

## **Exhibit 21**

## **CITY SUPPORT AGREEMENT**

THIS AGREEMENT is made by and between the CITY OF NORTH BEND, hereinafter the "CITY" and Jordan Cove Energy Project, LP, hereinafter "Jordan Cove", for the purpose of providing city services on the following terms and conditions:

### **1. CITY FIRE PROTECTION SERVICES**

- (a) The CITY agrees to furnish fire protection services for Jordan Cove facilities situated in the North Bay area with the potential of impacting public safety in the CITY OF NORTH BEND. Responses will use either direct support or support through Automatic Aid with the agency having jurisdiction.
- (b) The CITY's dispatchers, Fire Chief or other officer of the Fire Department authorized to dispatch firefighting equipment shall use their judgment from the information received as to the amount and type of equipment and personnel that should be dispatched to the PREMISES for the purpose of fighting fire or for the protection of Jordan Cove property and personnel. Except as provided for in Section 9 below, no decision or action on the part of such dispatcher or other personnel of the CITY'S Fire Department will create liability against such individual(s) or the CITY, or defeat the right of the CITY to the compensation hereinafter provided.
- (c) CITY personnel may, with notice and at reasonable times, enter the Jordan Cove Facility and its property covered by this agreement for the purpose of making inspections or investigations that are deemed necessary or desirable for the purpose of providing fire and public safety protection. The CITY may provide written recommendations concerning fire protection procedures to Jordan Cove's Fire Protection Agency for the mitigation of fire hazards at or on the Jordan Cove Facility.
- (d) Both Jordan Cove and the CITY reserve the right to call on other public or private entities for secondary and/or supplemental services, as they deem necessary or convenient. The City shall not be the primary responder unless the emergency incident occurs within the jurisdiction of the City.

### **2. CITY POLICE SERVICES**

- (a) The CITY agrees to furnish police services, in a mutual aid capacity, for Jordan Cove facilities situated in the North Bay area with the potential of impacting public safety in the CITY OF NORTH BEND. Resources will use either direct support or support through requests from the Southwest Oregon Regional Safety Center.

- (b) The CITY's dispatchers, Police Chief or other officer of the Police Department authorized to dispatch police services shall use their judgment from the information received as to the amount and type of equipment and personnel that should be dispatched to the PREMISES for the purpose of security, public safety, law enforcement or for the protection of Jordan Cove property and personnel. Except as provided for in Section 9 below, no decision or action on the part of such dispatcher or other personnel of the CITY'S Police Department will create liability against such individual(s) or the CITY, or defeat the right of the CITY to the compensation hereinafter provided.
- (c) CITY personnel may, with notice and at reasonable times, enter the Jordan Cove Facility and its property covered by this agreement for the purpose of making inspections or investigations, which are deemed necessary or desirable for the purpose of providing security and safety protection. The CITY may provide written recommendations concerning public safety and the mitigation of security risks at or on the Jordan Cove premises to Southwest Oregon Regional Safety Center and Jordan Cove.
- (d) The CITY agrees to support the Southwest Oregon Regional Safety Center for mutual aid law enforcement support requests and emergency information distribution.
- (e) Both Jordan Cove and the CITY reserve the right to call on other public or private entities for secondary and/or supplemental services, as they deem necessary or convenient. The City will not be the primary responder unless the emergency incident occurs within the jurisdiction of the City.

### **3. CITY PLANNING SERVICES**

- (a) The CITY agrees to furnish public safety planning services for potential LNG incidents impacting within the city limits of North Bend.
- (b) The CITY agrees to develop and maintain current an LNG Response Plan compatible with Federal, State and Local Agencies and one which is compatible with and complementary to Jordan Cove's Emergency Response Plan required by regulations.

### **4. GENERAL REQUIREMENTS FOR THE CITY**

- (a) Provide qualified and trained personnel to perform emergency response planning. North Bend will also provide a first responder capability who are hired, trained, equipped and insured by North Bend.

- (b) Ensure resources provided under this contract are used to support the Jordan Cove project in meeting its commitment to protect the general public.
- (c) To participate in exercise planning, emergency drills and exercises as requested by Jordan Cove in accordance with the Jordan Cove Emergency Plan and federal, state and local regulations.
- (d) To support Jordan Cove in the installation and permitting of agreed upon public safety notification systems. Additionally, the City agrees to authorize the necessary installation and/or equipment as listed and applicable in the approved Jordan Cove Emergency Response Plan and Resource List.
- (e) To participate on the joint operational planning committee that will oversee the implementation of the State Memorandum of Understanding, with Jordan Cove.

#### **5. GENERAL REQUIREMENTS FOR JORDAN COVE**

- (a) To provide funding for an Emergency Planning billet to support police and fire departments interacting with Jordan Cove. The job description is listed in Appendix A. In the event Jordan Cove ceases to fund the Emergency Planning billet, and, as a result the City lays off the employee responsible for Emergency Planning, Jordan Cove will pay for the closing expenses associated with the laid off employee, including payment of the City's unemployment compensation obligation as to that former employee.
- (b) To provide the necessary training in LNG safety and security following the agreed upon courses in the Resource List. Jordan Cove will pay and/or reimburse the costs for training.
- (c) To assist in public education events, Jordan Cove will produce and provide public safety material at no charge to the City.
- (d) To provide a leadership role in the joint operational planning committee addressing possible changes in risk, operational parameters and strategies.

#### **6. EFFECTIVE DATE**

- (a) This agreement will become effective immediately upon the written approval of the agreement by both parties, as evidenced by the mutual signing of this document. For purposes of future payments, the effective

date shall be the first day of the month following the approval of the agreement. Quarterly intervals shall mean each following three (3) month period.

## **7. CONSIDERATION**

- (a) As a part of the consideration for this agreement, Jordan Cove shall pay to the CITY a quarterly fee payable within fifteen (15) days from the beginning of each quarter. The quarterly fee covers the cost of the resources the CITY expends in direct support to Jordan Cove. Quarterly fees are estimated using Appendix A and B and the agreed upon resources in the approved Resource List. Each year, the quarterly fee may be adjusted based upon regulatory requirements, employee pay scales and the drill and exercise program requirements.
- (b) In the event of an incident or loss requiring the CITY to provide services, Jordan Cove will pay to the CITY the expenses and costs as provided in ORS 478.310(1) within thirty (30) days from the receipt of the invoice thereof.
- (c) If there is termination of this agreement during a contract year, the annual fee will be prorated between the parties to the termination date.

## **8. COMPLIANCE WITH APPLICABLE LAW**

CITY and Jordan Cove agree to comply with all federal, state, county and local laws, ordinances and regulations applicable to this agreement. This agreement shall be governed by and construed in accordance with the laws of the State of Oregon.

## **9. TERMINATION AND NOTICE**

- (a) This agreement will remain in existence until terminated by either party, who shall provide not less than thirty (30) days written notice to the other party.
- (b) Notwithstanding the provisions of Section 7 (a) above, if the Oregon Department of Energy does not approve this agreement for the purposes of complying with the requirements of Jordan Cove's operating permits, then Jordan Cove may terminate this agreement immediately upon securing alternate support services that are in compliance with the requirements of the operating permits.
- (c) All notices, certificates or other communications shall be sufficiently given when delivered or mailed, postage prepaid, to the parties at their respective places of business as set forth below or at a place designated hereafter in writing by the parties:

Jordan Cove Energy Project, LP  
125 Central Avenue, Suite 380  
Coos Bay, OR 97420  
Attn: Robert L. Braddock

City of North Bend  
835 California St.  
North Bend, OR 97459  
Attn: City Administrator

## **10. INDEMNIFICATION**

Both parties to this agreement agree to defend, and hold each other, their councilors, employees, officers, directors and agents harmless from any and all claims, demands, liabilities, and costs incurred by another party, arising out of or in connection with the performance or failure to perform any activities pursuant to this agreement or any other act or omission of the indemnifying party arising out of the performance of this agreement.

These obligations on behalf of the City are subject to the Oregon Tort Claims Act and Oregon Constitution.

## **11. ASSIGNMENTS**

Neither this agreement nor the rights, duties or privileges provided in this agreement shall be assigned by either party without the written consent of the other..

## **12. ARBITRATION**

- (a) Any controversy or claim arising out of or relating to this Agreement, including, without limitation, the making, performance or interpretation of this Agreement, shall be settled by arbitration in Coos County, Oregon, and any Judgment on the arbitration award may be entered in any court having Jurisdiction over the subject matter of the controversy.
- (b) Any party asserting a claim arising out of or relating to this Agreement may make a written demand for arbitration. In this event, the parties shall agree to submit their controversy to binding arbitration before a single arbitrator. The arbitrator shall be an attorney licensed to practice law in the State of Oregon. If the parties cannot agree within 30 days to the selection of a single arbitrator after the election to arbitrate, either party may request that the selection of an arbitrator be made by a Judge of the Circuit Court of the State of Oregon for

Coos County. The dispute shall be heard by the arbitrator selected within 90 days thereafter, unless the parties agree otherwise.

- (c) The parties will pay their own costs of arbitration, and each will be obligated for one-half of the arbitrator's fee. The provision of Section 12 shall also apply to arbitration, and in the event of arbitration under the provisions of this Agreement, the prevailing party shall be awarded reasonable attorney fees and related costs.
- (d) If arbitration is commenced, the parties agree to permit discovery proceedings of the type provided by the Oregon Rules of Civil Procedure both in advance of, and during recess of, the arbitration hearings. ORS 183.450(1) through (4), where applicable, shall control the admission of evidence at the hearing in any arbitration conducted hereunder, provided however no error by the arbitrator in application of the statute shall be grounds as such for vacating the arbitrator's award. Each party shall be entitled to present evidence and argument to the arbitrator. The arbitrator shall give written notice to the parties stating the arbitration determination and shall furnish to each party a signed copy of such determination and Judgment so the award may be entered in any court having Jurisdiction over the parties. The parties agree that all facts and other information relating to any arbitration arising under this contract shall be kept confidential to the fullest extent permitted by law.
- (e) The parties agree that the arbitrator shall have no Jurisdiction to render an award and/or Judgment for punitive damages. The parties agree that the decision of the arbitrator shall be final and binding on the parties and a Judgment may be entered on the arbitrator's award. Unless otherwise inconsistent herewith, the provisions of ORS Chapter 36 shall apply to any arbitration hereunder. The duty to arbitrate shall survive the cancellation or termination of this contract.
- (f) Service of process in connection therewith shall be made by certified mail. In any judicial proceeding to enforce this agreement to arbitrate, the only issues to be determined shall be the existence of the agreement to arbitrate and the failure of one Party to comply with that agreement, and those issues shall be determined summarily by the court without a jury. All other issues shall be decided by the arbitrator, whose decision thereon shall be final and binding. There may be no appeal of an order compelling arbitration except as part of an appeal concerning confirmation of the decision of the arbitrator.
- (g) Neither Party shall institute any legal proceeding against the other to enforce any right hereunder or for breach hereof, except that either Party may institute litigation (i) to enforce its rights of arbitration hereunder (ii) to confirm and have judgment entered upon any arbitration award issued hereunder, and (iii) to stay the running of any statute of limitation or prevent any other occurrence (including, without limitation, the passage of time) which would constitute laches, estoppel, waiver or any other such legal

consequence that suit is necessary to avoid, provided, however, that neither Party shall pursue litigation under item (iii) beyond such action as is necessary to prevent prejudice to its cause of action pending ultimate resolution by arbitration.

- (h) If any dispute between the Parties arises from or in connection with any claim of litigation initiated by any third party (either as claimant, plaintiff, counterclaimant, or defendant/third Party plaintiff), then, unless the Parties agree otherwise, the resolution of that dispute under the arbitration provisions of this Section may at the option of either Party be deferred until the resolution of that third-party claim or litigation, provided, however that in the event of any such dispute in connection with a claim or litigation so initiated by a third party, either Party may at any time initiate arbitration under this Section 11 to determine prospective liability between the Parties upon facts which are stipulated, admitted solely for the purpose of arbitrating prospective liability, or not reasonably in dispute. The issue of whether any fact is "reasonably in dispute" under the preceding sentence shall be subject to mandatory arbitration hereunder upon the demand of either Party. In the event City is made a party to such claim or litigation so initiated by a third party, City shall select its own counsel and have complete control over all claim or litigation decisions concerning its participation in that claim or litigation, regardless of whether City is required to, or in fact does, initiate a cross claim, counterclaim, or third-party claim under Subclause (iii) of Subsection 11.7 above, and regardless of Jordan Cove's indemnity obligations under Section 10 above.

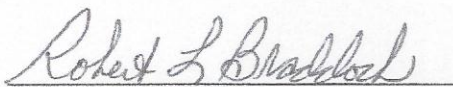
### 13. ATTORNEY FEE AND VENUE

If legal proceedings, including arbitration, are commenced by either party to enforce provisions of this agreement, the prevailing party shall be allowed recovery of the costs, expenses and attorney fees reasonably incurred in prosecuting and/or defending such legal proceedings. Venue and jurisdiction for any such legal proceedings shall be in the Circuit Court for the State of Oregon in Coos County, Oregon.

DATED: November 5, 2012

JORDAN COVE

CITY OF NORTH BEND



By: Robert L. Braddock  
Vice President



By: Terence E. O'Connor  
City Administrator

# Certifying to a Copy of a Document

State of OREGON

County of COOS

I certify that this is a true and correct copy of a document in the possession of City of North Bend.

Dated: Sept. 3, 2015.

Joann Marie Thompson

Notary Public - State of Oregon



## **Exhibit 22**

## **RESOLUTION No. 3131**

### **A RESOLUTION OF THE CITY OF NORTH BEND, OREGON IN SUPPORT OF THE JORDAN COVE LIQUEFIED NATURAL GAS (LNG) EXPORT TERMINAL AND THE PACIFIC CONNECTOR NATURAL GAS PIPELINE**

**WHEREAS**, the 1938 Natural Gas Act requires a permit to export natural gas to countries with which the U.S. does not have a free trade agreement (non-FTA countries) but mandates that the Department of Energy (DOE) approve such a permit unless it determines that doing so is not consistent with the public interest; and

**WHEREAS**, the Jordan Cove terminal and the Pacific Connector Gas Pipeline that will supply gas to the Jordan Cove terminal on the North Spit of lower Coos Bay, Oregon represent a combined \$7.5 Billion investment in a part of Oregon that has been economically depressed for over 30 years; and

**WHEREAS**, the Jordan Cove terminal and the Pacific Connector Gas Pipeline project will create an average of 1,750 construction jobs over 42 months (with peak manpower being 3,400 construction jobs) under a signed Project Labor Agreement; and

**WHEREAS**, the permanent employment at the Jordan Cove terminal and the Pacific Connector Gas Pipeline will include 99 direct jobs, 51 indirect jobs paid by Jordan Cove (Sheriff's deputies, firefighters, tugboat crews and emergency planners), 404 other indirect jobs and 182 induced jobs for a total of 736 total family-wage jobs in Southwest Oregon; and

**WHEREAS**, the Jordan Cove terminal and the Pacific Connector Gas Pipeline will generate much needed tax revenue to Coos, Douglas, Jackson and Klamath counties – \$32 million a year in ad valorem taxes or payments in lieu of taxes for the first three years, and \$42 million to \$52 million a year thereafter; and

**WHEREAS**, the Jordan Cove terminal and the Pacific Connector Gas Pipeline will enhance the Port of Coos Bay and Southern Oregon's infrastructure, helping the economically depressed region attract new businesses and create new jobs; and

**WHEREAS**, natural gas can be exported from the Pacific Northwest without having a measurable impact on domestic natural gas prices, due in part to a surplus supply of natural gas in the Western part of North America and a surplus of natural gas pipeline infrastructure in the region; and

**WHEREAS**, the State of Hawaii is seeking to improve air quality by transitioning its electricity generation from heavy fuel oil to natural gas and this transition will only be cost-effective if LNG is shipped from a West Coast terminal; and

**WHEREAS**, electric utilities in Alaska are seeking a West Coast LNG terminal from which to purchase natural gas due to insufficient natural gas infrastructure in certain parts of that State; and

**WHEREAS**, it is not economically feasible for the Jordan Cove terminal to supply natural gas to Hawaii and Alaska if the facility is not authorized to export LNG to non-FTA countries; now

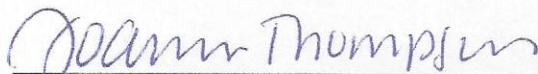
**THEREFORE BE IT RESOLVED**, that the City of North Bend finds the Jordan Cove Energy Project is consistent with the public interest, and the interests of City of North Bend and the City of North Bend calls upon Governor Kitzhaber, members of the Oregon Legislature, and members of the Oregon Congressional Delegation to encourage DOE to expeditiously approve Jordan Cove's application to export LNG to non-FTA countries.

Passed and adopted by the North Bend City Council this 14th day of May, 2013.



Mayor Rick Wetherell

**ATTEST:**



City Recorder Joann Thompson

# Certifying to a Copy of a Document

State of OREGON

County of COOS

I certify that this is a true and correct copy of a document in the possession  
of City of North Bend.

Dated: Sept. 3, 2015

Joann Marie Thompson

Notary Public - State of Oregon



## **Exhibit 23**

**From:** [Terence O'Connor](#)  
**To:** [LNGStudy](#)  
**Subject:** 2012 LNG Export Study  
**Date:** Thursday, January 24, 2013 12:37:49 PM  
**Attachments:** [2012 LNG Export Study Support Ltr.pdf](#)

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24 January 2013

To Whom it may Concern,

Please include in the comments on the 2012 LNG Export Study the attached City of North Bend, Oregon, support letter.

Sincerely,

Terence E. O'Connor  
City Administrator  
City of North Bend  
P.O.Box B  
835 California Street  
North Bend, OR 97459-0014

Office: (541)756-8536  
Fax: (541)756-8527



## City of North Bend

Post Office Box B • North Bend, OR 97459-0014 • Phone: (541) 756-8500 • FAX: (541) 756-8527

Rick Wetherell  
Mayor City of North Bend  
P.O. Box B  
North Bend, Oregon 97459

On behalf of the families and small businesses of the City of North Bend, we are writing to offer our support for the recent analysis conducted on behalf of the U.S. Department of Energy examining the economic impact of overseas sales of liquefied natural gas (LNG).

LNG exports can help grow our economy and create needed jobs. As the NERA study found:

Across all these scenarios, the U.S. was projected to gain net economic benefits from allowing LNG exports. Moreover, for every one of the market scenarios examined, net economic benefits increased as the level of LNG exports increased.

North Bend is a community that stands to directly benefit from the development of LNG exports, with the proposed Jordan Cove facility located on Coos Bay. Local unemployment stands at 10.4 percent. Construction on the facility and associated infrastructure would create thousands of needed construction jobs and about 180 permanent jobs directly connected to the facility.

The economic investment in our community will also pay dividends, helping support the badly needed resurgence of the Port of Coos Bay and providing millions of dollars for county and local services. Jordan Cove's commitment to funding education in our local school districts will provide a real boost to our underfunded schools. This would be in addition to the resulting infusion of economic activity that will benefit businesses across our local economy.

We hope that the results of this study will help direct federal energy policy on LNG exports and clear a path to begin development of this valuable facility here in Coos County, Oregon.

Sincerely,

Rick Wetherell, Mayor  
City of North Bend, Oregon

## **Exhibit 24**

[http://www.vancouversun.com/business/energy/Northwest+boom+already+bust+some/10326811/story.html?\\_lsa=0882-6c5e](http://www.vancouversun.com/business/energy/Northwest+boom+already+bust+some/10326811/story.html?_lsa=0882-6c5e)

## **Northwest B.C.'s LNG boom is already a bust for some (with video)**

### **Heated economy drives up prices and drives out tenants**

By Gordon Hoekstra, Vancouver Sun November 5, 2014



Oct. 1 - Kitimat - April Roy is one of the residents in Kitimat that have been evicted from apartments slated for renovation in anticipation of a economic boom from proposed LNG projects. Roy and her three children had been living in the Kuldo Apartments, but has had to move. As a result, her rent has increased significantly.

Photograph by: Gordon Hoekstra , Vancouver Sun

**KITIMAT** — In an ironic twist, April Roy moved to Kitimat five years ago from Fort McMurray to escape the high rents.

She found a three-bedroom apartment for \$522, but then as a construction boom fuelled by the prospects of liquefied natural gas projects heated the local economy, the Kuldo Apartments were bought by Calgary-based Kiticorp and renovated.

She was evicted last year and had to find other accommodation.

Roy did, but at \$1,200 for a cramped two-bedroom. She was only able to make the rent because she has a partner now, she said.

“That’s the only reason we managed it, or we would have been out on the streets,” she said.

The story is not a new one.

The recipe is simple: large industrial projects bring in thousands of workers and, combined with speculation, housing prices and rents are driven up.

It's been played out in places such as Fort McMurray in northern Alberta and in Fort St. John in northeastern B.C.

The first recent wave of workers to northwest B.C. came with Rio Tinto's \$4.8-billion modernization of its aluminum smelter scheduled to be finished next year, and the \$736-million Northwest Transmission Line, completed three months ago.

The next wave is meant to tap into Asia's thirst for energy.

Petronas, Shell and Chevron, whose proposed LNG projects total more than \$30 billion, would require as many as 16,000 workers.

While camps have been built to accommodate workers, some of them have spilled out into the communities, particularly when they have been given hefty living-out allowances.

In Kitimat, housing prices and rents have as much as tripled. Prices and rents are also up significantly in Terrace, the region's service hub, and are rising in Prince Rupert as well.

In Kitimat, rental vacancy rates were 35-40 per cent three years ago, but they are now approaching zero.

While the rejuvenated housing market has meant new investments to improve the rental housing stock in northwest B.C., it has displaced hundreds of people on low and fixed incomes, say housing advocates.

Kitimat housing resource worker Paul LaGace says more low-income housing is needed from the province.

But that's not the answer, says the B.C. Liberal government.

Let the market react to the influx of people and increasing wages, and where necessary assist people with rent subsidies where they are already living, says Natural Gas Development Ministry Rich Coleman, who has responsibility for housing.

LaGace says the so-called "renovictions" number in the hundreds.

Some renovations are legitimate, but sometimes landlords are simply using it as a ruse to get people out, slapping up a coat of paint and new carpets to charge higher rents, he said.

The problem is that with little government low income housing in Kitimat, and rising rents in Terrace and Prince Rupert, there are few options for people, said LaGace.

They have placed some people in Terrace, but sometimes they have little choice but to tell people to move to another town, perhaps trying to see if they have family elsewhere, he said.

"It's a bad situation," said LaGace.

In Prince Rupert, where a pair of LNG projects are proposed, the same problems are starting to emerge.

Ulf Kristiansen, with the Prince Rupert Unemployed Centre Society, said he believes a big increase in evictions is tied to an early influx of construction workers for LNG projects.

The annual allowable rent increase is about two per cent for existing tenants, but if you get a new tenant you can charge more. “Landlords are looking for any excuse to evict people so they can charge one-and-a-half times to double the rent,” he said.

At a mobile home park in Port Edward, just 10 minutes from Prince Rupert and adjacent to the proposed \$11-billion Pacific Northwest LNG project led by Petronas, tenants were served eviction notices in August.

The tenants and are trying to fight the evictions.

Park resident Ken Jennings said he believes the new owners are simply trying to capitalize on the coming LNG boom at the expense of longtime park residents.

Jennings, 76, said he has no idea where he and his wife, Mary, 78, who are paying just over \$200 for pad rent, will go.

“What a way to treat seniors,” he said.

Stonecliff Properties president Victoria Beattie said she bought the park as an investment.

She said she planned to fix the sewer and water system in the park, fill in empty spots with new trailers but keep some spots low rent, and potentially expand the park.

But Beattie says she has been stymied by the tenants, and has decided simply to close the park, as it will cost less than keeping it open.

In Kitimat, Kiticorp makes no apologies for its investment in the Kuldo apartments.

Nearly half of the 80 units were shuttered because it was cheaper for the previous landlord to turn off the heat and other services, given the low rents, says Kiticorp president Eli Abergel.

He also make no secret of their effort to benefit from the construction boom.

“It’s obviously inevitable that some of our tenants were displaced. But we still have some tenants paying very, very low rent that we still keep in our units. So, it’s all about balance for us,” he says.

Abergel also said that ultimately it’s the community and provincial government’s responsibility to deal with any need for low-income housing.

Chevron, which has not made a final investment decision on its Kitimat LNG project, said that displacing people on low and fixed incomes is a concern.

Rod Maier, a Chevron spokesman for the Kitimat LNG project, said the company does not want to create negative impacts in communities where it develops projects, which is why it tries to hire local as much as possible and will set up a 3,000-person worker camp if the project goes ahead.

Chevron has just completed a 600-person camp in Kitimat.

But Maier noted that sometimes the influx of workers and knowledge of living expense allowances will drive rents up on their own, noting that happened in Saint John's, Nfld., with the development of the Hibernia offshore oil project.

Stacey Tyers, a Terrace city councillor and poverty law advocate for the Terrace and District Community Services Society, says the biggest problem is the living-out allowance provided to workers.

At \$130 a day, three workers can share a house and still pocket money, but it completely prices out the average home renter, she said.

And in a service centre such as Terrace, there are many retail workers who simply can't afford the doubling in rents for a two-bedroom place that now range from \$1,200 to \$1,500.

Between December and February last year, elementary schools in Terrace lost 60 children because their families couldn't afford to live in the community, she said.

The City of Terrace has taken steps to allow secondary suits in all areas, and is also in the midst of passing bylaws to allow carriage houses, reduce lot sizes and house sizes.

But low-income housing is the first solution, said Tyers.

"We keep explaining to the provincial government that housing is actually a barrier to our economic growth because we can't have businesses open here if their employees have nowhere to live," said Tyers.

Coleman, who has the housing portfolio, said the province is working with northwest communities to address the issues of increasing rents.

But Coleman noted that it is a natural phenomena: any time there is economic growth, there is going to be a change in the housing market.

He noted there had been a real problem with a depressed housing market in northwest B.C. for a long time, which has meant that very little new housing has hit the market.

"We wouldn't build social housing to fill the gap — we would actually let the market do that," he said.

Coleman is a proponent of increasing densities, adding carriage houses and increasing basement suites.

Add to that subsidized rents for those that need it where they are living and you create a quicker, more flexible solution, he said.

[ghoekstra@vancouver.sun.com](mailto:ghoekstra@vancouver.sun.com)

## **Exhibit 25**



Above: Tractor-trailers tied to oil production back up traffic and are seen everywhere in and around New Town.

By Sari Horwitz ; Photos by Linda Davidson ; Published on Sept 28, 2014

FORT BERTHOLD INDIAN RESERVATION, N.D. — Tribal police Sgt. Dawn White is racing down a dusty two-lane road — siren blaring, police radio crackling — as she attempts to get to the latest 911 call on a reservation that is a blur of oil rigs and bright-orange gas flares.

“Move! C’mon, get out of the fricking way!” White yells as she hits 102 mph and weaves in and out of a line of slow-moving tractor-trailers that stretches for miles.

In just five years, the Bakken formation in North Dakota has gone from producing about 200,000 barrels to 1.1 million barrels of oil a day, making North Dakota the No. 2 oil-producing state, behind Texas, and luring thousands of workers from around the country.

But there is a dark side to the multibillion-dollar boom in the oil fields, which stretch across western North Dakota into Montana and part of Canada. The arrival of highly paid oil workers living in sprawling “man camps” with limited spending opportunities has led to a crime wave -- including murders, aggravated assaults, rapes, human trafficking and robberies -- fueled by a huge market for illegal drugs, primarily heroin and methamphetamine.

Especially hard-hit are the Indian lands at the heart of the Bakken. Created in 1870 on rolling grasslands along the Missouri River, Fort Berthold (pronounced Birth-Old), was named after a U.S. Army fort and is home to the Mandan, Hidatsa and Arikara Nation -- known as the MHA Nation, or the Three Affiliated Tribes.

“It’s like a tidal wave, it’s unbelievable,” said Diane Johnson, chief judge at the MHA Nation. She said crime has tripled in the past two years and that 90 percent is drug-related. “The drug problem that the oil boom has brought is destroying our reservation.”

Once farmers and traders, the Mandan was the tribe that gave Lewis and Clark safe harbor on their expedition to the Northwest but was decimated in the mid-1830s by smallpox. Over many years, the 12 million acres awarded to the three tribes by treaty in 1851 has been reduced to 1 million by the United States.

The U.S. government in 1947 built the Garrison Dam and created Lake Sakakawea, a 479-square-mile body of water that flooded the land of the Three Affiliated Tribes, wiped out much of their farming and ranching economy, and forced most of them to relocate to higher ground on the prairie.

“When the white man said, ‘This will be your reservation,’ little did they know those Badlands would now have oil and gas,” MHA Nation Chairman Tex “Red Tipped Arrow” Hall said in an energy company video last year. “Those Badlands were coined because they’re nothing but gully, gumbo and clay. Grass won’t grow, and horses can’t eat and cattle or buffalo can’t hardly eat . . . but there’s huge oil and gas reserves under those Badlands now.”

The oil boom could potentially bring hundreds of millions of dollars to the tribes, creating the opportunity to build new roads, schools, and badly needed housing and health facilities. But the money is coming with a steep social cost, according to White, her fellow tribal officers and federal officials who are struggling to keep up with the onslaught of drugs and crime.



“We are dealing with stuff we’ve never seen before,” White said after leaving the scene of the latest disturbance fueled by drugs and alcohol. “No one was prepared for this.”

The 20-member tribal police force is short-staffed and losing officers to higher-paying jobs on the oil fields. Sometimes, there are only two tribal officers on duty to cover the whole reservation, including part of the North Dakota Badlands. There is only one substance-abuse treatment center, with room for only nine patients at a time, to help the soaring number of heroin and meth addicts.

Over the summer, the White House Office of National Drug Control Policy singled out drug trafficking in the Bakken oil patch as a “burgeoning threat.” Violent crime in North Dakota’s Williston Basin region, which includes the reservation, increased 121 percent from 2005 to 2011. The Bakken is also experiencing a large influx of motorcycle gangs, trying to claim “ownership” of the territory and facilitating prostitution and the drug trade, according to a federal report.

“Up until a few years ago, Fort Berthold was a typical reservation struggling with the typical economic problems that you find in Indian Country,” said Timothy Q. Purdon, the U.S. attorney for North Dakota, whose office prosecutes violent crime on the reservation.

“But now, boom — barrels of oil mean barrels of money,” Purdon said. “More money and more people equals more crime. And whether the outsiders came here to work on a rig and decided it would be easier to sell drugs or they came here to sell drugs, it doesn’t make any difference. They’re selling drugs. An unprecedented amount.”

### **Operation Winter’s End**

Hall, the longtime chairman of the Three Affiliated Tribes, called it the “worst tragedy” on the Fort Berthold reservation in his memory.

On a November afternoon two years ago, an intruder burst into a home in New Town, the largest town on the reservation, and shot and killed a grandmother and three of her grandchildren with a hunting rifle. A fourth grandchild, a 12-year-old boy, survived by hiding under his slain brother’s body and pretending he was dead.

The young man responsible for the killings slit his own throat hours later in a nearby town. He was high on meth, according to federal officials.

On the same day, in an unrelated incident, Sgt. White stopped a motorist who was wanted on an outstanding warrant. As she grabbed the handle of his car door, the driver, who had drugs in the vehicle, took off, dragging her on the ground for half a block and sending her to the hospital with a concussion.

It seemed as though big-city drug violence had arrived like a sudden storm.

“We wanted to find out, immediate top priority, what happened here,” Purdon said. “Who was this shooter? Where did he get the meth? Who was he involved with? And what can we do about it?”

Purdon and the FBI teamed up with White and other tribal officers, focusing on a large-scale drug-trafficking ring led by two brothers from Wasco, Calif. — Oscar and Happy Lopez. In the summer of 2013, in an investigation dubbed Operation Winter’s End, Purdon indicted 22 people, including the Lopez brothers as well as members of the tribes, for dealing heroin and meth on or around Fort Berthold. The drugs came from Mexico through Southern California, officials said.

One suspect, Michael Smith, was wanted on a warrant for drug trafficking in Colorado. He holed himself up in a reservation house with a gun for more than 12 hours before the police knocked down the walls with a front-end loader.

“The ‘wow effect’ was pretty strong,” said Assistant U.S. Attorney Rick Volk, who oversaw the case. “That’s not something that happens every day in a small town like New Town.”

Since then, Purdon has indicted more than 40 other people who have all pleaded guilty to felony drug charges in the ongoing Winter’s End case, with a large amount of the meth and heroin also coming from gangs in Chicago or dealers in Minneapolis.

Investigating crime on Fort Berthold is more difficult than most places because the reservation sits in six different counties each with its own sheriff — some of whom do not have a good relationship with the tribe, according to tribal members. If the victim and suspect are both Native American, the tribal police or the FBI handles the arrest. But if the suspect is not Native American, in most cases the tribal police can detain the suspect but then have to call the sheriff in the county where the crime occurred. Sometimes they have to wait several hours before a deputy arrives to make the arrest. In a murder case, the state or the FBI might be involved, depending on the race of the victim and the suspect.

“There are volumes of treatises on Indian law that are written about this stuff,” Purdon said. “It’s very complicated. And we’re asking guys with guns and badges in uniforms at 3:30 in the morning with people yelling at each other to make these decisions — to understand the law and be able to apply it.”

In the quadruple murder, for example, all four victims were white. But police didn’t immediately know if the perpetrator was white or Native American, so there was initial confusion among law enforcement officials about who was in charge of the investigation.

“Can you imagine the idea that we didn’t know the race of the shooter, so we didn’t know at first who had jurisdiction over the homicide?” Purdon asked. “That’s not something your typical county sheriff has to deal with.”

The killer was later identified as a 21-year-old Native American.

### **‘I helped bring that heroin here’**

In the front seat of her cruiser, White, an Army veteran who grew up in Fort Berthold, carries an eagle feather and a photograph of the rodeo-champion grandfather who raised her.

Volk calls her “the eyes and ears of the reservation,” a cop who is able to find anyone. Her fervor to save her people from the ravages of heroin and meth gives White the fortitude to arrest even tribal members she knows well.

“I put the uniform on,” White said, “I have no family. I have no friends.”

Before she sets out on patrol, she lights the end of braided sweet grass, a tradition of the Plains Indians to drive away bad spirits. White, a mother of three, places it on her dashboard for protection.

White also carries a set of pink handcuffs, a personal signature that she says represents “girl power.” One night last year, White slapped the cuffs on one of her relatives, Rachelle Baker, a 29-year-old former Fort Berthold teacher who became addicted to heroin shortly after it arrived on the Bakken.

“I was in the back of her cruiser, cussing her out, telling her to get away from me, ‘you don’t know what you’re doing,’ ” Baker said in a recent interview. “I was bawling my eyes out. I was sweating, my hair was sticking to my face. She took my hair and pushed it back and she said, ‘Rachelle, I don’t want to see you like this anymore. I don’t want to see you live like this. You need to get better for your kids, Rachelle.’ And she closed the door.”

Three years ago, Baker’s boyfriend at the time got heroin from an oil rig worker who had brought it with him from Boston. “That was the first time in my life I ever saw it,” Baker said.

Soon, she was hooked on heroin, buying from a dealer who came from Minneapolis and shooting up, along with her friends, on a reservation where she said “there’s no other recreation.”

“There’s not a movie theater here,” Baker said. “There’s not a swimming pool. There’s nothing. There’s nothing to do here.”

She became pregnant and was using when she had her baby boy.

“I just couldn’t stop,” Baker said. She shot up so many times that she couldn’t find an easy vein and inserted needles into her neck, legs, ankles and toes. One time, she shot up in her forehead.

By last fall, Baker was also using meth. In January of this year, social workers took away both of her children, now ages 3 and 1.

“That was the lowest point in my life,” Baker said. She said she tried to kill herself by swallowing 200 Tylenol pills. Baker was transferred from the hospital to a mental-health facility and then jail, where lying in the bunk she said she felt a sense of peace for the first time in years.

“Because it felt like the nightmare I had been living was finally over,” she said.

When she was released, Baker enrolled in a treatment program; she’s now been drug-free for nearly eight months. She’s in counseling and finished parenting classes. She is tested for drugs every week and is one step away from regaining custody of her children. She’s helping to start two Narcotics Anonymous groups at Fort Berthold, where there was none.

But in a few months, Baker goes to federal court, where she said she faces 56 months in prison. She pleaded guilty to distribution of heroin after being caught in Purdon’s drug sweep.

“It is so sad because I am finally getting my life back together,” Baker said. “But I helped bring that heroin here. I sold it to people here on the reservation. I gave it to family members. And if I have to pay that price, then I will.”

### **An unsafe community**

Responding to another call, White pulls up to the reservation’s 4 Bears Casino and Lodge to check on a small child who was left inside a car while her mother went inside to gamble.

Lined up outside the casino’s hotel are four other police cars. They are not the cruisers of officers who have come to investigate the child. They belong to several new recruits who have no place to live. The housing shortage has forced officers to move with their families into casino hotel rooms until homes are built for them.

Three Affiliated Tribes Police Chief Chad Johnson said he needs at least 50 more officers.

“I get a lot of applicants from all over,” Johnson said. “The first thing they ask is if we have housing available. We’ve been putting them up in the casino, but some of them have families and they don’t want their families living in a casino.”

Johnson, the judge, has the same problem recruiting prosecutors. “We can’t get them to come to the MHA Nation because of the lack of housing and the community is becoming so unsafe,” she said. “It is extremely dangerous to live here now.”

While Fort Berthold needs more police officers, housing for recruits, more tribal prosecutors and judges, and additional drug treatment facilities, some residents say their leaders have made questionable purchases, including a yacht. Just behind the casino on the lake sits a gleaming white 96-foot yacht that the tribe purchased last year to be used for a riverboat gambling operation.

While some federal officials have questioned the tribe's financial priorities, tribe members have called for an investigation into their leader's business dealings.

Earlier this year, the seven-member tribal business council led by Hall voted to hire a former U.S. attorney to examine Hall’s private oil and gas business dealings on Fort Berthold -- including his relationship with James Henrikson, a man who was arrested on felony weapons charges and was indicted two weeks ago on 11 counts, including murder-for-hire of an associate.

Hall, who served as chairman for 12 years, lost his reelection bid the same week. In a statement, he has denied "affiliation with any gangs" and said he is cooperating with federal investigators in the Henrikson case.

Another member of the tribal council, Barry Benson, was arrested this year on drug charges.

Federal officials have sent more agents and resources to the Bakken, tripling the number of prosecutions in what Purdon calls a “robust response” to the crime wave.

But, he added, “it’s not for me to talk about what the appropriate response is by the state of North Dakota, or these counties and the tribe.”

Sen. Heidi Heitkamp (D-N.D.) created a task force this month of North Dakotans to focus on the increase in drug-related crime and human trafficking in the Bakken, including Fort Berthold.

The state “could absolutely do more,” Heitkamp said in an interview, pointing to the need for more mental-health services, drug treatment facilities and drug courts.

“We are blessed with a growing economy and the country’s lowest unemployment rate, but there was a 20 percent increase in drug crimes in North Dakota last year,” Heitkamp said. “A better-coordinated response from the state would be helpful. The lack of roads, housing and law enforcement has stretched this small rural reservation to the max.”

### **‘The last of the last’**

Earlier this year at a tribal conference in Bismark, N.D., which Purdon and Attorney General Eric H. Holder Jr. attended, White was presented with an award for her work trying to eradicate drug trafficking at Fort Berthold.

She choked back tears as she walked to the podium, where she dedicated her award to her Native American grandparents who raised her. She spoke about the time she has spent away from her three children because of her job.

“I sacrifice because this is the only place I’m going to be a cop, the Fort Berthold Indian Reservation,” White said, her voice cracking.

“This is the last of what my people have,” White said. “Our people have survived so many things in history. The methamphetamine use, the heroin use, is just another epidemic like smallpox and boarding schools. And the last of the last are going to have to survive. And I want to be in the front lines because that was my vow — to protect my people.”

## **Exhibit 26**

<http://motherboard.vice.com/blog/inside-frackings-man-camps-where-sex-drugs-and-gonorrhea-run-rampant>

# Inside Fracking's 'Man Camps', Where Sex, Drugs, and Gonorrhea Run Rampant



MOTHERBOARD

Written by  
**PETER RUGH**

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Image via. <http://www.flickr.com/photos/justinwoolford/6254817431/>

Trucks loaded with drilling equipment and industrial chemicals have begun arriving in tumbleweed towns across America to conduct the controversial oil and gas drilling method known as *hydraulic fracturing*. Fracking allows energy firms to tap once unreachable supplies of methane and oil beneath the Earth's surface by fissuring shale rock thousands of feet below ground with a highly pressurized elixir of water, silicon sand, and chemicals like benzene and formaldehyde. In tow with the heavy drilling machinery that is hitting the United States' one horse towns are workingmen with an insatiable appetite for raw sex and hard drugs.

Fracking rigs have popped up in at least 17 states including California, Texas, North Dakota, and Pennsylvania. Eighty-two thousand frack wells have been drilled since 2005, according to a report this month by the advocacy group Environment America. Seen in satellite images from space, parts of the Great Plains grow nearly bright as New York City with the light of drilling rigs and gas flares.

The rapid industrialization of North America's countryside has brought a litany of big city problems to rural America. While critics accuse frackers of fouling air, drinking water, and farmland with swamp gas and carcinogens; prostitution, methamphetamine, and sexual crime have stalked drilling operations.

"There's like 80 guys for every woman," said an industry veteran who has watched a rising sprawl of trailer parks, dive bars, and strip clubs consume the North Dakota prairie in recent years. "A friend of mine brought his wife here with him. If he turns his back on her at Walmart, there are guys talking to her when he returns."

To fill the gap in available housing for a surging transient workforce, company-housing units—known as "man camps"—have sprung up on the outskirts of once meager population centers. It's work hard, play hard. You are 7.6 times more likely to die working on an oil or gas rig than in any other industry, so it's understandable that when payday comes, these guys want to burn off steam. Unfortunately for many small towns around the country, a fracking worker's idea of fun can be a bit debauched.

"Hookers go for \$300 a pop," said the oil worker, who spoke on condition of anonymity. "But if you see a woman in a store or on the street, they get nervous when you simply say 'howdy.' Some go into panic mode because of the crude guys around here."

Critics of fracking have compared it to raping the Earth, but where drilling has spread literal rape has followed. Violence against woman in fracking boomtowns in North Dakota and Montana has increased so sharply that the Department of Justice (DoJ) announced in June that it plans to spend half a million dollars investigating the correlation. In soliciting grants from researchers the DOJ speculated that "oil industry camps may be impacting domestic violence, dating violence, sexual assault, and stalking in the direct and surrounding communities in which they reside."

A separate study from the environmental group Food and Water Watch (FWW) released in September notes that cases of gonorrhea and Chlamydia have gone up too, increasing 32.4 percent in heavily fracked counties in Pennsylvania. The study collects statistical data from five years before and five years after congress changed the Safe Drinking Water Act to exempt frackers from disclosing the chemicals used in the drilling process—spawning America's fracking boom. FWW also draws on press reports from around the country that point to the pervasiveness of the trend.

“We've found that fracking brought a host of social costs to communities where drilling has begun,” said FWW's Program Director Emily Wurth. “These are the real costs of fracking that are never discussed.”

Along with sexually transmitted diseases the study documents a spike in automobile crashes—up by 7.2 percent in Pennsylvania counties where fracking is widespread, while decreasing by 12.4 percent in non-fracked regions. The state is hardly unique.

“Most of the guys drive company trucks over 100 MPH to and from work,” said the John Doe oil worker, describing his North Dakota commute, “passing crude oil tankers each way.”

The use of meth is also on the rise in fracking boom areas. In rural Colorado, where well pads have risen like pustules upon the jagged landscape, crimes tied to the narcotic have skyrocketed to double the national average.

Curtis Hakgen a long-time drill worker from Oklahoma, who recently retired, said that 95 percent of the men he's worked with chug coffee and energy drinks to stay awake. When he described the job, it was easy for me to understand why some turn to crank.

“On a rig, they used to work three crews of five men,” said Curtis. “You would have an eight hour shift. Now, they're working two crews of five men over 12 hour shifts. It's unsafe. We lose a lot of guys when they are driving home. They fall asleep at the wheel.” As new rigs are being manufactured by the hundreds to fill the demands of the energy boom, inexperienced workers are being promoted much quicker, leading to an increase in onsite accidents, as well.

Curtis, however, takes issue with environmental groups like Food and Water Watch. He accuses paranoid environmentalists (who he believes are covertly funded by competing coal interests) of portraying energy workers as diseased rapists and drug fiends in order to keep America from tapping its natural resources.

FWW's Program Director Emily Wurth insisted that's not the case. The group simply wants “local decision makers” to consider the impact of fracking before they welcome drilling companies into their communities.

“We need to decrease our energy demand and to aggressively deploy renewable energy programs,” she said. Adding, that there is room for energy workers to join in common cause with environmentalists in fighting for greener, safer forms of employment since their working conditions are everyone's environmental conditions.

The 2010 explosion on BP's Deepwater Horizon offshore drilling rig is a perfect example. Like fracking, offshore drilling exemplifies the extreme lengths energy companies are willing to go to capture remote sources of fossil fuel. Eleven workers

died and 4.9 million gallons of oil gushed into the Gulf of Mexico during the disaster. A federal commission later concluded that a lack of regulatory oversight and corners cut by BP and its partners—TransOcean and Halliburton—led to the blowout, but little in the way of reform has emerged since.

Meanwhile fracking operations continue to expand, doing underground what the BP spill did underwater. According to Environment America's numbers, in the last eight years fracking has generated 280 billion gallons of waste water, damaged 360,000 acres of land, released 450,000 tons of air pollution a year, and added about 100 million metric tons of greenhouse gas to the atmosphere.

Fissures left by oil and gas drillers within the Earth have not only unleashed vice, violence, and environmental ruination, but now a growing body of evidence suggests that they are also triggering earthquakes. Perhaps the tremors—along with the global uptick in floods, draughts, and famine attributed to climate change—are a message that we best leave the liquefied remains of dinosaurs buried.

*This post originally appeared on VICE.*

*@JohnReedsTomb*

*More on fracking:*

*Flack for Fracking*

*TOXIC: Imperial Valley*

*The Battle Of Lazy Dog Hill*

**TOPICS:** fracking, fossil fuels, Oil, natural gas, united states