

**MUNICIPAL WATER, WASTEWATER & TRANSPORTATION  
INFRASTRUCTURE & SERVICES AGREEMENT**

THIS AGREEMENT DATED as of this 4<sup>th</sup> day of DECEMBER 2018 (the  
“Effective Date”)

BETWEEN:

**THE CITY OF REGINA**, a municipal corporation, incorporated  
pursuant to the laws of Saskatchewan, (the "City")

and

**THE GLOBAL TRANSPORTATION HUB AUTHORITY**, a  
corporation continued pursuant to *The Global Transportation Hub  
Authority Act* (Saskatchewan) (the “GTHA”)

WHEREAS:

- A. Pursuant to section 32 of *The Global Transportation Hub Authority Act* (Saskatchewan) (the “Act”), the City and the GTHA may enter into an agreement relating to the provision of certain municipal services by the City to the GTH Lands and the payment of compensation to the City for the extension of such services on a cost recovery basis;
- B. The GTHA has developed portions of the GTH Lands and is pursuing the development of the remainder of the GTH Lands;
- C. The GTHA and the City have entered into agreements in principle dated April 12, 2017 and December 1, 2017 (collectively the “Term Sheets”), attached hereto as Schedule “A”, setting out the general terms and conditions and forming the underlying basis of this agreement in relation to the provision of certain municipal services and infrastructure, including water, wastewater and transportation services to the GTH Lands; and
- D. The City has provided access to the Services (as such term is hereinafter defined) to the portions of the GTH Lands that have been developed and is prepared to provide such Services to future development within the GTH Lands upon the terms and conditions hereinafter set forth and on the underlying principles that:
  - 1. because the GTHA is entitled by the Act to obtain the Services on a cost recovery basis, such Services may not be provided or continued at the same rates and fees if the GTHA is sold or transferred to a private entity not directed or controlled by the Government of Saskatchewan;

2. the parties acknowledge and agree that the development of the GTH Lands and the provision of the Services by the City has an impact on the City Systems and Transportation Network; and
3. the Services shall generally be provided by the City to the GTHA at the same service level and to similar standards as such services are provided by the City within the city's municipal boundaries.

NOW THEREFORE in consideration of the mutual covenants and promises hereinafter contained, and for other good and valuable consideration now paid and delivered by each party to the other, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, the City and the GTHA each agree with the other as follows:

## ARTICLE 1 INTERPRETATION

### 1.1 Definitions

In this Agreement, and the recitals hereto, except as otherwise expressly provided or as the context otherwise requires, the following words and phrases will have the meanings hereinafter set forth:

“**Administration Fee**” has the meaning ascribed in section 8.4 of this Agreement;

“**Applicable Law**” means, in respect of any person, property, transaction or event, (i) all present or future applicable laws, statutes, bylaws, regulations, treaties, judgments, and decrees, (ii) all present or future applicable published directives, rules, guidelines, policy statements and orders of any governmental authority and (iii) all applicable orders and decrees of courts and arbitrators of like application which, in the case of (ii) and (iii) above, are legally binding on or have the force of law over such person, property, transaction or event;

“**Base Capacity Rate**” has the meaning ascribed in section 4.5(a) of this Agreement;

“**Base Flow Rate**” has the meaning ascribed in section 4.3(a) of this Agreement;

“**Base Traffic Volume**” means 1,537 trips per PM peak hour;

“**BOD**” means Biochemical Oxygen Demand;

“**COD**” means Chemical Oxygen Demand;

“**Connection Point**” means the point of connection of the GTH Service Lines and the City's Water System and Wastewater System as identified on Schedule “C”;

“**Consumption Fee**” has the meaning ascribed in section 8.1(a) of this Agreement;

“**Developed Lands**” means the portion of the GTH Lands that have been sold or leased by the GTHA to GTH Customers and developed as of April 12, 2017, and which are acknowledged and agreed by the parties as being approximately 62.6 hectares as illustrated on Schedule “B”;

“**Final Transportation Network Capital Contribution Adjustment**” has the meaning ascribed in section 7.10(a) of this Agreement;

“**Final Water Connection Fee Adjustment**” has the meaning ascribed in section 7.3(a) of this Agreement;

“**Final Wastewater Connection Fee Adjustment**” has the meaning ascribed in section 7.6(a) of this Agreement;

“**Force Majeure**” means an event beyond the reasonable control, and not attributable to the negligence or willful misconduct of the party affected, including but not limited to the following: flood, earthquake, storm, lightning, fire, drought, flood, explosion, war, riot, civil disturbance, strike, sabotage or electrical outage, provided, however, that Force Majeure shall not include any equipment failure due to normal wear and tear or due to neglected maintenance or repair;

“**GTH Customer**” means a property owner or lessee owning or leasing lands within the GTH Lands to which the GTHA may extend access to the Services pursuant to this Agreement;

“**GTH Customer Connection**” means a connection to the GTH Service Lines through which the GTHA may provide access to the Water Services and Wastewater Service to a GTH Customer within the GTH Lands;

“**GTH Drainage Channel**” has the meaning ascribed in section 9.2 of this Agreement;

“**GTH Lands**” means the lands described in Schedule B herein. Notwithstanding Schedule B, it is agreed that services provided pursuant to this agreement will be provided to all lands within the GTH boundaries and outlined in the Global Transportation Hub Authority regulations as may be amended from time to time.

“**GTH Service Lines**” means the connections, pipes, branch lines, valves and other equipment beginning from the connection made to the Water System and to the Wastewater System that are constructed and maintained by the GTHA from time to time in order to connect and provide the Water Services and Wastewater Services within and throughout the GTH Lands as shown in Schedule “C” herein. For greater certainty and as also identified on Schedule C:

- (a) The GTH Service Lines include the service line located along Fleming Road; but
- (b) The GTH Service Lines do not include the pump station and force main located at Fleming Road, the chlorine booster station located at Condie Road and the valve located at the Connection Point, which infrastructure is and shall continue to be owned and operated by the City;

**“Guideline Parameters”** shall have the meaning ascribed in section 4.4(c) of this Agreement;

**“Major Wastewater User”** means a user of the Wastewater Services within the GTH Lands that would require access to the Wastewater Services in such a volume that would extend the aggregate use of the Wastewater Services by the GTH Lands to an amount that is in excess of the Maximum Capacity Rate;

**“Major Water User”** means a user of the Water Services within the GTH Lands that would require access to the Water Services in such a volume that would extend the aggregate use of the Water Services by the GTH Lands to an amount that is in excess of the Maximum Flow Rate;

**“Maximum Capacity Rate”** has the meaning ascribed in section 4.5(c) of this Agreement;

**“Maximum Flow Rate”** has the meaning ascribed in section 4.3(c) of this Agreement;

**“Maximum Traffic Volume”** means 5,183 trips per PM peak hour;

**“Municipality”** means a city or municipality other than the City;

**“Operating Parameters”** has the meaning ascribed in section 8.2(a) of this Agreement;

**“Operating Surcharge”** has the meaning ascribed in section 8.2(b) of this Agreement;

**“Services”** means, collectively, the Water Services, Wastewater Services and Transportation Services to be provided by the City to the GTHA pursuant to this Agreement;

**“Standard Construction Specifications”** means the standard construction specifications manual adopted by the City, from time to time, that establishes the applicable product, standards and construction requirements of the City for installation of water, domestic sewer, storm drainage, roadways and open space infrastructure;

**“Systems”** means, collectively, the Water System and the Wastewater System;

**“Term”** has the meaning ascribed in section 10.1 of this Agreement;

“**Term Sheets**” has the meaning ascribed in Recital C of this Agreement and copies of which are attached as Schedule “A”;

“**TKN**” means total Kjeldal nitrogen;

“**Transportation Deficiency Amount**” has the meaning ascribed in section 7.10(b)(ii) of this Agreement;

“**Transportation Model**” has the meaning ascribed in section 7.8(b) of this Agreement;

“**Transportation Network**” means the road and transportation infrastructure operated and maintained by the City, through which vehicular traffic accesses the GTH Lands, but does not include any road or transportation network within the GTH Lands;

“**Transportation Network Capital Contribution**” has the meaning ascribed in section 7.8 of this Agreement;

“**Transportation Network Operating Fee**” has the meaning ascribed in section 8.3 of this Agreement;

“**Transportation Over Payment**” has the meaning ascribed in section 7.10(b)(i) of this Agreement;

“**Transportation Project List**” means the list of transportation infrastructure projects relating to the Transportation Network as set out in Schedule “E” to this Agreement;

“**Transportation Services**” means the access to and the right to use the Transportation Network and includes performing all maintenance and snow removal on the Transportation Network. In particular, maintenance and snow removal shall be provided at the same level of service as other City streets of the same classification, in accordance with standard City practice and policy;

“**TSS**” means total suspended solids;

“**Undeveloped Lands**” means the remaining GTH Lands that are not Developed Lands and which are acknowledged and agreed by the parties as being approximately 358.7 hectares as illustrated on Schedule “B”;

“**Wastewater Bylaw**” means the City’s *The Wastewater and Storm Water Bylaw, 2016* No. 2016-24, as may be amended or any succeeding bylaw;

“**Wastewater Connection Fees**” has the meaning ascribed in section 7.4 of this Agreement;

“**Wastewater Formula**” has the meaning ascribed in section 7.4(b) of this Agreement;

**“Wastewater Services”** means providing, operating and maintaining all infrastructure other than the GTH Service Lines, and performing or providing all services including treatment and testing, required to remove, store and treat wastewater from the Connection Point consistent with such services and standards as are typically provided to the City’s other customers within the city;

**“Wastewater System”** means the system operated and maintained by the City through which the City collects and manages wastewater generated by the GTH Lands, but does not include the GTH Service Lines.

**“Water Bylaw”** means the City’s *The Regina Water Bylaw* as amended or any succeeding bylaw;

**“Water Connection Fees”** has the meaning ascribed in section 7.1 of this Agreement;

**“Water Deficiency Amount”** has the meaning ascribed in section 7.3(b)(ii) of this Agreement;

**“Water Model”** has the meaning ascribed in section 7.1(b) of this Agreement;

**“Water Over Payment”** has the meaning ascribed in section 7.3(b)(i) of this Agreement;

**“Water Project List”** means the list of water infrastructure projects relating to the Water System as set out in Schedule “D” to this Agreement;

**“Water Services”** means providing, operating and maintaining all infrastructure other than the GTH Service Lines, and performing or providing all services including treatment and testing, required to deliver up to the Maximum Flow Rate of potable water to the GTH Connection Point consistent with such services and standards as are typically provided to the City’s other customers within the city; and

**“Water System”** means the system operated and maintained by the City through which the City distributes water to the GTH Lands, but does not include the GTH Service Lines.

## 1.2 References

Any reference made in this Agreement to:

(a) "this Agreement" means this agreement, including the Schedules hereto, as it may from time to time be supplemented or amended and in effect;

(b) "herein", "hereof", "hereby", "hereto", "hereunder" and similar expressions refer to this Agreement and not to any particular Article, Section or other provision hereof, and include any and every amendment, restatement, replacement, variation, supplement or novation hereof;

(c) this Agreement, including without limitation, any agreement collateral or ancillary to this Agreement and any agreement contained in a Schedule hereto, shall, unless otherwise indicated, be construed as a reference to such agreement as it may have been, or may from time to time be, amended, restated, replaced, varied, extended, renewed, supplemented or renovated;

(d) Sections, Articles or Schedules, unless otherwise indicated, shall be construed as references to the Sections and Articles of and Schedules to this Agreement, as the case may be. The provisions of each Schedule shall constitute provisions of this Agreement as though repeated at length herein;

(e) any reference to a corporate entity includes and is also a reference to any corporate entity that is a successor to such entity; and

(f) except where otherwise specified, any reference to a statute includes a reference to such statute and to its regulations, with all amendments in force from time to time, and to any statute or regulation that may be passed which has the effect of supplementing or superseding the statute or regulation.

### **1.3 Interpretation**

For all purposes of this Agreement, except as otherwise expressly provided, or unless the context otherwise requires:

(a) the headings are for convenience of reference and do not form a part of this Agreement nor are they intended to interpret, define or limit the scope, extent or intent of this Agreement or any of its provisions;

(b) all accounting terms not otherwise defined have the meanings ordinarily assigned to them at the date hereof pursuant to GAAP and all computations made pursuant to this Agreement must be made in accordance with GAAP applicable from time to time;

(c) any reference to a currency is a reference to Canadian currency;

(d) "in writing" or "written" includes printing and typewriting, which may be communicated by facsimile or email;

(e) the word "including", when following any general statement, term or matter, is not to be construed to limit such general statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto, but rather is to be construed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter;

(f) any reference to a statute includes and is a reference to such statute and to the regulations made pursuant thereto, with all amendments made thereto and in force from time to time, and to any statute or regulation that may be passed which has the effect of supplementing or superseding such statute or such regulation; and

(g) words importing the masculine gender include the feminine or neuter gender and words importing the feminine gender include the masculine or neuter gender and words in the singular include the plural, and words importing the neuter gender include the masculine or feminine gender and words in the plural include the singular.

#### **1.4 Invalidity of Provisions; Severability**

If any covenant, obligation or agreement of this Agreement, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such covenant, obligation or agreement to persons, or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each covenant, obligation and agreement of this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

#### **1.5 Waiver**

No failure or delay on the part of any party in exercising any right, remedy, recourse, power or privilege (for the purposes of this Section 1.5, collectively, a "Right") under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any Right preclude any other or further exercise thereof or the exercise of any other Right. Except as may be limited herein, any party may, in its sole discretion, exercise any and all Rights available to it under this Agreement or any other remedy available to it at law or in equity and such Rights may be exercised concurrently or individually without the necessity of making any election.

#### **1.6 Governing Law, Attornment**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Saskatchewan and the laws of Canada applicable therein and the parties hereto hereby irrevocably attorn to the jurisdiction of the courts of Saskatchewan.

#### **1.7 Interpretation Not Affected by Party Drafting**

Each party hereto acknowledges that he, she or it and his, her or its legal counsel have reviewed and participated in settling the terms of this Agreement, and the parties hereby agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting party shall not be applicable in the interpretation of this Agreement.

#### **1.8 Enurement**

This Agreement shall enure to the benefit of, and be binding upon the parties hereto and their respective successors and permitted assigns.



**1.9 Schedules**

The following are the schedules attached to and incorporated in this Agreement by reference and deemed to be part hereof:

<b>Schedule “A”</b>	Term Sheets
<b>Schedule “B”</b>	GTH Lands, Developed Lands & Undeveloped Lands
<b>Schedule “C”</b>	GTH Service Lines
<b>Schedule “D”</b>	Water Project List
<b>Schedule “E”</b>	Transportation Network Project List
<b>Schedule “F”</b>	Water - Connection Fee Rate Calculation and Capital Contribution Model
<b>Schedule “G”</b>	Wastewater - Connection Fee Rate Calculation and Capital Contribution Formula
<b>Schedule “H”</b>	Transportation - Capital Contribution Calculation and Model
<b>Schedule “I”</b>	GTH Drainage Channel Construction Permit & Maps

In the event of a conflict between the terms of this Agreement and any of the Schedules or attachments incorporated herein, the conflict shall be resolved in the following order of precedence: (a) the terms of this Agreement and then (b) the terms of any attached Schedules or attachments.

**ARTICLE 2  
CONDITIONS**

**2.1 Conditions**

Notwithstanding anything else herein contained, this Agreement shall be subject to the following conditions:

- (a) on or before the Effective Date, the GTHA shall adopt bylaws relating to water and wastewater that contain obligations on use and discharge that are complementary to the City’s bylaws and which authorize the City to carry out billing and collection of all related water and wastewater fees and charges on behalf of the GTHA;
- (b) within 6 months of the Effective Date, the GTHA shall obtain all necessary permits or authorizations of any kind from the Saskatchewan Water Security Agency or any other applicable regulatory body as may be required to operate a water distribution and wastewater collection system;
- (c) within eighteen (18) months of the Effective Date, the GTHA shall obtain all necessary permits or authorizations from the Saskatchewan Water Security Agency or any other applicable regulatory body as may be required to operate the GTH Drainage Channel; and

(d) within six (6) months of the Effective Date the GTHA shall grant to the City all required easements or right of ways as may be required to allow for the City's pump station and force main located at Fleming Road and the chlorine booster station located at Condie Road. This condition shall be void provided that the GTHA can demonstrate that delays were caused on the part of the City;

(collectively the "**Conditions**").

The Conditions are for the exclusive benefit of the City. In the event that any of the Conditions are not satisfied, fulfilled or performed on or before the stipulated date the GTHA shall be entitled to a reasonable extension of time provided that the GTHA can demonstrate reasonable effort and movement to secure the applicable permits and authorizations. If after this reasonable time the GTHA still has not satisfied the conditions, this Agreement shall be null and void unless the City waives in writing the satisfaction, fulfillment or performance of any such Conditions. In the event this Agreement becomes null and void, each of the City and the GTHA shall be released from all of their respective obligations under this Agreement.

### **ARTICLE 3 LICENSE TO CONNECT TO WATER AND WASTEWATER SYSTEMS AND TRANSPORTATION NETWORK**

#### **3.1 Grant of License for Water and Wastewater Systems**

The City agrees to provide the GTHA with the right and license to connect the GTH Service Lines to the Water System and Wastewater System (collectively, the "**Systems**") for the purpose of accessing and providing Water Services and Wastewater Services to the GTH Lands.

#### **3.2 Access to Transportation Network**

The City agrees that the GTH Lands shall have the right to connect to the Transportation Network at the access point or points as may be agreed by the parties from time to time for the purpose of providing access by road to and from the GTHA.

#### **3.3 No Exclusive Possession**

The City and the GTHA each acknowledge and agree that:

- (a) the license granted herein does not extend to or provide the GTHA with a right of exclusive access to the Systems or the Transportation Network and that the Systems and Transportation Network shall be and at all times remain public property and
- (b) the license granted herein does not confer to the GTHA any interest in, on or to the Systems, the Transportation Network or any part thereof.

Except for the requirements of this Agreement and any other subsequent agreements between the parties as may be entered into from time to time, nothing in this Agreement or the license granted herein shall be construed in any way to restrict or regulate the City's future use, designs, plans, methods, or other factors that may affect the City's future operation of the Systems or the Transportation Network.

### **3.4 No Encumbrances**

The GTHA shall not grant, create, incur, assume or permit or suffer to exist any security interest, hypothecation, mortgage or other encumbrance upon or with respect to the Systems, the Transportation Network, the GTH Service Lines or any part thereof.

## **ARTICLE 4 WATER, WASTEWATER AND TRANSPORTATION SERVICES**

### **4.1 Water, Wastewater and Transportation Services Provided**

Provided that all terms and conditions of this Agreement are satisfied, the City shall provide:

- (a) Water Services
- (b) Wastewater Services; and
- (c) Transportation Services

to the GTHA in accordance with the terms and conditions of this Agreement.

### **4.2 Compliance with Water Bylaw**

The parties acknowledge and agree that pursuant to the Act, the GTHA has the authority and jurisdiction to pass and amend any bylaws having application to the GTH Lands and the access and use of the Water Services. The GTHA agrees to consult with the City to establish bylaws relating to the access and use of the Water Services contemplated within this Agreement, including but not limited to water conservation practices and supply connections and to take all steps and do all things as may be necessary, including passing and enforcing bylaws applicable to the GTH Lands that are consistent and compatible with the Water Bylaw, to ensure that, at all times, the access and use of the Water Services is essentially the same as if the access and use of the Water Services occurred within the jurisdiction of the City.

### **4.3 Available Water Capacity**

- (a) In operating the GTH Service Lines and any connection to the Water Systems, the GTHA and the City each acknowledge and agree that the estimated supply requirement for the Water Services relating to the GTH Lands, when fully developed, will be 0.35 ML per day (the "**Base Flow Rate**"), calculated based upon an estimate of the requirements of the GTH Lands.

(b) The parties agree that the actual consumption of Water Services by the GTH Lands is subject to change during the Term based on the nature of the development of the GTH Lands and land use changes that may occur from time to time. Any difference between actual consumption of Water Services and the Base Flow Rate shall be factored into the calculation of the Water Connection Fees calculated and payable in accordance with this Agreement.

(c) The GTHA acknowledges and agrees that the Water Systems can only support a maximum supply of Water Services to the GTH Lands, when fully developed, of 1.0 ML per day (the “**Maximum Flow Rate**”). The City shall have no obligation to provide Water Services in excess of the Maximum Flow Rate unless expressly agreed to by the City, in writing. The GTHA acknowledges and agrees that as part of any agreement by the City to provide Water Services to the GTH Lands in excess of the Maximum Flow Rate, the City may require amendments to this Agreement, including but not limited to an increase or change in calculation of the Water Connection Fees and may require the construction of additional infrastructure, the costs of which will be borne by the GTHA. Notwithstanding the above, any agreement for water in excess of the Maximum Flow Rate will still be calculated on a cost recovery basis, provided the Act still requires compensation to the City to be determined on a cost recovery basis.

#### **4.4 Compliance with Wastewater Bylaw**

The parties acknowledge and agree that pursuant to the Act, the GTHA has the authority and jurisdiction to pass and amend any bylaws having application to the GTH Lands and the access and use of the Wastewater Services. The GTHA agrees to consult with the City to establish bylaws relating to the access and use of the Wastewater Services contemplated within this Agreement, including but not limited to wastewater management, load capacity management, wastewater monitoring, wastewater tracking and to take all steps and do all things as may be necessary, including passing and enforcing bylaws applicable to the GTH Lands that are consistent and compatible with the Wastewater Bylaw, to ensure that, at all times, the access and use of the Wastewater Services is essentially the same as if the access and use of the Wastewater Services occurred within the jurisdiction of the City.

#### **4.5 Available Wastewater Capacity**

(a) In operating the GTH Service Lines and any connection to the Wastewater Systems, the GTHA and the City each acknowledge and agree that the estimated volume capacity requirement for the Wastewater Services relating to the GTH Lands, when fully developed, will be 0.35 ML per day, with a COD level of 210 kg/day based on an annual average calculation (the “**Base Capacity Rate**”), calculated based upon an estimate of the requirements of the GTH Lands. The parties agree that, notwithstanding the Base Capacity Rate, the initial flow capacity (not loading) provided to the GTHA shall be 0.5 ML/d. The parties further agree that the actual consumption of Wastewater Services by the GTH Lands is subject to change during the Term based on the nature of the development of the GTH Lands and land use changes that may occur from time to time.

Any difference between actual consumption of Wastewater Services and the Base Capacity Rate shall be factored into the calculation of the Wastewater Connection Fees calculated and payable in accordance with this Agreement.

(b) In operating the GTH Service Lines and any connection to the Wastewater Systems, the GTHA and the City each acknowledge and agree that in addition to the Base Capacity Rate, the GTH shall manage and operate the GTH Service Lines to achieve the following guideline parameters for wastewater entering the Wastewater Systems (collectively, the “**Guideline Parameters**”):

Parameter	@ 0.35 ML/d (Base Capacity Rate)	@ 1.0ML/d (Maximum Capacity Rate)
COD	210 kg/d	600 kg/d

Parameter	@ 0.35 ML/d (Guideline Parameters)	@ 1.0 ML/d (Guideline Parameters)
BOD	150 kg/d	300 kg/d
Phosphorus	10 kg/d	20 kg/d
TSS	200 kg/d	600 kg/d
TKN	40 kg/d	100 kg/d

Any difference between actual consumption of Wastewater Services and the Guideline Parameters may be factored into the calculation of the Wastewater Connection Fees calculated and payable in accordance with this Agreement.

(c) The GTHA acknowledges and agrees that the Wastewater Systems can only support a maximum supply of Wastewater Services to the GTH Lands, when fully developed, of 1.0 ML per day, with a COD level of 600 kg/day based on monthly average calculation (the “**Maximum Capacity Rate**”). The City shall have no obligation to provide Wastewater Services in excess of the Maximum Capacity Rate unless expressly agreed to by the City, in writing. The GTHA acknowledges and agrees that as part of any agreement by the City to provide Wastewater Services to the GTH Lands in excess of the Maximum Capacity Rate, the City may require amendments to this Agreement, including but not limited to an increase or change in calculation of the Wastewater Connection Fees and may require the construction of additional infrastructure the costs of which will be borne by the GTHA. Notwithstanding the above, any agreement for wastewater in excess of the Maximum Capacity Rate will still be calculated on a cost recovery basis for the GTHA’s proportional impact, provided the Act still requires compensation to the City to be determined on a cost recovery basis.

**ARTICLE 5  
CONNECTION OF GTH SERVICE LINES TO WATER AND WASTEWATER  
SYSTEMS**

## 5.1 Connection of GTH Service Lines

(a) The GTHA shall be solely responsible, at its cost and expense for the design and construction of all GTH Service Lines and for the initial connection to each of the Water System and Wastewater System and for connection of the GTH Service Lines to the GTH Customer's property, including, but not limited to, the installation of:

(i) as it relates to the Water Systems: valve(s), pressure reducing valve(s), backflow preventer(s), and appropriate housing for the meter(s), the valve(s), and the backflow preventer(s); and

(ii) as it relates to the Wastewater System: all piping, valve(s), backflow preventer, and appropriate housing the meter(s), the valve(s), and other related infrastructure.

(b) The GTHA acknowledges and agrees that the GTH Services Lines and any GTH Customer Connections to the Systems have been or shall be completed in accordance with the following standards and requirements:

(i) All work shall be carried out in strict accordance with the City's Standard Construction Specifications, as the same may be amended or restated from time to time;

(ii) The GTHA shall be solely responsible, at its cost and expense, for the acquisition of all lands and for any easements, utility crossings, highway crossings or railway crossings that may be required for the construction and operation of the GTH Service Lines and any GTH Customer Connections;

(iii) The GTHA shall be solely responsible, at its cost and expense, to obtain all necessary licenses, permits, consents, orders and other authorizations required to construct and maintain the GTH Service Lines and any GTH Customer Connections;

(iv) The GTHA shall deliver to the City a complete set of record drawings and information detailing the GTH Service Lines as of the Effective Date;

(v) No new GTH Customer Connection shall be allowed until such time as all Water Connection Fees owing pursuant to this Agreement in relation to the lands to be serviced by the GTH Customer Connection have been paid to the City and confirmation of receipt of payment from the City shall be deemed to be written consent to the GTH Customer Connection for the subject lands;

(vi) Upon issuance of any development or building permit on the GTH Lands, the GTHA shall:

1. notify the City of the intention to undertake a GTH Customer Connection and request that the City supply and install a water meter; and
2. submit a set of engineering drawings to the City detailing the design of the proposed development and the related GTH Customer Connection; and

(vii) Within ninety (90) days of substantial completion of any GTH Customer Connection or any other change or modification to the GTH Service Lines, the GTHA shall submit an updated set of record drawings and information detailing the revised GTH Services Lines and identifying the GTH Customer Connection(s).

(c) For further certainty, water meters shall be required for any GTH Customer Connection but all water meters shall be supplied, installed, serviced or replaced and forever owned by the City pursuant to clause 5.1(b) of this Agreement and shall be housed in heated buildings and above grade in spaces that are not confined or subject to flooding or freezing.

## **5.2 Future Bylaw Changes**

The GTHA and the City each acknowledge and agree that:

- (a) the supply requirements for the Water Services and Wastewater Services relating to the GTH Lands are anticipated to change over the Term based on the nature of the development of the GTH Lands and that any increase in requirements for the Water Services or Wastewater Services may place additional strain and demand on the Systems;
- (b) the City anticipates adopting bylaws and policies in the future relating to water conservation, wastewater quality and wastewater management and use intensification that would apply to all commercial and industrial users, which would include the GTH Lands and the GTHA shall update its bylaws and policies to reflect such updates to the City's bylaws and policies to the GTHA's bylaws and policies within one hundred and twenty (120) days of such an update by the City;
- (c) the bylaws and policies adopted by the City in accordance with this section shall be considered as part of the process of reviewing the Water Model and Wastewater Formula and re-assessing the Water Connection Fees and Wastewater Connection Fees payable every two (2) years during the Term, as such process is prescribed in section 7.1 and 7.4 of this Agreement, respectively, herein.

## **5.3 Future Connection of Major Water or Wastewater User**

In the event arrangements are proposed in the future for the inclusion of a Major Water User and/or a Major Wastewater User as part of the GTH Lands, the City and the GTHA each agree

that prior to providing or agreeing to provide Water Services or Wastewater Services to any such Major Water User or Major Wastewater User, the provisions of this Agreement must be amended to the mutual satisfaction of each of the City and the GTHA, including but not limited to an increase or change in calculation of the Water Connection Fees and Wastewater Connection Fees on a cost recovery basis, provided the Act still requires compensation to the City to be determined on a cost recovery basis. The GTHA acknowledges and agrees that the City shall not be responsible in any way for any loss or damage suffered by the GTHA due to the inability of the parties to agree to the terms of such amendments, provided the parties have acted reasonably and in good faith.

#### **5.4 Third Party Connections**

The GTHA shall not extend or provide the Water Services and/or Wastewater Services to any other individual, corporation, partnership, incorporated association, Municipality, government body or any other entity outside of the GTH Lands without the City's prior written consent, such consent to be within the sole discretion of the City.

#### **5.5 Use of Alternate Services**

The City and the GTHA each acknowledge and agree that the GTHA may, in its sole discretion, explore the use of alternative sources of water supply and/or wastewater management and processing for the GTH Lands outside of this Agreement provided that:

- (a) the GTHA provide the City with ninety (90) day's written notice prior to the GTHA commencing the receipt of water services and/or wastewater management and processing from a third party;
- (b) in no event shall the third party water supply or wastewater management and processing other than pretreatment or other measures to improve the quality of wastewater be connected to or with the Systems, or any part thereof, and the GTHA shall be solely responsible for and will indemnify and save the City harmless from and against any costs or expenses that may be required to protect and properly segregate the Water Systems and/or Wastewater Systems from any third party infrastructure; and
- (c) the City shall not be responsible for and have no obligation or responsibility relating to any permitting, licensing or any other requirements relating to the construction, operation or maintenance of any third party water supply or wastewater management and processing system that may provide service to the GTHA or the GTH Lands.

#### **5.6 GTHA Wastewater Management and Testing Program**

- (a) The GTHA shall work with all tenants and occupants of the GTH Lands to manage and enforce concentration levels of wastewater to ensure compliance with the Base Capacity Rate and the Guideline Parameters and parameters set out in the Applicable Law. The City shall provide the GTHA reasonable access to the lift station



for testing purposes upon written request by the GTHA, provided that such access and testing shall be conducted in accordance with reasonable terms and conditions as may be imposed by the City.

(b) The City shall establish and complete regular testing of effluent at a sampling point to be determined from time to time between the parties for the purposes of calculation, adjustment and reconciliation of the Wastewater Connection Fees. Such testing shall be conducted, at minimum, twice per year over a testing period of 5 days in a single week. In addition, the City may also conduct additional testing at any time and location within its sole discretion.

(c) All testing results shall be openly shared with the GTHA and the City shall be granted the right and license to enter onto any of the GTH Lands and work within the GTH Service Lines at any time to conduct reasonable testing.

(d) Testing results indicating wastewater usage and loading in excess of the Base Capacity Rate or the Guideline Parameters (or both) shall result in an adjustment to the Wastewater Connection Fee pursuant to section 7.4 of this Agreement.

(e) Testing results indicating wastewater usage and loading in excess of the Operating Parameters shall result in the application of an Operating Surcharge pursuant to section 8.2 of this Agreement.

## **5.7 Future Infrastructure Requirements**

The GTHA and the City each acknowledge and agree that in the event that either party requires additional pumping or forcemain capacity in excess of what is provided at the Effective Date then the party needing such additional capacity shall be responsible for the capital costs, including the costs of any additional screening or pre-treatment facility that may be required, associated with the addition of such additional capacity.

## **ARTICLE 6 CITY SERVICE LIMITATIONS AND INTERRUPTIONS**

### **6.1 No Guarantee or Warranty**

In accordance with the underlying principles of this Agreement, the City shall generally provide Water Services and Wastewater Services to the GTHA at the same service level and to the same standards as such services are provided to customers within the City's boundaries and shall use reasonable efforts to mitigate any interruptions to such services. Notwithstanding the foregoing, the GTHA acknowledges and agrees that the City does not guarantee quality, quantity, pressure or uninterrupted availability of the Water Services or Wastewater Services.

### **6.2 Interruption of Access**

The GTHA acknowledges and agrees that the City may at any time:

- (a) interrupt the Water Services and/or Wastewater Services if:
  - (i) GTHA fails to adopt or amend its bylaws and policies to compliment City's bylaws provided that one hundred and twenty (120) days prior written notice was provided of its intention to interrupt service if the bylaw changes are not made;
  - (ii) GTHA fails to pay to the City any required connection, consumption or other fees under this Agreement, the City provided written notice and support detailing the charges that are due and that services will be disrupted in thirty (30) days if payments are not made;
  - (iii) GTHA fails to adequately enforce its bylaws regarding effluent quality entering into to the Wastewater System and written notice has been provided to inform the GTHA of the City's intention to interrupt service if bylaw enforcement action is not commenced within thirty (30) days of such notice and compliance is not achieved within one hundred and twenty (120) days of such notice;
  - (iv) GTHA fails to install any of the required infrastructure, the City has provided written notice to the GTHA that this infrastructure is required and of the City's intention to interrupt service if the infrastructure is not installed within a reasonable time frame as set out in such notice;
  - (v) the City is maintaining or repairing the Systems or any part or portion of the Systems. Where possible the City will provide the GTHA with advanced notice of interruptions and make reasonable effort to minimize the impact on service;
  - (vi) the GTHA fails to provide the City with record drawings detailing the constructed GTH Service Lines or GTH Customer Connections as required pursuant to section 5.1 of this Agreement and the City has provided the GTHA with thirty (30) days written notice of its intention to interrupt service; or
  - (vii) the City, in its sole discretion, decides there is an emergency requiring the interruption of the Water Services and/or Wastewater Services. The City will make reasonable effort to minimize the impact on service.
  
- (b) permanently stop the Water Services and/or Wastewater Services if there is continued non-adherence to the clauses listed in 6.2(a) and/or demonstratable persistent operational risk to the City systems, or if the Agreement is terminated pursuant to Section 10.3 of this Agreement. If the City elects to permanently stop the Water Services and/or Wastewater Services for reasons other than those identified in Section 10.3(a), the City shall provide twelve (12) months written notice of its intention to the GTHA prior to permanently stopping the Water Services and Wastewater Services.

(c) The City shall not interrupt, suspend or stop the provision of services until the expiry of 30 days following the conclusion of any proceedings under Article 13.

## **ARTICLE 7 CAPITAL CONNECTION FEES**

### **7.1 Water Connection Fees**

In consideration of the City extending the Water Systems and providing the Water Services to the GTH Lands, the GTHA shall pay the following fees (collectively, the “**Water Connection Fees**”) relating to the City’s capital costs relating to the Water Systems and the impact and use of Water System capacity that is directly attributable to the GTHA and the GTH Lands:

(a) Developed Lands – The GTHA and the City each acknowledge and agree that the Developed Lands are currently being provided with the Water Services. The GTHA agrees that the Water Connection Fee payable relating to the Developed Lands shall be equal to \$4,327.46 per hectare (calculated in accordance with Schedule “F” hereof) and that the total Water Connection Fee payable to the City relating to the Developed Lands shall be \$270,898.72; and

(b) Undeveloped Lands – The GTHA and the City each acknowledge and agree that the Undeveloped Lands will require Water Services to support future development. The GTHA agrees that the Water Connection Fee payable relating to the Undeveloped Lands shall be based upon a capital contribution model (the “**Water Model**”) and calculated in accordance with Schedule “F”.

The GTHA agrees that the initial calculation of the Water Connection Fee payable relating to the Undeveloped Lands as at the date of this Agreement shall be equal to \$9,520.65 per hectare (as calculated in accordance with Schedule “F” hereof).

### **7.2 Payment of Water Connection Fees**

The Water Connection Fees, as calculated in accordance with section 7.1 herein, shall be due and payable by the GTHA to the City as follows:

(a) The sum of \$270,898.72 shall be payable forty-five (45) days following the Effective Date of this Agreement on account of the Water Connection Fee relating to the Developed Lands;

(b) The sum of \$842,577.53 shall be payable forty-five (45) days following the Effective Date of this Agreement on account of the Water Connection Fee relating to the 88.5 hectares of the Undeveloped Lands that have been sold or leased to third parties by the GTHA; and

(c) The Water Connection Fees for the estimated 270 hectares of the remaining Undeveloped Land shall be calculated in accordance with the Water Model and section 7.1(b) of this Agreement and shall be payable proportionately as the Undeveloped Lands are sold or leased to third parties, with payment required thirty (30) days following the transfer or leased of title of any portion of the Undeveloped Lands to a third party by the GTHA.

The payments made in (b) and (c) above shall be included in the Water Model at the actual cost paid at that time, and shall be increased by three (3%) percent per annum during the remaining Term to account for inflation.

### **7.3 Reconciliation and Final Adjustment of Water Connection Fees**

(a) The parties acknowledge that the Water Model and the Water Connection Fees relating to the Undeveloped Lands are based on estimates of construction costs for the Water Project List and estimates of the Water Service capacity required by the GTH Lands. The GTHA and the City each agree that the Water Connection Fees and Water Model will be adjusted to reflect the actual costs of construction for the Water Project List and the actual use of Water Services by the GTH Lands as of December 31, 2040 for the purposes of completing a final adjustment of the Water Connection Fees payable by the GTHA for the provision of the Water Services to the GTH Lands (the "**Final Water Connection Fee Adjustment**").

(b) The GTHA and the City each acknowledge and agree that the Final Water Connection Fee Adjustment shall be completed within sixty (60) business days following the expiration of the Term or earlier termination of this Agreement and the Water Connection Fees payable under section 7.2(b) and (c) of this Agreement shall be recalculated and payments made as follows:

- i. In the event that the recalculations reveal that the GTHA has overpaid the Water Connection Fees based on a change in actual capital costs from the Water Project List, the City shall repay to the GTHA the difference between the Water Connection Fees paid and the recalculated amount (the "**Water Over Payment**"). For further certainty, the City will only provide a refund payment based on a change in actual capital costs for the Water Project List. Lower water volumes utilized by the GTHA than those paid for shall not result in a refund payment from the City;
- ii. In the event that the recalculations reveal that the GTHA has paid less than what it should have paid based on the actual capital costs from the Water Project List and the use of the Water Services in excess of those paid for, the GTHA agrees that it shall pay to the City the difference between the Water Connection Fees previously paid and the recalculated amount within thirty (30) days of notification of the difference by the City (the "**Water Deficiency Amount**").

### **7.4 Wastewater Connection Fees**

In consideration of the City extending the Wastewater Systems and providing the Wastewater Services to the GTH Lands, the GTHA shall pay the following fees (collectively, the “**Wastewater Connection Fees**”) relating to the City’s capital costs relating to the Wastewater Systems and the impact and use of Wastewater System capacity that is attributable to the GTHA and the GTH Lands:

- (a) Estimated GTH Capacity– The GTHA and the City each acknowledge and agree that the Wastewater Connection Fee payable relating for the Base Capacity Rate and within the Guideline Parameters shall be equal to \$740,500.00 (calculated in accordance with Schedule “G” hereof).
- (b) Future GTH Capacity – The GTHA and the City each acknowledge and agree that the GTHA may require additional Wastewater Services to support future development up to and including the Maximum Capacity Rate. The GTHA agrees that the Wastewater Connection Fee payable relating any future requirements in excess of the Base Capacity Rate shall be based upon a capital contribution formula (the “**Wastewater Formula**”) and calculated in accordance with Schedule “G”.

#### **7.5 Payment of Wastewater Connection Fees**

The Wastewater Connection Fees, as calculated in accordance with section 7.4 herein, shall be due and payable by the GTHA to the City as follows:

- (a) The sum of \$740,500 shall be payable forty-five (45) days following the Effective Date; and
- (b) The Wastewater Connection Fees for any future capacity required shall be calculated in accordance with the Wastewater Formula and section 7.4(b) of this Agreement and shall be payable by the GTHA within thirty (30) days following the completion of each review of the Formula every two (2) years of the Term.

#### **7.6 Reconciliation and Final Adjustment of Wastewater Connection Fees**

- (a) The parties acknowledge the Wastewater Connection Fees are based on estimates of the Wastewater Service capacity required by the GTH Lands. The GTHA and the City each agree that the Wastewater Connection Fees and Model will be adjusted to reflect the actual use of Wastewater Services by the GTH Lands as of December 31, 2040 for the purposes of completing a final adjustment of the Wastewater Connection Fees payable by the GTHA for the provision of the Wastewater Services to the GTH Lands (the “**Final Wastewater Connection Fee Adjustment**”).

#### **7.7 Wastewater Screen Fees**

The GTHA acknowledges and agrees that the City has or will install a screen to filter waste water at the Fleming Road pump station. The GTHA shall be responsible for reimbursing the

City for the costs related to the purchase and installation of the screen estimated at \$ 2,000,000.00. The amount shall be repaid to the City following its installation, as follows:

- (a) The actual capital cost of supplying and installing the screen will be determined and amortized over the life of the screen, as agreed to by the parties;
- (b) The City will, on behalf of the GTHA, collect a screen fee (in an amount to be determined in consultation with the GTHA) from GTH Customers based on water consumption volumes in coordination with the billing processes established pursuant to this Agreement;
- (c) On or before March 31<sup>st</sup> of each year of the Term until the cost of the screen has been repaid, the GTHA will pay to the City an amount equal to the difference between the annual amortized amount and any amounts collected from GTH Customers pursuant to clause (b) over the previous calendar year of the Term; and
- (d) The City agrees that in the event a third party user connects to the lift station on Fleming Road, the screen fees paid by the GTHA, pursuant to this section shall be adjusted to reflect the consumption volumes of the new user.

## **7.8 Transportation Network Capital Contributions**

In consideration of the City extending access to the Transportation Network and providing the Transportation Services to the GTH Lands, the GTHA shall pay the following fees (collectively, the “**Transportation Network Capital Contributions**”) relating to the City’s capital costs in relation to the Transportation Network and the impact on and use of the Transportation Network that is attributable to the GTHA and the GTH Lands:

- (a) Developed Lands – The GTHA and the City each acknowledge and agree that the Developed Lands are currently being provided with the Transportation Services. The GTHA agrees that the Transportation Network Capital Contributions payable in relation to the Developed Lands shall be equal to \$23,900.18 per hectare and that the total Transportation Network Capital Contributions payable to the City relating to the Developed Lands shall be \$1,496,151.00.
- (b) Undeveloped Lands – The GTHA and the City each acknowledge and agree that the Undeveloped Lands will require access to the Transportation Network to support future development. The GTHA agrees that the Transportation Network Capital Contributions payable in relation to the Undeveloped Lands shall be based upon a capital contribution model (the “**Transportation Model**”) and calculated in accordance with Schedule “H”.

## **7.9 Payment of Transportation Network Capital Contributions**

The Transportation Network Capital Contributions, as calculated in accordance with section 7.8 herein, shall be due and payable by the GTHA to the City as follows:

(a) The sum of \$1,496,151.00 shall be payable forty-five (45) days following the Effective Date on account of the Transportation Network Capital Contributions in relation to the Developed Lands;

(b) The Transportation Network Capital Contributions for the estimated 358.7 hectares of the remaining Undeveloped Land shall be calculated in accordance with the Transportation Model and section 7.8(b) of this Agreement and shall be payable proportionately as the Undeveloped Lands are developed, with payment required (30) days following issuance of a development permit for any portion of the Undeveloped Lands by the GTHA.

The payments made in (a) and (b) above shall be included in the Transportation Model at the actual cost paid at that time, and shall be increased by three (3%) percent per annum during the remaining Term to account for inflation.

#### **7.10 Reconciliation and Final Adjustment of Transportation Network Capital Contributions**

(a) The parties acknowledge that the Transportation Model and the Transportation Network Capital Contributions relating to the Undeveloped Lands are based on estimates of construction costs for the Transportation Project List and actual traffic counts. The GTHA and the City each agree that the Transportation Network Capital Contributions and Transportation Model will be adjusted to reflect the actual costs of construction for the Transportation Project List and the actual traffic counts to and from the GTH Lands as of December 31, 2040 for the purposes of completing a final adjustment of the Transportation Network Capital Contributions payable by the GTHA for the provision of the Transportation Services to the GTH Lands (the "**Final Transportation Network Capital Contribution Adjustment**").

(b) The GTHA and the City each acknowledge and agree that the Final Transportation Network Capital Contribution Adjustment shall be completed within sixty (60) business days following the expiration of the Term or earlier termination of this Agreement and the Transportation Network Capital Contributions payable under section 7.8(a) and (b) of this Agreement shall be recalculated and payments made as follows:

- i. In the event that the recalculations reveal that the GTHA have overpaid the Transportation Network Capital Contributions based on a change in actual capital costs from the Transportation Project List, the City shall repay to the GTHA the difference between the Transportation Network Capital Contributions paid and the recalculated amount within thirty (30) days of notification of the difference by the City (the "**Transportation Over Payment**"). For further certainty, the City will only provide a refund payment based on a change in actual capital costs for the Transportation Project List. Lower traffic volumes utilized by the GTH than those paid for shall not result in a refund payment from the City;

- ii. In the event that the recalculations reveal that the GTHA has paid less than what it should have paid based on the actual capital costs from the Transportation Project List and the use of the Traffic Services in excess of those paid for, the GTHA agrees that it shall pay to the City the difference between the Transportation Network Capital Contributions previously paid and the recalculated amount within thirty (30) days of notification of the difference by the City (the "**Transportation Deficiency Amount**").

## **ARTICLE 8**

### **CONSUMPTION CHARGES, OPERATING PAYMENTS AND OTHER FEES**

#### **8.1 Payment of Water and Wastewater Consumption Fees**

(a) GTHA shall establish and adopt bylaws relating to the billing and collection of water and wastewater consumption charges, including all relevant screen fees and other applicable consumption charges, (collectively, the "Consumption Fees") and authorize the City to bill and collect and retain such charges directly from all GTH Customers connected to the System through the GTH Lines at rates and conditions consistent with the Water Bylaw and Wastewater Bylaw;

(b) The City shall bill and take reasonable efforts to collect "Consumption Fees" directly from GTH Customers at the rates and conditions set out in the Water Bylaw and Wastewater Bylaw (as adopted by the GTHA).

(c) Consumption volumes shall be measured by water meters issued and owned by the City.

(d) Notwithstanding clause (a) and (b), the GTHA agrees to be responsible for payment of all Consumption Fees owing to the City and remaining unpaid after reasonable efforts to collect directly from GTH Customers have been made by the City.

#### **8.2 Payment of Wastewater Surcharges and Restricted Substances**

(a) In operating the GTH Service Lines and any connection to the Wastewater Systems, the GTHA and the City each acknowledge and agree that in addition to the Base Capacity Rate, the GTH shall manage and operate the GTH Service Lines to comply with the operating parameters, including compliance with the discharge of prohibited and restricted substances, as established in the Wastewater Bylaw (as amended from time) for wastewater entering the Wastewater Systems (collectively, the "**Operating Parameters**").

(b) In the event that any testing conducted pursuant to section 5.6 of this Agreement indicates wastewater loading exceeding any of the Operating Parameters at the testing point, the GTHA shall pay to the City a wastewater operating surcharge equal to the



applicable surcharge that would apply pursuant to the City's Wastewater Bylaw (the "**Operating Surcharge**").

(c) Notwithstanding clause (b), in the case where the actual wastewater flow rate is less than the Base Capacity Rate, a surcharge will only be applied when the mass loading of surcharge parameters exceeds the limit concentration multiplied by the Base Capacity Rate.

### **8.3 Transportation Network Operating Fee**

To compensate the City for the operational impact of the GTH Lands on the City's Transportation Network, the GTHA agrees to compensate to the City, on a monthly basis, whereby the City shall retain an amount equal to five (5%) percent of the current year's GTH Levy, inclusive of municipal taxes and grants in lieu payments, for those properties comprising the GTH Lands (the "Transportation Network Operating Fee").

### **8.4 Administration Fee**

For administering the provision of services pursuant to this Agreement, the GTHA agrees to compensate to the City, on a monthly basis, whereby the City shall retain an amount equal to one and one-half (1.5%) percent of the current year's GTH Levy, inclusive of municipal taxes and grants in lieu payments, for those properties comprising the GTH Lands (the "Administration Fee"). The Administration Fee is intended to include, but not be limited to, traffic counts, wastewater testing and general contract management tasks related to the Services. The parties agree to review the Administration Fee bi-annually and make reasonable adjustments to the Administration Fee to ensure it is an accurate reflection of the administration costs related to the Agreement.

### **8.5 Interest on Late Payments**

Should the GTHA fail to pay any amount due to the City by the due date, interest thereon shall accrue at the Government's borrowing rate which is the prime rate of the government's principle financial institution from the due date until the total sums are paid.

### **8.6 Other GTHA Levies and Charges**

Notwithstanding any other provision of this Agreement, the GTHA may, at its discretion, impose other fees and charges additional to those in the Water Bylaw and Wastewater Bylaw. The City agrees to administer, bill and collect such additional fees and charges, as applicable, from the GTH Customers in coordination with the billing processes established pursuant to this Agreement, provided that any additional fees and charges shall not come into effect or be required to be collected by the City until ninety (90) days after the GTHA has given written notice to the City of the amounts to be levied. The City shall remit such additional fees and charges collected during the previous calendar year, to the GTHA annually on or before March 31<sup>st</sup> of each year of the Term, net of three (3%) percent and any other fees or charges owed to the City pursuant to this Agreement which shall be retained by the City.

## **8.7 Right of Set Off**

Should the GTHA fail to pay any amount due to the City by the due date, the City shall thereafter have the right and be authorized, in addition any other remedies available to it at law or in equity, to set off such amounts against any amount or other indebtedness owing by the City to the GTHA pursuant to this or any other agreement, arrangement or undertaking whatsoever.

## **ARTICLE 9 GTHA DRAINAGE CHANNEL**

### **9.1 Storm Water Management**

The GTHA is responsible for all storm water management within its boundaries and the City shall not provide any services or have any obligations in respect of the same.

### **9.2 Drainage Channel**

Notwithstanding section 9.1 of this Agreement, the GTHA acknowledges and agrees that the City completed construction of a 5.7km long drainage channel to service the GTH Lands as described in the original Permit to Construct issued January 8, 2010 and as located on the maps all of which are attached hereto as Schedule "I" (the "GTH Drainage Channel"). As of the Effective Date the GTHA shall assume ownership of the GTH Drainage Channel and shall be solely responsible for operation and maintenance of the GTH Drainage Channel, including the taking out of all required permits and authorizations and securing of all required easement rights relating to the GTH Drainage Channel. The City and the GTHA agree to take all steps necessary to document the transfer of ownership and responsibility of the GTH Drainage Channel, including the transfer and/or assignment of all existing easement rights granted to the City with respect to the GTH Drainage Channel.

### **9.3 Drainage Charges**

The GTHA shall establish and adopt bylaws relating to the billing and collection of drainage charges ("the **Drainage Charges**") and authorize the City to bill and collect such charges directly from all applicable GTH Customers at rates and conditions consistent with the Water Bylaw and Wastewater Bylaw (as adopted by the GTHA).

The City agrees to remit the Drainage Charges to the GTHA, net of three (3%) percent and any other fees or charges owed to the City pursuant to this Agreement which shall be retained by the City and subject to the following:

- (a) The City shall pay to the GTHA all Drainage Charges previously collected by the City between March 10, 2014 and up to and including the Effective Date in relation to the GTH Drainage Channel within forty-five (45) days of execution of this Agreement; and

- (b) Thereafter the City shall pay to the GTHA all Drainage Charges collected by the City after the Effective Date on an annual basis, on or before March 31<sup>st</sup> (for Drainage Charges collected during the previous calendar year). Payment of these charges will not be made until after such time as the GTHA delivers to the City satisfactory confirmation of all required operating permits and authorizations for the GTH Channel having been issued to the GTHA by the Saskatchewan Water Security Agency.

Notwithstanding any other provision of this Agreement, the GTHA may establish Drainage Charges higher than those established by the City, provided that such charges shall not come into effect or be required to be collected by the City until ninety (90) days after the GTHA has given written notice to the City of the amount of such Drainage Charges.

## **ARTICLE 10 TERM, TERMINATION AND EFFECTIVENESS OF AGREEMENT**

### **10.1 Term**

This Agreement shall commence on the Effective Date and shall expire on December 31, 2040 (the “**Term**”)

### **10.2 No Extension of Term and Future Agreement**

(a) The City and the GTHA each acknowledge and agree that no extensions or renewals of the Term are contemplated within this Agreement and that any further connection to the System and access to the Services shall be subject to mutual agreement between the parties and may be subject to Regina City Council approval.

(b) In the event that continued service is provided under a new agreement there will be no further capital contributions required for lands where Transportation Network Capital Contributions, Water Connection Fees and Wastewater Connection Fees have already been paid.

(c) Where the GTHA has not achieved the sale or development of ninety (90%) percent of the GTH Lands on or before the expiration of the Term, the City and GTHA agree that they will each begin negotiations not later than January 1, 2039 to attempt, using commercially reasonable efforts, to enter into a new agreement wherein the City will provide Services on a cost recovery basis, provided the Act still requires compensation to the City to be determined on a cost recovery basis.

### **10.3 Termination**

(a) Subject to Article 13, the City may, without prejudice to any other right or remedy it may have, terminate this Agreement by written notice to the GTHA if:

- (i) the GTHA is dissolved, sold or restructured in such a way that the control and regulation of the GTH Lands are transferred in whole or in part outside the control

of GTHA or some other entity or agency under the direction and control of the Government of Saskatchewan;

- (ii) the GTHA allows or operates any GTH Customer Connection in breach of section 5.1 or permits any third party to gain any interest in, connect to or use the Systems without the City's prior written consent;
- (iii) the GTHA fails to observe or perform and of the terms, conditions or covenants of this Agreement to be observed or performed by the GTHA provided that the City first gives the GTHA sixty (60) day's written notice of any such failure to perform and the GTHA, within such sixty (60) day period, fails to commence, diligently and therefore to proceed diligently to cure any such failure to perform;
- (iv) the GTHA attempts to assign this Agreement to a third party without the City's prior written consent; or
- (v) the prescribed use or purpose of the GTHA pursuant to the Act is materially changed.

(b) Where the City provides a written notice to terminate in accordance with section 10.3(a) herein, this Agreement shall be terminated on the date that is one hundred and eighty (180) days after the date of the written notice to terminate. On the effective date of termination, the GTHA and the City each acknowledge and agree that:

- (i) the City shall have no further obligation to provide access to the Systems and the Services;
- (ii) notwithstanding clause (i), Services will continue to be provided to Developed Lands and any other lands within the GTHA for which Water Connection Fees and Transportation Network Capital Contributions have previously been paid to the City by the GTHA. No additional capital contributions will be required for the properties referred to in this clause unless the use or intensity of the property changes. The City will have no obligation to provide service to any other lands within the GTHA;
- (iii) in the event that this Agreement is terminated pursuant to this section, properties for which Water Connection Fees and Wastewater Connection Fees have been made will not be required to make additional capital payments for Water Connection Fees and Wastewater Connection Fees, provided the proposed use identified at the time of remittance does not deviate from the use or purpose of the GTHA pursuant to the Act and does not result in the need to expand or upgrade the Services as pursuant to this Agreement. These properties will, however, be required to make payments for transportation based on the rates for Transportation Network Capital Contributions agreed upon in this Agreement;

- (iv) all Water Connection Fees, Wastewater Connection Fees and Transportation Network Capital Contributions accrued shall become due and payable as at the effective date of termination;
  - (v) there shall be no reconciliation and final adjustment of Water Connection Fees, Wastewater Connection Fees and Transportation Network Capital Contributions as are contemplated by sections 7.3, 7.6 and 7.10 of this Agreement;
  - (vi) notwithstanding clause (v) above, if the notice of termination is provided by the City within three (3) years of December 31, 2040 then a reconciliation and final adjustment will be completed only including projects completed and dollars spent (as identified in the Transportation Model and the Water Model) at that time by the City. For further certainty, budgeted amounts for projects not yet spent and completed at the date of termination will not be included within the final reconciliation and adjustment.
- (c) The GTHA may, without prejudice to any other right or remedy it may have, terminate this Agreement by written notice to the City if the GTHA elects to use an alternate supplier to provide the Water and Wastewater Services to the GTH Lands.
- (d) Where the GTHA provides a written notice to terminate in accordance with section 10.2(c) herein, this Agreement shall be terminated on the date that is ninety (90) days after the date of the written notice to terminate. On the effective date of termination, the GTHA and the City each acknowledge and agree that:
- (i) the City shall have no further obligation to provide access to the Systems and the Services;
  - (ii) all Water Connection Fees, Wastewater Connection Fees and Transportation Network Capital Contributions that are due and payable as at the effective date of termination shall be paid within 30 days of the effective date of termination;
  - (iii) there shall be no reconciliation and final adjustment of Water, Wastewater and Transportation Network Connection Fees as are contemplated by sections 7.3, 7.6 and 7.10 of this Agreement; and
  - (iv) notwithstanding clause (iii) above, if the notice of termination is provided by the GTHA within three (3) years of December 31, 2040 then a reconciliation and final adjustment will be completed only including projects completed and dollars spent (as identified in the Transportation Model and the Water Model) at that time by the City. For further certainty, budgeted amounts for projects not yet spent and completed at the date of termination will not be included within the final reconciliation and adjustment.

#### **10.4 Discussions Relating to Effectiveness of Agreement**

The parties each acknowledge and agree to review and discuss the terms and conditions of this Agreement not less frequently than every two (2) years of the Term to update the Water Model, Transportation Model and Wastewater Formula and to ensure that the Agreement accurately reflects development rates of the GTH Lands and the water, wastewater and transportation utilization levels of each of the City and the GTH Lands.

The GTHA and the City each agree to complete such reviews within the time period that is forty-five (45) business days following the applicable anniversary of the Effective Date and to reasonably update the Water Model, Transportation Model and Wastewater Formula and consider any proposed modifications to this Agreement.

Each of the GTHA and the City acknowledge and agree that any modification to this Agreement will require the written agreement between the City and GTHA and may also require approval of the City Council and the Board of Directors of the GTHA.

## **ARTICLE 11 LIABILITY, INDEMNITY AND INSURANCE**

### **11.1 Liability for GTH Service Line and Connection**

(a) The GTHA acknowledges and agrees that it is solely liable and responsible for all costs and liabilities arising from the construction, operation and maintenance of the GTH Service Lines and that the City has no and will not gain any interest in the GTH Service Lines, which are solely at the GTHA's risk.

(b) The Parties agree that any Services provided under this Agreement shall pass from the City to the GTHA at the Connection Point of the Systems and the GTH Service Lines. On each Party's side of such Connection Point the GTHA and the City, as the case may be, shall be deemed to be in control of and be responsible for such Service and any risk of loss related thereto. If the GTH Service Lines rupture or otherwise leak and the GTHA does not immediately attend to making the necessary repairs, the City may:

- (i) stop the service(s) until the needed repairs are completed by the GTHA; or
- (ii) make the needed repairs and charge all the reasonable repair costs to the GTHA, which will be payable to the City on demand.

### **11.2 Indemnity**

The GTHA agrees to indemnify the City in accordance with section 32(4) of the GTHA Act.

### **11.3 Insurance**

(a) The GTHA shall obtain and keep in force the following insurance coverage during the term of this Agreement:

(i) comprehensive commercial general liability insurance with a limit of liability of \$10,000,000, combined single limit, for bodily injury and property damage, for each claim or series of claims arising from the same originating cause and such policy shall include:

- (I) The City as an Additional Insured;
- (II) A Cross Liability clause; and
- (III) Contractual liability coverage.

(b) Insurance obtained and provided under this section 11.3 shall include a provision for the City to be given thirty (30) days written notice prior to cancellation or any material change of the required insurance policies.

(c) The GTHA covenants and agrees that the City's insurance requirements mentioned above will not be construed to and shall in no manner limit or restricts the liability of the GTHA under this Agreement.

(d) The GTHA is solely responsible for full payment of any premium amounts and any deductible amounts which may be due in the event of any and all claims under policies required by this section 11.3 and shall provide the City with proof of the insurance required pursuant to this Agreement annually in a form satisfactory to the City's Risk Manager.

(e) The GTHA shall provide the City with written notice of any incident that may result in a claim against either the GTHA or the City related to the Services described in this Agreement, including, but not limited to such losses as, property damage to City assets, third party property damage, injury or death of any person and any third party bodily injury within seven (7) days of becoming aware of such incident.

## **ARTICLE 12 CONFIDENTIALITY**

### **12.1 Protection of Confidential Information.**

- (a) The parties will keep strictly confidential all Confidential Information and ensure that its individual partners, employees, contractors, and agents only have access to the Confidential Information or other information as is strictly necessary for the performance of their particular role in performing the party's covenants under this Agreement.
- (b) The parties each agree that all Confidential Information shall at all times remain the property of the party that created it and that this section 12.1 shall not apply to any information that a party is obligated to produce as a result of a court order or other legal requirement, provided that the party provides the other party with prior

notice thereof and a reasonable opportunity to seek a protective order or other appropriate remedy.

## **12.2 Limitation.**

The GTHA acknowledges and agrees that the City is subject to *The Cities Act* (Saskatchewan) and *The Local Authority Freedom of Information and Protection of Privacy Act* (Saskatchewan) and that the City's obligations under section 12.1 of this Agreement are limited by its public disclosure obligations under such legislation.

The City acknowledges and agrees that the GTHA is subject to *The Freedom of Information and Protection of Privacy Act* (Saskatchewan) and that the GTHA's obligations under section 12.1 of this Agreement are limited by its public disclosure obligations under such legislation.

## **12.3 Scope of Confidential Information.**

For the purposes of this Agreement, "Confidential Information" means any information pertaining to either the City or the GTHA, as the case may be (and herein the "Party"), its property, assets, business, rights or interests owned, possessed or used by the Party, whether in oral or recorded form (whether in writing or in electronically retrievable form or electronically stored data or otherwise) furnished to or obtained by the other of the City or the GTHA (and herein the "**Recipient**"), whether furnished or obtained before or after the date of this Agreement, including, without limitation, any confidential information memorandum, research reports, financial statements, financial data, financial information, engineering information, technology, technical information, intellectual property, trade secrets, designs, contracts, technical data, drawings, specifications, know-how, computer programs, software, algorithms, hardware designs, technology, marketing or business plans, licences, prices, costs, personnel data, supplier information, customer information or lists and information relating to or comprising any invention, product, formula, method, technique, composition, compound, development, plan, apparatus, trade secret or process, howsoever and whomsoever obtained by the Recipient, whether directly from the Party or otherwise. The following shall not be considered Confidential Information:

- (a) information in the public domain at the time of disclosure to the Recipient;
- (b) information that, after disclosure to the Recipient, becomes a part of the public domain through no act or omission of the Recipient or its officers, employees, agents, advisors or other representatives;
- (c) information that the Recipient can show was lawfully within its possession prior to its receipt thereof from the Party;
- (d) information received in good faith by the Recipient from a third party who was lawfully in possession of and had the right to disclose the same;
- (e) information required by any governmental laws, rules or regulations, by courts, by any governmental regulatory authorities having jurisdiction over the Recipient, provided the Recipient shall exercise its best efforts to assure that such



information shall be accorded confidential treatment and provided further that prior written notice of any intended disclosure shall be given to the Party by the Recipient before disclosure and, if requested, the Recipient shall provide all reasonable assistance to the Party in respect of any application the Party may make or undertake for an order or waiver exempting the disclosure of such information; and

- (f) information that is independently developed by the Recipient without the use of information that would otherwise be Confidential Information.

## **ARTICLE 13 DISPUTE RESOLUTION**

### **13.1 No Termination**

Notwithstanding any other terms of this Agreement but except in the event of an emergency pursuant to section 6.2(a)(vii), the City shall not interrupt, suspend or stop the provision of Services until the expiry of thirty (30) days following the conclusion of any proceedings under Article 13.

### **13.2 Initial Dispute Resolution.**

In the event of a dispute in relation to this Agreement, representatives from each party (each, a “**Party Representative**” and, collectively, the “**Party Representatives**”) shall promptly and diligently make all reasonable bona fide efforts to resolve the dispute. Each Party Representative shall provide to the other, on a without prejudice basis, frank, candid and timely disclosure of relevant facts, information and documents (except such documentation that is subject to legal privilege) as may be required or reasonably requested by the other Party Representative to facilitate the resolution of the dispute.

### **13.3 Amicable Dispute Resolution by Senior Executives.**

If a dispute is not resolved by the Party Representatives within ten (10) business days, the dispute will then be referred to the Regina City Manager and the GTHA’s Chief Executive Officer for resolution. Once a dispute is referred to them, the City Manager and Chief Executive Officer shall promptly and diligently make all reasonable bona fide efforts to resolve the dispute. Each party shall provide to the other, on a without prejudice basis, frank, candid and timely disclosure of relevant facts, information and documents (except such documentation that is subject to legal privilege) as may be required or reasonably requested by the other to facilitate the resolution of the dispute.

### **13.4 Final Dispute Resolution.**

If a dispute is not resolved by the Senior Executives in accordance with section 13.2 of this Agreement within ten (10) business days, the dispute will then be resolved as follows:

(a) Mandatory mediation

- (i) In respect of any disputes that remain unresolved following the efforts in sections 13.2 and 13.3 of this Agreement, and before pursuing any additional steps as may be available as set forth below, the parties must first engage in mandatory mediation before a third party mediator agreed to by the parties;
- (ii) A representative of the City and a representative of the GTHA with authority to resolve the applicable dispute shall participate in such mediation and the mediator will have thirty (30) days from the date of her or his appointment to help resolve the dispute;
- (iii) The parties will share the cost of the mediator equally. The cost of each party's legal and other representation at the mediation shall be each party's individual responsibility.
- (iv) The mediator shall work with the representatives and each party shall promptly respond to any written requests from the mediator for information and/or documentation with respect to the dispute, and shall copy the other party with all such responses; and
- (v) The mediator shall provide the parties with a written recommendation respecting the dispute. The recommendation of the mediator is not binding but shall be used by the parties for the purpose of attempting to resolve the dispute.

(b) Expert Determination

- (i) In respect of any dispute that remains unresolved following the efforts pursuant to escalation or mandatory mediation as set out above, before proceeding to arbitration as prescribed below, the parties may obtain a recommendation on the dispute from an expert who is impartial as between the parties, independent, qualified and experienced with respect to the matters in dispute (an "**Expert**"). The Expert's review will not be required as a prerequisite to arbitration.
- (ii) If the parties agree on the Expert, the parties shall jointly appoint the Expert as soon as possible and, in any event, within five (5) business days after agreeing that the dispute be resolved by an Expert. If the parties fail to agree or jointly appoint the Expert within such five (5) business day period, either party may apply to the Court of Queen's Bench of Saskatchewan to appoint the Expert, in which case the Court shall appoint the Expert at the earliest opportunity from the list of potential Experts submitted by the parties or, if either or both parties fail to submit their list of potential Experts within seven (7) business days, the Court may appoint

such person as the Expert who meets the requirements for qualifications and experience of the Expert.

- (iii) The Expert will be appointed on a dispute by dispute basis, with each Expert having the qualifications and experience relevant to the issues in the particular dispute for which the Expert is appointed.
- (iv) The Expert will participate in the dispute as follows:
  - (I) the Expert will conduct a review of the dispute in the manner the Expert decides is most suitable, including inspections and discussions with any persons;
  - (II) the parties will comply with all reasonable requests from the Expert for additional information and documents which the Expert considers necessary for the review, provided that any information given to the Expert by a party will be given to the other party and all information disclosed shall be deemed confidential information;
  - (III) the Expert may, with the written approval of the parties, retain others to assist with the review;
  - (IV) the Expert will deliver to the parties a brief written recommendation on the dispute within ten (10) business days of referral to the Expert or such longer period as agreed to in writing by both parties;
  - (V) a recommendation of an Expert is not binding on the parties, and an Expert's review will be sought only for the purpose of assisting the parties to reach agreement with respect to the dispute;
  - (VI) an Expert who has rendered a recommendation on a dispute may not be retained by either party and may not be called by either parties to give evidence with respect to the dispute in any subsequent arbitration to resolve the dispute, nor will either party refer to or enter into evidence the recommendation of the Expert in such proceeding, unless required by applicable law; and
  - (VII) the parties will agree to release and indemnify the Expert in respect of certain claims provided the Expert has acted in good faith and in accordance with the agreement among the parties.
- (v) Each party shall bear its own costs of the process for resolution of the dispute by the Expert. In addition, the costs of the Expert shall be borne equally by the parties.

(c) Arbitration

- (i) If mandatory mediation or expert determination does not resolve a dispute, either party may submit a dispute to binding arbitration by providing written notice to the other party (the “**Notice of Arbitration**”) specifying the matter(s) to be arbitrated and requesting arbitration thereof;
- (ii) If the parties are unable to agree upon a single arbitrator within five (5) days after the delivery of a Notice of Arbitration, the party that delivered the Notice of Arbitration shall be entitled to apply, upon notice to the other, to a judge of the Court of Queen’s Bench for the Province of Saskatchewan who shall have jurisdiction to nominate such arbitrator and the provisions of *The Arbitration Act, 1992* (Saskatchewan) shall govern such nomination;
- (iii) The arbitrator shall have all the powers given by *The Arbitration Act, 1992* (Saskatchewan). The arbitrator may at any time proceed in such manner as she or he sees fit on such notice as she or he deems reasonable in the absence of either party if such party fails to attend;
- (iv) The arbitrator will have the authority to hear and decide motions as necessary;
- (v) The arbitrator will issue a written award setting forth the basis for her or his award;
- (vi) The parties will share the cost of the arbitrator equally. The cost of each party’s legal and other representation at the arbitration shall be each party’s responsibility individually. The costs of any proceeding before the Court as contemplated herein shall be determined by the Court.

**ARTICLE 14  
GENERAL**

**14.1 Notices**

Any notice, consent, authorization, direction or other communication required or permitted to be given hereunder shall be in writing and shall be delivered either by personal delivery, fax or email and addressed as follows:

*in the case of the City at:*  
City of Regina  
14th Floor, 2476 Victoria Avenue,  
P.O. Box 1790  
Regina, SK S4P 3C8  
Attention: City Manager

*in the case of the GTHA, to it at:*  
Global Transportation Hub Authority  
Unit 300, 12222 Ewing Avenue  
Regina, SK S4M 0A1  
Attention: Chief Executive Officer

Any notice, consent, authorization, direction or other communication delivered as aforesaid shall be deemed to have been effectively delivered and received, if sent by fax or email on the Business Day next following sending of such transmission or, if delivered, to have been delivered and received on the date of such delivery provided, however, that if such date is not a Business Day than it shall be deemed to have been delivered and received on the Business Day next following such delivery. Either party may change its address for service by notice delivered as aforesaid.

#### **14.2 Entire Agreement**

(a) This Agreement and the schedules, together with all agreements and other documents to be delivered pursuant to this Agreement, constitute the entire agreement between the parties pertaining to the subject-matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties, including but not limited to the Term Sheet, and, except as stated, contain all of the representations and warranties of the respective parties.

(b) If, at any time during the currency of this Agreement, the parties shall deem it necessary or expedient to make any alteration or addition to this Agreement, they may do so by means of a written agreement between them which shall be supplemental and form part of this Agreement.

#### **14.3 Time of Essence**

Time shall be of the essence in this Agreement.

#### **14.4 Restriction on Assignment**

(a) This Agreement shall ensure to the benefit of the parties hereto and their respective successors, administrators and (permitted) assigns. Neither party may assign this Agreement, or any portion of it, without the prior written consent of the other, such consent to not be unreasonably withheld or delayed.

(b) The parties each acknowledge and agree that this Agreement only creates personal covenants between the City and the GTHA that neither run with nor create a benefit to the Systems capable of protection by the registration of an interest at the Information Services Corporation.

#### **14.5 Further Assurances**

The parties hereto shall and will at all times, and from time to time hereafter, and upon every reasonable written request so to do, make, do, execute, deliver, or cause to be made, done, executed, and delivered all such further acts, deeds, assurances, and things as may be required for more effectually implementing and carrying out the true intent and meaning of this Agreement.

**14.6 No Agency, Joint Venture, Partnership or Loan.** This Agreement is not intended to and does not:

- (a) constitute either party as the agent of the other for any purpose, or otherwise create any relationship of agency;
- (b) constitute or create any joint venture;
- (c) constitute or create any partnership; or
- (d) constitute the relationship of lender and borrower

and neither party shall allege or assert for any purpose that this Agreement constitutes or creates a relationship of agency, joint venture, partnership or lender and borrower.

**14.7 Force Majeure**

If either party shall be unable to carry out any obligation under this Agreement due to Force Majeure, this Agreement shall remain in effect, but such obligation shall be suspended for the period necessary as a result of the Force Majeure, provided that:

- (a) the non-performing party gives the other party written notice not later than forty-eight (48) hours after the occurrence of the Force Majeure describing the particulars of the Force Majeure, including but not limited to the nature of the occurrence and the expected duration of this disability, and continues to furnish timely regular reports with respect thereto during the period of Force Majeure and the disability;
- (b) the suspension of performance is of no greater scope and of no longer duration than is reasonably required by the Force Majeure; and
- (c) the non-performing party uses its best efforts to remedy its inability to perform.

Notwithstanding any of the foregoing, the settlement of strikes, lockouts, and other labour disputes shall be entirely within the discretion of the affected party, and such party shall not be required to settle any strike, lockout or other labour dispute on terms which it deems inadvisable.

**14.8 Survival**


All representations, warranties and indemnities set out in this Agreement shall survive the termination or expiration of this Agreement.


**14.9 Counterparts**

This Agreement may be executed in counterparts and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Agreement by electronic means, including, without limitation, by facsimile transmission or by electronic delivery in portable document format (".pdf"), shall be equally effective as delivery of a manually executed counterpart hereof. The parties hereto acknowledges and agree that in any legal proceedings between them respecting or in any way relating to this Agreement, each waives the right to raise any defence based on the execution hereof in counterparts or the delivery of such executed counterparts by electronic means.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

**THE GLOBAL TRANSPORTATION HUB AUTHORITY**

  
Per: \_\_\_\_\_

  
Per: \_\_\_\_\_

**THE CITY OF REGINA**

  
\_\_\_\_\_  
City Clerk



ADDENDUM No. 1



Dated for reference the 30<sup>th</sup> day of November, 2020

This is the first written addendum to the Municipal Water, Wastewater & Transportation Infrastructure & Services Agreement dated the 4<sup>th</sup> day of December, 2018 between the City of Regina (the "City") and The Global Transportation Hub Authority (the "GTHA") (the "Agreement"). This addendum results from the review and discussions conducted by the parties pursuant to section 10.4 of the Agreement.

THE PARTIES AGREE TO AMEND THE AGREEMENT AS FOLLOWS:


1. Schedule "B" of the Agreement shall be deleted and replaced with the document attached hereto and marked as Schedule "B".
2. Schedule "D" of the Agreement shall be deleted and replaced with the document attached hereto and marked as Schedule "D".
3. Schedule "F" of the Agreement shall be deleted and replaced with the document attached hereto and marked as Schedule "F".
4. Schedule "H" of the Agreement shall be deleted and replaced with the document attached hereto and marked as Schedule "H".
5. The parties affirm the terms of the Agreement in all other respects.

IN WITNESS WHEREOF the parties have executed this addendum:

CITY OF REGINA  
 {seal}  
Per:   
City Clerk

THE GLOBAL TRANSPORTATION HUB  
AUTHORITY

Per:   
Authorized Signatory

Per:   
Authorized Signatory





ADDENDUM No. 2

Dated for reference the 24th day of October, 2022

This is the 2nd written addendum to the Municipal Water, Wastewater & Transportation Infrastructure & Services Agreement dated the 4<sup>th</sup> day of December, 2018 between the City of Regina (the "City") and The Global Transportation Hub Authority (the "GTHA") (the "Agreement").

**WHEREAS** by written notice dated April 20, 2022 the GTHA advised the City of its intention to receive non-potable water services from a third party pursuant to section 5.5 of the Agreement;

**AND WHEREAS** the GTHA has also requested that the Agreement be amended to allow the GTHA to connect the third party water services to the Wastewater System;

**AND WHEREAS** the City agrees to amend the Agreement to provide the connection on the terms and conditions outlined in this Addendum.

THE PARTIES AGREE TO AMEND THE AGREEMENT AS FOLLOWS:

1. In this Addendum, except as otherwise set forth herein, capitalized terms used and not defined in this Addendum shall have the respective meanings given to them in the Agreement.
2. Section 1.9 of the Agreement is amended to add:

<b>Schedule "J"</b>	Requirements for Connection of Third Party Water Services to Wastewater System
---------------------	--

3. A new section 5.5.1 is added following section 5.5 as follows:

**"5.5.1 Alternate Water Supply for Canola Processing Development**

In accordance with section 5.5, the City and the GTHA each acknowledge and agree that the GTHA will use and receive alternate, non-potable water services from a third party supplier (the "Alternate Water Services"), subject to the following:

- (a) the Alternate Water Services will be used to provide non-potable water service for industrial processing purposes to the proposed canola processing facility (the "Canola Facility") on those lands described as Parcel L1, Plan 102379608, Ext.0.
- (b) the Alternate Water Services shall be provided by way of dedicated infrastructure and connections, to be installed at the GTHA's sole cost, separate from the GTH Service Lines that provide Water Services pursuant to this Agreement and in no event shall the Alternate Water Service be connected to or mix with the Water System; and

(c) notwithstanding subsection 5.5(b), the City and the GTHA agree that effluent discharged from the Canola Facility, including effluent originating from the Alternate Water Services, may be connected to the Wastewater System and otherwise discharged together with the other Wastewater Services provided pursuant to this Agreement subject to the terms and conditions of this Agreement and provided that the GTHA further complies with the additional requirements as set out in Schedule J. For greater certainty, the permission granted by the City pursuant to this clause shall apply only to the Canola Facility and no other development receiving alternate services within the GTH Lands."

4. The document attached hereto and marked as Schedule "J" is added to the Agreement and incorporated as part thereof.
5. The parties affirm the terms of the Agreement in all other respects.

IN WITNESS WHEREOF the parties have executed this addendum:

**CITY OF REGINA**



Per: *Amber Ackernis* {seal}  
Acting City Clerk

**THE GLOBAL TRANSPORTATION HUB  
AUTHORITY**

Per: *[Signature]* {seal}  
Authorized Signatory

Per: *[Signature]*  
Authorized Signatory

ADDENDUM No. 3

Dated for reference the 11th day of January, 2023



This is the third written addendum to the Municipal Water, Wastewater & Transportation Infrastructure & Services Agreement dated the 4<sup>th</sup> day of December, 2018 between the City of Regina (the “City”) and The Global Transportation Hub Authority (the “GTHA”) (the “Agreement”). This addendum results from the review and discussions conducted by the parties pursuant to section 10.4 of the Agreement.

THE PARTIES AGREE TO AMEND THE AGREEMENT AS FOLLOWS:

1. Schedule “F” of the Agreement shall be deleted and replaced with the document attached hereto and marked as Schedule “F”.
2. Schedule “H” of the Agreement shall be deleted and replaced with the document attached hereto and marked as Schedule “H”.
3. The parties affirm the terms of the Agreement in all other respects.

IN WITNESS WHEREOF the parties have executed this addendum:


**CITY OF REGINA**

Per:   {seal}  
Acting City Clerk

**THE GLOBAL TRANSPORTATION HUB  
AUTHORITY**

Per:  \_\_\_\_\_  
Authorized Signatory



Per:  \_\_\_\_\_  
Authorized Signatory

# SCHEDULE “A”

## Term Sheets

### A1 - Municipal Servicing Agreement, Water Summary, dated April 12, 2017



#### Municipal Servicing Agreement Water Summary

Final Agreement in Principle  
April 12, 2017

#### Context

- Simplify the process by focusing on an agreement to “build out”; use the current client profile as the baseline.
- Consideration given for the option to add a large water user, but no defined terms today on how they will incorporate this user.
- Use water volumes as the driver of costs and impact on the City water network to ultimately reach an agreement based on cost recovery.
- Philosophy is to establish a “cost of use” and “cost of impact” agreement that reflects net direct incremental impact of the GTH on the City network and BPWTP.

#### Summary of Key Terms and Conditions

##### Volume Based Agreement

- GTH to buy capacity based on water volume (ML/day)
- The basis of the agreement is based on establishing proportionate capital impact based on “cost of use” and “cost of impact”.
- The current water demand for the GTH is approximately 0.04 ML/d. The projected build out requirement for water is an average of 0.35 ML/d based on the current tenant profile. Propose setting the base flow rate for the agreement at 0.35 ML/d. Propose setting the option for a max flow rate for the agreement of 1.0 ML/d using consistent terms to provide flexibility for the GTH in its future tenant profile. The agreement can be amended based on a re-negotiation to accommodate higher water flow rates based on mutual agreement beyond the 1.0 ML/d.

##### Calculation of Base Connection Fees

- This agreement establishes two distinct category types of land at the GTH as it pertains to water:
  - Category A: these are lands that have already been sold by the GTH and developed by its tenants. Under this agreement the total lands capped in this category is 62.6 hectares.
  - Category B: these are the remaining lands that have either been sold or unsold, but not yet developed. It is estimated that there will be 358.7 hectares of developable land in this category. All lands not included in Category A will be considered Category B.
- At the time of a land sale defined as when the GTH receives payment from a tenant, the GTH will remit to the City a “Base Connection Fee” within 30 business days. The Base Connection Fee is based on the number of hectares being purchased by each tenant. There are two categories of lands. Connection fees will be remitted to the City based on the following approaches for the two land categories:

- Category A: the connection fees for Category A lands will be remitted to the City within 45 business days following the sign off and authorization by all parties of final agreements for both capital and operating terms for water. The value of the Category A connection fees are \$4,327.46 per hectare for a total payment of \$270,898.72. The connection fees for the Category A lands are a locked in amount and not subject to change.
- Category B: the connection fees for Category B lands will be remitted based on a proportion of each tenant's hectares. For example, if a tenant purchases 36 hectares or 10% of the Category B land, the GTH would remit a connection fee equivalent to 36 hectares times the per hectare capital contribution amount within 30 business days following the date from which the GTH receives payment for the sale of land from the tenant. Connection fees for Category B land will be determined through the Capital Contribution Model. The initial connection fee for Category B lands is \$9,520.65 per hectare. The connection fees for Category B lands already sold by the GTH will be remitted to the City within 45 business days following the sign off and authorization by all parties of final agreements for both capital and operating terms for water. The total payment due is \$842,577.53 (88.5 hectares x \$9,520.65).
- The total balance for category A and B lands due within 45 business days upon signing both the capital and operating agreements is \$1,113,476.24 (\$270,898.72 + \$842,577.53).

#### **Calculation of the Water Capital Contribution Model**

- The agreement will be based on a Water Capital Contribution Model (the "Model").
- The Model will maintain a list of water infrastructure projects that the GTH's use has a net direct incremental impact. These projects include capital investments related to "growth" only. The Model includes projects specific to treatment (Buffalo Pound Water Treatment Plant) supply, storage and distribution. The project list that will be included in the Water Capital Contribution Model is agreed upon at the signing of this agreement. New capital projects will not be included. Substitutions may be agreed upon (additional details later).
- The GTH will make payments based on its proportionate share of capital costs in the Model using a percentage factor comparing its relative use of new water capacity added to the City's system to support growth. The per hectare connection fee and estimated value of anticipated capital projects will increase each calendar year from the signing of this agreement by 3% (compounding annually) to hedge inflationary costs. The 3% number is based on a 2016 QED Systems report commissioned by the City that forecasted an average inflation rate for 20 years.
- In order to manage considerations related to the time value of money, the following approaches will be undertaken related to Category B lands:
  - The value of payments to date remitted by the GTH to the City will be adjusted by 3% annual inflation over the term of the agreement;
  - Projects completed during the term of the agreement will be locked to actual cost, but will be increased from the actual cost by 3% annual inflation rate until expiry of the agreement;
  - The inflation rate utilized may be adjusted to another rate during the term of the agreement or at final adjustment based on mutual agreement.

- The Final Capital Contribution Adjustment will convert all payments and project costs to 2040 dollars.
- The Model will be adjusted and updated every 2 years in advance of each Contract Update Meeting to reflect the City's actual capital cost including the offset grants from other levels of government or other entities that provide direct supports to the capital investments related to new growth projects for the water system of the City and Buffalo Pound Water Treatment Plant (BPWTP). The project list is agreed upon on at signing of the agreement. Substitutions may be agreed upon.
- Substitution capital projects may be added to the Model during the term of the agreement if they meet the same purpose or objective as projects being removed from the Model. Substitutions will occur consistent with the terms, conditions and principles of this agreement and based on mutual agreement at the Contract Update Meeting. New capital projects that are not substitutions will not be added to the Model.
- Project amendments or changes in scope may occur. The GTH would only be responsible for its portion of the benefit of the project consistent with the original objective and purpose of the individual project. Amendment or scope changes will occur consistent with the terms, conditions and principles of this agreement and based on mutual agreement at the Contract Update Meeting.
- See Appendix A for a copy of the Water Capital Contribution Model.

#### **Adjustment of the Base Connection Fee to Actual**

- A "Contract Update Meeting" will be held every 2 years within 45 business days following the anniversary of the signing of the Agreement. The Model will be updated and circulated in advance of each Contract Update Meeting.
- The capital contributions for the GTH for water will be adjusted to "Actual Contributions" from the Base Connection Fee remitted. Actual Contributions will be calculated based on a combination of actual water volume used and the corresponding revised per hectare rate from the Water Capital Contribution Model.
  - Adjustment to actuals will be based on checkpoints at 2-year intervals.
  - For each 2-year Contract Update Meeting, the average flow rates will be calculated based on the most recent 12-month period using actual water bill data.
  - If the water usage is trending higher than 0.35ML/d the per hectare charge going forward will be updated based on the revised trend up to a maximum of 1.0ML/d.
  - Consistent with this agreement, the GTH will consider future projected water volumes for known new tenants connecting to the system who are anticipated to have higher average water flow rates with the aim of the GTH having sufficient flow rates secured during each 2-year period.
  - If a GTH tenant suspends operations, adjusts water levels, alters the purpose of its operations or closes, its surplus water capacity will be credited back to the GTH's overall water volume capacity for the development. Funds paid for water allocation will not be eligible for credit or a return from the City.
- The "Adjustment Window" for the agreement will be based on the expiration of the agreement at December 31, 2040. The "Final Capital Contribution Adjustment" will be calculated, agreed to and settled within 60 business days following the expiration of the agreement on December

31, 2040 assuming the GTH has achieved full buildout defined as 90% or more of its land for development has been sold.

- The Final Capital Contribution Adjustment will be based on actual capital costs for completed projects and actual water volume capacity utilized by the GTH in 2040. It is anticipated to lead to a final capital payment by the GTH or refund payment from the City unless there is a change in intensification of water use in the future. The City would only provide a refund payment based on a change in actual capital costs. Lower water volumes utilized by the GTH would not result in a refund payment from the City.
- If the GTH has not achieved 90% of its land sold by December 31, 2040 then a capital contribution agreement may be renegotiated for future years beyond the term of this agreement for any capacity that is not purchased.

#### **Intensification of Water Use Beyond Purchased Capacity**

- It is possible that the water use patterns and volumes of GTH tenants could evolve over time. Increases in the water volumes could place additional demand on the City's infrastructure and capacity.
- The City of Regina anticipates putting by-laws and policies in place related to water use intensification in the future that would be applicable to all commercial and industrial users. These policies have not been developed or approved at the time of this agreement being signed.
- The adjustment to actual process completed every 2 years provides protection to the City that changes in the intensification will be considered under this agreement.
- It is anticipated that a renewal or extension of this agreement beyond its expiration will consider provisions for intensification of water use beyond purchased capacity (whether developed or undeveloped hectares) including contributions to capital. This would need to be subject to future negotiation at the expiration of this agreement if the volume of use required is higher than what has been paid for by the GTH.

#### **Term of the Agreement and Renewal**

- The term of the agreement is until December 31, 2040. If the GTH has not achieved "build out" then the agreement would be renegotiated for unsold hectares. Terms, conditions and the Capital Contribution Model would be subject to re-negotiation at this time.
- It is anticipated that a new Operating Agreement would need to be developed to extend beyond the expired term of this agreement.
- If the GTH were to be dissolved or subject to a change in its exclusive ownership in whole or in part outside the control or authority of the Government of Saskatchewan, the City would reserve the option to serve notice for re-negotiation of the agreement. The agreement would expire within a period of 180 calendar days, unless the new landlord or owner for the GTH lands was able to negotiate a continuation or renewal of this agreement with the City.
- [Comment: City legal department to provide advice on a termination clause for the agreement for both parties or the option to provide notice for re-negotiation.]

#### Use of Alternative Water Sources

- The GTH retains the right and ability to explore alternative sources of water during its development. The sources may or may not include a role for the City.
- If the GTH were to decide to receive water services from another source or provider that is not the City, it would provide the City with a minimum of 90 days notice.
- If the GTH secured water services in whole from another source or provider which terminated this agreement, then it would not be required to make future capital payments following the termination date of this agreement. If the agreement were to terminate, there would be no true up or final adjustment for capital contributions.

#### Consideration for a Major Water User

- It has been agreed that the terms for including a major water user would not be negotiated and defined at this time.
- A major water user is one who would utilize water that would extend the GTH's use beyond the 1.0 ML/d covered under this agreement.
- Terms would be negotiated at the time when such a tenant is exploring opportunities with the GTH and/or in the negotiation stage.
- The GTH commits to reach out to the City early in the discussion process with a large water user. On-going communication and dialogue is key. We need to ensure that the City can manage its available capacity while working in partnership to support the growth of the GTH.
- By excluding an agreement on a major water user at this time, the GTH recognizes that it assumes the risk that pricing will evolve and change; plus access and capacity may be more constrained in the future. In addition, there is a recognition that adding a large water user could require additional upgrades for the City solely dependant on the needs of a large user.
- The GTH retains the option to explore alternative sources of water service to support a large water user that may include options not related to the City.

#### Agreement Management

- A Contract Update Meeting will be held every 2 years within 45 business days of the anniversary of the signing of the agreement to discuss the status of the agreement and update the Water Capital Contribution Model. The meeting will also provide the opportunity to discuss updates in development levels and water utilization levels for both parties. This is in addition to timely and informal updates as appropriate throughout the year.
- Any changes to the Water Capital Contribution Model will be based on mutual agreement and be consistent with the core principles, terms and conditions of the agreement.



Key Strengths of this Approach	Potential Drawbacks
<p><b>Key Strengths</b></p> <ul style="list-style-type: none"> <li>• More reasonable range for capacity based on current tenant profile of the GTH.</li> <li>• The City is not committing existing capacity for unknown or uncertain future development of a large user.</li> <li>• Using water consumption rate is a fair and accurate basis for assigning cost. It is also closely linked to cost recovery.</li> <li>• Lower costs upfront; helps the GTH manage cash flow.</li> <li>• Efficient and reasonable administration and management costs to maintain a fair and balanced agreement that will adjust to actual water use volumes and actual capital costs.</li> <li>• Fairness and equity with others in the development community and for taxpayers.</li> </ul>	<p><b>Potential Drawbacks</b></p> <ul style="list-style-type: none"> <li>• Potential to be back at the table for negotiations sooner rather than later for a large water user.</li> <li>• Pushes terms and predictability for large water user down the road.</li> <li>• Increase the likelihood that a big user will take a higher proportion of their full costs.</li> </ul>

*Subject to finalizing a mutually acceptable operating agreement.*

Agreement in principle as of April 12, 2017:

  
 \_\_\_\_\_  
 Bryan Richards  
 President and CEO  
 Global Transportation Hub Authority

  
 \_\_\_\_\_  
 Diana Hawryluk  
 Executive Director, City Planning and  
 Development Division  
 City of Regina

## Appendix A: Water Capital Contribution Model

### Category A: Locked in Payment for Operational Lands

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 (M\$)	City Share (M\$)	Gross Share (M\$)	SAF Share (M\$)	Capacity Acquired	GTH Share Formula	GTH Share @ 0.04 MLD (M\$)
BPTP 235K UV	7	11.50%	\$ 7.00	\$ 7.00	0.805	235K		% of gross cost - based on previous formula for BPWTP	\$ 0.00
BPTP 235K Electrical	88	11.50%	\$ 88.00	\$ 88.00	10.12	235K		% of gross cost - based on previous formula for BPWTP	\$ 0.03
BPTP Expansion	50	11.50%	\$ 50.00	\$ 50.00	5.75	88 MLD/d		% of gross cost - based on previous formula for BPWTP	\$ 0.02
Water Supply Capacity Expansion	65	100%	\$ 65.00	\$ 65.00	65.40	ML/d		ML/d x 1.8 peaking factor / 40 ML/d * \$65M	\$ 0.12
Eastern Pressure Zone Design & Constr.	5	100%	\$ 5.00	\$ 5.00	5.33	15ML (ADD)		(ML x 1.8 PF) / (33.15 ML x 2.9 PF) x \$5M	\$ 0.00
Eastern Pressure Zone Const	65	100%	\$ 65.00	\$ 65.00	65.33	15ML (ADD)		(ML x 1.8 PF) / (33.15 ML x 2.9 PF) x \$65M	\$ 0.05
Eastern Pressure Zone - NPS Upgrades	13	100%	\$ 13.00	\$ 13.00	13.33	15ML (ADD)		(ML x 1.8 PF) / (33.15 ML x 2.9 PF) x \$13M	\$ 0.01
							Subtotal		\$ 0.23
							Non-Revenue Water Cost (20%)		\$ 0.05
							Total		\$ 0.27
							Rate per Hectare		\$ 4,327.46
							Applied to Developed 62.6 Hectares		\$ 270,858.72

### Category B: Adjustable Payment Schedule for Lands to Be Developed

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

Projects	Gross Cost (M\$)	Growth Component %	City Share (M\$)	City Share (M\$)	Gross Share (M\$)	SAF Share (M\$)	Capacity Acquired	GTH Share Formula	GTH Share @ 0.31 MLD (M\$)	GTH Share @ 0.98 MLD (M\$)
BPWTP UV	15	10.0%	\$ 15.00	\$ 12.75	1.28	75	65.75 MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.01	\$ 0.03	\$15.5 M for additional reactor and equipment
BPWTP Electrical	55	10.0%	\$ 55.00	\$ 46.75	4.68	75	65.75 MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.04	\$ 0.13	\$55.5 M for additional 2 generators and equipment
BPWTP Expansion	100	10.0%	\$ 100.00	\$ 85.00	85.00	75	65.75 MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.74	\$ 2.30	75MLD Expansion
BPWTP Lake Pump & Clear Well	15	20.0%	\$ 30.00	\$ 12.75	2.55	25	21.25 MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.07	\$ 0.21	\$15.0 M for additional pump
COR Pump Upgrades	13	100.0%	\$ 13.00	\$ 13.00	13.00	30	30 MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.24	\$ 0.75	Regina cost item not BPW
BPWTP Clear Well	6	100.0%	\$ 6.00	\$ 5.10	5.10	30	25.5 MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.11	\$ 0.35	City share to be confirmed
BPWTP Lagoon Expansion	15	100.0%	\$ 15.00	\$ 12.75	12.75	150	127.5 MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.06	\$ 0.17	Lagoons under capacity for years due to past growth
BPWTP Business Case - New vs Renewal	0.25	100.0%	\$ 0.25	\$ 0.21	0.21	0	0		\$ -	Study
BPWTP Filter Upgrades	10	25.0%	\$ 25.00	\$ 8.50	2.13	50	42.5 MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.03	\$ 0.09	Additional capacity with upgrades for growth
BPWTP Mod to increase capacity	40	100.0%	\$ 40.00	\$ 34.00	34.00	50	42.5 MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 0.45	\$ 1.38	Very preliminary estimate +/- 50%
Reservoir to deliver 3rd Foremain	30	100%	\$ 30.00	\$ 30.00	30.00	50 MLD x 2 (2x ADD) / City Capacity Acquired x SAF Cost	\$ 0.33	\$ 1.04		
Growth Driven Regulatory Storage	37	100%	\$ 37.00	\$ 37.00	37.00	85 ML x 2 (2x ADD) / City Capacity Acquired x SAF Cost	\$ 0.27	\$ 0.84	Assumes NO GTH reservoir	
Supply Main to new pump station	38	100%	\$ 38.00	\$ 38.00	38.00	31.15 MLD x 1.8 peaking factor / City Capacity Acquired x 1.8 PF x SAF Cost	\$ 0.36	\$ 1.10		
Pump Station	24	100%	\$ 24.00	\$ 24.00	24.00	31.15 MLD x 1.8 peaking factor / City Capacity Acquired x 2.9 PF x SAF Cost	\$ 0.14	\$ 0.43		
							Subtotal		\$ 2.85	\$ 8.81
							Non-Revenue Water Cost (20%)		\$ 0.57	\$ 1.76
							Total		\$ 3.42	\$ 10.58
							Rate per Hectare		\$ 9,125.60	\$ 29,483.10
							Applied to Remaining 358.7 Hectares		\$ 3,413,077.09	\$ 10,575,860.64
							Total of Category A and B Land		\$ 3,685,955.80	\$ 10,646,559.37

### Unsold, Sold and Developed Summary for the GTH (March 2017)

The following table provides a summary of the hectares that are sold and developed at the GTH as of March 2017.

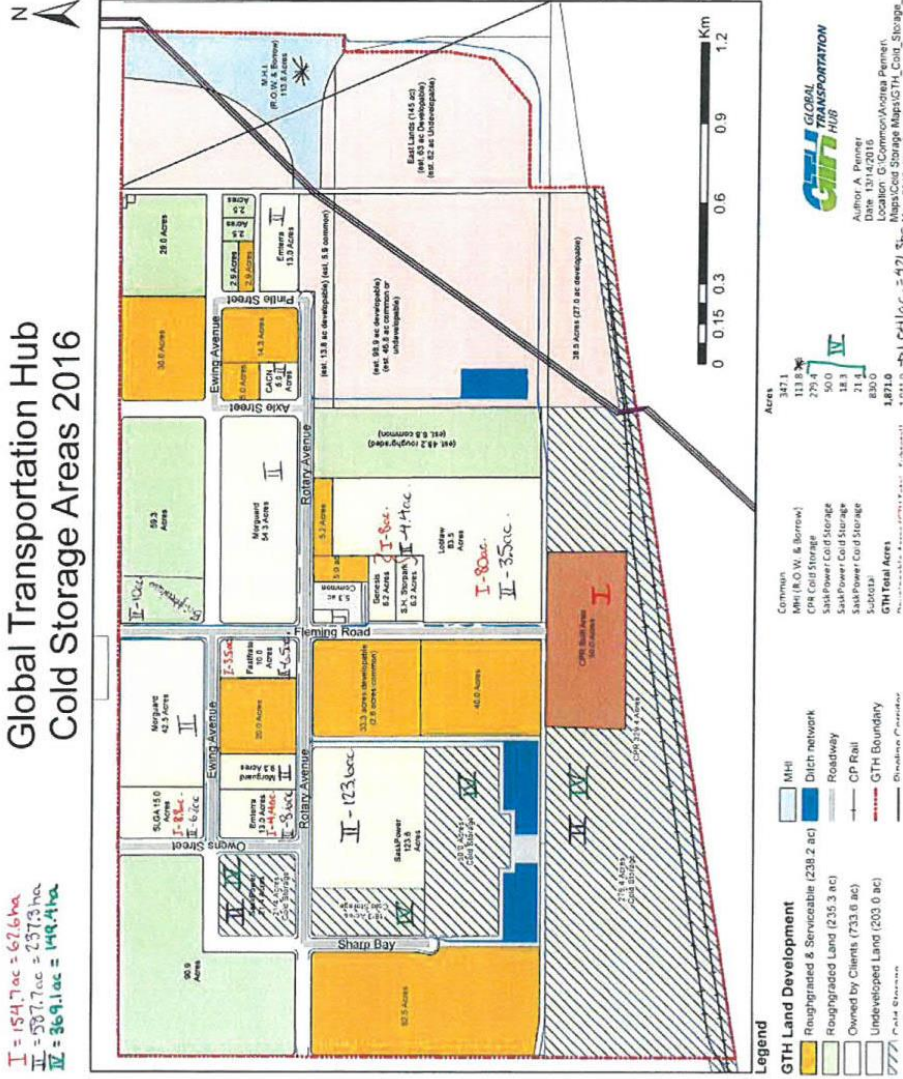
Client	Sold & Developed Hectares [I]	Total Hectares Sold [I + II = III]	Sold & Undeveloped Hectares [II]	Less: Cold Storage Areas (Hectares) [IV]	Sold Hectares - yet to be Developed [II - Developable Hectares IV = V]	Solid - Developed & Developable Hectares [I + V = VI]
CP	20.2	133.3	113.1	113.1	0.0	20.2
Loblaws	32.4	33.8	1.4	0.0	1.4	33.8
Emterra	1.8	10.5	8.7	0.0	8.7	10.5
SLGA	3.6	6.1	2.5	0.0	2.5	6.1
CFF	1.4	4.0	2.6	0.0	2.6	4.0
Morguard	0.0	42.9	42.9	0.0	42.9	42.9
SaskPower	0.0	58.7	58.7	36.3	22.4	22.4
Genesis/SH Storpark	3.2	5.0	1.8	0.0	1.8	5.0
CACN	0.0	2.0	2.0	0.0	2.0	2.0
Brightenview	0.0	4.0	4.0	0.0	4.0	4.0
<b>Subtotal</b>	<b>62.6</b>	<b>300.4</b>	<b>237.8</b>	<b>149.4</b>	<b>88.5</b>	<b>151.1</b>
Total Hectares						421.3
% of Hectares Sold						36%
Unsold Hectares						270.2
<b>Hectares to be Developed + Unsold Hectares</b>						<b>358.7</b>

**Map of Unsold, Sold and Developed Land at the GTH (March 2017)**

The following map provides a visual summary of the hectares that are sold and developed at the GTH as of March 2017.

**I = 154.7 ac = 67.6 ha**  
**II = 537.7 ac = 237.3 ha**  
**III = 369.1 ac = 149.4 ha**

**Global Transportation Hub  
 Cold Storage Areas 2016**



**Project Purpose and Objectives Summary - Water**

Agreement to be added as legal agreement is developed

Project Name	Purpose and Objectives
BPWTP UV	Add description
BPWTP Electrical	Add description
BPWTP Expansion	Add description
BPWTP Lake Pump & Clear Well	Add description
COR Pump Upgrades	Add description
BPWTP Clear Well	Add description
BPWTP Lagoon Expansion	Add description
BPWTP Business Case – New vs. Renewal	Add description
BPWTP Filter Upgrades	Add description
BPWTP Mods to increase capacity	Add description
Reservoir to defer 3 <sup>rd</sup> force main	Add description
Growth Driven Regulatory Storage	Add description
Supply Main to new pump station	Add description
Pump station	Add description

## Appendix B: Objectives and Key Principles

It is proposed that the following objectives and key principles be included within the agreement as context for the agreement's design and to assist with the agreement's interpretation in the future.



### Objectives

- Growing, vibrant, sustainable community
- Balance commercial, industrial and residential lands
- Achieve long term financial viability
- Establish a fair and equitable agreement with the GTH

- Grow Saskatchewan exports to the world
- Value Proposition: world-class rail and highways, competitive real estate, and superior service.
- An autonomous and self-governing authority, we oversee all stages of development and regulation
- Ensure the City is the most significant partner for the GTH

### Key Principles

- "Growth pays for growth"
- "Equitability"
- "Cost Recovery"
- "Benefits Model"
- "Transparent" –
- "Defensible"
- "Risk Neutral"
- "Mutual Benefits"

- Ensure cost competitive model
- Value based pricing model for clients
- Services at "cost recovery" – appropriate and reasonable
- Reflect GTH's impact on infrastructure and past contributions
- Achieve economic benefits for both the City and Province

## A2 – Municipal Servicing Agreement, Wastewater Summary, dated April 12, 2017



### Municipal Servicing Agreement Wastewater Summary

Final Agreement in Principle  
April 12, 2017

#### Context

- Simplify the process by focusing on an agreement to “build out”; use the current client profile as the baseline.
- Consideration given for the option to add a large water user, but no defined terms today on how they will incorporate this user.
- Balance effluent concentrations and volumes as the driver of costs and ultimately an agreement based on cost recovery.
- Philosophy is to establish a “performance agreement” with defined performance standards that are related to cost. If load levels are exceeded, then the GTH would need to “buy” additional capital and operating capacity.

#### Summary of Key Terms and Conditions

##### Performance Based Agreement

- GTH to buy capacity based on loading levels (kg/day)
- The basis of the agreement is based on establishing proportionate capital impact based on “cost of use” and “cost of impact” based on effluent volume and effluent quality.
- The agreement will be based on a “performance agreement” with a set load capacity for COD. It has been determined that COD is the simplest and most representative effluent source to measure and track to establish an appropriate and corresponding level of cost.
- The levels of BOD, TSS, Phosphorus and TKN may be tracked, but will not be the primary cost considered to determine cost of service for the GTH. A change in pre-treatment or tenant type may cause a change in measurement for BOD, TSS, Phosphorus and TKN. If levels of these components, or COD change dramatically it could provide a rationale for renegotiation of this agreement.
  - The guideline parameters other components are defined as following: BOD = 150 kg/d, TSS = 200kg/d, Phosphorus = 10kg/d and TKN = 40 kg/d
- Current projected build out requirement for effluent is an average of 0.35 ML/d based on projected water use. The agreement will be set with an initial average flow capacity (not loading) of 0.5 ML/d to provide flexibility for the GTH in its future tenant profile. The GTH has the option for a loading equivalent for a max flow rate of 1.0 ML/d using consistent terms to provide flexibility for the GTH in its future tenant profile. The agreement can be amended based on a re-negotiation to accommodate higher effluent flow rates based on mutual agreement beyond the 1.0 ML/d.
- The GTH will purchase effluent flow capacity of 0.35 ML/d to start which corresponds to a COD level of 210 kg/d. Measurement intervals will be based on a monthly average basis.

#### **Management of Concentration Levels**

- The GTH will work proactively with its tenants to improve the concentration levels in their effluent on an on-going basis to remain within the contracted load concentrations. The GTH will be responsible for measurement and tracking of its tenant compliance with GTH policies. The GTH will have ability to complete its own independent effluent tests in coordination with City staff.
- GTH to establish its own by-laws including enforcement and penalties. City will support with technical insights as appropriate.
- As a guideline, effluent quality samples will be taken by the City once or twice per year for up to 5 days in single week. The City will measure the COD levels as a basis for monitoring the agreement. As a guideline a variance of +20% or more may trigger additional testing and analysis. The testing results will be shared openly with the GTH. Additional effluent quality testing may be completed in order to assess effluent quality levels. In the event that more frequent testing is determined to be required through the operating agreement, the City and GTH agree to assess how to balance the test data available relative to the application of this agreement.

#### **Calculation of the Wastewater Capital Contribution Formula**

- The GTH agrees to pay an upfront base connection fee for wastewater capital based on a load capacity of 210 kg/d of COD with an average effluent flow capacity of up to 0.35 ML/d. An initial connection fee of \$740,500 will be paid by the GTH for this level of cost recovery access to cover its proportionate share of the capital cost.
- The agreement will be based on a Wastewater Capital Contribution Formula:
  - The cost is based on a WWTP capital cost of \$175,000,000 with a deduction of \$41,000,000 for PPP Canada Funding for a net capital cost of \$134,000,000.
  - The cost and parameters for plant capacity were based on the original EPCOR agreement that was in effect in 2017, plus the *City's Wastewater and Storm Water Bylaw 2016-24*.
  - The WWTP is designed to process 38,000 kg/d of COD for an annual average day with the GTH estimated use 210 kg/d which is an average monthly capacity use of 0.5526%.
  - The capital contribution is calculated based on \$134,000,000 x 0.5526% for a total contribution of \$740,500.
  - Future calculations for additional capacity would be based on this formula.
- The cost of inflation for WWTP capacity would be based on the terms of the WWTP project agreement with EPCOR, where the future capital payments have an effective financing and risk transfer cost at a rate of 6.462% per year.
- Material changes in regulatory standards would prompt the City and GTH to meet and discuss their applicability to this agreement.
- Once the GTH has bought its capacity, it would be considered an existing development.



#### **Pump Station and Forcemain Expansion**

- In the event that the GTH requires additional pumping and forcemain capacity than what is provided at any particular time, the GTH (or its developer) would be responsible for the capital costs associated with that increased capacity.
- In the event that the City requires additional pumping and forcemain capacity than what is provided at any particular time, the City (or its developer) would be responsible for the capital costs associated with that increased capacity.
- The increased capacity would be subject to the City's Endeavour to Assist policy that is in effect at that time, in order to recoup costs from any future development that might use that new pump and forcemain capacity.

#### **Adjustment of the Base Connection Fee to the Performance Standard**

- A "Contract Update Meeting" will be held every 2 years within 45 business days of the anniversary of the signing of the Agreement. The volumes and loads will be updated and circulated in advance of each Contract Update Meeting.
- The capital contributions for the GTH for wastewater will be adjusted to revised "performance standards" based on the growth and development the GTH. Actual contributions will be calculated based on the GTH's required performance standard based on the tenant effluent flow and quality levels. It is expected that the GTH will maintain a performance standard that at minimum aligns to the *City's Wastewater and Storm Water Bylaw 2016-24* and works to stay within the committed load levels that have been purchased. for each upcoming two-year period.
- Consideration will be given to pending new tenants connecting to the system, anticipated changes in existing tenant behaviour, plus the gains from the management of concentration levels.
- A mutually agreed level of excess capacity for each upcoming two-year period will also provide consideration for the variation in COD levels and will minimize the need for increased levels of effluent testing that would be costly and inefficient.
- The "Adjustment Window" for the agreement will be based on the expiration of the agreement at December 31, 2040. A "Final Adjustment" will be calculated, agreed to and settled within 60 business days following the expiration of the agreement on December 31, 2040. The final adjustment at this point will reconcile the appropriate level of capital contribution based on the performance standard being achieved by the GTH.
- If the GTH has not achieved 90% of its land sold and permitted by December 31, 2040 then a capital contribution agreement may be renegotiated for future years beyond the term of this agreement.

#### **Intensification of Water Use**

- It is possible that the wastewater use patterns and volumes of GTH tenants could evolve over time. Increases in the water volumes could place additional demand on the City's infrastructure and capacity.
- The City of Regina anticipates putting by-laws and policies in place related to water use intensification in the future that would be applicable to all commercial and industrial users.

These policies have not been developed or approved at the time of this agreement being signed.

- The adjustment to the performance standard completed every 2 years provides protection to the City that changes in the intensification will be considered under this agreement.
- It is anticipated that a renewal or extension of this agreement beyond its expiration will consider provisions for intensification of wastewater use including contributions to capital. This would need to be subject to future negotiation at the expiration of this agreement if the volume and load factor of use required is higher than what has been paid for by the GTH.

#### **Term of the Agreement and Renewal**

- The term of the agreement is until December 31, 2040. If the GTH has not achieved “build out” then the agreement would be renegotiated for unsold hectares. Terms, conditions and the Capital Contribution Formula would be subject to re-negotiation at this time.
- It is anticipated that a new Operating Agreement would need to be developed to extend beyond the expired term of this agreement.
- If the GTH were to be dissolved or subject to a change in its exclusive ownership in whole or in part outside the control or authority of the Government of Saskatchewan, the City would reserve the option to serve notice for re-negotiation of the agreement. The agreement would expire within a period of 180 calendar days, unless the new landlord or owner for the GTH lands was able to negotiate a continuation or renewal of this agreement with the City.
- [Comment: City legal department to provide advice on a termination clause for the agreement for both parties or the option to provide notice for re-negotiation.]

#### **Use of Alternative Water Sources**

- The GTH retains the right and ability to explore alternative sources of wastewater treatment during its development. The sources may or may not include a role for the City.
- If the GTH were to decide to receive waste water services from another source or provider that is not the City, it would provide the City with a minimum of 90 days notice.
- If the GTH secured waste water services in whole from another source or provider which terminated this agreement, then it would not be required to make future capital payments following the termination date of this agreement. If the agreement were to terminate, there would be no true up or final adjustment for capital contributions.

### **Additional Components**

#### **Capital Considerations**

- GTH to determine whether it needs a pre-treatment facility or lagoon system to achieve actual performance within the performance standard. The GTH or its tenants are responsible for capital and operating costs of any such facility.
- GTH to explore whether the Water Security Agency would approve a lagoon system.

#### Operational Considerations

- If screening was required specifically for GTH clients, the capital and operating costs associated with screening could be applied as an “operational surcharge” amendment to this contract based on mutual agreement.
- The City and GTH will create standard operating procedures for ongoing management.

#### Consideration for a Major Water User

- It has been agreed that the terms for including a major water user would not be negotiated and defined at this time.
- A major water user is one who would have effluent flow rates in excess of 1.0 ML/d or more of wastewater.
- Terms would be negotiated at the time when such a tenant is exploring opportunities with the GTH and/or in the negotiation stage.
- The GTH commits to reach out to the City early in the discussion process with a large water user. On-going communication and dialogue is key. We need to ensure that the City can manage its available capacity while working to support the growth of the GTH.
- By excluding an agreement on a major water user at this time, the GTH recognizes that it assumes the risk that pricing will evolve and change; plus access and capacity may be more constrained in the future.

#### Agreement Management

- A Contract Update Meeting will be held every 2 years within 45 business days of the anniversary of the signing of the agreement to discuss the status of the agreement and update the volume and load factors. The meeting will also provide the opportunity to discuss updates in development levels and wastewater performance levels for both parties. This is in addition to timely and informal updates as appropriate throughout the year.
- Any changes to the Wastewater Capital Contribution Formula will be based on mutual agreement and be consistent with the core principles, terms and conditions of the agreement.

Key Strengths of this Approach	Potential Drawbacks
<p><b>Key Strengths</b></p> <ul style="list-style-type: none"> <li>• Provides additional load capacity levels reflective of the current COD levels of the GTH effluent.</li> </ul>	<p><b>Potential Drawbacks</b></p> <ul style="list-style-type: none"> <li>• Potential to be back at the table for negotiations sooner rather than later for a large water user.</li> </ul>

<ul style="list-style-type: none"> <li>• More reasonable range for capacity based on current tenant profile of the GTH.</li> <li>• The City is not committing existing capacity for unknown or uncertain future development of a large user.</li> <li>• Using a performance standard is a fair and accurate basis for assigning cost. It is also closely linked to cost recovery.</li> <li>• Lower costs upfront; helps the GTH manage cash flow.</li> <li>• Efficient and reasonable administration and management costs to maintain a fair and balanced agreement that will adjust to actual wastewater COD levels and flow rates.</li> <li>• Fairness and equity with others in the development community and for taxpayers.</li> </ul>	<ul style="list-style-type: none"> <li>• Pushes terms and predictability for large water user down the road.</li> <li>• Increase the likelihood that a big user will take a higher proportion of their full costs.</li> </ul>
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Subject to finalizing a mutually acceptable operating agreement.



Agreement in principle as of April 12, 2017:

  
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 Bryan Richards  
 President and CEO  
 Global Transportation Hub Authority

  
 \_\_\_\_\_  
 Diana Hawryluk  
 Executive Director, City Planning and  
 Development Division  
 City of Regina

## Appendix A: Actual Concentration Levels of GTH Effluent

Highlighted below is the actual quality samples tested by the City coming from the GTH sewer line for testing periods in 2016/17.

Current quality levels exceed bylaw limits. The degree depends on the day. It is not known today which tenants are exceeding the bylaw levels.

Date	Concentration (mg/L)										Load (kg/d)				
	TKN	BOD	COD	TSS	VSS	Total P	Non-Mineral O & G	Mineral O&G	Sulphide	VFA	TKN	BOD	COD	TSS	Total P
Tue-Nov-22	79.3	787	1280	1120	781	11.8	44.6	6.4	16.4		6.0	58.1	96.9	84.8	0.9
Wed-Nov-23	129	1320	5820	624	481	22.5	381	17.3	36.9		9.8	100.0	440.8	47.3	1.7
Thu-Nov-24	43.8	200	257	47.8	36	6.1			0.546		3.3	15.1	19.5	3.6	0.5
Fri-Nov-25	219	3010	6370	1920	1250	18.4	300	29.0	31.4		16.6	228.0	482.4	145.4	1.4
Sat-Nov-26	110	1830	3400	2320	1470	17.3	541	40.8	17		8.3	123.4	257.5	175.7	1.3
Sun-Nov-27	29.9	266	314	37.6	30	4.48	4.3	3.4	0.363		2.3	20.1	23.8	2.8	0.3
Mon-Nov-28	28	441	397	149	104	5.79	32.1	5.1	0.687		2.1	33.4	30.1	11.3	0.4
Tue-Nov-29	61	1720	1560	428	316	13.5	408	24.6	3.81						
Wed-Nov-30	90.7	2330	3640	612	468	24.8	184	14.9	12.1						
Thu-Dec-01	187	1720	3570	2350	1560	24.4	380.4	36.6	34.9						
Fri-Dec-02	59.7	1040	2020	254	208	14.1	65	8	1.99						
Sat-Dec-03	122	1830	5580	3120	2140	23.7	605	42.8	20.8						
Sun-Dec-04	52	792	1740	1010	692	9.39	117	14.9	8.57						
Mon-Dec-05	79.2	1000	2550	1010	697	13.1	129.7	18.8	5.53						
Mon-Jan-23	47.2	387	793	460	309	8.23	26.5	4.5	2.19	<94.7					

## Appendix B: Objectives and Key Principles

It is proposed that the following objectives and key principles be included within the agreement as context for the agreement's design and to assist with the agreement's interpretation in the future.



### Objectives

- Growing, vibrant, sustainable community
- Balance commercial, industrial and residential lands
- Achieve long term financial viability
- Establish a fair and equitable agreement with the GTH

- Grow Saskatchewan exports to the world
- Value Proposition: world-class rail and highways, competitive real estate, and superior service.
- An autonomous and self-governing authority, we oversee all stages of development and regulation
- Ensure the City is the most significant partner for the GTH

### Key Principles

- "Growth pays for growth"
- "Equitability"
- "Cost Recovery"
- "Benefits Model"
- "Transparent" –
- "Defensible"
- "Risk Neutral"
- "Mutual Benefits"

- Ensure cost competitive model
- Value based pricing model for clients
- Services at "cost recovery" – appropriate and reasonable
- Reflect GTH's impact on infrastructure and past contributions
- Achieve economic benefits for both the City and Province

# A3 – Municipal Servicing Agreement, Transportation Summary, dated April 12, 2017



## Municipal Servicing Agreement Transportation Summary

Final Agreement in Principle  
April 12, 2017

### Context

- Recognition that the GTH development is having and will have an impact on the transportation network and system of the City
- The addition of the Bypass will not re-direct all GTH traffic out of the City network
- Agreement was reached on the definition of transportation "Project List"
- The key was identifying updated traffic flow rates in and out of the GTH in order to apply calculations to the project list. The results of two individual studies were averaged together to determine base traffic flow rates.
- Focus is on understanding the net impact of GTH traffic flows and relating this to cost recovery based on a net incremental impact approach

### Summary of Key Terms and Conditions

#### Traffic Volume Based Agreement

- GTH to pay a cost recovery based contribution for capital for transportation services to the City of Regina.
- Calculation is based on actual traffic flow rates and the GTH's proportionate share of actual capital costs related to growth.

#### Calculation of a Transportation Infrastructure Capital Contribution

- A Transportation Infrastructure Fee is paid by a new tenant to the GTH as part of its land purchase costs and the GTH remits the appropriate portion to the City.
- This agreement establishes two distinct category types of land at the GTH as it pertains to transportation:
  - Category A: these are lands that have already been sold by the GTH and developed its tenants. Under this agreement the total lands in this category is 62.6 hectares.
  - Category B: these are the remaining lands that have either been sold or unsold, but not yet developed. It is estimated that there will be 358.7 hectares of developable land in this category. All lands not included in Category A will be considered Category B.
- At the time of issuing a permit to a tenant, the GTH will remit to the City a "Transportation Infrastructure Capital Contribution" within 30 business days. The Capital Contribution amount is based on the number of hectares (whole or partial) being purchased by each tenant. There are two categories of lands. Capital Contributions will be remitted to the City based on the following approaches for the two land categories:

- Category A: the Capital Contributions for Category A lands will be remitted to the City within 45 business days following the sign off and authorization by all parties of final agreements for both capital and operating terms for transportation. The value of the Category A initial connection fees are \$23,900.18 per hectare for a total payment of \$1,496,151 based on 62.6 hectares. The Capital Contribution amounts for the Category A lands are not a locked in amount and are subject to change.
- Category B: the Capital Contributions for Category B lands will be remitted based on a proportion of each tenant's hectares being permitted. For example, if a parcel of land is 36 hectares and only half was being developed, the GTH would be responsible for remitting a per hectare contribution equivalent to 18 hectares. This would be remitted within 30 business days following the date from which the GTH issues the permit for the tenant.

#### **Calculation of the Transportation Capital Contribution Model**

- The agreement will be based on a Transportation Capital Contribution Model (the "Model").
- The Model will maintain a list of transportation infrastructure projects that the GTH's use has a net direct incremental impact. These projects include capital investments related to "growth" only. The Model includes projects specific to the west side of the City with proximity to the GTH. The project list that will be included in the Transportation Capital Contribution Model is agreed upon at the signing of this agreement. New capital projects will not be included. Substitutions may be agreed upon (additional details later).
- The GTH will make payments based on its proportionate share of capital costs in the Model using a percentage factor comparing its relative use based on actual traffic counts from the GTH into the City network on the west side of the City.
- The per hectare capital contribution and estimated value of anticipated capital projects will increase each calendar year from the signing of this agreement by 3% (compounding annually) to hedge inflationary costs. The 3% number is based on a 2016 QED Systems report commissioned by the City that forecasted an average inflation rate for 20 years.
- In order to manage considerations related to the time value of money, the following approaches will be undertaken related to Category A and Category B lands:
  - The value of payments to date remitted by the GTH to the City will be adjusted by 3% annual inflation over the term of the agreement;
  - Projects completed during the term of the agreement will be locked to actual cost, but will be increased from the actual cost by 3% annual inflation rate until expiry of the agreement;
  - The inflation rate utilized may be adjusted to another rate during the term of the agreement or at final adjustment based on mutual agreement.
  - The Final Capital Contribution Adjustment will convert all payments and project costs to 2040 dollars.
- The Model will be adjusted and updated every 2 years in advance of each Contract Update Meeting to reflect the City's actual capital cost including the offset grants from other levels of government or other entities that provide direct supports to the capital



investments related to growth related transportation projects. The project list is agreed upon on at signing of the agreement. Substitutions may be agreed upon.

- Substitution capital projects may be added to the Model during the term of the agreement if they meet the same purpose or objective as projects being removed from the Model. Substitutions will occur consistent with the terms, conditions and principles of this agreement and based on mutual agreement at the Contract Update Meeting. New capital projects that are not substitutions will not be added to the Model.
- Project amendments or changes in scope may occur. The GTH would only be responsible for its portion of the benefit of the project consistent with the original objective and purpose of the individual project. Amendment or scope changes will occur consistent with the terms, conditions and principles of this agreement and based on mutual agreement at the Contract Update Meeting.
- See Appendix A for a copy of the Transportation Capital Contribution Model.

#### **Adjustment of the Capital Contribution Amount to Actual**

- A “Contract Update Meeting” will be held every 2 years within 45 business days following the anniversary of the signing of the Agreement. The Model will be updated and circulated in advance of each Contract Update Meeting. The model will include new traffic flow counts based on a 4 day period (excluding Fridays) during the PM peak from 4pm to 6pm during two representative week periods for all access points into and out of the GTH (including Rotary Avenue) completed within 60 business days of the Contract Update Meeting.
- The Capital Contributions for the GTH for transportation will be adjusted to “Actual Contributions” from the contributions remitted. Actual Contributions will be calculated based on a combination of actual traffic flow counts and the corresponding revised per hectare rate from the Transportation Capital Contribution Model.
  - Adjustment to actuals will be based on checkpoints at 2-year intervals.
  - For each 2-year Contract Update Meeting, the average traffic flow rates will be calculated based on the most recent two representative traffic counts.
  - Consistent with this agreement, the GTH will consider future projected traffic volumes for known new tenants who will be constructing facilities and achieving operations while planning ahead for each 2-year period.
  - If traffic volumes are trending higher or lower than 1,537 trips per PM peak hour (see Appendix A) the per hectare charge going forward will be updated based on the revised trend up to a maximum of 5,183 trips per PM peak hour.
  - If a GTH tenant suspends operations, adjusts traffic volumes, alters the purpose of its operations or closes, its surplus traffic capacity will be credited back to the GTH's overall traffic volume capacity for the development. Funds paid will not be eligible for credit or a return from the City.
- The “Adjustment Window” for the agreement will be based on the expiration of the agreement at December 31, 2040. The “Final Capital Contribution Adjustment” will be calculated, agreed to and settled within 60 business days following the expiration of the agreement on December 31, 2040 assuming the GTH has achieved full buildout defined as 90% or more of its land for development has been sold and permitted.

- The Final Capital Contribution Adjustment will be based on actual capital costs for completed projects and actual transportation volume capacity utilized by the GTH in 2040. It is anticipated to lead to a final capital payment by the GTH or refund payment from the City. The City would only provide a refund payment based on a change in actual capital costs. Lower traffic volumes utilized by the GTH as determined in the final traffic counts would not result in a refund payment from the City.
- If the GTH has not achieved 90% of its land sold and permitted by December 31, 2040 then a capital contribution agreement may be renegotiated for future years beyond the term of this agreement. Renewal of the agreement may also consider changes in traffic intensification.

#### **Term of the Agreement and Renewal**

- The term of the agreement is until December 31, 2040. If the GTH has not achieved “build out” then the agreement would be renegotiated for unsold hectares. Terms, conditions and the Capital Contribution Model would be subject to re-negotiation at this time.
- It is anticipated that a new Operating, Maintenance and Renewal Agreement would need to be developed to extend beyond the expired term of this agreement.
- If the GTH were to be dissolved or subject to a change in its exclusive ownership in whole or in part outside the control or authority of the Government of Saskatchewan, the City would reserve the option to serve notice for re-negotiation of the agreement. The agreement would expire within a period of 180 calendar days, unless the new landlord or owner for the GTH lands was able to negotiate a continuation or renewal of this agreement with the City.
- [Comment: City legal department to provide advice on a termination clause for the agreement for both parties or the option to provide notice for re-negotiation.]

#### **Additional Components**

##### **Operational Considerations**

- GTH and City agree to discuss operations, maintenance and renewal contributions.

#### **Agreement Management**

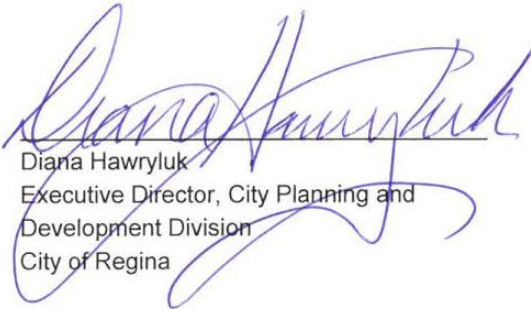
- A Contract Update Meeting will be held every 2 years within 45 business days of the anniversary of the signing of the agreement to discuss the status of the agreement and update the Transportation Capital Contribution Model. The meeting will also provide the opportunity to discuss updates in development levels and traffic volume levels for both parties. This is in addition to timely and informal updates as appropriate throughout the year.
- Any changes to the Traffic Capital Contribution Model will be based on mutual agreement and be consistent with the core principles, terms and conditions of the agreement.

Key Strengths of this Approach	Potential Drawbacks
<p><b>Key Strengths</b></p> <ul style="list-style-type: none"> <li>• Recognizes the practical impact the GTH will have on the City transportation network.</li> <li>• Using actual traffic volume counts for the GTH aligns directly to the cost recovery model.</li> <li>• Lower costs upfront; helps the GTH manage cash flow.</li> <li>• Efficient and reasonable administration and management costs to maintain a fair and balanced agreement that will adjust to actual traffic volumes and actual capital costs.</li> <li>• Fairness and equity with others in the development community and for taxpayers.</li> </ul>	<p><b>Potential Drawbacks</b></p> <ul style="list-style-type: none"> <li>• None identified</li> </ul>

*Subject to finalizing a mutually acceptable operating agreement.*

Agreement in principle as of April 12, 2017:

  
 \_\_\_\_\_  
 Bryan Richards  
 President and CEO  
 Global Transportation Hub Authority

  
 \_\_\_\_\_  
 Diana Hawryluk  
 Executive Director, City Planning and  
 Development Division  
 City of Regina

## Appendix A: Transportation Capital Contribution Model

Outlined below is the proposed Transportation Capital Contribution Model based on the approved project list and calculated based on the actual traffic flows for February and March 2017. Based on this version of the model, the per hectare cost is \$23,900.18 (\$10,069,147 / 421.3 hectares).

Transportation Infrastructure						
Project Name	Agreed Upon Projects	City's Calculation of GTH Share	City's Proposed GTH Cost	City's assumed PM peak	Actual Projected PM peak	Revised GTH Total Contribution
Courtney St Extension (Dewdney Avenue to Saskatchewan Drive extension)	\$ -	8.00%	\$ -	5183	1537	\$ -
Courtney Street (Hill Avenue to Saskatchewan Drive) Interim Upgrade	\$ -	3.80%	\$ -	5183	1537	\$ -
Courtney Street Realignment (Saskatchewan Drive to Gordon Road)	\$ -	3.80%	\$ -	5183	1537	\$ -
Courtney Street Flyover at CP Mainline	\$ 20,000,000	6.30%	\$ 1,260,000	5183	1537	\$ 373,648
<b>(1) Total Courtney Street Connector</b>	<b>\$ 20,000,000</b>	<b>5.48%</b>	<b>\$ 1,260,000</b>			<b>\$ 373,648</b>
Dewdney Avenue (Twinning) – Courtney Street to Pinkie	\$ 10,395,000	43.90%	\$ 4,563,405	5183	1537	\$ 1,353,261
Dewdney Avenue reconstruction (Fleming Road to West City Limit)	\$ -	85.40%	\$ -	5183	1537	\$ -
Dewdney Avenue twinning (Pinkie Road to Fleming Road)	\$ 12,600,000	80.30%	\$ 10,117,800	5183	1537	\$ 3,000,397
<b>(2) Total Dewdney Avenue Upgrade</b>	<b>\$ 22,995,000</b>	<b>69.87%</b>	<b>\$ 14,681,205</b>			<b>\$ 4,353,659</b>
Pinkie Road bridge and road reconstruction (9th Avenue N. to south of Wascana Creek)	\$ 8,400,000	0.90%	\$ 75,600	5183	1537	\$ 22,419
Pinkie Road Flyover at CP Mainline	\$ -	19.70%	\$ -	5183	1537	\$ -
Pinkie Road reconstruction (Wascana Creek to Dewdney)	\$ 12,600,000	2.40%	\$ 302,400	5183	1537	\$ 89,676
Pinkie Road widening (Dewdney Avenue to Saskatchewan Drive)	\$ 5,565,000	20.10%	\$ 1,118,565	5183	1537	\$ 331,706
<b>(3) Total Pinkie Road Upgrades</b>	<b>\$ 26,565,000</b>	<b>10.78%</b>	<b>\$ 1,496,565</b>			<b>\$ 443,801</b>
Saskatchewan Drive and Lewvan Flyover	\$ 50,000,000	12.50%	\$ 6,250,000	5183	1537	\$ 1,853,415
Saskatchewan Drive and Lewvan Property Purchase	\$ 5,625,000	12.50%	\$ 703,125	5183	1537	\$ 208,509
Saskatchewan Drive/13th Avenue Extension/ Reconstruction (Lewvan Drive to Courtney Street)	\$ 19,175,000	15.50%	\$ 2,972,125	5183	1537	\$ 881,373
Saskatchewan Drive/13th Avenue Extension/ Reconstruction (Courtney Street to Pinkie Road)	\$ -	23.30%	\$ -	5183	1537	\$ -
<b>(4) Total Saskatchewan Drive Extension</b>	<b>\$ 74,800,000</b>	<b>15.95%</b>	<b>\$ 9,925,250</b>			<b>\$ 2,943,297</b>
9th Avenue N Twinning (Courtney Street to Pinkie)	\$ 5,880,000	44.10%	\$ 2,593,080	5183	1537	\$ 768,969
9th Avenue N Extension (Pinkie Road to West Regina Bypass)	\$ 4,830,000	57.70%	\$ 2,786,910	5183	1537	\$ 826,448
9th Avenue N Twinning (Pinkie to West Regina Bypass)	\$ 2,100,000	57.70%	\$ 1,211,700	5183	1537	\$ 359,325
<b>(5) Total 9th Ave. Extension/Upgrades</b>	<b>\$ 12,810,000</b>	<b>53.17%</b>	<b>\$ 6,591,690</b>			<b>\$ 1,954,742</b>
<b>Total</b>	<b>\$ 157,170,000</b>		<b>\$ 33,954,710</b>			<b>\$ 10,069,147</b>
Up-front Payment						\$ 1,496,151

City's assumption of peak hour traffic (1)	5183
GTH Actual PM peak traffic count - February 2017 [A]	206
City's 3-day traffic counts (March 2017)	251
Average between GTH and City traffic counts	228
GTH Estimated hectares at full build-out [B]	421.3
Current used hectares [C]	62.6
GTH Projects PM peak traffic count at full build-out [A*B/C]	1537

1 - Source: City of Regina Regional EMME Model as of 2016

### Unsold, Sold and Developed Summary for the GTH (March 2017)

The following table provides a summary of the hectares that are sold and developed at the GTH as of March 2017.

Client	Sold & Developed Hectares [I]	Total Hectares Sold [I + II = III]	Sold & Undeveloped Hectares [II]	Less: Cold Storage Areas (Hectares) [IV]	Sold Hectares - yet to be Developed [II - Developable Hectares IV = V]	Sold - Developed & Developable Hectares [I + V = VI]
CP	20.2	133.1	113.1	113.1	0.0	20.2
Loblaws	32.4	33.8	1.4	1.4	1.4	33.8
Emterra	1.8	10.5	8.7	0.0	8.7	10.5
SLGA	3.6	6.1	2.5	0.0	2.5	6.1
CFF	1.4	4.0	2.6	0.0	2.6	4.0
Morguard	0.0	42.9	42.9	0.0	42.9	42.9
SaskPower	0.0	58.7	58.7	36.3	22.4	22.4
Genesis/SH Storpark	3.2	5.0	1.8	0.0	1.8	5.0
CACN	0.0	2.0	2.0	0.0	2.0	2.0
Brightenview	0.0	4.0	4.0	0.0	4.0	4.0
<b>Subtotal</b>	<b>62.6</b>	<b>300.4</b>	<b>237.8</b>	<b>149.4</b>	<b>88.5</b>	<b>151.1</b>
Total Hectares						421.3
% of Hectares Sold						36%
Unsold Hectares						270.2
<b>Hectares to be Developed + Unsold Hectares</b>						<b>358.7</b>

### Map of Unsold, Sold and Developed Land at the GTH (March 2017)

The following map provides a visual summary of the hectares that are sold and developed at the GTH as of March 2017.

## Global Transportation Hub Cold Storage Areas 2016

I = 154.7 ac = 67.6 ha  
II = 587.7 ac = 237.3 ha  
III = 369.1 ac = 148.4 ha



### Project Purpose and Objectives Summary - Transportation

The following description require completion:

Project Name	Purpose and Objectives
Add project name	Add description
Add project name	Add description
Add project name	Add description
Add project name	Add description
Add project name	Add description
Add project name	Add description
Add project name	Add description
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Add project name	Add description



## Appendix B: Objectives and Key Principles

It is proposed that the following objectives and key principles be included within the agreement as context for the agreement's design and to assist with the agreement's interpretation in the future.



### Objectives

- Growing, vibrant, sustainable community
- Balance commercial, industrial and residential lands
- Achieve long term financial viability
- Establish a fair and equitable agreement with the GTH



- Grow Saskatchewan exports to the world
- Value and create world-class rail and highways, and other infrastructure
- Create a competitive and self-governing authority, we oversee all stages of development and regulation
- Ensure the City is the most significant partner for the GTH

### Key Principles

- "Growth pays for growth"
- "Equitability"
- "Cost Recovery"
- "Benefits Model"
- "Transparency" – "Defensible"
- "Risk Neutral"
- "Mutual Benefits"

- Ensure cost competitive model
- Value based pricing model for clients
- Services at "cost recovery" – appropriate and reasonable
- Reflect GTH's impact on infrastructure and past contributions
- Achieve economic benefits for both the City and Province

# A4 – Municipal Servicing Agreement, Drafting Instructions for an Operating, Maintenance and Renewal Agreement, dated December 1, 2017



## Municipal Servicing Agreement Drafting Instructions for an Operating, Maintenance and Renewal Agreement Final Version for Signature December 1, 2017

### Context

- Separate agreements have been reached specific to capital contributions on behalf of the GTH towards water, wastewater and transportation services with the City of Regina. These agreements have been approved in principle by both organizations and are being prepared into one legal agreement with schedules.
- These agreements were specific to capital contributions for a proportionate cost of current and future infrastructure. This outline for an operating agreement is focused on determining the following:
  - What operating services will be provided.
  - Who is responsible for the providing or arranging for service.
  - What are the cost recovery rates that have been agreed to.
  - Where appropriate, additional details on key procedures and management of the operations.
- It is anticipated that the GTH and City will develop implementation processes separate from the operating agreement will support its management and administration.

### Summary of Key Terms and Conditions

#### Water Permit

- Context: who will be the holder of the water and waste water permits for the GTH through the Water Security Agency (WSA)
- Agreement: The GTH will obtain and maintain its own permit for the water distribution and waste water collection systems on its property. The City will work in partnership with the GTH to ensure water quality through chlorination boosting as appropriate. The City will retain and maintain the permits for the Waste Water Treatment Plant, their own water distribution and their own wastewater collection related to City owned infrastructure.

#### Water and Wastewater System Ownership

- Context: provide clarity on which party owns which parts of the system
- Agreement: The GTH owns and is responsible for all water infrastructure on the GTH property. The demarcation point is along the water line at the Dewdney and Fleming intersection at the agreed upon valve point in the south east corner. The City will retain ownership of the valve and be responsible for maintenance. A map of the valve location is provided in Appendix B.
- The GTH owns and is responsible for all wastewater infrastructure on the GTH property leading into the pump station. City owns the forcemain and pump station.

- The GTH cannot grant access to water or wastewater services outside of its footprint without the prior consent of the City.
- The GTH agrees not to un-duly limit access to water or wastewater services with the City. For example, Sakimay First Nation or another developer on the west side of the City. In the event that the third parties accesses GTH water or sewer lines the GTH has the right to be compensated for this usage with the appropriate third party. The GTH is not able to sell its water or wastewater capacity to another entity outside the GTH boundaries.

#### **Maintenance and Replacement of Water and Wastewater System**

- Context: Individual GTH client billing and collection is performed and retained by the City.
- Agreement: The City will continue to meter water, bill and collect for water and wastewater services provided at the GTH. There will be no reimbursement from the City to the GTH for maintenance and replacement of the GTH water and wastewater infrastructure. Additionally, the City will not seek to collect additional charges from the GTH related to the operation of the water and wastewater system. This is intended to maintain similar service levels and rates with other rate payers located within the City limits.
- GTH will adopt and maintain a by-law indicating that its clients will automatically pay City rates for water and waste water approved by the City including applicable surcharges and fees.
- GTH is responsible to fund the maintenance and replacement of its own water and wastewater infrastructure within its boundaries. The demarcation point for water is the south east corner of the intersection of Dewdney and Fleming as noted in Appendix B. The demarcation point for wastewater infrastructure is where the GTH pipe enters the City land parcel at the Fleming Road pump station.
- The City retains ownership of the pump station. The City is responsible for the pump station's maintenance and replacement. The City also retains ownership of the land parcel that the pump station is located. The City also retains ownership of the forcemain heading north from the pump station in the Fleming Road ditch.
- The City will own the chlorine booster station and it will be the responsibility of the City to operate and maintain the booster station. The GTH will coordinate with the City in the event that chlorine adjustments need to be made to meet WSA standards.
- The GTH will provide the City with the following three easements if agreed to be necessary:
  - GTH to provide the City with an easement to access the booster station.
  - The GTH will provide an easement for the forcemain to the north of the pump station along Fleming to Dewdney.
  - The GTH will provide the City with an easement to access a manhole at an appropriate location for testing purposes.

GTH Action: develop easements to the City in draft, finalize and sign.

### **Water Metering**

- Context: how to accurately measure water consumption by GTH clients for billing purposes
- Agreement: City will install water meters for GTH clients. Installation and supply of all water meters, measurement of use and billing will be completed based on standard City practices in order to access City billing services.
- City and GTH agree that there will not be a water meter installed at the entry point to the GTH water system.
- GTH to adopt a similar by-law to the City for back flow prevention.

*[Separate processes to be defined outside the Agreement]*

### **Daily Base Rate (DBR)**

- Context: the Daily Base Rate provides a minimum level of utility fee for each water connection to provide a base level of revenues to offset water operations.
- Agreement: there will be no Daily Base Rate on the 600 mm water line. GTH clients will pay the standard Daily Base Rate through their water fees.

### **Utility Billing Services for Water and Wastewater**

- Context: established clarity for who is responsible for billing services to GTH clients.
- Agreement: the City will provide standard billing services for water and wastewater in full for GTH clients.
- The GTH has the option to ask the City to assess an additional fee beyond standard City rates to some or all GTH clients. The City would establish the additional fee in the City billing system less a 3% holdback for administration.
- GTH will need to ensure that its by-laws align to the City in terms of unpaid water bill rates and fees. In the event that there are unpaid water bills or unpaid surcharges, the GTH and City will follow the processes and authorities outlined in the GTH by-law.
- In the event that water is being shut off, the GTH operations staff will shut off access and inform the City.
- The GTH has the ability to request that the City transfer unpaid water amounts to the property tax bill for GTH clients. Note: specific collection language included in the agreement for unpaid utility bills to allow the City to transfer to property tax.

GTH Action: review and provide its draft by-law changes to the City for review and comment. Adopt new by-laws as required to align with the City.

### **System Looping**

- Context: considered whether the GTH intended to build additional water infrastructure to loop in its water system to connect back to the City system.
- Agreement: the GTH will not loop its water system. It will build a water reservoir if the need arises. The GTH will build and own the water reservoir if it decides to build one.

>>> Note: include in this section in the Agreement in Principle, however exclude System Looping from the formal Agreement.

#### **Utility Depreciation**

- Context: consideration for how utility depreciation will be funded
- Agreement: both parties agree that water and wastewater utility fees should fund capital recapitalization for the City's water and wastewater infrastructure. The GTH is responsible for recapitalization of its own water, wastewater and storm water infrastructure. The City will remit drainage fees charged to GTH clients less a 3% hold back for administration.

#### **Wastewater Screen**

- Context: a screen will be required in the future to filter waste water in the Fleming Road pump station. Consideration has been given to how the screen would be funded.
- Agreement: the City will determine the appropriate time for a wastewater screen to be added for the GTH property. The City will build and pay for the capital costs to establish a screen. The GTH and City will agree to repayment formula for the capital costs in advance of proceeding with construction.
- Capital costs will be amortized over the agreed upon life of the asset. The repayment formula will include a charge to clients based on water usage or a flat rate with the remainder of the annual capital cost recovery being charged to the GTH, if applicable. The charge will be added directly to each GTH client's water utility bill as a stand alone item.
- It will be determined at the time of negotiation whether the charge will be based on client water meter size or a volume based calculation. The charge will commence once the screen is operational.
- Operations and maintenance including the costs to maintain and clean the screen will be covered in the standard water rate. The charge will fund the capital amount.

#### **Chlorination Retention**

- Context: two stations were constructed by the City to support the GTH with chlorine boosting
- Agreement: the City will own and maintain two chlorine stations. The capital costs and operating costs for the stations will be funded by the City through the regular water rate.

#### **Fire Hydrants and Valves**

- Context: establishing who is responsible for maintaining fire hydrants and valves
- Agreement: GTH will be responsible for contracting its own supplier to perform required maintenance on the fire hydrants and valves at its cost, including flushing of the lines within the GTH water and wastewater system.
- The GTH agrees to follow City process for private hydrant permits. Hydrant permits are not required for routine maintenance.

- Further agreement to amend Clause 12 of the current fire services agreement between the GTH and City. The City will share a draft addendum for consideration outside this agreement.

#### **Drainage Services**

- Context: the GTH is not connected to the City for drainage services.
- Agreement: the GTH owns and operates its own independent drainage system and is fully responsible for drainage within its footprint, plus its impact on the remainder of the GTH drainage infrastructure, including the GTH drainage channel. The drainage channel, which was constructed by the City and completed in 2014, begins within the GTH boundaries and extends west through the RM of Sherwood terminating at the western edge of SW 22-17-21-W2, as identified on the map in Appendix C.
- The City will remit the balance of drainage levies to the GTH on an annual basis less a 3% administration fee on a go forward basis from the date the agreement is signed. The City will not remit drainage levies to the GTH until the appropriate documentation regarding channel ownership and operations has been obtained from the Water Security Agency.
- As a default position, the GTH will adopt City rates for drainage levies. In the event that the GTH sought to adopt drainage levies different than those in City by-law, this would be allowed with three months notice to allow for necessary system changes. GTH will be responsible for customer inquiries related to drainage rates.
- If another entity outside of the City boundaries wishes to have access to the GTH's drainage capacity, this would be a point of discussion between the appropriate parties and the City would be excluded.
- The drainage levies collected by the City from GTH clients between March 10, 2014 to the date that the Municipal Services Agreement (MSA) is executed by the City will be remitted to the GTH less 3% for administrative costs. This would amount to approximately \$130,000 in drainage levies. This allows the GTH to perform whatever work is deemed necessary and within a timeframe that works for the GTH. The levies would be remitted to the GTH as soon as the MSA has been executed.
- The remittance of these levies are not tied the GTH securing the necessary documentation from the Water Security Agency (WSA). Levies collected by the City after the MSA is signed will be remitted once the documentation has been issued by the WSA.

GTH Action: GTH to also continue working on the CP easement and any other outstanding easements.

City Action: the City will transfer existing easements/property to the GTH and identify which easements are outstanding for the GTH to secure.

#### **Operational Surcharge for Exceeding Wastewater Standards**

- Context: need a method for applying a surcharge to any GTH client who exceeds the performance standards for wastewater quality

- Agreement: the GTH will maintain a wastewater quality based on the following mass loading performance standards:
  - BOD – 105 kg/d
  - COD – 210 kg/d
  - TSS – 105 kg/d
  - Non-Mineral Grease – 35 kg/d
  - Mineral Grease – 5.25 kg/d
  - Phosphorous (as phosphates) – 3.5 kg/d
  - TKN – 17.5 kg/d
- These performance standards may be amended if the GTH were to purchase additional capacity through an additional capital contribution.
- It is agreed that this is a deviation from standard City practice as set out in the wastewater bylaw based on mass loading versus concentration levels.
- If the City's by-law limits for wastewater were to change these limits may be subject to amendment based on mutual agreement and/or operational/regulatory constraints. The City commits to work with the GTH if tighter restrictions were put in place to ensure future compliance with surcharge parameters.
- In the case of a confirmed waste water quality result that exceeds an individual performance standard listed above, a surcharge would apply. This would be applied to the GTH as a potential breach of contract; GTH would then have the option to take enforcement action against the client who caused the breach of contract.
- Testing will be completed at a mutually agreed upon location to allow low and heavy effluent emitters to balance for an average water quality; GTH retains the option to surcharge individual clients if they exceed GTH bylaw levels.
- Provided that the GTH mass loading meets the agreed upon levels listed above, an individual GTH client may exceed the GTH by-law limits without penalty to the GTH.
  - The GTH can surcharge individual clients for exceeding their level as defined in the GTH bylaws
- Enforcement: GTH would enforce, issue and collect the surcharge
  - If the GTH issues the surcharge notice but it was not paid, it is the responsibility of the GTH to enforce and collect; in the event that the GTH can not collect an unpaid surcharge after a reasonable attempt(s) they will notify the City and request that the unpaid surcharge be transferred to taxes.

**Prohibited and Restricted Substances**

- Context: the City needs the ability to protect the overall integrity of the wastewater system and the health of the community by preventing prohibited and restricted substances
- Agreement: the GTH will adopt a modified version of Section 139 of wastewater bylaw in the contract as well as schedules A and B from the City's wastewater and storm water bylaw.
- Provides protection for the City to ensure integrity of overall system; City could pursue civil litigation to prosecute the GTH if necessary; GTH would then need to enforce its bylaw on its clients > consistent with principles and approach above

- GTH through its routine testing needs to be monitoring and enforcing its bylaws; legal drafting needs to ensure language provides the opportunity for GTH to proactively inform the City of these substances based on its own testing without immediately falling into violation of the agreement (persistent and negligent)

GTH Action: share with the City a copy of your testing plan once developed.

#### **Transportation Operating Costs**

- Context: the City needs to be able to support operating and maintenance of transportation assets. This is typically funded through the municipal tax rate which is being collected by the GTH.
- Agreement: The capital budget was not included in calculating overall transportation costs. The City agrees not to pursue additional compensation for capital related to transportation.
- The GTH will contribute to transportation operating costs based on cost recovery. The calculation of transportation operating costs is based on traffic counts and trip generation using the method outlined in Appendix A.
- It was agreed that the City would retain 5% of total GTH property taxes and grants in lieu to compensate the City for its impact on transportation operating costs.

#### **Administration Costs**

- Context: there are incremental direct costs for the City to administer and support this agreement in providing service to the GTH. Intent of City and GTH to make the fees simple to administer and reduce the need for higher level reporting.
- Agreement: agreed the GTH will pay the City 1.5% of the total property tax and grants in lieu it collects from its clients as a basis for cost recovery for the City to cover costs including traffic counts, waste water testing, costs associated with agreement administration, civic addressing, etc.
- Agreement to review the admin fee at the two-year check-in meetings
- Potential to adjust the amount based on actual effort in the future subject to mutual agreement
- Intent of the administration fee is to be cost recovery for the City

#### **Term of the Agreement and Renewal**

- The term of the agreement is until December 31, 2040. If the GTH has not achieved “build out” (as defined by the Capital Agreement) then the agreement could be renegotiated for unsold hectares.
- It is anticipated that after 2040 an operating agreement will be required, even if the capital agreements have been concluded.
- If the GTH were to be dissolved or subject to a change in its exclusive ownership in whole or in part outside the control or authority of the Government of Saskatchewan, the City would reserve the option to serve notice for re-negotiation of the agreement. The agreement would



expire within a period of 180 calendar days, unless the new landlord or owner for the GTH lands was able to negotiate a continuation or renewal of this agreement with the City.

- [Comment: City legal department to provide advice on a termination clause for the agreement for both parties or the option to provide notice for re-negotiation.]

### Implementation Items

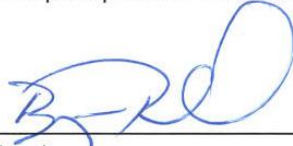
The following implementation items will be addressed separate from the Operating Agreement, but are important to support the implementation of this Agreement. It was important to capture these areas in the Agreement in Principle as context for implementation of the agreement.

- How we communicate changes to our bylaws to each other
- Water quality process – if something flags on a test who and how is this communicated
- Establishing a process to commission water lines
- Need to sort out communications for when permits are used and corresponding items in this agreement
- GTH will supply as-builts and record drawings
- Building permit process coordination and connection to water system (meters and backflow)
- How are record drawings submitted
- Addressing process
- Drainage levy process for remitting
- Process for notification of changes to drainage or other utility rates
- Water system coordination/SOP (chlorination/quality process)
- Waste Water sampling process/location
- Un-paid utility bills process
- Drainage ditch – transfer info from City to GTHA
- What will be the process for retaining the administration and transportation fee?
- Process for issuing and installing new meters
- Turning on the water for new clients
- Plus other items to be identified

### Agreement Management

- A Contract Update Meeting will be held every 2 years within 45 business days of the anniversary of the signing of the agreement to discuss the status of the agreement. The meeting will also provide the opportunity to discuss updates to utility utilization rates and the implications on operating costs. This is in addition to timely and informal updates as appropriate throughout the year.
- Any changes to the Agreement will be based on mutual agreement and be consistent with the core principles, terms and conditions of the agreement.

Agreement in principle as of December 1, 2017:



\_\_\_\_\_  
Bryan Richards  
President and CEO  
Global Transportation Hub Authority



\_\_\_\_\_  
Diana Hawryluk  
Executive Director, City Planning and  
Development Division  
City of Regina

### Appendix A: Calculation of Transportation Operating Costs

The following tables provide a breakdown of the four methods utilized to calculate the operating costs of the GTH's impact on the City's transportation operating costs using average and fitted curve trip generation rates for both population and households from Category 210 in the ITE manual. It was agreed that the GTH proportion of costs would be equated to a percentage of GTH property taxes that would be retained by the City annually as compensation for this impact. The amount is calculated using an average of the "percentage of property tax revenue" line in each of the four methods below (see the green line).

Average Trip Generation Per Person	
ITE 210 Average Trips per person	2.55
Total City Population	216,000
Total City Trips	550,800
GTH Trips	2,280
City Calculated Trips	550,800
Total Trips	553,080
GTH percentage of total trips	0.412%
City Total cost	\$ 21,147,035.92
GTH percentage of total cost	\$ 87,175.89
GTH 2016-17 Property tax revenue	\$ 1,891,827.00
Percentage of Property tax revenue	4.608%

Average Trip Generation Per Household	
ITE 210 Average Trips per household	9.57
Total City Households	86,400
Total City Trips	826,848
GTH Trips	2,280
City Calculated Trips	826,848
Total Trips	829,128
GTH percentage of total trips	0.275%
City Total cost	\$ 21,147,035.92
GTH percentage of total cost	\$ 58,151.75
GTH 2016-17 Property tax revenue	\$ 1,891,827.00
Percentage of Property tax revenue	3.074%

Fitted Curve Trip Generation Per Person	
ITE 210 Fitted curve Trips per person	1.514
Total City Population	216,000
Total City Trips	326,949
GTH Trips	2,280
City Calculated Trips	326,949
Total Trips	329,229
GTH percentage of total trips	0.693%
City Total cost	\$ 21,147,035.92
GTH percentage of total cost	\$ 146,448.95
GTH 2016-17 Property tax revenue	\$ 1,891,827.00
Percentage of Property tax revenue	7.741%

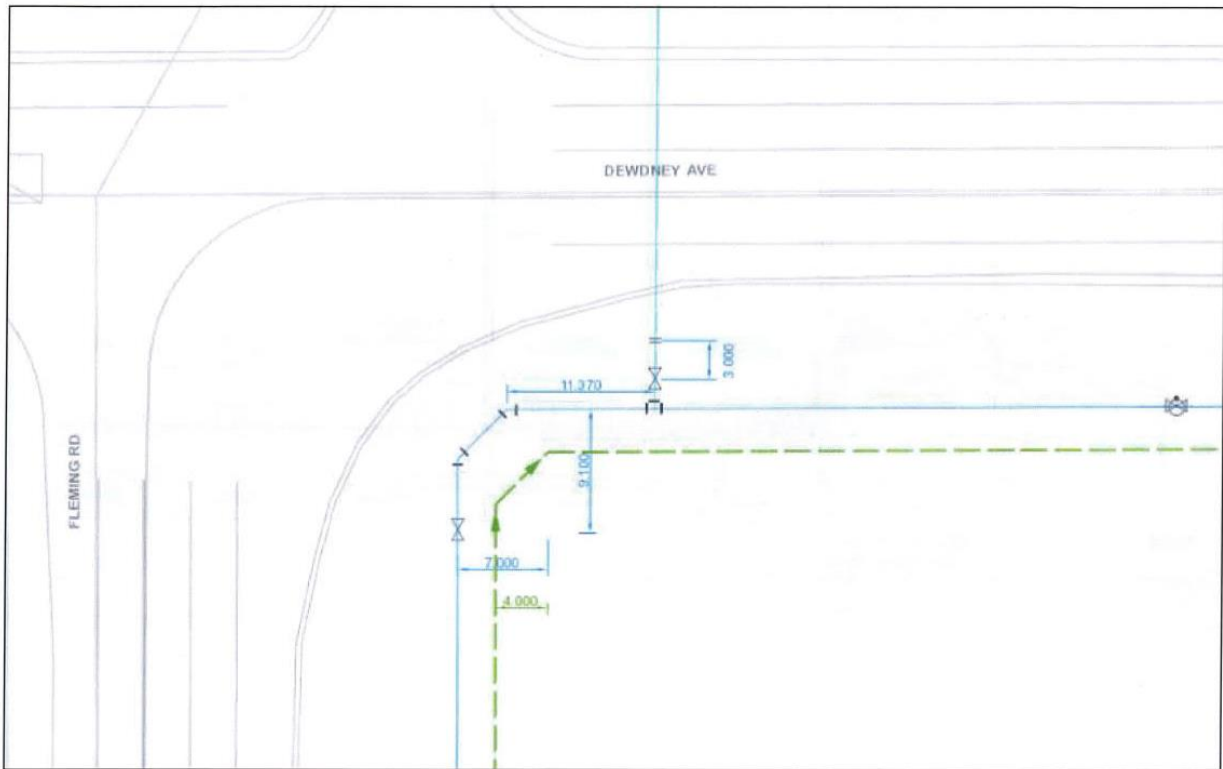
Fitted Curve Trip Generation Per Household	
ITE 210 Fitted curve Trips per household	6.054
Total City Households	86,400
Total City Trips	523,035
GTH Trips	2,280
City Calculated Trips	523,035
Total Trips	525,315
GTH percentage of total trips	0.434%
City Total cost	\$ 21,147,035.92
GTH percentage of total cost	\$ 91,783.49
GTH 2016-17 Property tax revenue	\$ 1,891,827.00
Percentage of Property tax revenue	4.852%

Average Calculation of Payment Starting at Initial Signing (Yellow)	\$95,890
Average Calculation of the Percentage Amounts (Green)	0.0507

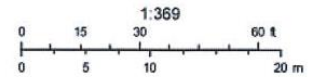
**Appendix B: Valve Point**

The GTH owns and is responsible for all water infrastructure on the GTH property. The demarcation point is along the water line at the Dewdney and Fleming intersection at the agreed upon valve point in the south east corner based on the following map:

**Infrastructure Records Viewer**

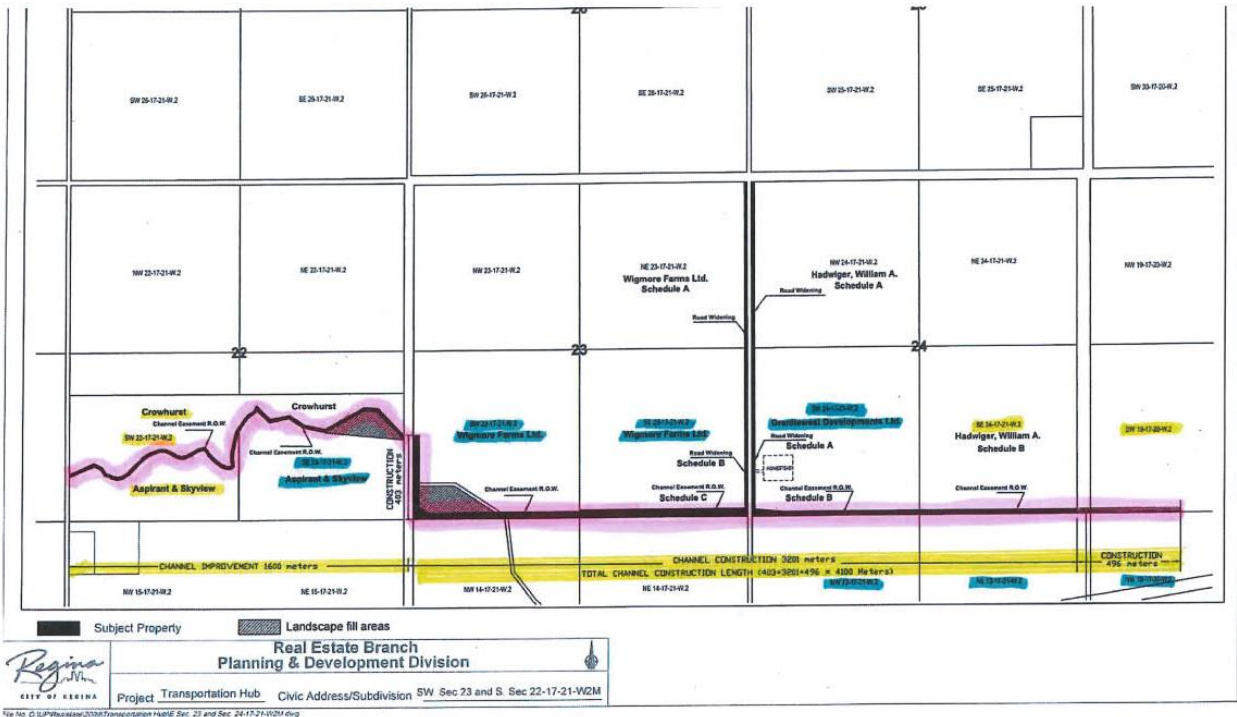


November 27, 2017



**Appendix C: Drainage Easements**

The following diagram illustrates the path and extent of the independent drainage system that the GTH owns and will operate.



## Appendix D: Objectives and Key Principles

It is proposed that the following objectives and key principles be included within the agreement as context for the agreement's design and to assist with the agreement's interpretation in the future.



- Objectives**
- Growing, vibrant, sustainable community
  - Balance commercial, industrial and residential lands
  - Achieve long term financial viability
  - Establish a fair and equitable agreement with the GTH

- Grow Saskatchewan exports to the world
- Value Proposition: world-class rail and highways, competitive real estate, and superior service.
- An autonomous and self-governing authority, we oversee all stages of development and regulation
- Ensure the City is the most significant partner for the GTH

**Key Principles**

- "Growth pays for growth"
- "Equitability"
- "Cost Recovery"
- "Benefits Model"
- "Transparent"
- "Disruptive"
- "Risk Neutral"
- "Mutual Benefits"

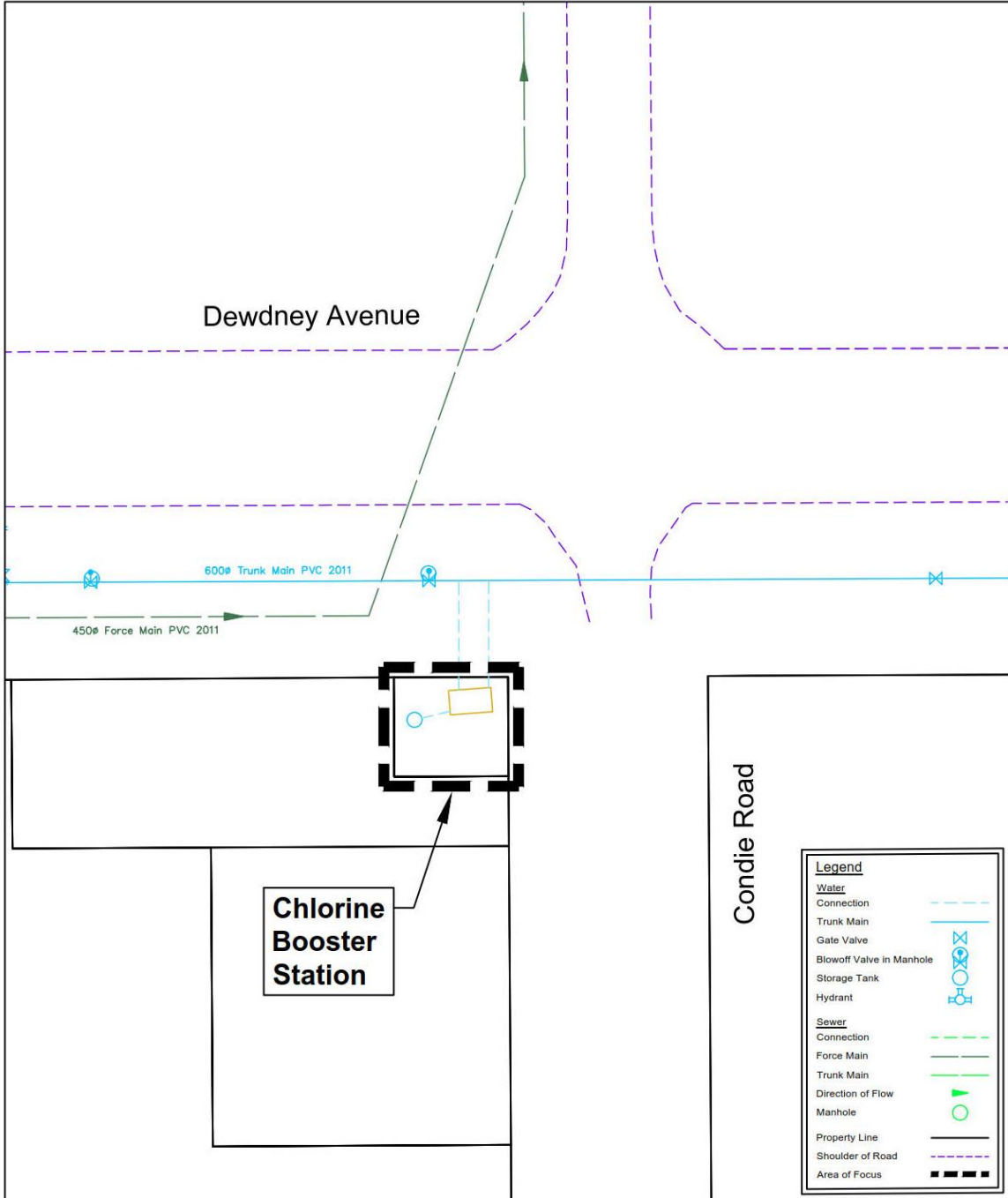
- Ensure cost competitive model
- Value based pricing model for clients
- Services at "cost recovery" – appropriate and reasonable
- Reflect GTH's impact on infrastructure and past contributions
- Achieve economic benefits for both the City and Province



# SCHEDULE "C"

## GTH Service Lines

### C1 – Chlorine Booster Station

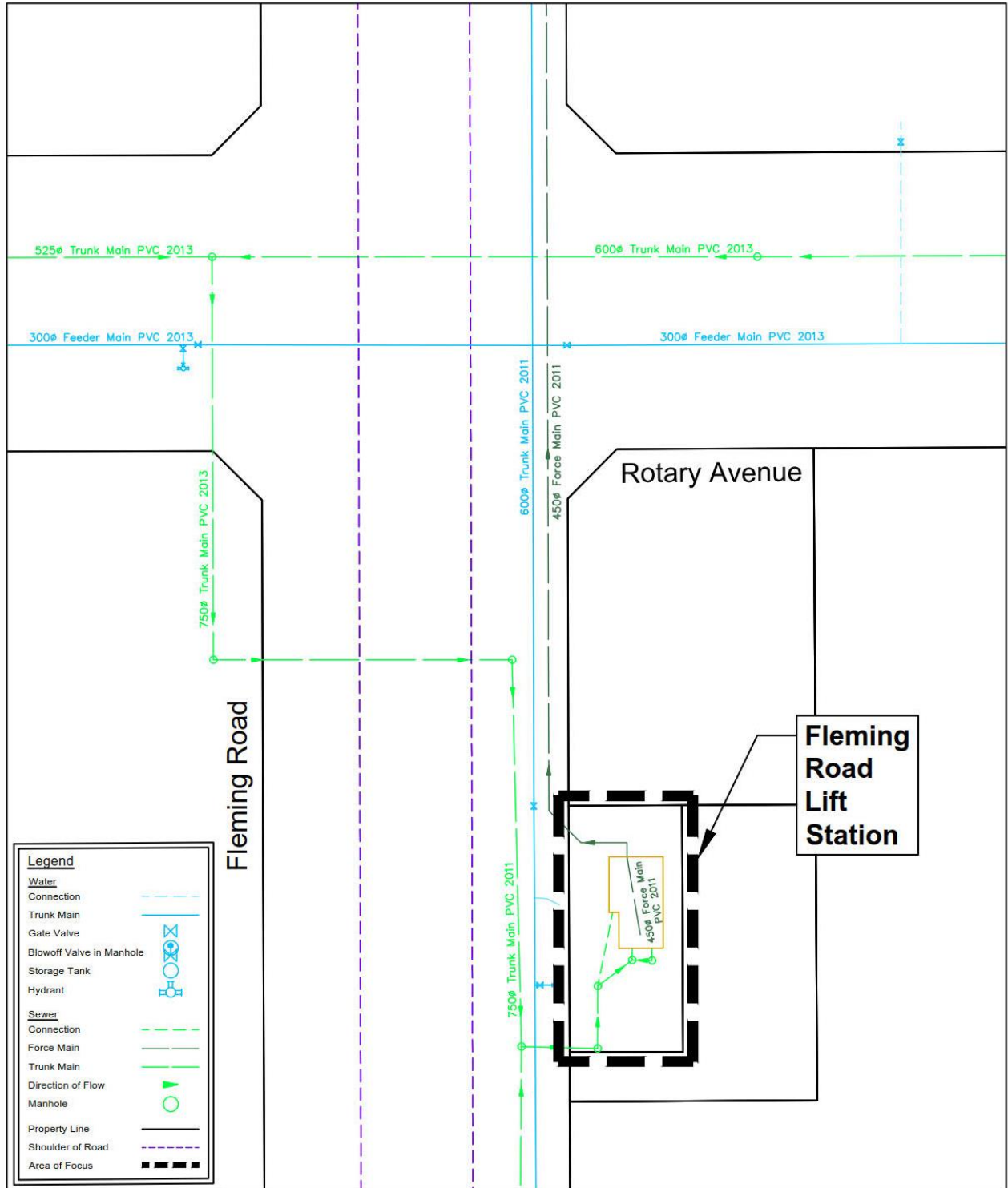


### Chlorine Booster Station

Scale 1:500



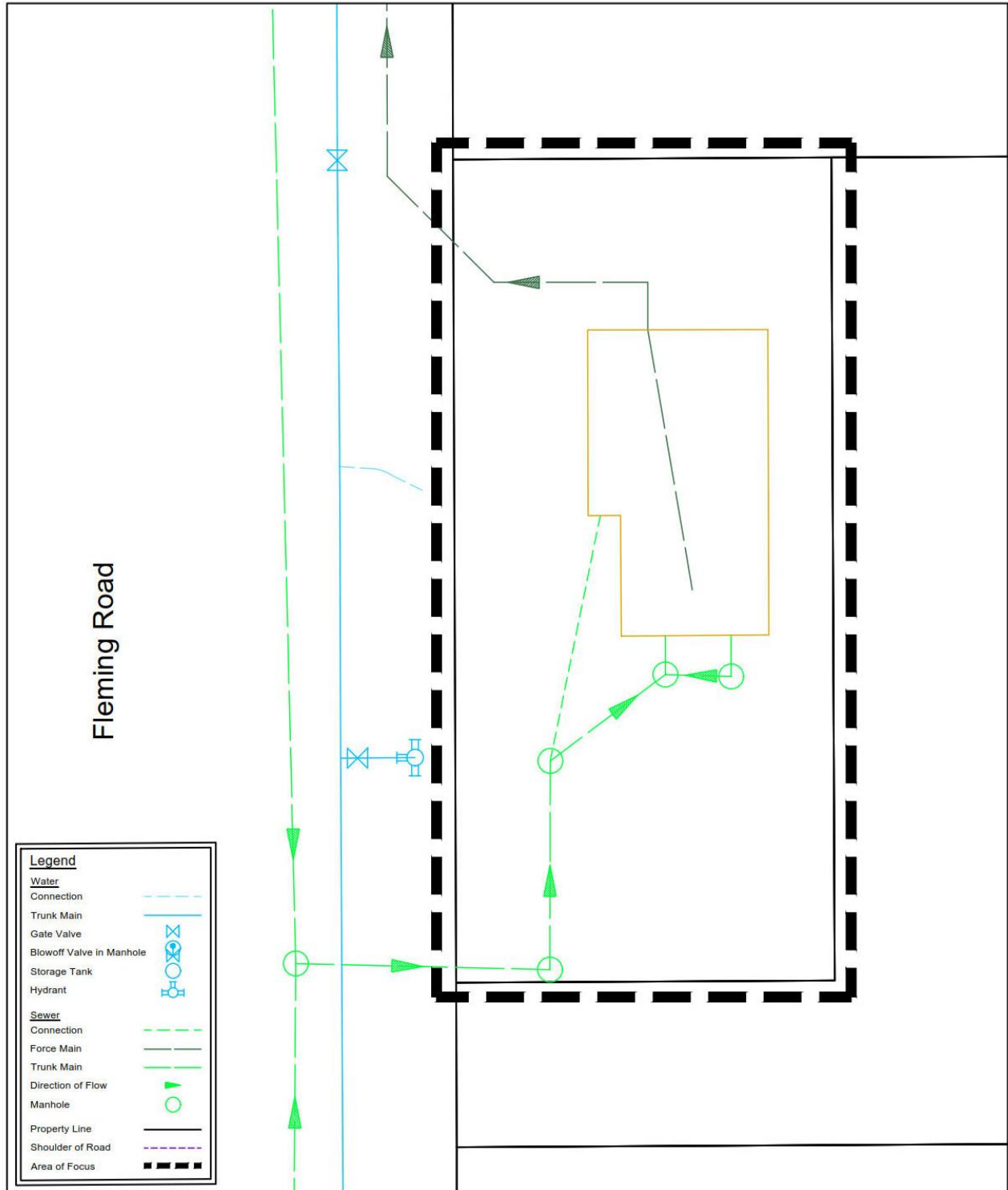
# C2 – Wastewater Lift Station



## Wastewater Lift Station

Scale 1:1000

### C3 – Wastewater Lift Station – Detail

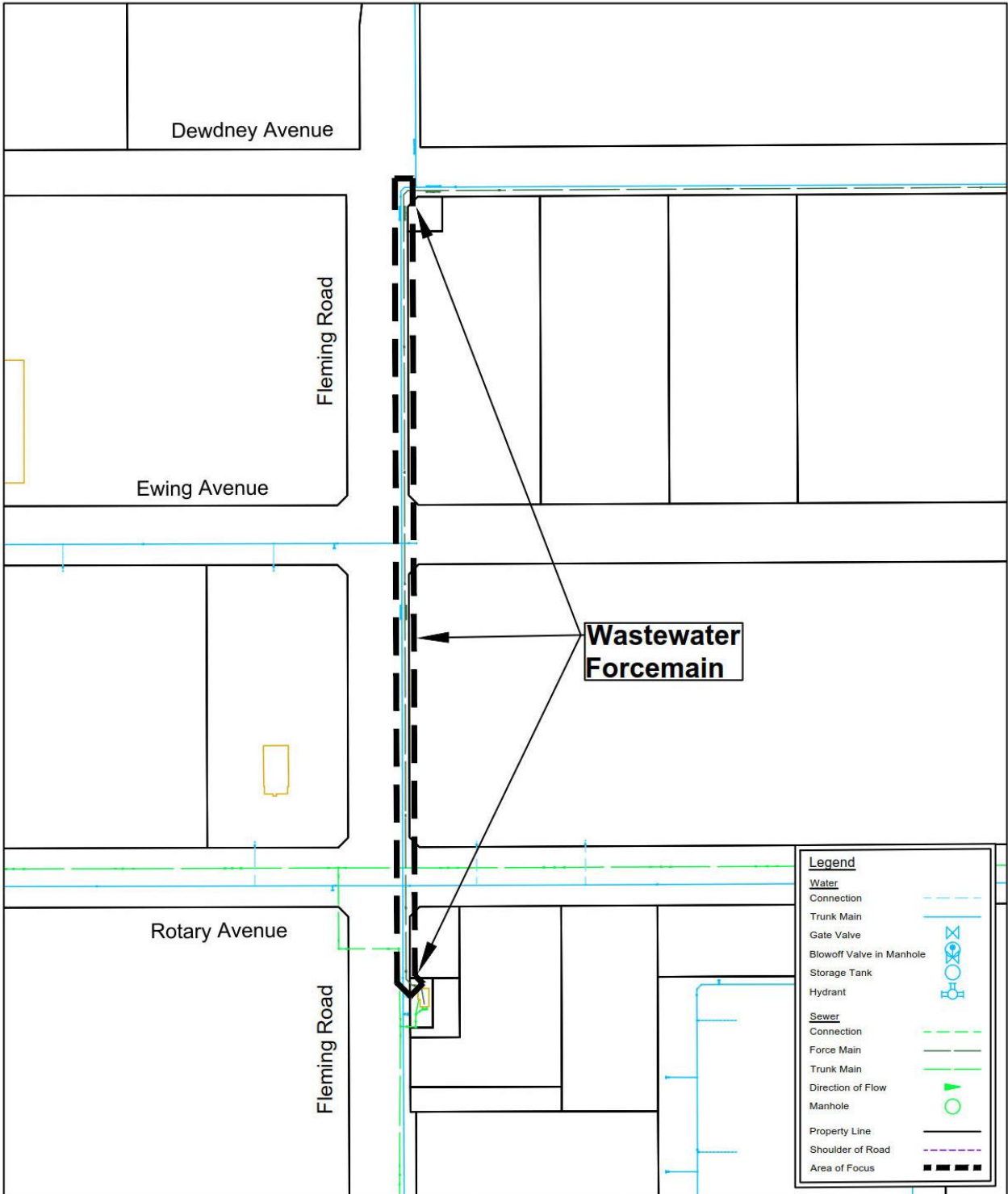


Wastewater Lift Station - 'Detail'

Scale 1:300



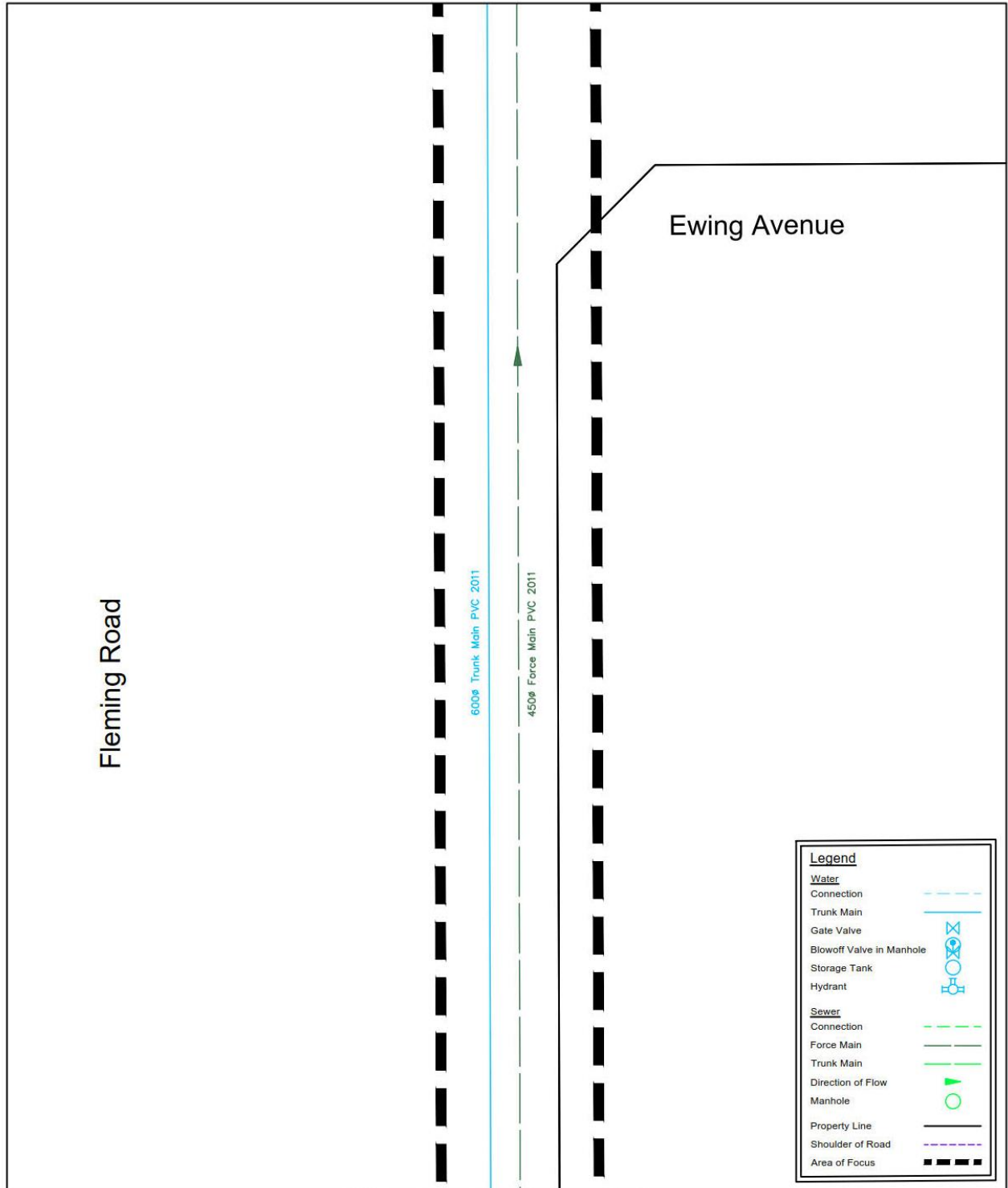
# C5 – Wastewater Forcemain



Wastewater Force Main  
 Fleming Road Lift Station to  
 Dewdney Avenue

Scale 1:5000

C6 – Wastewater Forcemain Detail



Wastewater Force Main  
 Fleming Road Lift Station to  
 Dewdney Avenue - 'Detail'

Scale 1:500

## SCHEDULE “D”

### Water Project List



#### Project Purpose and Objectives Summary - Water

Projects	Project Purpose and Objectives Summary
BPWTP UV	<p>The purpose of this project is to provide an additional disinfection barrier to the water produced at the Buffalo Pound Water Treatment Plant (BPWTP) by means of Ultra Violet (UV) radiation. The objectives of this project are to:</p> <ol style="list-style-type: none"> <li>1) implement two UV reactors capable of treating the plants present rated capacity,</li> <li>2) install piping and appurtenances integral to the UV system, which will improve the hydraulic characteristics of the plant,</li> <li>3) install a third screw pump to provide full redundancy in the plant's pumping capability at the rated capacity, and</li> <li>4) construct a building to contain the UV equipment.</li> </ol>
BPWTP Electrical	<p>The purpose of this project is to construct an electrical substation at the Main Plant to replace the existing substation. The project will also add backup generators and switch gear to allow operation during a power failure as well as install a new power transmission main from the BPWTP Main Plant to the Lake Pump Station.</p>
BPWTP Expansion	<p>The purpose of this project is to expand the capacity of the BPWTP to accommodate growth. The objective is to add 45MLD to the plant capacity.</p>
COR Pump Upgrades	<p>The purpose of this project is to upgrade the pumps/configuration of the City of Regina owned pumps which pump water from the BPWTP clear well to the City reservoirs. The objective is to add approximately 30 MLD of supply to the City system.</p>
Eastern Pressure Solution	<p>The purpose of this project is to maintain level of service for the eastern portion of the City's Primary pressure Zone in response to continued growth throughout the zone. The details of the solution are being refined through the preliminary design and subsequent detailed design or design-build process. The Water Master Plan solution identified construction of additional Water Supply Storage Reservoirs, Potable Water Supply Mains for the New Storage Reservoirs, and a New NE Pumping Station.</p>

## SCHEDULE “E”

### Transportation Network Project List



#### Project Purpose and Objectives Summary - Transportation

Project Name	Purpose and Objectives
Courtney St. Extension (Dewdney Ave. to Saskatchewan Dr. Extension)	The purpose of this project is to provide north-south capacity to service new growth in the west area of the City including Westerra and the GTH. It will provide a connection to Saskatchewan Drive which provides access to Lewvan Drive, the airport and the downtown. The project will include the construction of approximately 1.5 km of new road as well as upgrades to existing roadways.
Courtney St. (Hill Ave to Saskatchewan Dr.) Interim Upgrade	The purpose of this project is to provide north-south capacity to service new growth in the west area of the City including Westerra and the GTH. It will provide additional connections to the Regina ByPass and south Regina. The objective is to upgrade approximately 1.9 km of roadway.
Courtney St. Realignment (Saskatchewan Dr. to Gordon Rd.)	The purpose of this project is to provide north-south capacity to service new growth in the west area of the City including Westerra and the GTH. This project will provide direct access to the south end of the City. The project will include the construction of approximately 4.5 km of new roadway.
Courtney St. Flyover at CP Mainline	The purpose of this project is to provide north-south capacity to service new growth in the west area of the City including Westerra and the GTH. It will provide direct access to the south end of the City. It will also increase the safety and decrease travel times on the roadway by providing a grade separation at a relatively busy railway crossing. The objective is to construct a grade separation to allow Courtney St. to pass over the CP Mainline.

<p>Dewdney Ave. (Twinning) – Courtney St. to Pinkie Rd.</p>	<p>The purpose of this project is to provide east-west capacity to service new growth in the west area of the City including Westerra and the GTH. Dewdney is the primary connection to Regina from the GTH. The objective is to upgrade approximately 1.6 km of existing roadway. This project includes land acquisition in the project cost.</p>
<p>Dewdney Ave. Reconstruction (Fleming Rd. to West City Limit)</p>	<p>The purpose of this project is to provide east-west capacity to service new growth and rehabilitate a roadway that will deteriorate quickly due to high volumes of truck traffic to/from the GTH. This also provides a future connection to Condie Road. The objective is to reconstruct approximately 1.6 km of existing roadway.</p>
<p>Dewdney Ave. twinning (Pinkie Rd. to Fleming Rd.)</p>	<p>The purpose of this project is to provide east-west capacity to service new growth from the GTH. The objective is to upgrade approximately 3.3 km of existing roadway. This project may require upgrades to the Dewdney Ave. bridge over the West Regina Bypass. This project will include land acquisition in the project cost.</p>
<p>Pinkie Rd. bridge and road reconstruction (9<sup>th</sup> Ave. N. to south of Wascana Creek)</p>	<p>The purpose of this project is to provide north-south capacity to service new growth in west and northwest Regina. It will serve as a highway connection and will also provide direct access to Ring Road, Sherwood Industrial Park, and Ross Industrial Park from the GTH. The objective is to upgrade approximately 1.0 km of existing roadway and construct a new bridge over Wascana Creek as the current bridge is in disrepair and restricted to 5 tonne loads.</p>
<p>Pinkie Rd. Flyover at CP Mainline</p>	<p>The purpose of this project is to provide north-south capacity to service new growth in the west area of the City including Westerra and the GTH. It will also increase the safety and decrease travel times on the roadway by providing a grade separation at a relatively busy railway crossing. The objective is to construct a grade separation to allow Pinkie Road to pass over the CP Mainline.</p>



<p>Pinkie Rd. reconstruction (Wascana Creek to Dewdney Ave.)</p>	<p>The purpose of this project is to provide north-south capacity to service new growth in west and northwest Regina. It will serve as a highway connection and will also provide direct access to Ring Road, Sherwood Industrial Park, and Ross Industrial Park from the GTH. The objective is to upgrade approximately 2.5 km of existing roadway.</p>
<p>Pinkie Rd. widening (Dewdney Ave. to Saskatchewan Dr.)</p>	<p>The purpose of this project is to provide north-south capacity to service new growth in the west area of the City including Westerra and the GTH. It will provide a connection to Saskatchewan Drive which provides access to Lewvan Drive, the airport and the downtown. The objective is to upgrade approximately 1.6 km of existing roadway.</p>
<p>Saskatchewan Dr. and Lewvan Dr. Flyover</p>	<p>The purpose of this project is to provide east-west capacity to service new growth in the west end of the city and provide a connection to downtown. It will also increase the safety and decrease travel times on the roadways by providing a grade separation at a busy intersection. The objective is to construct a grade separation to allow Saskatchewan Drive to pass over Lewvan Drive.</p>
<p>Saskatchewan Dr. and Lewvan Dr. Property Purchase</p>	<p>The purpose of this project is to provide east-west capacity to service new growth in the west end of the city and provide a connection from the west to downtown. It will also increase the safety and decrease travel times on the roadways by providing a grade separation at a busy intersection. The objective is to acquire the land required for the Saskatchewan Dr. and Lewvan Dr. Flyover.</p>
<p>Saskatchewan Dr. /13<sup>th</sup> Ave. Extension/Reconstruction (Lewvan Dr. to Courtney St.)</p>	<p>The purpose of this project is to provide east-west capacity to service new growth in the west end of the city and provide a connection from the west to downtown. The objective is to construct approximately 3.5 km of roadway.</p>

<p>Saskatchewan Dr. /13<sup>th</sup> Ave. Extension/Reconstruction (Courtney St. to Pinkie Rd.)</p>	<p>The purpose of this project is to provide east-west capacity to service new growth in the west end of the city and provide a connection from the west to downtown. The objective is to construct approximately 1.6 km of roadway. This project will include land acquisition in the project cost.</p>
<p>9<sup>th</sup> Ave. N Twinning (Courtney St. to Pinkie Rd.)</p>	<p>The purpose of this project is to provide east-west capacity to service new growth in west and northwest Regina. It will serve as a highway connection and will also provide direct access to Ring Road, Sherwood Industrial Park, and Ross Industrial Park. The objective is to upgrade approximately 2.0 km of roadway.</p>
<p>9<sup>th</sup> Ave. N Extension (Pinkie Rd. to West Regina Bypass)</p>	<p>The purpose of this project is to provide east-west capacity to service new growth in west and northwest Regina. It will serve as a highway connection and will also provide direct access to Ring Road, Sherwood Industrial Park, and Ross Industrial Park. The objective is to upgrade approximately 0.8 km of roadway.</p>
<p>9<sup>th</sup> Ave. N Twinning (Pinkie Rd. to West Regina Bypass)</p>	<p>The purpose of this project is to provide east-west capacity to service new growth in west and northwest Regina. It will serve as a highway connection and will also provide direct access to Ring Road, Sherwood Industrial Park, and Ross Industrial Park. The objective is to upgrade approximately 0.8 km of roadway.</p>

**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

<b>WATER</b>			
<b>SAMPLE</b>			
Starting Rate: \$9,520.65		Inflation: 3%	
<b>YEAR</b>	<b>RATE</b>	<b>YEAR</b>	<b>RATE</b>
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 – Payment tracking**

- 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 – Water Capital Contribution Model

Water Calculations - Full Cost Recovery based on 2016 SAF Model Impacted Projects - Applied to 62.6 Hectares									
Projects	Growth Component	City Share	City Share (M\$)	Gross SAF Share (M\$)	Capacity Acquired	GTH Share Formula	GTH Share @ 0.04 MLD (M\$)		
BPTP 235K UV	7	11.50%	\$ 7.00	0.805 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 ML/d		% of Gross cost - based on previous formula for BPWTP	\$ 0.02	2016 SAF Model Project	
Water Supply Capacity Expansion	65	100%	\$ 65.00	65 40 ML/d		ML/d x 1.8 peaking factor / 40 ML/d * \$65M	\$ 0.12	2016 SAF Model Project	
Eastern Pressure Zone Design & Constr.	5	100%	\$ 5.00	5 33.15ML (ADD)		(ML x 1.8 PF) / (33.15 ML x 2.9 PF) x \$55M	\$ 0.00	2016 SAF Model Project	
Eastern Pressure Zone Const.	65	100%	\$ 65.00	65 33.15ML (ADD)		(ML x 1.8 PF) / (33.15 ML x 2.9 PF) x \$65M	\$ 0.05	2016 SAF Model Project	
Eastern Pressure Zone - NPS Upgrades	13	100%	\$ 13.00	13 33.15ML (ADD)		(ML x 1.8 PF) / (33.15 ML x 2.9 PF) x \$13M	\$ 0.01	2016 SAF Model Project	
						Subtotal	\$ 0.23		
						Non-Revenue Water Cost (20%)	\$ 0.05		
						<b>Total</b>	\$ <b>0.27</b>		
						Rate per Hectare	\$ 4,327.46		
						Applied to Developed 62.6 Hectares	\$ 270,898.72		

Category B - Adjustable Payment Schedule for Lands to Be Developed - 2022									
Water Calculations - Full Cost Recovery Basis based on best information available in 2022 - Applied to Remaining 372.9 Hectares*									
Projects	Growth Component %	City Share %	City Share (M\$)	Gross SAF Share (M\$)	Capacity Acquired	City Capacity Acquired	GTH Share Formula	GTH Share @ 0.31 MLD	GTH Share @ 0.96 MLD
BPWTP UV	10%	85%	\$ 12,232,642	\$ 1,223,264	75	63.75	MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 10,707.16	\$ 33,157.66
BPWTP Electrical	10%	85%	\$ 20,133,045	\$ 2,013,304	75	63.75	MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 1,762.34	\$ 54,572.39
BPWTP Expansion	100%	100%	\$ 22,700,000	\$ 22,700,000	45	33.3	MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 380,378.38	\$ 1,177,945.95
COR Pump Upgrades	100%	100%	\$ 9,282,875	\$ 9,282,875	30	30	MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 172,661.48	\$ 534,693.60
Eastern Pressure Solution Part 1A (Storage)	100%	100%	\$ 48,326,157	\$ 48,326,157	85	85	MLD x 2 (2x ADD) / City Capacity Acquired x SAF Cost	\$ 352,496.67	\$ 1,091,602.61
Eastern Pressure Solution Part 1B (Storage)	100%	100%	\$ 31,986,135	\$ 31,986,135	50	50	MLD x 1.8 peaking factor / City Capacity Acquired x SAF Cost	\$ 356,965.27	\$ 1,105,440.83
Eastern Pressure Solution Part 2A (Mains)	100%	100%	\$ 37,801,000	\$ 37,801,000	33.15	33.15	MLD x 1.8 peaking factor / City Capacity Acquired x 1.8 PF x SAF Cost	\$ 353,493.51	\$ 1,094,689.59
Eastern Pressure Solution Part 2B (Mains)	100%	100%	\$ 11,383,457	\$ 11,383,457	33.15	33.15	MLD x 1.8 peaking factor / City Capacity Acquired x 1.8 PF x SAF Cost	\$ 106,451.63	\$ 329,656.67
Eastern Pressure Solution Part 3 (Pumping)	100%	100%	\$ 39,539,583	\$ 39,539,583	33.15	33.15	MLD x 1.8 peaking factor / City Capacity Acquired x 2.9 PF x SAF Cost	\$ 229,501.09	\$ 710,713.05
						Subtotal:		\$ 1,980,277.53	\$ 6,132,472.35
						Non-Revenue Water Cost (20%)		\$ 396,055.51	\$ 1,226,494.47
						Total		\$ 2,376,333.03	\$ 7,358,966.82
						Rate per Hectare:		\$ 6,372.57	\$ 19,734.42
						Applied to Remaining 372.9 Hectares*		\$ 2,376,333.03	\$ 7,358,966.82

\* The total hectares denominator was updated in 2022 from 358.7 hectares to 372.9 (rounded) hectares as a result of the Cargili subdivision which involved the "closure" and consolidation of former road allowance parcels which were previously not included in the land area calculation.





# SAMPLE

**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
<b>TOTAL:</b>		<b>76.2</b>					<b>\$ 769,654.87</b>

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%

# SAMPLE

Year: 2022

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

Projects	Gross Cost (2018 - Year 1)	Completion Year	Estimated or Actual Cost (at last check-in)	Estimated or Actual Cost (inflated to current year at 2% per year)	Growth Component %	City Share %	City Share (M\$)	Gross SAs Share (M\$)	Capacity Acquired	City Capacity Acquired	GTH Share @ 0.95 MLD	
											(M\$)	(M\$)
BPWTP UV	\$ 15,000,000.00	2018	\$ 19,854,632.28	\$ 22,346,563.56	10.0%	85.0%	\$ 18,994,279.03	\$ 1,899,457.90	75	63.75	\$ 16,625.84	\$ 51,486.48
BPWTP Electrical	\$ 55,000,000.00	2019	\$ 45,855,241.74	\$ 50,107,260.74	10.0%	85.0%	\$ 42,591,171.63	\$ 4,292,117.16	75	63.75	\$ 37,279.80	\$ 115,447.13
BPWTP Expansion	\$ 100,000,000.00	2020	\$ 102,316,129.22	\$ 111,825,451.47	100.0%	85.0%	\$ 95,051,833.75	\$ 9,505,183.75	75	63.75	\$ 831,981.36	\$ 2,576,458.40
BPWTP Lake Pump & Clear Well Upgrades	\$ 15,000,000.00	2020	\$ 18,216,962.56	\$ 19,655,254.58	20.0%	85.0%	\$ 16,706,866.39	\$ 3,341,393.28	25	21.25	\$ 87,741.06	\$ 271,714.24
COR Pump Upgrades	\$ 13,000,000.00	2021	\$ 12,897,521.47	\$ 13,284,447.11	100.0%	100.0%	\$ 13,284,447.11	\$ 13,284,447.11	30	30	\$ 247,090.72	\$ 765,184.15
BPWTP Clear Well	\$ 6,000,000.00	N/A	\$ 6,000,000.00	\$ 6,753,052.86	100.0%	85.0%	\$ 5,740,094.93	\$ 3,740,094.93	30	25.5	\$ 125,606.78	\$ 388,975.84
BPWTP Lagoon Expansion	\$ 15,000,000.00	N/A	\$ 15,000,000.00	\$ 16,882,632.15	100.0%	85.0%	\$ 14,350,337.33	\$ 14,350,337.33	150	127.5	\$ 62,803.39	\$ 194,487.92
BPWTP Business Case - New vs Renewal	\$ 250,000.00	N/A	\$ 250,000.00	\$ 281,377.20	100.0%	85.0%	\$ 239,170.62	\$ 239,170.62	0	0	\$ -	\$ -
BPWTP Filter Upgrades	\$ 10,000,000.00	N/A	\$ 10,000,000.00	\$ 11,255,088.10	25.0%	85.0%	\$ 9,566,824.89	\$ 2,391,706.22	50	41.5	\$ 31,401.70	\$ 97,243.96
BPWTP Meds to increase capacity	\$ 40,000,000.00	N/A	\$ 40,000,000.00	\$ 45,029,352.40	100.0%	85.0%	\$ 38,267,299.54	\$ 38,267,299.54	50	41.5	\$ 502,427.13	\$ 1,555,903.38
Reservoir to defer 3rd foremain	\$ 30,000,000.00	N/A	\$ 30,000,000.00	\$ 33,765,264.30	100%	100.0%	\$ 33,765,264.30	\$ 33,765,264.30	50 ML from WMP	50	\$ 376,820.35	\$ 1,166,927.53
Growth Driven Regulatory Storage	\$ 37,000,000.00	N/A	\$ 37,000,000.00	\$ 41,643,825.97	100%	100.0%	\$ 41,643,825.97	\$ 41,643,825.97	85 ML from WMP	85	\$ 393,754.97	\$ 940,660.54
Supply Main to new pump station	\$ 38,000,000.00	N/A	\$ 38,000,000.00	\$ 42,769,334.78	100%	100.0%	\$ 42,769,334.78	\$ 42,769,334.78	13.15 ML ADD	31.15	\$ 399,954.06	\$ 1,238,368.97
Pump Station	\$ 24,000,000.00	N/A	\$ 24,000,000.00	\$ 27,012,211.44	100%	100.0%	\$ 27,012,211.44	\$ 27,012,211.44	13.15 ML ADD	31.15	\$ 156,785.00	\$ 485,577.02
											\$ 3,180,375.66	\$ 9,848,595.58
											\$ 1,562,055.33	\$ 4,969,719.33
											\$ 8,116,310.29	\$ 24,918,876.27
											\$ 2,093,840.16	\$ 6,417,314.69
											\$ 1,722,490.63	\$ 5,292,840.16
											\$ 162.3	\$ 500.00
											\$ 10,639.34	\$ 32,947.63

**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 2022  
 Remaining projects - Inflation applied for 2019, 2020, 2021 and 2022

New field added (compared to Appendix A)  
 Updated to reflect actuals and/or inflation

# SAMPLE

**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	
<b>TOTAL:</b>							<b>195.5</b>	<b>\$ 2,093,840.16</b>

**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%

**SCHEDULE "G"**

Wastewater - Connection Fee Rate Calculation and Capital Contribution Formula

*As attached*

## SCHEDULE “G”

### Wastewater Connection Fee Rate Calculation and Capital Contribution Model

(References sections 7.4, 7.5 and 7.6 of the Agreement)

#### G 1 – Principles

The Wastewater capital contributions shall be based on the following principles:

- (a) The Wastewater Formula shall be adjusted and updated every two (2) years during the Term to ensure accuracy and appropriateness, as follows:
  - (i) Average wastewater flow rates and loading will be calculated based on the most recent samples and monthly averages obtained from the testing completed in accordance with section 5.6 of this Agreement;
  - (ii) If wastewater usage and loading are in excess of the Base Capacity Rate and the Guideline Parameters, the Wastewater Formula will be adjusted to reflect the increased usage by the GTH Lands.
- (b) Upon completion of the Term or expiry of the Agreement, the parties shall complete the Final Wastewater Connection Fee Adjustment in accordance with section 7.6 of this Agreement.

#### G2 – Guideline parameters

Parameter	@ 0.35 ML/d	@ 1.0 ML/d
Chemical oxygen demand (COD)	210 kg/d	600 kg/d
Biochemical oxygen demand (BOD)	150 kg/d	300 kg/d
Phosphorus	10 kg/d	20 kg/d
Total suspended solids (TSS)	200 kg/d	600 kg/d
Total Kjeldal nitrogen (TKN)	40 kg/d	100 kg/d

- The GTH purchased a base capacity rate of 0.35 ML/d with a COD level of 210 kg/d and an initial flow capacity of 0.5 ML/d
- The GTH can purchase up to the Maximum Capacity Rate of 1.0 ML/d with a COD level of 600 kg/d and will be entitled to the upper limits for the other guideline parameters as per the March 17, 2017 memo from AECOM (see G5 – AECOM memo)
  - Methodology for calculating an increase in the base capacity rate, any additional parameter listed above or flow capacity will follow the formula set out in G3

#### G3 – Wastewater Capital Contribution Formula

- Capital cost of WWTP (\$175,000,000) less PPP Canada Funding (\$41,000,000)
  - Net capital cost of \$134,000,000

- The cost and parameters for plan capacity were based on the original EPCOR agreement that was in effect in 2017, plus the City's *Wastewater and Storm Water Bylaw 2016-24*. The maximum limits were established as per the attached memo from AECOM dated March 17, 2017
- The WWTP is designed to process 38,000 kg/d of COD for an annual average day with the GTH estimated to used 210 kg/d which is an average monthly capacity use of 0.5526%
- The capital contribution is calculated based on \$134,000,000 x 0.5526% for a total contribution of \$740,500
- Future calculations for additional capacity would be based on this formula

The limits for each guideline parameter and flow at 0.1 ML/d capacity rate intervals were calculated using the following formula and values:

$$\frac{y - y_0}{x - x_0} = \frac{y_1 - y_0}{x_1 - x_0}$$

*For Guideline Parameters:*

$x_0$  = Starting effluent flow rate (Base Capacity Rate)

$x_1$  = Maximum Capacity Rate

$y_0$  = Starting mass loading (starting Guideline Parameter)

$y_1$  = Maximum mass loading (maximum Guideline Parameter)

$x$  = Capacity rate/interval

$y$  = Permitted guideline parameter amount

*For Flow Capacity:*

$x_0$  = Starting effluent flow rate (Base Capacity Rate)

$x_1$  = Maximum Capacity Rate

$y_0$  = Starting/initial flow capacity

$y_1$  = Maximum flow capacity

$x$  = Capacity rate/interval

$y$  = Permitted flow

Table G1 – Mass loading, flow capacity and connection fee based on capacity rate

Capacity Rate (ML/d)	COD (kg/d)	BOD (kg/d)	Phosphorus (kg/d)	TSS (kg/d)	TKN (kg/d)	Flow Capacity (ML/d)	Average Monthly Capacity (%)	Capacity Purchased (%)	Gross Connection Fee* (\$)	Connection Fee* (\$)
0.35	210	150	10	200	40	0.5	0.5526	0.5526	740,500	740,500
0.4	240	162	11	231	45	0.54	0.6316	0.0790	846,344	105,844
0.5	300	185	12	292	54	0.62	0.7895	0.1579	1,059,930	211,586
0.6	360	208	14	354	63	0.69	0.9474	0.1579	1,269,516	211,586
0.7	420	231	15	415	72	0.77	1.1053	0.1579	1,481,102	211,586
0.8	480	254	17	477	82	0.85	1.2631	0.1579	1,692,554	211,586
0.9	540	277	18	538	91	0.92	1.4211	0.1579	1,904,274	211,586
1.0	600	300	20	600	100	1.0	1.5789	0.1579	2,115,726	211,586

\* Inflation not applied

#### G4 – Sample calculation of capital contribution

Year: 2023

Guideline Parameter amounts as determined by agreed upon testing (for illustration purposes only):

- COD @ 205 kg/d
- BOD @ 157 kg/d
- Phosphorus @ 8 kg/d
- TSS @ 126 kg/d
- TKN @ 42 kg/d
- Flow capacity @ 0.45 ML/d
  
- Based on the above loading and flow level, and the limits set out in table G1, the capacity rate would increase from 0.35 ML/d to 0.4 ML/d as the BOD levels have exceeded 150 kg/d
- The new upper limit for the guideline parameters and flow would be:
  - COD @ 240 kg/d
  - BOD @ 162 kg/d
  - Phosphorus @ 11 kg/d
  - TSS @ 231 kg/d
  - TKN @ 45 kg/d
  - Flow capacity @ 0.54 ML/d
  
- The capital contribution, without inflation, would be calculated as follows:
  - 240 kg/d of COD (GTH)
  - 38,000 kg/d (WWTP)
  - $(240/38000)*100 = 0.6316\%$
  - $\$134,000,000*0.6316\% = \$846,344$
  - $\$846,344 - \$740,500$
  - Wastewater connection fee = \$105,844



- The wastewater connection fee, as well as the initial connection fee with inflation, would be as follows:
  - Capacity Rate @ 0.4ML/d
  - Year: 2023
  - Inflation = 6.462% (As per EPCOR agreement)

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Initial Connection Fee</b>	\$740,500.00	\$788,351	\$839,294	\$893,530	\$951,269	\$1,012,740
<b>Gross Connection Fee</b>	\$846,344.00	\$901,035	\$959,260	\$1,021,247	\$1,087,240	\$1,157,497
<b>Connection Fee</b>	\$105,844.00	\$112,684	\$119,965	\$127,717	\$135,971	\$144,757

- Based on the above table, the connection fee owing to the City in this sample scenario would be \$144,757

# G5 – AECOM Memo



AECOM  
99 Commerce Drive  
Winnipeg, MB, Canada R3P 0Y7  
www.aecom.com

204 477 5381 tel  
204 284 2040 fax

## Memorandum

To	Rob Court	Page	1
CC			
Subject	Regina Wastewater Treatment Plant GTH Wastewater Servicing Agreement		
From	Simon Baker		
Date	March 17, 2017	Project Number	60328779

We have reviewed the document entitled "*Municipal Servicing Agreement, Waste Water Summary, Key Terms and Conditions for an MSA (Draft for review and Discussion – March 8, 2017)*" and offer the following comments:

1. Page 1, third bullet under Context: This refers to costs, as well as in other sections of the document. It would appear that this is related to a capital contribution cost rather than an ongoing operation and maintenance costs incurred by the City. Further clarity on the terms "cost" might be appropriate here and elsewhere in the document.
2. Page 1, second bullet under Summary of Key Terms and Conditions: The "performance standard" referred to throughout the document appears to be the performance standard between GTH and the City, rather than between GTH and its tenants. Some additional text for clarity, or a definition would be useful.
3. Page 1, second bullet under Summary of Key Terms and Conditions: This refers to "concentration" in the context of the performance standard. It appears that the performance standard between GTH and the City is to be based on load rather than concentration.
4. Page 1, fifth bullet under Summary of Key Terms and Conditions: Consider adding a column which shows the bylaw concentrations, to explain where the load values were derived from.
5. Page 1, sixth bullet under Summary of Key Terms and Conditions: This refers to the bylaw values in Appendix 1. But, Appendix 1 appears to be actual wastewater data and not the bylaw limits.
6. Page 1: It is unclear what provisions, if any, relate to costs for ongoing long term treatment of the wastewater from GTH.
7. Page 1: It is unclear what provisions, if any, protect the City from deleterious substances in the GTH wastewater. These are listed in Schedule A (Prohibited Substances), Schedule B (Restricted Substances) and Schedule C (Wastewater Surcharge Substances) in the City's bylaw. Appendix 1 shows, for example, that oil and grease frequently exceeds the bylaw

concentrations. It is unclear how an agreement based on load can protect the City from such substances.

8. Page 2, second bullet under Proposed Capital Contributions from the GTH: It appears that this might be referring to "build-out".
9. Page 2, first bullet under Capital Contributions: The City's wastewater treatment plant is sensitive to low wastewater temperatures. A lagoon system has the potential to feed cold wastewater to the City's plant. Furthermore, some lagoon systems don't discharge in the winter but have a seasonal discharge of cold water in the spring. Further discussions on GTH's effluent temperature might be appropriate if a lagoon system is implemented.
10. Page 2, first bullet under Operational Considerations – Future Discussions: The City's contract with EPCOR is based on monthly average loads. Monthly average loads for GTH would align with the loading criteria for the City's wastewater treatment plant. Having a monthly average would require a few GTH wastewater samples to be taken per month.
11. Page 2, second bullet under Operational Considerations – Future Discussions: Nitrogen is not a key factor in plant capacity unless it increases significantly above the 25 kg/d value described on page 1.
12. Appendix 1: It is unclear where the load values appear from on the right of the table. Reference to the flow rates that were used to calculate the load values would be helpful.
13. Appendix 2: It is unclear if the volume referred to is water flow or wastewater flow.
14. Appendix 2: It would appear that the volume values for the first 5 columns need to be divided by 1000 to align with the units of ML/D.
15. Appendix 2: It is unclear what the A, B, C and D conditions are. It would appear that Row B provides the sensitivity on loads, so the merit of showing A, C and D is uncertain.

We have reviewed the sheets entitled "GTH Wastewater Plant Costs Information" and offer the following comments:

1. Third column has a title called "GTH at Bylaw Limits (5 ML/d flow)". It would appear that the term "5 ML/d" needs to be adjusted to match the flow being used e.g. 0.05 ML/d, 0.35 ML/d etc.
2. Fifth column with title "GTH Percent of Capacity Increase": It appears that the average of the 5 values has been used for the subsequent calculation. The key driver for capital cost for the plant is COD and BOD, and to a much lesser extent TSS. The reason for this is that the COD analysis from a wastewater sample includes the entire BOD and a large portion of the TSS (typically biodegradable and will therefore have a COD). Without having a detailed fractionation of the wastewater into its component parts and characteristics (e.g. unbiodegradable particulate COD, settleable TSS, VSS/TSS ratio etc.) it is not possible to apportion capital costs based on individual COD, BOD, TSS values. The City's plant is also more highly loaded from a COD perspective compared to BOD and TSS i.e. the plant has more BOD and TSS capacity than it does COD capacity. Since COD is the main driver for

plant sizing, and the plant is more COD constrained than BOD or TSS, use of COD alone would appear to be the most rationale and justifiable method for apportioning capital costs.

3. Since BOD, TSS, Phosphorus, TKN, and flow are not significant drivers of capital cost, it would appear that some maximum allowable load values be included. If these are reached, further discussion between the City and GTH might be appropriate. Possible maximum limits are as follows: 100 kg/d for TKN, 20 kg/d for phosphorus, 600 kg/d for TSS, 300 kg/d for BOD and 1 ML/d for flow.

**SCHEDULE “H”**

Transportation – Capital Contribution Calculation and Model

*As attached*

## **SCHEDULE “H”**

### **Transportation Connection Fee Rate Calculation and Capital Contribution Model**

(Reference section 7.8, 7.9 and 7.10 of the Agreement)

#### **H1 – Principles**

The Transportation Model and payment of Transportation Network Capital Contributions shall be based on the following principles:

- (a) The Transportation Project List will determine the total capital cost requirement for the Transportation Network to be included within the Transportation Model using actual construction costs or reasonable estimates of construction cost, as may be required;
- (b) Any substitutions or revisions to the Transportation Project List must be mutually agreed upon by the parties;
- (c) Projects from the Transportation Project List that are completed during the Term shall be included in the Transportation Model at the actual cost of construction, and shall be increased by three (3%) percent per annum during the Term to account for inflation;
- (d) Any grant or other funding received by the City relating to any project on the Transportation Project List from other levels of government shall be offset against the total capital cost requirement for the Transportation Network to be included within the Transportation Model;
- (e) The Undeveloped Lands shall be allocated a percentage factor of the total capital cost requirement as calculated by the Transportation Model and the relative use based on actual traffic counts from the GTH Lands into the Transportation Network on the west side of the City;
- (f) The Transportation Network Capital Contributions 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
- (g) The Transportation Model shall be adjusted and updated every two (2) years during the Term to ensure accuracy and appropriateness of the Transportation Project List and costs included, as follows:
  - (i) Relative use will be calculated based on actual traffic count data collected by the City based on a four (4)-day period (excluding Fridays) between 4pm to 6pm during two (2) representative week periods for all access points into and out of the GTH Lands (including Rotary Avenue) completed within sixty (60) business days of the review;

(ii) The actual costs of the work completed from the Transportation Project List shall be included in the Transportation Model, where possible; and

(iii) The Transportation Project List shall be updated, if required; and

(h) Upon completion of the Term or expiry of the Agreement, the parties shall complete the Final Transportation Capital Contribution Adjustment in accordance with section 7.10 of this Agreement.

**H2 – Transportation Capital Contribution Model**

The Transportation Model shall be as set out in attached Schedule H7.

**H3 – Sample Hectarage rates for full term of agreement**

The following hectarage rates are included for illustration purposes of how the Transportation Model applies to the calculation of hectarage rates (and Network Capital Contributions payable) over the Term:

Calculations are based on the following assumptions:

- GTH does not exceed the limits set out in the Agreement for water, wastewater and transportation
- Assumes full build out at end of capital agreement in 2040
- Projects listed in Schedule E
- 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 Transportation Project List (Schedule E) is updated with actual project costs

<b>TRANSPORTATION</b>			
SAMPLE			
Starting Rate: \$23,900.18		Inflation: 3%	
<b>YEAR</b>	<b>RATE</b>	<b>YEAR</b>	<b>RATE</b>
2018	\$23,900.18	2030**	\$34,075.94
2019*	\$24,617.19	2031*	\$35,098.22
2020**	\$25,355.70	2032**	\$36,151.17
2021*	\$26,116.37	2033*	\$37,235.70
2022**	\$26,899.86	2034**	\$38,352.77
2023*	\$27,706.86	2035*	\$39,503.36
2024**	\$28,538.06	2036**	\$40,688.46
2025*	\$29,394.21	2037*	\$41,909.11
2026**	\$30,276.03	2038**	\$43,166.38
2027*	\$31,184.31	2039*	\$44,461.38
2028**	\$32,119.84	2040^	\$45,795.22
2029*	\$33,083.44		

\* 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

#### **H4 – Sample calculation of hectarage rate**

- The following calculations (Schedule H8) 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

#### **H5 – Sample payment tracking**

The following payment tracking tables are (Schedule H8) 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

#### **H6 - Notes**

- If the actual PM Peak changes, 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 E. 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 of the projects outlined in schedule E



- 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

## H7 – Transportation Capital Contribution Model 2023-2024

Outlined below is the approved Transportation Capital Contribution Model based on the approved project list and calculated based on the actual traffic flows for June and July of 2020. Based on this model, the per hectare cost is \$26,792.48\*.

Transportation Infrastructure						
Project Name	Agreed Upon Projects	City's Calculation of GTH Share	City's Proposed GTH Cost	City's Assumed PM Peak	*Actual Projected PM Peak	Revised GTH Total Contribution
Courtney St. Extension (Dewdney Ave to Saskatchewan Drive, extension)		8.00%		5183	1783	\$ -
Courtney Street (Hill Avenue to Saskatchewan Drive) interim upgrade		3.80%		5183	1783	\$ -
Courtney Street Realignment (Saskatchewan Drive to Gordon Road)		3.80%		5183	1783	\$ -
Courtney Street Flyover at CP Mainline	\$ 11,000,000	6.30%	\$ 693,000	5183	1783	\$ 238,398.42
<b>(1) Total Courtney Street Connector:</b>	<b>\$ 11,000,000</b>	<b>5.48%</b>	<b>\$ 693,000</b>			<b>\$ 238,398.42</b>
Dewdney Ave (Twinning) - Courtney Street to Pinkie	\$ 10,395,000	43.90%	\$ 4,563,405	5183	1783	\$ 1,569,853.58
Dewdney Ave Reconstruction (Fleming Road to West City Limit)		85.40%		5183	1783	\$ -
Dewdney Ave Twinning (Pinkie Road to Fleming Road)	\$ 12,600,000	80.30%	\$ 10,117,800	5183	1793	\$ 3,500,138.03
<b>(2) Total Dewdney Ave Upgrade:</b>	<b>\$ 22,995,000</b>	<b>69.87%</b>	<b>\$ 14,681,205</b>			<b>\$ 5,069,991.61</b>
Pinkie Road (Sherwood Dr to Dewdney Ave)	\$ 12,000,000	1.80%	\$ 216,000	5183	1783	\$ 74,306.00
Removed: Pinkie Road bridge & road reconstruction (9th Ave N to south of Wascana Creek)						
Removed: Pinkie Road reconstruction (Wascana Creek to Dewdney)						
Pinkie Road Flyover at CP Mainline		19.70%		5183	1783	\$ -
Pinkie Road widening (Dewdney Ave to Saskatchewan Drive)	\$ 5,565,000	20.10%	\$ 1,118,565	5183	1783	\$ 384,796.72
<b>(3) Total Pinkie Road Upgrades:</b>	<b>\$ 17,565,000</b>	<b>13.87%</b>	<b>\$ 1,334,565</b>			<b>\$ 459,102.72</b>
Saskatchewan Drive & Lewvan Flyover	\$ 25,000,000	12.50%	\$ 3,125,000	5183	1783	\$ 1,075,028.94
Saskatchewan Drive & Lewvan Property Purchase	\$ 5,250,000	12.50%	\$ 656,250	5183	1783	\$ 225,756.08
Saskatchewan Drive/13th Ave Extension/ Reconstruction (Lewvan Dr to Courtney Street)	\$ 24,380,000	15.50%	\$ 3,778,900	5183	1783	\$ 1,299,976.60
Saskatchewan Drive/13th Ave Extension/ Reconstruction (Courtney Street to Pinkie Road)		23.30%		5183	1783	\$ -
<b>(4) Total Saskatchewan Drive Extension:</b>	<b>\$ 54,630,000</b>	<b>15.95%</b>	<b>\$ 7,560,150</b>			<b>\$ 2,600,761.61</b>
9th Ave N Extension (Pinkie Rd to West Regina Bypass)	\$ 4,830,000	57.70%	\$ 2,786,910	5183	1783	\$ 958,722.85
9th Ave N Twinning (Courtney St to Hwy 11)	\$ 8,000,000	47.70%	\$ 3,816,000	5183	1783	\$ 1,312,739.34
Removed: 9th Ave N. Twinning (Courtney St to Pinkie)						
Removed: 9th Ave N Twinning (Pinkie to West Regina Bypass)						
<b>(5) Total 9th Ave Extension/Upgrades</b>	<b>\$ 12,830,000</b>	<b>52.70%</b>	<b>\$ 6,602,910</b>			<b>\$ 2,271,462.19</b>
<b>TOTAL:</b>	<b>\$ 119,020,000</b>				<b>*Updated for 2020</b>	<b>\$ 10,639,716.55</b>

### \*NOTE

- The Transportation Capital Contribution Model shown above was used to calculate a 2021 Transportation Network Capital Contribution (TNCC) rate equal to \$25,254.49 per hectare.
- In 2021, a 3% inflationary factor was applied to the 2021 TNCC rate to calculate the 2022 TNCC rate of \$26,012.12 per hectare.
- During the 2022 Biennial Review both the City and GTHA agreed to apply a 3% inflationary factor to the 2022 rate to calculate a 2023 rate effective January 1, 2023 equal to \$26,792.48, as opposed to updating the rate during the 2022 Biennial Review using actual traffic flow data from August 2022 due to the presence of significant traffic from construction activity within the GTH skewing the data.
- The 3% inflationary factor will be applied again in 2023 to calculate a 2024 TNCC rate of \$27,596.25.
- Both the City and GTHA agree that the Transportation Capital Contribution Model will be updated in for the 2024 Biennial Review using actual traffic flow data taken at a time agreed to by both parties.

# H8 – Sample project and payment tracking

SAMPLE

Year: 2020

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

Transportation Infrastructure									
Project Name	Agreed Upon Projects (Gross cost 2018 - Year 1)	Completion Year	Estimated or Actual Cost (at last check-in)	Estimated or Actual Cost (inflated to year at 3% per year)	City's Calculation of GTH Share	City's Proposed GTH Cost	City's Assumed PM Peak	Actual Projected PM Peak	Revised GTH Total Contribution (as of 2020)
Courtnay Street Flyover at CP Mainline	\$ 20,000,000.00	2018	\$ 22,589,631.06	\$ 23,965,339.59	6.30%	\$ 1,509,816.39	5183	1537	\$ 447,731
<b>(1) Total Courtnay Street Connector</b>	\$ 20,000,000.00				<b>5.48%</b>	<b>\$ 1,509,816.39</b>			<b>\$ 447,731</b>
Dewdney Avenue (Twinning) - Courtnay Street to Pinkie	\$ 10,395,000.00	N/A	\$ 10,395,000.00	\$ 11,028,055.50	43.90%	\$ 4,841,316.36	5183	1537	\$ 1,495,075
Dewdney Avenue Twinning (Pinkie Road to Fleming Road)	\$ 12,600,000.00	N/A	\$ 12,600,000.00	\$ 13,367,340.00	80.30%	\$ 10,733,974.02	5183	1537	\$ 3,183,121
<b>(2) Total Dewdney Avenue Upgrade</b>	\$ 22,995,000.00				<b>69.87%</b>	<b>\$ 15,575,290.38</b>			<b>\$ 4,618,796</b>
Pinkie Road bridge and road reconstruction (9th Avenue N. to South of Wascana Creek)	\$ 8,400,000.00	N/A	\$ 8,400,000.00	\$ 8,911,560.00	0.90%	\$ 80,204.04	5183	1537	\$ 23,784
Pinkie Road reconstruction (Wascana Creek to Dewdney)	\$ 12,600,000.00	N/A	\$ 12,600,000.00	\$ 13,367,340.00	2.40%	\$ 320,816.16	5183	1537	\$ 95,137
Pinkie Road widening (Dewdney Avenue to Saskatchewan Drive)	\$ 5,565,000.00	N/A	\$ 5,565,000.00	\$ 5,903,906.50	20.10%	\$ 1,186,685.61	5183	1537	\$ 351,907
<b>(3) Total Pinkie Road Upgrades</b>	\$ 26,565,000.00				<b>10.78%</b>	<b>\$ 1,587,705.81</b>			<b>\$ 470,828</b>
Saskatchewan Drive and Lewvan Flyover	\$ 50,000,000.00	N/A	\$ 50,000,000.00	\$ 53,045,000.00	12.50%	\$ 6,630,625.00	5183	1537	\$ 1,966,288
Saskatchewan Drive and Lewvan Property Purchase	\$ 5,625,000.00	N/A	\$ 5,625,000.00	\$ 5,967,562.50	12.50%	\$ 745,945.31	5183	1537	\$ 221,207
Saskatchewan Drive/13th Avenue Extension/Reconstruction (Lewvan Drive to Courtnay Street)	\$ 19,175,000.00	N/A	\$ 19,175,000.00	\$ 20,342,757.50	15.50%	\$ 3,153,127.41	5183	1537	\$ 935,049
<b>(4) Total Saskatchewan Drive Extension</b>	\$ 74,800,000.00				<b>15.95%</b>	<b>\$ 10,529,697.73</b>			<b>\$ 3,122,544</b>
9th Avenue N Twinning (Courtnay Street to Pinkie)	\$ 5,880,000.00	2019	\$ 5,156,933.24	\$ 5,311,641.24	44.10%	\$ 2,342,433.79	5183	1537	\$ 694,540
9th Avenue N Extension (Pinkie Road to West Regina Bypass)	\$ 4,830,000.00	N/A	\$ 4,830,000.00	\$ 5,124,147.00	57.70%	\$ 2,956,632.82	5183	1537	\$ 876,779
9th Avenue N Twinning (Pinkie to West Regina Bypass)	\$ 2,100,000.00	N/A	\$ 2,100,000.00	\$ 2,227,890.00	57.70%	\$ 1,285,492.53	5183	1537	\$ 381,208
<b>(5) Total 9th Ave. Extension/Upgrades</b>	\$ 12,810,000.00				<b>53.17%</b>	<b>\$ 6,584,559.13</b>			<b>\$ 1,952,827</b>
<b>TOTAL</b>	\$ 157,170,000.00								<b>\$ 10,612,827</b>
Inflated payment as of 2020 check-in									
Total balance owing									
Remaining hectares									
Rate per Hectare									

**NOTES**

Courtnay Street Flyover at CP mainline - Inflation applied for 2019 and 2020  
 9th Avenue North Twinning (Courtnay to Pinkie) - Inflation applied for 2020  
 Remaining projects - Inflation applied for 2019 and 2020

New field added (compared to Appendix A)  
 Updated to reflect actuals and/or inflation

# SAMPLE

**YEAR: 2020**

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

**Total Hectares (2018): 357.8**

- Payment to City 30 days after GTH issues building/development permit and is based on the number of hectares being permitted  
 - If land is 36 hectares and only half is being developed, payment would be for 18 hectares

FISCAL YEAR	ADDRESS	# OF HECTARES	RATE	FEE COLLECTED	PAYMENT DATE	REQ./INVOICE #	FEE AMOUNT IN CURRENT YEAR DOLLARS (2020)
2018	123 Pintle Street	10.1	\$ 23,900.18	\$ 241,391.82	31-Jul-18	456789	\$ 256,092.58
2018	123 Sharp Bay	21.5	\$ 23,900.18	\$ 513,853.87	5-Dec-18	567890	\$ 545,147.57
2019*	456 Owens Street	15.9	\$ 24,617.19	\$ 391,413.25	17-Feb-19	678901	\$ 403,155.65
<b>TOTAL:</b>		<b>47.5</b>					<b>\$ 1,204,395.80</b>

Hectares Remaining (2020): **310.3**

**NOTES**

- 123 Pintle Street - Inflation applied for 2019 and 2020
- 123 Sharp Bay - Inflation applied for 2019 and 2020
- 456 Owens Street - Inflation applied for 2020

\*Rate is an estimate. 2018 rate plus 3%

# SAMPLE

**Year: 2022**

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

Transportation Infrastructure									
Project Name	Agreed Upon Projects (Gross Cost 2018 - Year 1)	Completion Year	Estimated or Actual Cost (at last check-in)	Estimated or Actual Cost (inflated to current year at 3% per year)	City's Calculation of GTH Share	City's Proposed GTH Cost	City's Assumed PM Peak	Actual Projected PM Peak	Revised GTH Total Contribution (as of 2022)
Courtney Street Flyover at CP Mainline	\$ 20,000,000.00	2018	\$ 22,589,631.06	\$ 25,424,828.77	6.30%	\$ 1,601,764.21	5183	1537	\$ 474,997
<b>(1) Total Courtney Street Connector</b>	\$ 20,000,000.00		\$ 22,589,631.06	\$ 25,424,828.77	5.48%	\$ 1,601,764.21			\$ 474,997
Dewdney Avenue (Twinning) - Courtney Street to Pinkie	\$ 10,395,000.00	N/A	\$ 10,395,000.00	\$ 11,699,664.08	43.90%	\$ 5,136,152.53	5183	1537	\$ 1,523,108
Dewdney Avenue (Twinning) (Pinkie Road to Fleming Road)	\$ 12,600,000.00	N/A	\$ 12,600,000.00	\$ 14,181,411.01	80.30%	\$ 11,387,673.04	5183	1537	\$ 3,376,973
<b>(2) Total Dewdney Avenue Upgrade</b>	\$ 22,995,000.00		\$ 22,995,000.00	\$ 25,881,075.09	69.87%	\$ 16,523,825.57			\$ 4,900,081
Pinkie Road bridge and road reconstruction (9th Avenue N. to South of Wascana Creek)	\$ 8,400,000.00	N/A	\$ 8,400,000.00	\$ 9,454,274.00	0.90%	\$ 85,088.47	5183	1537	\$ 25,233
Pinkie Road reconstruction (Wascana Creek to Dewdney)	\$ 12,600,000.00	N/A	\$ 12,600,000.00	\$ 14,181,411.01	2.40%	\$ 340,353.86	5183	1537	\$ 100,931
Pinkie Road widening (Dewdney Avenue to Saskatchewan Drive)	\$ 5,365,000.00	2020	\$ 6,135,269.32	\$ 6,508,907.22	20.10%	\$ 1,308,290.35	5183	1537	\$ 387,969
<b>(3) Total Pinkie Road Upgrades</b>	\$ 26,365,000.00		\$ 26,365,000.00	\$ 29,137,692.23	10.78%	\$ 1,733,733.68			\$ 514,132
Saskatchewan Drive and Lewvan Flyover	\$ 50,000,000.00	N/A	\$ 50,000,000.00	\$ 56,275,440.50	12.50%	\$ 7,034,430.06	5183	1537	\$ 2,086,035
Saskatchewan Drive and Lewvan Property Purchase	\$ 5,625,000.00	N/A	\$ 5,625,000.00	\$ 6,330,987.06	12.50%	\$ 791,373.38	5183	1537	\$ 234,679
Saskatchewan Drive/13th Avenue Extension/Reconstruction (Lewvan Drive to Courtney Street)	\$ 19,175,000.00	N/A	\$ 19,175,000.00	\$ 21,581,631.43	15.50%	\$ 3,345,152.87	5183	1537	\$ 991,993
<b>(4) Total Saskatchewan Drive Extension</b>	\$ 74,800,000.00		\$ 74,800,000.00	\$ 84,188,058.99	15.95%	\$ 11,170,956.32			\$ 3,312,707
9th Avenue N Twinning (Courtney Street to Pinkie)	\$ 5,880,000.00	2019	\$ 5,156,933.24	\$ 5,635,120.19	44.10%	\$ 2,485,086.00	5183	1537	\$ 736,944
9th Avenue N Extension (Pinkie Road to West Regina Bypass)	\$ 4,830,000.00	2021	\$ 4,001,698.58	\$ 4,121,749.54	57.70%	\$ 2,378,249.48	5183	1537	\$ 705,261
9th Avenue N Twinning (Pinkie to West Regina Bypass)	\$ 2,100,000.00	N/A	\$ 2,100,000.00	\$ 2,363,568.50	57.70%	\$ 1,363,779.03	5183	1537	\$ 404,424
<b>(5) Total 9th Ave. Extension/Upgrades</b>	\$ 12,810,000.00		\$ 12,810,000.00	\$ 14,120,438.23	53.17%	\$ 6,227,116.51			\$ 1,846,629
<b>TOTAL</b>	\$ 157,170,000.00		\$ 157,170,000.00	\$ 177,918,116.51		\$ 17,918,116.51			\$ 5,312,707
Inflated payment as of 2022 check-in									
Total balance owing									
Remaining hectares									
Rate per Hectare									

**NOTES**

Courtney Street flyover at CP mainline - Inflation applied for 2019, 2020, 2021 and 2022  
 9th Avenue North Twinning (Courtney to Pinkie) - Inflation applied for 2020, 2021 and 2022  
 Pinkie Road widening (Dewdney Avenue to Saskatchewan Drive) - Inflation applied for 2021 and 2022  
 9th Avenue N Extension (Pinkie Road to West Regina Bypass) - Inflation applied for 2022  
 Remaining projects - Inflation applied for 2019, 2020, 2021 and 2022

New field added (compared to Appendix A)  
 Updated to reflect actuals and/or inflation

# SAMPLE

**YEAR: 2022**

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

**Total Hectares (2018): 357.8**

- Payment to City 30 days after GTH issues building/development permit and is based on the number of hectares being permitted  
 - If land is 36 hectares and only half is being developed, payment would be for 18 hectares

YEAR	ADDRESS	# OF HECTARES	RATE	FEE COLLECTED	PAYMENT DATE	REQ/INVOICE #	FEE AMOUNT IN CURRENT YEAR DOLLARS (2022)
2018	123 Pintle Street	10.1	\$ 23,900.18	\$ 241,391.82	31-Jul-18	456789	\$ 271,688.62
2018	123 Sharp Bay	21.5	\$ 23,900.18	\$ 513,853.87	5-Dec-18	567890	\$ 578,347.06
2019*	456 Owens Street	15.9	\$ 24,617.19	\$ 391,413.25	17-Feb-19	678901	\$ 427,707.82
2020**	456 Fleming Road	33.2	\$ 30,319.47	\$ 1,006,606.33	3-Aug-20	852741	\$ 1,067,908.66
2021^	789 Owens Street	19.8	\$ 31,229.05	\$ 618,335.23	17-Mar-21	963852	\$ 636,885.28
		<b>TOTAL:</b>	<b>100.5</b>				<b>\$ 2,982,537.44</b>

**Hectares Remaining (2022): 257.3**

**NOTES**

- 123 Pintle Street - Inflation applied for 2019, 2020, 2021 and 2022
- 123 Sharp Bay - Inflation applied for 2019, 2020, 2021 and 2022
- 456 Owens Street - Inflation applied for 2020, 2021, 2022
- 456 Fleming Road - inflation applied for 2021 and 2022
- 789 Owens Street - 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 Trans Calculation (2020)" for rate.  
 ^Rate is an estimate. 2020 rate plus 3%

# SCHEDULE "I"

## GTH Drainage Channel Construction Permits & Maps

### I1 – Drainage Channel Easements

Section	Legal Land Description	Surface Parcel No.	Owner	Encumbrance	Interest Register N. / Interest No.	Notes
Section 13	NE 23-17-21 W2 (Bk A Plan No.10207023 Ext 0)	16410337	Canadian Pacific Railway			Ministry undertook to obtain this easement; 2009 correspondence
	SW 23-17-21 W2 (Bk A Plan No.10207023 Ext 0)	16410346	Canadian Pacific Railway			Ministry undertook to obtain this easement; 2009 correspondence
Section 18	SW 18-17-20 W2	16410335	Canadian Pacific Railway			Ministry undertook to obtain this easement; 2009 correspondence
Section 19	SW 19-17-20 W2 (Bk F Plan No.10207029 - surveyed right of way) [previously part of SP109551744]	16506489	Crown (Saskatchewan)	Utility Easement Agreement dated 12/01/2010	11827102 / 15832456	Easement granted by previous owner (10113561 SK Ltd.)
Section 22	SE 22-17-21 W2 (surveyed right of way)	132044314	Crown (Saskatchewan)	Utility Easement Agreement dated 21/02/2009		Ministry authorized construction and undertook to provide easement; 2009 correspondence
	SW 22-17-21 W2 (Bk B Plan GA2089 Extension 1)	163504784	Agripart Development Group Inc.	Utility Easement Agreement dated 21/02/2009	115826701 / 175462026	
	SW 22-17-21 W2 (Bk B Plan GA2089 Extension 2)	163504794	Agripart Development Group Inc.	Utility Easement Agreement dated 21/02/2009	115826733 / 149038601	
	SE 22-17-21 W2 (Bk B Plan GA2089 Extension 1)	163504795	Skyview Land Development Ltd.	Utility Easement Agreement dated 21/09/2009	115862755 / 149038623	
	SE 22-17-21 W2 (Bk B Plan GA2089 Extension 2)	163504795	Agripart Development Group Inc.	Utility Easement Agreement dated 21/09/2009	115862755 / 149038634	
	SE 22-17-21 W2 (previously SP110623441)	166137554	Cowbush11	Utility Easement Agreement dated 08/09/2009	115818332 / 159792189	Easement granted by previous owner (Cowbush). Land subsequently subdivided and partially sold to Shabowski
Section 23	SW 23-17-21 W2 (Extension 1)	110621029	Wignome Farms	Utility Easement Agreement dated 26/09/2009	121609289 / 173246806	
	SW 23-17-21 W2 (Extension 2) [previously SP110627039]	203253645	Wignome Farms	Utility Easement Agreement dated 26/09/2009	121609289 / 175462177	At time of grant of easement this was part of SW 23-17-21 W2 (Extension 2); SP#110627039.
	SW 23-17-21 W2 (Extension 2) [previously SP110627039]	203253834	Natural Specialty Crops Co. ULC	Utility Easement Agreement dated 26/09/2009	121609289 / 174101559	At time of grant of easement this was part of SW 23-17-21 W2 (Extension 2); SP#110627039.
	SE 23-17-21 W2 [previously SP110623012]	164852949	Wignome Farms	Utility Easement Agreement dated 26/09/2009		At time of grant of easement this was Surface Parcel #110623012
Section 24	SW 24-17-21 W2 (surveyed right of way)	16506489	Crown (Saskatchewan)	Utility Easement Agreement dated 11/09/2009		Ministry authorized construction and undertook to provide easement; 2009 correspondence
	SE 24-17-21 W2 (Bk A Plan 10207029 Ext 0 SP #166081384)	166081394	GTHA	Utility Easement Agreement dated 11/09/2009	118184475 / 158332529 118184475 / 157339368	Easement granted by previous owner (Habeger)

## **I2 – Drainage Channel Construction Permit and Maps**

*As attached*

## **SCHEDULE "J"**

### **Requirements for Connection of Third Party Water Services to Wastewater System**

#### **J1 – Connection**

In addition to compliance with all other requirements as generally set out in the Agreement, the extension or connection of Wastewater Services to any development using Alternate Water Services shall be subject to compliance with the following requirements:

- (a) the GTHA shall implement, and require its tenant or occupant of any GTH Lands receiving Alternate Water Service, to implement a wastewater testing program satisfactory to the City (the "Testing Program") to test any effluent resulting from the Alternate Water Services or generated from industrial processes associated with the Alternate Water Services to ensure compliance with the Base Capacity Rate and the Guideline Parameters and parameters set out in the Applicable Law. For greater certainty, the GTHA acknowledges and agrees that the City, acting reasonably, may in its sole discretion require the Testing Program to be adjusted from time to time to include additional or revised testing measures;
- (b) the Testing Program shall be conducted at a wastewater sampling point location satisfactory to the City, that allows for wastewater to be tested prior to the point of connection to the Wastewater System and prior to such wastewater mixing with other GTH sewer wastewater;
- (c) the Testing Program shall be conducted at least monthly, with the specific duration and frequency of the samples taken to be as reasonably established from time to time by the City and notified in writing to the GTHA;
- (d) the Testing Program samples shall be analysed by a Canadian Association for Laboratory Accreditation accredited laboratory approved by the City;
- (e) all results from samples analysed pursuant to the Testing Program shall be provided to the City, in .pdf and excel format reports, within three weeks of the test being conducted;
- (f) an automated composite sampler capable of taking hourly samples from the sampling location must be implemented;
- (g) the City may, in its sole discretion, require implementation of an oil water interceptor
- (h) in the event testing conducted pursuant to this Schedule indicates wastewater loading exceeding any of the Operating Parameters at the testing point, the provisions of section 8.2 of the Agreement apply and, the City may, in its sole discretion, revoke the permission granted for connection to the Wastewater System pursuant to section 5.5.1 of the Agreement; and



- (i) if determined to be required by the City, in its sole discretion, the GTHA and its tenant or occupant of the GTH Lands receiving Alternate Water Service shall install a pre-treatment system satisfactory to the City, in accordance with section 44 of the Wastewater Bylaw.