



TOWN OF LADYSMITH

A REGULAR MEETING OF THE
COUNCIL OF THE TOWN OF LADYSMITH
WILL BE HELD IN COUNCIL CHAMBERS AT CITY HALL ON
MONDAY, MARCH 3, 2014
7:00 p.m.

AGENDA

Page

CALL TO ORDER 7:00 P.M.

1. AGENDA APPROVAL

2. MINUTES

- 2.1. Minutes of the Regular Meeting of Council held February 17, 2014..... 1
- 2.2. Minutes of the Special Meeting of Council held February 19, 2014.....10
- 2.3. Minutes of the Special Meeting of Council held February 25, 2014.....11

3. DELEGATIONS

- 3.1. Judy Stafford, Cowichan Green Community
A representative of Cowichan Green Community will be in attendance to present a summary of the organization's 2013 programs and successes.
- 3.2. Shirley Blackstaff, Ladysmith Maritime Society
Celebrating Ladysmith's Industrial Heritage

4. PROCLAMATIONS – None

5. 2014 – 2018 FINANCIAL PLAN DELIBERATIONS – Grants-in-Aid12

6. DEVELOPMENT APPLICATIONS – None

7. COUNCIL COMMITTEE REPORTS

- 7.1. Mayor R. Hutchins
Cowichan Valley Regional District; Stocking Lake Advisory Committee;
Community Health Advisory Committee/Interagency Group
- 7.2. Councillor B. Drysdale
Municipal Services Committee; Protective Services Committee; Heritage
Revitalization Advisory Commission
7.2.1 Municipal Services Committee Recommendations16
February 17, 2014 Meeting
- 7.3. Councillor J. Dashwood
Advisory Design Panel; Cowichan Valley Regional District Community
Safety Advisory Commission; Social Planning Cowichan; Social Planning

Cowichan Affordable Housing Directorate; Ladysmith Early Years Partnership; Ladysmith Chamber of Commerce

7.4. Councillor G. Horth
Advisory Planning Commission; Parks, Recreation and Culture Commission; Liquid Waste Management Committee; Ladysmith Downtown Business Association

7.5. Councillor D. Paterson
Protective Services Committee; Parks, Recreation and Culture Commission; Festival of Lights

7.6. Councillor G. Patterson
Youth Advisory Committee; Liquid Waste Management Committee

7.7. Councillor S. Arnett
Stocking Lake Advisory Committee; Vancouver Island Regional Library Board; Celebrations Committee

8. STAFF REPORTS

8.1. Appointment of Election Officers for 2014 Local Government Elections.....17

9. BYLAW

9.1. Town of Ladysmith Waste Water Treatment Plant Upgrade Phase 319
Temporary Borrowing Bylaw 2014, No. 1849
May be adopted.

The purpose of Bylaw 1849 is to permit the Town to borrow funds on a short-term basis to cover costs related to the waste water treatment plant as they are incurred. As authorized by the *Community Charter*, this bylaw supports Loan Authorization Bylaw 2013, No. 1792, and does not enable the Town to incur additional debt beyond that authorized by Bylaw 1792.

10. CORRESPONDENCE

10.1. Jim VanderWal, Fraser Basin Council20
BC Clean Energy Vehicles Program

Staff Recommendation

That Council consider whether it wishes to write to Hon. Mary Polak, Minister of Environment, and Hon. Bill Bennett, Minister of Energy and Mines, urging the provincial government to continue offering incentives to support the adoption of clean energy vehicles in British Columbia, as outlined in the correspondence from Jim Vanderwal of the Fraser Basin Council dated February 14, 2014.

11. NEW BUSINESS

**11.1. Association of Vancouver Island and Coastal Communities.....22
–2014 Convention**

Town of Ladysmith policy permits the Mayor and up to four Councillors to attend the Association of Vancouver Island and Coastal Communities annual convention.

Staff Recommendation

That Council determine which members will attend the Association of Vancouver Island and Coastal Communities annual convention from April 11 to 14, 2014 in Parksville/Qualicum.

12. UNFINISHED BUSINESS

12.1. Services Agreement with Stz’uminus First Nation – For Approval.....25

Staff Recommendation

That Council approve the draft Services Agreement with the Stz’uminus First Nation.

13. QUESTION PERIOD

- A maximum of 15 minutes is allotted for questions.
- Persons wishing to address Council during “Question Period” must be Town of Ladysmith residents, non-resident property owners, or operators of a business.
- Individuals must state their name and address for identification purposes.
- Questions put forth must be on topics which are not normally dealt with by Town staff as a matter of routine.
- Questions must be brief and to the point.
- Questions shall be addressed through the Chair and answers given likewise. Debates with or by individual Council members or staff members are not allowed.
- No commitments shall be made by the Chair in replying to a question. Matters which may require action of the Council shall be referred to a future meeting of the Council.

14. CLOSED MEETING

In accordance with section 90(1) of the *Community Charter*, this section of the meeting will be held *In Camera* to consider the following items:

- labour relations or other employee relations
- the acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality
- litigation or potential litigation affecting the municipality

- law enforcement, if the council considers that disclosure could reasonably be expected to harm the conduct of an investigation under or enforcement of an enactment

15. RISE AND REPORT

16. ADJOURNMENT



**TOWN OF LADYSMITH
MINUTES OF A MEETING OF COUNCIL
MONDAY, FEBRUARY 17, 2014
COUNCIL CHAMBERS, CITY HALL
CALL TO ORDER 6:25 P.M.
REGULAR OPEN MEETING 7:00 P.M.**

COUNCIL MEMBERS PRESENT:

Mayor Rob Hutchins
Councillor Bill Drysdale
Councillor Glenda Patterson

Councillor Steve Arnett
Councillor Gord Horth

Councillor Jillian Dashwood
Councillor Duck Paterson

STAFF PRESENT:

Ruth Malli
Erin Anderson

Sandy Bowden
John Manson

Felicity Adams
Joanna Winter

CALL TO ORDER

Mayor Hutchins called this Regular Meeting of Council to order at 6:25 p.m. in order to retire immediately into closed session.

CLOSED MEETING

Moved and seconded:

That Council retire into closed session in order to consider the following items:

- labour relations or other employee relations
- the acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality

Motion carried.

REGULAR MEETING

Mayor Hutchins reconvened the Regular Meeting of Council at 7:00 p.m.

AGENDA APPROVAL

CS 2014-057

Moved and seconded:

That the agenda for the Regular Council Meeting of February 17, 2014 be approved as amended with the following additions:

10.1 Facebook Town Hall Meeting

10.2 "Adopt-a-Block" Initiative

Motion carried.

MINUTES

CS 2014-058

Moved and seconded:

That the minutes of the Regular Meeting of Council held Monday, February 3, 2014 be approved.

Motion carried.

PUBLIC HEARING

Town of Ladysmith Official Community Plan Bylaw 2003, No. 1488, Amendment Bylaw (No. 42) 2014, No. 1843 and Town of Ladysmith Zoning Bylaw 1995, No. 1160, Amendment Bylaw (No. 96) 2014, No. 1844 – 315 Holland Creek Place

Members of the public present: 10

The applicant is Holland Creek Holdings. Proponent Luke Kolk was in attendance.

Mayor Hutchins opened the Public Hearing for Town of Ladysmith Official Community Plan Bylaw 2003, No. 1488, Amendment Bylaw (No. 42) 2014, No. 1843 and Town of Ladysmith Zoning Bylaw 1995, No. 1160, Amendment Bylaw (No. 96) 2014, No. 1844.

The Director of Development Services, F. Adams, stated that this Public Hearing is for an Official Community Plan and Zoning Bylaw Amendment - Application 3360-13-05.

The subject property is Lot A, District Lot 43, Oyster District, Plan EPP12594. The property is located at 315 Holland Creek Place.

The subject of the Public Hearing is:

- *Town of Ladysmith Official Community Plan Bylaw 2003, No. 1488, Amendment Bylaw (No. 42) 2014, No. 1843*
- *Town of Ladysmith Zoning Bylaw 1995, No. 1160, Amendment Bylaw (No. 96), 2014, No. 1844*

Bylaw 1843 proposes to amend the Official Community Plan by:

- Placing the 'Single Family Residential' Land Use Designation on the subject property
- Removing the Multi-Family Residential Land Use Designation and Development Permit Area 4 – Multi-Family Residential (DPA 4) designation from the subject property

Bylaw 1844 proposes to amend the Zoning Bylaw by:

- Placing the 'Medium Density Urban Residential Zone (R-1-A)' on the subject property

Land Use Agreement

In general terms, the new proposal includes the following voluntary commitments which will be secured by registered covenant prior to 3rd reading of the proposed bylaws:

- i) Constructing energy efficient dwellings that achieve Energuide 80
- ii) Constructing a pedestrian connection from the internal strata road to the sidewalk along Dogwood Drive
- iii) Green development practices including providing a sediment and erosion plan, using permeable surfaces, energy efficient windows, and drought tolerant plants
- iv) Inclusion of strata rules to prohibit herbicides and

pesticides; no parking or storage of recreational vehicles; and timely clearing of snow

- v) Requiring a minimum of four visitor parking stalls onsite
- vi) Requiring a sign to restrict parking to allow for emergency vehicle turn-around in the area designated

If the current proposal proceeds, this new covenant would replace Covenant CA1884279, which is currently on the title.

Covenant CA1884278 (protecting the steep bank) will remain on title for the purpose of:

- Protection of the steep bank
- Within the protected area soil and vegetation may not be disturbed or removed, no dumping of material, no trails, and no buildings or structures

Covenant (currently on title) CA1884279	Proposed New Covenant
Amenity of \$5000	Not required as no density lift.
Green development practices including providing a sediment and erosion plan, using permeable surfaces, energy efficient windows, and drought tolerant plants.	These commitments will remain as well as a commitment to constructing homes with an energy efficiency rating of Energuide 80 for all dwellings on the land.
Installation of a walkway from the development to the sidewalk along Dogwood Drive.	This commitment will remain.
Inclusion of strata rules to prohibit herbicides and pesticides; no parking or storage of recreational vehicles; and timely clearing of snow.	This commitment will remain.
Commitment to the Delinea site plan design showing 5 duplex buildings and one triplex building.	This condition will be removed, as the site plan would no longer be valid.

	<p>A minimum of four visitor parking stalls is required onsite.</p> <p>A sign shall restrict parking to allow for emergency vehicle turn-around in the area designated.</p>
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Referrals:

1) The application was referred to the Stz'uminus First Nation on November 25, 2013. There were no comments provided on this application.

2) Council referred the application to the Advisory Planning Commission.

At its meeting on January 9, 2014, the Advisory Planning Commission (APC) passed the following motion regarding development application 3360-13-05:

The Advisory Planning Commission (APC) recommends support for application 3360-13-05 to permit eight single family bare-land strata lots at Lot A, District Lot 43, Oyster District, Plan EPP12594 subject to the following conditions:

- *That the site plan include an area for a minimum of four visitor parking stalls;*
- *That signage restrict parking to allow for emergency vehicle turn-around in the area designated.*

These recommended conditions have been included in the development proposal.

Neighbourhood Information Meeting Report:

The applicant held a neighbourhood information meeting on February 8, 2014. The report from the meeting states:

- One neighbour attended the meeting; no comments were provided about the proposal.

Public Hearing Notice:

The Public Hearing notice was printed in the Chronicle newspaper on February 4, 2014 and February 11, 2014 and posted on community notice boards throughout Town, as well as on the Town's website. A copy of the notice was made available at the front counter at City Hall for the two-week notice period.

There were no written submissions and no telephone or in-person enquiries received at City Hall in connection with this Public Hearing.

Mayor Hutchins called three times for questions about the bylaw

amendments.

Mayor Hutchins called three times for comments and written submissions about the bylaw amendments.

Hearing no questions and receiving no comments or written submissions, Mayor Hutchins declared the Public Hearing for Bylaws 1843 and 1844 closed.

Mayor Hutchins stated that:

- Council may not receive further submissions on the bylaws.
- Council may, without further notice or hearing,
 - (a) adopt or defeat the bylaws, or
 - (b) alter and then adopt the bylaws, provided that the alteration does not
 - (i) alter the use,
 - (ii) increase the density, or
 - (iii) without the owner's consent, decrease the density of any area from that originally specified in the bylaws.

PROCLAMATION

Mayor Hutchins proclaimed the week of February 17 to 23, 2014 as "Heritage Week" in the Town of Ladysmith, recognizing the importance of our waterways, lakes, rivers and ocean coastline to the history of our Town and our province.

**DEVELOPMENT
APPLICATIONS**

Councillor D. Paterson declared a conflict of interest with the following agenda item and excused himself from the meeting.

Zoning Bylaw Amendment – 1144 Rocky Creek Road (Lot A, District Lot 38, Oyster District, Plan EPP23810)

Moved and seconded:

CS 2014-059

That Council receive the report from the Director of Development Services regarding Zoning Bylaw Amendment Application 3360-14-01 for 1144 Rocky Creek Road (Lot A, District Lot 38, Oyster District, Plan EPP23810); and

That Council direct that consideration of the discharge of covenant FB078666 from the title of Lot A, District Lot 38, Oyster District, Plan EPP23810 be part of the public hearing on the zoning bylaw amendment application.

Motion carried.

Councillor D. Paterson returned to the meeting.

Official Community Plan (OCP) Amendment & Rezoning Application – Holland Creek Place (Lot A, District Lot 43, Oyster District, Plan EPP12594)

Moved and seconded:

CS 2014-060

That subject to any additional matters raised at the public hearing,

the application by Thomas Tremble to amend the Official Community Plan 2003, No.1488 and the Town of Ladysmith Zoning Bylaw 1995, No.1160 to permit eight single family lots be approved in principle, subject to the following conditions:

That prior to the enactment of amending Bylaws 1843 and 1844 the following shall be completed to the satisfaction of the Director of Development Services:

- a) Discharge of covenant CA1884279 from the title of Lot A, District Lot 43, Oyster District, Plan EPP12594.
- b) Registration of a section 219 covenant on the title of the land to secure the following voluntary commitments:
 - Constructing energy efficient dwellings that achieve Energuide 80
 - Constructing a pedestrian connection from the internal strata road to the sidewalk along Dogwood Drive
 - Green development practices including providing a sediment and erosion plan, using permeable surfaces, energy efficient windows, and drought tolerant plants
 - Inclusion of strata rules to prohibit herbicides and pesticides; no parking or storage of recreational vehicles; and timely clearing of snow
 - Requiring a minimum of four visitor parking stalls onsite
 - Requiring a sign to restrict parking to allow for emergency vehicle turn-around in the area designated

And that the Mayor and Corporate Officer be authorized to execute the Section 219 covenants.

Motion carried.

BYLAWS (OCP/ZONING)

Town of Ladysmith Zoning Bylaw 1995, No. 1160, Amendment Bylaw (No. 97), 2014, No. 1848

Moved and seconded:

CS 2014-061

That Town of Ladysmith Zoning Bylaw 1995, No 1160, Amendment Bylaw (No. 97), 2014, No. 1848 be read a first and second time, and that a public hearing be scheduled.

Motion carried.

Councillor D. Paterson declared a conflict of interest with the matter under consideration and excused himself from the meeting.

Moved and seconded:

CS 2014-062

That Resolution CS 2014-061, giving first and second reading and scheduling a public hearing for Town of Ladysmith Zoning Bylaw 1995, No 1160, Amendment Bylaw (No. 97), 2014, No. 1848, be rescinded.

Motion carried.

Moved and seconded:

That Town of Ladysmith Zoning Bylaw 1995, No 1160, Amendment Bylaw (No. 97), 2014, No. 1848 be read a first and second time, and that a public hearing be scheduled.

Motion carried.

Councillor D. Paterson returned to the meeting.

REPORTS

Replacement of Firefighters' Turn-out Gear

Moved and seconded:

CS 2014-063

That Council pre-approve the purchase of five sets of firefighting protective turn-out gear that are budgeted in the 2014 Financial Plan.

Motion carried.

Temporary Borrowing – Waste Water Treatment Plant Upgrade Phase 3, Bylaw 2014, No. 1849

Moved and seconded:

CS 2014-064

That Council receive the report from the Director of Financial Services concerning proposed Waste Water Treatment Plant Upgrade Phase 3 Temporary Borrowing Bylaw 2014, No. 1849.

Motion carried.

Storm Water Management at Public Works Yard

Moved and seconded:

CS 2014-065

That Council authorize staff to proceed with the construction of a wash station and liquid collection at the Public Works Yard to manage storm water on the site, with funding of \$17,500 from the Sewer Utility Fund, \$8,750 from the Water Utility Fund, and \$8,750 from operations funds.

Motion carried.

South Ladysmith Industrial Road Realignment

Moved and seconded:

CS 2014-066

That Council authorize staff to waive the Purchasing Policy and authorize McElhanney Consulting Services to complete engineering work for the South Ladysmith Industrial Road for the Town of Ladysmith at a cost of \$11,783 plus expenses and taxes.

Motion carried.

BYLAWS

Town of Ladysmith Cemetery Care Trust Fund Appropriation Bylaw 2014, No. 1847

Moved and seconded:

CS 2014-067

That Town of Ladysmith Cemetery Care Trust Fund Appropriation Bylaw 2014, No. 1847 be adopted.

Motion carried.

**Town of Ladysmith Waste Water Treatment Plant Upgrade Phase 3
Temporary Borrowing Bylaw 2014, No. 1849**

Moved and seconded:

CS 2014-068

That Town of Ladysmith Waste Water Treatment Plant Upgrade Phase 3 Temporary Borrowing Bylaw 2014, No. 1849, be read a first, second and third time.

Motion carried.

CORRESPONDENCE

Mayor Chris Burger, City of Parksville

**Request to Advocate for Update or Replacement of Provincial
Emergency Notification System**

Moved and seconded:

CS 2014-069

That the correspondence from Mayor Chris Burger, City of Parksville, be received, and that Council urge the provincial government to update or replace the provincial emergency notification system as soon as possible.

Motion carried.

Premier Christy Clark

**Reply to Council Correspondence Regarding Cut to BC Ferries
Service**

Moved and seconded:

CS 2014-070

That the correspondence from Premier Christy Clark acknowledging Council's letter regarding BC Ferries fares and changes to coastal ferry service be received.

Motion carried.

**Barry Pages, Chair, Skeena-Queen Charlotte Regional District
BC Ferries Service Cuts**

Moved and seconded:

CS 2014-071

That the correspondence from Barry Pages, Skeena-Queen Charlotte Regional District, concerning BC Ferries service cuts, be received; and that Council support the BC Ferry Coalition; and that Council write a letter to the BC Ferry Coalition indicating its support, reiterating its strong objection to cuts in BC Ferries service and increases in ferry fares, and emphasizing that the British Columbia ferry system should be viewed as an extension of the TransCanada Highway.

NEW BUSINESS

Facebook Town Hall Meeting

Council discussed an invitation to participate in a Town-hall style meeting taking place on Facebook regarding the Couverdon boundary extension application. Council members were reminded that participation of four or more Council members in a meeting would be considered a quorum.

QUESTION PERIOD

A. Stone enquired about aspects of the Couverdon boundary extension application and was advised that:

- Under the terms of the proposal, the Town would acquire approximately 500 acres of watershed land in addition to the boundary extension lands. These 500 acres would remain outside the Town's boundaries
- The Couverdon lands are currently zoned as forest lands. If the boundary extension is successful, the lands would remain as such and would be subject to all of the Town's rezoning and development processes before any development could take place
- It is anticipated that should any development occur on the Couverdon lands, there would be an appropriate balance of commercial and residential development

R. Johnson was advised that:

- A tentative re-opening date for the Peerless Road Recycling Depot is February 26, however, this has yet to be confirmed by the Cowichan Valley Regional District, which operates the recycling depot
- The Town does not receive revenues for freighters anchored in Ladysmith Harbour, that a new version of a proposed coastal marine park has not yet been released, and that Ladysmith Harbour is not a dumping area for sewage
- The Town would be expected to pay a nominal amount to acquire watershed lands from Couverdon and that it is still under negotiation, and the Town has not considered establishing a municipal forest

CLOSED MEETING

CS 2014-072

Moved and seconded at 7:50 p.m.:

That Council retire into Closed Meeting after a two minute recess.

Motion carried.

ARISE AND REPORT

Council arose from the Closed Meeting without report.

ADJOURNMENT

CS 2014-073

Moved and seconded:

That this meeting of Council be adjourned at 8:42 p.m.

Motion carried.

CERTIFIED CORRECT:

Mayor (R. Hutchins)

Corporate Officer (S. Bowden)



**TOWN OF LADYSMITH
MINUTES OF A SPECIAL MEETING OF COUNCIL
WEDNESDAY, FEBRUARY 19, 2014
COUNCIL CHAMBERS, CITY HALL
CALL TO ORDER 7:00 A.M.
CLOSED MEETING 7:05 A.M.**

COUNCIL MEMBERS PRESENT:

Mayor Rob Hutchins	Councillor Steve Arnett	Councillor Jillian Dashwood
Councillor Bill Drysdale	Councillor Gord Horth	Councillor Duck Paterson
Councillor Glenda Patterson		

STAFF PRESENT:

Ruth Malli

CALL TO ORDER

Mayor Hutchins called this Special Meeting of Council to order at 7:00 a.m. in order to retire immediately into closed session.

WAIVER OF NOTICE

CS 2014-058

Moved and seconded:

That notice for this special meeting of Council be waived in accordance with section 120(4) of the *Community Charter*.

Motion carried unanimously.

CLOSED MEETING

CS 2014-059

Moved and seconded:

That Council retire into closed session in order to consider the following item:

- labour relations or other employee relations

Motion carried.

OPEN MEETING

Mayor Hutchins reconvened this Special Meeting of Council at 7:43 a.m.

ARISE AND REPORT

Council arose from the Closed Meeting without report.

ADJOURNMENT

CS 2014-060

Moved and seconded:

That this meeting of Council be adjourned at 7:44 a.m.

Motion carried.

CERTIFIED CORRECT:

Mayor (R. Hutchins)

Corporate Officer (S. Bowden)



**TOWN OF LADYSMITH
MINUTES OF A SPECIAL MEETING OF COUNCIL
TUESDAY, FEBRUARY 25, 2014
COUNCIL CHAMBERS, CITY HALL
CALL TO ORDER 6:30 P.M.
CLOSED MEETING 6:35 P.M.**

COUNCIL MEMBERS PRESENT:

Mayor Rob Hutchins	Councillor Steve Arnett	Councillor Jillian Dashwood
Councillor Bill Drysdale	Councillor Gord Horth	Councillor Duck Paterson

COUNCIL MEMBERS ABSENT:

Councillor Glenda Patterson

STAFF PRESENT:

Ruth Malli

CALL TO ORDER

Mayor Hutchins called this Special Meeting of Council to order at 6:30 p.m. in order to retire immediately into closed session.

CLOSED MEETING

CS 2014-060

Moved and seconded:

That Council retire into closed session in order to consider the following item:

- labour relations or other employee relations

Motion carried.

OPEN MEETING

Mayor Hutchins reconvened this Special Meeting of Council at 7:25 p.m.

ARISE AND REPORT

Council arose from the Closed Meeting without report.

ADJOURNMENT

CS 2014-061

Moved and seconded:

That this meeting of Council be adjourned at 7:27 p.m.

Motion carried.

CERTIFIED CORRECT:

Mayor (R. Hutchins)

Corporate Officer (S. Bowden)



Town of Ladysmith

STAFF REPORT

To: Ruth Malli, City Manager
From: Erin Anderson, Director of Financial Services
Date: February 28, 2014
File No:

RE: 2014 GRANTS IN AID APPLICATIONS

RECOMMENDATION(S):

That Council consider the grant-in-aid funding requests for 2014 received from community groups and organizations.

INTRODUCTION/BACKGROUND:

Each year, grants for social, cultural, recreational, special events services are provided by Town Council on behalf of residents of the Town of Ladysmith. The purpose of the grant-in-aid program is to assist citizens, financially, to organize themselves around community issues and projects.

Similarly to last year, advertisements for this program were placed in January and February editions of the Chronicle and the February edition of Take 5. The deadline to apply was February 28, 2014.

Council will recall that a new grant-in-aid policy was adopted in 2013. Beginning in 2014, there is now a requirement for grant recipients to report back to the Town how the grant-in-aid funding was used to support their event or project. The deadline for reporting on funds received this year will be December 1, 2014.

Only non-profit organizations are eligible for grants-in-aid.

At the time of the deadline, there were 26 applications received, requesting \$169,457 in grant funding. Currently included in the 2014 preliminary budget is \$100,000 for grants-in-aid, based on actual funding of grant claims in 2013. This budget figure includes \$5,000 of unallocated funding to offset the costs of unscheduled Trolley usage for the various events that occur throughout the year.

Attached is a summary list of all applications received. Details of applications are available for review at City Hall. Some of the applicants requesting grants-in-aid also receive additional assistance from the Town in the form of property tax exemptions, use of Town-owned buildings at nominal rental costs or assistance with the organization's operating costs. This additional assistance is noted on the attached list.

SCOPE OF WORK:

Once Council approves the organization's request, funding will be provided to the successful organizations in May.

ALTERNATIVES:

Council may choose to approve the amounts requested, modify the amount requested or deny the amount requested.

FINANCIAL IMPLICATIONS:

In these challenging economic times, Council is reminded that grant-in-aid funding comes directly from property tax payers. Any changes to the grant-in-aid budget will either reduce or increase the amount of property taxes levied for 2014. For comparison purposes, the City of Nanaimo allocates \$14,000 to Other Grants through their Grants Advisory Committee. The District of North Cowichan allocates approximately \$120,000 in Recreation & Culture Grants in Aid and the City of Duncan provides \$23,000 in Grants to Organizations.

LEGAL IMPLICATIONS:

Authority to provide grants-in-aid is derived from the *Local Government Act* s.176 (c).

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

Many community groups rely on grant-in-aid funding. Any changes to the funding could affect the services those organizations deliver.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

With direction from Council, the Financial Services Department leads the grant-in-aid process.

RESOURCE IMPLICATIONS:

Much of the staff time has been allocated to the preparation of grant-in-aid processes. Once a Council decision is made, minimal time is taken to complete the payment process in May.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

Supporting other organizations through grants-in-aid aligns with Strategic Priority F – Safe and Healthy Community. However, grants-in-aid should also be considered from the perspective of Strategic Priority A – Wise Financial Management.

SUMMARY:

On the agenda for Council consideration are the grant-in-aid requests received from community groups and organizations for 2014. Details of each application are available for review in the binder in Council Chambers at City Hall. The total of all grant-in-aid requests received by the application deadline was \$169,457.

I concur with the recommendation.



Ruth Malli, City Manager

ATTACHMENTS:

2014 – Summary Grant-in-Aid Applications
2013 Applicants that did not submit for 2014

2014 - Summary Grant-in-Aid Applications

Packet Number	Organization	2014 Requested	2013 Requested	2013 Approved	2012 Requested	2012 Approved	Building Space at nominal	Operating Costs (ie Telephone)	Permissive Tax Exemption	Other
1	Ladysmith Tour de Rock 2014 Committee (trolley rental)	trolley	-	-	-	-				
2	Ladysmith Tour de Rock 2014 Committee (red serge dinner)	1,500	-	-	-	-				
3	Cowichan Valley Performing Arts Foundation	500	-	-	-	-				
4	Ladysmith Fire Rescue Santa Parade	1,500	1,800	1,000	1,800	1,000	✓			Fire Truck
5	Festival of Lights Society	12,000	12,000	12,000	22,000	18,000	✓		✓	
6	Ladysmith Citizens on Patrol	1,500	1,500	1,500	1,500	1,500	✓			Vehicle
7	Ladysmith & District Historical Society Archives	25,000	25,000	20,000	25,000	20,000	✓	✓	✓	
8	Ladysmith & District Historical Society Museum	15,000	12,000	10,000	12,000	10,000		✓	✓ via owner	
9	Arts on the Avenue	1,000	1,000	1,000	1,500	1,000				Road Closure
10	Ladysmith Downtown Business Association	1,500	-	-	-	-				
11	Ladysmith Show & Shine	1,000	1,000	500	1,000	500				Road Closure
12	Ladysmith & District Marine Rescue Society	5,000	5,000	1,500	1,500	1,500				
13	Arts Council of Ladysmith & District (Disability access)	5,000	5,000	2,500	-	-	✓		✓	
14	Ladysmith Maritime Society Festival Events	5,000	5,000	1,500	5,000	1,500	✓		LMS - Partial	
15	St John the Evangelist Anglican Church	500	3,600	500	-	-			✓	
16	Cowichan Family Caregivers Support Society	750	750	750	750	750				
17	Ladysmith Resources Centre Assn - General Programming	16,000	12,000	8,000	17,860	8,000	✓		✓	
18	Ladysmith Resources Centre Assn - Family Support	9,000	12,000	8,000	12,000	8,000	✓		✓	
19	Ladysmith Resources Centre Assn - Youth at Risk	9,000	12,000	8,000	11,000	8,000	✓		✓	
20	Ladysmith Resources Centre Assn - Victim Services	12,500	14,000	11,000	17,000	11,000	✓		✓	
21	Ladysmith Food Bank	24,207	-	-	-	-	✓			
22	Ladysmith Ambassador Program	2,500	2,500	1,000	2,500	1,000				
23	Vancouver Island Crisis Society	2,000	-	-	1,000	500				
24	Ladysmith Celebrations Society	9,000	10,000	8,000	8,000	8,000				
25	Arts Council of Ladysmith & District	2,000	1,000	1,000	1,000	1,000	✓		✓	
26	Cowichan Therapeutic Riding Association	5,000	5,000	1,000	5,000	-				
-	Ladysmith Sec School - Frank Jameson Bursary	1,500	1,500	1,500	1,500	1,500				
TOTAL		169,457								

2013 Applicants that did not submit for 2014

Ladysmith Community Gardens Society
Ladysmith RCMP Community Policing
Ladysmith & District Accountability Program
Ladysmith Fire Rescue Auto Exvolutions
People in Pain Network
Cowichan Therapeutic Riding Association
Ladysmith Intermediate School PAC
Ladysmith Maritime Society Heritage Initiatives
Gordon's Peacock Society
Razmataz Productions



Town of Ladysmith

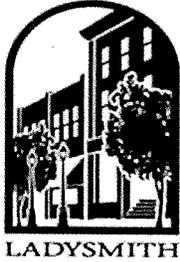
COMMITTEE REPORT

To: Mayor and Council
From: Councillor Bill Drysdale
Chair, Municipal Services Committee
Date: February 18, 2014
File No:

Re: **MUNICIPAL SERVICES COMMITTEE RECOMMENDATIONS – February 17, 2014**

At its February 17, 2014 meeting, the Municipal Services Committee recommended that Council:

1. Amend the Beer Garden and Special Occasion Licence Applications Policy:
 - To delegate to the Director of Parks, Recreation and Culture the authority to approve Special Occasion Licences at the identified facilities for this purpose;
 - To remove the deadline for submissions;
 - To add Forrest Field, Transfer Beach Park and Aggie Hall and Fields as permitted areas for Special Occasion Licensed use.
2. Refer the matter of on- and off-leash dogs in Town parks to the Parks, Recreation and Culture Commission for further consultation and investigation and to report back to Council.
3. Approve the following dates for the 2014 to 2018 Financial Plan deliberations:
 - March 3 – Grants-in-Aid Discussion (Regular Council Meeting)
 - March 24 – Financial Plan Overview (Special Council Meeting)
 - April 7 – Ongoing Financial Plan deliberations (Regular Council Meeting)
 - April 14 – Ongoing Financial Plan deliberations (Special Council Meeting)
4. Refer the correspondence from Troy Grant requesting consideration of traffic calming measures on the Fourth Avenue Extension to the Speed Watch program of the Royal Canadian Mounted Police with a request to monitor traffic in the vicinity and to provide a report to Council.



Town of Ladysmith
STAFF REPORT

To: Ruth Malli, City Manager
From: Sandy Bowden, Director of Corporate Services
Date: February 18, 2014
File No:

Re: APPOINTMENT OF ELECTION OFFICERS

RECOMMENDATION(S):

That Council appoint the following elections officers for the upcoming 2014 Local Government Elections:

Name and Position:

Joanna Winter, Manager of Administrative Services
Sandy Bowden, Director of Corporate Services

Election Officer Position:

Chief Election Officer
Deputy Chief Election Officer

PURPOSE:

The purpose of this staff report is to request Council to appoint election officers for the upcoming 2014 Local Government Elections in accordance with the current legislation.

INTRODUCTION/BACKGROUND:

Section 41(1) of the Local Government Act requires a local government to appoint a Chief Election Officer and Deputy Election Officer for each local government voting opportunity. A local government election will take place in either October or November of 2014. Under current rules, local government elections are held on the third Saturday in November. However, that date would change to the third Saturday in October if the current rules are amended in accordance with the recommendations of the Local Government Election Task Force.

SCOPE OF WORK:

Upon ratification of the appointment of the two election officer positions, various election tasks will be assigned and completed as required. Both election officers will attend a training session taking place in Sidney on May 8, 2014.

ALTERNATIVES:

Council could appoint alternate individuals to the two election officer positions.

FINANCIAL IMPLICATIONS:

Compensation for the Chief and Deputy Chief Election Officers will be determined at a later date after an external review is completed.

LEGAL IMPLICATIONS:

Failure to appoint election officials is in contravention of the Local Government Act.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

n/a

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

n/a

RESOURCE IMPLICATIONS:

No additional resources are required.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

n/a

ALIGNMENT WITH STRATEGIC PRIORITIES:

Conducting local government elections is a statutory requirement and therefore a strategic priority for the Corporate Officer.

SUMMARY:

In accordance with the Local Government Act, a local government must appoint a Chief Election Officer and a Deputy Chief Election Officer for each local government voting opportunity. A local government election will take place in the fall of 2014. Council's consideration of ratifying these appointments is requested at this time.

I concur with the recommendation.



Ruth Malli, City Manager

ATTACHMENTS:

None

TOWN OF LADYSMITH

BYLAW NO. 1849

A bylaw to authorize temporary borrowing pending the sale of debentures for the Waste Water Treatment Plant Upgrade Phase 3.

WHEREAS it is provided by 181 of the *Community Charter* that the Council may, where it has adopted a loan authorization bylaw, without further assents or approvals, borrow temporarily from any person under the conditions therein set out;

AND WHEREAS the Council has adopted Bylaw No. 1792 , cited as "Waste Water Treatment Plant Loan Authorization Bylaw 2012, No. 1792" authorizing the construction of the third phase of the Waste Water Treatment Plant, in the amount of ten million dollars (\$10,000,000.00)

AND WHEREAS the sale of debentures has been temporarily deferred:

NOW THEREFORE, the Council of the Town of Ladysmith, in open meeting assembled, enacts as follows:

- (1) The Council is hereby authorized and empowered to borrow an amount or amounts not exceeding the sum of ten million dollars (\$10,000,000.00), as the same may be required.
- (2) The form of obligation to be given as acknowledgement of the liability shall be a promissory note or notes bearing the corporate seal and signed by the Mayor and the Corporate Officer.
- (3) The money so borrowed shall be used solely for the purposes set out in said Bylaw No. 1792.
- (4) The proceeds from the sale of the debentures or so much thereof as may be necessary shall be used to repay the money so borrowed.
- (5) This bylaw may be cited as "Waste Water Treatment Plant Upgrade Phase 3 Temporary Borrowing Bylaw 2014, No. 1849 ".

READ A FIRST TIME on the 17th day of February, 2014

READ A SECOND TIME on the 17th day of February, 2014

READ A THIRD TIME on the 17th day of February, 2014

ADOPTED on the day of

Mayor (R. Hutchins)

Corporate Officer (S. Bowden)

From: Jim Vanderwal [<mailto:jvanderwal@fraserbasin.bc.ca>]
Sent: February 14, 2014 1:00 PM
To: Jim Vanderwal
Cc: Charlotte Argue
Subject: What happens after the BC Clean Energy Vehicles Program?

I am contacting you because your organization is one of the over 150 local governments, businesses or institutions that is hosting electric vehicle charging stations in BC. BC gained significant momentum and leadership on electric vehicles over the past two years, in part due to your efforts. BC now has the largest EV charging network in the country, which has happened because organizations like yours agreed to host and jointly fund charging stations. I'm also pleased to report that vehicle sales have also increased significantly (78% from 2012 to 2013), with many new models becoming available.

The provincial Clean Energy Vehicles (CEV) Program provided the funding for these charging stations, as well as incentives for charging infrastructure in homes and multi-family residential buildings. It also provided funding for a point-of-sale incentive of up to \$5,000 for the purchase of plug-in electric vehicles.

As you may be aware, the provincial Clean Energy Vehicles (CEV) Program is ending by March 31, 2014. The point-of-sale incentives for vehicles have already been fully expended as of today – good news that there is demand for electric vehicles, although unfortunately no further funding is available at this time.
<image.png>

We have all participated in a collective province-wide effort to increase the number of electric vehicles in BC as one solution toward lowering transportation emissions, and the province has committed to a goal of 10% of all new vehicles being zero emission by 2016. However, there is a strong possibility that this momentum will be lost in the absence of incentives to support vehicle adoption.

Please make your views known on this issue – the key provincial Ministers to contact are:

Mary Polak
Minister of Environment
ENV.minister@gov.bc.ca
PO Box 9047 Stn Prov Govt
Rm 112, Parliament Buildings
Victoria BC V8W9E2

Bill Bennett
Minister of Energy and Mines
MEM.Minister@gov.bc.ca
PO Box 9060, STN PROV GOVT
Victoria BC V8W9E2

I have attached a background document which provides further details that may be useful to you. Please feel free to get in touch with me if you have questions or require additional support. If you do send letters, please cc Fraser Basin Council as well so that we are aware of your perspectives.

Sincerely,

Jim Vanderwal | Senior Manager | Fraser Basin Council
604.488.5359 | Fax: 604.488.5351 | jvanderwal@fraserbasin.bc.ca
1st Floor 470 Granville St. Vancouver, BC, Canada V6C 1V5

PS. We have heard from some organizations whose approval processes for this type of communication may extend beyond March 31, your input is still valuable as there will no doubt be ongoing discussions on this issue beyond March 31.



Association of Vancouver Island and Coastal Communities

REPRESENTING LOCAL GOVERNMENTS ON: VANCOUVER ISLAND - THE SUNSHINE COAST
POWELL RIVER - THE CENTRAL COAST - BRITISH COLUMBIA, CANADA

2014 ANNUAL CONVENTION

The Program Format

Based on a successful tradition, the 2014 program will integrate the regular business of the annual general meeting, debate on resolutions and holding of elections with a variety of presentations and workshops on topical issues, addresses by key political speakers and opportunities for networking. A draft of the detailed Convention program is expected to be available by mid-February. In order to accommodate emergent issues the program does not become final until just prior to the AGM & Convention.

The Business Sessions of the Convention will be held at the Qualicum Beach Civic Centre, the Annual Banquet will be held at the Parksville Convention Centre.

Please note: the Program for Convention is subject to change. The program will be finalized in March.

Friday, April 11th

Morning:	Registration and Pre-Convention Program
8:30 AM – 12:00 PM	Delegate & Exhibitor Registration (Qualicum Beach Civic Centre)
8:30 AM – 12:00 PM	(Pre-Convention Study Tour Option 1) <u>Deep Bay Marine Station Tour</u>
8:30 AM – 12:00 PM	(Pre-Convention Study Tour Option 2) <u>North Island Wildlife Recovery Centre Tour</u>
9:45 AM – 12:00 PM	(Pre-Convention Study Tour Option 3) <u>Milner Gardens Tour</u>
Afternoon:	AGM & Convention Opening (Qualicum Beach Civic Centre)
2:00 PM – 5:30 PM	Official Opening, Keynote Address, Provincial Representatives Addresses, AGM & Presentations
2:30 PM – 3:30 PM	<u>Keynote Address: Deb Grey</u>
Evening:	Social and Networking Activities
5:30 PM – 7:30 PM	<u>Welcome Reception – Tigh Na Mara Resort</u>

Saturday, April 12th

Morning:

7:15 AM – 8:15 AM Continental Breakfast (Qualicum Beach Civic Centre)

8:30 AM Voting for Table Officers (As Necessary)

8:35 AM Elections, UBCM President's Address, Resolutions & Presentations

Afternoon:

Noon Delegates Luncheon (Qualicum Beach Civic Centre)

1:30 PM – 2:30 PM Concurrent Workshop Session: Private Forests & Water Protection

1:30 PM – 2:30 PM Concurrent Workshop Session: Climate Change – The Problem & Imperative of Our Times

1:30 PM – 2:30 PM Concurrent Workshop Session: Collaborating for Community Health

2:30 PM – 3:30 PM Concurrent Workshop Session: Eco-Assets Natures Role as Municipal Infrastructure

2:30 PM – 3:30 PM Concurrent Workshop Session: East-West Trading & Business Opportunities

2:30 PM – 3:30 PM Concurrent Workshop Session: BC Hydro Rates

Evening: Social and Networking Activities

6:00 PM Reception, Annual Banquet & Entertainment – Parksville Convention Centre

Sunday, April 13th

Morning:

7:15 AM – 8:15 AM Hot Breakfast (Qualicum Beach Civic Centre)

8:30 AM Elections, Resolutions & Late Resolutions, Presentations, Address by the Leader of the Opposition, Closing Session, Installation of New Executive & Grand Prize Draw

12:00 PM Adjournment



2014 AGM & CONVENTION

April 11-13, 2014 Qualicum Beach/Parksville, BC

DELEGATE REGISTRATION FORM

IMPORTANT: If completing by hand, please print. For electronic completion, download the Word form document from www.AVICC.ca and use only the tab key (not the return key) to move through the fields and a mouse click to check the boxes. Thank you.

Delegate Surname: _____ Partner/Guest Surname: _____ Delegate Title: _____ (e.g. Mayor, Councillor, Chair, Director, CAO)	First Name: _____ (to appear on nametag) First Name: _____ (to appear on nametag)								
Municipality/RD/Ministry/Org: _____ Hotel/Motel/B&B Where Delegate is Staying: _____ Delegate Email Address: _____ Food Allergies/Intolerances _____	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">For AVICC Use</th> </tr> </thead> <tbody> <tr> <td style="width: 50%;">Cheque #:</td> <td style="width: 50%;"></td> </tr> <tr> <td>Date:</td> <td></td> </tr> <tr> <td>Amount:</td> <td></td> </tr> </tbody> </table>	For AVICC Use		Cheque #:		Date:		Amount:	
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Delegate	Partner								

REGISTRATION FEES

Delegate: (Member - Voting & Non-voting, and Non-Member)	Postmarked by March 21, 2014	Postmarked after March 22, 2014	Amount Enclosed
<input type="checkbox"/> Delegate Business Sessions	\$130	\$156	
<input type="checkbox"/> Delegate Banquet (Saturday evening)	\$45	\$54	
<input type="checkbox"/> Delegate Welcome Reception (Friday evening)	\$28	\$35	
<input type="checkbox"/> Delegate Pre-Conf Deep Bay Marine Station (Friday AM)	\$15	\$18	
<input type="checkbox"/> Delegate Pre-Conf North Island Wildlife Recovery Centre (Friday AM)	\$15	\$18	
<input type="checkbox"/> Delegate Pre-Conf Milner Gardens (Friday AM)	\$15	\$18	
<input type="checkbox"/> Continental Breakfast (Saturday)*	Incl.	Incl.	Incl.
<input type="checkbox"/> Hot Breakfast (Sunday)*	Incl.	Incl.	Incl.
<i>*Breakfast is included with the delegate registration fee. For logistics purposes, please indicate if you will join us to network with your peers, or leave unchecked if you are not planning to attend.</i>			
Partner or Guest:			
<input type="checkbox"/> Partner/Guest Welcome Reception (Friday evening)	\$28	\$35	
<input type="checkbox"/> Partner/Guest Banquet (Saturday evening)	\$45	\$54	
<input type="checkbox"/> Partner/Guest Milner Gardens Tours (Friday AM)	\$15	\$18	
<input type="checkbox"/> Partner/Guest North Island Wildlife Recovery Centre (Friday PM)	\$15	\$18	
<input type="checkbox"/> Partner/Guest Cottage Industry Tour (Saturday Full Day)	\$10	\$12	
<input type="checkbox"/> Partner/Guest Qualicum Beach Shopping Tour (Saturday PM)	Free	Free	
	Registration Fees Sub-total		
	Add 5% GST (82945 4362)		
	TOTAL FEES ENCLOSED		
	<i>(Payment must accompany registration.)</i>		

CANCELLATION POLICY

Full Refund: Notice of cancellation must be received by **March 21, 2014**.
 Non-Refundable: Notice of cancellation received after **March 21, 2014**.
 Note: Please forward notifications by email to avicc@ubcm.ca even if fees are non-refundable. Any refunds owing will be processed after the AGM & Convention.

PLEASE RETURN FORM AND MAKE CHEQUE PAYABLE TO:

Association of Vancouver Island and Coastal Communities (AVICC)
 525 Government Street
 Victoria, BC V8V 0A8

For program, registration or other information please see www.AVICC.ca, or email avicc@ubcm.ca or call 250-356-5122.

SERVICES AGREEMENT

THIS AGREEMENT dated for reference as of the _____ day of _____, 2014

BETWEEN:

STZ'UMINUS FIRST NATION

12611 Trans-Canada Highway
Ladysmith, British Columbia, V7T 1A2

(hereinafter called the "Stz'uminus First Nation")

OF THE FIRST PART

AND:

TOWN OF LADYSMITH

PO Box 220, 410 Esplanade
Ladysmith, British Columbia, V9G 1A2

(hereinafter called the "Town")

OF THE SECOND PART

GIVEN THAT:

- A. The Stz'uminus First Nation and the Town have entered into a Memorandum of Understanding, a copy of which is attached as Schedule A, made as of the 22nd day of October, 2012 with respect to the provision of municipal services by the Town to the Stz'uminus First Nation;
- B. The Stz'uminus First Nation has requested the Town to provide municipal services defined in this interim Agreement to persons residing or doing business on its Reserve;
- C. The Stz'uminus First Nation and the Town each have distinct governance authorities and responsibilities toward their residents and members, and acknowledge that the interests of all persons living in their communities are best served by working together in a spirit of cooperation;
- D. By entering into this interim Agreement, the parties do not intend to affect any right or interest of the other party except as expressly set out in this Agreement;
- E. The Town has the authority under section 23 of the *Community Charter* to enter into an agreement to provide Services to the Stz'uminus First Nation;
- F. The Stz'uminus First Nation and the Town recognize that future development on the Reserve will create additional demand for certain services provided by the Town, and wish to enter an interim agreement that defines the obligations of the parties with respect to that future development;
- G. Pursuant to the Memorandum of Understanding between them, the Stz'uminus First Nation and the Town desire to enter into this interim Agreement to provide municipal services as contemplated in the Memorandum of Understanding;

- H. The Stz'uminus First Nation and the Town intend to negotiate and execute a Final Comprehensive Agreement to supplement this Agreement, to provide water and sanitary sewer Services to an additional 900 units on IR 12 and 500 units on IR 13 in accordance with section 3(a) of the Memorandum of Understanding and subject to and in accordance with the terms and conditions of the additional agreement and subject to the Town complying with applicable provincial licences and other approvals;
- I. The Stz'uminus First Nation has approved this interim Agreement by Stz'uminus First Nation Council Resolution No. _____ passed on the _____ day of _____, 2014, a copy of which is attached to this interim Agreement as Schedule "B"; and
- J. The Town Council has approved this interim Agreement by resolution passed on the _____ day of _____, 2014, a copy of which is attached to this interim Agreement as Schedule "C".

NOW THEREFORE THIS AGREEMENT WITNESSES that for and in consideration of the premises and of the mutual promises and covenants set out in this Agreement the parties covenant and agree each with the other as follows:

PART 1 - DEFINITIONS AND INTERPRETATION

1.1 In this Agreement:

- (a) "Agreement" means this interim Agreement including all Schedules hereto, as amended by the parties in writing from time to time, to be in force and effect until expressly replaced by a Final Comprehensive Agreement entered into by the parties under section 3(b) of the Memorandum of Understanding;
- (b) "Boundary Extension" means the Town's proposed boundary extension referenced in section 7 of the Memorandum of Understanding;
- (c) "Bulk Meter" means the bulk water and sewer service meter located on the boundary of the Reserve, to measure the total volume of the Services to the Reserve, and includes any ancillary vault structure;
- (d) "Commercial Retail" does not include a hotel, assisted living facility, or medical care facility;
- (e) "*Community Charter*" means the *Community Charter*, SBC 2003, c. 56, as amended or re-enacted from time to time during the Term of this Agreement;
- (f) "Connection" means the works connecting the Services between the boundary of IR 12 and the boundary at the Town and includes fixtures and equipment, such as a back flow prevention device or similar device, and that portion of the sanitary sewer force main servicing the reserve and located within the boundary of the Town as may be required as part of these connecting works:
 - (i) so that they are consistent with the Town's *Subdivision and Development Servicing Bylaw*; or

- (ii) by the Director of Infrastructure Services, acting reasonably;
- (g) “DCC Costs” means the offsite works and services costs required to be paid by the Stz’uminus First Nation to the Town under Part 10 of this Agreement, in an amount equal to the Development Cost Charges established under the Town’s *Development Cost Charges Bylaw , 2011, No. 1762*, as amended from time to time;
- (h) “Development” means the initial 100 Units, subject to section 2.1, on the Reserve that will be connected to or otherwise receiving the Services under this Agreement, subject to this Agreement;
- (i) “Director of Financial Services ” means the Town’s Director of Financial Services appointed by the Council of the Town or any designate or representative appointed by the Town or the Director of Financial Services;
- (j) “Director of Infrastructure Services ” means the Town’s Director of Infrastructure Services appointed by the Council of the Town or any designate or representative appointed by the Town or the Director of Infrastructure Services;
- (k) “Engineering Standards” means:
 - (i) the standards relating to water and sewer systems set out in the Town’s *Subdivision and Development Servicing Bylaw*, modified as necessary by the Director of Infrastructure Services and approved by Town Council, acting reasonably, to apply to the Development on the Reserve,
 - (ii) any variances or equivalencies to the Town’s *Subdivision and Development Servicing Bylaw*, approved by the Director of Infrastructure Services and Town Council on a case-by-case basis, such variances and equivalencies not to be unreasonably refused,
 - (iii) other standards agreed upon in writing by the parties; or
 - (iv) standards established in accordance with this Agreement as a result of the dispute resolution process under Part 19;
- (l) “Environmental Standards” means those standards necessary and desirable to comply with all enactments and requirements of governmental authorities with respect to the natural environment and to protect the water, air, earth, flora and fauna in and on the Town, the Reserve and adjacent Lands and waters;
- (m) “Equivalent Dwelling Unit” or “EDU” means for the purposes of calculating available service capacity, the equivalent of one single family dwelling unit, as calculated under Schedule E, where the unit is all or part of a building, structure or improvement on the Reserve that is connected to or uses the Services;
- (n) "Extension" means that part of the works located inside the boundaries of IR12 which connect the Units, subject to section 2.1, comprising the Development on the

Reserve and includes all Individual Meters if any, to permit delivery of the Services to the Units, subject to section 2.1;

- (o) “Final Comprehensive Agreement” means the agreement between the parties that replaces this Agreement and is intended to be the final agreement between the parties with respect to the provision of Services as detailed in the Memorandum of Understanding between the parties attached as Schedule A;
- (p) “Force Majeure” means an act of God, act of Canada’s enemies, sabotage, war, blockades, insurrections, riots, epidemics, lightning, earthquakes, floods, storms, fires, washouts, nuclear and radiation activity or fallout, arrests and restraints of rulers and people, civil disturbances, explosion, expropriation, or any act, omission or event whether of the kind enumerated in this definition or otherwise not within the control of a party, which by the exercise of reasonable due diligence, the party could not have prevented;
- (q) “Individual Meter” means a water service meter on the Reserve for each individual permitted Unit, subject to section 2.1, within the Development to which Services are supplied under this Agreement;
- (r) “IR 12” means Stz’uminus Indian Reserve No. 12 (Oyster Bay) in British Columbia;
- (s) “IR 13” means Stz’uminus Indian Reserve No. 13 (Kulleet Bay and Shell Beach) in British Columbia
- (t) “Land” means “land” and “improvements” as defined in the *Assessment Act*, R.S.B.C. 1996, c. 20;
- (u) “Lessee” means a person who enters into a Lease with the Stz’uminus First Nation in respect of any part of the Reserve;
- (v) “Liquid Waste Management Plan” means the Town’s Liquid Waste Management Plan as detailed in section 2 of the Memorandum of Understanding;
- (w) “*Local Government Act*” means the *Local Government Act*, RSBC 1996, c. 323;
- (x) “Memorandum of Understanding” means the Memorandum of Understanding between the Stz’uminus First Nation and the Town dated the 22nd day of October 2012 and attached as Schedule “A” to this Agreement;
- (y) “Parcel Taxes” means, in relation to each Unit, subject to section 2.1, permitted under section 2.1, an amount equal to:
 - (i) the Water Parcel Tax payable by owners of Land within the Town of Ladysmith pursuant to Town Bylaws established under the authority of section 200 of the *Community Charter* as amended or replaced from time to time, during the Term of this Agreement; and

- (ii) the Sewer Parcel Tax payable by owners of Land within the Town of Ladysmith pursuant to Town's Bylaws established under the authority of section 200 of the *Community Charter* as amended or replaced from time to time, during the Term of this Agreement,

multiplied by the number of Units, subject to section 2.1, on the Reserve connected to or otherwise using the Services;

- (z) "Reference Date" means the Reference Date of this Agreement set out at the top of page 1 of this Agreement;
- (aa) "Reserve" means IR 12;
- (bb) "Sanitary Sewer Service" means the Town's system of sanitary mains and pipes, sewage treatment facilities and ancillary works and facilities owned and operated by the Town and provided to inhabitants and users throughout the Town;
- (cc) "Services" means the Town's Sanitary Sewer Service and the Town's Water Service;
- (dd) "Services Agreement Monitoring Committee" means the Committee established by Part 20 of this Agreement;
- (ee) "*Subdivision and Development Servicing Bylaw*" means the Town's *Subdivision and Development Servicing Bylaw 2013, No. 1834*, as amended or replaced from time to time;
- (ff) "Term" means the term set out in Part 17 of this Agreement;
- (gg) "Unit" means every building, structure or improvement within the Development to be connected to or otherwise use the Services defined in this Agreement that is constructed, installed, erected or created as of the date of this Agreement, or that is to be so constructed, installed, erected or created within the Development in accordance with sections 2.1 and 2.4 of this Agreement;
- (hh) "User Fees" means the aggregate of:
 - (i) the charge applicable based on volume of water delivered on a bulk metered rate for the first 24 months of this Agreement to allow time for the installation of individual meters to serve existing residential and commercial development and to encourage and support conservation education. The bulk meter charge shall, as of the date of this Agreement, be the agreed upon bulk rate of \$.61/cubic metre which shall be billed pursuant to Schedule A of *Waterworks Regulations Bylaw 1999, No. 1298, Amendment Bylaw 2013, No. 1821*, as amended from time to time, subject to the parties' intention to negotiate a stepped metered rate in accordance with section 9.5 of this Agreement; and

- (ii) the charge applicable for sewerage delivered to the Waste Water Treatment Plant as contained in Schedule A of *Sanitary Sewer Rates Bylaw 1999, No. 1299, Amendment Bylaw 2013, No. 1822*, as amended from time to time.

with such volumes to be determined by Individual Meters where applicable , provided that the volume under section 1.1 (hh)(i) may in the discretion of the Town Director of Infrastructure Services, acting reasonably, be determined using the water Bulk Meter volume as a proxy;

- (ii) “Water Service” means the Town’s system of water mains and pipes, pumps and ancillary works and facilities owned and operated by the Town to provide potable water to inhabitants and users throughout the Town;

- (jj) “Year” means calendar year.

1.2 In this Agreement:

- (a) the headings and captions used in this Agreement are for convenience only and do not form part of this Agreement and will not be used to interpret, define or limit the scope or intent of this Agreement or any of its provisions;
- (b) a reference to a statute includes every regulation made under the statute, all amendments to the statute or to the regulation in force from time to time, and any statute or regulation that supplements or supersedes the statute or the regulation;
- (c) a word importing the masculine gender includes the feminine or neuter, a word importing the singular includes the plural, and in each case, vice versa;
- (d) a reference to an approval, authorization, consent, waiver or notice means written approval, authorization, consent, waiver or notice; and,
- (e) the provisions of the *Interpretation Act*, R.S.B.C. 1996. c. 238 shall be deemed to apply to this Agreement as though it were an enactment of the Town.

1.3 The following Schedules are attached and form part of this Agreement:

- (a) Schedule “A” – Memorandum of Understanding,
- (b) Schedule “B” - Stz’uminus First Nation Council Resolution No. _____,
- (c) Schedule “C” – Ladysmith Town Council Resolution No. _____,
- (d) Schedule “D” – Services System Drawing, and
- (e) Schedule “E” – Equivalent Dwelling Units.

PART 2 - SERVICES AND PAYMENT FOR SERVICES

INTERIM SERVICES

- 2.1 The Town must provide the Services to the Development commencing upon the execution of this Agreement and upon the Stz'uminus First Nation entering into a works and services agreement with the Town for IR 12 in the form and with the content of the works and services agreement used by the Town from time to time, provided that:
- (a) the Development is limited to 100 EDU's, and
 - (b) in any event the annual supply of potable water is limited to a maximum of 25,400 cubic metres per calendar year.
- 2.2 The Town shall proceed in a reasonable manner to upgrade its infrastructure, plant and equipment necessary to provide additional capacity to its Services to permit the orderly development of IR 12 and IR 13 and for the provision of Services as detailed in a Final Comprehensive Agreement for the provision of Services for the additional 900 Units on IR 12 and 500 Units on IR 13.

PROVISION OF SERVICES

- 2.3 Subject to this Agreement, the quality and quantity of the Services to be provided by the Town under this Agreement will be substantially the same as the quality and quantity of Services provided by the Town to the users of such Services on non-Reserve lands within the Town. The Town is not obliged to provide Services at a greater level or degree than the level or degree to which the same Service is provided elsewhere within the Town. The Town makes no representation or warranty that the level or degree of Services provided under this Agreement will be maintained or continued to any particular standard, other than as stated expressly herein. Stz'uminus First Nation acknowledges and agrees that there may be from time to time interruptions or reductions in the level of Services, and that the Town will not be held liable for any losses, costs, damages, claims or expenses arising from or connected with a temporary interruption or reduction in the level of a Service provided under this Agreement.
- 2.4 For greater certainty, until the parties have entered into a Final Comprehensive Agreement, the Stz'uminus First Nation shall limit the Development to be connected to or otherwise receiving the Services on IR 12 to a maximum of 100 Units, subject to section 2.1, unless otherwise agreed in writing by the Town.
- 2.5 In accordance with the intent of the parties as set out in section 3(c) of the Memorandum of Understanding regarding the provision of the Services, the Stz'uminus First Nation has delivered, and the Town acknowledges the receipt and sufficiency of,
- (1) a letter to the Province of British Columbia and the Town supporting the Town's Liquid Waste Management Plan and
 - (2) a letter to the Province of British Columbia in support of the Town's proposed Boundary Extension in form and content acceptable to the Town and as described in the Memorandum of Understanding as further detailed in section 2.12 of this Agreement; and

- (3) a letter to the Province of British Columbia in form and content acceptable to the Town in support of the Town's proposal to expand the Town Water Service and as detailed in the Memorandum of Understanding.

PAYMENT FOR SERVICES

- 2.6 The Stz'uminus First Nation shall pay all fees, rates, charges, levies or other amounts detailed in section 9.2 on the terms and conditions set out in section 9.2. Late payments shall be subject to penalty in accordance with the rates established by the Town's *Water, Sewer, Garbage, Penalty Rates Bylaw 1998, No. 1283*, as amended or re-enacted from time to time.
- 2.7 If the Stz'uminus First Nation is more than 6 months late in making any payment owing to the Town under section 2.6 then the Town may at its election give the Stz'uminus First Nation one year's notice of default, setting out the amounts and interest owing and if within the one year after delivery of the notice the Stz'uminus First Nation does not make full payment, then, without prejudice to any other remedy available to it at law or in equity, the Town may on further written notice to the Stz'uminus First Nation terminate this Agreement. Provided that the running of the notice shall be suspended, and this Agreement may not be terminated, if notice has been given under Part 19 until such time as the Dispute Resolution Process has concluded.
- 2.8 Despite any other provision of this Agreement, if the Town upgrades Town water or sewer infrastructure required primarily to provide services to the Reserve the Stz'uminus First Nation must pay the Town the cost pro rata of the portion of the upgrade that serves the Reserve, and section 10.4 applies in relation to the recovery of any applicable portion of the cost of the upgrade.

DCC COSTS

- 2.9 Nothing in this Agreement shall exempt the Stz'uminus First Nation from, and the Stz'uminus First Nation shall pay to the Town as due, all DCC Costs in accordance with Part 10.

EFFECT OF NEW LAWS AND TREATY

- 2.10 If any laws or regulations of Canada and British Columbia having the force of law are promulgated, amended or repealed, or the Stz'uminus First Nation enters into a legally binding treaty with Canada and British Columbia, the effect of which is that substantial portions of the Agreement are no longer effective or incapable of being performed in the opinion of the Stz'uminus First Nation or the Town, acting reasonably, in that event the process set forth in section 2.11 will be undertaken immediately upon either the Stz'uminus First Nation or the Town becoming aware of the laws or regulations of Canada or British Columbia or the Stz'uminus First Nation signing a Final Agreement with Canada and British Columbia.
- 2.11 The Stz'uminus First Nation and the Town agree to use their reasonable best efforts to negotiate such amendments to this Agreement as are necessary to mitigate the effects of the laws, regulations or treaty provisions referred to in section 2.10. To this end, the parties

will meet commencing within two months of either the Stz'uminus First Nation or the Town becoming aware of such laws or regulations or a Final Agreement being signed and such meetings will continue on a regular basis. Should negotiations fail to result in an agreement being reached within one year of the date of the first meeting, either the Stz'uminus First Nation or the Town shall have the option of giving the other one year's notice of termination of this Agreement, subject to any laws, regulations or directives of British Columbia precluding the Town from doing so.

2.12 In consideration for the provision of Services under this Agreement, the Stz'uminus First Nation has before or concurrent with the execution of this Agreement:

- (a) prepared and delivered to the Province of British Columbia a letter in form and content acceptable to the Town in support of the Town's Liquid Waste Management Plan and as detailed in the Memorandum of Understanding;
- (b) prepared and delivered to the Province of British Columbia a letter in form and content acceptable to the Town in support of the Town's proposal to expand the Town Water Service and as detailed in the Memorandum of Understanding;
- (c) prepared and delivered to the Province of British Columbia a letter in form and content acceptable to the Town in support of the Town's proposed Boundary Extension and as detailed in the Memorandum of Understanding;
- (d) agreed to the relocation of the Midden from the Town's facilities to accommodate the plans of the Town for construction of the Wastewater Treatment Plant upgrade and use of the former site of the Midden.

in accordance with the intent of the parties as set out in sections 2, 4 and 7 of the Memorandum of Understanding.

PROVISION OF FURTHER SERVICES

2.13 The Town and the Stz'uminus First Nation acknowledge and agree that they will negotiate in good faith a Final Comprehensive Agreement that will replace or supplement this Agreement and which will incorporate the terms of the Memorandum of Understanding. Upon execution of the Final Comprehensive Agreement, subject to the Town complying with applicable provincial licenses and other approvals and having sufficient capacity, the Town agrees to provide water and sanitary sewer Services to IR 12 and IR 13 in accordance with section 3(a) of the Memorandum of Understanding and subject to and in accordance with the terms and conditions of the Final Comprehensive Agreement. The parties will conclude the good faith negotiations and use best reasonable efforts to enter into the Final Agreement no later than 24 months after the date of execution of this Agreement.

PART 3 - COORDINATED INFRASTRUCTURE AND LAND USE PLANNING

3.1 The Town and the Stz'uminus First Nation will consult with each other in respect of joint infrastructure and planning, related directly or indirectly to the provision of Services under this Agreement.

3.2 Without limitation, at a minimum, in relation to the consultation referred to in section 3.1:

- (a) each party will inform the other party of any planned or proposed development which may affect infrastructure or Land use in relation to the Reserve;
 - (b) the Town will consult with the Stz'uminus First Nation on amendments to the Town's *Official Community Plan* by providing early and ongoing opportunities to make submissions to the Town in relation to the preparation of an *Official Community Plan* amendment, to attend a meeting with the Town's staff if desired by the Stz'uminus First Nation and to make submissions at the formal public hearing if the Stz'uminus First Nation so desires;
 - (c) the parties will work together toward Land use policy harmonization in the context of the Town's *Official Community Plan*, the Stz'uminus First Nation's Oyster Bay Land Use Plan and Smart Growth principles, recognizing that each party is subject to laws and statutory requirements and each is an independent government whose discretion cannot be fettered;
 - (d) consider and communicate with each other with respect to concerns, recommendations or other comments provided by the other party; and
 - (e) wherever possible, reach consensus with the other party in respect of plans, priorities, budgets, funding sources, timelines and other matters relating to this Agreement.
- 3.3 The Town acknowledges the land use jurisdiction of the Stz'uminus First Nation in respect of the reserve.
- 3.4 Despite section 3.3, the Services are agreed to be delivered in a manner that is consistent with the shared community values of the parties and it is therefore mutually agreed that the Services:
- (a) shall not be connected to or used for any Commercial Retail building having a gross footprint or floor area exceeding 2090m²,
 - (b) shall not be resold to any person or other entity, directly or indirectly, except in respect of connection to and use by a Unit, subject to section 2.1, located on the Reserve.
- 3.5 Despite section 3.4(a), the parties agree to consider amending that section to increase the maximum gross floor area if the Town's Council delivers notice to the Stz'uminus First Nation that it has legislated an increase in a permitted gross footprint or floor area exceeding 2090m² within the Town boundaries.

PART 4 - SERVICES AND CONNECTIONS

- 4.1 The Town must provide the Services to the Development and occupiers on the Reserve, as required by section 2.1, except as otherwise agreed by the parties.
- 4.2 Despite section 4.1, nothing in this Agreement obligates the Town to provide Services to any Unit, subject to section 2.1, on the Reserve that is not part of the Development until the parties have entered into a Final Comprehensive Agreement.
- 4.3 Subject to section 9.2 and Part 10, the Stz'uminus First Nation will at its own cost construct, or pay to the Town costs incurred by the Town, to:

- (a) extend the Town's Services to the boundary line of the Reserve for the purposes contemplated by this Agreement;
 - (b) install the Bulk Meter in the Reserve, at the boundary of the Reserve; and
 - (c) install the Extensions.
- 4.4 The Stz'uminus First Nation must provide for operations, flushing, maintenance and repairs in relation to the Services outside of the Town boundaries.
- 4.5 Without limitation,
- (a) the Town owns that portion of the water main works constructed by Stz'uminus First Nation and located within the boundaries of the Town;
 - (b) the Stz'uminus First Nation owns the works comprising the Services located outside of the Town boundaries, and without limitation includes its own Bulk Meter installed on the boundary of the Reserve, the Extensions and the Individual Meters;
 - (c) the Stz'uminus First Nation must not connect or allow a person to connect to the Services located between the Town boundaries and the boundary of the Reserve; and
 - (d) the Stz'uminus First Nation owns the Sanitary Sewer portions of the Connections, and the Extensions.
- 4.6 Stz'uminus First Nation agrees to indemnify and hold harmless the Town from and against any claims or actions against the Town by the Province of British Columbia if a court of competent jurisdiction determines that Stz'uminus First Nation has or is acting in breach of the *Water Act* or other provincial or federal enactment in relation to the connection located between the boundaries of the Town and the boundary of the Reserve for conveying potable water to the Reserve.

PART 5 - EXTENSIONS CONSTRUCTION

- 5.1 The Stz'uminus First Nation will, at its sole cost, subject to this Agreement, construct the Extensions in accordance with the Engineering Standards.
- 5.2 Extensions constructed under section 5.1 are the exclusive property of the Stz'uminus First Nation and the Stz'uminus First Nation shall be responsible for all costs associated with the installation, maintenance, repair and replacement of the Extensions.
- 5.3 Prior to construction of an Extension or significant modification to an Extension, the Stz'uminus First Nation must deliver to the Director of Infrastructure Services the design and specifications for the proposed Extension. The Director of Infrastructure Services may require changes or modifications to aspects of the Extension if the Extension does not satisfy the Engineering Standards.
- 5.4 The Stz'uminus First Nation must install, at its sole cost, an Individual Meter to service any or all Units, subject to section 2.1, within the Development that are connected to an Extension.

PART 6 - USE OF EXTENSIONS

- 6.1 The Stz'uminus First Nation will construct and use the Extensions only for the purpose of enabling delivery of the Services to the Reserve and to a Unit, subject to section 2.1, within the Development. For greater certainty, the Extensions cannot be used for any building, structure or improvement off-Reserve or that is not part of the Development permitted under section 2.4 of this Agreement. Every Extension for new Units, subject to section 2.1, of Development must comply with Part 5 and Part 6.
- 6.2 The Stz'uminus First Nation must require that every person on the Reserve who uses the Services acts in accordance with orders, policies or bylaws made by the Town with respect to the Services, including orders, policies or bylaws respecting water use restrictions made by the Director of Infrastructure Services or the Town Council which would apply if the Development or water use were on Land subject to the jurisdiction of the Town.
- 6.3 If the Director of Infrastructure Services, Town Fire Chief or Town Council amends orders or bylaws referred to in section 6.2, the Stz'uminus First Nation must make reasonable efforts to consider amending its bylaws to be consistent with the orders or bylaws referred to in section 6.2. The Town may enforce this section 6.3 by referring the matter to the monitoring process under Part 20 or dispute resolution under Part 19.
- 6.4 The Stz'uminus First Nation must enforce its bylaws in relation to the matters referred to in sections 6.2 and 6.3.

PART 7 - ENVIRONMENTAL PROTECTION

- 7.1
 - (a) The Stz'uminus First Nation and the Town will consult on the desirability of harmonizing and making uniform their respective regulatory bylaws with respect to Environmental Standards and the following: harmonization of their respective bylaws in order to fully satisfy all commitments and requirements under the Liquid Waste Management Plan; and
 - (b) harmonize their respective bylaws so that all users of Water Services on Reserve comply with the same requirements, restrictions and orders with respect to water use, fire protection and building safety as do users within the Town.
- 7.2 The Town and Stz'uminus First Nation will cooperate in an effort to resolve any issues relating to Environmental Standards or harmonization of the parties' bylaws, or both, including through use of the mechanisms and process outlined in Part 19 and Part 20.

PART 8 - INSPECTION AND REPAIR

INSPECTION AND REPAIR

- 8.1 Despite any other provision of this Part 8, the Stz'uminus First Nation at its own cost shall be solely responsible for the repair, maintenance, replacement, and alteration or modification, in a timely manner, of the Extensions and Individual Meters in the Development to the Engineering Standards.

- 8.2 The Stz'uminus First Nation must comply with all directions of the Director of Infrastructure Services concerning the Extensions and Individual Meters, including repairing, altering, maintaining or interrupting Services to the Extensions or Individual Meters as directed by the Director of Infrastructure Services, to Engineering Standards, in a timely manner. The Stz'uminus First Nation shall use their best reasonable efforts to implement these requests.
- 8.3 The Town shall not be liable for any costs, damages, loss or claims, or any consequential loss, arising from or due to failure of the Stz'uminus First Nation to fulfill its obligations under this Part 8, and the Town has no responsibility or liability for the repair, maintenance, replacement, alteration or modification of the Extensions or Individual Meters on the Reserve.
- 8.4 The Town may at any time enter on the Reserve for the purpose of inspecting any Individual Meter.

OWNERSHIP OF EXTENSIONS AND INDIVIDUAL METERS

- 8.5 The Stz'uminus First Nation must at its sole cost install to the satisfaction of the Director of Infrastructure Services an Individual Meter for each Unit, subject to section 2.1, to be connected to or otherwise using Water Services. The Extensions and the Individual and Bulk Meters are, and at all times shall remain, the property of the Stz'uminus First Nation, provided that the Town may, but is not obligated to, inspect, maintain, repair or replace the Extensions and Individual and Bulk Meters at the cost of the Stz'uminus First Nation, as the Town considers necessary to ensure the proper delivery and operation of the Services and satisfaction of the terms of this Agreement if Stz'uminus First Nation fails or neglects to maintain, repair and replace the Extensions and Individual and Bulk Meters as required under this Agreement. The standard of inspection and maintenance of all meters shall be to a standard consistent with good industry practice.

GENERAL

- 8.6 Except in an emergency or in respect of line flushing required for routine maintenance, the Stz'uminus First Nation must not operate any fire hydrant without first notifying the Director of Infrastructure Services or Fire Chief.
- 8.7 In an emergency, the Stz'uminus First Nation will immediately, without a prior request by the Director of Infrastructure Services or the Town, repair or interrupt the use of the Services, including the Extensions, Connections and Individual and Bulk Meters, or take other reasonable steps to limit any immediate danger to people or property with respect to the Services provided pursuant to this Agreement. In the event the Stz'uminus First Nation fails to do so, the Director of Infrastructure Services has the right, but not the obligation, to enter on the Reserve, to take such steps as the Director of Infrastructure Services deems appropriate, and the Stz'uminus First Nation must pay all reasonable costs incurred by the Town as a result, including its administrative, supervisory, engineering, legal and design costs which the Town will evidence in writing.

- 8.8 The Stz'uminus First Nation shall provide in every agreement it makes with a Lessee that every obligation of the Stz'uminus First Nation under Part 4, Part 5, Part 6, and Part 8 are also an obligation of the Lessee to the Town.
- 8.9 The Stz'uminus First Nation shall assume responsibility for all provincial water quality regulations and reporting requirements between the boundary of the Town and the boundary of the Reserve.

PART 9 – PAYMENT

- 9.1 It is a fundamental term of this Agreement that the Stz'uminus First Nation make all payments for Services as required by this Agreement. The parties agree the payments shall be paid, without duplication, for those Services provided or costs actually incurred by the Town.
- 9.2 The Stz'uminus First Nation must pay to the Town:
- (a) one hundred per cent of the Parcel Taxes under section 2.6 which will be payable annually, on or before June 30th in each Year during the Term of this Agreement;
 - (b) the User Fees which will be payable quarterly, on or before March 31, June 30, September 30 and December 31 in each Year during the Term of this Agreement;
 - (c) the DCC Costs payable under Part 10 for water and sanitary sewer;
 - (d) other costs and expenses incurred by the Town with respect to the Extensions and Bulk Meter, which are payable by the Stz'uminus First Nation under this Agreement, which costs and expenses must be paid within 30 days of written demand from the Town; and
 - (e) penalties in respect of arrears of payments owing under this Agreement payable at the rates and according to the terms as set out in the *Town of Ladysmith Water, Sewer, Garbage, Penalty Rates Bylaw 1998, No. 1283*, as may be amended or re-enacted from time to time;

provided that the frequency and timing for any of the aforementioned payments may be changed by the Town as it decides necessary in its sole discretion and for greater certainty, the Town may require all amounts payable under this Agreement to be paid on the same terms and at the same times as if payable for Services provided within the Town of Ladysmith.

- 9.3 If the Stz'uminus First Nation and the Town cannot agree on an amount to be paid to the Town under this Agreement, the matter may be resolved under Part 19 on the basis of this Agreement.
- 9.4 The Town must make available at the request of the Stz'uminus First Nation the calculation and factors that substantiate the fees.
- 9.5 The parties acknowledge and agree that it is their intention to negotiate a stepped metered rate similar to that charged for Town of Ladysmith residents during the first 24 months of this Agreement which will be applied to this Agreement or any replacement or new agreement.

PART 10 - DCC COSTS

- 10.1 Without limiting amounts due and owing under other provisions of this Agreement, the Stz'uminus First Nation must pay the Town water and sewer DCC Costs to assist with the payment of off-site works and services costs related to the Services, as determined by the Director of Infrastructure Services consistent with the Town's treatment of development off-Reserve and with good engineering practices, and as provided in section 10.2 to 10.4 below.
- 10.2 The Stz'uminus First Nation must pay the Town the DCC Costs established by Town bylaw that would apply to the same class of development for the Services if it were on non-Reserve Land prior to constructing any Extensions to connect any Unit, subject to section 2.1, including existing Unit, subject to section 2.1, on the Reserve to the Services.
- 10.3 The Town will apply the same exemptions and exclusions, if any, for DCC Costs relating to Extensions or Development on the Reserve as would apply to development cost charge payments if the Extensions or development were off-Reserve.
- 10.4 Nothing in this Agreement has the effect of removing access to the application of latecomer charges if such charges would otherwise be available. Stz'uminus First Nation must make a Formal Application to the Town to receive any latecomer benefits.
- 10.5 (a) Any off-Reserve works or facilities which are required in the reasonable opinion of the Director of Infrastructure Services to be constructed, installed, upgraded or replaced for the Services contemplated under this Agreement; or
- (b) charges imposed by the Town arising directly or indirectly in relation to the Development on the Reserve, if the charges would otherwise be paid by the Town, must be paid for by the Stz'uminus First Nation, and not the Town, at the same time as the DCC Costs payment is due and payable under section 10.2.
- 10.6 The Town will consult with the Stz'uminus First Nation in identifying and prioritizing works and services designated by Town bylaw for the purpose of charges under this Part.
- 10.7 The Stz'uminus First Nation shall provide in every agreement it makes with a Lessee that every obligation of the Stz'uminus First Nation under this Part 10 is also an obligation of the Lessee to the Town.

PART 11 - REPRESENTATIONS, WARRANTIES AND COVENANTS

- 11.1 (a) The Stz'uminus First Nation and the Town represent and warrant to each other and covenant with each other that they have the legal capacity and power to enter into this Agreement and comply with and perform every term and condition of this Agreement;
- (b) all necessary corporate proceedings have been taken to authorize each party to enter into this Agreement and to execute and deliver this Agreement;
- (c) this Agreement has been properly executed and delivered.

PART 12 - GENERAL RIGHT OF THE TOWN TO ACT

- 12.1 If the Stz'uminus First Nation fails to make any payment under this Agreement when due, or if the Stz'uminus First Nation fails to fulfill any obligation under this Agreement, then, subject to the terms and conditions of this Agreement, the Town may take such actions as it deems necessary.
- 12.2 The rights, powers and remedies of the Town provided under section 12.1 are cumulative and the exercise of enforcement of any right or remedy under this Agreement does not preclude the exercise or enforcement by the Town of any other right or remedy under this Agreement or which the Town is otherwise entitled by law to enforce.

PART 13 - INTERRUPTION OF SERVICES

- 13.1 Without prejudice to any other right or remedy the Town may have, the Town may, at its sole discretion, and without terminating this Agreement, interrupt the provision of Services to the Reserve or to a Unit or Units, subject to section 2.1, within the Development if:
- (a) within a reasonable time period specified by the Director of Infrastructure Services the Stz'uminus First Nation fails to comply with the request of the Director of Infrastructure Services which has been given under this Agreement, or if full compliance is not possible for reasons beyond the Stz'uminus First Nation's control, the Stz'uminus First Nation cannot meet its obligation in relation to the request of the Director of Infrastructure Services with a plan and schedule of compliance and to proceed diligently with the plan in accordance with the schedule;
 - (b) the Stz'uminus First Nation fails to pay any of the costs, fees or other amount payable under this Agreement, within 60 days of written notice to the Stz'uminus First Nation;
 - (c) the Stz'uminus First Nation connects or permits the continued connection of an Extension so as to provide the Services in a manner that contravenes this Agreement and fails to remove the connection within 60 days of written notice to discontinue the connection or use;
 - (d) the Stz'uminus First Nation fails in any significant way to comply with its obligations as set out in this Agreement within 60 days of written notice of the failure;
 - (e) the Stz'uminus First Nation fails to comply with the water use restrictions or other regulations or requirements under Part 6, but only if the Town has provided at least 7 days' written notice and the Stz'uminus First Nation has failed to comply; or
 - (f) the Director of Infrastructure Services, acting reasonably, decides that interruption is necessary for public health or safety reasons and, except in the case of an emergency, provides at least 10 days' written notice to the Stz'uminus First Nation.
- 13.2 The Town may, in accordance with this Agreement, direct the Stz'uminus First Nation in writing to interrupt the provision of Services by way of interruption to an Extension or to Individual Meters to the Development. If the Stz'uminus First Nation does not so interrupt the provision of the Services within a reasonable time, the Town may interrupt the provision of Services to the Reserve and for that purpose the Director of Infrastructure Services may enter onto the Reserve and make the requested interruptions to the

Extensions or the Individual Meters, as the case may be, and the Stz'uminus First Nation shall pay all reasonably related costs incurred by the Town.

13.3 Before directing the interruption of services the Town must provide the following written notice to the Stz'uminus First Nation:

- (a) in the case of an emergency, no written notice in advance if a phone call is made to the Stz'uminus First Nation Administrator or his or her designate;
- (b) in the case of a violation of water use restrictions or other regulations relating to section 6.2 or failure to implement and enforce a bylaw under section 6.3, at least 2 days;
- (c) in the case of a health or public safety issue that is not an emergency, at least 10 days; and
- (d) for all other matters, at least 60 days.

13.4 In any instance where the Town or the Director of Infrastructure Services has requested or caused an interruption of Services, the Town or the Director of Infrastructure Services will restore or permit the restoration of the Services immediately after the situation that led to the interruption has been resolved.

PART 14 - FORCE MAJEURE

14.1 No party will be liable for its failure to perform any of its obligations under this Agreement due to Force Majeure or non-availability of materials or transportation.

PART 15 – INDEMNITIES

15.1 The Stz'uminus First Nation releases, indemnifies and saves harmless the Town and its elected officials, officers, employees, contractors, assigns and agents from and against all claims, demands, actions, suits, loss, damage, costs (including legal costs), fines, penalties, charges and expenses (in this section collectively "Claims") which the Town or the Stz'uminus First Nation may incur, suffer or be put to arising out of or in connection with this Agreement or the provision of the Services, including:

- (a) those arising out of or in connection with any loss or damage to persons (including bodily injury and death) or property as a result of or in connection with, directly or indirectly, this Agreement;
- (b) economic losses sustained because of interruption of the provision of Services, inadvertently or advertently, or in accordance with this Agreement;
- (c) those arising from a breach by the Stz'uminus First Nation of any of its agreements, representations, warranties or covenants set forth in this Agreement; and
- (d) a claim brought by a resident of the Reserve or member of the Stz'uminus First Nation respecting the Services;

provided, however, that this obligation to indemnify the Town and the Stz'uminus First Nation shall not apply to Claims to the extent, if any, to which they may arise from the wrongful or negligent act or failure to act of the Town or from any breach of this Agreement.

15.2 The indemnities in section 15.1:

- (a) are subject to Part 14 (Force Majeure), and
- (b) survive the expiration or termination of this Agreement.

PART 16 - EFFECTIVE DATE

16.1 This Agreement takes effect immediately upon signing by all parties.

PART 17 - TERM AND TERMINATION

17.1 Subject to section 17.3, the initial Term of this Agreement is for the period of 10 years commencing on the Reference Date and ending on the tenth anniversary of the Reference Date or until replaced by a Comprehensive Final Agreement, whichever occurs first.

17.2 At least one year prior to the end of the Term, the parties will negotiate and make best efforts to reach agreement on a renewal or replacement of this Agreement.

17.3 The parties may terminate this Agreement by mutual agreement.

17.4 The Town may terminate this Agreement by providing at least one year's written notice to the Stz'uminus First Nation if:

- (a) there has been a breach of this Agreement that has not been resolved through the dispute resolution process set out in Part 19;
- (b) there has been an interruption of the Services, or a portion of the Services, under Part 13 as a result of an act or omission of the Stz'uminus First Nation and the Stz'uminus First Nation has failed to comply with an obligation further to a request of the Director of Infrastructure Services relating to the interruption within 60 days of the order; or in cases where full compliance is not possible for reasons beyond the Stz'uminus First Nation's control, the Stz'uminus First Nation has failed to provide the Director of Infrastructure Services with a plan and schedule of compliance and to proceed diligently with the plan and the schedule;
- (c) the Town's planning, engineering or infrastructure concerns relating to the provision of the Services under section 8.2 of this Agreement or otherwise have not been resolved through the dispute resolution process set out in Part 19; or
- (d) if the Stz'uminus First Nation is more than 6 months late in making any payment owing to the Town under section 2.6.

17.5 Despite any other provisions of this Agreement, no party will terminate the Agreement during any attempt to resolve issues through the dispute resolution process set out in Part 19.

17.6 If, for any reason, this Agreement is terminated or comes to an end, there shall be a reconciliation and final adjustment of payments arising from one party to the other, calculated up to the date of termination, and the obligation to make any adjusting payment will survive the termination of this Agreement.

17.7 For greater certainty, nothing in the Agreement imposes a capital liability on the Town.

PART 18 - SECURITY

- 18.1 As security for all of the debts, liabilities and obligations of the Stz'uminus First Nation to the Town under this Agreement, in addition to the other rights and obligations of the parties under this Agreement including service interruption and termination, the Stz'uminus First Nation shall provide to the Town, as of the date of this Agreement and thereafter annually on or before the anniversary date of this Agreement, a clean, irrevocable, unconditional at sight demand letter of credit in an amount approximately equal to 115% of the ensuing year's total Parcel Taxes and User Fees (the "Letter of Credit") which amount shall be determined by the Town's Director of Financial Services acting reasonably. The Letter of Credit shall be issued in a form, and by a bank, satisfactory to the Town. Partial draws shall be permitted. If the Letter of Credit (or any replacement or substitute therefor) will expire before the date when all debts, liabilities and obligations of the Stz'uminus First Nation to the Town hereunder have been satisfied in full, then the Stz'uminus First Nation shall deliver to the Town, at least 30 days prior to its expiry, a replacement or substitute letter of credit issued on like terms and conditions. If the Stz'uminus First Nation fails to do so, the Town may draw down the full outstanding balance of the Letter of Credit (or any replacement or substitute therefor), and hold the cash in lieu thereof.
- 18.2 Without limiting section 2.7, if the Stz'uminus First Nation defaults on a payment under this Agreement and the default cannot be resolved within 30 days of the Town providing notice of the default to the Stz'uminus First Nation, the Town may draw down the Letter of Credit and apply it to the amount of the default in addition to the amounts which the Town is already or additionally entitled to retain under Part 9.

PART 19 - DISPUTE RESOLUTION

- 19.1 If the parties to this Agreement are unable to agree on the interpretation or application of any provision in the Agreement, or are unable to resolve any other issue relating to this Agreement, the parties agree to the following process in the order it is set out:
- (a) the party initiating the process will send written notice to the other party;
 - (b) the parties will promptly, diligently and in good faith take all reasonable measures to negotiate an acceptable resolution to the disagreement or dispute;
 - (c) if the parties are unable to negotiate a resolution under paragraph (b) within 30 days, any party may refer the matter to:
 - (i) the Services Agreement Monitoring Committee for administrative resolution;
 - (ii) settlement by a peer panel composed of three persons selected from a list agreeable to both parties as of the Reference Date of this Agreement, and revised from time to time under Part 20 of this Agreement, the panel must give written reasons for its decision if this is requested by the proposing Town or Stz'uminus First Nation before the panel retires to make its decision;

- (iii) conciliation, using the services of a conciliator agreeable to both parties;
- 19.2 If the parties are unable to negotiate a resolution within 60 days of the date the written notice was sent advising of the dispute, the parties may request the assistance of a skilled mediator agreed to by the parties within 30 days written notice of a request to appoint a mediator by any party, failing which the mediator will be appointed by the B.C. International Commercial Arbitration Centre (BCICAC), and unless the parties agree otherwise, this mediation will follow BCICAC rules and will terminate 60 days after the appointment of the mediator.
- 19.3 If the parties are unable to resolve the dispute under section 19.2 the parties agree to refer the matter to a single arbitrator under the *Commercial Arbitration Act* or any successor legislation and to accept the arbitration ruling as final and binding. If the parties are unable to agree on a single arbitrator within 60 days following the end of mediation, the BCICAC will appoint an arbitrator. The arbitration will follow the rules of the *Commercial Arbitration Act* unless the parties agree otherwise.
- 19.4 Unless otherwise agreed by the parties or ordered by an arbitrator, each party will pay an equal share of the costs for the dispute resolution process.
- 19.5 Despite any other provision of this Agreement, no party will interrupt or terminate this Agreement during any attempt to resolve issues through the dispute resolution process set out in this part.

PART 20 - REVIEW AND MONITORING COMMITTEE

- 20.1 At least annually or as often the parties may otherwise agree, the parties shall meet to review the terms and conditions of this Agreement, to recommend amendments to this Agreement, and to negotiate and agree on improved ways of implementing this Agreement.
- 20.2 The meeting referred to in section 20.1 will be a government to government meeting between the Councils of the parties. The Councils may delegate the implementation of the decisions made by the governments.
- 20.3 There is established a Services Agreement Monitoring Committee to:
- (a) review changes in service needs, capacity or delivery;
 - (b) facilitate interpretation and implementation of this Agreement to mitigate potential service disruptions;
 - (c) recommend amendments to the Agreement; and
 - (d) initiate review of the Agreement at least one year prior to the expiration of every five year period during the Term of this Agreement.
- 20.4 The Services Agreement Monitoring Committee will comprise the Town Chief Administrative Officer and Stz'uminus First Nation Administrator, or their designates, the Director of Infrastructure Services and the Stz'uminus First Nation Director of Public Works or their designates and the Town's Chief Financial Officer.

PART 21 - GENERAL

- 21.1 This Agreement enures to the benefit of and is binding on the parties and their respective

- successors and permitted assigns.
- 21.2 Except as specifically provided, nothing in this Agreement affects the rights and powers of either the Town or the Stz'uminus First Nation in the exercise of their functions, rights, power or authority under any enactments, which may be fully and effectively exercised as if this Agreement had not been made.
- 21.3 Except as specifically provided, this Agreement shall not be construed so as to prejudice or in any way affect the Stz'uminus First Nation's interest in and over the Reserve or provide, in any manner, the Town with any jurisdiction it otherwise does not have over the Reserve.
- 21.4 Each party executes, or cause to be executed, such further and other documents and instruments, and do, or cause to be done, such further and other things as they are authorized to do and as may be necessary to implement and carry out the intent of this Agreement.
- 21.5 Subject to the Memorandum of Understanding, and except for related agreements on taxation and Land use, and the Comprehensive Final Agreement, this Agreement contains the entire agreement between the parties and supersedes all prior written and oral communication with respect to the Services to subject of this Agreement.
- 21.6 This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia, or, to the extent that matters of paramount federal jurisdiction are involved, the laws of Canada.
- 21.7 Neither this Agreement nor any part of it may be assigned by any party without the consent of both the Stz'uminus First Nation and the Town.
- 21.8 No amendment or variation of the terms, conditions, warranties, covenants, agreements or undertakings set out in this Agreement will be of any force or effect unless the same is reduced to writing, and duly executed by all of the parties.
- 21.9 No consent or waiver, express or implied, by any Part of any breach or default by another under this Agreement will:
- (a) be valid unless it is in writing and stated to be a consent or waiver pursuant to this section;
 - (b) be relied on as a consent to or waiver of any other breach or default of the same or any other nature;
 - (c) constitute a general waiver under this Agreement; or
 - (d) eliminate or modify the need for a specific consent or waiver under this section in any other or subsequent instance.
- 21.10 Time is of the essence in the performance of each obligation under this Agreement.
- 21.11 Each provision of this Agreement is intended to be severable, and accordingly:
- (a) the unenforceability or invalidity of any particular provision under any applicable law will not affect the validity of any other provision, except that if, on the reasonable construction of this Agreement as a whole, the other provision is expressly stated, or is by reasonable implication intended by the parties, to be dependent on the validity and enforceability of the particular provision, the other

provision will be deemed also to be invalid or unenforceable;

- (b) if any provision of this Agreement is invalid or unenforceable, the balance of this Agreement will be construed and enforced as if all invalid or unenforceable provisions and all provisions so deemed to be invalid or unenforceable were not contained in this Agreement; and
- (c) if, as a result of a termination by a court of competent jurisdiction that any part of this Agreement is unenforceable or invalid, and of any application of this section 21.11, the basic intentions of the parties, as evidenced by this Agreement, are entirely frustrated, the parties will use all reasonable efforts to amend, supplement or otherwise vary this Agreement in order that it more closely conforms with their mutual intentions in entering into this Agreement.

END OF PAGE

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above mentioned.

The Corporate Seal of the Town of Ladysmith)
was hereunto affix in the presence of:)
)
) C/S
_____)
Mayor)
)
_____)
Corporate Officer)
)
)

Signed, Sealed and Delivered by the)
Stz'uminus First Nation in the presence of:)
)
_____)
Name) Authorized Signatory
)
_____)
Address) Authorized Signatory
)
_____)
Occupation) Authorized Signatory

SCHEDULE "A"



MEMORANDUM OF UNDERSTANDING

A MEMORANDUM OF UNDERSTANDING WITH RESPECT TO STZ' UMINUS FIRST NATION AND THE TOWN OF LADYSMITH RELATIONS AND PARTNERSHIPS

BETWEEN:

STZ'UMINUS FIRST NATION
12611 Trans Canada Highway
Ladysmith, British Columbia
V7T 1A2

and

TOWN OF LADYSMITH
PO Box 220, 410 Esplanade
Ladysmith, British Columbia
V9G 1A2

("Stz'uminus First Nation")

("Town")

(Collectively referred to as the "Parties")

GIVEN THAT:

- A. The Parties are engaged in discussions toward establishing a long-term, meaningful relationship in relation to their respective communities;
- B. The Parties wish to work collaboratively to support their respective communities' goals and objectives in a principled manner;
- C. Each of the Stz'uminus First Nation and the Town respects the lawful jurisdiction of the other Party;
- D. The Stz'uminus First Nation, the Town and the Province of British Columbia have engaged in discussions as reflected in this Memorandum of Understanding respecting:
 - (a) Liquid Waste Management Plan Approval;
 - (b) IR 12 (Oyster Bay) and IR 13 (Kulleet Bay and Shell Beach) Water/Sewer Services Agreement;
 - (c) Holland Lake-Stocking Lake Pipeline Agreement;
 - (d) Watershed management;
 - (e) Operational services, such as building inspection, and water meter reading;
 - (f) Boundary extension;

- (g) Ladysmith Harbour clean-up;
 - (h) DL 651 Partnership;
 - (i) Uniform bylaws for the protection of environment;
 - (j) Explore mutual funding opportunities;
 - (k) OCP consultation;
 - (l) South Ladysmith Stz'uminus First Nation (Crown) Land development;
 - (m) Incremental Treaty Process;
 - (n) Inclusion of First Nation's heritage/culture;
 - (o) Emergency Preparedness.
- E. The Parties intend this Memorandum of Understanding to set out their mutual expectations and goals in relation to the matters contained herein;
- F. The Memorandum of Understanding is to be read in the context of the Naut'Sa Mawt (Working Together) Community Accord and the Cooperation Protocol between the parties, and the principles stated therein;

THE PARTIES AGREE AS FOLLOWS:

Guiding Principles

1. In relation to the matters expressly addressed in this Memorandum of Understanding, the following principles apply:
 - (a) The Stz'uminus First Nation has constitutionally protected rights and it asserts aboriginal rights and title to its traditional territory; and
 - (b) The Town is a municipality with governance authorities as set out in Provincial legislation; and
 - (c) The Stz'uminus First Nation is a first nation with governance authority under federal law and rights of a self-governing nation; and,
 - (d) The Stz'uminus First Nation and the Town have mutual interests and shared objectives; and
 - (e) The Stz'uminus First Nation and the Town are building a working relationship based on mutual respect, cooperation, friendship, and trust; and

- (f) The Stz'uminus First Nation and the Town wish to further their relationship by entering into this Memorandum of Understanding following up on the Community Accord and Cooperation Protocol.

Liquid Waste Management Plan Approval

- 2. (a) The Stz'uminus First Nation supports the Town's Liquid Waste Management Plan.
- (b) The Town will provide the Stz'uminus First Nation with capacity in the Town's Waste Treatment Plant upgrade, in order to provide IR 12 and IR 13 with sanitary sewer services to facilitate the orderly and efficient development of IR 12 and IR 13.
- (c) The Stz'uminus First Nation will on the reference date of an agreement between the parties with respect to section 3(c) deliver to the Province of British Columbia a letter supporting the Town's Liquid Waste Management Plan.

IR 12 AND IR 13 Water/Sewer Services Agreement

- 3. (a) The Town will provide water and sanitary services
 - (i) for 1000 connections to the Stz'uminus First Nation's IR12 Reserve Lands (Oyster Bay); and
 - (ii) for 500 connections to the Stz'uminus First Nations IR13 Reserve Lands (Kulleet Bay and Shell Beach) Lands, plus potential capacity for additional units in the future,

at the same level of service the Town provides to lands and occupants throughout the Town, on generally the same terms and conditions, and subject in all respects to the same limitations, as are applicable to the provision of these services to lands in the Town and to occupants of those lands, after the Town completes the upgrade of its sewer and water capacity.

- (b) The parties will develop the phraseology of mutually satisfactory services agreements to implement sub-paragraphs (a)(i) and (ii).
- (c) Despite section 3(a), and until the parties can enter into the agreements under section 3(b), the parties will enter into an interim water and sewer services agreement for the Town to provide such services for the first 100 connections (of the total number of 1000 connections) for water and sewer for use by the Stz'uminus First Nation on IR 12 (Oyster Bay). This interim agreement will be amalgamated with the final comprehensive agreement referred to in section 3(b).

Holland Lake – Stocking Lake Pipeline Agreement

4. The Stz'uminus First Nation will, on the reference date of an agreement to provide water and sanitary sewer services under section 3(c), deliver to the Province of British Columbia a letter to support the Town's proposal to construct, install, operate, and maintain and repair a potable water pipeline between Holland Lake and Stocking Lake.

Watershed Management

5. The Stz'uminus First Nation and the Town will work together and facilitate stakeholders (e.g. other government agencies and private land owners) to develop a watershed management plan in relation to the Town's water service and commitments under its LWMP, and the Town will manage the plans and the services.

Operational Services

6. (a) In the Water and Sewer Services Agreement referred to in section 3(b), the parties may include provision by the Town of other services of an operational nature, including building inspection and water meter reading. Other services that may be discussed include preparation of tax notices, bylaw enforcement, police services or other matters. The Agreement will also include provision by Stz'uminus First Nation of services to the Town including but not limited to operational services. It is the intent to reduce duplication of services to the extent feasible.
- (b) The parties will develop phraseology for a mutually satisfactory set of provisions for operational services to be included in the services agreement.

Boundary Extension

7. (a) The Stz'uminus First Nation supports the extension of the Town's boundaries in the area shown on Schedule A, subject to the satisfactory conclusion of discussions between Stz'uminus First Nation and third parties.
- (b) The Stz'uminus First Nation will on the reference date of the agreement made between the parties under section 3(c) deliver to the Province of British Columbia a letter to support the boundary extension.

Ladysmith Harbour Clean-Up

8. The Stz'uminus First Nation and the Town will work together to utilize their jurisdiction, resources and capacity to work with the Federal and Provincial governments agencies and the private sector to take such action as may be necessary to move in the direction of ultimately restoring Ladysmith Harbour to its original natural state, subject to the limited financial resources of each of the parties.

DL 651 Partnership

9. (a) The Stz'uminus First Nation and the Town will continue their discussions on utilizing DL 651 for the purposes of cleaning up Ladysmith Harbour, further to section 8, and ultimately for the purpose of an expanded marina as a joint project in which both will have a significant role and interest.
- (b) The parties will develop the phraseology of a mutually satisfactory DL 651 partnership agreement.

Uniform Bylaws for the Protection of Environment

10. (a) The Stz'uminus First Nation and the Town will consult on the desirability of harmonizing and making uniform a number of regulatory bylaws that would apply in the Town and on the Reserve in relation to the protection of the environment or other regulatory matters.
- (b) Both the Town and Stz'uminus First Nation will follow the commitments under the LWMP (e.g. source point control bylaw).
- (b) Subject to its ongoing discussions on land use and management leading to its land code, the objective of the Stz'uminus First Nation is that every person on the Reserve who uses water obtained from the Town water supply system act consistent with orders or bylaws respecting water use restrictions and orders or bylaws respecting fire protection and building safety.

Explore Mutual Funding Opportunities

11. Each of the parties has access to unique funding opportunities for capital works, including infrastructure, facilities and services. The parties will work together on an overarching mutual funding opportunity plan.
-

Official Community Plan Consultation

12. Under section 879 of the *Local Government Act*, the Town will consult with the First Nation on amendments to the Town's Official Community Plan by providing the First Nation with early and ongoing opportunities to make submissions to the Town in relation to the preparation of an Official Community plan amendment, to attend a meeting with the Town's staff if desired by the First Nation, and to make submissions at the formal public hearing if the First Nation so desires.

South Ladysmith Stz'uminus First Nation (Crown) Land Development

13. The parties will develop the phraseology of a mutually satisfactory servicing agreement and development plan in respect of the South Ladysmith Crown Land Development by the Stz'uminus First Nation.

Incremental Treaty Process

14. (a) The Stz'uminus First Nation will consult with the Town in relation to the Incremental Treaty Process on the same basis as the Town consults with the First Nation in relation to Official Community Plan amendments under section 12.
- (b) Without limiting paragraph 9(b) or 14(a), the Parties may develop partnerships in relation to Crown Land located within the Town, and in this regard may develop the phraseology of a mutually satisfactory partnership agreement for each partnership.

Inclusion of First Nation's Heritage/Culture

15. (a) The Town acknowledges and agrees that the Stz'uminus First Nation's heritage and culture will be reflected in each of the agreements, plans and understanding reached by the parties under this Memorandum of Understanding.
- (b) The parties will provide for the formal recognition of Stz'uminus First Nation within the Town.

Emergency Preparedness.

16. The parties will work together to enhance the Cowichan Valley Regional District's emergency preparedness plan.

Land Use Strategy

17. The Stz'uminus First Nation and the Town will work together towards land use policy harmonization in the context of the Town's Official Community Plan, the Stz'uminus First Nation's Oyster Bay Land Use Plan and Smart Growth Principles, recognizing that each is subject to laws and statutory requirements and each is an independent government whose discretion cannot be fettered.

General

18. This Memorandum of Understanding is not a binding legal agreement. It does not define, create, recognize or amend the rights of the Parties. This Memorandum of Understanding is not intended to be a treaty or a land claims agreement within the meaning of sections 25 and 35 of the *Constitution Act, 1982*. Nothing in this Memorandum of Understanding, or anything done based on it, is to be taken as limiting, interfering with, or derogating from the constitutionally protected rights of Stz'uminus First Nation and the assertion by it of its aboriginal rights and title to its traditional territory.
19. Nothing in this Memorandum of Understanding obliges the Town to act in a manner inconsistent with Provincial legislative and Town bylaw regulatory jurisdictions or authorities.

- 20. Nothing in this Memorandum of Understanding obliges the Stz'uminus First Nation to act in a manner inconsistent with applicable laws or regulatory or other authorities having jurisdiction with respect to Stz'uminus First Nation and its affairs.
- 21. For greater certainty, this Memorandum of Understanding will not be interpreted in a manner which fetters the discretion of statutory decision makers.

Public Messaging

- 22. Given that the Parties are engaged in discussions toward establishing a long-term, meaningful relationship in relation to their respective communities, the Parties will work together in relation to constructive positive public messaging in respect of this Memorandum of Understanding and the agreements arising out of it.

Schedules

- 23. The following schedules are attached to and form part of this Memorandum of Understanding:
 - (a) Schedule A – Boundary Extension Area

EXECUTED in Ladysmith, British Columbia on the 22nd day of October, 2012.

On behalf of the STZ'UMINUS FIRST NATION

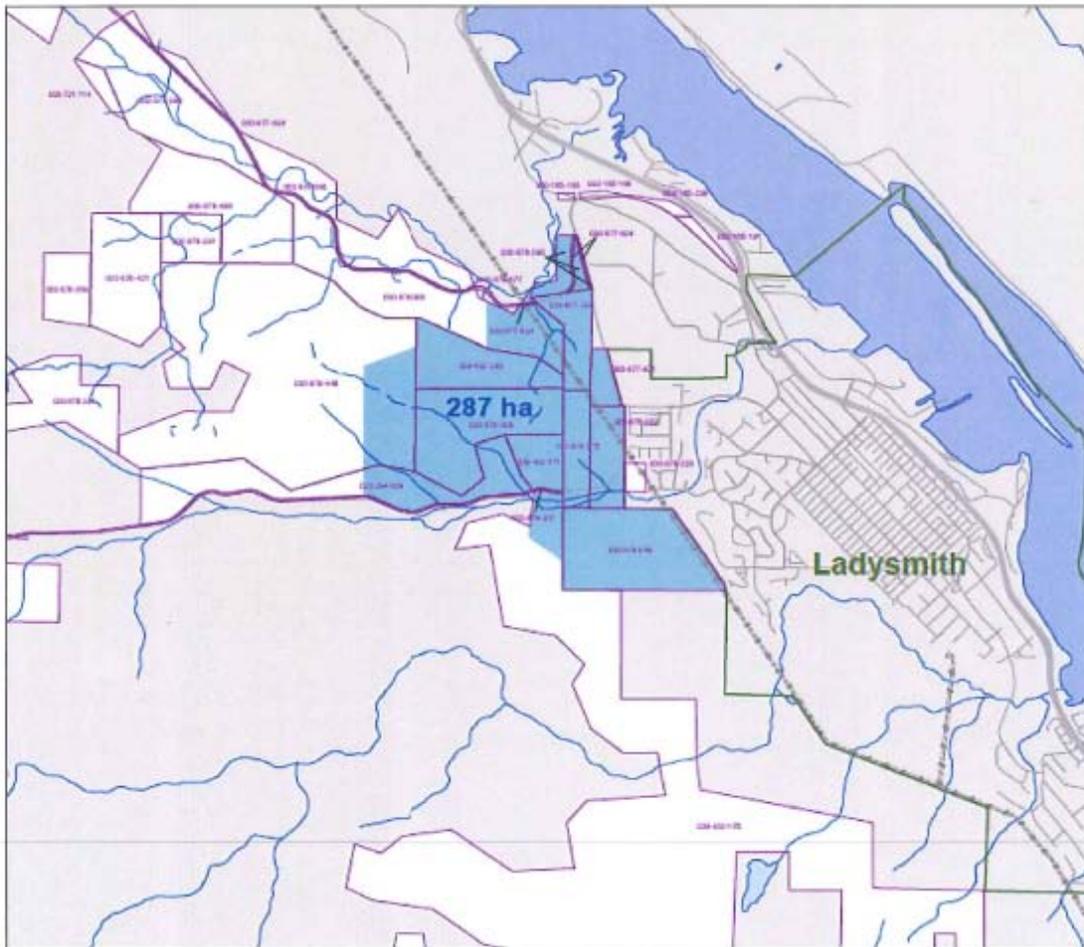
On behalf of the TOWN OF LADYSMITH

John Elliott
Rayanne Harris
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Schedule A

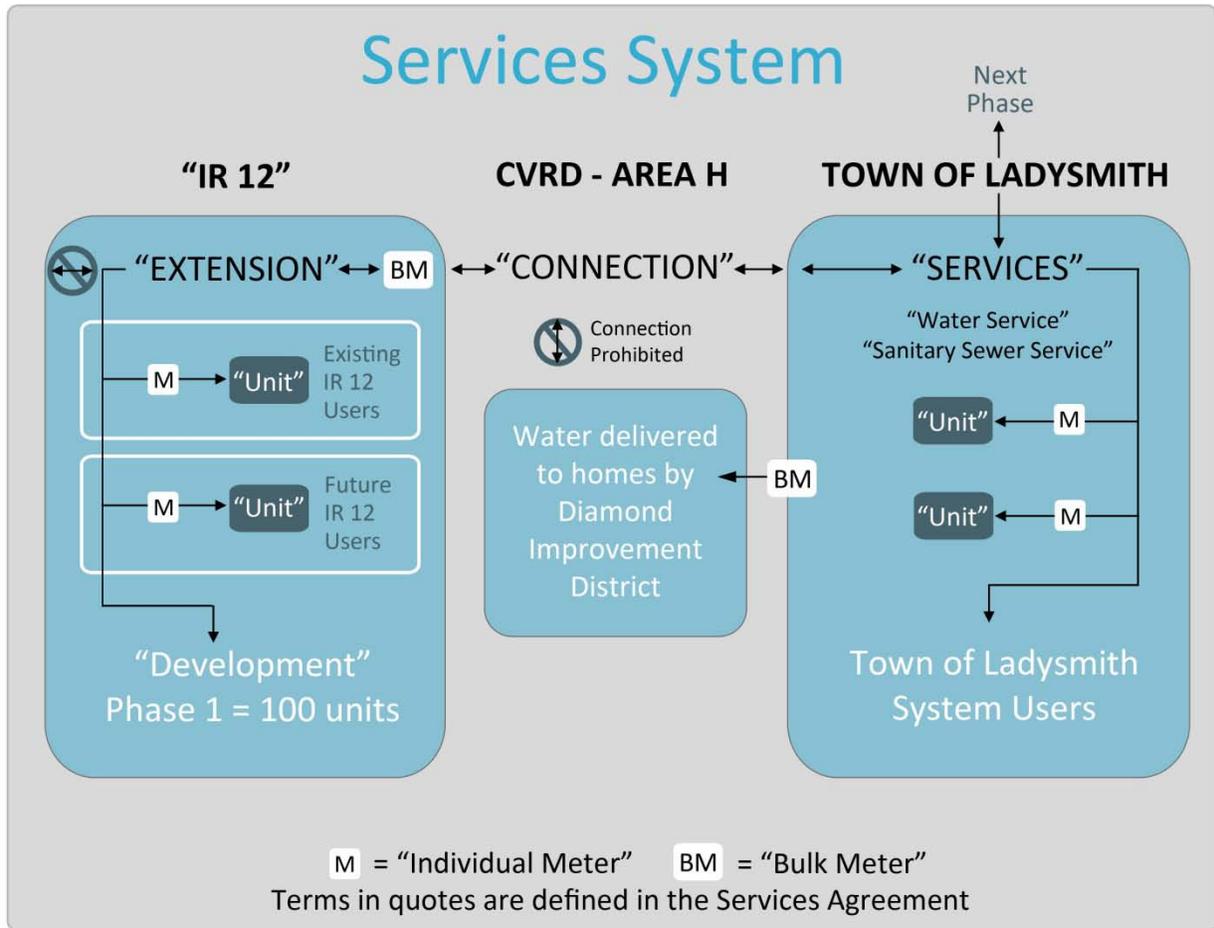
Boundary Extension Area



SCHEDULE "B"
STZ'UMINUS FIRST NATION COUNCIL RESOLUTION

SCHEDULE "C"
TOWN OF LADYSMITH COUNCIL RESOLUTION

SCHEDULE "D"
SERVICES SYSTEM DRAWING



Schedule "E"

Equivalent Development Unit Calculation

The number of Equivalent Development Units (EDU's) for each development shall be determined by the following table:

Development Type : Subtype	Equivalent Development Unit Calculation
Single Family Detached Residential	1.0 EDU per house
Duplex Detached residential	0.75 EDU's per side (1.5 per duplex dwelling)
Multi-Family Residential (> 2 units per building)	0.67 EDU's per unit
Commercial:	
Hotel	0.5 EDU's/room
Entertainment	20.0 EDU's/100 sq. meter building area
Restaurant - sit down, menu	0.3 EDU's/seat
Restaurant - fast food type	0.2 EDU's/seat
Service Station (No Car Wash)	3.0 EDU's per pump set (servicing 2 cars)
Service Commercial	6.0 EDU's/100 sq. m building area
Assembly Hall	3.0 EDU's/100 seats
School	0.1 EDU's/child
Golf Course	if connected: by calculated demand
Greenhouse (if connected to water)	if connected: by calculated demand
Office - Non Laboratory	0.2 EDU's/employee
Picnic Park with toilets	0.5 EDU's/toilet
Industrial	1.0 EDU/0.7 cu meters of calculated average demand/day
Institutional - Care Facility	0.5 EDU's/bed
Institutional - other	1.0 EDU/0.7 cu meters of calculated average demand/day

Notes:

1. "Development Type" definitions shall be in accordance with the Town's DCC Bylaw, as amended from time to time;
2. The number of Equivalent Units shall be calculated in accordance with the above table, based on the actual or most probable use of the building, and the number of applicable development units;
3. Where a building or structure is used, or may be used for a mixed use, the equivalent development units shall be calculated separately for each portion of the development based on each separate development type;
4. Where a type of development is not identified above, or in the event of a vacant building where the actual or probable use is uncertain, the calculation of equivalent units shall be based on the most comparable type of development;
5. This table is intended to provide average, typical flows by development category. Alternatively, the parties may agree to base the EDU on actual measured flow from other similarly constructed developments, subject to review and approval by the Director of Infrastructure Services.