

Exhibit "R"

Pemberton Valley Dyking District letter dated November 4, 2013

November 4, 2013

Caroline Lamont
Village of Pemberton
7400 Prospect Street
Pemberton, BC V0N 2L1

Re: S056-Tiyata-Mill Site/Subdivision Application

Dear Caroline

Please find the comments in this document from the Pemberton Valley Dyking District (PVDD) regarding the S056 Tiyata Mill Site Subdivision Application.

Construction/landscaping in the vicinity of the dyke

As the jurisdiction responsible for operations and maintenance of the dyke located on lots 1 through 6 and the area designated as a park in the application it is critical that any construction, improvements or alterations in and around the dyke comply with the Dike Maintenance Act (DMA). The regulations outlined in the DMA for construction, improvements or alterations in or around a dyke include:

- No construction, improvements or installation of fixtures can take place within 7.5 meters from the toe of the dyke without consent and approval from the Inspector of Dykes.
- Planting of vegetation on or within 2 meters of the toe of the dyke must be grass only and free of any invasive species, no trees or shrubs are to be planted on the dyke. Annual mowing of the dyke by the PVDD will take place for vegetation control purposes.

Please note the DMA information below.

To maintain the safety and integrity of dikes and to prevent detrimental effects on other parties and river processes, Section 2(4) of the ~~Dike Maintenance Act~~ (DMA) states, "a person or a diking authority must not make changes to a dike, or to the area adjacent to a dike without the prior written approval of the Inspector of Dikes or a Deputy Inspector". These changes include:

- Alterations to the cross section or crest elevation of a dike.
- Any type of construction on or over a dike including culverts, pipes, flood-boxes, utility lines, pump stations, excavations, placement of fill, etc.
- Construction of any works on or over a dike right of way, including structures, excavations, and placement of fill or other materials.
- Alteration of the foreshore or stream channel where the works could increase flood levels or impact the integrity of a dike (i.e. dredging, bridge construction, erosion protection works, etc.).
- Construction of a new dike.

Statutory Right of Way

The PVDD has a Statutory Right of Way (SROW) agreement, Number 76847, registered in the Kamloops Land Title Office in place with BCR Properties LTD for the purpose of operating and maintaining the dyke that runs through the Tiyata project. It is mandatory that this SROW agreement transfers to any new owners of the property that the SROW includes. The PVDD requires confirmation of this SROW transfer.

Dyke Upgrade Plans

In the event that a dyke upgrade is required for this project to proceed the PVDD will seek reimbursement arrangements from the developer for the engineering design plans, prior to the plans being given to the developer.

Dyke Maintenance required as noted by FLNRO Inspector of Dikes (IoD) dated January 14th, 2014

As the local dyking authority responsible for the operations and maintenance of the Pemberton Creek Dyke the PVDD will conduct the rip rap repairs to the existing dyke in order to ensure that it remains in good repair in the state that it currently exists as of January 17th, 2014. Repairs of the dyke crest width and side slope issues that have been noted by the IoD will not be undertaken by the PVDD as this work is considered by the PVDD to be upgrades to the existing dyke. The work conducted by the PVDD will not include any upgrades required under the Dike Maintenance Act for the development of the Tiyata project as upgrades will remain the responsibility of the developer.

Sediment Removal

Sediment removal in Pemberton Creek is a very complex issue due to the small size of the creek, the confines of the dikes and the Coho, Sockeye and Bull trout species that exist in Pemberton Creek. PVDD is in discussions with the Lil'wat Nation to determine if the removal of sediment is possible without causing negative impacts on the fish that exist in the creek. The PVDD will continue to seek a solution to this issue and if a solution is found the PVDD will then conduct the sediment removals for flood protection purposes. The PVDD will not be conducting sediment removal in Pemberton Creek without the approval of the Lil'wat Nation, DFO and Provincial Water Section.

Storm Water Runoff

It is essential that the developer submit proof to the PVDD that a storm water runoff plan is in place and that the storm water runoff plan will ensure that post construction runoff is at or below the preconstruction level.

If you have any questions regarding these comments please do not hesitate to call at any time.

Kind regards,



Steve Flynn
Operations and Maintenance Manager