

TEMPORARY SERVICE LEVEL ADJUSTMENT AGREEMENT #2

THIS AGREEMENT is dated for reference the 2nd day of June, 2020

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented by the Minister of Transportation and Infrastructure

(the "Province")

AND:

BRITISH COLUMBIA FERRY SERVICES INC.

("BC Ferries")

- A.** The parties entered into the "Temporary Service Level Agreement" dated for reference April 1, 2020 (the "TSLA").
- B.** As the TSLA is nearing expiry the parties wish to renew the Core Service Levels under the CFSC on the terms and conditions set out in this Agreement.

NOW THEREFORE, in consideration of the foregoing premises and for other goods and valuable consideration (the receipt and sufficiency of which each of the Province and BC Ferries acknowledges) the parties agree as follows:

Definitions:

- 1. In this Agreement:
 - (a) "CFSC" means the service contract between the Province and BC Ferries entitled the "Coastal Ferry Services Contract", as amended;
 - (b) any other words having initial uppercase letters will have the meanings ascribed to them by the CFSC.

Priority Loading:

- 2. BC Ferries will maintain procedures necessary to ensure priority loading for residents and essential goods, services and workers while Ministerial Order M084, or any replacement Ministerial Order applicable to BC Ferries, is in effect. Essential services and workers are currently defined under Ministerial Order M084 in the document attached as Appendix 1.

Adjusted Core Service Levels:

- 3. The adjusted Core Service Levels are specified in Appendix 2.

4. The Core Service Levels on the Major Routes will be monitored and reviewed by the parties as necessary to ensure the travel needs of British Columbians continue to be addressed. In the event additional service is required to meet growing demand, BC Ferries will make reasonable efforts using planned deployment of vessels and crew to increase the Core Service Levels. If demand is significantly greater requiring deployment of additional vessels and crew, BC Ferries will, at the request of the Province, develop a plan within 30 days to address the increased demand for further discussion and agreement by the parties. If demand declines significantly, the parties will make reasonable efforts to revise Core Service Levels by mutual agreement.

Ferry Transportation Fee:

5. Due to the extraordinary circumstances, the Ferry Transportation Fee payable by the Province will not be reduced on the Minor and Northern Routes as a result of the adjustments to the Core Service Levels set out in TSLA #1 and this Agreement.

Term:

6. This Agreement is effective June 3, 2020 and expires at 11:59 pm on September 7, 2020. This Agreement may be extended on a month-to-month basis by mutual agreement.
7. Notwithstanding the foregoing, upon expiration of this Agreement, Core Service Levels will revert to the Core Service Levels as set out in the CFSC-Performance Term Five Agreement (the "PT5 Agreement"). The parties acknowledge that BC Ferries will require time to revert to the Core Service Levels set out in the PT5 Agreement. For the Major and Minor Routes, the service levels will be increased within 30 days of expiry of this Agreement. The Province will provide written notice ("Notice") to BC Ferries indicating that service levels must be restored on the Northern Routes. BC Ferries will make reasonable efforts to provide the PT5 Agreement service levels on the Northern Routes as soon as practicable and no later than 90 days after receipt of the Notice.

Miscellaneous:

8. This Agreement may only be amended by written agreement executed on behalf of each of the Province and BC Ferries.
9. Upon the request of either BC Ferries or the Province, each of the parties will make, execute or deliver to each other any other reasonable documents, instruments and assurances and do any other reasonable acts required to carry out the true intent and meaning of this agreement.
10. The TSLA and this Agreement constitutes the entire agreement between the parties in respect of the subject matter of this agreement and supersedes all other understandings, representations or agreements as between the parties with respect to the subject matter of this agreement existing prior to the execution of this agreement.

11. Except as specifically modified in this Agreement, the terms and conditions of the CFSC are in all respects ratified and confirmed and remain in full force and effect (mutatis mutandis).


Each of the Province and BC Ferries has executed this Agreement by its duly authorized representative or officer, as follows:

Signed on behalf of **HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA** by a duly authorized representative of the Minister of Transportation and Infrastructure:



Grant Main, Deputy Minister
Ministry of Transportation and Infrastructure

BRITISH COLUMBIA FERRY SERVICES INC.

Per: 

Mark Collins, President and Chief Executive Officer

Appendix 1

Essential Services

Essential services are those daily services essential to preserving life, health, public safety and basic societal functioning. They are the services British Columbians come to rely on in their daily lives.

Developed by Emergency Management BC in consultation with other government ministries and the Provincial Health Officer (PHO), this definition is intended to clarify what qualifies as an essential service in the context of the Province's response to COVID-19. In consultation with the PHO, these services should and are encouraged to remain open. They must, however, follow the orders and guidance provided by the PHO to ensure safe operations and reduce the risk of transmission of COVID-19.

The Provincial Health Officer has ordered some types of businesses to close. Any business or service that has not been ordered to close and are also not identified on the essential service list may stay open if they can adapt their services and workplace to the orders of the Provincial Health Officer.

Child care providers and schools providing care and/or in-class instruction for children are to prioritize placements for those children whose parents are employed in Health and Health Services, Social Services, Law Enforcement, First Responders, and Emergency Response.

Health and Health Services

1. Direct-to-public Health Services

- a) All health care services, including acute care (hospitals), secondary care / long-term care, coroners services, health care providers working within and outside an acute care setting and other health services including public health, detox facilities, safe-injection sites, COVID-19 testing, clinical research supporting the COVID-19 response, blood/plasma donation services, and emergency pre-hospitalization services;
- b) Other health services and caregivers (e.g., physicians, dentists, psychiatrists, psychologists, mid-level practitioners, nurses and assistants, infection control and quality assurance personnel, pharmacists, physical and occupational therapists and assistants, social workers, mental health and substance use workers including peer support workers, speech pathologists, diagnostic and therapeutic technicians and technologists, counselors, chiropractors, naturopaths, dentists, crisis centres, outreach workers, overdose and harm reduction services, meal programs);
- c) Health first responders (paramedics);

2. Health Service Providers

- a) Pharmaceutical production, medical laboratories/research, medical testing, pharmacies, medical supply and equipment manufacturers, wholesale, distribution and stores; and analytical testing labs, related to testing of finished product for pathogens and contaminants;
- b) Safety supply (e.g. work clothes, Personal Protective Equipment, medical/pharmaceutical/ laboratory supplies, etc.) stores, manufacturers, technicians, logistics, and warehouse operators;
- c) Medical wholesale and distribution;
- d) Health plans, billing, and health information;

Law enforcement, public safety, first responders, emergency response personnel:

- a) First responders, including police, fire, and those services providing for public safety including commercial vehicle safety enforcement (CVSE), corrections and detainment facilities, park rangers, security and protective services, court services, bylaw enforcement, as well as communications/dispatching support for first responders and volunteers such as SAR and PSLV;
- b) Public sector workers for peace, order, and good government, and employees of contracted service providers in these fields, including maintenance of technical infrastructure to support this work and compliance with health and public safety orders;
- c) Businesses that provide support to police and correctional services;
- d) Operations and services in support of the Canadian Armed Forces and Canadian Border Services Agency;
- e) Emergency management personnel at local, regional, and provincial levels;
- f) Businesses that ensure global continuity of supply of aggregates to support critical infrastructure repairs and emergency response requirements (e.g. sandbags, armour stone barriers, etc.);
- g) Equipment and uniform suppliers for first responders;

Vulnerable Population Service Providers

- a) Businesses and non-profits that provide food, shelter, social, and support services, and other necessities of life for economically disadvantaged or otherwise vulnerable individuals, such as foodbanks, community kitchens, and voluntary and community service providers, and residential health facilities, mental health, substance use and addictions services; transitional, social and supportive housing; and SROs;
- b) Community services and outreach for immigrant, refugees, vulnerable populations and non-market housing, including businesses that sell, rent or repair assistive/mobility/medical devices, aids and/or supplies;
- c) Care for seniors, adults, children, or individuals with disabilities;
- d) Childcare services for those persons providing essential services;
- e) Caregivers for children in care and out of care;
- f) Elder and disability care, including disabled service support – for physical and cognitive disabled persons;
- g) Residential care for individuals with mental health and substance use challenges, including licensed and registered treatment and recovery facilities;
- h) Government and non-profit service delivery staff who provide access to income supports for people in need of food and shelter;
- i) Residential and care facilities and shelters for seniors, adults, children, and people with disabilities;
- j) Overdose prevention sites, clinical overdose prevention services or medical marijuana provision;
- k) Businesses that sell, rent or repair assistive/mobility/medical devices, aids and/or supplies, or other products/services that support the health sector, including mental health and addictions/counselling supports;

Critical Infrastructure Service Providers

- a) Infrastructure, drilling and production, refineries, processing, completion facilities, utilities, transportation, transmission, stations, and storage facilities critical in supporting daily essential electricity needs, drinking water, waste water, electricity (including associated infrastructure), steam, alternative energy production, waste and hazardous management, industrial recycling, oil and natural and propane gas, fuel, and other fuel sources such as heating oil and wood pellets, as well as operating staff;
- b) Manufacturing of goods necessary for the continued and immediate operation of other essential infrastructure and businesses;
- c) Gas stations, diesel, propane and heating fuel providers including providers of motor vehicle, aircraft and water/marine fuels, and providers of charging stations for electric vehicles;
- d) Operations and employees needed to operate and maintain drinking water and wastewater/drainage infrastructure, including:
 - o Operational staff at water authorities,
 - o Operational staff at community water system,
 - o Operational staff at wastewater treatment facilities,
 - o Workers repairing water and wastewater conveyances and performing required sampling or monitoring,
 - o Operational staff for water distribution and testing,
 - o Operational staff at wastewater collection facilities,
 - o Operational staff and technical support for SCADA Control systems,
 - o Chemical disinfectant suppliers for wastewater and personnel protection,
 - o Workers that maintain digital systems infrastructure supporting water and wastewater operations;

Food and Agriculture Service Providers

- a) Food cultivation, including farming, livestock, aquaculture and fishing, and businesses that support the food supply chain, as well as community gardens and subsistence agriculture;
- b) Food processing, manufacturing, storage and distribution of foods, feed products and beverages;
- c) Workers essential to maintain or repair equipment in food processing and distribution centres;
- d) Workers, including Temporary Foreign Workers, to support agricultural operations to enhance food security;
- e) Retail: Grocery stores, convenience stores, farmers' markets and other establishments engaged in the retail sale or provision of food, pet or livestock supply, liquor, cannabis (including producers), and any other household consumer products, such as cleaning and personal care products. This includes stores that sell groceries and also sell other non-grocery products, and products necessary to maintaining the safety, sanitation, and essential daily operation of residences such as home supply, hardware, building material stores, pawn brokers, and garden centres and nurseries;
- f) Farming supply, including seed, fertilizer, pesticides, farm machinery sales and maintenance;
- g) Inspection services and associated regulatory and government workforce and supporting businesses required for slaughter of animals, dairy production, and food safety;

- h) **Businesses that provide for the health and welfare of animals, including veterinarians, farms, boarding kennels, stables, animal shelters, zoos, aquariums, research facilities, and other service providers;**

Transportation / Infrastructure / Manufacturing

- a) **Supply chain services needed to supply goods for societal functioning, including cooling, storing, packaging, transportation, warehousing, and distribution;**
- b) **Workers who support the maintenance and operation of cargo transportation services, including crews, maintenance, operations, and other facilities workers;**
- c) **Manufacturers and distributors (to include service centers and related operations) of packaging materials, pallets, crates, containers, and other supplies needed to support manufacturing, packaging staging and distribution operations;**
- d) **Truck drivers who haul hazardous and waste materials to support critical infrastructure, capabilities, functions, and municipal and provincial services;**
- e) **Local, regional, and provincial delivery services, including but not limited to businesses that ship or deliver groceries, food, goods or services directly to business and residences and mailing and shipping services;**
- f) **Services to support and enable transportation, including highway, road, bridge maintenance and repair;**
- g) **Employees who repair, maintain, and overhaul vehicles, aircraft and parts, rail equipment, marine vessels, and the equipment and infrastructure that enables operations that encompass movement of cargo and passengers, as well as vehicle rentals and leasing;**
- h) **Services that facilitate the transportation of essential supplies, personnel, and services, including port/waterfront operations, road, air and rail operations;**
- i) **Facilities supporting interprovincial and intra-provincial delivery of goods, including truck scales, commercial vehicle inspection stations, brokerages, truck towing and repair services, commercial cardlock fuel providers, truck and rest stops;**
- j) **Government owned or leased buildings;**
- k) **Businesses that supply other essential businesses and people working from home with the support or supplies necessary to operate;**
- l) **Private transportation services, such as taxis, ride-hailing, helicopter, aircraft, and marine vessels;**
- m) **Public transportation services under rules for physical distancing or other recommendations from the PHO;**
- n) **Workers supporting the chemical and industrial gas supply chains, including workers at chemical manufacturing plants, workers in laboratories, workers at distribution facilities, workers who transport basic raw chemical materials to the producers of industrial and consumer goods and support the natural resource sector, as well as workers supporting safety at such facilities;**
- o) **Provision of public services that support the safe operation of regulated businesses and the provision of public services that support those businesses to meet other regulatory requirements;**
- p) **Workers who support the operation, inspection, and maintenance of essential public works facilities and operations;**

- q) Workers who support the inspection and maintenance for ongoing safety at industrial facilities;
- r) Inspectors who ensure worksites are safe for workers, and who investigate serious workplace accidents;
- s) Workers who process and manage claims made by injured workers, including services related to their care and treatment as well as the provision of workers' compensation benefits;
- t) Hotels and places of accommodation;
- u) Activities of the Consuls General and staff who support the work of the Consuls General;
- v) Landlords of buildings where the consulates are located and those who guarantee access to consular offices as well as the operation of the consular offices.
- w) Storage for essential businesses;
- x) Businesses that provide materials and services for the operation, maintenance and safety of transportation systems (road, transit, rail, air, and marine) including delivery of maintenance services such as clearing snow, response to collisions, and completing needed repairs to transportation systems;
- y) Businesses that extract, manufacture, process and distribute goods, products, equipment and materials, including businesses that manufacture inputs to other manufacturers (e.g. primary metal/steel, blow molding, component manufacturers, chemicals, etc. that feed the end-product manufacturer);
- z) Vegetation management crews and traffic workers who support environmental remediation/monitoring, and who respond to environmental emergencies;
- aa) Businesses providing staffing services, including temporary labour services;
- bb) Businesses that support the safe operations of residences, essential businesses, and facilities/buildings;

Sanitation

- a) Cleaning services necessary to provide and maintain disinfection;
- b) Manufacturing of sanitary products, household paper products, chemicals, microelectronics/semi-conductor, including companies that are able to retrofit their production facilities to produce goods/services that can be used to address critical shortages of sanitary and protective goods;
- c) Businesses that support environmental management/monitoring and spill clean-up and response, including environmental consulting firms, professional engineers and geoscientists, septic haulers, well drillers, pesticides applicators and exterminators, management of industrial sewage/effluent (e.g. for mining operations), and environmental laboratories;
- d) Waste (garbage and organics) and recycling collection, processing, and disposal;

Communications / Information sharing / IT

- a) Workers maintaining IT and communications infrastructure for medical facilities, governments facilities, emergency response and command agencies, energy and utilities, and banks and financial institutions, employees working from home, and other critical infrastructure categories and personnel, including managing information and cyber-security incidents;
- b) Newspapers, television, radio, online news outlets, and other media services;

- c) Information technology, radio, cable providers, and telecommunications services, including phone, internet, wireless communications, and data centres; satellite operations, undersea cable landing stations, Internet Exchange Points, and manufacturers and distributors of communications equipment.

Non-Health Essential Service Providers

- a) Feed, water, bedding, veterinary care, veterinary supply, transport and processing services for livestock, animal shelters and pets;
- b) Coroners and workers performing mortuary services, including funeral homes, crematoriums, and cemeteries, as well as workers supporting the appropriate handling, identification, storage, transportation, and certification of human remains;
- c) Banks, and their branches, credit unions, and related financial institutions, as well as workers who support security and technical operations supporting financial institutions;
- d) Capital markets, including the British Columbia Securities Commission, self regulatory organizations, exchanges, clearing agencies, and investment fund dealers, advisers, and managers;
- e) Services related to bankruptcy/credit restructuring and non-bank sources of capital; cheque-cashing outlets; money sending and money remittance services; currency exchange services; pawn brokers;
- f) Accounting, payroll, translation services, legal services and insurance providers; insurance assessment and adjudication providers;
- g) Plumbers, electricians, elevator maintenance providers, exterminators, property management services, custodial/janitorial workers, cleaning services, fire safety and sprinkler systems, building systems maintenance and repair technicians, engineers, mechanics, and other service providers who provide services that are necessary to maintaining the safety, sanitation, and daily essential operation of residences and commercial buildings;
- h) Educational institutions—including public and private K-12 schools, and public post secondary institutions—for purposes of facilitating remote learning or performing essential functions, including services that are needed to ensure the safety, security, welfare, integrity and health of the community, property and research and certain operational and contractual activities, if operating under rules for physical distancing or other recommendations from the PHO;
 - a. In relation to research universities, services including COVID-19-related research, residential housing and food services for students on-campus, building operations and risk management, animal care services, health services for students, IT including data security and infrastructure, finance/payroll/administration/HR/communications, and child care for essential university staff;
- i) Laundromats, dry cleaners, and laundry service providers;
- j) Restaurants and other facilities that prepare and serve food, if operating under rules for social and physical distancing or other recommendations from the PHO;
- k) Towing services and other vehicle repair/maintenance operations;
- l) Schools and other entities that provide free food services to students or members of the public, if operating under rules for physical distancing or other recommendations from the PHO;

- m) Construction work, in accordance with PHO direction; construction firms, skilled trades, and professionals, and; construction and light industrial machinery and equipment rental;
- n) Businesses that ensure global continuity of supply of primary and value-added forestry/silviculture products (e.g. lumber, pulp, paper, wood fuel, etc.) including soft-pulp products such as protective masks, gowns, drapes, screens and other hospital supplies as well as household paper products;
- o) Postal services including both public and private mailing, shipping, logistics, courier, delivery services, and post office boxes;
- p) Research services supporting essential sectors, including medical/clinical research and industrial research;
- q) All government (local, regional, provincial) functions or services.
- r) Businesses and non-profits that provide support services to citizens and businesses on behalf of government. These include but are not limited to: income assistance and disability assistance; pensions; residential tenancy; BC Services Card; drivers' licensing; affordable Child Care Benefit; Medical Services Plan (MSP); Forest-Worker Support Programs; Notary, Commissioner, Affidavits; Pesticide Exams; and Invigilation for Essential Trades; 1-888-COVID19; Verify by Video; and Helpdesk for BCeID;
- s) Weather forecasters;
- t) Businesses that ensure global continuity of supply of mining materials and products (e.g. metals such as copper, nickel and gold) and that support supply chains including:
 - a. Mining operations, production and processing,
 - b. Mineral exploration and development, including sand, gravel and aggregates
 - c. Mining supply and services that support supply chains in the mining industry including maintenance of operations, health and safety;
 - d. Smelters.
- u) Workers at operations centres necessary to maintain other essential functions;
- v) Professional services including lawyers and para-legals, engineers, accountants, translators;
- w) Land registration services, and real estate agent services;
- x) Building Code enforcement, inspection of buildings, building sites, and building systems by building officials, and Registered Professionals (Architects and Engineers);
- y) Public washrooms and hygiene facilities (toilets, handwash, showers) for unsheltered persons;
- z) Parks and greenspace for public health and sheltering (homeless).

Appendix 2
Adjusted Minimum Core Service Levels
Majors, North and select Minor Routes
June 3 – September 7, 2020

Major Routes

Route	Number of Minimum Daily Round Trips	
	June 3-30	July 1 – Sept 7
Route 1 Swartz Bay -Tsawwassen	7 (4 on weekends)	7-10 (varies by day)
Route 2 Horseshoe Bay - Nanaimo	4	6-8 (varies by day)
Route 30 Tsawwassen - Nanaimo	8 (3 on weekends)	8 (6 on weekends)
Route 3 Horseshoe Bay - Langdale	6	6-7 (varies by day)

Northern Routes

Route	Number of Minimum Weekly Round Trips
	June 3 – Sept 7
Route 10 Port Hardy – Mid Coast – Prince Rupert	1.5 RT
Route 11 Haida Gwaii - Prince Rupert	3 RT
Route 28A Bella Coola – Mid Coast	1

Minor Routes

Route	Number of Minimum Daily Round Trips
	*June 12 – Sept 7
Route 9 Tsawwassen - Southern Gulf Islands	2 Route 9 service reverts to/from Long Harbour. No supplemental vessel deployed to Route 9a during Peak season.

*While the service adjustment on Route 9 will be implemented by June 12th, BC Ferries is making best efforts to implement the Adjusted Core Service Level as soon as possible.

The number of round trips to be delivered per Contract Year to meet Core Service Levels as set out in the PT5 Agreement will be amended by the parties before March 31, 2021.

Minimum Core Service Levels on all other routes are as specified in the CFSC.