

## HARBOUR AUTHORITY LEASE

This Lease made in duplicate this 9<sup>th</sup> day of Dec, 1997.

BETWEEN: HER MAJESTY THE QUEEN, in right of Canada as represented by the Minister of Fisheries and Oceans and acting through the Regional Director

(the "Lessor")

AND

Campbell River Harbour Authority incorporated as a corporation without share capital under Part II of the Canada Corporations Act, carrying on business at 705 Island Highway Campbell River, B.C. V9W 2C2

(the "Harbour Authority")

### Definitions

1. In this Lease:

- (1) "Expense" or "Expenses" means expenditures, expenses and costs of all kinds including capital and noncapital expenditures;
- (2) "Harbour" means the harbour listed in Schedule 1 to the *Fishing and Recreational Harbours Act*, R.S.C., 1985, c. F-24 as amended from time to time, and named in section 6 of this Lease;
- (3) "Improvement" or "Improvements" means any addition or additions, or alteration or alterations, to land, which may not be characterized as repair and maintenance, and, without limiting the generality of the foregoing, all structures, works, facilities, machinery, apparatus, fixtures and buildings;
- (4) "Lease" means this agreement and the attached Schedules "A", "B", "C", "D1" and "D2" which are incorporated into and form a part of this agreement;
- (5) "Leased Area" means the land (including waterlots) and improvements, described in Schedule "A" to this Lease;
- (6) "Leased Equipment" means the equipment, if any, described in Schedule "C" to this Lease; and
- (7) "Regional Director" means the individual responsible for the Small Craft Harbours program in the regional office of the Department of Fisheries and Oceans, responsible for the area in which the Leased Area is situate, and any person authorized to act on that person's behalf and that person's successors or any persons performing similar duties.

### Interpretation Provisions

#### Number and Gender

2. (1) The necessary grammatical changes required to make the provisions of this Lease apply in the plural sense to corporations, companies, associations, partnerships, or individuals, and to males or females, in all cases will be assumed as though in each case fully expressed.

#### Headings and Captions

- (2) Headings and section numbers are inserted for convenience of reference only and are not to be considered when interpreting this Lease.

#### Entire Agreement

- (3) This Lease contains the entire agreement between the Lessor and the Harbour Authority and supersedes all negotiations, communications and previous agreements between the Lessor and the Harbour Authority.

#### Obligations as Covenants

- (4) Each obligation of the Lessor or the Harbour Authority expressed in this Lease, although not expressed as a covenant, is considered a covenant for all purposes.

#### Invalidity of Provisions

- (5) The invalidity or unenforceability of any provision of this Lease, or any covenant in this Lease, shall not affect the validity or enforceability of any other provision or covenant in this Lease. Any invalid provision or covenant is severable.

#### Applicable Law

- (6) This Lease shall be interpreted and enforced according to the laws of the Province of British Columbia and the laws of Canada.

#### Time of the Essence

- (7) Time is of the essence of this Lease and of every part of it, except as is otherwise provided in this Lease.

### Lease and Term

3. The Lessor leases the Leased Area and the Leased Equipment to the Harbour Authority for a term of 5 years from and including FEBRUARY 1, 1998 subject to the provisions of this Lease.

#### Rent

4. The Harbour Authority shall pay the Lessor each year in advance rent in the amount of \$1.00. The rent is due and payable on June 30th of each year.

#### Taxes and Costs

5. The Harbour Authority shall pay all costs, taxes, assessments, rates, and charges imposed by Canada, a province and any municipality during the term of this Lease related to the Leased Area and the Harbour Authority's use of the Leased Area.

#### Purpose

6. The Harbour Authority shall use the Leased Area and the Leased Equipment for the purpose of operating, maintaining and managing a public commercial fishing harbour at Campbell River.

#### Public Access

7. (1) The Harbour Authority shall, at all times, ensure access by the public to the Harbour without any discrimination against any person, in any manner.
- (2) Notwithstanding subsection 7(1) in this Lease, the Harbour Authority may refuse the access or the use of the Harbour to any person or vessel where such access or use would be contrary to the interest of the public frequenting the Harbour and, without limiting the generality of the foregoing, would render the use of the Harbour unsafe to persons or property thereon or would impede, interfere with or render difficult or dangerous the use of the Harbour or obstruct the maintenance of order thereon.
- (3) Further, the Harbour Authority may refuse access to any person or vessel with outstanding charges payable to the Harbour Authority.

#### Retention of Title

8. The Harbour Authority and the Lessor agree that the Harbour Authority shall retain title to all Improvements, either:
  - (1) on the Leased Area and owned by the Harbour Authority at the commencement of this Lease and specified in Schedule "B" to this Lease; or
  - (2) made or placed on the Leased Area by the Harbour Authority during the term of this Lease ;

unless title vests in the Lessor pursuant to paragraph 31(1)(b) or subparagraph 31(2)(c)(ii) of this Lease.

Responsibilities of The Harbour Authority

9. The Harbour Authority:

**Construction**

- (1) must not construct, or change any Improvement on the Leased Area or install or modify any service to the Leased Area, without first obtaining from the Lessor written consent, which consent may not be unreasonably withheld, to the plans showing the design of the Improvement, any changes, and its location on the Leased Area;

**Repair and Maintenance**

- (2) shall not, at any time during the currency of this Lease do or suffer or permit to be done any act or thing that may impair, damage or injure the Leased Area or any part thereof, save reasonable use, the Minister to be the sole judge of the meaning of "reasonable use", and that the Harbour Authority shall, at its own cost, at all times during the term of this Agreement, keep the leased area in a good state of repair and shall cause all minor repairs, itemized in Schedule "D1" and "D2". to be made on all portions of the Leased Area which may at any time be damaged, all to the satisfaction of the Regional Director. The Harbour Authority must inform the Lessor of any repairs and all repairs required in respect of the Leased Area, not itemized as the Harbour Authority's responsibility in Schedule "D1" or "D2" or to Improvements owned by it, within 30 days of becoming aware that such repairs are necessary.
- (3) must ensure at its expense that its Improvements on the Leased Area are always maintained and in good repair to the standard required by a prudent owner;
- (4) must ensure at its expense that all Improvements owned by it on the Leased Area, always comply with applicable construction and engineering standards and is responsible for doing all work and all costs related to that compliance;

**Risks and Expenses**

- (5) agrees it is responsible for all risks and expenses, including without limiting the generality of the foregoing, all construction and modification costs, related to all Improvements owned by it on the Leased Area;

**Care of Leased Area**

- (6) must always keep the Leased Area, at its expense, in a neat and tidy condition to the satisfaction of the Lessor and, in particular, promptly remove all litter and garbage on the Leased Area;

### Liens

- (7) must not allow any construction lien or other liens for labour, services or materials supplied to the Leased Area to attach to or be registered against the title to the Leased Area and if a lien does attach to or is registered against the title to the Leased Area the Harbour Authority must secure its discharge within 15 days of becoming aware of it or of its registration in any government office or registry in which liens may be registered;

### Unsafe Conditions

- (8) must immediately inform the Lessor upon an unsafe condition occurring on the Leased Area;
- (9) must immediately erect such barricades or take other safety measures as may be necessary immediately upon an unsafe condition occurring on the Leased Area; and
- (10) must ensure, notwithstanding anything to the contrary stated in this Agreement, at its expense, that all navigational aids on the Leased Area at the date of execution of this Agreement are fully operational and in a good state of repair at all times; and

### Lessor's Responsibility For Repairs

- (11) The Lessor shall be responsible for keeping the Leased Area, save and except for Improvements owned by the Harbour Authority, in good repair. This responsibility is qualified by the condition that the Lessor shall only be responsible for making those repairs which it, in its absolute discretion, deems absolutely necessary and for which, in its absolute discretion, it has funds available for such repairs.

### Survey

10. If the Harbour Authority constructs or changes an Improvement on the Leased Area then, if the Lessor so requests, the Harbour Authority must provide to the Lessor, at the Harbour Authority's expense, a survey of the Leased Area depicting all Improvements on the Leased Area. The survey must be done by a land surveyor approved by the Lessor.

### Accounting Records and Audit

11. (1) During the term of the Lease the Harbour Authority must keep full, true and accurate books and records that adhere to sound accounting practice of all costs, whether direct or indirect, relating to its operations and of all its revenues. All such records must be kept either on the Leased Area or at the Harbour Authority's principal office.
- (2) All accounting records kept by the Harbour Authority must be in a form acceptable to the Regional Director in his sole discretion.

- (3) On or before MAU 1 of each year of this Lease, or as mutually agreed, the Harbour Authority must provide the Regional Director with a statement, in a form satisfactory to the Regional Director in his sole discretion, setting forth its costs, and expenses, revenues and assets, for the twelve month period preceding (insert date), certified by an officer of the Harbour Authority.
- (4) The Lessor may at any time, and from time to time, audit and inspect any and all records, accounting and otherwise, relating to the Harbour Authority's operations at any time, including during regular business hours, and for that purpose, may enter upon the Leased Area, or any part thereof, or any other property of the Harbour Authority, or any part thereof.

#### Environmental Protection

12. (1) The Harbour Authority agrees to abide by and comply with all federal environmental legislation, including the relevant provisions of the Canadian Environmental Protection Act, affecting the Leased Area, as well as with the regulations and guidelines made and established under it, and all applicable Provincial, Territorial and municipal environmental legislation, regulations, rules or guidelines affecting the Leased Area.
- (2) The Harbour Authority agrees to clean up, at its expense, to then current federal and provincial standards, any part or all of the Leased Area contaminated during the term of this Lease immediately upon becoming aware of the contamination.
- (3) The Harbour Authority agrees to provide on the Leased Areas such interceptors of solvent, oil and pollutants as the Lessor may, in its absolute discretion, require. All interceptors so provided must be of a type and capacity approved by the Lessor, must be readily accessible for cleaning and inspection and must be properly maintained by the Harbour Authority at its expense.
- (4) The Harbour Authority must construct any improvements in such a manner that surface drainage water will discharge in a manner acceptable to the Lessor.
- (5) The Lessor acknowledges that the Harbour Authority, its Directors, its Officers, and its employees are not responsible for any contamination existing at the date of the execution of this Lease. The Lessor further acknowledges its responsibility for such contaminants, including responsibility to ascertain the condition of the property, and to determine what remedial action is required and to ensure that such remedial action is carried out. The Lessor also acknowledges its responsibility to ensure that the uses to be made of the property are consistent with the environmental condition of the property.
- (6) The Harbour Authority agrees to inform the Lessor immediately upon becoming aware of any significant contamination of the Leased Area.

Access

13. The Lessor, Her officials, employees, agents, and contractors may have reasonable access to the Leased Area or any part of it at any time for any purpose.

Assignment

14. The Harbour Authority shall not assign any of its rights and obligations under this Lease or sublet the whole or any part of the Leased Area without the prior written consent of the Lessor, which consent may be unreasonably withheld.

Mortgaging

15. The Harbour Authority shall not mortgage its leasehold interest in the Leased Area, or any part of it, without the prior written consent of the Lessor, which consent may be unreasonably withheld.
16. If the Lessor permits the Harbour Authority to mortgage any part or all of its leasehold interest in the Leased Area then, in addition to any other requirements of the Lessor, the mortgage must contain, for the benefit of the Lessor, covenants by the mortgagee that in consideration of the Lessor consenting to the mortgage, the mortgagee covenants with the Lessor that:
  - (1) it acknowledges and agrees that there is no partnership, joint venture or principal and agent relationship between the Lessor and the Harbour Authority under the provisions of this Lease, or otherwise between the Lessor and the Harbour Authority, and that it will neither advance nor authorize to be advanced and shall consent to being estopped from advancing any claim based upon, or that would in law be predicated on, the existence of any such relationship;
  - (2) it agrees that the Lessor has no obligation or obligations at all toward the mortgagee under the mortgage or otherwise, and that the Lessor is not in any way responsible for any of the Harbour Authority's obligations under the said mortgage, and that the Lessor is not under any obligation to remedy any default of the Harbour Authority under the mortgage or otherwise;
  - (3) in the event the mortgagee becomes a mortgagee in possession or takes action to realize upon the mortgage (including without limitation the appointment of a receiver or a receiver-manager), that the mortgagee, or anyone claiming by, through or under the mortgagee, will perform and be bound by each of the Harbour Authority's covenants contained in this Lease; and
  - (4) if an insurance trustee is appointed pursuant to any insurance policy or law respecting all or any part of the Leased Area, any interest at law or in equity of the mortgagee in property insurance proceeds shall be postponed, subordinated and ranked after, and take effect in all respects after the interests of the insurance trustee and the Lessor, and the mortgage shall be subject to the provisions of this Lease respecting the payment and distribution of all proceeds of insurance required under this Lease.

Compliance with Law

17. The Harbour Authority must comply with all applicable federal, provincial and territorial laws, regulations and rules and all municipal bylaws.

Administrative Charge

18. Upon provision to the Harbour Authority of written consent pursuant to sections 14 and 15 of this Lease, the Harbour Authority shall immediately pay to the Lessor an administrative charge in the amount specified by the Lessor.

Annoyance, Nuisance and Disturbance

19. The Harbour Authority shall not do, cause or permit any act on the Leased Area to be or to become an annoyance, disturbance or nuisance to anyone. Whether anything is or may become an annoyance, disturbance or nuisance to anyone is a decision that only the Lessor may make. The Lessor's decision is binding on the Harbour Authority.

Defect in Title

20. The Harbour Authority releases the Lessor from all liability respecting any defect in title. It agrees that it shall have no recourse against the Lessor if the Lessor's title to the Leased Area or the Leased Equipment is defective or if this Lease proves ineffective because of any defect in the Lessor's title.

Liability of Lessor

21. The Harbour Authority shall not have any claim against the Lessor, Her ministers, officials, employees, and agents for any loss, damage or injury to the Leased Area or to any person or property brought, placed or made on the Leased Area except where the loss, damage or injury is directly attributable to gross negligence on the part of any minister, official, employee, or agent of the Lessor acting within the scope of her or his statutory duties or employment.

Indemnification

22. The Harbour Authority agrees to indemnify the Lessor, Her ministers, officials, employees and agents against all claims and demands, losses, costs, damages, actions or other proceedings as a consequence of claims or demands against them, or any one of them, relating to losses, damages or injuries suffered by any person in relation to the Leased Area, or in connection with the Harbour Authority's use and occupation of the Leased Area, except where the losses, damages or injuries are directly attributable to gross negligence on the part of any minister, official, employee, agent or contractor of the Lessor while acting within the scope of her or his statutory duties or employment.



### Contractor's Insurance

- 23 The Lessor shall ensure that its contractors carry adequate third party liability insurance covering all damages and losses that may result from the contractor's activities on the Leased Area and shall further ensure that the Harbour Authority is a named insured on the Lessor's contractor's liability policies.

### Insurance

24. (1) The Harbour Authority shall obtain at its expense a comprehensive general marine liability insurance policy satisfactory to the Lessor covering all damages and loss resulting from the Harbour Authority's use and occupation of the Leased Area, including third party liability. The policy shall be effective during the term of this Lease, any renewals and any tenancy which may arise pursuant to this Lease. It shall include the Lessor as an additional insured. It shall be for at least \$20 million for personal and bodily injury and property damage, including loss of use of property, for any one occurrence or series of occurrences arising out of one cause of action.
- (2) The Harbour Authority shall provide to the Lessor a certified copy of each insurance policy required under this lease, with proof of premium payments, and shall submit to the Lessor before the expiration of the current policy evidence of the renewal or replacement of the insurance policy, and shall promptly notify the Lessor of any cancellation or intended cancellation of the insurance policy.
- (3) Each insurance policy required to be obtained by the Harbour Authority pursuant to this Lease must contain a clause that the insurer will not cancel or change or refuse to renew the insurance without first giving the Lessor 90 days' prior written notice.

### Fire Prevention

25. (1) The Harbour Authority must take all necessary precautions to prevent fire occurring on or in the Leased Area.
- (2) The Harbour Authority's operations and equipment must comply with the National Fire Code of Canada.
- (3) The Harbour Authority must allow inspection by the Lessor or its designated representative when required to do so by the Lessor.

### Termination, Removal and Vesting

#### Termination On Notice

26. (1) This Lease may be terminated at any time by either of the Lessor and the Harbour Authority for any reason on 60 day's notice in writing.
- (2) This Lease terminates at the end of the notice period specified in this section.

### Termination for Default or Breach

27. (1) If the rent or any part of it has not been paid when due, whether or not the Lessor has demanded it, or if the Harbour Authority breaches or is in default of any other term, condition or covenant of the Lease or the Harbour Authority has misrepresented anything that induced the Lessor to enter into this lease then, if the nonpayment of rent, or default or breach is not cured or the Harbour Authority has not commenced efforts to remedy the default or breach in a manner acceptable to the Lessor, within fifteen days from the date on which notice in writing of the nonpayment of rent, or default or breach is given to the Harbour Authority, the Lessor may terminate this Lease by giving a written notice indicating the date of termination of this Lease.
- (2) The written notice of termination becomes effective immediately upon its delivery to the Harbour Authority regardless of whether the notice period is reasonable or not.

### Re-Entry

28. (1) The Lessor may re-enter the Leased Area:
- (a) on non-payment of rent even though a demand for payment has not been made in a lawful manner; or
  - (b) on non-performance or non-observance of any of the covenants contained in this Lease.
- (2) This provision extends to and applies to all covenants contained in this Lease, whether positive or negative.

### Waiver of Right

29. Neither the Lessor's acceptance of rent subsequent to any default or breach, other than nonpayment of rent, nor any prior condoning, excusing or overlooking by the Lessor of one or more defaults or breaches may be taken to operate as a waiver of any provision in respect of which the default or breach is made or any other provision of this Lease. No waiver by the Lessor shall be effective unless it is made in writing.

### Lessor May Perform Harbour Authority's Obligations

30. If the Harbour Authority fails to perform one of its obligations under this Lease the Lessor may, upon reasonable notice, perform the obligation and for the purpose may, if necessary, enter the Leased Area without notice to the Harbour Authority and do whatever the Lessor considers necessary. If the Lessor so demands, the Harbour Authority must pay all expenses incurred by or on behalf of the Lessor plus 10% for overhead immediately upon presentation of a bill by the Lessor. The Harbour Authority releases the Lessor from all liability resulting from the Lessor's actions under this section unless the Lessor is negligent.

Removal and Vesting of Title to Improvements

31. (1) If this Lease or any tenancy resulting from it, terminates pursuant to section 27, the Lessor may request in writing that the Harbour Authority remove any one or all Improvements put upon the Leased Area by the Harbour Authority during the term of this Lease or any previous lease and if the Harbour Authority fails to comply with this request within thirty days of receiving it the Lessor may:
- (a) remove the Harbour Authority's Improvements from the Leased Area and restore the Leased Area to its original condition; or
  - (b) take possession of and use the Harbour Authority's Improvements on the property and title to the Improvements shall vest in the Lessor, without the Harbour Authority being entitled to any compensation.
- (2) (a) Upon termination for any reason, other than termination pursuant to section 27, of this Lease or any tenancy resulting from it, the Harbour Authority must notify the Lessor within 15 days of the date of termination if it intends to remove its Improvements from the Leased Area.
- (b) If the Harbour Authority notifies the Lessor it intends to remove its Improvements from the Leased Area it must do so within such time period as the Regional Director may decide.
  - (c) If the Harbour Authority fails to notify the Lessor of its decision or notifies the Lessor that it does not intend to remove its Improvements from the Leased Area the Lessor may request in writing that the Harbour Authority remove any one or all Improvements put upon the Leased Area by the Harbour Authority during the term of this Lease or any previous lease and if the Harbour Authority fails to comply with this request within thirty days of receiving it the Lessor may:
    - (i) remove the Harbour Authority's Improvements on the Leased Area and restore the Leased Area to its original condition; or
    - (ii) take possession of and use the Harbour Authority's Improvements on the Leased Area, in which case, title to the Improvements shall vest in the Lessor, without the Harbour Authority being entitled to any compensation.
- (3) If the Harbour Authority removes Improvements from the Leased Area it must restore the Leased Area at its expense to a condition satisfactory to the Lessor.

- (4) The removal of any Improvement, identified in Schedule "B", from the Leased Area by either the Harbour Authority or the Lessor shall be at the Harbour Authority's expense. The Harbour Authority must reimburse the Lessor for all expenses it incurs in the course of removal, including the costs of assessing its options under this Lease and the cost of restoring the Leased Area to a condition satisfactory to it, within 30 days of the Lessor demanding payment of these expenses.

### Renewal

32. (1) This Lease may be renewed at the Harbour Authority's option up to three times for periods of 5 years each.
- (2) The Harbour Authority must give written notice of its desire to renew at least ninety days before the expiration of this Lease or any renewal.
- (3) This right of renewal is subject to the rent being fully paid and the Harbour Authority having fully discharged its obligations under this Lease.
- (4) At the expiration of the third renewal term this Lease is not renewable for any further period of time.
- (5) The rent for each renewal period may be set by the Lessor at Her discretion. The Lessor shall endeavour to notify the Harbour Authority in writing sixty days before the expiry of this Lease, or any renewal of it, of the rent being set for the next renewal period.
- (6) Any rent payment received by the Lessor during a renewal term, but prior to the Lessor determining the amount of rent to be paid during the renewal term, shall be received as a conditional payment subject to adjustment after the Lessor has determined the rent for the renewal period.
- (7) Any renewal shall be on the terms and conditions of this Lease except:
  - (a) the rent shall be set pursuant to subsection 32(5) of this Lease;
  - (b) in the first renewal term subsection 32(1) shall provide for two further renewal periods of five years each or such lesser term as the Harbour Authority wishes; and
  - (c) in the second renewal period subsection 32(1) shall provide for one further renewal period of five years or such lesser term as the Harbour Authority wishes.

Overholding

33. If the Harbour Authority continues to occupy or use the Leased Area after the expiration of this Lease or any renewal of it and the Lessor accepts rent:
- (1) the tenancy created shall be a tenancy at will rather than a tenancy from year to year;
  - (2) the Harbour Authority shall pay the rent set by the Lessor at Her discretion; and
  - (3) the terms, covenants and conditions of this Lease will apply to the tenancy at will so far as they are applicable.

Service Reservation

34. (1) The Lessor and its tenants, servants, agents, contractors and licensees have the right to maintain and operate services installed on the Leased Area at the commencement of this Lease.
- (2) The Lessor may grant at any time during the term of this Lease a lease, licence or easement, as the case may be, granting the right or privilege or permission to install, lay, maintain, and use services on, over or across the Leased Area.
- (3) The Lessor is not responsible for providing services of any kind, including electricity, water and sewerage, to the Leased Area.

Notice Provision

35. (1) Any notice given pursuant to this Lease must be in writing and delivered personally, by courier or registered mail, or by telecopier and, unless notice to the contrary is given, must be addressed as follows:

To the Lessor:

Regional Director of Small Crafts Harbours  
Department of Fisheries and Oceans  
555 West Hastings Street  
Vancouver, B.C. V6B 5G3

To the Harbour Authority:

Campbell River Harbour Authority  
705 Island Highway  
Campbell River, B.C. V9W 2C2

- (2) Notices shall be deemed to have been received when the postal receipt is acknowledged by the party to whom they have been sent, if sent by registered mail, and the following business day if sent by telecopier or courier or delivered in person.

Either the Lessor or the Harbour Authority may change its address by giving a notice of change to the other party.

Members of Parliament

36. No member of the House of Commons shall be admitted to any share or part of this Lease or to any benefit arising out of it.

Public Office

37. No former Public Office Holder not in compliance with the post-employment provisions of the Conflict of Interest and Post-Employment Code for Public Office Holders shall derive any direct benefit from this Lease.

Survival of Lessor's Rights and Harbour Authority's Obligations

38. The Lessor's and the Harbour Authority's rights and obligations under sections 9, 12 and 31 survive expiration of this Lease.

Amendments to be in writing

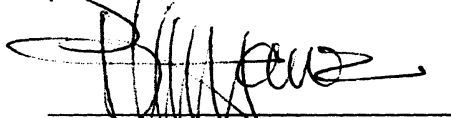
39. No change to this lease will bind the Lessor or the Harbour Authority unless in writing and signed by them.

Succession Clause

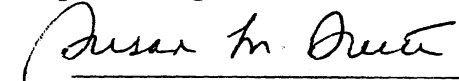
40. This Lease shall enure to the benefit of and be binding upon the Lessor and the Harbour Authority and the Harbour Authority's successors and assigns.

IN WITNESS WHEREOF the Minister of Fisheries and Oceans on behalf of Her Majesty The Queen, in right of Canada and the duly authorized officer of the Harbour Authority if a corporation have executed this Lease.

Signed, sealed and  
Delivered in the  
presence of

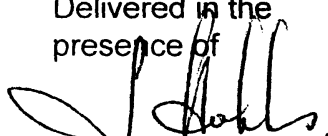
  
\_\_\_\_\_  
Witness

Her Majesty The Queen in right  
of Canada, represented by the  
Minister of Fisheries and Oceans and acting  
through the Regional Director

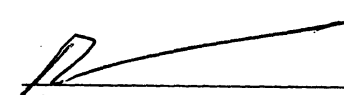
  
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per:

Date: 27 Jan '98

Signed, Sealed and  
Delivered in the  
presence of

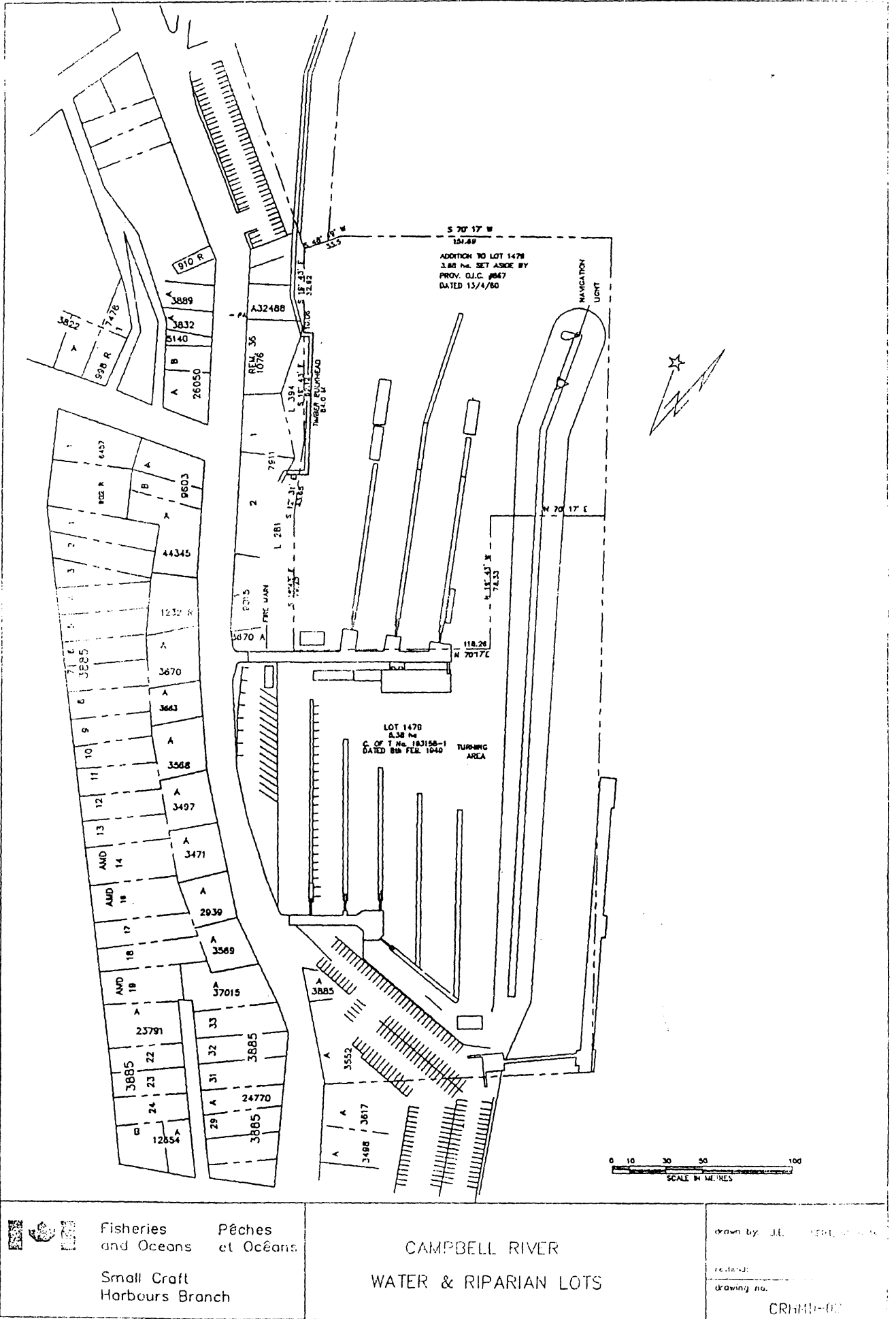
  
\_\_\_\_\_  
Witness


Campbell River Harbour Authority

  
\_\_\_\_\_  
Name of signing officer and Title of  
signing officer BRUCE KEMPF - PRES.

Date: DEC/9/97

\_\_\_\_\_  
Witness



 Fisheries and Oceans / Pêches et Océans  
Small Craft Harbours Branch

CAMPBELL RIVER  
WATER & RIPARIAN LOTS

drawn by: J.L. [unclear]  
drawing no. CR1111-02





"B"

LOT 1479,  
3RD DISTRICT, B.C.

GOVERNMENT FORESHORE RESERVE.

RIVER, B.C.

Feet = 1 Inch,

1/4" post set in concrete monolith.

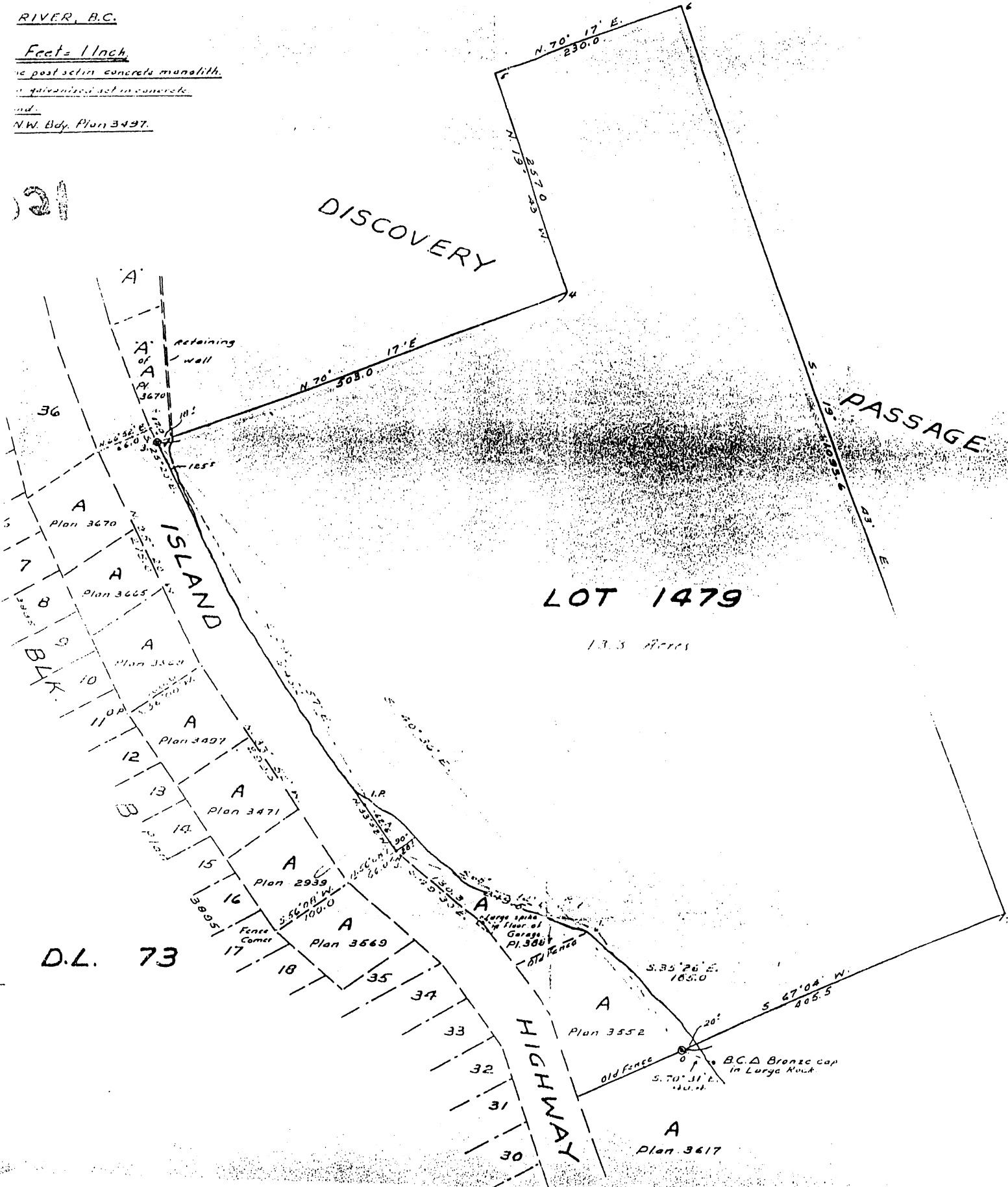
1/4" galvanized set in concrete.

and.

N.W. Bdy. Plan 3497.

21

8A



D.L. 73

# PLAN OF Addition to LOT 1479, SAYWARD DISTRICT.

Scale: 100 Feet = 1 Inch

Bearings from survey of LOT 1479

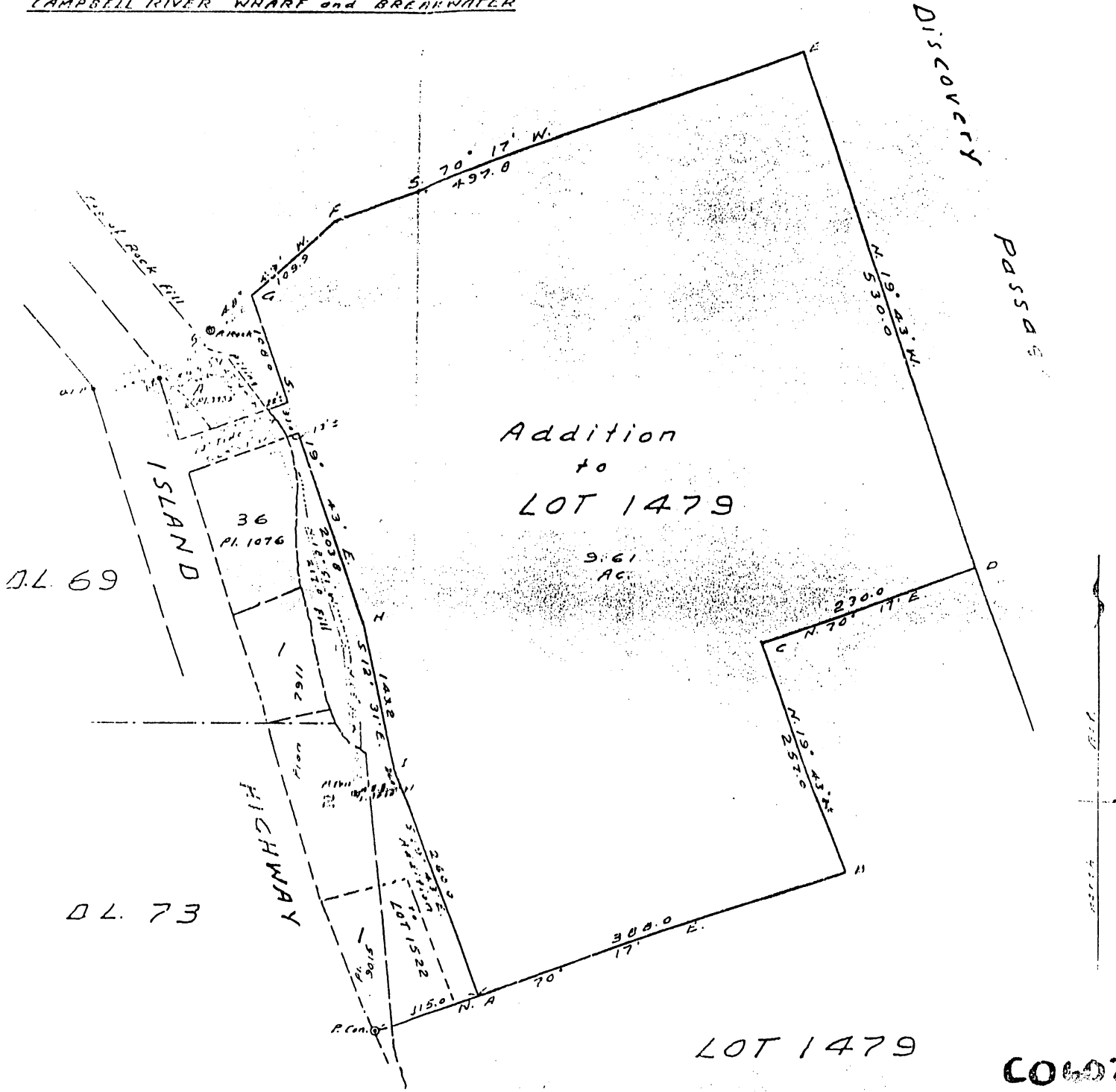
⊙ P Rock - Standard Rock Post

⊙ P Con. - Standard Pipe Post in concrete

⊙ O.I.P. - Gal. Iron Pipe found

⊙ I.P. - Gal. Iron Bar driven

PUBLIC WORKS OF CANADA - SITE OF  
CAMPBELL RIVER WHARF and BREWERY



LOT 1479

COLO 21

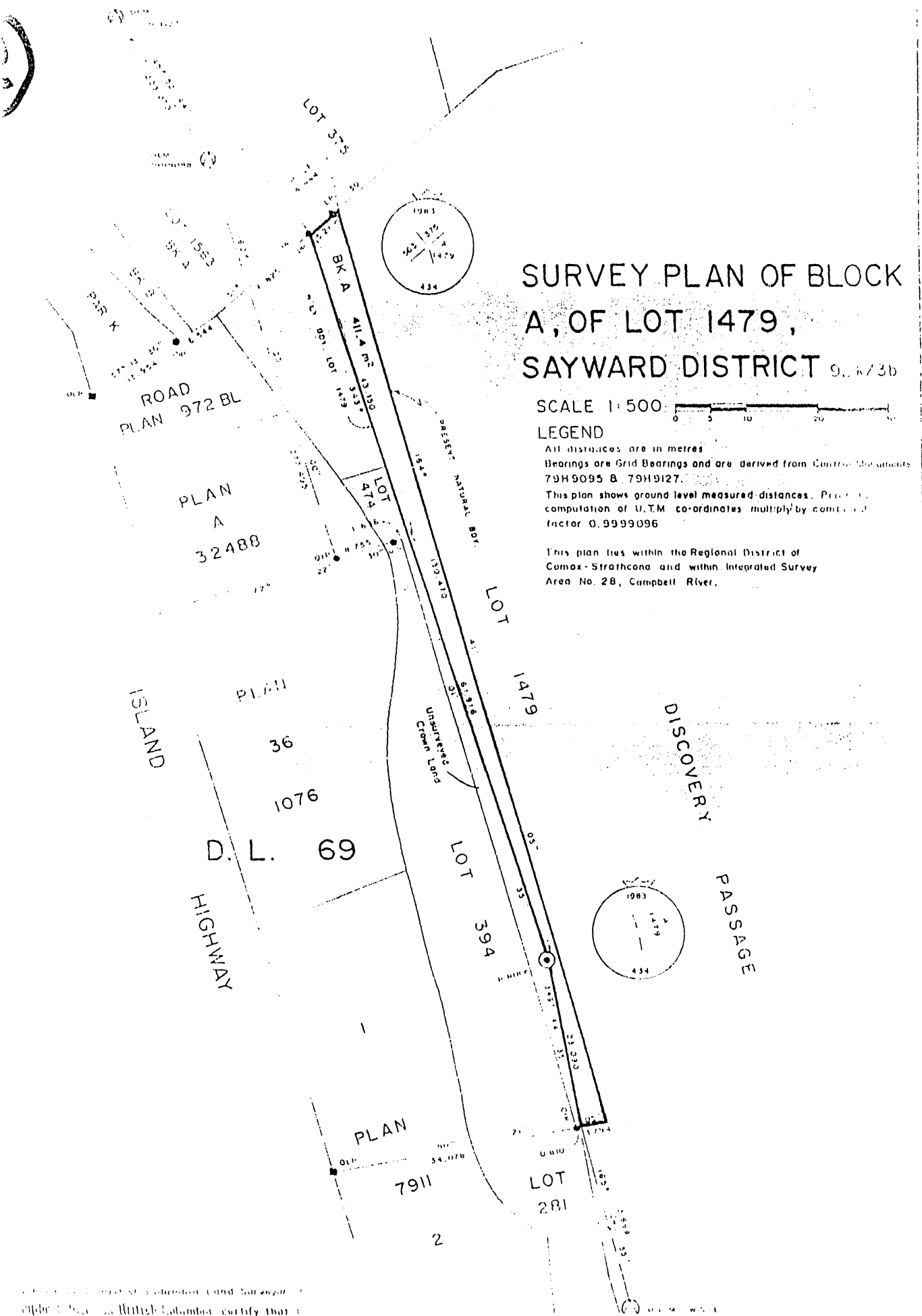
CERTIFIED CORRECT

*F. Schjeldunge, B.C.L.S.*

Courtenay, B.C., October 20<sup>th</sup> 1950



C06021



**SURVEY PLAN OF BLOCK  
A, OF LOT 1479,  
SAYWARD DISTRICT 9.1.17/3b**

SCALE 1:500

**LEGEND**

All distances are in metres  
Bearings are Grid Bearings and are derived from Control Measurements  
79H9095 & 79H9127.  
This plan shows ground level measured distances. Previous  
computation of U.T.M. co-ordinates multiply by correction  
factor 0.9999096

This plan lies within the Regional District of  
Comox-Strathcona and within Integrated Survey  
Area No. 28, Campbell River.

As shown on the plan of a registered Land Surveyor of  
British Columbia certify that:

**SCHEDULE "A" -- List of Facilities**

**Campbell River**

No.	Facility	Code	Description	Dimension
1	Waterlots		Provincial Order in Council Number 867 dated April 13, 1960, use of the water lot at Campbell River, British Columbia, containing 22.9 acres described as Lot 1479, Sayward District, British Columbia, for as long as required...as a site for a wharf, breakwater and floats.  Lot 1479, Sayward District	9.276 ha.
2	Uplands		Certificate of Indefeasible Title NO. 199302-I in the name of Her Majesty the King in the Right of Canada.  Lot "A" of District Lot Seventy-three (73), Sayward District, Plan 3670 lying to the east of the Island Highway as shown on said Plan and to the South of a straight boundary extending at right angles to the easterly boundary of the said Island Highway from a point thereon distant Fifty-seven and five tenths feet (57.5') Northerly along the said Easterly boundary from the Southerly corner of said part of said lot lying to the East of the said Island Highway; to which parcel of land the Registrar hereby assigns the distinguishing letter "A".	411.4 m <sup>2</sup>
	Basins In waterlot	201	Berthing Basin, South Harbour	
		202	Turning Basin, South Harbour	
		203	Berthing Basin, North Harbour	
		204	Turning Basin, North Harbour	
3	Breakwater	301	Rock Mound	Length 496.0 m
4	Wharf	401	South Harbour Wharfhead	12.9m x 18.29m Shape: irregular
		402	South Harbour Approach	Length: 45.4 m
		403	North Harbour Wharfhead	Length 45.4m.
		404	North Harbour Approach	Length 122.3 m.
	Fill On Foreshore	405	South Facility	
		406	West Facility	
5	Launching Facilities		N/A	
6	Shore Protection	601	N To South adj to N WH	
7	Buoy		N/A.	
8	Floats	801	Timber Floats Main Flt A, South Harbour	Length 11.8 m
		802	Timber Float Main Flt B, South Harbour	Length 108.8 m
		803	Timber Float Main Flt C, South Harbour	Length 95.6 m
		804	Timber Float	Length 78.9 m

**CAMPBELL RIVER HARBOUR AUTHORITY 1998 PRO-FORMA INCOME STATEMENT**

**DRAFT**

**REVENUE:**

<b>Berthage</b>		
CFV	\$93,343	
Recreational	66,588	
Electrical/other	44,849	
Commercial Leases/Licenses	23,333	
SUBTOTAL		228,113
DFO Funding	23,499	
		23,499
<b>TOTAL REVENUES</b>		<b>\$251,612</b>

**OPERATING EXPENSES:**

<b>Management</b>		
Labour	\$100,000	
Payroll Expenses	30,000	
SUBTOTAL MANAGEMENT		130,000
<b>Administration</b>		
Supplies	6,960	
Bank Service Charges & Discounts	1,800	
Business Licenses & Permits	600	
Marketing, Advertising	600	
Office security	420	
Meeting Rooms & Travel	3,620	
Insurance	2,400	
Professional Services	14,200	
Property Taxes	32,212	
SUBTOTAL ADMINISTRATION		62,812
<b>Utilities</b>		
Electricity & Gas	35,700	
Telephone	3,000	
Water	2,100	
SUBTOTAL UTILITIES		40,800
<b>Repair &amp; Maintenance</b>		
Minor Repairs	7,800	
Garbage	8,400	
Equipment Rental & Tools	1,800	
SUBTOTAL REPAIRS & MAINTENANCE		18,000
<b>TOTAL OPERATING EXPENSES</b>		<b>\$251,612</b>
<b>NET OPERATING INCOME</b>		<b>\$0</b>

Approved by: *Russell M. Green*  
 Signing Officer  
 Small Craft Harbours

Date: 27 Jan '98

Approved by: *J. Hall*  
 Signing Officer  
 Campbell River Harbour Authority

Date: Dec 9/97

No.	Facility	Code	Description	Dimension
			Main Flt D, South Harbour	
		805	Timber Float Main Flt E, South Harbour	Length 104.8 m.
		806	Timber Float Main Flt F, South Harbour	Length 114.8 m.
		807	Timber Float Main Flt G, South Harbour	Length 51.8 m.
		808	Timber Float 22 Finger Floats, South Harbour	Length 3.35 m.
		810	Timber Float Main Flt A, North Harbour	Length 92.05 m.
		813	Timber Float Midmain Flt D, North Harbour	Length 92.05 m.
		814	Timber Float Midmain Out Flt A, North Harbour	Length 28.35 m.
		815	Timber Float Main Out Flt F, North Harbour	Length 92.05 m.
		817	Timber Float Out Flt F, North HarbourOut	Length 68.19 m.
		818	Timber Float Out Flt I, North Harbour	Length 23.73 m.
9	Service Areas	901	Parking Lot	
10	Buildings	1001	Harbour Managers' Office and washroom building	
11	Gangways		Six (6) gangways.	6m x 11m, 1m x 30m.
12	Electrical Systems		Various electrical outlets on floats and piers.	
13	Lighting		Various light standards and pile-mounted lighting.	
14	Water Lines			
15	Gear Handling		Two (2) Dereks	5 Tonnes
16	Fish Handling		N/A	
17	Ice		N/A	
18	Fueling		N/A	
19	Sanitary Equipment		Two (2) bins - SCHB.	
20	Oil Disposal		Two (2) container - SCHB.	
22	Boat Launching Ramp		N/A	
	Grids	501	(1) tidal boat grid for dry dock and repairs, South Harbour.	
21		502	(2) tidal boat grid for dry dock and repair, North Harbour.	

Schedule to be revised as required and agreed upon annually by the Harbour Authority and the Regional Director, Small Craft Harbours Branch.

Initialed by the Harbour Authority and the Department of Fisheries and Oceans.

**Schedule "B"**  
**Harbour Authority's Improvements**

**Campbell River**

**No Harbour Authority  
Improvements as of  
December 1, 1997**



**Schedule "C"**  
**Leased Equipment**

**Campbell River**

Department of Fisheries and Oceans - CAMS - Capital Assets Management System Inventory Equipment Account Listing dated 08/09/97 attached to this agreement.

DATE: 08/09/97                      DEPARTMENT OF FISHERIES AND OCEANS  
CAMS - CAPITAL ASSETS MANAGEMENT SYSTEM  
CAMPBELL RIVER INVENTORY EQUIPMENT ACCOUNT LISTING

MASTER

DIN	ITEM NAME	QTY	COST	MODEL	SERIAL NUMBER
P359759	COMPUTER LASER	1	\$1,832	PACKAGE 3	1251
	MONITOR SAMSUNG	1	\$300		
	KEYBOARD	1	\$150		
P465817	COMPUTER MULTITERM	1	\$2,850	MT386/25	9103212679-3
P358740	COMPUTER NAMTEC	1	\$1,809	XTT8088	710
	MONITOR AMDEK	1	\$300		
	KEYBOARD LASER 101	1	\$150		
P503129	COMPUTER SIDUS 486	1	\$2,385	486DX33	ST121466
	MONITOR MPR II	1	\$0		
	KEYBOARD TBITS-5	1	\$0		
P359875	PRINTER LASERJET HP	1	\$2,907	II	1336577
P503243	WASHER PRESSURE	1	\$2,695	HD 1050BX	26090
P466224	WINCH 5-TON BEE-BEE	1	\$1,500		NIL

TOTAL ITEMS: 7 TOTAL RECORDS: 7

TOTAL VALUE OF DISTRIBUTION ACCOUNT: \$19,578

CERTIFIED THAT I HAVE VERIFIED AND ACCEPT RESPONSIBILITY FOR THE ITEMS ON THIS INVENTORY ACCOUNT LIST WITH THE EXCEPTION OF THE DISCREPANCIES (ADDITIONS, CHANGES OR SHORTAGES) NOTED ABOVE.

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HARBOUR AUTHORITY'S SIGNATURE

DATE

**SCHEDULE "D1"**  
**Operations Management and Maintenance**

**Campbell River**

No.	Facility	Harbour Authority Responsibility	SCHB Responsibility <i>Subject to Availability of Funding</i>
		<p>The Harbour Authority shall generate sufficient revenue to cover all operational costs, defined as daily, monthly or annual charges for utilities, services, insurance, maintenance and taxes, over a period not to exceed four years from the effective date of this lease.</p>	<p>Small Craft Harbours will provide funding to share in the costs of the harbour, declining by 20% per annum from the date of the execution of this lease, over four years, as per the annually agreed upon budget shortfall.</p> <p>Small Craft Harbours Branch as the Lessor shall be responsible for keeping the leased area, save and except for Improvements owned by the Harbour Authority and those items included in Schedule "D 1 &amp; D2", in good repair.</p>
1	Channels	Keep area free of debris.	Dredging and ongoing inspection.
2	Basins	Manage day-to-day operation. Keep area free of debris.	Any basin dredging which is needed for the SCHB facility.
3	Breakwater	Minor maintenance	Major Repairs
4	Wharves	Minor maintenance. Control traffic.	Structural repair of the wharf. Structural repair refers to all work done to piles, stringers, caps or bracing.
5	Haul Out	N/A	N/A
6	Shore Protection	Minor maintenance.	Major repairs.
7	Buoy	N/A	N/A
8	Float	Minor maintenance. Direct day-to-day moorage activities.	Structural inspection and major repairs such as pile replacement.
9	Service Areas	Minor maintenance. Manage day-to-day activities.	Major repairs and capital upgrades.
10	Building	Minor maintenance.	Major repairs.
11	Armour Units	N/A	N/A
12	Anchor	N/A	N/A
13	Gangway	Minor maintenance.	Structural repair of the gangway. This includes repair of cracked welds and replacement of cracked wheels.
14	Deck	Minor maintenance.	Structural repairs to the deck. This includes repair to the decking sub-structure and stringers.
15	Fender	Minor maintenance.	Provide tenders as required.
16	Mooring Device	N/A	N/A
17	Ladder	Minor maintenance.	Structural repairs to the ladders as required.
18	Wheel Guard	Minor maintenance.	Major repair or replacement of the wheel guard. Major repairs include welding of broken joints.
19	Skidway / Slipway	N/A	N/A
20	Boat Grid / Platform	Manage day-to-day operations and removal of debris.	Structural repair.
21	Travel Lift	N/A	N/A
22	Haulout Engine	N/A	N/A

No.	Facility	Harbour Authority Responsibility	SCHB Responsibility <i>Subject to Availability of Funding</i>
23	Lighting	Minor maintenance.	Repair of light standards and conduit.
24	Utilities	Minor maintenance.	To fund utility (electrical, water & sewer etc.) payment not to exceed \$23,499.
25	Water System	Minor maintenance.	Major repairs needed to the water lines.
26	Service Island	N/A	N/A
27	Environment	Manage the site as per lease.	Provide technical support and assistance in arranging containment or clean-up equipment, as well as funding for major hazardous material clean-up.
28	Fish Handling Equipment	N/A	N/A
29	Gear Handling Equipment	Minor maintenance.	Major repairs.
30	Derrick	Minor maintenance.	Inspections and repairs as required.
31	Bait Shed	N/A	N/A
32	Gear Storage	N/A	N/A
33	Community Stage	N/A	N/A
34	Service Building	N/A	N/A
35	Fire Protection	Supervise fire-lane access. Service fire prevention equipment.	Provide technical support, installation and repair of equipment.
36	Navigational Aids	N/A	N/A
37	Ice Facility	N/A	N/A
38	Sanitary Equipment	Provide garbage bins.	N/A
39	Sign	Supply, install and maintain signs.	Provide standard Harbour Authority signs as required.
40	Facility Approach	Minor repair and maintenance.	Structural repair of the approach involving piles, caps, stringers or bracing system and major re-decking.
41	Service Area	N/A	N/A
42	Parking Area	Maintain in good and usable condition.	Major repairs.
43	Road	Keep roadways clear. Minor maintenance.	Major repairs.
44	Environmental Collection and Garbage Disposal	Remove all garbage, waste oil and pests as required.	N/A
45	Snow Removal	Remove as required.	N/A
46	Safety and Security	Provide security to existing standards.	N/A
47	Revenue Collection	Responsible for all funds due in a timely manner.	Responsible for collection of lease revenues on contracts predating formation of Harbour Authority.
48	Enforcement	All rules, regulations and by-laws of the Harbour Authority.	N/A
49	Offloading Space	Supervise day-to-day operations.	Major repairs.
50	Records and Receipts	1. Maintain all financial reports on day-to-day operation in accordance with standard accounting practices. 2. Provide monthly vessel count reports. 3. Provide quarterly budget updates.	Assistance in establishing accounting requirements. Funding for audits as deemed necessary by Regional Director.
51	Maintenance Lists	Provide priority list for maintenance and capital expenditures for short and long term harbour expenditures.	Approval on all expenditures exceeding \$5,000 those requiring environmental assessment and proposed major projects.

No.	Facility	Harbour Authority Responsibility	SCHB Responsibility <i>Subject to Availability of Funding</i>
			funded by SCHB.
52	Oil Storage Tanks	Service in a timely manner.	Supply and maintain tanks in good repair.
53	Operational Maintenance	Above totals of minor maintenance shall not be in excess of the percentage amounts identified in the attached budget.	To be responsible for repairs in amount in excess of the approved budget.
54	Management	As per lease agreement.	N/A
55	Development Cost Charges	Responsible for development permit applications.	Final approval of development permit applications.
56	Building Permits	Responsible for building permit applications, as well as payment of associated fees.	Final approval of building permit applications.
57	Budget	Prepare annual budget for the operation of facilities.	Final approval of annual operating budget in conjunction with the Board of Directors.

Schedule to be revised as required and agreed upon annually by the Harbour Authority and the Regional Director, Small Craft Harbours Branch.

Initialed by the Harbour Authority and the Department of Fisheries and Oceans.

**SCHEDULE "D2"**

**Description of Minor Maintenance and Repairs**

**Campbell River**

No.	Facility	Harbour Authority Responsibility
1	Channels	Day-to-day management to keep clear and open.
2	Basins	Day-to-day management to keep moorage basin access clear and open.
3	Breakwater	Replace minor rip rap deficiencies.
4	Wharves	Minor maintenance including refastening, repairing or replacing missing, rotting or otherwise damaged planking and hand railing. Any areas of confusion regarding what constitutes minor maintenance should be addressed to the SCHB.
5	Haul Out Facilities	N/A
6	Shore Protection	Replace minor rip rap deficiencies.
7	Buoy	N/A
8	Float	Minor maintenance of the floats including refastening, repairing or replacing any rotting, missing, or otherwise damaged planking, bull rails, hand rails and pile rub boards. In locations where excessive pile wear occurs, rubber tires are to be maintained in pile wells. Water lines are to be bled during freezing conditions.
9	Service Areas	N/A
10	Building	Replace any glass, trim and hardware, perform any painting and repair any leaks or damaged material of structure as required within budget guidelines.
11	Armour Units	N/A
12	Anchor	N/A
13	Gangway	Minor maintenance of the gangways. Minor maintenance includes painting, inspection and lubrication of pins, and ensuring that the pins remain seated in sleeves. Any larger problems with the gangways should be reported to the SCHB.
14	Deck	Minor maintenance to the deck includes the refastening, repair or replacement of any damaged or missing deck materials and gangway tracks. Major problems with rotting or wearing of the structural components of the deck should be reported to the SCHB.
15	Fender	Tarring of fender caps.
16	Mooring Device	N/A
17	Ladder	Minor maintenance including painting as necessary.
18	Wheel Guard	Inspection and minor maintenance of the wheel guard. This includes removing rust or any other impediments from the track and lubrication of the wheels. Regular inspection of the guard is required to ensure that the gangway continues to operate smoothly. Any problem which requires replacement should be brought to the attention of the SCHB.
19	Skidway / Slipway	N/A
20	Boat Grid / Platform	Removal of debris.
21	Travel Lift	N/A
22	Haulout Engine	N/A
23	Lighting	Supply, install and/or repair bulbs, ballasts and glass shields.
24	Electrical System	Minor maintenance including repair and/or replacement of damaged receptacles and/or breakers.
25	Water System	Minor repairs to the faucets and water line, and the winter preparation necessary to keep the lines from freezing.
26	Service Island	N/A
27	Environment	Clean up and containment of any hazardous material. Train crew in use of equipment.
28	Fish Handling Equipment	N/A

No.	Facility	Harbour Authority Responsibility
29	Gear Handling Equipment	Ensure equipment is properly serviced and maintained in a good, safe operating condition.
30	Derrick	Minor maintenance as needed to keep the derrick in safe operating condition. Frequent inspection and lubrication of the winch, pulley blocks and cable. Report any difficulties to SCHB.
31	Bait Shed	N/A
32	Gear Storage	N/A
33	Community Stage	N/A
34	Service Building	N/A
35	Fire Protection	Provide and service fire extinguishers as required.
36	Navigational Aids	N/A
37	Ice Facility	N/A
38	Sanitary Equipment	Provide regular and adequate disposal service.
39	Sign	Installation and maintenance of necessary signs.
40	Facility Approach	Minor maintenance including refastening, repairing and replacing missing, rotting, or otherwise damaged planking and hand railing, and painting if required.
41	Parking Area	Maintain in a good and usable condition.
42	Road	Repair pot holes as required.
43	Snow Removal	As required to maintain access.
44	Oil Storage Tanks	Collection of the used oil as necessary to avoid spillage. Adherence to federal and provincial regulations.

Schedule to be revised as required and agreed upon annually by the Harbour Authority and the Regional Director, Small Craft Harbours Branch.

Initialed by the Harbour Authority and the Department of Fisheries and Oceans.