



Your contact is: Nicole Higham

Our file: 4405291

NOTICE OF FINAL REVIEW

June 16, 2014

Icefall Lodge Ltd.
4 Ridge Road
Canmore, AB T1W 1G6

Attention: Larry Dolecki

Dear Larry Dolecki:

Re: Your Application for a Tenure over Crown Land

The review of your application for a licence for lodgesite, repeater and ski-touring purposes over:

All that unsurveyed Crown land situated in the vicinity of the Illusion Peak, Kootenay District, more particularly shown on the Legal Description Schedule and containing 3,557.15 hectares, more or less

(the "Land") has reached the stage where we anticipate making our final decision once the various matters described in this letter have been completed.

1. Deadline for Completion of Requirements

We ask that you complete the requirements described below by
August 16, 2014.

Please complete the Response to Notice of Final Review page attached, indicating whether you will or will not proceed with the application and sign and return that page to us for our records.

2. Requirements

Signing and Return of Tenure Documents

You must sign and deliver to us one copy of the licence document which is enclosed with this letter. You are responsible for ensuring that this is properly completed including, if applicable, obtaining any appropriate corporate authorizations and having any Land Title Act form C or D witnessed by a solicitor, notary or commissioner.

Monies Payable

You must deliver to us the following amounts:

Licence Fee	*\$ 1,100.00
Application Fee	**\$ 3,300.00
Application Fee Paid (credit)	\$ (3,696.00)
Refund of Application Fee (credit) (disallowed mechanized portion)	\$ (739.20)
HST Total	\$ 396.00
GST Total	\$ <u>55.00</u>
Total Fees Payable	\$ <u>415.80</u>

* denotes GST payable

**denotes HST payable

Your cheque or money order must be payable to the Minister of Finance and be delivered to 1902 Theatre Road Cranbrook, BC V1C 7G1. Please quote our file number when sending us your payment.

Security

You must deliver to us a security deposit in the amount of \$5,000.00 to guarantee the performance of your obligations under the licence. Please see attached information regarding acceptable types of security.

Insurance

You must deliver to us the attached Province of British Columbia Certificate of Insurance, signed by your insurance agent, for the insurance required to be maintained under the licence. A sample certificate is enclosed.

Additional Requirements

The area that has been approved for a Licence of Occupation still overlaps with the heliski area operated by Selkirk Tangiers Helicopter Skiing LLP. You must provide me with either an agreement signed by you and Selkirk Tangiers Helicopter Skiing LLP which could take the form of a Joint Use Agreement or you can modify your Tenure Management Plan with Selkirk Tangiers Helicopter Skiing LLP's consent.

If not resolved, you must provide me with a detailed description of the steps you took to meet with Selkirk Tangiers Helicopter Skiing LLP, the mitigative actions proposed by you to resolve the overlap situation with the Selkirk Tangiers Helicopter Skiing LLP and the areas of disagreement between you and Selkirk Tangiers Helicopter Skiing LLP.

You are required to update your management plan to show only the recommended activities under your licence of occupation. Please retain the relevant information for the lodge site, repeater and ski touring activities and submit for approval.

Please sign the management plan cover sheet, attach it to your updated management plan and return to us. We will return a copy of your cover sheet and management plan to you once your document has been finalized.

3. Process following completion of Requirements

If the requirements set out above are completed within the required time we expect to make our decision and advise you of that decision within 30 days.

Please note however that this letter does not constitute an offer by us and we reserve all our rights in connection with the decision making process, including, if appropriate, to disallow your application, to extend the decision making process and to establish additional requirements not set out in this letter.

Upon decision to issue the licence to you we will sign and return one copy of the licence to you.

4. Acknowledgments of the Applicant

You represent, acknowledge and agree that:

- (a) Your application for a Crown land tenure cannot be transferred to another person.

- (b) This Letter does not obligate us to issue the licence to you and does not give you any right to use or occupy the Land for any purpose.
- (c) You are responsible for, and encouraged to seek, your own legal advice with respect to:
 - (i) any laws, bylaws, orders, directions, ordinances and regulations associated with your use of the Land,
 - (ii) the terms and conditions set out in this Letter, and
 - (iii) the terms and conditions of, and your rights and obligations that will arise under, the licence.
- (d) You are responsible for the costs and expenses incurred by you in pursuing your application, including any cost you incur in connection with satisfying the requirements set out in this letter.
- (e) If you sign and return the licence to us that will constitute your offer to us to enter into the licence.

For Your Information

The Land differs from what you applied for because the area to be licensed encompasses only the lodgesite, repeater site and ski touring area.

Please see the attached *Archaeology Chance Find Procedures* for your information as the area has a high archaeological potential.

Freedom of Information

Personal information is collected under the *Land Act* for the purpose of administering Crown land. Information on your application, and if issued, your tenure, will become part of the Crown Land Registry, from which information is routinely made available to the public under Freedom of Information and Protection of Privacy legislation.

Yours truly,



Authorized Representative

Attachment: *Archaeology Chance Find Procedures*

Response to Notice of Final Review

File No. 4405291

Ministry of Forests, Lands and Natural Resource Operations
1902 Theatre Road
Cranbrook, BC V1C 7G1

Dear Nicole Higham:

Re: Application for licence

- ☐ I/We wish to proceed to obtain a licence in accordance with the letter dated June 16, 2014 from the Ministry of Forests, Lands and Natural Resource Operations and enclose all copies of the licence which I/We have signed.
- ☐ I/We do not wish to proceed to obtain a licence in accordance with the letter dated June 16, 2014 from the Ministry of Forests, Lands and Natural Resource Operations.

DATED the ____ of _____, ____.

Applicant's signature/Applicant's
representative's signature

Applicant's signature/Applicant's
representative's signature

Print name of person signing

Print name of person signing



Ktunaxa Nation Council
Lands & Resource Agency
7468 Mission Road
Cranbrook, BC V1C 7E5

www.ktunaxa.org

Chance Find Procedures for Archaeological Material

This document provides information on how a developer and/or their contractor(s) can manage for potential archaeological material discoveries while undertaking construction and/or maintenance activities. This document can provide assistance to in-field contractors in the identification of archaeological remains and the procedures to follow if a discovery is made. The discovery of human remains initiates a different course of action and is outlined separately.

Under the provincial *Heritage Conservation Act (HCA)*, archaeological sites that pre-date 1846 are automatically protected whether on public or private land. Protected sites may not be damaged, altered or moved in any way without a Section 12 or 14 Permit as issued through the *HCA*. It is illegal to collect or remove any heritage object from an archaeological site unless authorized to do so under permit.

1. Activities occurring outside of known Archaeological Sites:

When archaeological material is encountered outside of known archaeological site areas work in the vicinity must stop immediately no matter what type of material or feature has been identified. Alteration to an archaeological site can only occur under a Section 12 (Site Alteration Permit) or Section 14 (Heritage Inspection Permit) *Heritage Conservation Act* permit. Such permit applications should be prepared by a professional archaeologist.

If archaeological material is discovered during the course of construction activities:

- 1.1 **Stop Work:** Halt all work in the area of the discovery and safely secure the area. Contact the project manager or site foreman.
- 1.2 **Contact an Archaeologist:** An archaeologist should be contacted as soon as possible. For a list of qualified archaeologists in the area, the proponent is directed to the BC Association of Professional Consulting Archaeologists website: www.bcaca.ca. The proponent may also wish to contact the Ktunaxa Nation Council's Cultural Resources Stewardship Technician for direction (1-250-420-2739; nikapell@ktunaxa.org).

Nakisqnak

Lower Kootenay

St. Mary's

Tobacco Plains

- 1.3 **Archaeologist provides guidance:** The archaeologist will direct the proponent on the next courses of action, which will include notifying the Archaeology Branch and First Nations with interest in the area.

2. Activities Occurring within Known Archaeological Site Boundaries:

Land altering activity within a previously recorded archaeological site must be conducted under a Section 12 HCA Site Alteration Permit (SAP), in some cases with an onsite archaeological monitor. It is common for additional archaeological material and features to be encountered during activities occurring within previously recorded archaeological sites. Minor finds (lithic flakes, diffuse charcoal or fire altered rock) may not require work to stop, however significant finds require a level of assessment by a professional archaeologist, and it is up to the onsite project manager to determine the level of significance based on criteria presented below.

2.1 Significant Cultural Finds that Require a Professional Archaeologist (described in detail in Section 4)

- Intact archaeological features, which can include but are not limited to hearths, cultural depressions (e.g. cache pits, house depressions) and rock alignments or forms (e.g. tipi rings, cairns, blinds)
- Significant archaeological materials, which include but are not limited to, the presence of formed lithic tools (e.g. projectile point, microblade core, scraper), a dense concentration of lithic waste flakes, or artistic items
- Human Remains (described in detail in Section 3)

2.2 Archaeological Site Management Options

- 2.2.1 **Site Avoidance:** If the boundaries of a site have been delineated, redesign the proposed development to avoid impacting the site. Avoidance is normally the fastest and most cost effective option for managing archaeological sites. Site avoidance could also be achieved through minimizing ground disturbance by looking for alternative constructive methods.
- 2.2.2 **Mitigation:** If it is not feasible to avoid the site through project redesign, it is necessary to conduct systematic data collection and analysis within the site prior to its loss. This could include surface collection and/or excavation. This work can be time-consuming and therefore expensive to conduct.
- 2.2.3 **Protection:** It may be possible to protect all or portions of the site which will be impacted through installation of barriers during the development period and possibly for a longer period of time. Methods for barrier construction could include fencing around site boundaries or applying geotextile to the ground surface and capping it with fill. The exact method used would be site-specific.

3. Chance Find Procedures for Identified Human Remains

Procedures in the event of the discovery of human remains during construction are covered in depth by an Archaeology Branch Policy Statement, found on their website at www.for.gov.bc.ca/archaeology, and are summarized below.

- 3.1 Stop all construction activities immediately in the area of found or suspected human remains and contact the RCMP and/or Office of the Coroner.
- 3.2 The coroner must determine whether the remains are of contemporary forensic concern or archaeological/aboriginal.
- 3.3 If the remains are found to be of aboriginal ancestry then the next step involves the relevant First Nations collaboratively determining the appropriate treatment of those remains.

The key to respectfully dealing with ancient aboriginal remains is to involve the appropriate First Nations as early as possible in the process. However this must be done in a manner that does not interfere with the coroner's office ability to conduct their business in the manner that they see fit.

4. Site Identification Guide

The following are characteristics typical to site types found within the Ktunaxa Traditional Territory.

4.1 Artifact Scatters

Lithic (stone) scatters from the production and maintenance of stone tools are the most common type of archaeological site found in the region. Other materials that may be represented in artifact scatters are Fire Altered Rock (FAR), bone, antler and tooth.

Lithics: What to look for

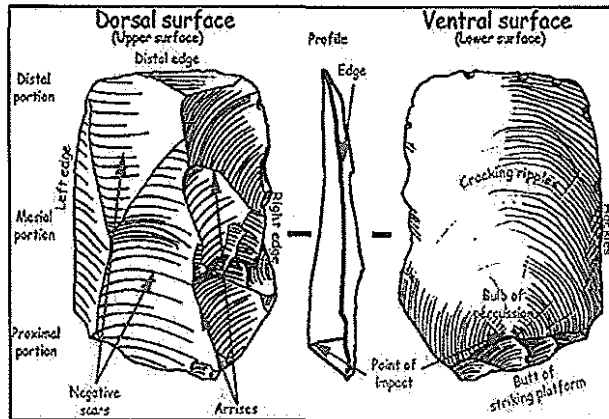


Image 1: Basic flake morphology

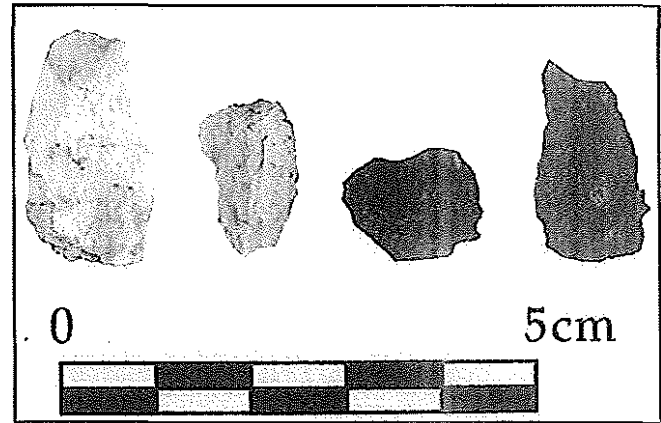


Image 2: Examples of lithic flakes

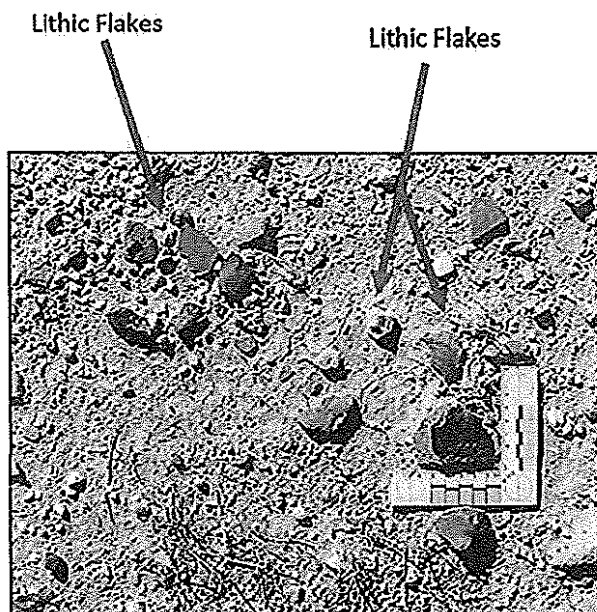


Image 3: Example of lithic scatter found on ground surface

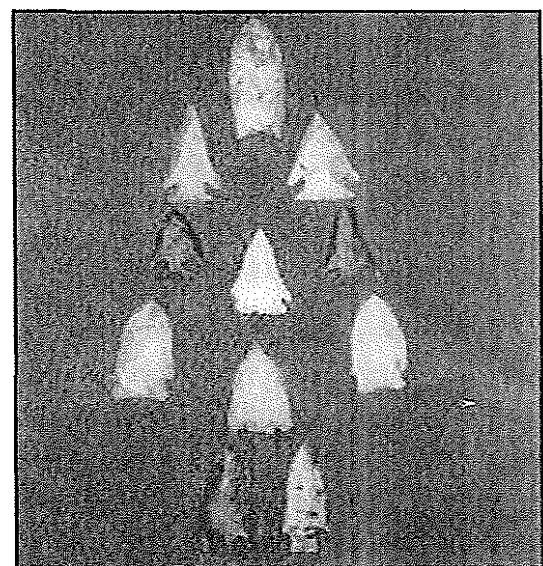


Image 4: Example of formed lithic artifacts

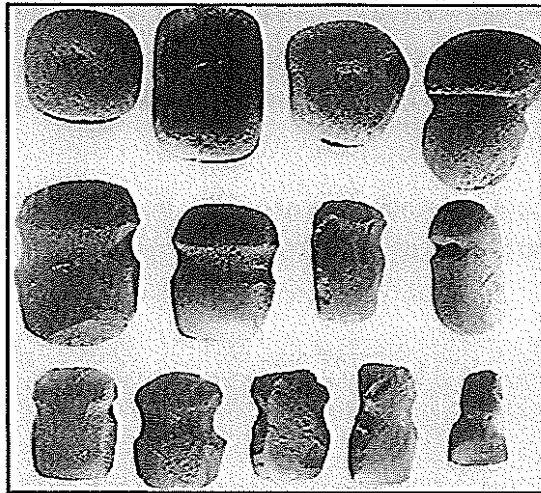


Image 5: Ground stone artifacts

Bone, Tooth and Antler Artifacts: What to Look For

- Obvious shaping
- Incising
- Unnatural holes

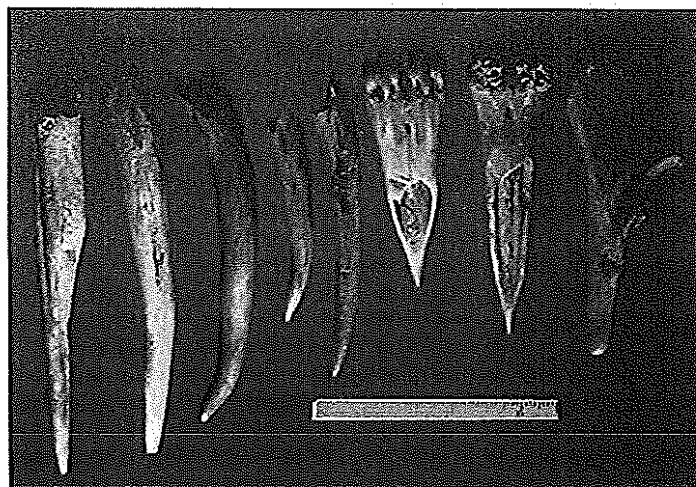


Image 6: Bone and Antler artifacts

4.2 Fire Broken Rock and Hearths

Fire-broken rock (FBR) results from the use of fire during cooking, heating and processing activities. FBR is often associated with other features including hearths and cultural depressions, but can also be thinly scattered in concentrations away from the features with which they were first associated.

When looking for FBR, note concentrations of roughly fractured rock from rapid heating and cooling, rock showing signs of burning or oxidation and/or reddening or blackening of surrounding matrix.

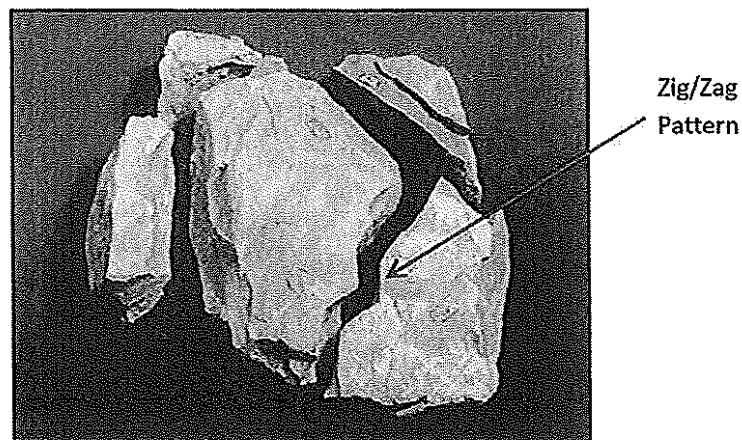


Image 7: Example of FBR; note the zig/zag pattern of breakage common to FBR

A hearth feature is evidence of a fire pit or other fireplace feature of any period. Hearths were used for cooking, heating, and processing of some stone, wood, faunal, and floral resources and may be either lined with a wide range of materials like stone or left unlined. Occasionally site formation processes (e.g., farming or excavation) deform or disperse hearth features, making them difficult to identify without careful study.

Hearths: What to look for

- FBR
- reddening or blackening of the associated soil/sediment
- charcoal
- layering of FAR and charcoal, and
- depressions in the earth associated with FAR, reddened or blackened matrix and charcoal.

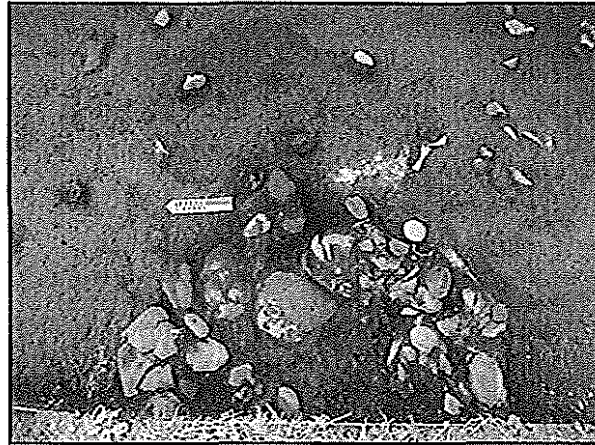


Image 8: Example of a hearth uncovered along the wall of an excavation unit

4.3 Cultural Depressions

Any depression seen on the ground surface that appears to have been excavated by man can be a cultural depression and have archaeological significance. These "pits" were dug for a variety of reasons such as for food storage or as a base for a dwelling. They can range in size from 1m across to 7-10m across, and are usually found associated with other artifacts such as FAR and lithic scatters.

To identify a cultural depression, look for:

- Subtle to deep scours on the ground surface that are circular to rectilinear in shape
- A raised rim along the edge of a depression
- Depressions associated with artifacts and FAR
- Depressions associated with fire reddening and blackening of the matrix

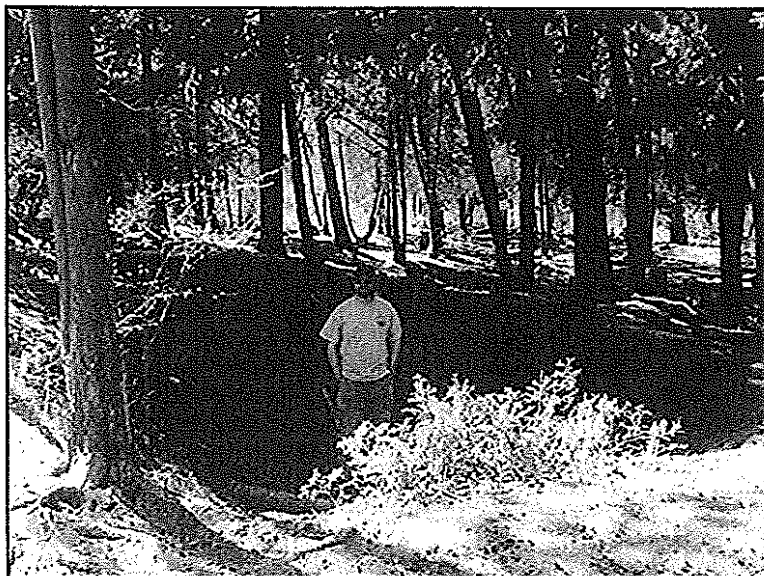


Image 9: Example of a large cultural depression in a natural setting

4.6 Rock Alignments

There are several types of rock alignments that occur within the culture area, which include tipi rings, medicine wheels, cairns and blinds. When attempting to identify rock alignments, look for a group of rocks that look purposefully placed as in a circle, pile or line; isolated groups of rock that do not seem to belong to that landscape; and/or rocks which form a pattern.



Image 10: Example of a Cairn or piling of rocks



Image 11: Example of a tipi ring in a natural setting



Ministry of Forests, Lands and Natural Resource Operations

LICENCE OF OCCUPATION – ADVENTURE TOURISM REPORT

TENURE: New ☒ Replacement ☐ Amendment ☐ Cancellation ☐

FILE NUMBER: 4405291

LEGAL

- All that unsurveyed Crown land situated in the vicinity of Illusion Peak, Kootenay District, more particularly shown on the Legal Description Schedule and containing 3,557.15 hectares, more or less

LOCATION

- Incomappleux River

REPORTED DATE

- May 21, 2014

APPLICANT LEGAL NAME:

- Icefall Lodge Ltd., Inc. No. BC0771784

ADDRESS:

- 4 Ridge Road, Canmore, AB T1W 1G6

CONTACT NAME (if corporation):

- Larry Dolecki

CONTACT NUMBERS: (403)815-1051 or daytime phone (403)270-8537

EMAIL ADDRESS: info@icefall.ca

PROPERTY TAX:

- N/A

CORPORATE REGISTRY:

- Corporate Registry in good standing (print on file)

BCA

- Not assessed yet

INSPECTED

- Not field inspected

LAND USE

- Lodge, repeater site and ski-touring

AREA

- 3,557.15 hectares

MAP SHEET

- 82K.093 and 82N.003

FOREST/PROVINCIAL FOREST

- Arrow/Boundary Forest District/Upper Arrow Provincial Forest

ALR

- Not within the Agricultural Land Reserve

CONFLICTS

- Lands File – 4490082 Laughing Bear Adventures Ltd. – Licence of Occupation for ski touring and mountaineering – no overlap – tenure boundary adjacent to proposed tenure boundary
- Lands File – 4403842 Selkirk Back Country Lodge Ltd. (Granita Devine) – Licence of Occupation for skitouring – moderate compatibility for heliskiing
 - Completed Operator input form, met with Larry Dolecki
 - Drafted a joint use agreement – exclusive use for Selkirk on McDougal Creek and Redneck Run and priority use for Selkirk on Justice Mountain but Selkirk Lodge felt that this would protect them but the bottom line is that it could affect their working relationship with Selkirk Tangiers and subsequently their business as their operating area is entirely within the tenure boundary of Selkirk Tangiers
 - Compromises safety – more than 1 helicopter increases risk
 - Increased risk of avalanches from increased use by helicopters and people
 - Could affect public recreation
 - This application will affect the financial investment and tenure security
 - Impact on the environment
- Lands File: 4496113 Selkirk Tangiers Helicopter Skiing LLP (Eriks Suchovs) – Licence of Occupation for heliskiing – low compatibility for heliskiing, moderate compatibility for ski-touring

- Completed Operator input form, met with Larry Dolecki – unwilling to consider any joint use agreement
- Contacted both Canada West Ski Area Association and Helicat Canada with the following concerns
 - Skier visits are currently not increasing
 - Shared use does not work – historical conflict with existing operators
 - Compatibility of these overlapping tenures is low
 - Impacts guest experience
 - Compromises safety of guests and staff
- Competing business with low compatibility
- Will affect guest experience and safety
- Lands File: 4401094 Canadian Mountain Holidays Inc. – Licence of Occupation for heliskiing – only small overlap in the vicinity of Scylla Glacier. Contacted Dave Butler of CMH who indicated that there is no overlap with the CMH tenured areas therefore there is no concerns
- Lands File: 4492098 Purcell Helicopter Skiing Ltd (Rudy Gertsch) – Licence of Occupation for heliskiing – low compatibility for heliskiing and opposed to application
 - Completed Operator input form, met with Larry Dolecki – unwilling to consider any joint use agreement
 - Plans to build a lodge in the Spillamacheen which took years for approval
 - Overlap causes poor guest experience looking for untracked snow, increased waiting times
 - Overlap area is for blue sky days with good visibility – overlapping tenure holders will both want to use area in good weather (Escalade Peak/Obstacle Mtn/Battle Creek
 - Dissatisfied clients and degradation of ski experience
 - Creates conflict with existing operators
 - Safest line gets skied first – too many clients may cause guides to ski in unsafe areas
 - Compromises safety – 2 helicopters, increased risk
- Lands File – 4403814 Map Reserve for Management of Caribou – adjacent to proposed tenure boundary
- Masked species – Checked ARCGIS and conservation data information does not overlap the application area.

REFERRAL SUMMARY

- See attached referral summary sheet.
- Canada West Ski Area Association opposes application:

- The current overlapping tenures have invested capital and time in establishing their businesses this will present a threat to their economic viability
- There are significant areas in BC with no heliskiing or snowcat skiing exist – the applicant should explore these
- Helicat Canada opposes application:
 - The current overlapping tenures are diligently using their tenure areas.
 - Compatibility of these overlapping tenures is low
 - Overlapping tenures impact investment
 - Impacts guest experience
 - Impacts guest and staff safety
- Valhalla Wilderness Society opposes application:
 - There will be amplified cumulative effects upon wildlife
 - There are many existing lodges and heliskiing tenures affecting this area
 - The forest is an Inland Temperate Rainforest which has had scientific research and public awareness campaigns
 - The upper Incomappleux is in a major park proposal – the Selkirk Mountain Caribou Park – proposed by environmental groups and submitted to MoFLNRO in November 2012
- Wildsight opposed:
 - No acknowledgement of the proposed wilderness area
 - Market already saturated
 - Impact of mechanized skiing on wildlife has not been studied for cumulative effects
 - This does affect caribou, grizzlies and wolverine
- West Kootenay EcoSociety opposed:
 - The upper Incomappleux valley has been identified to be an example of old growth forest
 - Biodiversity values in the the drainage are high
 - Overlapping many tenures
 - Impact wildlife, trees and wilderness values
 - What are the cumulative effects of another mechanised operation
- Public Comments opposed:
 - Should stay a pristine area
 - Enough heliskiing
 - Impacts wildlife
 - Rescue operations costs will be high
 - Avalanche control impacts wildlife

- Public Comments for:
 - Elbow River Helicopters supports the application
 - Jan Elbe – helicopter pilot

First Nations

- Initial engagement letters were sent on December 11, 2012
- Follow up letters were sent out on January 22, 2013
- Concerned about this being a sensitive area with high wildlife values and ecological characteristics
- Concerned about proximity to a major park proposal
- Concerned about cumulative impacts
- Concerned about the term being 30 years
- Accommodation Requested -
 - Have a Wildlife Impact Assessment completed and adhere to the operational recommendations.
 - Adhere to the 2006 Wildlife Guidelines for Back Country Tourism/Commercial Recreation in British Columbia
 - Adhere to the Ktunaxa Archaeological Chance Find Procedures document
 - Tenure to be issued for less than 30 years ie 10 years
 - Exclude heliskiing from the tenure
 - Complete a cumulative impacts assessment
- Consultation requirements are considered to be adequate for the decision
- Consultation record completed by Rieva McCuaig on May 12, 2014.

DISCUSSION

- Icefall Lodge Ltd. submitted an application on October 26, 2012 for intensive use and extensive use under the Adventure Tourism Policy
- The intensive use sites are a proposed ski touring lodge for 16 guests with a sauna, outhouse and helipad with an area size of 0.25 hectares and a radio repeater on Illusion Peak with an area size of 0.01 hectares
- For the lodge, water will be obtained from a nearby stream, sewage will be stored in barrels during the winter and flown out during the summer, grey water will be treated in accordance with standards
- The proposed extensive use areas are for heliskiing and ski-touring
- The heliskiing trips would be for 1 week duration and the clients would be based from the Incomappleux Lodge (formerly Mountain Hostel) and flown daily by helicopter to the ski runs
- The ski touring trips would be for 1 week duration and the clients would be flown in to the new ski touring lodge

- Advertising was completed in the Golden Star on November 28, 2012 & December 5, 2012 and the Revelstoke Times Review on November 28, 2012 and December 5, 2012
- A wildlife assessment was completed by a Professional Biologist in September 2013 with operational recommendations which will be adhered to by the proponent
- The proponent submitted some minor changes to the management plan on October 10, 2013 which will be incorporated into the existing plan. This includes moving the lodgesite 25m and some more information about the lodgesite
- The application is consistent with the Strategic Policy on Crown Land Allocation to promote investment, innovation and entrepreneurship and utilizes land in the Incomappleux Valley that is alleged by the proponent as currently not diligently used
- This application has a low compatibility with the existing overlapping Adventure Tourism operators for heliskiing. Low compatibility means that:
 - the proposed activities have a high impact on existing guest experience
 - The proposed activities have an impact on the manner in which the existing proponent must run their business
 - The proposed activities have an impact on safety and risk
- The existing operators are opposed to relinquishing areas of lower use as they need to adapt to inclement weather and snowfall patterns to provide best experience
- The applicant has the primary responsibility to reach a resolution in the integration of overlapping tenure uses
- The proponent was contacted with the list of overlapping AT Tenure holder names and copies of the AT Operator Input Form:
 - Selkirk Back Country Lodge Ltd
 - Selkirk Tangiers Helicopter Skiing LLP
 - Purcell Helicopter Skiing Ltd.

The proponent reached a draft joint use agreement with Selkirk Lodge only but since the date of the Agreement Selkirk Lodge had concerns about jeopardizing their relationship with Selkirk Tangiers Helicopter Skiing. The other 2 overlapping tenures were unwilling to consider any type of joint use agreement

- When the adventure tourism/commercial recreation policy was initiated it was fairly clear that a Licence of Occupation does not provide exclusive use and that operators had to come to agreement for joint use.
- There are significant challenges associated with managing overlapping tenures which was dealt with by adventure tourism/commercial recreation managers
- The situation now is that our Region does not have a manager for dealing with these conflicts and the existing tenure holders have conveyed that they need greater tenure certainty and rights when using Crown land

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- The lodgesite and skitouring activities have moderate compatibility with the overlapping tenure holders. Moderate compatibility means that:
 - the proposed activities could have a moderate impact on existing guest experience. There could be a joint use agreement in place to mitigate concerns
 - the proposed activities could cause the existing tenure holder to moderate or make changes in the way they must operate their business
 - the proposed activities may have an impact on safety and risk
- The proponent will have to obtain a joint use agreement with Selkirk Tangiers for overlapping use of heliskiing and ski touring and will amend their management plan to reflect the reduced use and area size.
- The other issues associated with this application are raised by the Environmental Groups namely:
 - Valhalla Wilderness Society, Wildsight and West Kootenay EcoSociety:
 - Impact of mechanized skiing on wildlife has not been studied for cumulative effects
 - There will be amplified cumulative effects upon wildlife
 - The forest is an Inland Temperate Rainforest which has had scientific research and public awareness campaigns
 - The upper Incomappleux is in a major park proposal – the Selkirk Mountain Caribou Park – proposed by environmental groups and submitted to MoFLNRO in November 2012
- The First Nations have requested accommodation
 - Have a Wildlife Impact Assessment completed and adhere to the operational recommendations – this was done.
 - Adhere to the 2006 Wildlife Guidelines for Back Country Tourism/Commercial Recreation in British Columbia – this will be in the recommendations
 - Adhere to the Ktunaxa Archaeological Chance Find Procedures document
 - Tenure to be issued for less than 30 years ie 10 years. I recommend that we still proceed with the 30 year term to allow for financial stability for the proponent
 - Exclude heliskiing from the tenure – this has been done
 - Complete a cumulative impacts assessment - We will not be asking the client for a cumulative impacts assessment prior to issuance of the tenure document. The cumulative impacts should be conducted at a strategic level using data over a period of years. The information requirements of the cumulative impacts assessment include environmental, social and economic impacts using a consistent suite of information requirements. To my knowledge we have no provincial guidelines to request this information from our individual clients.

- In addition Canada West Ski Area Association and Helicat Canada, two organisations representing heliskiing activities, do not support this application as they are concerned about shared use and historical conflict with existing operators, the compatibility of the overlapping tenures is low, there is an impact to guest experience and are concerned about the safety of guests and staff
- My recommendation is to issue a licence of occupation for 30 years for ski touring, lodge and repeater site based on moderate compatibility of overlapping tenure holders and fewer concerns by environmental groups on non-mechanised activities.
- On May 12, 2014 I contacted Larry Dolecki to let him know the decision and the rationale and further sent an email with the information and reason for decision

VALUATION

- Pursuant to Section 7.2.3 of the Adventure Tourism policy, minimum annual rent for a licence of occupation is \$500
- The proposed Lodge is defined as a primary site: It has permanent improvements, the cabin has to be booked for use and is locked when not in use
- For primary intensive use sites the rent is calculated at 7.5 % of BCA land value or \$500, whichever is greater. The lodge has not been built yet and the site has not been assessed therefore \$500 minimum will apply.
- The repeater site is accessed from the lodge site, is a low order improvement, small area and would be defined as a temporary site
- Temporary Sites: \$100 per site.
- Client Day rates for guided activities are \$1 for Non-Mechanized activities for a minimum of \$500.00 per annum
- The actual per Client Day fees will be remitted at the end of the season when submitting the Statutory Declaration as per section 7.2.4.

RECOMMENDATIONS

TENURE

- I recommend issuing a Licence of Occupation for lodgesite, repeater and ski-touring purposes

TERM

- 30 years

CONSIDERATION

Rent: \$1,100.00

INSURANCE

- \$2,000,000 commercial general liability insurance

PERFORMANCE GUARANTEE

- Land Procedure: Tenure Administration document lists \$1,000 minimum for Licences and Leases
- There is no referral to Adventure Tourism/Commercial Recreation for minimum amounts
- Assessing Risk to determine Security Amount:
 - It is estimated that the 'clean-up' cost classed as Medium (between \$11K and \$50K) as the improvements are a lodge site and repeater site, and the access is currently only by helicopter
- The likelihood of the security being used is low: Icefall Lodge Ltd. currently has an existing successful business and could be sold if the company did not comply with tenure requirements, the company is in good standing, the rental and diligent use reports are consistently submitted on the other tenure
- Taking the risk factors into consideration I recommend that \$5,000 security amount be charged.

SURVEY

- N/A

PRECONDITIONS (for Notice of Final Review)

- The area that has been approved for a Licence of Occupation still overlaps with the heliski area operated by Selkirk Tangiers Helicopter Skiing LLP
- You must provide me with either:
 - An agreement signed by you and Selkirk Tangiers Helicopter Skiing LLP which could take the form of a Joint Use Agreement or you can modify your Tenure Management Plan with Selkirk Tangiers Helicopter Skiing LLP consentOR if not resolved,
 - A detailed description of:
 - the steps the you took to meet with Selkirk Tangiers Helicopter Skiing LLP
 - the mitigative actions proposed by you to resolve the overlap situation with the Selkirk Tangiers Helicopter Skiing LLP; and
 - the areas of disagreement between you and Selkirk Tangiers Helicopter Skiing LLP

PROVISOS (for tenure document)

- **IMPROVEMENTS (Must pick one option below only).**

☒ **Per Management Plan – Dry – Generic**

For all non-aquatic tenures with Management Plan - only this option is applicable.

- **CUT OR REMOVE TIMBER (Optional pick):**

You must not cut or remove timber on or from the Land without:

☒ **Granted the Right**

Use when there is a low risk of timber being harvested without proper authority

- **RESTORE SURFACE (Must pick one option below only):**

You must restore the surface of the Land:

☒ As per Original Condition

- **REMOVE HAZARDOUS SUBSTANCES (Must pick one option below only):**

Remove from the Land all Hazardous substances

☒ Under This Agreement

- **ADDITIONAL FREE FIELD PROVISOS:**

- You must adhere to the 2006 Wildlife Guidelines for Back Country Tourism/Commercial Recreation in British Columbia

LIMITATIONS

- You will follow the operational recommendations of the Wildlife Impact Assessment completed by Richard Klafki on September 2013

MANAGEMENT PLAN (supply cover page if applicable)

- You are required to update your management plan to show only the recommended activities under your licence of occupation. Please retain the relevant information for the lodge site, repeater and ski touring activities and submit for approval.

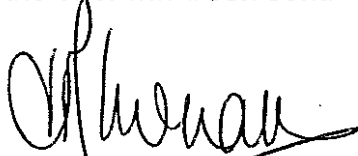
INFORMATION TO INCLUDE IN NOTICE OF FINAL REVIEW

- Please add the following in the Notice of Final Review
 - The Land differs from what you applied for because the area to be licenced encompasses only the lodgesite, repeater site and ski touring area.
- Please see the attached 'Archaeology Chance Find Procedures', for your information, as the area has a high archaeological potential.

NOTE TO PORTFOLIO ADMINISTRATOR

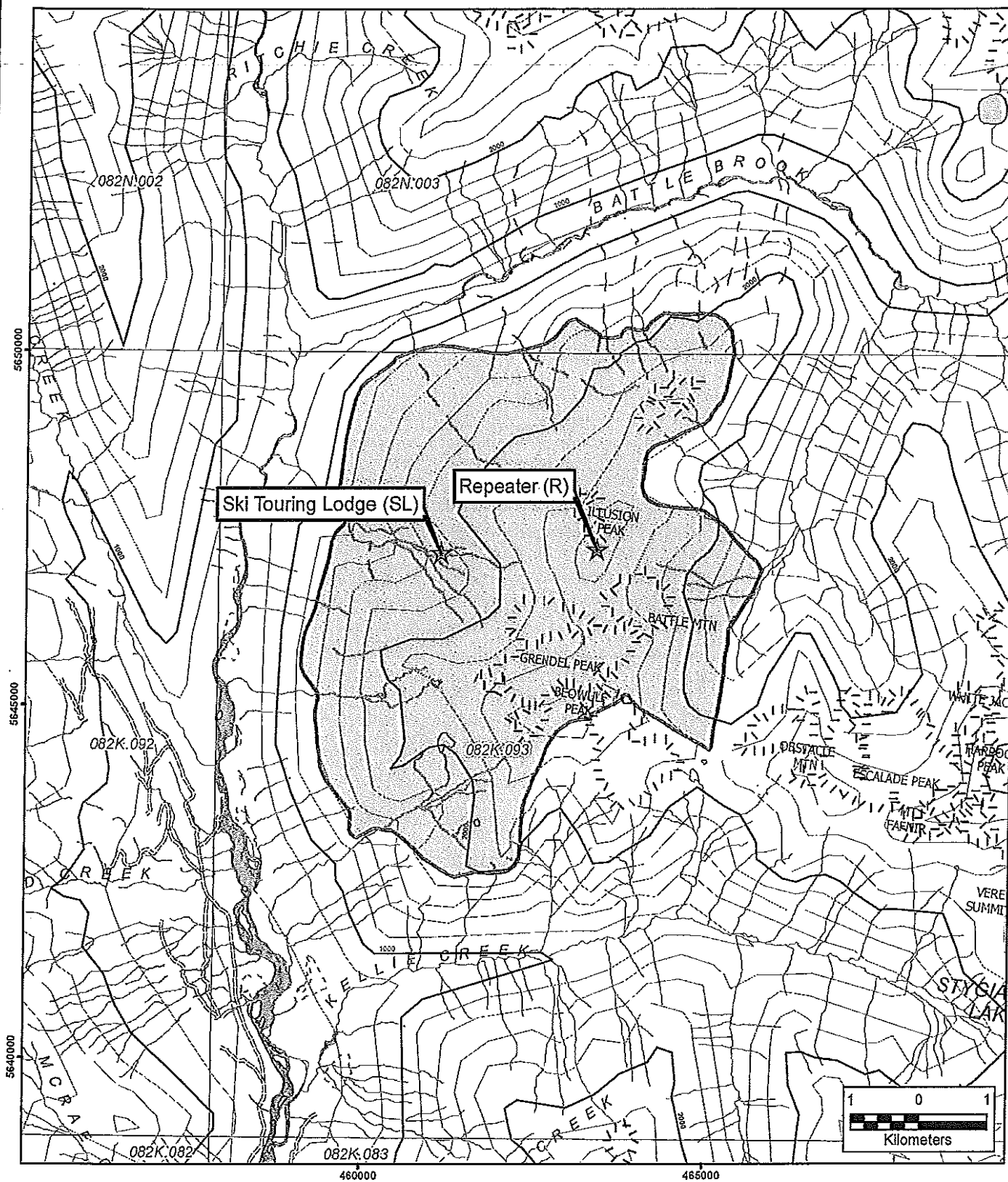
- Please update client address – thanks ✓
- The mechanised portion of the application has been disallowed. Under the Land Policy for Fee Refunds, if an application is disallowed 20% of the application fee is refunded. Please initiate a refund for \$739.20. (\$3,696.00 x 20%) ✓
- Please notify me when the offer gets sent out. I would like to let Jeff Honig of STHS that the offer has been sent. ✓

*deducted on
offer letter*



Jessie Lunan, Land Officer
Kootenay Boundary


All that unsurveyed Crown land situated in the vicinity of the Illusion Peak, Kootenay District, and containing 3,557.15 hectares, more or less



...cranbrook\staff\projects\Laura\Status\Map\2013\4405291.mxd Feb25/13 LL

Scale 1:75,000

BCGS Mapsheet(s): 82K.093 & 82N.003

 Tenure Area

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