

DRAFT SERVICES AGREEMENT

BETWEEN

ONTARIO CLEAN WATER AGENCY

A N D

THE CORPORATION OF THE TOWNSHIP OF HURON-KINLOSS

DRAFT

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SERVICES AGREEMENT

THIS AGREEMENT effective as of the 1st day of January, 2025 (the “Effective Date”),

B E T W E E N

ONTARIO CLEAN WATER AGENCY/AGENCE ONTARIENNE DES EAUX, a corporation established under the *Capital Investment Plan Act, 1993*, c.23, Statutes of Ontario.

(“OCWA”)

A N D

THE CORPORATION OF THE TOWNSHIP OF HURON-KINLOSS

(the “Client”)

RECITALS

- (a) OCWA is in the business of providing management, operations and maintenance services for water and wastewater facilities.
- (b) The Client is the owner of the water and wastewater Facilities, more particularly described in Schedule A (the “Facilities”).
- (c) The Client issued a Request for Proposals (the “RFP”) on September 30, 2024 for the operation and maintenance of the water and wastewater systems in the township of Huron-Kinloss. The RFP was issued on the basis that the proposal by the successful proponent to operate the Facilities shall form part of the Agreement.
- (d) The Client wishes to retain the services of OCWA to operate and maintain the Facilities in accordance with the RFP, OCWA’s response to the RFP, and the provisions of this agreement (collectively, the “Agreement”).
- (e) The Client and OCWA (collectively, the “Parties” and each a “Party”) are entering this Agreement to set out their respective rights and obligations with respect to the management, operation and maintenance of the Facilities.
- (f) The Council of the Client on the ____ day of _____, 20__ passed By-Law No. _____ authorizing the Client to enter into this Agreement.

NOW THEREFORE in consideration of the mutual covenants contained in this Agreement and other good and valuable consideration the receipt and sufficiency of which is hereby irrevocably acknowledged, the Client and OCWA agree as follows:

DRAFT

ARTICLE 1 - INTERPRETATION

Section 1.1 - Definitions

In this Agreement, definitions are set out in Schedule B, or within applicable provisions as indicated.

ARTICLE 2 - RESPONSIBILITIES OF OCWA

Section 2.1 - Retention of OCWA

- (a) The Client retains OCWA to provide management, operation and maintenance services, as described in Schedule C to this Agreement, in respect of the Facilities (the “Services”).
- (b) The Client acknowledges and agrees that for the purposes of Section 449 of the *Municipal Act, 2001*, S.O. 2001, c.25, as amended, OCWA is an agent of the Client.

Section 2.2 - Performance of Services

- (a) OCWA shall deliver the Services in compliance with all applicable Environmental Laws, except as described in Paragraphs 2.2(b) and (c) below and in any of the following circumstances:
 - (i) the Client not making the Major Maintenance Expenditures and/or not undertaking the Capital Projects reasonably recommended by OCWA as per Section 4.5 and Section 4.6 herein and such Major Maintenance Expenditure or Capital Project prevents OCWA from complying with all applicable Environmental Laws;
 - (ii) failure of the Client to meet its responsibilities specified in this Agreement;
 - (iii) failure of any equipment at the Facilities, unless the failure is due to OCWA’s negligence;
 - (iv) the water transmitted to the water treatment Facilities for treatment contains contaminants or pathogens which cannot be treated or removed by the Facilities treatment processes;
 - (v) the quantity or quality of water transmitted to the water treatment Facilities exceeds the Facilities’ design or operating capacity;
 - (vi) the wastewater transmitted to the wastewater treatment Facilities for treatment contains contaminants or other substances which cannot be treated or removed by the Facilities treatment processes;

- (vii) the wastewater transmitted to the wastewater treatment Facilities for treatment does not meet the requirements of the Client's sewer use by-law or any Environmental Law;
- (viii) the quantity or quality of wastewater transmitted to the wastewater treatment Facilities exceeds the Facilities' design or operating capacity;
- (b) OCWA may temporarily cease to provide or reduce the level of provision of Services in the event of an emergency, a breakdown or any Uncontrollable Circumstance. OCWA shall, when practicable, try to give the Client reasonable advance notice of any such occurrence.
- (c) Notwithstanding any other provision of this Agreement, delay in the performance of, or a failure to perform any term of this Agreement by either Party, shall not constitute default under this Agreement or give rise to any claim for damages suffered by either Party if and to the extent caused by occurrences or circumstances beyond the reasonable control of that Party (an "Uncontrollable Circumstance"), including but not limited to any circumstances set out in Paragraph 2.2(a), decrees of government, acts of God (including but not limited to hurricanes, tornadoes, floods and other weather disturbances), sabotage, strikes, lockouts and other industrial disturbances, supply chain interruptions, global economic turbulence, insurrections, war, civil disturbances, pandemics, riots, explosions, fire and acts of third parties.
- (d) The Client recognizes that in an emergency situation or where an Uncontrollable Circumstance exists, OCWA's primary concern will be to use all reasonable efforts to maintain the Facilities in compliance with Environmental Laws and that OCWA may be required to correct a deficiency or deal with the emergency situation without obtaining the Client's prior approval. Should such a situation arise, OCWA shall advise the Client in writing as soon as reasonably possible and shall provide as much information as possible to the Client and will work with the Client to ensure the emergency situation is appropriately addressed.

Section 2.3 - OCWA as Independent Contractor

In performing the Services, OCWA shall be acting as an independent contractor and only to the extent and for the specific purposes expressly set forth herein. Neither OCWA nor its employees, agents or subcontractors shall be subject to the direction and control of the Client, except as expressly provided in this Agreement.

Section 2.4 - Authorized Representatives

Each of OCWA and the Client shall be entitled to designate in writing to the other, one or more individuals who shall be authorized to represent it in connection with the day-to-day administration of the provisions of this Agreement (the "Authorized Representative(s)"). Each of the Parties shall be entitled to rely on the acts and approvals given by the other Party's

Authorized Representative until such time as it receives a written notification of change of the other Party's Authorized Representative.

Section 2.5 - Indemnification of the Client

- (a) OCWA shall defend, indemnify and save harmless the Client, its elected officials, officers, employees and agents from and against any and all claims of any nature, actions, causes of action, losses, expenses, fines, costs (including legal costs), interest or damages of every nature and kind whatsoever (a "Claim"), including but not limited to bodily injury, sickness, disease or death or to damage to or destruction of tangible property including loss of revenue or incurred expense resulting from disruption of service, arising out of or allegedly attributable to the negligence, acts, errors, omissions, misfeasance, nonfeasance, fraud or willful misconduct of OCWA, its directors, officers, employees, agents, contractors and subcontractors, or any of them, in connection with or in any way related to the delivery or performance of this Agreement except where such Claim is due to an Uncontrollable Circumstance or to a condition of the Facilities which existed prior to OCWA's commencement of the Services (a "Pre-existing Condition"), including but not limited to those listed in Schedule F. Such Pre-existing Conditions shall be the ongoing responsibility of the Client. OCWA, in providing these Services, is not responsible, accountable or liable, in any way, for Pre-existing Conditions, either directly or indirectly.
- (b) The indemnification in Paragraph 2.5(a) above shall extend to Claims arising out of or in connection with OCWA's status with the Workplace Safety and Insurance Board..
- (b) The Client shall be deemed to hold the provisions of this Section 2.5 that are for the benefit of the Client's directors, officers, employees and agents in trust for such directors, officers, employees and agents as third party beneficiaries under this Agreement.
- (d) Claims by the Client for indemnification from OCWA will follow the Indemnification Process as described in Schedule B.

Section 2.6 - Waiver of Consequential Damages

In no event shall the Parties be liable to each other, and each Party specifically waives as against the other, any and all claims for special or punitive damages resulting in any way from performance or non-performance of this Agreement, whether such damages are characterized as arising under breach of contract or warranty, tort (including negligence), fault, strict liability, indemnity, or other theory of legal liability.

Section 2.7 - Insurance

- (a) OCWA shall maintain insurance coverage as described in Schedule E to this Agreement (the "Insurance") and the Client shall be an additional insured under the Commercial General Liability, Boiler and Machinery, Professional Liability, Cybersecurity and

Contractor's Pollution Liability insurance. Insurance coverage is reviewed annually and the Client will be notified if there is a change in coverage or price increase. OCWA requires the Client's consent to maintain insurance coverage which does not meet the standards pursuant to Schedule E this Agreement.

- (b) The Client specifically recognizes and agrees that neither OCWA nor the Crown bears any responsibility for the Pre-existing Condition(s) of the Facilities. As such, OCWA is not required to obtain insurance for this purpose and the Client has or will obtain its own insurance.
- (c) The Client shall be responsible for securing its own insurance for any other operations with which it is involved that are not part of the Services. The Client acknowledges that OCWA's Commercial General Liability, Contractor's Pollution Liability insurance and Cybersecurity insurance shall not extend to cover any claims, exposure or liability beyond those directly linked to the provision of Services by OCWA staff. The Client further acknowledges that it will have no recourse under OCWA's Commercial General Liability, Contractor's Pollution Liability and Cybersecurity insurance for any operations that do not form part of the Services.
- (d) In the event of a claim under the Insurance, the payment of deductibles is as specified in Schedule E.
- (e) The policies of insurance obtained by OCWA under this section 2.7 shall be primary, notwithstanding other insurance obtained and maintained by the Client.
- (f) A Certificate of Insurance evidencing coverage shall be provided by OCWA to the Client not less than ten (10) days prior to commencement of the Agreement.

ARTICLE 3 - RESPONSIBILITIES OF THE CLIENT

Section 3.1 - Obligations of the Client

- (a) The Client has the full power and authority to enter into and perform its obligations under this Agreement.
- (b) The Client has passed all necessary By-Laws and has obtained all necessary Authorizations to enable it to enter into and perform its obligations under this Agreement and to operate the Facilities, (including, without limitation, any Authorizations required from the Local Planning Appeal Tribunal and the Ministry of the Environment, Conservation and Parks (MECP)), and the Authorizations are in good standing.
- (c) The Client has provided OCWA with a true copy of each of the Authorizations referred to in Paragraph 3.1(b) above prior to the date of this Agreement, including a certified

copy of each municipal By-Law required to authorize the Client to enter into and perform its obligations under this Agreement.

- (d) As the owner of the Facilities, the Client is fully aware of its responsibilities and obligations regarding the operation and maintenance of the Facilities under Applicable Laws, including without limitation its responsibilities under the *Safe Drinking Water Act, 2002* (the “SDWA”), the *Ontario Water Resources Act* and the *Occupational Health and Safety Act* (the “OHSa”) and their regulations.
- (e) The Client confirms that to the best of its knowledge there are no Pre-existing Conditions existing at the Facilities which would affect OCWA’s ability to operate the Facilities in compliance with the terms of this Agreement and Applicable Laws, other than what is listed in Schedule F. The Client acknowledges and agrees that the Client shall be responsible for addressing such Pre-existing Conditions.
- (f) The Client confirms that as of the date of execution of this Agreement, to the best of the Client’s knowledge, the Facilities are in compliance with all Applicable Laws.
- (g) The Client is not aware of the presence of any designated substances as defined under the *Occupational Health and Safety Act* (the “OHSa”) at the Facilities. The Client acknowledges and agrees that it is responsible for dealing with the designated substances (including but not limited to asbestos and lead) in accordance with the OHSa and its regulations and to notify OCWA of the location of any designated substances in the Facilities.
- (h) The Client will provide OCWA annually by June 1st of each year the replacement value of the facilities described in Appendix A.
- (i) The Client will maintain its own Cybersecurity insurance policy to cover the Client’s SCADA, PLC and related operating systems.
- (j) The Client shall inform OCWA immediately in writing if the Client’s financial system has been compromised through a cyberattack or data breach which may impact OCWA’s service account.

Section 3.2 - Covenants of the Client

The Client hereby covenants the following for the benefit of OCWA:

- (a) The Client agrees to promptly pay all amounts owing to OCWA under this Agreement as they become due, including any interest charges on late payments as determined under Section 4.9.
- (b) The Client agrees to promptly provide OCWA with any information relating to the Facilities which could have a bearing on the provision of Services by OCWA, including but not limited to any engineering report prepared in respect of the Facilities, any

Authorization or amendment to any Authorization, as well as any governmental notice or order relating to the Facilities.

- (c) The Client agrees to commit the necessary resources to appropriately address and comply with any such reports, Authorizations, notices or orders.
- (d) The Client shall through the Services provided by OCWA under this Agreement repair, maintain and keep in a good working state, in accordance with good engineering practices and the standards reasonably applicable to an owner of a like facility, all water works that belong to or are under the control of the Client and that distribute water from the Facilities.
- (e) The Client shall through the Services provided by OCWA under this Agreement repair, maintain and keep in a good working state, in accordance with good engineering practices and the standards reasonably applicable to an owner of a like Facility, all wastewater works that belong to or are under the control of the Client and that collect and transmit wastewater to the Facilities.
- (f) The Client agrees to promptly commit the necessary resources to appropriately address any health and safety issues identified by OCWA which are the responsibility of the Client.
- (g) The Client shall take reasonable steps to ensure that wastewater transmitted to the Facilities complies with the Client's sewer use by-law and any Environmental Laws. If requested by OCWA, the Client shall provide OCWA with copies of the Client's inspection reports (sewer usage, cross-connections, sump pump connections), if available.
- (h) The Client shall inform OCWA if the Facility is to accept septage or leachate. The Client shall provide OCWA with confirmation from a professional engineer indicating that the Facility is capable of handling such additional Loadings. The Client shall provide OCWA with a list of haulers from which OCWA is to accept septage or leachate at the Facility. OCWA shall not be responsible for any operational impacts caused by the septage or leachate. The Client shall be fully responsible for any additional costs incurred as a result of the acceptance of septage or leachate at the Facility.

Section 3.3 - Exoneration and Indemnification of OCWA

- (a) Subject to Paragraph 3.3(c) below, the Client shall exonerate, indemnify and hold harmless OCWA, its directors, officers, employees and agents and His Majesty the King in Right of Ontario, as represented by the Minister of the Environment, Conservation and Parks and all directors, officers, employees and agents of the Ministry of the Environment, Conservation and Parks (collectively referred to as the "Indemnified Parties") from and against any and all Claims which may be suffered or incurred by, accrue against, or be charged to or recoverable from any one or more of the Indemnified Parties that is solely attributed to the Client's negligence or willful misconduct.

- (b) OCWA shall be deemed to hold the provisions of this Article 3 that are for the benefit of OCWA's directors, officers, employees and agents and the other Indemnified Parties as defined above, in trust for all such Indemnified Parties as third party beneficiaries under this Agreement.
- (c) Claims by OCWA for indemnification from the Client will follow the Indemnification Process as described in Schedule B.
- (d) Notwithstanding Paragraph 3.3(a) above, the Client shall not be liable in respect of any Claim:
 - (i) to the extent that such Claim is covered by the Insurance; however, the Client shall be responsible for any deduction or self-insured retention amount in accordance with Schedule E; and
 - (ii) to the extent that such Claim is caused or contributed to by OCWA's negligence or willful misconduct in providing the Services.

ARTICLE 4 - TERM, PAYMENT FOR SERVICES AND OTHER CHARGES

Section 4.1 - Initial Term of Agreement

This Agreement shall start on the Effective Date and shall continue in effect for an initial term of five (5) years, ending on December 31, 2029 (the "Initial Term"). This Agreement may, at the option of the Client, be renewed for an additional five (5) years, ending on December 31, 2034 (the "Renewal Term") by providing notice in writing to OCWA not less than nine (9) months prior to the end of the Initial Term. The Parties shall then commence negotiation of the pricing and any other terms during such nine (9) month period. In the event the parties are unable to or do not wish to negotiate mutually acceptable terms for a Renewal Term prior to the expiration of the then-current term, this Agreement shall expire and become null and void except with respect to any outstanding obligations accruing prior to the date of such expiration.

Section 4.2 - Annual Price

Subject to any adjustments made pursuant to other provisions of this Agreement, the Client shall pay OCWA a price for the Services for each Year of the Initial Term as described in Schedule D.

Section 4.3 - Payment of the Annual Price

The Client shall pay OCWA the Annual Price for each Year of the Initial Term or any Current Term, in twelve (12) equal monthly payments, in advance, on the first day of each month. The first payment shall be due and payable on January 1st, 2025. Payment shall be made by the Client by pre-authorized bank debit from a bank account designated by the Client.

Section 4.4 - Items Not Included in the Annual Price

The Annual Price, as further described in Schedule D, for each Year of the Initial Term and any Renewal Term, covers all charges for the Services, but does not include any charges for the following:

- (a) Any Capital Projects (as defined in Paragraph 4.6(a) below) or costs resulting from any failure of the Client to implement reasonably recommended Major Maintenance Expenditures;
- (b) Costs or charges for services resulting from a Change in Applicable Laws;
- (c) Chemical costs;
- (d) Unexpected Expenses (as defined in Paragraph 4.7(a) below);
- (e) Snow removal and yard maintenance;
- (f) Laboratory fees including transportation;
- (g) Sewer flushing;
- (h) Lagoon sludge removal;
- (i) CCTV inspection;
- (j) Watemain swabbing;
- (j) Building repairs;
- (k) Insurance on buildings;
- (l) New water meter installations;
- (m) Charges for any Optional Services that are provided by OCWA to the Client;
- (n) Costs and charges associated with providing and/or maintaining continuous monitoring technology (SCADA technology) used in respect of the Facility;
- (o) Increases in OCWA labour rates in Year Two and subsequent years due to events outside of OCWA's control such as wage increases in new collective agreements between the provincial government and the labour unions governing OCWA's employees.
- (p) Client owned SCADA, PLC and related control equipment maintenance including regular cyber security assessments;
- (q) 3rd party costs related to Drinking Water Quality Management Standards (DWQMS) accreditation, such as application fees and auditor's fees; and
- (r) Payment of all inventory and supply, repair or new construction products related to the Water Distribution System and the Wastewater Collection System.

Section 4.5 - Major Maintenance Expenditures

- (a) "Major Maintenance Expenditures" means the charges for all non-routine, non-repetitive activities, repair or replacement of machinery or equipment required for the continuity of operations, safety, and operating performance of the Facilities that are necessary to prevent or correct a failure of any component of the equipment which is not included as part of Routine Maintenance including labour charges, together with the Service Fee or fixed fee basis.
- (b) No later than October 31st of each Year this Agreement is in force, or a date as the Parties may agree in writing, OCWA will provide the Client with rolling six (6)-year recommendations for Major Maintenance Expenditures required for the long term operation of the Facilities. The Client's written approval of the estimate or revised estimate, in the form set out in Schedule H, authorizes OCWA to incur the Major

Maintenance Expenditures included in the estimate (the “Approved Major Maintenance Expenditures”).

- (c) OCWA will invoice the Client for the Approved Major Maintenance Expenditures together with supporting documentation and the Client shall pay the invoice within thirty (30) days of the date of invoice. If it is deemed that the Major Maintenance expenditure is due to OCWA’s lack of maintenance, then OCWA will not bill the Township in part or whole depending on justification or investigation of the MM Expenditure.
- (d) OCWA will not be required to obtain the prior approval of the Client for any Major Maintenance item costing less than \$1,000.00.

Section 4.6 - Capital Projects

- (a) “Capital Projects” means changes and improvements to the Facilities which include the installation of new technology, improvements to the efficiency, performance and operation of the Facilities, replacement of major pieces of equipment, structural modifications to the Facilities and the construction and commissioning of new Facilities.
- (b) During the term of this Agreement, the Client may request OCWA to undertake Capital Projects for the Client. The terms and conditions of such Capital Projects including the fee shall be negotiated by OCWA and the Client.
- (c) OCWA and the Client agree that a shared savings program can be evaluated for shared expenditure and shared savings for both parties for system improvements during the term of the Agreement.
- (d) OCWA may provide pricing for Capital Projects under a lump sum amount or on a time and material basis.

Section 4.7 - Unexpected Expenses

- (a) “Unexpected Expenses” means unanticipated expenditures or additional costs due to supply chain issues or unexpected inflationary increases and include Major Maintenance Expenditures in addition to the Approved Major Maintenance Expenditures, that OCWA reasonably incurs in order to address a Change in Applicable Laws, any Uncontrollable Circumstance, any work required by regulatory order (e.g. MECP or MOL) or identified through an inspection (e.g. ESA, MECP, MOL) that is not solely the result of OCWA’s negligence in performing the Services or any other emergency situation, together with the Service Fee.
- (b) In the event that OCWA is required to incur Unexpected Expenses, the prior approval of the Client with respect to those Unexpected Expenses will be required only if time permits. Within ten (10) days of incurring the Unexpected Expenses, OCWA will provide the Client with a report detailing the reasons the Unexpected Expenses were incurred.

- (c) Any Unexpected Expenses will be invoiced to the Client together with appropriate supporting documentation, and the Client shall pay the invoice within thirty (30) days of the date of the invoice.
- (d) In the event that OCWA is required to incur Unexpected Expenses, OCWA will not be required to obtain the prior approval of the Client for any Unexpected Expense costing less than \$1,000.00.

Section 4.8 - Interest on Late Payments

- (a) Monthly Payment of Annual Fee. If the Client's monthly payment of the Annual Fee is not available in OCWA's designated bank account on the agreed to date of payment, OCWA will notify the Client that the funds were not available. Interest will be charged to the Client starting from the day after the payment was due in the account. Interest shall be paid at a rate determined by the Minister of Finance, from time to time, as payable on overdue accounts, in accordance with the Lieutenant Governor in Council under s.10(4) of the *Financial Administration Act*, R.S.O. 1990, c.F.12, plus any banking charges and an administrative fee.
- (b) Other Invoices. Invoices, other than for the monthly payment set out in Section 4.8(a) above, shall be paid no later than thirty (30) days from the date of the invoice and interest shall begin to accrue one (1) day after the payment is due.

Section 4.9 - Partial Payment of Disputed Invoices

If the Client disputes any portion of an invoice, the Client shall pay to OCWA the undisputed portion of the invoice by the due date set out herein and provide OCWA with written notice of such dispute by the due date. Failure to provide such written notice of any such dispute will act as a waiver of any defence or justification for failing to pay the full amount of the invoice by the due date. Within ten (10) days of resolution of the disputed amount, the Client shall pay to OCWA all amounts determined to be payable to OCWA, plus interest in accordance with Section 4.9(a).

Section 4.10 - Utility Costs

OCWA is not responsible for paying any Utility Costs in respect of the Facilities. The Client shall pay all Utility Costs.

Section 4.11 - Optional Services

- (a) If requested by the Client, OCWA may provide Optional Services to the Client by Change Order as set out in Schedule H, provided that the Client and OCWA agree in writing to the specific scope of work required.

- (b) Unless otherwise agreed to in writing, fees for Optional Services which OCWA agrees to provide to the Client shall be billed directly to the Client on a time and materials basis as described in Schedule D.
- (c) Once OCWA has agreed to provide Optional Services to the Client, the Optional Services shall be subject to the terms and conditions of this Agreement, with any necessary changes having been made.
- (d) The labour rates described in Schedule D will be reviewed annually by OCWA and may be subject to change.

Section 4.12 - Changes to the Agreement

- (a) A Change to the Agreement may be carried out after execution of this Agreement by Change Order. A Change Order shall be based upon agreement between the Parties and shall be reflected in a Change Order Form.
- (b) The Parties shall execute a Change Order Form, which shall be substantially in the form found in Schedule H which will state their agreement upon all of the following:
 - (i) the services to be provided;
 - (ii) fees for the services provided under the Change Order;
 - (iii) the extent of the adjustment to the maintenance and operating schedule, if any;
 - (iv) the extent of any adjustments to the Annual Price, if any; and
 - (v) all other effects that the change has on the provisions of this Agreement.

ARTICLE 5 - DISPUTE RESOLUTION

Section 5.1 - Mediation

- (a) If a dispute arises between the Client and OCWA which cannot be resolved within a reasonable time, then the issue shall be referred to a mediator.
- (b) The fees and expenses of the mediator shall be divided equally between the Parties.
- (c) Involvement in mediation is on a without prejudice basis and does not preclude and is not a bar to either Party pursuing whatever legal remedies may be available, including litigation.

ARTICLE 6 - TERMINATION

Section 6.1 - Termination of Agreement

- (a) At least one (1) calendar year before the expiry of the Current Term, the Client shall notify OCWA in writing whether it wishes to terminate or renew this Agreement at the end of the Current Term. .
- (b) During the Initial Term or any Renewal Term, this Agreement may only be terminated by either the Client or OCWA by giving at least thirty (30) days' notice in writing to the other Party if:
 - (i) there has been a material breach of the Agreement;
 - (ii) the Party complaining of the breach has given written notice of the breach to the other Party; and
 - (iii) the other Party does not correct the breach within thirty (30) days of receiving the notice.
- (c) If either Party disputes the existence of a breach or that the breach is material, then the dispute may be referred to mediation under Section 5.1 of this Agreement.

Section 6.2 - Early Termination

If this Agreement is terminated for any reason prior to the expiry of the Current Term, then the Client shall pay OCWA for all Services provided up to the date of termination, as well as any costs relating to the early termination, including but not limited to demobilization and severance costs (in accordance with the collective agreements between OCWA and its employees); the costs associated with the removal of remote monitoring and control systems installed by OCWA; the costs of cancelling agreements with suppliers and subcontractors; as well as any previously incurred Major Maintenance Expenditures, costs related to Capital Projects, Unexpected Expenses and Optional Services.

Section 6.3 - Inventory Count of Consumables/Supplies

OCWA and the Client will conduct an inventory count of consumables/supplies at the Facilities on the first day of the Initial Term or as soon as the Parties may agree. If OCWA no longer operates the Facilities at termination of this Agreement, OCWA shall either:

- (a) ensure that there is the same amount of consumables/supplies at the Facilities on the date of termination as there was on the first day of the Initial Term; or
- (b) reimburse the Client for any shortfall.

If the amount of consumables/supplies at the Facilities on the date of termination exceeds the amount on the first day of the Initial Term, the Client will either reimburse OCWA for any excess or OCWA may take possession of any excess, as OCWA may determine.

Section 6.4 - Final Settlement

If OCWA ceases to operate the Facilities, there shall be a final settlement of all accounts with respect to the Annual Price and any other expenses incurred by OCWA and amounts owing by or to the Client under this Agreement, no later than ninety (90) days after OCWA ceases to provide the Services or thirty (30) days after OCWA has provided the Client with a final invoice, whichever comes later.

Section 6.5 - Transfer of Operations

Upon the termination of this Agreement, OCWA will return the following to the Client:

- (a) OCWA will provide electronic PDF records of all electronic logbook entries and any hard copy logbooks, based on the applicable record retention requirements.
- (b) The original operations manuals that were provided by the Client to OCWA at the commencement of the Services with all updates to the expiry date of the Agreement.
- (c) A list of emergency phone numbers from the Facility Emergency Plan used by OCWA staff in respect of the Facilities.
- (d) Maintenance and repair summary of equipment at the Facilities in electronic format including the Facility identifier or name, order number, description and log comments.
- (e) Summary of equipment registry data will be transferred in Excel format including the following data fields including the 10-digit equipment number, description, and, if available, manufacture, model, serial, specification data, and purchase or install date.
- (e) OCWA will provide standard Operational Plan(s) paid for or provided by the Client, however, OCWA does not provide any processes to the Client with regard to the operation and maintenance of the Facility upon transfer of operations. OCWA disclaims any and all liability regarding the use of any standard written documentation after termination or expiration of the Agreement.
- (f) All other Intellectual Property, policy and procedure manuals, information, documents, records and property required to operate the Facilities.

Section 6.6 - Restrictions on Recruitment of OCWA's Employees

During the term of this Agreement and for one (1) year following the termination of this Agreement, the Client shall not solicit or recruit any employee of OCWA, nor induce any OCWA employee to leave his or her employ to work at the Facilities, unless mutually agreed to in writing by the Client and OCWA.

ARTICLE 7 - GENERAL

Section 7.1 - Ownership of Technology

The Client acknowledges and agrees that in providing the Services, OCWA may utilize certain technology developed by or for OCWA, for example, OCWA's WMMS, Outpost 5 and/or PDM (the "Technology"). The Client further agrees that use of the Technology by OCWA with respect to the Facilities does not in any way give the Client any ownership or licensing rights in or to the Intellectual Property Rights to the Technology unless otherwise agreed to in writing between the Parties. For greater certainty, nothing in this Section 7.1 shall be interpreted as requiring OCWA to provide the Client with the Technology and any upgrades or other similar technology in respect of the Facilities as part of the Annual Price.

Section 7.2 - Agreement to Govern

If there is any inconsistency between the main body of this Agreement and any Schedule to this Agreement, then the provision in the main body of this Agreement shall govern.

Section 7.3 - Entire Agreement

This Agreement constitutes the entire agreement between the Client and OCWA with respect to the subject matter hereof and cancels and supersedes any prior understandings, undertakings, representations, warranties, terms, conditions and agreements, whether collateral, express, implied or statutory, between the Client and OCWA with respect thereto.

Section 7.4 - Amendments and Waivers

No amendment to this Agreement will be valid or binding unless it is in writing and duly executed by both of the Parties hereto. No waiver of any breach of any provision of this Agreement will be effective or binding unless it is in writing and signed by the Party purporting to give such waiver and, unless otherwise provided, will be limited to the specific breach waived.

Section 7.5 - Successors and Assigns

This Agreement shall operate to the benefit of and be binding upon, the Parties hereto and their successors and assigns. This Agreement may be assigned in the discretion of either Party.

Section 7.6 - Survival

All outstanding payment obligations, and the confidentiality obligation under Section 7.11, shall survive indefinitely the termination of this Agreement.

Section 7.7 - Severability

If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision and everything else in this Agreement shall continue in full force and effect.

Section 7.8 - Notices

(a) All notices required or permitted to be given under this Agreement shall be in writing and shall be deemed to be properly given if hand-delivered, sent by email, sent by confirmed facsimile or by registered mail postage prepaid, return receipt requested, or by courier, to the Parties at their respective addresses as set forth below, or to such other addresses as the Parties may advise by like notice. Such notices if sent by email, facsimile, registered mail or courier shall be deemed to have been given when received.

(i) if to the Client:

Township of Huron-Kinloss
21 Queen Street, Box 130
Ripley, ON
N0G 2R0

Telephone: 519-392-3735
Email: jyungblut@huronkinloss.com
Attention: John Yungblut, Director of Public Works

(ii) if to OCWA:

Ontario Clean Water Agency
3392 Wonderland Road South, Bldg 9, Unit 6
London, ON N6L 1A8
Telephone: 519-318-3271
Email: sbudden@ocwa.com
Attention: Susan Budden, Business Development Manager

(b) A Party to this Agreement may change its address for the purpose of this Section by giving the other Party notice of such change of address in the manner provided in this Section.

Section 7.9 - Counterparts

This Agreement may be executed in counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument.

Section 7.10 - Freedom of Information

The Parties understand that this Agreement and any materials or information provided to OCWA through the performance of the Services may be subject to disclosure under the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c.F.31, as amended, or as otherwise required by law.

Section 7.11 - Confidentiality

The Parties shall strictly maintain confidential and secure all material and information provided, directly or indirectly, by the other Party pursuant to this Agreement. Subject to relevant legislation related to freedom of information or the protection of privacy and any other laws, neither Party shall directly or indirectly disclose to any person, either during or following the term of this Agreement, any such material or information provided to it by the other Party without first obtaining the written consent of the Party who provided such material or information, allowing such disclosure.

Section 7.12 - Change in Circumstance

- (a) In the event that there is a change in circumstances or condition that is not covered under the terms of this Agreement, such as supply chain disruptions, global and national economic turbulence including, without limitation, a Change in Applicable Laws or change in the scope of services provided (a “Change in Circumstance”), then the Party asserting the occurrence of such Change in Circumstance shall give written notice to the other Party, and the written notice shall contain:
- (i) details of the Change in Circumstance;
 - (ii) details of the inadequacy of this Agreement; and
 - (iii) a proposal for an amending agreement to remedy the Change in Circumstance.

- (b) The Parties shall negotiate in good faith any amendments to this Agreement necessary to give effect to or comply with the Change, including any adjustments to the Annual Price or the Services to be provided, which shall be effected as of the date of the Change. If the Parties dispute the existence of a Change, or the recommendation proposed to rectify the Change or the terms and provisions of any amendment to the Agreement, then either Party may refer the dispute to mediation under Article 5, Dispute Resolution.

IN WITNESS WHEREOF the Parties have duly executed this Agreement.

ONTARIO CLEAN WATER AGENCY

Date of Signing

By: _____
(Authorized Signing Officer)

Date of Signing

By: _____
(Authorized Signing Officer)

**THE CORPORATION OF THE TOWNSHIP
OF HURON-KINLOSS**

Date of Signing

By: _____
(Authorized Signing Officer)

Date of Signing

By: _____
(Authorized Signing Officer)

SCHEDULE A - The Facilities

Part 1. Description of the Facilities

For the purposes of this Agreement, the description of the Facilities are as follows;

Lucknow Sewage Treatment Facility & Collection System

3 cell aerated lagoon system
6 Rapid infiltration basins
Emergency effluent storage
1 sewage pumping station

Ripley Sewage Treatment Facility & Collection System

3 cell lagoon system
1 Aerated discharge lagoon
2 sewage pumping stations

Lakeshore Drinking Water System

5 well locations
4 Pump Houses
1 Standpipe

Lucknow Drinking Water System

2 groundwater wells
2 Pump Houses
1 elevated tank

Ripley Drinking Water System

3 groundwater wells
1in ground reservoir with pump house
1elevated tank

Whitechurch Drinking Water System

2 groundwater wells
1 Pump House

Part 2. Addresses of the Facilities;

Lakeshore Drinking Water System

Blairs Grove Well No. 3 (BG-W3); 28 Cathcart Street.
Huronville South Well No. 2 (HS-W2); 39 Penetangore Row South.
Murdoch Glen Well No. 2 (MG-W2); 815 Parkplace
Point Clark Wells No. 2 and No. 3 (PCD-W2, PCD-W3); 603 Tuscarora Road,

Lucknow Wastewater Treatment Facility; 65 Washington Street

Main Sewage Pumping Station; 432 Inglis Street

Ripley Wastewater Treatment Facility; 76 Park Street

Sewage Pumping Station; 59 Park Street

Ripley-Huron Community Centre sewage pumping station, 17 Queen Street

Lucknow Drinking Water System;

Well No. 4; 600 Havelock Street.

Well No. 5; 381 South Delhi Street

Ripley Drinking Water System;

Well No. 2; 74 Huron Street.

Wells No. 3 and No. 4; 93C Huron Street

Whitechurch Water System;

Wells No. 1 and No. 2; 9 Whitechurch Street.

Water Supply Information

Water Supply Details							
Location	Population Served	Supply	Drilled Date	Elevated Tank (m3)	Inspection	Cleaning	Miscellaneous
Lakeshore	3,183 ¹	5 Wells	1992, 1994, 1995, 2015	1,500	Blairs Grove reservoir inspected in Jan. 2021, Point Clark reservoir inspected Feb. 2021, Murdock Glen reservoirs inspected in March 2021 and Huronville reservoir inspected in April 2021 Lakeshore Standpipe interior and exterior rehabilitation completed in May 2023.		
Lucknow	1,154	2 Wells	1959 & 1967	1,600	Elevated Tank Constructed in 2023		
Ripley	800	3 Wells	1994 & 2012	1,465	Elevated Tank Constructed in 2019 Ripley reservoir inspected in March 2021		
Whitechurch		2 Wells	1961 & 2007				

Water Distribution System Information

Location	Detail	Length (km)	Valves	Hydrants
Lakeshore	Subdivisions	76.2	622	203
Lucknow	Community	15.7	180	62
Ripley	Community	7.2	127	43
Whitechurch	Community	1.0	12	0

Note: Quantities have been taken from a number of different sources and are considered to be approximate estimates only.

Sewer System Information

Location	Gravity Pipe Length (km)	Forcemain Length (km)	Low-pressure Forcemain Length (km)
Lucknow	11.8	2.3	0.5
Ripley	7.2	0.7	0.7

HURON-KINLOSS LICENCES AND**CERTIFICATES WATER:**

System	Municipal Drinking Water License	Drinking Water Works Permit	Permit to Take Water
Huronville Subdivision Distribution System	License #: 087-101 Issue #: 3	Permit#: 087-201 Issue #: 3	Operated by the Municipality of Kincardine
Lakeshore Drinking Water System	License #: 087-102 Issue #: 3	Permit#: 087-202 Issue #: 3	Huronville: 3332-9N6H8L Murdoch Glen: 6123-A2UQBM Blairs Grove: 5776-BW6SKS Point Clark: 1852-9YQMAY
Lucknow Drinking Water System	License #: 087-103 Issue #: 3	Permit#: 087-203 Issue #: 5	Wells 4 & 5: 5315-CK476V
Ripley Drinking Water System	License #: 087-104 Issue #: 4	Permit#: 087-204 Issue #: 3	Wells 1, 2, 3, & 4: 4634-
Whitechurch Drinking Water System	License #: 087-105 Issue #: 5	Permit#: 087-205 Issue #: 4	Wells 1& 2: 1124-A4DMYC

WASTEWATER:

System	Certificate of Approval #	Date Issued
Lucknow Sewage Treatment Facility	3567-999KAF	August 6, 2013
Lucknow Collection System & Treatment	3-1390-88-896	January 24, 1989
Ripley Lagoons	0667-C8DN2F	November 29, 2022
Ripley Light Industrial Park (low pressure forcemain system)	4954-C8DGWR	November 15, 2021
Ripley Collection System & Waste Stabilization Pond	3-0724-88-006	September 1, 1992
Ripley Collection System & Treatment	3-0724-88-006	August 26, 1988
Huron-Kinloss Municipal Sewage Collection System	ECA #: 087-W601 Issue #: 1	Draft

SCHEDULE B - Definitions

In this Agreement, the following terms are defined below or in the section in which they first appear:

“Agreement” means this agreement together with Schedules A, B, C, D, E, F, G, H, and I attached hereto and all amendments made hereto by written agreement between OCWA and the Client.

“Annual Price” is defined in Section 1 under Schedule D of this Agreement.

“Applicable Laws” means any and all statutes, by-laws, regulations, permits, approvals, standards, guidelines, certificates of approval, licences, judgments, orders, injunctions, authorizations, directives, whether federal, provincial or municipal including, but not limited to all laws relating to occupational health and safety matters, fire prevention and protection, health protection and promotion, land use planning, environment, Building Code, or workers’ compensation matters and includes Environmental Laws.

“Approved Major Maintenance Expenditures” is defined in Paragraph 4.5(b) of this Agreement.

“Asset(s)” is defined in Schedule A, Description of Facilities.

“Authorizations” means any by-laws, licences, certificates of approval, permits, consents and other authorizations or approvals required under Applicable Laws from time to time in order to operate the Facilities.

“Authorized Representative(s)” is defined in Section 2.4 of this Agreement.

“Business Days” means a day other than a Saturday, Sunday or statutory holiday in Ontario.

“Business Hours” means the hours between 7:30 a.m. and 4:00 p.m. on a Business Day.

“Capital Projects” is defined in Section 4.6(a) of this Agreement.

“Change in Applicable Laws” means the enactment, adoption, promulgation, modification, issuance, repeal or amendment of any Applicable Laws that occur after the date this Agreement is executed by both Parties.

“Change Order” means the document shown in Schedule H describing the changes to the Agreement agreed to by both parties.

“Chemical Costs” are excluded from the Annual Service Fee as set out in Schedule D.

“Claim” means any claim, fine, penalty, liability, damages, loss and judgments (including but not limited to, costs and expenses incidental thereto).

“Consolidated Linear Infrastructure” or **“CLI”** means the consolidation of (1) all of a Client’s sewage works into a single ECA or (2) all of a Client’s stormwater management works into a single ECA.

“CPI Adjustment” means the percentage difference between the Statistics Canada Consumer Price Index, All Items (Ontario) (“CPI”) during December of the previous Year as compared to the CPI of December of the current Year.

“Crown” means His Majesty the King in Right of Ontario.

“Drinking Water Quality Management Standard (DWQMS)” means the standard that sets out the minimum requirements for the operation of a drinking water system.

“Effective Date” is defined on Page 1 of this Agreement.

“Environmental Compliance Approval” or **“ECA”** is defined in Schedule A.

“Environmental Laws” means, any and all statutes, by-laws, regulations, permits, approvals, certificates of approval, licences, judgments, orders, judicial decisions, injunctions, and authorizations related to environmental matters or occupational health and safety and which are applicable to the operation of water and wastewater treatment facilities.

“ESA” means the Electrical Safety Authority.

“Facilities” is defined in Paragraph (b) of the Recitals to this Agreement and further described in Schedule A.

“Indemnification Process” means the procedures a Party is required to follow to obtain indemnification:

- (a) upon receipt of a Claim, or notice of claim, the Indemnified Party shall forward such Claim or notice of Claim to the Indemnifying Party as soon as reasonably practicable. The Indemnified Party's failure to provide such notice to the Indemnifying Party under this Paragraph (a) does not relieve the Indemnifying Party of any liability that the Indemnifying Party may have to the Indemnified Party, but in no event shall the Indemnifying Party be liable for any Losses that result directly from a delay in providing a Claim Notice, which delay materially prejudices the defence of the related third-party claim ;
- (b) if requested by the Indemnifying Party, the Indemnified Party shall provide all documentation relating to the Claim or notice of Claim;
- (c) the Indemnifying Party shall reimburse the Indemnified Party for its costs and legal fees and expenses immediately upon request as they are incurred

- (c) the Indemnified Party shall take such steps necessary to protect its right to defend such Claim or notice of Claim and shall assign such right to the Indemnifying Party including any subrogation rights;
- (d) the Indemnifying Party shall not settle any Claim, or notice of Claim without the prior written consent of the Indemnified Party; and
- (e) the Indemnified Party shall have the right to take-over the defence of any Claim, or notice of Claim and the Indemnifying Party shall fully co-operate with such action.

“Indemnified Parties” is defined in Paragraphs 2.5 and 3.3 of this Agreement.

“Indemnifying Party” means the Party responsible for dealing with any Claims and paying out any Claims.

“Initial Term” is defined in Section 4.1 of this Agreement.

“Insurable Value” is the value of the Facility(ies) based on replacement cost as described in Schedule E and submitted by June 1st in advance of the next year.

“Insurance” is defined in Paragraph 2.7(a) and further described in Schedule E.

“Intellectual Property Rights” means any copyright, trademark, patent, registered design, design right, topography right, service mark, application to register any of the aforementioned rights, trade secret, rights in unpatented know-how, right of confidence and any other intellectual or industrial property rights of any nature whatsoever in any part of the world.

“Locate ” is the process of identifying and labeling Client’s core underground water, wastewater and storm infrastructure at a particular address with a single service/connection.

“Maintenance and Repair Limit” means the total Maintenance and Repair expenditures that OCWA has included in the Annual Fee, and as set forth in Schedule D Section 3. Such expenditures exclude any labour costs for OCWA’s staff assigned at the Project, which costs are included in the Annual Fee. OCWA’s specialized maintenance personnel, not assigned at the Project, who provide such specialized services such as, but not limited to, vibration, thermographic and electrical analyses, instrumentation maintenance and repair, and major equipment repair will be charged to the Maintenance and Repair Limit.

“Major Maintenance Expenditures” is defined in Paragraph 4.5(a) of this Agreement.

“MECP” means the (Ontario) Ministry of the Environment, Conservation and Parks.

“MOL” means the (Ontario) Ministry of Labour.

“OHSA” means the *Occupational Health and Safety Act*, R.S.O. 1990, c. O.1.

“**Operational Plan(s)**” means standard written documentation developed to establish policy and objectives with regard to quality.

“**Optional Services**” means any services not included in the Annual Price that the Client and OCWA agree in writing to designate as “Optional Services” subject to Section 4.11.

“**Outpost 5**” means a remote monitoring and control system designed and constructed by OCWA and its consultants for the purpose of monitoring and controlling processes at water treatment facilities and their related parts.

“**Overall Responsible Operator**” means the person who will act as the overall responsible operator pursuant to Section 23 of O. Reg. 128/04 under the *Safe Drinking Water Act, 2002* (the “SDWA”) and Section 15 of O. Reg. 129/04 under the *Ontario Water Resources Act* (the “OWRA”) in respect of the Facilities.

“**OWRA**” means the *Ontario Water Resources Act, R.S.O. 1990*.

“**Parties**” is defined in Paragraph (d) of the Recitals to the Agreement.

“**PDM**” or “**Process Data Management**” means technology that allows process data to be entered into a format that can be viewed, manipulated and retrieved in the form of customized reports.

“**PLC**” means Programmable Logic Controller

“**Pre-existing Condition**” is defined in Section 2.5 of this Agreement.

“**Renewal Term**” is defined in Section 4.1 of this Agreement.

“**Routine Maintenance**” means regular and/or repetitive activities recommended by the equipment or facility manufacturer or practices of a prudent operator to maintain the reasonably expected service life of the equipment and components thereof and includes preventative maintenance.

“**Service Requests**” include, requests for winterizations or Spring openings for cottages in addition to miscellaneous requests from the Township.

“**SCADA**” means Supervisory Control and Data Acquisition.

“**SDWA**” means the *Safe Drinking Water Act, 2002, S.O. 2002 c.32*.

“**Service Fee**” is defined and described in Schedule D.

“**Services**” is defined in Section 2.1 of this Agreement.

“**Technology**” is defined in Section 7.1 of this Agreement.

“Uncontrollable Circumstance” is defined in Paragraph 2.2(c) of this Agreement.

“Unexpected Expenses” is defined in Paragraph 4.8(a) of this Agreement.

“Utility Costs” means the costs of water, hydro, telephone and natural gas used in the operation of the Facilities.

“Winterizations” may consist of hydrant and blow-off winterizations, curb stop shut offs as directed by the Township and the reverse function required each spring. There are currently about 25 hydrant and blow-off winterizations carried out each year.

“WMMS” or **“Work Management Maintenance System”** means a computer program used to determine a program of preventive maintenance activities for equipment in a facility based on a risk analysis that considers factors such as equipment life expectancy, present value and replacement cost.

“Year” means the three hundred and sixty-five (365) day period from January 1st to December 31st, calendar year.

DRAFT

SCHEDULE C - The Services

WATER SUPPLY OPERATIONS

General

- (a) Perform regularly scheduled inspections and carry out associated Operational/Maintenance duties at the facilities to ensure that the facilities are operating effectively.
- (b) Conduct daily operations to comply with the requirements of the Licenses and Permits
- (c) If the Township adopts residential water metering during the term of this or subsequent agreements the Scope of Work will be adjusted to comply with any associated needs.
- (d) Work with the Township on the periodic submissions for license and permit renewals. This includes additional sampling and compilation of data.
- (e) Develop, for the approval of the township Unidirectional Flushing and Valve Operational plans.

Maintenance and Repairs

- (a) Provide day-to-day operation and maintenance of the facilities, including routine lubrication, in accordance with industry standards.
- (b) Return to the Township, at the end of the term, the Facilities in as good or better condition as of the commencement of the Term, subject to such normal wear and tear.
- (c) Prepare and implement a Preventative Maintenance Management Plan and submit such plan to THE TOWNSHIP for its records, together with any amendments thereto implemented by Contractor from time to time.
- (d) Perform maintenance duties to all equipment by following the preventive maintenance management plan including checking machinery and electrical equipment when required and overhauling the equipment as necessary.
- (e) Maintain an inventory on all equipment and tools provided by the Township.
- (f) Ensure the security of the facilities by locking doors and gates.
- (g) Maintain the cosmetic look of all of the facilities and equipment.

Operations

- (a) Inspect and adjust process control equipment to ensure proper operation of all pumps and treatment systems, chemical feed systems, etc.
- (b) Check pumping stations to ensure that everything is in order.
- (c) Take routine readings of pumping station equipment.
- (d) Operate pump controls and valve controls for pumping of all process streams.
- (e) Facilitate cleaning chambers, reservoirs, settling tanks and other equipment at water supply facilities.
- (f) Mix and monitor chlorine and other process chemicals.
- (g) Take and analyze samples as required for regulatory compliance and proper operation.
- (h) Facilitate internal/external inspection of the all storage facilities (Lucknow, Lakeshore-Point Clark and Ripley) at least once every five years and provide copies of the inspection reports to Township.

DISTRIBUTION SYSTEM

General

Supervise and perform regular scheduled inspections, and operational and maintenance duties of the systems to ensure that the facilities are operating effectively.

Operations

- (a) Carry out a documented unidirectional flushing of the distribution systems.
- (b) Perform annual flushing, inspection, operation and maintenance of all known municipal hydrants. This includes winterization/draining after use of approximately 25 hydrants and blow-offs.
- (c) Based on the plan developed and approved, perform an inspection, operate and maintain all known distribution system valves.
- (d) Document all valve and hydrant maintenance work.
- (e) Maintain a record of all watermain & service leaks, documenting condition of main and or service in problem area.

- (f) Provide 24 hour, 7 day per week, response and repair to all watermain breaks and service leaks.
- (g) Assist the Township with maintaining an inventory and mapping of all watermains, services, valves and hydrants.
- (h) Procure as necessary, repair materials for all hydrants, and water meters on behalf of the Township.
- (i) Prepare and implement a documented meter recalibration and/or replacement program.
- (j) Respond to all water meter repair needs for meter installations excluding single family residential properties.
- (k) Provide installation services for seasonal meters and new installations in the commercial and industrial areas.
- (l) Maintain an inventory of all water meters.

WASTEWATER OPERATIONS

General

- (a) Subject to the terms and conditions of the Services Agreement, perform regularly scheduled inspections and carry out associated Operational/Maintenance duties at the facilities to ensure that the facilities are operating effectively.
- (b) Conduct daily operations to ensure compliance with the requirements of the Certificates of Approval or Environmental Compliance Approvals (Sewage)

Maintenance and Repairs

- (a) Perform all maintenance and repairs, including routine lubrication, at the treatment facilities and sewage pumping stations.
- (b) Periodically take and submit samples from the Landfill leachate holding tank in accordance with industry standards.
- (c) Perform maintenance duties to equipment by following the preventive maintenance management plan including checking machinery and electrical equipment and components when required and overhauling equipment as necessary.
- (d) Attend at the Ripley SPS to observe the dumping of leachate and septage wastes

including collecting forms and providing them to the Township.

- (e) Attend at the Huron Landfill site quarterly to take and submit leachate samples as required by the Ripley Lagoon ECA.
- (f) Hose down weirs, walls and channels when and where necessary.
- (g) Maintain the cosmetic look of all of the facilities and equipment.
- (h) Maintain an inventory on all equipment and tools provided by the Township.
- (i) Ensure the security of the facilities by locking doors and gates.

Operations

- (a) Inspect and adjust as necessary process control equipment.
- (b) Operate pump controls and valve controls for pumping of all process streams.
- (c) Take routine readings of pumping station equipment and check pumping stations to ensure that everything is in order.
- (d) As required, clean wet wells out, using a sanitary truck, and inspect each pumping station and its equipment, make repairs as necessary, change oil and lubricate the necessary equipment.
- (e) Periodically facilitate the measurement lagoons for sludge depth to ensure proper operation. Coordinate removal of residual sludge if required.
- (f) Check chemical feed pumps, compare to routine calculations and determine and make operational adjustment requirements.
- (g) Rake bar screens
- (h) As required, scrub and/or hose down weirs and walls of all tanks and channels; routinely clean weirs, channels; make repairs and cosmetic improvements.
- (i) Mix and monitor alum in feed tanks and other process chemicals. Order additional chemical when necessary.
- (j) Perform routine wastewater tests such as suspended solids, dissolved oxygen, temperature, pH, and record results. Calculate plant process control parameters and make operational adjustments as required such as increasing chemical feed.
- (k) Collect and submit samples for heavy metals and trace organics, conduct routine analysis for coliform bacteria and chemicals as required, and ensure that samples

are shipped to the proper labs.

- (l) Observe, calculate, record and analyze amount of wastewater treated, the daily flows and the monthly flows, pumping station running hours, diesel running hours, amount of chemicals used, and the sludge hauled.
- (m) On a routine basis, complete the daily log book and complete operating forms for statistics for computer input and output forms and correct the results of the output forms to ensure a proper monitoring of plant flows and process for wastewater treatment.
- (n) Evaluate methods for reducing peak flows and equalizing flow to treatment facilities.
- (o) Investigate and report on non-compliant wastewater influent, identify the source or sources.
- (p) Conduct an inspection of all sanitary system maintenance holes such that every maintenance hole is examined at least once every three years. Supervise any camera work and/or flushing required. Provide reports to the Township on all maintenance holes inspected including identifying the condition and making recommendations for repairs.

METER READING

OCWA will read the 38 residential water meters as indicated in the RFP dated September 30th, 2024 and provide the data to the Township for billing purposes.

WINTERIZATIONS

Carry out any required hydrant and blow-off winterizations per year. It is estimated that there are currently about 25 hydrant and blow-off winterizations carried out each year.

MUNICIPAL WORK ORDERS

The Contractor will acknowledge receipt of all Township generated Work Orders and provide an estimated time of completion within two business days of receipt. A copy of completed Township Work Orders will be returned to the Township within one business day of completion.

LOCATES & SERVICE REQUESTS

Carry out any required system locates up to 800 annually, and respond to 100 miscellaneous service requests per year. Locates for construction projects (requiring more than 5 locates) will be considered as Out of Scope work.

INSPECTION OF NEW SERVICE INSTALLATIONS

Provide inspection services on public property up to and including the curb stop or clean out for any new services that are installed. Service records sheets shall be provided to the Township within 30 days of installation.

CUSTOMER SERVICE

- (a) Calls of inquiry/complaint will be handled by the Township at directed to OCWA when appropriate.
- (b) Maintain good communication to the public and media.
- (c) Be prepared to, and if asked by the Township, conduct facility tours during normal business hours.
- (d) Be a resource for educational services when required.

COMMUNITY ENGAGEMENT

On an annual basis OCWA will actively participate in community events including but not limited to the following; OCWA's One Water Education Program, Shoreline Cleanup, and the Santa Claus Parade.

MONITORING and REPORTING OBLIGATIONS

- (a) Meet all regulatory reporting obligations as required by approvals, licenses, and permits.
- (b) Prepare data to be included in monthly and quarterly reports to the Township including the following information and monitoring results as well as any other pertinent information.

For Wastewater:

- (c) Flows (average, minimums, maximums).
- (d) Volumes (treated, by-passed, Leachate, other).
- (e) Loadings and concentrations (raw and treated), By-pass concentrations, primary effluent, effluent, mixed liquors.
- (f) Chemicals used for the process.
- (g) Sludge treated and disposed of
- (h) Equipment Maintenance details including:
 - a. Work completed.
 - b. Work proceeding during the next period.

For Water:

- (i) Flows (average, maximums, minimums).
- (j) Volumes (treated).
- (k) Chemicals used.
- (l) Raw and treated water quality.
- (m) Equipment Maintenance details including:
 - a. Work completed.
 - b. Work proceeding during the next period.

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INITIAL CONDITION ASSESSMENT and INVENTORY

By **March 31, 2025** OCWA shall provide the Township with a comprehensive, written Inventory and Initial Condition Assessment (“the Inventory”) of the existing facilities and equipment (i.e. the assets). The Inventory must include a list, in tabular form, of all civil and structural assets and electrical and mechanical equipment at each location where the value of the individual asset is greater than \$1,000, and should identify and document the approximate age and provide an opinion of:

- 1) Its condition at the time of the inventory.
- 2) When and what repairs or replacements will be required.
- 3) Anything else that is relevant to defining its condition at the time the contract is initiated.

Photographs or video records to support the information will be required. Expectations for when major maintenance or replacement will be required must be noted. The information will be used to assess the Contractor’s maintenance performance during and at the end of the contract. Both the successful proponent and the Township must sign off on the Inventory document.

OCWA shall maintain the Inventory as assets are added or deleted and, at least annually, advise the Township of changes.

COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEM (CMMS)

During the term of the Services Agreement the Township may elect to purchase and implement its own Computerized Maintenance Management System (“CMMS”). In that event OCWA will be required to assist and cooperate in the transfer of data from the OCWA owned CMMS to the Township system. The costs of transfer will be addressed as an Out of Scope item.

Until the Township purchases and implements its own CMMS the following provisions will apply.

OCWA shall provide a **CMMS**, generally as described in Schedule I, for OCWA’s use to maintain the water and wastewater facilities. OCWA shall implement and install the CMMS licence and software that will allow the Township to monitor all corrective, predictive and preventive maintenance of the Township’s assets.

OCWA shall be responsible for all costs associated with using and maintaining the CMMS.

OCWA shall develop and implement a comprehensive bar coding system for all equipment to populate the CMMS. The system shall be integrated with the Initial Condition Assessment and Inventory. OCWA shall maintain and update the CMMS including data entry, troubleshooting, backup and all necessary software upgrades for the duration of the Services Agreement.

The Township shall have direct, on-line access at all times to OCWA’s CMMS for monitoring purposes only. OCWA shall be responsible for obtaining and maintaining any licences required for the Township’s access to the CMMS.

OCWA shall enter one hundred percent (100%) of all necessary data in the CMMS within three (3) months of the Start Date. All data in connection with the construction, installation, and/or implementation of new equipment must be entered within three (3) months of installation of the new equipment.

FIVE YEAR CAPITAL IMPROVEMENT PLANS

By **November 1, 2025, and annually by November 1st** thereafter, OCWA shall provide a list of recommended Capital Improvements required over the next five years. This is exclusive of the water distribution system and the sewer collection system. The anticipated cost of the improvements shall be provided.

OCWA will not be relieved of its responsibility to perform if the recommendations are not implemented; provided however, that a Capital Improvement necessary to: (i) meet permit requirements; or (ii) meet. Applicable Laws, shall not be optional and must be implemented by the Township.

The Township will make arrangements for the design and construction of said improvements. Under no circumstance will OCWA be held liable or responsible or considered in breach of its obligations under the Service Agreement if the Township's failure or omission to implement the recommendations for Capital Improvements causes damage, impairs or prevents OCWA from meeting its obligations under this Agreement.

UNIDIRECTIONAL and FLUSHING PLANS

By July 1, 2025, OCWA shall develop and provide to the Township for approval; unidirectional flushing and distribution valve operation (i.e. exercising) plans consistent with the recommendations of AWWA Manual M44.

Part 2 - Optional Services (To Be Provided at the Request of the Client)

OCWA may provide additional services to the Client including but not limited to the Optional Services set out below:

1. Operation Related Services
 - (a) operation manual updates;
 - (b) water meter installation/replacement;
 - (c) water service disconnect and reconnect
 - (d) new water service installation or connection inspection;
 - (e) well camera inspections
 - (f) clearwell cleaning;
 - (g) back flow prevention measures.

2. Watermain Services
 - (a) contract repair for watermain breaks including road restoration;
 - (b) inspection of repaired water pipes;

- (c) thawing water pipes;
- (d) new watermain commissioning;
- (e) watermain swabbing;
- (f) leak detection;
- (g) chamber inspections, monitoring.

3. Engineering Services

- (a) engineering services;
- (b) energy audits;
- (c) water tower painting and repair;
- (d) provide assistance and/or complete applicable funding applications;
- (e) financial plans for water infrastructure.

4. Hydrant Services

- (a) hydrant flow testing;
- (b) hydrant repairs;
- (c) painting hydrants.

5. Information Technology Services

- (a) SCADA development and maintenance.

SCHEDULE D - The Annual Price and Other Charges and Adjustments

1. Annual Price for the Initial Term

In accordance with Section 4.2 and subject to any adjustments made pursuant to other provisions of this Agreement, the Client shall pay OCWA a price for the Services for each Year of the Initial Term in the following amounts (the “Annual Price”):

- (i) Year One from January 1st through to (December 31, 2025)

Table 4.1 - Cost Proposal - Water Facilities

Expenditures	Year One 2025	Year Two	Year Three	Year Four	Year Five
The Service Fee	\$49,631.56	\$46,070.00	\$46,070.00	\$46,070.00	\$46,070.00
Administrative Services	\$9,200.00	\$9,200.00	\$9,200.00	\$9,200.00	\$9,200.00
Personnel Services	\$385,597.49	\$385,597.49	\$385,597.49	\$385,597.49	\$385,597.49
Equipment	\$60,957.58	\$56,229.20	\$56,229.20	\$56,229.20	\$56,229.20
Materials/Supplies	\$82,958.45	\$70,511.87	\$70,511.87	\$70,511.87	\$70,511.87
Other (Identify) - For transitional and full accreditation	\$3,500.00	\$0.00	\$0.00	\$0.00	\$0.00
Subtotal	\$591,845.08	\$567,608.56	\$567,608.56	\$567,608.56	\$567,608.56
Maintenance and Repair Limit (5% of above)	\$29,592.25	\$28,380.43	\$28,380.43	\$28,380.43	\$28,380.43
Total for the Annual Service Fee	\$621,437.33	\$595,988.99	\$595,988.99	\$595,988.99	\$595,988.99
Development of the Condition Assessment and Asset Inventory	\$5,000.00	\$0.00	\$0.00	\$0.00	\$0.00
Maintenance of the Condition Assessment and Asset Inventory	\$0	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
Development of the CMMS	\$5,000.00	\$0.00	\$0.00	\$0.00	\$0.00
Maintenance of the CMMS	\$0	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00

Development of unidirectional flushing and valve maintenance plans	\$500.00	\$0.00	\$0.00	\$0.00	\$0.00
Development of and Annual updates of the Five-Year Capital Plan	\$2,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
Total Fee for the Year	\$633,937.33	\$599,488.99	\$599,488.99	\$599,488.99	\$599,488.99

Wastewater Facilities

Expenditures	Year One 2025	Year Two	Year Three	Year Four	Year Five
The Service Fee	\$33,706.00	\$31,916.50	\$31,916.50	\$31,916.50	\$31,916.50
Administrative Services	\$12,188.79	\$12,188.79	\$12,188.79	\$12,188.79	\$12,188.79
Personnel Services	\$160,847.73	\$160,847.73	\$160,847.73	\$160,847.73	\$160,847.73
Equipment	\$22,569.00	\$16,638.31	\$16,638.31	\$16,638.31	\$16,638.31
Materials/Supplies	\$23,724.14	\$21,193.29	\$21,193.29	\$21,193.29	\$21,193.29
Other (Identify)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Subtotal	\$253,035.66	\$242,784.62	\$242,784.62	\$242,784.62	\$242,784.62
Maintenance and Repair Limit (5% of above)	\$12,651.78	\$12,139.23	\$12,139.23	\$12,139.23	\$12,139.23
Total for the Annual Service Fee	\$265,687.44	\$254,923.85	\$254,923.85	\$254,923.85	\$254,923.85
Development of the Condition Assessment and Asset Inventory	\$2,500.00	\$0.00	\$0.00	\$0.00	\$0.00
Maintenance of the Condition Assessment and Asset Inventory	\$0.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
Development of the CMMS	\$2,500.00	\$0.00	\$0.00	\$0.00	\$0.00

Maintenance of the CMMS	\$0.00	\$500.00	\$500.00	\$500.00	\$500.00
Development of and Annual updates of the Five-Year Capital Plan	\$1,000.00	\$500.00	\$500.00	\$500.00	\$500.00
Total Fee for the Year	\$271,687.44	\$256,923.85	\$256,923.85	\$256,923.85	\$256,923.85

In year two of the agreement an adjustment for CPI, plus an adjustment for maintaining the Insurance which is renewed annually by OCWA will be made. The CPI Adjustment shall be calculated as soon as necessary information is available from Statistics Canada. In Year Two of the Agreement, the CPI Adjustment shall be added to the Annual Price for Year 2 of the Agreement and for Subsequent Years, on a cumulative basis.

2. Payment of the Annual Price

In Year One of the Initial Term, the monthly payment of the Annual Price shall be \$75,468.73. The Township can deduct \$2,000/month from the monthly service fee for failure to provide the initial condition assessment (Inventory), 5 year capital plans, flushing, and valve exercising plans.

3. Maintenance & Repair Limit

- (a) In accordance with Section 3. (d) below, The Maintenance and Repair Limit has been included in the Annual Fee
- (b) If actual Maintenance and Repairs expenditures are less than the Maintenance and Repair Limit for any contract year under this Agreement, OCWA will issue a rebate for the difference to the Client in accordance with Section 6.3. If actual Maintenance and Repairs expenditures exceed the Maintenance and Repair Limit, the Client will pay the excess to OCWA in accordance with Section 6.3. OCWA will notify the Client when actual Maintenance and Repairs expenditures equal eighty percent (80%) of Maintenance and Repair Limit. Upon request, OCWA will provide the updated total to the Client.
- (c) Notwithstanding anything to the contrary in this Agreement, the following cost allocations shall apply to costs for the Project:

- (d) For year one of the contract, OCWA shall be responsible for and pay the cost of all routine Maintenance and Repairs that are equal to or less than \$2,500 per one Maintenance or Repair expenditure, up to a maximum of \$29,592.25 for the water system, \$12,651.78 for the wastewater system per contract year (the "Maintenance and Repair Limit").
- (e) For years two to five of the contract, OCWA shall be responsible for and pay the cost of all routine Maintenance and Repairs that are equal to or less than \$2,500 per one Maintenance or Repair expenditure, up to a maximum of \$28,380.43 for the water system, \$12,139.23 for the wastewater system per contract year (the "Maintenance and Repair Limit").
- (f) The Client shall be responsible for payment for any repair and maintenance incidents where the cost exceeds \$2,500, including operator's labour. Any Maintenance and Repair incidents where the cost exceeds or is expected to exceed \$2,500.00 per incident Maintenance and Repair require the prior written approval of the Client.
- (g) For each contract year, the Client shall be responsible for and pay the entire additional cost of any Maintenance and Repairs of the facilities and equipment after OCWA has reached the annual Maintenance and Repair Limit, as Out of Scope Work.
- (h) Subject to the availability of funds within the Maintenance and Repair Limit described in Section 3 (d) OCWA will perform all Maintenance and Repairs, and submit a monthly accounting to the Client, along with a detailed invoice, if Maintenance and Repair expenditures for the Project exceed the Maintenance and Repair Limit.

3. Optional Services

Unless otherwise agreed to in writing, fees for Optional Services which OCWA agrees to provide to the Client shall be billed directly to the Client on a time and materials basis at the following rates to be adjusted on an annual basis with written notification to client:

- (a) Labour rates on Business Days, Monday to Friday, (0730 to 1600) shall be billed at \$100/hour/person for an operations manager, operations supervisor or process compliance technician, and \$75/hour/person for an operator or mechanic;
- (b) Labour rates on statutory holidays shall be billed at \$150/hour/person for an operations manager, operations supervisor or process compliance technician, and \$112.50/hour/person for an operator or mechanic, with a minimum eight (8) hour charge;
- (c) Labour rates at all other times (after hours and on weekends) shall be billed at \$150/hour/person for an operations manager, operations supervisor or process

compliance technician, and \$112.50/hour/person for an operator or mechanic, with a minimum four (4) hour charge;

- (d) Costs for parts, equipment and supplies, and outside labour charges (i.e., contractors), used by OCWA staff to provide the Optional Services shall be billed to the Client, and the Client will pay such costs together with a Service Fee;
- (e) Costs for Optional Services provided by OCWA staff (i.e. engineering services, project management, SCADA, innovation technology, process optimization, and CLI services) will be based on OCWA's technical services hourly rate schedule. This rate schedule will be set by OCWA at the beginning of each calendar year and will be reviewed by the Client as part of the Optional Services approval process.
- (f) Locate Services shall be completed at the rates above or mutually agreed lump sum. Each standard locate shall be billed at a minimum of 30 minutes at the rate of \$75 per hour or at a rate agreeable to both parties for the completion of the work required. Time begins at a home base location within the Township that is mutually agreeable to both the Township and OCWA.

4. **Service Fee**

“**Service Fee**” means an additional fee of **10%** charged to the Client when OCWA purchases materials, supplies, equipment, hires contractor's services or performs any of the above Optional Services on behalf of the Client.

SCHEDULE E - Insurance

A summary of the insurance coverage that OCWA will arrange in respect of the facilities is described below:

Property Insurance

Insured Perils: All Risks of direct physical loss or damage (including Flood and Earthquake) occurring during the term of this policy, except as hereinafter excluded.

Policy Limits:

- Replacement Value
- Extra expenses
- Expediting expenses

Insurable Values: Please report facilities' value (building and contents) based on current full Replacement Cost.
(Subject to Annual Review and Update by the Client.)

Deductibles: Earthquake – Up to 3% of the value of the property insured subject to a minimum of \$100,000

Flood – *Facilities and Locations in 50 or 100 year Flood Zones*
2% of the value of the property insured, subject to a minimum amount of \$100,000.

Flood - *All Other Facilities*
Up to 2% of the value of the property insured, subject to a minimum amount of \$60,000.

Water Damage – Up to \$130,000

Sewer back-up – Up to 2% of the value of the property insured, subject to a minimum amount of \$100,000.

Portable Generators – 3% of the value of the property insured, subject to a minimum amount of \$25,000.

Installations, Hook Liability or Portable Water Treatment Facility - \$25,000.

Testing & Commissioning - \$25,000

All Other Losses:

<u>Deductible for 2024-25</u>	<u>Facility & Location Insurable Value</u>
<u>\$11,500</u>	<u>With total value up to \$10,000,000</u>
<u>\$13,000</u>	<u>With total value from \$10,000,000 under \$25,000,000</u>
<u>\$18,000</u>	<u>With total value over \$25,000,000 and at or under \$75,000,000</u>
<u>\$50,000</u>	<u>with total value over \$75,000,000</u>

The above is subject to change on an annual basis.

Where the Client's property is repaired or replaced, the Client will pay the deductible. Where OCWA's property is repaired or replaced, OCWA will pay the deductible. In cases where both the Client's and OCWA's property is repaired or replaced, the deductible will be paid by both the Client and OCWA *pro rata* in accordance with the total loss.

Property Insured: Property of every kind and description as declared except as excluded under the "Property Excluded" section of the policy.

Boiler & Machinery Insurance

Coverage: Sudden & Accidental Breakdown of a Pressure, Mechanical, Electrical Object including Production Machinery as defined under the policy. Coverage applies to the loss of the "Object" itself and for loss to other insured property directly damaged by the "Accident", except as excluded under the policy.

Limit: **Maximum** \$100,000,000 per Accident.

Deductibles: \$5,000 for Property Damage and \$15,000 for Extra Expense per Accident for the year 2024; subject to changes on an annual basis.

Where the Client's property is repaired or replaced, the Client will pay the deductible. Where OCWA's property is repaired or replaced, OCWA will pay the deductible. In cases where both the Client's and OCWA's property is repaired or replaced, the deductible will be paid by both the Client and OCWA *pro rata* in accordance with the total loss.

Automobile Insurance

Coverage: Automobile Liability for OCWA owned or leased vehicles.

Limit: \$5,000,000 per Occurrence

Commercial General Liability Insurance

Coverage: Third party liability including legal fees, for property damage and/or bodily injury as caused by OCWA's negligence arising out of OCWA's operations of the Facilities.

Limit: \$5,000,000 per Occurrence.

Deductible: \$50,000 for the year 2024; subject to change on an annual basis.

Contractor's Pollution Liability Insurance

Coverage: Contractor's Pollution liability covering third party property damage and bodily injury and clean up costs for pollution conditions arising out of the performance of the services provided by OCWA.

Limit: \$10,000,000 per loss on a Claims Made basis with automatic, extended reporting periods for Contractor's Pollution Liability. \$10,000,000 aggregate.

Deductible: \$50,000 for the year 2024; subject to change on an annual basis.

Professional Liability Insurance

Coverage: Professional Liability: To pay on behalf of OCWA sums which OCWA shall become legally obligated to pay as damages and/or claims expense as a result of claims made first against OCWA, and reported to the insurer, in writing during the policy period, automatic extended reporting period (90 days), and by reason of any negligent act, error or omission in professional services rendered or that should have been rendered by OCWA, or by any person for whose negligent acts errors or omissions OCWA is legally responsible, and arising out of the conduct of OCWA's profession.

Limit: \$5,000,000 per loss on a Claims Made basis for Professional Liability Insurance and including \$5,000,000 Aggregate.

Deductible: \$50,000 for the year 2024; subject to change on an annual basis.

Cyber Liability Insurance

OCWA to provide evidence of coverage by way of a letter, noting coverage for expenses incurred by OCWA consequential to a cyber event or privacy breach.

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SCHEDULE F - List of Pre-Existing Conditions

As per Paragraph 3.1(e) of this Agreement, the following Pre-existing Conditions have been identified:

By March 31st, 2025 OCWA will conduct an Initial Condition Assessment (ICA), through this assessment pre-existing conditions may be identified. In the event pre-existing conditions are identified, this schedule can be amended to include them.

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SCHEDULE G - Change Order Form



Change Order Form

Change Being Requested			
Name of Change:			
Ontario Clean Water Agency (OCWA)	Per: _____ Name: _____ Title: _____	Date (YYYY/MM/DD):	
Client	Per: _____ Name: _____ Title: _____	Date (YYYY/MM/DD):	

Adjustment	
Check Appropriate Type of Change	
Apply (Y/N)	Type of Change:
	Adjustment to Annual Price
	Change to Service
	Impact

Adjustment to Annual Price	
Description – Attach Additional Documentation if Required	

Change in Services	
Description – Attach Additional Documentation if Required	

SCHEDULE H - Expenditure Request and Approval to Proceed



Hub Name
Hub Address
City, ON Code
Phone: XXX-XXX-XXXX Fax: XXX-XXX-XXXX

PART 1

Facility Name:			
Project Name:			
Project Number:		Estimated Project Start Date:	
Total Estimated Cost of the Project:	\$	Detailed Quote Attached:	<input type="checkbox"/> Yes <input type="checkbox"/> No

It is recognized that this is a budget estimate and the final price may vary. OCWA will provide additional justification where the final invoice price varies from the estimate by more than 30% of the total estimate.

Type of Project:

- Maintenance Project
- Out of Scope Work
- Contingency
- Emergency
- Health & Safety

Description of Project or Expenditure:

Submission Prepared By:

Name (Print)	Signature	Date

Authorized Representative for the Municipality

PART 2

Approval to Proceed:

Approved Declined Deferred Reason if Declined or Deferred

The Ontario Clean Water Agency is authorized to proceed with the project/expenditure according to the description and cost estimate provided above. This may include but not limited to the hiring of sub-contractors, consulting firms, etc. as required. The Municipality agrees to pay OCWA the costs associated with this work upon its completion based on the terms of the Municipality's agreement with OCWA.

Approved By:

Name (Print)	Signature	Date

Authorized Representative for the Municipality

PART 3

OCWA Internal Use Only:			
Client PO / Project #:		Date:	
Project Start Date:		Project Completion Date:	
OCWA Invoice #		Date:	
OCWA Account Code:		OCWA Work Order #	

SCHEDULE I – Computerized Maintenance Management System (CMMS)

The CMMS system will be utilized to monitor and administer the following maintenance activities:

1. Preventive Maintenance (PM),
2. Predictive Maintenance (PdM),
3. Engineered Solutions, and
4. Unplanned or Corrective Maintenance (CM).

Predictive Maintenance monitored through the CMMS will include the following procedures on an as required basis:

1. Vibration Analysis (off-site corporate resource),
2. Oil Analysis,
3. Infrared Thermography (off-site corporate resource), and
4. Motor Circuit Evaluation.

The CMMS will satisfy the following tasks;

1. Organize a regular preventive maintenance program for each piece of equipment.
2. Prioritize and schedule preventive and corrective maintenance.
3. Track corrective and preventive maintenance work orders and summarize corrective and preventive maintenance work by area, craft, and equipment type.
4. Analyze maintenance program and equipment repair costs.
5. Ensure that equipment operating time is rotated to minimize damage to equipment caused by extended idle periods.
6. Assign preventive and predictive maintenance tasks from the calendar to create a balanced workload schedule.
7. Maintain a complete maintenance history on each piece of equipment by tracking maintenance activities and costs.
8. Make cost-effective decisions, such as repair or replacement, based upon the historical maintenance records of the equipment
9. Maintain a record of predictive maintenance measurements and provide the means to more accurately identify future problem areas.