



CROSS-BORDER SERVICING AGREEMENT

THIS AGREEMENT dated this _____ day of _____ , 2017.

BETWEEN:

THE CORPORATION OF THE TOWNSHIP OF NORTH HURON (Hereinafter called "North Huron")

OF THE FIRST PART

- and -

THE CORPORATION OF THE MUNICIPALITY OF MORRIS-TURNBERRY (Hereinafter called "Morris-Turnberry")

OF THE SECOND PART

WHEREAS Section 20 of the Municipal Act, 2001, S.O. 2001, c. 25, as amended, authorizes a municipality to enter into an agreement with one or more municipalities or local bodies to jointly provide, for their joint benefit, any matter which all of them have the power to provide within their own boundaries;

AND WHEREAS North Huron currently provides potable water to, and receives and treats wastewater from, properties located in Morris-Turnberry;

AND WHEREAS additional sanitary sewers, sewer outlets, water mains, outlets, connections and other municipal services (the "Services") may at the discretion of North Huron be constructed and extended onto properties located in Morris-Turnberry and be serviced by North Huron;

AND WHEREAS the parties hereto wish to set out their respective rights and obligations regarding the provision of municipal services to properties located in Morris-Turnberry by North Huron.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and agreements contained herein and the sum of two dollars (\$2.00) paid by each of the parties hereto to the other party hereto, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

GENERAL TERMS OF SERVICING

- 1. Attached hereto as Schedule "A" is a list of properties located within Morris-Turnberry which shall be serviced with potable water provided by North Huron during the term of this Agreement (the "Water Properties").
- 2. Attached hereto as Schedule "B" is a list of properties located within Morris-Turnberry which shall be serviced with wastewater services provided by North Huron during the term of this Agreement (the "Sanitary Sewer Properties").
- **3.** Attached hereto as Schedule "D" and "E" is Township of North Huron Application for Water and Sewer Service. These applications must be completed by the applicant and submitted to the North Huron Director of Public Works as part of the process to connect to the water and sewer systems.
- 4. Attached hereto as Schedule "F" is Morris Turnberry Annual Financial Contribution Summary to North Huron services in accordance with Clause 3 c) i) of the Township of North Huron Cross Border Services Policy. Such schedule shall be reviewed at least once during the term of the agreement, and may be renegotiated to the agreement of both parties. North Huron reserves the right to request an amendment to this schedule in conjunction with new service requests from Morris Turnberry.
- 5. All servicing requests and inquiries must be directed to the North Huron Director of Public Works. For all Morris Turnberry properties requiring servicing, North Huron shall be engaged during the pre-consultation stage, and shall be circulated on Site Plan and Site Servicing drawings as a commenting agency. At its own discretion, North Huron may request additional information with respect to capacity, peak demands or sewage treatment requirements specific to the proposed development. North Huron may seek advice from the Operating Authority and/or third party consultants to verify system adequacy or potential constraints. Costs for third party review shall be borne by Morris Turnberry, or through and Agreement with Developer, at the discretion of North Huron.
- 6. Developments deemed to be large water users, those requiring higher peak demands or producing sewage effluent with constituents or flow rates exceeding the thresholds in the sewer use by-law will be considered on an individual basis, regardless of whether they have been included in the attached Schedules "A" or "B". North Huron reserves the right to approve or deny any request to connect to North Huron water or sanitary sewer systems based on North Huron's ability to meet the specific needs of the individual development. North Huron may require an Agreement directly with Developers, at the sole discretion of North Huron. Such Agreements may address such matters as establishment of thresholds for daily/peak flows, or effluent constituents, requirement for on-site sewage pre-treatment systems, additional fees for exceedance of established parameters, penalties or fines for non-compliance or any other requirements deemed necessary by North Huron.
- 7. The parties hereby acknowledge and agree that the Water Properties and the Sanitary Sewer Properties shall only be serviced by North Huron provided there is sufficient capacity available to North Huron to first meet the needs of its own residents.

- 8. The provision of potable water and sanitary sewer services to the Water Properties and the Sanitary Sewer Properties shall not be construed to mean that North Huron will support and/or provide these or other municipal services to any other lands that are not subject to a municipal servicing agreement approved by North Huron, now or in the future.
- **9.** The Services, installed to the property line and including the water meter, shall remain in the ownership of North Huron and all maintenance, repairs, alterations and replacement of the Services shall be carried out by North Huron or its agents to North Huron's sole satisfaction.
- **10.** North Huron and Morris-Turnberry agree that the Capacity Assignment listed on Schedules "A" & "B" will be reviewed at least once during the term of the agreement, and may be amended or reassigned at the sole discretion of North Huron.

WATER SERVICING

- 11. The parties agree that the municipal water Services extended from North Huron to the Water Properties pursuant to this Agreement shall only be used to service the Water Properties within the volumes assigned in Schedule "A" during the term of this Agreement unless otherwise permitted by North Huron in writing. Without limiting the generality of the foregoing, no connections shall be made to the Services without North Huron's prior written consent, which may be withheld in its sole discretion.
- **12.** Morris-Turnberry shall ensure that all Water Properties have an installed water meter supplied by North Huron.
- **13.** North Huron shall be responsible for the maintenance, repairs and replacement of the municipal water Services, pursuant to this agreement, on public lands or easements within both North Huron and Morris-Turnberry, and Morris-Turnberry hereby grants to North Huron the irrevocable right in the nature of an easement to enter on, over, into and under such lands for such purposes.
- 14. North Huron may, at North Huron's expense, conduct periodic watermain leak detection on the water service infrastructure, pursuant to this agreement, within Morris-Turnberry's boundaries. If the leak detection levels are of concern to North Huron, Morris-Turnberry shall initiate a watermain repair program, at Morris-Turnberry's expense, for the water services located on public lands within Morris-Turnberry and water services located within easements in favour of Morris-Turnberry within a reasonable period of time. Any dispute between the parties as to the leak detection levels and/or the necessity to undertake a watermain repair program shall be resolved by an independent third party consulting engineer collectively retained and mutually agreed upon and paid for by the parties, and the decision of the third party consulting engineer shall be binding on the parties.
- **15.** The parties agree that there shall be no private wells allowed to be cross-connected with the municipal water Services system or to discharge to the municipal sanitary Services without the prior written approval of both North Huron and Morris-Turnberry.

16. The parties agree that water Services under this Agreement shall be designed to prevent the backflow of non-potable or contaminated water into the municipal water Services.

SANITARY SEWER SERVICING

- 17. The parties agree that the municipal sanitary sewer portion of the Services extended from North Huron to the Sanitary Sewer Properties pursuant to this Agreement shall only be used to service the Sanitary Sewer Properties within the volumes assigned in Schedule "B" during the term of this Agreement unless otherwise permitted by North Huron in writing. Without limiting the generality of the foregoing, no additional connections or capacity shall be made to the Services without North Huron's prior written consent, which may be withheld in its sole discretion.
- **18.** North Huron shall be responsible for the maintenance, repairs and replacement of the sanitary sewer Services, pursuant to this agreement, on public lands or easements within both North Huron and Morris-Turnberry, and Morris-Turnberry hereby grants to North Huron the irrevocable right in the nature of an easement to enter on, over, into and under such lands for such purposes.
- **19.** The sanitary sewage volumes shall be calculated using a monthly average with the assumption that the sanitary sewage flow will be equal to the potable water usage. Alternately, Morris-Turnberry, at their expense, may have a suitable sanitary sewage flow measuring device installed and maintained at any individual sewer property, at North Huron's sole discretion.
- **20.** The parties agree that sanitary sewer Services under this Agreement shall be designed and installed to strictly prohibit the connection of foundation drains, roof leaders and any other surface or ground waters from entering the sanitary sewer Services.

FINANCIAL

- 21. The Council of North Huron shall set the water service rates and the sewage service rates for users outside the boundaries of North Huron. The parties agree that the rates for such services are set out in the current Township of North Huron Rates and Fees By-law. The rates in effect at the time of the passing of this Agreement are attached Schedule "C". North Huron shall have the authority to amend the water service rates and/or the sewage service rates from time to time, without notice and in its sole discretion, provided that rates for users outside the boundaries of North Huron shall not exceed 150% of the rates paid by similar users within the boundaries of North Huron.
- 22. North Huron agrees to read and maintain the water meters and all related water supply and sewage collection facilities constructed to serve the Water Properties and the Sanitary Sewer Properties.
- **23.** Morris-Turnberry shall collect from the owners and/or tenants of the Water Properties and the Sanitary Sewer Properties their proportionate share of the water service rates and the sewage service rates. Morris-Turnberry shall pay to North Huron, within thirty (30) days of receipt of an

invoice from North Huron, the full amount of the outstanding water service rates and sewage service rates owing for the applicable period regardless of whether or not Morris-Turnberry has been able to collect the proportionate share from the end-user. Any delay in payment shall result in penalty charges and interest accruing consistent with North Huron's standard practice for overdue utility accounts.

- 24. Morris-Turnberry agrees to pay to North Huron its proportionate share of the replacement cost of water and sanitary sewage Services incurred by North Huron which is attributable to the increased volume and use required to service the Water Properties and the Sanitary Sewer Properties. The replacement cost shall be calculated as per the Capital Charge or Infrastructure Recovery Fee set out in Schedule "C" to this Agreement. North Huron shall have the authority to amend the Capital Charge or Infrastructure Recovery Fee from time to time, without notice and in its sole discretion, based on the opinion of a duly qualified professional engineer.
- 25. Morris-Turnberry agrees to pay to North Huron a Hydrant Charge as set out in Schedule "C".
- 26. The cost to install water and/or sewage services shall be based on the actual cost to install the service to the property line of the Water Property or the Sanitary Sewer Property, as the case may be, as per the Connection Charge as set out in Schedule "C" to this Agreement. The Charge or Fee shall be recoverable from Morris-Turnberry by North Huron in the same manner as the water service rates and the sewage service rates.
- 27. Morris-Turnberry shall reimburse North Huron for its cost of preparing this Agreement.

GENERAL

- 28. Morris-Turnberry shall adopt and enforce a sewer use by-law for the control of discharges to municipal sewers that contains the same provisions and is consistent with By-law No. 37-2004 of North Huron. In the event By-law No. 37-2004 is amended or replaced, Morris-Turnberry shall as soon as practicable amend or replace its sewer use by-law to ensure the by-laws remain consistent. Morris-Turnberry shall provide a copy of its most current sewer use by-law to North Huron.
- **29.** Morris-Turnberry shall indemnify and hold harmless North Huron from and against any and all actions, causes of action, suits, claims, demands and costs of any nature or kind whatsoever arising under or in way related to this Agreement or the Services, unless such costs are due solely to the negligence of North Huron.
- **30.** All disputes relating to this Agreement shall be resolved by arbitration in accordance with the following procedure:
 - (a) the party wishing to commence the arbitration process shall give written notice to the other party advising that it is exercising its right to submit the issue in dispute to arbitration by a single arbitrator (the "Arbitrator") and providing the names of three (3) potential Arbitrators who are acceptable to it;
 - (b) within ten (10) days of receipt by the other party of the notice referenced in subsection 27(a), the parties shall agree upon an Arbitrator, either one named in such notice or

otherwise, failing which either party may seek the appointment of an Arbitrator by a judge of the Superior Court of Justice (Ontario);

- (c) the arbitration shall be conducted in accordance with the provisions of the Arbitration Act, 1991 or its successor legislation as the case may be; and
- (d) the Arbitrator's award shall be in writing, shall state the reasons for the award, may include an award of costs (including reasonable legal fees and disbursements and fees and expenses of the Arbitrator) and shall be binding on the parties.
- **31.** In the event of an occurrence of an unauthorized connection or alteration to the Services, or the extension of water services and/or sanitary sewer services to any property not set out in Schedules "A" or "B" to this Agreement, North Huron shall have the authority to immediately terminate the provision of water services and/or sanitary sewer services to the Water Properties and/or the Sanitary Sewer Properties.
- **32.** This Agreement shall run for a term of five (5) years from the date first written above at which time, subject to the terms hereof and unless either party provides notice in writing to the contrary at least one (1) year in advance of the first or any subsequent termination date, the agreement will be automatically renewed for successive periods of five (5) years. The parties hereto agree that this Agreement may not be amended except with the mutual written consent of both parties. Any written notice or account under this Agreement shall be deemed properly given if either mailed or delivered by facsimile to the parties at the addresses as follows:
 - (a) To North Huron:

The Corporation of the Township of North Huron, PO Box 90, 274 Josephine Street, WINGHAM, ON N0G 2W0 Attn: Kathy Adams, Director of Corporate Services, Deputy Clerk Fax: 519.357.1110

(b) To Morris-Turnberry:

The Corporation of the Municipality of Morris-Turnberry 41342 Morris Road, PO Box 310, BRUSSELS, ON NOG 1H0 Attn: Nancy Michie, Administrator Clerk-Treasurer Fax: 519.887.6424

- **33.** This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Province of Ontario and the laws of Canada applicable therein.
- **34.** This Agreement supersedes all former agreements passed under the authority of the Municipal Act and hereby replaces and revokes By-Law No. 58-2010 of the Township of North Huron and By-law No. 79-2010 of the Municipality of Morris-Turnberry; and By-Law No. 2445 (1999) of the Town of Wingham and By-Law No 7 (1999) of the Township of Turnberry.

35. This Agreement may be executed in counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and shall be effective as of the formal date hereof. This Agreement may also be executed by facsimile or pdf, and any signature contained hereon by facsimile or pdf shall be deemed to be equivalent to an original signature for all purposes. Any party delivering this Agreement by facsimile or pdf, shall forthwith deliver originally executed copies to the other party hereto.

IN WITNESS WHEREOF this Agreement has been executed by the proper signing officers of the parties, who have been duly authorized in that regard.

THE CORPORATION OF THE TOWNSHIP OF NORTH HURON

Per:

Neil Vincent Reeve

Per:

Kathy Adams Director of Corporate Services, Clerk

THE CORPORATION OF THE MUNICIPALITY OF MORRIS-TURNBERRY

Per:

Paul Gowing Mayor

Per:

Nancy Michie Administrator Clerk-Treasurer

SCHEDULE "A"

WATER PROPERTIES

Roll Number	Owner	Property Description	Capacity Assignment	
			(m³/day)	
1. 40 60 540 001 00805	Joe Kerr Ltd.	Con 1 Pt Lot 7 As RP 22R-2829 Part 1	2	
2. 40 60 540 001 00900	Leslie Motors Ltd.	Con 1 Pt Npt Lot 7 and 8 as RP 22R2829 Part 3	2	
3. 40 60 540 001 00905	MW Simpson Construction Ltd	Concession 1 Part Lot 8, Morris, as RP 22R 1196, Part 2	To be established	
4. 40 60 540 001 00940	Wescast Industries Inc.	Con 1 Pt Lots 7, 8, 9, 10 AS RP 22R4246 Parts 1 & 2	654	
5. 40 60 490 001 00450	Pioneer Hi-Bred Production LP	Con 1 Pt Lots 7,8 Turnberry	2	
6. 40 60 490 001 00501	Municipality of Morris- Turnberry	Con 1 S Pt Lot 9 Turnberry Central School	7.5	
7. 40 60 490 020 07400	Royal Homes Limited	Plan 410 Park Pt Lot 26 S of RR as RP 22R2467 Part 3	1	
8. 40 60 490 020 07700	Royal Homes Limited	Plan 410 Park Lot 27 & 28 Pt Park Lot 26 as RP 22R2467	1	
9. 40 60 490 020 07900	Green's Meat Market &. Abattoir Ltd.	Plan 410 Pt Park Lot 30 and RP 22R4063 Part 1	To be established	
10. 40 60 490 023 00125	1822007 Ontario Inc. 'Britespan'	Plan 432 Lot 17 Part Lot 18 as 22R2824 Part 5	1	
11. 40 60 490 023 00300	Kenneth J. VanderWoude Wendy VanderWoude	Plan 432 Lot 14	1	
12. 40 60 490 023 00400	Peter Stacey	Plan 432 Pt Park Lot 13	1	
13. 40 60 490 023 00500	Bradley Van Niekert	Plan 432 Pt Park Lot 12, 13 As RP 22R1807 Part 1	1	
14. 40 60 490 023 00600	Terese Gebhardt	Plan 432 Pt Lot 12	1	
15. 40 60 490 023 00700	Johannes and Annaluise Weigand	Plan 432 Pt Lot 11 Pt Lot 12	1	
16. 40 60 490 023 00860	914572 Ontario Ltd. C/O Rob Stute	Plan 432 SE Pt Lots 15,16 63 North St W	5	
17. 40 60 490 023 01500	J E Hodgins Lumber	Con 8 Pt Lot 24 including RP 22R 366 Part 1	1	
18. 40 60 490 023 01600	Jake and Annie Kikkert	Plan 432 Park Lot 10, Pt Park Lots 11, 12, 13	1	

19. 40 60 490 023 99800	Municipality	of	Morris-	Con 8 Pt Lots 22, 23,24 Con 9	1
	Turnberry			Pt Lot 9 Former CPR lands	

SCHEDULE "B"

SANITARY SEWER PROPERTIES

Roll Number	<u>Owner</u>	Property Description	<u>Capacity</u> Assignment
			<u>(m³/day)</u>
1. 40 60 540 001 00805	Joe Kerr Ltd.	Con 1 Pt Lot 7 As RP 22R-2829 Part 1	2
2. 40 60 540 001 00900	Leslie Motors Ltd.	Con 1 Pt Npt Lot 7 and 8 as RP 22R2829 Part 3	2
3. 40 60 540 001 00905	MW Simpson Construction Ltd.	Concession 1 Part Lot 8, Morris, as RP 22R 1196, Part 2	To be established
4. 40 60 540 001 00940	Wescast Industries Inc.	Con 1 Pt Lots 7,8,9,10 as RP 22R4246 Parts 1 & 2	200
5. 40 60 490 001 00450	PioneerHi-Bred Production LP	Con 1 Pt Lots 7,8 Turnberry	2
6. 40 60 490 001 00501	Municipality of Morris- Turnberry	Con 1 S Pt Lot 9 Turnberry Central School	7.5
7. 40 60 490 001 00600	Marilyn VanHeesch	Con 1 Spt Lot 9	5.2
8. 40 60 490 020 07900	Green's Meat Market & . Abattoir Ltd.	Plan 410 Pt Park Lot 30 and RP 22R4063 Part 1	To be established
9. 40 60 490 023 00125	1822007 Ontario Inc. 'Britespan'	Plan 432 Lot 17 Part Lot 18 as 22R2824 Part 5	1
10. 40 60 490 023 00300	Kenneth J. VanderWoude Wendy VanderWoude	Plan 432 Lot 14	1
11. 40 60 490 023 00500	Bradley VanNiekert	Plan 432 Pt Park Lot 12, 13 As RP 22R1807 Part 1	1
12. 40 60 490 023 00600	Terese Gebhardt	Plan 432 Part Lot 12	1
13. 40 60 490 023 00700	Johannes and Annaluise Weigand	Plan 432 Part Lot 11, 12	1

14. 40 060 490 023 00860	914572 Ontario Ltd. C/O Rob Stute	Plan 432 SE Pt Lots 15,16 63 North St W	5
15. 40 60 490 023 02601	Mac Gowan Nursing Homes Ltd.	Con 8 Pt Lot 23 and RP 22R727 Parts 1, 2, & 3	Equivalent of 25 homes
	1820007 Ontario Inc. "Britespan"		

SCHEDULE "C"

CROSS-BORDER SERVICING RATES

1. Water Rate

The rate for authorized Morris-Turnberry water users is established at 150% of the North Huron base rate, plus 150% of the normal North Huron rate per cubic metre of water, plus 100% of the normal North Huron capital reserve rate.

Municipality of Morris-Turnberry costs will be:

Consumption Costs:

"premises" shall mean any house, tenement, apartment, living unit, building, lot, or part of a lot, or both, in, through, or past which water service pipes run.

Residential/Small Commercial Costs/Institutional per premises – Monthly Industrial Costs - Larger than one (1) inch service - Monthly

As per current Township of North Huron Fee By-law

Capital Charge or Infrastructure Recovery Fee:

There is a one-time Capital Charge or Infrastructure Recovery Fee of \$2,500.00 per Capacity Assignment (residential house or equivalent). Without limiting the generality of the main body of this Agreement, North Huron shall have the authority to amend the Capital Charge or Infrastructure Recovery Fee from time to time, without notice and in its sole discretion, based on the opinion of a duly qualified professional engineer with respect to the annual average, peak usage and proportionate share of replacement capacity, or in accordance with a Development Charges By-law enacted by North Huron.

Connection Charge:

The Connection Charge shall be the actual costs of material and labour to install the water service to the property line. The customer must install a water meter supplied by the Township of North Huron at the customer's expenses.

The Consumption Costs, Watermain Frontage Cost, Capital Charge or Infrastructure Recovery Fee and Connection Charge shall be the responsibility of the Municipality of Morris-Turnberry and shall be recovered from the owners or tenants of the affected properties by Morris-Turnberry.

Hydrant Charge:

The Hydrant Charge shall be \$400 per hydrant per annum for hydrants entirely servicing Morris-Turnberry and \$200 per hydrant per annum for hydrants along shared border of Morris-Turnberry and North Huron.

2. Sewer Rate

Residential Rates:

The monthly sewage rate for authorized Morris-Turnberry sanitary sewer connections shall be at 1.5 times the standard residential North Huron sewer rate plus 100% of the normal North Huron capital reserve rate.

Capital Reserve:

A capital reserve will be added to all Residential, Commercial, Industrial and Institutional properties, at the same rate as the water capital reserve.

Capital Charge or Infrastructure Recovery Fee:

There is a one-time Capital Charge or Infrastructure Recovery Fee of \$3,500.00 per Capacity Assignment (residential house or equivalent). Without limiting the generality of the main body of this Agreement, North Huron shall have the authority to amend the Capital Charge or Infrastructure Recovery Fee from time to time, without notice and in its sole discretion, based on the opinion of a duly qualified professional engineer with respect to the annual average, peak usage and proportionate share of replacement capacity, or in accordance with a Development Charges By-law enacted by North Huron.

Commercial, Institutional and Industrial Rates:

Significant Commercial, Institutional and Industrial Rates, including capital reserve, will be negotiated to the satisfaction of North Huron on an individual basis.

Connection Charge:

The Connection Charge shall be the actual costs of material and labour to install the sewer service to the property line.

The Capital Charge or Infrastructure Recovery Fee, the Connection Charge and the User Fee shall be the responsibility of the Municipality of Morris-Turnberry and shall be recovered from the owners or tenants of the affected properties by Morris-Turnberry.

Sewage Rates for Wescast Industries

The negotiated percentage sewage charge for Wescast Industries will be 50% of the applicable metered Water Rate or 1.5 times the out of town flat sewage rate, whichever is greater, plus a capital reserve charge of 100% of the applicable water capital reserve per inch of service.

Roll Number	<u>Owner</u>	Property Description	Capacity Assignment (m ³)
40 60 540 001 00940	Wescast Industries Inc.	Con 1 Pt Lots 7, 8, 9, 10 AS RP 22R4246 Parts 1 & 2	654

Sewage Rates for MacGowan Nursing Home

The sewage charge for the MacGowan Nursing Home will be based on the equivalent of twentyfive homes times the out of town flat sewage rate plus a capital reserve charge of 100% of the applicable water capital reserve per inch of service.



SCHEDULE F

MORRIS TURNBERRY PARTNERSHIP AGREEMENT

Annually, during the term of this Agreement, Morris Turnberry's shall contribute to North Huron services in accordance with Clause 3 c) of the Township's Cross Border Servicing Policy which states that Cross Border Agreements shall contain;

"Provisions which recognize ongoing partnership between the receiving municipality and the Township of North Huron including;

i. A requirement for the receiving municipality to contribute annually to other Township of North Huron services or programs which may include but not be limited to recreation, cemeteries, libraries, day care centres, airport, economic development, etc., as mutually agreed by the Parties; and/or

ii. A requirement for the receiving municipality to share taxation revenue resulting from the proposed development, as mutually agreed by the Parties; and/or,

iii. Other financial contributions, as mutually agreed by the Parties."

Morris Turnberry shall contribute annually to the following North Huron Services;

- □ Wescast Community Centre \$70,000
- Blyth Community Centre\$16,000
- □ Cemeteries \$25,000

North Huron reserves the right to request an amendment to this Schedule in conjunction with new servicing requests from Morris Turnberry.