

Our File: PLS 080029

March 9, 2016

C.A. Fischer Lumber Company
c/o Mr. Marinus Scheffer, M.Sc. P.Eng.
Scheffer Andrew Ltd.
12204 – 145 Street
Edmonton, AB, T5L 4V7

Dear Mr. Scheffer,

RE: Application No. PLS 080029
Public Land: pt. SE 34-62-2-W4M (acreage to be determined)
Freehold Land: pt. SE 34-62-2-W4M (acreage to be determined)

Further to the meeting on December 7, 2015, amongst yourself, the City of Cold Lake, and Alberta Environment and Parks ("AEP") and your application for a land transfer (dated April 11, 2008), AEP will proceed with your application on the following terms and conditions.

To recap, the material details of this transaction are:

- C.A. Fischer Lumber Co. Ltd. is the registered title holder of W4-2-62-34 SE being approximately 58 ha/143 ac (the "Fischer Title").
- City of Cold Lake is the registered title holder of Plan 8721406, Block 3, Lot 1PUL being approximately 1.94 ha/4.79 acres (the "Cold Lake Title").
- AEP is the title holder of the bed and shore of the pond located on the Fischer and Cold Lake Titles. AEP acknowledges the boundaries of the bed and shore at the lands of the Fischer Title are to be those established as the wetland boundary based on 1971 and 1977 aerial photos. The wetland boundary accepted by AEP is represented by the green line on the attached Appendix "A".
- The City of Cold Lake has received federal, provincial and municipal approval for the development of the pond within the lands of the Fischer and Cold Lake Titles into a storm water management facility ("SWMF").

In order to facilitate the development of the public SWMF, AEP seeks to acquire 1.89 ha/4.67 ac of dry land along the west wetland boundary of the pond. In exchange, AEP is willing to relinquish its claim to an equivalent area within the bed and shore along the east side of the pond. AEP continues to affirm its claim to the remainder of the bed and shore, being approximately 6.9 hectares, within the Fischer title.

Provided the City of Cold Lake agrees to transfer the lands represented by the Cold Lake Title to AEP on terms and conditions acceptable to AEP as a condition precedent to this transaction, AEP will agree to the following terms and conditions:

1. C.A. Fischer Lumber Co. Ltd. ("Fischer") will prepare, at its cost, a plan of survey within the Fischer lands for that area outlined in pink on the attached Appendix "A", which shall include the following details:

- a. The survey plan will include not less than 1.89 hectares of "dry" land as identified in blue (excluding the cross-hatched area) on Appendix "A" (the "West Lands") and 6.91 hectares of bed and shore;
- b. the shoreline boundary (indicated in green on Appendix "A"), to be indicated on the survey plan, will be the wetland boundary base as identified on 1971 and 1977 aerial photos (including the two "dog legs");

the plan of survey must be approved by AEP in advance and by the subdivision authority, and registerable at the Land Titles Office.

2. Fischer will prepare, at its cost, a plan of survey within the Fischer lands for that area outlined in orange on Appendix "A", which shall include the following details:
 - a. The survey plan will include not more than 2.23 hectares of bed and shore plus the area required for municipal reserve (0.51 hectares) as identified in pale pink (excluding the cross-hatched area) on Appendix "A" (the "East Lands");
 - b. The shoreline boundary (indicated by a heavy black line on Appendix "A"), to be indicated as a fixed boundary on the survey plan, will be established with the agreement of AEP;
 - c. The "former" shoreline boundary (indicated in green on Appendix "A"), also to be indicated on the survey plan, will be the wetland boundary base identified on 1971 and 1977 aerial photos; and

the plan of survey must be approved by AEP in advance and by the subdivision authority, and registerable at the Land Titles Office.

Please have your surveyor submit a copy of the final plans in PDF format to Dale.Schesnuk@gov.ab.ca (Dale Schesnuk, Geomatics Technologist, Survey & Technical Service Branch, telephone: 780-415-4606) to obtain AEP's approval prior to registration.

3. Fischer agrees to transfer to AEP the West Lands (1.89 ha) in exchange for AEP surrendering its interest in the East Lands (2.23 ha) plus the municipal reserve (0.51 ha). AEP will relinquish its interest in the East Lands and municipal reserve by quit claim, which will form part of the consideration under the transfer of land for the West Lands.
4. AEP acknowledges that the Cold Lake Title includes 0.34 hectares of land. Provided the City of Cold Lake transfers the Cold Lake lands to AEP for a nominal sum, free and clear of all encumbrances, the Cold Lake lands will be considered as part of the exchange represented by this transaction.
5. Fischer will transfer the West Lands to AEP, free and clear of all encumbrances, except for those which AEP has agreed to accept in writing (the "permitted encumbrances"). The consideration paid will be \$1.00 plus the value of the lands represented by the quit claim referred to in paragraph 3. (As of the date of this letter, the following encumbrances must be removed from the lands to be titled to AEP:
 - a. #752 147 585
 - b. #912 293 546
 - c. #102 002 577
6. In consideration of AEP quit claiming its title to the East Lands, Fischer hereby consents to AEP registering first on Fischer's Title the following caveats (to be prepared and registered at the sole cost of AEP):
 - a. A flood hazard caveat notifying the public that the Government of Alberta is not liable for any geotechnical, flooding or water damage arising from any use of the East Lands; and
 - b. A caveat permitting the owner to restore the shoreline to the surveyed location.

7. On or about the transfer of title of the West Lands to AEP, Fischer will apply to cancel DLO 070850. Upon the transfer of both the Fischer and Cold Lake titles to AEP, AEP intends to consolidate the titles and to grant permission to Cold Lake to use the lands for the SWMF in due course upon application for a disposition (department licence of occupation) from Cold Lake.
8. Other terms:
 - a. There will be no change to the access to the West Lands from 40th Avenue as indicated on Appendix "A".
 - b. The appraised value of both the East Lands and the West Lands has been determined to be \$17,500 per acre. Once the final survey plans have been submitted to AEP, a final determination of acreage will be done for both the East Lands and the West Lands. Fischer will pay the difference if the value of the East Lands is greater than the value of the West Lands. AEP does not pay if there is an overage on the value of the lands that are being acquired by the Province.
9. Upon acceptance of this letter by Fischer and the approval of the final plans of survey by AEP, AEP will provide an offer to purchase agreement for the West Lands in accordance with this letter.

If you are in agreement with the foregoing terms, please advise AEP (to the attention of Lori Havanka) of your agreement in writing no later than April 1, 2016 by signing below. If you are not in agreement, or do not return a signed copy of this letter, AEP will cancel your application.

Sincerely,

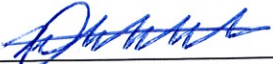


Lori Havanka
Provincial Approvals
Land Approvals Dispositions
Sales Unit

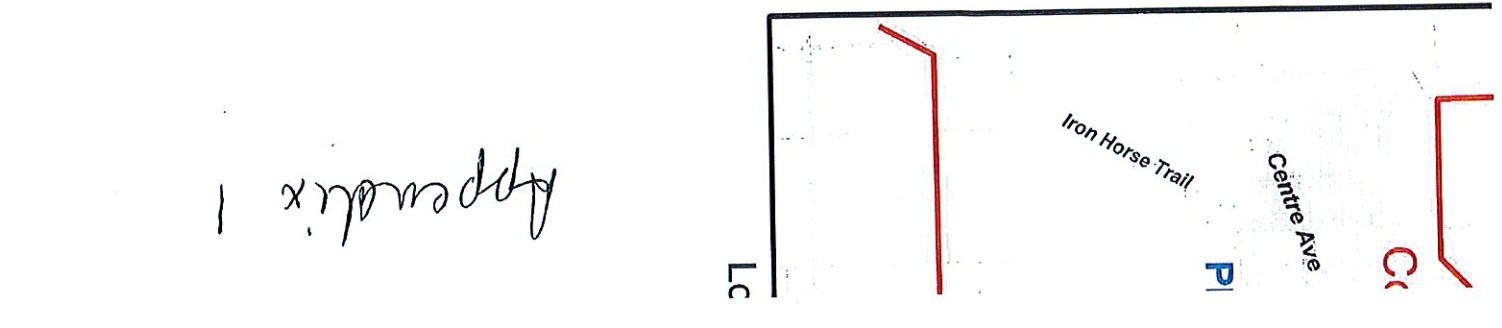
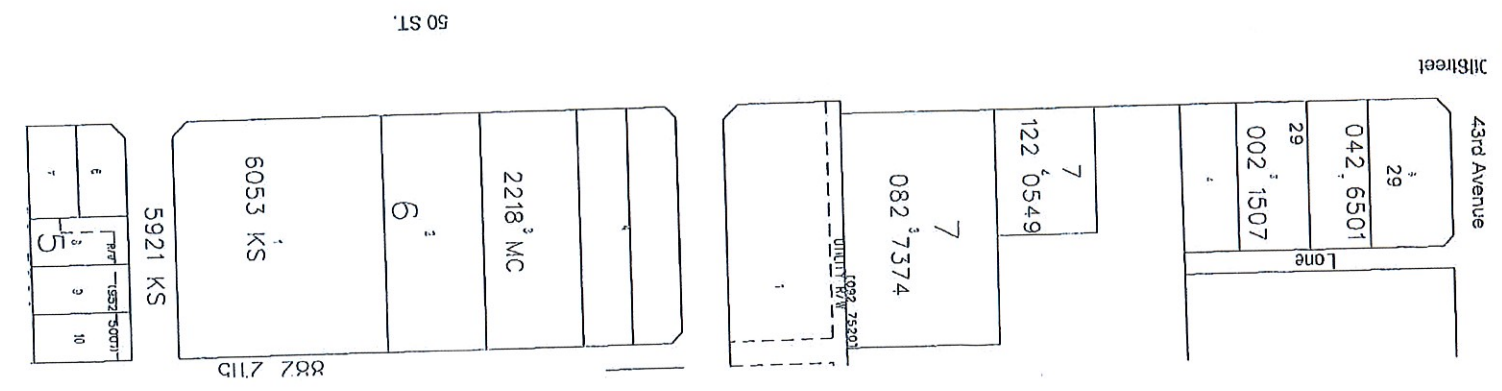
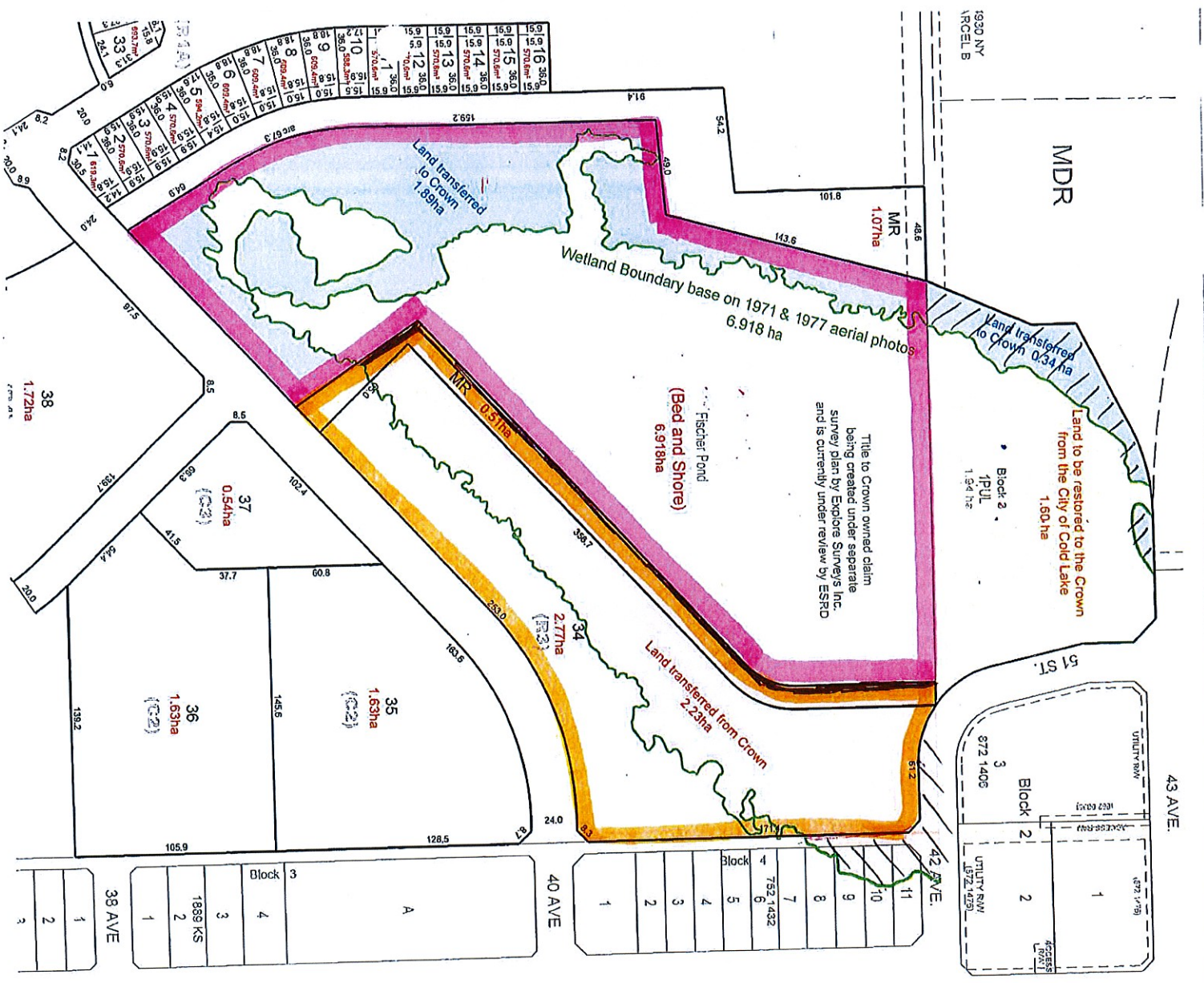
c.c. Land Use – William Black
City of Cold Lake

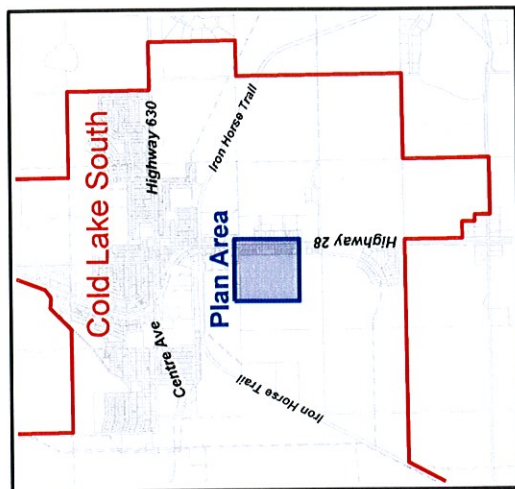
The terms of this letter are accepted by C.A. Fischer Lumber Company

C.A. Fischer Lumber Company

Per: 
Name: David Van Meter

April 15/2016
Date:





Location Plan : Not to Scale



PROPOSED SUBDIVISION
FISCHER ESTATES

Portion of SE 34-62-2-W4
CITY OF COLD LAKE

SUBDIVISION BOUNDARY CONTAINING APPROX. 14.1ha
AND 23 B1A 1 B3 1 B4 2 C2 1 C3 & 2 M1 LOTS

1:3000
July 3, 2015
47706004b10.dgn

Remainder of
S.E. 1/4 SEC 34-62-2-4