MEMORANDUM OF UNDERSTANDING

BETWEEN

THE CITY OF KIMBERLEY

(The "City")

AND

BC Timber Sales, Kootenay Business Area

(BCTS)

WITH REGARDS TO FORESTRY ACTIVITIES
IN THE
MARK CREEK WATERSHED

A Memorandum of Understanding by and between BC Timber Sales and the City of Kimberley, entered into by the Parties hereto for the purpose of defining their responsibilities as they relate to forestry activities and drinking water protection in the Mark Creek Community Watershed. To provide for the establishment of an Implementation and Monitoring Committee (IMC) to oversee and make recommendations with respect to forestry operations in the Mark Creek Watershed.

BACKGROUND:

The City of Kimberley officials and residents are concerned about the effects of logging on drinking water quality in the Mark Creek Watershed. Of particular concern is the quantity and quality of the water and the possibility that logging in the Watershed may cause some negative effects, which could lead to significant expenses on the part of the community. BCTS is committed to ensuring that water quality and quantity are not adversely affected by forestry operations conducted in Mark Creek, and that forestry operations do not impose an additional expense on the City of Kimberley.

PURPOSE:

This Memorandum of Understanding represents a commitment on the part of BCTS and the City to improve communications and strengthen our working relationship, building on issues of common interest within the Mark Creek Watershed.

PRINCIPLES:

BCTS and the City will recognize the following principles in their dealings with one another:

* mutual respect for the respective areas of responsibility of BCTS and the City of Kimberley;
* recognition of the value of timely communication and information sharing regarding issues of common interest.

SECTION 1 - IMPLEMENTATION AND MONITORING COMMITTEE STRUCTURE

The Mark Creek Implementation and Monitoring Committee (IMC) shall consist of:

Representatives from:

- City of Kimberley - Council
- City of Kimberley - Staff
- Interior Health - Drinking Water Officer
- Resorts of the Canadian Rockies
- BC Timber Sales Program (2 reps)
- Ministry of Forests, Lands and Natural Resource Operations and Rural Development, Rocky Mountain Natural Recourses District
- Ministry of Forests, Lands and Natural Resource Operations – Habitat*
- Ministry of Forests, Lands and Natural Resource Operations - Water Management*
- Ministry of Energy Mines, Mines Branch*
- Ministry of Forests, Lands and natural Resource Operations - Pollution Prevention*
- Teck Ltd.
- Ktunaxa Kinbasket Tribal Council (not confirmed)
- Licensed trapper
- One representative each from:
  Wildsight, Kimberley & Cranbrook
  Friends of the Mark Creek Watershed
  Kimberley Trail Society

It is understood by the City and BCTS that the IMC will review all activities in the Mark Creek Watershed and will have the responsibility of providing BCTS with sound suggestions on potential modifications of proposed forestry operations. Those proposed modifications, if accepted, may require amendments to the Forest Stewardship Plan in accordance with current legislation.

BCTS will plan its operations in the watershed in accordance with the Mark Creek IWMP. BCTS will revise its operations for the area where it can be demonstrated that the plan is causing a negative impact on the quantity and/or quality of water. Such changes would only occur if they are practicable and are based on sound scientific principles and practices.

BCTS will continue to cooperate with the City to maintain a water quality monitoring program within the watershed. The costs of the water monitoring program will be shared jointly by the City and BCTS, subject to available funding by either party. BC Timber Sales contribution to the costs of the water monitoring program for the term of this MOU will be $10,000 in each year of the agreement.

In accordance with Chapter 5 of the Mark Creek IWMP, BCTS agrees that if a problem clearly resulting from logging operations arises, BCTS will immediately, after the matter is brought to their attention, require the Ministry contractor or Licensee responsible for the operations to repair and/or rectify the problem. In the event that the contractor is not able or willing to repair and/or rectify the problem, BCTS will undertake to repair and/or rectify the problem, at no expense to the City. Roles and responsibilities of various agencies are further detailed in Chapter 5 of the Mark Creek IWMP (2017).

In accordance with Section 5.2.6 of the Mark Creek IWMP (2017), BCTS will ensure that all Timber Sale Licensees engaged in timber harvesting in the watershed will, as a condition of their license, carry insurance or bonding in the amount of Five Million Dollars ($5,000,000) naming the City of Kimberley as an additional named insured on all policies.

From time to time and as determined to be necessary to address public concerns, BCTS and the City of Kimberley will co-sponsor workshops on watershed management. The workshops will be open to the general public, the City and the members of the Implementation Committee. The City of Kimberley will be responsible for developing a mutually acceptable proposal for the watershed workshops.

Effective dispute resolution mechanisms between BCTS and the City are an important component of a coordinated approach for ensuring that water quality and quantity are maintained or enhanced. Both parties agree to support the Implementation and Monitoring Committee as the primary venue for responding to issues and concerns as follows:

(1) First bring issues and concerns to the attention of the Implementation and Monitoring Committee, chaired by the City of Kimberley, for resolution.

(2) Where the issue cannot be resolved in the IMC, the IMC will seek expert advice and prepare a written outline and reasons for the concern and options and recommendations for resolution to the other party. The submission should also incorporate the views of the other members of the Implementation and Monitoring Committee. The City or BCTS respectively will provide a written response in a timely manner and will ensure that the issue or concern is addressed expeditiously.

It is understood by both parties that, as a last resort, there are additional formal venues for unresolved disputes such as a complaint to the Forest Practices Board.

SECTION IV- TERM OF THE MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding has a term of 5 years. Subject to agreement by both parties, this Memorandum of Understanding will be replaced every five (5) years.

This MOU is made without prejudice to either party's mandates or responsibilities with respect to applicable legislation. All permitting, licensing etc. will be issued and enforced to current standards and legislation.

INWITNESS WHEREOF this Agreement has been executed on the 1rst day of May, 2019.

CITY OF KIMBERLEY by its authorized signatory:

Signature

Scott Sommerville

Please Print Name

BC TIMBER SALES, KOOTENAY BUSINESS AREA authorized signatory:

Signature

George Edney

Please Print Name