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March 22, 2017.

Via Email

Mr. Jonathan Huggett City Of Victoria Engineering #1 Centennial Square Victoria BC, V8W 1P6

Dear Mr. Huggett,

This letter is further to our telephone conversation today regarding our meeting from February 10th and your follow up letter. First, I would like to apologize for not replying your letter from February 14th. Your email arrived while I was on holidays and I must have inadvertently deleted it when I returned. Now that I've had a chance to read the letter that was contained in your report to City Council I would like to clear up a couple of points from our meeting to ensure the correct message is conveyed.

In this process, Seaspan's only concern was the proposal to be put forth to Transport Canada by the City of Victoria to reduce the speed within Victoria harbor. We believe this would hinder our Tug Masters ability to safely tow barges through the new bridge.

In our meeting on February 10th, we discussed the type of allision we believe could occur during a bridge transit. We agreed that a direct head on allision with the north pier was unlikely; the more likely scenario being a glancing blow to the structure while passing underneath the bridge. That being said, I did not agree that a 3.5 knot design speed was the correct criteria to base the fendering system on. I did agree, however, that designing the fendering to withstand the worst case scenario was not necessarily needed.

As I mentioned today during our telephone conversation, Seaspan would not design or build a tugboat or barge to withstand the worst possible conditions to be encountered. Our vessels are built to regulations and to optimize performance. We would expect the City of Victoria to build a structure that meets those same parameters. Like any project, we expect the City will assess the probability and consequence of a vessel allision with the structure to ensure the correct design criteria is used.

Seaspan have no interest is getting embroiled in the politics of the Johnston street bridge. Our interest is to ensure that the structure allows our Mariners to operate safely and fulfill the needs of the citizens of Victoria. As we have throughout this process thus far, we remain available to assist the City in assessing the safest way to move vessels through this new construction and maintain the commerce of the harbour. However, that should be the extent of Seaspan's involvement, as anything beyond this point is clearly an engineering question.

Please do not hesitate to contact me at your convenience if I could provide any further insight to the City of Victoria.

Sincerely,

Paul Hilder Vice President, Marine Operations