenue against the applicable payment claim. The retail store is scheduled to open to the public March 16, 2015. Report attached completed by participants of the program summarizing activiites and results of participation in the Make It Vancouver Trade Show.		
Are explanations for changes in project and spending plans, timelines and budgets reasonable? Please provide comments.	☒ Yes ☐ No Comments: 2 amendments completed. Ist amendment included adjustments to activities, milestones, extension of agreement, as well as increase to budget. 2nd amendment included increase to budget. Rational for each can be viewed within R1-052 SharePoint site.	LM	12/2/15
Is there evidence that the Project Holder is reporting to the referring ESC as required (weekly attendance and monthly progress)?	☒ Yes ☐ No Comments: Project Holder provides bi-weekly attendance reports to the ESC. Participants advised 3 on-site monitors have been conducted by the ESC during which each participant's progress is provided to the ESC	LM	12/2/15
Does it appear that the Project Holder has implemented and maintained proactive policies	☒ Yes ☐ No	LM	12/2/15

P & I Activity Monitor Worksheet

PROJECT ACTIVITY MONITORING		INITIALS	DATE
respecting worker safety?	Comments: Participants indicate safety is stressed. Protective equipment is provided and used by participants during processing of sheep skins. One participant acts as Safety Coordinator, has first aid and WHIMS.		
Is there evidence that the Project Holder provided participants with an orientation that meets the requirements of sections 3.22 – 3.25 of the Occupational Health and Safety Regulation? Did the Project Holder provide confirmation of this orientation to the Province?	☒ Yes ☐ No Comments: Confirmed in-person with Project Holder and participants. Provided when recruited to project. ☒ Yes ☐ No Comments: Confirmed in person as identified above.	LM LM	12/2/15 12/2/15
Is there evidence that the Project Holder is providing adequate supervision to participants?	☒ Yes ☐ No Comments: Participants are supervised daily by project supervisor, Judi Tyabji, Feedback from participants regarding supervision has been positive.	LM	12/2/15
Is there evidence that the Project Holder is providing participants with adequate time for job search?	☒ Yes ☐ No Comments: Participants are provided every 2nd Monday off in order to conduct job search or meet with their ESC.	LM	12/2/15
Has the Project Holder ensured that participant information collected on behalf of the Province is treated as confidential and stored in a secure location with limited access?	☒ Yes ☐ No Comments: On-site, locked cabinet.	LM	12/2/15
Has the Project Holder posted signage that acknowledges the Province and the Government	☒ Yes ☐ No	LM	12/2/15

P & I Activity Monitor Worksheet

PROJECT ACTIVITY MONITORING		INITIALS	DATE
of Canada (Agreement, 9.1 e)? Has the Project Holder acknowledged the Province in any materials produced and distributed to the public for the purpose of publicizing or promoting the project (Agreement, 9.1 d)?	Comments: Signage on-site – front door. ☒ Yes ☐ No Comments: Website, social media sites include acknowledgement.	 LM	 12/2/15
Participant Feedback  Participant FeedbackLetter.pdf	During the on-site monitor the participants provided CEP CAPA with a tour of the site/building. Each participant participated by explaining each step of the process from when the skins were delivered to the site to completed and showcased in the retail store area. Participants were excited and proud of the work they have accomplished to date. All participants indicated they have received extensive work experience and skill enhancement in the areas of computer skills, business skills, networking, and communication in all levels of business including social media, as well as the tanning of sheep skins process and waste reduction. Attached is feedback providec[s.22] s.22 Note: One participant, [s.22] left the project October 31, 2014 due to medical reasons. Position replaced by participant[s.22] recruited to the project Dec 16, 2014.	LM	12/2/15

OBJECTIVE

Between April 1, 2014 and March 13, 2015, Pebble in the Pond Environmental Society will assist a minimum of five (5) eligible participants with up to 48 weeks of work experience and skill enhancement in the Powell River area. Participants will receive instruction and experience in waste reduction, organically tanning sheepskins to produce value-added agricultural products, and all aspects of social enterprise set-up and operation including small business management, communication, marketing, sales, customer service, processing, transportation, and supplier liaison.

SUB-OBJECTIVE

By March 13, 2015 a minimum of 500 animal skins will be removed from the waste stream and processed, and Pebble in the Pond will establish an ongoing not-for-profit social enterprise to produce and market value-added agricultural products, and continue waste reduction.

ACTIVITIES

The project holder will

- **Hire a Project Supervisor**
- **Select eligible project participants**
- **Provide work experience in the areas of animal skin tanning, customer and supplier liaison, market research, product development and pricing, budget development, product evaluation and improvement, promotion and marketing, sales and shipping, and customer service.**
- **Provide project orientation, WorkSafe BC safety orientation, supervision, support, and mentoring to the project participants**
- **Complete and submit monthly activity reports and a final project report**

The JCP participants will

- **Participate in a general project orientation including an onsite WorkSafe BC safety orientation**
- **Complete 23 tanning batch runs to produce a minimum of 500 finished sheepskins**
- **Develop a database of sources for raw skins**
- **Develop procedures for acquiring and transporting source materials**
- **Develop a customer database**
- **Develop and implement marketing strategies**
- **Develop a retail framework including budgeting, pricing, product delivery, and customer service**

MILESTONES

By April 15, 2014

- **The Project Supervisor will be hired.**
- **Five project participants will be recruited and selected, and provided with a WorkBC safety and project orientation prior to beginning work on the project.**

By May 31, 2014

- **The first batch, with 11 skins, will be picked up and tanning processing of Batch 1 will begin**
- **Participants will develop a schedule for customer database development, social media activities, retail framework, and product delivery**

By June 30, 2014

- **The second batch, with 50 skins, will be picked up and tanning processing of Batch 2 will begin**
- **Participants will begin customer outreach and provide product samples to local businesses for feedback**
- **Participants will research trade shows or markets in the region for showcasing of product in late July to October**
- **Partners will be sought to carry products on commission**

By July 31, 2014

- **The third batch, with 57 skins, will be picked up and tanning processing of Batch 3 will begin**
- **Skins considered good quality from batches 1 and 2 will go into the freezer awaiting the final stage of processing**
- **Samples of unfinished skins will be showcased at SeaFair for customer feedback**

By August 15, 2014

- **Skins considered good quality from batch 3 will go into the freezer awaiting the final stage of processing.**
- **Lists of potential customers seeking samples will be finished and first samples will be sent out**
- **Mechanization of process will be innovated to assist with larger-scale processing**

By August 31, 2014

- **The fourth and fifth batches, with 40 skins, will be picked up and tanning processing of Batch 4 and 5 will begin**
- **Analysis of customer interactions and follow-up on feedback on product samples will begin**
- **Operational meetings with participants will identify strengths and weaknesses in process and in final product, and steps will be refined**
- **Loss of skins due to summer heat will be investigated for quality control and temperature impact. Issues with wildlife interaction such as bear or cougar impacts on site will be analyzed for safer procedures.**
- **Mechanical innovations will be tested on frozen skins to assist in the development of a good final step to complete skins.**

By September 30, 2014

- **Skins considered good quality from batches 4 and 5 will go into the freezer awaiting the final stage of processing**

- **Online systems will be finalized**
- **Participants will be trained in social media, shared drive usage, and real-time promotions and interaction, plus research of effective methods of connecting with potential markets**
- **A booth will be manned by participants at the Fall Fair allowing for large-scale interaction with potential customer base**
- **A deposit system will be initiated to identify serious potential clients by accepting a 'down payment' on unfinished products, and participants will work with these clients to develop a satisfactory final product over the next three months.**

By October 15, 2014

- **Batches 6 through 10, with 125 skins, will be picked up and tanning process on Batches 6 through 10 will begin**
- **Participants will develop a quality control system and a 'grading system' in order to assist with pricing and planning**
- **Participants will identify the most effective method for sales of finished product based on feedback from potential customers and resellers**

By October 31, 2014

- **The final step of the tanning process will begin on all skins considered good quality from Batches 1 through 10**
- **Participants will have ongoing responsibility for customer relations, dialogue, inventory, sales, expansion of sales and marketing, and updating promotional material**
- **The deposit system developed to track potential customer and feedback will be evaluated for effectiveness**

By November 15, 2014

- **Batches 11 through 14, with 80 skins, will be picked up and tanning processing on Batches 11 to 14 will begin**
- **Customer database will be improved, with analysis of easiest market response, best opportunity for return on investment, and pricing in order to direct the final batches of processing**
- **Participants will create a default weekly schedule for processing that takes into account the actual reality of tanning time, temperatures, and processing so that they can begin to predict long-term production schedules**

By November 30, 2014

- **Batches 15 and 16, with 30 skins, will be picked up, and tanning processing of Batch 15 and Batch 16 will begin**
- **The final step of the tanning process will be completed on all batches 1 through 16 resulting in 200 quality sheep skins eligible for showcasing to potential clients at the Make It Vancouver tradeshow December 3 to December 6, 2014.**

By December 15, 2014

- **Batch 17, with 40 skins, will be picked up and tanning processing of Batch 17 will begin**
- **Retail customers will have product in store for potential sales**
- **Website and online systems will be operational and published with full interactivity and product showcasing**

By January 5, 2015

- **A formal inventory will be identified**
- **A processing schedule will be finalized and set for all production**
- **A supply chain with abattoirs will be established and new potential suppliers identified**
- **A customer database will be complete and customers categorized**
- **Quality control systems will be established**

By March 13, 2015

- **Batches 18 through 23, with 150 skins, will be picked up and the tanning process of Batches 18 through 23 will begin.**
- **The final step of the tanning process on Batches 17 to 23 will be completed resulting in an additional 300 quality sheep skins**
- **A higher capacity processing system will be set up to allow for 50 to 100 sheep skins tanned per week creating the potential for long-term financial viability for the tannery through expanded ability to supply finished product to identified retail partners**
- **Participants will receive training in inventory creation, tracking, and expanded customer relationship development**
- **Online sales systems will be active, and new customers will be recruited**
- **A customer relationship management system will be in place**

EXPECTED RESULTS

By January 16, 2015

- **A minimum of five participants will have attained up to 48 weeks each of work experience and skill enhancement in waste reduction, organically tanning sheepskins to produce value-added agricultural products, and in all aspects of social enterprise set-up and operation including small business management, communication, marketing, sales, customer service, processing, transportation, and supplier liaison**
- **A minimum of 500 animal skins will have been removed from the waste stream and converted into value-added products**
- **A non-profit social enterprise will have been developed to sustain ongoing tanning production and waste reduction.**

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CONTRACT/CONTRIBUTION EVALUATION

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CONTRACTOR NAME	CONTRACT NUMBER	RESPONSIBILITY CENTRE
Pebble in the Pond Environmental Society	CJCP469641500164	Nanaimo

CONTRACT TERM

START DATE (YYYY MM DD)	END DATE (YYYY MM DD)
2014-04-01	2015-03-13

DESCRIPTION OF SERVICES (SUMMARIZE FROM SCHEDULE 'A' AS APPLICABLE)

Between April 1, 2014 and March 13, 2015, Pebble in the Pond Environmental Society will assist a minimum of five (5) eligible participants with up to 48 weeks of work experience and skill enhancement in the Powell River area. Participants will receive instruction and experience in waste reduction, organically tanning sheepskins to produce value-added agricultural products, and all aspects of social enterprise set-up and operation including small business management, communication, marketing, sales, customer service, processing, transportation, and supplier liaison.

By March 13, 2015 a minimum of 500 animal skins will be removed from the waste stream and processed, and Pebble in the Pond will establish an ongoing not-for-profit social enterprise to produce and market value-added agricultural products, and continue waste reduction.

NUMBER OF MODIFICATIONS	REASON FOR MODIFICATIONS
2	Amendment 1 extended original end date of January 16, 2015 to March 13, 2015 and increased budget to allow for costs associated with the 8 weeks extension as well as unanticipated costs resulting from the need to change the tanning process. Amendment 2 increased budget to allow for costs missed in error by the Project Holder within previous amendment request; to allow for additional costs resulting in the need to move location of the JCP project site; and to allow for other minor unanticipated costs within the areas of cell phone usage, equipment lease rental or purchase, and equipment under $1000.
TOTAL FEES	TOTAL EXPENSES
None	$179,004.18

CONTRACT RESULTS

	YES	NO	(IF NO - PROVIDE EXPLANATION, ATTACH ADDITIONAL SHEET IF REQUIRED)
CONTRACT COMPLETED ON TIME - WITHIN ORIGINAL TERM	☐	☒	As indicated above an amendment was completed extending agreement by 8 weeks to March 13, 2015 to allow for successful completion of the project.
COMPLETED WITHIN ORIGINAL BUDGET	☐	☒	2 amendments completed increasing original budget of $128,696.00 to $161,389.76 with modification 1 and to $181,635.67 with modification 2.
ALL DELIVERABLES/OUTPUTS/OUTCOMES PROVIDED	☒	☐	Reference "Describe the Benefits Achieved by Issuing This Contract" section
STANDARDS/SPECIFICATIONS ACHIEVED	☒	☐	
REPORTING REQUIREMENTS MET	☐	☒	One participant was injured while participating on the JCP. Although, the participant did not miss work (worked at home) a WCB claim was filed. The Ministry was not notified of this as stipulated within the agreement Schedule C k). The CEP CAPA only became aware of this when the Project Holder was providing information regarding a different issue which happened to reference the participants WCB claim. *

DESCRIBE THE BENEFITS ACHIEVED BY ISSUING THIS CONTRACT:

* note: the hospital filed the report + the incident was on a Sunday, and occurred outside of work. Career Link, the local agency, was notified.

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SD/102(06/01/17)

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All work experience as identified within the Schedule A was experienced by the participants. Participants obtained hands on work experience and skill enhancement in waste reduction, organically tanning sheepskins to produce value-added agricultural products, as well as in all aspects of social enterprise set-up and operation including small business management, communication, marketing, sales, customer service, processing, transportation, and supplier liaison. All of the experience and skills acquired has significantly enhanced the participants' ability to obtain employment and/or to establish their own self-employed business.

The JCP participants supported the community through establishment of an ongoing not-for-profit social enterprise producing market value-added agricultural products while continuing to reduce agriculture waste.

Deliverable / Outcomes:
Participants obtained work experience and skill enhancement significantly increasing their ability to obtain full time employment and/or establish their own businesses.

The project produced 148 finished skins available for sale with a remaining 28 sheep skins in various stages of processing. 6 sheepskins and 3 deer skins were recently received for tanning. To date, 27 finished skins have been sold, 11 during the Make It Vancouver Trade Show, 2 through Eccossentials, 2 through on-line sales, 8 sales through the retail shop, and 4 sales through Mother Nature Garden Shop. The tannery has received an order for 12 sheepskins from a customer at Sliammon; is currently in discussion with a buyer from Shopers' Drug Mart for a large order of sheepskins for convalescent care; and have received a repeat order for 2 sheepskins per month from a buyer on behalf of Inuit people.

The anticipated 500 completed sheepskins was not reached due to various issues arising from extreme weather experienced at the Industrial Site processing plant resulting in many lost skins (rotted). Details of same have been captured within the various monthly activity reports as well as the Project Holder's final report. The move to the new site January 1st, allowed for an indoor processing and storage area for the sheep skins preventing loss of sheep skins. Unfortunately, the landlord decided not to renew the lease after March 31, 2015 and Pebble in the Pond vacated this site April 1, 2015. The Project Holder advises the business continues with the processing of the sheep skins being completed at one of the participant's home (workshop) until such time as a new location can be obtained. The sale of finished sheep skins will continue through on-line sales and through various retail outlets in the Powell River area. The Project Holder has submitted a final report, copy attached, advising that the tannery is receiving support from the Powell River Community Investment Corporation who will work with the remaining participants to provide an opportunity to take the infrastructure from the JCP, the innovations and skills learned, and create a viable local business.

DESCRIBE HOW THIS WAS THE MOST COST EFFECTIVE SOLUTION

Pebble in the Pond Environmental Society would not have been able to establish the Tanned, Wild, and Woolly not-for-profit social enterprise without the support of the participants, nor would the participants have had the opportunity to obtain work experience and skill enhancement in the areas as identified above significantly increasing their opportunities to obtain employment.

WERE THERE ANY PERFORMANCE PROBLEMS ENCOUNTERED? IF SO, PLEASE EXPLAIN AND DESCRIBE HOW THEY WERE DEALT WITH

A significant amount of CEP CAPA time was spent processing monthly payment invoices and ensuring the Project Holder's understanding of completion of the monthly payment claims.

The project was approved with the understanding, as identified by the Project Holder, that sound financial practices were in place and an accountant would be hired to ensure the financial reporting requirements of the project were met. Funds were included within the project budget to support the cost of an accountant. However, an accountant was not acquired until Dec 2014, 8 months after the start of the project, and only after numerous attempts by the CEP CAPAs stressing the expectation of same. * NOTE: We found the forms very confusing. The accountant needed considerable help. New forms provided by the Contract Manager helped.

Various issues identified when conducting a financial monitor on the May claim required the necessity of reviewing all payment claims between the start of the agreement April 2014 to July 2014, and further identified the necessity to review the November and December payment claims. The financial monitors (reviews) resulted in a significant amount of funds claimed by the Project Holder determined as ineligible. Cost determined ineligible were recovered from the processing of the January claim.

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SD3102(05/2017)

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Yes, with conditions.
The project involved establishment of a non-profit social enterprise which entailed not only setting up the business but also determining the best processing method of tanning sheep skins for resale resulting in numerous unexpected costs. This is understandable and expected. However, the issue is that the Project Holder failed to follow the requirements as set out within the Articles and Schedules of the agreement to consult with the Province prior to expending costs not originally negotiated. Most often it was during submission of the monthly payment claims that costs expended outside of what was originally negotiated was identified. Note: the original contract manager expressed support of expenditures deemed necessary with approval/amendment although this was not negotiated.
The Project Holder did, however, clearly identify within submission of each monthly activity report, the various challenges experienced throughout the process. Additionally, the activity reports were all very thorough and highlighted the tremendous amount of work experience provided to the participants. The activity monitor conducted in February included contact with each participant and confirmed the valuable work experience the participants were receiving. The participants expressed a great deal of pride in the work they had accomplished and worked very well together as a team. Although, not all milestones in regards to the number of finished skins were reached, all activities as outlined in Schedule A were achieved. The Project is now at a state in which the tanning process and the most likely avenue for marketing of the sheep skins have been determined.

Conditions:
*Assurance that a qualified bookkeeper and/or accountant is on staff to manage all aspects of financial management of the agreement.
*Signing of the agreement be in person and include all signatories for the agreement,project staff, as well as bookkeeper and/or accountant to ensure all persons associated with the project understand the expectations and requirements around the delivery of same.
*A requirement that monthly payment invoices/claims include all invoices and/or receipts applicable to the month for which costs are being claimed, including mileage logs identifying odometer readings at start and end of each trip.

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CONTRACT/CONTRIBUTION EVALUATION

CONTRACT MANAGEMENT SELF EVALUATION

WAS ADEQUATE PLANNING PRIOR TO CONTRACT AWARD?
Yes

WERE APPROPRIATE MEASURES IN PLACE TO ALLOW FOR EFFECTIVE AND EFFICIENT CONTRACT MONITORING?
Sound financial practices were not in place during delivery of the project. Monitoring was difficult as the Project Holder was not able to provide requested documentation in an organized fashion.

WOULD THERE BE ANYTHING YOU WOULD DO DIFFERENTLY IF YOU HAD TO DO THIS TYPE OF ASSIGNMENT AGAIN?
As indicated above include all signing authorities, project staff, and bookkeeper during agreement signing to ensure all parties involved understand the necessity to follow the articles and schedules of the agreement.

HAS EVALUATION BEEN DISCUSSED AND REVIEWED WITH CONTRACTOR?

CONTRACTOR'S COMMENTS

Pebble in the Pond did a JCP in 2010 with very different reporting structures. Although we had a very steep learning curve on this JCP, we found that the contract manager was very patient and informative. It is a good idea for an in-person meeting at the beginning of the project to set clear direction. We would like to do another project, however we would enjoy a structure with more administrative support from a bookkeeper at the beginning. We are very grateful for the opportunity to have run this JCP and believe it had significant value to the participants and the community.

	PRINT NAME	DATE SIGNED (YYYY MM DD)
CONTRACTOR'S SIGNATURE	Judi Tyabji	2015-04-17
CONTRACT MANAGER'S SIGNATURE	Lori McCleave	2015/04/17
SPENDING AUTHORITY SIGNATURE	Jackie Hultman	2015/05/06

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SD3102(06/01/17)

BRITISH COLUMBIA | Ministry of Social Development

EMPLOYMENT PROGRAM OF BRITISH COLUMBIA
PARTNERSHIP AND INNOVATION FUND
APPLICATION FOR FUNDING

Official Use Only File Number

Please indicate under which component of P & I you are applying?

☒ Job Creation Partnership ☐ Labour Market Partnership ☐ Research and Innovation ☐ Project Based Labour Market Training

Section 1: Applicant Information

Name of Applicant			
Pebble in the Pond Environmental Society			
Legal Name of Applicant (if different)			
Mailing Address		City / Town	Province
9573 Random Road		Powell River	BC
Postal Code	Area Code / Telephone	Area Code / Fax Number	
V8A0J4	604-483-1961		

Location of Activity (if different from mailing address of applicant)

Mailing Address	City / Town	Province	Postal Code

Name and Title of Contact Person	Area Code / Telephone	Area Code / Fax Number
Judi Tyabji	604-487-1457	

Email Address of Contact
info@pebpond.com

Organization Established	Major Product or Service	Number of Employees (if applicable)
January, 2008	waste management education	0

Organization Type (refer to Applicant Guide)
Non-profit society

Business Number(Include GST or HST Number)	Tax Rebate - %	Incorporation Number
81374 5692		54,823

Do you have liability insurance?
☐ Yes ☒ No if Yes, please specify: Worksafe BC Rate

Do you have WorksafeBC coverage?
☐ Yes ☒ No Worksafe BC Number:

If applicable, has union concurrence for proposed activities been obtained? (if Yes, please provide a copy of the letter)
☒ N/A ☐ Yes ☐ No, explain:

Accounting Practices

☒ Internal

Name of Bookkeeper	Telephone	Organization Fiscal Year End (if applicable)
Melissa Call	604-414-4240	March 13, 2014

☐ External

Name of Accounting Firm	Name of Contact Person	Telephone

1234567890

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PARTNERSHIP AND INNOVATION FUND
APPLICATION FOR FUNDING

Legal Signing Officers for Agreement Purposes (According to Letters Patent or Other Incorporating Documents)

Title	Name	Specimen Signature
President	Judi Tyabji	
Vice President	CaroleAnn Leishman	
Treasurer	Melissa Call	

How many of the above signatures (according to your letters patent or other incorporating documents) are required to bind your organization into a legal agreement?	2
What combinations of signatures (according to your letters patent or other incorporating documents) are required to bind your organization into a legal agreement?	any

Legal Signing Officers for Cheque Purposes. Please provide name, title and specimen signature of the person(s) authorized to sign.

Title	Name	Speciment Signature
President	Judi Tyabji	
Vice President	CaroleAnn Leishman	
Treasurer	Melissa Call	

How many signatures are required to sign a cheque on behalf of your organization?	2
What combination of signatures are required to sign a cheque on behalf of your organization?	any

Signing Officers for Payment Claims or other Reports submitted to the Province. Please provide name, title and specimen signature of the person(s) authorized to sign.

Title	Name	Specimen Signature
President	Judi Tyabji	
Vice President	CaroleAnn Leishman	
Treasurer	Melissa Call	

How many signatures are required to sign a payment claim or other report submitted to the Province?	2
What combinations of signatures are required to sign a payment claim or other report submitted to the Province?	any

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PARTNERSHIP AND INNOVATION FUND
APPLICATION FOR FUNDING

Section 2: Proposed Description and Budget

Project Title		
Tanned, Wild, and Woolly Processing Plant		
Duration of Activity - Start Date (YYYY MMM DD)	Duration of Activity - End Date (YYYY MMM DD)	Total Number of Participants (if applicable)
2014-01-27	2014-11-14	5

Proposal Description: Please attach the following information or use Appendix A. Please also submit an electronic version of the proposal.

- Project objectives
- Key elements of the project and how it addresses the Province's priorities.
- Labour Market issue being addressed (LMP only).
- Proposed activities and timelines and Milestones and / or Benchmarks.
- Description of the number of participants and outline benefits to participants (JCP only).
- Project benefits to the community.
- List all partner organizations; identify their roles and responsibilities, and financial contributions (monetary or in-kind). Please specify whether these contributions had been confirmed at the time of submission of this application.
- Expected results
- Means by which success will be measured.
- Applicant's background, mandate and expertise.
- Past projects with the government of British Columbia and Canada and their achievements.
- Environmental impact of proposal activities (if any).
- Budget Template that has been provided by the Ministry.

Budget (please complete budget template)

Project Budget Summary	Total
Project Staff Wages and other related project staff cost	72120
Professional Fees	11970
Client Costs	7950
Capital Costs	0
Other Project Costs	37910

	Provincial Contribution	Applicant / Other Contribution		Total Cost
		Cash	In-Kind	
Project Budget	129,950		60,000	189,950

Please provide the following information about the other funders of this project, if applicable

Other Funders	Amount of Contribution
Gunter Brothers	40,000
T&R Contractring	5,000
Ecossentials & Sunshine Organics	6,000
CA Designs	4,000
Maradadi Pacific	5,000

HR3488E (13/04/02)

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Section 3: Declaration - Amounts Owing in Default to the Governments of British Columbia or Canada.

Do you, the applicant, owe any amounts that are in default to the governments of British Columbia or Canada under legislation or agreements?	☐ Yes	☒ No

If yes, complete the following chart.

Amounts in default owing	Nature of the amount in default owed (taxes, penalties, overpayments)	Nature of government ministry or agency to which the amount in default is owed

Section 4: Certification and Authorization Signature(s)

I / We declare that:

1) I / We have read and understood the information provided in this application package;
2) the information I / We have provided to the Province in this application and supporting documentation is true, accurate and complete in every respect; and
3) I / We have provided the Province with a true and accurate list of all amounts owing to the provincial and / or federal government which are past due and in arrears as of the time of this application to the Province for funding.
4) any person who has been lobbying on our behalf to obtain the contribution that is the subject of this Agreement and who is required to file a return with the registrar pursuant to section 3 and 4 of the *Lobbyists Registration Act*, S.B.C 2001, c.42, as amended from time to time, was compliant with those sections at the time the lobbying occurred.

I / We acknowledge that:

5) if any of the information described above is false or misleading, the applicant may be required to repay some or all of the financial assistance that may be approved by the Province; and

I / We authorize:

6) the Minister to disclose all information contained in this application concerning an amount in default owing to a government institution listed above to the institution concerned for the purpose of verifying the amount and status of debt; and
7) the government ministry or agency concerned to disclose to the Minister all particulars and information relevant to the debt solely for the purposes of the administration of my / our application for funding in connection with my / our declaration.

Applicant Name (please print)	Position	
Judi Tyabji	President	
Signature		Date (YYYY MMM DD) 2014 01 08
Applicant Name (please print)	Position	
CaroleAnn Leishman	Vice President	
Signature		Date (YYYY MMM DD) 2014 01 08

<u>An application is not a guarantee of funding. There is no application deadline. Applications are reviewed and approved on an ongoing basis subject to Availability of funding.</u>

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PRIVACY AND ACCESS TO INFORMATION:

Personal information collected on this form is collected under the authority of Section 26(c) of the *Freedom of Information and Protection of Privacy Act* and is subject to all of the provisions of that *Act*. The personal information collected will be used by the Ministry of Social Development, its service providers and associates of those service providers to administer the Employment Program of British Columbia service for which you have applied. That service is provided by British Columbia under an agreement with Canada made pursuant to section 63 of the *EI Act*. The personal information collected will also be shared with the Department of Human Resources and Skills Development (Canada) or the Commission to administer the *EI Act* and could impact your receipt of EI benefits. The Canada Employment Insurance Commission may also use any personal information it receives for policy analysis, research or evaluation purposes. If you have any specific questions concerning the collection, use or disclosure of personal information, please contact:

President	9573 Random Road, Powell River, BC V8A 0J4	604-487-1457
Contact Title	Contact Address	Contact Telephone

Please Mail your application to:

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Appendix A



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Partnership & Innovation Fund
Budget Template & Negotiation Summary
Amendment #1

Program Type	
Applicant Name	Pebble in the Pond Environmental Society
Title of Proposed Project	Tanned, Wild and Woolly Processing Plant
Duration	April 1, 2014 to January 16, 215 (42wks) **Amendment Extension New End date March 13, 2015 (50 wks)**
File Number	

Supporting Details for Proposed/Negotiated Costs

Project Costs specific to the activities of the project

1. Staff Wages & other related staff costs:	**Details**	**Original Recommended / Approved**	**Total Recommended / Amended** (Ministry use only)
i. Staff wages & MERCS	Supervisor salary, 40 hours per week paid, (expected to take about 60 hours per week for the duration) at $30/hour x 42 weeks = $50,400, vacation pay of 4% x $50,400 = $2016. EI is 2.632% x $52,416 = $1380, CPP is 4.95% x $52,416 = $2595, total wages & MERCS = $56,391. Supervisor required to provide full time direction to project participants. Wage rate of $30/hr, though somewhat higher than in other JCP projects, is reasonable and represents fair market value in that this person will also manage the project and provide expertise and guidance to participants in all aspects of establishing a social enterprise. **Amendment CAPA Recommendation: $67,131.79** Additional 8 wks at $30/hr x 40hrs/wk = $9,600 + vacation pay 4% $384 = $9,984.00. EI 2.63% x $9,984 = $262.58; CPP 4.95% x $9,984 = $494.21. Total wages & MERCS 8 wk extension = $10,740.79	$56,391.00	**$67,131.79**

		Refer to Amendment Rational to support extension. Supervisor required for duration of project for reasons as identified within original recommendation. $67,131.79 includes original negotiation and the additional 8 weeks of supervision required for extension		
	ii. b) Other employment-related benefit costs (WCB, medical, dental, pension, etc.) where warranted by current organizational HR policies	WCB, estimated based on Taxidermy & Fur Tannery rates for 2014 of $1.66 per $100, for 42 weeks. Is 1.66% x $56,391 = $936 WorkSafe BC premiums calculated on wages + vacation pay only $52,416 x 1.66% = $870.10 **Amendment CEP CAPA Recommendation: $ 708.00** Project Sponsor has been in contact with WCB and verified amount required for duration of project $585 (April to Jan) thus amending original amount requested. Confirmed with Project Holder an additional $123 will be required to cover the 8 week extension period.	$870.00	**$708.00**
	iii. c) Staff and volunteer travel	One trip per month for truck and driver to Gunter Brothers abbatoir in Courtenay on Vancouver Island $500/month inclusive of ferry costs, meals, and mileage at $0.52/km x 10 months plus $250 over the entire ten month period for the occasional passenger to cover ferry costs and meals = $5250 including travel costs. This is a one-day subcontract to a licensed driver. Staff travel of one trip per month will be ferry costs and meals to be added to client costs for trip, estimated to be $50 per trip = $500. CAPA recommends $5750 Trips are required to pick up project materials. Cost includes ferry fares for larger commercial vehicle plus driver and project supervisor, and mileage at applicable government rate. Refrigerated truck required to ship skins, commercially licensed driver required but the organization has a licensed volunteer who will do that. Estimate of $500 per trip is reasonable, based on current fare rates. May include travel to other source farms, including Salt Spring Island. Meals are not normally covered in JCP but due to ferry schedules these will be full day trips requiring staff/volunteers be out of their local area from 8:00 am until 4:45 pm, or possibly 8:30 pm so reimbursement for lunches and possibly dinners at applicable government Group 1 rates ($13.50 lunch, $22.75 dinner) would be eligible. Mileage logs must be maintained. Reimbursement will be based on actual costs. **Amendment CEP CAPA Recommendation: $837.12** Travel requirements for Staff reduced. The majority of the travelling to pick up project materials, including sheep skins from various abattoirs, has been conducted by the participants, increasing participant travel and reducing staff	$5,750.00	**$837.12**

		travel. Staff travel expended to date $437.12. Project Hoder anticipates a further $400 in travel costs for the Supervisor position. As such, total requested for duration of project including 8 week extension period $837.12		
	iv. d) Staff disability supports (duty to accommodate)			
	Staff Wages & other related staff costs Sub Total		$63,011.00	**$68,676.91**
2. Professional Fees:		**Details**	**Original Recommended / Approved**	**Total Recommended / Amended (Ministry use only)**
	i. Professional fees - contracting (e.g. bookkeeping, janitorial services, IT, equipment maintenance services, security, presenters, consultants and any sub contractor not directly related to clients)	Contracting of accountant $400/month x 10 months = $4000, IT support for online set up, maintenance, assistance with training $500/month x 10 months = $5000, once/week groundskeeper to assist with grey water maintenance and compost work $250/month x 10 months = $2500. Total of $4000 + $5000 + $2500 = $11,500 CAPA recommends $11,500 -Accountant will maintain project financial records which will include records related to the social enterprise to be established. -Website establishment and maintenance will be a key component of the promotion of the enterprise and marketing of the products, will need to be maintained and updated. IT support contractor will also instruct participants in how to update the website and keep it current moving forward. -Removal services required for waste generated by tanning process (grey water treatment will include using hay for drainage to absorb salts, and waste materials will need to be removed and disposed of monthly) Reimbursement will be based on actual costs. **Amendment CEP CAPA recommendation: $13,734.00** *Construction Consultant: $7,384.00 Initial research conducted by the participants resulted in a change in strategy to the process in tanning the sheep skins involving a switch from the use of alum salt for tanning to a tanning tea which required the need to hire a consultant to work with and provide the participants with training in design and construction to the work site area in order to support the new tanning process. Previously discussed and approved via CEP CAPA A. MacKenzie * Accounting $2,000. Costs are less than originally anticipated	$11,500	**$13,734.00**

		* Groundskeeper $0.00. The need for a groundskeeper no longer required. Project Holder advised the landlord of the industrial site (3 Leaf Contracting) located two large containers on site for the water that was problematic, and the local health officer confirmed that the rest of the water was okay to be released into the gravel pit, thus no longer requiring the set up of a grey water treatment area. In addition, once on site, participants realized composting animal skins would not work because of cougars, bears, and wolves near the site. As such, for safety reasons, disposal of any trim will be through the landfill for the interim period. Use of the Rona flatbed trucks (in-kind) has allowed the participants to manage waste diposal without the need for a groundskeeper. *IT Support costs are less than anticipated, reduced to $4,350 Total Professional Fess requested for duration of agreement $13,734.05. It is to note that no additional costs within Professional Fees are anticipated or requested for the 8 week extension period.		
	Professional Fees Sub Total		$11,500	**$13,734.05**
3. Client Costs: (For JCP Only) (all client related costs must be required to carry out the project activities)		**Details**	**Original Recommended / Approved**	**Total Recommended / Amended** (Ministry use only)
	i. Travel/transportation (project related travel requirements)	Estimated at one initial trip for all five workers to abattoir in Courtenay (about $350), plus one trip per month during the 42 week period, for marketing, site visits, or skin pick ups within the Powell River or Comox Valley region. $0.52/km plus ferry costs and meals for day trips. Day trips about $150 per trip, and 10 trips total = $1500. There may be one trip to Salt Spring Island if appropriate to assess potential sheep skin partnership, this cost will be absorbed in this budget. CAPA recommends $1850 Bulk of transport costs are provided under Staff category as the supervisor and or volunteer driver would incur the vehicle costs. Client Costs include passenger fares for participants on those trips, additional vehicle on initial trip, reimbursement of meal costs at Group 1 government rates when eligible ($13.50 lunch / $22.75 dinner). Recommended amount will also accommodate mileage for participant travel at $0.52 per km. Mileage logs must be maintained. Reimbursement will be based on actual costs. **Amendment CEP CAPA Recommendation: $9,086.24** In the original proposal it was expected that a professional truck and driver would be needed for a once/month trip to the Island to collect sheep skins, and	$1,850	**$9,086.24**

		was budgeted at $500/month under staff travel. However, the project has been provided the use of a flatbed truck (in-kind) by Rona Building Supplies, which can be driven by the participants. As such, a significant amount of travel moved from Staff Travel to Client Travel. The extreme heat of the summer required weekly trips to ensure the skins would not spoil in the heat. In addition, the fall slaughter schedule resulted in a jump in the volume of sheepskins each week. A second slaughter house, Plecas Meats in Nanaimo, has joined the program as a partner requiring one trip every three weeks. Price per trip when travelling to Courtney to pick up skins from Gunter Brothers if approximately $300 per trip for two participants. Travel to Nanaimo will be approximately $400 per trip. The Nanaimo trip will include picking up from Plecas Meats in Nanaimo and then Gunter Brothers in Courtenay on the return to Powell River. **Expended up to September 30, 2014 $2,105.20**. **Anticipate an additional $4,200** required to cover cost of a further 12 trips to pick up skins for tanning, 6 to Courntenay, and 6 to Nanaimo [(6 x $300) + (6 X $400)]. Considered reasonable and necessary for successful delivery of the project. **Project Holder is requesting a further $2,489.04** in travel costs to cover participant travel and accomadations to attend “Make It Vancouver” trade show taking place Dec 3 to Dec 6. Based on market research conducted by the participants, it has been identified that the key to building initial sales will be via direct interaction followed up by online sales portals and social media. In direct interaction with potential consumers it was identified that consumers want to feel the sheep skins and the leather side. As such, Project Holder is requesting funding for participants to attend the trade show. This is the largest hand-crafted product trade show in BC, with over 30,000 people attending in 2013. The trade show requires that all attendees commit to the full 5 days. The cost requested include: Truck rental to Vancouver for one day to set up the show, with one participant driving the two participants who will be attending, and assisting with set up, and returning the same day, and one participant driving down on the last day of the trade show with a one day rental to pick up the two participants and help take down the display at a cost of $70.00 (2 days x $35/day); Per diems at one-day travel for two participant at $96.00 (2 x $48/day); Per diems at 5 days of attendance for two participants at $480 (2 x 5 days x $48/day); Accommodation at $1,200 (estimated at $150/night for 4 nights for 2 rooms (2 participants); Mileage calculated at 188 km each way, or 376 km return x 2 at $0.52 = $391.04; BC Ferry cost using the discount experience card for three passengers each way plus a vehicle cost at $252.00 ([8 trips x $11.90/participant - includes return] + [truck at $39.20/trip x 4 trips – includes return])		

		Project Holder requesting a further $292 in travel costs to cover mileage anticipated at 563 km for reminder of project, including extension period to cover local travel to collect materials and supplies. (563 km x $0.52/km) Considered reasonable and necessary for successful completion of the project. The trade show will provide valuable work experience for the participants. Considered reasonable and necessary for successful delivery of the project.		
	ii. Disability-related supports & equipment (e.g. attendant care, note takers, sign language interpreters, Dragon-speak)			
	iii. Adaptive-technology set-up			
	iv. Supplies (e.g. work clothes, raingear, any item used specifically by & retained by clients)	Aprons, gloves, footwear, knives, estimated $200/person for 5 people = $1000 plus composting supplies, alum, borax, soap, additional plastic tubs, monthly materials estimated to average at $220/month = $2200, total is $3200. Note: likely to be more expensive in first two months. CAPA recommends $1000 Personal equipment for participants (protective wear) are client costs required for the project. The $2200 for project supplies belongs under Other Project Costs (Materials and Supplies) and has been added to the amount recommended under that line. Reimbursement will be based on actual costs. **Amendment: Amendment CEP CAPA Recommendation: $1,777.55** Expended to date $1,277.55. Increase due to change in tanning process resulting in additional safety gear required for participants, i.e. protective goggles, gloves etc. Anticipate a further $500.00 required for remainder of project to include the 8 week extension period. Necessary for the safe delivery of the project.	$1,000.00	**$1,777.55**
	v. Professional fees - client related (e.g. first aid, WHMIS, Superhost)			
	vi. Other client costs (specify)			
		Client Costs Sub Total	$2,850	**$10,863.79**
4. Capital Assets		**Details**	**Original Recommended / Approved**	**Total Recommended / Amended**

			(Ministry use only)
i.	Any asset (over $1000) requiring agreement of disposition, must be cost-shared	None.	0	
	Capital Assets Sub Total		0	

5. Other Project Costs	**Details**	**Original Recommended / Approved**	**Total Recommended / Amended (Ministry use only)**
i. Basic telephone & internet (including fax lines & installation if required)	Long distance is expected to run at 5 hours per week for 42 weeks, and phone cost is estimated at cost of mobile phones. Cost for 5 phones at $50/month (Telus Lite Plan) is $500 per plus long distance, total is $2500, long distance for six phones could be $50/month per phone, or $300/month for 10 months, or $3000. We may have cost savings in shared office space, this amount is the best estimate. CAPA recommends $5500 Total requested based on above calculation is actually $5500 based on $2500 for cell phones for 5 participants (5 x $50/month x 10 months), and $3000 for long distance for 5 participants plus 1 supervisor (6 x $50/month x 10 months – supervisor will use her existing phone but will incur long distance charges) . Phone and long distance charges are expected to be high as contacting potential customers to market the finished products will be a significant project activity. Actual costs may be lower as the office to be rented has existing phone lines that may be available to the project, although long distance costs will still apply. Reimbursement will be based on actual costs. **Amendment / CEP CAPA Recommendation: $5,886.06** Actual costs somewhat less than originally negotiated which has been 7onsidered when determining further amount required for 8 wk extension period - Project Holder request for duration of project including 8 week extension $5,886.06 Required for delivery of the project as indicated within original recommendation.	$5,500	**$5,886.06**
ii. Insurance (fire, theft, liability)	42 weeks of insurance coverage, savings will be realized at shared office location and existing industrial location. CAPA recommends $1500 Incremental cost for additional insurance coverage (theft/fire) for project	$1,500	**$2,075.00**

		materials at the project's industrial location, based on estimate from insurer. Reimbursement will be based on actual costs. **Amendment / CEP CAPA Recommendation: $2,075** Insurance costs higher than originally anticipated. However, no additional costs resultling from the 8 week extension. Required for delivery of the project as indicated within original recommendation.		
	iii. Postage & courier	Courier of finished sheep skin samples to clients, if at 5/week x 20 weeks at $25 per package = $2500 CAPA recommends $2500 Calculated based on marketing in the second half of the project once finished products are available. Reimbursement will be based on actual costs. **Amendment / CEP CAPA Recommendation: $20.00** Based on market research conducted by the participants, and through direct interaction with potential consumers, the marketing strategy has been revised to focus on attendance at a trade show in Vancouver, building initial sales through direct interaction followed up by online sales portals and social media. This change has significantly reduced courier costs. Costs related to the trade show have been captured within advertising and Client travel	$2,500	**$20.00**
	iv. Rent & utilities (if applicable)	Cost-shared rent, heat, power, water at site, exclusive use of 500 square feet in a shared office for 10 months including all costs except long distance, plus 360 square feet inside and 360 feet inside at an industrial site, including utilities, power, water, and building set up, $1800/month for 10.5 months for both is $18,900 payable and an inkind donation of $3825 from landlord Three Leaf Contracting. CAPA recommends $18,402 Office site: $603 per month Based on 500 sq feet at $11/sq foot annual including triple net, plus 5% maintenance/ taxes / insurance = $481 + $80 hydro + $42 internet Industrial site: $786/month Based on 360 sq feet building space x $1.60/sq foot = $576 350 sq feet land for drainage x $0.60/sq foot = $210 Generator Rental at Industrial Site: $912 per month -Basic rental $360 -Maintenance $25/day x 12 days/month = $300 (estimated use x 8 hour days) -Fuel $21/day x 12 days/month $252	$18,402.00	**$27,070.00**

		Total Office site $ 603 Industrial site $ 786 Generator $ 912 TOTAL $2301 /month Reduction $ 364/month (in-kind contribution from landlord) Total rental $1937 / month x 9.5 months = $18,401.50 Project time is 9.5 months, not 10.5. Office space will house administrative location of project, and is located at #104-7385 Duncan Street, Powell River. Industrial site where tanning operations will be carried out is at a gravel pit owned by 3 Leaf Contracting on Grenville Avenue, Cranberry Lake, Powell River(no address, but legal description BL: C PL: 5888 DL: 5200). **Amendment / CEP CAPA Recommendation: $27,070.00** Adjustments to rent costs required for the project include: *Motorhome rental for Industrial Site $4,794.50 Rental of a 1978 motorhome at a cost of $4,700 previously requested and approved by CEP CAPA, A.MacKenzie. Motorhome replaces original plan of renting portapotties. The motorhome provides hot and cold running water, toilet, and kitchen area providing a warm area for participants to sit and eat lunch. Additional cost for rental of the motorhome for the 8 week extension period is $94.50. Total cost agreement period $4,794.50 Considered necessary for successful delivery of the project. *Office and Industrial Site Rental (3 Leaf Contracting) $22,275.50 Rental Costs from 3 Leaf Contracting remains at $1,937.00 per month. This amount does not reduce with the inclusion of the motorhome as the motorhome is not replacing anything that 3 Leaf has agreed to provide. The original agreement included rental cost for a Generator. It was 3 Leaf's understanding that power was needed at the industrial site for lights only, which would be provided through the generator. However, the amount of power dramatically increased. Extra power was needed for heaters, freezers, etc. As a result, 3 Leaf Contracting had a temporary power service installed on the site. As such, the $912/month originally negotiated for the generator is being applied to the hydro added to the site. Rental from 3 Leaf Contracting therefore remains at $2,301/month minus 3 Leaf's in-kind contribution of $364/month for a total monthly rental cost of $1,937/month to the project. Taking into consideration the 8 week extension period, cost to the agreement is $22,275.50 ($1,937 x 11.5 months). In-kind contribution from Landlord, 3 Leaf Contracting $4,186 ($364 x 11.5 months). Necessary for successful delivery of the project.		
	v. Equipment repair &			

	maintenance (includes photocopy meter charges)			
	vi. Equipment lease, rental or purchase (including computers, fax machines, computer software)	Four computer work stations, two PCs, two laptops, all-in $600 each = $2400, four licenses of Office Pro 8.1 Business at $250 = $1000. All four units need software for documents, spreadsheets, powerpoints, and basic online editing of graphics for all four stations. Two large screens with multimedia capability $250 each = $500, one of the four stations is for administration and network server, with Quickbooks software for bookkeeping $530. One Windows-compatible tablet for portable interaction, $450 plus tax = $503, in case of farm visits/abattoir site work for quality control, with photo/wireless capability. One colour printer capable of making product labels/tags $500. Two top-load, large capacity, basic washing machines for test runs/rinsing of skins (under $1000) = $1600. Large outdoor soaking tub $200. CAPA recommends $7233 All costs are incremental and required for equipment necessary to the project. Although financial records will be managed by contracted accountant, project supervisor will use Quickbooks to record project costs, and participants will learn to use Quickbooks as part of their skills enhancement and will use it to track Point of Sale and product inventories Reimbursement will be based on actual costs. **Amendment / CEP CAPA Recommendation: $6,831.03** No additional costs requested for extension period. Actual costs reflected. Costs expended at start of project.	$7,233.00	**$6,831.03**
	vii. Bank charges	Separate account to be set up, connected to Pebble in the Pond but a subaccount. Monthly banking costs about $20/month CAPA recommends $200 Incremental banking costs for setup of project account. Reimbursement will be based on actual costs. **Amendment / CEP CAPA Recommendation: $117.00** Project Holder has reduced from original costs requested based on actuals expended to date.	$200.00	**$117.00**
	viii. IT maintenance	One-time cost to set up computers, office network, and website to run social media accounts. Subcontract to local technician, $25/hour and 20 hours total work. CAPA recommends $500 Cost is reasonable, incremental cost for IT setup of project. Reimbursement will be based on actual costs. **Amendment / CEP CAPA Recommendation: $0.00** Project Holder has reduced from original costs. Costs associated with IT had	$500.00	**$0.00**

		already been captured under Professional Fees.		
	ix. Materials and supplies (e.g. pens, pencils, paper, envelopes, cleaning supplies)	General office supplies at $50/month for 10 months = $500, greywater containment supplies, initial cost $1000, cleaning materials, eucalan, washing nets for skins, about $80/month for 10 months = $800. CAPA recommends $5000 Amount recommended includes $2200 which was requested above under Client Costs for project supplies at $220/month, but which should be included here. Monthly amount for project supplies, cleaning materials, nets, tubs, alum, borax etc is therefore $300/month or $3000 over the entire project. Materials are required for the project and estimated costs are reasonable. Reimbursement will be based on actual costs. **Amendment / CEP CAPA Recommendation: $18,246.49** Initial research conducted by the participants resulted in a change in strategy to the process in tanning the sheep skins involving a switch from the use of alum salt for tanning to a tanning tea, requiring construction to the work site area in order to support the new tanning process, and resulting in a significant increase in materials and supplies required for the set up of the new tanning process. Previously discussed and approved via CEP CAPA A. MacKenzie. Expended to date $16,646. Anticipate requiring a further $1,600 in materials and supplies related to the tanning process. Project Holder has confirmed no individual item is $1,000 or more, will include such items as tanning supplies including tannin tea test kits ($225/each), as well as motor belts, gas to run the power washer, pieces for scraping, oil for the finishing, salt to cure the skins, possibly a second hand washing machine as the current two machines are not large enough to manage the higher volume of skins, and possibly $200 for a 2nd hand wood chipper or rental of a wood chipper. Wood chipper required to chip the tree bark used for the tanning process. Considered necessary for successful delivery of the program.	$5,000.00	**$18,246.49**
	x. Advertising	Thirty weeks of social media advertising to promote pages, at $215/week, plus one large local advertisement in the newspaper once facility is set up $950, one large local magazine ad in the local agriculture publication $600, and two small local ads $500/each, total .$2050 CAPA recommends Total of amounts calculatied above is actually $9000, not $8500. As the objective of the project is to establish an ongoing social enterprise that will produce and market value-added agricultural products, advertising and promotion is an essential part of the project plan, and these costs are required to carry out project activities. Costs are reasonable based on estimate from applicant who has extensive experience in this field. Applicant has confirmed	$9,000	**$6,564.46**

		the social media advertising would not be contracted to Maradadi Pacific (the company operated by a Pebble in the Pond Director). Rather, an unrelated contractor would be engaged for this work. Reimbursement will be based on actual costs. **Amendment / CEP CAPA Recommendation: $6,564.16** Expended to date $4,564.49. Project Holder has reduced original request based on actuals to date and a further $2,000 anticipated for remainder of project. No advertising costs anticipated during the 8 week extension period. The Scope of advertising has changed somewhat. Based on market research conducted by the participants, it has been identified that the key to building initial sales will be via direct interaction followed up by online sales portals and social media. In light of this the remaining $2,000 anticipated includes costs to attend a trade show in Vancouver ($780.00 table rental; $250.00 for materials for preparation including displays and print materials), and funds for social marketing closer to Christmas.		
	xi. Equipment/furniture under $1000	Four basic computer desks and desk chairs (may have existing furniture that is suitable) CAPA recommends $1000 Required for participants, cost is reasonable at $250 per work station. Reimbursement will be based on actual costs. **Amendment / CEP CAPA Recommendation: $1,000** No change to original request	$1,000.00	**$1,000.00**
	xii. Operational printing contracted externally (ad hoc unanticipated print jobs, project specific printing jobs e.g. reports, brochures, etc.)	One print job at local print shop for brochures. CAPA recommends $500 Advertising brochures for promotion of project / social enterprise, participants will be able to distribute to contacts and potential clients. Reimbursement will be based on actual costs. **Amendment / CEP CAPA Recommendation$285.02** Project Holder has reduced original amount anticipated taking into consideration actual costs expened to date.	$500.00	**$285.02**
	xiii. Costs associated with use of applicant-owned assets other than premises (e.g. computers and other equipment, furniture, etc.)	All applicant-owned assets to be used on site are part of in-kind contribution, including tables, chairs, kitchen facilities, and existing skin processing materials including tubs, tables, hoses, storage space, and knives.	$0.00	**$0.00**
		Other Project Costs Sub Total	**$51,335.00**	**$68,095.06**

	All Project Costs Total	$128,696.00	**$161,369.81**

Funds from Other Sources

Please indicate the total amount (including the contributor's name/organization and what the contribution is for) for each of the following:

a) Cash			
b) In-Kind	Gunter Brothers $40,000, T&R Contractors $5,000, Ecossentials $4,000, Sunshine Organics $2,000, CA Designs $4,000, Maradadi Pacific $5,000, Three Leaf Contracting $3,278. **Additional in-kind contributions include:** **$32,000 – Jackson-Triggs Winery (82 de-commissioned oak barrels)** **$5,000 – T&R Contracting (roof trusses)** **$2,500 – Maradadi Pacific (metal roofing and tarps)** **$908 – 3 Leaf Contracting (rent contribution for 8 week extension period)**	$63,278 **$40,408.00**	
	Total Funds from Other Sources	$103,686.00	
	GRAND TOTAL	$265,055.81	

Notes or Comments

BRITISH COLUMBIA | Ministry of Social Development

Partnership & Innovation Fund
Budget Template & Negotiation Summary
Amendment #2

Program Type	JCP
Applicant Name	Pebble in the Pond Environmental Society
Title of Proposed Project	Tanned, Wild and Woolly Processing Plant
Duration	April 1, 2014 to March 13, 2015 (50 wks)
File Number	CJCP469641500164

Amendment # 2

Supporting Details for Proposed/Negotiated Costs

Project Costs specific to the activities of the project

1. Staff Wages & other related staff costs:	**Details**	**Recommended / Approved (Amendment #1)**	**Total Recommended / Amended #2** (Ministry use only)
i. Staff wages & MERCS	Supervisor salary, 40 hours per week paid, (expected to take about 60 hours per week for the duration) at $30/hour x 42 weeks = $50,400, vacation pay of 4% x $50,400 = $2016. EI is 2.632% x $52,416 = $1380, CPP is 4.95% x $52,416 = $2595, total wages & MERCS = $56,391. Supervisor required to provide full time direction to project participants. Wage rate of $30/hr, though somewhat higher than in other JCP projects, is reasonable and represents fair market value in that this person will also manage the project and provide expertise and guidance to participants in all aspects of establishing a social enterprise. Original Recommendation/Approved $56,391.00 Amendment #1 Recommendation/Approved: $67,131.79 Refer to Amendment Rational to support extension. Supervisor required for duration of project for reasons as identified within original recommendation.	$67,131.79	**$67,131.79 (no change)**

			$67,131.79 includes original negotiation and the additional 8 weeks of supervision required for extension **Amendment #2: No change**		
	ii.	b) Other employment-related benefit costs (WCB, medical, dental, pension, etc.) where warranted by current organizational HR policies	WCB, estimated based on Taxidermy & Fur Tannery rates for 2014 of $1.66 per $100, for 42 weeks. Is 1.66% x $56,391 = $936 WorkSafe BC premiums calculated on wages + vacation pay only $52,416 x 1.66% = $870.10 Original Recommendation/Approved $870.00 Amendment #1 Recommendation/Approved: $ 708.00 **Amendment #2: No change**	$708.00	**$708.00 (no change)**
	iii.	c) Staff and volunteer travel	One trip per month for truck and driver to Gunter Brothers abattoir in Courtenay on Vancouver Island $500/month inclusive of ferry costs, meals, and mileage at $0.52/km x 10 months plus $250 over the entire ten month period for the occasional passenger to cover ferry costs and meals = $5250 including travel costs. This is a one-day subcontract to a licensed driver. Staff travel of one trip per month will be ferry costs and meals to be added to client costs for trip, estimated to be $50 per trip = $500. Original Recommendation/Approved: $5750 Trips are required to pick up project materials. Cost includes ferry fares for larger commercial vehicle plus driver and project supervisor, and mileage at applicable government rate. Refrigerated truck required to ship skins, commercially licensed driver required but the organization has a licensed volunteer who will do that. Estimate of $500 per trip is reasonable, based on current fare rates. May include travel to other source farms, including Salt Spring Island. Meals are not normally covered in JCP but due to ferry schedules these will be full day trips requiring staff/volunteers be out of their local area from 8:00 am until 4:45 pm, or possibly 8:30 pm so reimbursement for lunches and possibly dinners at applicable government Group 1 rates ($13.50 lunch, $22.75 dinner) would be eligible. Mileage logs must be maintained. Reimbursement will be based on actual costs. Amendment #1 Recommendation/Approved: $837.12 Travel requirements for Staff reduced. The majority of the travelling to pick up project materials, including sheep skins from various abattoirs, has been conducted by the participants, increasing participant travel and reducing staff travel. Staff travel expended to date $437.12. Project Holder anticipates a further $400 in travel costs for the Supervisor position. As such, total requested for duration of project including 8 week extension period $837.12 **Amendment #2 CEP CAPA Recommendation: $2,256.36**	$837.12	**$2,256.36**

		Project Holder is requesting an additional $1,419.24. Amount includes current overage of $267.32, and $351.92 charged to October claim, and an additional $800 remaining agreement period. Supervisor travel increased as a result of the need to pick up skins when participant priorities did not/do not allow for the ability to complete the trips (i.e. attendance at Trade show in Vancouver, meeting deadlines, etc.). Project Holder anticipates a further two solo trips that include Nanaimo and North Courtenay for pick-up of skins. Amount estimated based on previous trips to the two abattoirs, averaging $400/trip, including ferry costs, per diem, and mileage. It is to note that participant travel costs have not been reduced to reflect increase in staff travel – reference notes within Participant Travel. Considered reasonable and necessary for successful delivery of the project.		
	iv. d) Staff disability supports (duty to accommodate)			
		Staff Wages & other related staff costs Sub Total	$68,676.91	**$70,096.15**
2. Professional Fees:		**Details**	**Recommended / Approved (Amendment #1)**	**Total Recommended / Amended #2** (Ministry use only)
	i. Professional fees - contracting (e.g. bookkeeping, janitorial services, IT, equipment maintenance services, security, presenters, consultants and any sub contractor not directly related to clients)	Contracting of accountant $400/month x 10 months = $4000, IT support for online set up, maintenance, assistance with training $500/month x 10 months = $5000, once/week groundskeeper to assist with grey water maintenance and compost work $250/month x 10 months = $2500. Total of $4000 + $5000 + $2500 = $11,500 Original Recommendation/Approval $11,500 -Accountant will maintain project financial records which will include records related to the social enterprise to be established. -Website establishment and maintenance will be a key component of the promotion of the enterprise and marketing of the products will need to be maintained and updated. IT support contractor will also instruct participants in how to update the website and keep it current moving forward. -Removal services required for waste generated by tanning process (grey water treatment will include using hay for drainage to absorb salts, and waste materials will need to be removed and disposed of monthly) Reimbursement will be based on actual costs. Amendment #1 Recommendation/Approval: $13,734.00 *Construction Consultant: $7,384.00 Initial research conducted by the participants resulted in a change in strategy to	$13,734.00	**$17,023.11**

		the process in tanning the sheep skins involving a switch from the use of alum salt for tanning to a tanning tea which required the need to hire a consultant to work with and provide the participants with training in design and construction to the work site area in order to support the new tanning process. Previously discussed and approved via CEP CAPA A. MacKenzie * Accounting $2,000. Costs are less than originally anticipated * Groundskeeper $0.00. The need for a groundskeeper no longer required. Project Holder advised the landlord of the industrial site (3 Leaf Contracting) located two large containers on site for the water that was problematic, and the local health officer confirmed that the rest of the water was okay to be released into the gravel pit, thus no longer requiring the setup of a grey water treatment area. In addition, once on site, participants realized composting animal skins would not work because of cougars, bears, and wolves near the site. As such, for safety reasons, disposal of any trim will be through the landfill for the interim period. Use of the Rona flatbed trucks (in-kind) has allowed the participants to manage waste disposal without the need for a groundskeeper. *IT Support costs are less than anticipated, reduced to $4,350 Total Professional Fess requested for duration of agreement $13,734.05. It is to note that no additional costs within Professional Fees are anticipated or requested for the 8 week extension period. **Amendment #2 CEP CAPA Recommendation: $17,023.11** Includes: • Accounting $2,000; • IT Support $4,310.00; • Other Professional Fees (Construction/Workshops) $10,713.11 Project Holder is requesting an additional $3,289.11 *Accounting – no change *Other Professional Fees – requesting an additional $3,329.11 including the following: ** Other Professional Fees (Construction) – requesting an additional $2,050.05. Cost missed by Project Holder in previous amendment request. Amount actually expended and charged to August claim which was not submitted until after previous amendment completed. Reference Amendment #1 Recommendation and Approval rational above – costs to hire a consultant to work with and provide the participants with training in design and construction to the work site area in order to support the new tanning process.		

		**Other Professional Fees (Construction) - requesting an additional $879.06 for work completed at the 3 Leaf Contracting Site in May but not billed until recently. Project Holder also missed this cost within the previous amendment request. Will be reflected within the November payment claim. Work involved installing water lines and plumbing for the holding tanks used for the alum salt water. **Other Professional Fees (Consultant) – requesting an additional $400 for the cost of two fleshing and tanning workshops provided to participants in May. Project Holder missed this cost within the previous amendment request. Invoices were not submitted until September. Required revisions. Revised invoices were received in November, $212.50 and $187.50. Cost will be reflected within the November payment claim. *IT Support – reduced slightly, by $40, based on actual costs to date and anticipated costs remaining agreement period. Considered necessary for successful delivery of the project		
		Professional Fees Sub Total	$13,734.00	**$17,023.11**
3. Client Costs: (For JCP Only) (all client related costs must be required to carry out the project activities)		**Details**	**Recommended / Approved (Amendment #1)**	**Total Recommended / Amended #2 (Ministry use only)**
	i. Travel/transportation (project related travel requirements)	Estimated at one initial trip for all five workers to abattoir in Courtenay (about $350), plus one trip per month during the 42 week period, for marketing, site visits, or skin pickups within the Powell River or Comox Valley region. $0.52/km plus ferry costs and meals for day trips. Day trips about $150 per trip, and 10 trips total = $1500. There may be one trip to Salt Spring Island if appropriate to assess potential sheep skin partnership; this cost will be absorbed in this budget. Original Recommendation/Approval: $1850 Bulk of transport costs are provided under Staff category as the supervisor and or volunteer driver would incur the vehicle costs. Client Costs include passenger fares for participants on those trips, additional vehicle on initial trip, reimbursement of meal costs at Group 1 government rates when eligible ($13.50 lunch / $22.75 dinner). Recommended amount will also accommodate mileage for participant travel at $0.52 per km. Mileage logs must be maintained. Reimbursement will be based on actual costs. Amendment #1 Recommendation/Approval: $9,086.24 In the original proposal it was expected that a professional truck and driver	$9,086.24	**$9,086.24 (no change)**

		would be needed for a once/month trip to the Island to collect sheep skins, and was budgeted at $500/month under staff travel. However, the project has been provided the use of a flatbed truck (in-kind) by Rona Building Supplies, which can be driven by the participants. As such, a significant amount of travel moved from Staff Travel to Client Travel. The extreme heat of the summer required weekly trips to ensure the skins would not spoil in the heat. In addition, the fall slaughter schedule resulted in a jump in the volume of sheepskins each week. A second slaughter house, Plecas Meats in Nanaimo, has joined the program as a partner requiring one trip every three weeks. Price per trip when travelling to Courtney to pick up skins from Gunter Brothers if approximately $300 per trip for two participants. Travel to Nanaimo will be approximately $400 per trip. The Nanaimo trip will include picking up from Plecas Meats in Nanaimo and then Gunter Brothers in Courtenay on the return to Powell River. Expended up to September 30, 2014 $2,105.20. Anticipate an additional $4,200 required to cover cost of a further 12 trips to pick up skins for tanning, 6 to Courtenay, and 6 to Nanaimo [(6 x $300) + (6 X $400)]. Considered reasonable and necessary for successful delivery of the project. Project Holder is requesting a further $2,489.04 in travel costs to cover participant travel and accommodations to attend “Make It Vancouver” trade show taking place Dec 3 to Dec 6. Based on market research conducted by the participants, it has been identified that the key to building initial sales will be via direct interaction followed up by online sales portals and social media. In direct interaction with potential consumers it was identified that consumers want to feel the sheep skins and the leather side. As such, Project Holder is requesting funding for participants to attend the trade show. This is the largest hand-crafted product trade show in BC, with over 30,000 people attending in 2013. The trade show requires that all attendees commit to the full 5 days. The cost requested include: Truck rental to Vancouver for one day to set up the show, with one participant driving the two participants who will be attending, and assisting with set up, and returning the same day, and one participant driving down on the last day of the trade show with a one day rental to pick up the two participants and help take down the display at a cost of $70.00 (2 days x $35/day); Per diems at one-day travel for two participant at $96.00 (2 x $48/day); Per diems at 5 days of attendance for two participants at $480 (2 x 5 days x $48/day); Accommodation at $1,200 (estimated at $150/night for 4 nights for 2 rooms (2 participants); Mileage calculated at 188 km each way, or 376 km return x 2 at $0.52 = $391.04; BC Ferry cost using the discount experience card for three passengers each way plus a vehicle cost at $252.00 ([8 trips x $11.90/participant - includes return] + [truck at $39.20/trip x 4 trips – includes return])		

		Project Holder requesting a further $292 in travel costs to cover mileage anticipated at 563 km for reminder of project, including extension period to cover local travel to collect materials and supplies. (563 km x $0.52/km) Considered reasonable and necessary for successful completion of the project. The trade show will provide valuable work experience for the participants. Considered reasonable and necessary for successful delivery of the project. **Amendment #2 CEP Recommendation: No change** It is to note that although staff travel increased in order to support travel costs for pick-up of skins from various abattoirs when participant priorities prevented the participants from picking up the skins, the Project Holder does not anticipate a reduction in the participant travel currently negotiated. Project Holder advised the number of skins and size of skins increased dramatically requiring additional trips for pick up. In addition, extreme weather and rodent infestation at the industrial site (processing plant) required the need to obtain a temporary storage facility until such time as a new location was obtained in which to move the entire processing plant. The moving of the inventory between the current industrial site, the storage facility, the office, and the participants' homes resulted in increased mileage for the participants. When the washing machine broke down during the cold weather, two of the participants allowed for the temporary use of their own washing machines at their homes for cleaning of the sheep skins until such time as new machines could be purchased. Mileage costs were incurred when travelling between the industrial site, storage site, office, and the participant homes in order to ensure the continuation of the processing of the sheep skins. Further details regarding facilities identified under Rent line item within Other Project Costs. Considered reasonable and necessary to ensure success of the project.		
	ii. Disability-related supports & equipment (e.g. attendant care, note takers, sign language interpreters, Dragon-speak)			
	iii. Adaptive-technology set-up			
	iv. Supplies (e.g. work clothes, raingear, any item used specifically by & retained by clients)	Aprons, gloves, footwear, knives, estimated $200/person for 5 people = $1000 plus composting supplies, alum, borax, soap, additional plastic tubs, monthly materials estimated to average at $220/month = $2200, total is $3200. Note: likely to be more expensive in first two months. Original Recommendation/Approval: $1000 Personal equipment for participants (protective wear) is client costs required for	$1,777.55	**$1,777.55 (no change)**

		the project. The $2200 for project supplies belongs under Other Project Costs (Materials and Supplies) and has been added to the amount recommended under that line. Reimbursement will be based on actual costs. Amendment #1 Recommendation/Approval: $1,777.55 Expended to date $1,277.55. Increase due to change in tanning process resulting in additional safety gear required for participants, i.e. protective goggles, gloves etc. Anticipate a further $500.00 required for remainder of project to include the 8 week extension period. Necessary for the safe delivery of the project. **Amendment #2 No change**		
	v. Professional fees - client related (e.g. first aid, WHMIS, Superhost)			
	vi. Other client costs (specify)			
		Client Costs Sub Total	$10,863.79	**$10,863.79 (no change)**
4. Capital Assets		**Details**	**Recommended / Approved (Amendment #1)**	**Total Recommended / Amended #2 (Ministry use only)**
	i. Any asset (over $1000) requiring agreement of disposition, must be cost-shared	None.	0	
		Capital Assets Sub Total	0	
5. Other Project Costs		**Details**	**Recommended / Approved (Amendment #1)**	**Total Recommended / Amended #2 (Ministry use only)**
	i. Basic telephone & internet (including fax lines & installation if required)	Long distance is expected to run at 5 hours per week for 42 weeks, and phone cost is estimated at cost of mobile phones. Cost for 5 phones at $50/month (Telus Lite Plan) is $500 per plus long distance, total is $2500, long distance for six phones could be $50/month per phone, or $300/month for 10 months, or $3000. We may have cost savings in shared office space; this amount is the best estimate.	$5,886.06	**$6,586.06**

		Original Recommendation/Approval: $5500 Total requested based on above calculation is actually $5500 based on $2500 for cell phones for 5 participants (5 x $50/month x 10 months), and $3000 for long distance for 5 participants plus 1 supervisor (6 x $50/month x 10 months – supervisor will use her existing phone but will incur long distance charges) . Phone and long distance charges are expected to be high as contacting potential customers to market the finished products will be a significant project activity. Actual costs may be lower as the office to be rented has existing phone lines that may be available to the project, although long distance costs will still apply. Reimbursement will be based on actual costs. Amendment #1 Recommendation/Approval: $5,886.06 Actual costs somewhat less than originally negotiated which has been 9considered when determining further amount required for 8 wk extension period - Project Holder request for duration of project including 8 week extension $5,886.06 Required for delivery of the project as indicated within original recommendation. **Amendment #2 CEP CAPA Recommendation: $6,586.06** Project Holder is requesting an additional $700 stating the need for remote access of data when on the processing site or when travelling on the ferries (to pick up sheep skins) has increased individual cell phone charges. The additional $700 is calculated based on continuation of current usage for the remainder of the agreement. Considered necessary for delivery of the project.		
	ii. Insurance (fire, theft, liability)	42 weeks of insurance coverage, savings will be realized at shared office location and existing industrial location. Original Recommendation/Approval: $1500 Incremental cost for additional insurance coverage (theft/fire) for project materials at the project's industrial location, based on estimate from insurer. Reimbursement will be based on actual costs. Amendment #1 Recommendation/Approval: $2,075 Insurance costs higher than originally anticipated. However, no additional costs resulting from the 8 week extension. Required for delivery of the project as indicated within original recommendation. **Amendment #2 – No change**	$2,075.00	**$2,075.00 (no change)**
	iii. Postage & courier	Courier of finished sheep skin samples to clients, if at 5/week x 20 weeks at $25 per package = $2500	$20.00	**$78.89**

		Original Recommendation/Approval: $2500 Calculated based on marketing in the second half of the project once finished products are available. Reimbursement will be based on actual costs. Amendment #1 Recommendation/Approval: $20.00 Based on market research conducted by the participants, and through direct interaction with potential consumers, the marketing strategy has been revised to focus on attendance at a trade show in Vancouver, building initial sales through direct interaction followed up by online sales portals and social media. This change has significantly reduced courier costs. Costs related to the trade show have been captured within advertising and Client travel **Amendment #2 CEP CAPA Recommendation: $78.89** Over expended by $58.89. Project Holder missed additional cost in previous amendment. Expended August, however, claim not submitted until Oct after completion of amendment. Minor unanticipated costs. Considered reasonable and necessary for successful delivery of project.		
	iv. Rent & utilities (if applicable)	Cost-shared rent, heat, power, water at site, exclusive use of 500 square feet in a shared office for 10 months including all costs except long distance, plus 360 square feet inside and 360 feet inside at an industrial site, including utilities, power, water, and building set up, $1800/month for 10.5 months for both is $18,900 payable and an in-kind donation of $3825 from landlord Three Leaf Contracting. Original Recommendation/Approval: $18,402 Office site: $603 per month Based on 500 sq. feet at $11/sq. foot annual including triple net, plus 5% maintenance/ taxes / insurance = $481 + $80 hydro + $42 internet Industrial site: $786/month Based on 360 sq. feet building space x $1.60/sq. foot = $576 350 sq. feet land for drainage x $0.60/sq. foot = $210 Generator Rental at Industrial Site: $912 per month -Basic rental $360 -Maintenance $25/day x 12 days/month = $300 (estimated use x 8 hour days) -Fuel $21/day x 12 days/month $252 Total Office site $ 603 Industrial site $ 786 Generator $ 912 TOTAL $2301 /month Reduction $ 364/month (in-kind contribution from landlord)	$27,070.00	**$31,883.00**

		Total rental $1937 / month x 9.5 months = $18,401.50 Project time is 9.5 months, not 10.5. Office space will house administrative location of project, and is located at #104-7385 Duncan Street, Powell River. Industrial site where tanning operations will be carried out is at a gravel pit owned by 3 Leaf Contracting on Grenville Avenue, Cranberry Lake, Powell River(no address, but legal description BL: C PL: 5888 DL: 5200). Amendment #1 Recommendation/Approval: $27,070.00 Adjustments to rent costs required for the project include: *Motorhome rental for Industrial Site $4,794.50 Rental of a 1978 motorhome at a cost of $4,700 previously requested and approved by CEP CAPA, A.MacKenzie. Motorhome replaces original plan of renting porta potties. The motorhome provides hot and cold running water, toilet, and kitchen area providing a warm area for participants to sit and eat lunch. Additional cost for rental of the motorhome for the 8 week extension period is $94.50. Total cost agreement period $4,794.50 Considered necessary for successful delivery of the project. *Office and Industrial Site Rental (3 Leaf Contracting) $22,275.50 Rental Costs from 3 Leaf Contracting remains at $1,937.00 per month. This amount does not reduce with the inclusion of the motorhome as the motorhome is not replacing anything that 3 Leaf has agreed to provide. The original agreement included rental cost for a Generator. It was 3 Leaf's understanding that power was needed at the industrial site for lights only, which would be provided through the generator. However, the amount of power dramatically increased. Extra power was needed for heaters, freezers, etc. As a result, 3 Leaf Contracting had a temporary power service installed on the site. As such, the $912/month originally negotiated for the generator is being applied to the hydro added to the site. Rental from 3 Leaf Contracting therefore remains at $2,301/month minus 3 Leaf's in-kind contribution of $364/month for a total monthly rental cost of $1,937/month to the project. Taking into consideration the 8 week extension period, cost to the agreement is $22,275.50 ($1,937 x 11.5 months). In-kind contribution from Landlord, 3 Leaf Contracting $4,186 ($364 x 11.5 months). Necessary for successful delivery of the project. **Amendment # 2 CEP CAPA Recommendation: $31,883.00** Requesting an additional $4,813.00 In November 2014, the Project was experiencing difficulties with the cold weather affecting the sheep skins resulting in a number of lost sheep skins and the need to move the bins in which the sheep skins are held during the tanning process to an inside, heated building. The industrial site rented from 3 Leaf contracting did not have a heated building where the bins could be stored, skins		

		dried and sanded. In addition the industrial site was becoming infested with rodents. As such, the Project Holder obtained storage space effective Dec 1, 2014 at a cost of $1,000/month, to be used to store the bins holding the sheep skins, as well as drying and sanding of the skins, until such time as a new location for the project could be obtained. It is to note that the storage space is owned by Mellissa Call, one of the Directors of Pebble in the Pond, and a signing authority to the JCP agreement. The Project Holder has addressed a potential conflict or perceived conflict of interest stating the storage space is a commercial building owned by Melissa Call and s.22 s.22 order to provide a temporary space for the project's use. Without the space provided by Melissa and s.22 , the project would not have been able to find anywhere to store and sand the skins before the trade show in December. Cost is below fair market value for square footage, parking, and utilities. The space is 900 square feet, rented to the project at $1.00 per square foot plus $100/month for utilities and parking. In addition, the temporary space provides an outside area for processing of the sheep skins if required. Project Holder obtained a new location, available January 1, 2015 and began relocating the project. New site location is 6797 Cranberry Street, Powell River. The site and building is owned by River City Mini Excavating. Monthly rent is $1,400 plus hydro/utilities. The zoning for this particular site allows for washing, stretching, drying, and sanding of the sheepskins. The building includes an office area as well as a retail space that will facilitate the training of the participants in all aspects of small business retail. The Project Holder has estimated utilities at $850/month. Project Holder confirmed she has spoken with BC Hydro and was advised the previous tenant, Custom Tile and Marble, averaged $400 to $500 per month. Project Holder anticipates the cost will be significantly higher as a result of the two freezers to be kept on the site for sheep skin storage, the winter months requiring heat, as well as a significant amount of washing (sheep skins) at the site. To allow time to facilitate the move to the new location, Project Holder continued to rent the storage space to January 15, 2015 resulting in total cost of rent for the storage space of $1,500 (Dec 1 to Jan 15) stating due to the large size of the move and the need to move in stages, they required time at the storage site to transition. In addition, Project Holder will continue to store project materials at the 3 Leaf Contracting site at a cost of $500 per month. Project Holder advised they cannot		

		accommodate all of the project materials immediately at the new site, and will therefore have to store at the industrial site, moving materials as they can, eventually only requiring the one location on Cranberry Street. CEP CAPA confirmed with Project Holder the move to the new location will reduce the rent to 3 Leaf Contracting, as outlined below, but only reduce cost of the motorhome rental by $94.50. Project Holder advised rental of the motorhome at $4,700 was cost to January 2015 as this was the original anticipated end date for the JCP. No additional rent was requested to March 2015 other than $94.50 to cover hydro charges. In light of the above, rental/utility costs for the agreement period are as follows: *Marjorie Baird: $4,700 (motorhome rental) *3 Leaf Contracting: $17,433 ($1,937/month x 9 months [April to Dec 2014]) *3 Leaf Contracting: $1,5000 ($500/month x 3 months [Jan to March 2015]) *River City Mini Excavating: $4,200 ($1,400/month x 3 months [Jan to March]) *Hydro: $2,500 ($850/month x 3 months [Jan to March 2015]) *Melissa Call: $1,500 Temporary Storage [Dec 1/14 to Jan 15/15]) Total $31,883.00 Necessary for successful delivery of the project.		
	v. Equipment repair & maintenance (includes photocopy meter charges)			
	vi. Equipment lease, rental or purchase (including computers, fax machines, computer software)	Four computer work stations, two PCs, two laptops, all-in $600 each = $2400, four licenses of Office Pro 8.1 Business at $250 = $1000. All four units need software for documents, spreadsheets, PowerPoints, and basic online editing of graphics for all four stations. Two large screens with multimedia capability $250 each = $500, one of the four stations is for administration and network server, with QuickBooks software for bookkeeping $530. One Windows-compatible tablet for portable interaction, $450 plus tax = $503, in case of farm visits/abattoir site work for quality control, with photo/wireless capability. One colour printer capable of making product labels/tags $500. Two top-load, large capacity, basic washing machines for test runs/rinsing of skins (under $1000) = $1600. Large outdoor soaking tub $200. Original Recommendation/Approval: $7233 All costs are incremental and required for equipment necessary to the project. Although financial records will be managed by contracted accountant, project supervisor will use QuickBooks to record project costs, and participants will learn to use QuickBooks as part of their skills enhancement and will use it to track Point of Sale and product inventories Reimbursement will be based on actual costs. Amendment #1 Recommendation/Approval: $6,831.03	$6,831.03	**$8,631.03**

		No additional costs requested for extension period. Actual costs reflected. Costs expended at start of project. **Amendment #2 CEP CAPA Recommendation: $8,631.03** Project Holder is requesting an additional $1,800. Required to replace current washing machine and purchase a second washing machine. Current washing machine (purchased as 2nd hand) broke down during the cold weather at the industrial site. A second washing machine is required due to the volume of processing required between January and March. Two of the participants have allowed for the use of their own washing machines in order to clean the sheep skins until such time as new machines for the project can be purchased. Cost of washing machine at $900 each. Considered reasonable and necessary for successful delivery of the project.		
	vii. Bank charges	Separate account to be set up, connected to Pebble in the Pond but a subaccount. Monthly banking costs about $20/month Original Recommendation/Approval: $200 Incremental banking costs for setup of project account. Reimbursement will be based on actual costs. Amendment #2 Recommendation/Approval: $117.00 Project Holder has reduced from original costs requested based on actuals expended to date. **Amendment #3 – No change**	$117.00	**$117.00** **(no change)**
	viii. IT maintenance	One-time cost to set up computers, office network, and website to run social media accounts. Subcontract to local technician, $25/hour and 20 hours total work. Original Recommendation/Approval: $500 Cost is reasonable, incremental cost for IT setup of project. Reimbursement will be based on actual costs. Amendment #1 Recommendation/Approval: $0.00 Project Holder has reduced from original costs. Costs associated with IT had already been captured under Professional Fees. **Amendment #2 – No change**	$0.00	**$0.00** **(no change)**
	ix. Materials and supplies (e.g. pens, pencils, paper, envelopes, cleaning supplies)	General office supplies at $50/month for 10 months = $500, greywater containment supplies, initial cost $1000, cleaning materials, eucalan, washing nets for skins, about $80/month for 10 months = $800. Original Recommendation/Approval: $5000	$18,246.49	**$26,241.27**

		Amount recommended includes $2200 which was requested above under Client Costs for project supplies at $220/month, but which should be included here. Monthly amount for project supplies, cleaning materials, nets, tubs, alum, borax etc is therefore $300/month or $3000 over the entire project. Materials are required for the project and estimated costs are reasonable. Reimbursement will be based on actual costs. Amendment #1 Recommendation/Approval: $18,246.49 Initial research conducted by the participants resulted in a change in strategy to the process in tanning the sheep skins involving a switch from the use of alum salt for tanning to a tanning tea, requiring construction to the work site area in order to support the new tanning process, and resulting in a significant increase in materials and supplies required for the setup of the new tanning process. Previously discussed and approved via CEP CAPA A. MacKenzie. Expended to date $16,646. Anticipate requiring a further $1,600 in materials and supplies related to the tanning process. Project Holder has confirmed no individual item is $1,000 or more, will include such items as tanning supplies including tannin tea test kits ($225/each), as well as motor belts, gas to run the power washer, pieces for scraping, oil for the finishing, salt to cure the skins, possibly a second hand washing machine as the current two machines are not large enough to manage the higher volume of skins, and possibly $200 for a 2nd hand wood chipper or rental of a wood chipper. Wood chipper required to chip the tree bark used for the tanning process. Considered necessary for successful delivery of the program. **Amendment #2 CAP CAPA Recommendation: $26,241.27** Project Holder requesting an additional $7,994.78. Expended to September 2014 $19,143.94 *Overage of $897 as a result of additional salt, bins, and tanning materials required for processing the skins. *Project Holder advised she missed including costs within the previous amendment for stretcher material and breezeway material purchased August and September 2014 but not paid to Rona Building Supplies until November 5th. Amount $3,797.33 will be reflected in the November claim. *Project Holder confirms the project has paid for 10 frames for the stretchers and 11 fittings. In order to be working effectively they require 9 more sets of fittings at $200 per fitting for a total of $1,800. *Project Holder anticipates requiring an additional $1,500 to cover cost of tanning materials to the end of the agreement. Estimated based on previous months, can vary depending on size of sheep skins, at $250/month. The $1,500 includes months from October to March. Considered necessary for successful delivery of the project.		
	x. Advertising	Thirty weeks of social media advertising to promote pages, at $215/week, plus one large local advertisement in the newspaper once facility is set up $950, one	$6,564.46	**$6,564.46 (no change)**

		large local magazine ad in the local agriculture publication $600, and two small local ads $500/each, total .$2050 Original Recommendation/Approval: Total of amounts calculated above is actually $9000, not $8500. As the objective of the project is to establish an ongoing social enterprise that will produce and market value-added agricultural products, advertising and promotion is an essential part of the project plan, and these costs are required to carry out project activities. Costs are reasonable based on estimate from applicant who has extensive experience in this field. Applicant has confirmed the social media advertising would not be contracted to Maradadi Pacific (the company operated by a Pebble in the Pond Director). Rather, an unrelated contractor would be engaged for this work. Reimbursement will be based on actual costs. Amendment #1 Recommendation/Approval: $6,564.16 Expended to date $4,564.49. Project Holder has reduced original request based on actuals to date and a further $2,000 anticipated for remainder of project. No advertising costs anticipated during the 8 week extension period. The Scope of advertising has changed somewhat. Based on market research conducted by the participants, it has been identified that the key to building initial sales will be via direct interaction followed up by online sales portals and social media. In light of this the remaining $2,000 anticipated includes costs to attend a trade show in Vancouver ($780.00 table rental; $250.00 for materials for preparation including displays and print materials), and funds for social marketing closer to Christmas. **Amendment#2 – No Change**		
	xi. Equipment/furniture under $1000	Four basic computer desks and desk chairs (may have existing furniture that is suitable) Original Recommendation/Approval: $1000 Required for participants, cost is reasonable at $250 per work station. Reimbursement will be based on actual costs. Amendment #1Recommendation/Approval: $1,000 No change to original request **Amendment #2 CEP CAPA Recommendation: $1,190.89** Project Holder requesting an additional $190.89 Expended to September 2014 $690.89. Project Holder requesting funding to purchase a camera required to take proper photos for the new website advising their webmaster has advised that cell phone photos taken previously do not provide sufficient quality photos for posting sale photos. Estimated cost of	$1,000.00	**$1,190.89**

		camera is $500 including case and required cable connectors. Do not anticipate any further costs within this line item outside of the camera. Considered reasonable and necessary for successful delivery of the project – establishing a social enterprise.		
	xii. Operational printing contracted externally (ad hoc unanticipated print jobs, project specific printing jobs e.g. reports, brochures, etc.)	One print job at local print shop for brochures. Original Recommendation/Approval: $500 Advertising brochures for promotion of project / social enterprise, participants will be able to distribute to contacts and potential clients. Reimbursement will be based on actual costs. Amendment #1 Recommendation/Approval: $285.02 Project Holder has reduced original amount anticipated taking into consideration actual costs expended to date. **Amendment #2 – No change**	$285.02	**$285.02 (no change)**
	xiii. Costs associated with use of applicant-owned assets other than premises (e.g. computers and other equipment, furniture, etc.)	All applicant-owned assets to be used on site are part of in-kind contribution, including tables, chairs, kitchen facilities, and existing skin processing materials including tubs, tables, hoses, storage space, and knives.	$0.00	**$0.00 (no change)**
		Other Project Costs Sub Total	**$68,095.06**	**$83,652.62**
		All Project Costs Total	$161,369.76	**$181,635.67**

Funds from Other Sources

Please indicate the total amount (including the contributor's name/organization and what the contribution is for) for each of the following:

	a) Cash		
	b) In-Kind	Gunter Brothers $40,000, T&R Contractors $5,000, Ecossentials $4,000, Sunshine Organics $2,000, CA Designs $4,000, Maradadi Pacific $5,000, Three Leaf Contracting $3,278. **Additional in-kind contributions include:** **$32,000 – Jackson-Triggs Winery (82 de-commissioned oak barrels)** **$5,000 – T&R Contracting (roof trusses)** **$2,500 – Maradadi Pacific (metal roofing and tarps)** **$908 – 3 Leaf Contracting (rent contribution for 8 week extension period)**	$63,278 **$40,408.00**

		Total Funds from Other Sources	$103,686.00	
		GRAND TOTAL	$285,321.67	
	Notes or Comments			

Powell River
Regional Economic Development Society
4760 Joyce Avenue, Powell River, BC V8A 3B6
P: 604-485-0325 www.prreds.com

February 18, 2014

Re: Pebble in the Pond Job Creation Partnership Project

To Whom It May Concern:

As Manager of the Powell River Regional Economic Development Society (PRREDS) I am writing to express my support for the Job Creation Partnership funding proposal submitted by the Pebble in the Pond Environmental Society for its Tannery Project.

Over the past five years our organization has placed a focus on expanding the agriculture sector in our region by undertaking a number of projects in partnership with industry stakeholders as we believe there is great opportunity to generate new jobs and economic activity from food production and related value added businesses. After reviewing the proposed Tannery Project, I believe it meets our Society's objectives of job creation, innovation and value-added agriculture.

In closing, I urge you to strongly consider funding the Tannery Project as it will assist in developing new skills sets in the region's agricultural industry as well as lead to new job creation and growth in this important sector of Powell River's economy. Please feel free to contact me if you wish to discuss this matter further.

Yours Truly,



Scott Randolph
Manager

Partnership & Innovation Fund

PROPOSAL ASSESSMENT, RECOMMENDATION AND APPROVAL FORM

General Applicant Information

Applicant Name:	**Pebble in the Pond Environmental Society**
Contact Person:	**Judi Tyabji Wilson**
Area Code/Telephone No:	**604-483-1961**
Email Address:	info@pebpond.com
Anticipated Start Date:	**March 17, 2014** **Anticipated End Date: January 2, 2015**

1. PROPOSAL ASSESSMENT

1. The Applicant

a) Is the applicant eligible for funding in accordance with the terms and conditions of the program?

Yes. Pebble in the Pond Environmental Society is a registered non profit Society (not a charitable organization). This applicant is eligible for funding in accordance with the terms and conditions of the program.

b) (If applicable) Briefly describe the results from the applicant's previous funding agreements with the Ministry and other organizations. Were they completed successfully? Were there lessons learned that should be incorporated into the current project design, or risks identified that require mitigation plans?

Pebble in the Pond has managed one previous JCP project from Oct 19, 2009 to June 25, 2010. Three participants received work experience which enhanced their employability, while establishing a local program to produce and promote use of reusable cotton grocery bags. One participant found employment directly as a result of contacts made during the project, while another returned to work with a previous employer, and the third joined a local agricultural organization as a volunteer. The project met its milestones and objectives, and was well supervised with claims and reports being submitted in a timely manner. The managing Program Officer reported that she would not have a problem entering into another agreement with this organization.

c) Does the applicant have the expertise to carry out the proposed activities? Explain why or why not.

Pebble in the Pond has previously successfully managed a JCP project which provided participants with valuable work experience. The current proposal involves taking sheep hides from farmers or slaughterhouse operators (who currently discard the hides into landfills), removing them from the waste stream and tanning them using an organic process, and then

marketing the finished products to a variety of customers. Pebble in the Pond's goal is to establish a not-for-profit social enterprise which could carry on this initiative after the project activities end.

Pebble in the Pond President Judi Tyabji Wilson was involved in the previous JCP project, and will take the lead as supervisor of this project. In addition to her previous experience with JCP, she has experience as a sheep farmer since 2005 including being a customer of fee-for-service sheepskin tanning. She also has experience in the start up and operation of small businesses, and operates her own business which provides multi-media and management consulting services (she will be taking time away from those duties to concentrate on this project). Under her supervision, Pebble in the Pond successfully ran a pilot workshop in the spring of 2013 to test out the organic tanning process they will use in this JCP project, producing 18 high quality finished skins.

d) Does the applicant have an amount payable to the Province of BC that is large enough to be a concern in this proposal? If so how will this risk be mitigated?

The applicant declared they do not have any amounts owing to the Province of BC.

e) Please include a conclusion statement indicating that (1) any concerns with the applicant can be addressed through mitigation plans or (2) there are concerns with the applicant that cannot be satisfactorily mitigated.

Any concerns with the applicant can be addressed through mitigation plans.

2. The Proposal - General

a) Explain how the project addresses program priorities and identified needs within the community? Is there a clear link to program priorities and evidence of support from the community/sector/industry?

The project addresses LMDA program priority of developing and enhancing the skill level and labour market success of British Columbians, as it will provide participants with valuable work experience that will enhance their skills by teaching them a process for tanning sheep hides that will enable them to produce a value-added agricultural product that can be marketed to a wide range of potential customers. As the process does not require expensive equipment and installations, participants could use these skills to work independently on a smaller scale.

In addition to learning the basic tanning techniques, participants will gain experience in all stages of start-up and operation of a social enterprise including sourcing materials, budgeting, production, conducting market research and identifying potential customers, promoting and marketing the products through various means including websites and social media , and delivering the finished products. The objective is to establish a non-profit social enterprise

that could provide ongoing employment to participants beyond the end of the project; however the skills and knowledge the participants gain would be applicable to a number of other small business scenarios.

The project also addresses an identified need in the community, as the Powell River-Sunshine Coast is an economically challenged area that will benefit from the employment opportunities the project aims to create. Farmers will have an outlet to take animal skins which they currently pay to discard into landfills, and turn them into value-added products. As well, there will be an environmental benefit as skins are diverted from the waste stream.

The proposal demonstrates community support for this project, in the form of letters from the Powell River Chamber of Commerce, and the Powell River Regional Economic Development Society, and Powell River Mayor David Formosa. The letters confirm support of the proposed project based on the opportunities it provides for skill development and job creation, as well as the community benefits of waste reduction and support to the agricultural sector.

b) Does the proposal contain clear and realistic objectives? Do the proposed activities support the objectives? Explain how the objectives are realistic and achievable.

The objectives for this project are to provide work experience for a minimum of five eligible participants in production of organically tanned sheep skins, as well as small business development and management, marketing, customer service, and transportation & farm / abattoir liaison. The additional objective is to take animal skins which are currently being discarded into landfills because no tanning service is available to farmers, and remove them from the waste stream and convert them into value-added products. The activities outlined in the proposal will support these objectives.

The applicant is proposing the work experience to be completed within a time period of 40 weeks. The objectives are realistic and achievable within the allotted time frame. This period will allow the participant to complete six tanning batches to master the process, identify best methods and materials, and refine their procedures and improve the end products. It also provides time to establish the social enterprise and market finished products. The applicant will provide on-site supervision to guide and instruct the participants, and to direct the completion of project tasks in order to achieve the objectives.

c) Does the proposal have an implementation plan that includes an outline for each objective/activity, milestones, and a description of results to be achieved? Are those results measurable; how will they be measured and reported?

The proposal includes an implementation plan which outlines the activities, the tasks involved, and the expected timelines for completion. From the information provided detailing activities, outcomes and timeframes, it is reasonable to conclude that the plan is realistic. The project calls for participants to tan six batches of sheepskins, each batch taking approximately 6 weeks to process from start to finish. At the same time, participants will establish and develop the social enterprise that will manage the operations from sourcing hides to marketing the finished products. The project implementation plan outlines timelines, activities and goals that are measurable.

Results will be measured in relation to those project milestones including completion of tanning batches, establishment of the enterprise, marketing and sales of finished products. Results will be reported in the written monthly activity reports, and in the "end of project" evaluation. The applicant will also submit monthly reports outlining each participant's progress to Career Link, the WorkBC Employment Service Centre which will case manage the participants.

d) Is there an adequate facility to accommodate the project? Are there associated risks that require mitigation plans?

The applicant has arranged to rent adequate facilities to accommodate the project. These include office facilities at 104-7385 Duncan Street, Powell River where the business side of the project will be coordinated, and a separate industrial site 5 minutes away at a gravel pit on Grenville Avenue outside Powell River with both indoor and outdoor space, where the tanning activities will take place.

There will be an onsite supervisor to assure that all WorkSafe BC safety standards are met. Participants will be provided with appropriate safety equipment, will receive a project orientation and a health and safety workshop, and will have printed guidelines on how to do all work in order to reduce the risk of injury.

The applicant is aware of the potential risk that participants may find employment and leave during the project, or leave for other reasons. They are prepared to recruit replacement participants during the project, subject to time remaining, outstanding project activities and milestones, suitability of the work experience and available clients, and any budgetary considerations.

e) Are the applicant's staffing requirements and human resource practices (hiring, evaluation etc.) described in the proposal and appropriate for the nature of the project? Are the administration procedures for managing this project adequate to support a successful outcome?

The applicant does not currently have any employees, but for the term of the project Judi Tyabji Wilson (Director and President of Pebble in the Pond) will be employed full time as project supervisor. Written confirmation has been provided and is on file, verifying that the other Directors of Pebble in the Pond have voted in a quorum (not including Judi Tyabji Wilson) that they support both the JCP project application and the engagement of her as project supervisor.

Ms. Tyabji Wilson will oversee the administration of the project and coordinate the activities of the participants. She has a background in small business management, marketing, promotion, sales, and value-added agricultural production. Other partners will provide input on specific areas of the project including social media, small business, retail, grey water area development, or skin tanning. The applicant will engage the services of an accountant to maintain the project's financial records. They will work with Career Link, the local WorkBC ESC contractor, to screen and select eligible clients for the project.

Based on the nature of the project, the applicant's background, and their previous experience managing a JCP project, the staffing and administrative requirements are reasonable and are adequate to support a successful project outcome.

f) Explain how the proposal avoids any appearance or reality of unfair competition and will not result in an unfair competitive advantage. Is this risk adequately addressed in the proposal?

The proposal was unsolicited and the organization is a not-for-profit. The project proposed does not give any appearance or reality of unfair competition because the social enterprise to be established would not compete in the marketplace with other similar business enterprises. In fact, the idea for this social enterprise came about because there is no longer a business offering tanning services to BC sheep farmers. The previous outlet, BC Fur in Vancouver, stopped accepting sheep skins for tanning in 2012. This proposal is to establish a tanning operation using skins which are now being discarded, as well as to offer a fee for service to farmers who wish to have their sheepskins tanned for them.

g) How does the proposal ensure that project activities do not displace the activities carried out or work performed by the organization's paid or core staff?

The proposed project activities are not listed in the work plans or objectives of current staff, and will not displace activities carried out or work performed by the organization. Pebble in the Pond does not currently have any paid or core staff as it is an organization of volunteers. The proposed activities are incremental to the organization's normal activities as they comprise a new and distinct venture that does not currently exist. These activities will not otherwise be completed if the JCP project does not proceed.

h) How does the applicant demonstrate that they will not rely on a future agreement for success of the current proposal? If the applicant has completed similar Ministry-funded projects in the past, assess whether this represents a pattern of longer-term dependence on Ministry funding.

The objective of the proposed project is to establish an ongoing social enterprise operation that will be financially viable and self-sustaining. Part of the challenge in starting such a venture from scratch is the trial-and-error process of identifying the best sources and source materials (which kinds of sheep from which farms produce the best products), and the best practices in the tanning process that will enable participants to the increase both the quality of their end products, and their production volume. The project period will allow this learning and evaluation curve with the initial four tanning batches focusing on refining the processes and the two final batches focusing on increasing production volume. The applicant expects that by the end of the project, they will have an established operation that they will be able to carry at a sustainable level, providing ongoing employment for some or all of the project participants.

Pebble in the Pond has coordinated one previous JCP project however it was an unrelated project to reduce waste by establishing a locally sourced alternative to plastic grocery bags. This current application does not include funding of any core operating costs, and there is no obligation or commitment on the part of the Ministry to fund any future projects.

i) If applicable, has union concurrence been received in writing?

Not applicable – the organization is non-union.

j) Explain the partner involvement in the project. Will this involvement contribute significantly to the success of the project?

The project has a number of partners who will make significant contributions, providing expertise in the organic tanning process and general agricultural product development, environmentally sensitive construction, general contracting, small business development and operation, and marketing. Gunter Brothers Meats, who operate a slaughterhouse in Courtenay, will contribute the sheep skins free of charge and will complete the first stage curing. All partners have confirmed their participation and their contributions in writing, with details of those contributions outlined below in section 5(f). The involvement of the various partners will be a key element in the success of the project.

k) If the proposal involves conducting research, describe the steps taken to verify that the information does not already exist, in whole or in part? Is there reasonable assurance that the project will not duplicating existing information?

Not applicable – the project does not involve any academic research. The research the participants will do will consist of gathering existing information applicable to this enterprise, such as identifying potential customers or sources for materials.

3. The Proposal – JCP Only

a) How would the activities described in the proposal provide clients with valuable work experience which helps them to maintain or enhance their employability skills?

Participants will obtain work experience learning an organic process for tanning sheepskins for sale to a variety of customers. The project proposes to establish an enterprise which will do this on a large scale and provide ongoing employment for some or all of the participants. However, as the process does not require specialized equipment participants could also apply the skills they learn to work independently.

In addition to the specific skills of tanning skins, participants will gain valuable work experience in all phases of small business start-up as they work to establish a social enterprise to produce and market value-added agricultural products. Experience will include sourcing materials, developing budgets and forecasts, production development and assessment, building customer bases, marketing products, managing retail / sales operations, and delivering product to customers. All of these elements will be directly applicable to a number of small business scenarios, enhancing the employability of the participants. Participants will also have the opportunity through the project to make connections in the community which could lead to employment.

b) How would the activities provide a benefit to and help develop the community?

In addition to providing those members of the community hired as participants with valuable work experience, the project will provide a community benefit by removing materials from the waste stream and converting them into value added products. The establishment of a social enterprise to continue this venture beyond the project end date will create ongoing economic and environmental benefits in the community.

c) How does the proposal demonstrate that all the activities are incremental and distinct and are not part of the applicant's day-to-day operations? JCP assessment notes should specifically address exceptional support for non-incremental activities if applicable.

The proposed activities are incremental to the organization's normal activities as they comprise a new and distinct venture that does not currently exist.

Pebble in the Pond is a volunteer-based organization with a mandate to educate the public on issues of waste reduction. Past projects have included a JCP to produce locally-sourced cotton grocery bags as an alternative to plastic bags, and contracts with the School District to deliver waste reduction seminars.

Pebble in the Pond identified the environmental issue which is at the core of their proposal (animal skins being discarded after slaughter) after B.C. Fur, the only B.C. company offering a fee-for-service to tan skins, stopped accepting skins in 2012. After researching options they found information about an alternative organic tanning process. They subsequently did a local workshop in 2013 to test out the process, confirming that it could be used to produce high quality sheepskins. However, they do not have any current operations tanning skins. The activities proposed for this project are not part of any existing operations, and will not otherwise be completed if the JCP project does not proceed.

d) How does the applicant propose to balance time off given to JCP Clients from the project (normally one day every two weeks) to job search and still meet the project's timelines and objectives?

Participants will be afforded one day free of project activities every two weeks for job search, as well as time to attend job interviews if required. Project timelines and objectives take this job search time into account, so it will not affect completion of those objectives

e) Are all Client related costs proposed for project funding required to carry out the project activities? Are other project costs paid for or cost-shared with the proponent and other partners in the project?

Proposed client costs are for personal safety and work gear required to carry out project activities. Client costs also include some client travel - mileage, ferry fares, some meal reimbursement at government travel rates - as project activities will at times require participants to travel to Vancouver Island or other locations, and due to the ferry schedules they will be out of their normal working area for full days. The applicant and partner organization are making in-kind contributions to the other project costs.

4. The Proposal – LMP Only

a) What is the labour market issue described in the proposal and has the applicant identified the root cause (e.g. industry downsizing; industry upsizing, new development, relocation; impact of new technologies; labour shortages; shortage of year round job opportunities; and lack of community and organizational capacity for human resource planning).

N/A

b) Adequate consultations have taken place indicating that this project responds to a labour market issue relevant to employers, an industrial sector or a geographic community?

N/A

c) How do the activities relate to the objectives of LMP (i.e. improving the capacity for dealing with human resource requirements and implementing labour force adjustments)?

N/A

d) How do the activities relate to a labour market issue how will they positively impact the labour market?

N/A

e) Do the activities target only people who are in the labour market or about to enter it (i.e. those aged 16 years and over)?

N/A

5. The Budget

a) Does the applicant have adequate financial procedures in place to track project expenditures, including third party contributions?

The project supervisor will manage day to day project expenditures and will record and track costs using the Quickbooks accounting program, with which she has over 13 years experience. A certified accountant will be engaged to manage the financial records for the project, including project expenditures. Third party contributions will be in-kind, and will be tracked and recorded.

b) Do budgeted costs relate specifically to the project activities and comply with applicable policy?

Budget costs are directly related to and required for the project activities, and do comply with the Eligible Costs Listings policy.

c) Are project costs reasonable and reflect "fair market value"?

Recommended project costs are reasonable, and reflect fair market value. The total recommended project budget amount is somewhat higher per participant than many other JCP projects however this is due to the project length (9.5 months vs. the norm of around 6

months). Due to the nature of the project, this longer period is necessary, as it will enable participants to refine their processes through multiple tanning batches and increase production levels, as well as to establish and develop the social enterprise to create ongoing employment opportunities.

The recommended rate for clients on this project is the new maximum EI rate of $514 per week. This rate, for 40 hours per week, is within the prevailing wage rate for similar positions (hide and pelt processing workers) according to available labour market information (www.workingincanada.gc.ca).

d) Has the applicant included only administration or overhead costs which are incremental to the organization and necessary to carry out the project activities?

All administration and overhead costs are incremental to the organization's normal operating costs and are required to carry out the project activities.

e) Is there a sound rationale for capital purchases and will the applicant contribute to these costs in a meaningful way? LMP assessment notes should specifically address the non-profit status of the applicant when the exception to cost-sharing of capital assets is applied.

N/A – there are no capital costs in the project budget.

f) Does the applicant contribute partnership funding for the project and have they obtained funding for the project, either cash or in-kind, from other sources?

As the applicant, Pebble in the Pond Environmental Society will make in-kind contributions to the project in the form of contributions from the companies their Directors operate.

Maradadi Pacific Holdings is a management consulting company operated by Pebble in the Pond Director Judi Tyabji Wilson. Maradadi Pacific will contribute physical assets including tables, chairs, office paraphernalia, bins, and other related materials to reduce the costs of set up and operations. In addition, Maradadi Pacific will provide consulting services at no cost that include discussions, meetings, and negotiations with potential partners, aimed at supporting tannery operations after the JCP has concluded. They calculate the value of their in-kind contribution at $5000.

CA Designs is a local green building design company operated by Pebble in the Pond Director Carole Anne Leishman. CA Designs will contribute to promoting the project through their social media and website accounts and websites of associated agencies. They will also provide free consulting on design of the sustainable grey water catchment area at the tannery site, and will assist where needed with training of participants, up to five hours per week. They calculate the value their in-kind contribution will be at least $100 per week for the 40 weeks of the project, for a total of $4000.

Eccossentials is a retail store operated by Pebble in the Pond Director Melissa Call. Eccossentials will work with the project to provide retail training to participants and coach them on how to the consider needs of the retail sector in producing goods and ensure that products meet the customers' wants. Eccossentials will also provide space in their retail store

to showcase the products, and will promote the project. Additionally, Eccossentials will provide consulting assistance to the project up to 5 hours per week. Eccossentials also calculate the value their in-kind contribution will be at least $100 per week for the 40 weeks of the project, for a total of $4000.

Sunshine Organics is another company operated by Melissa Call, providing direct-to-doorstep delivery of local organic and whole foods products in the Powell River area and the Comox Valley. Sunshine Organics will provide similar in-kind contribution of instruction for participants and consulting to the project up to 5 hours per week. They calculate the value of their contribution will be at least $50 per week, or $2000 over the entire project.

T&R Contracting is a general construction contracting company, and will make an in-kind contribution of equipment, manpower, and facilities support to the project, related to facilities for tanning operations and for grey water treatment. They calculate the value of their in-kind contribution at $5000

Three Leaf Contracting is another general contracting company operated by the owners of T&R Contracting. Three Leaf owns the property which will be rented to house the project (one site which provides office space and a second industrial location which will house the tanning operations). Three Leaf calculates the value of the rental property and equipment to be provided at $2164/month, but is reducing that by $364/month for an in-kind contribution of $3460 over the 9.5 months of the project.

Gunter Brothers Meat Company is an abattoir in Courtenay that will contribute at least 1000 sheep skins to the project at no charge. Currently these skins are discarded, but Gunter Brothers will take care of the first step in preparing the skins, fleshing and salting them and storing them for pickup. Given the work they will put into preparing the skins they estimate their value when picked up would be at least $40 per skin, or $40,000 total in-kind contribution to the project.

The project is expected to generate revenue from the sale of the finished sheepskins the participants will produce. Any revenue generated will be applied to offset project costs.

6. Evaluation

a) How will the project's progress be assessed? Does the proposal include performance indicators and an evaluation method for these indicators?

The project's progress will be assessed by completion of the activity milestones described in the agreement, which details the renovations to be completed. The participants' progress will be assessed by the results of the participant activity monitoring conducted by the Employment Service Centres. Monthly claims and activity reports will be reviewed to identify any issues and to ensure that the project is on track.

b) Are the indicators SMART (specific, measurable, achievable, results focused, and timely)?

All activities have timelines and are measurable. These are the specific performance indicators. They will be evaluated with monthly claim forms. They have been assessed as specific, measurable, achievable, results focused and timely.

7. RISK ASSESSMENT

Consideration	Risk Level / Mitigation (if required)
Number of Participants / Beneficiaries	***Medium Risk – 5 participants. This will allow for project activities to continue in the event one or more finds employment or leaves the project for other reasons***
Value of the Agreement	***Medium Risk - $128,696***
Complexity of Activities	***Medium Risk*** ***Broad range of activities, spread over different locations. Financial records can be monitored easily by CEP CAPA***
Previous Experience with Applicant	***Low risk – Previous experience was good. The applicant has received funding for JCP in the past and successfully managed that project***
Organizational Capacity of the Applicant	***Medium Risk*** ***-Applicant's organization has adequate financial controls, will engage the services of a bookkeeper of accountant to manage financial activities.*** ***Organizational capacity is good and they have previously successfully managed a JCP project***
Number of Partners Activity Involved	***Medium Risk – Withdrawal of one partner will not affect completion, however if one particular partner (Gunter Brothers) were to withdraw it could delay project schedule***
Public Profile of the Agreement	***Low Risk – Some possibility of occurrence due to public profile of the applicant's principal representative. Negative impact of the agreement to the Ministry likely to be minimal.***
Other:	***N/A - No other additional risks identified.***
Overall Professional Judgment	***Low Risk– CEP CAPA is satisfied with the information provided, and all risk factors are either Low or Medium***.

2. PROPOSAL RECOMMENDATION

Are you recommending this project for funding? [X] YES [ ] NO

If yes, please complete the recommendation rationale section of this form.

If no, please provide a brief rationale:

OBJECTIVE

Between March 17, 2014 and January 2, 2015, Pebble in the Pond Environmental Society will assist a minimum of five (5) eligible participants with up to 40 weeks of work experience and skill enhancement in the Powell River area. Participants will receive instruction and experience in organically tanning sheepskins to produce value-added agricultural products, and in all aspects of social enterprise set-up and operation including small business management, communication, marketing, sales, customer service, processing, transportation, and supplier liaison.

SUB-OBJECTIVE

By January 2, 2015 a minimum of 450 animal skins will be removed from the waste stream and processed, and Pebble in the Pond will establish an ongoing not-for-profit social enterprise to produce and market value-added agricultural products, and continue waste reduction.

ACTIVITIES

The project holder will

- **Hire a Project Supervisor**
- **Select eligible project participants**
- **Provide work experience in the areas of animal skin tanning, customer and supplier liaison, market research, product development and pricing, budget development, product evaluation and improvement, promotion and marketing, sales and shipping, and customer service.**
- **Provide project orientation, WorkSafe BC safety orientation, supervision, support, and mentoring to the project participants**
- **Complete and submit monthly activity reports and a final project report**

The JCP participants will

- **Participate in a general project orientation including an onsite WorkSafe BC safety orientation**
- **Complete 6 tanning batch runs to produce a minimum of 450 finished sheepskins**
- **Develop a database of sources for raw skins**
- **Develop procedures for acquiring and transporting source materials**
- **Develop a customer database**
- **Develop and implement marketing strategies**
- **Develop a retail framework including budgeting, pricing, product delivery, and customer service**

MILESTONES

By March 31, 2014

- **The Project Supervisor will be hired.**

- **Five project participants will be recruited and selected, and provided with a WorkBC safety and project orientation prior to beginning work on the project.**

By April 15, 2014

- **The first batch, with 25 to 50 skins, will be picked up and tanning processing of Batch 1 will begin**

By May 15, 2014

- **Participants will develop a schedule for customer database development, social media activities, retail framework, and product delivery**

By June 1, 2014

- **Tanning processing of Batch 1 will be completed.**

By June 15, 2014

- **The second batch, with 25 to 50 skins, will be picked up and tanning processing of Batch 2 will begin**
- **Participants will begin customer outreach and provide product samples to local businesses for feedback**
- **Participants will research trade shows or markets in the region for showcasing of product in late July to October**
- **Partners will be sought to carry products on commission**

By July 31, 2014

- **Tanning processing of Batch 2 will be completed.**
- **Lists of potential customers seeking samples will be finished and first samples will be sent out**

By August 15, 2014

- **The third batch, with 100 to 200 skins, will be picked up and tanning processing of Batch 3 will begin**
- Analysis of customer interactions and follow-up on feedback on product samples will begin
- **Direct sales will through local markets will begin**

By September 30, 2014

- **Tanning processing of Batch 3 will be completed**
- **Participants will begin online sales and promotions including using social media for sales.**

By October 15, 2014

- **The fourth batch, with 100 to 200 skins, will be picked up and tanning processing of Batch 4 will begin**
- **Participants will have ongoing responsibility for customer relations, dialogue, inventory, sales, expansion of sales and marketing, and updating promotional material**

By October 24, 2014

- **The fifth batch, with 100 to 500 skins, will be picked up and tanning processing of Batch 5 will begin**
- **Customer database will be improved, with analysis of easiest market response, best opportunity for return on investment, and pricing in order to direct the final batches of processing**

By November 15, 2014

- **Tanning processing of Batch 4 will be completed**
- **The sixth batch, with 100 to 500 skins, will be picked up and tanning processing of Batch 6 will begin**

By November 30

- **Tanning processing of Batch 5 will be completed**

By December 22

- **Tanning processing of Batch 6 will be completed**
- **Customer database will be complete and customers categorized**

EXPECTED RESULTS

By January 2, 2014

- **A minimum of five participants will have attained up to 40 weeks each of work experience and skill enhancement in organically tanning sheepskins to produce value-added agricultural products, and in all aspects of social enterprise set-up and operation including small business management, communication, marketing, sales, customer service, processing, transportation, and supplier liaison**
- **A minimum of 450 animal skins will have been removed from the waste stream and converted into value-added products**
- **A non-profit social enterprise will have been developed to continue tanning production and waste reduction.**

Completed by Agreement and Partnership Agent

Name: Andy MacKenzie
Date: February 24, 2014

and/or

☐ Assessed by Review Team (attach notes) Date:

RECOMMENDATION RATIONALE

Budget:

Amount request from SDSI: **$129,950**

Total Funding from other sources: **$63,278**

Amount recommended by SDSI: **$128,696**

Please summarize how the proposal meets the funding requirements:

- How does the project address program objectives and priorities?
- What is the capacity and expertise of the applicant to achieve the expected results?
- Describe the consultations which took place in support of the recommendation.
- Describe the project's applicability to MSD's business plan.
- Describe any other information required by this specific activity in support of the recommendation.

The proposed project meets the program objectives and priorities for a Job Creation Partnership.

All activities are incremental to the day-to-day operations of the applicant as they represent a new initiative that the applicant is not currently involved in. The applicant initially identified this opportunity because the discontinuation of the final fee-for-service tanning operation in BC meant farmers had no outlet that would finish skins for them, leaving the farmers no option but to discard those skins. This both costs farmers money, and increases waste entering landfills. The applicant looked for alternatives, and subsequently confirmed the effectiveness of this organic tanning process in a pilot workshop in the spring of 2013. However, they are not currently engaged in any of these activities, and will not carry out any of the activities unless this JCP project goes ahead.

Project activities are also finite in nature as they will take place over a limited period within the project duration. Participants will complete a specific limited number of tanning batches, developing their skills and best procedures to produce finished sheepskins. At the same time they will develop a non-profit social enterprise that would be able to continue beyond the project duration. However, the project activities are not aimed at carrying out the ongoing activities of the social enterprise, but rather at establishing and developing the enterprise. The project period is considered sufficient to establish the tanning operation, develop proper procedures, and establish the social enterprise. Once those activities are completed the social enterprise would move forward to carry on ongoing day-to-day operations without further involvement or contribution from SDSI.

The objectives and priorities of JCP will be achieved through this project as a minimum of five unemployed EI eligible clients will be provided with a meaningful work experience. They will gain work experience and skill enhancement in the areas of animal skin tanning, customer and supplier liaison, market research, product development and pricing, budget development, product evaluation and improvement, promotion and marketing, sales and shipping, and customer service. This work

experience is directly applicable to the labour market, and will assist them to maintain and enhance their skills to secure on-going employment.

Through the skills the participants will acquire or enhance, and the opportunities the project will provide them to network with local employers and other businesses and organizations, this work experience will increase the participants' employability. Suitable and eligible participants will be referred and case managed by Career Link, the operator of the Powell River WorkBC Employment Service Centre. This project supports BC's Labour Market Priorities by providing the opportunity for British Columbians to develop and enhance their skill level and labour market success.

Pebble in the Pond has both previous experience successfully managing a JCP project, and the necessary organizational capacity and expertise to successfully manage this project and achieve the expected results. In their earlier JCP project Pebble in the Pond provided participants with quality work experience while effectively managing the prescribed activities to complete projects on time and within budget. One of the three participants found employment directly as a result of contacts made during the project, while another returned to work with a previous employer. The project also provided excellent community benefits as it established a local program to raise awareness of the environmental impact of plastic grocery bags and provide more environmentally-friendly cotton bags as an alternative, diverting an estimated 4,000,000 bags from the waste stream in Powell River alone.

The Letter of Intent was received November 5, 2013 and reviewed by Region 4 PACRM Ted Crouch and two CEP CAPAs. Additional clarification was sought from the applicant, and issues were reviewed around establishment of a social enterprise, revenue generation by a JCP project, and use of private property as a location for a project (the Letter of Intent proposed that the project be located on farm property owned by a director of Pebble in the Pond). In considering whether JCP could include activities to establish a not-for-profit social enterprise, as well as issues around revenue generation and competition in the market place, the reviewers were guided by advice previously provided by Program Management in 2012 in relation to an approved JCP application from New Page Human Service Society in Hope. That proposal related to development of an e-commerce website for the non-profit organization's bookstore, essentially enhancing a business stream for an existing non-profit enterprise operated by the applicant. Although that project involved developing a retail commercial operation which could generate revenue, it was determined to be eligible, in part because the organization intended to apply the revenues toward operation of the non-profit venture, specifically to hire a manager for the bookstore as the organization deemed the existing arrangement of having a volunteer manager was unsustainable. As the Pebble in the Pond application also involves a proposal to establish a non-profit enterprise, where any revenues would go to support the operation including wages for persons working in the enterprise, the reviewers felt it would meet the same eligibility criteria as the New Page proposal.

As a result of the LOI review submit a full proposal was invited on December 6, 2013, although the applicant was advised that there were still some questions in particular around the issue of location of the project, and that proposal-level detail would be required to determine whether we could proceed with a project. A full proposal was submitted on January 5, 2014 and reviewed by the CEP CAPA in consultation with the Team and Contract Lead. Through consultation with the APA a number of clarifications were provided; including clarification of partner contributions; support for the project; specifics of the project location; and clarifications related to activities, timelines, and budget cost items.

The full proposal still provided for the project to be located on farm property belonging to a Pebble in the Pond director, and due to concerns over conflict of interest and benefit to the property owner, the applicant was advised an alternate location would be necessary. As a result, the applicant has now revised the proposal, to locate the project on rental property belonging to 3 Leaf Contracting. 3 Leaf Contracting is offering a discount on the rent which is being counted as an in-kind contribution to the project.

The original full proposal included a proposed start date of January 27, 2014. However, due to the time required for negotiation and review of the application, a revised start date of March 17, 2014 was proposed. Based on a 42 week duration this would result in an end date of January 2, 2015. Although normally having an end date prior to the Christmas period would be preferable, the applicant anticipates that the project participants may be busy through the first half of December completing the final tanning batch and marketing products, and so would benefit from having the final 2 weeks of December to complete project activities and reports.

The total budget amount recommended is somewhat higher per participant compared to amounts approved on other projects, but the experience offered and potential for this project to create ongoing employment for the participants beyond the project end will provide greater value. As well, this project has the potential to generate revenue through the sale of the finished products, which will be applied against project costs to reduce the overall contribution from SDSI.

Environmental impact of the project has been considered. Although the tanning process is organic and non-toxic, it involves curing hides in salt and soaking them in alum or natural tannins as well Borax, producing grey water with salts when hides are washed. The applicant consulted the Regional Health Officer, who confirmed grey water disposal would not be a concern from their perspective and would not require any permit. Conversely, the proposed activities will have a positive environmental impact through the removal of skins from the waste stream.

Confirmation of community support has been provided in the form of letters from the Powell River Chamber of Commerce, and the Powell River Regional Economic Development Society, and Powell River Mayor David Formosa.

The applicant has contacted Career Link, the local Employment Service Centre in Powell River, who have confirmed that they have clients who could benefit from a work experience such as the one being offered in this JCP. The recommended Living Supports rate for clients on this project is the maximum EI rate, $514/week. Although there are currently no similar positions in the local labour market, this rate, at 40 hours per week, is within the prevailing wage rate for tanners indicated in federal labour market information (www.workingincanada.gc.ca). The project also provides a learning opportunity for participants, who will benefit by obtaining work experience and skills which will enhance their employability and their possibilities of securing employment.

This project is applicable to SDSI's Business Plan as the participants will develop and enhance their skill level through a partnership with a community organization.

It is recommended that the duration of this project be 42 weeks as requested by the applicant, as that is reasonable to complete the activities laid out in the proposal, and will provide participants with a suitable length of work experience. This is longer than many JCP projects, however participants will have the opportunity to learn and develop not only the specific tanning techniques, but also a wide

range of skills related to establishing a social enterprise, which will provide skills transferrable to a variety of small business scenarios even if participants do not remain employed in this social enterprise beyond the project. This extended project period reflects the variety of work experience participants will receive.

Recommended by Agreement and Partnership Agent

[X] I attest that this project meets eligibility criteria, current CEP policies, and that there are processes in place to manage the risks.

Name: Andy MacKenzie

Date: February 24, 2014

Program Management Review

Reviewed by Senior Policy Advisor

[ ] I have reviewed the proposal assessment and recommendation package for this proposal/amendment and agree the project deliverables are clearly described and enforceable, and the activities provided under the agreement are consistent with EPBC Program Policy.

Name: _____

Signature: _____ Date: _____

OR

[ ] I have reviewed the proposal assessment and recommendation package for this proposal/amendment and have the following comments or conditions for follow-up:

EXPENSE AUTHORITY APPROVAL

This section should be signed by the individual(s) who have delegated signing authority to approve projects under the specific activity according to the FAA.

Amount of funding approved by MSD: $_____

Approved by: _____

Title: _____

Signature: _____

Date: _____

Partnership & Innovation Fund

PROPOSAL ASSESSMENT, RECOMMENDATION AND APPROVAL FORM

General Applicant Information

Applicant Name:	**Pebble in the Pond Environmental Society**
Contact Person:	**Judi Tyabji Wilson**
Area Code/Telephone No:	**604-483-1961**
Email Address:	info@pebpond.com
Anticipated Start Date:	**April 1, 2014** **Anticipated End Date: January 16 2015**

1. PROPOSAL ASSESSMENT

1. The Applicant

a) Is the applicant eligible for funding in accordance with the terms and conditions of the program?

Yes. Pebble in the Pond Environmental Society is a registered non profit Society (not a charitable organization). This applicant is eligible for funding in accordance with the terms and conditions of the program.

b) (If applicable) Briefly describe the results from the applicant's previous funding agreements with the Ministry and other organizations. Were they completed successfully? Were there lessons learned that should be incorporated into the current project design, or risks identified that require mitigation plans?

Pebble in the Pond has managed one previous JCP project from Oct 19, 2009 to June 25, 2010. Three participants received work experience which enhanced their employability, while establishing a local program to reduce waste by producing and promoting use of reusable cotton grocery bags. One participant found employment directly as a result of contacts made during the project, while another returned to work with a previous employer, and the third joined a local agricultural organization as a volunteer. The project met its milestones and objectives, and was well supervised with claims and reports being submitted in a timely manner. The managing Program Officer reported that she would not have a problem entering into another agreement with this organization.

c) Does the applicant have the expertise to carry out the proposed activities? Explain why or why not.

Pebble in the Pond has previously successfully managed a JCP project which provided participants with valuable work experience. The current proposal involves taking sheep hides from farmers or slaughterhouse operators (who currently discard the hides into landfills), removing them from the waste stream and tanning them using an organic process, and then

marketing the finished products to a variety of customers. Pebble in the Pond's goal is to make this waste reduction initiative self sustaining so it can carry on after the project activities end, by establishing a not-for-profit social enterprise which could cover the costs of the operations, including wages for the workers involved.

Pebble in the Pond President Judi Tyabji Wilson was involved in the applicant's previous JCP project, and will take the lead as supervisor of this project. In addition to her previous experience with JCP, she has experience as a sheep farmer since 2005 including being a customer of fee-for-service sheepskin tanning. She also has experience in the start up and operation of small businesses, and operates her own business which provides multi-media and management consulting services (she will be taking time away from those duties to concentrate on this project). Under her supervision, Pebble in the Pond successfully ran a pilot workshop in the spring of 2013 to test out the organic tanning process they will use in this JCP project, producing 18 high quality finished skins.

d) Does the applicant have an amount payable to the Province of BC that is large enough to be a concern in this proposal? If so how will this risk be mitigated?

The applicant declared they do not have any amounts owing to the Province of BC.

e) Please include a conclusion statement indicating that (1) any concerns with the applicant can be addressed through mitigation plans or (2) there are concerns with the applicant that cannot be satisfactorily mitigated.

Any concerns with the applicant can be addressed through mitigation plans.

2. The Proposal - General

a) Explain how the project addresses program priorities and identified needs within the community? Is there a clear link to program priorities and evidence of support from the community/sector/industry?

The project addresses LMDA program priority of developing and enhancing the skill level and labour market success of British Columbians, as it will provide participants with valuable work experience that will enhance their skills by teaching them a process for tanning sheep hides that will enable them to produce a value-added agricultural product that can be marketed to a wide range of potential customers. As the process does not require expensive equipment and installations, participants could use these skills to work independently on a smaller scale.

In addition to learning the basic tanning techniques, participants will gain experience in all stages of start-up and operation of a social enterprise including sourcing materials, budgeting, production, conducting market research and identifying potential customers, promoting and marketing the products through various means including websites and social media , and

delivering the finished products. The objective is to make the waste reduction initiative a self-sustaining non-profit social enterprise that could provide ongoing employment to participants beyond the end of the project. However, the skills and knowledge the participants gain would be applicable to a number of other small business scenarios.

The project also addresses identified needs in the community. Waste reduction is an identified priority at local, provincial, and federal levels, and this project will provide environmental benefits as animal skins are diverted from the waste stream. The project supports agricultural producers, as farmers will have an outlet to take animal skins which they currently pay to discard into landfills, and turn them into value-added products. And as an economically challenged area, the Powell River-Sunshine Coast region will benefit from the employment opportunities the project aims to create.

The proposal demonstrates community support for this project, in the form of letters from the Powell River Chamber of Commerce, and the Powell River Regional Economic Development Society, and Powell River Mayor David Formosa. The letters confirm support of the proposed project based on the opportunities it provides for skill development and job creation, as well as the community benefits of waste reduction and support to the agricultural sector.

b) Does the proposal contain clear and realistic objectives? Do the proposed activities support the objectives? Explain how the objectives are realistic and achievable.

The objectives for this project are to provide work experience for a minimum of five eligible participants in production of organically tanned sheep skins, as well as small business development and management, marketing, customer service, and transportation & farm / abattoir liaison. The additional objective is to take animal skins which are currently being discarded into landfills because no tanning service is available to farmers, and remove them from the waste stream and convert them into value-added products. The activities outlined in the proposal will support these objectives.

The applicant is proposing the work experience to be completed within a time period of 40 weeks. The objectives are realistic and achievable within the allotted time frame. This period will allow the participant to complete six tanning batches to master the process, identify best methods and materials, and refine their procedures and improve the end products. It also provides time to establish the social enterprise and market finished products, creating a framework to sustain the waste reduction program beyond the funding period. The applicant will provide on-site supervision to guide and instruct the participants, and to direct the completion of project tasks in order to achieve the objectives.

c) Does the proposal have an implementation plan that includes an outline for each objective/activity, milestones, and a description of results to be achieved? Are those results measurable; how will they be measured and reported?

The proposal includes an implementation plan which outlines the activities, the tasks involved, and the expected timelines for completion. From the information provided detailing activities, outcomes and timeframes, it is reasonable to conclude that the plan is realistic. The project calls for participants to tan six batches of sheepskins, each batch taking approximately 6 weeks to process from start to finish. At the same time, participants will establish and

develop the social enterprise that will manage the operations from sourcing hides to marketing the finished products. The project implementation plan outlines timelines, activities and goals that are measurable.

Results will be measured in relation to those project milestones including completion of tanning batches, numbers of skins removed from the waste stream, establishment of the enterprise, marketing and sales of finished products. Results will be reported in the written monthly activity reports, and in the "end of project" evaluation. The applicant will also submit monthly reports outlining each participant's progress to Career Link, the WorkBC Employment Service Centre which will case manage the participants.

d) Is there an adequate facility to accommodate the project? Are there associated risks that require mitigation plans?

The applicant has arranged to rent adequate facilities to accommodate the project. These include office facilities at 104-7385 Duncan Street, Powell River where the business side of the project will be coordinated, and a separate industrial site 5 minutes away at a gravel pit on Grenville Avenue outside Powell River with both indoor and outdoor space, where the tanning activities will take place.

There will be an onsite supervisor to assure that all WorkSafe BC safety standards are met. Participants will be provided with appropriate safety equipment, will receive a project orientation and a health and safety workshop, and will have printed guidelines on how to do all work in order to reduce the risk of injury.

The applicant is aware of the potential risk that participants may find employment and leave during the project, or leave for other reasons. They are prepared to recruit replacement participants during the project, subject to time remaining, outstanding project activities and milestones, suitability of the work experience and available clients, and any budgetary considerations.

e) Are the applicant's staffing requirements and human resource practices (hiring, evaluation etc.) described in the proposal and appropriate for the nature of the project? Are the administration procedures for managing this project adequate to support a successful outcome?

The applicant does not currently have any employees, but for the term of the project Judi Tyabji Wilson (Director and President of Pebble in the Pond) will be employed full time as project supervisor. Written confirmation has been provided and is on file, verifying that the other Directors of Pebble in the Pond have voted in a quorum (not including Judi Tyabji Wilson) that they support both the JCP project application and the engagement of her as project supervisor.

Ms. Tyabji Wilson will oversee the administration of the project and coordinate the activities of the participants. She has a background both as a sheep farmer and in small business management, marketing, promotion, sales, and value-added agricultural production. Other partners will provide input on specific areas of the project including social media, small business, retail, grey water area development, or skin tanning. The applicant will engage the services of an accountant to maintain the project's financial records. They will work with

Career Link, the local WorkBC ESC contractor, to screen and select eligible clients for the project.

Based on the nature of the project, the applicant's background, and their previous experience managing a JCP project, the staffing and administrative requirements are reasonable and are adequate to support a successful project outcome.

f) Explain how the proposal avoids any appearance or reality of unfair competition and will not result in an unfair competitive advantage. Is this risk adequately addressed in the proposal?

The proposal was unsolicited and the organization is a not-for-profit. The project proposed does not give any appearance or reality of unfair competition because there currently is not a similar operation. In fact, the idea for this proposal came about because there is no longer a business offering farm-to-market tanning services to BC sheep farmers. The previous outlet, BC Fur in Vancouver (now Pacific Leather), stopped accepting sheep skins for tanning in 2012. As a result, BC farmers and abattoirs had no option but to discard skins after slaughter, unless they wished to tan them themselves. This proposal is to establish a tanning operation using skins which are now being discarded, as well as to offer a fee for service to farmers who wish to have their sheepskins tanned for them. The program to be established would not compete in the marketplace with other business enterprises as there are no similar competitors.

g) How does the proposal ensure that project activities do not displace the activities carried out or work performed by the organization's paid or core staff?

The proposed project activities are not listed in the work plans or objectives of current staff, and will not displace activities carried out or work performed by the organization. Pebble in the Pond does not currently have any paid or core staff as it is an organization of volunteers. The proposed activities are incremental to the organization's normal activities as they comprise a new and distinct waste reduction initiative that does not currently exist. These activities will not otherwise be completed if the JCP project does not proceed.

h) How does the applicant demonstrate that they will not rely on a future agreement for success of the current proposal? If the applicant has completed similar Ministry-funded projects in the past, assess whether this represents a pattern of longer-term dependence on Ministry funding.

The objective of the proposed project is to establish an ongoing waste reduction program that will be financially viable and self-sustaining, via a non-profit social enterprise that will generate revenue to cover the costs of the program. Part of the challenge in starting such a venture from scratch is the trial-and-error process of identifying the best sources and source materials (which kinds of sheep from which farms produce the best products), and the best practices in the tanning process that will enable participants to the increase both the quality of their end products, and their production volume. The project period will allow this learning and evaluation curve with the initial four tanning batches focusing on refining the processes and the two final batches focusing on increasing production volume. The applicant expects that by the end of the project, they will have an established operation that they will be able to carry at a sustainable level, providing ongoing employment for some or all of the project participants.

Pebble in the Pond has coordinated one previous JCP project however it was an unrelated project to reduce waste by establishing a locally sourced alternative to plastic grocery bags. This current application does not include funding of any core operating costs, and there is no obligation or commitment on the part of the Ministry to fund any future projects.

i) If applicable, has union concurrence been received in writing?

Not applicable – the organization is non-union.

j) Explain the partner involvement in the project. Will this involvement contribute significantly to the success of the project?

The project has a number of partners who will make significant contributions, providing expertise in the organic tanning process and general agricultural product development, environmentally sensitive construction, general contracting, small business development and operation, and marketing. Gunter Brothers Meats, who operate a slaughterhouse in Courtenay, will contribute 1000 sheep skins free of charge and will complete the first stage curing. All partners have confirmed their participation and their contributions in writing, with details of those contributions outlined below in section 5(f). The involvement of the various partners will be a key element in the success of the project.

k) If the proposal involves conducting research, describe the steps taken to verify that the information does not already exist, in whole or in part? Is there reasonable assurance that the project will not duplicating existing information?

Not applicable – the project does not involve any academic research. The research the participants will do will consist of gathering existing information applicable to this enterprise, such as identifying potential customers or sources for materials.

3. The Proposal – JCP Only

a) How would the activities described in the proposal provide clients with valuable work experience which helps them to maintain or enhance their employability skills?

Participants will obtain work experience learning an organic process for tanning sheepskins for sale to a variety of customers. The project proposes to establish a program which will do this on a large scale and provide ongoing employment for some or all of the participants. However, as the process does not require specialized equipment participants could also apply the skills they learn to work independently.

In addition to the specific skills of tanning skins, participants will gain valuable work experience in all phases of small business start-up as they work to establish a social enterprise to produce and market value-added agricultural products. Experience will include sourcing materials, developing budgets and forecasts, production development and assessment, building customer bases, marketing products, managing retail / sales operations, and delivering product to customers. All of these elements will be directly applicable to a number

of small business scenarios, enhancing the employability of the participants. Participants will also have the opportunity through the project to make connections in the community which could lead to employment.

b) How would the activities provide a benefit to and help develop the community?
In addition to providing those members of the community hired as participants with valuable work experience, the project will provide a community benefit by removing materials from the waste stream and converting them into value added products. The establishment of a social enterprise to sustain this venture beyond the project end date will create ongoing economic and environmental benefits in the community.

c) How does the proposal demonstrate that all the activities are incremental and distinct and are not part of the applicant's day-to-day operations? JCP assessment notes should specifically address exceptional support for non-incremental activities if applicable.

The proposed activities are incremental to the organization's normal activities as they comprise a new and distinct venture that does not currently exist.

Pebble in the Pond is a volunteer-based organization with a mandate to educate the public on issues of waste reduction. Past projects have included a JCP to produce locally-sourced cotton grocery bags as an alternative to plastic bags, and contracts with the School District to deliver waste reduction seminars.

Pebble in the Pond identified the environmental issue which is at the core of their proposal (animal skins being discarded after slaughter) after B.C. Fur, the only B.C. company offering a fee-for-service to tan skins, stopped accepting skins in 2012. In researching options for how to remove these skins from the waste stream they learned about an alternative organic tanning process. They subsequently did a local workshop in 2013 to test out the process, confirming that it could be used to produce high quality finishes sheepskins. However, Pebble in the Pond does not have any current operations tanning skins. The activities proposed for this project are not part of any existing operations, and will not otherwise be completed if the JCP project does not proceed.

d) How does the applicant propose to balance time off given to JCP Clients from the project (normally one day every two weeks) to job search and still meet the project's timelines and objectives?

Participants will be afforded one day free of project activities every two weeks for job search, as well as time to attend job interviews if required. Project timelines and objectives take this job search time into account, so it will not affect completion of those objectives

e) Are all Client related costs proposed for project funding required to carry out the project activities? Are other project costs paid for or cost-shared with the proponent and other partners in the project?

Proposed client costs are for personal safety and work gear required to carry out project activities. Client costs also include some client travel - mileage, ferry fares, some meal

reimbursement at government travel rates - as project activities will at times require participants to travel to Vancouver Island or other locations, and due to the ferry schedules they will be out of their normal working area for full days. The applicant and partner organization are making in-kind contributions to the other project costs.

4. The Proposal – LMP Only

a) What is the labour market issue described in the proposal and has the applicant identified the root cause (e.g. industry downsizing; industry upsizing, new development, relocation; impact of new technologies; labour shortages; shortage of year round job opportunities; and lack of community and organizational capacity for human resource planning).

N/A

b) Adequate consultations have taken place indicating that this project responds to a labour market issue relevant to employers, an industrial sector or a geographic community?

N/A

c) How do the activities relate to the objectives of LMP (i.e. improving the capacity for dealing with human resource requirements and implementing labour force adjustments)?

N/A

d) How do the activities relate to a labour market issue how will they positively impact the labour market?

N/A

e) Do the activities target only people who are in the labour market or about to enter it (i.e. those aged 16 years and over)?

N/A

5. The Budget

a) Does the applicant have adequate financial procedures in place to track project expenditures, including third party contributions?

The project supervisor will manage day to day project expenditures and will record and track costs using the Quickbooks accounting program, with which she has over 13 years experience. A certified accountant will be engaged to manage the financial records for the project, including project expenditures. Third party contributions will be in-kind, and will be tracked and recorded.

b) Do budgeted costs relate specifically to the project activities and comply with applicable policy?

Budget costs are directly related to and required for the project activities, and do comply with the Eligible Costs Listings policy.

c) Are project costs reasonable and reflect "fair market value"?

Recommended project costs are reasonable, and reflect fair market value. The total recommended project budget amount is somewhat higher per participant than many other JCP projects however this is due to the project length (9.5 months vs. the norm of around 6 months). Due to the nature of the project, this longer period is necessary, as it will enable participants to refine their processes through multiple tanning batches and increase production levels, as well as to establish and develop the social enterprise to sustain the program and create ongoing employment opportunities.

The recommended rate for clients on this project is the new maximum EI rate of $514 per week. This rate, for 40 hours per week, is within the prevailing wage rate for similar positions (hide and pelt processing workers) according to available labour market information (www.workingincanada.gc.ca).

d) Has the applicant included only administration or overhead costs which are incremental to the organization and necessary to carry out the project activities?

All administration and overhead costs are incremental to the organization's normal operating costs and are required to carry out the project activities.

e) Is there a sound rationale for capital purchases and will the applicant contribute to these costs in a meaningful way? LMP assessment notes should specifically address the non-profit status of the applicant when the exception to cost-sharing of capital assets is applied.

N/A – there are no capital costs in the project budget.

f) Does the applicant contribute partnership funding for the project and have they obtained funding for the project, either cash or in-kind, from other sources?

As the applicant, Pebble in the Pond Environmental Society will make in-kind contributions to the project in the form of contributions from the companies their Directors operate.

Maradadi Pacific Holdings is a management consulting company operated by Pebble in the Pond Director Judi Tyabji Wilson. Maradadi Pacific will contribute physical assets including tables, chairs, office paraphernalia, bins, and other related materials to reduce the costs of set up and operations. In addition, Maradadi Pacific will provide consulting services at no cost that include discussions, meetings, and negotiations with potential partners, aimed at supporting tannery operations after the JCP has concluded. They calculate the value of their in-kind contribution at $5000.

CA Designs is a local green building design company operated by Pebble in the Pond Director Carole Anne Leishman. CA Designs will contribute to promoting the project through their social media and website accounts and websites of associated agencies. They will also provide free consulting on design of the sustainable grey water catchment area at the tannery

site, and will assist where needed with training of participants, up to five hours per week. They calculate the value their in-kind contribution will be at least $100 per week for the 40 weeks of the project, for a total of $4000.

Eccossentials is a retail store operated by Pebble in the Pond Director Melissa Call. Eccossentials will work with the project to provide retail training to participants and coach them on how to the consider needs of the retail sector in producing goods and ensure that products meet the customers' wants. Eccossentials will also provide space in their retail store to showcase the products, and will promote the project. Additionally, Eccossentials will provide consulting assistance to the project up to 5 hours per week. Eccossentials also calculate the value their in-kind contribution will be at least $100 per week for the 40 weeks of the project, for a total of $4000.

Sunshine Organics is another company operated by Melissa Call, providing direct-to-doorstep delivery of local organic and whole foods products in the Powell River area and the Comox Valley. Sunshine Organics will provide similar in-kind contribution of instruction for participants and consulting to the project up to 5 hours per week. They calculate the value of their contribution will be at least $50 per week, or $2000 over the entire project.

T&R Contracting is a general construction contracting company, and will make an in-kind contribution of equipment, manpower, and facilities support to the project, related to facilities for tanning operations and for grey water treatment. They calculate the value of their in-kind contribution at $5000

Three Leaf Contracting is another general contracting company operated by the owners of T&R Contracting. Three Leaf owns the property which will be rented to house the project (one site which provides office space and a second industrial location which will house the tanning operations). Three Leaf calculates the value of the rental property and equipment to be provided at $2301/month, but is reducing that by $364/month for an in-kind contribution of $3460 over the 9.5 months of the project.

Gunter Brothers Meat Company is an abattoir in Courtenay that will contribute at least 1000 sheep skins to the project at no charge. Currently these skins are discarded, but Gunter Brothers will take care of the first step in preparing the skins, fleshing and salting them and storing them for pickup. Given the work they will put into preparing the skins they estimate their value when picked up would be at least $40 per skin, or $40,000 total in-kind contribution to the project.

The project is expected to generate revenue from the sale of the finished sheepskins the participants will produce. Any revenue generated will be applied to offset project costs.

6. Evaluation

a) How will the project's progress be assessed? Does the proposal include performance indicators and an evaluation method for these indicators?

The project's progress will be assessed by completion of the activity milestones described in the agreement, which details the renovations to be completed. The participants' progress will be assessed by the results of the participant activity monitoring conducted by the Employment Service Centres. Monthly claims and activity reports will be reviewed to identify any issues and to ensure that the project is on track.

b) Are the indicators SMART (specific, measurable, achievable, results focused, and timely)?

All activities have timelines and are measurable. These are the specific performance indicators. They will be evaluated with monthly claim forms. They have been assessed as specific, measurable, achievable, results focused and timely.

7. RISK ASSESSMENT

Consideration	Risk Level / Mitigation (if required)
Number of Participants / Beneficiaries	***Medium Risk – 5 participants. This will allow for project activities to continue in the event one or more finds employment or leaves the project for other reasons***
Value of the Agreement	***Medium Risk - $128,696***
Complexity of Activities	***Medium Risk*** ***Broad range of activities, spread over different locations. Financial records can be monitored easily by CEP CAPA***
Previous Experience with Applicant	***Low risk – Previous experience was good. The applicant has received funding for JCP in the past and successfully managed that project***
Organizational Capacity of the Applicant	***Medium Risk*** ***-Applicant's organization has adequate financial controls, will engage the services of a bookkeeper of accountant to manage financial activities.*** ***Organizational capacity is good and they have previously successfully managed a JCP project***
Number of Partners Activity Involved	***Medium Risk – Withdrawal of one partner will not affect completion, however if one particular partner (Gunter Brothers) were to withdraw it could delay project schedule***
Public Profile of the Agreement	***Low Risk – Some possibility of occurrence due to public profile of the applicant's principal representative. Negative impact of the agreement to the Ministry likely to be minimal.***
Other:	***N/A - No other additional risks identified.***
Overall Professional Judgment	***Low Risk– CEP CAPA is satisfied with the information provided, and all risk factors are either Low or Medium***.

2. PROPOSAL RECOMMENDATION

Are you recommending this project for funding? [X] YES [ ] NO

If yes, please complete the recommendation rationale section of this form.

If no, please provide a brief rationale:

OBJECTIVE

Between April 1, 2014 and January 16, 2015, Pebble in the Pond Environmental Society will assist a minimum of five (5) eligible participants with up to 40 weeks of work experience and skill enhancement in the Powell River area. Participants will receive instruction and experience in waste reduction, organically tanning sheepskins to produce value-added agricultural products, and in all aspects of social enterprise set-up and operation including small business management, communication, marketing, sales, customer service, processing, transportation, and supplier liaison.

SUB-OBJECTIVE

By January 16, 2015 a minimum of 450 animal skins will be removed from the waste stream and processed, and Pebble in the Pond will establish an ongoing not-for-profit social enterprise to produce and market value-added agricultural products, and continue waste reduction.

ACTIVITIES

The project holder will

- **Hire a Project Supervisor**
- **Select eligible project participants**
- **Provide work experience in the areas of animal skin tanning, customer and supplier liaison, market research, product development and pricing, budget development, product evaluation and improvement, promotion and marketing, sales and shipping, and customer service.**
- **Provide project orientation, WorkSafe BC safety orientation, supervision, support, and mentoring to the project participants**
- **Complete and submit monthly activity reports and a final project report**

The JCP participants will

- **Participate in a general project orientation including an onsite WorkSafe BC safety orientation**
- **Complete 6 tanning batch runs to produce a minimum of 450 finished sheepskins**
- **Develop a database of sources for raw skins**
- **Develop procedures for acquiring and transporting source materials**
- **Develop a customer database**
- **Develop and implement marketing strategies**
- **Develop a retail framework including budgeting, pricing, product delivery, and customer service**

MILESTONES

By April 15, 2014

- **The Project Supervisor will be hired.**
- **Five project participants will be recruited and selected, and provided with a WorkBC safety and project orientation prior to beginning work on the project.**

By April 30, 2014

- **The first batch, with 25 to 50 skins, will be picked up and tanning processing of Batch 1 will begin**

By May 31, 2014

- **Participants will develop a schedule for customer database development, social media activities, retail framework, and product delivery**

By June 15, 2014

- **Tanning processing of Batch 1 will be completed.**

By June 30, 2014

- **The second batch, with 25 to 50 skins, will be picked up and tanning processing of Batch 2 will begin**
- **Participants will begin customer outreach and provide product samples to local businesses for feedback**
- **Participants will research trade shows or markets in the region for showcasing of product in late July to October**
- **Partners will be sought to carry products on commission**

By August 15, 2014

- **Tanning processing of Batch 2 will be completed.**
- **Lists of potential customers seeking samples will be finished and first samples will be sent out**

By August 31, 2014

- **The third batch, with 100 to 200 skins, will be picked up and tanning processing of Batch 3 will begin**
- **Analysis of customer interactions and follow-up on feedback on product samples will begin**
- **Direct sales will through local markets will begin**

By October 15, 2014

- **Tanning processing of Batch 3 will be completed**
- **Participants will begin online sales and promotions including using social media for sales.**

By October 31, 2014

- **The fourth batch, with 100 to 200 skins, will be picked up and tanning processing of Batch 4 will begin**
- **Participants will have ongoing responsibility for customer relations, dialogue, inventory, sales, expansion of sales and marketing, and updating promotional material**

By November 7, 2014

- **The fifth batch, with 100 to 500 skins, will be picked up and tanning processing of Batch 5 will begin**
- **Customer database will be improved, with analysis of easiest market response, best opportunity for return on investment, and pricing in order to direct the final batches of processing**

By November 30, 2014

- **Tanning processing of Batch 4 will be completed**
- **The sixth batch, with 100 to 500 skins, will be picked up and tanning processing of Batch 6 will begin**

By December 15, 2014

- **Tanning processing of Batch 5 will be completed**

By January 5, 2015

- **Tanning processing of Batch 6 will be completed**
- **Customer database will be complete and customers categorized**

EXPECTED RESULTS

By January 16, 2015

- **A minimum of five participants will have attained up to 40 weeks each of work experience and skill enhancement in waste reduction, organically tanning sheepskins to produce value-added agricultural products, and in all aspects of social enterprise set-up and operation including small business management, communication, marketing, sales, customer service, processing, transportation, and supplier liaison**
- **A minimum of 450 animal skins will have been removed from the waste stream and converted into value-added products**
- **A non-profit social enterprise will have been developed to sustain ongoing tanning production and waste reduction.**

Completed by Agreement and Partnership Agent

Name: Andy MacKenzie

Date: February 26, 2014

and/or

☐ Assessed by Review Team (attach notes) Date:

RECOMMENDATION RATIONALE

Budget:

Amount request from SDSI: **$129,950**

Total Funding from other sources: **$63,278**

Amount recommended by SDSI: **$128,696**

Please summarize how the proposal meets the funding requirements:

- How does the project address program objectives and priorities?
- What is the capacity and expertise of the applicant to achieve the expected results?
- Describe the consultations which took place in support of the recommendation.
- Describe the project's applicability to MSD's business plan.
- Describe any other information required by this specific activity in support of the recommendation.

The proposed project meets the program objectives and priorities for a Job Creation Partnership.

All activities are incremental to the day-to-day operations of the applicant as they represent a new initiative that the applicant is not currently involved in. The applicant initially identified this opportunity because the discontinuation of the final fee-for-service tanning operation in BC meant farmers had no outlet that would finish skins for them, leaving the farmers no option but to discard those skins. This both increases waste entering landfills, and increases costs to farmers who must pay disposal fees. The applicant looked for alternatives, and subsequently confirmed the effectiveness of this organic tanning process in a pilot workshop in the spring of 2013. However, they are not currently engaged in any of these activities, and will not carry out any of the activities unless this JCP project goes ahead.

Project activities are also finite in nature as they will take place over a limited period within the project duration. Participants will complete a specific limited number of tanning batches, developing their skills and best procedures to produce finished sheepskins. At the same time they will develop a non-profit social enterprise that would be able to sustain the waste reduction program beyond the project duration. However, the project activities are not aimed at carrying out the ongoing activities of the social enterprise, but rather at establishing and developing the enterprise so the waste reduction initiative can support itself and continue once the project is completed. The project period is considered sufficient to establish the tanning operation, develop proper procedures, and establish

the social enterprise. Once those activities are completed the social enterprise would move forward to carry on ongoing day-to-day operations without further involvement or contribution from SDSI.

The objectives and priorities of JCP will be achieved through this project as a minimum of five unemployed EI eligible clients will be provided with a meaningful work experience. They will gain work experience and skill enhancement in the areas of waste reduction, animal skin tanning, customer and supplier liaison, market research, product development and pricing, budget development, product evaluation and improvement, promotion and marketing, sales and shipping, and customer service. This work experience is directly applicable to the labour market, and will assist them to maintain and enhance their skills to secure on-going employment.

Through the skills the participants will acquire or enhance, and the opportunities the project will provide them to network with local employers and other businesses and organizations, this work experience will increase the participants' employability. Suitable and eligible participants will be referred and case managed by Career Link, the operator of the Powell River WorkBC Employment Service Centre. This project supports BC's Labour Market Priorities by providing the opportunity for British Columbians to develop and enhance their skill level and labour market success. It also supports the ELMSD Community and Employer Partnership goal of identifying partnership and innovation opportunities that promote job creation and employment.

Pebble in the Pond has both previous experience successfully managing a JCP project, and the necessary organizational capacity and expertise to successfully manage this project and achieve the expected results. In their earlier JCP project Pebble in the Pond provided participants with quality work experience while effectively managing the prescribed activities to complete projects on time and within budget. One of the three participants found employment directly as a result of contacts made during the project, while another returned to work with a previous employer. The project also provided excellent community benefits as it established a local program to raise awareness of the environmental impact of plastic grocery bags and provide more environmentally-friendly cotton bags as an alternative, diverting an estimated 4,000,000 bags from the waste stream in Powell River alone.

The Letter of Intent was received November 5, 2013 and reviewed by Region 4 PACRM Ted Crouch and two CEP CAPAs. Additional clarification was sought from the applicant, and issues were reviewed around establishment of a social enterprise, revenue generation by a JCP project, and use of private property as a location for a project (the Letter of Intent proposed that the project be located on farm property owned by a director of Pebble in the Pond).

In considering whether JCP could include activities to establish a not-for-profit social enterprise, as well as issues around revenue generation and competition in the market place, the reviewers were guided by advice previously provided by Program Management in 2012 in relation to an approved JCP application from New Page Human Service Society in Hope. That proposal related to development of an e-commerce website for the non-profit organization's bookstore, essentially enhancing a business stream for an existing non-profit enterprise operated by the applicant. Although that project involved developing a retail commercial operation which could generate revenue, it was determined to be eligible under JCP guidelines, in part because the organization intended to apply the revenues toward operation of the non-profit venture, specifically to hire a manager for the bookstore as the organization deemed the existing arrangement of having a volunteer manager was unsustainable. As the Pebble in the Pond application also involves a proposal to establish a waste reduction initiative, and to make that initiative self-sustaining via a non-profit social enterprise, where any revenues

would go to support the operation including wages for persons working in the enterprise, the reviewers felt it would meet the same eligibility criteria as the New Page proposal.

As a result of the LOI review submit a full proposal was invited on December 6, 2013, although the applicant was advised that there were still some questions in particular around the issue of location of the project, and that proposal-level detail would be required to determine whether we could proceed with a project. A full proposal was submitted on January 5, 2014 and reviewed by the CEP CAPA in consultation with the Team and Contract Lead. Through consultation with the CAPA a number of clarifications were provided; including clarification of partner contributions; support for the project; specifics of the project location; and clarifications related to activities, timelines, and budget cost items.

The full proposal still provided for the project to be located on farm property belonging to a Pebble in the Pond director, and due to concerns over conflict of interest and benefit to the property owner, the applicant was advised an alternate location would be necessary. As a result, the applicant has now revised the proposal, to locate the project on rental property belonging to 3 Leaf Contracting. 3 Leaf Contracting is offering a discount on the rent which is being counted as an in-kind contribution to the project.

The original full proposal included a proposed start date of January 27, 2014. However, due to the time required for negotiation and review of the application, a revised start date of April 1, 2014 was proposed. Based on a 42 week duration this would result in an end date of January 16, 2015. The applicant anticipates that the project participants may be busy up to Christmas completing the final tanning batch and marketing products, and so will benefit from having a period after that to complete project activities and reports.

The total budget amount recommended is somewhat higher per participant compared to amounts approved on other projects, but the experience offered and potential for this project to create ongoing employment for the participants beyond the project end will provide greater value. As well, this project has the potential to generate revenue through the sale of the finished products, which will be applied against project costs to reduce the overall contribution from SDSI.

Environmental impact of the project has been considered. Although the tanning process is organic and non-toxic, it involves curing hides in salt and soaking them in alum or natural tannins as well Borax, producing grey water with salts when hides are washed. The applicant consulted the Regional Health Officer, who confirmed grey water disposal would not be a concern from their perspective and would not require any permit. Conversely, the proposed activities will have a positive environmental impact through the removal of skins from the waste stream.

Confirmation of community support has been provided in the form of letters from the Powell River Chamber of Commerce, and the Powell River Regional Economic Development Society, and Powell River Mayor David Formosa.

The applicant has contacted Career Link, the local Employment Service Centre in Powell River, who have confirmed that they have clients who could benefit from a work experience such as the one being offered in this JCP. The recommended Living Supports rate for clients on this project is the maximum EI rate, $514/week. Although there are currently no similar positions in the local labour market, this rate, at 40 hours per week, is within the prevailing wage rate for tanners indicated in

federal labour market information (www.workingincanada.gc.ca). The project also provides a learning opportunity for participants, who will benefit by obtaining work experience and skills which will enhance their employability and their possibilities of securing employment.

This project is applicable to SDSI's Business Plan as the participants will develop and enhance their skill level through a partnership with a community organization.

It is recommended that the duration of this project be 42 weeks as requested by the applicant, as that is reasonable to complete the activities laid out in the proposal, and will provide participants with a suitable length of work experience. This is longer than many JCP projects, however participants will have the opportunity to learn and develop not only the specific tanning techniques, but also a wide range of skills related to establishing a social enterprise, which will provide skills transferrable to a variety of small business scenarios even if participants do not remain employed in this social enterprise beyond the project. This extended project period reflects the variety of work experience participants will receive.

Recommended by Agreement and Partnership Agent

[X] I attest that this project meets eligibility criteria, current CEP policies, and that there are processes in place to manage the risks.

Name: Andy MacKenzie

Date: February 26, 2014

Program Management Review

Reviewed by Senior Policy Advisor

[ ] I have reviewed the proposal assessment and recommendation package for this proposal/amendment and agree the project deliverables are clearly described and enforceable, and the activities provided under the agreement are consistent with EPBC Program Policy.

Name: _____

Signature: _____ Date: _____

OR

☐ I have reviewed the proposal assessment and recommendation package for this proposal/amendment and have the following comments or conditions for follow-up:

EXPENSE AUTHORITY APPROVAL

This section should be signed by the individual(s) who have delegated signing authority to approve projects under the specific activity according to the FAA.

Amount of funding approved by MSD: $_____

Approved by: _____

Title: _____

Signature: _____

Date: _____

Partnership & Innovation Fund

PROPOSAL ASSESSMENT, RECOMMENDATION AND APPROVAL FORM

General Applicant Information

Applicant Name:	**Pebble in the Pond Environmental Society**
Contact Person:	**Judi Tyabji Wilson**
Area Code/Telephone No:	**604-483-1961**
Email Address:	info@pebpond.com
Anticipated Start Date:	**April 1, 2014** **Anticipated End Date: January 16 2015**

1. PROPOSAL ASSESSMENT

1. The Applicant

a) Is the applicant eligible for funding in accordance with the terms and conditions of the program?

Yes. Pebble in the Pond Environmental Society is a registered non profit Society (not a charitable organization). This applicant is eligible for funding in accordance with the terms and conditions of the program.

b) (If applicable) Briefly describe the results from the applicant's previous funding agreements with the Ministry and other organizations. Were they completed successfully? Were there lessons learned that should be incorporated into the current project design, or risks identified that require mitigation plans?

Pebble in the Pond has managed one previous JCP project from Oct 19, 2009 to June 25, 2010. Three participants received work experience which enhanced their employability, while establishing a local program to reduce waste by producing and promoting use of reusable cotton grocery bags. One participant found employment directly as a result of contacts made during the project, while another returned to work with a previous employer, and the third joined a local agricultural organization as a volunteer. The project met its milestones and objectives, and was well supervised with claims and reports being submitted in a timely manner. The managing Program Officer reported that she would not have a problem entering into another agreement with this organization.

c) Does the applicant have the expertise to carry out the proposed activities? Explain why or why not.

Pebble in the Pond has previously successfully managed a JCP project which provided participants with valuable work experience. The current proposal involves taking sheep hides from farmers or slaughterhouse operators (who currently discard the hides into landfills), removing them from the waste stream and tanning them using an organic process, and then marketing the finished products to a variety of customers. Pebble in the Pond's goal is to

make this waste reduction initiative self sustaining so it can carry on after the project activities end, by establishing a not-for-profit social enterprise which could cover the costs of the operations, including wages for the workers involved.

Pebble in the Pond President Judi Tyabji Wilson was involved in the applicant's previous JCP project, and will take the lead as supervisor of this project. In addition to her previous experience with JCP, she has experience as a sheep farmer since 2005 including being a customer of fee-for-service sheepskin tanning. She also has experience in the start up and operation of small businesses, and operates her own business which provides multi-media and management consulting services (she will be taking time away from those duties to concentrate on this project). Under her supervision, Pebble in the Pond successfully ran a pilot workshop in the spring of 2013 to test out the organic tanning process they will use in this JCP project, producing 18 high quality finished skins.

d) Does the applicant have an amount payable to the Province of BC that is large enough to be a concern in this proposal? If so how will this risk be mitigated?

The applicant declared they do not have any amounts owing to the Province of BC.

e) Please include a conclusion statement indicating that (1) any concerns with the applicant can be addressed through mitigation plans or (2) there are concerns with the applicant that cannot be satisfactorily mitigated.

Any concerns with the applicant can be addressed through mitigation plans.

2. The Proposal - General

a) Explain how the project addresses program priorities and identified needs within the community? Is there a clear link to program priorities and evidence of support from the community/sector/industry?

The project addresses LMDA program priority of developing and enhancing the skill level and labour market success of British Columbians, as it will provide participants with valuable work experience that will enhance their skills by teaching them a process for tanning sheep hides that will enable them to produce a value-added agricultural product that can be marketed to a wide range of potential customers. As the process does not require expensive equipment and installations, participants could use these skills to work independently on a smaller scale.

In addition to learning the basic tanning techniques, participants will gain experience in all stages of start-up and operation of a social enterprise including sourcing materials, budgeting, production, conducting market research and identifying potential customers, promoting and marketing the products through various means including websites and social media , and delivering the finished products. The objective is to make the waste reduction initiative a self-sustaining non-profit social enterprise that could provide ongoing employment to participants

beyond the end of the project. However, the skills and knowledge the participants gain would be applicable to a number of other small business scenarios.

The project also addresses identified needs in the community. Waste reduction is an identified priority at local, provincial, and federal levels, and this project will provide environmental benefits as animal skins are diverted from the waste stream. The project supports agricultural producers, as farmers will have an outlet to take animal skins which they currently pay to discard into landfills, and turn them into value-added products. And as an economically challenged area, the Powell River-Sunshine Coast region will benefit from the employment opportunities the project aims to create.

The proposal demonstrates community support for this project, in the form of letters from the Powell River Chamber of Commerce, and the Powell River Regional Economic Development Society, and Powell River Mayor David Formosa. The letters confirm support of the proposed project based on the opportunities it provides for skill development and job creation, as well as the community benefits of waste reduction and support to the agricultural sector.

b) Does the proposal contain clear and realistic objectives? Do the proposed activities support the objectives? Explain how the objectives are realistic and achievable.

The objectives for this project are to provide work experience for a minimum of five eligible participants in production of organically tanned sheep skins, as well as small business development and management, marketing, customer service, and transportation & farm / abattoir liaison. The additional objective is to take animal skins which are currently being discarded into landfills because no tanning service is available to farmers, and remove them from the waste stream and convert them into value-added products. The activities outlined in the proposal will support these objectives.

The applicant is proposing the work experience to be completed within a time period of 40 weeks. The objectives are realistic and achievable within the allotted time frame. This period will allow the participant to complete six tanning batches to master the process, identify best methods and materials, and refine their procedures and improve the end products. It also provides time to establish the social enterprise and market finished products, creating a framework to sustain the waste reduction program beyond the funding period. The applicant will provide on-site supervision to guide and instruct the participants, and to direct the completion of project tasks in order to achieve the objectives.

c) Does the proposal have an implementation plan that includes an outline for each objective/activity, milestones, and a description of results to be achieved? Are those results measurable; how will they be measured and reported?

The proposal includes an implementation plan which outlines the activities, the tasks involved, and the expected timelines for completion. From the information provided detailing activities, outcomes and timeframes, it is reasonable to conclude that the plan is realistic. The project calls for participants to tan six batches of sheepskins, each batch taking approximately 6 weeks to process from start to finish. At the same time, participants will establish and develop the social enterprise that will manage the operations from sourcing hides to

marketing the finished products. The project implementation plan outlines timelines, activities and goals that are measurable.

Results will be measured in relation to those project milestones including completion of tanning batches, numbers of skins removed from the waste stream, establishment of the enterprise, marketing and sales of finished products. Results will be reported in the written monthly activity reports, and in the "end of project" evaluation. The applicant will also submit monthly reports outlining each participant's progress to Career Link, the WorkBC Employment Service Centre which will case manage the participants.

d) Is there an adequate facility to accommodate the project? Are there associated risks that require mitigation plans?

The applicant has arranged to rent adequate facilities to accommodate the project. These include office facilities at 104-7385 Duncan Street, Powell River where the business side of the project will be coordinated, and a separate industrial site 5 minutes away at a gravel pit on Grenville Avenue outside Powell River with both indoor and outdoor space, where the tanning activities will take place.

There will be an onsite supervisor to assure that all WorkSafe BC safety standards are met. Participants will be provided with appropriate safety equipment, will receive a project orientation and a health and safety workshop, and will have printed guidelines on how to do all work in order to reduce the risk of injury.

The applicant is aware of the potential risk that participants may find employment and leave during the project, or leave for other reasons. They are prepared to recruit replacement participants during the project, subject to time remaining, outstanding project activities and milestones, suitability of the work experience and available clients, and any budgetary considerations.

e) Are the applicant's staffing requirements and human resource practices (hiring, evaluation etc.) described in the proposal and appropriate for the nature of the project? Are the administration procedures for managing this project adequate to support a successful outcome?

The applicant does not currently have any employees, but for the term of the project Judi Tyabji Wilson (Director and President of Pebble in the Pond) will be employed full time as project supervisor. Written confirmation has been provided and is on file, verifying that the other Directors of Pebble in the Pond have voted in a quorum (not including Judi Tyabji Wilson) that they support both the JCP project application and the engagement of her as project supervisor.

Comment [Leah1]: This is a conflict of interest and further mitigation should be done. DZ: CEP CAPA Response in Yellow. This has now been addressed.

Ms. Tyabji Wilson will oversee the administration of the project and coordinate the activities of the participants. She has a background both as a sheep farmer and in small business management, marketing, promotion, sales, and value-added agricultural production. Other partners will provide input on specific areas of the project including social media, small business, retail, grey water area development, or skin tanning. The applicant will engage the services of an accountant to maintain the project's financial records. They will work with

Career Link, the local WorkBC ESC contractor, to screen and select eligible clients for the project.

Based on the nature of the project, the applicant's background, and their previous experience managing a JCP project, the staffing and administrative requirements are reasonable and are adequate to support a successful project outcome.

f) Explain how the proposal avoids any appearance or reality of unfair competition and will not result in an unfair competitive advantage. Is this risk adequately addressed in the proposal?

The proposal was unsolicited and the organization is a not-for-profit. The project proposed does not give any appearance or reality of unfair competition because there currently is not a similar operation. In fact, the idea for this proposal came about because there is no longer a business offering farm-to-market tanning services to BC sheep farmers. The previous outlet, BC Fur in Vancouver (now Pacific Leather), stopped accepting sheep skins for tanning in 2012. As a result, BC farmers and abattoirs had no option but to discard skins after slaughter, unless they wished to tan them themselves. This proposal is to establish a tanning operation using skins which are now being discarded, as well as to offer a fee for service to farmers who wish to have their sheepskins tanned for them. The program to be established would not compete in the marketplace with other business enterprises as there are no similar competitors.

g) How does the proposal ensure that project activities do not displace the activities carried out or work performed by the organization's paid or core staff?

The proposed project activities are not listed in the work plans or objectives of current staff, and will not displace activities carried out or work performed by the organization. Pebble in the Pond does not currently have any paid or core staff as it is an organization of volunteers. The proposed activities are incremental to the organization's normal activities as they comprise a new and distinct waste reduction initiative that does not currently exist. These activities will not otherwise be completed if the JCP project does not proceed.

h) How does the applicant demonstrate that they will not rely on a future agreement for success of the current proposal? If the applicant has completed similar Ministry-funded projects in the past, assess whether this represents a pattern of longer-term dependence on Ministry funding.

The objective of the proposed project is to establish an ongoing waste reduction program that will be financially viable and self-sustaining, via a non-profit social enterprise that will generate revenue to cover the costs of the program. Part of the challenge in starting such a venture from scratch is the trial-and-error process of identifying the best sources and source materials (which kinds of sheep from which farms produce the best products), and the best practices in the tanning process that will enable participants to the increase both the quality of their end products, and their production volume. The project period will allow this learning and evaluation curve with the initial four tanning batches focusing on refining the processes and the two final batches focusing on increasing production volume. The applicant expects that by the end of the project, they will have an established operation that they will be able to carry at a sustainable level, providing ongoing employment for some or all of the project participants.

Pebble in the Pond has coordinated one previous JCP project however it was an unrelated project to reduce waste by establishing a locally sourced alternative to plastic grocery bags. This current application does not include funding of any core operating costs, and there is no obligation or commitment on the part of the Ministry to fund any future projects.

i) If applicable, has union concurrence been received in writing?

Not applicable – the organization is non-union.

j) Explain the partner involvement in the project. Will this involvement contribute significantly to the success of the project?

The project has a number of partners who will make significant contributions, providing expertise in the organic tanning process and general agricultural product development, environmentally sensitive construction, general contracting, small business development and operation, and marketing. Gunter Brothers Meats, who operate a slaughterhouse in Courtenay, will contribute 1000 sheep skins free of charge and will complete the first stage curing. All partners have confirmed their participation and their contributions in writing, with details of those contributions outlined below in section 5(f). The involvement of the various partners will be a key element in the success of the project.

k) If the proposal involves conducting research, describe the steps taken to verify that the information does not already exist, in whole or in part? Is there reasonable assurance that the project will not duplicating existing information?

Not applicable – the project does not involve any academic research. The research the participants will do will consist of gathering existing information applicable to this enterprise, such as identifying potential customers or sources for materials.

3. The Proposal – JCP Only

a) How would the activities described in the proposal provide clients with valuable work experience which helps them to maintain or enhance their employability skills?

Participants will obtain work experience learning an organic process for tanning sheepskins for sale to a variety of customers. The project proposes to establish a program which will do this on a large scale and provide ongoing employment for some or all of the participants. However, as the process does not require specialized equipment participants could also apply the skills they learn to work independently.

In addition to the specific skills of tanning skins, participants will gain valuable work experience in all phases of small business start-up as they work to establish a social enterprise to produce and market value-added agricultural products. Experience will include sourcing materials, developing budgets and forecasts, production development and assessment, building customer bases, marketing products, managing retail / sales operations, and delivering product to customers. All of these elements will be directly applicable to a number of small business scenarios, enhancing the employability of the participants. Participants will

also have the opportunity through the project to make connections in the community which could lead to employment.

b) How would the activities provide a benefit to and help develop the community?
In addition to providing those members of the community hired as participants with valuable work experience, the project will provide a community benefit by removing materials from the waste stream and converting them into value added products. The establishment of a social enterprise to sustain this venture beyond the project end date will create ongoing economic and environmental benefits in the community.

c) How does the proposal demonstrate that all the activities are incremental and distinct and are not part of the applicant's day-to-day operations? JCP assessment notes should specifically address exceptional support for non-incremental activities if applicable.

The proposed activities are incremental to the organization's normal activities as they comprise a new and distinct venture that does not currently exist.

Comment [Leah2]: Although the activities are incremental to the organization now – the organization plans for these to be continuing activities – so they are not truly incremental or distinct.

Pebble in the Pond is a volunteer-based organization with a mandate to educate the public on issues of waste reduction. Past projects have included a JCP to produce locally-sourced cotton grocery bags as an alternative to plastic bags, and contracts with the School District to deliver waste reduction seminars.

Pebble in the Pond identified the environmental issue which is at the core of their proposal (animal skins being discarded after slaughter) after B.C. Fur, the only B.C. company offering a fee-for-service to tan skins, stopped accepting skins in 2012. In researching options for how to remove these skins from the waste stream they learned about an alternative organic tanning process. They subsequently did a local workshop in 2013 to test out the process, confirming that it could be used to produce high quality finishes sheepskins. However, Pebble in the Pond does not have any current operations tanning skins. The activities proposed for this project are not part of any existing operations, and will not otherwise be completed if the JCP project does not proceed.

d) How does the applicant propose to balance time off given to JCP Clients from the project (normally one day every two weeks) to job search and still meet the project's timelines and objectives?

Participants will be afforded one day free of project activities every two weeks for job search, as well as time to attend job interviews if required. Project timelines and objectives take this job search time into account, so it will not affect completion of those objectives

e) Are all Client related costs proposed for project funding required to carry out the project activities? Are other project costs paid for or cost-shared with the proponent and other partners in the project?

Proposed client costs are for personal safety and work gear required to carry out project activities. Client costs also include some client travel - mileage, ferry fares, some meal reimbursement at government travel rates - as project activities will at times require

participants to travel to Vancouver Island or other locations, and due to the ferry schedules they will be out of their normal working area for full days. The applicant and partner organization are making in-kind contributions to the other project costs.

4. The Proposal – LMP Only

a) What is the labour market issue described in the proposal and has the applicant identified the root cause (e.g. industry downsizing; industry upsizing, new development, relocation; impact of new technologies; labour shortages; shortage of year round job opportunities; and lack of community and organizational capacity for human resource planning).

N/A

b) Adequate consultations have taken place indicating that this project responds to a labour market issue relevant to employers, an industrial sector or a geographic community?

N/A

c) How do the activities relate to the objectives of LMP (i.e. improving the capacity for dealing with human resource requirements and implementing labour force adjustments)?

N/A

d) How do the activities relate to a labour market issue how will they positively impact the labour market?

N/A

e) Do the activities target only people who are in the labour market or about to enter it (i.e. those aged 16 years and over)?

N/A

5. The Budget

a) Does the applicant have adequate financial procedures in place to track project expenditures, including third party contributions?

The project supervisor will manage day to day project expenditures and will record and track costs using the Quickbooks accounting program, with which she has over 13 years experience. A certified accountant will be engaged to manage the financial records for the project, including project expenditures. Third party contributions will be in-kind, and will be tracked and recorded.

b) Do budgeted costs relate specifically to the project activities and comply with applicable policy?

Budget costs are directly related to and required for the project activities, and do comply with the Eligible Costs Listings policy.

c) Are project costs reasonable and reflect "fair market value"?

Recommended project costs are reasonable, and reflect fair market value. The total recommended project budget amount is somewhat higher per participant than many other JCP projects however this is due to the project length (9.5 months vs. the norm of around 6 months). Due to the nature of the project, this longer period is necessary, as it will enable participants to refine their processes through multiple tanning batches and increase production levels, as well as to establish and develop the social enterprise to sustain the program and create ongoing employment opportunities.

The recommended rate for clients on this project is the new maximum EI rate of $514 per week. This rate, for 40 hours per week, is within the prevailing wage rate for similar positions (hide and pelt processing workers) according to available labour market information (www.workingincanada.gc.ca).

d) Has the applicant included only administration or overhead costs which are incremental to the organization and necessary to carry out the project activities?

All administration and overhead costs are incremental to the organization's normal operating costs and are required to carry out the project activities.

e) Is there a sound rationale for capital purchases and will the applicant contribute to these costs in a meaningful way? LMP assessment notes should specifically address the non-profit status of the applicant when the exception to cost-sharing of capital assets is applied.

N/A – there are no capital costs in the project budget.

f) Does the applicant contribute partnership funding for the project and have they obtained funding for the project, either cash or in-kind, from other sources?

As the applicant, Pebble in the Pond Environmental Society will make in-kind contributions to the project in the form of contributions from the companies their Directors operate.

Maradadi Pacific Holdings is a management consulting company operated by Pebble in the Pond Director Judi Tyabji Wilson. Maradadi Pacific will contribute physical assets including tables, chairs, office paraphernalia, bins, and other related materials to reduce the costs of set up and operations. In addition, Maradadi Pacific will provide consulting services at no cost that include discussions, meetings, and negotiations with potential partners, aimed at supporting tannery operations after the JCP has concluded. They calculate the value of their in-kind contribution at $5000.

CA Designs is a local green building design company operated by Pebble in the Pond Director Carole Anne Leishman. CA Designs will contribute to promoting the project through their social media and website accounts and websites of associated agencies. They will also provide free consulting on design of the sustainable grey water catchment area at the tannery site, and will assist where needed with training of participants, up to five hours per week.

They calculate the value their in-kind contribution will be at least $100 per week for the 40 weeks of the project, for a total of $4000.

Eccossentials is a retail store operated by Pebble in the Pond Director Melissa Call. Eccossentials will work with the project to provide retail training to participants and coach them on how to the consider needs of the retail sector in producing goods and ensure that products meet the customers' wants. Eccossentials will also provide space in their retail store to showcase the products, and will promote the project. Additionally, Eccossentials will provide consulting assistance to the project up to 5 hours per week. Eccossentials also calculate the value their in-kind contribution will be at least $100 per week for the 40 weeks of the project, for a total of $4000.

Sunshine Organics is another company operated by Melissa Call, providing direct-to-doorstep delivery of local organic and whole foods products in the Powell River area and the Comox Valley. Sunshine Organics will provide similar in-kind contribution of instruction for participants and consulting to the project up to 5 hours per week. They calculate the value of their contribution will be at least $50 per week, or $2000 over the entire project.

T&R Contracting is a general construction contracting company, and will make an in-kind contribution of equipment, manpower, and facilities support to the project, related to facilities for tanning operations and for grey water treatment. They calculate the value of their in-kind contribution at $5000

Three Leaf Contracting is another general contracting company operated by the owners of T&R Contracting. Three Leaf owns the property which will be rented to house the project (one site which provides office space and a second industrial location which will house the tanning operations). Three Leaf calculates the value of the rental property and equipment to be provided at $2301/month, but is reducing that by $364/month for an in-kind contribution of $3460 over the 9.5 months of the project.

Gunter Brothers Meat Company is an abattoir in Courtenay that will contribute at least 1000 sheep skins to the project at no charge. Currently these skins are discarded, but Gunter Brothers will take care of the first step in preparing the skins, fleshing and salting them and storing them for pickup. Given the work they will put into preparing the skins they estimate their value when picked up would be at least $40 per skin, or $40,000 total in-kind contribution to the project.

The project is expected to generate revenue from the sale of the finished sheepskins the participants will produce. Any revenue generated will be applied to offset project costs.

6. Evaluation

a) How will the project's progress be assessed? Does the proposal include performance indicators and an evaluation method for these indicators?

The project's progress will be assessed by completion of the activity milestones described in the agreement, which details the renovations to be completed. The participants' progress will be assessed by the results of the participant activity monitoring conducted by the

Employment Service Centres. Monthly claims and activity reports will be reviewed to identify any issues and to ensure that the project is on track.

b) Are the indicators SMART (specific, measurable, achievable, results focused, and timely)?

All activities have timelines and are measurable. These are the specific performance indicators. They will be evaluated with monthly claim forms. They have been assessed as specific, measurable, achievable, results focused and timely.

7. RISK ASSESSMENT

Consideration	Risk Level / Mitigation (if required)
Number of Participants / Beneficiaries	***Medium Risk – 5 participants. This will allow for project activities to continue in the event one or more finds employment or leaves the project for other reasons***
Value of the Agreement	***Medium Risk - $128,696***
Complexity of Activities	***Medium Risk*** ***Broad range of activities, spread over different locations. Financial records can be monitored easily by CEP CAPA***
Previous Experience with Applicant	***Low risk – Previous experience was good. The applicant has received funding for JCP in the past and successfully managed that project***
Organizational Capacity of the Applicant	***Medium Risk*** ***-Applicant's organization has adequate financial controls, will engage the services of a bookkeeper of accountant to manage financial activities.*** ***Organizational capacity is good and they have previously successfully managed a JCP project***
Number of Partners Activity Involved	***Medium Risk – Withdrawal of one partner will not affect completion, however if one particular partner (Gunter Brothers) were to withdraw it could delay project schedule***
Public Profile of the Agreement	***Low Risk – Some possibility of occurrence due to public profile of the applicant's principal representative. Negative impact of the agreement to the Ministry likely to be minimal.***
Other:	***N/A - No other additional risks identified.***
Overall Professional Judgment	***Low Risk– CEP CAPA is satisfied with the information provided, and all risk factors are either Low or Medium.***

2. PROPOSAL RECOMMENDATION

Are you recommending this project for funding? [X] YES [ ] NO

If yes, please complete the recommendation rationale section of this form.

If no, please provide a brief rationale:

OBJECTIVE

Between April 1, 2014 and January 16, 2015, Pebble in the Pond Environmental Society will assist a minimum of five (5) eligible participants with up to 40 weeks of work experience and skill enhancement in the Powell River area. Participants will receive instruction and experience in waste reduction, organically tanning sheepskins to produce value-added agricultural products, and in all aspects of social enterprise set-up and operation including small business management, communication, marketing, sales, customer service, processing, transportation, and supplier liaison.

SUB-OBJECTIVE

By January 16, 2015 a minimum of 450 animal skins will be removed from the waste stream and processed, and Pebble in the Pond will establish an ongoing not-for-profit social enterprise to produce and market value-added agricultural products, and continue waste reduction.

ACTIVITIES

The project holder will

- **Hire a Project Supervisor**
- **Select eligible project participants**
- **Provide work experience in the areas of animal skin tanning, customer and supplier liaison, market research, product development and pricing, budget development, product evaluation and improvement, promotion and marketing, sales and shipping, and customer service.**
- **Provide project orientation, WorkSafe BC safety orientation, supervision, support, and mentoring to the project participants**
- **Complete and submit monthly activity reports and a final project report**

The JCP participants will

- **Participate in a general project orientation including an onsite WorkSafe BC safety orientation**
- **Complete 6 tanning batch runs to produce a minimum of 450 finished sheepskins**
- **Develop a database of sources for raw skins**
- **Develop procedures for acquiring and transporting source materials**
- **Develop a customer database**
- **Develop and implement marketing strategies**
- **Develop a retail framework including budgeting, pricing, product delivery, and customer service**

MILESTONES

By April 15, 2014

- **The Project Supervisor will be hired.**
- **Five project participants will be recruited and selected, and provided with a WorkBC safety and project orientation prior to beginning work on the project.**

By April 30, 2014

- **The first batch, with 25 to 50 skins, will be picked up and tanning processing of Batch 1 will begin**

By May 31, 2014

- **Participants will develop a schedule for customer database development, social media activities, retail framework, and product delivery**

By June 15, 2014

- **Tanning processing of Batch 1 will be completed.**

By June 30, 2014

- **The second batch, with 25 to 50 skins, will be picked up and tanning processing of Batch 2 will begin**
- **Participants will begin customer outreach and provide product samples to local businesses for feedback**
- **Participants will research trade shows or markets in the region for showcasing of product in late July to October**
- **Partners will be sought to carry products on commission**

By August 15, 2014

- **Tanning processing of Batch 2 will be completed.**
- **Lists of potential customers seeking samples will be finished and first samples will be sent out**

By August 31, 2014

- **The third batch, with 100 to 200 skins, will be picked up and tanning processing of Batch 3 will begin**
- **Analysis of customer interactions and follow-up on feedback on product samples will begin**
- **Direct sales will through local markets will begin**

By October 15, 2014

- **Tanning processing of Batch 3 will be completed**
- **Participants will begin online sales and promotions including using social media for sales.**

By October 31, 2014

- **The fourth batch, with 100 to 200 skins, will be picked up and tanning processing of Batch 4 will begin**
- **Participants will have ongoing responsibility for customer relations, dialogue, inventory, sales, expansion of sales and marketing, and updating promotional material**

By November 7, 2014

- **The fifth batch, with 100 to 500 skins, will be picked up and tanning processing of Batch 5 will begin**
- **Customer database will be improved, with analysis of easiest market response, best opportunity for return on investment, and pricing in order to direct the final batches of processing**

By November 30, 2014

- **Tanning processing of Batch 4 will be completed**
- **The sixth batch, with 100 to 500 skins, will be picked up and tanning processing of Batch 6 will begin**

By December 15, 2014

- **Tanning processing of Batch 5 will be completed**

By January 5, 2015

- **Tanning processing of Batch 6 will be completed**
- **Customer database will be complete and customers categorized**

EXPECTED RESULTS

By January 16, 2015

- **A minimum of five participants will have attained up to 40 weeks each of work experience and skill enhancement in waste reduction, organically tanning sheepskins to produce value-added agricultural products, and in all aspects of social enterprise set-up and operation including small business management, communication, marketing, sales, customer service, processing, transportation, and supplier liaison**
- **A minimum of 450 animal skins will have been removed from the waste stream and converted into value-added products**
- **A non-profit social enterprise will have been developed to sustain ongoing tanning production and waste reduction.**

Completed by Agreement and Partnership Agent

Name: Andy MacKenzie
Date: February 26, 2014

and/or

☐ Assessed by Review Team (attach notes) Date:

RECOMMENDATION RATIONALE

Budget:

Amount request from SDSI: **$129,950**

Total Funding from other sources: **$63,278**

Amount recommended by SDSI: **$128,696**

Please summarize how the proposal meets the funding requirements:

- How does the project address program objectives and priorities?
- What is the capacity and expertise of the applicant to achieve the expected results?
- Describe the consultations which took place in support of the recommendation.
- Describe the project's applicability to MSD's business plan.
- Describe any other information required by this specific activity in support of the recommendation.

The proposed project meets the program objectives and priorities for a Job Creation Partnership.

All activities are incremental to the day-to-day operations of the applicant as they represent a new initiative that the applicant is not currently involved in. The applicant initially identified this opportunity because the discontinuation of the final fee-for-service tanning operation in BC meant farmers had no outlet that would finish skins for them, leaving the farmers no option but to discard those skins. This both increases waste entering landfills, and increases costs to farmers who must pay disposal fees. The applicant looked for alternatives, and subsequently confirmed the effectiveness of this organic tanning process in a pilot workshop in the spring of 2013. However, they are not currently engaged in any of these activities, and will not carry out any of the activities unless this JCP project goes ahead.

Project activities are also finite in nature as they will take place over a limited period within the project duration. Participants will complete a specific limited number of tanning batches, developing their skills and best procedures to produce finished sheepskins. At the same time they will develop a non-profit social enterprise that would be able to sustain the waste reduction program beyond the project duration. However, the project activities are not aimed at carrying out the ongoing activities of the social enterprise, but rather at establishing and developing the enterprise so the waste reduction initiative can support itself and continue once the project is completed. The project period is considered sufficient to establish the tanning operation, develop proper procedures, and establish the social enterprise. Once those activities are completed the social enterprise would move forward to carry on ongoing day-to-day operations without further involvement or contribution from SDSI.

The objectives and priorities of JCP will be achieved through this project as a minimum of five unemployed EI eligible clients will be provided with a meaningful work experience. They will gain work experience and skill enhancement in the areas of waste reduction, animal skin tanning, customer and supplier liaison, market research, product development and pricing, budget development, product evaluation and improvement, promotion and marketing, sales and shipping, and customer service. This work experience is directly applicable to the labour market, and will assist them to maintain and enhance their skills to secure on-going employment.

Through the skills the participants will acquire or enhance, and the opportunities the project will provide them to network with local employers and other businesses and organizations, this work experience will increase the participants' employability. Suitable and eligible participants will be referred and case managed by Career Link, the operator of the Powell River WorkBC Employment Service Centre. This project supports BC's Labour Market Priorities by providing the opportunity for British Columbians to develop and enhance their skill level and labour market success. It also supports the ELMSD Community and Employer Partnership goal of identifying partnership and innovation opportunities that promote job creation and employment.

Pebble in the Pond has both previous experience successfully managing a JCP project, and the necessary organizational capacity and expertise to successfully manage this project and achieve the expected results. In their earlier JCP project Pebble in the Pond provided participants with quality work experience while effectively managing the prescribed activities to complete projects on time and within budget. One of the three participants found employment directly as a result of contacts made during the project, while another returned to work with a previous employer. The project also provided excellent community benefits as it established a local program to raise awareness of the environmental impact of plastic grocery bags and provide more environmentally-friendly cotton bags as an alternative, diverting an estimated 4,000,000 bags from the waste stream in Powell River alone.

The Letter of Intent was received November 5, 2013 and reviewed by Region 4 PACRM Ted Crouch and two CEP CAPAs. Additional clarification was sought from the applicant, and issues were reviewed around establishment of a social enterprise, revenue generation by a JCP project, and use of private property as a location for a project (the Letter of Intent proposed that the project be located on farm property owned by a director of Pebble in the Pond).

In considering whether JCP could include activities to establish a not-for-profit social enterprise, as well as issues around revenue generation and competition in the market place, the reviewers were guided by advice previously provided by Program Management in 2012 in relation to an approved JCP application from New Page Human Service Society in Hope. That proposal related to development of an e-commerce website for the non-profit organization's bookstore, essentially enhancing a business stream for an existing non-profit enterprise operated by the applicant. Although that project involved developing a retail commercial operation which could generate revenue, it was determined to be eligible under JCP guidelines, in part because the organization intended to apply the revenues toward operation of the non-profit venture, specifically to hire a manager for the bookstore as the organization deemed the existing arrangement of having a volunteer manager was unsustainable. As the Pebble in the Pond application also involves a proposal to establish a waste reduction initiative, and to make that initiative self-sustaining via a non-profit social enterprise, where any revenues would go to support the operation including wages for persons working in the enterprise, the reviewers felt it would meet the same eligibility criteria as the New Page proposal.

Comment [Leah3]: Please see comments in review section.

As a result of the LOI review submit a full proposal was invited on December 6, 2013, although the applicant was advised that there were still some questions in particular around the issue of location of the project, and that proposal-level detail would be required to determine whether we could proceed with a project. A full proposal was submitted on January 5, 2014 and reviewed by the CEP CAPA in consultation with the Team and Contract Lead. Through consultation with the CAPA a number of clarifications were provided; including clarification of partner contributions; support for the project; specifics of the project location; and clarifications related to activities, timelines, and budget cost items.

The full proposal still provided for the project to be located on farm property belonging to a Pebble in the Pond director, and due to concerns over conflict of interest and benefit to the property owner, the applicant was advised an alternate location would be necessary. As a result, the applicant has now revised the proposal, to locate the project on rental property belonging to 3 Leaf Contracting. 3 Leaf Contracting is offering a discount on the rent which is being counted as an in-kind contribution to the project.

The original full proposal included a proposed start date of January 27, 2014. However, due to the time required for negotiation and review of the application, a revised start date of April 1, 2014 was proposed. Based on a 42 week duration this would result in an end date of January 16, 2015. The applicant anticipates that the project participants may be busy up to Christmas completing the final tanning batch and marketing products, and so will benefit from having a period after that to complete project activities and reports.

The total budget amount recommended is somewhat higher per participant compared to amounts approved on other projects, but the experience offered and potential for this project to create ongoing employment for the participants beyond the project end will provide greater value. As well, this project has the potential to generate revenue through the sale of the finished products, which will be applied against project costs to reduce the overall contribution from SDSI.

Environmental impact of the project has been considered. Although the tanning process is organic and non-toxic, it involves curing hides in salt and soaking them in alum or natural tannins as well Borax, producing grey water with salts when hides are washed. The applicant consulted the Regional Health Officer, who confirmed grey water disposal would not be a concern from their perspective and would not require any permit. Conversely, the proposed activities will have a positive environmental impact through the removal of skins from the waste stream.

Confirmation of community support has been provided in the form of letters from the Powell River Chamber of Commerce, and the Powell River Regional Economic Development Society, and Powell River Mayor David Formosa.

The applicant has contacted Career Link, the local Employment Service Centre in Powell River, who have confirmed that they have clients who could benefit from a work experience such as the one being offered in this JCP. The recommended Living Supports rate for clients on this project is the maximum EI rate, $514/week. Although there are currently no similar positions in the local labour market, this rate, at 40 hours per week, is within the prevailing wage rate for tanners indicated in federal labour market information (www.workingincanada.gc.ca). The project also provides a learning

opportunity for participants, who will benefit by obtaining work experience and skills which will enhance their employability and their possibilities of securing employment.

This project is applicable to SDSI's Business Plan as the participants will develop and enhance their skill level through a partnership with a community organization.

It is recommended that the duration of this project be 42 weeks as requested by the applicant, as that is reasonable to complete the activities laid out in the proposal, and will provide participants with a suitable length of work experience. This is longer than many JCP projects, however participants will have the opportunity to learn and develop not only the specific tanning techniques, but also a wide range of skills related to establishing a social enterprise, which will provide skills transferrable to a variety of small business scenarios even if participants do not remain employed in this social enterprise beyond the project. This extended project period reflects the variety of work experience participants will receive.

Recommended by Agreement and Partnership Agent

[X] I attest that this project meets eligibility criteria, current CEP policies, and that there are processes in place to manage the risks.

Name: Andy MacKenzie

Date: February 26, 2014

Program Management Review

Reviewed by Senior Policy Advisor

[ ] I have reviewed the proposal assessment and recommendation package for this proposal/amendment and agree the project deliverables are clearly described and enforceable, and the activities provided under the agreement are consistent with EPBC Program Policy.

OR

XXXX I have reviewed the proposal assessment and recommendation package for this proposal/amendment and have the following comments or conditions for follow-up:

Overall a good assessment, but I have some serious concerns about this project as this appears to be a business start up and would question whether this is really the intent of JCP. It is only incremental because it is a new activity, but it is the intension of the organization to maintain the same activities as

the project as an on-going business. It also does not appear that the activities are finite in nature, as the organization is going to continue the activities as an on-going business.

1) as this a new business start up – is there a viable business plan? Has it been reviewed? Have they approached other organizations for financing? If it is going to be profitable (even as a Social Enterprise) it needs to have solid financial and business plan.

2) There is a direct conflict of interest with the President of the Non-profit being hired as the Supervisor on the project. Normally, it is not a good practice for a board member to be hired by the Not-for-profit to undertake the project supervision. This one especially looks bad as the President was the one that submitted the application and has been the negotiator for the project.

> *A conflict of interest (COI) occurs when an individual or organization is involved in multiple interests, one of which could possibly corrupt the motivation.*
> *A widely used definition is: "A conflict of interest is a set of circumstances that creates a risk that professional judgement or actions regarding a primary interest will be unduly influenced by a secondary interest."[1]*
> *Primary interest refers to the principal goals of the profession or activity, such as the protection of clients, the health of patients, the integrity of research, and the duties of public office.*
> *Secondary interest includes not only financial gain but also such motives as the desire for professional advancement and the wish to do favours for family and friends, but conflict of interest rules usually focus on financial relationships because they are relatively more objective, fungible, and quantifiable. The secondary interests are not treated as wrong in themselves, but become objectionable when they are believed to have greater weight than the primary interests.*
> *The conflict in a conflict of interest exists whether or not a particular individual is actually influenced by the secondary interest. It exists if the circumstances are reasonably believed (on the basis of past experience and objective evidence) to create a risk that decisions may be unduly influenced by secondary interests.*

3) Environmental Issues – the assessment mentions that the organization has spoken to the Regional district about any environmental issues regarding the grey water disposal. Has this been confirmed in writing?

Also, have they enquired about the process for disposing of any unused hides and/or the waste leather products? Is this a concern? Would there be a costs involved?

4) from the proposal section 2 h - **Part of the challenge in starting such a venture from scratch is the trial-and-error process of identifying the best sources and source materials (which kinds of sheep from which farms produce the best products) –**

There is no mention of how the identification of types of sheep and from the specific farms will be done in the activities and what this would mean on an on-going basis.

5) from the proposal section 3 c) **The proposed activities are incremental to the organization's normal activities as they comprise a new and distinct venture that does not currently exist**

Although the activities are incremental to the organization now – the organization plans for these to be continuing activities – so they are not truly incremental or distinct.

6) In-kind Contributions -

a) The assessment mentions that the Abattoir calculates the cost of the donation of the hides at $40 per hide. Currently, the abattoir has to dispose of the hides, which would involves a tipping fee at the landfill and transportation cost. So, is this an in-kind contribution or is the abattoir off loading a cost? A good question is why is the abattoir 'donating' the hides, if it is going to cost them $40,000?

b) the assessment mentions contributions by the other directors of the organization, with the comment "They calculate these costs at...". The CAPA needs to valid these costs, additional this may also be seen as a conflict of interest (adding costs to show project viability)

c) similar to above the costs for both 3 leaf Contracting and T&R the in-kind contributions need to be validated by the CAPA.

7) What is the backup plan for obtaining the hides if the one sources (Gunter Bros) does not materialize?

8) Comments about Revenue Generation and guidance used from previous remedy ticket – (I provided the previous guidance)

I believe that the previous guidance was not applicable in this circumstance. The previously guidance was given on a project with a social enterprise (a bookstore) that was already established, this is not the case on this assessment this project is about a business start up.

The previous project was looking at adding a on-line sales to their existing store front operation and the wasn't going to be sales (or they would be minimal) from the on-line business until after the end of the project. This project is looking at generating sales as soon as possible

I am including the response from remedy ticket on revenue generation that was ask on this project

Remedy ticket # 0000381504

After reading your enquiry I think that before worrying about Revenue Generation, it needs to be clearly established that the Project Activities actually meet that basic conditions of a JCP ie, that the ACTIVITIES are INCREMENTAL to the ongoing activities of the Organization, they must be FINITE in nature, and DISTINCT activities. I am wondering if this project activities meet all of these as it sounds like the activities of the project continue on after the end of the project and are the main activity of the Social Enterprise.

With regarding to Revenue Generation the answer is clear. If revenues are generated by the project activities, then the revenue generated must be used to offset the expenses for the project. Revenues cannot be used to buy future materials or equipment that were not part of the Project and will not be substantial consumed during the project period. Revenue also cannot be directed to another part of the Organization. Best Practice is would be that any revenues generated be applied against project costs, not to buy additional material or equipment not included in the Project.

In looking at your enquiry I think that we need to have some further clarification on SOCIAL ENTERPRISES and what they are and how they operate and what this means for CEP projects.

Generally, Social Enterprises are revenue generating businesses. Whether operated by a non-profit organization or by a for-profit company, a social enterprise has two goals: to achieve social, cultural, community economic or environmental outcomes; and, to earn revenue. So the challenge on proposals from organizations that say they are 'Social Enterprises' are to insure that the Activities actually meet the JCP Policy on Eligible Activities.

Name: ___Leah Hubensky _____

Signature: __via returned Remedy ticket ____ Date: ____March 10th, 2014_____

CEP CAPA's notes addressing points raised in Policy review:

1) Business start-up and retail activities / is there a viable business plan:

This is a departure from the normal JCP activities, but we have previously funded projects which supported retail activities run by non-profit organizations. This project would go further as it does involve establishment of a social enterprise, as opposed to adding to an existing operation. However, the purpose of this social enterprise is consistent with the non-profit organization's mandate; the intent is not to establish a business for the purpose of generating revenue but rather to establish a way for the waste reduction initiative to be self-sustaining. Revenue generated would be used to cover the costs of running the program, including wages to the workers. Though the project would support the start-up and development of the enterprise, it would also provide participants with excellent work experience and potentially with ongoing employment, which is consistent with the intent of JCP.

The applicant has outlined estimates of revenue which could be generated once the tanning processes are refined, production increased, and the social enterprise is developed with a customer base. There are a number of variables around production and marketing that are difficult to predict before the project, which would affect the ongoing viability of the social enterprise. The applicant has estimated projected revenues based on production of 1000 finished skins per year. As that would equate to 8 tanning batches of 125 skins, that seems a reasonable target. Based on their estimated resale value of $175 (for an average medium quality skin) that would translate to $175,000 gross revenue per year.

Although one objective is to make this waste reduction operation self-sustaining, ultimately the value of this project to our EPBC clients would not depend solely on the viability of the social enterprise. Participants will receive excellent work experience not only in the actual tanning process (which can be carried on individually under a small scale, home-based model), but also in all aspects of establishing a social enterprise – skills directly applicable to a wide range of small business scenarios. JCPs do not usually create ongoing employment for participants so that would be an added benefit. There is an inherent risk that the social enterprise may not be sustainable beyond the project end date due to unforeseen factors, but even if that were to happen the project would still have provided valuable work experience to the participants, as well as community benefit in the removal of skins from the waste stream during the term of the project.

The applicant has been in contact with other parties over financing beyond the project period, which could include agricultural program funding. However, that additional funding could only be applied for and secured once the tanning operation is already in existence, so at present that financing cannot be confirmed.

2) Conflict of interest

Although it is not usual to have the full time project supervisor position filled by the individual who has prepared and submitted the proposal and negotiated the project agreement, we have had numerous other projects where the applicant / negotiator / project has held a position and even signing authority with the project holder organization, but has also worked as project manager or coordinator, with some or all of that person's wages covered under the project budget, without concerns about conflict of interest being raised.

While it would be preferable to have the organization hire independently for the supervisor position, Judi Tyabji Wilson is best suited for the position as she has the combined experience in sheep farming and overseeing the pilot workshop that tested this tanning process, along with experience establishing and operating small businesses. This gives her the experience to provide overall direction to the project participants. Her background with Pebble gives her the focus on waste reduction that was the genesis of this proposal. She has done extensive background work to date to connect partners and build relationships with stakeholders, and having her fill the role of project supervisor will offer the project the best possibility of success. The nature of this project would make it difficult for someone without that background to effectively supervise and guide the project, and the size of the community reduces the available alternatives. Ms. Tyabji Wilson is hopeful one of the participants may develop during the project to the point where that person could take over as project supervisor, however that possibility cannot be counted on as it would depend on the abilities of the participants who they are able to recruit.

Mitigation strategy for this risk includes increased monitoring of the project by the CEP CAPA.

3) Environmental impact

Written confirmation that the Regional District does not have environmental concerns has been requested. The applicant advises they are following up and should obtain it shortly. The process is not expected to create any significant volume of waste materials from the animal skins, but any such waste will be composted by the project holder at no cost on farm property available to them. Therefore, any waste materials will be disposed of in a more environmentally-friendly way than the current process of having the entire skins go to landfills.

4) Identification of materials not in Activities

Identification of best types of materials and sources for those materials has not been specifically listed in the activities, but would be part of the product evaluation and documentation done with each tanning batch, and would link to the listed activity "develop a database of sources for raw skins". The

purpose is to identify if possible which source materials are easiest to work with and produce the best finished products. On an ongoing basis, this would mean the operation would assess their results from different breeds and/or producers, and then could target specific raw skins in order to maximize production and return. Source material evaluation would be part of the processes already listed in the activities, but it could be identified as a specific activity if necessary.

5) Activities aren't truly incremental as the applicant plans for them to become continuing activities

In this sense, very few of our JCP projects would be considered incremental, as projects are often designed to establish or develop new programs or initiatives which will be continued beyond the end of the funding period. In fact, we usually require applicants to demonstrate how the proposed activities will be sustainable beyond our funding period, so to deny an application on the grounds that such a continuity plan makes it non-incremental would place applicants in a Catch 22 situation.

In this case, the project activities would be to establish and develop the waste reduction program and social enterprise, both of which would be incremental to the applicant's current operations (and both of which will not occur if this project does not proceed). Therefore, these activities clearly would be incremental.

6 In Kind contributions

a) **Gunter Brothers: The valuation of $40 per hide is based on the fact that the abattoir will provide the skins and complete the first stage of the curing/tanning process by doing basic fleshing and salting of the skins and placing them in bins for pick up. Although these hides are currently thrown away because there is no end user to tan them, there is undeniably some value to them for a user with the capacity to convert them into value-added products. As well, Gunter Brothers will dedicate staff time to prepare the hides. The fact that the abattoir could also benefit by reducing their disposal costs provides them with an incentive to donate the hides and put additional work into preparing them. This creates a win-win situation that will provide an ongoing motive for Gunter Bros to continue the arrangement.**

b) **Project Partners: The project partners have provided letters confirming their participation and in-kind contributions. While the letters do not include itemized lists of materials and projected schedules with hours to be contributed, they do list a variety of contributions both in time and materials that the various project partners will make.**

   The valuation of in-kind contributions is always challenging on JCP projects, however the estimates provided of the value of the contributions do not appear unreasonable. While the actual amounts might vary from the estimates provided (which could include them being higher than the estimates), the CAPA is satisfied that there will be an appropriate level of partnership contribution which will compare favourably to other approved projects.

c) **3 Leaf Contracting has provided a breakdown of costs for their contribution in the form of a reduction in rent for the properties to be used for the project. Based on other commercial rental listings in the area this breakdown appears reasonable.**

T&R Contracting has provided additional details of what would comprise their in-kind contribution of $5000 (equipment, manpower, and facilities support / assistance with waste water catchment development). The estimated value appears reasonable, but additional breakdown can be requested if necessary. As indicated above, the CAPA is satisfied that there will be an appropriate level of partnership contribution to this project.

7) Backup source for hides

Gunter Bros has confirmed in writing that they can provide up to 1500 sheepskins per year, and the applicant an established relationship with this company, which provides the closest bulk source to their community. However, there are 8 other abattoirs in the province that process sheep and could provide alternate sources for hides, 2 of which are larger than Gunter Bros. Ultimately, if this initiative were successful Pebble in the Pond would look at the feasibility of expanding to take hides from those other sources.

8) Earlier comments provided about revenue generation and guidance on social enterprise aren't applicable to this application

The current proposal does have more of a start up component than the bookstore social enterprise - in the bookstore case the activities helped establish a new "business stream" for an existing retail enterprise, while in this proposal the social enterprise would be developed from scratch. However, it seems the overriding principle is the same – can JCP activities establish or contribute to the development / enhancement of a social enterprise? The end goal of the enterprise in relation to the organization's mandate is a key consideration, and in this case the organization has a mandate of reducing waste. The project activities would be aimed at establishing a waste reduction program to take animal skins out of the waste stream. They have identified a way in which this program could become self-sustaining, by converting those skins into value-added products. The development of the social enterprise is proposed as a way to carry on these waste reduction activities without being dependant on continued funding. If successful, this would have the additional advantage of creating employment for project participants, which would be an excellent result for an investment of LMDA funding.

The goal of this social enterprise is not to generate profits for the organization, or to fund its other programs (although raising revenue through a bookstore to fund the organization's literacy programs was not deemed inconsistent). Rather, revenue generated would be used to maintain the waste reduction program, which would ultimately include paying wages to the people running the program once the LMDA-funded project ends. That is consistent with the mandate of the organization.

Regarding the additional concern that revenue would be raised during the project, it doesn't appear that should be a barrier to the project being approved. Although we are not often faced with this

issue on JCP projects, policy does address the matter, dictating that any revenue generated would have to offset project costs. It therefore appears that as long as this rule is applied, revenue generation can be permitted. If we can support activities which assist revenue generation, then it seems the point at which revenue would be generated would be secondary. The applicant is aware that any revenue generated during the funding period must be applied directly against project costs. This would actually be advantageous as it would reduce the overall contribution of SDSI to the project, reducing our risk and providing greater value for the funding investment.

Following Policy review, this proposal was put forward to ELMSD Executive where it was reviewed and approved. Points raised included a request for additional details regarding:

Comment [ZDS4]: Confirmed to TCL on March 14, 2014 their approval based on these responses.

- **whether this would create a competitive advantage, and how we are ensuring that we are not taking a market share from any other profit organizations**
- **where profits would be applied after the project ends, given the organization's non-profit status**
- **social benefit aspect and how the project and provides an opportunity to stabilize organizations so they are not dependent upon government grants**

Re Competitive advantage:

There are no tanneries in BC finishing sheepskins or offering fee-for-service tanning to farmers. Some individual farmers may use the proposed tanning process or a similar one to tan their own hides on a limited basis, but there is no operation which would take these discarded hides and process them. There are various retail outlets in BC (including Costco) who market sheepskin rugs or other sheepskin products, but their principal source of those skins is either New Zealand, Australia or China. This operation could provide an alternate Canadian source of hides for those retailers; in fact part of the activities in establishing the social enterprise would be to develop customers who would retail finished products.

Larger scale offshore suppliers are able to produce sheepskins at a lower cost (retailing in the $80-$100 range), and some retailers may choose to stay with those suppliers. However, the organic tanning process offers other benefits, in that it doesn't involve products used in the larger scale processes which can cause skin reactions in some people. This operation therefore would target a segment of the market seeking an organically treated, hand finished product which is not currently commercially produced in the region. These products would have a higher cost than the offshore products, but would offer an alternative type of product for a different niche in the market. Existing retailers would still have the opportunity to market their established offshore products as well as the organically processed sheepskins. It does not appear this enterprise would be in competition with other like enterprises in B.C., as there are not other like enterprises, particularly not in the local labour market in the Powell River - Sunshine Coast area.

Re Profits:

-After the project end, revenues would be used to maintain the social enterprise on a non-profit basis, with money generated being used to cover the ongoing costs including materials, equipment, and wages of the people working in the enterprise. The applicant does not wish to develop a for-profit business, and would put the revenue back into the enterprise. Depending on level of market demand, there is an opportunity to expand or duplicate this operation, possibly in other communities (there are 8 other abattoirs in BC who also process sheep). That could conceivably be done under Pebble in the Pond, or perhaps in association with a similarly-mandated non-profit organization in another community. However, that would depend on the success of this operation.

RE Social Benefit:

The potential social benefits of this project are significant. It will provide work experience that participants can carry forward to other endeavors even if they do not secure ongoing employment with this social enterprise, or choose to seek other opportunities. This experience could be applied to establishing other social enterprises or for-profit businesses, or to working for employers in those areas. The project also contributes to waste reduction at a time when waste management is an issue in communities across the province. A sustainable social enterprise would ensure continuation of this waste reduction initiative, with opportunities to expand it beyond the original scale and reduce waste produced in other abattoirs and farms around the region and beyond. As well, a sustainable social enterprise would create employment opportunities in an area of the province which is facing economic challenges. These employment opportunities would be particularly valuable as they would be related to the agricultural sector, which is itself economically challenged. Initiatives which can strengthen the agricultural sector even tangentially have an added benefit, given the increasing importance of food security. Finally, this project not only offers the potential for the project holder to develop a self-sustaining initiative that would not be dependent on future government funding, but also to serve as a model for other organizations who could establish other types of social enterprises of their own, helping them to reduce their dependence on government grants.

EXPENSE AUTHORITY APPROVAL

This section should be signed by the individual(s) who have delegated signing authority to approve projects under the specific activity according to the FAA.

Amount of funding approved by MSD: **$128,696**
Approved by: Dawn Zander,

Title: Team and Contract Lead _

Signature: Dawn Zander (Electronic and email confirmation to attach to CEP CAPA correspondence Log with copy of approval from Executive).

Date: March 14, 2014

BRITISH COLUMBIA | Ministry of Social Development

Partnership & Innovation Fund
Budget Template & Negotiation Summary

Program Type	
Applicant Name	Pebble in the Pond Environmental Society
Title of Proposed Project	Tanned, Wild and Woolly Processing Plant
Duration	January 27, 2014 to November 14, 2014
File Number	

Supporting Details for Proposed/Negotiated Costs

Project Costs specific to the activities of the project

1. Staff Wages & other related staff costs:	**Details**	**Total Requested by Organization**	**Total Recommended (Ministry use only)**
i. Staff wages & MERCS	Supervisor salary, 40 hours per week paid, (expected to take about 60 hours per week for the duration) at $30/hour x 42 weeks = $50,400, vacation pay of 4% x $50,400 = $2016. EI is 2.632% x $52,416 = $1380, CPP is 4.95% x $52,416 = $2595, total wages & MERCS = $56,391. **CAPA recommends $56,391** **Supervisor required to provide full time direction to project participants. Wage rate of $30/hr, though somewhat higher than in other JCP projects, is reasonable and represents fair market value in that this person will also manage the project and provide expertise and guidance to participants in all aspects of establishing a social enterprise.**	56,391	**56,391**
ii. b) Other employment-related benefit costs (WCB, medical, dental, pension, etc.) where warranted by current organizational HR policies	WCB, estimated based on Taxidermy & Fur Tannery rates for 2014 of $1.66 per $100, for 42 weeks. Is 1.66% x $56,391 = $936 **CAPA recommends $870** **WorkSafe BC premiums calculated on wages + vacation pay only** **$52,416 x 1.66% = $870.10**	936	**870**

	iii. c) Staff and volunteer travel	One trip per month for truck and driver to Gunter Brothers abbatoir in Courtenay on Vancouver Island $500/month inclusive of ferry costs, meals, and mileage at $0.52/km x 10 months plus $250 over the entire ten month period for the occasional passenger to cover ferry costs and meals = $5250 including travel costs. This is a one-day subcontract to a licensed driver. Staff travel of one trip per month will be ferry costs and meals to be added to client costs for trip, estimated to be $50 per trip = $500. **CAPA recommends $5750** **Trips are required to pick up project materials. Cost includes ferry fares for larger commercial vehicle plus driver and project supervisor, and mileage at applicable government rate. Refrigerated truck required to ship skins, commercially licensed driver required but the organization has a licensed volunteer who will do that. Estimate of $500 per trip is reasonable, based on current fare rates. May include travel to other source farms, including Salt Spring Island. Meals are not normally covered in JCP but due to ferry schedules these will be full day trips requiring staff/volunteers be out of their local area from 8:00 am until 4:45 pm, or possibly 8:30 pm so reimbursement for lunches and possibly dinners at applicable government Group 1 rates ($13.50 lunch, $22.75 dinner) would be eligible.** **Mileage logs must be maintained. Reimbursement will be based on actual costs.**	5750	**5750**
	iv. d) Staff disability supports (duty to accommodate)			
		Staff Wages & other related staff costs Sub Total	63077	**63,011**
2. Professional Fees:		**Details**	**Total Requested by Organization**	**Total Recommended (Ministry use only)**
	i. Professional fees - contracting (e.g. bookkeeping, janitorial services, IT, equipment maintenance services, security, presenters, consultants and any sub contractor not directly related to clients)	Contracting of accountant $400/month x 10 months = $4000, IT support for online set up, maintenance, assistance with training $500/month x 10 months = $5000, once/week groundskeeper to assist with grey water maintenance and compost work $250/month x 10 months = $2500. Total of $4000 + $5000 + $2500 = $11,500 **CAPA recommends $11,500** **-Accountant will maintain project financial records which will include records related to the social enterprise to be established.** **-Website establishment and maintenance will be a key component of the promotion of the enterprise and marketing of the products, will need to be maintained and updated. IT support contractor will also instruct**	11,500	**11,500**

		participants in how to update the website and keep it current moving forward. **-Removal services required for waste generated by tanning process (grey water treatment will include using hay for drainage to absorb salts, and waste materials will need to be removed and disposed of monthly)** **Reimbursement will be based on actual costs.**		
		Professional Fees Sub Total	11,500	**11,500**
3. Client Costs: (For JCP Only) (all client related costs must be required to carry out the project activities)		**Details**	**Total Requested by Organization**	**Total Recommended** (Ministry use only)
	i. Travel/transportation (project related travel requirements)	Estimated at one initial trip for all five workers to abattoir in Courtenay (about $350), plus one trip per month during the 42 week period, for marketing, site visits, or skin pick ups within the Powell River or Comox Valley region. $0.52/km plus ferry costs and meals for day trips. Day trips about $150 per trip, and 10 trips total = $1500. There may be one trip to Salt Spring Island if appropriate to assess potential sheep skin partnership, this cost will be absorbed in this budget. **CAPA recommends $1850** **Bulk of transport costs are provided under Staff category as the supervisor and or volunteer driver would incur the vehicle costs. Client Costs include passenger fares for participants on those trips, additional vehicle on initial trip, reimbursement of meal costs at Group 1 government rates when eligible ($13.50 lunch / $22.75 dinner). Recommended amount will also accommodate mileage for participant travel at $0.52 per km. Mileage logs must be maintained. Reimbursement will be based on actual costs.**	1850	**1850**
	ii. Disability-related supports & equipment (e.g. attendant care, note takers, sign language interpreters, Dragon-speak)			
	iii. Adaptive-technology set-up			
	iv. Supplies (e.g. work clothes, raingear, any item used specifically by & retained by clients)	Aprons, gloves, footwear, knives, estimated $200/person for 5 people = $1000 plus composting supplies, alum, borax, soap, additional plastic tubs, monthly materials estimated to average at $220/month = $2200, total is $3200. Note: likely to be more expensive in first two months.	3200	**1000**

		CAPA recommends $1000 **Personal equipment for participants (protective wear) are client costs required for the project. The $2200 for project supplies belongs under Other Project Costs (Materials and Supplies) and has been added to the amount recommended under that line. Reimbursement will be based on actual costs.**		
	v. Professional fees - client related (e.g. first aid, WHMIS, Superhost)			
	vi. Other client costs (specify)			
		Client Costs Sub Total	5050	**2850**
4. Capital Assets		**Details**	**Total Requested by Organization**	**Total Recommended (Ministry use only)**
	i. Any asset (over $1000) requiring agreement of disposition, must be cost-shared	None.	0	
		Capital Assets Sub Total	0	
5. Other Project Costs		**Details**	**Total Requested by Organization**	**Total Recommended (Ministry use only)**
	i. Basic telephone & internet (including fax lines & installation if required)	Long distance is expected to run at 5 hours per week for 42 weeks, and phone cost is estimated at cost of mobile phones. Cost for 5 phones at $50/month (Telus Lite Plan) is $500 per plus long distance, total is $2500, long distance for six phones could be $50/month per phone, or $300/month for 10 months, or $3000. We may have cost savings in shared office space, this amount is the best estimate. **CAPA recommends $5500** **Total requested based on above calculation is actually $5500 based on $2500 for cell phones for 5 participants (5 x $50/month x 10 months), and $3000 for long distance for 5 participants plus 1 supervisor (6 x $50/month x 10 months - supervisor will use her existing phone but will incur long distance charges) . Phone and long distance charges are expected to be high as contacting potential customers to market the finished products will be a significant project activity. Actual costs may be lower as the office to**	3500	**5500**

		be rented has existing phone lines that may be available to the project, although long distance costs will still apply. Reimbursement will be based on actual costs.		
	ii. Insurance (fire, theft, liability)	42 weeks of insurance coverage, savings will be realized at shared office location and existing industrial location. **CAPA recommends $1500** **Incremental cost for additional insurance coverage (theft/fire) for project materials at the project's industrial location, based on estimate from insurer. Reimbursement will be based on actual costs.**	1500	**1500**
	iii. Postage & courier	Courier of finished sheep skin samples to clients, if at 5/week x 20 weeks at $25 per package = $2500 **CAPA recommends $2500** **Calculated based on marketing in the second half of the project once finished products are available. Reimbursement will be based on actual costs.**	2500	**2500**
	iv. Rent & utilities (if applicable)	Cost-shared rent, heat, power, water at site, exclusive use of 500 square feet in a shared office for 10 months including all costs except long distance, plus 360 square feet inside and 360 feet inside at an industrial site, including utilities, power, water, and building set up, $1800/month for 10.5 months for both is $18,900 payable and an inkind donation of $3825 from landlord Three Leaf Contracting. **CAPA recommends $18,402** **Office site: $603 per month** **Based on 500 sq feet at $11/sq foot annual including triple net, plus 5% maintenance/ taxes / insurance = $481 + $80 hydro + $42 internet** **Industrial site: $786/month** **Based on 360 sq feet building space x $1.60/sq foot = $576** **350 sq feet land for drainage x $0.60/sq foot = $210** **Generator Rental at Industrial Site: $912 per month** **-Basic rental $360** **-Maintenance $25/day x 12 days/month = $300 (estimated use x 8 hour days)** **-Fuel $21/day x 12 days/month $252**	18,900	**18,402**

		Total **Office site $ 603** **Industrial site $ 786** **Generator $ 912** **TOTAL $2301 /month** **Reduction $ 364/month (in-kind contribution from landlord)** **Total rental $1937 / month x 9.5 months = $18,401.50** **Project time is 9.5 months, not 10.5. Office space will house administrative location of project, and is located at #104-7385 Duncan Street, Powell River. Industrial site where tanning operations will be carried out is at a gravel pit owned by 3 Leaf Contracting on Grenville Avenue, Cranberry Lake, Powell River(no address, but legal description BL: C PL: 5888 DL: 5200).**		
	v. Equipment repair & maintenance (includes photocopy meter charges)			
	vi. Equipment lease, rental or purchase (including computers, fax machines, computer software)	Four computer work stations, two PCs, two laptops, all-in $600 each = $2400, four licenses of Office Pro 8.1 Business at $250 = $1000. All four units need software for documents, spreadsheets, powerpoints, and basic online editing of graphics for all four stations. Two large screens with multimedia capability $250 each = $500, one of the four stations is for administration and network server, with Quickbooks software for bookkeeping $530. One Windows-compatible tablet for portable interaction, $450 plus tax = $503, in case of farm visits/abattoir site work for quality control, with photo/wireless capability. One colour printer capable of making product labels/tags $500. Two top-load, large capacity, basic washing machines for test runs/rinsing of skins (under $1000) = $1600. Large outdoor soaking tub $200. **CAPA recommends $7233** **All costs are incremental and required for equipment necessary to the project. Although financial records will be managed by contracted accountant, project supervisor will use Quickbooks to record project costs, and participants will learn to use Quickbooks as part of their skills enhancement and will use it to track Point of Sale and product inventories Reimbursement will be based on actual costs.**	7233	**7233**
	vii. Bank charges	Separate account to be set up, connected to Pebble in the Pond but a subaccount. Monthly banking costs about $20/month **CAPA recommends $200** **Incremental banking costs for setup of project account. Reimbursement will be based on actual costs.**	200	**200**
	viii. IT maintenance	One-time cost to set up computers, office network, and website to run social media accounts. Subcontract to local technician, $25/hour and 20 hours total	500	**500**

		work. **CAPA recommends $500** **Cost is reasonable, incremental cost for IT setup of project.** **Reimbursement will be based on actual costs.**		
	ix. Materials and supplies (e.g. pens, pencils, paper, envelopes, cleaning supplies)	General office supplies at $50/month for 10 months = $500, greywater containment supplies, initial cost $1000, cleaning materials, eucalan, washing nets for skins, about $80/month for 10 months = $800. **CAPA recommends $5000** **Amount recommended includes $2200 which was requested above under Client Costs for project supplies at $220/month, but which should be included here. Monthly amount for project supplies, cleaning materials, nets, tubs, alum, borax etc is therefore $300/month or $3000 over the entire project. Materials are required for the project and estimated costs are reasonable. Reimbursement will be based on actual costs.**	2800	**5000**
	x. Advertising	Thirty weeks of social media advertising to promote pages, at $215/week, plus one large local advertisement in the newspaper once facility is set up $950, one large local magazine ad in the local agriculture publication $600, and two small local ads $500/each, total .$2050 **CAPA recommends** **Total of amounts calculatied above is actually $9000, not $8500.** **As the objective of the project is to establish an ongoing social enterprise that will produce and market value-added agricultural products, advertising and promotion is an essential part of the project plan, and these costs are required to carry out project activities. Costs are reasonable based on estimate from applicant who has extensive experience in this field. Applicant has confirmed the social media advertising would not be contracted to Maradadi Pacific (the company operated by a Pebble in the Pond Director). Rather, an unrelated contractor would be engaged for this work. Reimbursement will be based on actual costs.**	8500	**9000**
	xi. Equipment/furniture under $1000	Four basic computer desks and desk chairs (may have existing furniture that is suitable) **CAPA recommends $1000** **Required for participants, cost is reasonable at $250 per work station.** **Reimbursement will be based on actual costs.**	1000	**1000**
	xii. Operational printing contracted externally (ad hoc unanticipated print jobs, project specific printing jobs e.g. reports, brochures, etc.)	One print job at local print shop for brochures. **CAPA recommends $500** **Advertising brochures for promotion of project / social enterprise, participants will be able to distribute to contacts and potential clients.**	500	**500**

		Reimbursement will be based on actual costs.		
	xiii. Costs associated with use of applicant-owned assets other than premises (e.g. computers and other equipment, furniture, etc.)	All applicant-owned assets to be used on site are part of in-kind contribution, including tables, chairs, kitchen facilities, and existing skin processing materials including tubs, tables, hoses, storage space, and knives.	0	
		Other Project Costs Sub Total	**47,133**	**51,355**
		All Project Costs Total	126,760	**128,696**

Funds from Other Sources

Please indicate the total amount (including the contributor's name/organization and what the contribution is for) for each of the following:

	a) Cash		
	b) In-Kind	Gunter Brothers $40,000, T&R Contractors $5,000, Ecossentials $4,000, Sunshine Organics $2,000, CA Designs $4,000, Maradadi Pacific $5,000, Three Leaf Contracting $3,278.	$63,278
		Total Funds from Other Sources	$63,278
		GRAND TOTAL	$190,038

Notes or Comments

BRITISH COLUMBIA | Ministry of Social Development

Partnership & Innovation Fund
Budget Template & Negotiation Summary

Program Type	
Applicant Name	Pebble in the Pond Environmental Society
Title of Proposed Project	Tanned, Wild and Woolly Processing Plant
Duration	January 27, 2014 to November 14, 2014
File Number	

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ii. b) Other employment-related benefit costs (WCB, medical, dental, pension, etc.) where warranted by current organizational HR policies	WCB, estimated based on Taxidermy & Fur Tannery rates for 2014 of $1.66 per $100, for 42 weeks. Is 1.66% x $56,391 = $936 **CAPA recommends $870** **WorkSafe BC premiums calculated on wages + vacation pay only** **$52,416 x 1.66% = $870.10**	936	**870**

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	i. Professional fees - contracting (e.g. bookkeeping, janitorial services, IT, equipment maintenance services, security, presenters, consultants and any sub contractor not directly related to clients)	Contracting of accountant $400/month x 10 months = $4000, IT support for online set up, maintenance, assistance with training $500/month x 10 months = $5000, once/week groundskeeper to assist with grey water maintenance and compost work $250/month x 10 months = $2500. Total of $4000 + $5000 + $2500 = $11,500 **CAPA recommends $11,500** **-Accountant will maintain project financial records which will include records related to the social enterprise to be established.** **-Website establishment and maintenance will be a key component of the promotion of the enterprise and marketing of the products, will need to be maintained and updated. IT support contractor will also instruct**	11,500	**11,500**

		participants in how to update the website and keep it current moving forward. **-Removal services required for waste generated by tanning process (grey water treatment will include using hay for drainage to absorb salts, and waste materials will need to be removed and disposed of monthly)** **Reimbursement will be based on actual costs.**		
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	ii. Disability-related supports & equipment (e.g. attendant care, note takers, sign language interpreters, Dragon-speak)			
	iii. Adaptive-technology set-up			
	iv. Supplies (e.g. work clothes, raingear, any item used specifically by & retained by clients)	Aprons, gloves, footwear, knives, estimated $200/person for 5 people = $1000 plus composting supplies, alum, borax, soap, additional plastic tubs, monthly materials estimated to average at $220/month = $2200, total is $3200. Note: likely to be more expensive in first two months.	3200	**1000**

		CAPA recommends $1000 **Personal equipment for participants (protective wear) are client costs required for the project. The $2200 for project supplies belongs under Other Project Costs (Materials and Supplies) and has been added to the amount recommended under that line. Reimbursement will be based on actual costs.**		
	v. Professional fees - client related (e.g. first aid, WHMIS, Superhost)			
	vi. Other client costs (specify)			
		Client Costs Sub Total	5050	**2850**
4. Capital Assets		**Details**	**Total Requested by Organization**	**Total Recommended (Ministry use only)**
	i. Any asset (over $1000) requiring agreement of disposition, must be cost-shared	None.	0	
		Capital Assets Sub Total	0	
5. Other Project Costs		**Details**	**Total Requested by Organization**	**Total Recommended (Ministry use only)**
	i. Basic telephone & internet (including fax lines & installation if required)	Long distance is expected to run at 5 hours per week for 42 weeks, and phone cost is estimated at cost of mobile phones. Cost for 5 phones at $50/month (Telus Lite Plan) is $500 per plus long distance, total is $2500, long distance for six phones could be $50/month per phone, or $300/month for 10 months, or $3000. We may have cost savings in shared office space, this amount is the best estimate. **CAPA recommends $5500** **Total requested based on above calculation is actually $5500 based on $2500 for cell phones for 5 participants (5 x $50/month x 10 months), and $3000 for long distance for 5 participants plus 1 supervisor (6 x $50/month x 10 months - supervisor will use her existing phone but will incur long distance charges) . Phone and long distance charges are expected to be high as contacting potential customers to market the finished products will be a significant project activity. Actual costs may be lower as the office to**	3500	**5500**

		be rented has existing phone lines that may be available to the project, although long distance costs will still apply. Reimbursement will be based on actual costs.		
	ii. Insurance (fire, theft, liability)	42 weeks of insurance coverage, savings will be realized at shared office location and existing industrial location. **CAPA recommends $1500** **Incremental cost for additional insurance coverage (theft/fire) for project materials at the project's industrial location, based on estimate from insurer. Reimbursement will be based on actual costs.**	1500	**1500**
	iii. Postage & courier	Courier of finished sheep skin samples to clients, if at 5/week x 20 weeks at $25 per package = $2500 **CAPA recommends $2500** **Calculated based on marketing in the second half of the project once finished products are available. Reimbursement will be based on actual costs.**	2500	**2500**
	iv. Rent & utilities (if applicable)	Cost-shared rent, heat, power, water at site, exclusive use of 500 square feet in a shared office for 10 months including all costs except long distance, plus 360 square feet inside and 360 feet inside at an industrial site, including utilities, power, water, and building set up, $1800/month for 10.5 months for both is $18,900 payable and an inkind donation of $3825 from landlord Three Leaf Contracting. **CAPA recommends $18,402** **Office site: $603 per month** **Based on 500 sq feet at $11/sq foot annual including triple net, plus 5% maintenance/ taxes / insurance = $481 + $80 hydro + $42 internet** **Industrial site: $786/month** **Based on 360 sq feet building space x $1.60/sq foot = $576** **350 sq feet land for drainage x $0.60/sq foot = $210** **Generator Rental at Industrial Site: $912 per month** **-Basic rental $360** **-Maintenance $25/day x 12 days/month = $300 (estimated use x 8 hour days)** **-Fuel $21/day x 12 days/month $252**	18,900	**18,402**

		Total **Office site $ 603** **Industrial site $ 786** **Generator $ 912** **TOTAL $2301 /month** **Reduction $ 364/month (in-kind contribution from landlord)** **Total rental $1937 / month x 9.5 months = $18,401.50** **Project time is 9.5 months, not 10.5. Office space will house administrative location of project, and is located at #104-7385 Duncan Street, Powell River. Industrial site where tanning operations will be carried out is at a gravel pit owned by 3 Leaf Contracting on Grenville Avenue, Cranberry Lake, Powell River(no address, but legal description BL: C PL: 5888 DL: 5200).**		
	v. Equipment repair & maintenance (includes photocopy meter charges)			
	vi. Equipment lease, rental or purchase (including computers, fax machines, computer software)	Four computer work stations, two PCs, two laptops, all-in $600 each = $2400, four licenses of Office Pro 8.1 Business at $250 = $1000. All four units need software for documents, spreadsheets, powerpoints, and basic online editing of graphics for all four stations. Two large screens with multimedia capability $250 each = $500, one of the four stations is for administration and network server, with Quickbooks software for bookkeeping $530. One Windows-compatible tablet for portable interaction, $450 plus tax = $503, in case of farm visits/abattoir site work for quality control, with photo/wireless capability. One colour printer capable of making product labels/tags $500. Two top-load, large capacity, basic washing machines for test runs/rinsing of skins (under $1000) = $1600. Large outdoor soaking tub $200. **CAPA recommends $7233** **All costs are incremental and required for equipment necessary to the project. Although financial records will be managed by contracted accountant, project supervisor will use Quickbooks to record project costs, and participants will learn to use Quickbooks as part of their skills enhancement and will use it to track Point of Sale and product inventories Reimbursement will be based on actual costs.**	7233	**7233**
	vii. Bank charges	Separate account to be set up, connected to Pebble in the Pond but a subaccount. Monthly banking costs about $20/month **CAPA recommends $200** **Incremental banking costs for setup of project account. Reimbursement will be based on actual costs.**	200	**200**
	viii. IT maintenance	One-time cost to set up computers, office network, and website to run social media accounts. Subcontract to local technician, $25/hour and 20 hours total	500	**500**

		work. **CAPA recommends $500** **Cost is reasonable, incremental cost for IT setup of project.** **Reimbursement will be based on actual costs.**		
	ix. Materials and supplies (e.g. pens, pencils, paper, envelopes, cleaning supplies)	General office supplies at $50/month for 10 months = $500, greywater containment supplies, initial cost $1000, cleaning materials, eucalan, washing nets for skins, about $80/month for 10 months = $800. **CAPA recommends $5000** **Amount recommended includes $2200 which was requested above under Client Costs for project supplies at $220/month, but which should be included here. Monthly amount for project supplies, cleaning materials, nets, tubs, alum, borax etc is therefore $300/month or $3000 over the entire project. Materials are required for the project and estimated costs are reasonable. Reimbursement will be based on actual costs.**	2800	**5000**
	x. Advertising	Thirty weeks of social media advertising to promote pages, at $215/week, plus one large local advertisement in the newspaper once facility is set up $950, one large local magazine ad in the local agriculture publication $600, and two small local ads $500/each, total .$2050 **CAPA recommends** **Total of amounts calculatied above is actually $9000, not $8500.** **As the objective of the project is to establish an ongoing social enterprise that will produce and market value-added agricultural products, advertising and promotion is an essential part of the project plan, and these costs are required to carry out project activities. Costs are reasonable based on estimate from applicant who has extensive experience in this field. Applicant has confirmed the social media advertising would not be contracted to Maradadi Pacific (the company operated by a Pebble in the Pond Director). Rather, an unrelated contractor would be engaged for this work. Reimbursement will be based on actual costs.**	8500	**9000**
	xi. Equipment/furniture under $1000	Four basic computer desks and desk chairs (may have existing furniture that is suitable) **CAPA recommends $1000** **Required for participants, cost is reasonable at $250 per work station.** **Reimbursement will be based on actual costs.**	1000	**1000**
	xii. Operational printing contracted externally (ad hoc unanticipated print jobs, project specific printing jobs e.g. reports, brochures, etc.)	One print job at local print shop for brochures. **CAPA recommends $500** **Advertising brochures for promotion of project / social enterprise, participants will be able to distribute to contacts and potential clients.**	500	**500**

		Reimbursement will be based on actual costs.		
	xiii. Costs associated with use of applicant-owned assets other than premises (e.g. computers and other equipment, furniture, etc.)	All applicant-owned assets to be used on site are part of in-kind contribution, including tables, chairs, kitchen facilities, and existing skin processing materials including tubs, tables, hoses, storage space, and knives.	0	
		Other Project Costs Sub Total	**47,133**	**51,335**
		All Project Costs Total	126,760	**128,696**

Funds from Other Sources

Please indicate the total amount (including the contributor's name/organization and what the contribution is for) for each of the following:

a) Cash			
b) In-Kind	Gunter Brothers $40,000, T&R Contractors $5,000, Ecossentials $4,000, Sunshine Organics $2,000, CA Designs $4,000, Maradadi Pacific $5,000, Three Leaf Contracting $3,278.	$63,278	
	Total Funds from Other Sources	$63,278	
	GRAND TOTAL	$190,038	$191,974

Notes or Comments

Project Holder Organization:		CFMS Agreement No.	

	Monthly Forecast/Actuals for 2014-2015 Fiscal Year *Replace monthly forecast v				
Project Costs Forecast	**April** *(To be replaced with actual expenditures once month closes)*	***May*** *(To be replaced with actual expenditures once month closes)*	**June** *(To be replaced with actual expenditures once month closes)*	**July** *(To be replaced with actual expenditures once month closes)*	**August** *(To be replaced with actual expenditures once month closes)*
Capital Assets	$0.00	$0.00	$0.00	$0.00	$0.00
Client Costs (does not apply to LLMP agreements)	$500.00	$500.00	$625.00	$625.00	$625.00
Other project costs	$2,690.00	$2,225.00	$1,690.00	$1,690.00	$1,690.00
Professional Fees	$1,140.00	$1,140.00	$1,140.00	$1,140.00	$1,320.00
Project Staff wages and Other related Staff Costs	$7,100.00	$7,100.00	$7,100.00	$7,100.00	$7,100.00
TOTAL PROJECT COSTS	**$11,430.00**	**$10,965.00**	**$10,555.00**	**$10,555.00**	**$10,735.00**

All information collected on or pursuant to this form is subject to all of the provisions of the Freedom of I collected will be used for the administration of the British Columbia labour market development program Insurance Act. The information collected will also be shared with the Department of Human Resources ar benefits under Part I of that Act. The Canada Employment Insurance Commission may also use any inforr please contact

Name:
Title:
Phone:
Through Enquiry BC: in Vancouver at 604-660-2421; Elsewhere in BC at 1 800 663-

I/We certify that the above is an accurate statement of our anticipated cash flow requirements.

Signature	Date (Y M D)

with actual expenditures for the month

September *(To be replaced with actual expenditures once month closes)*	**October** *(To be replaced with actual expenditures once month closes)*	**November** *(To be replaced with actual expenditures once month closes)*	**December** *(To be replaced with actual expenditures once month closes)*	**January** *(To be replaced with actual expenditures once month closes)*	**February** *(To be replaced with actual expenditures once month closes)*
$0.00	$0.00	$0.00			
$500.00	$500.00	$250.00			
$6,290.00	$5,790.00				
$1,340.00	$1,405.00	$780.00			
$7,100.00	$7,100.00	$3,550.00			
$15,230.00	**$14,795.00**	**$4,580.00**	**$0.00**	**$0.00**	**$0.00**

nformation and Protection of Privacy Act and Act. Any personal information collected is collected un
ı for which you have applied. That program is provided by British Columbia under an agreement with
ıd Skills Development (Canada) or the Canada Employment Insurance Commission to administer the
ınation it receives for policy analysis, research or evaluation purposes. If you have any specific questi

7867

March *(To be replaced with actual expenditures once month closes)*	TOTAL	Amount allowed to date under the Agreement	Total Authorized Budget for 2012/2013 Fiscal Year	Variance (Total Annual Budget - Year End Forecast)
	$0.00	$0.00		$0.00
	$4,125.00	$0.00		$4,125.00
	$22,065.00	$0.00		$22,065.00
	$9,405.00	$0.00		$9,405.00
	$53,250.00	$0.00		$53,250.00
	$0.00	$0.00		$0.00
$0.00	**$88,845.00**	**$925.47**	**$0.00**	**$88,845.00**

ıder the authority of Section 26(c) of that Act. The information
ı Canada made pursuant to section 63 of the Employment
Employment Insurance Act and could impact the receipt of
ons concerning the collection, use or disclosure of information,

BRITISH COLUMBIA | Ministry of Social Development

EMPLOYMENT PROGRAM OF BRITISH COLUMBIA

Judi Tyabji
Pebble in the Pond Environmental Society
9573 Random Road
Powell River, BC
V8A 0J4

December 6, 2013

RE: Letter of Intent - Job Creation Partnership

Dear Judi;

The purpose of this letter is to acknowledge receipt of your of Letter of Intent (LOI) received on November 4, 2013, for a Job Creation Partnership (JCP) project. After review of your LOI, we would like to invite you to submit an application for the project. However, there are certain details of your proposal for which we will require additional information, in order to determine whether all elements of the project would meet the eligibility requirements of JCP. Please ensure that your full proposal includes details to address the following questions or items:

• Please provide details of the location and facility where the project would take place, including address, details of building or installation where tanning would take place; any required features such as size, storage space, equipment (already available or needing to be acquired); and office facilities where the business component would be based. Provide details of the ownership of the property or properties where the activities will take place (e.g. owned or leased by Pebble in the Pond, or details of ownership if privately owned).

• Provide full details of the involvement of the various partners, and breakdowns of their contributions. It appears there is some overlap with some of the partner organizations, so we need to clarify who is represented in those organizations, who would be involved in the project, and to what extent. Breakdowns of the contributions are required so we can assess the types of contribution as well their values. If in-kind contributions include materials or assets to be used, indicate those values. If they include time someone will work on the project, indicate the person, the rate, and the number of hours used to calculate the value of the contribution.

• As your proposal involves establishment of an ongoing social enterprise, provide details of the business model to indicate how you have determined the enterprise will be sustainable (e.g. costs of raw materials such as skins and processing components, sources of those materials and security/ sustainability of those sources, estimated costs of processing or final cost per skins, additional operating costs, expected price points of finished skins, time required to produce the finished

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product, number of skins you expect to produce per week or per month, estimated customers for the finished skins and the sustainability of that market, and resulting overall estimate of costs vs. revenues).

• Any revenues generated during the project would have to come back to offset project costs. Include any anticipated revenue generation in your project timelines, and take the estimated revenues into account in preparing your budget request and project forecast of cash flow.

• Provide a brief description of the process from sourcing to finished product, so that we will have a more complete picture of what participants will do on the project (e.g. contact farmers; pick up skins or arrange shipment; tan skins using what sort of process and what equipment, products or chemicals; process to finished product within what timeframe; store or make other arrangements for finished products; market or sell via what channels).

• You have indicated the tanning process is organic and that environmental impact would not be a problem. In the relevant section of the proposal template document, provide additional details to clarify how the process will not result in any negative environmental impact (e.g. products used, any waste products or waste water that will be produced, and how those by-products will be treated or disposed of).

• In the pilot run during which you tested the feasibility of this operation, you trained 10 persons in this technique. Are those 10 persons no longer continuing to finish skins, or will they also be operating in the community? If they are still operating, would they not be in competition with the social enterprise you wish to establish? Or, will they be involved in the project, and if so would they not be able to carry on without the setup of the project and additional training?

• Your LOI describes the project as combining work experience in processing skins, and establishing the business side of the social enterprise to source materials and then market finished products. Provide details of how much you anticipate participants will work with each aspect. For example, will there be a training / production phase after which participants will move into a business phase? Or will both components proceed simultaneously with participants switching between tasks? Will all participants gain experience in each aspect, or do you anticipate some participants will work with production while others will work with the business/marketing aspect (this is to give us a better picture if the work experience is geared towards learning the tanning process, or business establishment, or both).

• As part of your proposal development, you must contact your local WorkBC Employment Services Centre (Career Link in Powell River) to confirm potential availability of eligible clients who could be referred to the project as participants. We realize this would be a preliminary assessment, as your initial inquiry would be well ahead of a potential project start date, by which time specific clients might no longer be available. However, what we are looking for is a confirmation from the ESC that the type of work experience you are offering is enough of a match with the aptitudes, employment goals, and action plans of their clients, that you are likely to find eligible clients to fill the participant positions.

• Describe how you will manage staffing and administration of the project, including filling staff positions and recruiting and screening participants.

• The project supervisor is a full time position, providing guidance to the participants. As you have indicated you would be the project supervisor, provide details to clarify how you would manage those full time duties without conflict with your current activities and commitments.

• Pebble in the Pond previously managed a JCP project to develop a regional cloth bag program. Please include in your proposal a brief summary of the outcomes of that project and an update to describe the current status of that initiative.

You have provided some of the above details in part in your LOI and the follow-up questions; however your proposal must stand on its own as it will be reviewed by staff who have not been part of the initial discussions at the LOI stage. Therefore, it should provide an overview that will give a complete picture of the project activities, partnerships and contributions, and the operating plan and sustainability of the enterprise. In completing your proposal you should refer to the JCP Applicant Guide. The Applicant Guide and the Application for Funding are available at:

http://www.workbc.ca/Workplace-Resources/Community-Employer-Partnerships/Pages/Community-Employer-Partnerships.aspx

or alternatively please contact me and I can send a copy to you.

We anticipate that your complete application package should be submitted by January 15, 2014. Please do not hesitate to contact me, if you have any questions or wish to discuss any part of the application process.

Sincerely,

A MacKenzie
Contract and Partnership Agent

Job Creation Partnership (JCP)

Proposal Template

Note: A letter of intent (LOI) is required to be submitted to the Employment and Labour Market Services Division as a first step and prior to completing a proposal template. Once your LOI is received an Agreement and Partnership Agent will contact you to discuss your project idea in more detail. If your LOI is approved to proceed, you will be invited to submit a proposal at that time.

If you have not submitted an LOI, please refer to the WorkBC site to complete and submit the LOI template.

Please review the JCP Applicant Guide found on the WorkBC website http://www.workbc.ca/Workplace-Resources/Community-Employer-Partnerships/Pages/Community-Employer-Partnerships.aspx to understand the purpose and scope of the program. Please refer to this Guide as you are completing the JCP Proposal Template.

A complete application package for JCP includes the following:

Application for Funding (HR 3486)
P&I Budget Template & Negotiation Summary
JCP Proposal Template

The Application for Funding and the P&I Budget Template & Negotiation Summary can also be found on the WorkBC website http://www.workbc.ca/Workplace-Resources/Community-Employer-Partnerships/Pages/Community-Employer-Partnerships.aspx

Please ensure that you complete ***all*** questions. **The boxes will expand as you type.**

Section 1

Project Title: Tanned, Wild, and Woolly Tannery
Applicant (Organization) Name: Pebble in the Pond Environmental Society
Contact Name and Telephone Number: Judi Tyabji, 604-487-1457
Address: 9573 Random Road, Powell River, BC
Proposed Project Start and End Date: January 27, 2014, end date November 21, 2014

Note: Private sector organizations are eligible for JCP funding consideration under certain conditions. JCP funding cannot be used to improve any business' position in the competitive marketplace.

If you are a private sector organization, please explain how the proposed project activities avoid any perceived or real appearance of unfair competition and will not result in an unfair competitive advantage.

This will be a Social Enterprise, not-for-profit project that will not compete or provide an unfair advantage, because there are no other companies or enterprises providing this product or service. There have not been farm-to-market tanneries in BC for many years. Decades ago, skins were purchased from abattoirs by tanneries, they were processed, and sold. Customers could buy a 'made in BC' sheep skin at a retail outlet. However, there have been no tanneries purchasing skins for many years. BC Fur was the only commercial outfit accepting sheep skins from farmers for tanning as a "fee for service" tannery in Vancouver until 2012, so that some farmers could choose to pay for the tanning, and then sell the skins or leather. BC Fur used toxic chemicals and produced an industrial quality skin. On average, the fee for service for a sheep skin was $80 to $100, and the skin would sell for $150 to $250. In 2012, BC Fur was sold and the new owners no longer accepted sheep skins even in a fee for service.

Today, the only option for farmers is to throw their sheep skins in the garbage, which adds to the farmers' costs, adds to the waste stream, deprives farmers of additional valuable products for each animal slaughtered, and removes good product from the market. The abattoir in Courtenay throws away over 1000 sheep skins each year. This tannery will produce custom-made, hand-crafted sheep skins, soft with retained lanolin, and gentle in the tanning process. The social enterprise will be located at 9573 Random Road, in a property which is a building suited for processing and office work, located on agricultural land and leased to Pebble for the duration of the project. This is where the pilot project took place in 2013, and is owned by one of the Directors, therefore the cost is discounted as part of the support. This building has the materials to begin the project, and a second property nearby, which is available for rent at a similar price, has been located in the event that the operation requires more space when the larger volume of skins are available for tanning, which is expected to happen about six weeks into the project. The second property is privately owned by a local farmer who is supportive of the concept of a local, sustainable tannery.

The tannery is sustainable in its operations since it cures the skins with salt, soaks them in alum or natural tannins, washes them with Murphy's Oil soap or apple cider vinegar, sets the leather by soaking in Borax or a similar powder, then washes them again with plain water. The grey water therefore is simply full of either salt or a limestone-like powder. The final stage of tanning involves the manual application of organic coconut oil or olive oil as the skin is stretched and dried. There are no harsh chemicals or heavy metals used at any time, and in fact the entire process can take place without wearing gloves, although the workers will be wearing gloves.

The timeline for the project is set at 42 weeks in order to determine the timing of the process for greatest success, and in order to allow the tannery workers a chance to work with farmers from shearing to slaughter to tanning to retail outlet in at least two full cycles, on the best methods at each step for the highest quality product with the highest return from the customers.

Section 2

Project Objectives

In one or two sentences, describe the objectives of the *project* (not the objectives of your organization). What is the main purpose & what do you hope to achieve with this JCP project?
The objective is to create five full time jobs, and over a 40 week training period, build a comprehensive new skill set for five local workers in every aspect of the enterprise, including five main areas of 1. small business management, 2. marketing (traditional and social media), 3. customer service, 4. processing, and 5. transportation/farm/abattoir liaison work. If some show aptitude to a specific one, that worker may take the lead in that area, although each area can easily accommodate more than one leader, so if all the workers want to share responsibilities, the small enterprise will evolve to accommodate this. Also, at the end of the project, it is expected that there will be full time work for some, or all, of the participants, at the enterprise.

Community Benefit

JCP is designed to support projects that provide community benefit while creating jobs that provide unemployed EI eligible participants with opportunities to gain meaningful work experience.

Please describe how the community will benefit from this JCP project. Powell River is a rural community that is economically depressed. This project will create jobs, and give all the workers valuable skills in small business and agriculture, it will divert waste from the agricultural waste stream, saving money, and it will give local sheep farmers an opportunity to expand their products for sale if they pay a 'fee for service' to tan their skins. Workers in the JCP can use the skills they learn through the project to earn money directly, in addition to the work they do as employees for the tannery, or they can use these skills to work for other businesses. Each worker will learn basic skills in small business such as communications, organization, inventory, marketing, management, etc. They will also become skilled tanners, and have the ability to charge a fee for service to produce beautiful animal skins and make good money for their work. Every dollar the workers earn at the project or on their own will help Powell River's local economy, plus these skills increase our community's economic capacity. Workers will use sustainable, non-toxic procedures, to produce a marketable agriculture product made of sheep skins and other products; this facility will create jobs, valuable products, and economic development in a depressed coastal community and move the community closer to its identified goal of Zero Waste.

There are a number of partners in this project that will benefit from it, including T&R Contracting and CA Designs, which are local companies supportive of developing more workers with small business skills, sustainable values, and skills in value-added agriculture. Gunter Brothers will benefit by reducing its cost of waste disposal, and eventually by receiving a small payment for the cured skins. Ecossentials and Sunshine Organics will benefit by having more locally-produced products for their customers, and Duddles Lair Farm, owned by Maradadi Pacific, will benefit by having access to a fee for service tannery for their sheep skins. All of these partners are providing in-kind support as a recognition of their benefit from this project, and these values are expressed later in this report and in the attached individual letters, for a total of $60,000.

Incremental Activities

For the purposes of JCP projects, incremental activities are defined as:

• A discrete activity that is distinct (separate) and not part of your organization's day-to-day operations;

• The project activities must be specific to a particular additional undertaking of the organization;

• The activity would not take place without the support of JCP (and/or other additional funding).

Describe how the project activities are incremental and *not* part of your organization's day-to-day operations.

Pebble in the Pond is a volunteer organization that provides local advocacy for waste reduction through occasional workshops in the schools for litterless lunch and alternative shopping. We have also run small projects for cotton shopping bag creation and sales. This tanning project is a new proposal which came about because in 2012 BC Fur (now Pacific Leather) in Vancouver stopped accepting sheep skins for tanning as a fee for service. Pebble in the Pond helped a Powell River farm source non-toxic skin tanning services from a local tanner. The three sheep skin products from this exercise were excellent, and in the spring of 2013, Pebble in the Pond worked with the same farm to conduct a popular pilot project which trained 10 people in traditional tanning on a small scale, to tan a total of 18 sheep skins. This pilot project was very successful, and most of the people who attended later used these skills to earn money through fee-for-service work. Pebble in the Pond then spoke with Gunter Brothers in Courtenay, about the 1000+ sheep skins they throw away per year, and worked with Gunter Brothers to develop the plan for a new project to train workers in a valuable skill. Gunter Brothers acknowledged that many years ago, tanneries in the region would buy animal skins from them for tanning, however in the past few decades they have all been thrown away as tanneries have relocated to China. The Tanned, Wild, and Woolly project is a new activity for Pebble in the Pond, creating a large-scale capacity to generate organic, hand tanned sheep skins, and the JCP will allow the project to occur and help create a market to make the facility a self-sustaining social enterprise with permanent jobs.

Key Project Activities

Describe the key project activities:

This is a portable operation for the duration of the project. The site where it will occur will suffer some devaluation during the project, as there are agricultural smells and some grey water production.

1. Setting up the basic process for tanning, including working with Gunter Brothers abattoir on the step one work they are doing for us, and working with T&R Contracting on the grey water processing.
2. Documentation of step one work and notes about the quality of product, with itemized lists for improvement of this step, for feedback to the abattoir and farmers.
3. Receiving the first batches of skins for tanning, and beginning step two processing, which will take one week per batch.
4. During step two (periods of soaking), we will begin market outreach to farms for fee for service, creating the database of the farms supplying Gunters, and other farms in the region.
5. We will initiate the social media infrastructure and communications with outside entities,

like farms and retail outlets, for the project in the first month, including networking with other complementary operations, such as retail outlets or artisans who may use sheep skins. This activity will be ongoing through the project.

6. Documentation of the process including timing between shearing and slaughter, notes on each skin in terms of colour, size, wool colour, identifying the source of the skins (which farm), and the quality, for the database, making notes for improvement of this step, and creating guidelines based on the observations from the first five full sessions.
7. Step three processing for each batch, which takes about 3 days per batch. Documentation of this step and making notes on how to improve it, for each batch.
8. Step four, drying of skins, which takes about 2 days per batch. Documentation of this step and making notes on how to improve it, for each batch.
9. Step five, the preparation of commercial product, which can take up to three weeks per batch. This will include comparison of each skin, possible pricing of final product. Notes will be made on the variety of sizes of the skins, and how to create standardization from batches. At this point, it will be possible to project the potential inventory at the end of the project. For example, if we receive 10 skins for each of the first five batches, how many final products are commercially viable? How do we scale up so that batches six through ten are 50 skins per batch? Can we scale up to 100 skins per batch and retain quality? How many skins will be available before the end of the project and how many of them can we expect to process into high quality products?
10. Market research for pricing will take place during each of these stages, with group discussions on best methods. Feedback from external parties will be provided to the workers during the market research so that we can start to fix prices and create a budget from start of processing to sale of product.
11. Samples of final products will be sent to potential clients for feedback, for example equestrian groups, motorcycle accessory sales outlets, baby products stores, seniors products stores, and pet stores. Local artisans will be asked about partnerships on the sheep skins, for example for vests, hats, gloves, pet beds, etc.
12. Sales of products, and improvement of production methods, an ongoing activity from production of first batch through to the end of the project. It is expected that the value of the product will increase as the methodology is refined.

Proposed Timelines & Activities

Each proposal must include the list of the key activities that will happen from the beginning of the project to the end.

Clearly outline each key activity to be undertaken by the participant(s) and the timeline required to complete it. *This information should include what will be done, how it will be done, why it is being done, by whom, and how long it will take.*

Please provide this information in monthly increments.

Timeline	Activity
Jan. 27 - Feb. 24	**All workers:** Set up basic process for tanning, set up system for skins from Gunter Brothers and work with T&R Contracting on grey water processing. Initiate social media and communications with outside entities like farms and retail outlets, network with complementary operations who may use sheep skins. This activity will be ongoing through the project.

Feb. 24-Mar. 24	**All workers:** Document step one, scraping and salting at Gunter Brothers, work with notes about quality of product, itemized lists for improvement, for feedback to abattoir and farmers. Receive first batches of skins for tanning, begin step two processing, which is soaking in alum or tannins. During step two, begin market outreach to farms, create database of farms supplying skins.
Feb. 24 - Oct. 20	**All workers:** Documentation of process including timing between shearing and slaughter, notes on each skin in terms of colour, size, wool colour, identifying the source of the skins, and quality, for the database, make notes to improve skins and processing, create guidelines for farms and processing based on observations from the first five full sessions.
Mar. 24 - Apr. 21	**All workers:** Step three processing for each batch, which is washing, rinsing, and soaking in borax, then washing and hanging for step 4, about 3 days per batch. Documentation of this step and making notes on how to improve it, for each batch. Step four, drying of skins with stretching, is about 2 days per batch. Documentation of this step and making notes on how to improve it, for each batch.
Apr. 21 - July 21	**All workers:** Step five, preparation of commercial product through breaking of the grain and applying of oils for leather creation, is up to three weeks per batch. This step includes comparison of skins, possible pricing of final product. Notes made on variety of sizes of skins, and how to create standardization. Estimate potential inventory of processed skins by the end of the project.
Feb. 24 - Aug. 18	**All workers:** Market research for pricing, with group discussions on best methods. Feedback from external parties will be provided to workers during market research to fix prices and create a budget from start of processing to sale of product.
July 21 - Oct. 13	Samples of final products will be sent to potential clients, for example equestrian groups, motorcycle accessory outlets, baby products stores, seniors products stores, and pet stores. Local artisans will be approached to see if they can be in partnership to make vests, coats, gloves, etc.
Aug. 25 - Nov. 10	Sales of products, ongoing improvement of production methods, from production of first batch through to end of project. Product value will increase as the methodology is refined. Finalizing budget for ongoing social enterprise.

Expected results:

Expected results define the outcomes to be achieved and must relate to the project objectives.

- **Relate outcomes to the activities of the project.**
- **State results in qualitative and/or quantitative terms.**

Please provide the expected results of the project.

The short-term results will be the creation of five full-time jobs over a 40 week period, the training of five employees in market-ready skills, either as employees or contractors providing a fee for service. Employees will be trained in the establishment of a new business, including basic marketing, communication, and sales. The project will also divert at least 500 and up to 1000+ animal skins from the garbage, producing an estimated 250 marketable products, using sustainable, non-toxic methods. In this process, the capacity for increased production will be developed for an economically sustainable social enterprise. Workers will learn how to run a small enterprise from concept to implementation to management, make unique products, identify and meet market demands, liaise with customers, liaise with farmers/abattoirs, and

promote products. Local artisans will also have access to sheep skins for potential partnerships.

Project outcomes are expected to be maintained once the project ends.

Please state how this will be achieved. The revenue from the sale of tanned skins and from fee for service payments from farmers should be adequate to allow the ongoing operation of the tannery for those workers who wish to stay for full or part-time employment.

The revenue is expected to begin approximately two weeks after the first commercially-viable skins are available for sale, which should be within ten weeks of the project initiation. The volume available for sale, and the speed at which they sell, is hard to project before the first full tanning is complete, however the social enterprise will be able to support a part-time supervisor and three full time workers if there are 1000 skins tanned and sold per year that are of average quality. Once training is complete, the supervisor position should be able to go to part-time. Given that Gunter Brothers is only one abattoir in BC, and they are prepared to provide 1500+ sheep skins, the social enterprise should continue once the project is complete, and it should be fully revenue sustaining. The operation is portable, and the sales occur quickly, may move to a larger site to take advantage of an earlier opportunity for revenue. The production cost will be reduced dramatically once training is complete, and the Production Cost here is what is ascribed to each skin once the methodology is set up to be efficient and the workers are trained.

The Revenue and Cost of Production Numbers during the project are:

Revenue Range:		Cost/ Skin	Prod'n Cost	Min. Value @ $100	Max. Value @ $250	Average Value	Net Revenue
Skins Completed & Sold	1,000	$40.00	$40,000	$100,000	$ 250,000	$ 175,000	$ 135,000
Skins Completed & Sold	500	$40.00	$20,000	$ 50,000	$ 125,000	$ 87,500	$ 67,500
Skins Completed & Sold	250	$40.00	$10,000	$ 25,000	$ 62,500	$ 43,750	$ 33,750

Government and Ministry Priorities

Please describe how your project addresses any of the applicable priorities, as outlined below.

LMA/ LMDA Annual Plan:	**Description**
Develop and enhance the skill level for labour market success of British Columbians in the 21st century.	**This project develops and enhances the skill level for the five participants. They will have valuable skills for the Powell River market, or any market looking for trained workers for small business.**
Ensure access to BC programs and services.	**This project ensures access to programs and services for small business, marketing, waste reduction, and agriculture.**
Partner with employers and communities to	**According to the labour market study**

address regional and sector specific labour market needs.	**called Survey Skills Gap Analysis done in Powell River by Words of Worth, the skills acquired by these workers will be directly relevant to identified shortages or workers experienced in small business management and operations, plus use of computers, basic marketing, and communications. The partnership with T&R and Gunter Brothers will also help with networking for direct job opportunities in addition to the work at the social enterprise.**
Continue to develop Labour Market Information services.	**Data from this project will be useful to Career Link in Powell River to determine additional services or training for local workers.**

You must be able to demonstrate that there are participants available for your project.

Have you contacted the local WorkBC Employment Service Centre to confirm that they have participants who could benefit from a work experience such as the one(s) being offered in this project? Yes, we have contacted Career Link about participants, as the first step in this process.

What were the results of the discussions and are participants available? The discussions demonstrated that there are participants available and that the skills that will be taught to the participants are directly relevant to the community's overall economic development objectives and ongoing capacity building for small business and value-added production, including agricultural production.

The emphasis of any JCP project must be on a quality work experience for the participant(s).

- **How many participants are you requesting? Five**

- **What work experience will the participants gain from this project? They will learn basic small business management, development of a business idea from concept to implementation, computer skills, market research, social media establishment and use, website strategies (basic), communication, customer service, basic budgeting in terms of determining cost of production and price of product, and value-added production from tanning of a sheep skin.**

- **How will this benefit the participants in finding work after the project ends? Participants will have a very useful skill set in small business, either as employees, contractors, or self-employed workers who wish to apply new skills in computers, small business, or value-added agricultural production.**

How will project orientation and supervision be provided to the participants? There will be a full-time Supervisor of the project who has a background in small business management, marketing, promotion, sales, and value-added agricultural production, and there will be other project managers who will provide input on specific areas of the project, whether social media, small business, retail, grey water area development, or skin tanning.

How will you ensure that the participants are familiar with your organization's established Health and Safety practices? We will run a work shop on health and safety and have printed guidelines of how to do all work, so that we reduce any risk of injury.

Participants must be provided with sufficient time to job search during the period of the project. (normally one day off every two weeks). How do you propose to manage the time off required for job search and to meet the project timelines and objectives? Provided the workers give at least 24 hours of notice, this will not be a problem, since the activities of the enterprise can be managed to accommodate a day off. If more than one worker needs a day off in a week, we may arrange for the same day to reduce the interruption in production. There are no activities that are so time-sensitive that workers cannot have a day for job searching.

Describe how you will evaluate the progress of the participants throughout the project. Participants will be evaluated based on their attitude, whether he/she takes the job seriously, learns the tasks to the best of his/her ability, and provides the best outcome possible for him/her. Given that there will be five participants, the ability to work as a team with others will be part of the evaluation. Workers will be encouraged to provide ideas to improve the process and work environment. Workers will be assessed as well on initiative and the ability to work independently as needed. As long as the worker has a good attitude, shows up for work shifts on time, and does his/her best to complete tasks, he/she will have a good evaluation.

Describe how you will evaluate the success of the project. The project will be successful if there are five trained workers with useful job skills, if there are at least 250 commercially viable sheep skins for sale or already sold, if there is a refined process for processing sheep skins, and if there is an agreement with the abattoir to continue to receive sheep skins which have had stage one processing, which means they are scraped and cured, for the tannery.

<u>Background, Mandate and Expertise</u>

Provide a brief history of your organization, including the length of time it has been active and its financial stability. Pebble in the Pond is an environmental society which was founded in 2008 and has conducted public education campaigns for waste reduction in the Powell River region. We have also held two successful fundraisers for disaster relief, one for Haiti in 2010, and one for the Philippines in 2013. We have had past

contracts with the School District to deliver waste reduction seminars, we have successfully completed a Job Creation Partnership contract for a cloth bag program, with cloth bags continuing to be made and sold locally since, and we are financially stable in that our bank account always has a positive balance. The three directors are Judeline (Judi) Tyabji, President, CaroleAnn Leishman, Vice President, and Melissa Call, Treasurer, and all three have been involved in the society since its founding. There are also hundreds of supporters of the society who will provide in-kind work as needed to ensure the project is successful.

Provide the qualifications and experience of the individual(s) who will manage the project. All three directors of Pebble in the Pond will be involved in the management of the project. Judi Tyabji has been a director of Maradadi Pacific, a multimedia and management consulting company, since 1996, CaroleAnn Leishman is a Green Builder with Agius Builders, a large development company in the region, and Melissa Call is the Owner/Operator of Ecossentials (2009) retail store and Sunshine Organics (2002) home delivery service. Judi Tyabji will be the full time supervisor of this project, and has been a sheep farmer of Romney sheep since 2005, and a customer of fee for service for skins since that time. CaroleAnn Leishman will provide in-kind assistance with the grey water management and the product marketing. Melissa Call will provide retail training, small business management input, and an outlet for sheep skin sales at her two businesses.

Provide the qualifications and experience of the individual(s) who will supervise the participants. Judi Tyabji will be the full time supervisor of the project. She has been involved in business since 1984, initially in the wine industry in the Okanagan. Since 1996 she has been an owner/operator in Maradadi Pacific, which does multimedia and management consulting. From 2004 to 2010, she was also CEO of Tugboat Enterprises, a data recovery software company, which operated in Powell River and developed its own Intellectual Property. She has experience in public policy from her years elected as MLA (1991 to 1996) and as Councillor in Powell River (1999 to 2001), and she has communication experience from her years in the media, working in radio, television, and newspapers. She currently runs twelve business pages on Facebook and manages several Twitter accounts for businesses.

Provide the qualifications and experience of the individual(s) or company performing payroll and bookkeeping for this project. The budget development and day-to-day bookkeeping will be managed by the Supervisor, Judi Tyabji, using the Quickbooks accounting program, which she has used since 2000. Final accounting will be passed to a local firm, likely Del Mistro Dunn, for verification and a final report.

Provide a brief job description for the person(s) who will be supervising the participants. The person supervising the participants will be at the site from start of the shift until the end of the day. These shifts are expected to be 8 am to 4 pm, with morning and afternoon breaks and a lunch break. At each stage of the business, the supervisor will explain in advance what the workers need to expect from that stage, and what is expected from the workers as they participate in that stage. The effectiveness of the procedures and worker output will be measured by the supervisors, with adjustments made as needed to ensure the most effective outcome in terms of actions taken and time invested by the workers. The supervisor will have to document the process and engage the workers in this

activity; the supervisor will have to train the workers in the use of the computer for budgeting, letter writing, database development, and online marketing, including use of the social media accounts. The supervisor will have to ensure there is information entered into a journal each week of progress on the project, highs, lows, and ways to improve the actions and interactions at the work site. The supervisor will keep the books in the Quickbooks program, training the workers if there is an interest and an aptitude to learn, and the supervisor will have to maintain the bank account and deal with suppliers, training the workers as this occurs. The supervisor will take care of utility accounts, Revenue Canada and all related responsibilities. The supervisor will submit the final report, with input from all of the workers, including drafts from the workers of the report or sections of the report, as possible. The supervisor will liaise with the Job Creation Partnership staff as needed.

Do you have a unionized worksite? If so, please provide a letter of support from the union. No.

Do you currently have any employees on layoff and/or waiting for recall? No.

Is there a labour stoppage or labour management dispute in progress? No.

Will the proposed activities result in the displacement of existing employees or volunteers? No.

Has your organization had previous JCP contracts and, if so, please list them, include the contract/ agreement numbers, the project objectives, dates and outcomes achieved. The Regional Cloth Bag Program funded by the Job Creation Partnership began in October 2009 and completed in June 2010 under the supervision of former director Karen Skadsheim. It was successful in training three workers, all of whom went on to find employment or use these skills as contractors for earnings. In addition, this program dramatically increased awareness in Powell River of the need to divert plastic bags from the waste stream, diverting an estimated 4,000,000 bags in Powell River alone. Thanks to the research from the JCP, Pebble in the Pond identified a source of cotton material and hired a local contractor to create cloth bags, which have been selling at Ecossentials since 2010, generating revenue for Pebble in the Pond so that the purchase of new material and hiring of the local contractor is self-sustaining.

Do you currently receive any other federal or provincial government funding? If yes, please provide the source and what the funding is provided for. No.

Will the project activities have any environmental impact? If yes, please describe. Yes, this will have an excellent environmental impact by diverting tonnes of waste from the garbage, and turning sheep skins into valuable products that can be used by seniors in care, young babies, and many others who need hypoallergenic sheep skin products.

Also, it will set a model for sustainable tanning that can be used by other communities to expand the positive environmental impact.

Partnership

For the purposes of JCP projects, partnership is defined as participation from the applicant and other agencies, organizations or other community members in the form of cash or in-kind contributions, i.e. mentoring or providing expertise.

Stakeholder partnerships are a requirement for JCP projects. In the table below,

- Include any cash or in-kind contribution your organization is providing.
- List all partner organizations and identify their contribution, cash or in-kind.

Letters confirming partnership contributions must be attached to the proposal.

Organization	Cash contribution	In-kind contribution	Confirmed
T & R Contractors		$5,000	Yes
Gunter Brothers		$40,000	Yes
Ecossentials		$4000	Yes
Sunshine Organics		$2000	Yes
Maradadi Pacific		$5000	Yes
CA Designs		$4000	Yes

Community Support

JCP projects require support from the community. Provide a description of the support this ***project*** (not your organization) has in the community. Of particular importance is the support for the project from other related programs and services in the community.

Please attach relevant letters of support, contact names and telephone numbers.

Organization(s): Dave Formosa, Mayor of Powell River, 604-485-6291
Kim Miller, Manager, Powell River Chamber of Commerce, 604-485-4051
Scott Randolph, Manager, Powell River Regional Economic Development Society, 604-414-8598

Budget

All requested budget items must relate directly to the project activities.

Only costs which are incremental to the organization and ***necessary*** to carry out the project activities are eligible. *For further detail please refer to the Applicant Guide.*

If you are requesting project costs, complete the P&I Budget Negotiation Template which can be found on the WorkBC website http://www.workbc.ca/Workplace-Resources/Community-Employer-Partnerships/Pages/Community-Employer-Partnerships.aspx

Please submit your complete JCP application package to the applicable regional mailbox below:

Region 1 – (Vancouver Island) ELMSD.PIFundR1@gov.bc.ca

Region 2 – (Vancouver Coastal) ELMSD.PIFUNDR2@gov.bc.ca

Region 3 – (Burnaby to Boston Bar) ELMSD.PIFundR3@gov.bc.ca

Region 4 – (Kamloops, Cariboo, Okanagan, Shuswap and Kootenay) ELMSD.PIFUNDR4@gov.bc.ca

Region 5 – (Northern BC – Haida Gwaii to the Alberta border and Prince George north to the Yukon border) ELMSD.PIFUNDR5@gov.bc.ca

Region Map: http://www.eia.gov.bc.ca/contacts/region.htm

Please Note: This is not a contracting process and neither the proponent nor the Province is legally bound as a result of the submission of a letter of intent and project proposal under this process.

January 3, 2014

Job Creation Partnership Application: Cover Letter
Tanned, Wild, and Woolly Processing Project

Dear Mr. Mackenzie:

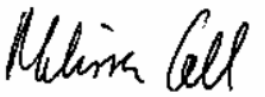
Thank you for your letter of December 6, 2013 inviting Pebble in the Pond to submit a proposal to the Job Creation Partnership for the Tanned, Wild, and Woolly Processing Project, after review of our LOI.

You will find our completed Proposal attached, and the accompanying documents, including letters of support. The budget is, of course, based on expected returns and much of the actual numbers will be determined as we find out how quickly we can receive the skins and have them tanned to commercial quality by the workers, however as the project moves forward, the many contributors to the activity, including farms, abattoirs, artisans, and retail outlets, are likely to become much better integrated to the program.

We are excited about this opportunity and look forward to working with you on this social enterprise.

Thank you,





Judi Tyabji CaroleAnn Leishman Melissa Call

Pebble in the Pond Environmental Society (2007)
9573 Random Road, Powell River, BC V8A 0J4 info@pebpond.com
Friend Us: https://www.facebook.com/pebbleinthe.pond Find Us: www.pebpond.com Follow Us: @pebbleinthepond

Powell River
The Pearl on the Sunshine Coast

City of Powell River
City Hall — MacGregor Building
6910 Duncan Street, Powell River BC V8A 1V4
Telephone 604 485-6291 • Fax 604 485-2913
www.powellriver.ca

File No. 400-01

February 18, 2014

To Whom It May Concern:

Re: Pebble in the Pond Job Creation Partnership Project

I am the Mayor of the City of Powell River, and I am also a business owner in this community. This letter will confirm my support for the tannery project proposed by Pebble in the Pond Environmental Society.

Pebble in the Pond is a local environmental group who have worked in the past five years to reduce waste in our community, educating people about problems with plastic and also doing other good work.

I became aware of the idea for a natural tannery last fall in discussions with one of the Directors of Pebble in the Pond, and from the beginning this project seems to fit with the Powell River Region Sustainability Charter vision and principles.

I support this project as it is in keeping with Council's strategic priorities of economic revitalization and sustainability and we hope that it will be a long-term job creator in our region.

Yours truly,
CITY OF POWELL RIVER

David J. Formosa
Mayor

DJF/mcs

Powell River
CHAMBER OF COMMERCE

6807 Wharf Street,
Powell River, B.C. V8A 1T9
Phone: 604-485-4051

Jack Barr, President
Kim Miller, Manager
office@powellriverchamber.com
www.powellriverchamber.com

Re: Pebble in the Pond Job Creation Partnership Project Feb 18, 2014

To Whom It May Concern:

The Powell River Chamber of Commerce has a mandate to work with local businesses for the betterment of our community, and we are always looking for ways to generate jobs and economic development in our region, working with the City of Powell River, PRREDS, and other local organizations.

We are aware of Pebble in the Pond Environmental Society and their hard work in our region to help reduce waste, educate the public on the need to reduce garbage and its costs, and other good community work including fundraisers.

We have been informed about the tannery project, "Tanned, Wild, and Woolly", and we are supportive of the project and its goals. We will be having a presentation in April with our membership, to introduce this project and other positive agricultural themes happening in our area.

This letter confirms our support, and also that we are happy to help make sure this project succeeds so that we see the long-term value of the jobs, and the new products.

Powell River has had good growth in the agriculture sector in the past few years, even to the extent that at our recent Chamber of Commerce Business Awards, we introduced a new award for Agriculture to recognize the importance it has to our local economy.

Sincerely,

Jack Barr

MARADADI PACIFIC

Andy MacKenzie, Contract and Partnership Agent
Employment and Labour Market Services Division
Ministry of Social Development and Social Innovation
108 Richards Street, Nanaimo, B.C. V9R 2S8

February 19, 2014

Re: Tanned, Wild, and Woolly Job Creation Partnership Project

To Whom It May Concern:

Maradadi Pacific Holdings Ltd. (1996) is a management consulting company with multimedia support, marketing services, and value-added agricultural strategic advice. Maradadi Pacific is supportive of Pebble in the Pond's application to the Job Creation Partnership for the sustainable tannery called "Tanned, Wild, and Woolly", which has an objective of becoming a permanent local social enterprise.

Maradadi Pacific will provide some physical assets including tables, chairs, office paraphernalia, bins, and other related materials to the project to reduce the costs of set up and operations for the 42 week period. In addition, Maradadi Pacific will provide consulting services at no cost that include discussions, meetings, and negotiations with potential partners, including investment partners, to ensure the long-term success of the tannery. These consulting services will be aimed to provide the framework to support tannery operations at a permanent location in a workable structure after the JCP has concluded.

Maradadi Pacific has a usual charge-out rate of $5,000 per month for clients, however given the nine-month time frame and the fact that the consulting will occur in a non-full time basis, one month of value is ascribed to this in-kind contribution, combined with the value of the loan of the furniture and materials.

Sincerely,



Judi Tyabji
Director

9573 Random Road, Powell River, B.C. V8A 0J4
Phone: 604-487-1457
info@MaradadiPacific.com

CA DESIGNS

2064 Ramsay Rd, Powell River, BC V8A 0K4 604 483-6171

December 18, 2013

Re: Pebble in the Pond Job Creation Partnership Application

To Whom It May Concern:

CA Designs is a Powell River-based certified green building design company. We work with many local businesses that have a priority policy of local purchasing. We have a mandate in our design for sustainable models, low impact work environments, and waste reduction. In addition, we are connected to many local agencies that participate in community events and help promote local campaigns. The principal of CA Designs is a Director and Founder of Pebble in the Pond, and does not receives now, nor has ever received, remuneration from Pebble in the Pond.

CA Designs is very supportive of the Pebble in the Pond Job Creation Partnership for the Tanned, Wild, and Woolly Processing Plant. We intend to promote the campaign through our social media, including websites of associated companies and agencies, Twitter interactions, and Facebook interactions. We also plan to provide free consulting on the design of the workplace, including the sustainable grey water cachement area adjacent to the tannery. We are also happy to assist with training of workers where needed in terms of use of elements of the tannery, from time to time, up to five hours per week.

Based on the high level of community interaction that we have, the value of our consultancy, and our intent to provide a promotion at least once per week through each social media venue, we believe our contribution over the forty weeks of the project is worth at least $100 per week for a total of $4,000.

We look forward to the opportunity to work on this excellent project.

Sincerely,



CaroleAnn Leishman

Owner

ecossentials

December 20, 2013

Re: Tanned, Wild, and Woolly Job Creation Partnership Project

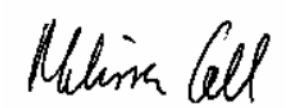
To Whom It May Concern:

Ecossentials is a retail store I started in 2009 in Powell River with a mandate to reduce waste by allowing customers the chance to bring in their own containers to buy local and organic products, especially bulk foods. It was my volunteer work with Pebble in the Pond that convinced me of the need for a new way to do retail business. Business is going well, and my customers are always looking for and supporting new local products, especially value-added agricultural products. Ecossentials supports Pebble in the Pond's Job Creation Partnership application for the Tanned, Wild, and Woolly Processing Plant, and we will work with the project to make sure there is good retail training of the workers, that there is an opportunity for them to understand the needs of the retail sector when they produce products, and that the products created meet the requests of our customers. We will create space in our retail store to showcase the products, we will help introduce the tannery to our artisans, we will promote the project to our customers and on our website. I will provide free consulting as needed, of up to five hours per week, to help the project succeed.

I value our contribution as at least $100 per week for a total of $4,000. I am the owner and operator of Ecossentials, and I am a Director and Founder of Pebble in the Pond. I have never received money for my work with Pebble in the Pond, and am happy to work with our environmental group as a volunteer.

We are very excited about this project and the products it will create.

Thanks,



Melissa Call, Owner

6812 Alberni Street, Powell River, BC V8A 2B4
info@ecossentials.ca www.ecossentials.ca

Gunter Bros. MEAT CO. LTD.
6200 Ledingham Road
Courtenay, B.C.
V9J 1M5

To Whom It May Concern:

I understand that Pebble in the Pond Environmental Society is applying for funding from the Job Creation Partnership to establish a sustainable-method animal hide tanning facility. This letter is to confirm our support for this application and that we will provide an in-kind contribution to the project of at least 1000 sheep skins, with a value estimated at $40 per skin, or $40,000. These skins are currently thrown away.

My brother Harry Gunter and I own and operate Gunter Bros. Meat Co. Ltd. in Courtenay, BC, a member of the BC Association of Abattoirs. Our company was started by our grandfather in the 1930s, and slowly expanded over the decades into what it is today: a regional, full service abattoir processing approximately 1000 beef, 2000 swine, 1500 lambs and many other animals each year, plus we have a retail shop on our property selling the meat and some of our signature food such as bacon, sausage, and pepperoni.

We are known for our willingness to enter into mutually-beneficial collaborations with other companies, producers, or associations, and this letter is to confirm that we are interested in working with Pebble in the Pond Environmental Society on their natural tanning project. During our conversations with two of the Directors, Judi Tyabji and Melissa Call, we have discussed our ability to provide as many sheep skins as they are able to process. We will take care of the first stage of curing by preparing the skins, which involves basic fleshing and salting of the skins, and placing them in the container provided for storage until pick up. Given the resources we are putting into these skins and their value when they are ready for pick up, this is at least a $40 value per skin.

Thank you,

Dennis Gunter

4184 Bowness Avenue
Powell River BC V8A 5S8
604 485-2234

December 1, 2013

To Whom It May Concern:

I understand that Pebble in the Pond Environmental Society is applying for funding from the Job Creation Partnership to establish a sustainable-method animal hide tanning facility in Powell River, which will employ a supervisor and up to four employees. This letter is to confirm our support for this application, and that we will provide an in-kind contribution to the project to assist with this project.

My wife Monica and I own and operate T & R Construction in Powell River, a general contraction company with a wide range of equipment, skilled workers, and services, from gravel provision to construction. Our company is committed to the ongoing success of our small community, and we recognize the importance of a diverse economy. The sustainable tanning facility is a good new facility to have in Powell River, and is likely to become regionally significant, like so many other innovative companies in Powell River that start here and then draw customers from all over the region.

We recognize that this sustainable tanning operation is going to require some innovation in the catchment area for the waste water, and is going to require renovation to existing buildings or the construction of new facilities to accommodate the operations. We are prepared to offer support for the Job Creation Partnership application by Pebble in the Pond. Based on the equipment, man power, and facilities support we expect to provide to Pebble in the Pond in this project, we estimate our in-kind contribution to be $5,000.

We hope that this project succeeds and we will look forward to its contribution to local economic diversification and job creation.

Sincerely,

Mark Hassett
President
T & R Contracting Ltd.

BRITISH COLUMBIA | Ministry of Social Development

Partnership & Innovation Fund
Budget Template & Negotiation Summary

Program Type	
Applicant Name	Pebble in the Pond Environmental Society
Title of Proposed Project	Tanned, Wild and Woolly Processing Plant
Duration	January 27, 2014 to November 14, 2014
File Number	

Supporting Details for Proposed/Negotiated Costs

Project Costs specific to the activities of the project

1. Staff Wages & other related staff costs:		**Details**	**Total Requested by Organization**	**Total Recommended (Ministry use only)**
i.	Staff wages & MERCS	Supervisor salary, 40 hours per week paid, expected to take about 60 hours per week for the duration, at $30/hour, for 42 weeks, plus remittances (incl. EI remit).	66,500	
ii.	b) Other employment-related benefit costs (WCB, medical, dental, pension, etc.) where warranted by current organizational HR policies	WCB, estimated based on Taxidermy & Fur Tannery rates for 2014 of $1.66 per $100, for all six workers for 42 weeks.	650	
iii.	c) Staff and volunteer travel	Estimated at one initial trip for all five workers plus supervisor to abattoir in Courtenay, plus one trip per month during the 42 week period, for marketing, site visits, or skin pick ups	2520	
iv.	d) Staff disability supports (duty to accommodate)	If it is necessary to build an access ramp to the work site cost of ramp	2,500	
	Staff Wages & other related staff costs Sub Total		72,120	

2. Professional Fees:		Details	Total Requested by Organization	Total Recommended (Ministry use only)
i.	Professional fees - contracting (e.g. bookkeeping, janitorial services, IT, equipment maintenance services, security, presenters, consultants and any sub contractor not directly related to clients)	Contracting of accountant $400/month, IT support for online set up, maintenance, assistance with training $500/month, once/week groundskeeper to assist with grey water maintenance and compost work $250/month.	11,970	
	Professional Fees Sub Total		11,970	

3. Client Costs: (For JCP Only) (all client related costs must be required to carry out the project activities)		Details	Total Requested by Organization	Total Recommended (Ministry use only)
i.	Travel/transportation (project related travel requirements)	One trip per month for truck and driver to Vancouver Island $500/month including travel costs.	5250	
ii.	Disability-related supports & equipment (e.g. attendant care, note takers, sign language interpreters, Dragon-speak)			
iii.	Adaptive-technology set-up			
iv.	Supplies (e.g. work clothes, raingear, any item used specifically by & retained by clients)	Aprons, gloves, footwear, knives, estimated $200/person plus composting supplies, alum, borax, soap, additional plastic tubs.	2700	
v.	Professional fees - client related (e.g. first aid, WHMIS, Superhost)			
vi.	Other client costs (specify)			
	Client Costs Sub Total		7,950	

4. Capital Assets	Details	Total Requested by Organization	Total Recommended (Ministry use only)
i. Any asset (over $1000) requiring agreement of disposition, must be cost-shared	None.	0	
Capital Assets Sub Total		0	

5. Other Project Costs	Details	Total Requested by Organization	Total Recommended (Ministry use only)
i. Basic telephone & internet (including fax lines & installation if required)	Phone and internet, installation $800 and cost for 42 weeks, including long distance.	8400	
ii. Insurance (fire, theft, liability)	42 weeks of insurance coverage.	2610	
iii. Postage & courier	Courier of finished sheep skin samples to clients, if at 5/week x 20 weeks	2500	
iv. Rent & utilities (if applicable)	Cost-shared rent, heat, power, water at site, 42 weeks.	5250	
v. Equipment repair & maintenance (includes photocopy meter charges)			
vi. Equipment lease, rental or purchase (including computers, fax machines, computer software)	Four computer work stations, Four licenses of Windows Pro 8.1 Business, two large screens with multimedia capability, one of the four stations is for administration and network server, with software for bookkeeping for this unit, and all four units need software for documents, spreadsheets, powerpoints, and basic online editing of graphics for all four stations. One Windows-compatible tablet for portable interaction, in case of farm visits/abattoir site work for quality control, with photo/wireless capability. One digital camera, wireless (or smart phone), One colour printer capable of making product labels/tags. Two top-load, large capacity, basic washing machines for test runs/rinsing of skins (under $1000). Large outdoor soaking tub.	4950	
vii. Bank charges	Separate account to be set up, connected to Pebble in the Pond but a subaccount.	400	
viii. IT maintenance	One-time cost to set up computers, office network, and website to run social media accounts.	1000	
ix. Materials and supplies (e.g. pens, pencils, paper, envelopes, cleaning supplies)	General office supplies, greywater containment supplies, cleaning materials, eucalan, washing nets for skins.	2800	
x. Advertising	Thirty weeks of social media advertising to promote pages, plus one large local advertisement in the newspaper once facility is set up, one large local magazine ad in the local agriculture publication, and two small local ads.	8500	

	xi. Equipment/furniture under $1000	Four basic computer desks and desk chairs.	1000	
	xii. Operational printing contracted externally (ad hoc unanticipated print jobs, project specific printing jobs e.g. reports, brochures, etc.)	One print job at local print shop for brochures.	500	
	xiii. Costs associated with use of applicant-owned assets other than premises (e.g. computers and other equipment, furniture, etc.)	All applicant-owned assets to be used on site are part of in-kind contribution, including tables, chairs, laundry, kitchen facilities, and existing skin processing materials including tubs, tables, hoses, storage space, and knives.	0	
		Other Project Costs Sub Total	**37910**	
		All Project Costs Total	129,950	

Funds from Other Sources

Please indicate the total amount (including the contributor's name/organization and what the contribution is for) for each of the following:

	a) Cash		
	b) In-Kind	Gunter Brothers $40,000, T&R Contractors $5,000, Ecossentials $4,000, Sunshine Organics $2,000, CA Designs $4,000, Maradadi Pacific $5,000.	$60,000
		Total Funds from Other Sources	$60,000
		GRAND TOTAL	

Notes or Comments

RISK ASSESSMENT

Consideration	Risk Level / Mitigation (if required)
Number of Participants	***N/A: Low: Medium: High:***
Low – 4 or less participants. Medium – 8 or less participants High – 9 or more participants	***Comments: Medium Risk*** ***-Five participants***
Value of the Agreement	***N/A: Low: Medium: High:***
N/A – $1.00 Low – less than $50,000 Medium – less than $249,999 High – more than $250,000	***Comments: Medium Risk*** ***–Total agreement value $128,696***
Complexity of Activities	***N/A: Low: Medium: High:***
N/A – Simple: • Activities are straightforward; • Budget breakdown includes less that 5 cost categories; • No capital expenditures; • Low or no administrative costs; • Financial records located on the same premises; Low – Somewhat complex: • Activities are more complex; • Budget includes more than 5 cost categories; • Financial records are located on same premises; • Can easily be monitored by CEP CAPA Medium – Complex: • Project includes a broad range of activities; • Financial records are located at different premises and can be monitored by CEP CAPA; • Activities are spread over different locations. High – Very complex: • Activities and financial records are located at different premises and cannot be monitored by the same CEP CAPA; • Administrative costs include many cost categories; • Project requires capital expenditures; • Successful completion of activities is dependent upon available expertise and commitment of partners; • Activities take place over 2 or more years.	***Comments: Medium Risk*** ***-Broad range of activities, spread over different locations. Financial records can be monitored easily by CEP CAPA***
Previous Experience with Applicant	***N/A: Low: Medium: High:***
Low – Previous experience good. The Applicant has received LMDA funding in past and held successful agreements: • Met most/all objective in previous agreements; • No overpayments registered; • Project completed on schedule; • All activities specified in the agreement were completed. Medium – First time Applicant High – Previous difficulties: • Registered overpayments; • Objectives in previous agreements not met; • Difficulty in obtaining supporting documentation.	***Comments: Low Risk*** ***-Previous experience with applicant was good. Previous JCP project was well managed and provided good work experience for participants***
Organizational Capacity of the Applicant	***N/A: Low: Medium: High:***
Low – Applicant's organization has: • Dedicated and qualified staff to pursue the activities of the project; • Certified accounting and auditing procedures in place; • Established reporting and data storage facilities e.g. databases, servers, computers; • Staff that have previously worked successfully on similar projects. Medium - Applicant's organization has: • Bookkeepers to manage their financial activities; • Adequate financial controls in place to track project expenditures. High – Applicant's organization has:	***Comments: Medium Risk*** ***-Applicant's organization has adequate financial controls, will engage the services of a bookkeeper of accountant to manage financial activities.***

• Minimal or unknown financial controls to track expenditures; • Minimal or unknown defined process to monitor activities; • Minimal or unknown qualified staff to conduct funded activities.	
Number of Partners Activity Involved	***N/A: Low: Medium: High:***
Low – Withdrawal of one partner from the project will not affect the successful completion of the project. Medium – Withdrawal of one partner from the project will not affect the successful completion of the project, however: • Project schedule may be delayed; • Budget amendments may be required; • Could result in the failure of the entire project. High – Applicant has multiple partners, where: • The withdrawal of any partner could affect the successful completion of the project; • The level and scope of the partners involvement in the funding and activities of the agreement is high; • The nature of the participation of the partners could affect the successful completion of the project (e.g. in-kind or monetary contributions, decision making process for project activities, funding, willingness to endorse activities or participate in meetings/committees.	***Comments: Medium Risk*** ***Withdrawal of one partner will not affect completion, however if one particular partner (Gunter Brothers) were to withdraw it could delay project schedule***
Public Profile of the Agreement	***N/A: Low: Medium: High:***
N/A – Low probability of occurrence and would have a minimum negative impact if it happened. Low – Some probability of occurrence but negative impact of the agreement to the Ministry would be minimal; Medium – Likely probability of occurrence and would have a significant impact on the Ministry; High – Very likely to occur and would have an extensive impact on the Ministry.	***Comments: Low Risk*** ***Some possibility of occurrence due to public profile of the applicant's principal representative. Negative impact of the agreement to the Ministry likely to be minimal.***
Overall Professional Judgment	***N/A: Low: Medium: High:***
Low – Professional judgement overall low risk: • Satisfied with information provided at every stage of the project life cycle; • All risk factors rank N/A to Medium. Medium – Overall acceptable risk: • Satisfied with some information provided at different levels of the project life cycle; • Risk factors rank N/A to Medium. High – Overall high risk: • Not satisfied with most information provided on most of the levels of the project life cycle; • Risk factors rank medium to high.	***Comments: Low Risk*** ***CEP CAPA is satisfied with the information provided, and all risk factors are either Low or Medium***

OVERALL RISK VALUE 26 = Medium Risk

N/A = 0	Low = 2	Medium = 4	High = 6
Overall Risk Value	Level of Risk	Number of Activity Monitors per project/year	Number of Financial Monitors per project/year
Totals 0 – 20	Low Risk	1	1
Totals 20 – 32	Medium Risk	2	2
Totals 32 and up	High Risk	3	3

RISK ASSESSMENT
Amendment #2

Consideration	Risk Level / Mitigation (if required)
Number of Participants	***N/A: Low: Medium: High:***
Low – 4 or less participants. Medium – 8 or less participants High – 9 or more participants	***Comments: Medium Risk*** ***-Five participants***
Value of the Agreement	***N/A: Low: Medium: High:***
N/A – $1.00 Low – less than $50,000 Medium – less than $249,999 High – more than $250,000	***Comments: Medium Risk*** ***–Total agreement value $181,635.67***
Complexity of Activities	***N/A: Low: Medium: High:***
N/A – Simple: • Activities are straightforward; • Budget breakdown includes less that 5 cost categories; • No capital expenditures; • Low or no administrative costs; • Financial records located on the same premises; Low – Somewhat complex: • Activities are more complex; • Budget includes more than 5 cost categories; • Financial records are located on same premises; • Can easily be monitored by CEP CAPA Medium – Complex: • Project includes a broad range of activities; • Financial records are located at different premises and can be monitored by CEP CAPA; • Activities are spread over different locations. High – Very complex: • Activities and financial records are located at different premises and cannot be monitored by the same CEP CAPA; • Administrative costs include many cost categories; • Project requires capital expenditures; • Successful completion of activities is dependent upon available expertise and commitment of partners; • Activities take place over 2 or more years.	***Comments: Medium Risk*** ***-Broad range of activities, spread over different locations. Financial records can be monitored easily by CEP CAPA***
Previous Experience with Applicant	***N/A: Low: Medium: High:***
Low – Previous experience good. The Applicant has received LMDA funding in past and held successful agreements: • Met most/all objective in previous agreements; • No overpayments registered; • Project completed on schedule; • All activities specified in the agreement were completed. Medium – First time Applicant High – Previous difficulties: • Registered overpayments; • Objectives in previous agreements not met; • Difficulty in obtaining supporting documentation.	***Comments: Low Risk*** ***-Previous experience with applicant was good. Previous JCP project was well managed and provided good work experience for participants***
Organizational Capacity of the Applicant	***N/A: Low: Medium: High:***
Low – Applicant's organization has: • Dedicated and qualified staff to pursue the activities of the project; • Certified accounting and auditing procedures in place; • Established reporting and data storage facilities e.g. databases, servers, computers; • Staff that have previously worked successfully on similar projects. Medium - Applicant's organization has: • Bookkeepers to manage their financial activities;	***Comments: Medium Risk*** ***-Applicant's organization has adequate financial controls, will engage the services of a bookkeeper or accountant to manage financial activities.***

• Adequate financial controls in place to track project expenditures. High – Applicant's organization has: • Minimal or unknown financial controls to track expenditures; • Minimal or unknown defined process to monitor activities; • Minimal or unknown qualified staff to conduct funded activities.	
Number of Partners Activity Involved	***N/A: Low: Medium: High:***
Low – Withdrawal of one partner from the project will not affect the successful completion of the project. Medium – Withdrawal of one partner from the project will not affect the successful completion of the project, however: • Project schedule may be delayed; • Budget amendments may be required; • Could result in the failure of the entire project. High – Applicant has multiple partners, where: • The withdrawal of any partner could affect the successful completion of the project; • The level and scope of the partners involvement in the funding and activities of the agreement is high; • The nature of the participation of the partners could affect the successful completion of the project (e.g. in-kind or monetary contributions, decision making process for project activities, funding, willingness to endorse activities or participate in meetings/committees.	***Comments: Medium Risk*** ***Withdrawal of one partner will not affect completion, however if one particular partner (Gunter Brothers) were to withdraw it could delay project schedule***
Public Profile of the Agreement	***N/A: Low: Medium: High:***
N/A – Low probability of occurrence and would have a minimum negative impact if it happened. Low – Some probability of occurrence but negative impact of the agreement to the Ministry would be minimal; Medium – Likely probability of occurrence and would have a significant impact on the Ministry; High – Very likely to occur and would have an extensive impact on the Ministry.	***Comments: Low Risk*** ***Some possibility of occurrence due to public profile of the applicant's principal representative. Negative impact of the agreement to the Ministry likely to be minimal.***
Overall Professional Judgment	***N/A: Low: Medium: High:***
Low – Professional judgement overall low risk: • Satisfied with information provided at every stage of the project life cycle; • All risk factors rank N/A to Medium. Medium – Overall acceptable risk: • Satisfied with some information provided at different levels of the project life cycle; • Risk factors rank N/A to Medium. High – Overall high risk: • Not satisfied with most information provided on most of the levels of the project life cycle; • Risk factors rank medium to high.	***Comments: Low Risk*** ***CEP CAPA is satisfied with the information provided, and all risk factors are either Low or Medium***

OVERALL RISK VALUE 26 = Medium Risk

N/A = 0	Low = 2	Medium = 4	High = 6
Overall Risk Value	Level of Risk	Number of Activity Monitors per project/year	Number of Financial Monitors per project/year
Totals 0 – 20	Low Risk	1	1
Totals 20 – 32	Medium Risk	2	2
Totals 32 and up	High Risk	3	3

Partnership & Innovation Fund
Amendment Rationale Template

CFMS Contract Number: CJCP469641500164

Project Agreement Holder: Pebble in the Pond Environmental Society

Original start/end dates: April 1, 2014 to January 16, 2015 (42 weeks)

Amendment start/end dates: April 1, 2014 to March 13, 2015 (50 weeks)

Reason/Rationale for amendment (brief overview):
Increase budget to allow for unanticipated costs resulting from the need to change the tanning process. Extend current end date of January 16, 2015 by eight weeks to a new end date of March 13, 2015 in order to achieve successful project results, which will also increase budget. Initial research conducted by the participants identified potential for harm to employees in the use of alum salt for tanning. Although alum salt is commonly used in North America by farmers, it is not considered safe for ongoing processing in a commercial operation if the intention is for long-term ongoing use. As such, an alternative long-term solution had to be developed immediately to provide for long-term safety and sustainability of the project. This resulted in a change in strategy to the process in tanning the sheep skins involving a switch from the use of alum salt for tanning to a tannin tea, significantly increasing cost to the project, specifically in the areas of Professional Fees and Other Project Costs as outlined within the Budget Template & Negotiation Summary Amendment document. An 8 week extension to the project is requested to make up for the time lost when redirecting to the sustainable tanning method with the tannin tea, and enabling the project to meet its objective of producing 450 quality sheep skins for resale.

Information that will be changed in Schedule A of the Agreement:
Amend end date from January 16, 2015 to March 13, 2015. Include additional tasks and timelines in the project activities related to the change in the tanning process as outlined above. Outcome of 450 quality sheep skins increased to 500 as the Contractor anticipates a higher percentage of quality skins being achieved through the revised tanning process. Amend participant weeks of work experience from 40 weeks to 48 weeks.

Information that will be changed in Schedule B of the Agreement:
Increase budget by 25% from $128,696 to $161,369.81 as follows:

Original Budget		Amended Budget	
Capital Assets:	$0.00	Capital Assets:	$0.00
Client Costs:	$2,850.00	Client Costs:	$10,863.79
Other Project Costs:	$51,335.00	Other Project Costs:	$68,095.06
Professional fees:	$11,500.00	Professional Fees:	$13,734.05
Project Staff wages and other related staff costs:	$63,011.00	Project Staff wages and other related staff costs:	$68,676.91
TOTAL:	$128,696.00	TOTAL:	$161,369.81

Amendment will increase In-Kind Contributions by an additional $40,408 resulting in total Funds from Other Sources of $103,686.00 as outlined within the Amendment Budget Template &

Negotiation Summary document.

Budget details reflecting costs associated with the amendment have been captured within the Amended Budget Template & Negotiation Summary document.

Is this a significant change to the agreement? Yes ☐ No ☒

Increase to budget of $32,673.81 equal to 25% increase.
Increase to funds from other sources of $40,408 equal to 64% increase

Significant changes to an agreement may need to go through a Program management review.
Discuss with CEP TCL to determine need for PM Review:
Significant Changes are:

- 25% + increase to budgets (that have a minimum change of $5000)
- Change to scope of milestones/activities that change the nature of the project
- Project start date is delayed to the point where the project may not be viable

CEP CAPA Comments: CEP CAPA recommends support of the amendment request including increase to budget, 8 week extension, inclusion of additional activities, and revision of milestones to ensure successful completion of the project. The scope of the milestones and activities has not changed the nature of the project, but will enhance the likelihood of successful completion of the project. This project has and will continue to provide valuable work experience to the participants, and has received and will continue to receive significant community support. Successful completion of the project will result in the removal of a minimum of 450 animal skins from the waste stream being converted into value-added products providing a significant benefit to the community. Participants living supports will continue via the EPBC. Risk Assessment remains at Medium Risk.

CEP CAPA Name: Lori McCleave Date: 16 October 2014

TCL Review & Approval: Agnes J. Pindera Date: 16 October 2014

Reviewer Comments:
I fully support this amendment request. Confirmed with CEP CAPA that a minimum of 500 quality sheep skins will be achieved through the revised tanning process (lots of skins are collected, but some skins collected do not make it through to the final process). Increase to budget and end date extension are reasonable. AJP 2014/10/16

Partnership & Innovation Fund
Amendment Rationale Template

CFMS Contract Number: CJCP469641500164

Project Agreement Holder: Pebble in the Pond Environmental Society

Start/end dates: April 1, 2014 to March 13, 2015 (50 weeks)

Reason/Rationale for amendment (brief overview):
Increased budget to allow for costs missed in error by the Project Holder within the previous amendment request. Project Holder was confused. Some of the costs were not actually billed until later dates. In addition, pre-payments issued to the Project Holder were used to cover the other additional costs. The Project Holder incorrectly assumed these costs were taken into consideration within her amended budget submission with the first amendment request. These particular unanticipated costs, including staff travel; Professional Fees (construction consultant/workshops); postage & courier; and materials and supplies increased resulting from the need to change the tanning process. As stated within the previous amendment request, the initial research conducted by the participants identified potential for harm to employees in the use of alum salt for tanning. Although alum salt is commonly used in North America by farmers, it is not considered safe for ongoing processing in a commercial operation if the intention is for long-term ongoing use. As such, an alternative long-term solution had to be developed immediately to provide for long-term safety and sustainability of the project. This resulted in a change in strategy to the process in tanning the sheep skins involving a switch from the use of alum salt for tanning to a tannin tea, significantly increasing cost to the project, specifically in the areas of Professional Fees and Other Project Costs.

Increase budget to allow for additional costs resulting in the need to move location of the JCP project. The industrial site in which the JCP project processing plant was located proved insufficient as a processing plant for the JCP. The extreme cold weather experienced in November 2014 resulted in a number of lost sheep skins and the need to move the bins in which the sheep skins are held during the tanning process to an inside location. In addition drying and sanding of the sheep skins became difficult in the extreme cold. The industrial site, acting as the processing plant for the project, did not have an inside building on the site which could be used for storing the bins. Additionally, the site was becoming infested with rodents. The relocation resulted in increased costs to the project in regards to rent and participant travel.

Increased budget to allow for other minor unanticipated costs within the areas of cell phone usage; equipment lease, rental or purchase; and equipment under $1000.

It is to note that revenue received from the sale of the sheep skins produced through the project will be used to reduce negotiated costs. Project Holder has been advised to report revenue within each monthly payment claim. Revenue received to date, during the month of December, is $1,410.00. Revenue will be reflected within the December payment claim and any future claims if applicable. Reference email to Project Holder dated January 16, 2015 attached to correspondence log within R1-052 JCP SharePoint folder. Revenue received throughout the remainder of the agreement is not expected to be significant. The only revenue received to date has occurred within December. As the December payment claim has not yet been submitted, or processed, to ensure accurate capturing of costs to the project, CEP CAPA has not reduced the

amendment budget request by the revenue received in December 2014. Any revenue received will result in slippage to the agreement.

Information that will be changed in Schedule B of the Agreement:
Increase budget by 13% from $161,369.76 (Amendment #1) to $181,635.67 as follows:

Amendment #1 Budget		Amendment #2 Budget	
Capital Assets:	$0.00	Capital Assets:	$0.00
Client Costs:	$10,863.79	Client Costs:	$10,863.79
Other Project Costs:	$68,095.06	Other Project Costs:	$83,652.62
Professional fees:	$13,734.00	Professional Fees:	$17,023.11
Project Staff wages and other related staff costs:	$68,676.91	Project Staff wages and other related staff costs:	$70,096.15
TOTAL:	$161,369.76	TOTAL:	$181,635.67

It is to note that this Amendment will result in an increase to the original budget by 41% from $128,696.00 to $181,635.67 as follow:

Original Budget		Amended Budget	
Capital Assets:	$0.00	Capital Assets:	$0.00
Client Costs:	$2,850.00	Client Costs:	$10,863.79
Other Project Costs:	$51,335.00	Other Project Costs:	$83,652.62
Professional fees:	$11,500.00	Professional Fees:	$17,023.11
Project Staff wages and other related staff costs:	$63,011.00	Project Staff wages and other related staff costs:	$70,096.15
TOTAL:	$128,696.00	TOTAL:	$181,635.67

Budget details reflecting costs associated with the amendment have been captured within the Amended Budget Template & Negotiation Amendment #2 Summary document.

No changes to Schedule A of the Agreement.

Is this a significant change to the agreement? Yes ☒ No ☐

Increase to budget approved within Amendment #1 of $20,265.91 equal to 13% increase.
Increase to original budget of $52,939.67 equal to 41% increase

Significant changes to an agreement may need to go through a Program management review.
Discuss with CEP TCL to determine need for PM Review:
Significant Changes are:

- 25% + increase to budgets (that have a minimum change of $5000)
- Change to scope of milestones/activities that change the nature of the project
- Project start date is delayed to the point where the project may not be viable

CEP CAPA Comments: CEP CAPA recommends support of the amendment to ensure successful completion of the project. This project has and will continue to provide valuable work experience to the participants, and has received and will continue to receive significant community support. Successful completion of the project will result in the removal of a minimum

of 450 animal skins from the waste stream being converted into value-added products providing a significant benefit to the community. Risk Assessment remains at Medium Risk.

CEP CAPA Name: Lori McCleave	Date: 16 January 2015
TCL Review & Approval: Jackie Hultman	Date: 20 January 2015

Reviewer Comments:

Job Creation Partnership Final Report

April 9, 2015

Contract #CJCP469641500164

Pebble in the Pond Environmental Society



Canada BRITISH COLUMBIA

The Employment Program of British Columbia is funded by the Government of Canada and the Province of British Columbia.

This Project is funded by the Government of Canada and the Province of British Columbia through the Job Creation Partnership.

On April 1, 2014, the Tanned, Wild, and Woolly Project was initiated by Pebble in the Pond Environmental Society in Powell River, BC with funding from the Job Creation Partnership. The main objective for this project was training of at least five participants in waste reduction, organic tanning of sheep skins, production of value-added agricultural products, social enterprise set-up and operation, including small business management, communication, marketing, sales, customer service, processing, transportation, and supplier liaison. The sub-objective of the project was the processing of at least 450 animal skins, which would be removed from the waste stream. This processing would establish an ongoing not-for-profit social enterprise to produce and market value-added agricultural products and continue to reduce agricultural waste. In addition to the formal objectives, this project managed to innovate a multi-step modern process for tanning sheepskins using natural methods.

The Job Creation Partnership ended on March 13, 2015 with four participants engaged and one former participant hired to lucrative full-time work credited to the benefits of the JCP training. The main objective of the project was accomplished, with training in small business skills, marketing, communications, and other skills as above, and with the sub-objective accomplished, and over 140 marketable sheepskins available for sale. In addition, the tannery project will continue to be a viable social enterprise thanks to funding from the Powell River Community Investment Corporation, which is working with the participants to provide them with opportunities for revenue and business ownership.

The project was at two sites: processing in a gravel pit in the Powell River Regional District, in the community of Cranberry, with the office a short drive away in Westview, where most of the furniture was donated. There has been a large measure of support from the business community before, during, and after the JCP project, with local retail outlets carrying the product and working with the tannery.



Early Set Up: At the gravel pit, many materials were picked up from 'free sites' in town, including roofing material, old bath tubs, and holding tanks. The trailer on the right is secure storage, and the trailer on the left is the main work trailer holding stretchers for the sheepskins. The holding tanks are to the left of the main trailer, and the breezeway provides outdoor work space. The motor home is the washroom and lunch room, and the Rona truck was contributed to help with transport.

The challenge of two sites, one of them relatively remote, led to decisions regarding communication including smart phones and tablets. A cost analysis was done of land lines versus mobile devices, and the mobile devices were a better option. In addition, three of the participants had never used smart phones for business, therefore they received valuable training on the use of the phones for research, communications, and especially social media marketing through Facebook and Twitter. Mobile devices also allowed the motor home to be a remote office where laptops or tablets were used, with the phones set up as the wireless hot spot.

Early research into alum salt tanning caused enough concern that research was conducted into other, better options for the long term. We had a workshop by a local wild hide tanner using pig's brains from Gunter Brother's, where these currently go into the waste stream. We decided that brain tanning should only be for 'exclusive' leather production on a small scale or custom order.



Research Workshop: s.22 soaks a small animal hide in blended brain and water.



After considerable research, we learned that tannin tea can be made from boiling tree bark, particularly local waste alder, and will provide a beautiful product. It can be made fairly easily, however the exact recipe for tannin tea is elusive, because it is the oldest method of tanning and when sheepskins and leather were industrialized, most of the information was lost. Research into the most stable tannin tea is ongoing after the JCP. To have adequate storage, we received a large donation of oak barrels from Jackson-Triggs Winery, with the shipment to Powell River donated by City Transfer. We developed a system to transfer liquid between barrels and collect rainwater. We created an outdoor work area between the two trailers with roof trusses worth about $5000 were donated by T&R Contracting to span the distance between the trailers and roofing materials donated by Maradadi Pacific. This created rain catchment between the two trailers. Tannin tea works best with rainwater because it is low in the minerals often found in well water, and lacks the chlorine and fluoride often found in municipal water systems.

The Supervisor unloads raw sheepskins in a rain storm.

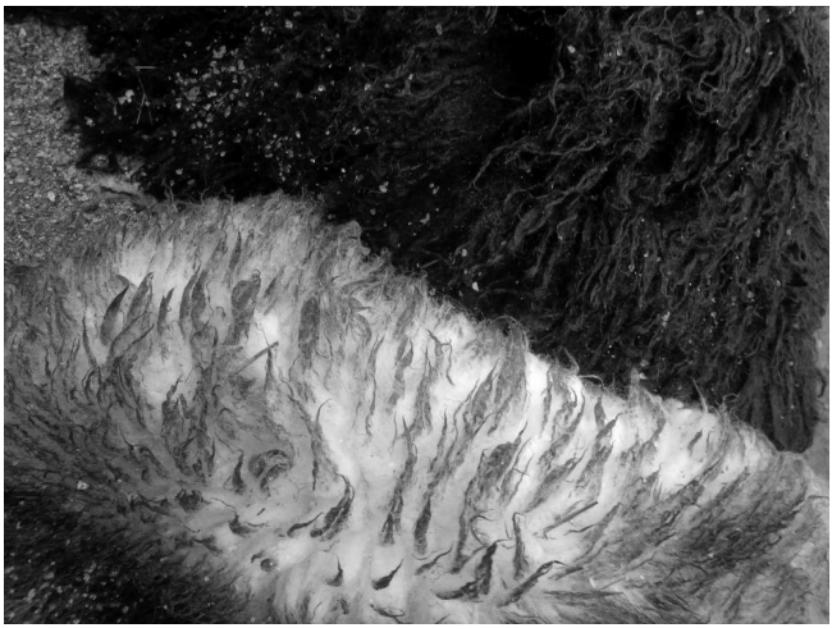


We began the tanning process using alum salt to perfect every step of the tanning processes before and after the tanning solution. Processing of the skins had to be innovated using ancient methods and finding modern techniques to "scale up" so we could divert the maximum number of skins from the waste stream and create a viable social enterprise. We brought in local tanning experts for workshops on each stage, which helped participants understand the process from skirting to salt curing to fleshing to tanning to 'breaking' the skin and finally to finishing the leather. However, it became clear that we would have to design our own processes on a larger scale. In the short term, we had to say 'no thank you' to the overwhelming request to tan bison, bear, goat, and rabbit skins, since we did not have the infrastructure to do anything beyond the sheepskins.



Safety Gear: Worksafe gloves, glasses, visors, aprons, and boots were needed due to the salts in use

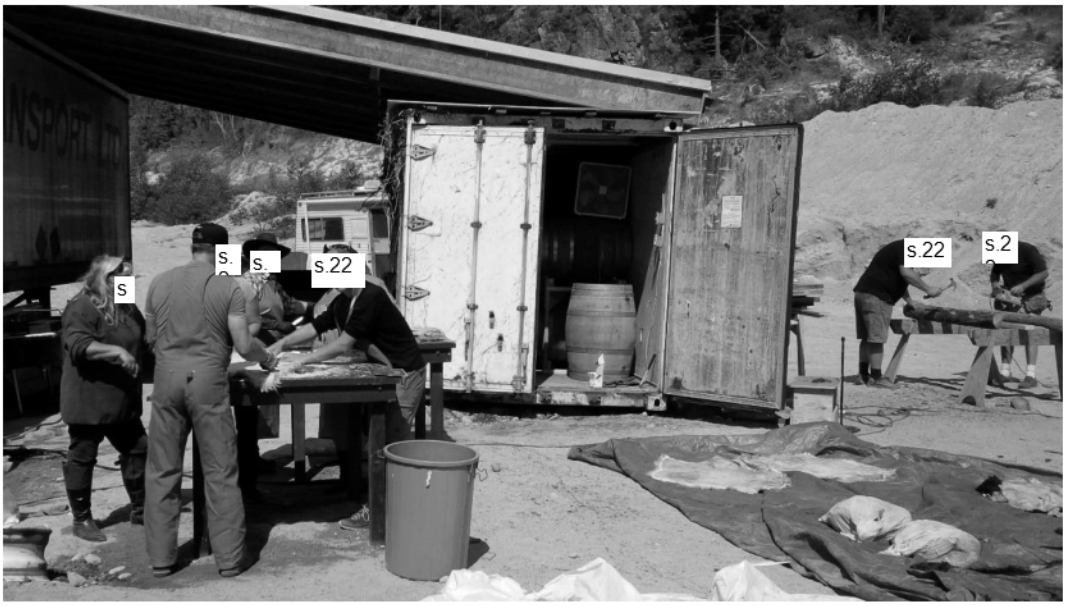
At every step, the team innovated sustainable options for processing. After considerable experimenting, the team determined that pool salt did the best job of salt curing and was the most affordable.



Raw sheepskins from Gunter Brothers are covered in rock salt, which had uncertain outcomes in the heat.



Pool salt is fine and covers more of the leather side, drawing out unwanted moisture and curing the skin.



On site training: participants learn skirting and fleshing with s.22 and s.22 while s.22 works with Don Bowes

"Fleshing" is the step that takes the sheepskin from its post-slaughter stage and removes any flesh or fat that is still on the side that will become the leather. The training sessions showed fleshing on a table with sharp spoons, or on a log with a draw knife, which is the kind of knife used for removing bark from trees. Because the ancient methods are generally only used today for one or two skins at a time by hobbyists, they are difficult to apply to a large number of skins. Still, the method was essential to learn so that the participants could innovate a modern solution.

Due to the fact that our partner Gunter Brothers was saving sheepskins every week, added to the warming temperatures of the summer and the slowdown in our processing as we innovated each step in the tanning, we had to find ways to 'pause' the process, which was done with the use of freezers. The skins were wrapped around towels, bagged, and frozen after fleshing was complete.



Team work: four participants try to find an efficient technique for fleshing sheep skins.

The JCP benefited from the divergent skill set in the participants, and the work dynamic, where each of them expanded the experiences of their team members. After significant research into fleshing options,

the participants adopted the use of a power washer, with hand processing only done if needed after the power washing, which was a success.



Fleshing Station: The team designed a fleshing system and station with power washers, plywood boards and bungy cords.

As the weeks progressed, the participants were able to hand higher volumes of skins for fleshing and putting into the tanning solution. This had to be managed around the issue of wildlife such as bears, cougars, and predatory birds.



Sheepskins Drip on Racks: the skins cannot be dry, but should have excess water out before going into the tanning solution.

We made tannin tea as an alternative to alum salt tanning, and we tried test strips of sheep skin to determine if it would work over the long term. We conducted more research and found that in order to feel secure in the effectiveness of the tea, we needed to do repeat tests including testing the tannin concentration. We also found that fresh waste wood is idea for making tannin tea, and that alder trees are high in tannins. Fortunately, alder is the most common waste wood in our region, and there are a number of companies and individuals ready to work with us to provide the wood when we are ready.



An oak barrel with tannin tea made from hemlock bark is stored in a recycled peanut butter jar at the ribbon cutting

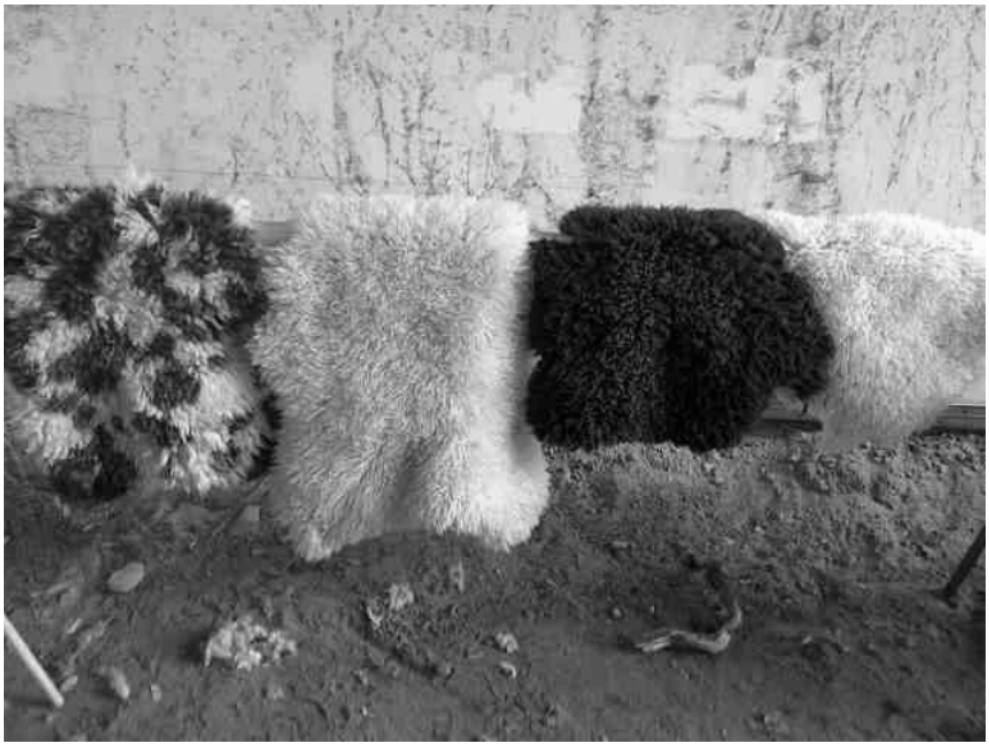
Throughout the JCP, extreme weather created difficulties, beginning in the summer and lasting until the severe floods of early December, which shut down the road to the site. If the project had run in the previous calendar year, the outcome of the processing would likely have been different since the weather was more stable. However, the summer heat followed by heavy rains and then the freezes in early November cost us sheepskins. When the floods came in early December we knew we had to change locations for the processing. We found a storefront location in Cranberry that was suited for processing, office, and retail training, and we moved to this location effective January 2015.



Another innovation of the JCP was the creation of stretchers to help in the leather breaking stage. These stretchers were easily moved from the first site in the trailer to the storefront in Cranberry. The product produced by this stretcher method exceeded expectations, and ten stretchers, double-sided, allowed up to twenty sheepskins at a time. In the trailer the time for drying varied based on the weather, however in the storefront location the method was reduced to two days, every time.



Participant s.22 s.22 puts a sheepskin onto a stretcher upstairs in the storefront.



Plecas Slaughterhouse in Nanaimo began supplying sheepskins to the tannery during the JCP, keen to see them diverted from the waste stream. Most of their sheepskins are from Salt Spring Island, their quality. Beautiful, unique products were created from these sheepskins and the supply will be available to the tannery as long as it is desired. Other slaughterhouses are also ready to work with us when we are ready.

In the photo above are four sheep skins from different sheep. This batch is from Plecas Meats, and includes the multi-coloured wool, a thick cream wool, a dense dark brown wool, and a white wool sheep skin.



Sheep skins from the first batch picked up at Plecas Meats: soft and unique, ready for final stage processing.

During the training sessions for the participants, we evaluated the cost per sheepskin to determine what a reasonable price would be for a Fee-for-Service tanning. This exercise led us to believe that a flat rate for sheepskin tanning could not work; there were too many variations in size and difficulty. We decided that a rate that charged per square foot for basic tanning, with an additional fee for finishing, was the best method. This exercise helps ensure the long-term financial viability of the tannery, so that even though it was not done during the JCP, the model is in place for fall 2015 when it is anticipated that farmers will once again be requesting tanning services.

During the JCP, a theme song/jingle was written and recorded for the tannery, and it will be eventually added to a video that can be used to help market the product. The supervisor wrote the lyrics, the whole team had input into the general concept, and participant s.22 wrote the music, then produced, performed, and recorded the song called "Sheepskin Comfort".

There were a number of opportunities for direct feedback from the public, including Seafair, the Powell River Fall Fair, and most important, the trade show in Vancouver called MakeIt, when a buyer for Shoppers Drug Mart indicated a strong interest in working with the tannery to assist with distribution once the supply chain was larger. The Tanned, Wild, and Woolly booth was popular at every event, pricing was set through interaction with the public, and at the MakeIt event the participants determined that there was a strong demand for pet beds made of sheepskins. This information was useful in negotiating a deal with Mother Nature Garden Shop in Powell River in April 2015.

Through the seasonal work of the JCP, we were able to observe a dramatic change in the size and weight of sheepskins between our initial pick up in June and the fall pick ups in November, when the size of the skins doubled and changed the entire tanning dynamic. The volume of skins available also tripled. This information is enormously valuable for planning for 2015 and it was an excellent learning experience for the participants in terms of responding to changing business logistics.

The JCP allowed for the development of a robust and dynamic online presence for the tannery by creating an online store on a website, with a Facebook page and Twitter account. The Twitter account has not yet been used for vigorous marketing since it is a very wide audience, however after running some online ad words, a sale occurred in early April from a customer in New York, with great feedback. There is also interest for bulk sales from Vancouver home and garden stores, and this will be followed up by the former participants as they apply the skills learned through the JCP and close sales.

Although one of the original participants had to leave the program s.22 three of the original participants worked through to the end and were productive in their activities. In addition, one participant felt the program allowed him to remove barriers to his employment that he had not previously identified. A sixth participant, hired in December to replace the person who left for health reasons, appeared to find value in the activities and is keen to continue to be involved with the tannery.

In January, the new location expanded the opportunities for 'hands on' retail learning, and this had huge value for the participants as they were able to interact with prospective customers regularly, even before there was a method to sell the sheepskins.



The storefront location in Cranberry allowed for expanded training opportunities.

By March, the participants were able to track production supplies, plan logistics, manage production, finish sheepskins, enter inventory, interact with customers, analysis website data, deal with business money concepts, manage the retail section, and understand the business permit process with local government. They were familiar with merchandising and managing the location of a business so that it was clean, safe, and ready for public interaction. They knew how to post social media advertising and boost the post with and without spending money.

The participants could interact with board members of Pebble in the Pond, they could talk with their Mayor or MLA about the project, and they could sell the sheepskins based on every stage of their processing and every type of beneficial use. They had worked together to take a building that was old and in need of a improvement and they had created a bright, welcoming, beautiful retail space filled with products that they had created by hand after diverting them from the waste stream. In understanding the value of their production, they shared a sense of pride and accomplishment. In working to innovate every step of the process, they were able to speak with confidence.

Pebble in the Pond Environmental Society is grateful for the opportunity to have worked on the Job Creation Partnership project Tanned, Wild, and Woolly and is proud of the outcome. We will continue to support the tannery and its participants as they seek further value from their efforts to date.



James Cavers works with participants.22 to prepare the retail section for repair and painting.



One of the beautiful brown sheepskins is showcased in front of a participant's fireplace as an exercise in marketing.

At the end of the Job Creation Partnership, 148 sheepskins were available for sale. These sheepskins were properly merchandised in the retail space on racks designed by participants. They were entered into inventory, categorized, photographed, and priced.



A private investment company called Powell River Community Investment Corporation will work with participants to provide an opportunity to take the infrastructure from the JCP, the innovations and skills learned, and create a viable local business. A grand opening of the tannery was held on March 16 at the improved location, with all participants in attendance. It was attended by many people, including customers, the Mayor, the former Mayor, MLA Nicholas Simons, the Peak Newspaper Publisher, the Powell River Living Magazine publisher, and many others. It was deemed a great success. Unfortunately, the landlord decided to not renew the lease after March 31, and the tannery had to move in a short period of time. Fortunately the new investor PRCIC found storage, and the participants took those items necessary to ensure no loss of any processing capacity for the month or so needed to set up a new location. Maradadi Pacific has put together a work station in its office for the point of sales system and computer station to ensure virtual continuity. Ecossentials and Mother Nature are providing retail outlets. The tannery will continue after the JCP, and likely be of great benefit to the agricultural community through its service offering, with a growing list of customers for its products.



BRITISH COLUMBIA | Ministry of Social Development and Social Innovation

Employment Program of British Columbia
Partnership and Innovation Fund
Job Creation Partnership LOI Assessment

General Applicant Information

Applicant (Organization) Name: Pebble in the Pond Environmental Society	**File Reference#:**
Applicant Contact Name: JudyTyabji Wilson	**Contact phone:** 604-483-1961
Location of Activities: 9573 Random Road,Powell River	
Agreement Type: JCP	
Anticipated Start Date: Jan 27,2014	**Anticipated End Date:** Nov 14,2014

Procedure	Description	Yes	No	N/A	Comments
Review Historical Information	Review CFMS for past projects	✓			Previous JCP Oct 2009-Jun 2010
	Review past project information to ensure the proposed activities are not a duplication of past or current projects being funded		✓		Not a duplication- previous project established cloth bag program to reduce waste from plastic grocery bags
	Have any concerns been raised on past projects with this applicant?		✓		No concerns raised- Program Officer indicated she would have no problem recommending another project with this organization
	If yes,can these be addressed in the risk assessment and mitigation plan?			✓	
Review Potential Conflict of Interest	Does the applicant receive any other federal or provincial government funding?		✓		No other funding declared
	Is there or does there appear to be any duplication of services of those that they are currently providing and those they are proposing?		✓		No duplication- proposal is for a new initiative they are not engaged in,which would not proceed without JCP

HR3531 (13/11/30)

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Procedure	Description	Yes	No	N/A	Comments
	Is the applicant currently delivering any component of the EPBC?		✓		Not involved with EPBC
	If yes, is there a clear delineation between project activities and those performed as part of the ESC?			✓	
	Is there a conflict of interest (perceived or real) possibility in being able to refer and case manage EPBC clients to the proposed project?			✓	
Assess the LOI	If the applicant is a private sector organization? Has the applicant described how the JCP project will not result in a competitive advantage? Competitive advantage is created when theJCP activities enable a for-profit employer to lower their costs, save money or increase their productivity. JCP funding cannot be used to improve any business's position in the competitive marketplace.		✓		Applicant is a registered non profit organization. They propose to establish a non profit social enterprise to tan sheepskins and market them. This would involve retail operations however they indicate there are no competitors offering similar services. Full details to be requested.
	If the proposed project activities involve conducting research, has the applicant verified that the information does not already exist, in whole or in part?			✓	No academic research to be conducted. Project would gather available product, market and customer information in relation to the proposed social enterprise, unique to this project.
	Does the project meet the basic eligibility criteria?	✓			Applicant is eligible as a not for profit organization
	Are the start and end dates reasonable and realistic?		✓		Duration is reasonable. Start date may need to be later based on time required for project negotiation & setup
	Are the activities incremental and not part of the organization's day-to-day operations?	✓			Organization does not currently do any of the proposed project activities

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Procedure	Description	Yes	No	N/A	Comments
	Are project objectives & outcomes clearly defined and finite?	✓			Project will provide work experience in organic tanning of sheepskins and establishing a social enterprise. Ongoing operation of the enterprise will be responsibility of the applicant after the project ends
	Are the outcomes measurable?	✓			Completion of tanning and establishment of enterprise are measurable. Full info required to define milestones for measurables
	How will the community benefit from the project?	✓			Establishment of ongoing social enterprise providing employment opportunities,and reduction of waste (skins currently discarded)
	What work experience will the participants gain from this project?	✓			Learn organic process for tanning sheepskins,and steps for establishing a small business enterprise
	Does the LOI reflect a local labour market demand or need?				
	Does the project meet the provinee's priorities?				
	Does the LOI respond to an emergency or emergent issue in the community?		✓		Not related to emergency /emergent issue
	Does the LOI have partnership support?	✓			Good partnership support- multiple partners will contribute materials and expertise to the project
	Does the LOI have support from other organizations in the community?	✓			LOI indicates support from Chamber of Commerce, Powell River Economic Development, and others
Assess Budget	Is the budget realistic and do the proposed costs relate specifically to the project objectives?	✓			Budget needs more detail. Appears participant supports are included in requested budget

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Procedure	Description	Yes	No	N/A	Comments
	Are requested costs incremental?	✓			LOI indicates costs are incremental. Additional details required to break down costs
Additional Comments		✓			Reviewed by R4 PACRM Ted Crouch and CEP CAPAs Andy MacKenzie &Jean Baldock. Full proposal to be invited,however there are several elements that could be barriers to proceeding to establish a project. To determine if this could be eligible under JCP, proposal-level detail will be required about location and facilities including ownership,potential improvements to the property, partnership involvement and contributions, details of partners involved, business model for the social enterprise, disposition of potential revenue the project may generate,& details to confirm there's no marketplace competition.

Security Classification: MEDIUM SENSITIVITY

Canada BRITISH COLUMBIA

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Agreement #: R1-052 **Organization Name:** Pebble In the Pond **Date Range:** August 21/14 forward

P & I Management Correspondence Log – In Reference to Amendment # 1

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
Oct 23, 2014	Copy of signed Modification Agreement to Project Holder Request for Revised Forecast of Project Expenditures	 Signed Modification Agreement_Request for Revised Forecast of Project Expenditures.msg	
Oct 17, 2014	Modification Agreement to Project Holder for signature Request for Revised Forecast of Project Expenditure	 Modification Agreement Signature Required_Request Revised Forecast.msg	
Oct 17, 2014	TCL Approval Received to Proceed with signing of Modification Agreement It is to note LMDA funding total is $161,369.76 (calculation error) not $161,369.70 as captured within the Modification Agreement. However, in order to make an adjustment CEP CAPA would need to complete completely redo modification agreement document as the form does not allow the ability to save and make changes. As minor error with a difference of $0.06, will leave as is.	 Modification Agreement TCL Approval to Proceed_17Oct2014.msg	
Oct 16, 2014	Amendment Rational, Budget Template & Negotiation Summary, Draft Sched A, Risk Assessment to TCL for review and approval	 Amendment TCL Review and Approval Requested.msg	
Oct 15, 2014	Project Holder Review Draft Amended Schedule A	 Amendment - Schedule A Contractor Review.msg	
Oct 15, 2014	Amendment – Client Costs – Travel Summary Project Holder Concurrence	 Amendment - Client Costs-Travel Concurrence.msg	

Agreement #: R1-052 **Organization Name:** Pebble In the Pond **Date Range:** August 21/14 forward

P & I Management Correspondence Log – In Reference to Amendment # 1

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
Oct 15, 2014	Amendment – clarification regarding Client Costs - Travel	Amendment - Clarification Re Client Costs-Travel.msg	
Oct 15, 2014	Email to Judi – further clarification required regarding Client Costs / Travel (based on her response received) and confirmation of draft Sched A required	Amendment - Further Clarification Required15Oct2014.msg	
Oct 14, 2014	Email to Judi – Capturing clarification obtained during telephone conversation Friday, Oct 10 regarding amended budget and milestones, and requesting further information in regards to client travel costs expended Aug/Sept 2014 – attached draft amended Sched A for review	Further Clarification_Confirmation Requested_13Oct2014.msg	
Oct 7, 2014	Clarification Response Received – Revised Forecast of Project Expenditures to reflect Amendment Request	Clarification Response_7Oct2014.msg	
Oct 3, 2014	Amendment – Request for Forecast of Project Expenditures to reflect propsed amended budget	Amendment Request Revised Forecast of Project Expenditures Requested.msg	
Oct 3, 2014	Amendment – Clarification requested in regards to budget and activities	Amendment Request - Clarification Required.msg	
Sept 18, 2014	Email received – Amendment Request	Amendment Extension Request and Report.msg	

Agreement #: R1-052 **Organization Name:** Pebble In the Pond **Date Range:** August 21/14 forward

P & I Management Correspondence Log – In Reference to Amendment # 1

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
Aug 21, 2014	Email received clarifying rent charge from 3 Leaf Contracting	Rent Clarification Email_21Aug2014.msg	
Aug 6, 2014	Email received – attachment – Original Letter from 3 Leaf Contracting identifying rent charge for site and office	Original Letter 3 Leaf Contracting Re-Rent.msg	

Welch, Carol-Ann SDSI:EX

From: McCleave, Lori SDSI:EX
Sent: Wednesday, October 15, 2014 4:26 PM
To: 'Pebble in the Pond'
Subject: Amendment - Clarification Re: Client Costs-Travel

Hi Judy

Thank you for the clarification. I have identified below each of your responses how I will consider calculation of costs requested, and a final summary of the Client Costs, specific to travel being requested for the agreement period up to and including the 8 week extension period to March 13, 2014 at $9,806.24.

Lori McCleave
Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca
(250)739-6652

From: Pebble in the Pond [mailto:pebbpond@gmail.com]
Sent: Wednesday, October 15, 2014 3:07 PM
To: McCleave, Lori SDSI:EX
Subject: Re: FW: Amendment Request - Clarification Required / Completion of Revised Forecast of Project Expenditures

hello Lori, answers highlighted below re: questions in body of email. I will reply shortly on milestones. I tried to call back but thought email may be just as useful so I did not leave a message

On Wed, Oct 15, 2014 at 1:17 PM, McCleave, Lori SDSI:EX <Lori.McCleave@gov.bc.ca> wrote:

Hi Judi

I did call and leave a message for you to give me a call back. I wanted to discuss the figures on the attached excel document as they are somewhat confusing.

In regards to Client Costs / Travel

- You have captured trips to pick up skins at 10 trips, 6 to Courtenay at $300/trip, and 4 to Nanaimo at $400/trip which amounts to $3,400. However, you have then captured $4,200 between October to March. So, are you now saying you will require an additional 2 trips to Nanaimo at $400/trip, for a total of 6 trips at $300/trip and 6 trips at $400/trip?

I must have misread your question, so I will explain the answer in the spreadsheet. I went through and applied the costs as invoiced for August, September and October to date, plus the participants and I sat down with a calendar and worked through the pick ups based on our best estimate of costs and pick up dates. We also found that using the flat number of $300 and $400 may not be exactly enough, so we rounded up a bit and so the costs are based on actual planned calendar dates with perhaps a 5% margin for contingency in case we have to do farm pick ups. What is in the spreadsheet is as accurate an estimate as I can get, since I had the additional input of the participants.

For ease of calculation I will capture as 6 trips at approximately $300/trip and 6 trips at approximately $400/trip anticipated for the period of October 2014 to March 2014 for an additional $4,200.

- The excel document captures mileage at $391 to cover cost (travel to Vancouver to attend the trade show) based on 752 km @$.52/km. However, your previous clarification indicated mileage at 180km each way or 360 kms. I get that you had originally only calculated 1 trip for an amount of $187.20 and that the costs should have reflected 2 trips at 360 km return (720 km) at $0.52/km. However, this totals $374.40 not $391. Please clarify.

Yes, after you and I went through the ferry exercise, I had a "Eureka" moment and realized I had only put in for half the travel. I then also had it pointed out to me that the event is in east Vancouver and the mileage was to city hall, which adds another 5 km for each of the 4 trips (approximately) and therefore it is a bit more than simply doubling the amount.

I will capture this at 188 km each way or 376 km return x 2 trips which at $ .52/km works out to the $391.00 requested.

- What is the travel costs captured within the Excel document (towards the bottom) for August at $114.44 and September $178.35 for a total of $292.80 ? Is this an error?

This travel amount is for local travel to collect materials and supplies. I thought you wanted it broken out separately? If not, it can be added to the client costs travel amount at the top.

Yes, okay, I will include within Client Costs / travel and capture as additional mileage of 563 km anticipated to collect materials and supplies.

Based on the above, and previous information provided, total Client Costs / Travel for the agreement period April 1, 2014 to March 13, 2014 requested at $9,086.24. Calculated as follows:

Client Costs – Travel $9,086.24

- **Charged to date $781.84 (up to July 31/14).**
- **Actual Client travel costs August and September 2014 $1,323.36**
- **Require an additional $4,200 in travel costs to complete approximately 12 trips to pick up skins for tanning. 6 to Courtenay at approx. $300/trip ($1,800), and 6 to Nanaimo, at approx. $400/trip (2,400).**
- **Require an additional $2,489.04 in travel costs to cover participant travel and accommodations to attend "Make It Vancouver" trade show taking place Dec 3 to Dec 6. Cost includes:**
  - **Truck rental at $70.00 (2 days x $35/day);**
  - **Per diems at one-day travel for two participant at $96.00 (2 x $48/day);**
  - **Per diems at 5 days of attendance for two participants at $480 (2 x 5 days x $48/day);**
  - **Accommodation at $1,200 (estimated at $150/night for 4 nights for 2 rooms (2 participants);**
  - **Mileage calculated at approx.188 km each way, or 376 km (return) at $0.52 x 2 trips = $391.04;**
  - **BC Ferry cost using the discount experience card for three passengers each way plus a vehicle cost at $252.00 ([8 trips x $11.90/participant - includes return] + [truck at $39.20/trip x 4 trips – includes return])**
- **Require an additional $292 based on mileage of 563 km to cover local travel to collect materials and supplies.**

And further to my other question below regarding the draft amended Schedule A, **Please let me know if I have captured the milestones correctly and whether or not you wish to include any further activity and / or milestones. Please identify any changes and/or additions in a separate colour ink.**

Please give me a call if you would prefer to discuss this via telephone. Thanks Judi

Lori McCleave

Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca

(250)739-6652

From: Pebble in the Pond [mailto:pebbpond@gmail.com]
Sent: Wednesday, October 15, 2014 10:59 AM

To: McCleave, Lori SDSI:EX
Subject: Re: Amendment Request - Clarification Required / Completion of Revised Forecast of Project Expenditures

Hello Lori,

We had a working session this morning to go over these numbers in detail, and review past receipts. I created a spreadsheet that will, hopefully, assist with the answers. The numbers went up a little bit to make sure we had enough money for the trips since we ended up concerned we would be slightly short on the sheep skin pick up values.

Please let me know if you need anything else.

thanks!

On Tue, Oct 14, 2014 at 1:35 PM, McCleave, Lori SDSI:EX <Lori.McCleave@gov.bc.ca> wrote:

Hi Judi

Further to our telephone conversation Friday, October 10, clarification obtained and **further information required** as follows:

Client Costs / Travel:

Client travel expended up to July 31, 2014 at $781.84 (April $0.00; May $159.20; June $273.84; July $348.80)

Anticipated Client travel required October 2014 to March 13, 2014 determined as $ 5,685.20 to include:

- Client Travel to pick up skins $3,400
    - 10 trips including 6 to Courtenay at $300/trip, and 4 to Nanaimo at $400/trip.
- Client Travel specific to trade show clarified as $2,285.20 to include:
    - Truck Rental $70 (2 days @ $35/day);
    - Mileage $187.20 (360km @ $0.52/km;

- Ferry Costs $252 (8 trips @ $11.90/participant (includes return); truck @ $39.20/trip x 4 trips (includes return)

- Accommodation $1,200 ($150/night x 4 nights x 2 participants);

- Per diems $96.00 (one-day travel for two participants @ $48/day);

- Per diems $480 (5 days of attendance for two participants @ $48/day)

Please advise the amount of travel expended (for clients), including any travel to pick up materials and supplies, for August and for September.

Client Costs / Supplies: $1,777.55

Client supplies expended up to July 31, 2014 at $1,277.55 (April $960.81; May $0.00; June $316.74; July $0.00)

Confirmed anticipated Client supplies required remainder of project to March 13, 2014 an additional $500.

As discussed, I have attached a draft copy of the amended Schedule A for your review. **Please let me know if I have captured the milestones correctly and whether or not you wish to include any further activity and / or milestones. Please identify any changes and/or additions in a separate colour ink.**

If you could get back to me by late morning tomorrow with your responses to the above, I can processed with submitting amendment recommendations for review and approval. Thank you Judi.

Lori McCleave

Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca

(250)739-6652

Welch, Carol-Ann SDSI:EX

From: McCleave, Lori SDSI:EX
Sent: Wednesday, October 15, 2014 1:18 PM
To: 'Pebble in the Pond'
Subject: FW: Amendment Request - Clarification Required / Completion of Revised Forecast of Project Expenditures
Attachments: Amendment Supplemental.xlsx; R1-052 Amendment Sched A_Draft.docx

Hi Judi

I did call and leave a message for you to give me a call back. I wanted to discuss the figures on the attached excel document as they are somewhat confusing.

In regards to Client Costs / Travel

- You have captured trips to pick up skins at 10 trips, 6 to Courtenay at $300/trip, and 4 to Nanaimo at $400/trip which amounts to $3,400. However, you have then captured $4,200 between October to March. So, are you now saying you will require an additional 2 trips to Nanaimo at $400/trip, for a total of 6 trips at $300/trip and 6 trips at $400/trip?
- The excel document captures mileage at $391 to cover cost (travel to Vancouver to attend the trade show) based on 752 km @$.52/km. However, your previous clarification indicated mileage at 180km each way or 360 kms. I get that you had originally only calculated 1 trip for an amount of $187.20 and that the costs should have reflected 2 trips at 360 km return (720 km) at $0.52/km. However, this totals $374.40 not $391. Please clarify.
- What is the travel costs captured within the Excel document (towards the bottom) for August at $114.44 and September $178.35 for a total of $292.80 ? Is this an error?

And further to my other question below regarding the draft amended Schedule A, **Please let me know if I have captured the milestones correctly and whether or not you wish to include any further activity and / or milestones. Please identify any changes and/or additions in a separate colour ink.**

Please give me a call if you would prefer to discuss this via telephone. Thanks Judi

Lori McCleave
Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca
(250)739-6652

From: Pebble in the Pond [mailto:pebbpond@gmail.com]
Sent: Wednesday, October 15, 2014 10:59 AM
To: McCleave, Lori SDSI:EX
Subject: Re: Amendment Request - Clarification Required / Completion of Revised Forecast of Project Expenditures

Hello Lori,

We had a working session this morning to go over these numbers in detail, and review past receipts. I created a spreadsheet that will, hopefully, assist with the answers. The numbers went up a little bit to make sure we had enough money for the trips since we ended up concerned we would be slightly short on the sheep skin pick up values.

Please let me know if you need anything else.

thanks!

On Tue, Oct 14, 2014 at 1:35 PM, McCleave, Lori SDSI:EX <Lori.McCleave@gov.bc.ca> wrote:

Hi Judi

Further to our telephone conversation Friday, October 10, clarification obtained and **further information required** as follows:

Client Costs / Travel:

Client travel expended up to July 31, 2014 at $781.84 (April $0.00; May $159.20; June $273.84; July $348.80)

Anticipated Client travel required October 2014 to March 13, 2014 determined as $ 5,685.20 to include:

- Client Travel to pick up skins $3,400
    - 10 trips including 6 to Courtenay at $300/trip, and 4 to Nanaimo at $400/trip.

- Client Travel specific to trade show clarified as $2,285.20 to include:
    - Truck Rental $70 (2 days @ $35/day);
    - Mileage $187.20 (360km @ $0.52/km;
    - Ferry Costs $252 (8 trips @ $11.90/participant (includes return); truck @ $39.20/trip x 4 trips (includes return)
    - Accommodation $1,200 ($150/night x 4 nights x 2 participants);
    - Per diems $96.00 (one-day travel for two participants @ $48/day);
    - Per diems $480 (5 days of attendance for two participants @ $48/day)

Please advise the amount of travel expended (for clients), including any travel to pick up materials and supplies, for August and for September.

Client Costs / Supplies: $1,777.55

Client supplies expended up to July 31, 2014 at $1,277.55 (April $960.81; May $0.00; June $316.74; July $0.00)

Confirmed anticipated Client supplies required remainder of project to March 13, 2014 an additional $500.

As discussed, I have attached a draft copy of the amended Schedule A for your review. **Please let me know if I have captured the milestones correctly and whether or not you wish to include any further activity and / or milestones. Please identify any changes and/or additions in a separate colour ink.**

If you could get back to me by late morning tomorrow with your responses to the above, I can processed with submitting amendment recommendations for review and approval. Thank you Judi.

Lori McCleave

Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca

(250)739-6652

From: Pebble in the Pond [mailto:pebbpond@gmail.com]
Sent: Tuesday, October 7, 2014 8:51 PM
To: McCleave, Lori SDSI:EX
Subject: Re: Amendment Request - Clarification Required / Completion of Revised Forecast of Project Expenditures

Dear Lori,

I have answered your questions regarding clarification on the attached Word document since I hoped that would be easier for us to reference if we need to speak about it, plus I know you need to print it off as well. I tried to think through your questions in detail, which means I came up with additional potential costs when I put the revised Forecast of Project Expenditures. The August and September amounts reflect what has been paid but may not be complete when I adjust for GST, which I will do this week when I put the claims together for you. All of the invoices and receipts are being scanned as per the new requirements, and I will go through

and adjust before filing the monthly reports but what you are seeing is pretty close to accurate. I realize a couple of the expenditures were made before you approved them, and Pebble in the Pond will be responsible for those if they are not approved, however we had to pay these in order to reserve the opportunity.

I'm available at your convenience to discuss this submission, thanks.

Judi

On Fri, Oct 3, 2014 at 5:26 PM, McCleave, Lori SDSI:EX <Lori.McCleave@gov.bc.ca> wrote:

Hi Judi

In addition to the clarification requested below, I also require you to complete the attached Forecast of Project Expenditures document capturing the anticipated monthly costs for each cost category, to include the proposed extension to March 13, 2014. I have completed the months of April to July with the actual costs claimed to date. I have not yet received your August payment claim and as such I was not able to include the actual costs for August. Please report the actual costs for August and then the anticipated costs (by cost category) for the months of September 2014 to March 2014.

Please include the completed Forecast of Project Expenditures document with your responses to the below questions. Thank you. Have a good weekend.

Lori McCleave

Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca

(250)739-6652

From: McCleave, Lori SDSI:EX
Sent: Friday, October 3, 2014 4:34 PM
To: 'Pebble in the Pond'
Subject: Amendment Request - Clarification Required

Hi Judi

I am currently working on your amendment request, and require clarification in regards to the following:

Budget

WCB: The budget identifies WCB spent/to be spent as $246.32 and Needed to Project Close (January 15, 2014) as $623.68 for a total of $870. You are then requesting an additional $123 for the 8 week extension period, bringing the total required for an agreement period of April 1/14 to March 13/14 to $993.00. However, during a previous conversation with you, and captured within email dated Aug 7, 2014 in reference to the June Payment Claim Clarification, you had clarified with WCB that the cost for the duration of the project (April 1/14 to Jan 16/15) would be $585. Your amendment request does not appear to have reduced the original amount to the $585. **As such, can you please confirm you are requiring $708.00 ($585 April to Jan + $123 Feb to March) to cover WCB costs for the supervisor position for the period of April 1, 2014 to March 13, 2014, and not $993.00?**

Professional Fess

Groundskeeper: The requested cost of $2,500 originally requested for a groundskeeper has been removed from the amended budget. Information provided during the original negotiations of the agreement indicated a groundskeeper would be required once per week to assist with grey water maintenance and compost work, and indicated that removal services are required for waste generated by the tanning process identifying that the grey water treatment will include using hay for drainage to absorb salts, and that waste materials will need to be removed and disposed of monthly. **Is the gray water maintenance and compost work no longer required due to the change in the tanning process, or are these activities being completed solely by the participants? Please clarify**

Client Costs: Increased from original budget of $2,850 to $5,359 (including the 8 week extension period). Please provide a breakdown of the current expended costs and the further anticipated costs between participant Travel/transportation and participant Supplies as follows:

- Travel/transportation - Original request $1,850: **Please advise the travel costs expended to date (up to July 31, 2014) and the anticipated further travel costs for participants required for the remainder of the project including the 8 week extension period (August 1, 2014 to March 13, 2014). If requesting an increase in costs for this particular line item, please describe the need for the additional travel.**

- Supplies (e.g. work clothes, raingear, any item used specifically by & retained by participants) – Original budget $1,000. **Please advise the participant supplies (i.e. protective wear) expended to date (up to July 31, 2014) and the anticipated further costs required for the remainder of the project including the 8 week extension period.**

Other Project Costs

- Rent & Utilities: Total amount requested including 8 week extension is $27,070. A breakdown is required between the cost of the motorhome rental and the monthly rental costs from 3 Leaf Contracting. Please confirm/clarify the following:

- Motorhome: Current rate $4,700 for 9.5 months (April 1/14 to Jan 10/15). **Is the cost for rental of the motorhome for the 8 week extension to March 13, 2014 $945.00? Please confirm.**

- 3 Leaf Contracting: Current rate $18,401.50 for 9.5 months (April 1/12 to Jan 10/15 at $1,937 per month). Based on the $1,937/month rate, this would calculate to an additional $3,874 required to cover rent for the 8 week extension for a total of $22,275.50 rental costs to 3 Leaf Contracting for the duration of the agreement including the 8 week extension period ($1,927/month x 11.5 months). **Is this correct?**

-

- Materials & Supplies: $16,646.49 identified as expended to date. A remaining $1,600 requested to end of the project. **Please provide details as to what specific items (materials and supplies) are included within the $1,600 and confirm no individual item is $1,000 or more.**

  - **Has the costs of the tannin tea test kits, as mentioned on page 14 of the amendment request document, been included within the $1,600? And if so, please advise the cost of each tannin tea test kits and how many are required.**

  - The amendment request document, page 14, also identifies the need to purchase a wood chipper. **Has the cost of the wood chipper been included within the amended budget? And if so, please advised the anticipated cost of same.**

- Advertising: $4,564.46 identified as expended to date. A remaining $2,000 requested to end of the project. **Please clarify what is included in the $2,000**.

  - Page 17/18 of the amendment request identifies the cost of the "Make It Vancouver" trade show includes $780 for table rental, $250 for materials for preparation including displays and print materials, and $1,400 in travel costs for two participants to attend the trade show for a five day period. The cost of the table rental and materials required for the trade show would be captured within the Advertising line item. However, costs associated with participant travel to attend the trade show would need to be captured within Client Costs, travel line item.

    - **Please provide a breakdown of the participant travel costs to attend the trade show, i.e. Ferry, mileage, accommodations, meal allowances, etc. In addition, please provide a rational to support the requirement of attending 5 days as opposed to attending 1 or 2 days.**

Activities

Please amend the current milestones (copied below), as required, and to include the proposed 8 week extension period to March 13. Please include any new activities as identified within the amendment request document (i.e. tradeshow).

By April 15, 2014

- The Project Supervisor will be hired.

- Five project participants will be recruited and selected, and provided with a WorkBC safety and project orientation prior to beginning work on the project.

By April 30, 2014

- The first batch, with 25 to 50 skins, will be picked up and tanning processing of Batch 1 will begin

By May 31, 2014

- Participants will develop a schedule for customer database development, social media activities, retail framework, and product delivery

By June 15, 2014

- Tanning processing of Batch 1 will be completed.

By June 30, 2014

- The second batch, with 25 to 50 skins, will be picked up and tanning processing of Batch 2 will begin
- Participants will begin customer outreach and provide product samples to local businesses for feedback
- Participants will research trade shows or markets in the region for showcasing of product in late July to October
- Partners will be sought to carry products on commission

By August 15, 2014

- Tanning processing of Batch 2 will be completed.
- Lists of potential customers seeking samples will be finished and first samples will be sent out

By August 31, 2014

- The third batch, with 100 to 200 skins, will be picked up and tanning processing of Batch 3 will begin
- Analysis of customer interactions and follow-up on feedback on product samples will begin
- Direct sales will through local markets will begin

By October 15, 2014

- Tanning processing of Batch 3 will be completed
- Participants will begin online sales and promotions including using social media for sales.

By October 31, 2014

- The fourth batch, with 100 to 200 skins, will be picked up and tanning processing of Batch 4 will begin

- Participants will have ongoing responsibility for customer relations, dialogue, inventory, sales, expansion of sales and marketing, and updating promotional material

By November 7, 2014

- The fifth batch, with 100 to 500 skins, will be picked up and tanning processing of Batch 5 will begin

- Customer database will be improved, with analysis of easiest market response, best opportunity for return on investment, and pricing in order to direct the final batches of processing

By November 30, 2014

- Tanning processing of Batch 4 will be completed

- The sixth batch, with 100 to 500 skins, will be picked up and tanning processing of Batch 6 will begin

By December 15, 2014

- Tanning processing of Batch 5 will be completed

By January 5, 2015

- Tanning processing of Batch 6 will be completed

- Customer database will be complete and customers categorized

By March 13, 2015

Please provide your responses to the above by close of business Tuesday, October 7th. If you require clarification in regards to any of the above, please give me a call.

Thank you.

Lori McCleave

Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca

(250)739-6652

From: Pebble in the Pond [mailto:pebbpond@gmail.com]
Sent: Thursday, September 18, 2014 8:09 PM
To: McCleave, Lori SDSI:EX
Subject: Lower Resolution Report and Spreadsheet

Hello Lori,

Please see the attached. You should also have the higher resolution report and my introductory note by now. Please let me know if it did not arrive.

All the best,

Judi

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Pebble in the Pond Environmental Society

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Welch, Carol-Ann SDSI:EX

From: Pebble in the Pond <pebbpond@gmail.com>
Sent: Wednesday, October 15, 2014 4:29 PM
To: McCleave, Lori SDSI:EX
Subject: Re: Amendment - Clarification Re: Client Costs-Travel

Wonderful, thank you Lori this looks perfect.

On Wed, Oct 15, 2014 at 4:25 PM, McCleave, Lori SDSI:EX <Lori.McCleave@gov.bc.ca> wrote:

Hi Judy

Thank you for the clarification. I have identified below each of your responses how I will consider calculation of costs requested, and a final summary of the Client Costs, specific to travel being requested for the agreement period up to and including the 8 week extension period to March 13, 2014 at $9,806.24.

Lori McCleave

Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca

(250)739-6652

From: Pebble in the Pond [mailto:pebbpond@gmail.com]
Sent: Wednesday, October 15, 2014 3:07 PM
To: McCleave, Lori SDSI:EX
Subject: Re: FW: Amendment Request - Clarification Required / Completion of Revised Forecast of Project Expenditures

hello Lori, answers highlighted below re: questions in body of email. I will reply shortly on milestones. I tried to call back but thought email may be just as useful so I did not leave a message

On Wed, Oct 15, 2014 at 1:17 PM, McCleave, Lori SDSI:EX <Lori.McCleave@gov.bc.ca> wrote:

Hi Judi

I did call and leave a message for you to give me a call back. I wanted to discuss the figures on the attached excel document as they are somewhat confusing.

In regards to Client Costs / Travel

- You have captured trips to pick up skins at 10 trips, 6 to Courtenay at $300/trip, and 4 to Nanaimo at $400/trip which amounts to $3,400. However, you have then captured $4,200 between October to March. So, are you now saying you will require an additional 2 trips to Nanaimo at $400/trip, for a total of 6 trips at $300/trip and 6 trips at $400/trip?

I must have misread your question, so I will explain the answer in the spreadsheet. I went through and applied the costs as invoiced for August, September and October to date, plus the participants and I sat down with a calendar and worked through the pick ups based on our best estimate of costs and pick up dates. We also found that using the flat number of $300 and $400 may not be exactly enough, so we rounded up a bit and so the costs are based on actual planned calendar dates with perhaps a 5% margin for contingency in case we have to do farm pick ups. What is in the spreadsheet is as accurate an estimate as I can get, since I had the additional input of the participants.

For ease of calculation I will capture as 6 trips at approximately $300/trip and 6 trips at approximately $400/trip anticipated for the period of October 2014 to March 2014 for an additional $4,200.

- The excel document captures mileage at $391 to cover cost (travel to Vancouver to attend the trade show) based on 752 km @$.52/km. However, your previous clarification indicated mileage at 180km each way or 360 kms. I get that you had originally only calculated 1 trip for an amount of $187.20 and that the costs should have reflected 2 trips at 360 km return (720 km) at $0.52/km. However, this totals $374.40 not $391. Please clarify.

Yes, after you and I went through the ferry exercise, I had a "Eureka" moment and realized I had only put in for half the travel. I then also had it pointed out to me that the event is in east Vancouver and the mileage was to city hall, which adds another 5 km for each of the 4 trips (approximately) and therefore it is a bit more than simply doubling the amount.

I will capture this at 188 km each way or 376 km return x 2 trips which at $ .52/km works out to the $391.00 requested.

- What is the travel costs captured within the Excel document (towards the bottom) for August at $114.44 and September $178.35 for a total of $292.80 ? Is this an error?

This travel amount is for local travel to collect materials and supplies. I thought you wanted it broken out separately? If not, it can be added to the client costs travel amount at the top.

Yes, okay, I will include within Client Costs / travel and capture as additional mileage of 563 km anticipated to collect materials and supplies.

Based on the above, and previous information provided, total Client Costs / Travel for the agreement period April 1, 2014 to March 13, 2014 requested at $9,086.24. Calculated as follows:

Client Costs – Travel $9,086.24

- **Charged to date $781.84 (up to July 31/14).**
- **Actual Client travel costs August and September 2014 $1,323.36**
- **Require an additional $4,200 in travel costs to complete approximately 12 trips to pick up skins for tanning. 6 to Courtenay at approx. $300/trip ($1,800), and 6 to Nanaimo, at approx. $400/trip (2,400).**
- **Require an additional $2,489.04 in travel costs to cover participant travel and accommodations to attend "Make It Vancouver" trade show taking place Dec 3 to Dec 6. Cost includes:**
  - **Truck rental at $70.00 (2 days x $35/day);**
  - **Per diems at one-day travel for two participant at $96.00 (2 x $48/day);**
  - **Per diems at 5 days of attendance for two participants at $480 (2 x 5 days x $48/day);**
  - **Accommodation at $1,200 (estimated at $150/night for 4 nights for 2 rooms (2 participants);**
  - **Mileage calculated at approx.188 km each way, or 376 km (return) at $0.52 x 2 trips = $391.04;**
  - **BC Ferry cost using the discount experience card for three passengers each way plus a vehicle cost at $252.00 ([8 trips x $11.90/participant - includes return] + [truck at $39.20/trip x 4 trips – includes return])**
- **Require an additional $292 based on mileage of 563 km to cover local travel to collect materials and supplies**.

And further to my other question below regarding the draft amended Schedule A, **Please let me know if I have captured the milestones correctly and whether or not you wish to include any further activity and / or milestones. Please identify any changes and/or additions in a separate colour ink.**

Please give me a call if you would prefer to discuss this via telephone. Thanks Judi

Lori McCleave

Contract and Partnership Agent / Community and Employer Partnerships
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Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca

(250)739-6652

From: Pebble in the Pond [mailto:pebbpond@gmail.com]
Sent: Wednesday, October 15, 2014 10:59 AM

To: McCleave, Lori SDSI:EX
Subject: Re: Amendment Request - Clarification Required / Completion of Revised Forecast of Project Expenditures

Hello Lori,

We had a working session this morning to go over these numbers in detail, and review past receipts. I created a spreadsheet that will, hopefully, assist with the answers. The numbers went up a little bit to make sure we had enough money for the trips since we ended up concerned we would be slightly short on the sheep skin pick up values.

Please let me know if you need anything else.

thanks!

On Tue, Oct 14, 2014 at 1:35 PM, McCleave, Lori SDSI:EX <Lori.McCleave@gov.bc.ca> wrote:

Hi Judi

Further to our telephone conversation Friday, October 10, clarification obtained and **further information required** as follows:

Client Costs / Travel:

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Anticipated Client travel required October 2014 to March 13, 2014 determined as $ 5,685.20 to include:

- Client Travel to pick up skins $3,400
    - 10 trips including 6 to Courtenay at $300/trip, and 4 to Nanaimo at $400/trip.
- Client Travel specific to trade show clarified as $2,285.20 to include:
    - Truck Rental $70 (2 days @ $35/day);
    - Mileage $187.20 (360km @ $0.52/km;
    - Ferry Costs $252 (8 trips @ $11.90/participant (includes return); truck @ $39.20/trip x 4 trips (includes return)
    - Accommodation $1,200 ($150/night x 4 nights x 2 participants);
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    - Per diems $480 (5 days of attendance for two participants @ $48/day)

Please advise the amount of travel expended (for clients), including any travel to pick up materials and supplies, for August and for September.

Client Costs / Supplies: $1,777.55

Client supplies expended up to July 31, 2014 at $1,277.55 (April $960.81; May $0.00; June $316.74; July $0.00)

Confirmed anticipated Client supplies required remainder of project to March 13, 2014 an additional $500.

As discussed, I have attached a draft copy of the amended Schedule A for your review. **Please let me know if I have captured the milestones correctly and whether or not you wish to include any further activity and / or milestones. Please identify any changes and/or additions in a separate colour ink.**

If you could get back to me by late morning tomorrow with your responses to the above, I can processed with submitting amendment recommendations for review and approval. Thank you Judi.

Lori McCleave

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Pebble in the Pond Environmental Society
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Welch, Carol-Ann SDSI:EX

From: Pebble in the Pond <pebbpond@gmail.com>
Sent: Thursday, September 18, 2014 8:07 PM
To: McCleave, Lori SDSI:EX
Subject: Amendment & Extension Request and Report
Attachments: Amendment Request medium res.pdf

Hello Lori,

Welcome back! I hope you had a good bit of travel and vacation time.

Attached is the amendment request as discussed, and also a sequential report detailing what we have done, with photos. I am sending a smaller resolution one after this with the excel spreadsheet showing the formulae, in case you need a smaller one and in case you need to look at the spreadsheet.

I am also adding a request for an extension. Andy had once mentioned that we could consider this when we were putting the amendment together, and to be honest with the unexpected challenges, especially the heat, we do need some more time to meet the original mandate. I think the report provides that information.

Please let me know if I have left anything out or if you need further information.

I have not put together the August report and invoice yet because I was focusing on this, and of course also running the project! :-)

I hope to have the August information to you next week, and we are ok for funds for now.

All the best,

Judi

--
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Welch, Carol-Ann SDSI:EX

From: McCleave, Lori SDSI:EX
Sent: Friday, October 3, 2014 4:34 PM
To: 'Pebble in the Pond'
Subject: Amendment Request - Clarification Required
Attachments: Amendment Request small res.pdf; Amendment.xlsx

Hi Judi

I am currently working on your amendment request, and require clarification in regards to the following:

Budget

WCB: The budget identifies WCB spent/to be spent as $246.32 and Needed to Project Close (January 15, 2014) as $623.68 for a total of $870. You are then requesting an additional $123 for the 8 week extension period, bringing the total required for an agreement period of April 1/14 to March 13/14 to $993.00. However, during a previous conversation with you, and captured within email dated Aug 7, 2014 in reference to the June Payment Claim Clarification, you had clarified with WCB that the cost for the duration of the project (April 1/14 to Jan 16/15) would be $585. Your amendment request does not appear to have reduced the original amount to the $585. **As such, can you please confirm you are requiring $708.00 ($585 April to Jan + $123 Feb to March) to cover WCB costs for the supervisor position for the period of April 1, 2014 to March 13, 2014, and not $993.00?**

Professional Fess
Groundskeeper: The requested cost of $2,500 originally requested for a groundskeeper has been removed from the amended budget. Information provided during the original negotiations of the agreement indicated a groundskeeper would be required once per week to assist with grey water maintenance and compost work, and indicated that removal services are required for waste generated by the tanning process identifying that the grey water treatment will include using hay for drainage to absorb salts, and that waste materials will need to be removed and disposed of monthly. **Is the gray water maintenance and compost work no longer required due to the change in the tanning process, or are these activities being completed solely by the participants? Please clarify**

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- Travel/transportation - Original request $1,850: **Please advise the travel costs expended to date (up to July 31, 2014) and the anticipated further travel costs for participants required for the remainder of the project including the 8 week extension period (August 1, 2014 to March 13, 2014). If requesting an increase in costs for this particular line item, please describe the need for the additional travel.**
- Supplies (e.g. work clothes, raingear, any item used specifically by & retained by participants) – Original budget $1,000. **Please advise the participant supplies (i.e. protective wear) expended to date (up to July 31, 2014) and the anticipated further costs required for the remainder of the project including the 8 week extension period.**

Other Project Costs

- Rent & Utilities: Total amount requested including 8 week extension is $27,070. A breakdown is required between the cost of the motorhome rental and the monthly rental costs from 3 Leaf Contracting. Please confirm/clarify the following:
    - Motorhome: Current rate $4,700 for 9.5 months (April 1/14 to Jan 10/15). **Is the cost for rental of the motorhome for the 8 week extension to March 13, 2014 $945.00? Please confirm.**
    - 3 Leaf Contracting: Current rate $18,401.50 for 9.5 months (April 1/12 to Jan 10/15 at $1,937 per month). Based on the $1,937/month rate, this would calculate to an additional $3,874 required to cover rent for the 8 week extension for a total of $22,275.50 rental costs to 3 Leaf Contracting for the duration of the agreement including the 8 week extension period ($1,927/month x 11.5 months). **Is this correct?**
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- Materials & Supplies: $16,646.49 identified as expended to date. A remaining $1,600 requested to end of the project. **Please provide details as to what specific items (materials and supplies) are included within the $1,600 and confirm no individual item is $1,000 or more.**
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Activities

Please amend the current milestones (copied below), as required, and to include the proposed 8 week extension period to March 13. Please include any new activities as identified within the amendment request document (i.e. tradeshow).

By April 15, 2014
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Please provide your responses to the above by close of business Tuesday, October 7th. If you require clarification in regards to any of the above, please give me a call.

Thank you.

Lori McCleave
Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca
(250)739-6652

From: Pebble in the Pond [mailto:pebbpond@gmail.com]
Sent: Thursday, September 18, 2014 8:09 PM
To: McCleave, Lori SDSI:EX
Subject: Lower Resolution Report and Spreadsheet

Hello Lori,

Please see the attached. You should also have the higher resolution report and my introductory note by now. Please let me know if it did not arrive.

All the best,

Judi

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Pebble in the Pond Environmental Society
www.pebpond.com

@pebbleinthepond
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Welch, Carol-Ann SDSI:EX

From: McCleave, Lori SDSI:EX
Sent: Friday, October 3, 2014 5:27 PM
To: 'Pebble in the Pond'
Subject: Amendment Request - Clarification Required / Completion of Revised Forecast of Project Expenditures
Attachments: Forecast_Project_Expenditures_2014-2015.xlsx

Hi Judi

In addition to the clarification requested below, I also require you to complete the attached Forecast of Project Expenditures document capturing the anticipated monthly costs for each cost category, to include the proposed extension to March 13, 2014. I have completed the months of April to July with the actual costs claimed to date. I have not yet received your August payment claim and as such I was not able to include the actual costs for August. Please report the actual costs for August and then the anticipated costs (by cost category) for the months of September 2014 to March 2014.

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Lori McCleave
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Thank you.

Lori McCleave

Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca
(250)739-6652

From: Pebble in the Pond [mailto:pebbpond@gmail.com]
Sent: Thursday, September 18, 2014 8:09 PM
To: McCleave, Lori SDSI:EX
Subject: Lower Resolution Report and Spreadsheet

Hello Lori,

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All the best,

Judi

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www.pebpond.com
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www.Facebook.com/pebbleinthe.pond

Welch, Carol-Ann SDSI:EX

From: McCleave, Lori SDSI:EX
Sent: Wednesday, October 15, 2014 5:14 PM
To: 'Pebble in the Pond'
Subject: FW: FW: Amendment Request - Clarification Required / Completion of Revised Forecast of Project Expenditures
Attachments: R1-052 Amendment Sched A_Draft.docx

Hi Judi

Yes, the 20 batches is good. Thank you. I will proceed with submitting the amendment request for recommendation.

Lori McCleave
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(250)739-6652

From: Pebble in the Pond [mailto:pebbpond@gmail.com]
Sent: Wednesday, October 15, 2014 3:44 PM
To: McCleave, Lori SDSI:EX
Subject: Re: FW: Amendment Request - Clarification Required / Completion of Revised Forecast of Project Expenditures

Hi Lori,

Please see attached. Because of the truck breakdown last week, and the cooler temperatures plus Plecas Meats freezing their skins, we think we can do fewer runs and still end up with good product, so I've reduced the number of Batches to 20 and changed that. It is 20 in the spreadsheet schedule as well, so it is consistent.

I hope this makes sense to you - it reads very well to me!

On Wed, Oct 15, 2014 at 1:17 PM, McCleave, Lori SDSI:EX <Lori.McCleave@gov.bc.ca> wrote:

Hi Judi

I did call and leave a message for you to give me a call back. I wanted to discuss the figures on the attached excel document as they are somewhat confusing.

In regards to Client Costs / Travel

- You have captured trips to pick up skins at 10 trips, 6 to Courtenay at $300/trip, and 4 to Nanaimo at $400/trip which amounts to $3,400. However, you have then captured $4,200 between October to March. So, are you now saying you will require an additional 2 trips to Nanaimo at $400/trip, for a total of 6 trips at $300/trip and 6 trips at $400/trip?

- The excel document captures mileage at $391 to cover cost (travel to Vancouver to attend the trade show) based on 752 km @$.52/km. However, your previous clarification indicated mileage at 180km each way or 360 kms. I get that you had originally only calculated 1 trip for an amount of $187.20 and that the costs should have reflected 2 trips at 360 km return (720 km) at $0.52/km. However, this totals $374.40 not $391. Please clarify.

- What is the travel costs captured within the Excel document (towards the bottom) for August at $114.44 and September $178.35 for a total of $292.80 ? Is this an error?

And further to my other question below regarding the draft amended Schedule A, **Please let me know if I have captured the milestones correctly and whether or not you wish to include any further activity and / or milestones. Please identify any changes and/or additions in a separate colour ink.**

Please give me a call if you would prefer to discuss this via telephone. Thanks Judi

Lori McCleave

Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca

(250)739-6652

From: Pebble in the Pond [mailto:pebbpond@gmail.com]
Sent: Wednesday, October 15, 2014 10:59 AM

To: McCleave, Lori SDSI:EX
Subject: Re: Amendment Request - Clarification Required / Completion of Revised Forecast of Project Expenditures

Hello Lori,

We had a working session this morning to go over these numbers in detail, and review past receipts. I created a spreadsheet that will, hopefully, assist with the answers. The numbers went up a little bit to make sure we had enough money for the trips since we ended up concerned we would be slightly short on the sheep skin pick up values.

Please let me know if you need anything else.

thanks!

On Tue, Oct 14, 2014 at 1:35 PM, McCleave, Lori SDSI:EX <Lori.McCleave@gov.bc.ca> wrote:

Hi Judi

Further to our telephone conversation Friday, October 10, clarification obtained and **further information required** as follows:

Client Costs / Travel:

Client travel expended up to July 31, 2014 at $781.84 (April $0.00; May $159.20; June $273.84; July $348.80)

Anticipated Client travel required October 2014 to March 13, 2014 determined as $ 5,685.20 to include:

- Client Travel to pick up skins $3,400
    - 10 trips including 6 to Courtenay at $300/trip, and 4 to Nanaimo at $400/trip.

- Client Travel specific to trade show clarified as $2,285.20 to include:
    - Truck Rental $70 (2 days @ $35/day);
    - Mileage $187.20 (360km @ $0.52/km;
    - Ferry Costs $252 (8 trips @ $11.90/participant (includes return); truck @ $39.20/trip x 4 trips (includes return)
    - Accommodation $1,200 ($150/night x 4 nights x 2 participants);
    - Per diems $96.00 (one-day travel for two participants @ $48/day);
    - Per diems $480 (5 days of attendance for two participants @ $48/day)

Please advise the amount of travel expended (for clients), including any travel to pick up materials and supplies, for August and for September.

Client Costs / Supplies: $1,777.55

Client supplies expended up to July 31, 2014 at $1,277.55 (April $960.81; May $0.00; June $316.74; July $0.00)

Confirmed anticipated Client supplies required remainder of project to March 13, 2014 an additional $500.

As discussed, I have attached a draft copy of the amended Schedule A for your review. **Please let me know if I have captured the milestones correctly and whether or not you wish to include any further activity and / or milestones. Please identify any changes and/or additions in a separate colour ink.**

If you could get back to me by late morning tomorrow with your responses to the above, I can processed with submitting amendment recommendations for review and approval. Thank you Judi.

Lori McCleave

Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
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Lori.McCleave@gov.bc.ca

(250)739-6652

From: Pebble in the Pond [mailto:pebbpond@gmail.com]
Sent: Tuesday, October 7, 2014 8:51 PM
To: McCleave, Lori SDSI:EX
Subject: Re: Amendment Request - Clarification Required / Completion of Revised Forecast of Project Expenditures

Dear Lori,

I have answered your questions regarding clarification on the attached Word document since I hoped that would be easier for us to reference if we need to speak about it, plus I know you need to print it off as well. I tried to think through your questions in detail, which means I came up with additional potential costs when I

put the revised Forecast of Project Expenditures. The August and September amounts reflect what has been paid but may not be complete when I adjust for GST, which I will do this week when I put the claims together for you. All of the invoices and receipts are being scanned as per the new requirements, and I will go through and adjust before filing the monthly reports but what you are seeing is pretty close to accurate. I realize a couple of the expenditures were made before you approved them, and Pebble in the Pond will be responsible for those if they are not approved, however we had to pay these in order to reserve the opportunity.

I'm available at your convenience to discuss this submission, thanks.

Judi

On Fri, Oct 3, 2014 at 5:26 PM, McCleave, Lori SDSI:EX <Lori.McCleave@gov.bc.ca> wrote:

Hi Judi

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Please provide your responses to the above by close of business Tuesday, October 7th. If you require clarification in regards to any of the above, please give me a call.

Thank you.

Lori McCleave

Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca

(250)739-6652

From: Pebble in the Pond [mailto:pebbpond@gmail.com]
Sent: Thursday, September 18, 2014 8:09 PM
To: McCleave, Lori SDSI:EX
Subject: Lower Resolution Report and Spreadsheet

Hello Lori,

Please see the attached. You should also have the higher resolution report and my introductory note by now. Please let me know if it did not arrive.

All the best,

Judi

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Welch, Carol-Ann SDSI:EX

From: McCleave, Lori SDSI:EX
Sent: Thursday, October 16, 2014 1:27 PM
To: Hultman, Jacquelyn SDSI:EX
Subject: R1-052 Pebble in the Pond JCP Amendment Requires TCL Review and Approval
Attachments: R1-052Amendment Rational.docx; R1-052_Budget Negotiation Amendment.docx; R1-052 Amendment Sched A_Draft.docx; R1-052_Risk Assessment Amendment.docx

Hi Jackie

I have completed, finally, the assessment and recommendation of the amendment request for R1-052 Pebble in the Pond. The amendment request document has been attached to the R01-52, 03 Contract and Amendments folder. For your convenience I have attached the Amendment Rational, Draft Schedule A, P&I Amended Budget Template & Negotiation Summary document and Revised Risk Assessment requiring your review and approval please. All documents have been attached to the 03 folder on SharePoint for R1-052 as well. In regards to the Amended Budget Template & Negotiation Summary, I have edited the two columns capturing costs as to reflect the "Original Recommended/Approved" costs and "Total Recommended/Amendment" costs in order to show the amount originally approved versus the amended amount to include the 8 week extension period.

The amendment increases the current budget of $128,696 to $161,369.81 and includes an 8 week extension for a total agreement period of 50 weeks with 48 weeks of work experience for the participants.

I am not considering the amendment as a significant change. The budget has increased by 25%. The scope of the milestones and activities has not changed the nature of the project.

Please review and let me know whether or not I can proceed with completing the Modification Template (HR5626).

Thank you.

Lori McCleave
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Welch, Carol-Ann SDSI:EX

From: Pebble in the Pond <pebbpond@gmail.com>
Sent: Tuesday, October 7, 2014 8:51 PM
To: McCleave, Lori SDSI:EX
Subject: Re: Amendment Request - Clarification Required / Completion of Revised Forecast of Project Expenditures
Attachments: Forecast_Project_Expenditures_2014-2015 to March 2015.xlsx; JCP Amendment Response.docx

Dear Lori,

I have answered your questions regarding clarification on the attached Word document since I hoped that would be easier for us to reference if we need to speak about it, plus I know you need to print it off as well. I tried to think through your questions in detail, which means I came up with additional potential costs when I put the revised Forecast of Project Expenditures. The August and September amounts reflect what has been paid but may not be complete when I adjust for GST, which I will do this week when I put the claims together for you. All of the invoices and receipts are being scanned as per the new requirements, and I will go through and adjust before filing the monthly reports but what you are seeing is pretty close to accurate. I realize a couple of the expenditures were made before you approved them, and Pebble in the Pond will be responsible for those if they are not approved, however we had to pay these in order to reserve the opportunity.

I'm available at your convenience to discuss this submission, thanks.

Judi

On Fri, Oct 3, 2014 at 5:26 PM, McCleave, Lori SDSI:EX <Lori.McCleave@gov.bc.ca> wrote:

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Please include the completed Forecast of Project Expenditures document with your responses to the below questions. Thank you. Have a good weekend.

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Hi Judi

I am currently working on your amendment request, and require clarification in regards to the following:

Budget

WCB: The budget identifies WCB spent/to be spent as $246.32 and Needed to Project Close (January 15, 2014) as $623.68 for a total of $870. You are then requesting an additional $123 for the 8 week extension period, bringing the total required for an agreement period of April 1/14 to March 13/14 to $993.00. However, during a previous conversation with you, and captured within email dated Aug 7, 2014 in reference to the June Payment Claim Clarification, you had clarified with WCB that the cost for the duration of the project (April 1/14 to Jan 16/15) would be $585. Your amendment request does not appear to have reduced the original amount to the $585. **As such, can you please confirm you are requiring $708.00 ($585 April to Jan + $123 Feb to March) to cover WCB costs for the supervisor position for the period of April 1, 2014 to March 13, 2014, and not $993.00?**

Professional Fess

Groundskeeper: The requested cost of $2,500 originally requested for a groundskeeper has been removed from the amended budget. Information provided during the original negotiations of the agreement indicated a groundskeeper would be required once per week to assist with grey water maintenance and compost work, and indicated that removal services are required for waste generated by the tanning process identifying that the grey water treatment will include using hay for drainage to absorb salts, and that waste materials will need to be removed and disposed of monthly. **Is the gray water maintenance and compost work no longer required due to the change in the tanning process, or are these activities being completed solely by the participants? Please clarify**

Client Costs: Increased from original budget of $2,850 to $5,359 (including the 8 week extension period). Please provide a breakdown of the current expended costs and the further anticipated costs between participant Travel/transportation and participant Supplies as follows:

- Travel/transportation - Original request $1,850: **Please advise the travel costs expended to date (up to July 31, 2014) and the anticipated further travel costs for participants required for the remainder of the project including the 8 week extension period (August 1, 2014 to March 13, 2014). If requesting an increase in costs for this particular line item, please describe the need for the additional travel.**

- Supplies (e.g. work clothes, raingear, any item used specifically by & retained by participants) – Original budget $1,000. **Please advise the participant supplies (i.e. protective wear) expended to date (up to July 31, 2014) and the anticipated further costs required for the remainder of the project including the 8 week extension period.**

Other Project Costs

- Rent & Utilities: Total amount requested including 8 week extension is $27,070. A breakdown is required between the cost of the motorhome rental and the monthly rental costs from 3 Leaf Contracting. Please confirm/clarify the following:

    - Motorhome: Current rate $4,700 for 9.5 months (April 1/14 to Jan 10/15). **Is the cost for rental of the motorhome for the 8 week extension to March 13, 2014 $945.00? Please confirm.**

    - 3 Leaf Contracting: Current rate $18,401.50 for 9.5 months (April 1/12 to Jan 10/15 at $1,937 per month). Based on the $1,937/month rate, this would calculate to an additional $3,874 required to cover rent for the 8 week extension for a total of $22,275.50 rental costs to 3 Leaf Contracting for the duration of the agreement including the 8 week extension period ($1,927/month x 11.5 months). **Is this correct?**

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- Materials & Supplies: $16,646.49 identified as expended to date. A remaining $1,600 requested to end of the project. **Please provide details as to what specific items (materials and supplies) are included within the $1,600 and confirm no individual item is $1,000 or more.**

    - **Has the costs of the tannin tea test kits, as mentioned on page 14 of the amendment request document, been included within the $1,600? And if so, please advise the cost of each tannin tea test kits and how many are required.**

    - The amendment request document, page 14, also identifies the need to purchase a wood chipper. **Has the cost of the wood chipper been included within the amended budget? And if so, please advised the anticipated cost of same.**

- Advertising: $4,564.46 identified as expended to date. A remaining $2,000 requested to end of the project. **Please clarify what is included in the $2,000**.

    - Page 17/18 of the amendment request identifies the cost of the “Make It Vancouver” trade show includes $780 for table rental, $250 for materials for preparation including displays and print materials, and $1,400 in travel costs for two participants to attend the trade show for a five day period. The cost of the table rental and materials required for the trade show would be captured within the Advertising line item. However, costs associated with participant travel to attend the trade show would need to be captured within Client Costs, travel line item.

        - **Please provide a breakdown of the participant travel costs to attend the trade show, i.e. Ferry, mileage, accommodations, meal allowances, etc. In addition, please provide a rational to support the requirement of attending 5 days as opposed to attending 1 or 2 days.**

Activities

Please amend the current milestones (copied below), as required, and to include the proposed 8 week extension period to March 13. Please include any new activities as identified within the amendment request document (i.e. tradeshow).

By April 15, 2014

- The Project Supervisor will be hired.

- Five project participants will be recruited and selected, and provided with a WorkBC safety and project orientation prior to beginning work on the project.

By April 30, 2014

- The first batch, with 25 to 50 skins, will be picked up and tanning processing of Batch 1 will begin

By May 31, 2014

- Participants will develop a schedule for customer database development, social media activities, retail framework, and product delivery

By June 15, 2014

- Tanning processing of Batch 1 will be completed.

By June 30, 2014

- The second batch, with 25 to 50 skins, will be picked up and tanning processing of Batch 2 will begin

- Participants will begin customer outreach and provide product samples to local businesses for feedback

- Participants will research trade shows or markets in the region for showcasing of product in late July to October

- Partners will be sought to carry products on commission

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- Tanning processing of Batch 2 will be completed.

- Lists of potential customers seeking samples will be finished and first samples will be sent out

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- The third batch, with 100 to 200 skins, will be picked up and tanning processing of Batch 3 will begin

- Analysis of customer interactions and follow-up on feedback on product samples will begin
- Direct sales will through local markets will begin

By October 15, 2014

- Tanning processing of Batch 3 will be completed
- Participants will begin online sales and promotions including using social media for sales.

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- The fourth batch, with 100 to 200 skins, will be picked up and tanning processing of Batch 4 will begin
- Participants will have ongoing responsibility for customer relations, dialogue, inventory, sales, expansion of sales and marketing, and updating promotional material

By November 7, 2014

- The fifth batch, with 100 to 500 skins, will be picked up and tanning processing of Batch 5 will begin
- Customer database will be improved, with analysis of easiest market response, best opportunity for return on investment, and pricing in order to direct the final batches of processing

By November 30, 2014

- Tanning processing of Batch 4 will be completed
- The sixth batch, with 100 to 500 skins, will be picked up and tanning processing of Batch 6 will begin

By December 15, 2014

- Tanning processing of Batch 5 will be completed

By January 5, 2015

- Tanning processing of Batch 6 will be completed
- Customer database will be complete and customers categorized

By March 13, 2015

Please provide your responses to the above by close of business Tuesday, October 7th. If you require clarification in regards to any of the above, please give me a call.

Thank you.

Lori McCleave

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Welch, Carol-Ann SDSI:EX

From: McCleave, Lori SDSI:EX
Sent: Tuesday, October 14, 2014 1:36 PM
To: 'Pebble in the Pond'
Subject: RE: Amendment Request - Clarification Required / Completion of Revised Forecast of Project Expenditures
Attachments: R1-052 Amendment Sched A_Draft.docx

Hi Judi

Further to our telephone conversation Friday, October 10, clarification obtained and **further information required** as follows:

Client Costs / Travel:
Client travel expended up to July 31, 2014 at $781.84 (April $0.00; May $159.20; June $273.84; July $348.80)

Anticipated Client travel required October 2014 to March 13, 2014 determined as $ 5,685.20 to include:

- Client Travel to pick up skins $3,400
  - 10 trips including 6 to Courtenay at $300/trip, and 4 to Nanaimo at $400/trip.

- Client Travel specific to trade show clarified as $2,285.20 to include:
  - Truck Rental $70 (2 days @ $35/day);
  - Mileage $187.20 (360km @ $0.52/km;
  - Ferry Costs $252 (8 trips @ $11.90/participant (includes return); truck @ $39.20/trip x 4 trips (includes return)
  - Accommodation $1,200 ($150/night x 4 nights x 2 participants);
  - Per diems $96.00 (one-day travel for two participants @ $48/day);
  - Per diems $480 (5 days of attendance for two participants @ $48/day)

Please advise the amount of travel expended (for clients), including any travel to pick up materials and supplies, for August and for September.

Client Costs / Supplies: $1,777.55
Client supplies expended up to July 31, 2014 at $1,277.55 (April $960.81; May $0.00; June $316.74; July $0.00)

Confirmed anticipated Client supplies required remainder of project to March 13, 2014 an additional $500.

As discussed, I have attached a draft copy of the amended Schedule A for your review. **Please let me know if I have captured the milestones correctly and whether or not you wish to include any further activity and / or milestones. Please identify any changes and/or additions in a separate colour ink.**

If you could get back to me by late morning tomorrow with your responses to the above, I can processed with submitting amendment recommendations for review and approval. Thank you Judi.

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Welch, Carol-Ann SDSI:EX

From: McCleave, Lori SDSI:EX
Sent: Friday, October 17, 2014 12:51 PM
To: 'Pebble in the Pond'
Subject: R1-052 Pebble in the Pond Amendment / Modification Agreement requiring signature / Request for revised Forecast of Project Expenditures
Attachments: R1-052 Modification Agreement.pdf; Forecast_Project_Expenditures_2014-2015.xlsx

Hi Judi

Your amendment request to extend the current Pebble in the Pond JCP agreement # CJCP469641500164 to March 13, 2014 and increase the budget from $128,696.00 to $161,369.76 has been approved.

I have attached the Modification Agreement requiring Contractor signature. You will notice that I have made a slight change in ink to the total captured from $161,369.70 to $161,369.76. As this particular form did not allow the ability to save and edit, and because such a minor error ($0.06), I have made the correction in ink. Could you please ensure the signing authorities initial the correction I have made in addition to providing their signatures to the agreement? Once signed, please scan and return the signed copy to me. Once received I will obtain the appropriate ministry signature and return a signed copy by both parties to you for your records.

Please note, total costs approved for the agreement period of April 1, 2014 to March 13, 2015 for each cost category are as follows:

1. Staff Wages & other related staff costs of $68,676.91 includes:
    - Wages & MERCS (Supervisor) @ $67,131.79
    - WCB (Supervisor) @ $708.00
    - Staff travel @ $837.12
2. Professional Fees of $13,734.00 includes:
    - Construction Consultant @ $7,384.00
    - Accounting @ $2,000.00
    - Groundskeeper @ $0.00
    - IT Support @ $4,350.00
3. Client Costs of $10,863.79 includes:
    - Client Travel @ $9,086.24
    - Client Supplies @ $1,777.55
4. Capital Assets: $0.00
5. Other Project Costs of $68,095.06 includes:
    - Basic Telephone (cell phones) @ $5,886.06
    - Insurance @ $2,075.00
    - Postage & courier @ $20.00
    - Rent @ $27,070.00
    - Equipment lease, rental or purchase @ $6,831.03
    - Bank charges @ $117.00
    - IT maintenance @ $0.00
    - Materials and supplies @ $18,246.49
    - Advertising @ $6,564.46
    - Equipment/furniture under $1,000 @ $1,000.00
    - Operational printing @ $285.02

As the costs approved are somewhat changed from the original amendment request, and in order to adjust pre-payments, I require the attached Forecast of Project Expenditures be completed and returned to me. The Forecast is to reflect the costs approved, as outlined above, for the various cost categories for the months of August 2014 to March 2015. Please ensure the totals for all months reflect the total amount approved for each cost category within the amendment. I have captured the actual costs expended for the months of April to July.

Thank you Judi. Give me a call if you need to clarify any of the above.

Lori McCleave
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To: McCleave, Lori SDSI:EX
Cc: Hultman, Jacquelyn SDSI:EX
Subject: RE: R1-052 Pebble In The Pond Modification Agreement TCL Review Required

Hi Lori,

There is a small math error on page 4, the LMDA funding adds up to $161,369.**76**, not $161,369.70 a difference of 0.06 cents. Don't bother re-doing the Modification Agreement, just make a note of the error somewhere. You are authorized to proceed with Project Holder signatures. Thanks.

Agnes J. Pindera
A/Team and Contract Lead – Regions 4 & 5
Community and Employer Partnerships
Ministry of Social Development and Social Innovation - ELMSD
510 Carney Street, Prince George BC V2M 2K6
Phone: (250) 614-9964
Blackberry: (250) 486-1758
Fax: (250) 565-6363
E-mail: Agnes.Pindera@gov.bc.ca

Hours of Work: M-F 9:00 am - 4:30 pm

Please note new phone number: (250) 614-9964

From: McCleave, Lori SDSI:EX
Sent: Thursday, October 16, 2014 5:08 PM
To: Pindera, Agnes SDSI:EX
Subject: R1-052 Pebble In The Pond Modification Agreement TCL Review Required

Hi Agnes

Attached is the Modification Agreement for the Pebble in the Pond Amendment requiring your review and authorization to proceed to obtaining Project Holder signatures.

It is to note, the form, accessible via the Loop, is not user friendly. I was not able to save a copy. As such, I printed from the forms site after I had completed the appropriate areas. So, hopefully, it is good to go as otherwise I will have to re-do the whole thing. This is definitely a form we will want to look at during our Lean activity involving forms.

Thank you Agnes.

Lori McCleave
Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca
(250)739-6652

Welch, Carol-Ann SDSI:EX

From: Pebble in the Pond <pebbpond@gmail.com>
Sent: Wednesday, August 6, 2014 4:23 PM
To: McCleave, Lori SDSI:EX
Subject: 3 Leaf letter
Attachments: Three Leaf Final.pdf

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Pebble in the Pond Environmental Society
www.pebpond.com
@pebbleinthepond
www.Facebook.com/pebbleinthe.pond

Welch, Carol-Ann SDSI:EX

From: Pebble in the Pond <pebbpond@gmail.com>
Sent: Thursday, August 21, 2014 10:16 AM
To: McCleave, Lori SDSI:EX
Subject: Fwd: Rent Questions from JCP - notes

Dear Lori,

Good morning. I have spent some time with our landlords and they have spent time putting together this breakdown of costs. It is true that in order to deal with staffing needs we have taken up more space at both locations. The motorhome was brought in to provide washrooms, since it was less expensive than renting a 'portapotty', but that decision was outside of 3 Leaf's mandate, and was taken by me in discussion with Andy.

I will add a request for increased funding to the amendment request I am doing, and am only sending you this as background so that you have the information in advance.

all the best, Judi

---------- Forwarded message ----------
From: **M Hassett** <mandmhassett@shaw.ca>
Date: Tue, Aug 19, 2014 at 2:15 PM
Subject: Re: Rent Questions from JCP - notes
To: Pebble in the Pond <pebbpond@gmail.com>

Hi Judy,

So here's the explanation for the hydro situation. When we originally made this agreement it was our understanding that power was needed at the industrial site for lights only. As things evolved the amount of power needed dramatically increased. The extra power was needed for heaters, freezers, etc. Therefor, 3 Leaf Contracting made the decision to put in a temporary power service to the site. We are prepared to honour our original agreement even though we have incurred and will incur significantly more cost putting in and removing the temporary power service.

As for the motorhome this has no bearing on our agreement as it is not replacing anything that 3 Leaf has agreed to provide.

The in-kind calculation is correct as it is in our agreement. The total of the 3 components of our agreement ($603.25 + $786.00 + $912.00) is $ 2,301.25. If you subtract our in-kind contribution of $364.25 per month then you come to the amount of $1,937.00 which is the agreed upon monthly rent.

If your government contact wants to recalculate because of the change in the hydro service then I would like to point out that:
1 – the square footage of the industrial site is actually much larger that originally negotiated as was the site preparation and set up. The site prep and set up was not valued nor charged for and was considered by 3 Leaf to be an addition to 3 Leaf's in-kind contribution.
2- the square footage of buildings on the industrial site is double what was originally agreed.

3- the square footage of office space being used by Tanned Wild and Woolley is also greater than originally agreed.
4-in our estimation any recalculation would result in an increase to the rental amount.

I must say again that we are content to continue with the agreement as is.

I hope this helps clarify things. Feel free to call me so we can discuss further.

Monica Hassett
3 Leaf Contracting Ltd.
604 485-5998

From: Pebble in the Pond
Sent: Saturday, August 09, 2014 11:02 AM
To: mandmhassett@shaw.ca
Subject: Rent Questions from JCP - notes

Hi Monica,

I extracted some notes from the report sent to me by Lori, our government contact, regarding the rent. You can see the variance between the original submission by Pebble in the Pond, and what we ended up doing in order to respond to the needs on the site and the office. As I understand it, I should have been documenting any proposed changes in advance for approval first. I need to send a reply along in a form similar to this so that it replies to the specifics of the contract. The motorhome was added by Pebble in the Pond so that we had washroom and seating on the industrial site, which of course is outside of what was submitted.

Please let me how the costs break down on your side so that I can reply to Lori about next steps and the budget. The JCP does not pay Pebble in the Pond the GST, since I have to get that back when I do the GST remittance claim, which is on my "to do" list as soon as I have these numbers finalized to the JCP program's satisfaction.

Rent claimed is **$1,937.00 (excluding GST)**
Judi confirmed 3 Leaf Contracting owns the office site and industrial site.

It is to note that the budget approved for rent allows for the following:
Office site rent at $603/month ($5,728.50)+
Industrial site rent at $786/month ($7,467.00) +
Generator Rental at $912/month ($8,664.00) –
In-Kind Contribution from Landlord at $364/month ($3,458.00) =
$1,937/month x 9.5 months = $18,401.50
Total rent claimed April 2014: $3874 3 Leaf Contracting (April and May)

Total rent claimed May 2014: $1,937 3 Leaf Contracting

I advised Judi that the in-kind contribution is not being taken into account when claiming rent from 3 Leaf Contracting. In addition, it appears the rent being claimed is higher than requested. If the Motorhome replaces the Generator Rental then cost for the remaining sites should come in at $1,389/month for which an in-kind contribution of $364/month is to be applied against, leaving a balance of $1,025/month for the Office

site and Industrial site rental. **I have advised Judi I will allow the $1,937 charge to the June claim, but have requested Judi clarify the monthly rental charges from 3 Leaf Contracting**

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Pebble in the Pond Environmental Society
www.pebpond.com
@pebbleinthepond
www.Facebook.com/pebbleinthe.pond

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Pebble in the Pond Environmental Society
www.pebpond.com
@pebbleinthepond
www.Facebook.com/pebbleinthe.pond

Welch, Carol-Ann SDSI:EX

From: McCleave, Lori SDSI:EX
Sent: Thursday, October 23, 2014 1:04 PM
To: 'Pebble in the Pond'
Subject: R1-052 Pebble in the Pond Signed Modification Agreement / Request for Revised Forecast of Project Expenditures
Attachments: R1_052 Modification Agreement.pdf; R1-052 Pebble in the Pond Amendment / Modification Agreement requiring signature / Request for revised Forecast of Project Expenditures; Forecast_Project_Expenditures_2014-2015.xlsx

Hi Judi

I have attached, for your records, a signed copy of the Pebble in the Pond JCP Modification Agreement identifying the extended end date of March 13, 2015 and the increased budget to $161,369.76.

Further to my email dated Oct 17, 2015, copy attached, as the costs approved are somewhat changed from the original amendment request, and in order to adjust pre-payments, I require a revised Forecast of Project Expenditures be completed and returned to me. The Forecast is to reflect the costs approved, as outlined above, for the various cost categories for the months of August 2014 to March 2015. Please ensure the totals for all months reflect the total amount approved for each cost category within the amendment. I have captured the actual costs expended for the months of April to July. I will require the revised Forecast prior to issuing the next pre-payment.

Thank you.

Lori McCleave
Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca
(250)739-6652

Agreement #: R1-052 **Organization Name:** Pebble In the Pond **Date Range:** August 21/14 forward

P & I Management Correspondence Log – In Reference to Amendment # 1

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
Oct 23, 2014	Copy of signed Modification Agreement to Project Holder Request for Revised Forecast of Project Expenditures	 Signed Modification Agreement_Request for Revised Forecast of Project Expenditures.msg	
Oct 17, 2014	Modification Agreement to Project Holder for signature Request for Revised Forecast of Project Expenditure	 Modification Agreement Signature Required_Request Revised Forecast.msg	
Oct 17, 2014	TCL Approval Received to Proceed with signing of Modification Agreement It is to note LMDA funding total is $161,369.76 (calculation error) not $161,369.70 as captured within the Modification Agreement. However, in order to make an adjustment CEP CAPA would need to complete completely redo modification agreement document as the form does not allow the ability to save and make changes. As minor error with a difference of $0.06, will leave as is.	 Modification Agreement TCL Approval to Proceed_17Oct2014.msg	
Oct 16, 2014	Amendment Rational, Budget Template & Negotiation Summary, Draft Sched A, Risk Assessment to TCL for review and approval	 Amendment TCL Review and Approval Requested.msg	
Oct 15, 2014	Project Holder Review Draft Amended Schedule A	 Amendment - Schedule A Contractor Review.msg	
Oct 15, 2014	Amendment – Client Costs – Travel Summary Project Holder Concurrence	 Amendment - Client Costs-Travel Concurrence.msg	

Agreement #: R1-052 **Organization Name:** Pebble In the Pond **Date Range:** August 21/14 forward

P & I Management Correspondence Log – In Reference to Amendment # 1

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
Oct 15, 2014	Amendment – clarification regarding Client Costs - Travel	Amendment - Clarification Re Client Costs-Travel.msg	
Oct 15, 2014	Email to Judi – further clarification required regarding Client Costs / Travel (based on her response received) and confirmation of draft Sched A required	Amendment - Further Clarification Required15Oct2014.msg	
Oct 14, 2014	Email to Judi – Capturing clarification obtained during telephone conversation Friday, Oct 10 regarding amended budget and milestones, and requesting further information in regards to client travel costs expended Aug/Sept 2014 – attached draft amended Sched A for review	Further Clarification_Confirmation Requested_13Oct2014.msg	
Oct 7, 2014	Clarification Response Received – Revised Forecast of Project Expenditures to reflect Amendment Request	Clarification Response_7Oct2014.msg	
Oct 3, 2014	Amendment – Request for Forecast of Project Expenditures to reflect propsed amended budget	Amendment Request Revised Forecast of Project Expenditures Requested.msg	
Oct 3, 2014	Amendment – Clarification requested in regards to budget and activities	Amendment Request - Clarification Required.msg	
Sept 18, 2014	Email received – Amendment Request	Amendment Extension Request and Report.msg	

Agreement #: R1-052 **Organization Name:** Pebble In the Pond **Date Range:** August 21/14 forward

P & I Management Correspondence Log – In Reference to Amendment # 1

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
Aug 21, 2014	Email received clarifying rent charge from 3 Leaf Contracting	 Rent Clarification Email_21Aug2014.msg	
Aug 6, 2014	Email received – attachment – Original Letter from 3 Leaf Contracting identifying rent charge for site and office	 Original Letter 3 Leaf Contracting Re-Rent.msg	

Agreement #: R1-052 **Organization Name:** Pebble in the Pond **Date Range: Amendment #2**

P & I Management Correspondence Log

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
2 Feb 2015	CFMS EA Approval – Amendment #2	 CFMS EA Approval_Amendment #2.msg	
2 Feb 2015	Signed Copy of Modification Agreement #2 to Project Holder 2nd Request for Revised Forecast of Project Expenditures reflecting increased budget	 Modification Agreement To Contractor_ Request Revised Forecast.msg	
30 Jan 2015	CFMS EA Approval Required – Amendment #2 Modification Agreement #2 Ministry Signature obtained	 CFMS EA Approval Required - Amendment_2.msg  R1-052 Modification Agreement Ministry Signature Obtained.msg	
29 Jan 2015	Confirmation received from PH – Feb pre-payment of $5,600 sufficient at this time. Revised Forecast of Project Expenditures – Feburary pre-payment	 Revised Forecast Feb PrePayment.msg  Revised Forecast of Project ExpenditureAmendment_2.msg	
29 Jan 2015	Modification Agreement # 2 to TCL for Ministry signature – PH signature obtained	 Modification Agreement_2 Requires TCL Signature.msg	

Agreement #: R1-052 **Organization Name:** Pebble in the Pond **Date Range: Amendment #2**

P & I Management Correspondence Log

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
23 Jan 2015	Request for Contractor Signature – Modification Agreement	 Modification Agreement Requires Signature.msg	
22 Jan 2015	Request for Revised Forecast of Project Expenditures	 Request for Revised Forecast.msg	
21 Jan 2015	Copy of Modification Agreement to Project Holder for Review - signatures to be obtained during CEP CAPA on-site visit Jan 28th, 29th	 Amendment Financial-Activity Monitors.msg	
20 Jan 2015	TCL Amendment Rational Approval Provided	 TCL Approval.msg	
20 Jan 2015	Response to TCL Concerns / TCL approval	 Response to TCL Concerns_TCL Approval.msg	
16 Jan 2015	Amendment Recommendation to TCL for Review – Significant Change, may require Program Management Review	 R1-052 JCP Pebble in the Pond Amendment # 2 Requires TCL Review.msg	
12 Dec 2014	Confirmation received from Project Holder regarding agreement with Ecossentials in regards to sheep skin sales Confirmation that Risk Mitigation Strategy will be submitted should agreement change	 Confirmation_Ecossentials_12Dec2014.msg	
12 Dec 2014	Amendment # 2 – Confirmation received regarding additional costs requested Clarificaiton to Project Holder regarding selling of skins through Ecossentials – requirement should Ecosssentials receive a benefit	 Amendment Request Clarification Obtained and Requested_12Dec2014.msg	

Agreement #: R1-052 **Organization Name:** Pebble in the Pond **Date Range: Amendment #2**

P & I Management Correspondence Log

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
	from sale of same.		
12 Dec 2014	Amendment #2 – Request for review of clarification obtained during telephone conversation Dec 10, 2014 Request for further clarification in regards to Amendment Request – rent Request for risk mitigation strategy in reference to alleviating conflict or perceived conflict of interest	 Amendment 2 Further Clarification Requested_12Dec2014.msg	
7 Dec 2014	Clarification Responses	 Amendment_2Clarification_Responses.msg	
5 Dec 2014	Amendment Request (2) Clarification Requested	 Amendment Request - Clarification Requested.msg	
13 Nov 2014	Submission of Amendment Request #2	 Amendment Supplement Request.msg	
10 Nov 2014	Email to PH capturing telephone conversation regarding need for additional admendment	 Amendment Request Required_10Nov2014.msg	

Agreement #: **Organization Name:** **Date Range: Dec 2013 – Mar 2014**

P & I Management Correspondence Log

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
Mar 19, 2014	Confirmation of WCB registration application provided	WCB.msg	
Mar 14, 2014	Project Approval form forwarded to Hovan for submission of MO Review	Project Acceptance Template - Pebble in t	
Mar 14, 2014	Confirmation from TCL Dawn Zander that Rec Report has been signed off with EA approval	R1-052_Pebble in the Pond Final APPR(	
Mar 14, 2014	Confirmation from Tracy Shelling that proposal has been reviewed by Hovan, confirming his approval but requesting additional information to be added to Recommendation Rationale	RE Pebble in the Pond.msg	
Mar 12, 2014	Condensed version of review notes / response to policy concerns forwarded to Tracy Shelling for submission to Hovan. Additional details provided in response to questions Hovan raised at Executive review	Pebble in the Pond - Review Summary.msg; RE Pebble in the Pond - Review Summa	
Mar 12, 2014	Request to Judi to have her get written confirmation from Regional District that grey water disposal is not an issue; she advised she has spoken to them and should have email confirmation shortly	Re Pebble in the Pond proposal.msg	

Agreement #: **Organization Name:** **Date Range: Dec 2013 – Mar 2014**

P & I Management Correspondence Log

Mar 11, 2014	Review notes for discussion of policy issues forwarded to CEP Manager and TCLs	 Pebble in the Pond policy review - addtio  Pebble in the Pond review notes.msg	
Mar 11, 2014	Clarification of other slaughter facilities in the province	 Re Quick question.msg  Re Quick question.msg	
Mar 10, 2014	Feedback from Policy	 RE Pebble in the Pond - Policy Review.	
Mar 5-10, 2014	Updates advising applicant proposal review is underway	 Re JCP review.msg  Re JCP project review.msg	
Feb 24-25, 2014	Exchange clarifying details of activities and timelines	 Re Project description timelines	
Feb 24, 2014	Confirmation Pebble is non-profit, not charitable organisation	 Re Direct deposit forms.msg	
Feb 20-21, 2014	Letters of community support provided	 Powell River Chamber.msg  PRREDs Support Letter.msg	
Feb 20, 2014	Revised letter with rent calculations provided by 3 Leaf Contracting	 Re Three Leaf Letter.msg  Three Leaf Letter.msg	

Agreement #: **Organization Name:** **Date Range: Dec 2013 – Mar 2014**

P & I Management Correspondence Log

Feb 19, 2014	Additional details for project timelines provided by Judi	 Re Clarification questions.msg	
Feb 19, 2014	Additional detail regarding second set of clarification questions	 Re Clarification questions.msg	
Feb 17, 2014	Second clarification questions returned with responses	 Re Clarification questions.msg  Powell River Chamber.msg  PRREDs Support Letter.msg	
Feb 14, 2014	Address of rental property confirmed - i#104 – 7385 Duncan Street. Powell River V8A 1W6.	 Fwd Rental for cost-shared office on	
Feb 11, 2014	Letter from landlord 3 Leaf Construction breaking down rental rates and their contribution via reduction of rent	 Fwd Signed Letter.msg	
Feb 11, 2014	Confirmation of address details for Pebble in the Pond	 Re Revised Budget Negotiation Template	
Feb 11, 2014	Revised budget template received from Judi, along with letter from the other directors of Pebble in the Pond confirming their vote (with Judi absent) supporting the project with Judi as Project Supervisor	 Revised Budget Negotiation Template	
Feb 11, 2014	Clarification questions forwarded to Judi for review	 JCP questions.msg	

Agreement #: **Organization Name:** **Date Range: Dec 2013 – Mar 2014**

P & I Management Correspondence Log

Feb 5-6, 2014	Exchange regarding completion of budget template	 Re budget negotiation.msg	
Feb 4, 2014	Clarification of organization address	 Re JCP proposal details.msg	
Feb 2-3, 2014	Applicant informed (email and follow-up conversation) we cannot proceed with proposal to locate project at her property; they would have to locate it at another independent location. However, as the property in question has just been sold the project would be located elsewhere anyway. They will look at options for other locations.	 Re Pebble in the Pond JCP proposal.ms	
Jan 22-23	Email form Judi checking in; advised reviewis underway but CAPA is s.22 will touch base with her when back next week	 Re checking in.msg	
Jan 9, 2014	Scanned copy of HR3486 submitted electronically with original to follow	 Re Pebble in the Pond JCP Submission	
Jan 8, 2014	Response to Judi confirming receipt of full proposal, and requesting she also submit a completed HR3486 Application for Funding form, her reply confirming she will do so	 Re Pebble in the Pond JCP Submission	
Jan 5, 2014	Full proposal submitted with attached proposal document, budget negotiation template, and letters of support	 Pebble in the Pond JCP Submission Tann  Re Pebble in the Pond JCP Submission	

Agreement #: **Organization Name:** **Date Range: Dec 2013 – Mar 2014**

P & I Management Correspondence Log

Dec 11, 2013	Follow up questions from Judi and response from CAPA regarding suggested details to include regarding Objective, Activities, Expected Reusluts, incrementality of project, community benefit, and addressing the issue of potential competition uin the marketplace	 Re Pebble in the Pond JCP proposal .m  Re Pebble in the Pond JCP proposal .m	
Dec 11, 2013	Follow up question from Judi and response from CAPA to clarify issues around Staff Wages and positions on the project	 Re Pebble in the Pond JCP proposal .m	
Dec 9, 2013	Follow up to phone call regarding invitation to submit a full proposal, outlining how current CEP workload considerations are likely to affect potential start date of the project	 Re Pebble in the Pond JCP proposal .m	
Dec 6, 2013	Invitation to submit full proposal – noting there are still some questions that could affect eligibility of the project but that we will require the level of detail in a full proposal in order to determine whether the project would be ablet o proceed	 Pebble in the Pond JCP proposal .msg	

Agreement #: **Organization Name:** **Date Range: Dec 2013 – Mar 2014**

P & I Management Correspondence Log

Dec 2, 2013	Additional clarification regardnign Staff Wages / participant living supports asked nad answered	 Re JCP Letter of Intent.msg	
Dec 2, 2013	Responses to Nov 22 clarification questions forwarded by Judi	 Re JCP Letter of Intent.msg	
Nov 22, 2013	Additional LOI clarification questions sent to Judi Tyabji	 Re JCP Letter of Intent.msg	
Nov 19, 2013	Policy clarification on revenue generation & competition related to a similar proposal. Indicates establishment of a non-profit enterprise could potentially be eligible.	 FW JCP Policy Clarification Request	
Nov 14, 2013	Clarification questions sent to Judi Tyabji regarding LOI, with responses provided.	 Re JCP Letter of Intent.msg	
Nov 4-5, 2013	JCP LOI and confirmation of receipt	 RE Pebble in the Pond JCP LOI Tanne	

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
10 Mar 2015	Accountant Findings – Duplicate Charges	R1-052 JCP Accountant Findings_Duplications.msg	
10 Mar 2015	Revenue Reconcilation Findings Outcome	R1-052 JCP Sales Reconciliation Findings Outcome.msg	
6 Mar 2015	Social Media Advertising Training Request Additional Costs Supported	Social Media Advertising training - Support for Additional Costs - Ad Words.msg	
2 Mar 2015	Email to Project Holder – release of March pre-payment – 10% holdback applied	RE R1-052 March Pre-payment.msg	
2 Mar 2015	Additional Costs supported / not supported	Consideration of Additional Costs Associated with Delivery of the JCP Project.msg	
2 Mar 2015	July Claim Review – Confirmation provided to Project Holder regarding Costs allowed within May, June claims in reference to Don Bowes Professional Fees.	July Claim Review - DonBowes Confirmation of Costs Allowed.msg	
26 Feb 2015	Notification to Finance Officer regarding completion of financial review and request from Project Holder to submit February and March payment claims directly to CEP CAPA for processing.	Notification to Finance_Payment Claim Submission Financial Review Outcome.msg	
25 Feb 2015	Request to Project Holder to have Accountant review all costs claimed and allowed to date to ensure no costs have been duplicated between the	Financial Review Request for Accountant Report of Findings.msg	

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
	various payment claims – and request for review of each month's general ledger (prior to November) to ensure any revenue received from the sale of bags or T-shirts produced through the project has been claimed against the agreement as revenue. To be submitted prior to submission of February payment claim.		
25 Feb 2015	Rona Reconcilation August / November Claims	 Rona Reconcilation August-November Claims.msg	
25 Feb 2015	December Claim Review – Finanlized – Outcome Note: $486.18 determined ineligible Financial Review complete – Total ineligible costs $10,300.70 to be deducted with processing of January payment claim.	 December Claim Review_Financial Review_Ineligible_Costs_25Feb2015.msg	
24 Feb 2015	November Claim Review – Finalized – Outcome Note: $83.97 determined ineligible – to be deducted with processing of January payment claim	 Financial_Claim_Review_November 2014_Outcome.msg	
24 Feb 2015	July Claim Review – Finalized – Outcome Note: $2,533.74 determined ineligible – to be deducted with processing of January payment claim	 Financial Claim Review - July 2014 Outcome.msg	
18 Feb 2015	Financial Claim Review – Telus Reconcilation Outcome – Credit to be applied to February Claim	 Telus_Reconciliation_Credit to be applied to Feb Claim.msg  Telus Reconciliation Outcome - Follow-up.msg	

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
18 Feb 2015	December Claim Review – Clarification regarding revenue received through sale of bags purchased through the JCP	R1-052 December Claim Review - Clarification.msg	
18 Feb 2015	November Claim Review –Copies of receipts / Clarification regarding revenue received through sale of bags purchased through the JCP	R1-052 JCP November Claim Revenue.msg R1-052 JCP November Claim Review.msg	
17 Feb 2015	Revised Forecast of Project Expenditures received reflecting increased budget – Amendment 2	Forecast of Project Expenditures Revised.msg	
17 Feb 2015	July Claim Review – Request for outstanding invoices/receipts by close of business Wednesday, Feb 18th.	July Claim Review Outstanding invoicesreceipts_Clarification Requested.msg	
17 Feb 2015	June Claim Review – Finalized – Outcome Note: $369.46 determined ineligible – to be deducted with processing of January payment claim	Financial Claim Review - June 2014 Outcome Revised.msg	
17 Feb 2015	Approval of Project Holder's request – additional costs (shelving, advertising, site clean up) – Request for revised Forecast of Project Expenditures reflecting increased budget with submission of January payment claim	Approval Additional Costs_Forecast of Project Expenditures.msg	
16 Feb 2015	Clarification to Project Holder regarding submission of January Payment Invoice	Clarification Regarding January Claim Submission.msg	

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
16 Feb 2015	May Claim Review – Finalized – Outcome Note: $2,303.95 determined ineligible – to be deducted with processing of January payment claim	 Financial Claim Review - May 2014 Outcome.msg	
16 Feb 2015	April Claim Review – Finalized – Outcome Note: $4,523.40 determined ineligible – to be deducted with processing of January payment claim	 R1-052 JCP Financial Claim Review - April 2015 Outcome.msg	
16 Feb 2015	April Claim Review – Hindle's purchases applied against credit April Claim Review – Expense Report Invoice 0001 Eligible Costs	 Hindles Receipts - April Claim Eligible Costs.msg  April Claim Review - Invoice #1.msg	
16 Feb 2015	Notification to Finance regarding Financial Review and Request to Project Holder to submit January payment claim directly to CEP CAPA – to allow overpayments established during financial review be deducted from January claim.	 Notification to Finance Submission of January Claim.msg	
16 Feb 2015	Submission of January Payment Claim – August purchase to be applied to January Claim	 January Claim Submission_August Purchase_16Feb2015.msg	
13 Feb 2015	May Claim Review – Request for Outstanding Documentation to support costs	 R1-052 JCP May 2014 Claim - Outstanding Documents.msg	
13 Feb 2015	April Claim Review – Request for Outstanding Documentation to support costs	 April Claim Review Outstanding Documents.msg	

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
13 Feb 2015	April Claim Review – Rational to support purchase of cell phones / camera	 April Claim Review - Clarification - Rational to Support Puchase of Cell PhonesCamera.msg	
6 Feb 2015	Notification to Project Holder regarding review of Nov and Dec payment claim – request to ensure all documation related to claims is available for viewing during monitor scheduled on-site Feb 11 and 12th.	 Financial Monitor - Claim Review Scheduled Feb 11 and 12th .msg	
6 Feb 2015	July Claim Review – Request for outstanding invoices/receipts and clarification	 July Claim Review Outstanding invoices_receipts_Clarification Requested.msg	
5 Feb 2015	Clarification to Project Holder in regards to request to have accountant review all claims submitted thus far (April to Dec 2014) to determine any duplicate charges and report of findings	 Request for Review for Duplication of Charges to Payment Claims.msg	
5 Feb 2015	June Claim Review – Outstanding receipts – clarification requested	 June Claim Review_Outstanding InvoicesReceipts_Clarification.msg	
3 Feb 2015	Request to Project Holder for copies of outstanding invoices/receipts in reference to the June payment claim review	 June Claim Review - Outstanding InvoicesReceipts.msg	
3 Feb 2015	Request to Project Holder for copies of invoices/receipts in reference to July payment claim review	 July Claim Review - Request for copies of InvoicesReceipts.msg	
2 Feb 2015	Further Clarification Requested – Rational to Support cell phones		

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
	Review of April Claim – Request from Project Holder for Rational to Support purchase of two cell phones at $500	 April Claim Review - Further Rational Cell Phones.msg  Rational Required to Support Purchase of Cell Phones.msg	
2 Feb 2015	Finacial Review of April Claim Further clarification/documentation requested from Project Holder	 April Claim Review_Further Clarification Documents Required_2Feb2015.msg	
30 Jan 2015	Financial Monitor – Review of April – to July Payment Claims Mileage Reimbursement / Participant Purchases	 R1-052 Mileage Reimbursement Participant Purchases.msg	
29 Jan 2015	Financial Monitor – May Claim Request for Outstanding Invoices/Receipts – Clarification and Further Documents Requested	 May Claim_Invoices_Receipts Outstanding_Further Clarification_Documents Requested.msg	
29 Jan 2015	Review of April Payment Claim Email to PH requesting clarification and further documentation, and identifying duplicate charges April/June Claim	 April Claim Review_Clarification Further Documents Requested.msg	
26 Jan 2015	Financial Monitor Additional Documents/Clarification requested in reference to financial monitor being conducted on May 2014 payment claim; Notification of necessity for review of April, June and July payment claims and request for submission of all invoices/receipts applicable to each claim; Notification of duplicate charges to June and July	 Financial Claims Review Request for Documents_Clarification.msg	

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
	claim and request for review and report of findings by accountant to ensure no further costs charged have been duplicated between payment claims.		
23 Jan 2015	Notification to PH – Acknowledgement within Twitter account and Facebook acceptable	 Public Acknowledgement - Twitter Facebook Response.msg	Reference Remedy Ticket 457252
22 Jan 2015	February Pre-payment reduced due to 10% holdback. Request to PH as to whether or not PH would prefer release of Feb Pre-payment after amendment completed – this will increase amount payable	 December Payment Claim Process - February Pre-payment.msg	
22 Jan 2015	Revision approved Review and Feedback provided to Project Holder in regards to Acknowledment on Project Website – Revision required	 Website Public Acknowledgment Approval.msg  Acknowledgment Website Clarification Provided.msg	
22 Jan 2015	Guidance provided to Project Holder in regards to Provincial / Gov't of Canada Funding Acknowledgment on Project Websites	 Website - Prov - Gov't of Can Funding Acknowledgment guidance.msg	
21 Jan 2015	Financial/Activity Monitor Scheduling – Request for copies of all invoices/receipts, employee pay statement in reference to May 2014 payment claim	 Amendment Financial-Activity Monitors.msg	
21 Jan 2015	Acknowlegement requirement – social media sites related to Project	 Acknowledgment Requirements Social Media Sites.msg	

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
16 Jan 2015	Notification received from Project Holder advising Accountant retained – in reference to email dated Dec 9, 2014	Notification from PH_Accountant retained_16Jan2015.msg	
16 Jan 2015	Email to Project Holder providing guidance in reporting revenue within each applicable payment claim. Feedback regarding Trade Show Report	Guidance to Project Holder-Capturing Revenue on Payment Claims.msg Trade Show Report - Feedback to Project Holder.msg	
15 Jan 2015	Trade Show Report and Revenue Report for December submitted from Project Holder	Sales Report and Make It Report.msg	
15 Jan 2015	Nov Claim – Missing invoice – Plecas Meats $220 received. Was claimed and paid with November Claim	Plecas Meats Nov Invoice.msg	
14 Jan 2015	Notification to Project Holder – November Payment Invoice Processed	R1-052 Notification to PH Nov Payment Claim Processed.msg	
14 Jan 2015	Nov Claim EA Approval – Signatures missing on Payment Claim – Requested from Project Holder	Nov Claim - Signatures Required.msg	
13 Jan 2015	Clarification to Finance regarding November Payment Claim costs	Clarification to Finance - November Claim.msg	

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
13 Jan 2015	Nov claim – Costs Determined Eligible	R1-052 Nov Claim - Costs determined Eligible.msg	
13 Jan 2015	November Claim – Request for Clarification	FW R1-052 Pebble in the Pond November Claim - Clarification.msg	
13 Jan 2015	Client Consent forms received – requested resubmission as Project Holder revised form inappropriately.	Request for Client Consents.msg	

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
16 Dec 2014	Participant Update – Response from PH	Participant Update - Request for Client Consents Participant Information.msg	
15 Dec 2014	New Participant recruited – Request for completion of Client Consent forms and Client Information – to be mailed	Participant Update - Request for Client Consents Participant Information.msg	
12 Dec 2014	New Process – Submission of Monthly Payment Invoices and Activity Reports	Submission of Monthly Payment Invoices and Activity Reports.msg	
12 Dec 2014	Confirmation received from Project Holder regarding agreement with Ecossentials in regards to sheep skin sales Confirmation that Risk Mitigation Strategy will be submitted should agreement change	Confirmation_Ecossentials_12Dec2014.msg	
12 Dec 2014	Amendment # 2 – Confirmation received regarding additional costs requested Clarificaiton to Project Holder regarding selling of skins through Ecossentials – requirement should Ecosssentials receive a benefit from sale of same.	Amendment Request Clarification Obtained and Requested_12Dec2014.msg	
12 Dec 2014	Email to Project Holder – October Claim Summary	October Claim Submission - Summary.msg	
12 Dec 2014	Amendment #2 – Request for review of clarification obtained during telephone conversation Dec 10, 2014 Request for further clarification in regards to Amendment Request – rent	Amendment 2 Further Clarification Requested_12Dec2014.msg	

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
	Request for risk mitigation strategy in reference to alleviating conflict or perceived conflict of interest		
11 Dec 2014	Request for submission of signed Oct Pay Claim – Received	 October Claim Documents Signature Page_11Dec2014.msg  October Claim Requires Signature.msg	
11 Dec 2014	Submission of October Payment Claim	 October Claim Documents - Full Submission_10Dec2014.msg	
9 Dec 2014	Response from Project Holder Anticipate submission of October claim by end of day today Confirmation received that Project Holder has obtained accountant to assist in the financial aspects related to the JCP project including completion of monthly payment claims	 October Claim - Confirmation of Accountant Obtained.msg	
9 Dec 2014	October Claim – Request for Documents / Clarification Expectations provided regarding submission of future payment claims	 October Claim Clarification_Expectations_Re_Submission of future_claims.msg	
7 Dec 2014	Clarification Responses	 Amendment_2Clarification_Responses.msg	

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
5 Dec 2014	Amendment Request (2) Clarification Requested	Amendment Request - Clarification Requested.msg	
2 Dec 2014	Request for Submission of October Payment Invoice and Activity Report	Request for Payment Invoice Activity Report.msg	
1 Dec 2014	Change to Rental Space – Authorization Provided	Clarification Requested - New Space.msg	
24 Nov 2014	Email to PH capturing revisions to Sept claim obtained through telephone conversation	Sept Claim Revisions.msg	
13 Nov 2014	Submission of Amendment Request #2	Amendment Supplement Request.msg	
10 Nov 2014	Email to PH capturing telephone conversation regarding need for additional admendment	Amendment Request Required_10Nov2014.msg	
10 Nov 2014	Participant update Participant, s.22 last day on project Oct 31, 2014 WorkBC ESC has posted to fill position	Participant Update Confirmation.msg Participant Update - Information Required Once New Participant Recruited.msg	

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
6 Nov 2014	Follow-up to Project Holder in regards to September payment claim submission Sept Claim – includes video produces by participant – Pebble In the Pond Theme Song	 Sept Claim Follow-up_6Oct2014.msg  September Invoice and Attachments.msg	
28 Oct 2014	Email to Project Holder capturing August payment claim revisions as per telephone conversation with Project Holder as well as clarification received via email. Request for revised Forecast of Project Expenditures reflecting amendment	 August Payment Claim Revisions28Oct2014.msg	
03 Oct 2014	Notification to Project Holder regarding requirement for submission of inoices and/or receipts with each monthly payment claim	 Notification of Requirement for submission of invoices-receipts payment claims.msg	
26 Sept 2014	Amendment communication: Email received Aug 21 clarifying rent costs from 3 Leaf Contracting	 Rent Clarification Email_21Aug2014.msg	
28 August 2014	July Payment Claim – Outcome Summary – Request for Signed page 3 Information provided regarding Amendment Request – required information	 July Payment Claim Outcome - Amendment Request28Aug2014.msg	

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
26 August 2014	Clarification from Project Holder in regards to Year to Date Funds From Other Sources up to and including June payment claim.	Year to Date Funds From Other Sources.msg	
7 August 2014	Email to Project Holder capturing clarification obtained via telephone conversations in regards to June payment claim Concurrence from Project Holder received	June Payment Claim Clarification Obtained Summary_7Aug2014.msg Claim Clarification Concurance.msg	
June 24, 2014	Request and Receipt of Client Consent forms.	Request Client Consent Forms Required.msg Request for Client Consent Forms.msg Particpant Consent forms.msg Particpant Consent.msg	
June 2-3, 2014	Clarification of / adjustments to April payment invoice	Re April payment claim.msg	

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
May 2, 2014	Update to Judi with Client Consent forms provided again	Re FW Career Link.msg	
Apr 24, 2014	Date for meeting with JCP crew in Courtenay confirmed for May 8, 2014	Re May 8th for Gunter Brothers & Isl	
Apr 4, 2014	Summary of activities in first week of project	Week One.msg	
Apr 1, 2014	Exchange re Forecast of Project Expenditures	Re Budget documents.msg	

Agreement #: **Organization Name:** **Date Range:**

P & I Management Correspondence Log

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
7 July 2015	Email to TCL providing heads up of participant concerns	 R1-052 Heads Up to TCL - Participants Concerns.msg	
7 July 2015	Email to participant requesting participant provide s.2 concerns regarding management of the JCP project in writing	 Request for Participant Feedback in Writing.msg	
30 April 2015	WorkSafe BC Form 7 authorized signatory applied and forwarded to WorkSafe BC	 MSDSI Form 7-Form To WorkSafeBC.msg	
28 April 2015	WorkSafe BC Form 6 and Form 7 emailed to Liza Wong	 R1-052 WCB Forms to WorkSafeBC.msg	
28 April 2015	Contractor Evaluation to TCL	 R1-052 JCP Contractor Evaluation to TCL.msg	
17 April 2015	Contractor Evaluation to Contractor for Review and Signature	 R1-052 Contractor Evaluation to Contractor for Reveiw Signature.msg	
13 April 2015	WorkSafe BC Claim – FollowUp – Require completion of Form 7 and Form 6 – scan or fax copy to CEP CAPA CEP CAPA to forward to Liza Wong – WorkSafe BC (604) 244-6296 via email at	 WorkSafe BC Form 7 and Form 6 Required.msg	

Agreement #: **Organization Name:** **Date Range:**

P & I Management Correspondence Log

Date Range of E-mail String or Verbal Discussion	Subject Line and Description of Themes/Issues/Resolutions/Attachments	E-mail(s) and/or Documents	Follow-up Activity and/or Ticket/Tracking Number (if applicable)
	Liza.Wong@worksafebc.com reference participant's WCB Claim number and identify claim coded to wrong employer.		
10 April 2015	Further Clarification Requested Regarding Participant WCB Claim	 WorkSafe BC Information Further Clarification Requested.msg	
10 April 2015	March / Final Claim Eligible Costs	 R1-052 JCP March Claim Eligible Costs.msg	
9 April 2015	Clarification requested March / Final Claim Submission	 R1-052 JCP March Claim Clarification Required.msg	
2 April 2015	Clarification Requested Regarding Participant WCB Claim	 Clarification Required Regarding Participant WCB Claim.msg	

Welch, Carol-Ann SDSI:EX

From: McCleave, Lori SDSI:EX
Sent: Tuesday, June 24, 2014 4:58 PM
To: Jones, Esther SDSI:EX
Subject: R1_052_Pebble_in_the_Pond_all_5_client_consents_on_file_June24_2014

Hi Esther

I have all 5 Client Consent forms now and they are attached to the Sharepoint Site R1-052.

Have a good night.

Lori McCleave
Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca
(250)739-6652

From: Jones, Esther SDSI:EX
Sent: Tuesday, June 24, 2014 4:14 PM
To: McCleave, Lori SDSI:EX
Subject: RE: Update URGENT: R1_052_Pebble_in_the_Pond - do we have consent to publish from participants

Thank you! Sorry I've not been able to keep up with the emails as you provided all the updates – this is wonderful. Again – appreciated!!!!

Esther D. Jones C.M.
Acting Team and Contract Lead Regions 1, 2 and 3
Community and Employer Partnerships
Employment and Labour Market Services Division
Ministry of Social Development and Social Innovation
3220 Eby Street, Terrace, B.C. V8G 5K8
email: Esther.Jones@gov.bc.ca
telephone: (250)638-3619
fax: (250)638-6519

From: McCleave, Lori SDSI:EX
Sent: Tuesday, June 24, 2014 4:10 PM
To: Jones, Esther SDSI:EX
Subject: Update URGENT: R1_052_Pebble_in_the_Pond - do we have consent to publish from participants

Hi Esther

Okay, so the Contractor scanned and emailed Client Consents for 4 participants. Prior to receiving the consents via email, I did advise the Contractor that, for privacy reasons, we prefer the Client Consent forms are not sent electronically via email. However, I have them now. The Contractor does identify 5 participants being recruited for the project. I am clarifying with the Contractor whether or not 4 or 5 participants have been recruited to the project. Will let you know.

The Client Consents received have been attached to Sharepoint R1-052.

Lori McCleave
Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca
(250)739-6652

From: McCleave, Lori SDSI:EX
Sent: Tuesday, June 24, 2014 3:53 PM
To: Jones, Esther SDSI:EX
Subject: FW: URGENT: R1_052_Pebble_in_the_Pond - do we have consent to publish from participants

Hi Esther

Contractor does not have a secured fax. Contractor is indicating she can try to locate a secured fax and fax consents over tomorrow. I'm not sure how long it would take if sent via courier.

Or I could go to Powell River on Thursday and pick up the completed forms. If I am going over, I should also complete the Activity and Financial Monitor. Agreement does require 2 financial and 2 activity monitors be completed. Start date of project April 1, 2014, end date of project Jan 16, 2015. None completed as of yet. I did check the Ferry Schedule. I would need to drive to Courtenay/Comox, take the Ferry to Powell River – leave at 10:10 am arriving in Powell River at 12:00am and then I would return on the 5:15 pm ferry. Looks like the cost of Ferry is $61.60 (includes car and passanger) one way. I would need you to authorize travel for me. Total cost about $123.20 plus lunch. But might also mean overtime.

Let me know what you would like me to do.

Lori McCleave
Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca
(250)739-6652

From: McCleave, Lori SDSI:EX
Sent: Tuesday, June 24, 2014 1:33 PM
To: Jones, Esther SDSI:EX
Subject: RE: URGENT: R1_052_Pebble_in_the_Pond - do we have consent to publish from participants

Hi Esther

We have not yet received the Client Consents from the Project Holder as of yet. They have, however, previously been requested. Andy is sending an email to them right now requesting completion and submission immediately. We are not, however, certain whether or not they have a secured fax. Due to the personal information within the Client Consent forms we do not normally receive via email. Regular mail will take too long to receive at this point. We could maybe request they be couriered. Andy has requested the Client Consents be faxed to me, if they have a secured fax, and if not, to give me a call so we can figure out a way to receive them.

Will keep you posted.

I guess I could go to Powell River Thursday to collect the Client Consents – and perhaps conduct an Activity Monitor. Your thoughts?

Lori McCleave
Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca
(250)739-6652

From: Jones, Esther SDSI:EX
Sent: Tuesday, June 24, 2014 1:17 PM
To: McCleave, Lori SDSI:EX
Subject: RE: URGENT: R1_052_Pebble_in_the_Pond - do we have consent to publish from participants

Appreciated ☺

Esther D. Jones C.M.
Acting Team and Contract Lead Regions 1, 2 and 3
Community and Employer Partnerships
Employment and Labour Market Services Division
Ministry of Social Development and Social Innovation
3220 Eby Street, Terrace, B.C. V8G 5K8
email: Esther.Jones@gov.bc.ca
telephone: (250)638-3619
fax: (250)638-6519

From: McCleave, Lori SDSI:EX
Sent: Tuesday, June 24, 2014 1:16 PM
To: Jones, Esther SDSI:EX
Subject: RE: URGENT: R1_052_Pebble_in_the_Pond - do we have consent to publish from participants

Hi Esther

I don't see any on the hard copy file. I will search the sharepoint site. Andy is on lunch right now but I will check with him when he returns.

Lori McCleave

Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca
(250)739-6652

From: Jones, Esther SDSI:EX
Sent: Tuesday, June 24, 2014 1:11 PM
To: McCleave, Lori SDSI:EX
Subject: URGENT: R1_052_Pebble_in_the_Pond - do we have consent to publish from participants
Importance: High

Lori,
I'm not seeing anything on the SharePoint folders re: consents to publish.
(We are using the two (2) documents currently but I did follow up on our discussion last week and those forms are in the 'streamlining' mix.)

Could you see if there are any consents on the contract file (hardcopy). If no – could you pursue please.

Many thanks!

Esther D. Jones C.M.
Acting Team and Contract Lead Regions 1, 2 and 3
Community and Employer Partnerships
Employment and Labour Market Services Division
Ministry of Social Development and Social Innovation
3220 Eby Street, Terrace, B.C. V8G 5K8
email: Esther.Jones@gov.bc.ca
telephone: (250)638-3619
fax: (250)638-6519

From: Shelling, Tracy SDSI:EX
Sent: Tuesday, June 24, 2014 12:34 PM
To: Jones, Esther SDSI:EX
Subject: Pebble in the Pond

Hi Esther: Just FYI Grant Kerr is going to connect with the project holder today to get a quote for the news release. Due to the extreme tight timelines on this one we have agreed to this approach.

Can you please confirm if we have signed client consent and project holder consent forms on file. There will be pictures on Thursday so we need to have these completed and on file.

Thanks Esther

Tracy Shelling, Manager
Community and Employer Partnerships
Employment and Labour Market Services Division
Ministry of Social Development & Social Innovation

108 Richards Street, Nanaimo, B.C. V9R 2S8
Telephone: (250) 739-6626 Cell: (250) 217-9450
Fax: (250) 714-1781
Tracy.Shelling@gov.bc.ca

Welch, Carol-Ann SDSI:EX

From: McCleave, Lori SDSI:EX
Sent: Tuesday, April 28, 2015 9:31 AM
To: Hultman, Jacquelyn SDSI:EX
Subject: R1-052 JCP Close Out - Contractor Evaluation
Attachments: R1-052 Contractor Evaluation.pdf; Tanned Wild and Woolly JCP Final Report.pdf

Hi Jackie

Attached is the Contractor Evaluation for the Pebble in the Pond JCP. Also attached to the R1-052 JCP SharePoint Site. In regards to the comments provided by the Project Holder, specifically comment on page 3 in response to a particular condition identified when considering re-contracting with this organization, the Project Holder notes that the original contract manager expressed support of expenditures deemed necessary with approval /amendment anticipated. This is not actually correct as evidenced by the information within the contract file. The Project Holder had used funding negotiated within advertising to purchase t-shirts. The CEP CAPA identified this purchase when reviewing a payment claim and questioned the Project Holder about same as this expense was not negotiated. The Project Holder, at that time, provided rational to support the expenditure for which the CEP CAPA then deemed reasonable and allowed. However, it was after the fact. Anyways, I just thought it was important to point that out.

I have now received the required WCB forms from the Project Holder, as previously discussed, and will be forwarding to WorkSafe BC. I was able to connect with Liza Wong at WorkSafe BC who requested the Form 7 and Form 6 be completed, scanned and sent to her with notification that the original documents were coded to the incorrect employer.

This will close out the file. Thank you.

Lori McCleave
Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca
(250)739-6652

Welch, Carol-Ann SDSI:EX

From: McCleave, Lori SDSI:EX
Sent: Tuesday, July 28, 2015 11:35 AM
To: s.22
Subject: RE: JCP Experience - Pebble in the Pond Tanned, Wild and Woolly

Hello s.22

Thank you s.22 I have received your letter expressing your concerns regarding the management of the Tanned, Wild & Woolly JCP with Pebble in the Pond. Your concerns will be reviewed and taken into consideration. s.22 I I would encourage you to continue to work with your Case Manager at Career Link in your search for work.

I wish you success in your future endeavours.

Lori McCleave
Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development and Social Innovation
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca
(250)739-6652

From: s.22
Sent: Wednesday, July 8, 2015 2:12 PM
To: McCleave, Lori SDSI:EX
Subject: Re: JCP Experience - Pebble in the Pond Tanned, Wild and Woolley

Hi Lori
Yes i will express my concerns in a letter form. i have connected with s.22 and forwarded your email address tc s.22 .also i am meeting with carrerlink on july 15th to discuss with them.
thanks s.22

-------*Original Message*-------

From: McCleave, Lori SDSI:EX
Date: 08/07/2015 1:03:56 PM
To: s.22
Subject: JCP Experience - Pebble in the Pond Tanned, Wild and Woolley

Hello s.22

Further to our telephone conversation earlier today regarding your experience with the management of the Pebble in the Pond JCP, I would like to request you provide your concerns in writing, to my attention, either via email, or mail to the address indicated below. This will ensure your concerns are captured correctly. Please feel free to provide my email and/or mail address to other participants of the project should they wish to provide feedback on their experiences with the project.

Additionally, as discussed, I would encourage you to connect with your Case Manager at Career Link (Powell River WorkBC Employment Services Centre) to provide your feedback on your experiences with participating in the Pebble in the Pond JCP, as well as identify the work experience gained through your participation on the

project and how that experience might assist you in moving forward in your job search.

Thank you [s.22] I appreciate your time.

Lori McCleave
Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development and Social Innovation
Employment and Labour Market Services Division
108 Richards Street
Nanaimo, BC V9R 2S8
Lori.McCleave@gov.bc.ca
(250)739-6652

Welch, Carol-Ann SDSI:EX

From: McCleave, Lori SDSI:EX
Sent: Tuesday, July 21, 2015 9:01 AM
To: Hultman, Jacquelyn SDSI:EX
Subject: R1-052 JCP Pebble in the Pond - Participant Letter Received
Attachments: Participant Letter_21July2015.pdf

Hi Jackie

Attached is a letter I received this date, July 21, 2015, from one of the participants of the JCP project with Pebble in the Pond – Tanned Wild and Woolly Processing Plant, CJCP469641500164. The participant's concerns are directed at the management of the project. It is to note that this particular participant participated on the project for the full duration. Although, two financial monitors as well as financial reviews on 6 other months were completed on this project, the areas of concern the participant identified are not necessarily areas that would have been discovered through a financial monitor. Additionally, no issues were brought forward by any participants or the Powell River WorkBC ESC during the JCP. The JCP ended March 13, 2015.

I have posted this letter to the R1-052 SharePoint site – close out folder for future reference.

Thank you.

Lori McCleave
Contract and Partnership Agent / Community and Employer Partnerships
Ministry of Social Development and Social Innovation
Employment and Labour Market Services Division
Lori.McCleave@gov.bc.ca
(250)739-6652

Powell River
CHAMBER OF COMMERCE

6807 Wharf Street,
Powell River, B.C. V8A 1T9
Phone: 604-485-4051

Jack Barr, President
Kim Miller, Manager
office@powellriverchamber.com
www.powellriverchamber.com

Re: Pebble in the Pond Job Creation Partnership Project Feb 18, 2014

To Whom It May Concern:

The Powell River Chamber of Commerce has a mandate to work with local businesses for the betterment of our community, and we are always looking for ways to generate jobs and economic development in our region, working with the City of Powell River, PRREDS, and other local organizations.

We are aware of Pebble in the Pond Environmental Society and their hard work in our region to help reduce waste, educate the public on the need to reduce garbage and its costs, and other good community work including fundraisers.

We have been informed about the tannery project, "Tanned, Wild, and Woolly", and we are supportive of the project and its goals. We will be having a presentation in April with our membership, to introduce this project and other positive agricultural themes happening in our area.

This letter confirms our support, and also that we are happy to help make sure this project succeeds so that we see the long-term value of the jobs, and the new products.

Powell River has had good growth in the agriculture sector in the past few years, even to the extent that at our recent Chamber of Commerce Business Awards, we introduced a new award for Agriculture to recognize the importance it has to our local economy.

Sincerely,

Jack Barr

Powell River
Regional Economic Development Society
4760 Joyce Avenue, Powell River, BC V8A 3B6
P: 604-485-0325 www.prreds.com

February 18, 2014

Re: Pebble in the Pond Job Creation Partnership Project

To Whom It May Concern:

As Manager of the Powell River Regional Economic Development Society (PRREDS) I am writing to express my support for the Job Creation Partnership funding proposal submitted by the Pebble in the Pond Environmental Society for its Tannery Project.

Over the past five years our organization has placed a focus on expanding the agriculture sector in our region by undertaking a number of projects in partnership with industry stakeholders as we believe there is great opportunity to generate new jobs and economic activity from food production and related value added businesses. After reviewing the proposed Tannery Project, I believe it meets our Society's objectives of job creation, innovation and value-added agriculture.

In closing, I urge you to strongly consider funding the Tannery Project as it will assist in developing new skills sets in the region's agricultural industry as well as lead to new job creation and growth in this important sector of Powell River's economy. Please feel free to contact me if you wish to discuss this matter further.

Yours Truly,



Scott Randolph
Manager

3 LEAF CONTRACTING LTD.
4184 Bowness Avenue
Powell River, BC V8A 5S8
#897775680

January 10, 2014

To Whom It May Concern:

I understand that Pebble in the Pond Environmental Society is applying for funding from the Job Creation Partnership to establish a sustainable-method animal hide tanning facility in Powell River, which will employ a supervisor and up to five employees. This letter is to confirm our support for this application, and that we will provide an in-kind contribution to the project to assist with this project.

My wife Monica and I own and operate 3 Leaf Contracting in Powell River, a general contracting company with a wide range of equipment, skilled workers, and services, from gravel provision to construction. We have a large office space with a large section available for subsidized rent to the project. This space is approximately 500 square feet and can be set aside for exclusive use by the project for its forty two week duration. We also have industrial land available for subsidized rent to the project that would include 350 square feet of land and 360 square feet of building space. We are prepared to rent both sites for $1,937.00 per month inclusive of buildings, land for drainage and utilities, except long distance charges.

Our company is committed to the ongoing success of our small community, and we recognize the importance of a diverse economy. The sustainable tanning facility is a good new facility to have in Powell River, and is likely to become regionally significant, like so many other innovative companies in Powell River that start here and then draw customers from all over the region. We recognize that this sustainable tanning operation is going to require some innovation in the catchment area for the waste water, and is going to require facilities to accommodate the operations. We are prepared to set up a suitable building and related facilities for tanning activities on our privately-owned gravel pit, which is in the regional district and which has historic industrial use. Based on the equipment, office space, manpower, and facilities support we expect to provide to Pebble in the Pond in this project, we estimate our in-kind contribution to be about $ 3,278.00. See Schedule A.

We hope that this project succeeds and we will look forward to its contribution to local economic diversification and job creation.

Sincerely,

Mark Hassett

President
3 Leaf Contracting Ltd.

Schedule A

Market Value Costs

Office Space: Based on 500 square feet.

Comparable Office Space in Powell River	- $11 per square foot, triple net
maintenance, taxes & insurance	- 3-5% of $11
hydro	- 80.00 per month
internet	- 42.00 per month

$ 603.25 per month

Industrial Site: Based on 350 square feet of land for drainage and 360 square feet of building.

Comparable Building	- $ 1.60 per square foot
Comparable Land (estimated)	- $ 0.60 per square foot

* Any waste or contaminants must be cleaned up by renter *

$ 786.00 per month

Generator: Based on 3 days a week at 8 hours a day.

Generator Rental	- $ 360.00 per 28 days (4 weeks)
Fuel - 20 litres per day @ $1.05	- $ 252.00 per 28 days (4 weeks)
Maintenance - $ 25.00 per day	- $ 300.00 per 28 days (4 weeks)

$ 912.00 per month

$ 2,301.25	total value
$ 1,937.00	less rental charge, inclusive (except long distance)
$ 364.25	equals monthly subsidy
x 9	number of months
$ 3,278.25	equals total subsidy

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