

SCHEDULE "F"

Water – Connection Fee Rate Calculation and Capital Contribution Model

As attached

SCHEDULE “F”

Water Connection Fee Rate Calculation and Capital Contribution Model (Reference sections 7.1, 7.2 and 7.3 of the Agreement)

F1 – Principles

The Water Model and payment of Water Connection Fees shall be based on the following principles:

- (a) The Water Model will assume that the Water Services are provided to the Undeveloped Lands at the Base Flow Rate;
- (b) The Water Project List will determine the total capital cost requirement for the Water System to be included within the Water Model using actual construction costs or reasonable estimates of construction cost, as may be required;
- (c) Any substitutions or revisions to the Water Project List must be mutually agreed upon by the parties;
- (d) Projects from the Water Project List that are completed during the Term shall be included in the Water Model at the actual cost of construction at that time, and shall be increased by three (3%) percent per annum during the remaining Term to account for inflation;
- (e) Any grant or other funding received by the City relating to any project on the Water Project List from other levels of government shall be offset against the total capital cost requirement for the Water System to be included within the Water Model;
- (f) The Undeveloped Lands shall be allocated a percentage factor of the total capital cost requirement as calculated by the Water Model and the new Water System capacity added to support the Undeveloped Lands;
- (g) The Water Connection Fee for Undeveloped Lands will be structured as a cost per hectare to be payable by the GTHA to the City. Payments made by the GTHA will be included within the model, and shall be increased by three (3%) percent per annum during the remaining Term to account for inflation;
- (h) The Water Model shall be adjusted and updated every two (2) years upon mutual agreement of the parties during Term to ensure accuracy and appropriateness of the Water Project List and costs included, as follows:
 - a) Average flow rates will be calculated based on the most recent twelve (12) month period based on actual water bill data from the City;
 - b) The actual costs of the work completed from the Water Project List shall be included in the Water Model, where possible;

- c) The Water Project List shall be updated, if required; and
 - d) If water usage is in excess of the Base Flow Rate, the Water Model will be adjusted to reflect the increased usage by the GTH Lands; and
- (i) Upon completion of the Term or expiry of the Agreement, the parties shall complete the Final Water Connection Fee Adjustment in accordance with section 7.3(a) of this Agreement.

F2 – Water Capital Contribution Model

The Water Model shall be as set out in the attached Schedule F7.

F3 – Sample Hectarage rates for full term of agreement

The following hectarage rates are included for illustration purposes of how the Water Model applies to the calculation of hectarage rates (and Water Connection Fees payable) over the Term:

Calculations are based on the following assumptions:

- GTH does not exceed the limits agreed to in the water, wastewater and transportation term sheets
- Assumes full build out at end of capital agreement in 2040
- Projects listed in Appendix F1(?) and the City’s current SAF model
- GTH compensates the City for all remaining category B lands as agreed to in the Term Sheets
- It is understood that rates will change as the Water Project List is updated with actual project costs

WATER			
Starting Rate: \$9520.65		Inflation: 3%	
YEAR	RATE	YEAR	RATE
2018	\$9,520.65	2030**	\$13,574.17
2019*	\$9,806.27	2031*	\$13,981.40
2020**	\$10,100.46	2032**	\$14,400.84
2021*	\$10,403.47	2033*	\$14,832.86
2022**	\$10,715.58	2034**	\$15,277.85
2023*	\$11,037.04	2035*	\$15,736.18
2024**	\$11,368.15	2036**	\$16,208.27
2025*	\$11,709.20	2037*	\$16,694.52
2026**	\$12,060.47	2038**	\$17,195.35
2027*	\$12,422.29	2039*	\$17,711.21
2028**	\$12,794.96	2040^	\$18,242.55
2029*	\$13,178.81		

* Amount will be based on previous years rate plus 3% inflation

** Amount will be based on an update of the capital contribution model projects and costs (bi-annual check-in meeting year)

^ Final capital contribution adjustment

F4 – Sample calculation of hectarage rate

- The following calculations (Schedule F7) are for illustration purposes only and are not an indication of project costs or estimated project completion
- The project list will be updated prior to each bi-annual check-in meeting
 - If the agreement is signed in 2018, the bi-annual check-in meetings will be held at least 45 days before the end of the fiscal period to set the hectarage rate for 2020.
 - Tab 1: Sample updated project list
 - Tab 2: Payments received from GTH

F5 – Sample payment tracking

- The following payment tracking tables (Schedule F7) are for illustration purposes only and are not an actual reflection of payments made or permits issued
- The payment list will be updated when payments are received from the GTH
- There will be an updated excel file created for each check-in meeting
 - Tab 1: Updated project list
 - Tab 2: Payments received from GTH

F6 - Notes

- If consumption changes from 0.31 MLD or 0.96 MLD the GTH share per hectarage rate will change
- For payment tracking, no inflation applied in the year payment is submitted
- For project tracking, no inflation applied in the year the project is completed and list is updated with actual project costs
- Multi-year projects will be recorded with the dollar value of the project in the year completed, based on final project actual cost
 - Multi-year projects will be based on estimates until project is completed, and list updated with final cost
- Contract Update meeting and subsequent rate setting should occur prior to the end of the fiscal year
 - Fiscal period is from January 1 to December 31 but it can be changed if necessary
- Estimated project costs will be updated based on costs publicly committed to within the SAF model for each of the projects outlined in schedule D. Publicly committed costs are defined as the estimated project amounts that have been shared with the development community and general public.
- Actual project costs will be updated in the model based on actual direct costs as recorded within the dedicated project account for each of the projects outlined in schedule D

- In the event that a project within the model is fully funded by a developer and not paid for through SAF funds, the project would be removed from the GTH model and the GTH would not be required to contribute to this project

F7 – Sample project and payment tracking

Water Calculations - Full Cost Recovery based on 2016 SAF Model Impacted Projects - Applied to 62.6 Hectares

Projects	Gross Cost (M\$)	Growth Component %	City Share %	Gross SAF Share (M\$)	City Share (M\$)	Capacity Acquired (M\$)	Gross SAF Share (M\$)	Capacity Acquired Formula	GTH Share (M\$)	GTH Share @ 0.04 MLD (M\$)
BPTP 235K UV	7	11.50%		\$ 7.00		0.803	235K	% of Gross Cost - based on previous formula for BPWTP	\$ 0.00	2016 SAF Model Project
BPTP 235K Electrical	88	11.50%		\$ 88.00		10.12	235K	% of Gross Cost - based on previous formula for BPWTP	\$ 0.03	2016 SAF Model Project
BPTP Expansion	50	11.50%		\$ 50.00		5.75	88 MLD	% of Gross Cost - based on previous formula for BPWTP	\$ 0.12	2016 SAF Model Project
Water Supply Capacity Expansion	65	100%	100%	\$ 65.00		65	40 MLD	MLD x 1.8 peaking factor / (0.04 MLD / d * 365)	\$ 0.13	2016 SAF Model Project
Eastern Pressure Zone Design & Constr.	5	100%	100%	\$ 5.00		5	33.15 MLD (ADD)	(ML x 1.8 PF) / (33.15 MLD x 2.9 PF) x \$65M	\$ 0.00	2016 SAF Model Project
Eastern Pressure Zone Const	65	100%	100%	\$ 65.00		65	33.15 MLD (ADD)	(ML x 1.8 PF) / (33.15 MLD x 2.9 PF) x \$13M	\$ 0.05	2016 SAF Model Project
Eastern Pressure Zone - NPS Upgrades	13	100%	100%	\$ 13.00		13	33.15 MLD (ADD)		\$ 0.01	2016 SAF Model Project
								Subtotal	\$ 0.23	
								Non-Revenue Water Cost (20%)	\$ 0.05	
								Total	\$ 0.27	
								Rate per Hectare	\$ 4.32746	
								Applied to developed 62.6 Hectares	\$ 270,898.72	

Water Calculations - Full Cost Recovery based on best information available in 2017 - Applied to Remaining 357.4 Hectares

Projects	Gross Cost (M\$)	Growth Component %	City Share %	Gross SAF Share (M\$)	City Share (M\$)	Capacity Acquired (M\$)	City Capacity Adjusted	GTH Share Formula	GTH Share (M\$)	GTH Share @ 0.13 MLD (M\$)	GTH Share @ 0.06 MLD (M\$)	
BPWTP UV	15	10.0%	85.0%	\$ 12.75	4.18	69.75	MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.01	\$ 0.03	\$ 0.13	\$ 0.03	31.3 M for additional reactor and equipment
BPWTP Electrical	55	10.0%	85.0%	\$ 46.75	4.68	63.75	MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.04	\$ 0.13	\$ 0.53	\$ 0.13	35.3 M for additional generators and equipment
BPWTP Expansion	100	100.0%	100.0%	\$ 100.00	85.00	63.75	MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.74	\$ 2.10	\$ 2.10	\$ 2.10	75 MLD Expansion
BPWTP Lake Pump & Chem Well Upgrades	13	100.0%	100.0%	\$ 13.00	2.55	21.25	MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.07	\$ 0.21	\$ 0.21	\$ 0.21	51.0 M for additional pump
COP Pump Upgrades	6	100.0%	100.0%	\$ 6.00	13.00	30	MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.24	\$ 0.75	\$ 0.75	\$ 0.75	Regina cost from our BPW
BPWTP Clear Well	6	100.0%	85.0%	\$ 5.10	2.00	25.5	MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.11	\$ 0.33	\$ 0.33	\$ 0.33	City Share to be confirmed
BPWTP Regional Expansion	0.25	100.0%	85.0%	\$ 0.21	0.21	12.75	MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.01	\$ 0.03	\$ 0.03	\$ 0.03	Regina under capacity for years due to fast growth
BPWTP Engr. Upgrade	10	25.0%	85.0%	\$ 8.50	2.13	42.5	MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.03	\$ 0.09	\$ 0.09	\$ 0.09	Additional capacity with upgrade for growth
BPWTP Mech. to increase capacity	40	100.0%	85.0%	\$ 34.00	9.00	49.5	MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.45	\$ 1.38	\$ 1.38	\$ 1.38	Very preliminary estimate +/- 50%
Reservoir to Refill 3rd Foreman	30	100%	100.0%	\$ 30.00	30	50	MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.33	\$ 1.04	\$ 1.04	\$ 1.04	Assumes NO GTH Reflow
Growth Direct Regulatory Storage	37	100%	100.0%	\$ 37.00	37	85	ML x 2 (2x ADD) / City Capacity Acquired x SAF Cost	\$ 0.37	\$ 0.84	\$ 0.84	\$ 0.84	
Supply Main to new pump station	38	100%	100.0%	\$ 38.00	38	33.15	ML x 2.8 peaking factor / City Capacity Acquired x 1.8 PF x SAF Cost	\$ 0.16	\$ 1.10	\$ 1.10	\$ 1.10	
Pump Station	24	100%	100.0%	\$ 24.00	24	33.15	ML x 2.8 peaking factor / City Capacity Acquired x 2.9 PF x SAF Cost	\$ 0.14	\$ 0.93	\$ 0.93	\$ 0.93	
								Subtotal	\$ 3.85	\$ 8.31	\$ 8.31	
								Non-Revenue Water Cost (20%)	\$ 0.57	\$ 1.16	\$ 1.16	
								Total	\$ 8.42	\$ 10.58	\$ 10.58	
								Rate per Hectare	\$ 9.52665	\$ 28,483.30	\$ 28,483.30	
								Applied to Remaining 357.4 Hectares	\$ 3,415,057.09	\$ 10,575,600.62	\$ 10,575,600.62	
								Total of Category A and B Land	\$ 3,685,955.80	\$ 10,846,539.37	\$ 10,846,539.37	

YEAR: 2020

Fiscal Year: January 1, 2018 to December 31, 2019

Total

Hectares

(2018): 357.8

- Payment to City 30 days after funds collected by GTH from client
 - If 36 hectares are sold, payment for 36 hectares is to be remitted within 30 days

FISCAL YEAR	ADDRESS	# OF HECTARES	RATE	FEE COLLECTED	PAYMENT DATE	REQ/INVOICE #	FEE AMOUNT IN CURRENT YEAR DOLLARS (2020)
2018	123 Ewing Avenue	22.9	\$ 9,520.65	\$ 218,022.89	17-Oct-18	123456	\$ 231,300.48
2018	123 Axle Road	37.4	\$ 9,520.65	\$ 356,072.31	31-Dec-18	234567	\$ 377,757.11
2019*	123 Fleming Road	15.9	\$ 9,806.27	\$ 155,919.69	2-Jan-19	345678	\$ 160,597.28
TOTAL:		76.2					\$ 769,654.87

Hectares Remaining (2020): 281.6

NOTES

- 123 Ewing Avenue - Inflation applied for 2019 and 2020
- 123 Axle Road - Inflation applied for 2019 and 2020
- 123 Fleming Road - Inflation applied for 2020

*Rate is an estimate. 2018 rate plus 3%

Year: 2022

Fiscal Year: January 1, 2020 to December 31, 2021

Projects	Gross Cost (2018 - Year 1)	Completion Year	Estimated or Actual Cost (in \$ mil) (in \$ mil)	Estimated or Actual Cost (in \$ mil) (in \$ mil)	Growth Component	City Share %	City Share (M\$)	Gross S&C Share (M\$)	Capacity Acquired	City Capacity Acquired	GTH Share @ 0.13 MLD (M\$)	GTH Share @ 0.06 MLD (M\$)
BPWTP UV	\$ 15,000,000.00	2019	\$ 19,854,632.29	\$ 22,346,563.56	10.0%	85.0%	\$ 18,884,578.03	\$ 1,899,657.90	75	75	\$ 6,625.66	\$ 3,312.83
BPWTP Electrical	\$ 55,000,000.00	2019	\$ 45,855,241.74	\$ 50,107,260.74	10.0%	85.0%	\$ 42,991,171.63	\$ 4,259,417.16	25	25	\$ 2,729.80	\$ 1,364.90
BPWTP Expansion	\$ 100,000,000.00	2019	\$ 102,336,178.21	\$ 111,832,454.77	100.0%	85.0%	\$ 95,951,833.75	\$ 92,011,833.75	75	75	\$ 3,181.36	\$ 1,590.68
BPWTP Lake Pump & Clear Well Upgrades	\$ 15,000,000.00	2020	\$ 18,526,952.56	\$ 19,652,254.58	20.0%	85.0%	\$ 16,705,964.39	\$ 3,341,893.28	25	25	\$ 7,741.06	\$ 3,870.53
COR Pump Upgrades	\$ 13,000,000.00	2021	\$ 12,897,571.47	\$ 13,284,447.11	100.0%	100.0%	\$ 13,284,447.11	\$ 13,284,447.11	30	30	\$ 247,090.72	\$ 123,545.36
BPWTP Clear Well	\$ 6,000,000.00	N/A	\$ 6,000,000.00	\$ 6,791,052.86	100.0%	85.0%	\$ 5,740,094.93	\$ 5,740,094.93	30	30	\$ 125,666.78	\$ 62,833.39
BPWTP Clear Well Inflation	\$ 13,000,000.00	N/A	\$ 13,000,000.00	\$ 16,881,432.15	100.0%	100.0%	\$ 14,350,237.33	\$ 14,350,237.33	150	150	\$ 31,401.70	\$ 15,700.85
BPWTP Backflow Preventer	\$ 200,000.00	N/A	\$ 200,000.00	\$ 215,042.19	100.0%	85.0%	\$ 18,267,298.54	\$ 3,211,588.22	0	0	\$ -	\$ -
BPWTP Fiber Upgrades	\$ 18,000,000.00	N/A	\$ 18,000,000.00	\$ 11,255,042.19	100.0%	100.0%	\$ 18,267,298.54	\$ 3,211,588.22	50	50	\$ 502,427.13	\$ 251,213.56
BPWTP Fiber Upgrades	\$ 40,000,000.00	N/A	\$ 40,000,000.00	\$ 45,820,352.40	100.0%	100.0%	\$ 33,265,264.30	\$ 33,265,264.30	150	150	\$ 318,944.56	\$ 159,472.28
Reservoir to defer 3rd force main	\$ 30,000,000.00	N/A	\$ 30,000,000.00	\$ 33,762,354.30	100.0%	100.0%	\$ 41,643,825.97	\$ 41,643,825.97	85	85	\$ 1,712,490.43	\$ 856,245.21
Growth Driven Regulatory Storage	\$ 37,000,000.00	N/A	\$ 37,000,000.00	\$ 41,643,825.97	100.0%	100.0%	\$ 42,769,334.78	\$ 42,769,334.78	13	13	\$ 1,712,490.43	\$ 856,245.21
Supply Main to new pump station	\$ 38,000,000.00	N/A	\$ 38,000,000.00	\$ 42,769,334.78	100.0%	100.0%	\$ 27,012,211.44	\$ 27,012,211.44	13	13	\$ 1,712,490.43	\$ 856,245.21
Pump Station	\$ 24,000,000.00	N/A	\$ 24,000,000.00	\$ 27,012,211.44	100.0%	100.0%	\$ 27,012,211.44	\$ 27,012,211.44	13	13	\$ 1,712,490.43	\$ 856,245.21
	\$ 15,000,000.00		\$ 19,854,632.29	\$ 22,346,563.56	10.0%	85.0%	\$ 18,884,578.03	\$ 1,899,657.90	75	75	\$ 6,625.66	\$ 3,312.83
	\$ 55,000,000.00		\$ 45,855,241.74	\$ 50,107,260.74	10.0%	85.0%	\$ 42,991,171.63	\$ 4,259,417.16	25	25	\$ 2,729.80	\$ 1,364.90
	\$ 100,000,000.00		\$ 102,336,178.21	\$ 111,832,454.77	100.0%	85.0%	\$ 95,951,833.75	\$ 92,011,833.75	75	75	\$ 3,181.36	\$ 1,590.68
	\$ 15,000,000.00		\$ 18,526,952.56	\$ 19,652,254.58	20.0%	85.0%	\$ 16,705,964.39	\$ 3,341,893.28	25	25	\$ 7,741.06	\$ 3,870.53
	\$ 13,000,000.00		\$ 12,897,571.47	\$ 13,284,447.11	100.0%	100.0%	\$ 13,284,447.11	\$ 13,284,447.11	30	30	\$ 247,090.72	\$ 123,545.36
	\$ 6,000,000.00		\$ 6,000,000.00	\$ 6,791,052.86	100.0%	85.0%	\$ 5,740,094.93	\$ 5,740,094.93	30	30	\$ 125,666.78	\$ 62,833.39
	\$ 13,000,000.00		\$ 13,000,000.00	\$ 16,881,432.15	100.0%	100.0%	\$ 14,350,237.33	\$ 14,350,237.33	150	150	\$ 31,401.70	\$ 15,700.85
	\$ 200,000.00		\$ 200,000.00	\$ 215,042.19	100.0%	85.0%	\$ 18,267,298.54	\$ 3,211,588.22	0	0	\$ -	\$ -
	\$ 18,000,000.00		\$ 18,000,000.00	\$ 11,255,042.19	100.0%	100.0%	\$ 18,267,298.54	\$ 3,211,588.22	50	50	\$ 502,427.13	\$ 251,213.56
	\$ 40,000,000.00		\$ 40,000,000.00	\$ 45,820,352.40	100.0%	100.0%	\$ 33,265,264.30	\$ 33,265,264.30	150	150	\$ 318,944.56	\$ 159,472.28
	\$ 30,000,000.00		\$ 30,000,000.00	\$ 33,762,354.30	100.0%	100.0%	\$ 41,643,825.97	\$ 41,643,825.97	85	85	\$ 1,712,490.43	\$ 856,245.21
	\$ 38,000,000.00		\$ 38,000,000.00	\$ 42,769,334.78	100.0%	100.0%	\$ 42,769,334.78	\$ 42,769,334.78	13	13	\$ 1,712,490.43	\$ 856,245.21
	\$ 24,000,000.00		\$ 24,000,000.00	\$ 27,012,211.44	100.0%	100.0%	\$ 27,012,211.44	\$ 27,012,211.44	13	13	\$ 1,712,490.43	\$ 856,245.21
Subtotal	\$ 3,180,275.66		\$ 3,180,275.66	\$ 3,180,275.66			\$ 3,180,275.66	\$ 3,180,275.66			\$ 9,848,595.58	\$ 4,924,297.79
Non-Revenue Water Cost (20%)	\$ 636,055.13		\$ 636,055.13	\$ 636,055.13			\$ 636,055.13	\$ 636,055.13			\$ 1,960,719.12	\$ 980,359.56
Total	\$ 3,816,330.79		\$ 3,816,330.79	\$ 3,816,330.79			\$ 3,816,330.79	\$ 3,816,330.79			\$ 11,818,314.69	\$ 5,909,157.35
Unfunded Payments as of 2022 check-in	\$ 2,093,840.16		\$ 2,093,840.16	\$ 2,093,840.16			\$ 2,093,840.16	\$ 2,093,840.16			\$ 6,724,474.53	\$ 3,362,237.26
Cost balance owing	\$ 1,712,490.43		\$ 1,712,490.43	\$ 1,712,490.43			\$ 1,712,490.43	\$ 1,712,490.43			\$ 5,724,474.53	\$ 2,862,237.26
Remaining reserves	\$ 363.3		\$ 363.3	\$ 363.3			\$ 363.3	\$ 363.3			\$ 1,142,000.00	\$ 571,000.00
Rate per acre	\$ 10,698.34		\$ 10,698.34	\$ 10,698.34			\$ 10,698.34	\$ 10,698.34			\$ 32,947.93	\$ 16,473.96

NOTES
 BPWTP UV - Inflation applied for 2019, 2020, 2021 and 2022
 BPWTP Electrical - Inflation applied for 2020, 2021 and 2022
 BPWTP Expansion - Inflation applied for 2020, 2021 and 2022
 BPWTP Lake Pump & Clear Well Upgrades - Inflation applied for 2021 and 2022
 COR Pump Upgrades - Inflation applied for 2021 and 2022
 Remaining projects - Inflation applied for 2019, 2020, 2021 and 2022

New field added (conserved to Account A)
 Updated to reflect actuals and for inflation

YEAR: 2022

Fiscal Year: January 1, 2020 to December 31, 2021

Total

Hectares

(2018): 357.8

- Payment to City 30 days after funds collected by GTH from client
 - If 36 hectares are sold, payment for 36 hectares is to be remitted within 30 days

YEAR	ADDRESS	# OF HECTARES	RATE	FEE COLLECTED	PAYMENT DATE	REQ/INVOICE #	FEE AMOUNT IN CURRENT YEAR DOLLARS (2022)	
2018	123 Ewing Avenue	22.5	\$ 9,520.65	\$ 214,214.63	17-Oct-18	123456	\$ 241,100.45	
2018	123 Axle Road	37.6	\$ 9,520.65	\$ 357,976.44	31-Dec-18	234567	\$ 402,905.64	
2019*	123 Fleming Road	15.9	\$ 9,806.27	\$ 155,919.69	2-Jan-19	345678	\$ 170,377.65	
2020**	123 Rotary Avenue	54.3	\$ 10,092.14	\$ 548,003.05	28-Jul-20	456789	\$ 581,376.43	
2021^	456 Ewing Avenue	65.2	\$ 10,394.90	\$ 677,747.56	16-Apr-21	987654	\$ 698,079.99	
TOTAL:							195.5	\$ 2,093,840.16

Hectares

Remaining

(2022):

162.3

NOTES

- 123 Ewing Avenue - Inflation applied for 2019, 2020, 2021 and 2022
- 123 Axle Road - Inflation applied for 2019, 2020, 2021 and 2022
- 123 Fleming Road - Inflation applied for 2020, 2021, 2022
- 123 Rotary Avenue - inflation applied for 2021 and 2022
- 456 Ewing Avenue - inflation applied for 2022

*Rate is an estimate. 2018 rate plus 3%

**Rate is based on actual project values from 2020 check-in. See "Sample Water Calculation (2020)" for rate

^Rate is an estimate. 2020 rate plus 3%