



File: 10420-30/Squamish

April 8, 2005

Chief Bill Williams and Council
Squamish Nation
PO Box 86131
320 Seymour Blvd.,
North Vancouver, British Columbia
V7L 4J5

Dear Chief Bill Williams and Council:

As per Ratcliff & Company LLP's letter dated, March 30, 2005, enclosed please find an original signed Short Forest Term Agreement between the Government of British Columbia and Squamish Nation.

In accordance with the Agreement, also enclosed is the quarter payment in the amount of \$411,763 for the period of January 1 to March 31, 2005.

Congratulations and I look forward to working with you.

Yours truly,

Glenn Ricketts
Director

Enclosures: signed FRA and 4th Quarter FRA Payment

pc: Gregory J. McDade, Q.C.
Ratcliff & Company LLP



**Ministry of
Forests**

Aboriginal Affairs Branch

Location:
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Victoria, British Columbia
V8W 3C8

Mailing Address:
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Victoria, BC V8W 9C2

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**Squamish Nation Short Term Forest Agreement
(the "Agreement")**

**Between:
Squamish Nation**

As represented by Chief Bill Williams and Council
(the "Squamish Nation ")

And

**Her Majesty the Queen in Right of the Province of British Columbia
As represented by the Minister of Forests
(the "Government of British Columbia")**

(collectively the "Parties")

Whereas:

- The Squamish Nation has Aboriginal Interests within its Traditional Territory.
- The Squamish Nation has adopted the *Xay Temixw* Land Use Plan and wishes to pursue recognition of the designations in that plan by the Government of British Columbia , including the Wild Spirit Places and Mamquam Valley restoration forest.
- The Parties acknowledge that the designation of the Wild Spirit Places or other land use designations arising from the Squamish Nation *Xay Temixw* Land Use Plan raise issues that need to be addressed in land use planning processes outside of this Agreement.
- The Parties wish to enter into an interim measures agreement in relation to forest resource development activities and related economic benefits arising from this development within the Traditional Territory.
- The Parties recognize that they have signed an Interim Measures Agreement (IMA) dated for reference March 31, 2004, which will continue to be in effect during the term of this Agreement. This Agreement is not an agreement that supersedes the March 31, 2004 Interim Measures Agreement as referenced in section 13(c) of that agreement.

- The Parties recognize that this Agreement is a short-term forestry agreement with a term that will allow for the conclusion of the Sea to Sky LRMP process.
- The Government of British Columbia intends to fulfil any responsibility it has to consult and to seek workable accommodation with the Squamish Nation on forest resource development activities proposed within the Traditional Territory that may lead to the infringement of the Squamish Nation's Aboriginal Interests.
- Squamish Nation agrees to participate in any consultation initiated by the Government of British Columbia or a Licensee, in relation to forest resource development activities proposed within the Traditional Territory, that may lead to an infringement of Squamish Nation's Aboriginal Interests.
- The Parties have an interest in seeking workable interim accommodation of Squamish Nation's Aboriginal Interests where forest resource development activities are proposed within the Traditional Territory that may to lead to the infringement of Squamish Nation's Aboriginal Interests.
- The Government of British Columbia and the Squamish Nation wish to resolve issues relating to forest resource development activities where possible through negotiation as opposed to litigation.

Therefore the Parties agree as follows:

1.0 Definitions

For the purposes of this Agreement, the following definitions apply:

- 1.1 "Aboriginal Interests" means asserted and/or proven aboriginal rights and/or aboriginal title.
- 1.2 "Administrative Decision" means one or more of the following decisions made by a person under forestry legislation:
 - the decision setting or varying the Allowable Annual Cut (AAC) for a Timber Supply Area or a Forest Tenure;
 - the issuance, consolidation, subdivision or amendment of a Forest Tenure;
 - the replacement or extension of a Forest Tenure;
 - the disposition of volumes of timber arising from undercut decisions on a Forest Tenure;
 - the conversion of a Timber Sale Licence to another form of Forest Tenure;

- the reallocation of harvesting rights as a result of the implementation of the *Forest Revitalization Act*.
 - the issuance of a Special Use Permit;
 - a decision regarding a Tree Farm Management Plan, a Community Forest Management Plan, and/or a Woodlot Licence Management Plan; and
 - the establishment of a interpretative forest site, recreation site and/or recreation trail.
- 1.3 “Forest Tenure” means an agreement granting rights to harvest Crown timber as defined in the *Forest Act*.
- 1.4 “Licensee” means a holder of a Forest Tenure.
- 1.5 “Operational Decision” means a decision that is made by a person with respect to the statutory approval of a Forest Development Plan, a Forest Stewardship Plan, or a Woodlot Licence Plan, that has an effect in the Traditional Territory.
- 1.6 “Operational Plan” means a Forest Development Plan, Forest Stewardship Plan, or a Woodlot Licence Plan, that has an effect in the Traditional Territory.
- 1.7 “Response Period” means a period of up to 60 days from initiation of the processes set out in Sections 4 and 5 of this Agreement, where the initiation date is the date on which Squamish Nation is notified of an Administrative Decision or Timber Supply Review process, or in the case of Operation Plan reviews, the date on which Squamish Nation receives the plan to be reviewed. Where an emergency operation arises and/or expedited salvage has to occur, the Response Period will be shortened accordingly, but will not be less than the time period for advertising Operational Plans for those operations.
- 1.8 “Traditional Territory” means the Squamish Nation asserted traditional territory as shown on bold black on the map attached in Appendix A.

2.0 Purpose

The purposes of this Agreement are to:

- 2.1 Increase the Squamish Nation's opportunity for participation in the forest sector.

- 2.2 Provide economic benefits to the Squamish Nation through a Forest Tenure opportunity and/or the sharing of revenues received by the Government of British Columbia from forest resource development activities.
- 2.3 Address consultation and to provide an interim workable accommodation as set out in this Agreement, with regard to any infringements of Squamish Nation's Aboriginal Interests that result from Administrative Decisions and/or Operational Decisions relating to forest resource development activities within the Traditional Territory, during the term of this Agreement.
- 2.4 Provide a period of stability to forest resource development activities on Crown lands within the Traditional Territory during the term of this Agreement, while longer-term interests are addressed through other agreements or processes.
- 2.5 Facilitate the conclusion of government to government negotiations on the Sea to Sky LRMP which will seek to address issues related to the Wild Spirit Places and other land use designations arising from the Squamish Nation *Xay Temixw* Land Use Plan.

3.0 Economic Benefits to Squamish Nation

During the term of this Agreement, the Government of British Columbia will adopt the consultation processes set out in Sections 4.0 and 5.0 of this Agreement and will provide one or more of the following economic benefits to Squamish Nation to address consultation and to provide an interim workable accommodation, as set out in this Agreement, in respect of any infringements of Squamish Nation's Aboriginal Interests during the term of this Agreement that result from Administrative Decisions and/or Operational Decisions relating to forest resource development activities within the Traditional Territory.

3.1 Forest Tenure

- 3.1.1 After the execution of this Agreement by the Parties, and after the Minister has determined that sufficient volume of timber is available for disposition to Squamish Nation as a result of the implementation of the *Forestry Revitalization Act*, the Minister will invite Squamish Nation to apply under section 47.3 of the *Forest Act* for a non-replaceable licence (the "licence") for up to 98,800 cubic meters in the Tree Farm Licence 38.

- 3.1.2 For greater certainty, the maximum volume that may be available under the licence referred to in Section 3.1 will be up to 98,800 cubic meters over 5 years. The term of the tenure will extend beyond the term of this Agreement. (Note: section 15.4 deals with accommodation during the term of this agreement)
- 3.1.3 An invitation to apply for a licence (an "invitation") and any licence entered into as a result of the invitation to apply under this Agreement may be combined with a tenure opportunity included in any subsequent agreement in accordance with the *Forest Act*, if that licence opportunity is also located in TFL 38.
- 3.1.4 If the intended holder of the licence(s) is a legal entity other than the Squamish Nation, this Agreement must include supporting documentation stating that the intended holder has been validly appointed by the Squamish Nation as its representative and that the Squamish Nation holds the controlling interest in that legal entity.
- 3.1.5 An invitation to apply for a licence (an "invitation") and any licence entered into as a result of the invitation to apply under this Agreement will be subject to the policies, regulations and statutes of British Columbia as amended from time to time.
- 3.1.6 An invitation will be subject to a condition that prior to Squamish Nation making an application for the licence, Squamish Nation will contact the Ministry of Forests and the parties will endeavour to identify an operating area within Tree Farm Licence 38 that is mutually acceptable.
- 3.1.6.1 In the short term, the volume in the Tree Farm Licence 38 will not be linked to a specific operating area, and Squamish Nation will be encouraged to seek the development of an Operational Plan through a co-operative process with other licensees.
- 3.1.6.2 The Government of British Columbia will endeavour to provide a Forest Tenure opportunity to Squamish Nation that is reasonable given the land use constraints within the management unit, but the Government of British Columbia does not

warrant the success of any opportunity that is provided.

- 3.1.7 A licence entered into as a result of an invitation to apply under Section 3.1 of this Agreement will:
 - 3.1.7.1 be for a term of no longer than 5 years, as determined by the Minister;
 - 3.1.7.2 contain other terms and conditions required by law, including the condition that Squamish Nation must comply with this Agreement;
 - 3.1.7.3 include a term that the Squamish First Nation may not dispose of the licence other than as specified in Section 54(4) of the Forest Act.; and,
 - 3.1.7.4 include other terms and conditions as may be required by the Regional Manager.

3.2 Revenue Sharing

- 3.2.1 During the term of this Agreement, the Government of British Columbia will pay to Squamish Nation approximately \$1,647,052 annually for purposes described in Section 3.0 on a quarterly basis.
- 3.2.2 The funding commitment set out in Section 3.2.1 is subject to the availability of annual appropriations for that purpose by the Government of British Columbia.
- 3.2.3 For the purposes of determining amounts for partial years, one-fourth (i.e. $\frac{1}{4}$) of the annual amount will be used for each fiscal quarter or part thereof that the Agreement is in effect.
- 3.2.4 For the purposes of determining payment as specified in Section 3.2.1, this Agreement shall be deemed to have been in effect on March 31, 2005.
- 3.2.5 Upon signing of this Agreement, Squamish Nation will be paid the full revenues for the quarter in which the Agreement is signed with subsequent payments being made at the end of each quarter.

- 3.2.6 Squamish Nation will maintain financial records and prepare financial statements in accordance with generally accepted accounting principles for each year of this Agreement.
- 3.2.7 Upon request, Squamish Nation will conduct an audit of the revenue sharing expenditures and will provide a copy of the audit to the Government of British Columbia.
- 3.2.8 The revenue sharing set out in this Agreement reflects an amount that the Government of British Columbia is willing to pay, subject to available appropriations, as an interim measure and Squamish Nation has agreed to accept as an interim measure for the term of this Agreement.

4.0 Consultation and Accommodation Regarding Operational Plans

- 4.1 The Government of British Columbia agrees to consult with Squamish Nation on Operational Plans that may potentially infringe Squamish Nation's Aboriginal Interests within the Traditional Territory, except for any economic component of those interests that the Parties agree are addressed by the economic benefits provided for under Section 3.0 of this Agreement.
- 4.2 During the term of this Agreement, Squamish Nation agrees that the Government of British Columbia has fulfilled its duties to consult and to seek interim workable accommodation with respect to the economic component of potential infringements of Squamish Nation's Aboriginal Interests in the context of Operational Decisions that the Government of British Columbia will make and any forest practices or range practices that may be carried out under an Operational Plan in the Traditional Territory.
- 4.3 Squamish Nation agrees to fully participate, as set out in this section, in the review of all Operational Plans dealing with forest development within the Traditional Territory provided to them by the Government of British Columbia, and by Licensees.
- 4.4 In reviewing and responding to an Operational Plan submitted to them, Squamish Nation will, within the Response Period, provide the Party that supplied the plan to them with all reasonably available information that will identify any potential impacts to their Aboriginal Interests that may occur as a result of proposed forest resource development activities within the Traditional Territory, other than the economic component of those Interests that the Parties agree are addressed by the economic benefits provided for under Section 3.0.

- 4.5 Upon receiving the response from Squamish Nation as specified in Section 4.4, the Government of British Columbia and/or the Licensee will discuss and attempt to resolve with Squamish Nation any site specific operational impacts on Squamish Nation's Aboriginal Interests that may occur as a result of proposed forest resource development activities within the Traditional Territory, other than the economic component of those Aboriginal Interests that the Parties agree are addressed by the economic benefits provided for under Section 3.0.
- 4.6 If no response is received from Squamish Nation within the Response Period, then the Government of British Columbia may conclude that Squamish Nation does not intend to respond or participate in the consultation process in respect of the Operational Plan and that a decision on the Operational Plan may proceed.
- 4.7 In making a final decision on an Operational Plan, the Government of British Columbia will fully consider information it receives from Squamish Nation, whether received directly or through a Licensee, and will consider whether concerns identified by Squamish Nation have been addressed.

5.0 Consultation and Accommodation Respecting Administrative Decisions

- 5.1 The Government of British Columbia will provide to Squamish Nation on an annual basis a list of all proposed Administrative Decisions anticipated within the year that will have an effect in the Traditional Territory, and either upon the request of Squamish Nation or when the Government of British Columbia becomes aware of other proposed Administrative Decisions, will provide to Squamish Nation an updated list.
- 5.2 The Government of British Columbia will meet with Squamish Nation at mutually agreed times throughout the year to provide an opportunity for Squamish Nation to make known to representatives of the Government of British Columbia their concerns and comments relative to the effect of the Administrative Decision(s) on their Aboriginal Interests within the Traditional Territory.
- 5.3 The Government of British Columbia will include Squamish Nation in public Timber Supply Review processes that will lead to AAC determinations made pursuant to Section 8 of the *Forest Act* for the Soo Timber Supply Area and Tree Farm Licence 38.

- 5.4 Squamish Nation agrees to fully participate, within the Response Period, in public Timber Supply Review processes by providing all reasonably available information about their Aboriginal Interests within the Traditional Territory potentially affected by AAC determinations to be made pursuant to Section 8 of the *Forest Act*.
- 5.5 The Parties acknowledge that the public Timber Supply Review processes will be consistent with approved land use plans when higher-level objectives have been established.
- 5.6 If after considering the concerns and comments of Squamish Nation, the statutory decision maker is of the opinion that an Administrative Decision creates a potential infringement of Squamish Nation's Aboriginal Interests that is not adequately addressed by the economic benefits provided by the Government of British Columbia in Section 3.0, the statutory decision maker will seek to address the concerns and comments in the Administrative Decision or through the process in Section 4.0 of this Agreement.
- 5.7 The Government of British Columbia will provide a response to Squamish Nation as to how their concerns raised in Section 5.2 have been addressed.
- 5.8 Squamish Nation agrees that in consideration of the economic benefits provided by the Government of British Columbia in Section 3.0 and adherence to the consultation processes in Sections 4.0 and 5.0 of this Agreement, the Government of British Columbia has fulfilled its duties to consult and to seek an interim workable accommodation with respect to the economic component of potential infringements of Squamish Nation's Aboriginal Interests resulting from Administrative Decisions made by statutory decision makers from time to time during the term of this Agreement.
- 5.9 Squamish Nation further agrees that, in consideration of Sections 5.1 to 5.7 of this Agreement, the Government of British Columbia has, for the purposes of this Agreement, developed an adequate consultation and interim workable accommodation process with respect to potential infringements of their Aboriginal Interests resulting from Administrative Decisions made by statutory decision makers from time to time during the term of this Agreement that may go beyond the economic component of Squamish Nation's Aboriginal Interests.

6.0 Stability for Land and Resource Use

- 6.1 Squamish Nation will respond immediately to any discussions initiated by the Government of British Columbia and will work co-operatively to assist in resolving any issues that may arise where acts of intentional interference by Squamish Nation members with provincially authorized activities related to forest resource development activities including timber harvesting or other forestry economic activities occur.

7.0 Dispute Resolution

- 7.1 If a dispute arises between the Government of British Columbia and Squamish Nation regarding the interpretation of a provision of this Agreement, the Parties or their duly appointed representatives will meet as soon as is practicable to attempt to resolve the dispute.
- 7.2 If the Parties are unable to resolve differences at the appropriate level, the interpretation issue will be raised to more senior levels of the Government of British Columbia and Squamish Nation.
- 7.3 The Parties may choose other appropriate approaches to assist in reaching resolution of the interpretation issue.
- 7.4 The Parties agree that the ongoing government to government negotiations in relation to the Sea to Sky LRMP will seek to reconcile the Squamish Nation *Xay Temixw* Land Use designation of the Wild Spirit Places with land and resource use in the Sea to Sky area.

8.0 Term

- 8.1 This Agreement will take effect on March 31, 2005.
- 8.2 This Agreement will terminate on the occurrence of the earliest of any of the following events:
 - 8.2.1 one year from the effective date of this Agreement unless renewed under section 10.1; or,
 - 8.2.2 the coming into effect of a treaty between the Parties; or,
 - 8.2.3 the mutual agreement of the Parties; or,
 - 8.2.4 the date on which the Government of British Columbia cancels the economic benefits under this Agreement pursuant to Section 9.0.

- 8.3 If this Agreement is terminated in accordance with Section 8.2, then the Minister may terminate the economic benefits under this Agreement.

9.0 Suspension or Cancellation of Economic Benefits by the Minister

- 9.1 Without limiting the actions that may be taken by the Minister of Forests or by the Government of British Columbia, the Minister or a person authorized by the Minister may suspend or cancel revenue sharing payments and the licence entered into as a result of the invitation under this Agreement, if the Minister or a person authorized by the Minister determines that Squamish Nation is not in compliance with this Agreement.
- 9.2 Prior to taking any action referred to in Section 9.1, the Government of British Columbia will provide notice to Squamish Nation of any alleged contravention of this Agreement that may lead Squamish Nation being determined to not be in compliance with this Agreement.
- 9.3 If, during the term of this Agreement, Squamish Nation challenges or supports a challenge to, an Administrative Decision and/or Operational Decision or an Operational Plan or activities carried out pursuant to those decisions/plans, by way of legal proceedings or otherwise, on the basis that the economic benefits set out in Section 3.0, and the consultation processes set out in Sections 4.0 and 5.0 of this Agreement are not adequate or sufficient to:
- 9.3.1 provide adequate consultation, to substantially address Squamish Nation's concerns and to provide an interim workable accommodation in respect of any potential infringements of Squamish Nation's Aboriginal Interests with regard to Administrative Decisions relating to forest resource development activities within the Traditional Territory, or
 - 9.3.2 substantially address the economic component of Squamish Nation's Aboriginal Interests with regard to Operational Decisions relating to forest resource development activities within the Traditional Territory,

then, without limiting any other remedies that may be available to the Government of British Columbia, the Government of British Columbia may suspend or cancel the economic benefits set out in Section 3.0.

- 9.4 If the Minister or a person authorized by the Minister cancels any economic benefits as a result of this Agreement, then this Agreement may be terminated.
- 9.5 Any Operational or Administrative Decision made by the Government of British Columbia that may be in conflict with the Squamish Nation's Wild Spirit Place and Mamquam Valley land use designations shall not be interpreted as having been taken with the consent of Squamish Nation unless that consent has been expressly stated.

10.0 Renewal of the Agreement

- 10.1 If the Sea to Sky LRMP process has not been concluded prior to this Agreement terminating, and subject to Section 8.2 and the terms and conditions of this Agreement being met, the Government of British Columbia and Squamish Nation may amend this Agreement by extending its term for a minimum of a further 3 months in accordance with Section 12.1.

11.0 Subsequent Agreement

- 11.1 Prior to this Agreement terminating in accordance with Section 8.2, and 10.1, and subject to Section 3.2.8, if the terms and conditions of this Agreement are being met, the Parties will seek the necessary authorities and approvals to negotiate a new, longer-term forestry agreement.
- 11.2 Any subsequent agreement between the Government of British Columbia and Squamish Nation may provide for an opportunity to acquire a Forest Tenure, and/or other economic benefits, and will be consistent with the outcome of the Sea to Sky LRMP, as well as terms and conditions that are agreed to by the Parties.
- 11.3 The terms of this Agreement or any previous offer to Squamish Nation made by the Government of British Columbia regarding revenue sharing and a Forest Tenure will not limit the position of either Party in any subsequent negotiation.
- 11.4 This Agreement is intended to be a short term interim agreement and therefore the Parties recognize that this Agreement is not necessarily intended to be a precedent for any subsequent agreement between the Parties. (Note: the remaining aspects proposed by SN are covered in section 3.2.8, 11.3, 15.2, 15.3, 15.4, and new clause 15.5).

12.0 Amendment of Agreement

- 12.1 Any alteration or amendment to the terms and conditions of the Agreement must be in writing and duly executed by the Parties.
- 12.2 Either Party may request the participation of the other Party to review the effectiveness of this Agreement and consider amendments to this Agreement.

13.0 Entire Agreement

- 13.1 This Agreement and any amendment to it constitute the entire Agreement between the Parties with respect to the subject matter of this Agreement.
- 13.2 This Agreement is not an agreement that supersedes the March 31, 2004 Interim Measures Agreement as referenced in section 13(c) of that agreement.

14.0 Notice

- 14.1 Any notice or other communication that is required to be given or that a Party wishes to give to the other Party with respect to this Agreement, will be in writing and will be effective if delivered, sent by registered mail, or transmitted by facsimile to the address of the other Party as in this section of the Agreement.
- 14.2 Any notice or other communications will be deemed to have been given on the date it is actually received, if received before 4:00 p.m. If received after 4:00 p.m., it will be deemed to have been received on the next business day.
- 14.3 The address of either Party may be changed by notice in the manner set out in this section of the Agreement.

British Columbia

Deputy Minister
Ministry of Forests
P.O. Box 9525 STN PROV GOVT
Victoria B.C. V8W 9C3
Telephone (250) 387-3656
Facsimile (250) 953-3687

Squamish Nation

Chief and Council
Squamish Nation
PO Box 86131
320 Seymour Blvd.
North Vancouver, B.C. V7L 4J5
Telephone: (604) 980-4553
Facsimile: (604) 980-4523

15.0 Miscellaneous

- 15.1 Nothing in this Agreement shall be interpreted in a manner that requires the Government of British Columbia to act in a manner inconsistent with provincial or federal law, or that fetters the statutory discretion of any government decision-maker.
- 15.2 This Agreement is not a treaty or a lands claims agreement within the meaning of section 25 and 35 of the Constitution Act, 1982 and does not recognise, define, amend, affirm, deny or limit any priorities afforded to aboriginal rights, including aboriginal title, or treaty rights, other than as provided in this Agreement.
- 15.3 Subject to Section 9.3, this Agreement will not limit the positions that a Party may take in future negotiations or court actions.
- 15.4 This Agreement shall not be interpreted as addressing any potential infringements other than potential infringements that may result from decisions contemplated by this Agreement during the term of this Agreement. Nothing in this Agreement shall be interpreted to authorize any infringement that may occur following the termination of this Agreement.
- 15.5 This Agreement does not address or affect any claims by the Squamish Nation arising from past interference with its Aboriginal Interests or any future settlement related to an aboriginal right or title claim.
- 15.6 Any reference to a statute in this Agreement includes all regulations made under that statute and any amendments or replacement of that statute and its regulations.
- 15.7 There will be no presumption that any ambiguity in any of the terms of this Agreement should be interpreted in favour of either Party.

15.8 The applicable laws of British Columbia and Canada shall govern this Agreement.

15.9 This Agreement may be entered into by each Party signing a separate copy of this Agreement, including a photocopy or faxed copy, and delivering it to the other Party by fax. Each facsimile will be deemed to be an original for all purposes and all counterparts taken together will be deemed to constitute one document.

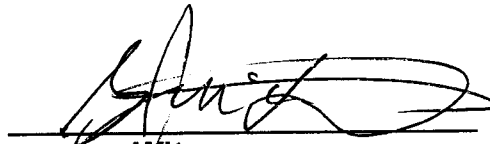
Signed on behalf of:

Squamish Nation

Date: March 30 2005



Chief Bill Williams

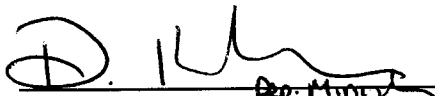


Witness:

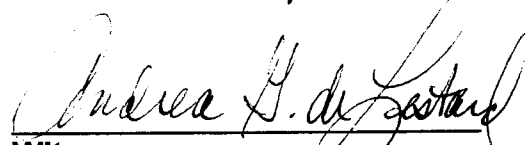
Signed on behalf of:

Government of British Columbia

Date: March 31 /05

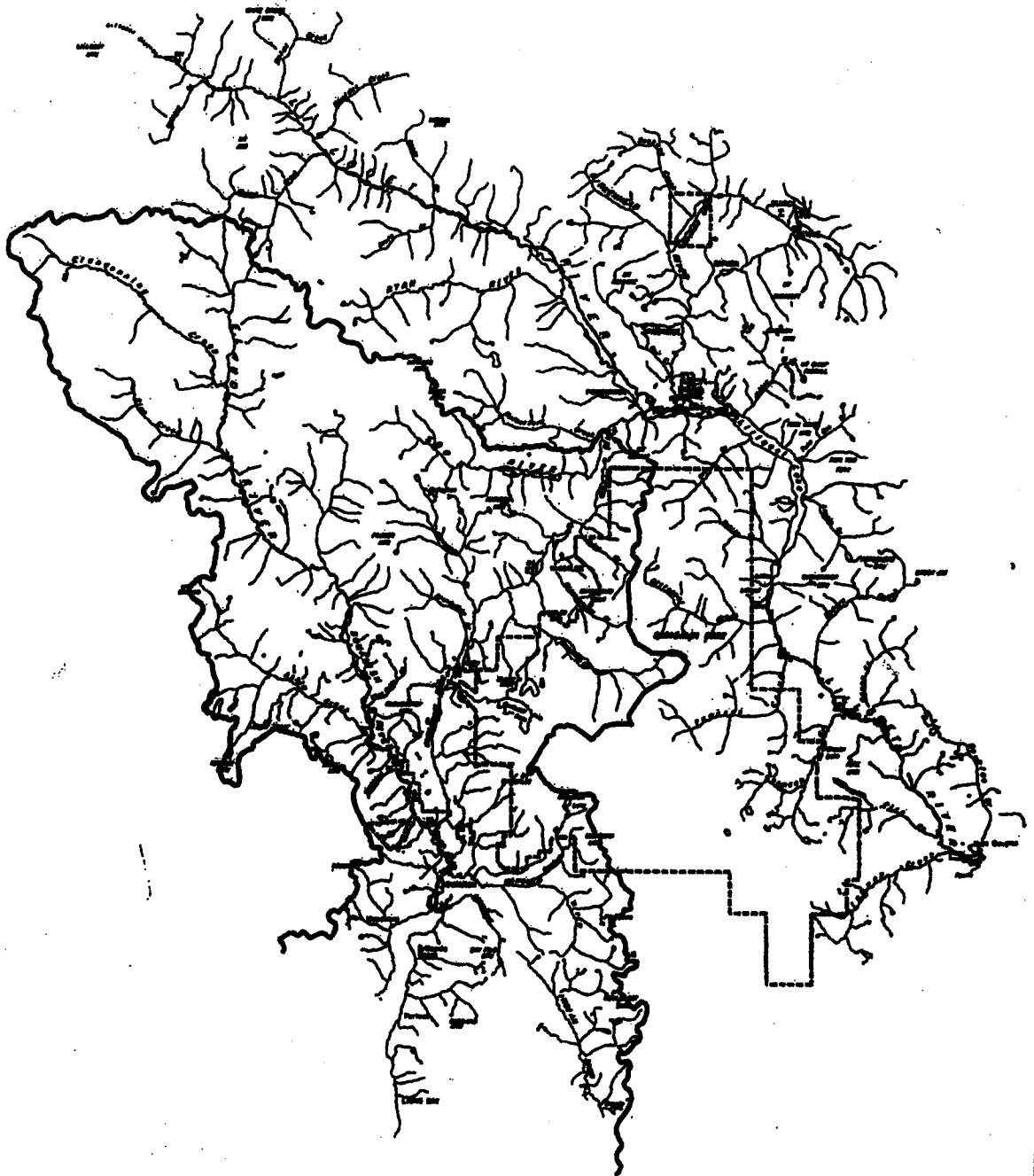


Michael de Jong
Minister of Forests



Witness

APPENDIX A
SQUAMISH NATION TRADITIONAL TERRITORY



— SKXWÚMISH7ULH - SQUAMISH