

STS'AILES MEMORANDUM OF UNDERSTANDING

BETWEEN

THE STS'AILES

AND

THE PROVINCE OF BRITISH COLUMBIA

(The "Province")

WHEREAS:

- A. In the spirit of the New Relationship and the Transformative Change Accord, the Sts'ailes and the Province of British Columbia (herein the "Parties"), wish to establish understandings and commitments that:
 - o create a more collaborative, coordinated and efficient approach to the management of land and natural resources; and
 - o develop new economic opportunities and initiatives that enable Sts'ailes to make progress toward their socio-economic objectives.
- B. The Province acknowledges that Sts'ailes asserts Aboriginal Rights, including Aboriginal Title (herein "Aboriginal Interests"), within Sts'ailes Traditional Territory, including Sts'ailes' rights to act as stewards of land and resources within Sts'ailes *Xa'xa Temexw*.
- C. The Parties understand that the successful implementation of this Memorandum, and the building of cooperative working relations, will depend upon their ability and willingness to identify, explore and resolve differences which arise between them.
- D. The purpose of this Memorandum is to create more certainty over the use of land and natural resources, and community - defined social outcomes, by:
 - o establishing a collaborative working relationship between the Parties based on respect, transparency, and the sharing of information;
 - o confirming activities that will be undertaken by the Parties on projects of mutual interest;
 - o identifying potential sources of revenue and funding to assist the Parties in carrying out the work outlined in this Memorandum; and
 - o establishing a foundation on which to base future Government-to-Government agreements.

1. Definitions

In this MOU the following definitions apply:

"Aboriginal Interests" means the asserted Aboriginal Rights of the Sts'ailes, including Aboriginal Title, pursuant to Section 35 of the *Constitution Act* 1982;

"Government to Government" means formal bilateral discussions between the Parties or their designated representatives;

"Parties" means Sts'ailes, as an Indian Band within the meaning of the *Indian Act* and the Province (as represented by its agency managers listed in Appendix E); and

“Coordinated Process” means the ‘one process’ approach taken by the Ministry of Forests, Lands and Natural Resource Operations for major investments to create a streamlined framework for review and authorization of projects that is timely, diligent, science-based, and considers First Nations knowledge shared through coordinated consultation. This process brings authorizations previously handled by nine different agencies under one ministry, providing clients with a single provincial contact and a coordinated and predictable review process

“Sts’ailes Traditional Territory” means the lands, waters and natural resources claimed by the Sts’ailes in the Xa’xa Temexw, within the boundary marked in black on Appendix A; and

“Xa’xa Temexw” literally translated means sacred earth. It is an expression that conveys the spiritual, physical, and cultural connections that we as Sts’ailes have to the land, water, and resources in our Sts’ailes Traditional Territory. We as human beings are only one small part of Xa’xa Temexw. We have the responsibility to take care of it because all living things on Xa’xa Temexw are inter related and when one is affected, it affects the health and well being of Xa’xa Temexw, on which we all rely.

2. Geographic Area

2.1 This Memorandum applies to the Sts’ailes Traditional Territory, as shown in Appendix A.

3. Goals

3.1 The Parties agree:

3.1.1 this Memorandum is an incremental step in the reconciliation of Sts’ailes Aboriginal Interests with Provincial interests; and

3.1.2 to work together in pursuit of the following goals over the next 12 months or for a longer period of time mutually agreed upon:

- a. to pursue opportunities for sharing Provincial revenue from the use of natural resources in accordance with current provincial policy;
- b. to identify funding options and develop related business cases to increase the capacity of Sts’ailes financial, human and technological resources;
- c. to work toward improving collaboration and identifying opportunities for shared decision making between the Province and Sts’ailes, regarding the use of land and natural resources within Sts’ailes Traditional Territory;

- d. to establish, and continuously improve, a "one window" mechanism for Sts'ailes engagement with the Province on matters related to the use of land and natural resources;
- e. to collaboratively seek mandates and develop a business case for negotiating further strategic agreements between Sts'ailes and the Province with respect to land and natural resources; and
- f. to identify "one window" options for delivering provincial social programs to Sts'ailes.

Priority Projects and Related Activities

- 3.2 In the remainder of this MOU, the Parties have identified priority projects and they will work collaboratively to carry out the following activities.

4 Forestry Opportunities

Forest Consultation and Revenue Sharing Agreement (FCRSA)

- 4.1 Both Parties re-commit to implement and fulfill the provisions of the FCRSA signed on December 17, 2010, and acknowledge that the total revenue-shared with Sts'ailes for the fiscal year 2010/11 was \$332,029.
- 4.2 The Parties agree that it is desirable to continue to refine the areas used for the calculation of forestry revenues shared with First Nations with respect to the Timber Harvesting Land Base. The Province will consult with Sts'ailes on future FCRSA revenue-sharing with respect to areas used for calculations, as the opportunities arise, that affect the Sts'ailes Traditional Territory.
- 4.3 Sts'ailes is committed to working with neighbouring First Nations to develop agreements regarding boundaries for the purpose of economic development and forestry revenue sharing.
- 4.4 Sts'ailes may provide the Province with necessary written documentation regarding agreed-to economic boundaries, if agreed to by both First Nations party to such an agreement.
- 4.5 The Province will use the economic boundaries referred to in section 4.4 in existing and future FCRSA revenue sharing agreements.

Tenure Opportunity Agreement ("TOA")

- 4.6 Both Parties will seek to enter into a business continuity TOA by September 14, 2011 that incorporates any existing and new timber harvesting rights awarded to Sts'ailes.
- 4.7 Both Parties will seek to enter into a First Nations Woodland Licence ("FNWL") agreement by December 31, 2013, subject to the appropriate legislation being in place.

5. Transportation Improvements

Morris Valley Road and Indian Reserve #5

- 5.1 Both Parties will work to formalize the tenure of all of Morris Valley Road through Chehalis Indian Reserve #5 (the "Reserve") because Morris Valley Road is essential to the protection, future use, and management of land and natural resources on the west side of Harrison Lake.
- 5.2 Both Parties are working towards a negotiated Memorandum of Agreement ("MOA") by which Sts'ailes will agree to a transfer by Canada of the administration and control of its entire interest in the land comprising Morris Valley Road through the Reserve, to the Province.
- 5.3 The Parties agree, in principle, that compensation for the land being taken from the Reserve for the said transfer of the land comprising the Morris Valley Road, will include additional provincial Crown land for Sts'ailes. The priority for Sts'ailes for the Crown land to be transferred to Sts'ailes as part of the MOA, is the Ten Mile Bay property shown in Appendix B, or other areas as mutually agreed to by the Parties. The MOA may also include other benefits, as agreed to by the Parties.
- 5.4 The Parties hope to have a draft MOA ready by November 30, 2011, which will then be submitted to the federal Department of Justice in Vancouver for review and confirmation that it is prepared to recommend the transfer of administration and control of Canada's entire interest in the land comprising the Morris Valley Road to the Province, in accordance with the terms of the MOA negotiated by the Parties. Upon confirmation by Canada of its support of the MOA, the Parties will seek approvals to execute the MOA.

Sts'ailes Forest Service Road (FSR)

- 5.5 The Sts'ailes has a long and close connection with Sts'ailes Traditional Territory, including the Harrison Lake area, and the Province has renamed the "West Harrison FSR" to the "Sts'ailes FSR".

- 5.6 Both Parties acknowledge the importance of the Sts'ailes FSR and support appropriate road management and maintenance activities, and will communicate at least annually or more frequently as necessary, regarding planning and road management.
- 5.7 Both Parties recognize the importance of the Sts'ailes FSR to the future development of the Harrison Lake area and will work together on future road management and maintenance plans.

6. Tourism Opportunities

Hemlock Valley Ski Resort

- 6.1 The Province has received an application, for the phased expansion of the Hemlock Ski Resort over several decades, and the Province has initiated a master plan review process in November 2010 for consideration of this proposed development.
- 6.2 Both Parties acknowledge the importance of Sts'ailes engagement in this planning process and the Province has provided \$50,000 to the Sts'ailes to assist their participation.
- 6.3 The Province acknowledges the long-term benefits of an *Impact Mitigation and Benefits Agreement* between Sts'ailes and the project proponent, and is supportive of those parties entering into such an agreement.
- 6.4 As part of the Provincial consultation process with Sts'ailes, both Parties will explore a revenue sharing agreement or a land exchange, or a combination of both, by March 31, 2012 as accommodation if the project is approved.
- 6.5 The Province acknowledges Sts'ailes' priorities for acquiring Crown land. Parties agree that any lands transferred to Sts'ailes as an accommodation for this project must be mutually agreed to by the Parties.

7. Clean Energy Development

Sakwi Creek Project

- 7.1 The Province acknowledges the existence of the *Impact Benefit Agreement* signed on October 5, 2010 between the Sts'ailes and Wind River Power Corporation and commits to a Coordinated Process for reviewing the necessary authorizations and permits.

- 7.2 The Province acknowledges Sts'ailes' interest in consistent and reliable power for the Sts'ailes community and surrounding facilities and is supportive of the "islanding" concept that Sts'ailes is pursuing with BC Hydro.

Cloudworks Harrison Complex

- 7.3 Cloudworks Energy Inc. is proposing three waterpower projects and related transmission infrastructure, to be located on Tretheway Creek, Shovel Creek, and Big Silver Creek. The proposed projects will be subject to review under the *Environmental Assessment Act* and the Environmental Assessment Office (EAO) initiated a pre-application public review in November 2010.
- 7.4 Both Parties acknowledge the importance of Sts'ailes engagement in the environmental assessment of these proposed projects and the Province has provided capacity funding to the Sts'ailes to assist their participation in this review.
- 7.5 The Province acknowledges the existence of the *Participation Agreements* signed on August 31, 2010 between the Sts'ailes and Cloudworks Energy Inc. and commits to a Coordinated Process for reviewing the necessary authorizations and permits once a complete application has been submitted to the EAO.
- 7.6 The Province will consider the purpose of this Memorandum between the Parties when reviewing a request from Sts'ailes for funding from the First Nation Clean Energy Business Fund for these proposed projects or for other Clean Energy projects in Sts'ailes Traditional Territory.
- 7.7 Provincial statutory decision-makers will consider the purpose of this Memorandum between the Parties, when reviewing Sts'ailes' applications relating to the Statlu Creek waterpower project.

Pacific GreenGen Power Project

- 7.8 The Province acknowledges the existence of the *Accommodation Agreement* signed on May 30, 2011 between the Sts'ailes and Pacific Greengen Power and supports a Coordinated Process for reviewing the necessary authorizations and permits.

8. Public Land Disposition

Harrison Recreation Lots

- 8.1 The Province acknowledges an outstanding commitment to accommodate Sts'ailes for the sale of 10 recreational lots on Harrison Lake, completed in July 2010.

- 8.2 The Parties will work to obtain a mandate for a Crown land grant by January 31, 2012, to fulfill this outstanding commitment.
- 8.3 The Parties agree that the priority for land transferred to Sts'ailes as an accommodation for the sale of these 10 lots will be the Ten Mile Bay property, shown in Appendix B, or other areas mutually agreed to by the Parties.

9. Proposed Harrison-Chehalis Wildlife Management Area

- 9.1 Both Parties acknowledge the importance of the Chehalis River delta and the adjacent Harrison River to fish and wildlife, and support the conservation of this habitat.
- 9.2 To protect the important conservation values associated with the Chehalis River delta, the Province has proposed to establish the Harrison-Chehalis Wildlife Management Area ("WMA"), shown in Appendix C.
- 9.3 Subject to any measures necessary for conservation and public safety, the Harrison – Chehalis WMA will not limit Sts'ailes Aboriginal Interests in the WMA.
- 9.4 The Province is seeking a mandate to acquire a portion of land from Sts'ailes, known as Sasquatch Crossing Eco Lodge, and identified in Appendix C, for possible future addition to the Harrison-Chehalis WMA.
- 9.5 The Parties acknowledge the 50 ± hectare portion of Indian Reserve #5 west of the dike contains important riparian habitat that complements the proposed Harrison-Chehalis WMA. Both Parties agree to explore the feasibility of a possible land exchange with Canada for this portion of Indian Reserve #5.
- 9.6 Should a land exchange be pursued, both Parties will work to identify suitable lands to be transferred to Sts'ailes in exchange for this portion of Indian Reserve #5.

10. Public Recreation Management

Coordinated Recreation Management Strategy

- 10.1 Both Parties acknowledge their partnership agreement signed on April 4, 2008, that provides for Sts'ailes to manage a number of recreation sites within Sts'ailes Traditional Territory. The Parties further acknowledge the ongoing work between the Province, Sts'ailes, stakeholder groups, and other First Nations to manage public recreation in a sustainable manner.

- 10.2 Both Parties agree to continue discussions on strategies to improve the management of public recreation within Sts'ailes Traditional Territory.

11. Resource Management and Economic Development

Land and Resource Inventory

- 11.1 The Parties agree to complete an inventory of existing land use tenures, applications, designations, and potential economic opportunities within Sts'ailes Traditional Territory; and to provide this information to Sts'ailes by December 31, 2011 to support ongoing consultation between both Parties regarding the use of land and natural resources in the Sts'ailes Traditional Territory.

Harrison River

- 11.2 Both Parties acknowledge the importance of the Harrison River, Harrison Bay, and adjacent waters to salmon, and both Parties will seek to jointly engage the federal Department of Fisheries and Oceans, to explore ways to improve the protection, conservation, and management of these waterways.

12. Consultation Framework

Consultation Process

- 12.1 Both Parties agree to continue to implement the Consultation Matrix framework in the FCRSA signed on December 17, 2010, and agree to explore the development of a comprehensive consultation matrix for authorizations related to other provincial legislation.
- 12.2 The Province will continue to implement the *Updated Procedures for Consulting with First Nations* collaboratively with the Sts'ailes. Both Parties agree to cooperate in the development and exchange of information that is relevant to the review and adjudication of applications for the use of land and natural resources in the Sts'ailes Traditional Territory.
- 12.3 Both Parties agree the identification and prioritization of Sts'ailes Aboriginal Interests within Sts'ailes Traditional Territory would assist ongoing consultation between the Parties; and both Parties commit to working together to create a geographic database reflecting these Aboriginal Interests.
- 12.4 The Parties acknowledge the time and resources that consultation between Sts'ailes and Provincial agencies requires and they agree to work together to identify and secure sources

of funding and related non-financial contributions to complete this work. The Parties agree that completion of this work is subject to the availability of funding and other non-financial contributions.

- 12.5 The Parties agree that revenue from the use of land and natural resources that is shared with Sts'ailes by the Province is funding to increase or maintain the capacity of the Sts'ailes government to conduct business and engage with other governments such as local governments and the Government of Canada.

Other First Nation Territories

- 12.6 Both Parties acknowledge that other First Nations assert aboriginal interests in portions of the Sts'ailes Traditional Territory, and both Parties agree to work with neighbouring First Nations (together and separately), to clarify the nature of the aboriginal interests of other First Nations and to assess opportunities for collaboration.
- 12.7 The Parties acknowledge that other First Nations may be affected by the projects and work discussed in this Memorandum and the Parties acknowledge that Sts'ailes has initiated discussions with these First Nations to seek agreement on their respective aboriginal interests. The Parties also acknowledge that the Province must also fulfill its duty to consult these other First Nations on any potential adverse impact on their aboriginal interests.
- 12.8 Sts'ailes is committed to working with neighbouring First Nations to develop agreements regarding boundaries, for the purpose of consultation and revenue-sharing.
- 12.9 The Province will evaluate the boundaries, referenced in section 12.8, for the purposes of consultation and revenue-sharing, as requested by Sts'ailes and other First Nations party to those agreements.

13. Primary Health Care Centre

Sts'ailes Health Care Centre Proposal

- 13.1 The Province acknowledges Sts'ailes' interest in establishing a primary health care centre near the Sts'ailes community. Parties acknowledge that the Fraser Health Authority, First Nations and Inuit Health (Health Canada) and the First Nations Health Council are currently working in partnership in the planning and development of an *Integrated Primary Health Care Centre* that will serve Sts'ailes and surrounding communities.

- 13.2 Sts'ailes will work collaboratively with provincial and federal ministries and agencies to plan and use the social determinants of health, as a means to improving the health and wellness of the Sts'ailes community members.
- 13.3 The Province acknowledges the interest of the Sts'ailes in locating the proposed *Integrated Primary Health Care Centre* on the parcel of land known as LS1, which is shown in Appendix D, and will work with Sts'ailes to assess the feasibility of using this parcel for the *Integrated Primary Health Care Centre*.

14. Children & Family Services

- 14.1 Both Parties commit to working together to improve the provision of social services to the Sts'ailes community based on Sts'ailes cultures and traditions.
- 14.2 Both Parties agree that the provision of social services will be undertaken in a manner that supports self-determination; reflects local culture, customs and language; takes a holistic approach to child and family development; is non-discriminatory; and, includes proactive strategies for identifying and addressing the systematic and structural barriers that impact the well-being of children, families and the Sts'ailes community.

15. General

- 15.1 The Parties agree that any land transferred by the Province to the Sts'ailes related to the work in this MoU will be on an "as is" and "where is" basis, and Sts'ailes will be responsible for obtaining any and all permissions and approvals that may be required by the Sts'ailes to use the land as it may propose.
- 15.2 Other than as expressly indicated in this Memorandum, this Memorandum does not create, recognize, define, deny, limit, or amend any of the responsibilities or rights of the Parties.
- 15.3 Except as the Parties may agree, in the future, in writing, this Memorandum will not limit any position either Party may take in future negotiations or legal proceedings and neither Party is limiting the right of the other Party to engage in legal proceedings now or in the future.
- 15.4 There will be no presumption that any ambiguity in any of the provisions of this Memorandum should be interpreted in favour of any Party.
- 15.5 This Memorandum is not intended to affect any obligations that tenure or permit holders or other third parties may owe to the Nations or First Nations.
- 15.6 Nothing in this Memorandum affects the ability of the Parties to respond to any emergency circumstances.

- 15.7 The Parties will monitor progress in the "New Relationship" discussions and, at the request of either Party, consider whether to amend this Memorandum to reflect developments in those discussions.
- 15.8 This Memorandum is not a treaty or land claims agreement within the meaning of sections 25 and 35 of the *Constitution Act*, 1982.
- 15.9 Nothing in this MOU is an admission of fact or liability by the Province or the Sts'ailes.
- 15.10 Nothing in this MOU will fetter or derogate from any statutory, regulatory or delegated authority under provincial legislation.
- 15.11 Nothing in this MOU will fetter or derogate from any position the Sts'ailes has or may have regarding its jurisdiction, responsibility or decision-making authority.
- 15.12 This MOU may be signed in counterparts and exchanged by the Parties by electronic means of transmission. Together, all counterparts constitute one MOU.
- 15.13 This MOU may be amended, in writing, and any amendment will take effect when it has been signed by the Chief and two Councilors of the Sts'ailes and any three representatives of the Province.

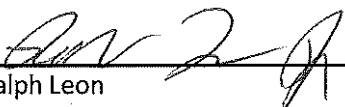
16. Term & Termination

- 16.1 This Memorandum takes effect on the date it is signed by all of the individuals identified below.
- 16.2 The Memorandum remains in effect until:
 - a. some or all of it is amended to exclude portions that are replaced by further agreements between the Parties, or
 - b. until it is terminated by one or both of the Parties.
- 16.3 Either Party may terminate this Memorandum by providing 30 days' advance written notice to the other Party, setting out the reasons for termination and the date on which the termination takes effect.
- 16.4 If a Party provides notice of termination under 16.3, the Parties will make reasonable efforts to resolve the dispute or issue within the 30 days, and commit to attending at least one meeting to explore the possibilities of resolving the issue during that time or within any agreed-upon extension of time.

The signatories have signed this MOU on the 1st day of November, 2011.


Signed on behalf of Sts'ailes by:


Chief Willie Charlie

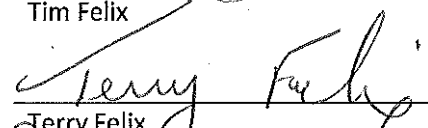

Ralph Leon

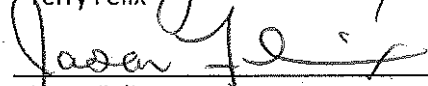

Cheryl Charlie



Sherry Point

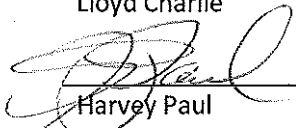

Kelsey Charlie

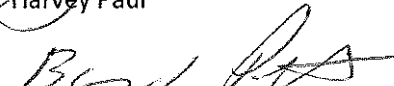

Tim Felix


Terry Felix

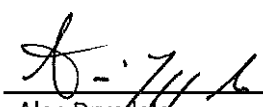

Jason Felix

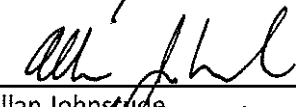

Lloyd Charlie


Harvey Paul

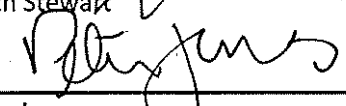

Witness – Boyd Peters

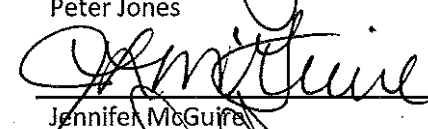
Signed on behalf of the Province of British
Columbia by:


Alec Drysdale


Allan Johnstone

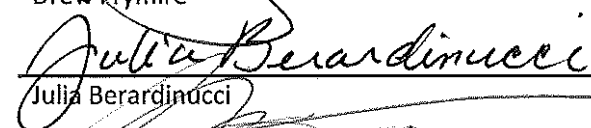

Garth Stewart


Peter Jones

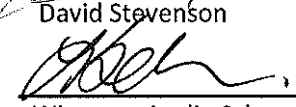

Jennifer McGuire


Mike Peters


Drew Frymire


Julia Berardinucci


David Stevenson

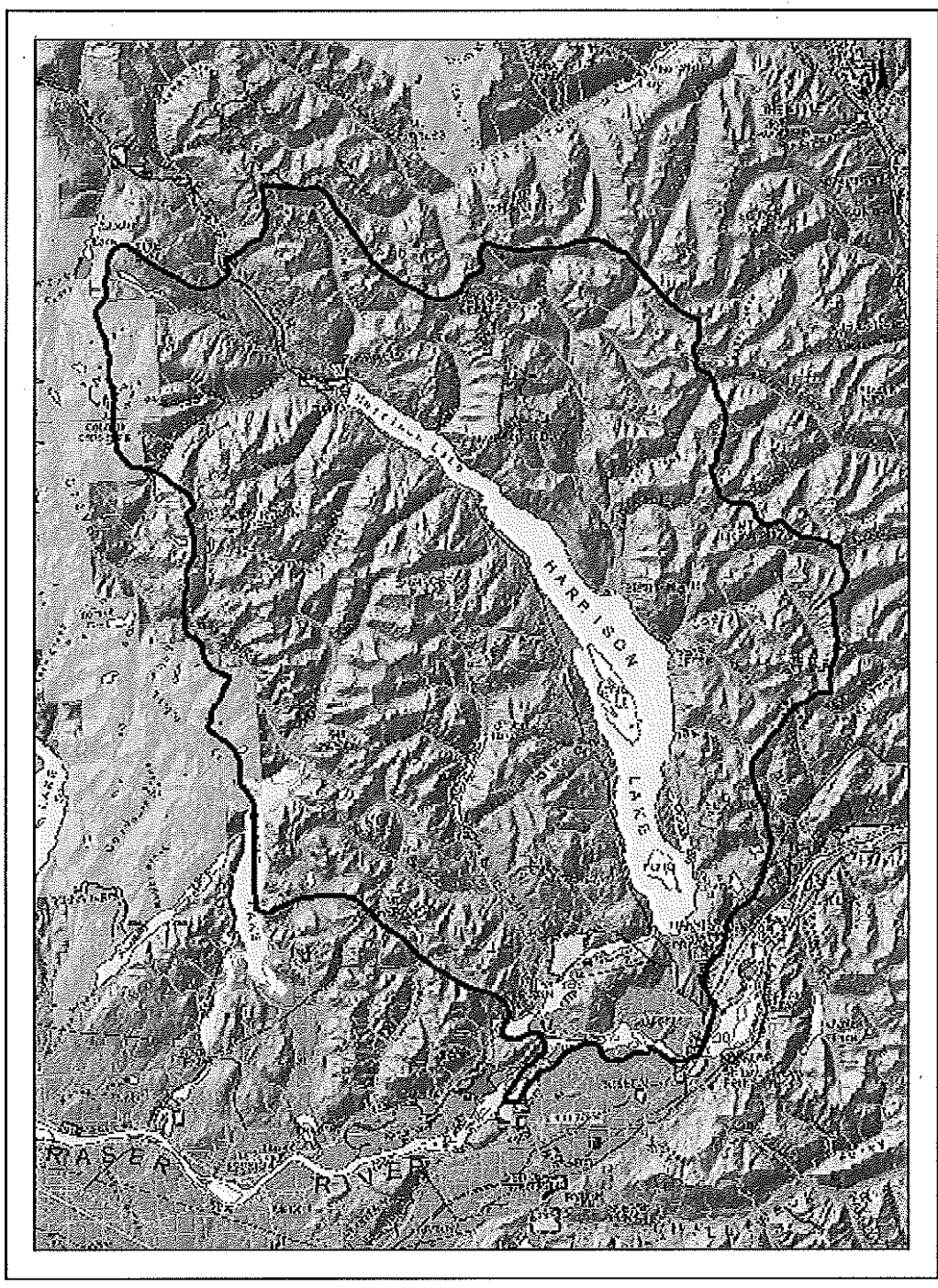

Witness – Leslie Schroeder


Witness – Lindsay Jones

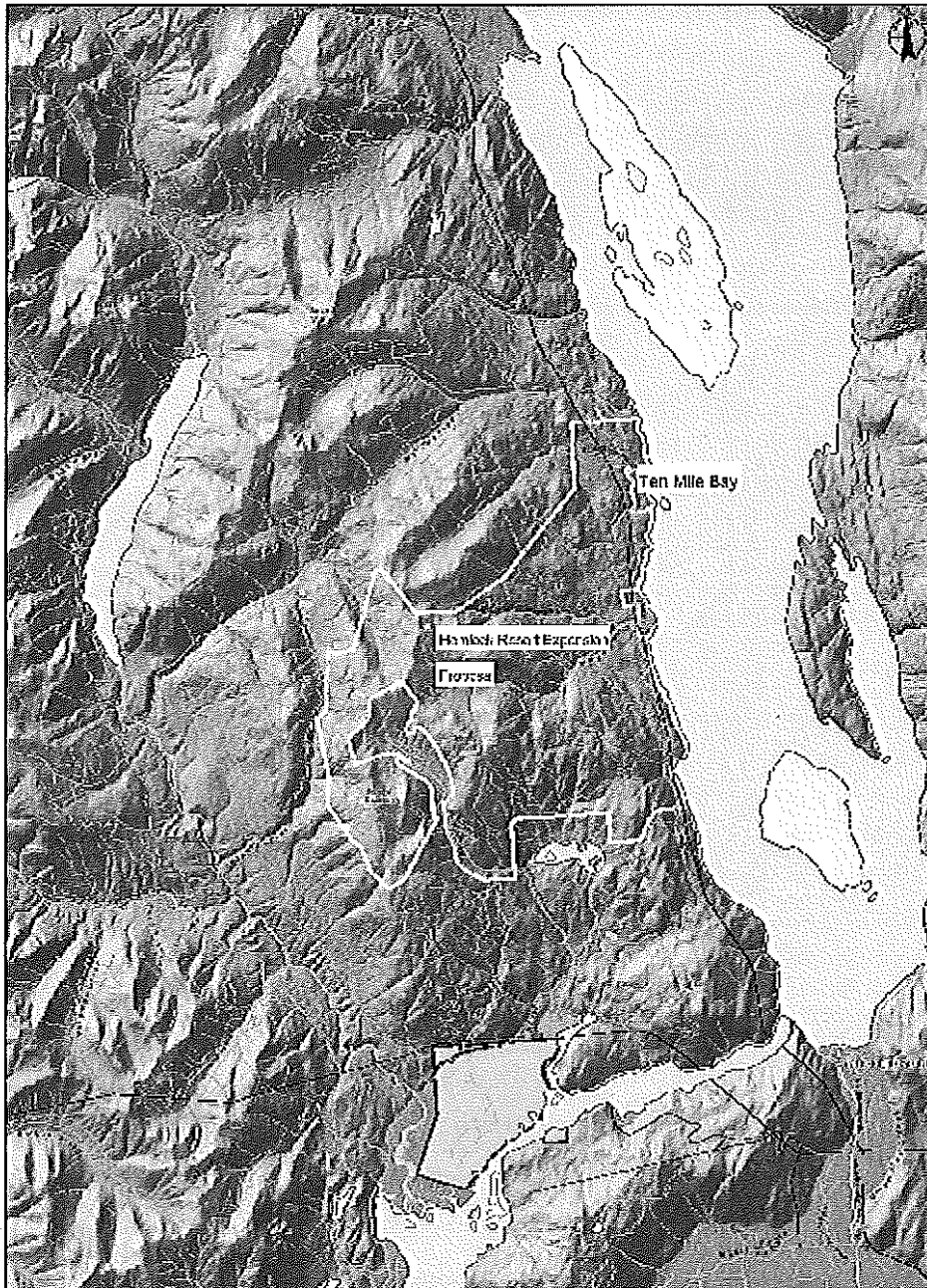
APPENDICES:

- A – Sts'ailes Traditional Territory
- B – Ten Mile Bay Area of Interest
- C – Proposed Harrison - Chehalis River Wildlife Management Area
- D – LS1 Property
- E – Table of Provincial Contacts

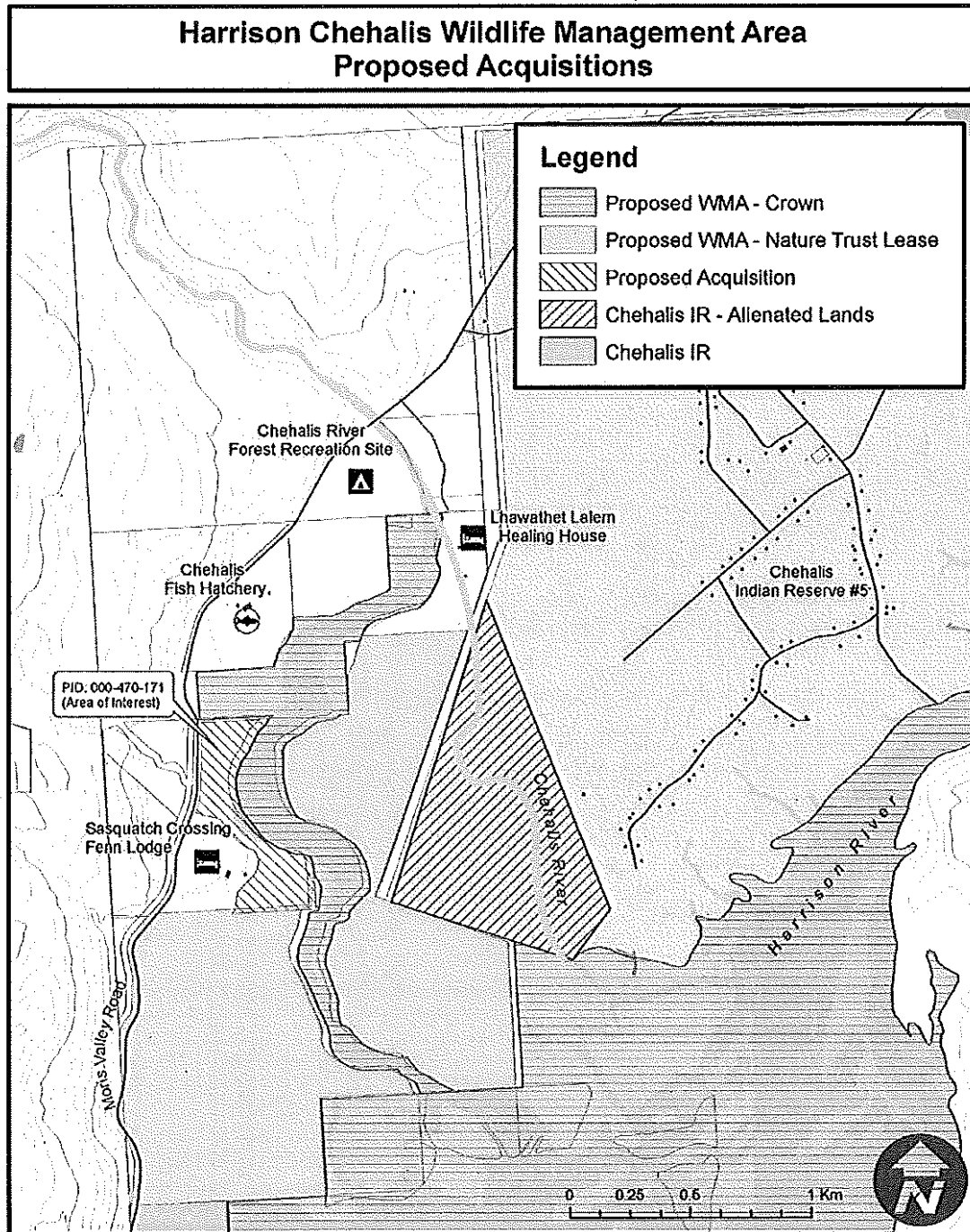
Appendix A – Sts'ailes Traditional Territory (Xa'xa Temexw)



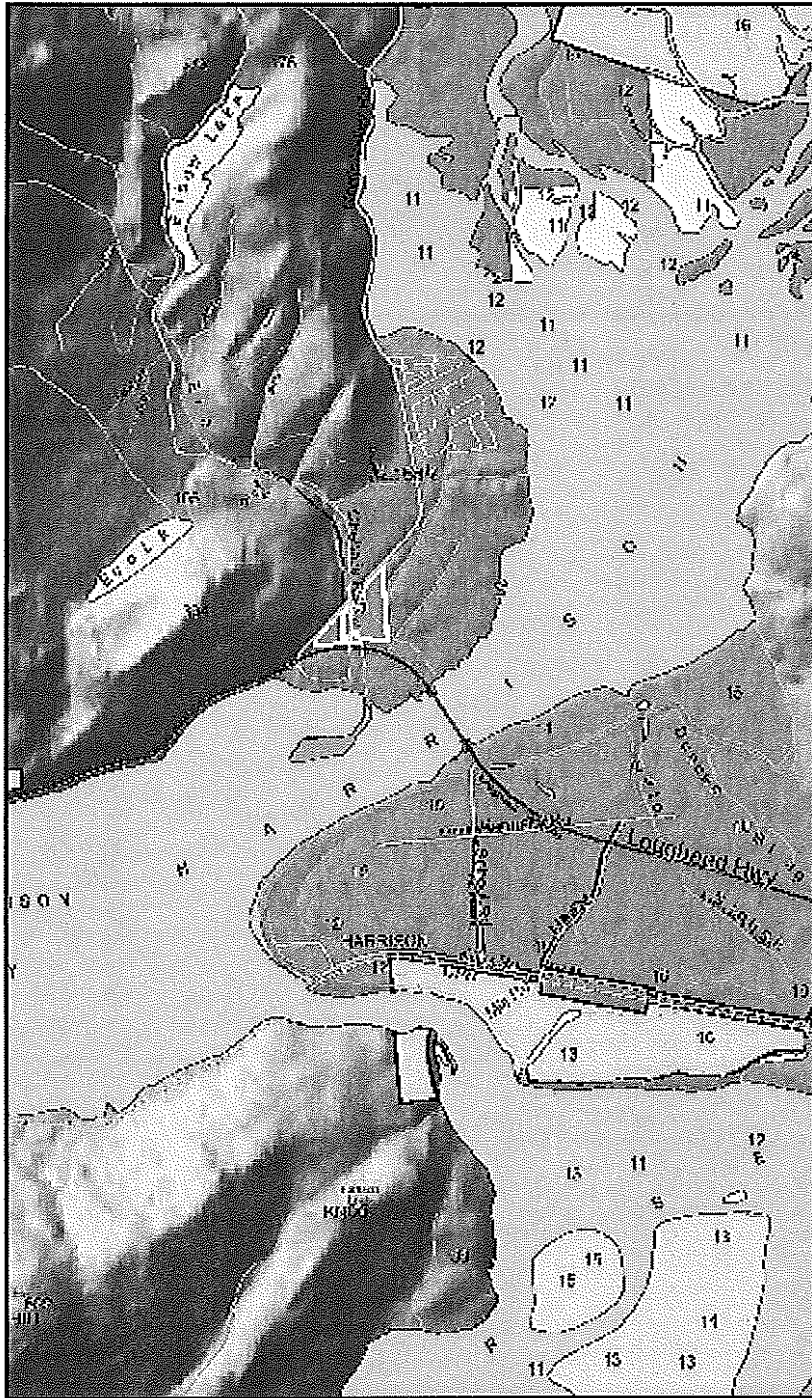
Appendix B – Location of Ten Mile Bay



Appendix C – Proposed Harrison – Chehalis Wildlife Management Area



Appendix D – LS1 Property



Appendix E – Table of Provincial Contacts

Clause	Topic	Lead Agency	Accountability
4.1, 4.2, 4.5	Forest Consultation and Revenue Sharing Agreement	MARR	Peter Jones
4.6, 4.7	Tenure Opportunity Agreement	MFLNRO	Allan Johnsrude
5.1-5.4	Morris Valley Road and IR#5	MoTI	Garth Stewart
5.5-5.7	Harrison West FSR	MFLNRO	Allan Johnsrude
6.1-6.4	Hemlock Valley Ski Resort	MFLNRO	Drew Frymire
6.5	Land transfer	MFLNRO	Alec Drysdale
7.1, 7.5, 7.7, 7.8	One Process for Clean Energy	MFLNRO	Julia Berardinucci
7.2, 7.6	Clean Energy	MARR	Peter Jones
8.1-8.3	Sale of recreation lots	MFLNRO	Alec Drysdale
9.1-9.6	Wildlife Management Area	MFLNRO	Jennifer McGuire
10.1, 10.2	Recreation Management	MFLNRO	Paul Tataryn
11.1	Land and Resource Inventory	MFLNRO	Jennifer McGuire
11.2	Harrison River discussions	MFLNRO	Allan Johnsrude
12.1	Implementation of FCRSA consultation.	MFLNRO	Allan Johnsrude
12.2-12.7, 12.9	Consultation tools and engagement	MARR	Peter Jones
13.1	Primary Health Care centre	Fraser Health	Leslie Schroeder
13.3	Health care centre location	MFLNRO	Alec Drysdale & Allan Johnsrude
14.1, 14.2	Aboriginal Service Delivery	MCFD	David Stevenson