



Engineering - Geomatics - Planning

February 28, 2011

File No. 030300386P

Peace River Regional District
Box 810, 1981 Alaska Avenue
Dawson Creek, BC V1G 4H8

Attention:

Fred Banham, Chief Administrative Officer

RE: Peace Valley Lookout: Preliminary Site Investigation - Proposed Work Program

Dear Mr. Banham,

Focus Corporation is pleased to provide the Peace River Regional District with a work program associated with the Peace Valley Lookout project.

PROJECT UNDERSTANDING

In November 2009, the Peace River Regional District hired the services of a consultant to develop a Planning Feasibility Study that was intended to guide the PRRD in their decision pertaining to acquisition of park land, development of park facilities and a lookout, and projections for potential capital and costs related to on-going maintenance. The outcome of the Planning Feasibility Study was a preliminary concept plan with cost estimates for phased development. The Planning Feasibility Study was presented before the Peace River Regional District Board on April 8th, 2010 and the Board voted to approve the project moving forward.

The Planning Feasibility Study identified anecdotal evidence indicating that that the site was historically used as an unlicensed dumping area for municipal waste. Further, army vehicles were historically abandoned at the lookout as a United State military installation was located in Fort St. John during the construction of the Alaska Highway. More recently, municipal waste, household appliances and abandoned cars have been illegally dumped over the edge of the lookout. The first phase of this project, as laid out in the Planning Feasibility Study, is the studies associated with the reclamation of the site.

SCOPE OF WORK

We understand that the Peace River Regional District would like to move forward with a Stage 1 Preliminary Site Investigation (PSI). The following outlines the scope of work that Focus proposes.

The following scope of work is suggested for the property prior to re-development of the Peace Valley Lookout site:

1. Stage 1 Preliminary Site Investigation (PSI);

2. Limited Stage 2 PSI (limited soil sampling program); and
3. Remedial Options Letter.

Stage 1 - Preliminary Site Investigation (PSI)

The objective of the Stage 1 PSI would be to comment on whether past or present site use, either on-site or off-site, may have a potential to cause environmental impairment of the subject property.

The scope of work for the PSI will include the following:

- Review available historical information for the subject site and the immediate surrounding areas, including air photos and property listing and street directories;
- Review relevant environmental information from the BC Online Site Registry, the BC Ministry of Environment online Water Resources Atlas and the City of Fort St. John;
- Obtain and review historical and current land titles of the subject site;
- Review available public information such as geological and hydrogeological reports and maps;
- Conduct a site visit and personal interviews to evaluate the historic site activities and determine if there is a presence of materials which could cause harm to humans and ecological systems; and
- Prepare the PSI report suitable for submission to the Peace River Regional District in support of the property re-development application.

The PSI will identify areas of potential environmental concern (APEC) and areas where additional environmental assessment is warranted.

Limited Stage 2 – Preliminary Site Investigation

In this proposed scope, there will be no groundwater or surface water assessment completed. Three deep boreholes will be drilled and as budget permits, a number shallow boreholes will be drilled as part of the investigation. Based on the results of the PSI, a conceptual site remediation and restoration options report will be developed and presented to the Peace River Regional District for review and comments.

Due to time constraints created by the late release of funding, there will be several changes from the original scope of work for the Limited Stage 2 PSI, such changes include:

- It was originally anticipated that this work was to be completed during the summer of 2010. As this work must be completed by March 31, 2011, during snow cover, this may hinder the identification of potential areas of concern (APECs) at the site. Further, soil samples will not be obtained from the sloped area of the lookout.

Remedial Options Report

Once the PSI components are completed as per this proposal, a remedial options report will be generated. The remedial options report will include cost estimates for further testing and remediation.

PROJECT TEAM AND RATES

The Project Team and their associated rates we propose for this assignment consists of the following:

Focus Project Manager	Shannon Gadsby, LAT	\$90
EWD Environmental Technologist	Jodi Flemming, DipLRM	\$95
EWD Environmental Scientist	Tannis Brown, B.Sc, A.Ag.	\$105
EWD Environmental Team Lead	Jeremiah Gladu, B.Sc., P.Ag.	\$135

FEES & DISBURSEMENTS – TIME BASIS

For the engineering services described above, we propose a fee estimated on the basis of time and disbursements. Hourly rates for personnel involved in the project are based on the 2011 Fee Schedule.

Based on the preceding, our estimate of fees is:

Task	Estimated Amount
Stage I PSI	\$3,200
Limited Stage 2 PSI	\$10,165
Remedial Options Report	\$3,000
Total Budget	\$16,365 ¹

¹ Cost does not include HST.

We have not included coverage of application fees with this proposal, so the Client would be responsible for such fees if applicable.

The Client may, during the course of the project, without invalidating this agreement, make changes in the scope of services to be provided by Focus. Additional services as requested will be provided at hourly rates as set out above and the schedule will be changed as is reasonably necessary to allow for the changes in the scope of services.

SCHEDULE

Commencement of the project will be upon notice to proceed. We understand that the funding for this project expires on March 31, 2011. It is our goal to complete the components listed in as the Scope of Work on or before the deadline.

SERVICES NOT PROVIDED

The services provided by Focus and associated fees **do not** include the following:

- Application & permit fees
- Topographical, legal or construction survey.
- Coordination of shallow utilities design.
- Completing additional applications, permitting or coordination with agencies or utilities not identified in this proposal.
- Riparian area assessments.
- Environmental Impact or water quality assessments
- Engagement or Co-ordination of third party or subconsultants not identified in this proposal
- Geotechnical investigation of ground conditions, and specific geotechnical design, where required
- Structural Engineering Services
- Electrical Engineering Services
- Required materials testing

Please note that this listing is not exhaustive; but does include some specific services not provided. Should additional services be required, we would be pleased to discuss how we may be able to assist you.

GENERAL PROVISIONS

The terms of agreement for the provision of engineering services are set out in this proposal and in Terms of Engagement as appended to this proposal.

If The Client accepts Focus' offer to provide engineering services, then this proposal and the Terms of Engagement constitute the entire agreement between the parties respecting the project and no understandings or agreements, oral or otherwise, exist between the parties except as expressly set out herein.

We thank you again for the opportunity to propose our services and we look forward to working with you. Please feel free to contact us if you have any questions or need clarification regarding this proposal.

Sincerely,

FOCUS CORPORATION



Shannon Gadsby, LAT
Project Manager

ACCEPTANCE OF PROPOSAL



Kirk Guenther
Kamloops Office Manager

The Client accepts Focus' offer to perform the services on the terms and conditions noted in this proposal and the Terms of Engagement by signing and returning a copy of this proposal to Focus.



Fred Banham, CAO

March 1, 2011

Date

TERMS AND CONDITIONS APPLICABLE TO THIS AGREEMENT FOR SERVICES:

1. CLIENT'S DUTIES AND RESPONSIBILITIES

The CLIENT shall:

- 1.1. Make available to FOCUS all relevant information or data pertinent to the Services which are reasonably required by FOCUS.
- 1.2. Provide FOCUS with such instructions and authority as is necessary to FOCUS for the rendering of the Services.
- 1.3. Pay the Compensation as described on the front page of this Agreement in addition to all taxes applicable to the Compensation. All invoices submitted by FOCUS shall be paid in full within thirty (30) days of receipt by the CLIENT. Payments made after 30 days shall include interest on the outstanding balance at the rate of 2% per month compounded monthly (26.8% per annum). Obtaining agency approvals is not a prerequisite for payment for Services rendered.
- 1.4. Provide FOCUS with written notice within 30 calendar days following receipt of FOCUS' invoices in the event that the CLIENT disputes any portion of FOCUS' fees of such invoices. The CLIENT shall be entitled to withhold only the amount of the fees in dispute and the balance of the fees not in dispute shall be paid by the CLIENT without deduction or set-off. The CLIENT's failure to dispute FOCUS' fees within 30 calendar days of receipt of any invoice shall be deemed to be a waiver of all claims which the CLIENT has with respect to such invoices.
- 1.5. Designate in writing on the front page of this Agreement an individual to act as the CLIENT's Representative, such person to have complete and exclusive authority to transmit instructions to and receive information from FOCUS.

2. FOCUS' RESPONSIBILITY AND LIMITATION OF LIABILITY

- 2.1. FOCUS shall provide the Services in accordance with the standard of care applicable to similar services provided by professional engineers at the time and place the Services are provided.
- 2.2. FOCUS' responsibility may be modified by additional terms, conditions or limitations found in any specifications, reports or other documents delivered by FOCUS to the CLIENT.
- 2.3. FOCUS' field investigation, field testing and engineering recommendations will not address or evaluate pollution of soil or pollution of ground water. FOCUS will cooperate with the CLIENT's environmental consultant. FOCUS shall not be responsible for any cross-contamination resulting from subsurface investigations.
- 2.4. Any and all claims the CLIENT or any party claiming by, through or under the CLIENT has or hereafter may have in respect of the Services howsoever arising, whether in contract or in tort, shall be limited to:
 - 2.4.1. Claims brought within a period of two years from the date of completion, termination or suspension of the Services;

2.4.2. The amount of FOCUS' total fees for Services rendered for the Project.

2.5. FOCUS shall not be responsible for:

2.5.1. The failure of a contractor, retained by the CLIENT, to perform the work required in the project in accordance with the applicable contract documents;

2.5.2. The design of, or defects in, equipment supplied or provided by the CLIENT for incorporation into the project;

2.5.3. Any damage to subsurface structures and utilities which were identified and located by the CLIENT;

2.5.4. Any project decisions made by the CLIENT if the decisions were made without the advice of FOCUS, or contrary to, or inconsistent with, FOCUS' advice;

2.5.5. Any consequential loss, injury or damages suffered by the CLIENT, including, but not limited to loss of use, loss of income or loss of opportunity;

2.5.6. The unauthorized distribution of any confidential document or report prepared by or on behalf of FOCUS for the exclusive use of the CLIENT.

2.6. For the purposes of the limitation of liability provisions contained in the Agreement of the parties herein, the CLIENT expressly agrees that it has entered into this Agreement with FOCUS, both on its own behalf and as agent on behalf of its employees and principals.

2.7. The CLIENT expressly agrees that FOCUS' employees and principals shall have no personal liability to the CLIENT in respect of a claim, whether in contract, tort and/or any other cause of action at law. Accordingly, the CLIENT expressly agrees that it will bring no proceedings and take no action in any court of law against any of FOCUS' employees or principals in their personal capacity.

3. FIELD SERVICES

3.1. Where applicable, field services recommended for the project are the minimum necessary in the sole discretion of FOCUS, to observe whether the work of a contractor retained by the CLIENT is being carried out in general conformity with the intent of the Service. Any reduction from the level of Services recommended will result in FOCUS providing modified certifications of the work.

4. DOCUMENTS

4.1. All of the documents, including digital information, prepared by FOCUS or on behalf of FOCUS in connection with the project are instruments of service for the execution of the project. FOCUS 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 FOCUS.

4.2. In the event the CLIENT furnishes FOCUS with any documents, information, surveys, and reports, FOCUS shall be entitled to rely on their accuracy and completeness. Any contracts for the provision of such documents, information, surveys, and reports shall be considered direct contracts with the CLIENT unless explicitly provided otherwise.

5. INSURANCE

5.1. FOCUS maintains professional liability insurance and general liability insurance. A copy of FOCUS' Certificate of Insurance will be provided to the CLIENT upon request.

6. TERMINATION

6.1. Either the CLIENT or FOCUS may terminate this Agreement without cause upon thirty (30) days notice in writing to the other at the address indicated on the first page hereof. On termination by either party under this paragraph the CLIENT shall forthwith pay to FOCUS all charges for the Services performed to the date of termination.

6.2. If either party breaches this Agreement the non-defaulting party may terminate this Agreement after giving seven (7) days notice to the defaulting party to remedy the breach. If the breach is not corrected or reasonable steps taken to correct the breach within the seven (7) days, the non-defaulting party may immediately terminate this Agreement. In the case of termination due to breach by the CLIENT, the CLIENT shall forthwith pay to FOCUS all charges for the Services performed.

7. DISPUTE RESOLUTION

7.1. If requested in writing by either the CLIENT or FOCUS, the CLIENT and FOCUS shall attempt to resolve any dispute 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.

7.2. If the dispute cannot be settled within a period of thirty days with the assistance of the mediator, or such longer period as might be agreed to by the CLIENT and FOCUS, the dispute shall be referred to and finally resolved by way of arbitration, and the British Columbia International Commercial Arbitration Centre Rules shall apply.

7.3. This Agreement is governed and construed in accordance with the laws in force in the Province of British Columbia and the parties attorn to the jurisdiction of the applicable Courts of the Province of British Columbia.

7.4. In the event of the failure of a claim brought by the CLIENT against FOCUS, the CLIENT shall indemnify FOCUS for all costs and expenses incurred by it in resisting or defending the claim including legal costs on a solicitor own client basis.

8. SUCCESSORS AND ASSIGNMENT

8.1. This Agreement shall enure to the benefit of and be binding among the parties hereto and except as otherwise provided herein on their executors, administrators, successors and assigns.

8.2. This Agreement shall not be assigned to any other party whatsoever without the express written consent of the other party.

8.3. The terms and conditions of this Agreement as set out herein, including the front page hereof, constitute the sole and entire agreement between the CLIENT and FOCUS in relation to the Services and supersedes all prior agreements between them whether written or oral.

8.4. This Agreement may be amended only by written agreement signed by both the CLIENT and FOCUS.
