

Attachment 3: Form C Release of Covenant CA4632092

FORM_C_V22 (Release)

LAND TITLE ACT
FORM C (Section 233) RELEASE
GENERAL INSTRUMENT - PART 1 Province of British Columbia

PAGE 1 OF 1 PAGES

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

--

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

Hallgren & Faulkner

Barristers & Solicitors

#104-6739 West Coast Road, P.O. Box 939

Sooke

BC V9Z 1H9

File: 20987/Ball/nw

Phone (250)642-5271

Deduct LTSA Fees? Yes ☒

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
[PID] [LEGAL DESCRIPTION]

018-741-797 LOT 11, SECTION 128, SOOKE DISTRICT, PLAN VIP58851

STC? YES ☐

3. NATURE OF INTEREST BEING RELEASED

Covenant

CHARGE NO.

CA4632092

ADDITIONAL INFORMATION

4. TERMS

The charge described in item 3 is released or discharged as a charge on the land described in item 2.

5. TRANSFEROR(S):

CAPITAL REGIONAL DISTRICT

6. TRANSFEREE(S): (including postal address(es) and postal code(s))

Registered owner

7. ADDITIONAL OR MODIFIED TERMS:

8. EXECUTION(S): This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Officer Signature(s)

Execution Date		
Y	M	D

Transferor(s) Signature(s)

Capital Regional District, by its
authorized signatory(ies)

Print Name: _____

Print Name: _____

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

FORM_C_V20 (Charge)

VICTORIA LAND TITLE OFFICE

LAND TITLE ACT
FORM C (Section 233) CHARGE
GENERAL INSTRUMENT - PART 1 Province of British Columbia

Aug-26-2015 16:15:49.001

CA4632092 CA4632094

PAGE 1 OF 15 PAGES

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

Marvin William
Hallgren
URUTGT

Digitally signed by Marvin William
Hallgren URUTGT
DN: c=CA, o=Marvin William Hallgren
URUTGT, ou=Verify ID at
www.juricart.com/LKUP.cfm?
id=URUTGT
Date: 2015.08.26 16:15:04 -0700

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

Hallgren & Faulkner

Barristers & Solicitors

#104-6739 West Coast Road, P.O. Box 939

Sooke

BC V9Z 1H9

File: 20987/Ball/nw

Phone (250)642-5271

CRD Covenant

Document Fees: \$234.30

Deduct LTSA Fees? Yes ☒

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:

[PID]

[LEGAL DESCRIPTION]

018-741-797

LOT 11, SECTION 128, SOOKE DISTRICT, PLAN VIP58851

STC? YES ☐

3. NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

SEE SCHEDULE

4. TERMS: Part 2 of this instrument consists of (select one only)

(a) ☐ Filed Standard Charge Terms D.F. No.

(b) ☒ Express Charge Terms Annexed as Part 2

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument.

5. TRANSFEROR(S):

SEE SCHEDULE

6. TRANSFEREE(S): (including postal address(es) and postal code(s))

SEE SCHEDULE

7. ADDITIONAL OR MODIFIED TERMS:

N/A

8. EXECUTION(S): This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Officer Signature(s)

Marvin W. Hallgren

Barrister & Solicitor

Box 939, #104-6739 West Coast Road

Sooke, BC

V9Z 1H9

Execution Date		
Y	M	D
15	06	26

Transferor(s) Signature(s)

GLEN ANDREW BALL

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

FORM_D1_V20

LAND TITLE ACT
FORM D

EXECUTIONS CONTINUED

PAGE 2 of 15 pages

Officer Signature(s)

Execution Date

Transferor / Borrower / Party Signature(s)

Valerie Patricia Boon
Notary Public in and for British Columbia
100 University Avenue
Toronto, ON
M5J 2X4

Y	M	D
15	07	29

As to Priority:

Canadian Imperial Bank of Commerce
by its authorized signatory(ies)

Steve Bozek, Assistant General
Manager

Anna Figarska, Assistant General
Manager

Stephen Henderson
Notary Public in and for British Columbia
625 Fisgard Street
Victoria, BC
V8W 1R7

15	08	26
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Capital Regional District, by its
authorized signatory(ies)

Kevin Lorette, General Manager

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

FORM_E_V20

LAND TITLE ACT
FORM E

SCHEDULE

PAGE 3 OF 15 PAGES

NATURE OF INTEREST
Covenant

CHARGE NO.

ADDITIONAL INFORMATION

NATURE OF INTEREST
Priority Agreement

CHARGE NO.

ADDITIONAL INFORMATION
over mortgage FB21092

NATURE OF INTEREST
Priority Agreement

CHARGE NO.

ADDITIONAL INFORMATION
over mortgage CA4053723

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

FORM_E_V20

**LAND TITLE ACT
FORM E**

SCHEDULE

PAGE 4 OF 15 PAGES

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.

5. TRANSFEROR(S):

Glen Andrew Ball
5353 Mt. Matheson Road
Sooke, BC
V9Z 1C3

Canadian Imperial Bank of Commerce
33 Yonge Street, Suite 700
Toronto, ON
M5E 1G4

6. TRANSFEREE(S): (including postal address(es) and postal code(s))

Capital Regional District
625 Fisgard Street, P.O. Box 100
Victoria, BC
V8Z 2S6

TERMS OF INSTRUMENT - PART 2

WHEREAS,

- A. The Transferor is the registered owner in fee simple of:

Lot 11, Section 128, Sooke District, Plan VIP58851

(the "Land")
- B. The Transferee is the **Capital Regional District**;
- C. The Transferee's Building Inspector considers that construction on the Land is subject to or is likely to be subject to flooding, mud flows, debris flows, debris torrents, erosion, land slip, rock falls, subsidence or avalanche and has required the Transferor to provide the Building Inspector with a report certified by a professional engineer, with experience in geotechnical engineering (the "Engineer") that the Land may be used safely for the use intended;
- D. The Transferor has provided the Transferee with the Report of the Engineer, which report is attached to this Agreement as Schedule "A" (the "Report"); and
- E. The Transferor acknowledges that it is in the public interest that the development and use of the Land be limited and wishes to grant this covenant and indemnity to the Transferee under Section 219 of the *Land Title Act*, section 695 of the *Local Government Act* and Section 56 of the *Community Charter*.

NOW THEREFORE, in consideration of the premises and the covenants herein contained and for other valuable consideration, receipt and sufficiency of which is hereby acknowledged by the parties, the parties hereto covenant and agree with each other as follows:

- 1. The Transferor shall use the Land only in the manner determined and certified by the Engineer in the Report as enabling the safe use of the Land for the use intended.
- 2. The Transferor shall not construct or place any building or structure, or alter or add to the buildings or structures on the Land unless the Transferor provides a report certified by a professional engineer with experience and qualifications in geotechnical engineering confirming that the Land may be used safely for the use intended by such construction, placement, alterations or additions.
- 3. The Transferor shall build upon the Land and alter or add to the buildings or structures upon the Land only in accordance with the conditions, if any, recommended in the Report, subject to the requirements of the applicable Building Code and other legislation.
- 4. The Transferor shall, at their sole expense, do all that is necessary to ensure that this Covenant is registered against the Lands at the Victoria Land Title Office.
- 5. The Transferor shall reimburse the Transferee for any expense that may be incurred by the Transferee as a result of a breach of a covenant under this Agreement.

6. The Transferor acknowledges that the Capital Regional District does not represent to the Transferor or any other person that any residential building constructed or mobile home located in accordance with the terms and conditions of this Covenant will not be damaged due to slope instabilities, rock fall, flooding or erosion, and the Transferor covenants and agrees not to claim damages from the Transferee or hold the Transferee responsible for damages caused to the Lands thereby or to any buildings, mobile home, improvements or other structure built, constructed or placed upon the Lands and to any contents thereof.
7. The Transferee may, at any time, without the consent of the Transferor or anyone, release or cause to be released or relax or cause to be relaxed, this Covenant as a charge against title to the Lands or any portion thereof and, upon such release or relaxation, this Covenant shall be discharged and of no further force and effect or otherwise relaxed as the case may be.
8. The Transferor and the Transferee agree that the enforcement of this Agreement shall be entirely within the discretion of the Transferee and that the execution and registration of this Covenant against the title to the Land shall not be interpreted as creating any duty on the part of the Transferee to the Transferor or to any other person to enforce any provision or the breach of any provision of this Agreement.
9. The Transferor hereby releases and forever discharges the Transferee of and from any claim, cause of action, suit, demand, expenses, costs and legal fees whatsoever which the Transferor can or may have against the said Transferee for any loss or damage or injury that the Transferor may sustain or suffer arising out of the issuance of a Building Permit under this Agreement or the use of the Land as a result of the issuance of a Building Permit to construct, alter or add to a building or structure on the Land, or as result of flooding, mud flows, debris flows, debris torrents, erosion, and slip, rock falls, subsidence or avalanche.
10. The Transferor covenants and agrees to indemnify and save harmless the Transferee from any and all claims, causes of action, suits, demands, expenses, costs and legal fees whatsoever that anyone might have as owner, occupier or user of the Land, or by a person who has an interest in or comes onto the Land, or by anyone who suffers loss of life or injury to his person or property, that arises out of the issuance of a Building Permit under this Agreement or the use of the Land as a result of the issuance of a Building Permit, or as a result of flooding, mud flows, debris flows, debris torrents, erosion, land slip, rock falls, subsidence or avalanche.
11. Nothing contained or implied herein shall prejudice or affect the rights and powers of the Transferee in the exercise of its functions under any public or private statutes, bylaws, orders and regulations, all of which may be fully and effectively exercised in relation to the Land as if the Agreement had not been executed and delivered by the Transferor, and in particular, without limiting the generality of the foregoing, the Building Inspector of the Transferee may request further or additional reports be prepared by an Engineer with experience in Geotechnical Engineering prior to the issuance of a building permit for the Land.
12. It is mutually understood, acknowledged and agreed by the parties hereto that the Transferee has made no representations, covenants, warranties, guarantees, promises or agreements (oral or otherwise) with the Transferor other than those contained in this Agreement.

13. The Transferor covenants and agrees that the Transferee may withhold building permits and occupancy permits as necessary to ensure compliance with the covenants in this Agreement, and that the issuance of a building permit or occupancy permit does not act as a representation or warranty by the Transferee that the covenants in this Agreement have been satisfied.
14. The Transferor shall pay the legal fees of the Transferee in connection with the preparation and registration of this agreement.
15. The Transferor agrees to execute all other documents and provide all other assurances necessary to give effect to the covenants contained in this Agreement.
16. This is a personal Covenant between the parties. The Transferor shall pay the administration and legal fees and disbursements incurred by the Transferee in connection with this Agreement.
17. The Transferor covenants and agrees for itself, its heirs, executors, successors and assigns, that it will at all times perform and observe the requirements and restrictions hereinbefore set out and they shall be binding upon the Transferor as personal covenants only during the period of its respective ownership of any interest in the Land.
18. The restrictions and covenants herein contained shall be covenants running with the Land and shall be perpetual, and shall continue to bind all of the Lands when subdivided, and shall be registered in the Victoria Land Title Office pursuant to Section 219 of the *Land Title Act* and Section 56 of the *Community Charter* as covenants in favor of the Transferee as a first charge against the Land.
19. The expressions "Transferor" and "Transferee" shall and shall be deemed to include the heirs, executors, administrators, successors and assigns of such parties; provided that all covenants herein contained and all agreements, provisos and other stipulations herein contained imposing an obligation or obligations on a party hereto are with the intent that the same shall be binding upon all persons who may for the time being be purchasers, assignees, transferees, lessees, occupiers or successors in title of the Transferor only so long as any of them shall have any right, title or interest in or to the Lands, or any part thereof, as the case may be, either at law or in equity other than an interest by way mortgage or the interest of the vendor under an agreement for sale.
20. The waiver by a party of any breach of this Agreement or failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar, and no waiver shall be effective unless it is in writing signed by both parties.
21. Wherever the singular, masculine and neuter are used throughout this Agreement, the same is to be construed as meaning the plural or the feminine or the body corporate or politic as the context so requires.
22. No remedy under this Agreement is to be deemed exclusive but will, where possible, be cumulative with all other remedies at law or in equity.
23. If any part of this Agreement is found to be illegal or unenforceable, that part will be considered separate and severable and the remaining parts will not be affected thereby and will be enforceable to the fullest extent permitted by law.

24. This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia.
25. This Agreement shall enure to the benefit of the Transferee and shall be binding upon the parties hereto and their respective heirs, executors, successors and assigns.
26. Wherever the expressions "Transferor" and "Transferee" are used herein, they shall be construed as meaning the plural, feminine or body corporate or politic where the context or the parties so require.
27. That Canadian Imperial Bank of Commerce, as the registered holder of charges by way of Mortgages which said charges are registered in the Land Title Office at Victoria, British Columbia, under FB21092 and CA4053723, for and in consideration of the sum of One Dollar (\$1.00) paid by the Transferee to the said Chargeholder (the receipt whereof is hereby acknowledged), agrees with the Transferee, its successors and assigns, that the within Covenant shall be an encumbrance upon the within described property in priority to the said charge in the same manner and to the same effect as if it had been dated and registered prior to the said charge.

IN WITNESS WHEREOF the parties hereto hereby acknowledge that this Agreement has been duly executed and delivered by the parties executing Form C (pages 1 and 2) and Form D (page 3) attached hereto.

RYZUK GEOTECHNICAL

Engineering & Materials Testing

28 Crease Avenue, Victoria, BC, V8Z 1S3 Tel: 250-475-3131 Fax: 250-475-3611 www.ryzuk.com

September 30, 2014

File No: 8-5140-2

Mr. Glen Ball
5351 Mt. Matheson Road
East Sooke, B.C.
V9Z 1C3

Dear Mr. Ball

Re: Proposed Three-Lot Strata Development
5347 Mt. Matheson Road – East Sooke, BC

As requested, we attended the referenced site on August 13, 2014, to carry out a geotechnical reconnaissance of the property. The site lies within "Development Permit Area (DPA) No. 1: Steep Slopes" as defined in the Official Community Plan (OCP) for the East Sooke area. There are two existing residences and a garage on the property, with a third residence nearing completion, and we understand that it is your intention to convert the property to a three-lot strata development. In accordance with the DPA, the Capital Regional District (CRD) requires a geotechnical assessment prior to the issuance of a development permit for the strata development, even though the buildings and infrastructure are already largely in place. We completed a subgrade review for the foundations for the new residence in 2008, but have had no subsequent involvement with the development. The purpose of our current work was to confirm that, from a geotechnical engineering perspective, the building sites and infrastructure are stable and safe for the use intended and that the development would not have an adverse impact on the stability of the slopes in the area. This letter summarizes our observations and assessments as they pertain to these matters. Our services are provided in accordance with the attached Terms of Engagement.

The property has an area of approximately 4.09 ha and is located on the southwest side of Mt. Matheson Road about 800 m southeast of Gillespie Road. It is bounded on all sides by similar sized properties. The southwestern property line lies near the crest of a bedrock controlled ridge, at an elevation about 90 m higher than the road to the northeast. The existing residences and garage are located in the lower northeastern part of the property near the road, while the new residence is located at the crest of the ridge, accessed by a driveway that ascends the slope by way of a series of switchbacks. Elevations as measured from regional topographic mapping are about 129 - 144 m at the street (increasing from west to east), 135 - 140 m at the existing residences and garage, and just under 220 m at the new residence on the ridgetop. According to mapping that you have provided, two new lots, to be designated 5351 and 5353 Mt. Matheson Road, would be created in the lower portion of the existing property, where the pre-existing residences and garage are located. Most of this area slopes to the northwest at an

Ryzuk Geotechnical

Mr. Glen Ball
5347 Mt. Matheson Road – East Sooke, B.C.

September 30, 2014

inclination of less than 10 degrees, although near the eastern property line the slope steepens to between 20 and 25 degrees. We have no concerns with respect to slope stability or other geohazards, including rockfall originating upslope of the property lines, which could impact these two new lots.

The majority of the parent property, including the new residence and the existing driveway, would be part of a new lot that would retain the existing address of 5347 Mt. Matheson Road. The first part of the driveway would be realigned to pass just above the existing garage and residences. This part of the property is steeper, with typical overall slopes of 25 to 35 degrees, and locally as steep as near-vertical where rock excavation (blasting) has been undertaken to develop the driveway that accesses the new residence. The slopes decrease near the proposed new driveway location on the northwest side of the new lot. Some loose broken rock is present on surface downslope of the driveway, likely also related to driveway construction. Elsewhere, soils consist of a variable thickness of moss or topsoil and colluvium atop bedrock, with a variable cover of mature trees. The new residence is founded on intact bedrock or a thin layer of blast rock fill overtop of such, in an area where the slope is on the order of 15 degrees or less for some distance downslope.

Bedrock geology mapping for the area indicates the presence of the Metchosin Volcanics formation, which consists of comparatively erosion-resistant volcanic rock. Our recent observations on site on were generally consistent with this, and we did not see any evidence of instability of this slope, although we did not complete a detailed stability assessment or examine historical aerial photographs for evidence of past slope instability. The geology of the site is such that a stable long-term slope inclination would likely be about 1 H : 1 V (Horizontal : Vertical) for the bedrock portion and 2 H : 1 V over any thin upper soil portions. As the slope is already well flatter than this in most areas, only minimal recession of the slope crest would be anticipated. Accordingly, and given that the slope in the area of the new residence is only gentle to moderate, we consider the likelihood of the building site being impacted by slope instability to be remote.

The one portion of the property that could experience some slope instability in the foreseeable future is part of the driveway that accesses the new residence. As noted, this driveway ascends from the area of the pre-existing buildings by way of a series of switchbacks. Of particular note is the section extending about 60 m southeast (downhill) from the second switchback, which is located about 60 m west of the existing garage. In this area, the uphill or southwest side of the driveway appears to be underlain by intact bedrock at a shallow depth, but parts of the downhill side are underlain by thick fill that is retained by horizontally stacked logs resting against living trees in places. Although this type of construction is commonly used for resource roads that are only required for a few years and are then deactivated, it is not suitable for permanent roads and residential driveways because as the supporting logs and trees deteriorate or shift over time the edge of the fill becomes unstable and can slide down the slope. Our assessment is that, should this occur, the slide debris would accumulate on the irregular surface below and would not reach the lower leg of the driveway or the garage beyond, remaining entirely on the subject lot. There are no creeks or other environmentally sensitive areas downslope that would be impacted, so the

Mr. Glen Ball
5347 Mt. Matheson Road – East Sooke, B.C.

September 30, 2014

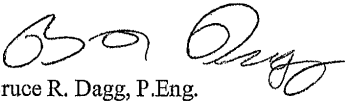
only consequence of such a failure would be a reduction in the width of the driveway, as well as a safety hazard if vehicles are present.

We understand that the additional fill on the outside of the driveway, which we consider potentially unstable, was placed mainly to widen the driveway to accommodate larger trucks delivering construction materials and equipment, and that a narrower driveway would suffice for typical ongoing use now that construction of the residence is complete. On this basis, we propose that the outside edge of the driveway simply be barricaded off, using either logs or large boulders, to keep traffic to the inside on stable ground. The slope could also be monitored, perhaps by scheduling inspections by a geotechnical engineer once every five years or so, to determine if any further slope stabilization is required. At this stage, we do not see a compelling reason to remove a large amount of the questionable fill, in view of our assessment that any instability would not likely impact any sensitive areas downslope. However, the uppermost row of logs and associated fill could be removed if desired, to decrease the lateral load on the living trees and prolong the life of the driveway in its current configuration.

Provided that the above noted recommendations to protect users of the driveway are implemented, we believe that the land may be safely used for the use intended, that being creation of a three-lot strata development incorporating three pre-existing buildings on the lower part of the property plus the new residence on the ridgetop and associated driveway. Our assessment considers the geotechnical hazard associated with a seismic event having a 2% probability of exceedence in 50 years. This is pursuant to and in accordance with Section 56 of the Community Charter.

We trust that the preceding letter is suitable for your purposes at this time, and that it satisfies the requirements of the Capital Regional District. If we can provide further information or clarification in this regard, please contact us. Thank you for the opportunity to have been of service to you.

Yours very truly,
Ryzuk Geotechnical


Bruce R. Dagg, P.Eng.
Geotechnical Engineer



Attachment – Terms of Engagement

cc: Capital Regional District, Juan de Fuca Electoral Area Planning
- Attn.: Ms. June Klassen (by e-mail: jklassen@crd.bc.ca)

RYZUK GEOTECHNICAL

Engineering & Materials Testing

28 Crease Avenue, Victoria, BC, V8Z 1S3 Tel: 250-475-3131 Fax: 250-475-3611 www.ryzuk.com

June 9, 2015

File No: 8-5140-2

Mr. Glen Ball
5351 Mt. Matheson Road
East Sooke, B.C.
V9Z 1C3

Dear Mr. Ball

Re: Supplemental Review of Driveway
5347 Mt. Matheson Road – East Sooke, BC

As requested, we attended the referenced site on May 26, 2015, to carry out a supplemental geotechnical review of a portion of the driveway accessing a new residence. On September 30, 2014 we issued a report in support of a proposed three-lot strata subdivision. We understand that the Capital Regional District (CRD) Planning and Building departments have requested this supplemental assessment to confirm that the recommendations in our 2014 report have been satisfactorily carried out, and that this is a condition of their granting a permanent occupancy permit for the residence. This letter summarizes our observations and assessments as they pertain to these matters. Our services are provided in accordance with the attached Terms of Engagement.

The subdivision involved the creation of two new lots in the lower portion of the original property (now designated 5351 and 5353 Mt. Matheson Road), with the upper portion retaining the address 5347 Mt. Matheson Road. Our 2014 report did not identify any geohazards that would impact the new lower lots, but did identify a potential issue with the driveway accessing the new residence in the upper lot. Specifically, over a distance of about 60 m, the outer edge of the driveway is underlain by fill that is retained by logs resting against living trees. You advised us that the outer portion of the driveway is no longer required now that construction of the upper residence has been completed. On this basis, and in consideration of the fact that a minor fillslope failure would be of little consequence to areas downslope, we recommended that the outer portion of the driveway simply be barricaded off to keep traffic to the inside area. We also noted that the upper portion of the fill could be removed if desired, to forestall any such fillslope failures. Further, it was noted that this solution may not be sufficient in the long term, and we proposed that inspections be carried out by a geotechnical engineer every five years, to determine if any further slope stabilization is required. We understand that the CRD intends to write the 5-year inspection requirement into a covenant on the property.

We observed a row of large logs in place along the entire area of concern, located roughly 1.5 m in from the edge of the log-supported fill. We consider that this adequately satisfies our

Ryzuk Geotechnical

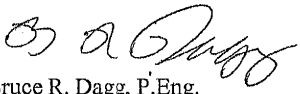
Mr. Glen Ball
5347 Mt. Matheson Road – East Sooke, B.C.

June 9, 2015

recommendation, and will keep traffic away from any potentially unstable areas. Also, a comparison of photos taken during our recent site visit with those from August 2014 did not indicate any apparent further instability of the fillslope. As such, we consider the driveway safe for the use intended for the next five years, but the slope should be reviewed at that time. Our assessment considers the geotechnical hazard associated with a seismic event having a 2% probability of exceedence in 50 years. This is pursuant to and in accordance with Section 56 of the Community Charter.

We trust that the preceding letter is suitable for your purposes at this time, and that it satisfies the requirements of the Capital Regional District. If we can provide further information or clarification in this regard, please contact us. Thank you for the opportunity to have been of service to you.

Yours very truly,
Ryzuk Geotechnical


Bruce R. Dagg, P.Eng.
Geotechnical Engineer



Attachment – Terms of Engagement

cc: Capital Regional District, Juan de Fuca Electoral Area Planning
- Attn.: Ms. Emma Taylor (by e-mail: etaylor@crd.bc.ca)

TERMS OF ENGAGEMENT

GENERAL

Ryzuk Geotechnical (the Consultant) shall render the Services, as specified in the agreed Scope of Services, to the Client for this Project in accordance with the following terms of engagement. The Services, and any other associated documents, records or data, shall be carried out and/or prepared in accordance with generally accepted engineering practices in the location where the Services were performed. No other warranty, expressed or implied is made. The Consultant may, at its discretion and at any stage, engage sub-consultants to perform all or any part of the Services.

Ryzuk Geotechnical is a wholly owned subsidiary of C. N. Ryzuk & Associates Ltd.

COMPENSATION

All charges will be payable in Canadian Dollars. Invoices will be due and payable by the Client on receipt of the invoice without hold back. Interest on overdue accounts is 24% per annum.

REPRESENTATIVES

Each party shall designate a representative who is authorized to act on behalf of that party and receive notices under this Agreement.

TERMINATION

Either party may terminate this engagement without cause upon thirty (30) days' notice in writing. On termination by either party under this paragraph, the Client shall forthwith pay to the Consultant its Charges for the Services performed, including all expenses and other charges incurred by the Consultant for this Project.

If either party breaches this engagement, the non-defaulting party may terminate this engagement after giving seven (7) days' notice to remedy the breach. On termination by the Consultant under this paragraph, the Client shall forthwith pay to the Consultant its Charges for the Services performed to the date of termination, including all fees and charges for this Project.

ENVIRONMENTAL

The Consultant's field investigation, laboratory testing and engineering recommendations will not address or evaluate pollution of soil or pollution of groundwater. The Consultant will cooperate with the Client's environmental consultant during the field work phase of the investigation.

PROFESSIONAL RESPONSIBILITY

In performing the Services, the Consultant will provide and exercise the standard of care, skill and diligence required by customarily accepted professional practices and procedures normally provided in the performance of the Services contemplated in this engagement at the time when and the location in which the Services were performed.

INSURANCE

Ryzuk Geotechnical is covered by Professional Indemnity Insurance as follows:

1. \$ 2,000,000 each and every claim
2. \$ 4,000,000 aggregate
3. \$ 5,000,000 commercial/general liability coverage

LIMITATION OF LIABILITY

The Consultant shall not be responsible for:

1. the failure of a contractor, retained by the Client, to perform the work required for the Project in accordance with the applicable contract documents;
2. the design of or defects in equipment supplied or provided by the Client for incorporation into the Project;
3. any cross-contamination resulting from subsurface investigations;
4. any Project decisions made by the Client if the decisions were made without the advice of the Consultant or contrary to or inconsistent with the Consultant's advice;
5. any consequential loss, injury or damages suffered by the Client, including but not limited to loss of use, earnings and business interruption;
6. the unauthorized distribution of any confidential document or report prepared by or on behalf of the consultant for the exclusive use of the Client
7. Subsurface structures and utilities

The Consultant will make all reasonable efforts prior to and during subsurface site investigations to minimize the risk of damaging any subsurface utilities/mains. If, in the unlikely event that damage is incurred where utilities were unmarked and/or undetected, the Consultant will not be held responsible for damages to the site or surrounding areas, utilities/mains or drilling equipment or the cost of any repairs.

The total amount of all claims the Client may have against the Consultant or any present or former partner, executive officer, director, stockholder or employee thereof under this engagement, including but not limited to claims for negligence, negligent misrepresentation and breach of contract, shall be strictly limited to the amount of any professional liability insurance the Consultant may have available for such claims.

No claim may be brought against the Consultant in contract or tort more than two (2) years after the date of discovery of such defect.

DOCUMENTS AND REPORTING

All of the documents prepared by the Consultant or on behalf of the Consultant in connection with the Project are instruments of service for the execution of the Project. The Consultant retains the property and copyright in these documents, whether the Project is executed or not. These documents may not be used on any other project without the prior written agreement of the Consultant.

The documents have been prepared specifically for the Project, and are applicable only in the case where there has been no physical alteration to, or deviation from any of the information provided to the Consultant by the Client or agents of the Client. The Client may, in light of such alterations or deviations, request that the Consultant review and revise these documents.

The identification and classification as to the extent, properties or type of soils or other materials at the Project site has been based upon investigation and interpretation consistent with the accepted standard of care in the engineering consulting practice in the location where the Services were performed. Due to the nature of geotechnical engineering, there is an inherent risk that some conditions will not be detected at the Project site, and that actual subsurface conditions may vary considerably from investigation points. The Client must be aware of, and accept this risk, as must any other party making use of any documents prepared by the Consultant regarding the Project.

Any conclusions and recommendations provided within any document prepared by the Consultant for the Client has been based on the investigative information undertaken by the Consultant, and any additional information provided to the Consultant by the Client or agents of the Client. The Consultant accepts no responsibility for any associated deficiency or inaccuracy as the result of a miss-statement or receipt of fraudulent information.

JOBSITE SAFETY AND CONTROL

The Client acknowledges that control of the jobsite lies solely with the Client, his agents or contractors. The presence of the Consultant's personnel on the site does not relieve the Client, his agents or contractors from their responsibilities for site safety. Accordingly, the Client must endeavor to inform the Consultant of all hazardous or otherwise dangerous conditions at the Project site of which the Client is aware.

The client must acknowledge that during the course of a geotechnical investigation, it is possible that a previously unknown hazard may be discovered. In this event, the Client recognizes that such a hazard may result in the necessity to undertake procedures which ensure the safety and protection of personnel and/or the environment. The Client shall be responsible for payment of any additional expenses incurred as a result of such discoveries, and recognizes that under certain circumstances, discovery of hazardous conditions or elements requires that regulatory agencies must be informed. The Client shall not bring about any action or dispute against the Consultant as a result of such notification.

FIELD SERVICES

Where applicable, field services recommended for the Project are the minimum necessary, in the sole discretion of the Consultant, to observe whether the work or a contractor retained by the Client is being carried out in general conformity with the intent of the Services. Any reduction from the level of services recommended will result in the Consultant providing qualified certifications for the work.

DISPUTE RESOLUTION

If requested in writing by either the Client or the Consultant, the Client and the Consultant shall attempt to resolve any dispute between them arising out of or in connection with this Agreement by entering into structured non-binding negotiations with the assistance of a mediator on a without prejudice basis. The mediator shall be appointed by agreement of the parties. If a dispute cannot be settled within a period of thirty (30) calendar days with the mediator, the dispute shall be referred to and finally resolved by arbitration under the rules of the arbitrator appointed by agreement of the parties or by reference to a Judge of the British Columbia Court.