



STAFF REPORT

DATE: October 31, 2024

FILE: 0540-04 EASC

TO: Chair and Directors,
Electoral Areas Services Committee

FROM: David Leitch
Chief Administrative Officer

RE: **SURGE NARROWS POST OFFICE LICENSE RENEWAL**

PURPOSE/PROBLEM

To consider renewing the license agreement between the Strathcona Regional District and Canada Post for the use of a portion of the Surge Narrows wharf facility.

EXECUTIVE SUMMARY

In 2021, the Regional District entered a five-year licensing agreement allowing Canada Post to continue using a portion of the Surge Narrows wharf facility as a community postal centre. The use of part of the Surge Narrows float structure predated the Regional District's ownership of the wharf, which was previously managed by Transport Canada. The current license with Canada Post Corporation is due to expire on December 31, 2024.

The post office location is under review due to the planned Surge Narrows Marine Revitalization (SNMR) project. Since the timeline for SNMR construction remains under discussion, a one-year licence agreement renewal is proposed. Additional clarity on the project timeline is anticipated in 2025, at which time a longer lease term may be aligned with the final SNMR project plans.

The current Post Office Manager, Donna Keeling, has confirmed Canada Post Corporation's interest in maintaining post office operations at Surge Narrows, along with her intention to continue in her role. No further changes to the license agreement terms are proposed.

RECOMMENDATION

1. THAT the report from the Chief Administrative Officer be received.
2. THAT the Committee recommend that the licensing agreement with Canada Post Corporation for the use of a portion of the Surge Narrows wharf facility be renewed for a 1-year period.

Respectfully:



David Leitch
Chief Administrative Officer

BACKGROUND/HISTORY

The SRD inherited the license from Transport Canada when the facility was divested in 2014 and has continued to offer the space to Canada Post Corporation. No other uses by the SRD are proposed for the facility, and continuing to offer the license will support the local community's need for access to P.O. Boxes and the ability to receive air freight deliveries.

Continuing to offer the license supports the Regional District Board's Strategic Objective of COMMUNITY WELL-BEING – identifying and considering transportation initiatives that safely move people, goods, and services between our communities and beyond.

FINANCIAL IMPLICATIONS

A \$244.73 annual license fee will apply; no changes from the previous license are proposed.

LEGAL IMPLICATIONS

None at this time.

INTERGOVERNMENTAL/REGIONAL IMPLICATIONS

None at this time.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS

The Outer Discovery Islands residents rely on the Surge Narrows post office to send and receive mail and freight.

Prepared by: S. Fisher, Engineering Services Coordinator

Attachment: Current licensing agreement with Canada Post
Plan of license area

LICENCE AGREEMENT

THIS AGREEMENT DATED FOR REFERENCE THE 1st DAY OF January, ²⁰²⁰~~2021~~

BETWEEN:

STRATHCONA REGIONAL DISTRICT
#301-990 Cedar Street, Campbell River, BC V9W 7Z8
("the Regional District")

AND:

CANADA POST CORPORATION
c/o Donna Keeling, Post Office Manager
Surge Narrows, BC, V0P 1W0
("the Licensee")

WHEREAS:

- A. The Regional District is the owner of the Surge Narrows wharf ("the facility").
- B. The Regional District has been requested by Canada Post Corporation to grant a licence to use part of the facility.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the licence fee and agreements to be paid and performed by the Licensee, the parties hereto covenant and agree with each other as follows:

1. DEFINITIONS

"Premises" means that part of the facility supporting a community postal centre measuring approximately 3.7 metres by 2.7 metres and described in Exhibit 1.

2. GRANT OF LICENCE

The Regional District grants to the Licensee a right and licence to use and occupy the premises during the term of this licence.

3. TERM

The term of this licence commences on the 1st day of January, 2020 and terminates on the 31st day of December, 2024.

4. USE

The Licensee shall use the Premises solely for operating and maintaining a community postal centre.

5. LICENCE FEE

The Licensee shall pay to the Regional District a licence fee of \$244.73 per annum (plus applicable taxes).

6. COVENANTS OF THE LICENSEE

The Licensee covenants with the Regional District as follows:

(a) Payment of Fees

The Licensee will pay the annual licence fee plus applicable taxes at least 15 days prior to beginning of each year of the Term.

(b) Taxes, Rates and Utility Charges

The Licensee shall pay all fees, charges, taxes, rates, duties or royalties of any type whatsoever resulting from the Licensee's use or occupation of the premises.

(c) Construction

The Licensee will not make any alterations in the structure, plan or partitioning of the facility nor install any equipment, plumbing, piping, wiring or apparatus without the prior written consent of the Regional District.

(d) Repair

(i) The Licensee will repair at its sole cost and expense, reasonable wear and tear excepted, all damage to the facility and any equipment or other property of the Regional District resulting from the Licensee's use of the facility.

(ii) The Licensee will keep and leave whole and in good repair all fixtures on the premises.

(iii) The Regional District may enter and view the state of repair at any time and the Licensee shall repair according to any notice given by the Regional District and, if the Licensee fails to do so, the Regional District may effect such repairs as it considers appropriate, in which case the Licensee shall reimburse the Regional District for all costs and expenses of repair and a reasonable amount for administration and overhead immediately upon the Licensee's receipt of an invoice for the work.

(e) Maintenance

The Licensee will be responsible for maintaining any equipment, plumbing, pipes, valves, meters, pumps and appurtenances installed under this or a previous licence.

(f) Right of Entry

The Regional District, its officers, employees, and agents shall at all times and for all purposes have full and free access to any and every part of the premises.

(g) Assignment and Sublicensing

The Licensee will not assign or grant a sub-licence to any party without first receiving written permission from the Regional District.

(h) Regulations

The Licensee will comply promptly at its own expense with the legal requirements of all authorities and all notices issued under them that are served upon the Regional District or the Licensee.

(i) Insurance

(i) The Licensee shall maintain during the term a policy of general liability insurance with a minimum amount of \$2,000,000 per occurrence, in respect of personal injury, bodily injury or property damage arising from or connected with the Licensee's use of the premises. The Regional District shall be named as an additional insured to such policy of insurance. The Licensee shall provide the Regional District with a certificate of insurance, or other proof of insurance that is satisfactory to the Regional District, prior to making use of the Premises.

(ii) All policies of insurance taken out by the Licensee shall contain a waiver of subrogation clause in favour of the Regional District and shall also contain a clause preventing the insurer from cancelling or changing the insurance without providing at least thirty (30) days prior notice in writing to the Regional District.

(iii) If the Licensee fails to provide or maintain in force the insurance required by this Agreement, the Regional District may procure the required insurance on behalf of the Licensee and the Licensee shall pay to the Regional District the amount of the premium immediately on demand.

(j) Indemnification

The Licensee agrees that it will indemnify the Regional District against all claims, losses, damages, suits, actions and causes of action arising from or connected with the Licensee's use of the premises provided that nothing in this Agreement shall make the Licensee responsible to indemnify the Regional District to the extent that such claims are caused, in whole or in part, by the negligence of the Regional District.

(k) Possession

(i) At the expiration or sooner termination of this licence, the Licensee will peaceably surrender and give up possession of the premises without notice from the Regional District, and hereby waives any right to notice to quit or vacate despite any law or custom to the contrary.

(ii) The Licensee will be responsible to insure its own equipment and other personal property.

(iii) The Licensee will properly supervise all persons accessing or using the premises in accordance with this licence.

7. MISCELLANEOUS COVENANTS

The parties further agree that:

(a) Effect of Waiver

The waiver by a party of any failure on the part of the other party to perform in accordance with any of the terms or conditions of this licence is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar.

(b) Cancellation

(i) The Licensee may terminate this Agreement if, for any reason, the Regional District is unable to provide the premises during the term, in which case the Licensee shall not be liable for payment of the licence fee for the remainder of the term, provided that the Regional District shall not be liable to the Licensee for damages suffered, whether consequential or direct, as a result of its inability to provide the premises.

(ii) If the Licensee does not cancel the licence as provided herein, and if the Licensee fails to make use of the premises for any cause other than as a result of neglect or default on the part of the Regional District, a strike or lockout of Regional District employees, or an act of God or insurrection, then the Licensee shall remain liable to pay the Regional District the full amount of the licence fee.

(c) Termination

The Regional District may at any time terminate this licence for breach of any covenant or condition of this licence by the Licensee.

(d) Holding Over

If the Licensee holds over following the term and the Regional District accepts the licence fee, this Agreement becomes a licence-at-will subject to those conditions in this Agreement applicable to a licence-at-will.

(e) Execution

The parties warrant and represent that the execution of this Agreement is a warranty and representation to each other that the person executing the Agreement on their behalf has sufficient authority and capacity to bind their organization with his or her signature.

(f) Fitness of Premises

(i) The Regional District has made no representations or warranties as to the condition, fitness or suitability of the facility, premises, equipment or other personal property located on the premises and by executing this Agreement the Licensee forever releases the Regional District from any and all claims, losses or damages which the Licensee now has or may in future have due to any deficiency, unsuitability or lack of fitness for the Licensee's use.

(ii) The Licensee has inspected the premises and any equipment or other personal property in their present state and confirms that they are suitable for the Licensee's purposes.

(iii) The Licensee agrees that before commencing use of the premises the Licensee shall, on each occasion before use and occupation, inspect the premises and equipment and shall forthwith notify the Regional District in writing of any condition that may render the premises or equipment unsafe for use.

(g) No Interest

This Agreement shall not be interpreted as granting any interest in the facility to the Licensee.

(h) Interpretation

(i) When the singular or neuter are used in this Agreement they include the plural or the feminine or the masculine or the body politic or corporate where the context or the parties require.

(ii) The headings to the clauses in this Agreement have been inserted as a matter of convenience and for reference only and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

(i) Binding Effect

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors, administrators and permitted assignees.

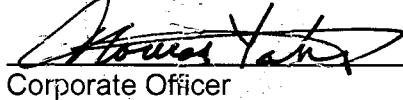
(j) Applicable Law

This Agreement shall be construed in accordance with and governed by the laws applicable in the Province of British Columbia.

IN WITNESS WHEREOF the parties hereto have executed this agreement as follows:

STRATHCONA REGIONAL DISTRICT:


Chair


Corporate Officer

Feb. 18/21
Date

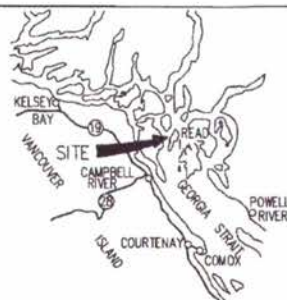
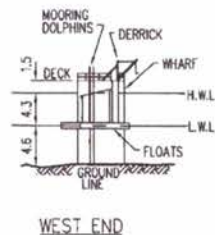
CANADA POST CORPORATION:


Signature

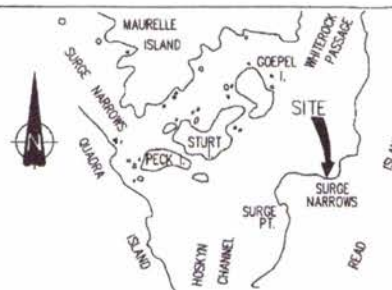
Postmaster
Title

Feb 1, 2021
Date

EXHIBIT 1

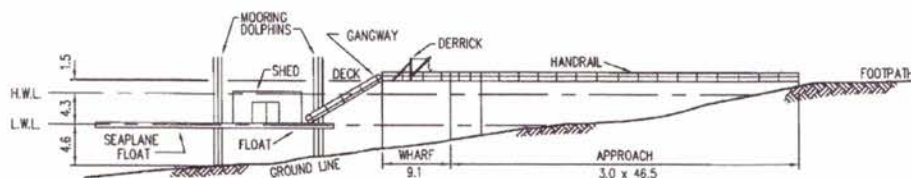


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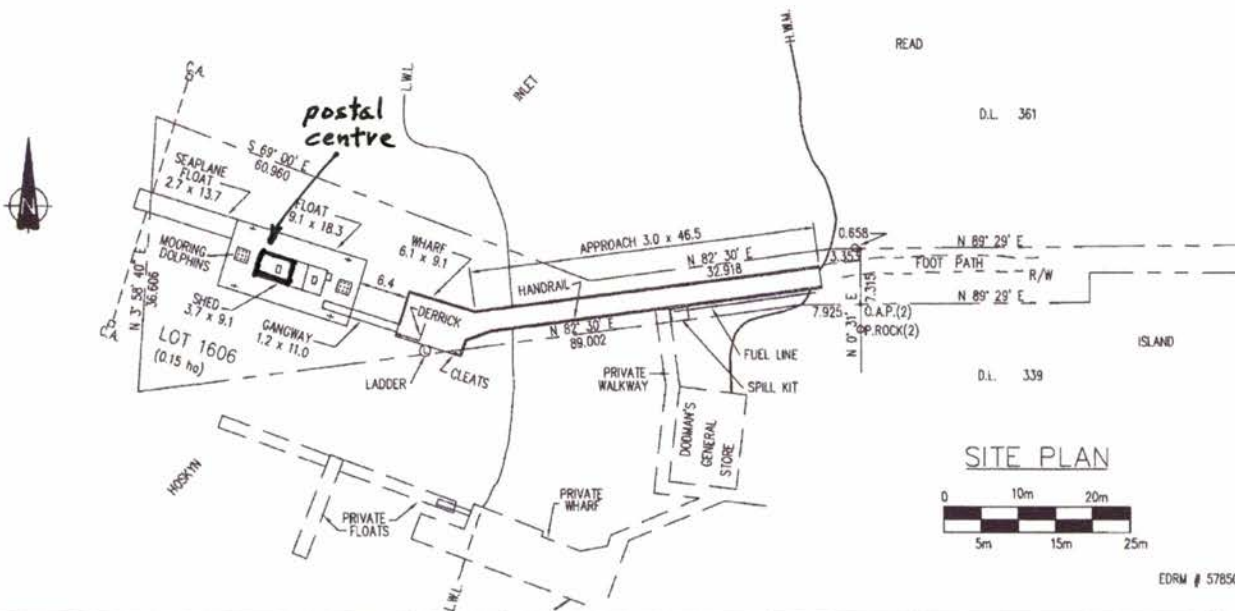
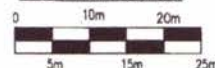
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LOCATION CHARTS

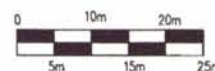


SOUTH FACE

ELEVATIONS



SITE PLAN



EDRM # 57850

DESCRIPTION

- THE STRUCTURES ARE LOCATED IN HOSKYN INLET ON THE NORTHWEST SHORE OF READ ISLAND ABOUT 200 KM NORTHWEST OF VANCOUVER, B.C.
LATITUDE: 50° 13' 24" N
LONGITUDE: 125° 06' 54" W
LOT 1606, SAYWARD DISTRICT, SURGE NARROWS, B.C.
- THE STRUCTURES CONSIST OF AN APPROACH, A WHARF AND A GANGWAY WHICH LEAD TO A LANDING FLOAT AND A SEAPLANE FLOAT.
- THE STRUCTURES ARE APPROACHED DIRECTLY FROM A PUBLIC FOOTPATH.
- THERE IS A FREIGHT SHED/POST OFFICE ON THE FLOAT AND A 3 TON (2700 kg.) DERRICK ON THE WHARF.
- THE STRUCTURES ARE IN ORDER TO BE USED FOR PUBLIC TRAFFIC.
- LIMITING LOADS: (2006 RATING)
APPROACH AND WHARFHEAD:
GVW = 6,800 kg. CL3 - W
FLOATS: 120 kg/m2
- COMPLETION DATE: - 1965
MAJOR REPAIRS: WHARF - 1974
FLOATS - 1974, 1979
NEW SHED - 2008
- O.I.C. No. 2526, AUG. 25, 1966
- FUEL LINE IN SERVICE TO FUEL SCHOOL MAY 2011

REVISION E	DATE DEC.01, 2010	REV. BY JG
REVISION D	DATE SEP. 19, 2003	REV. BY HT
REVISION C	DATE OCT. 12, 1995	REV. BY GH
REVISION B	DATE SEP. 30, 1992	REV. BY GH & SKH
REVISION A	DATE MAR. 16, 1987	REV. BY
SCALE AS NOTED	DATE FEB. 24, 1986	REV. BY
COST CODE 8644	FILE No. 9664-1702	DRAWN BY DFN

TRANSPORT CANADA
HARBOURS AND PORTS
WESTERN REGION

SURGE NARROWS, B.C.
WHARF AND FLOATS
PLAN & DESCRIPTION

VANCOUVER, B.C.

DATE