BETWEEN:

Anmore Estates Ltd.

1600-1095 West Pender Street Vancouver, B.C. V6E 2M6

(the "Developer")

AND:

Village of Anmore 2697 Sunnyside Road Anmore, B.C. V3H 3C8

(the "Village")

WHEREAS the Strata is a strata corporation created under the Strata Property Act which involved a development of approximately 51 lots in the Village of Anmore, known as Anmore Green Estates, which is serviced in terms of sanitary sewer service, with an on-site septic field regulated by the Ministry of the Environment, pursuant to a permit, being Permit No. 4606 (the "Permit");

AND WHEREAS the Developer was the company that developed the project and has a residual interest in portions of the common property;

AND WHEREAS the Village is the local government with jurisdiction over the lands owned by the Strata and the Developer;

AND WHEREAS the Strata and the Developer have commenced a Supreme Court of British Columbia proceeding against the Village of Anmore and its approving officer, Mr. Jason Smith under court file no. 207286 in the New Westminster Registry of the Supreme Court of British Columbia (the "Action");

AND WHEREAS the Minister of Environment and Climate Change has declared that the septic system is in a state of disrepair and issued Pollution Abatement Orders as against the Strata;

AND WHEREAS the Strata has requested that the Village assist it in resolving its septic sewer issues and the parties have agreed that the most effective mechanism to deal with sanitary sewer for the Strata would be to connect through the City of Port Moody, to the Greater Vancouver Sewage and Drainage District ("GVS&DD) Regional Municipal sewerage system;

AND WHEREAS connection to the GVS&DD would require that the Village join the GVS&DD, which would in turn also require an amendment to the OCP;

AND WHEREAS the Village has agreed to make application to the Province of British Columbia and the GVS&DD for membership in the GVS&DD which would also be subject to other requirements, to allow for connection of the existing 51 lots to the regional sewerage system on the condition that the Strata assume all responsibility for costs in connection with such membership, including initial construction of physical connection and ongoing repair, operation and maintenance costs and that the Strata and the Developer agree to conclusion of the Action on the terms set out herein;

NOW THEREFORE the parties hereto agree in consideration for the mutual promises set out herein, as follows:

- 1. Upon execution of this agreement by the parties, the Village shall initiate the procedures and processes necessary to seek membership in the GVS&DD including making application to the Province and Metro Vancouver for membership.
- 2. The parties acknowledge and agree that there are a number of conditions precedent to completion of such membership including, but not limited to:
 - (a) Approval of the Province of British Columbia;
 - (b) Approval of Metro Vancouver;
 - (c) Execution of an agreement with the City of Port Moody to allow sewerage to be transmitted through the City system to the regional system;
 - (d) Establishment of a local area service to allow for cost recovery on a ongoing basis of all costs to be incurred by the Village arising out of membership in the GVSⅅ and
 - (e) Amendment of the Villages Official Community Plan (the "OCP") to address any inconsistencies between a regional sewerage system in the Village and the existing OCP.

- 3. The Strata agrees that it shall be responsible for all costs of membership including but not limited to all upfront construction costs, all transaction costs, including all costs arising out of GVS&DD membership, including all operation and maintenance costs, including repair and replacement funding, and annual costs payable by the Village and/or to the City of Port Moody or Metro Vancouver.
- 4. Each party shall act reasonably and make best efforts to complete the connection of the Strata, at its sole cost, to the GVS&DD system, including entering into all further agreements reasonably required or to provide any consents necessary to satisfy the intent of this agreement.
- 5. The Strata and the Developer acknowledge and agree that with respect to the OCP amendment or any other legislative requirement, nothing herein shall fetter, limit or restrict the Village's lawful discretion.
- 6. As security for its obligations hereunder, the Strata shall pay to the Village a security deposit in the amount of \$10,000 to cover the Village's transaction costs herein, which the Village may utilize to pay its costs as incurred, in its absolute discretion.
- 7. The Strata and the Developer agree to a consent dismissal order of the Action, after payment to the Village of the costs awarded in the initial application in connection with such Action, which Order will be held by the Village's solicitors on an undertaking not to file same until the Strata is connected to the GVS&DD regional system.
- 8. The Strata and the Developer acknowledge and agree that the Village is relying on their good faith commitment to the process described herein and that membership in the GVS&DD will have significant financial implications for the Village and on the that basis, the Strata and the Developer represent and warrant that they will not pursue alternative remedies or approaches from those described in this Agreement with the MOE, the Province, the City of Port Moody or Metro Vancouver while the Village is making application for membership in GVS&DD.

IN WITNESS WHEREOF the Corporate Seal of **Strata Plan LMS3080** was

hereunto affixed in the presence of:

IN WITNESS WHEREOF the Corporate) Seal of **Anmore Estates Ltd.** was) hereunto affixed in the presence of:)

C/S

IN WITNESS WHEREOF the Corporate) Seal of **Village of Anmore** was hereunto) affixed in the presence of:)

C/S

C/S