

Page 001 to/à Page 007

Withheld pursuant to/removed as

s.12

## **Wheeler, Glenda J ENV:EX**

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**From:** Gilmour, Lori ENV:EX  
**Sent:** Friday, January 16, 2015 3:41 PM  
**To:** Hewison, Dorothy J ENV:EX  
**Cc:** Trehwitt, John ENV:EX; Austad, Bob ENV:EX; Grbavac, Danielle ENV:EX; Carnie, Angus A ENV:EX; Riccius, Eva ENV:EX  
**Subject:** FINAL: MMP Mtg w/ Osoyoos Indian Band regarding Haynes Point - Monday, January 19th @ 9:00am  
**Attachments:** 271461 - IN - Haynes Point.pdf  
**Importance:** High

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**From:** Quin, Melissa ENV:EX  
**Sent:** Friday, January 16, 2015 3:40 PM  
**To:** Anthony, Julia ENV:EX; Rollheiser, Kate ENV:EX  
**Cc:** Crozier, Bev ENV:EX; Jackson, Vickie ENV:EX; Mitschke, Matt ENV:EX; Hancock, Tom ENV:EX; Dhanowa, Damon ENV:EX; Shoemaker, Wes ENV:EX; Gilmour, Lori ENV:EX; Quin, Melissa ENV:EX  
**Subject:** Update: Materials: MMP Mtg w/ Osoyoos Indian Band regarding Haynes Point - Monday, January 19th @ 9:00am  
**Importance:** High

Good afternoon,

Please see attached updated IN for Minister's meeting with the Osoyoos Indian Band on Monday, January 19<sup>th</sup> @ 9:00am.

**Issue:** Future Management of Haynes Point Park  
**ADM/Department Responsible:** Jim Standen, Parks  
**ENV Attendees:** Wes, Jim Standen, Bob Austad and John Trehwitt will be dialing in

A copy has also been loaded to Minister's sharepoint in [Day Binder>19 Jan>900am Osoyoos Indian Band](#).

Thank you,  
Melissa

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*Melissa Quin*  
Administrative Coordinator  
Deputy Minister's Office  
Ministry of Environment  
Ph: 250-387-9886 Fax: 250-387-6003

**MINISTRY OF ENVIRONMENT  
INFORMATION NOTE**

January 15, 2015

File: 280-30

CLIFF/tracking #: 271461

**PREPARED FOR: Minister Mary Polak**

**ISSUE:** Management options for Haynes Point Park

**BACKGROUND:**

In 2013, the Osoyoos Indian Band (OIB) expressed interest in the opportunity to operate several south Okanagan parks in their traditional territory, including Haynes Point, Okanagan Falls, Vaseux, and Inkaneep. Following guidance from ministry staff, OIB submitted a pilot project proposal for operation of these four parks in February 2014. This proposal for a direct award contract was rejected as it was not compliant with government core procurement policy. However OIB was encouraged to bid on the Park Operator contract through a formal Request for Proposal (RFP) process planned for spring of 2014. s.13,s.16  
s.13,s.16

In April 2014, human remains were uncovered during the excavation phase of a capital facility replacement project. The remains were archaeological in nature and resulted in OIB initially requesting the park to be closed to public access and use. Through ministry staff and ADM discussions with OIB, an agreement was reached to delay a park closure until October 1<sup>st</sup>. at which time BC Parks would pay for an archaeological assessment of the park. BC Parks in not knowing the future operational status of Haynes Point Park rescinded the planned RFP process for the South Okanagan/Boundary Bundle. The park closure was revised once the archaeological work was completed on October 31, 2014, allowing pedestrians and bicycles to use the paved road for day use only.

The existing one year contract extension for the 2015 operating season with the current Park Operator for the South Okanagan/Boundary Bundle makes no firm commitment for the operation of Haynes Point and makes allowance for this park to be removed from the contract. s.13,s.16,s.17  
s.13,s.16,s.17

Based on archaeological assessment findings the entire park is now considered an archaeological site, as opposed to its current situation whereby select areas of the park are designated as registered archaeological sites. Management activities within registered archaeological sites must comply with provisions under the *Heritage Conservation Act*. This can be achieved through a site alteration permit issued by Archaeology Branch each year and by having any projects that involve ground disturbance monitored by an archaeologist.

s.13,s.16

s.13,s.16 The Osoyoos Indian Band is a part of the Okanagan Nation (Syilx) and is one of eight member communities of the Okanagan Nation Alliance.

s.13,s.16

s.13,s.16 Haynes  
Point Park historically opens March 15<sup>th</sup> with the campground opening April 1<sup>st</sup>.

#### **DISCUSSION:**

s.13,s.16

An archaeological site designation over an entire park and campground is currently a unique situation. The archaeological assessment report indicates that park facility development has significantly impacted and depleted archaeological values. To assist in protection of remaining archaeological values the report recommends OIB involvement in management of the park facilitated by an MOU between OIB, BC Parks and the Archaeology Branch.

s.13,s.16

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s.16;s.13

**Contact:**

*ADM Jim Standen  
BC Parks  
And Conservation Officer  
Service Division  
250-357-1288*

**Alternate Contact:**

*John Trewitt, acting  
Regional Director,  
Kootenay Okanagan  
Region  
250-490-8249*

**Prepared by:**

*Robert Austad  
Executive Director,  
Regional Operations, BC Parks  
250-356-9241*

[Insert additional rows if needed]

Reviewed by	Initials	Date
DM	--	--
DMO	VJ	Jan 16/15
ADM	JS	Jan 16/15
Dir./Mgr.	JT	Jan 16/15
Author	RCA	Jan 16/15

**MINISTRY OF ENVIRONMENT  
INFORMATION NOTE**

January 9, 2015

File: 280-30

CLIFF/tracking #: 271154

**PREPARED FOR: Minister Mary Polak**

**ISSUE: Future Management of Haynes Point Park**

**BACKGROUND:**

Haynes Point Park (13 hectares of upland and 25 hectares of foreshore of Osoyoos Lake) is located 3 kilometres south of the town centre of Osoyoos (see Appendix 1 – context map). The park was established in 1962. Over the past several decades the park has become a premier campsite destination and a popular day-use park for local residents.

In 2013, with the knowledge that BC Parks planned to retender Park Operator contracts for campgrounds and day use areas throughout the Okanagan, the Osoyoos Indian Band (OIB) expressed interest in the opportunity to operate several south Okanagan parks including Haynes Point, Okanagan Falls, Vaseux, and Inkaneep. Following guidance from ministry staff, the band submitted a pilot project proposal for operation of these four parks in February 2014. This proposal for a direct award contract was rejected as it was not compliant with government core procurement policy; however OIB was encouraged to bid on the Park Operator contract RFP process planned for spring of that year.

In April 2014, BC Parks commenced a capital project within Haynes Point Park to replace aging toilets and upgrade the septic system. The capital project was occurring within the existing facility footprint and away from known registered archaeological sites; as such First Nations were not consulted prior to the project. In late April, human remains were uncovered during the excavation phase to replace existing infrastructure (see Appendix 2 – context map). Construction work ceased and the relevant authorities (RCMP, Provincial Archaeological Branch and the OIB) were immediately contacted. Shortly thereafter, the remains were confirmed to be archaeological in nature by an archaeologist contracted by BC Parks.

OIB initially took the position that there be an immediate closure of the park and immediate removal of the toilet facilities adjacent to the excavated human remains. Removal of these facilities would allow for a respectful reburial. OIB also asserted that they have ownership and administration over provincial parks in their asserted territory, including Haynes Point Park.

Following lengthy discussions between BC Parks and OIB, a mutually agreeable short-term approach to management of Haynes Point Park was reached. Facility replacement in the day use areas away from the burial site was completed under the supervision of an archaeologist and OIB representatives. The toilet facilities at the burial site were removed and OIB conducted the respectful reburial ceremony. The planned competitive park operation bid process for the South Okanagan/Boundary Bundle which included Haynes Point Park was rescinded and the current Park Operator contract extended to

March 31, 2015. The park closure was delayed until October 1, 2014 to reduce impact to the public and to honour existing campsite reservations. BC Parks funded a contract with OIB for the completion of an archaeological assessment to determine the scope of the cultural heritage values present in the park and provide management recommendations to ensure their long term protection.

During the park closure BC Parks ranger staff managed public access to the site while the assessment crew, including band members, were present. The closure of the park was a controversial issue in the local community of Osoyoos and was showcased in local media. Several members of the public contacted the local MLA over the loss of access to the park for day-use opportunities and uncertainty in the park's future.

The field work component of the assessment was completed on October 31, 2014 at which point the closure was revised to allow pedestrians and bicycles to use the paved road on a day-use basis. A draft archaeological assessment report with recommendations has recently been provided to BC Parks.

## **DISCUSSION:**

s.13,s.16

s.13,s.16            The Osoyoos Indian Band is a part of the Okanagan Nation (Syilx) and is one of eight member communities of the Okanagan Nation Alliance. .

s.13,s.16

The findings of the archaeological assessment as per the draft report indicate surface and extensive sub-surface archaeological artefacts throughout the park identifying it as an important area for food gathering and processing, possible habitation, and travel corridor dating back at least 4000 years (per carbon dating). The report also indicates that park facility development has significantly impacted and depleted archaeological values.

To protect cultural and remaining archaeological values the draft archaeological assessment report recommends that the entire park be considered one archaeological site, as opposed to its current situation whereby select areas of the park are designated as registered archaeological sites. Management activities within registered archaeological sites must comply with provisions under the *Heritage Conservation Act*. This can be achieved through a site alteration permit issued by Archaeology Branch each year and by having any projects that involve ground disturbance monitored by an archaeologist.

The report also recommends:

- increasing OIB involvement in management of the park facilitated by an MOU between OIB, BC Parks, and the Archeology Branch;



- adding signage, education, and interpretation as options for increasing public awareness; and
- initiating a monitoring program; whereby a qualified archaeologist and certified OIB archaeology field technician undertake an annual surface survey and artifact collection program.

Many of the management recommendations in the assessment report are consistent with the activities outlined in OIB's original Park Operator proposal.

s.13,s.16

The existing one year contract extension with the current Park Operator for the South Okanagan/Boundary Bundle makes no firm commitment for the operation of Haynes Point and makes allowance for this park to be removed from the contract. However the

The reservation system for Haynes Point Park historically opens March 15 with the campground opening April 1.

#### **SUMMARY:**

- **Haynes Point Park contains very high value archaeological and cultural values.**

s.13,s.16

- **Osoyoos Indian Band have expressed interest in operating the park to ensure protection of cultural heritage values and continued economic opportunity in the area.**
- **The current contract for park operations that includes Haynes Point expires March 31, 2015, however makes an allowance to remove this park from the contract for the 2015 camping season.**

**Attachments:** Appendix 1 and 2 (Context Maps Haynes Point Park)

**Contact:**

*ADM Jim Standen  
BC Parks  
And Conservation Officer  
Service Division  
250-357-1288*

**Alternate Contact:**

*John Trewitt, acting  
Regional Director,  
Kootenay Okanagan  
Region  
250-490-8249*

**Prepared by:**

*Mark Weston, acting Parks and  
Protected Area Section Head  
Okanagan Section,  
Kootenay Okanagan Region  
250-490-8279*

<b>Reviewed by</b>	<b>Initials</b>	<b>Date</b>
DM	-	-
DMO	-	-
ADM	JS	Jan 12/15
Dir./Mgr.	JT	Jan10/15
Author	MW	Jan 8/15

Osoyoos

al Boundary

Approximate location of  
remains uncovered (April 2014)

DgQu-5

DgQu-1

Osoyoos Lake


Halls, Lori D ENV:EX

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**From:** Trewhitt, John ENV:EX  
**Sent:** Tuesday, March 4, 2014 1:14 PM  
**To:** Halls, Lori D ENV:EX  
**Subject:** Meeting Info Note - OIB  
**Attachments:** meet\_info\_note\_OIB PFO Proposal.docx

Lori, I have started a draft of a meeting info note for the Minister as attached. (Basically a cut and paste from the draft DN). I have not had much experience drafting this type of note so thought I would send it to you in event you have a little time to provide any initial comments. I can continue to work on this today and tomorrow.

John Trewhitt  
Acting Regional Director  
BC Parks, Kootenay Okanagan Region  
ph. 250-490-8249 s.22

 Please consider the environment before printing this email

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s.16;s.13



Ministry of  
Water, Land and Air  
Protection

**PARK USE PERMIT**  
**RECREATION SERVICES DELIVERY**

Park Use Permit No.: OK0310248

Page 1 of 39

THIS AGREEMENT is dated for reference April 24, 2003 and is made under the *Park Act*.

BETWEEN:

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**, represented by the minister responsible for the *Park Act*

(the "Province")

AND:

**KALOYA CONTRACTING LTD.**, (Inc. No. 0561649)

(the "Permittee")

The parties agree as follows:

**ARTICLE 1 - DEFINITIONS**

1.1 In this Agreement,

**"Agreement"** means this park use permit;

**"Additional Fees"** means the fees to be collected by the Permittee from Operating Area Users for Additional Services;

**"Additional Services"** means the services, other than Park Act Services, identified in the Annual Operating Plan;

**"Annual Operating Plan"** means

- (a) in the case of the first year of the Term, the operating plan which was approved by the Province as part of the proposal that led to the grant of this Agreement to the Permittee, and
- (b) for the remainder of the Term, the operating plan approved by the Province under Article 5,

and includes all amendments to and replacements of those plans;

**"Commencement Date"** means June 15, 2003;

**"Disposition"** includes a park use permit, resource use permit or other authorization made under the *Park Act*;

**"Facilities"** includes anything made, constructed, erected, built, altered, repaired or added to, in, on or under the Operating Area and attached to the Operating Area or intended to become a part of the Operating Area;

**"Financial Security"** means the security referred to in section 7.1 or 7.2, as replaced or supplemented in accordance with section 7.5;

**"Gross Revenue"** means the Park Act Fees and the Pass Fees collected by the Permittee under this Agreement, excluding GST;

**"GST"** means the goods and services tax imposed under the *Excise Tax Act* (Canada);

**"Operating Area"** means that part or those parts of the Parks identified in Schedule "A";

**"Operating Area User"** means a person in the Operating Area;

**"Operating Year"** means the period of time commencing on April 1<sup>st</sup> (except in the case of the first year of the Term when the period of time will commence on the Commencement Date) and terminating on March 31<sup>st</sup> in the following year;

**"Operational Maintenance"** means the maintenance of the Facilities that is described in Schedule "C" but does not include Preventative Maintenance;

**"Park Act Fees"** means the Park Act Fees (Basic) and the Park Act Fees (Increase);

**"Park Act Fees (Basic)"** means the fees, except for Pass Fees, imposed under the *Park Act* for Park Act Services which are in force on the Commencement Date;

**"Park Act Fees (Increase)"** means

- (a) any increase in the fees, except for Pass Fees, imposed under the *Park Act* during the Term which exceed the Park Act Fees (Basic);
- (b) the fees, except for Pass Fees, imposed under the *Park Act* during the Term, and
- (c) any increase in the fees referred to in paragraph (b) during the Term;



**"Park Act Services"** means the activities for which a fee is imposed under the *Park Act* for the use of the Facilities and services in a Park;

**"Park Design Standards"** means the document entitled "Park Design Guidelines & Data" which is dated 1996 and includes all amendments to and replacements of that document;

**"Park Facility Standards"** means the document entitled "Park Facility Standards" which is dated August 1991 and includes all amendments to and replacements of that document;

**"Park Information Standards"** means the document entitled "Standards for Park Information for Park Facility Operators" which is dated December 2002 and includes all amendments to and replacements of that document;

**"Parking Fees"** means

- (a) the fees imposed under the *Park Act* which are in force on the Commencement Date for vehicle parking where such vehicle does not display a current Recreation Stewardship Annual Pass or a valid receipt for overnight camping in the Park in which the vehicle is parked,
- (b) all fees imposed under the *Park Act* during the Term for vehicle parking where such vehicle does not display a current Recreation Stewardship Annual Pass or a valid receipt for overnight camping in the Park in which the vehicle is parked, and
- (c) any increase in the fees referred to in paragraphs (a) and (b) during the Term;

**"Parks"** means the parks, recreation areas and protected areas listed in Schedule "B";

**"Pass Fees"** means the Parking Fees and the Recreation Stewardship Fees collected by the Permittee under this Agreement;

**"Policies"** means the policies of the Province entitled

- (a) "BC Parks Conservation Program Policies" which is dated September 1997,
  - (b) "BC Parks Impact Assessment Process, Part 1, Policy" which is dated April 1999,
  - (c) "BC Parks Impact Assessment Process, Part 2, User Guide" which is dated April 1999, and
  - (d) "Bear-People Conflict Prevention Plan" which is dated December 2002,
- and includes all amendments to and replacements of those policies;

**"Preventative Maintenance"** means the maintenance of the Facilities described in the Three Year Business Plan but does not include Operational Maintenance;

**"Preventative Maintenance Amount"** means, subject to Article 5, \$22,800.00;

**"Recreation Services"** means the Additional Services and the Park Act Services;

**"Recreation Stewardship Annual Pass"** means the annual pass referred to in the Regulations which permits vehicle parking in the Parks;

**"Recreation Stewardship Fees"** means

- (a) the fees imposed under the *Park Act* for a Recreation Stewardship Annual Pass which are in force on the Commencement Date, and
- (b) any increase in the fees referred to in paragraph (a) during the Term;

**"Regulations"** means the regulations made under the *Park Act*;

**"Subcontractor"** means the person or persons listed in section 11 of Schedule "C" and any other person approved, in writing, by the Province;

**"Term"** means the period of time set out in section 2.3;

**"Three Year Business Plan"** means

- (a) in the case of the first three years of the Term, the plan which was approved by the Province as part of the proposal that led to the grant of this Agreement to the Permittee, and
- (b) for the remainder of the Term, the plan approved by the Province under Article 5,

and includes all amendments to and replacements of those plans;

**"User Guide"** means the document entitled "User Guide for Condition Assessments and Instructions for the Use of Forms" which is dated November 20, 2002 and includes all amendments to and replacements of that document;

**"we", "us" or "our"** refers to the Province alone and never refers to the combination of the Province and the Permittee: that combination is referred to as **"the parties"**; and

**"you" or "your"** refers to the Permittee.

1.2 The schedules to this Agreement are as follows:

Schedule "A" – Operating Area;  
Schedule "B" – Parks;  
Schedule "C" – Service Standards;  
Schedule "D" – Financial Matters; and  
Schedule "E" – Annual Operating Plan Requirements.

## ARTICLE 2 - GRANT OF RIGHTS AND TERM

2.1 On the terms and conditions of this Agreement, we grant you a park use permit to occupy the Operating Area only for the purposes of

- (a) offering the Recreation Services to Operating Area Users;
- (b) operating and maintaining the Facilities;
- (c) collecting and retaining the Additional Fees;
- (d) collecting and remitting the Park Act Fees and the Pass Fees to us in accordance with Schedule "D";
- (e) offering Recreation Stewardship Annual Passes for sale to Operating Area Users;
- (f) permitting Operating Area Users who are exempt from the payment of Park Act Fees and Pass Fees under the *Park Act* to use the Operating Area free of charge; and
- (g) controlling the Operating Area to ensure its safe and orderly use by Operating Area Users including the right to
  - (i) regulate and prohibit the entry, movement and activities of Operating Area Users,
  - (ii) evict Operating Area Users, and
  - (iii) make arrangements with the police force having jurisdiction over the Operating Area to regulate public safety and conduct.

2.2 In addition to the rights granted to you under section 2.1, you may advertise the Recreation Services offered by you under this Agreement provided such advertising complies with the Park Information Standards.

2.3 The term of this Agreement commences on the Commencement Date and terminates on October 31, 2013, or such earlier date provided for in this Agreement.

- 2.4 If we decide to permit the offering of services, other than Recreation Services, in the Operating Area we will offer you the first right to offer such services to Operating Area Users as Additional Services and, if you accept our offer, we will approve the offering of those Additional Services in the Annual Operating Plan for the next Operating Year.

### ARTICLE 3 - FINANCIAL MATTERS

- 3.1 You will remit the Park Act Fees and the Pass Fees to us in accordance with Schedule "D".
- 3.2 You must keep books and records with respect to your operations under this Agreement and enter in them, among other things, all transactions pertaining to Gross Revenue and we may inspect and take copies of and cause an audit to be taken by an independent auditor of such books and records.
- 3.3 In the event that an audit taken under section 3.2 reveals that the amount paid or credited to us under this Agreement was less than that required under this Agreement you must immediately pay to us the cost of that audit together with the outstanding amount.
- 3.4 You are registered for GST purposes (GST registration number 898328422RT0001) and you will, in accordance with the *Excise Tax Act* (Canada), account to the Receiver General (Canada) for the GST collected by you under this Agreement.

### ARTICLE 4 - COVENANTS

- 4.1 You must
- (a) pay, when due,
    - (i) all money payable by you to us under this Agreement to us at the address set out in Article 11,
    - (ii) all taxes, rates, levies, duties, charges and assessments levied or charged, at any time, by any competent governmental authority which relate to the Operating Area, the Facilities, or both of them, and your operations under this Agreement and which you are liable to pay, and
    - (iii) all charges for electricity, gas, water, sewer, fuel oil, telephone and other utilities supplied to the Operating Area;
  - (b) deliver to us immediately upon demand, receipts or other evidence of the payment of all money required to be paid by you under this Agreement;

- (c) observe, abide by and comply with
  - (i) all laws, bylaws, orders, directions, ordinances and regulations of any competent governmental authority in any way affecting the Parks and the Facilities, or their use and occupation, and your operations under this Agreement,
  - (ii) the provisions of this Agreement,
  - (iii) the provisions of the Park Design Standards, the Park Facility Standards, the Park Information Standards, the Policies, the User Guide and the documents entitled "Discover Camping™ Reservation Service, Guidelines for Park Facility Operators, 2002" and "Facility Management System User Manual" as they affect the Parks and the Facilities, or their use and occupation, and your operations under this Agreement, and
  - (iv) all of your obligations set out in the schedules to this Agreement;
- (d) at your expense, keep the Operating Area and the Facilities in a safe, clean and sanitary condition and, at our written request, make the Operating Area and the Facilities safe, clean and sanitary;
- (e) not commit any wilful or voluntary waste, spoil or destruction on the Operating Area or do anything on the Operating Area that may be or become a hazard, nuisance or annoyance to an owner or occupier of land in the vicinity of the Operating Area;
- (f) not remove, destroy, damage, disturb or exploit any natural resource (as that term is defined in the *Park Act*) in the Operating Area without our prior written consent and without providing to us the written undertaking referred to in the *Park Act*;
- (g) use and occupy the Operating Area only in accordance with and for the purposes set out in section 2.1;
- (h) permit us, or our authorized representatives, to enter on the Operating Area at any time to inspect the Operating Area and the Facilities;
- (i) not make, construct, install, erect, build, alter, add to, in on or under the Operating Area any Facility or repair, replace, restore or overhaul any Facility except for the purposes set out in the Annual Operating Plan and
  - (i) to the standards set out in the Park Design Standards and the Park Facility Standards, or
  - (ii) if no standards are set out in the Park Design Standards and the Park Facility Standards, to the standards required by us;

- (j) pay all accounts and expenses as they become due for labour or services performed on, or materials supplied to, the Operating Area except for money that you are required to hold back under the *Builders Lien Act*;
- (k) if any claim of lien over the Operating Area is made under the *Builders Lien Act*, immediately take all steps necessary to have the lien discharged, unless the claim of lien is being contested in good faith by you and you have taken the steps necessary to ensure that the claim of lien will not subject the Operating Area or any interest of yours under this Agreement to sale or forfeiture;
- (l) not permit Operating Area Users to
  - (i) undertake any activity in the Operating Area that is prohibited under the *Park Act* or the Regulations, or
  - (ii) enter on any part of the Operating Area that is, in your reasonable opinion, unsafe due to an existing or potential hazard, including fires and dangerous animals, and you must immediately advise us of all existing or potential hazards;
- (m) take all reasonable precautions to prevent and suppress fires in the Operating Area;
- (n) not misrepresent your rights or obligations under this Agreement to any person;
- (o) supply all labour, vehicles, equipment, tools, materials and supplies that are necessary to fulfil your obligations under this Agreement;
- (p) not interfere with the lawful activities of Operating Area Users except as expressly permitted or required under this Agreement;
- (q) indemnify and save us and our servants, employees and agents harmless against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of
  - (i) your breach, violation or nonperformance of a provision of this Agreement, and
  - (ii) any personal injury, bodily injury (including death) or property damage occurring or happening on or off the Operating Area by virtue of your entry upon, use or occupation of the Operating Area,and the amount of all such losses, damages, costs and liabilities will be payable to us immediately upon demand; and
- (r) on the termination of this Agreement,
  - (i) peaceably quit and deliver to us possession of the Operating Area and, subject to paragraphs (ii) and (iii), the Facilities in a safe, clean and sanitary condition,

- (ii) within 30 days, remove from the Operating Area any Facility you want to remove, if the Facility was placed on or made to the Operating Area by you, is in the nature of a tenant's fixture normally removable by tenants and is not part of a building or part of the Operating Area,
- (iii) remove from the Operating Area any Facility that we, in writing, direct or permit you to remove, other than any Facility permitted to be placed on or made to the Operating Area under another Disposition, and
- (iv) restore the surface of the Operating Area as nearly as may reasonably be possible to the same condition as it was on the Commencement Date, to our satisfaction, but if you are not directed or permitted to remove a Facility under paragraph (iii), this paragraph will not apply to that part of the surface of the Operating Area on which that Facility is located,

and all of your right, interest and estate in the Operating Area will be absolutely forfeited to us and to the extent necessary, this covenant will survive the termination of this Agreement.

4.2 You will not permit any person to do anything you are restricted from doing under this Article.

4.3 You acknowledge receipt from us of a copy of the documents referred to in paragraph 4.1(c)(iii).

#### **ARTICLE 5 - ANNUAL OPERATING PLAN, THREE YEAR BUSINESS PLAN AND PREVENTATIVE MAINTENANCE**

5.1 You must, at your expense, prepare and deliver to us for our approval not later than November 1, 2003 and each anniversary of that date during the Term,

- (a) a proposed operating plan for the next Operating Year which must
  - (i) describe in detail your plan to implement the provisions of the Three Year Business Plan during that Operating Year,
  - (ii) describe the services you propose to offer to Operating Area Users in addition to the Recreation Services and the fees you propose to collect from Operating Area Users for those services, and
  - (iii) include the information set out in Schedule "E"; and
- (b) the Three Year Business Plan which is updated to include the following information with respect to your proposed operation under this Agreement in the Operating Year which is to start in the year following the last Operating Year addressed in the Three

## Year Business Plan:

- (i) a description of and proposed timing for
  - (A) the services you propose to offer to Operating Area Users in addition to the Recreation Services and the fees you propose to collect from Operating Area Users for those services,
  - (B) the repairs, replacements, restorations and overhauls you propose to make to the Facilities,
  - (C) the Facilities you propose to make, construct, install, erect, build, alter or add to, in, on or under the Operating Area,
  - (D) your advertising program, and
  - (E) reports to be completed by you, in accordance with the User Guide, to assess the state of repair of the Facilities,
- (ii) revenue and cash flow projections,
- (iii) your organizational structure and proposed staffing levels,
- (iv) staff hiring, training and dismissal policies, and
- (v) the arrangements you propose to make, if any, with the communities in which the Operating Areas are located (including First Nations) concerning the delivery of Recreation Services.

5.2 Not later than 30 days following the delivery of the proposed operating plan and the updated Three Year Business Plan to us under section 5.1, we will review those plans and, in our sole discretion, either approve or reject those plans and, if we reject one or both of those plans, we will notify you, in writing, of all information that we require from you in order to review and evaluate the rejected plan or plans and all revisions that we require you to make to the rejected plan or plans, including the revisions referred to in section 5.3, and, not later than 30 days following your receipt of that notice, you will deliver to us the requested information and the revised plan or plans and you acknowledge that, among other things, the revisions we ask you to make to the proposed operating plan and the updated Three Year Business Plan will ensure that

- (a) the proposed operating plan complies with the provisions of the Three Year Business Plan for the Operating Year for which the proposed operating plan is submitted; and
- (b) the updated Three Year Business Plan
  - (i) complies with the proposal that led to the grant of this Agreement to you, and



- (ii) provides for the assessment of the condition of each of the Facilities at least once every five years of the Term.

- 5.3 With respect to the Preventative Maintenance described in the proposed operating plan referred to in subsection 5.1(a), you acknowledge that we may, in our sole discretion, approve or reject any item of Preventative Maintenance described in that proposed operating plan and, if we reject an item of Preventative Maintenance and we later complete that Preventative Maintenance, you will immediately upon demand pay to us all of the costs incurred by us to complete that Preventative Maintenance.
- 5.4 You must complete all inspections, diagnostic maintenance and condition assessments of the Facilities in accordance with the schedule set out in the Annual Operating Plan and, with respect to condition assessments of the Facilities, such condition assessments must be completed by a person approved, in writing, by us and to the standards required by the User Guide.
- 5.5 Not later than 30 days following the completion of each item of Preventative Maintenance described in the Annual Operating Plan, you will advise us of all of your costs to complete such Preventative Maintenance and deliver to us a copy of invoices for the services and materials supplied to you to complete that Preventative Maintenance and such invoices must
- (a) identify the services or materials supplied to you to complete the Preventative Maintenance; and
  - (b) be acknowledged, by the supplier of the services or materials, to be paid in full by you.
- 5.6 If you expend
- (a) less than the Preventative Maintenance Amount on Preventative Maintenance in an Operating Year then we may, in our sole discretion, advise you in writing that
    - (i) the Preventative Maintenance Amount for the following Operating Year will be increased by an amount equal to the unexpended amount, or
    - (ii) you must pay to us an amount equal to the unexpended amount not later than 30 days following delivery of that written notice to you; or
  - (b) more than the Preventative Maintenance Amount on Preventative Maintenance in an Operating Year then the Preventative Maintenance Amount for the next Operating Year will be deemed to be reduced by an amount equal to the amount spent by you in the previous Operating Year in excess of the Preventative Maintenance Amount.
- 5.7 You acknowledge that we may, not later than October 1 in any year of the Term and by notice in writing to you, change the Preventative Maintenance Amount for the next Operating Year.

- 5.8 You agree with us that, despite subsection 5.1(b), you must, at your expense,
- (a) prepare and deliver to us not later than November 1, 2005 and November 1, 2008 a proposed new Three Year Business Plan and a proposed Schedule "D" applicable to the following three years of the Term;
  - (b) after making the proposals under subsection (a), attempt, in good faith, to negotiate an agreement with us as to a new Three Year Business Plan and a Schedule "D" applicable to the following three years of the Term; and
  - (c) enter into such amendments to this Agreement as are necessary to reflect any agreement reached under subsection (b).
- 5.9 If an agreement is not reached under subsection 5.8(b) within 60 days after delivery of the proposals contemplated by subsection 5.8(a) or you fail to deliver such proposals within the time required by subsection 5.8(a), either party may terminate this Agreement on 60 days' written notice to the other and neither party will be entitled to compensation from the other if this Agreement is terminated under this section.
- 5.10 Article 10 does not apply to a failure of the parties to reach an agreement under subsection 5.8(b).
- 5.11 Sections 5.1 and 5.2 apply to a Three Year Business Plan to which the parties may agree under subsection 5.8(b).

## ARTICLE 6 - LIMITATIONS

- 6.1 You agree with us that
- (a) we are under no obligation to provide access or services to the Operating Area or to maintain or improve existing access roads;
  - (b) we may make other Dispositions of or over the Operating Area;
  - (c) you will make no claim for compensation, in damages or otherwise, in respect of a Disposition made by us under subsection (b), where such Disposition does not materially affect the exercise of your rights under this Agreement;
  - (d) all of your costs and expenses, direct or indirect, that arise out of any lawful interference with your rights under this Agreement as a result of the exercise or operation of the rights reserved to us in subsection (b) will be borne solely by you;
  - (e) you will not remove or permit the removal of any Facility from the Operating Area except as expressly permitted or required under this Agreement;

- (f) any interest you may have in the Facilities ceases to exist and becomes our property upon the termination of this Agreement, except where a Facility may be removed under paragraph 4.1(r)(ii) or (iii) in which case any interest you may have in that Facility ceases to exist and becomes our property if the Facility is not removed from the Operating Area within the time period set out in paragraph 4.1(r)(ii) or the time period provided for in the direction or permission given under paragraph 4.1(r)(iii); and
- (g) if, after the termination of this Agreement, we permit you to remain in possession of the Operating Area and we accept money from you in respect of such possession, a tenancy from year to year will not be created by implication of law and you will be deemed to be a monthly tenant only subject to all of the provisions of this Agreement, except as to duration, in the absence of a written agreement to the contrary.

## ARTICLE 7 - FINANCIAL SECURITY AND INSURANCE

- 7.1 On the Commencement Date, you will deliver to us security in the amount of \$31,400.00 which will
  - (a) guarantee the performance of your obligations under this Agreement;
  - (b) be in the form required by us; and
  - (c) remain in effect until we certify, in writing, that you have fully performed your obligations under this Agreement.
- 7.2 Despite section 7.1, your obligations under that section are suspended for so long as you maintain in good standing other security acceptable to us to guarantee the performance of your obligations under this Agreement and all other Dispositions held by you.
- 7.3 We may use the Financial Security for the payment of any costs and expenses incurred by us to perform any of your obligations under this Agreement that are not performed by you and, if such event occurs, you will, within 30 days of that event, deliver further Financial Security to us in an amount equal to the amount drawn down by us.
- 7.4 After we certify, in writing, that you have fully performed your obligations under this Agreement, we will return to you the Financial Security maintained under section 7.1, less all amounts drawn down by us under section 7.3.
- 7.5 You acknowledge that we may, from time to time, notify you to
  - (a) change the form or amount of the Financial Security; and
  - (b) provide and maintain another form of Financial Security in replacement of or in addition to the Financial Security posted by you under this Agreement;

and you will, within 30 days of receiving such notice, deliver to us written confirmation that the change has been made or the replacement or additional form of Financial Security has been provided by you.

7.6 You must

- (a) without limiting your obligations or liabilities under this Agreement, at your expense, maintain during the Term
  - (i) Comprehensive/Commercial General Liability insurance protecting us as an additional insured in an amount of not less than \$2,000,000.00 inclusive per occurrence insuring against liability for personal injury, bodily injury (including death) or property damage and claims for liability assumed under contract, arising from all accidents or occurrences in or on the Operating Area or the Facilities including the following coverages:
    - (A) products and completed operations liability,
    - (B) owner's and contractor's protective liability,
    - (C) blanket written contractual liability,
    - (D) contingent employer's liability,
    - (E) personal injury liability,
    - (F) non-owned automobile liability,
    - (G) cross liability,
    - (H) employees as additional insureds,
    - (I) broad form property damage, and
    - (J) tenant's legal liability in an amount equal to the replacement value of the Facilities that are buildings, structures and other improvements,
  - (ii) automobile liability insurance for commercial use on all vehicles owned or operated by you (including rented vehicles) in an amount not less than \$2,000,000.00 inclusive per occurrence,
  - (iii) unless such insurance is provided under the insurance referred to in paragraph 7.6(a)(i), watercraft liability insurance for all watercraft owned or operated by you (including rented watercraft) in an amount not less than \$2,000,000.00 inclusive per occurrence, and

- (iv) all risks property insurance covering your furniture, fittings, fixtures, stock-in-trade and merchandise in an amount not less than the replacement value of all of that property;
- (b) on the Commencement Date and immediately upon demand, deliver to us a completed "Province of British Columbia Certificate of Insurance" for all insurance required to be maintained by you under this Agreement;
- (c) ensure that all insurance required to be maintained by you under this Agreement is
  - (i) placed with insurers licensed in British Columbia,
  - (ii) primary and does not require the sharing of any loss by any insurer that insures us, and
  - (iii) except for the insurance referred to in paragraphs 7.6(a)(ii) and (iv), endorsed to provide us with 30 days' advance written notice of cancellation or material change; and
- (d) deliver to us immediately upon demand, certified copies of all policies of insurance required to be maintained by you under this Agreement.

7.7 You acknowledge that we may, from time to time, notify you to

- (a) change the amount of insurance set out in subsection 7.6(a); and
- (b) provide and maintain another type or types of insurance in replacement of or in addition to the insurance previously required to be maintained by you under this Agreement;

and you will, within 30 days of receiving such notice, cause the amounts and types to be changed and deliver to us a completed "Province of British Columbia Certificate of Insurance" for all insurance then required to be maintained by you under this Agreement.

## ARTICLE 8 - ASSIGNMENT

- 8.1 You must not sublicense, assign, mortgage or transfer this Agreement, or permit any person to use or occupy the Operating Area, other than a Subcontractor, without our prior written consent, which consent we may withhold in our sole discretion.
- 8.2 For the purpose of section 8.1, if you are a corporation, a change in control (as that term is defined in subsection 1(4) of the *Company Act*) will be deemed to be a transfer of this Agreement.
- 8.3 Section 8.2 does not apply to a corporation if the shares of the corporation which carry votes for the election of the directors of the corporation trade on a stock exchange located in Canada.

## ARTICLE 9 - CANCELLATION

### 9.1 You agree with us that

- (a) if you
  - (i) default in the payment of any money payable by you under this Agreement, or
  - (ii) fail to observe, abide by and comply with the provisions of this Agreement (other than the payment of any money payable by you under this Agreement),and your default or failure continues for 30 days after we give written notice of the default or failure to you,
- (b) if, in our opinion, you fail to make diligent use of the Operating Area for the purposes set out in this Agreement and your failure continues for 30 days after we give written notice of the failure to you;
- (c) if you
  - (i) become insolvent or make an assignment for the general benefit of your creditors,
  - (ii) commit an act which entitles a person to take action under the *Bankruptcy and Insolvency Act* (Canada) or a bankruptcy petition is filed or presented against you or you consent to the filing of the petition or a decree is entered by a court of competent jurisdiction adjudging you bankrupt under any law relating to bankruptcy or insolvency, or
  - (iii) voluntarily enter into an arrangement with your creditors;
- (d) if you are a corporation,
  - (i) a receiver or receiver-manager is appointed to administer or carry on your business, or
  - (ii) an order is made, a resolution passed or a petition filed for your liquidation or winding up;
- (e) if you are a society, you convert into a company in accordance with the *Society Act* without our prior written consent;
- (f) if this Agreement is taken in execution or attachment by any person; or

(g) if the Parks are permanently closed to public use by us;

we may, in our sole discretion, pursue any remedy set out in section 9.2.

9.2 If any event set out in section 9.1 occurs, we may

- (a) pursue any remedy available to us at law or equity and you acknowledge that specific performance, injunctive relief (mandatory or otherwise) or other equitable relief may be the only adequate remedy available to us to cure the default;
- (b) take any action in our or your name that may reasonably be required to cure the default and you will pay to us, on demand, all of the costs and expenses incurred by us as a result of that action;
- (c) suspend, in whole or in part, your rights under this Agreement; or
- (d) with or without entry, terminate this Agreement.

9.3 If the condition complained of (other than the payment of any money payable by you under this Agreement) reasonably requires more time to cure than 30 days, you will be deemed to have complied with the remedying of it if you commence remedying or curing the condition within 30 days and diligently complete the same.

9.4 Without limiting our rights under this Article, for the purpose of fulfilling our obligations to a First Nation under a treaty or interim measure agreement between us and that First Nation, we may decide, in our sole discretion,

- (a) after the second anniversary of the Commencement Date and before the third anniversary of the Commencement Date; or
- (b) after the fifth anniversary of the Commencement Date and before the sixth anniversary of the Commencement Date;

to amend this Agreement to remove one or more Operating Area from Schedule "A" and, if we decide to do so, we will provide you with written notice of our decision and this Agreement will be deemed to be amended

- (c) in the event notice is provided under subsection (a), on the sixth anniversary of the Commencement Date; or
- (d) in the event notice is provided under subsection (b), on the ninth anniversary of the Commencement Date;

to remove such Operating Area or Operating Areas from Schedule "A" and your obligations under this Agreement will be deemed to be amended with respect to the Operating Area or Operating Areas removed from Schedule "A".

- 9.5 If we give you written notice under section 9.4, we will, in that written notice, offer to you the right to enter into a services agreement with us to provide the First Nation with training in the offering of Park Act Services within the Operating Area or Operating Areas to be removed from Schedule "A" on the terms and conditions described in the written notice.
- 9.6 If, on your receipt of the written notice referred to in section 9.4, you determine, in your sole discretion, that your operations under this Agreement will be materially affected by the removal of the Operating Area or Operating Areas described in that written notice from Schedule "A", you may advise us, in writing, of that fact and, this Agreement will terminate on the date set out in the written notice delivered to you under section 9.4.
- 9.7 You agree with us that
- (a) you will make no claim for compensation, in damages or otherwise, upon
    - (i) the lawful termination of this Agreement under section 9.2 or 9.6, or
    - (ii) the removal of an Operating Area or Operating Areas from Schedule "A" under section 9.4;
  - (b) not later than 30 days prior to the date
    - (i) this Agreement is terminated under section 9.2 or 9.6, or
    - (ii) an Operating Area or Operating Areas is removed from Schedule "A" under section 9.4;

you will advise us, in writing, of all outstanding reservations made for the use of campsites, or other Facilities for which reservations can be made, in the Operating Area and

    - (iii) pay to us all money held by you for such reservations, and
    - (iv) provide to us all other information available to you relating to the delivery of Recreation Services; and
  - (c) our remedies under this Article are in addition to those available to us under the *Park Act*.

#### ARTICLE 10 - DISPUTE RESOLUTION

- 10.1 If any dispute arises under this Agreement, the parties will attempt to resolve the dispute within 60 days of the dispute arising (or within such other time period agreed to by the parties) and, subject to applicable laws, provide candid and timely disclosure to each other of all relevant



facts, information and documents to facilitate the resolution of the dispute.

- 10.2 Subject to section 10.5, if a dispute under this Agreement cannot be resolved under section 10.1, we or you may refer the dispute to arbitration conducted by a sole arbitrator appointed under the *Commercial Arbitration Act*.
- 10.3 The cost of the arbitration referred to in section 10.2 will be shared equally by the parties and the arbitration will be governed by the laws of the Province of British Columbia.
- 10.4 The arbitration will be conducted at our office at the address set out in Article 11.
- 10.5 A dispute under this Agreement in respect of a matter within our sole discretion cannot, unless we agree, be referred to arbitration as set out in section 10.2.

#### ARTICLE 11 - NOTICE

- 11.1 Any notice required to be given by either party to the other will be deemed to be given if mailed by prepaid registered mail in Canada or delivered to the address of the other as follows:

to us

Environmental Stewardship Division  
Okanagan Region  
Ministry of Water, Land and Air Protection  
201 - 3547 Skaha Road  
Penticton, British Columbia  
V2A 7K2;

to you

Kaloya Contracting Ltd.  
4611 Towgood Road  
Oyama, British Columbia  
V4V 2B4;

or at such other address as a party may, from time to time, direct in writing and any such notice will be deemed to have been received if delivered, on the day of delivery and, if mailed, 7 days after the time of mailing, except in the case of mail interruption in which case actual receipt is required.

- 11.2 In order to expedite the delivery of any notice required to be given by either party to the other, a concurrent facsimile copy of the notice will, where possible, be provided to the other party but nothing in this section and specifically the lack of delivery of a facsimile copy of any notice, will affect the deemed delivery provided for in section 11.1.

- 11.3 The delivery of all money payable to us under this Agreement will be effected by hand, courier or prepaid regular mail to the address specified above, or by any other payment procedure agreed to by the parties, such deliveries to be effective on actual receipt.

## ARTICLE 12 - INTERPRETATION

- 12.1 In this Agreement, "person" includes a corporation, firm or association and wherever the singular or masculine form is used in this Agreement it will be construed as the plural or feminine or neuter form, as the case may be, and vice versa where the context or parties require.
- 12.2 The captions and headings contained in this Agreement are for convenience only and do not define or in any way limit the scope or intent of this Agreement.
- 12.3 This Agreement will be interpreted according to the laws of the Province of British Columbia.
- 12.4 Where there is a reference to an enactment of the Province of British Columbia or of Canada in this Agreement, that reference will include a reference to every amendment to it, every regulation made under it and any subsequent enactment of like effect and, unless otherwise indicated, all enactments referred to in this Agreement are enactments of the Province of British Columbia.
- 12.5 If any section of this Agreement, or any part of a section, is found to be illegal or unenforceable, that section or part of a section, as the case may be, will be considered separate and severable and the remainder of this Agreement will not be affected and this Agreement will be enforceable to the fullest extent permitted by law.
- 12.6 Each schedule to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 12.7 This Agreement constitutes the entire agreement between the parties and no understanding or agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement and this Agreement may not be modified except by subsequent agreement in writing between the parties.
- 12.8 Each party will, upon the request of the other, do or cause to be done all lawful acts necessary for the performance of the provisions of this Agreement.
- 12.9 All provisions of this Agreement in our favour and all of our rights and remedies, either at law or in equity, will survive the termination of this Agreement.
- 12.10 Time is of the essence of this Agreement.

- 12.11 Wherever this Agreement provides that an action may be taken, a consent or approval must be obtained or a determination must be made, then you or we, as the case may be, will act reasonably in taking such action, deciding whether to provide such consent or approval or making such determination; but where this Agreement states that you or we have sole discretion to take an action, provide a consent or approval or make a determination, there will be no requirement to show reasonableness or to act reasonably in taking that action, providing that consent or approval or making that determination.
- 12.12 If any part of the Operating Area is in a recreation area established or continued under the *Park Act*, this Agreement is deemed to be a resource use permit (as that term is defined in the *Park Act*) issued over that recreation area.

### ARTICLE 13 - MISCELLANEOUS

- 13.1 No provision of this Agreement will be considered to have been waived unless the waiver is in writing and a waiver of a breach of a provision of this Agreement will not be construed as or constitute a waiver of any further or other breach of the same or any other provision of this Agreement and a consent or approval to any act requiring consent or approval will not waive or render unnecessary the requirement to obtain consent or approval to any subsequent same or similar act.
- 13.2 No remedy conferred upon or reserved to us under this Agreement is exclusive of any other remedy in this Agreement or provided by law, but that remedy will be in addition to all other remedies in this Agreement or then existing at law; in equity or by statute.
- 13.3 The grant of a sublicence, assignment or transfer of this Agreement does not release you from your obligation to observe and perform all the provisions of this Agreement on your part to be observed and performed unless we specifically release you from such obligation in our consent to the sublicence, assignment or transfer of this Agreement.
- 13.4 This Agreement extends to, is binding upon and enures to the benefit of the parties, their heirs, executors, administrators, successors and permitted assigns.
- 13.5 If, due to a strike, lockout, labour dispute, act of God, inability to obtain labour or materials, law, ordinance, rule, regulation or order of a competent governmental authority, enemy or hostile action, civil commotion, fire or other casualty or any condition or cause beyond your reasonable control, other than normal weather conditions, you are delayed in performing any of your obligations under this Agreement, the time for the performance of that obligation will be extended by a period of time equal to the period of time of the delay so long as
- (a) you give notice to us of the delay setting forth the nature of the delay and an estimated time frame for the performance of your obligation; and
  - (b) you diligently attempt to remove the delay if it is within your power to do so.

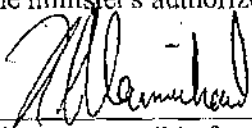
13.6 You agree with us that

- (a) we are under no obligation, express or implied, to provide financial assistance or to contribute toward the cost of operating, maintaining, repairing, replacing, servicing, creating or developing the Operating Area or the Facilities and you are solely responsible for all costs and expenses associated with your use of the Operating Area and the Facilities for the purposes set out in this Agreement; and
- (b) nothing in this Agreement constitutes you as our agent, joint venturer or partner or gives you any authority or power to bind us in any way.

13.7 This Agreement does not override or affect any powers, privileges or immunities to which you are entitled under any enactment of the Province of British Columbia.

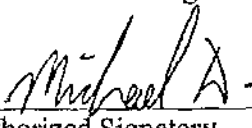
The parties have executed this Agreement as of the date of reference of this Agreement.

SIGNED on behalf of **HER MAJESTY  
THE QUEEN IN RIGHT OF THE  
PROVINCE OF BRITISH COLUMBIA**  
by the minister responsible for the *Park Act*  
or the minister's authorized representative



Minister responsible for the *Park Act*  
or the minister's authorized representative

SIGNED on behalf of **KALOYA CONTRACTING LTD.**  
by its authorized signatories



Authorized Signatory

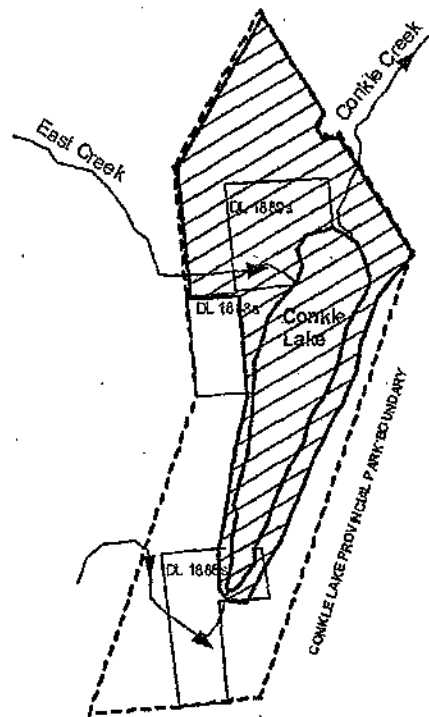
Authorized Signatory

**SCHEDULE "A"****OPERATING AREA**

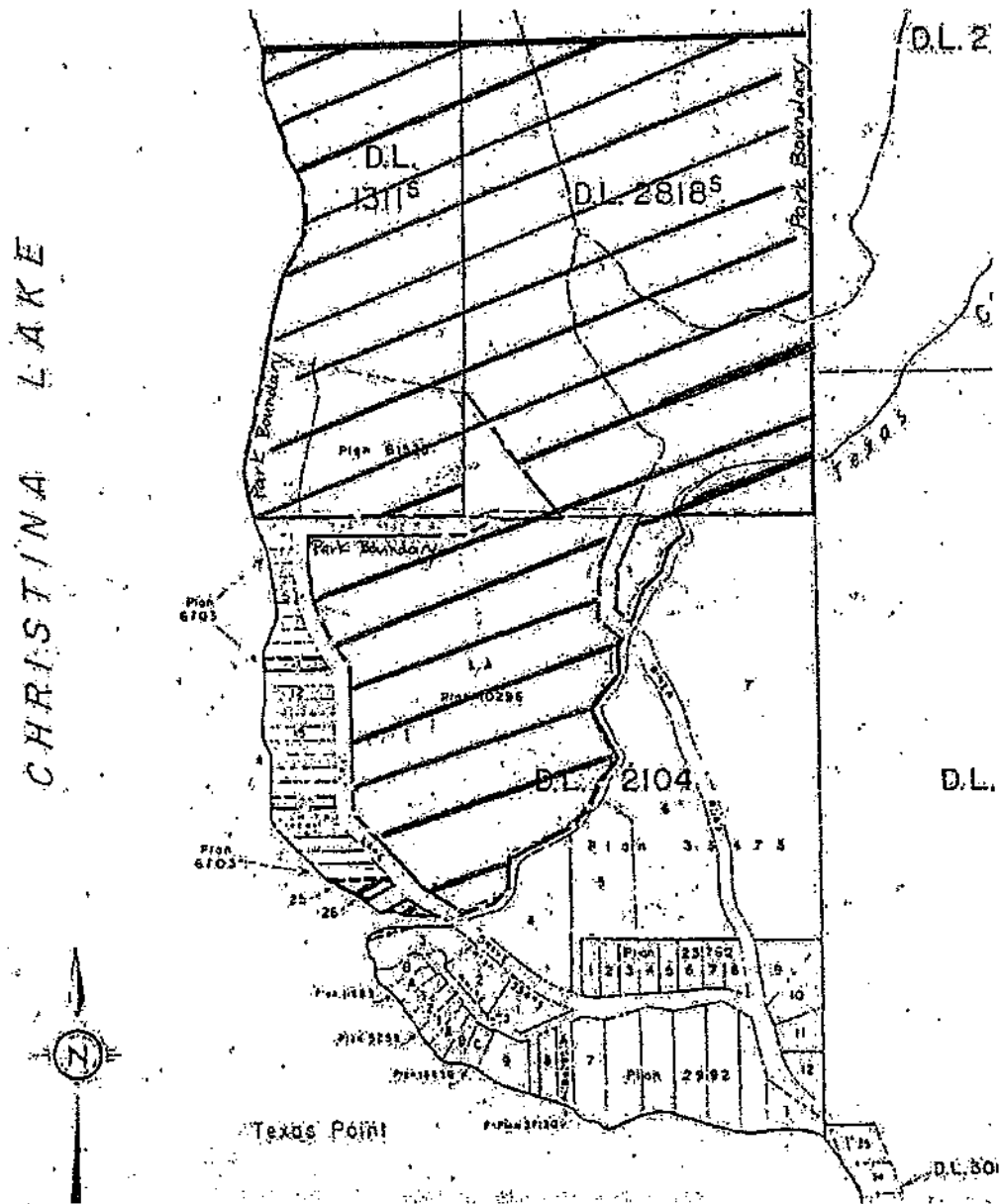
The Operating Area is comprised of the following:

1. Boundary Creek Park. ✓
2. ✓Christina Lake Park.
3. ✓That part of Conkle Lake Park shown hatched on Appendix "1" to this schedule.
4. That part of Gladstone Park shown hatched on Appendix "2" to this schedule and the following marine sites identified on Appendix "3" to this schedule:
  - (a) Axel Johnson;
  - (b) Ole Johnson;
  - (c) Parson Creek;
  - (d) Starchuk;
  - (e) Trapper Creek;
  - (f) Treadmill Beach; and
  - (g) Troy Creek.
5. Haynes Point Park. ✓
6. Jewel Lake Park. ✓
7. That part of Johnstone Creek Park shown hatched on Appendix "4" to this schedule.
8. Kettle River ~~Recreation~~ Area.

**APPENDIX "1" TO SCHEDULE "A"**  
**CONKLE LAKE PARK OPERATING AREA**

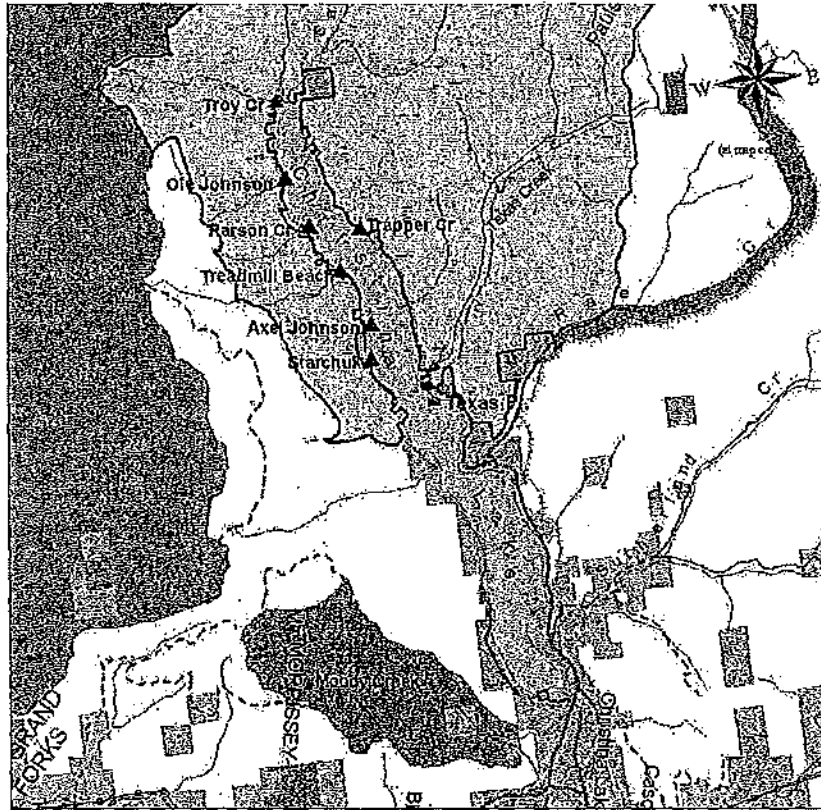


**APPENDIX "2" TO SCHEDULE "A"**  
**GLADSTONE PARK OPERATING AREA**



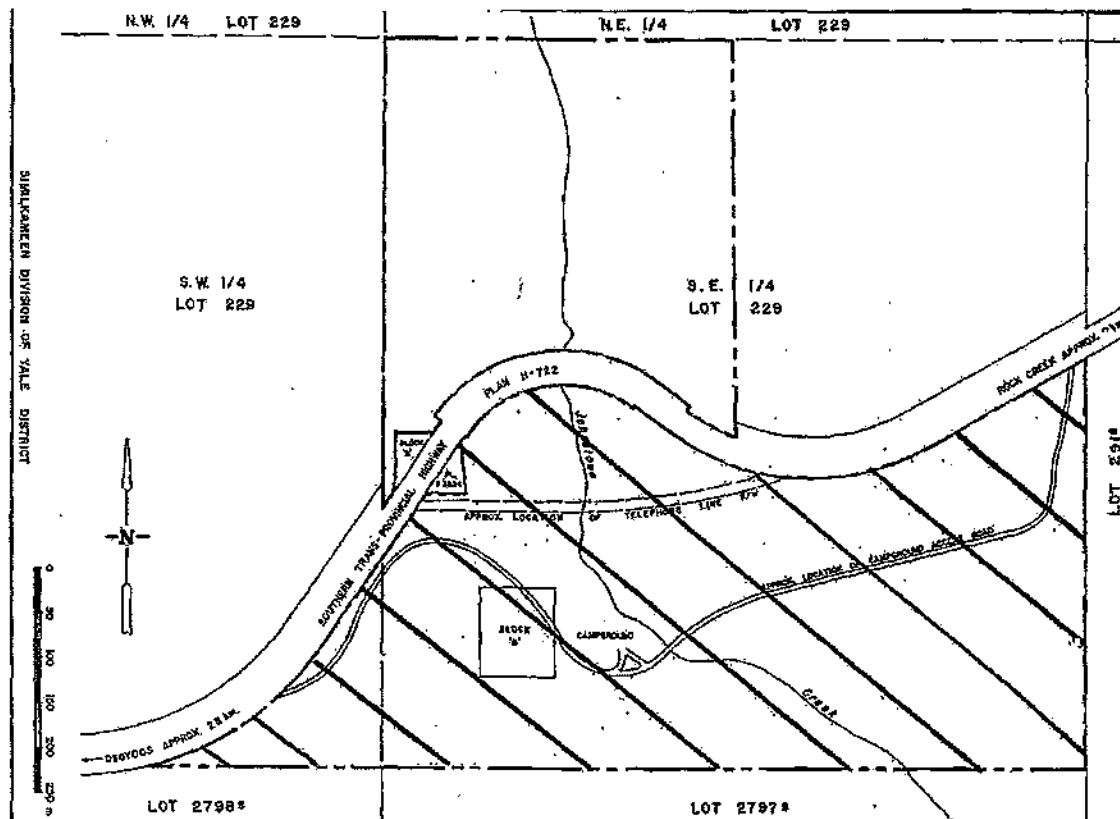
**APPENDIX "3" TO SCHEDULE "A"**

**GLADSTONE PARK (MARINE SITES) OPERATING AREA**





# APPENDIX "4" TO SCHEDULE "A" JOHNSTONE CREEK PARK OPERATING AREA



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**SCHEDULE "B"**

**PARKS**

1. Boundary Creek Park.
2. Christina Lake Park.
3. Conkle Lake Park.
4. Gladstone Park.
5. Haynes Point Park.
6. Jewel Lake Park.
7. Johnstone Creek Park.
8. Kettle River Recreation Area.

**SCHEDULE "C"****SERVICE STANDARDS****PART A - RECREATION SERVICES AND THE COLLECTION OF PARK ACT FEES AND PASS FEES**

1. You must offer the Recreation Services to Operating Area Users as follows:
- (a) the Additional Services must be offered to Operating Area Users at the times set out in the Annual Operating Plan; and
  - (b) the Park Act Services may be offered to Operating Area Users at any time during the Operating Year, however, all Park Act Services must be offered to Operating Area Users during the following periods of time in each Operating Year:

Park (and Operating Area or part of Operating Area, if applicable)	First Day Services to be Offered in Operating Year	Last Day Services to be Offered in Operating Year
Boundary Creek	May 1	September 30
Conkle Lake	May 15	September 15
Gladstone (except marine sites)	May 1	September 30
Gladstone (marine sites)	June 1	September 15
Haynes Point	April 1	October 31
Jewel Lake	May 1	September 30
Johnstone Creek	May 15	September 15
Kettle River	May 1	September 30

## 2. You must

- (a) collect the Park Act Fees from Operating Area Users except from Operating Area Users who are exempt from the payment of Park Act Fees under the *Park Act* and issue a receipt, in a form acceptable to us, to Operating Area Users on the payment of the Park Act Fees;
- (b) collect the Parking Fees from Operating Area Users except from Operating Area Users who
  - (i) are exempt from the payment of Parking Fees under the *Park Act*, or
  - (ii) display a valid receipt for the payment of Parking Fees,and issue a receipt, in a form acceptable to us, to Operating Area Users on the payment of the Parking Fees;
- (c) collect the Recreation Stewardship Fees from Operating Area Users to whom you sell a Recreation Stewardship Annual Pass;
- (d) except for the Additional Fees, the Park Act Fees and the Pass Fees, not collect fees from Operating Area Users without our prior written consent; and
- (e) during the period of the Operating Year that Recreation Services are offered to Operating Area Users, collect and maintain accurate monthly records of all visits of Operating Area Users and deliver those records to us not later than 5 days following the end of the month for which the records were kept.

**PART B - FACILITIES AND OPERATIONAL MAINTENANCE**

- 3. You must ensure that the Operating Area and the Facilities in, on or under it are operational and open to public use during the Operating Year unless otherwise provided in the Annual Operating Plan.
- 4. You must, at your expense,
  - (a) keep and maintain accurate documents and drawings for all Facilities made, constructed, installed, erected, built, altered or added to, in, on or under an Operating Area by you
    - (i) to the standards set out in the Park Design Standards and the Park Facility Standards, or
    - (ii) if no standards are set out in the Park Design Standards and the Park Facility

Standards, to the standards required by us;

- (b) deliver to us one paper print of the documents and drawings referred to in subsection (a) and one digital copy of those documents and drawings (in Microsoft Word 2000 and AutoCad version 14, respectively, or another format acceptable to us) as soon as the document or drawing is completed by you;
- (c) until you are provided with a data entry portal to access our facility management system, deliver to us, at the times required by us, all information we request from you in order to maintain accurate information in the facility management system with respect to the Facilities;
- (d) after you are provided with a data entry portal to access our facility management system, enter all information in the facility management system that is necessary to maintain accurate information in the facility management system with respect to the Facilities;
- (e) keep and maintain accurate records of all
  - (i) playground equipment inspections,
  - (ii) water testing of the water systems, except when the water systems are not operational during the winter,
  - (iii) monthly fire hydrant testing when the water systems are operational,
  - (iv) servicing of dynamic assets (including structural, mechanical and electrical components) and critical components of Facilities including water pumps, generators and machinery, and
  - (v) annual inspections of and documented repairs to marker/mooring buoys, marine pilings, docks and artificial reefs; and
- (f) with respect to information shelters in the Operating Area, you must ensure that
  - (i) all printed material provided to you by us is immediately posted on the information shelters as required by us, all visitor information posted on the information shelters is current and all outdated printed material and visitor information is removed from the information shelters, and
  - (ii) your contact name, current telephone number and email address are posted on the information shelters.

5. You must, at your expense, undertake the following maintenance of the Facilities:

- (a) repair, replace, restore and overhaul all parts of the Facilities that are broken, worn, leaking, rotted, damaged, cracked, spalled, split or vandalized;
- (b) keep all Facilities free of dust, dirt, rot, stains, mould, vegetation, cobwebs, graffiti, garbage, excess water, unpleasant odours, foreign materials and soil and water markings,
- (c) seal all wooden Facilities or wooden parts of the Facilities, except for wharves, docks, boardwalks and bridge decks, with paint or stain,
- (d) adjust all wharves, docks, boardwalks and bridge decks to allow for water level fluctuations and proper alignment,
- (e) keep all marker/mooring buoys, marine pilings, anchor chains, ropes and associated hardware in good repair,
- (f) keep all metal Facilities or metallic parts of the Facilities free of rust and in a state that eliminates galvanic action,
- (g) keep all roofs of the Facilities free of litter and accumulations of leaves, branches, moss and snow,
- (h) keep in good repair in accordance with the Park Facility Standards all directional, Type "A" (as defined in the Park Facility Standards), entrance portal and informational signs and ensure they remain visible to the public, correctly aligned and in an upright position,
- (i) keep all gravel surfaces crowned, smooth, managed for weed and brush control, well drained and free of potholes and ensure the gravel level is maintained,
- (j) keep all paved surfaces smooth, sealed and well drained,
- (k) keep all ditches and culverts free of brush and in a state that allows the free passage of water,
- (l) keep all water systems in a state that provides potable drinking water to Operating Area Users in accordance with applicable drinking water and health standards, except when water systems are not operational during the winter,
- (m) keep all sewage systems in the state required by the manual provided by the manufacturer of the system or, if no manual was provided by the manufacturer, keep the sewage system in a state that does not allow scum or sludge in the septic tank to reach a level where solids enter the tile field,

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SCHEDULE "C" - SERVICE STANDARDS

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- (n) keep all trails maintained to the classification and type existing on the Commencement Date,
- (o) keep all grounds, lawns and planters in a healthy state and remove and control all invasive and noxious plants as required by us, and
- (p) keep all concrete block Facilities and concrete Facilities sealed or painted and, if sealed, ensure the sealer is maintained in the manner recommended by the manufacturer and, if painted, ensure the paint is firmly attached to the Facility.

### PART C - GENERAL STANDARDS

6. You must

- (a) ensure your employees and Subcontractors are familiar with
  - (i) the *Park Act*, the Regulations and all other laws, bylaws, orders, directions, ordinances and regulations of any competent governmental authority in any way affecting the Parks and the Facilities, or their use and occupation,
  - (ii) the documents referred to in paragraph 4.1(c)(iii), and
  - (iii) the provisions of Part D of this schedule concerning the reporting of accidents and occurrences in the Operating Area;
- (b) not burn garbage or debris in the Parks;
- (c) at your expense,
  - (i) participate in the Discover Camping<sup>TM</sup> centralized campsite reservation system operated by us or another centralized campsite reservation system as directed by us and, in addition, provide to the public a group day use and group campsite reservation system,
  - (ii) undertake all survey programs we may require in order to determine the satisfaction of Operating Area Users with the Recreation Services and deliver to us all information obtained by you with respect to such survey programs,
  - (iii) attend all meetings requested by us,
  - (iv) ensure your employees and Subcontractors wear a uniform which is approved by us when providing the Recreation Services,

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### SCHEDULE "C" - SERVICE STANDARDS

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- (v) all vehicles and vessels used by your employees and Subcontractors display identification insignia which is approved by us when providing Recreation Services,
- (vi) if any campground gate is locked in a closed position and Operating Area Users are camping in the campground, you must ensure one of your employees or a Subcontractor is located in the Operating Area to open that campground gate in, among other things, emergency situations,
- (vii) retain a person who holds a valid certificate issued under the "Wildlife/Danger Tree Assessor's Course for Parks and Recreation Sites" to evaluate the Operating Area twice in each Operating Year (once between February 1 and May 30 and in September) and report on any existing or potentially dangerous trees and you will
  - (A) deliver that report to us upon your receipt of it, and
  - (B) at our direction, complete all work that may be necessary to alleviate the danger, and
- (viii) remove all garbage from the Parks to an approved refuse disposal site;
- (d) advise us, in writing, of
  - (i) the name, title, address and telephone number of each member of the management team who is identified in the proposal that led to the grant of this Agreement to you and the name, title, address and telephone number of the person, if any, who replaces a member of your management team, and
  - (ii) the name and telephone number of your representative who may be contacted by us and Operating Area Users at any time during the Term; and
- (e) ensure
  - (i) all highway informational signs are kept up-to-date with respect to the availability of campsites during the periods of time set out in subsection 1(b) of this schedule, and
  - (ii) keep all gates locked in an open or closed position provided that from October 1 to and including April 30, you must ensure that the park gate in Jewel Lake Park is locked closed.



7. You must not, without our prior written consent,
- (a) apply herbicides, pesticides, dust abatement products or any other products that are harmful to the environment in the Operating Area;
  - (b) change the use of any Facility; or
  - (c) cut or remove timber from the Operating Area.

**PART D - REPORTS CONCERNING ACCIDENTS AND OCCURRENCES IN THE  
OPERATING AREA**

8. You must deliver to us a completed Complaint/Occurrence Report immediately after the happening of any of the following events:
- (a) personal injury, bodily injury (including death) and property damage (over \$1,000.00) or loss (over \$200.00) suffered by an Operating Area User;
  - (b) damage to or theft of a Facility over \$1,000.00;
  - (c) a charge laid by the police force having jurisdiction over the Operating Area against an Operating Area User under any federal or provincial enactment; and
  - (d) a disturbance caused by an Operating Area User.
9. If necessary, you must also report any event referred to in subsection 8(a) of this schedule to the police force having jurisdiction over the Operating Area and to your insurer.
10. You must deliver to us not later than
- (a) 30 days following the Commencement Date, an emergency evacuation plan for each Operating Area;
  - (b) not later than 5 days following the end of each month during the Term, a completed Park Security/Public Safety Statistic Report;
  - (c) 5 days following the submission of such report, a copy of each report of an accident investigation or workplace injury submitted to the Workers' Compensation Board by you or your Subcontractors under the *Workers Compensation Act*; and
  - (d) 5 days after service on you, a copy of each Inspection Report or Order served on you or any of your Subcontractors by the Workers' Compensation Board under the *Workers Compensation Act*.

11. You may not retain any person to provide any Recreation Services under this Agreement except for the following:
  - (a) as of the date of reference of this Agreement, no subcontractors are approved by us.
12. You must ensure that your Subcontractors deliver to you all
  - (a) reports of an accident investigation or workplace injury submitted by them to the Workers' Compensation Board under the *Workers Compensation Act*; and
  - (b) Inspection Reports or Orders served on them by the Workers' Compensation Board under the *Workers Compensation Act*.

**SCHEDULE "D"**

**FINANCIAL MATTERS**

1. Not later than 5 days after the end of each month of the Operating Year, you will
  - (a) deliver to us a financial statement for the preceding month which sets out the Gross Revenue collected by you during that month; and
  - (b) you will pay to us the following fees collected by you in the preceding month:
    - (i) 85% of the Pass Fees,
    - (ii) for the
      - (A) first Operating Year, 12.32% of the Park Act Fees (Basic),
      - (B) second Operating Year, 12.28% of the Park Act Fees (Basic), and
      - (C) third Operating Year, 9.35% of the Park Act Fees (Basic), and
    - (iii) all of the Park Act Fees (Increase),together with GST payable on those fees.
2. Not later than 30 days after the end of each Operating Year, you will deliver to us
  - (a) an annual balance sheet and income statement for the preceding Operating Year;
  - (b) a statement of changes in your financial position in the preceding Operating Year; and
  - (c) a financial statement for the preceding Operating Year which is reconciled with the monthly statements provided by you to us and sets out the Gross Revenue collected by you during that Operating Year.

**SCHEDULE "E"****ANNUAL OPERATING PLAN REQUIREMENTS**

The Annual Operating Plan must include the following information with respect to each Operating Area:

**1. ASSESSMENT OF CONDITION OF FACILITIES**

The Annual Operating Plan must

- (a) set out a schedule of all inspections, diagnostic maintenance and condition assessments of the Facilities to be completed by you during the Operating Year in accordance with section 5.4; and
- (b) include a report of the results of all inspections, diagnostic maintenance and condition assessments of the Facilities completed by you during the preceding Operating Year.

**2. FACILITY MANAGEMENT SYSTEM**

After you are provided with a data entry portal to access our facility management system, the Annual Operating Plan must indicate whether you entered in the facility management system all information that is necessary to maintain accurate information in the facility management system with respect to the Facilities during the preceding Operating Year and, if not, the information that remains to be entered in the facility management system.

**3. OPERATIONAL MAINTENANCE**

The Annual Operating Plan must describe the Operational Maintenance completed by you during the preceding Operating Year.

**4. PREVENTATIVE MAINTENANCE**

The Annual Operating Plan must include

- (a) in order of priority, a detailed description of, timing for, importance of and, if applicable, preliminary drawings for
  - (i) the repairs, replacements, restorations and overhauls you propose to make to the Facilities, and
  - (ii) the Facilities you propose to make, construct, install, erect, build, alter or add to, in, on or under each Operating Area, and

- (b) an estimate of your costs to complete each item of preventative maintenance referred to in subsection (a)
  - (i) to the standards set out in the Park Design Standards and the Park Facility Standards, or
  - (ii) if no standards are set out in the Park Design Standards and the Park Facility Standards, to the standards required by us.

**5. DOCUMENTS AND DRAWINGS**

The Annual Operating Plan must list all of the documents and drawings delivered to us by you under subsection 4(b) of Schedule "C" and the date on which that document or drawing was delivered to us by you.

**6. ADDITIONAL INFORMATION**

The Annual Operating Plan must list all of your key personnel and include a description of their roles, responsibilities and qualifications. In addition, the Annual Operating Plan must update, as necessary, your advertising program and the emergency evacuation plan delivered to us under subsection 10(a) of Schedule "C".



Ministry of  
Water, Land and Air  
Protection

**PARK USE PERMIT  
AMENDING AGREEMENT**

Park Use Permit No.: OK0310248

Page 1 of 2

THIS AGREEMENT is dated for reference October 24, 2003 and is made under the *Park Act*.

BETWEEN:

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**, represented by the minister responsible for the *Park Act*

(the "Province")

AND:

**KALOYA CONTRACTING LTD.**, (Inc. No. 0561649)

(the "Permittee")

WHEREAS:

- A. The Province issued Park Use Permit No. OK0310248 to the Permittee by a park use permit dated for reference April 24, 2003 (the "Permit").
- B. The Province and the Permittee have agreed to amend the Permit as set out below.

The parties agree as follows:

- 1. The Permit is amended by
  - (a) deleting the words "30 days" from subsection 9.1(a) and replacing them with the words "10 days";
  - (b) deleting subsections 9.4(c) and (d) and replacing them with the following:
    - "(c) in the event notice is provided under subsection (a), on October 31, 2009; or
    - (d) in the event notice is provided under subsection (b), on October 31, 2012;" and
  - (c) deleting subsection 2(e) of Schedule "C" and replacing it with the following:
    - "(e) during the period of the Operating Year that Recreation Services are offered to

Operating Area Users, collect and maintain accurate monthly records of all visits of Operating Area Users and

- (i) until you are provided with a data entry portal to access our visitor use data system, deliver those records to us not later than 5 days following the end of the month for which the records were kept, and
  - (ii) after you are provided with a data entry portal to access our visitor use data system, enter all such records in the system not later than 5 days following the end of the month for which the records were kept."
2. Notwithstanding the date of execution of this Agreement, it is deemed to take effect on the date set out above.
  3. Except as amended by this Agreement, the Permit is ratified and confirmed.
  4. Time is of the essence of this Agreement and remains of the essence of the Permit as amended by this Agreement.

The parties have executed this Agreement as of the date of reference of this Agreement.

SIGNED on behalf of **HER MAJESTY  
THE QUEEN IN RIGHT OF THE  
PROVINCE OF BRITISH COLUMBIA**  
by the minister responsible for the *Park Act*  
or the minister's authorized representative

\_\_\_\_\_  
Minister responsible for the *Park Act*  
or the minister's authorized representative

SIGNED on behalf of **KALOYA CONTRACTING LTD.**  
by its authorized signatories

\_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Authorized Signatory



Ministry of  
Environment

**PARK USE PERMIT  
AMENDING AGREEMENT**

Park Use Permit No.: OK0310248 / Boundary

Amendment #001

Page 1 of 2

THIS AGREEMENT is dated for reference February 1, 2006 and is made under the *Park Act*.

BETWEEN:

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**, represented by the minister responsible for the *Park Act*

(the "Province")

AND:

**Kaloya Contracting Ltd  
4611 Towgood Road  
Oyama BC V4V 2B4**

(the "Permittee")

WHEREAS:

- A. The Province issued Park Use Permit No. OK0310248 to the Permittee by a park use permit dated for reference April 24, 2003 (the "Permit").
- B. The Province and the Permittee have agreed to amend the Permit as set out below.

The parties agree as follows:

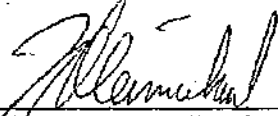
- 1. The Permit is amended by
  - a. The attached financial schedule to become schedule D of the Agreement;
  - b. All costs associated with additional Permittee requirements to implement the new Drinking Water Regulations will be negotiated at a future date once all requirements are known.
- 2. Notwithstanding the date of execution of this Agreement, it is deemed to take effect on the date set out above.



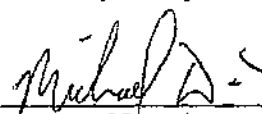
3. Except as amended by this Agreement, the Permit is ratified and confirmed.
4. Time is of the essence of this Agreement and remains of the essence of the Permit as amended by this Agreement.

The parties have executed this Agreement as of the date of reference of this Agreement.

SIGNED on behalf of **HER MAJESTY  
THE QUEEN IN RIGHT OF THE  
PROVINCE OF BRITISH COLUMBIA**  
by the minister responsible for the *Park Act*  
or the minister's authorized representative

  
\_\_\_\_\_  
Minister responsible for the *Park Act*  
or the minister's authorized representative

SIGNED by **Kaloya Contracting Ltd. (Michael Ley)**

  
\_\_\_\_\_  
Signature of Permittee or Authorized Signatory

Attachment (Schedule D)

**SCHEDULE "D"****FINANCIAL MATTERS**

1. Not later than 15 days after the end of each month of the Operating Year, you will deliver to us a financial statement for the preceding month which sets out the Gross Revenue collected by you during that month;
2. Not later than 15 days after the end of each month of the Operating Year, you will pay to us the following fees collected by you in the proceeding month;
  - (a) 85% of the annual BC Pass Fees; and
  - (b) All of the Park Act Fees (increase), together with the GST payable on those fees.
3. After the last day of the time period set out below, you will deliver to us a written statement of account for the amount set out opposite the applicable time period which certifies that you fully performed your obligations under this Agreement during that time period:

TIME PERIOD		AMOUNT
First Day of Time Period	Last Day of Time Period	
May 1, 2006	May 31, 2006	\$2057
June 1, 2006	June 30, 2006	\$2057
July 1, 2006	July 31, 2006	\$2057
August 1, 2006	August 30, 2006	\$2057
September 1, 2006	September 30, 2006	\$2057
May 1, 2007	May 31, 2007	\$2057
June 1, 2007	June 30, 2007	\$2057
July 1, 2007	July 31, 2007	\$2057
August 1, 2007	August 30, 2007	\$2057
September 1, 2007	September 30, 2007	\$2057
May 1, 2008	May 31, 2008	\$2854
June 1, 2008	June 30, 2008	\$2854
July 1, 2008	July 31, 2008	\$2854
August 1, 2008	August 30, 2008	\$2854
September 1, 2008	September 30, 2008	\$2854

And,

- (a) If we are satisfied that you have fully performed your obligations under this Agreement during that time period, we will, not later than 60 days after your written statement of account is delivered to us, pay you the amount set out above for the applicable time period; or
  - (b) If we are not satisfied that you have fully performed your obligations under this Agreement during that time period, we may, in our sole discretion, reduce the amount to be paid to you for the applicable time period by an amount determined to be a genuine pre-estimate of liquidated damages.
4. Not later than 30 days after the end of each Operating Year, you will deliver to us:
- (a) An annual balance sheet and income statement for the preceding Operating Year; and
  - (b) A statement of changes in your financial position in the preceding Operating Year; and
  - (c) A financial statement for the preceding Operating Year which is reconciled with the monthly statements provided by you to us and sets out the Gross Revenue collected by you during the Operating Year.



Ministry of  
Environment

# PERMIT MODIFICATION AGREEMENT

Permit No.: **OK0310310248**

Permittee File No.: **85700-40/OK0310248**

Permit Modification Agreement No.: **0002**

THIS AGREEMENT IS DATED FOR REFERENCE June 17, 2008 and is made under the *Park Act*.

BETWEEN:

AND:

HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH  
COLUMBIA, represented by the Minister  
responsible for the *Park Act* (the  
"Province") at the following address:

**Ministry of Environment  
102 Industrial Place  
Penticton, BC  
V2A 7C8**

**Kaloya Contracting LTD.**

(the "Permittee") at the following address

**4611 Towgood Road  
Oyama BC  
V4V 2B4**

WHEREAS:

- A. The Province issued Park Use Permit No. **OK0310248** to the Permittee dated for reference **April 24<sup>th</sup>, 2003** (the "Agreement").
- B. The Province and the Permittee (the "Parties") have agreed to modify the Agreement in the manner as set forth herein.

THIS AGREEMENT WITNESSES THAT the parties agree:

A. This Permit is modified by:

1. The following definitions are added to, or modified in **Subsection 1.1**:

**"Gross Revenue"** means the Park Act Fees, and the Pass Fees collected by the Permittee under this Agreement, excluding GST;

**"OHS Regulation"** means the British Columbia Regulation 296/97 entitled *"Occupational Health and Safety Regulation"*, as it may be amended from time to time;

**"Prime Contractor"** means the "prime contractor" as defined in the WCB Act;

**"Safety Program"** means an occupational health and safety program described in the *Workers Compensation Act* and the *OHS Regulation*;

**"WCB Act"** means the *Workers Compensation Act* and all applicable regulations created pursuant to the powers conferred under that Act;

**"Park Act Services"** means the operation of the Facilities; the provision of camping and day use services; and the activities for which a fee is imposed under the *Park Act*;

**"Preventative Maintenance"** means the maintenance of the Facilities described in the Business Plan but does not include Operational Maintenance. Explanations and examples of Preventative and Operational Maintenance include, but are not limited to, the following:

Preventative Maintenance	Operational Maintenance
<p>Scheduled projects approved by us in the Annual Operating Plan that are non routine to ensure facilities remain safe, meet industry standards and comply with the Park Facility Standards or if no standards are set out in the Park Design Standards and the Park Facility Standards, to the standards required by us.</p> <p>Scheduled annual preventative maintenance inspection to prevent breakdowns and extend facility life expectancy.</p> <p>Scheduled condition assessments by qualified professionals to determine condition and remaining service life.</p>	<p>Routine, regular, scheduled or periodic servicing, repairs, replacements, cleaning and inspection of all Facilities and Operating Areas to ensure that they are safe, clean, operational, fully functional and in compliance with Schedule "C" Service Standards.</p> <p>All labour, materials, supplies, vehicles, equipment, tools and clothing required to comply with Schedule "C" Service Standards</p>

Projects of significant scale and magnitude, which stand alone and are independent from Operational Maintenance in their size and complexity.	
Major facility replacement projects.	
<p>Examples of Preventative Maintenance include:</p> <ul style="list-style-type: none"> <li>• Shower building roof replacement projects.</li> <li>• Trail reconstruction project.</li> <li>• Campground reconstruction project.</li> <li>• Facility replacement project.</li> <li>• Vegetation management project.</li> <li>• Paved road crack sealing project.</li> <li>• Major vandalism incident repair project.</li> <li>• Facility Condition Assessment.</li> <li>• Water system replacement project.</li> </ul>	<p>Examples of Operational Maintenance include:</p> <ul style="list-style-type: none"> <li>• Repair of broken fixtures, water lines, furnishings and signs, leaking taps broken windows, door hardware and other similar types of work</li> <li>• Grass cutting.</li> <li>• Routine monitoring and mitigation of tree and vegetation hazards.</li> <li>• Road grading &amp; brushing.</li> <li>• Campsite cleaning.</li> <li>• Garbage &amp; recycling collection.</li> <li>• Float &amp; boat ramp repairs.</li> <li>• Marker/mooring buoy annual inspection and repair.</li> <li>• Sewage waste pumping &amp; disposal.</li> <li>• Painting &amp; staining of all facility components.</li> <li>• Minor vandalism repair/replacement.</li> <li>• Table board refinishing &amp; field coating.</li> <li>• Sign replacement.</li> <li>• Dust Suppressant.</li> <li>• Replacement of broken Facility components e.g. sprinklers, fire ring/grates, table planks, sign posts, pit toilet roofs, table bases.</li> </ul>

2. **Subsection 4.1(c(i))** is modified as shown below:

- (i) all laws, bylaws, ordinances and regulations of any competent governmental authority having jurisdiction in any way affecting the Operating Area and the Facilities, or their use and occupation, and your operations under this Agreement,

3. **Subsection 4.1(k)** is modified as shown by the underlining below:

- (k) keep the Lands free of all liens or claims of lien filed under the *Builders Lien Act* or otherwise. Unless the claim of lien is being contested in good faith by you and you have taken the steps necessary to ensure that the claim of lien will not subject the Operating Area or any interest of yours under this Agreement to sale or forfeiture, if you shall fail to discharge any such lien or claim of lien within thirty (30) days of written notice of the same being given to you, the Province, in addition to any other right or remedy, may, but shall not be obligated to, discharge the claim of lien or lien by paying the amount claimed to be due or the amount due, together with a reasonable amount

for costs and the amount paid by the Province shall be reimbursed by you to the Province forthwith upon demand.

4. A new **Article 4B** is added as follows:

**ARTICLE 4B – WORKERS COMPENSATION, INSURANCE AND INDEMNITY**

4B.01 The Permittee warrants and represents to the Province that as of the date of this Agreement and throughout the term of this Agreement

- (a) it is and will remain registered as an employer under the *Workers Compensation Act* under registration number 387901 AQ(053),
- (b) it has paid and will pay all assessments due and payable by it under the *Workers Compensation Act*, and
- (c) it is and will remain in compliance with that Act and all regulations under that Act.

4B.02 The Permittee agrees that it will not permit any contractor of that party, or any of that contractor's "workers" (as that term is defined in the *Workers Compensation Act*), to:

- (a) work on a project specified in the Annual Operating Plans, or
- (b) enter on, use or occupy the Operating Area,

unless the party has obtained written confirmation from the Workers Compensation Board that the contractor

- (c) is registered as an employer under the *Workers Compensation Act*, and
- (d) has paid all assessments due and payable by it under the *Workers Compensation Act*.

4B.03 For the purposes of the WCB Act and the OHS Regulation, you are the Prime Contractor in connection with the rights granted to you under section 2.1. You will deliver written notice to the Province:

- (a) of the name of the person you have appointed to discharge for you the responsibilities of a "qualified coordinator" as described in the WCB Act; and
- (b) confirming that the Safety Program has been initiated and is readily available in accordance with the WCB Act, in connection with this Agreement.

4B.04 notwithstanding any limitation in the OHS Regulation which would exempt the Contractor from the requirement to initiate and maintain an occupational health and safety program, initiate and at all times maintain the Safety Program in connection with the Services and this Agreement, and ensure that the Safety Program

- (a) is designed to prevent injuries and occupational diseases within the contemplation of the *Workers Compensation Act* and the *OHS Regulation*;
- (b) provides for the establishment and maintenance of a system or process to ensure compliance with the *Workers Compensation Act* and the *OHS Regulation* in respect of the Services and this Agreement; and
- (c) satisfies the requirements of an occupational health and safety program under the *Workers Compensation Act* and the *OHS Regulation*

5. A new **section 4.4** is added as follows:

4.4. For the reduction in GST affecting the 2006, 2007 and 2008 Operating Years, and for any subsequent reduction in GST in an Operating Year:

- (a) the additional revenue generated by the GST reduction for the 2006, 2007 and 2008 Operating Years will be accounted for in the 2008 Operating Year, and any subsequent GST reduction will be accounted for in the Operating Year during which the GST was reduced, as follows:
  - (i) you will propose to BC Parks, Facilities' projects or visitors' services, not otherwise funded by the existing terms and conditions under this Agreement, within your Operating Areas on which to expend the additional revenue; and
  - (ii) if BC Parks agrees to the proposal set out in subsection (i) above, you may retain the additional revenue generated by the GST reduction on condition that, not later than 15 days after the end of the Operating Year you provide BC Parks with written confirmation and supporting details, satisfactory to BC Parks, that the revenue retained by you under this subsection was spent on the proposal agreed to. In the event you fail to comply with this requirement you will pay to BC Parks within 10 days the revenue you retained.
- (b) if BC Parks does not agree to the proposal you make under subsection (i) above, you will pay the additional revenue generated by the GST reduction to BC Parks not later than 15 days after the end of the Operating Year.



6. **Subsection 5.1(b(iii))** is modified by adding "performance monitoring methods, and inspection procedures to ensure quality service throughout the Operating Areas, and"

7. **Subsection 5.1(b(iv))** is modified as shown below:

(iv) staff trainings policies,

8. **Section 5.7** is modified by adding the following:

- (a) adjusting any deficiency payment payable to you by an amount equal to the change in the Preventative Maintenance Amount for the next Operating Year or,
- (b) adjusting your return to us by an amount equal to the change in the Preventative Maintenance Amount for the next Operating Year.

9. A new **section 5.11** is added as follows:

5.11 You acknowledge that when reviewing your proposed new Business Plan and Schedule "D", and in the ensuing negotiations referenced in 5.8(b) we require the following details from you:

- (a) your capacity, capability, and commitment to meet the terms of the Agreement and the proposed new Business Plan;
- (b) evidence that quality is going to be maintained consistently throughout the Bundle. This may include showing us that the following are in place, in use, and current:
  - (i) clear policies and procedures to ensure compliance with the Agreement,
  - (ii) work identification and planning,
  - (iii) procedures to ensure customer issues are quickly resolved, and
  - (iv) site safety and emergency response systems and procedures;
- (c) that the proposed new Business Plan seeks revenue increases and controls costs; and
- (d) in preparation for our review of the new Business Plan and Schedule "D", you need to ensure that all documents and reports as required by the Agreement have been submitted.

10. **Section 7.3** is modified as shown by the underlining below:

9.4 We may use the Financial Security for the payment of any costs and expenses incurred by us to perform any of your obligations under

this Agreement that are not performed by you, provided we have given you notice and an opportunity to perform the required obligations, appropriate to the circumstances. If such event occurs, you will, within 30 days of that event, deliver further Financial Security to us in an amount equal to the amount drawn down by us.

11. Subsection 9.1(g) is deleted and the following **section 9.8** is added:

9.8 If one or more Parks covered by the Agreement are permanently closed to public use by us, we will work diligently and in good faith with you to negotiate an amendment to the Agreement, the Annual Operating Plan, and the Three Year Business Plan and any related plans or for the orderly winding up of the Agreement if this is deemed necessary by you or us due to the reduction of parks covered by the Agreement.

12. **Subsections 9.4(a), 9.4(b), 9.4(c), and 9.4(d)** are deleted and replaced with the following:

- (a) after April 24, 2005 and before April 24, 2006; or
- (b) after April 24, 2008 and before April 24, 2009;
- (c) in the event notice is provided under subsection(a), on April 24 2009; or
- (d) in the event notice is provided under subsection(b), on April 24, 2012;

13. The existing subsection 13.6(b) is renumbered 13.6(d) and **subsections 13.6(b) and (c)** are added as follows:

- (b) we may, from time to time, on prior written notice to you, appoint a third party contractor as the Prime Contractor in connection with works and activities that may be undertaken and performed at any location or locations in the Operating Area, for a period of time. These works and activities will not be any works or activities that you currently undertake pursuant to this Agreement and to the satisfaction of the Province but will be primarily construction activities taking place within your area of operation and therefore may overlap with your current operations. Such works and activities, location(s), and period(s) of time will be specified and defined by us in the written notice. You will cooperate in good faith with the new designated Prime Contractor to ensure a safe and seamless transition between the two parties and the commencement and conclusion of the work. On conclusion of the works and activities referenced in this section, we will deliver written notice to you and you will resume the responsibilities of the Prime Contractor in connection with the Agreement at the applicable location.

- (c) Nothing in this subsection is intended to allow us to replace you or substitute services for those you are currently providing to the satisfaction of the Province; and

14. In **Schedule "C", subsection 2(e)** is deleted and replaced with the following:

- (e) during the period of the Operating Year that Recreation Services are offered to Operating Area Users, collect and maintain accurate monthly records of all visits of Operating Area Users and
  - (i) until you are provided with a data entry portal to access our visitor use data system, deliver those records to us not later than 15 days following the end of the month for which the records were kept, and
  - (ii) after you are provided with a data entry portal to access our visitor use data system, enter all such records created after that date in the system not later than 15 days following the end of the month for which the records were kept.

15. In **Schedule "C", subsections 2(f), 2(g), 2(h)** will be added to the Agreement:

- (f) At your expense, operate and maintain a program to collect Pass Fees in accordance with the terms of this Agreement and including but not limited to:
  - (i) credit card administration and associated costs (including card charges);
  - (ii) administration of collections including monthly reporting in accordance with the Agreement;
  - (iii) supply of tickets, power, batteries, signage replacement;
  - (iv) Operational Maintenance of all associated Facilities;
  - (v) hydro costs;
  - (vi) Recreation Stewardship Annual Pass administration and sales;
  - (vii) envelopes for fee vaults;
  - (viii) compliance and enforcement;
- (g) At your expense, maintain all pay stations to a working order, which includes:
  - (i) completion of all repairs and regular maintenance;
  - (ii) recording in the log books all entries of pay station service, repair and inspection;
  - (iii) maintaining a complete spare parts inventory as initially provided by the Province.

(h) At your expense, submit monthly and annual (calendar year) reporting, which includes:

- (i) number of transactions;
- (ii) value of transactions/pay parking station; and
- (iii) types of transactions.

16. In **Schedule "C"**, the following will be added to **subsection 4(e(iii))**:

- (iii) and all electronic pay stations including period of time off line, when machine is not in service.

17. In **Schedule "C"**, **subsection 6(c(i))** will be modified as follows:

- (c) at your expense,
  - (i) participate in Discover Camping™ centralized campsite reservation system operated by us or another centralized campsite reservation system as directed by us;
    - A. provide to the public a group day use and group campsite reservation service; and
    - B. not remove any campsites from the centralized reservation system without our approval.

18. In **Schedule "C"**, the following new **subsections 6(c(ix))** and **6(c(x))** will be added to the Agreement:

- (ix) deliver by January 15th of each year a ticket price summary report for each pay station broken down by month or transaction periods in electronic format containing the following:
  - A. Park Name / PFO Name / Park Area Name / Pay station location name and, number; and,
  - B. data breakdown by individual pay station including ticket prices / cash payment amount / over payment / approved credit card amount / captured credit card amount / total revenue / number of tickets and,
- (x) ensure all pay parking spare parts that have been used are immediately replaced to deal effectively and efficiently with future pay stations repairs.

19. In **Schedule "C", Part D**, the following new **subsection 8(e)** will be added to the Agreement:

- (e) damage to or theft over \$200.00 involving a pay station used to collect pay parking fees.

20. In **Schedule "C", subsection 10(b)**, the words "5 days" are deleted and replaced with the words "15 days".

21. In **Schedule "D"**, the words "5 days" are deleted from the applicable subsections and replaced with the words "15 days".

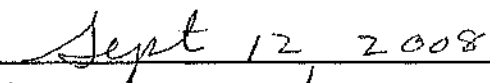
- B. Except as modified by this Agreement, the Permit is ratified and confirmed.
- C. This Agreement and the Permit shall be read and construed together.
- D. Time continues to be of the essence of the Permit and is of the essence of this Agreement.
- E. This Agreement ensures to the benefit of and is binding upon the parties and their respective successors and permitted assigns.
- F. Time is of the essence of this Agreement and remains of the essence of the Agreement as amended by this Agreement.

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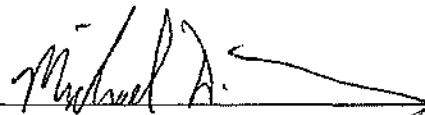
**IN WITNESS WHEREOF the parties have executed this Agreement**

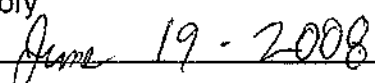
**SIGNED and DELIVERED** on behalf of the Province by a duly authorized representative of the Province.

  
Duly Authorized Representative

  
Date

**SIGNED and DELIVERED** on behalf of the Permittee (or by an authorized signatory of the permittee if a Corporation).

  
Signature of Permittee or Authorized Signatory

  
Date



Kaloya Contracting Ltd.  
4611 Towgood Road  
Oyama BC  
V4V

June 17, 2008

Dear Mike Ley:

Permit Modification Agreement #0003

Re: BC Parks' Fee Increase regarding Park Use Permit OK031010248 (the "Park Use Permit")

---

In early 2008, BC Parks and the Park Facility Operator's Society (the "Society") agreed that revenue from the fee increase is to be used for Preventative Maintenance projects. This allows additional revenue to be retained through Preventative Maintenance Accounts ("PMA") and directly benefit park Facilities. Although each Park Facility Operator ("PFO") contract is unique and independent, in order to ensure province-wide consistency in approach and application, the parties agree that additional funds be spent on selected park projects on the following terms and conditions, with the definitions found in the Park Use Permit (for the most part consistent with all PFOs). This Permit Modification Agreement overrides Schedule D, Section 1(b(iii)) in the Park Use Permit:

*(b) Not later than 15 days following the end of each month of the Operating Year, you will pay to us the following as collected by you in the preceding month,*

*(iii) all Park Act Fees (Increase) together with all GST payable on those fees.*



For the 2008 operating season, the parties agree that:

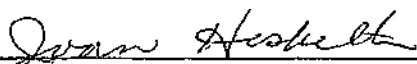
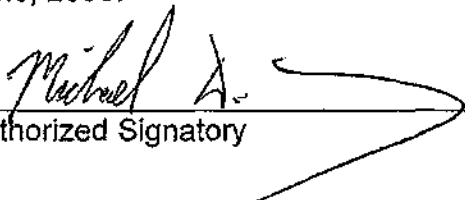
1. Each PFO will retain revenue generated from the fee increase and all additional revenue, less GST payable on fee increases, will be deposited into PMA accounts.
2. Each PFO will propose for agreement by BC Parks, to expend the additional revenue, less GST payable on fee increases, on Facilities within its Operating Areas. These park projects:
  - a. must be on the priority list of potential or approved Preventative Maintenance projects; and
  - b. must only be used according to PMA guidelines and not be used for any other service enhancement, such as interpretation programming,  
(the "Park Projects").
3. The Parties will evaluate revenue generated by the PFO through use of the *Formula for PMA allocations due to Campground Fee Change* as developed by BC Parks.
4. The Parties will include the Park Projects, and the PFOs will make record of their expenditures on the Park Projects, in their Annual Operating Plans required to be submitted as per the Park Use Permit. However, this process will remain independent of the processes described within Article 5 of the Park Use Permit.
5. The Parties agree that at all times they will make reasonable efforts to resolve by amicable negotiations any and all disputes arising between them regarding the approval of the Park Projects.

Please confirm your agreement to the above by way of execution of a copy of this letter as provided for further below. Once you have executed the letter and provided a copy to me, I will attend to the same and provide a copy to you. This Permit Modification Agreement expires April 1, 2009.

Yours Truly,

  
John Frewitt  
BC Parks Section Head

The terms and conditions for the use of the fee increase as described in this letter are agreed to and confirmed as of the date of the letter.

<p>SIGNED on behalf of <b>HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA</b> by the minister responsible for the <i>Park Act</i> or the minister's authorized representative this <u>12<sup>th</sup></u> day of June, 2008.</p> <p> Minister responsible for the <i>Park Act</i> or the minister's authorized representative</p>	<p>SIGNED on behalf of <b>Kaloya Contracting Ltd.</b> by its authorized signatories this <u>17<sup>th</sup></u> day of June, 2008.</p> <p> Authorized Signatory</p> <p>_____ Authorized Signatory</p>
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85700-40/OK0310247

Kaloya Contracting Ltd.  
4611 Towgood Road  
Oyama BC  
V4V 2B4

June 16, 2008

Dear Mike Ley

Permit Modification Agreement

Re: *Drinking Water Protection Act* (DWPA) Compensation regarding Park Use  
Permit OK0310248 (the "Park Use Permit")

---

This Permit Modification Agreement pertains to additional water system operating and maintenance requirements by the Park Facility Operator (PFO) as requested by the Health Authority and for water systems upgraded to meet the provisions outlined in the *Drinking Water Protection Act* (DWPA) and the *Drinking Water Protection Regulation*, since the date of the last Park Use Permit Amending Agreement dated Feb 1, 2006.

Although in accordance with Article 4.1(c(i)) in the Park Use Permit, Park Facility Operators ("PFOs") must comply with all laws and regulations, the Province will assist in paying for costs associated with the above noted operation and maintenance requirements for the 2008/09 operating season as follows:

1. Additional costs incurred by the PFO for complying with the DWPA, associated regulations and provisions outlined by local water and health authorities will be covered by BC Parks.

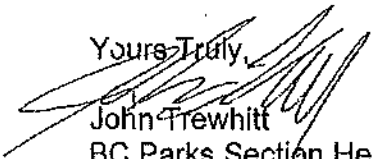


2. Additional costs payable to the PFO of \$4520 have been determined by BC Parks through discussions with the PFO. Additional costs covered by BC Parks include costs associated with provision of certified water system operators including training, additional water sampling, reporting, additional supplies, additional residual chlorine testing, and additional operational and maintenance costs associated with new or upgraded water system components.
3. Additional water system operation and maintenance activities and related costs associated with additional requirements to meet the DWPA will be included in the PFO's Annual Operating Plans. In addition the PFO will make record of their associated expenditures on operational and maintenance activities related to these additional water system operation and maintenance activities.
4. The PFO will deliver to us a written statement of amount for the amount set out opposite the applicable time period which certifies that you have fully performed the additional obligations as required under this Permit Modification Agreement.

Time Period		Amount
April 1, 2008	June 30, 2008	\$2260
July 1, 2008	October 31, 2008	\$2260

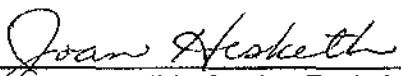
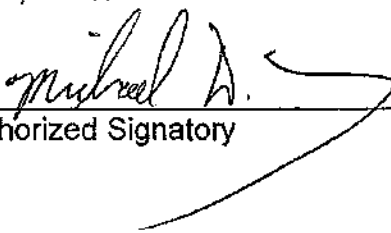
Please confirm your agreement to the above by way of execution of a copy of this letter as provided for further below. Once you have executed the letter and provided a copy to me, I will attend to the same and provide a copy to you.

Yours Truly,

  
John Frewitt

BC Parks Section Head

The terms and conditions for additional operating costs as described in this letter are agreed to and confirmed as of the date of the letter.

<p>SIGNED on behalf of <b>HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA</b> by the minister responsible for the <i>Park Act</i> or the minister's authorized representative this <u>12</u> day of June, 2008. <i>Sept 10</i></p> <p> Minister responsible for the <i>Park Act</i> or the minister's authorized representative</p>	<p>SIGNED on behalf of <b>Kaloya Contracting Ltd.</b> by its authorized signatories this <u>19</u> day of June, 2008.</p> <p> Authorized Signatory</p> <p>_____ Authorized Signatory</p>
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Ministry of  
Environment

## PERMIT MODIFICATION AGREEMENT

Permit No.: **OK31248**

Permittee File No.: **85700-40/OK0310248**

Permit Modification Agreement No.: **05**

THIS AGREEMENT IS DATED FOR REFERENCE December 1, 2008, and is made under the *Park Act*.

BETWEEN:

AND:

HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH  
COLUMBIA, represented by the Minister  
responsible for the *Park Act* (the  
"Province") at the following address:

KALOYA CONTRACTING LTD.  
(the "Permittee") at the following address

**4611 Towgood Road  
Oyama BC  
V4V 2B4**

**Ministry of Environment  
102 Industrial Place  
Penticton, BC  
V2A 7C8**

WHEREAS:

- A. The Province issued Park Use Permit No. **OK0310248** to the Permittee dated for reference **April 24, 2003** and the Province and the Permittee (the "Parties") agreed to amend the permit by way of agreements dated for reference **February 1, 2006 (#1)**, **June 17, 2008 (#2)**, and letters dated **June 17, 2008 (#3)**, **June 16, 2008 (#4)**.
- B. The Parties have agreed to modify the Agreement in the manner as set out below (this "Amendment Agreement").

THIS AGREEMENT WITNESSES THAT the Parties agree as follows:

A. The Agreement is modified by:

1. The following definition is modified in **Subsection 1.1**:

For the 2009/10 operating year the "Preventative Maintenance Amount" means, subject to Article 5, **\$22,800**

For the 2010/11 operating year the "Preventative Maintenance Amount" means, subject to Article 5, **\$22,236**

For the 2011/12 to 2013 operating year the "Preventative Maintenance Amount" means, subject to Article 5, **\$16,180**

2. **Subsection 4.1(j)** is modified as shown by the underlining below:

- (j) pay all accounts and expenses as they become due for labour or services performed on, or materials supplied to, the Operating Area except for money that you are required to hold back under the *Builders Lien Act*. For the purposes of this subsection, the date when accounts and expenses become due, is 60 days after the date of any given invoice presented for payment;

3. **Subsection 4.1(r(ii))** is modified as shown by the underlining below:

(r) on the termination of this Agreement,

(ii) within 30 days,

A. remove from the Operating Areas any Facility, tool or equipment you want to remove, if the Facility, tool or equipment was placed on or made to the Operating Areas by you, is in the nature of a tenant's fixture normally removable by tenants and is not part of a building or part of the Operating Areas,

B. you must remove from the Operating Areas any other assets and fixtures including tools, equipment, materials and supplies.

4. **Section 4.5** is added as follows:

4.5 If GST is increased during the Term, BC Parks will:

- (a) increase the payments described in Schedule D, Section 2;
- (b) reduce the Preventative Maintenance requirements;
- (c) make a lump sum payment to you; or

(d) change the Park Act fees

in an amount proven by you to be equivalent to the reduction in Gross Revenue caused by the increase in GST.

5. **Subsection 5.1(b(ii))** is modified as shown by the underlining below:

(ii) revenue and cash flow projections, using BC Parks' Financial Projections template as provided to you annually, provided the template is provided no less than 60 days prior to the required reporting deadline.

6. **Subsection 5.2(ii)** is modified as shown by the underlining below:

(iii) provides for the assessment of the condition of each of the Facilities at least once every five years of the Term, unless otherwise agreed to by the Parties in writing.

7. **Sections 5.8, 5.9, 5.10 and 5.11** are removed.

8. **Section 9.3** is modified as shown by the underlining below:

9.3 if the condition complained of (other than the payment of any money payable by you under this Agreement including, for greater certainty, money payable by you in accordance with subsection 4.1 (i) above for labour or services) reasonably requires more time to cure than 10 days, you will be deemed to have complied with the remedying of it if you commence remedying or curing the condition within 10 days and diligently and continuously remedy the condition and complete the same.

9. **Section 11.1** is modified to replace the Permittees address with the following:

Kaloya Contracting Ltd.  
P.O. Box 42054, RPO North  
Lake Country, BC  
V4V 1Z8

10. A new **Section 12.13** is added as follows:

12.13 Any reference or requirement in the Agreement that requires the Permittee to keep, provide, show, deliver or otherwise allow the Province or its agent to see or use books, records, receipts or similar documentation only pertains or applies to those books, records, receipts or similar documentation created to record its business, revenues and costs under the Agreement that directly affect the Province. For greater clarification, nothing in the Agreement will require the Permittee to provide the Province with information related to any business or business operations outside those expressly provided for by the Agreement nor any information related to sources of income or costs that do not directly relate to, or affect Park Act Services. Without limiting the generality of the foregoing, the Permittee does not have to provide the Province with any books, records, receipts or similar documentation related to any business not related to Park Act Services nor for any businesses such as firewood sales, ice sales or concessions run within the Parks.

11. **Schedule C, subsection 6(c(vii))** is modified as shown by the underlining below:

- (vii) retain a person who holds a valid certificate issued under the "Wildlife/Danger Tree Assessor's Course for Parks and Recreation Sites" to evaluate the Operating Area once in each Operating Year (between April 1 and May 30).

13. Deleting **Schedule "D" – Financial Matters**, and replacing it with the Schedule "D" – Financial Matters attached hereto as Appendix 1. Modifications to this Schedule are shown by underlining.

- B. Except as modified by this Amendment Agreement, the Agreement is ratified and confirmed.
- C. This Amendment Agreement and the Agreement shall be read and construed together.
- D. Time continues to be of the essence of the Agreement and is of the essence of this Amendment Agreement.

- E. This Amendment Agreement and the Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.
- F. Time is of the essence of this Amendment Agreement and remains of the essence of the Agreement as amended by this Amendment Agreement.

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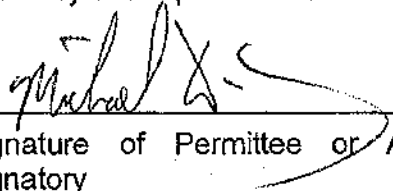
**IN WITNESS WHEREOF** the parties have executed this Amendment Agreement

**SIGNED and DELIVERED** on behalf of the Province by a duly authorized representative of the Province.

  
Duly Authorized Representative

March 11 / 09  
Date

**SIGNED and DELIVERED** on behalf of the Permittee (or by an authorized signatory of the permittee if a Corporation).

  
Signature of Permittee or Authorized Signatory

March 02 - 2009  
Date



**APPENDIX 1**  
**SCHEDULE "D"**  
**FINANCIAL MATTERS**

1. Not later than 15 days after the end of each month of the Operating Year, you will
  - (a) deliver to us a financial statement for the preceding month which sets out the Gross Revenue collected by you during that month; and
  - (b) pay to us the following as collected by you in the preceding month,
    - (i) all Park Act Fees (Increase) together with all GST payable on those fees;
    - (ii) 30% of the Pass Fees and 100% of any increase to the Pass Fees, and
    - (iii) any amount over \$7.00 for each Recreation Stewardship Annual Pass sold by you.
2. After the last day of the time period set out below,
  - (a) you will deliver to us the payment, together with all GST payable, for the amount set out opposite the applicable time period by way of cheque made out to the Minister of Finance, or
  - (b) if a payment will be made by the Province to you, you will deliver to us a written statement of account for the amount set out opposite the applicable time period which certifies that you fully performed your obligations under this Agreement during that time period:

Return to the Province Table			
TIME PERIOD (2009)		AMOUNT	
First Day of Time Period	Last Day of Time Period		
April 1, 2009	September 30, 2009	Return	\$4,005.00
TOTAL RETURN:			\$4,005.00

Return to the Province OR Deficiency Payment Table			
TIME PERIOD (2010)		AMOUNT	
First Day of Time Period	Last Day of Time Period		
April 1, 2010	March 31, 2011		\$0.00
TOTAL:			\$0.00

Return to the Province OR Deficiency Payment Table		
TIME PERIOD (2011)		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1, 2011	March 31, 2012	\$0.00
TOTAL:		\$0.00



Deficiency Payment Table		
TIME PERIOD (2012)		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1, 2012	September 30, 2012	\$3,979.00
TOTAL DEFICIENCY:		\$3,979.00

Deficiency Payment Table		
TIME PERIOD (2013)		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1, 2013	May 30, 2013	\$4,496.00
June 1, 2013	July 31, 2013	\$4,496.00
August 1, 2013	September 30, 2013	\$4,496.00
TOTAL DEFICIENCY:		\$13,488.00

and,

- (c) if a payment will be made by the Province and we are:
- (i) satisfied that you have fully performed your obligations under this Agreement during that time period, we will, not later than 60 days after your written statement of account is delivered to us, pay you the amount set out above for the applicable time period; or
  - (ii) not satisfied that you have fully performed your obligations under this Agreement during that time period, we may, in our sole discretion, reduce the amount to be paid to you for the applicable time period above, by an amount determined to be a genuine pre-estimate of liquidated damages.

- (d) if you will deliver payment to the Province:
  - (i) our acceptance of the payment does not certify that we are satisfied that you have fully performed your obligations under this Agreement during that time period; and
  - (ii) if we are not satisfied that you have fully performed your obligations under this Agreement during that time period, we may, in our sole discretion, exercise any remedy available to us under this Agreement.
- 3. Not later than 30 days after the end of each Operating Year, unless otherwise agreed to by us in writing, you will deliver to us the following financial statements prepared according to Generally Accepted Accounting Principles (GAAP),
  - (a) An annual balance sheet and income statement for the preceding Operating Year;
  - (b) A statement of changes in your financial position in the preceding Operating Year;
  - (c) a financial statement, using BC Parks' Financial Statement template (as provided to you annually) provided the template is provided no less than 60 days prior to the required reporting deadline, for the preceding Operating Year which is reconciled with the monthly statements provided by you to us and sets out the Gross Revenue collected by you during that Operating Year, and
  - (d) if you have more than one agreement with us for park facility operations, the reporting under (a) and (b) shall cover this Agreement and all other such agreements, and the reporting under (c) above shall cover this Agreement alone.
- 4. If a reduction or elimination of the Pass Fees is made by way of cabinet regulation you shall be entitled to compensation from the date that the regulation comes into force until the end of the Term of the last Operating Year in the Business Plan that was agreed to for creating the current Schedule "D" as follows:
  - (a) subject to you providing us with your claim for compensation, described in subsection (i) or (ii) below, in writing:
    - (i) for any reduction in Pass Fees, in an amount that when added to the Pass Fees earned will equal your average annual Pass Fees revenue from the date that this Schedule was added to the Agreement until the regulation came into force as reported in your annual financial statement; or,

- (ii) for any elimination in Pass Fees, in an amount that when added to the Pass Fees earned will equal your projected annual Pass Fees revenue, less the parking machine operating cost amount set out in the Business Plan referred to in this section.

You shall not be entitled to any other compensation as a result of a reduction of the Pass Fees except as set out in this subsection.



Ministry of  
Environment

## PERMIT MODIFICATION AGREEMENT

Permit No.: **OK0310248 (Boundary)**

Permittee File No.: **85700-40/OK0310248**

Permit Modification Agreement No.: **0006**

THIS AMENDMENT AGREEMENT IS DATED FOR REFERENCE May 20, 2010 and is made under the *Park Act*.

BETWEEN:

AND:

HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH  
COLUMBIA, represented by the Minister  
responsible for the *Park Act* (the  
"Province") at the following address:

Ministry of Environment  
102 Industrial Place  
Penticton, BC  
V2A 7C8

**KALOYA CONTRACTING LTD.**

(the "Permittee") at the following address:

P.O. Box 42054, RPO North  
Lake Country, BC  
V4V 1Z8

WHEREAS:

- A. The Province issued Park Use Permit No. **OK0310248** to the Permittee dated for reference **April 24, 2003** and the Province and the Permittee (the "Parties") agreed to amend the permit by way of agreements dated for reference **February 1, 2006 (#1)**, **June 17, 2008 (#2)**, and letters dated **June 17, 2008 (#3)**, **June 16, 2008 (#4)**, **December 1, 2008 (#5)** (the "Agreement").
- B. The Parties acknowledge the HST (defined below) will come into effect July 1, 2010, and have agreed to amend the Agreement to offset some of the potential added costs to the Permittee.
- C. The Parties have also identified and agreed to deduct other added costs to the Permittee including: camping sign stickers; sani-station upgrades; camping reservations made prior to March 19, 2010; and additional hazard tree removal.
- D. The Parties have agreed to modify the Agreement in the manner set out below (this "Amendment Agreement").

THIS AMENDMENT AGREEMENT WITNESSES THAT the Parties agree as follows:

1) The Agreement is modified by:

a) Adding the following definition to **section 1.1**:

"HST" means the tax imposed under Part 9 of the *Excise Tax Act* (Canada).

b) Throughout the Agreement, on July 1, 2010, replacing the term GST with HST;

c) Deleting **section 2** of **Schedule "D" – Financial Matters**, and replacing it with the following:

2. After the last day of the time period set out in the following charts, you will pay us the amount set out opposite the applicable time period by way of cheque made out to the Minister of Finance:

Return to Crown Payment Table		
TIME PERIOD (2010/11)		RETURN AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1	June 30	\$8,458
July 1	August 31	\$12,687
September 1	October 31	\$21,145
TOTAL:		\$42,290

Return to Crown Payment Table		
TIME PERIOD (2011/12)		RETURN AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1	June 30	\$8,404.40
July 1	August 31	\$12,606.60
September 1	October 31	\$21,011
TOTAL:		\$42,022

Return to Crown Payment Table		
TIME PERIOD (2012/13)		RETURN AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1	June 30	\$7,953.80
July 1	August 31	\$11,930.70
September 1	October 31	\$19,884.50
TOTAL:		\$39,769

Return to Crown Payment Table		
TIME PERIOD (2013)		RETURN AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1	June 30	\$5,596.20
July 1	August 31	\$8,394.30
September 1	October 31	\$13,990.50
TOTAL:		\$27,981

which payments do not include GST payable on Park Act Fees and are subject to the following adjustments:

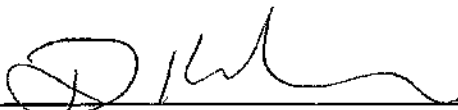
- (a) If, in accordance with Schedule C, section 6 (c) (vii), you remove more than 70 trees in any Operating Year you may reduce your payment to us, at a rate of \$75.00 per tree, for the time period during which the extra tree removal occurred;
  - (b) for the 2010/11 Operating Year only, you may reduce your payment to us as follows:
    - (i) deduct \$250.00 for campground fee sign stickers,
    - (ii) deduct \$550.00 for sani-station upgrades in Kettle River Park; and
    - (iii) deduct \$1,094.00 for group campsite revenue loss for sites booked prior to the March 19, 2010 fee increase;
- and,
- (c) in your delivery of payment to the Province:
    - (i) our acceptance of the payment does not certify that we are satisfied that you have fully performed your obligations under this Agreement during that time period; and

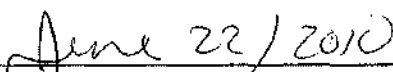
- (ii) if we are not satisfied that you have fully performed your obligations under this Agreement during that time period, we may, in our sole discretion, exercise any remedy available to us under this Agreement.
- 2) Except as modified by this Amendment Agreement, the Agreement is ratified and confirmed.
- 3) This Amendment Agreement and the Agreement shall be read and construed together.
- 4) Time continues to be of the essence of the Agreement and is of the essence of this Amendment Agreement.
- 5) This Amendment Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

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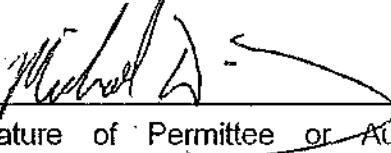
**IN WITNESS WHEREOF the parties have executed this Agreement**

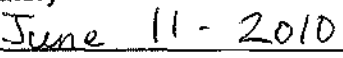
**SIGNED and DELIVERED** on behalf of the Province by a duly authorized representative of the Province.

  
\_\_\_\_\_  
Duly Authorized Representative

  
\_\_\_\_\_  
Date

**SIGNED and DELIVERED** on behalf of the Permittee (or by an authorized signatory of the Permittee if a Corporation).

  
\_\_\_\_\_  
Signature of Permittee or Authorized Signatory

  
\_\_\_\_\_  
Date





Ministry of  
Environment

## PERMIT MODIFICATION AGREEMENT

Permit No.: **OK0310248 (Boundary)**

Permittee File No.: **85700-40/OK0310248**

Permit Modification Agreement No.: **0007**

THIS AMENDMENT AGREEMENT IS DATED FOR REFERENCE August 1, 2010 and is made under the *Park Act*.

BETWEEN:

AND:

HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH  
COLUMBIA, represented by the Minister  
responsible for the *Park Act* (the  
"Province") at the following address:

Ministry of Environment  
102 Industrial Place  
Penticton, BC  
V2A 7C8

**KALOYA CONTRACTING LTD.**

(the "Permittee") at the following address:

4611 Towgood Road  
Oyama BC  
V4V 2B4

WHEREAS:

- A. The Province issued Park Use Permit No. **OK0310248** to the Permittee dated for reference **April 24, 2003** and the Province and the Permittee (the "Parties") agreed to amend the permit by way of agreements dated for reference **February 1, 2006 (#1)**, **June 17, 2008 (#2)**, and letters dated **June 17, 2008 (#3)**, **June 16, 2008 (#4)**, **December 1, 2008 (#5)**, **May 1, 2010 (#6)** (the "Agreement").
- B. The Parties have agreed to modify the Agreement in the manner set out below (this "Amendment Agreement").

THIS AMENDMENT AGREEMENT WITNESSES THAT the Parties agree as follows:

1) The Agreement is modified by:

a) In **Schedule "D" – Financial Matters**, the following will be subsection 2(c) and the existing 2(c) will become section 2A:

- (c) once in each Operating Year you may reduce your payment under this section 2 to us for costs incurred to carry out road maintenance on either of the access roads to Conkle Lake Park (the "Road Maintenance") as follows:
  - i. you may submit to us in writing a proposal for the Road Maintenance (a "Proposal") including a cost estimate of not more than \$5,000 (the "Estimate"),
  - ii. if we, in writing, accept a Proposal and Estimate, you may carry out the work in the Operating Year that your Proposal is accepted; and,
  - iii. if you deliver to our satisfaction your receipts and other documentation of your actual costs incurred to carry out the Proposal, we will provide you with notice in writing that you may reduce your payment referred to in this section 2 by the amount of the Estimate or such other amount as we set out in the notice.

2) Except as modified by this Amendment Agreement, the Agreement is ratified and confirmed.

3) This Amendment Agreement and the Agreement shall be read and construed together.

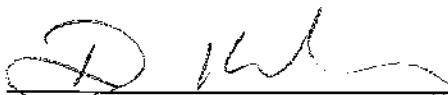
4) Time continues to be of the essence of the Agreement and is of the essence of this Amendment Agreement.

- 5) This Amendment Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

---

**IN WITNESS WHEREOF the parties have executed this Agreement**

**SIGNED and DELIVERED** on behalf of the Province by a duly authorized representative of the Province.



Duly Authorized Representative

Oct 20 / 10

Date

**SIGNED and DELIVERED** on behalf of the Permittee (or by an authorized signatory of the Permittee if a Corporation).

s.13



Signature of Permittee or Authorized Signatory

Sept 23 - 2010

Date



Ministry of  
Environment

## PERMIT MODIFICATION AGREEMENT

Permit No.: **OK0310248 (Boundary)**

Permittee File No.: **OK0310248**

Permit Modification Agreement No.: **0008**

THIS AMENDMENT AGREEMENT IS DATED FOR REFERENCE March 1, 2011 and is made under the *Park Act*.

BETWEEN:

AND:

HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH  
COLUMBIA, represented by the Minister  
responsible for the *Park Act* (the  
"Province") at the following address:

Ministry of Environment  
Kootenay Okanagan Region  
102 Industrial Place  
Penticton BC  
V2A 7C8

**Kaloya Contracting Ltd**

(the "Permittee") at the following address:

P.O Box, RPO North  
Lake Country, BC  
V4V 1Z8

WHEREAS:

- A. The Province issued Park Use Permit No. **OK0310248** to the Permittee dated for reference **April 24, 2003** and the Province and the Permittee (the "Parties") agreed to amend the permit by way of agreements dated for reference **February 1, 2006 (#1)**, **June 17, 2008 (#2)**, **June 17, 2008 (#3)**, **June 16, 2008 (#4)**, **December 1, 2008 (#5)**, **May 20, 2010 (#6)**, and **August 1, 2010 (#7)** (the "Agreement").
- C. The Parties have agreed to modify the Agreement in the manner as set out below (this "Amendment Agreement").

THIS AMENDMENT AGREEMENT WITNESSES THAT the Parties agree as follows:

1) The Agreement is modified by:

a) Replacing the definition of "Preventative Maintenance Amount" as follows:

"Preventative Maintenance Amount" means, subject to Article 5,

- i. \$22,800 for the 2011 Operating Year; and,
- ii. \$22,800 for the 2012 and 2013 Operating Years.

b) Deleting section 2 of Schedule "D" – Financial Matters, and replacing it with the following:

2. After the last day of the time period set out in the following charts, you will pay us the amount set out opposite the applicable time period by way of cheque made out to the Minister of Finance:

Return to Crown Payment Table		
TIME PERIOD (2011/12)		RETURN AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1	July 30	\$10,620.60
August 1	October 31	\$24,781.40
TOTAL:		\$35,402.00

Return to Crown Payment Table		
TIME PERIOD (2012/13)		RETURN AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1	June 30	\$9,944.70
August 1	October 31	\$23,204.30
TOTAL:		\$33,149.00

Return to Crown Payment Table		
TIME PERIOD (2013)		RETURN AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1	June 30	\$6,408.30
August 1	October 31	\$14,952.70
TOTAL:		\$21,361.00

which payments do not include HST payable on Park Act Fees and are subject to the following adjustments:

- (a) if, in accordance with Schedule C, section 6 (c) (vii), you remove more than 70 trees in any Operating Year you may reduce your payment to us, at a rate of \$75.00 per tree, for the time period during which the extra tree removal occurred;
- (b) Subject to the following terms, you may reduce your payment under this section 2 to us once in each Operating Year:
  - (i) You may submit to us in writing a proposal (the "Proposal"), including a cost estimate of not more than \$5,000 (the "Estimate") for each of the following projects:
    - 1. to carry out road maintenance on either of the access roads to Conkle Lake Park; and
    - 2. for the making and installation of Parks approach highway signs.
  - (ii) If we, in writing, accept a Proposal and Estimate, you may carry out the work in the Operating Year that your Proposal is accepted.
  - (iii) If you deliver to our satisfaction your receipts and other documentation of your actual costs incurred to carry out the Proposal, we will provide you with notice in writing that you may reduce your payment referred to in this section 2 by the amount of the Estimate or such other amount as we set out in the notice in the time period specified by us.
- (c) In each Operating Year you may reduce your payment under this section to us for costs incurred to replace Parks approach highway signs in the Operating Area as follows:
  - (i) you may submit to us in writing a proposal (the "Proposal") for the park approach highway signs including a cost estimate (the "Estimate") not more than \$5,000,
  - (ii) if we, in writing, accept a Proposal and estimate, you may carry out the work in the Operating Year that your Proposal is accepted, and,
  - (iii) If you deliver to our satisfaction your receipts and other documentation of your actual costs incurred to carry out the Proposal, we will provide you with notice in writing that you may reduce your payment for the August 1 to October 31 period referred to in this section by the amount of the Estimate or such other amount as we set out in the notice.

and,

- (d) in your delivery of payment to the Province:
- (i) our acceptance of the payment does not certify that we are satisfied that you have fully performed your obligations under this Agreement during that time period; and
  - (ii) if we are not satisfied that you have fully performed your obligations under this Agreement during that time period, we may, in our sole discretion, exercise any remedy available to us under this Agreement.
- 2) Except as modified by this Amendment Agreement, the Agreement is ratified and confirmed.
- 3) This Amendment Agreement and the Agreement shall be read and construed together.
- 4) Time continues to be of the essence of the Agreement and is of the essence of this Amendment Agreement.
- 5) This Amendment Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

---

IN WITNESS WHEREOF the parties have executed this Agreement

SIGNED and DELIVERED on behalf of the Province by a duly authorized representative of the Province.

Lou Hall  
Duly Authorized Representative

June 24/2011  
Date

SIGNED and DELIVERED on behalf of the Permittee (or by an authorized signatory of the Permittee if a Corporation).

Michael D. S.  
Duly Authorized Representative

June 16 2011  
Date



Ministry of  
Environment

## PERMIT MODIFICATION AGREEMENT

Permit No.: OK0310248 (Boundary)

Permittee File No.: OK0310248

Permit Modification Agreement No.: 0009

THIS AMENDMENT AGREEMENT IS DATED FOR REFERENCE March 1, 2012 and is made under the *Park Act*.

BETWEEN:

AND:

HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH  
COLUMBIA, represented by the Minister  
responsible for the *Park Act* (the  
"Province") at the following address:

Ministry of Environment  
Kootenay Okanagan Region  
102 Industrial Place  
Penticton BC  
V2A 7C8

Kaloya Contracting Ltd

(the "Permittee") at the following address:

Kaloya Contracting Ltd.  
13615 Middle bench Road  
Oyama, BC  
V4V 2B4

WHEREAS:

- A. The Province issued Park Use Permit No. OK0310248 to the Permittee dated for reference April 24, 2003 and the Province and the Permittee (the "Parties") agreed to amend the permit by way of agreements dated for reference February 1, 2006 (#1), June 17, 2008 (#2), June 17, 2008 (#3), June 16, 2008 (#4), December 1, 2008 (#5), May 20, 2010 (#6), August 1, 2010 (#7), and March 1, 2011 (#8) (the "Agreement").
- B. The Parties acknowledge a change to the deficiency payment to cover the increase in annual operating and maintenance costs for a new toilet shower building constructed at Kettle River Park.
- C. The Parties have agreed to modify the Agreement in the manner as set out below (this "Amendment Agreement").



THIS AMENDMENT AGREEMENT WITNESSES THAT the Parties agree as follows:

1) The Agreement is modified by:

a) Deleting section 2 of Schedule "D" – Financial Matters, and replacing it with the following sections 2, and 2.1:

2. On or before 15 days after the last day of the time period set out in the tables below,

(a) you will deliver to us by way of cheque made out to the Minister of Finance, the payment, which does not include HST payable on Park Act Fees, for the amount set out opposite the applicable time period, adjusted in accordance with section 2.1 below, or

(b) if adjustments are made in accordance with section 2.1 below and result in a payment to be made by the Province to you, you will deliver to us a written statement of account for the amount set out opposite the applicable time period which certifies that you fully performed your obligations under this Agreement during that time period:

Return to Crown Payment Table		
TIME PERIOD (2012/13)		RETURN AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1	October 31	\$13,409.00
TOTAL:		\$13,409.00

Return to Crown Payment Table		
TIME PERIOD (2013)		RETURN AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1	October 31	\$1,621.00
TOTAL:		\$1,621.00

and,

(c) if a payment will be made by the Province and we are:

(i) satisfied that you have fully performed your obligations under this Agreement during that time period, we will, not later than 60 days after your written statement of account is delivered to us, pay you the amount set out above for the applicable time period; or

- (ii) not satisfied that you have fully performed your obligations under this Agreement during that time period, we may, in our sole discretion, reduce the amount to be paid to you for the applicable time period above, by an amount determined to be a genuine pre-estimate of liquidated damages;
- (d) if you will deliver payment to the Province:
  - (i) our acceptance of the payment does not certify that we are satisfied that you have fully performed your obligations under this Agreement during that time period; and
  - (ii) if we are not satisfied that you have fully performed your obligations under this Agreement during that time period, we may, in our sole discretion, exercise any remedy available to us under this Agreement.

2.1 The payments set out in section 2 of this Schedule are subject to the following adjustments:

- a) if, in accordance with Schedule C, section 6 (c) (vii), you remove more than 70 trees in any Operating Year you may reduce your payment to us, at a rate of \$75.00 per tree, for the time period during which the extra tree removal occurred;
- b) once in each Operating Year:
  - (i) you may submit to us in writing a proposal (the "Proposal"), including a cost estimate of not more than \$5,000 (the "Estimate") for each of the following projects:
    1. to carry out road maintenance on either of the access roads to Conkle Lake Park; and
    2. for the making and installation of Parks approach highway signs.
  - (ii) if we, in writing, accept a Proposal and Estimate, you may carry out the work in the Operating Year that your Proposal is accepted; and,
  - (iii) if you deliver to our satisfaction your receipts and other documentation of your actual costs incurred to carry out the Proposal, we will provide you with notice in writing that you may reduce your payment referred to in section 2 above by the amount of the Estimate or such other amount as we set out in the notice in the time period specified by us.
- c) In each Operating Year you may reduce your payment under this section to us for costs incurred to replace Parks approach highway signs in the Operating Area as follows:

- (i) you may submit to us in writing a proposal (the "Proposal") for the park approach highway signs including a cost estimate (the "Estimate") not more than \$5,000,
  - (ii) if we, in writing, accept a Proposal and estimate, you may carry out the work in the Operating Year that your Proposal is accepted, and,
  - (iii) if you deliver to our satisfaction your receipts and other documentation of your actual costs incurred to carry out the Proposal, we will provide you with notice in writing that you may reduce your payment referred to in section 2 above by the amount of the Estimate or such other amount as we set out in the notice.
- 2) Except as modified by this Amendment Agreement, the Agreement is ratified and confirmed.
- 3) This Amendment Agreement and the Agreement shall be read and construed together.
- 4) Time continues to be of the essence of the Agreement and is of the essence of this Amendment Agreement.
- 5) This Amendment Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

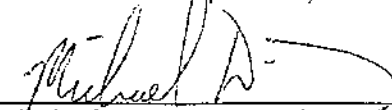
**IN WITNESS WHEREOF the parties have executed this Agreement**

SIGNED and DELIVERED on behalf of the Province by a duly authorized representative of the Province.

  
Duly Authorized Representative

May 15 / 2012  
Date

SIGNED and DELIVERED on behalf of the Permittee (or by an authorized signatory of the Permittee if a Corporation).

  
Duly Authorized Representative

April 23 - 2012  
Date



Ministry of  
Environment

## PERMIT MODIFICATION AGREEMENT

Permit No.: **OK0310248 (Boundary)**

Permittee File No.: **OK0310248**

Permit Modification Agreement No.: **0010**

THIS AMENDMENT AGREEMENT IS DATED FOR REFERENCE April 1, 2013 and is made under the *Park Act*.

BETWEEN:

AND:

HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH  
COLUMBIA, represented by the Minister  
responsible for the *Park Act* (the  
"Province") at the following address:

Ministry of Environment  
Kootenay Okanagan Region  
102 Industrial Place  
Penticton BC  
V2A 7C8

**KALOYA CONTRACTING LTD.**

(the "Permittee") at the following address:

**Kaloya Contracting  
13615 Middle Bench Road  
Oyama, BC  
V4V 2B4**

WHEREAS:

- A. The Province issued Park Use Permit No. **OK0310248** to the Permittee dated for reference **April 24, 2003** and the Province and the Permittee (the "Parties") agreed to amend the permit by way of agreements dated for reference **October 24, 2003** (Amendment #1), **February 1, 2006** (erroneously described as Amendment #1), **June 17, 2008** (Amendment #2), **December 1, 2008** (Amendment #5), **May 20, 2010** (Amendment #6), **August 1, 2010** (Amendment #7), **March 1, 2011** (Amendment #8), **March 1, 2012** (Amendment #9) and letters dated **June 17, 2008** (Amendment #3), **June 16, 2008** (Amendment #4) (the "Agreement").
- B. The Parties acknowledge that the Harmonized Sales Tax (the "HST") will be replaced by GST (defined below) on April 1, 2013, and have agreed to amend the Agreement by allocating additional revenue retained by the Permittee to the Preventative Maintenance Amount.
- C. The Parties acknowledge a change to the payment table in Schedule D, section 2, to cover the increase in operating and maintenance costs for a new toilet shower building constructed at Gladstone Park and 27 campsites constructed at Kettle River Park.

- D. The Parties have agreed to modify the Agreement in the manner as set out below (this "**Amendment Agreement**").

THIS AMENDMENT AGREEMENT WITNESSES THAT the Parties agree as follows:

1) The Agreement is modified by:

- a) Deleting all previous definitions of "**HST**" and "**GST**" in **subsection 1.1** and replacing them with:

"**GST**" means the tax imposed under Part IX of the *Excise Tax Act* (*Canada*), as the same may from time to time be amended or replaced.

- b) Throughout the Agreement, replacing the term **HST** with **GST**;

- c) The definition for "**Preventative Maintenance Amount**" in **subsection 1.1** is replaced with the following:

means, subject to Article 5, **\$57,365.45**, for the 2013/14 Operating Year only;

- d) Deleting section 2 of **Schedule "D" – Financial Matters**, and replacing it with the following:

2. After the last day of the time period set out below, you will deliver to us a written statement of account for the amount set out opposite the applicable time period which certifies that you fully performed your obligations under this Agreement during that time period:

Deficiency Payment Table		
TIME PERIOD (2013)		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1	October 31	\$14,644.00
TOTAL:		\$14,644.00

and,

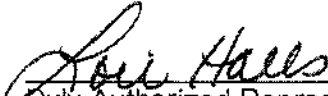
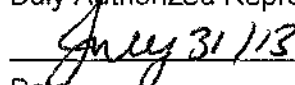
- (a) if we are satisfied that you have fully performed your obligations under this Agreement during that time period, we will, not later than 60 days after your written statement of account is delivered to us, pay you the amount set out above for the applicable time period; or
- (b) if we are not satisfied that you have fully performed your obligations under this Agreement during that time period, we may, in our sole discretion, reduce the amount to be paid to you for the applicable time period by an amount determined to be a genuine pre-estimate of liquidated damages.

- 2) Except as modified by this Amendment Agreement, the Agreement is ratified and confirmed.
- 3) This Amendment Agreement and the Agreement shall be read and construed together.
- 4) Time continues to be of the essence of the Agreement and is of the essence of this Amendment Agreement.
- 5) This Amendment Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

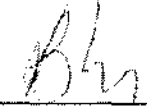
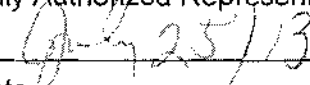
---

**IN WITNESS WHEREOF the parties have executed this Agreement**

**SIGNED and DELIVERED** on behalf of the Province by a duly authorized representative of the Province.

  
Duly Authorized Representative  
  
Date

**SIGNED and DELIVERED** on behalf of the Permittee (or by an authorized signatory of the Permittee if a Corporation).

  
Duly Authorized Representative  
  
Date



Ministry of  
Environment

## PERMIT MODIFICATION AGREEMENT

Permit No.: **OK0310248**

Permittee File No.: **OK0310248**

Permit Modification Agreement No.: **0011**

THIS AMENDMENT AGREEMENT IS DATED FOR REFERENCE October 31, 2013 and is made under the *Park Act*.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH  
COLUMBIA, represented by the Minister  
responsible for the *Park Act* (the  
"Province") at the following address:

Ministry of Environment  
Kootenay Okanagan Region  
102 Industrial Place  
Penticton BC  
V2A 7C8

AND:

**KALOYA CONTRACTING LTD.**

(the "Permittee") at the following address:

**Kaloya Contracting  
13615 Middle Bench Road  
Oyama, BC  
V4V 2B4**

WHEREAS:

- A. The Province issued Park Use Permit No. **OK0310248** to the Permittee dated for reference **April 24, 2003** and the Province and the Permittee (the "Parties") agreed to amend the permit by way of agreements dated for reference **October 24, 2003** (Amendment #1), **February 1, 2006** (erroneously described as Amendment #1), **June 17, 2008** (Amendment #2), **December 1, 2008** (Amendment #5), **May 20, 2010** (Amendment #6), **August 1, 2010** (Amendment #7), **March 1, 2011** (Amendment #8), **March 1, 2012** (Amendment #9), **April 1, 2013** (Amendment #10) and letters dated **June 17, 2008** (Amendment #3), **June 16, 2008** (Amendment #4) (the "Agreement"); and
- B. The Parties now wish to further modify the Agreement.

WHEREFORE, in consideration of the premises and mutual agreements set out below and other good and valuable consideration, the receipt and sufficiency of which is mutually acknowledged, the Parties agree as follows:

## 1) The Agreement is modified by:

- a) Deleting the definition of "Preventive Maintenance Amount" in **Article 1 - DEFINITIONS** and replacing it with the following:

"Preventive Maintenance Amount" means, subject to Article 5, **\$35,139.87** for the 2014/15 Operating Year;

- b) Deleting paragraph 2.3 and replacing it with the following:

The term of this Agreement commences on the Commencement Date and terminates on **October 31, 2014** or such earlier date as is provided for in this Agreement.

- c) Adding the following to section 2 of **Schedule "D" – Financial Matters**:

Deficiency Payment Table		
TIME PERIOD		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1 <sup>st</sup> 2014	October 31 <sup>st</sup> 2014	\$15,669.00
TOTAL:		\$15,669.00

- 2) Except as modified by this Amendment Agreement, the Agreement is ratified and confirmed.
- 3) This Amendment Agreement and the Agreement shall be read and construed together.
- 4) Time continues to be of the essence of the Agreement and is of the essence of this Amendment Agreement.
- 5) This Amendment Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.



---

**IN WITNESS WHEREOF the parties have executed this Agreement**

**SIGNED and DELIVERED** on behalf of the  
**Province** by a duly authorized  
representative of the Province.

  
\_\_\_\_\_  
Duly Authorized Representative

Oct 8/13

Date

**SIGNED and DELIVERED** on behalf of the  
Permittee (or by an authorized signatory of  
the Permittee if a Corporation).

  
\_\_\_\_\_  
Duly Authorized Representative

September 30/2013

Date



Ministry of  
Environment

## PERMIT MODIFICATION AGREEMENT

Permit No.: OK0310248
Permittee File No.: OK0310248
Permit Modification Agreement No.: 0012

THIS AMENDMENT AGREEMENT IS DATED FOR REFERENCE January 1, 2014 and is made under the *Park Act*.

BETWEEN:

AND:

HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH  
COLUMBIA, represented by the Minister  
responsible for the *Park Act* (the  
"Province") at the following address:

Ministry of Environment  
Kootenay Okanagan Region  
102 Industrial Place  
Penticton BC  
V2A 7C8

**KALOYA CONTRACTING LTD.**

(the "Permittee") at the following address:

**Kaloya Contracting  
13615 Middle Bench Road  
Oyama, BC  
V4V 2B4**

WHEREAS:

- A. The Province issued Park Use Permit No. OK0310248 to the Permittee dated for reference April 24, 2003 and the Province and the Permittee (the "Parties") agreed to amend the permit by way of agreements dated for reference October 24, 2003 (Amendment #1), February 1, 2006 (erroneously described as Amendment #1), June 17, 2008 (Amendment #2), December 1, 2008 (Amendment #5), May 20, 2010 (Amendment #6), August 1, 2010 (Amendment #7), March 1, 2011 (Amendment #8), March 1, 2012 (Amendment #9), April 1, 2013 (Amendment #10), October 31, 2013 (Amendment #11) and letters dated June 17, 2008 (Amendment #3), June 16, 2008 (Amendment #4) (the "Agreement"); and
- B. The Parties now wish to further modify the Agreement.

WHEREFORE, in consideration of the premises and mutual agreements set out below and other good and valuable consideration, the receipt and sufficiency of which is mutually acknowledged, the Parties agree as follows:

1) The Agreement is modified by:

- a) Deleting the definition of "Preventive Maintenance Amount" in **Article 1 - DEFINITIONS** and replacing it with the following:

"Preventive Maintenance Amount" means, subject to Article 5, \$89,212.75 for the 2014/15 Operating Year;

- b) Adding the following to section 2 of **Schedule "D" – Financial Matters**:

Return to Crown Payment Table		
TIME PERIOD		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1 <sup>st</sup> 2014	October 31 <sup>st</sup> 2014	4,000.00
TOTAL:		4,000.00

- 2) Except as modified by this Amendment Agreement, the Agreement is ratified and confirmed.
- 3) This Amendment Agreement and the Agreement shall be read and construed together.
- 4) Time continues to be of the essence of the Agreement and is of the essence of this Amendment Agreement.
- 5) This Amendment Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

**IN WITNESS WHEREOF** the parties have executed this Agreement

SIGNED and DELIVERED on behalf of the Province by a duly authorized representative of the Province.

*Don Halls*  
Duly Authorized Representative

*March 19/14*  
Date

SIGNED and DELIVERED on behalf of the Permittee (or by an authorized signatory of the Permittee if a Corporation).

*Michael L.*  
Duly Authorized Representative

*February 25 / 2014*  
Date



Ministry of  
Environment

## PERMIT MODIFICATION AGREEMENT

Received

Permit No.: **OK0310248**

OCT 08 2014

Permittee File No.: **OK0310248**

Permit Modification Agreement No.: **0013**

102 Industrial Place  
Penticton, BC V2A 7C8

THIS AMENDMENT AGREEMENT IS DATED FOR REFERENCE August 1, 2014 and is made under the *Park Act*.

BETWEEN:

AND:

HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH  
COLUMBIA, represented by the Minister  
responsible for the *Park Act* (the  
"Province") at the following address:

**KALOYA CONTRACTING LTD.**

(the "Permittee") at the following address:

Ministry of Environment  
Kootenay Okanagan Region  
102 Industrial Place  
Penticton BC  
V2A 7C8

Kaloya Contracting  
13615 Middle Bench Road  
Oyama, BC  
V4V 2B4

WHEREAS:

- A. The Province issued Park Use Permit No. **OK0310248** to the Permittee dated for reference **April 24, 2003** and the Province and the Permittee (the "Parties") agreed to amend the permit by way of agreements dated for reference **October 24, 2003** (Amendment #1), **February 1, 2006** (erroneously described as Amendment #1), **June 17, 2008** (Amendment #2), **December 1, 2008** (Amendment #5), **May 20, 2010** (Amendment #6), **August 1, 2010** (Amendment #7), **March 1, 2011** (Amendment #8), **March 1, 2012** (Amendment #9), **April 1, 2013** (Amendment #10), **October 31, 2013** (Amendment #11), **January 1, 2014** (Amendment #12) and letters dated **June 17, 2008** (Amendment #3), **June 16, 2008** (Amendment #4) (the "Agreement"); and
- B. The Parties now wish to further modify the Agreement.

WHEREFORE, in consideration of the premises and mutual agreements set out below and other good and valuable consideration, the receipt and sufficiency of which is mutually acknowledged, the Parties agree as follows:

## 1) The Agreement is modified by:

- a) Deleting the definition of "Preventive Maintenance Amount" in **Article 1 - DEFINITIONS** and replacing it with the following:

"Preventative Maintenance Amount" means, subject to Article 5, **\$50,000.00** for the 2015/16 Operating Year;

- b) Deleting paragraph 2.3 and replacing it with the following:

The term of this Agreement commences on the Commencement Date and terminates on **October 31, 2015** or such earlier date as is provided for in this Agreement.

- c) Deleting **Schedule "A" – Operating Area**, and replacing it with the Schedule "A" – Operating Area attached hereto as Appendix 1.

- d) Adding the following to **Schedule "B"**:

- 9. Okanagan Falls Park.
- 10. Vaseux Lake Park.
- 11. Inkaneep Park.
- 12. Nancy Greene Park.

- e) Adding the following to **Subsection 1(b) of Schedule "C"**:

Park (and Operating Area or part of Operating Area, if applicable)	First Day Services to be Offered in Operating Year	Last Day Services to be Offered in Operating Year
Okanagan Falls Park	April 1	October 15
Vaseux Lake Park	April 1	October 15
Inkaneep Park	June 26	September 7
Nancy Greene Park	May 15	September 30

- f) Deleting section 2 of **Schedule "D" – Financial Matters** and replacing it with the following:

2. After the last day of the time period set out below, you will deliver to us a written statement of account for the amount set out opposite the applicable time period which certifies that you fully performed your obligations under this Agreement during that time period:

Return to Crown Payment Table 2014
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TIME PERIOD		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1 <sup>st</sup> 2014	October 31 <sup>st</sup> 2014	2,000.00
TOTAL:		2,000.00

Return to Crown Payment Table 2015		
TIME PERIOD		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1 <sup>st</sup> 2015	October 31 <sup>st</sup> 2015	15,507.00
TOTAL:		15,507.00

and,

- (a) if we are satisfied that you have fully performed your obligations under this Agreement during that time period, we will, not later than 60 days after your written statement of account is delivered to us, pay you the amount set out above for the applicable time period; or
  - (b) if we are not satisfied that you have fully performed your obligations under this Agreement during that time period, we may, in our sole discretion, reduce the amount to be paid to you for the applicable time period by an amount determined to be a genuine pre-estimate of liquidated damages.
- g) Adding the following section 5 to **Schedule "D" – Financial Matters**:
3. Notwithstanding section 2 of this Schedule, in the event that we notify you in writing, prior to March 1, 2015, that Haynes Point Park will not operate for the entire 2015/16 Operating Season, the Return to Crown Payment Table 2015 shown above in section 2 will be automatically deleted and replaced with the following:

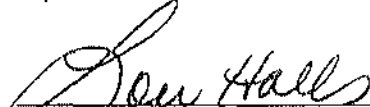
Deficiency Payment Table 2015		
TIME PERIOD		AMOUNT
First Day of Time Period	Last Day of Time Period	
April 1 <sup>st</sup> 2015	October 31 <sup>st</sup> 2015	34,919.00
TOTAL:		34,919.00

- 2) Except as modified by this Amendment Agreement, the Agreement is ratified and confirmed.
- 3) This Amendment Agreement and the Agreement shall be read and construed together.
- 4) Time continues to be of the essence of the Agreement and is of the essence of this Amendment Agreement.
- 5) This Amendment Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

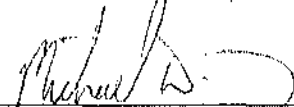
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**IN WITNESS WHEREOF the parties have executed this Agreement**

**SIGNED and DELIVERED** on behalf of the Province by a duly authorized representative of the Province.

  
Duly Authorized Representative  
Sept 29/14  
Date

**SIGNED and DELIVERED** on behalf of the Permittee (or by an authorized signatory of the Permittee if a Corporation).

  
Duly Authorized Representative s.13  
August 20/2014  
Date

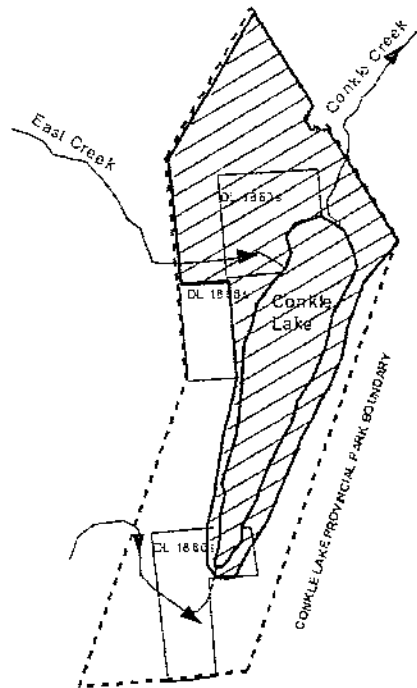
**APPENDIX 1**  
**SCHEDULE "A"**  
**OPERATING AREA**

The Operating Area is comprised of the following:

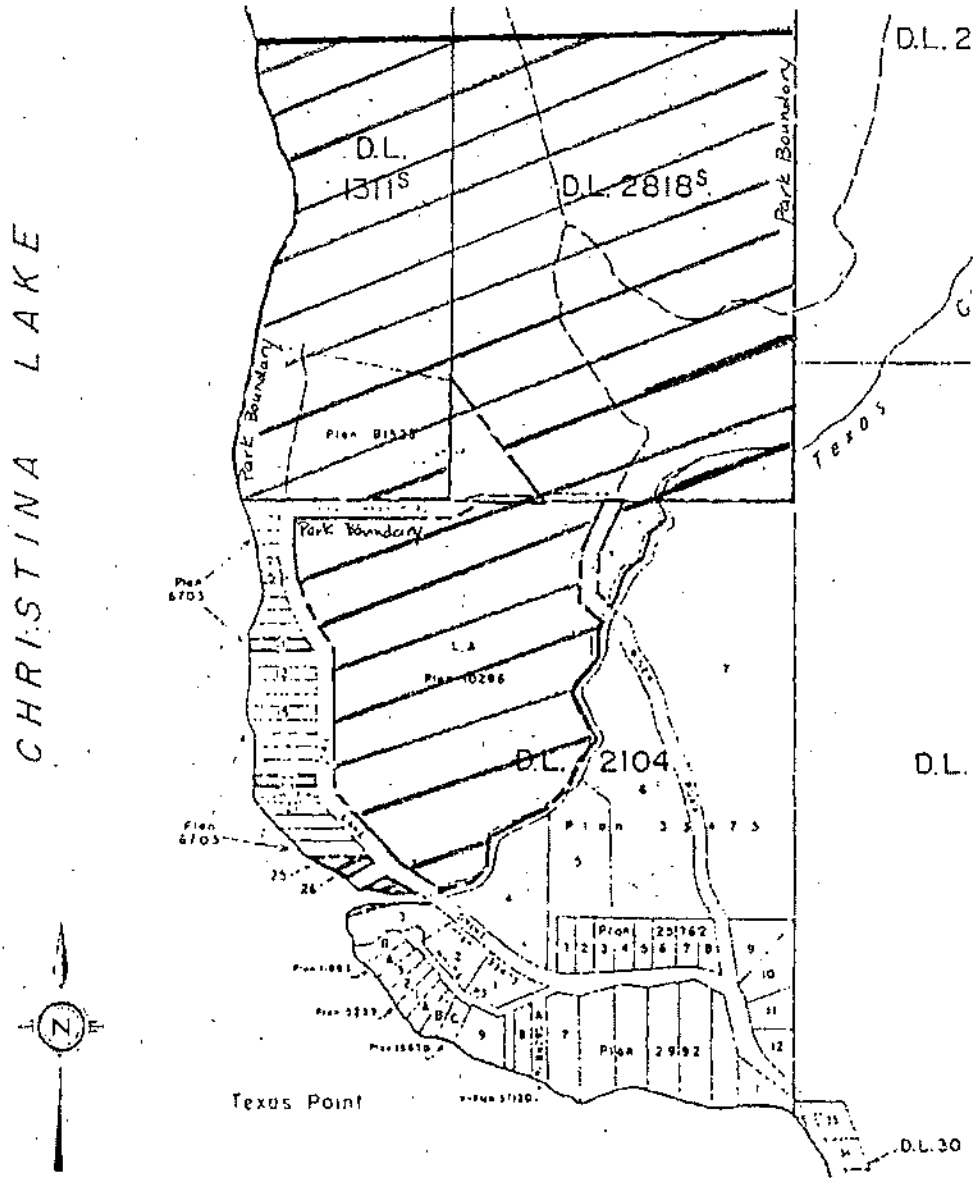
1. Boundary Creek Park;
2. Christina Lake Park;
3. That part of Conkle Lake Park shown hatched on Appendix "1" to this schedule;
4. That part of Gladstone Park shown hatched on Appendix "2" to this schedule and the following marine sites identified on Appendix "3" to this schedule:
  - (a) Axel Johnson;
  - (b) Ole Johnson
  - (c) Parson Creek;
  - (d) Starchuk;
  - (e) Trapper Creek;
  - (f) Treadmill Beach; and
  - (g) Troy Creek.
5. Haynes Point Park
6. Jewel Lake Park
7. That part of Johnstone Creek Park shown hatched on Appendix "4" to this schedule;
8. Kettle River Recreation Area;
9. That part of Okanagan Falls Park as outlined in red on Appendix "5" to this schedule;
10. That part of Vaseux Lake Park outlined in red on Appendix "6" to this schedule;
11. That part of Inkaneep Park outlined in red on Appendix "7" to this schedule; and
12. That part of Nancy Greene Park outlined in red on Appendix 8 to this schedule.



APPENDIX "1" TO SCHEDULE "A"  
CONKLE LAKE PARK OPERATING AREA

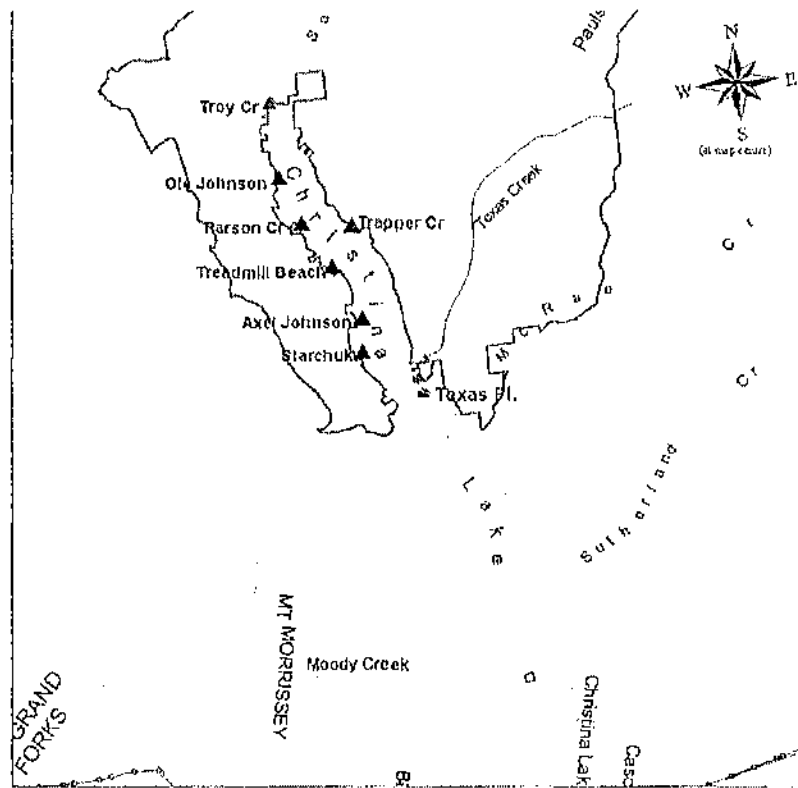


APPENDIX "2" TO SCHEDULE "A"  
GLADSTONE PARK OPERATING AREA

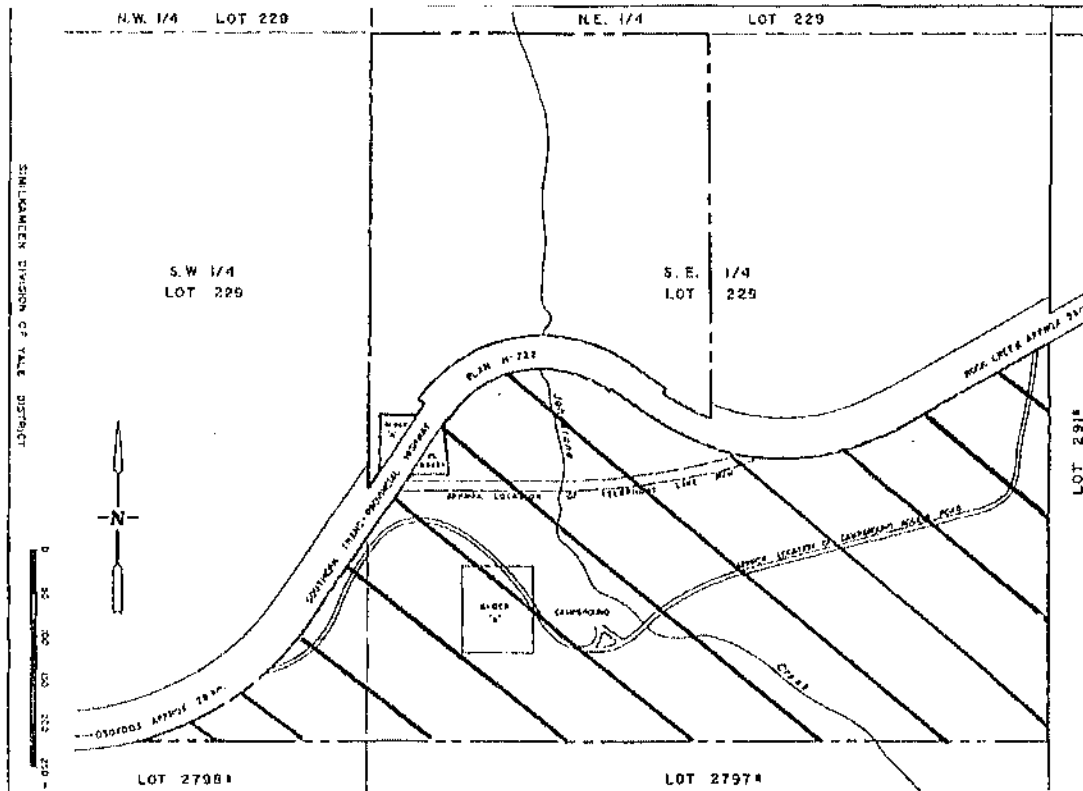


APPENDIX "3" TO SCHEDULE "A"

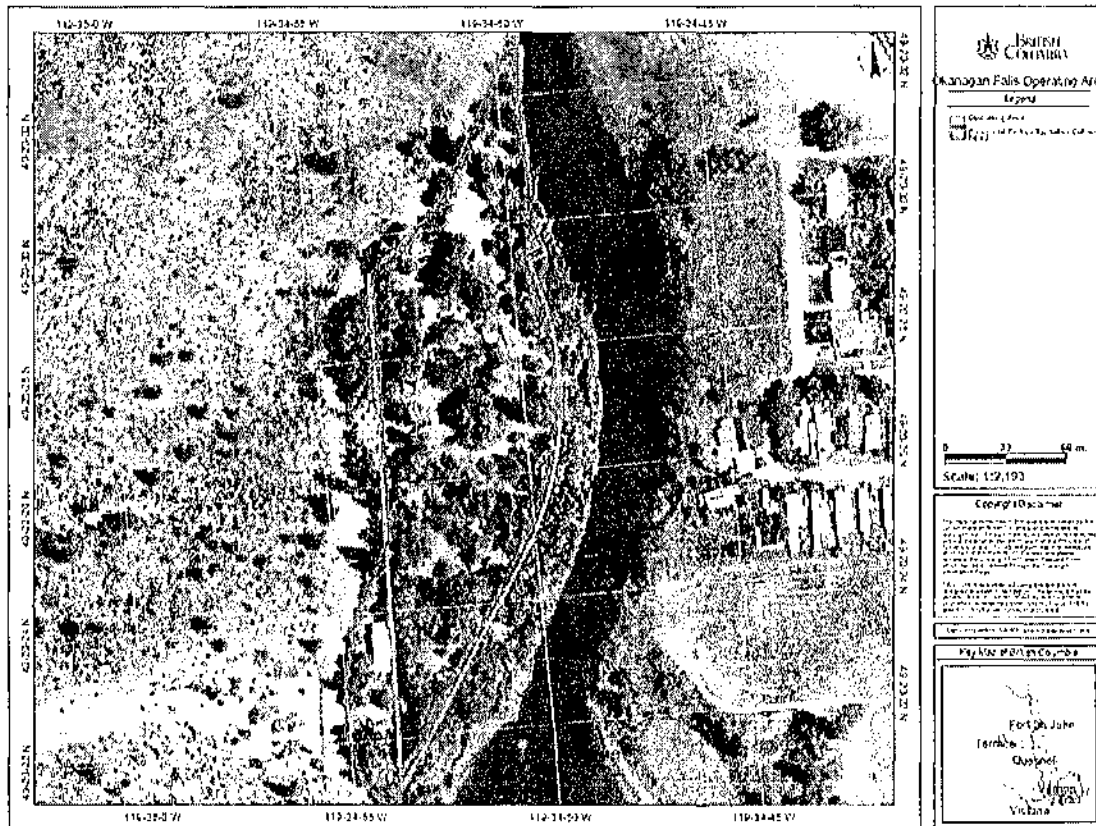
GLADSTONE PARK (MARINE SITES) OPERATING AREA



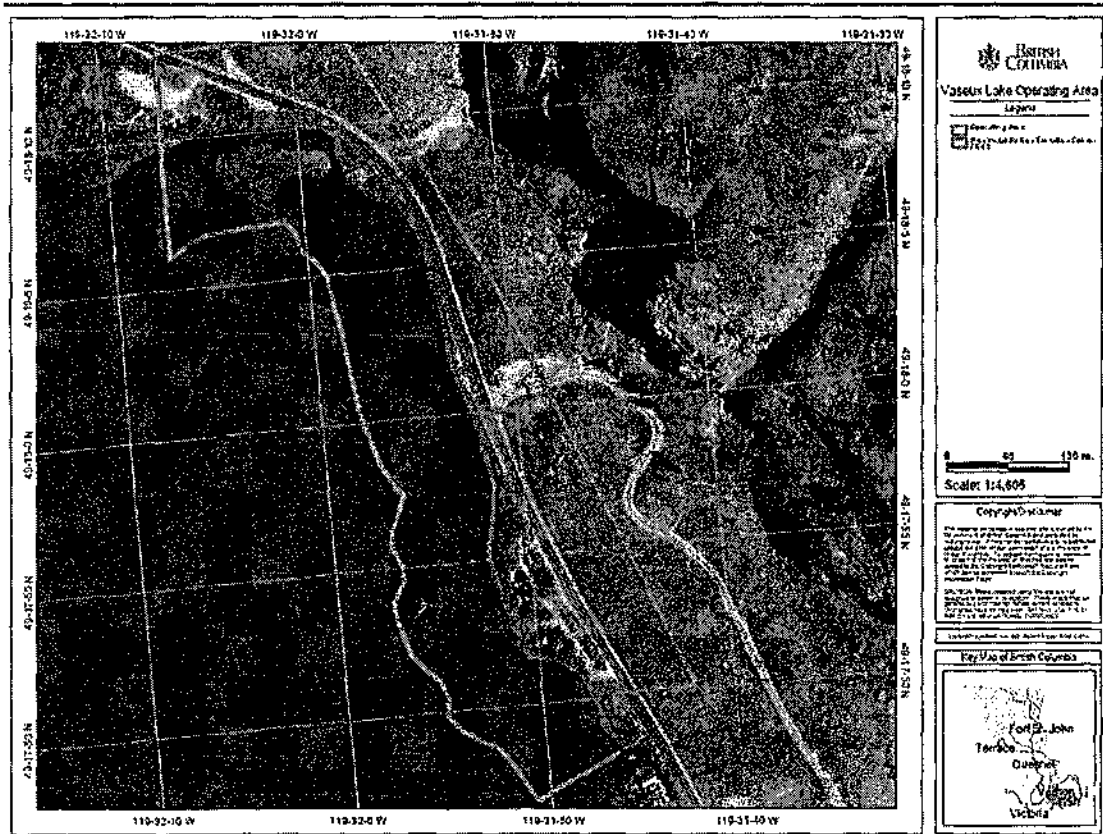
# APPENDIX "4" TO SCHEDULE "A" JOHNSTONE CREEK PARK OPERATING AREA



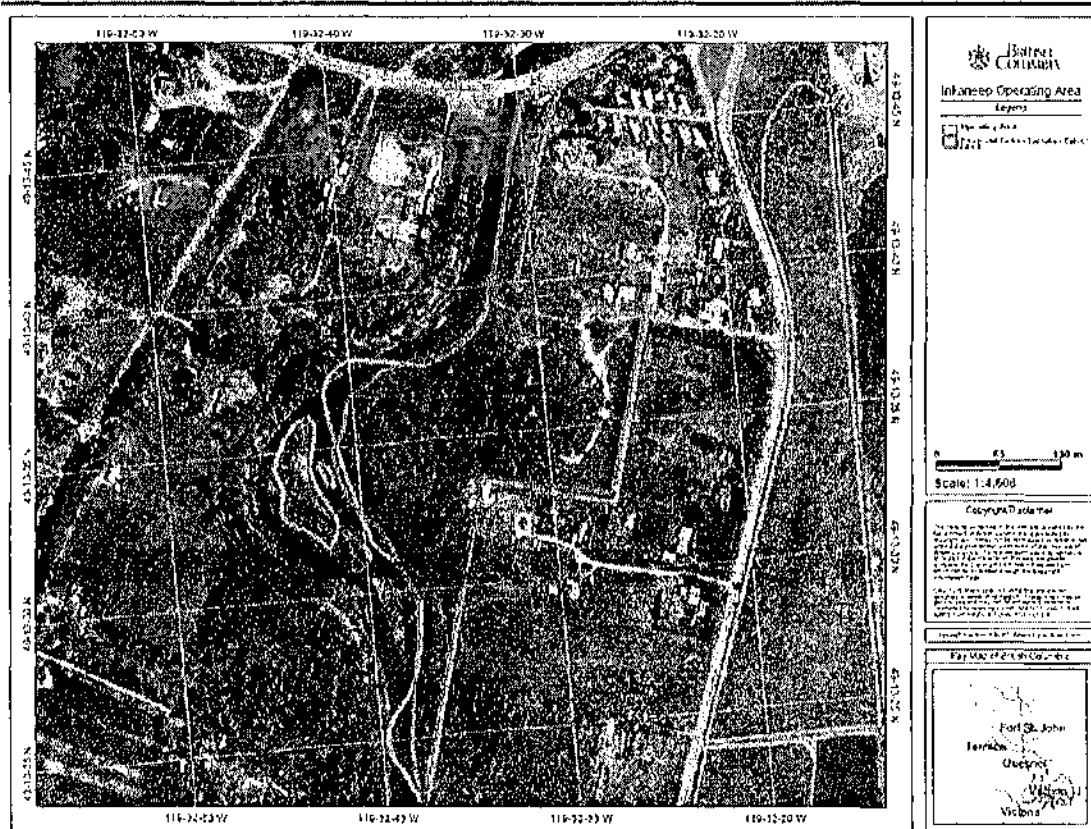
# APPENDIX "5" TO SCHEDULE "A" OKANAGAN FALLS PARK OPERATING AREA



# APPENDIX "6" TO SCHEDULE "A" VASEUX LAKE PARK OPERATING AREA



# APPENDIX "7" TO SCHEDULE "A" INKANEEP PARK OPERATING AREA



APPENDIX "8" TO SCHEDULE "A"  
NANCY GREENE PARK OPERATING AREA

