



CORPORATION OF THE UNITED TOWNSHIPS OF HEAD, CLARA AND MARIA AGENDA  
Thursday, June 20, 2024  
2:00 P.M.

**1. Call to Order and Moment of Silence**

*Let us take a moment of silent reflection to contemplate in our own way the responsibility we have to collectively use our skills and experience to ensure the mutual long-term benefit of our Municipality and those we represent.*

**2. Traditional Land Acknowledgement**

*As we gather this morning (afternoon), I would like to acknowledge on behalf of Council and our community that we are meeting on the traditional territory of the Algonquin People. We would like to thank the Algonquin people and express our respect and support for their rich history, and we are extremely grateful for their many and continued displays of friendship. We also thank all the generations of people who have taken care of this land for thousands for years.*

**3. Roll Call**

**4. Recital of the Municipal Mission and Vision Statements**

**5. Disclosure of Pecuniary Interest & General Nature Thereof**

**6. Mayor's Address**

Resolution No.: 2024-057

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_

BE IT RESOLVED THAT the Mayor's Address be received as presented.

**7. Deputations/Presentations**

- a. Delegation: Gabriel Quincy Collymore RE: Pickle Ball in Deux Rivieres

**8. Adoption of Minutes of Previous Meeting**

- a. Special Meeting May 16, 2024  
b. Regular Meeting May 16, 2024

Resolution No.: 2024-058

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_

BE IT RESOLVED THAT the minutes of the Special and Regular Meetings of Thursday May 16, 2024, be adopted as circulated.

**9. Petitions and Correspondence -Information Only** (Please advise if you feel any item warrants further consideration)

- a. Petitions  
b. Information Items  
i. Correspondence – Housing and Homelessness Plan Public Engagement  
ii. Resolution – Township of Larder Lake: PSAB Standard covering asset retirement obligations  
iii. Resolution – Township of Bonnechere Valley: City of Pembroke Mental Health Facility

- iv. Resolution – Municipality of Casselman: Autonomy of Conservation Authorities in Ontario
- v. Resolution – Lake of Bays: Request for Royal Assent of Administrative Monetary Penalty System in the *Ontario Building Code Act*

Resolution No.: 2024-059

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_

BE IT RESOLVED THAT the Information Items be accepted as circulated with the exception of items \_\_\_\_\_ which Council further directs that the Clerk draft responses to same.

10. Staff Reports - None

11. Financial Reports

- a. Variance Report January to May 31, 2024

Resolution No.: 2024-060

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_

BE IT RESOLVED THAT the January 1 to May 31, 2024, variance report be received as presented.

- b. Draft 2023 Financial Statements

Resolution No.: 2024-061

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_

BE IT RESOLVED THAT the Draft 2023 Financial Statements for the United Townships of Head, Clara and Maria be received as presented.

12. Bylaws

- a. Bylaw 2024-011 Being a Bylaw to Establish an Obligatory Reserve Fund

Resolution No.: 2024-062

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_

BE IT RESOLVED THAT By-Law 2024-011 being a bylaw to establish an obligatory reserve fund for the purpose of providing a safe accessible workplace for employees be read a first time short and passed.

- b. Bylaw 2024-012 Being a Bylaw to Enter into an Agreement with AMO for the Canada Community Building Fund

Resolution No.: 2024-063

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_

BE IT RESOLVED THAT By-Law 2024-012 being a bylaw enter to into an Agreement with AMO for the Canada Community Building Fund be read a first time short and passed.

13. Unfinished Business

- a. Agreement Circular Materials (Blue Box Program)

Resolution No.: 2024-064

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_

BE IT RESOLVED THAT Council for the United Townships of Head, Clara and Maria does hereby authorize the Mayor and the Clerk to enter into agreements with Circular Materials for the purposes of continuing the Blue Box Program on behalf of the Township.

14. Addendum (New Business) – None

15. Notice of Motion (to be used by members of Council to introduce new areas of business they wish to discuss in the future) - None

16. Closed Session

- a. Review Closed Session Minutes from April 18, 2024
- b. Pursuant to section 239(2) (b) personal matters about an identifiable individual, (d) labour relations or employee negotiations to consider:
  - i. Municipal Works Lead/Labourer position
    - Summary of applicants and their qualifications/scoring
    - Workload and employment expectations

Move Into Closed Session

Resolution No.: 2024-065

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_

BE IT RESOLVED THAT Council for the Corporation of the United Townships of Head, Clara and Maria does now move into Closed Session at \_\_\_\_\_ p.m. pursuant to section 239(2)(b) personal matters about an identifiable individual, and (d) labour relations or employee negotiations to consider:

- i. Municipal Works Lead/Labourer position
  - Summary of applicants and their qualifications/scoring
  - Workload and employment expectations

Return to Open Session

Resolution No.: 2024-066

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_

BE IT RESOLVED Council for the Corporation of the United Townships of Head, Clara and Maria does now return to Open Session at \_\_\_\_\_ p.m. and reports that Council considered \_\_\_\_\_;

17. Information Sharing (Formerly Questions and Answers)

18. Confirmation of Proceedings

- a. Confirmatory Bylaw 2024-013

Resolution No.: 2024-067

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_

BE IT RESOLVED THAT By-Law 2024-013 being a bylaw to confirm proceedings of Council at their Special and Regular Meetings of May 16, 2024, be read a first time short and passed.

19. Adjournment

Resolution No.: 2024-068

Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_

BE IT RESOLVED THAT this meeting adjourn at \_\_\_\_\_ p.m. to meet again on Saturday August 17, 2024, at 10:00 a.m.

Note\* Alternate formats and communication supports are available on request.

HCM Mission: At your service; working effectively to bring together people, partnerships and potential for a strong, connected community.

HCM Vision: Providing a healthy, connected, and sustainable community teeming with possibilities for our citizens now and into the future.

## **Mayor's Address – Thursday June 20, 2024**

I would first like to welcome another new staff member, Frank Morin, to his new position as the Municipal Works Lead/Labourer with Head Clara & Maria. Frank has previous experience in public works and is a long-term resident of Bisset Creek. I also would like to thank Jeff Juby for going above and beyond while we recruited to fill the vacant municipal works position.

I attended the official launch of the County of Renfrew Mesa initiative at Miramichi Lodge on May 22<sup>nd</sup>. The initiative is a collaborative approach to compassionate care and building a healthier, more resilient community. The Mesa Gathering was a joint venture between the COR, Ottawa Valley Ontario Health Team and The Renfrew County and District Health Unit. There were 140 individuals representing 30 organizations from across the County. Omar Dabaghi-Pacheco, CBC Ottawa News host and producer was the keynote speaker for the Gathering. It was my honour on this occasion to present him with a gift and thank him on the County's behalf.

The County Council Summary of May 29, 2024 (7 pages) is attached for your information. Please see the highlights from last month's COR Council meeting.

On the evening of May 30<sup>th</sup>, Peter Kenyon, a community enthusiast from Western Australia came to town (Stonecliffe) with his entourage! E4m and Wishart Law facilitated this visit to HCM and I was privileged to be the host over the next few days. While Peter was here, he toured Deep River with Mayor D'eon and shared his first impressions as well as delivering a presentation at the DR Library on community building and the importance of an engaged community.

June 1<sup>st</sup> was our "Hillbilly Fundraiser" here, in the municipal hall – a rousing success for all. My thanks in particular to Counsellor LeClerc for being the first to speak and offer "her gifts" during Mr. Kenyon's presentation that evening. Her words gave me the courage to share mine. I am very grateful for the offers of assistance for Crystal and her family. Many thanks to the Laurentian Hillbillies, their band's offer of free music was our catalyst for the evening's theme. Stay tuned for more events to come!

On June 3<sup>rd</sup>, I was able to persuade Peter K. away from his computer and take him for a tour of our parks and boat launches. He was amazed with the beauty and history of our municipality. I understand that he shared some those photos with the audience at his next stop in Tweed. He also remarked favourably on the Canadian way of the highway construction project operation in Stonecliffe and Mackey!

On June 5<sup>th</sup> at the Senior Lunch in this hall I had the privilege of presenting the Senior of the Year Award to Gay Baribeau. She received nominations for this honour with the support of 11 nominators! It is my hope to get a photo of Gay with her official award and the Library Board members (just one of her many volunteer "jobs"). To quote from one on the nominators, *"for someone who has lived in the Townships for a relatively short period of time she has immersed herself in our community. She quietly goes about doing whatever needs to be done for organizations or people. She is a great candidate from Head, Clara and Maria Senior of the Year."* Congratulations and many thanks Gay!

Mayor Debbi Grills

# County Council Summary

**May 29, 2024**

Below you will find highlights of the County of Renfrew County Council meeting from May 29, 2024

Please note that this summary does not constitute the official record of the meeting and approved minutes should be consulted for that purpose.

The full [County Council package](#) can be found on our website.

[May meeting](#) YouTube link.

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## Warden's Address

### Key highlights

- Monday, May 27 was the [County of Renfrew Day at Queen's Park](#). Warden Peter Emon, other elected officials and senior staff spent time in the legislature to listen to Question Period, and formally met with Ministers Michael Parsa, Paul Calandra, Rob Flack, Lisa Thompson, Kinga Surma, Prabmeet Sakaria, Laura Smith and Michael Tibollo. The meetings were incredibly valuable as the group discussed the Mesa Program, the County's philosophy of Housing First, and concerns of infrastructure funding to the Province. He thanked MPP John Yakabuski for organizing the day.
- The [Mesa Gathering](#) was held on May 22 with more than 140 attendees from various agencies that have been affected by the recent surge of people experiencing homelessness, mental health issues and substance abuse. The County of Renfrew in conjunction with the Ottawa Valley Ontario Health Team and the Renfrew County and District Health Unit, hosted the event to officially launch Mesa highlighting the collaborative approach to compassionate care and building a healthier, more resilient community.
- On May 3 a [Ribbon Cutting Ceremony](#) was held at the new housing development at Lea and Douglas Streets in Pembroke. This is the first home constructed by the County of Renfrew to be added to the Renfrew County Housing Corporation portfolio. The Warden acknowledged and thanked MPP John Yakabuski and Associate Minister of Housing the Honorable Rob Flack for attending and speaking at the ceremony. He also acknowledged the financial contribution from the Province provided towards the new building.
- The Eastern Ontario Wardens' Caucus meeting was held in Picton on May 23, where the caucus approved the [2024-2027 Strategic Plan](#) which identifies three strategic priorities which will guide its decision-making and advocacy focus for the next three years - infrastructure investment, housing for all and health-care access.
- On May 10, the Warden attended the Community Service Department's 11<sup>th</sup> annual May Day event at the Petawawa Civic Centre. May Day provides an opportunity for professionals working in the childcare and early years sector across Renfrew County to come together for a professional development opportunity. Over 450 people attended this year's event.

- The Eastern Ontario Housing Summit was held in Ottawa on May 28. The Warden along with County staff and the Eastern Ontario Wardens’ Caucus, attended the event, which was a collaboration with several organizations, including the Ontario Home Builders’ Association (OHAB). The summit delved into the coordination efforts among regions and agencies to ensure present and future residents have ample housing options that address affordability and needs that align with individual’s lifestyles.
- On May 1, the Warden attended the rededication of Fred Blackstein Way along the Pembroke waterfront as it was renamed First Responders Way. The gathering included County of Renfrew Paramedics, along with other emergency service providers throughout Renfrew County, as they were honoured as part of First Responder Day, which has been recognized in Ontario since 2013.

## Delegations

- Jade Nauman, Regional Director, United Way Eastern Ontario – Renfrew County, attended the meeting to receive a cheque for nearly \$1,250, which was raised through staff jean days and payroll deductions. She thanked staff for their generous and continued support of the organization’s work in Renfrew County. She looks forward to continuing to partner with the County of Renfrew to help make a better Renfrew County for all.
- Kathryn Carruthers, Board Chair, Senior Women Living Together, presented about the non-profit organization which helps senior women (aged 55+) find compatible housemates and then creates successful shared living arrangements in rental housing. The group also helps arrange rentals through partnering with private landlords and real estate investors. Senior Women Living Together began as a Facebook group in February 2019 and grew to 1,700 members in the first year. To date, the group has helped more than 60 senior women find housemates and affordable housing.
- Derek Nighbor, President and CEO, Forest Products Association of Canada talked to County Council about strengthening the regional economy for forestry workers and businesses in the Ottawa Valley.

## Announcements

- The [Silver Chain Challenge](#) is back for another year, but with a new twist. While residents of Renfrew County are still encouraged to get out and be active during the month of June, this time we want people to share photos of their cycling, hiking and walking adventures, including those using the Algonquin Trail and K & P Recreational Trail. This is a friendly competition with Lanark County so we would love residents and visitors help Renfrew County win by submitting the most photos to our [online collector](#) beginning June 1.

## Finance & Administration Committee

**Presented by: Jennifer Murphy, Chair**

- Recruitment efforts for the Director of Community Services position have been paused while additional assessment is completed to determine the needs of the Corporate Services Department and the Corporation as a whole. In the interim, the Chief Administrative Officer

(CAO) will act as the Department Head, and the four managers of the department will report directly to the CAO.

- Staff is working with Diligent Community (an updated version of iCompass Technologies) to set up report and meeting templates for the meeting management software which has been purchased by the Corporation. Training has begun with the anticipated soft launch in June and full implementation in August.
- The County of Renfrew welcomed 15 new and returning summer students across the various departments of the County. Supporting summer students is a valuable investment for the County of Renfrew. It provides students with practical experience, helping them bridge the gap between education and the professional world.
- County Council supported the resolution from Hastings County regarding sustainable infrastructure funding for small rural municipalities. The resolution calls on the Ontario and Federal Government to implement sustainable infrastructure funding for small rural municipalities. It also asks small rural municipalities not be overlooked and disregarded on future applications for funding; and that both the Federal and Ontario Governments begin by acknowledging that there is an insurmountable debt facing small rural municipalities. The upper levels of Government are called to immediately commission a Working Group that includes a member of the Eastern Ontario Wardens Caucus, to develop a plan on how to deal with the impending debt dilemma.
- County Council nominated County Councillor Peter Emon for the position of Rural Caucus Director on the AMO Board of Directors with the added responsibility of serving on the ROMA Board of Directors for the 2024-2026 term.
- County Council directed staff to submit delegation request(s) for the upcoming Association of Municipalities of Ontario (AMO) Conference, taking place August 18-21 in Ottawa, that are: consistent with the 2023-2026 County of Renfrew Strategic Plan, current initiatives that require further advocacy, and previous delegations that addressed funding shortfall(s).
- County Council adopted a By-Law to provide certain delegations of authority From County Council to the Warden and/pr Senior County Staff for the administration of the Corporation of the County of Renfrew.
- County Council approved amendments to several corporate police and procedures with respect to Human Resources.

## Community Services Committee

Presented by: Anne Giardini, Chair

- The first meeting of the Renfrew County District Drug Strategy (RCDDS) Steering Committee was held on April 25, 2024, at the Pembroke Fire Hall. The purpose of the Steering Committee is to lead and guide the development and implementation of the RCDDS, which will aim to minimize substance use related harms in Renfrew County and District. Membership will consist of leaders from organizations representing the pillars of substance use prevention, treatment, harm reduction, and community safety. Meetings will be held quarterly or more frequently as required. The guiding principles for the Steering Committee are based upon the Canadian Public Health Association's Framework for a Public Health Approach to Substance Use.
- On May 10, 2024, the Child Care and Early Years Division hosted its annual Professional Learning Day, known within the sector as May Day. This event provided the opportunity for all professionals in the Child Care and Early Years sector within the County of Renfrew to come

together to learn, reflect and collaborate. May Day took place in person at the Petawawa Civic Centre and included over 450 participants.

- The Renfrew County Housing Corporation (RCHC) and Community Living Upper Ottawa Valley (CLUOV) have signed a memorandum of understanding in relation to housing. CLUOV agrees to a \$200,000 donation to RCHC in exchange for two affordable housing units being designated to CLUOV for a 15-year term. The RCHC values its ongoing partnership with CLUOV and recognizes the importance and stability derived from a consistent presence of both CLUOV tenants and support staff within community housing buildings.
- The Renfrew County Housing Corporation has engaged [OrgCode Consulting](#) to develop a comprehensive 10-Year Housing and Homelessness Plan. This initiative is part of the broader Mesa project, with its goals and strategies aligning with both Mesa and the County of Renfrew's Strategic Plan. There are several phases to preparing the plan – analyzing the housing stock; consulting County staff, non-profit housing providers, individuals with lived experience in housing, those with lived/living experience with homelessness, the business community, and the public; conducting a community survey and focusing on plan development, monitoring, evaluation, and implementation. It is anticipated the new 10-year housing and homelessness plan will be completed by September 2024.
- County Council approved the Affordable Housing Summit Report as presented, along with the 12 key recommendations. The Housing Summit was held on April 4 in Renfrew. It was a full day which opened a dialogue towards the development of critical relationships to grow affordable housing across the Renfrew County region. The full [Affordable Housing Summit Report](#) begins on page 232 of the County Council package.
- County Council supported the resolution from the Corporation of the City of Pembroke Council to lobby the Provincial Government to establish a mental health, drug addiction treatment and residential rehabilitation facility serving the County of Renfrew.

## Development & Property Committee

Presented by: James Brose, Chair

- The County of Renfrew, in partnership with Renfrew County Community Futures Development Corporation (RCCFDC), is participating in the Rural Ontario Institute's (ROI) 2024 [Rural Change Makers Program](#). The Rural Change Makers Program welcomes applications from engaged young leaders aged 18-35 in rural and northern Ontario eager to become the next faces of change and mobilize action around issues important to their communities. [Applications](#) for the 2024 program close on July 1, 2024, with the selection process commencing in August 2024, when up to 36 motivated young adults will be selected to join the experience for a year. These leaders will participate in a series of developmental training sessions, come together for experiential gatherings, complete self-assessments, form planning committees for local activities, and lead entrepreneurial or community initiatives.
- On June 22, 2024, the [Valley Diversity Emporium](#) will take place at the Nick Smith Centre in Arnprior from 10:00 a.m. to 4:00 p.m. With a focus on celebrating the crafts and creations of progressive makers and showcasing equity-deserving vendors from across the Ottawa Valley and beyond, the event is dedicated to the principles of anti-oppressive activism, with an emphasis on showcasing and uplifting the works and voices of those committed to feminism, 2SLGBTQIA+ rights, disability advocacy, racial justice, and the support of marginalized communities.



- At the April 16, 2024 annual general meeting, the membership elected a new board of directors for the 2024-25 term. The Chair and Vice-Chair positions were appointed at the first board meeting of the new term on April 29, 2024. The board members are as follows: Stefani Van Wijk, Madawaska Kanu Centre – Chair; Meghan James, Somewhere Inn Calabogie – Vice-Chair; Councillor David Bennett, County Council/Horton Township; Councillor Rob Weir, County Council/Greater Madawaska Township; Chris Hinsperger, Bonnechere Caves; Julia Klimack, Upper Ottawa Valley Heritage Centre; Joel Kowalski, Wilderness Tours; Michelle Logan, Comfort Inn Pembroke; Jill McLellan, End of the Leash Pet Boutique & Watch My 6; Elijah McKeown, City of Pembroke; Jolene Meloche, Renfrew County ATV Club; Emily Stovel, Arnprior & District Museum; and Rachel Worth-Cappell, Braiding Rivers.
- A plan of subdivision for Baskin Drive in the Town of Arnprior received final approval on April 29, 2024, and creates an additional 24 row-house units and 64 apartment units.
- A plan of subdivision for Pinnacle View in the Town of Renfrew was draft approved on May 7, 2024. The plan will create 62 single detached units, 70 semi-detached units, and 72 row house units for a total of 204 units. The developer has three years to meet the conditions of draft approval to finalize the subdivision.
- County Council approved the terms of reference for the Renfrew County Agriculture Economic Development Committee as presented. On March 4, 2024, the Renfrew County Agricultural Economic Development and Renfrew County Agricultural Leadership Advisory Committees approved the terms of reference, previously two separate committees which began to duplicate efforts over time, for the amalgamated committees, now referred to as the Renfrew County Agricultural Economic Development Committee. Keanan Stone, co-owner of Valley Bio Ltd. from the Township of Whitewater Region, is the Committee Chair for the 2024 term. The Committee is scheduled to be a delegation at County Council on June 26, 2024.
- County Council passed a lengthy resolution in relation to the International Student Cap. The resolution came about following discussions with the Algonquin College Waterfront Campus which has more than 240 international students currently studying on campus. County Council requests the Federal Government reconsider its decisions, reinstate the programs, reconsider the cap on the total hours permitted to work per week by returning to the pandemic level of 40 hours per week, and confer with the college and university representatives to ensure all students receive quality education experiences.
- County Council approved an additional amount of \$140,000 to complete the renovations to the rear structure of the new Eganville Paramedic Base.
- County Council recommended a letter under the Warden’s signature be sent to the Premier of Ontario and the Honourable Paul Calandra, Minister of Municipal Affairs and Housing, recognizing the positive items introduced in Bill 185, Cutting Red Tape to Build More Homes Act, 2024, to simplify home construction and approvals.
- County Council adopted a By-Law to Prohibit Certain Activities on County of Renfrew-Owned Forests. As a result of the implementation of a By-law to Regulate and Govern the Use of the Lands Identified as County of Renfrew Recreational Trails as Linear Parks, to align all trail related permitted and prohibited activities, a review of the 2009 Forest By-law was undertaken. The changes reflect the higher costs associated with dealing with issues on the Renfrew County Forest after reviewing similar by-laws in other counties and adding prohibited activities that have become problematic in our land base.

# Health Committee

**Presented by: Michael Donohue, Chair**

- Mesa Community Paramedics are working with Public Health to help assist and distribute anti-stigma campaign information bulletins and harm reduction and prevention information for clients at the Grind. The Mesa team is also expanding their outreach with the OPP Mobile Crisis Rapid Response Team at the Arnprior and Renfrew locations. From March 22 to April 22, 2024, the Mesa team had 147 client encounters. There were 69 new clients on boarded to the Paramedic Service electronic medical records system. The top four reasons for the Mesa paramedic encounters were community outreach, hospital diversion, wellness check/concern, and clinical intervention.
- Miramichi Lodge has received “Outstanding” Butterfly Accreditation status from Meaningful Care Matters from the audit completed by Nurse Consultant Mary Kneale of 1A Resident Home Area (RHA) on February 27, 2024. Miramichi Lodge is one of only four Homes in Canada awarded “Outstanding” status, the highest level of accreditation that can be achieved.
- County Council adopted a By-law authorizing the Warden and CAO/Deputy Clerk to execute a Memorandum of Understanding between Ontario 211 Services (O211S) and the County of Renfrew to provide 211 contact centre (telephony system) access and support the Renfrew County Virtual Triage and Assessment Centre team.
- County Council adopt a By-law authorizing the Warden and CAO/Deputy Clerk to sign the Lease Agreement between the County of Renfrew and Carefor Health and Community Services for a one-year term for the Renfrew County Virtual Triage and Assessment Centre (RC VTAC).
- County Council adopted a By-law authorizing the Warden and CAO/Deputy Clerk to execute an agreement with the Ministry of Long-Term Care (MLTC) for the 2024-25 Level-of-Care funding increases to Long-Term Care Homes effective April 1, 2024. The funding increased by 6.6 per cent.

# Operations Committee

**Presented by: Glenn Doncaster, Chair**

- County Council adopted a By-law to Regulate and Govern the Use of the Lands Identified as County of Renfrew Recreational Trails as Linear Parks for the Algonquin Trail and K & P Recreational Trail.
- County Council adopted a By-law to Regulate the Operation of Off-Road Vehicles on County of Renfrew Roads to update restrictions for Off-Road Vehicles. The amendment would permit Off-Road Vehicles on sections of County Roads in the Town of Petawawa, following a request from the town to allow greater access to the Algonquin Trail.
- County Council approved a By-Law to Acquire Lands on County Road 512 (Foymount Road): Parts 1 and 2 on Plan 49R-20185 from Robert and Cecilia Buelow in the sum of \$2,259.53 and Parts 1 and 2 on Plan 49R-20183 from David Hoey in the sum of 2,000.
- County Council approved several contracts/agreements, amounting to approximately \$9 million, as submitted:
  - Rehabilitation of County Road 1 (River Road), from Poole Street to Dochart Street, a distance of 2.3km, Township of McNab/Braeside, and from Algonquin Trail to

- Bonnechere River, a distance of 1.88km, Township of Horton, Bonnechere Excavating Inc., Renfrew, Ontario, in the amount of \$1,564,525.20, plus applicable taxes.
- Rehabilitation of county Road 19 (Mud Lake Road), from County Road 24 (White Water Road) to Pembroke South City limit, a distance of 5km, Township of Laurentian Valley, Walker Construction, Niagara Falls, Ontario, in the amount of \$747,507, plus applicable taxes.
  - Rehabilitation of County Road 30 (Lake Dore Road), from Sperberg Road to Trailblazers Road, a distance of 2.28km, Township of North Algona/Wilberforce, Bonnechere Excavating Inc., Renfrew, Ontario, in the amount of \$1,372,377.04, plus applicable taxes.
  - Contract Administration and Construction Supervision Services to WSP Canada Incorporated (WSP) for Structure B181 (Peter Black Bridge) located on County Road 24 (White Water Road), approximately 1.5km east of Highway 41, Township of Laurentian Valley and County Structure C204 (Bellows Creek Culvert), located on County Road 12 (Westmeath Road), approximately 4.5km east of County Road 21 (Beachburg Road) in the Township of Whitewater Region, in the amounts of \$125,881.70 and \$108,598.45, plus applicable taxes, respectively.
  - For the rehabilitation of County Road 64 (Opeongo Road), an extension to the project limits, to a maximum amount of \$1,400,000.
  - Rehabilitation of County Road 65 (Centennial Lake Road), from Brougham/Matawatchan Township Line to Civic Address 2872, a distance of 2.23km, Township of Greater Madawaska, JWK Contracting, Pembroke, Ontario, in the amount of \$867,248.63, plus applicable taxes.
  - Rehabilitation of County Road 70 (Ruby Road), from County Road 512 (Brudenell Road) to Gorman Road, a distance of 4.28km, Township of Killaloe, Hagarty and Richards, JWK Contracting, Pembroke, Ontario, in the amount of \$1,192,373.78, plus applicable taxes.
  - Rehabilitation of County Road 508 (Calabogie Road), from Stacey Drive to Goshen Road, a distance of 4.02km, Township of McNab/Braeside, McCrea Excavating Ltd., Pembroke, Ontario, in the amount of \$1,338,036, plus applicable taxes.
  - Rehabilitation of Country Structure B108 (Tramore Bridge), located on Tramore Road, approximately 350m north of County Road 58 (Round Lake Road), Township of Killaloe, Hagarty and Richards, DW Building Restoration Services Inc., Ottawa, Ontario, in the amount of \$467,748, plus applicable taxes.
  - Rehabilitation of Country Structure C268 (St. Columbkille's Culvert), located on County Road 58 (Round Lake Road), approximately 50m south of TV Tower Road, Township of Laurentian Valley, Dalcon Constructors Ltd., Ottawa, Ontario, in the amount of \$262,712, plus applicable taxes.

## **Additional Information**

**Craig Kelley, Chief Administrative Officer**

613-735-7288



THE CORPORATION OF THE UNITED TOWNSHIPS OF  
**HEAD, CLARA & MARIA**  
15 Township Hall Road  
STONECLIFFE, ONTARIO, K0J 2K0

Phone: (613) 586-2526 | Fax: (613) 586-2596 | E-mail: [clerk@headclaramaria.ca](mailto:clerk@headclaramaria.ca)

**REQUEST FOR DEPUTATION**

Person Requesting a Deputation: Gabriel Quincy Collymore

Organization (if applicable): \_\_\_\_\_

Contact Information: Tel # 1-647-200-1234 Email : kinggabrielinfo@gmail.com

Meeting Date Requested: June 20th 2024

Subject Matter: Pickleball Courts and a flourishing community in Deux Rivieres

Brief Description of Purpose of Deputation: The purpose of this deputation is to present a compelling case for constructing a Pickleball court in Deux Rivieres, highlighting its benefits for community engagement, health, and growth, and to seek council approval and support for the project.

Have you been in contact with a member of staff with regard to this matter?

Yes  No  If Yes, provide name: Stephany Rauche, and Mayor Debbi Grills

I will have a presentation ...

For Handout at Meeting \* Yes  No

PowerPoint \*\* Yes  No

(I will require use of a  computer,  projector, and a screen.)

\* Handouts require six (6) copies to be provided to the Clerk **prior** to the meeting.

\*\* PowerPoint is to be e-mailed to the Clerk's Office no later than 12:00 Noon on the Friday **prior** to the meeting. Any speaking notes should be provided to Council for its record.

THE CORPORATION of the UNITED TOWNSHIPS of HEAD, CLARA & MARIA  
**MINUTES**



Minutes of a special meeting of Council held on May 16, 2024.

1. Call to Order and Moment of Silence

Mayor Grills called the meeting to order at 10:05 A.M.

*Let us take a moment of silent reflection to contemplate in our own way the responsibility we have to collectively use our skills and experience to ensure the mutual long-term benefit of our Municipality and those we represent.*

2. Traditional Land Acknowledgement

*As we gather this morning (afternoon), I would like to acknowledge on behalf of Council and our community that we are meeting on the traditional territory of the Algonquin People. We would like to thank the Algonquin people and express our respect and support for their rich history, and we are extremely grateful for their many and continued displays of friendship. We also thank all the generations of people who have taken care of this land for thousands of years.*

3. Roll Call – The following persons were present: Mayor Debbi Grills, Councillors: Chris Dowser, Fran Kelly-Chamberlain, Karen LeClerc and Rachel Richer.

Meeting Clerk: Peggy Young-Lovelace  
Robert Labre, CBO  
Josh Young, E4m Consultant – Land Use Planning

4. Disclosure of Pecuniary interest & General Nature Thereof – None were disclosed.

5. Purpose: To review the Draft Zoning Bylaw

Council reviewed the Draft Zoning Bylaw, received clarification from Mr. Labre and Mr. Young regarding terminology/implementation of provisions, purpose of certain provisions and the potential changes Council would like to make to some of the provisions/definitions.

Mayor Grills noted that she had been at a meeting where there were concerns about legislative changes that would significantly impact the Draft Zoning Bylaw.

6. Adjournment

Resolution No.: 2024-SP01

Moved by Councillor Richer and seconded by Councillor Dowser

BE IT RESOLVED THAT this meeting adjourn at 12:15 p.m. to meet again on Thursday June 20, 2024, at 10:00 a.m.

Carried Unanimously

---

Mayor

---

Clerk

THE CORPORATION of the UNITED TOWNSHIPS of HEAD, CLARA & MARIA  
**MINUTES**



Minutes of a regular meeting of Council held on May 16, 2024.

1. Call to Order and Moment of Silence

Mayor Grills called the meeting to order at 2:03 P.M.

*Let us take a moment of silent reflection to contemplate in our own way the responsibility we have to collectively use our skills and experience to ensure the mutual long-term benefit of our Municipality and those we represent.*

2. Traditional Land Acknowledgement

*As we gather this morning (afternoon), I would like to acknowledge on behalf of Council and our community that we are meeting on the traditional territory of the Algonquin People. We would like to thank the Algonquin people and express our respect and support for their rich history, and we are extremely grateful for their many and continued displays of friendship. We also thank all the generations of people who have taken care of this land for thousands of years.*

3. Roll Call – The following persons were present: Mayor Debbi Grills, Councillors: Chris Dowser, Fran Kelly-Chamberlain, Karen LeClerc and Rachel Richer.

Meeting Clerk: Peggy Young-Lovelace

4. Recital of the Municipal Mission and Vision Statements – Councillor Dowser

HCM Mission: At your service; working effectively to bring together people, partnerships and potential for a strong, connected community.

HCM Vision: Providing a healthy, connected, and sustainable community teeming with possibilities for our citizens now and into the future.

5. Disclosure of Pecuniary interest & General Nature Thereof – None were disclosed.

6. Deputations/Presentations

- a. Open meeting rules & Quorum

7. Adoption of Minutes of Previous Meeting

Resolution No.: 2024-050

Moved by Councillor Kelly-Chamberlain and seconded by Councillor Richer

BE IT RESOLVED THAT the minutes of the Regular Meeting of Thursday April 18, 2024, be accepted as presented.

Carried Unanimously

8. Petitions and Correspondence - Information Only – (Please advise if you feel any item warrants further consideration)

Resolution No.: 2024-051

Moved by Councillor Dowser and seconded by Councillor Kelly-Chamberlain

BE IT RESOLVED THAT the Information Items be accepted as circulated with the exception of items 4, 5, 7, & 9 which Council further directs that the Clerk draft responses to same.

Carried

9. Mayor's Report

Mayor Grills provided a report to Council (Copy on File)

Resolution No.: 2024-052

Moved by Councillor LeClerc and seconded by Councillor Richer

BE IT RESOLVED THAT the Mayor's Report be received as presented.

Carried Unanimous

10. Staff Reports – None

11. Financial Reports - None

12. By-Laws

- a. Bylaw 2024-08 being a Bylaw to Establish Tax Rates for 2024

Resolution No.: 2027-053

Moved by Councillor Dowser and seconded by Councillor LeClerc

BE IT RESOLVED THAT By-Law 2024-08 being a bylaw to establish tax rates for 2024, be read a first time short and passed.

Carried Unanimously

- b. Bylaw 2024-09 being a Bylaw to Establish a Charitable Donations Receipt Policy

Resolution No.: 2027-054

Moved by Councillor Kelly-Chamberlain and seconded by Councillor LeClerc

BE IT RESOLVED THAT By-Law 2024-09 being a bylaw to establish a Charitable Donations Receipt Policy be read a first time short and passed.

Carried Unanimously

13. Unfinished Business

14. Addendum (New Business)

15. Notice of Motion – (To be used by members of Council to introduce new areas of business they wish to discuss in the future) – None

16. Closed Session

17. Information Sharing (Formerly Questions and Answers)

18. Confirmation of Proceedings

Resolution No.: 2024-055

Moved By Councillor Richer and Seconded by Councillor LeClerc

BE IT RESOLVED THAT By-Law 2024-10 being a bylaw to confirm proceedings of Council at their Regular Meeting of May 16, 2044, be read a first time short and passed.

Carried Unanimously

19. Adjournment

Resolution No.: 2024-056

Moved by Councillor Richer and seconded by Councillor Dowser

BE IT RESOLVED THAT this meeting adjourn at 3:11 p.m. to meet again on Thursday June 20, 2024, at 2:00 p.m.

Carried Unanimously

---

MAYOR

---

CLERK



**From:** [Tina Peplinskie](#)  
**To:** [Tina Peplinskie](#)  
**Subject:** Housing and Homelessness Plan public engagement sessions  
**Date:** June 13, 2024 4:04:26 PM  
**Attachments:** [public engagement \(1\).png](#)

---

Good afternoon,

Thank you to those of you who shared our post with the link to the survey for the Housing and Homelessness Plan 10-year plan. I have another request. Next week we will be hosting four public engagement sessions – one for the business community and three for the public at different locations in the County of Renfrew. I have attached the graphic to draw your attention to the post. It was shared on the County’s FB and LinkedIn pages earlier this week and would appreciate if you are able to share on your pages to highlight the meetings in your areas.

Thanks in advance for any assistance you can provide.

Have a good evening,

Tina

*Tina Peplinskie*

**Media Relations and Social Media Coordinator  
County of Renfrew**

**t:** 613.735.7288 ext. 516 / 1.800.273.0183

**c:** 613.281.0590

**e:** [TPeplinskie@countyofrenfrew.on.ca](mailto:TPeplinskie@countyofrenfrew.on.ca)

**a:** 9 International Dr., Pembroke, ON K8A 6W5

**w:** [www.countyofrenfrew.on.ca](http://www.countyofrenfrew.on.ca)

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# Open Public Consultations 10-year Housing and Homelessness Plan

## Business Community Consultation

Tuesday, June 18, 2024

6 to 8:30 p.m.

County of Renfrew Admin Building,  
9 International Drive, Pembroke

## Renfrew & Area Public Consultation

Wednesday, June 19, 2024

5 to 7:30 p.m.

Renfrew Legion, 30 Raglan St.  
South, Renfrew

## Pembroke & Area Public Consultation

Thursday, June 20, 2024

5 to 7:30 p.m.

Algonquin College, 1 College  
Way, Pembroke

## Arnprior & Area Public Consultation

Friday, June 21, 2024

5 to 7:30 p.m.

Arnprior Legion, 49 Daniel St.  
North, Arnprior



County of  
**Renfrew**  
Ontario . Canada

*Experience Our History, Share Our Future!*



**THE CORPORATION OF THE TOWNSHIP OF LARDER LAKE**

69 Fourth Avenue, Larder Lake, ON

Phone: 705-643-2158 Fax: 705-643-2311



MOVED BY:

- Thomas Armstrong
- Patricia Hull
- Paul Kelly
- Lynne Paquette

SECONDED BY:

- Thomas Armstrong
- Patricia Hull
- Paul Kelly
- Lynne Paquette

Motion #: 12

Resolution #:

Date: June 11, 2024

**WHEREAS**, the Public Sector Accounting Board (PSAB) establishes accounting standards for the public sector which must be followed by all Ontario municipalities; And

**WHEREAS**, the Municipal Act, 2001 section 294.1 states that a municipality shall, for each fiscal year, prepare annual financial statements for the municipality in accordance with generally accepted accounting principles for local governments as recommended, from time to time, by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada; And

**WHEREAS**, PS 3280 is a new accounting standard covering asset retirement obligations (ARO) that was approved by PSAB in March 2018; And

**WHEREAS**, the standard must be applied by all public sector entities who prepare their financial statements under PSAB, including all Canadian municipalities; And

**WHEREAS**, many small municipalities do not have accountants or engineers on staff to complete the ARO obligations and this major accounting change will force small municipalities to hire consultants to complete this work and cause a significant financial burden to municipalities;

**NOW THEREFORE BE IT RESOLVED THAT** The Corporation of the Township of Larder Lake hereby calls upon the province of Ontario to provide financial assistance to municipalities to complete the ARO; And

**FINALLY, THAT** a copy of this resolution be forwarded to the Honourable Paul Calandra, Minister of Municipal Affairs and Housing, the Association of Municipal Clerks and Treasurers

Recorded vote requested:

	For	Against
Tom Armstrong		
Patricia Hull		
Paul Kelly		
Lynne Paquette		
Patty Quinn		

I declare this motion

<input type="checkbox"/> Carried
<input type="checkbox"/> Lost / Defeated
<input type="checkbox"/> Deferred to: _____ (enter date)
Because:
<input type="checkbox"/> Referred to: _____ (enter body)
Expected response: _____ (enter date)

**Disclosure of Pecuniary Interest\***


Chair: \_\_\_\_\_

\*Disclosed his/her (their) interest(s), abstained from discussion and did not vote on this question.

**THE CORPORATION OF THE TOWNSHIP OF LARDER LAKE**

**69 Fourth Avenue, Larder Lake, ON**

Phone: 705-643-2158 Fax: 705-643-2311



**MOVED BY:**

- Thomas Armstrong
- Patricia Hull
- Paul Kelly
- Lynne Paquette

**SECONDED BY:**

- Thomas Armstrong
- Patricia Hull
- Paul Kelly
- Lynne Paquette

Motion #: 13

Resolution #:

Date: June 11, 2024

of Ontario (AMCTO), the Timiskaming Municipal Association (TMA), the Federation of Ontario Municipalities (FONOM), and all municipalities within the District of Timiskaming.

Recorded vote requested:

	For	Against
Tom Armstrong		
Patricia Hull	✓	
Paul Kelly	✓	
Lynne Paquette	✓	
Patty Quinn	✓	

I declare this motion

<input checked="" type="checkbox"/> Carried
<input type="checkbox"/> Lost / Defeated
<input type="checkbox"/> Deferred to: _____ (enter date)
Because:
<input type="checkbox"/> Referred to: _____ (enter body)
Expected response: _____ (enter date)

<b>Disclosure of Pecuniary Interest*</b>

Chair:

\*Disclosed his/her (their) interest(s), abstained from discussion and did not vote on this question.

# *The Corporation of the Township of Bonnechere Valley*

49 Bonnechere Street East  
P.O. Box 100  
Eganville, Ontario K0J 1T0



Phone (613) 628-3101  
Fax (613) 628-1336  
e-mail [annetteg@eganville.com](mailto:annetteg@eganville.com)

May 15, 2024

Re: Resolution to support City of Pembroke Mental Health facility

At its regular council meeting of May 7, 2024, the Council of the Township of Bonnechere Valley reviewed correspondence on

This letter is to advise that Council voted in support of this correspondence with the following resolution:

*24.072 MOVED BY       Brent Patrick*  
*SECONDED BY   John Epps*

**WHEREAS** the well-being of our community members is of paramount importance, and addressing mental health and substance use disorder is crucial for the overall health and safety of all our residents; and

**WHEREAS** the County of Renfrew, like many other regions, faces significant challenges related to mental health and addiction, with individuals and families grappling with the devastating impact of these conditions; and

**WHEREAS** timely access to specialized treatment and residential rehabilitation services and transitional housing is essential for those struggling with mental health issues and substance use disorders; and

**WHEREAS** we need to address the urgent need for additional treatment beds, especially for adults requiring intensive supports, and to improve access to care in rural, Northern, and Indigenous communities; and

**WHEREAS** the number of drug-related deaths in the County of Renfrew, as a whole, is on the rise underscoring the critical importance of accessible treatment options for those at risk of negative impacts including overdose and death; and

**WHEREAS** the establishment of a mental health, drug addiction treatment and residential rehabilitation facility serving the County of Renfrew would provide the following benefits:

1. Local Accessibility: Residents would have access to specialized services without the burden of travelling long distances, ensuring timely intervention and continuity of care.
2. Holistic Approach: The facility could offer integrated care, addressing both mental health and substance use disorders concurrently, thereby improving outcomes for clients.

3. Community Support: By providing a safe and supportive environment, the facility would contribute to reducing stigma and fostering community understanding of mental health and addiction.
4. Collaboration with Existing Services: The facility could collaborate with existing community organizations, healthcare and social service providers, and law enforcement agencies to create a comprehensive network of support (i.e. County of Renfrew MESA program).

**Now Therefore, be it resolved that** the Council of the Corporation of the Township of Bonnechere Valley:

1. Urgently requests the Province of Ontario to allocate funding specifically for the establishment of a mental health, addition, and residential drug treatment rehabilitation facility serving the County of Renfrew.
2. Advocates for a facility that offers evidence-based, trauma-informed care, addressing both addiction and concurrent mental health issues.
3. Commits to working collaboratively with neighbouring municipalities, all community stakeholders, and provincial authorities to ensure the successful implementation of this vital facility.

**And Furthermore that,** the Council of the Corporation of the Township of Bonnechere Valley encourages all residents to support this resolution and join the collective effort to enhance mental health and addiction services in our region.

**And Be It Further Resolved** that copies of this motion be distributed to the Honourable Doug Ford, Premier of Ontario; Sylvia Jones, Deputy Premier and Minister of Health; Michael Tibollo, Associate Minister of Mental Health and Addictions; Robin Martin, Parliamentary Assistant to the Minister of Health; the Honourable John Yakabuski, Member of Provincial Parliament for Renfrew-Nipissing-Pembroke; the Association of Municipalities of Ontario (AMO); the Eastern Ontario Wardens Caucus; and all neighbouring County of Renfrew lower-tier municipalities.

Carried

I trust you will find this satisfactory, but if you have any questions or comments please feel free to contact the undersigned.

Yours truly,

Annette Gilchrist, CMO., AOMC  
CAO/Clerk/Treasurer  
Township of Bonnechere Valley



T 705-635-2272  
TF 1-877-566-0005  
F 705-635-2132

TOWNSHIP OF LAKE OF BAYS  
1012 Dwight Beach Rd  
Dwight, ON P0A 1H0

May 14, 2024

Via email: [minister.mah@ontario.ca](mailto:minister.mah@ontario.ca)

Minister of Municipal Affairs and Housing  
**Attention: Paul Calandra**  
777 Bay Street, 17<sup>th</sup> Floor  
Toronto, ON M7A 2J3

Dear Mr. Calandra:

**RE: Request for Royal Assent of Administrative Monetary Penalty System in the Ontario Building Code Act.**

---

The Administrative Monetary Penalty System (AMPS) is an enforcement tool approved by the Provincial Government in August of 2009 and was originally used for parking offences to free up court time and cost.

A large number of municipalities have adopted an AMPS program and have applied AMPS to other Municipal enforcement by-laws as a replacement to the standard Part 1 Provincial Offences Act (POA) ticket system, as it provides the alleged offender with a flexible appeal system and the municipality the ability to apply unpaid penalties on to the property taxes. AMPS frees up valuable Provincial Offences Court time saving the province and the municipalities valuable resources and funds.

AMPS was written into the Building Code Act in December of 2017 however it has not received Royal Assent. AMPS has proven to be a valuable tool for education and enforcement of other Municipal by-laws. On behalf of the Council of the Corporation of the Township of Lake of Bays, we ask that AMPS receive Royal Assent. In doing so this would free up time for Building Officials to conduct their primary job (building inspections) instead of having to attend court normally a full day to hear an appeal to Part 1 ticket, at the same time providing the offender a more streamlined appeal system.

Sincerely,

A handwritten signature in black ink, appearing to read 'Carrie Sykes', is written over a light blue circular background.

Carrie Sykes, *Dipl. M.A., CMO, AOMC*,  
Director of Corporate Services/Clerk.

TG/v  
Copy to:

MPP, Graydon Smith  
Association of Ontario Municipalities  
Association of Municipal Clerk and Treasurers of Ontario  
All Area Municipalities



MUNICIPALITÉ DE CASSELMAN  
ORDRE DU JOUR  
RÉUNION ORDINAIRE

Réunion Ordinaire

**No. du point à l'ordre du jour:** 15.1.1.  
**No. du point** 2024-134  
**Titre:** Geneviève Lajoie - Autonomie des offices de protection de la nature  
**Date:** le mardi 7 mai 2024

---

**Proposé par:** Genevieve Lajoie

**Appuyé par:** Paul Groulx

ATTENDU QUE le ministère des Ressources naturelles et des Forêts (MNR) a proposé des modifications réglementaires en vertu de la Loi sur les offices de protection de la nature, telles que détaillées dans l'affichage n°019-8320 sur le Registre de l'environnement de l'Ontario, qui accordent au ministre des Ressources naturelles et des Forêts des pouvoirs sans précédent pour i) empêcher un office de protection de la nature de délivrer un permis et décider d'une demande de permis à la place de l'office de protection de la nature, et ii) réviser une décision de permis d'un office de protection de la nature à la demande d'un requérant, comme l'a notifié Jennifer Keyes, directrice de la planification et du développement des ressources ;

ET ATTENDU QUE ces changements menacent de minimiser l'expertise, l'autonomie et les connaissances locales des offices de protection de la nature, mettant en péril la gestion efficace des ressources naturelles de l'Ontario, comme l'indique la lettre de Geneviève Lajoie, maire de la Municipalité de Casselman et membre dévouée du conseil d'administration de la Conservation de la Nation Sud ;

ET ATTENDU QUE les modifications proposées peuvent conduire à des développements qui compromettent la qualité de l'eau, la santé publique et la biodiversité, et ignorent le rôle essentiel des autorités de conservation dans les stratégies d'adaptation au climat, les droits et les connaissances des populations autochtones, ainsi que la durabilité environnementale et économique ;

QU'IL SOIT RÉSOLU QUE la Municipalité de Casselman soit solidaire, exprimant sa profonde inquiétude et son opposition aux changements réglementaires proposés en vertu de la Loi sur les offices de protection de la nature ;

QU'IL SOIT RÉSOLU que la Municipalité de Casselman soutienne l'appel à respecter les principes d'intégrité scientifique, d'expertise locale et de participation de la communauté aux efforts de conservation, en plaidant pour l'autonomie des autorités de conservation afin de protéger notre environnement contre les décisions qui favorisent le développement au détriment de l'intégrité environnementale ;

ET QU'IL SOIT EN OUTRE RÉSOLU QUE la Municipalité de Casselman encourage toutes les municipalités de l'Ontario à se joindre à cet appel en appuyant la lettre adressée au MRNF par la mairesse Geneviève Lajoie, et à demander au MRNF de reconsidérer les changements réglementaires proposés en faveur de la gestion de l'environnement, de la confiance du public et des droits des générations futures.

**Sébastien Dion**

Signed with Consigno Cloud (2024/05/08)  
Verify with verifio.com or Adobe Reader.



Sébastien Dion, Greffier

**Adoptée**





**MUNICIPALITY OF CASSELMAN  
AGENDA  
REGULAR MEETING**

**Regular Meeting**

**Agenda Number:** 15.1.1.  
**Resolution Number** 2024-134  
**Title:** Geneviève Lajoie - Autonomy of Conservation Authorities in Ontario  
**Date:** Tuesday, May 7, 2024

---

**Moved by:** Genevieve Lajoie  
**Seconded by:** Paul Groulx

WHEREAS the Ministry of Natural Resources and Forestry (MNRF) has proposed regulatory changes under the Conservation Authorities Act, as detailed in posting #019-8320 on the Environment Registry of Ontario, which grant the Minister of Natural Resources and Forestry unprecedented powers to i) prevent a conservation authority from issuing a permit and decide on a permit application in the place of the conservation authority, and ii) review a conservation authority permit decision at the request of an applicant, as notified by Jennifer Keyes, Director, Resources Planning and Development Policy Branch;

AND WHEREAS these changes threaten to undermine the expertise, autonomy, and localized knowledge of conservation authorities, risking the effective stewardship of Ontario's natural resources, as articulated in the letter from Genevieve Lajoie, Mayor of Casselman and dedicated board member of the South Nation Conservation;

AND WHEREAS the proposed changes may lead to developments that compromise water quality, public health, and biodiversity, and ignore the critical role of conservation authorities in climate adaptation strategies, indigenous rights and knowledge, and environmental and economic sustainability;

THEREFORE BE IT RESOLVED that the Municipality of Casselman stands in solidarity, expressing deep concern and opposition to the proposed regulatory changes under the Conservation Authorities Act;

BE IT FURTHER RESOLVED that the Municipality of Casselman supports the call to uphold the principles of scientific integrity, local expertise, and community input in conservation efforts, advocating for the autonomy of conservation authorities to protect our environment from decisions that favor development at the expense of environmental integrity;

AND BE IT FURTHER RESOLVED that Municipality of Casselman urges all Ontario municipalities to join in this call by supporting the letter addressed to the MNRF by Mayor Genevieve Lajoie, and to advocate for the MNRF to reconsider the proposed regulatory changes in favor of environmental stewardship, public trust, and the rights of future generations.

**Sébastien Dion**

Signed with ConsignO Cloud (2024/05/08)  
Verify with verifio.com or Adobe Reader.



**Carried**

Sébastien Dion, Clerk

*United Townships of Head, Clara & Maria Council*

**Report to Council**

Type of Decision									
Meeting Date	Thursday, June 20, 2024				Report Date	Wednesday, June 05, 2024			
Decision Required		Yes	X	No	Priority		High	X	Low
Direction		Information Only		X	Type of Meeting	X	Open		Closed

**Report #- Revenue and Expense Report**

**Subject:** Revenue and Expense Report Ending May 31, 2024

**Recommendation:** That Council accepts this report as information only, to correspond with the enclosed Revenue and Expense Report.

**Resolution:**

**WHEREAS** Council has received Report # concerning the Revenue and Expense Report ending May 31, 2024 and have had the opportunity to ask clarifying questions of the report;

**THEREFORE BE IT RESOLVED THAT** Council of the United Townships of Head, Clara and Maria does hereby accept the Revenue and Expense report dated May 31, 2024 as presented.

**Background/Executive Summary:**

This report includes comments on accounts that may be questioned due to large variances from its budgeted amount.

- 51-1311 – Special Grants Admin: ICIP Covid Stream \$3,816
- 51-4512- Recycling Income- Blue Box Material \$7,845.21
- 51-6125- New Years Eve – Revenue from 2023 Tickets
- 61-1133- There should be \$2,404.79 in this account Ch# 01234
- 61-1344 Permit & Fee’s- County of Renfrew- Fire Services Admin Fee’s \$2,798.22 and Minister of Finance LUP Kenny Road \$118.11
- 61-1391- Special Projects Admin- 50% of COR ZBL Review
- 61-3113 Garage Maintenance & Repair RDS- Security monitoring \$16.23 monthly, Bergeron mechanical thermostat repairs \$797.86, valves for pipes in garage \$34.59, Mackey Construction repair water pump and tank \$777.96
- 61-3119- Miscellaneous Roads- All unknown purchases from visa no tax
- 61-3211- Road Maintenance – Moving gravel from municipal gravel pit\$3,052.80, loader to load gravel \$4,884.48 and crusher dust \$381.60
- 61-4141 Supplies Waste Management- Receipt book, disposal site keys, rakes for landfill site, windshield washer fluid (should be moved to 61-4113), garbage picker, planner, gloves, snow fencing (\$356.09) and post for the snow fencing (\$675.24)
- 61-4191- Special Projects- Fee’s for the land survey for the property being purchases at the landfill \$8,140.80
- 61-4312- Maintenance & Repair- Repair steps at disposal site \$120.00, repairs of fencing \$755.06
- 61-6519- Miscellaneous P & RG- Dock installation
- 61-6614- Repairs P& RG- Dock supplies \$46.69, Boiler repairs and kitchen inspection \$476.30
- 61-9522- Modernization- Digital modernization

**Financial Considerations/Budget Impact:**

Some accounts are currently over budget, staff will re allocated some expenses to other accounts to re allocate the expenses accordingly. Staff will monitor the remaining expenses in accounts to ensure that overall departmental expenses are within budget.

**Enclosures:**

Revenue and Expense Report Dated May 31, 2024

Approved and Recommended by the Clerk

Stephany Rauche,  
Interim Clerk-Treasurer

**Townships of Head, Clara, and Maria**  
*Revenue & Expenses Report*  
For the Period Ending May 31, 2024

	Budget	Year To Date	Variance
<b>REVENUE</b>	<b>0</b>	<b>0</b>	<b>0</b>
Transfer from Reserves			
51-1015 - Transfer from Reserves - Admin	83,340		(83,340)
<b>Total Transfer from Reserves:</b>	<b>83,340</b>	<b>0</b>	<b>(83,340)</b>
<b>Previous Year Surplus</b>			
41-8410 - Previous Year Surplus (Deficit)	147,300		(147,300)
<b>Total Previous Year Surplus:</b>	<b>147,300</b>	<b>0</b>	<b>(147,300)</b>
<b>Taxation</b>			
41-8411 - Municipal Taxation - General	405,470		(405,470)
41-8412 - Grants in Lieu of Hydro	105,740		(105,740)
41-8421 - Municipal Taxation - PIL Prov	69,200	191,561	122,361
41-8431 - Interest on Taxes Outstanding	1,000	2,957	1,957
<b>Total Taxation:</b>	<b>581,410</b>	<b>194,518</b>	<b>(386,892)</b>
<b>General Government</b>			
51-1111 - Permits & Fees - Admin	2,500	1,137	(1,363)
51-1119 - Miscellaneous - Admin	2,000	465	(1,535)
51-1121 - General Bank Interest	30,000	3,568	(26,432)
51-1122 - Treasurer Bank Interest	15,000		(15,000)
51-1123 - HST Rebate	40,000		(40,000)
51-1140 - Land Lease	10,500	10,716	216
51-1141 - OMPF (ON Mun Partnership Fund)	87,000	65,250	(21,750)
51-1142 - Gas Tax	8,390		(8,390)
51-1151 - Aggregate Resources	6,410	443	(5,967)
51-1311 - Special Grants - Admin		3,816	3,816
<b>Total General Government:</b>	<b>201,800</b>	<b>85,395</b>	<b>(116,405)</b>
<b>Building Services</b>			
51-2311 - Building Permits & Fees	2,500	3,856	1,356

**Townships of Head, Clara, and Maria**  
Revenue & Expenses Report  
For the Period Ending May 31, 2024

	Budget	Year To Date	Variance
<b>Total Building Services:</b>	<b>2,500</b>	<b>3,856</b>	<b>1,356</b>
<b>Fire Services</b>			
51-2511 - Fire Permits & Fees	200	90	(110)
<b>Total Fire Services:</b>	<b>200</b>	<b>90</b>	<b>(110)</b>
<b>Environmental Services</b>			
51-4211 - Tipping Fees	4,000	970	(3,030)
51-4511 - Recycling Grant	29,820	498	(29,322)
51-4512 - Recycling Income	1,000	7,845	6,845
<b>Total Environmental Services:</b>	<b>34,820</b>	<b>9,313</b>	<b>(25,507)</b>
<b>Helipad</b>			
51-5211 - Helipad/Ornge	3,500		(3,500)
<b>Total Helipad:</b>	<b>3,500</b>	<b>0</b>	<b>(3,500)</b>
<b>Rec Committee (RC)</b>			
51-6112 - Trail Side Cafe	3,500		(3,500)
51-6119 - Miscellaneous - RC	2,500		(2,500)
51-6125 - New Year's Eve	6,500	100	(6,400)
51-6250 - Unplanned Events - RC	1,000		(1,000)
<b>Total Rec Committee (RC):</b>	<b>13,500</b>	<b>100</b>	<b>(13,400)</b>
<b>Parks &amp; Recreation General (P &amp; RG)</b>			
51-6511 - Hall Rental - P & RG	1,000	800	(200)
51-6512 - Sales - Bar - P & RG	2,000		(2,000)
51-6513 - Sales - Canteen - P & RG	100	2	(98)
<b>Total Parks &amp; Recreation General (P &amp; RG):</b>	<b>3,100</b>	<b>802</b>	<b>(2,298)</b>
<b>Special Projects (RG)</b>			
51-9114 - 2018-02 / NHSP	18,000		(18,000)
<b>Total Special Projects (RG):</b>	<b>18,000</b>	<b>0</b>	<b>(18,000)</b>

**Townships of Head, Clara, and Maria**  
*Revenue & Expenses Report*  
For the Period Ending May 31, 2024

	Budget	Year To Date	Variance
<b>Special Grants</b>			
51-9521 - OCIF	100,000		(100,000)
51-9551 - Canada Summer Jobs	4,370		(4,370)
51-9561 - DRDCF	7,000		(7,000)
51-9566 - OTF	43,000		(43,000)
51-9567 - CEPG	11,260	5	(11,255)
51-9568 - ICGP	60,000		(60,000)
<b>Total Special Grants:</b>	<b>225,630</b>	<b>5</b>	<b>(225,625)</b>

	Budget	Year To Date	Variance
<b>EXPENSES</b>			
<b>Payroll Expenses</b>			
61-1121 - Salaries/Wage	289,740	51,566	238,174
61-1131 - Payroll Taxes	24,000	4,225	19,775
61-1132 - Employment Benefits	19,500	1,453	18,047
61-1133 - WSIB Employer	9,250		9,250
61-1134 - EHT	5,000	934	4,066
61-1135 - Vacation Pay Employer	4,000	554	3,446
61-1136 - Employee Pension/RRSP Contributions	16,670	3,024	13,646
<b>Total Payroll Expenses:</b>	<b>368,160</b>	<b>61,756</b>	<b>306,404</b>

	Budget	Year To Date	Variance
<b>Council</b>			
61-1211 - Donation - Council	2,500		2,500
61-1212 - Conventions & Training - Council	2,500		2,500
61-1215 - Integrity Commissioner	1,000		1,000
61-1222 - Honorarium - Council	38,000	8,700	29,300
61-1223 - Mileage for HCM - Mayor	250		250
61-1224 - Mileage - Councilors	250		250
61-1241 - Resource Material - Council	500		500
<b>Total Council:</b>	<b>45,000</b>	<b>8,700</b>	<b>36,300</b>

Administration General

**Townships of Head, Clara, and Maria**  
Revenue & Expenses Report  
For the Period Ending May 31, 2024

	Budget	Year To Date	Variance
61-1313 - Bank Charges	2,850	266	2,584
61-1314 - Convenience Fee	3,000	49	2,951
61-1317 - Resource Materials - Admin	400	127	273
61-1318 - Education & Training - Admin	3,000	1,018	1,982
61-1319 - Miscellaneous - Admin	500	17	483
61-1323 - Mileage - Admin	500		500
61-1342 - Supplies - Office	4,500	1,163	3,337
61-1344 - Permits & Fees - Admin	120	2,886	(2,766)
61-1345 - Postage & Courier	1,300	382	918
61-1353 - Audit Fees	28,000		28,000
61-1354 - Legal Fees	12,000	163	11,837
61-1355 - Internet	1,800	712	1,088
61-1356 - Insurance	38,000	103	37,897
61-1357 - IT Services	3,450	1,223	2,227
61-1358 - Advertising	1,500	456	1,044
61-1361 - Computer Software	3,500	252	3,248
61-1362 - Computer Hardware	3,000		3,000
61-1363 - Taxation & Accounting Software	5,300	4,934	366
61-1366 - Membership Fees - Admin	1,720	936	784
61-1391 - Special Projects - Admin		4,000	(4,000)
61-1411 - Property/Office Maintenance & Repair	500	491	9
61-1412 - Furniture & Equipment - Office	2,500		2,500
61-1458 - Telephone - Office	1,500	459	1,041
61-1611 - Library Expenses	500	132	368
<b>Total Administration General:</b>	<b>119,440</b>	<b>19,769</b>	<b>99,671</b>
<b>Building Inspector</b>			
61-2311 - Mileage - CBO	1,200		1,200
<b>Total Building Inspector:</b>	<b>1,200</b>	<b>0</b>	<b>1,200</b>
<b>Emergency Management</b>			
61-2411 - Preparedness - EMgt	500		500
61-2423 - Supplies - EMgt	500		500
61-2431 - Mileage - EMgt	200		200

**Townships of Head, Clara, and Maria**  
*Revenue & Expenses Report*  
For the Period Ending May 31, 2024

	Budget	Year To Date	Variance
61-2451 - Education/Training - EMgt	200		200
<b>Total Emergency Management:</b>	<b>1,400</b>	<b>0</b>	<b>1,400</b>
<b>Fire Services</b>			
61-2511 - Fire Agreement - MNR	9,880		9,880
61-2512 - 911 Agreement - County	2,670		2,670
61-2513 - Supplies - Fire	250		250
<b>Total Fire Services:</b>	<b>12,800</b>	<b>0</b>	<b>12,800</b>
<b>Health &amp; Safety</b>			
61-2611 - Health & Safety	300	25	275
<b>Total Health &amp; Safety:</b>	<b>300</b>	<b>25</b>	<b>275</b>
<b>Policing Services</b>			
61-2711 - Policing	86,010	35,767	50,243
<b>Total Policing Services:</b>	<b>86,010</b>	<b>35,767</b>	<b>50,243</b>
<b>Roads</b>			
61-3113 - Garage Maintenance & Repair - RDS	1,000	1,692	(692)
61-3119 - Miscellaneous - RDS	300	642	(342)
61-3123 - Mileage - RDS	500		500
61-3141 - Supplies & Tools - RDS	3,500	1,276	2,224
61-3142 - Signs & Posts - RDS	500		500
61-3151 - Education/Training - RDS	750		750
61-3152 - Utilities - Garage	8,000	3,496	4,504
61-3166 - Membership Fees - RDS	750	789	(39)
61-3191 - Special Projects - RDS	3,000		3,000
61-3211 - Road Maintenance	5,000	8,319	(3,319)
61-3311 - Vehicle Maintenance - RDS	5,000	2,105	2,895
61-3312 - Vehicle Repair - RDS	500	7	493
61-3313 - RDS Fuel	13,000	2,277	10,723
61-3411 - Culvert	106,800	1,526	105,274
61-3511 - Grading	15,000	9,515	5,485



**Townships of Head, Clara, and Maria**  
*Revenue & Expenses Report*  
For the Period Ending May 31, 2024

	Budget	Year To Date	Variance
61-3513 - Gravel Pit	10,000		10,000
61-3514 - Gravel Resurfacing	8,000		8,000
61-3611 - Plowing	31,000	8,141	22,859
61-3711 - Ditching	6,000		6,000
61-3811 - Calcium	18,500	18,275	225
61-3911 - Sand & Salt Purchase	17,000	7,327	9,673
61-3912 - Sanding	15,000	9,769	5,231
61-3913 - Standby	12,000	8,655	3,345
<b>Total Roads:</b>	<b>281,100</b>	<b>83,811</b>	<b>197,289</b>
<b>Waste Management</b>			
61-4112 - Miscellaneous - WMngt	500	351	149
61-4113 - Vehicle Maintenance - WMngt	500	412	88
61-4114 - Vehicle Repairs - WMngt	1,000	120	880
61-4116 - Waste- Fuel	4,000	1,330	2,670
61-4123 - Mileage - WMngt	250		250
61-4141 - Supplies - WMngt	1,000	1,237	(237)
61-4151 - Education & Training - WMngt	1,000		1,000
61-4191 - Special Projects - WMngt		8,141	(8,141)
61-4211 - Monitoring - Landfill Sites	22,000	14,572	7,428
61-4311 - Excavation - Landfill Site Maintenance	14,000	5,373	8,627
61-4312 - Maintenance & Repair - Landfill Sites	500	875	(375)
61-4411 - Household Hazardous Waste	15,090		15,090
61-4511 - Recycling - WMngt	15,000	1,935	13,065
<b>Total Waste Management:</b>	<b>74,840</b>	<b>34,346</b>	<b>40,494</b>
<b>Helipad</b>			
61-5211 - Helipad Maintenance	2,500		2,500
<b>Total Helipad:</b>	<b>2,500</b>	<b>0</b>	<b>2,500</b>
<b>Physician Recruitment</b>			
61-5311 - Physician Recruitment	1,700		1,700
<b>Total Physician Recruitment:</b>	<b>1,700</b>	<b>0</b>	<b>1,700</b>

**Townships of Head, Clara, and Maria**  
*Revenue & Expenses Report*  
For the Period Ending May 31, 2024

	Budget	Year To Date	Variance
<b>Rec Committee</b>			
61-6112 - Trail Side Cafe - RC	2,000		2,000
61-6114 - Canada Day - RC	1,000		1,000
61-6125 - New Year's Eve	6,500		6,500
61-6219 - Miscellaneous - RC	1,500		1,500
61-6250 - Unplanned Events - RC	3,500		3,500
<b>Total Rec Committee:</b>	<b>14,500</b>	<b>0</b>	<b>14,500</b>
<b>Parks &amp; Recreation General (P &amp; RG)</b>			
61-6519 - Miscellaneous - P & RG	500	1,469	(969)
61-6541 - Cost of Goods Sold / Bar - P & RG	1,600		1,600
61-6542 - Costs of Goods Sold / Canteen - P & RG	250	142	108
61-6591 - Recreation Special Projects - P & RG	13,000	3,460	9,540
61-6611 - Expenses - P & RG	3,000	39	2,961
61-6613 - Maintenance - P & RG	1,800	277	1,523
61-6614 - Repairs - P & RG		523	(523)
61-6641 - Supplies - P & RG	1,200	612	588
61-6642 - Furniture & Equipment - P & RG	5,000		5,000
61-6652 - Utilities - HALL	9,000	3,708	5,292
61-6658 - Telephone - HALL	250	102	148
<b>Total Parks &amp; Recreation General (P &amp; RG):</b>	<b>35,600</b>	<b>10,332</b>	<b>25,268</b>
<b>Grounds Maintenance</b>			
61-6811 - Grounds Maintenance - P & RG	500		500
<b>Total Grounds Maintenance:</b>	<b>500</b>	<b>0</b>	<b>500</b>
<b>Planning &amp; Development</b>			
61-7111 - County Consult Fees	8,400		8,400
<b>Total Planning &amp; Development:</b>	<b>8,400</b>	<b>0</b>	<b>8,400</b>
<b>Special Project (RG)</b>			
61-9114 - 2018-02 / NHSP	24,000	6,402	17,598

**Townships of Head, Clara, and Maria**  
*Revenue & Expenses Report*  
For the Period Ending May 31, 2024

	Budget	Year To Date	Variance
<b>Total Special Project (RG):</b>	<b>24,000</b>	<b>6,402</b>	<b>17,598</b>
<b>Special Grants</b>			
61-9521 - Canada Summer Jobs	8,680		8,680
61-9522 - Modernization	43,000	1,320	(1,320)
61-9556 - OTF	11,260		11,260
61-9557 - CEPG	7,000		7,000
61-9561 - DRDCF			
<b>Total Special Grants:</b>	<b>69,940</b>	<b>1,320</b>	<b>68,620</b>
<b>Capital Expenses</b>			
62-3111 - Upgrade & Capital - Garage	100,000		100,000
<b>Total Capital Expenses:</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>

*Certified correct and in accordance with the records Presented to council on*

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
*Crystal Fischer*  
Clerk/ Deputy Treasurer

\_\_\_\_\_  
*Mayor Debbi Grills*

June 20, 2024

United Townships of Head, Clara & Maria  
15 Township Hall Road  
Stonecliffe, ON K0J 2K0

**PRIVATE AND CONFIDENTIAL**

Dear Members of Council:

**Re: Audit of the December 31, 2023 Financial Statements**

During the course of our audit of the consolidated financial statements for the year ended December 31, 2023, we identified some matters which may be of interest to management.

The objective of an audit is to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement and it is not designed to identify matters that may be of interest to management in discharging its responsibilities. In addition, an audit cannot be expected to disclose defalcations and other irregularities and it is not designed to express an opinion as to whether the systems of internal control established by management have been properly designed or have been operating effectively.

As a result of our observations, we have outlined matters below along with some suggestions for your consideration. Our letter identifies two categories of reportable matters:

- Significant deficiencies in internal controls
- Other deficiencies in internal controls and reportable matters

Please note that under Canadian generally accepted auditing standards we must report significant deficiencies to those charged with governance.

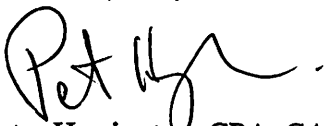
This letter is not exhaustive, and deals with the more important matters that came to our attention during the audit. Minor matters were discussed verbally with your staff. There are no significant deficiencies to report at this time.

We would like to express our appreciation for the co-operation and assistance which we received during the course of our audit from your employees.

We shall be pleased to discuss with you further any matters mentioned in this report at your convenience.

This communication is prepared solely for the information of management and is not intended for any other purpose. We accept no responsibility to a third party who uses this communication.

Yours very truly,



Peter Harrington, CPA, CA  
Welch LLP

Welch LLP – Chartered Accountants  
P.O. Box 757 - 270 Lake Street, Pembroke, Ontario K8A 6X9  
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**INDEPENDENT AUDITOR'S REPORT**

To the Members of Council, Inhabitants and Ratepayers of

**UNITED TOWNSHIPS OF HEAD, CLARA & MARIA***Opinion*

We have audited the consolidated financial statements of the United Townships of Head, Clara & Maria (the Township), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Township as at December 31, 2023 and the results of its consolidated operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Township in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Township's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Township or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Township's financial reporting process.

*Auditor's Responsibilities for the Audit of the Consolidated Financial Statements*

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Township's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Township to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Township to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**CHARTERED PROFESSIONAL ACCOUNTANTS  
LICENSED PUBLIC ACCOUNTANTS**

Pembroke, Ontario  
June 20, 2024

**UNITED TOWNSHIPS OF HEAD, CLARA & MARIA**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2023**

**DRAFT**

	<u>2023</u>	<u>2022</u>
<b>FINANCIAL ASSETS</b>		
Cash	\$ 1,649,536	\$ 1,473,531
Taxes receivable	189,061	182,072
Accounts receivable	<u>41,082</u>	<u>181,472</u>
	<u>1,879,679</u>	<u>1,837,075</u>
 <b>LIABILITIES</b>		
Accounts payable and accrued liabilities	128,514	148,390
Asset Retirement Obligation (Note 4)	1,052,823	1,007,109
Deferred revenue (Note 5)	<u>146,120</u>	<u>147,925</u>
	<u>1,327,457</u>	<u>1,303,424</u>
 <b>NET FINANCIAL ASSETS</b>	 <u>552,222</u>	 <u>533,651</u>
 <b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	2,085,074	2,059,281
Prepaid expenses	<u>27,087</u>	<u>29,423</u>
	<u>2,112,161</u>	<u>2,088,704</u>
 <b>ACCUMULATED SURPLUS (Note 6)</b>	 <u>\$ 2,664,383</u>	 <u>\$ 2,622,355</u>

(See accompanying notes and schedule)

**UNITED TOWNSHIPS OF HEAD, CLARA & MARIA  
CONSOLIDATED STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**DRAFT**

	Budget <u>2023</u>	Actual <u>2023</u>	Actual <u>2022</u>
<b>REVENUE</b>			
Property taxation	\$ 450,860	\$ 449,557	\$ 450,152
Payment in lieu of taxes	176,180	174,896	175,016
Province and other government transfers	326,823	226,988	210,983
Gas tax funding and related investment income	8,210	23,296	-
Fees, service charges and donations	52,920	45,533	16,490
Investment income	-	78,556	28,249
Other	71,580	42,029	98,380
	<u>1,086,573</u>	<u>1,040,855</u>	<u>979,270</u>
<b>EXPENSES</b>			
General government	354,262	354,175	349,204
Protection to persons and property	126,598	121,106	111,443
Transportation services	241,209	242,115	177,006
Environmental services	130,136	212,061	189,945
Recreation and cultural services	100,524	69,370	55,935
	<u>952,729</u>	<u>998,827</u>	<u>883,533</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	133,844	42,028	95,737
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<u>2,549,350</u>	<u>2,622,355</u>	<u>2,526,618</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<u>\$ 2,683,194</u>	<u>\$ 2,664,383</u>	<u>\$ 2,622,355</u>

(See accompanying notes and schedule)

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**UNITED TOWNSHIPS OF HEAD, CLARA & MARIA**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**DRAFT**

	<u>Budget</u> <u>2023</u>	<u>Actual</u> <u>2023</u>	<u>Actual</u> <u>2022</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	\$ <u>133,844</u>	\$ <u>42,028</u>	\$ <u>95,737</u>
Acquisition of tangible capital assets	(195,840)	(119,629)	(194,683)
Amortization of tangible capital assets	-	93,836	87,099
Changes in level of prepaid expenses	-	2,336	(8,761)
	<u>(195,840)</u>	<u>(23,457)</u>	<u>(116,345)</u>
<b>(DECREASE) INCREASE IN NET FINANCIAL ASSETS</b>	(61,996)	18,571	(20,608)
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<u>533,651</u>	<u>533,651</u>	<u>554,259</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<u>\$ 471,655</u>	<u>\$ 552,222</u>	<u>\$ 533,651</u>

(See accompanying notes and schedule)

**Welch** LLP

An Independent Member of BKR International

**UNITED TOWNSHIPS OF HEAD, CLARA & MARIA  
CONSOLIDATED STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2023**

*DRAFT*

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ 42,028	\$ 95,737
Non-cash items included in excess of revenue over expenses:		
Amortization of tangible capital assets	93,836	87,099
Accretion of asset retirement obligation	<u>45,714</u>	<u>43,740</u>
	181,578	226,576
Changes in the level of:		
Taxes receivable	(6,989)	5,614
Accounts receivable	140,390	(137,636)
Prepaid expenses	2,336	(8,761)
Accounts payable and accrued liabilities	(19,876)	(113,441)
Deferred revenue	<u>(1,805)</u>	<u>106,592</u>
	<u>295,634</u>	<u>78,944</u>
<b>CASH FLOWS FROM (USED IN) CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	<u>(119,629)</u>	<u>(194,683)</u>
<b>INCREASE (DECREASE) IN CASH</b>	176,005	(115,739)
<b>CASH AT BEGINNING OF YEAR</b>	<u>1,473,531</u>	<u>1,589,270</u>
<b>CASH AT END OF YEAR</b>	<u>\$ 1,649,536</u>	<u>\$ 1,473,531</u>

(See accompanying notes and schedule)

**Welch** LLP

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**UNITED TOWNSHIPS OF HEAD, CLARA & MARIA**  
**SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
**YEAR ENDED DECEMBER 31, 2023**  
**SCHEDULE 1**

	<u>Land</u>	<u>Land Improvements</u>	<u>Buildings</u>	<u>Machinery and Equipment</u>	<u>Vehicles</u>	<u>Linear Assets</u>	<u>2023</u>	<u>2022</u>
<b>COST</b>								
Balance, beginning of year	\$ 972,621	\$ 321,085	\$ 945,105	\$ 234,883	\$ 82,045	\$ 890,783	\$ 3,446,522	\$ 3,251,839
Acquisition of tangible capital assets	<u>-</u>	<u>15,732</u>	<u>-</u>	<u>8,141</u>	<u>-</u>	<u>95,756</u>	<u>119,629</u>	<u>194,683</u>
	<u>972,621</u>	<u>336,817</u>	<u>945,105</u>	<u>243,024</u>	<u>82,045</u>	<u>986,539</u>	<u>3,566,151</u>	<u>3,446,522</u>
<b>ACCUMULATED AMORTIZATION</b>								
Balance, beginning of year	78,942	89,606	300,843	173,006	36,242	708,602	1,387,241	1,300,142
Annual amortization	<u>36,128</u>	<u>13,243</u>	<u>22,465</u>	<u>7,761</u>	<u>6,643</u>	<u>7,596</u>	<u>93,836</u>	<u>87,099</u>
	<u>115,070</u>	<u>102,849</u>	<u>323,308</u>	<u>180,767</u>	<u>42,885</u>	<u>716,198</u>	<u>1,481,077</u>	<u>1,387,241</u>
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	<u>\$ 857,551</u>	<u>\$ 233,968</u>	<u>\$ 621,797</u>	<u>\$ 62,257</u>	<u>\$ 39,160</u>	<u>\$ 270,341</u>	<u>\$ 2,085,074</u>	<u>\$ 2,059,281</u>
<b>2022 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	<u>\$ 893,679</u>	<u>\$ 231,479</u>	<u>\$ 644,262</u>	<u>\$ 61,877</u>	<u>\$ 45,803</u>	<u>\$ 182,181</u>	<u>\$ 2,059,281</u>	

(See accompanying notes)

**UNITED TOWNSHIPS OF HEAD, CLARA & MARIA**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**DRAFT**

The United Townships of Head, Clara & Maria is an incorporated municipality in the Province of Ontario. The United Township conducts its operations as described by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

**NOTE 1 SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the United Townships of Head, Clara & Maria are the representations of management, prepared in accordance with Canadian public sector accounting standards for local governments established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the United Townships are as follows:

**Reporting Entity**

These consolidated financial statements reflect the assets, liabilities, revenue and expenses of the United Townships and include the activities of all committees of Council and the following boards:

United Townships of Head, Clara and Maria Library Board

Inter-organizational transactions and balances have been eliminated in the preparation of these consolidated financial statements.

**Basis of Accounting**

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

**Use of Estimates**

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Management makes accounting estimates when determining the estimated useful life of its tangible capital assets and landfill sites, and its allowance for doubtful accounts. Where measurement uncertainty exists, the consolidated financial statements have been prepared within reasonable limits of materiality. Actual results could differ from these estimates.

**UNITED TOWNSHIPS OF HEAD, CLARA & MARIA**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**DRAFT**

**NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**Asset Retirement Obligations**

PS3280, Asset Retirement Obligations defines which activities would be included in a liability for retirement of tangible capital assets, establishes when to recognize and how to measure a liability for asset retirements, and provides the related financial statement presentation and disclosure requirements. This new standard has effectively replaced PS3270, Solid Waste Landfill Closure and Post-Closure Liability. This standard is applicable for fiscal years beginning on or after April 1, 2022.

**Asset Retirement**

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset at the consolidated financial statement date when there is a legal obligation for the United Townships to incur retirement costs, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at year-end. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset. The asset retirement cost is amortized over the useful life of the related asset. Asset retirement obligations which are incurred incrementally with use of the asset are recognized in the period incurred with a corresponding asset retirement cost expensed in the period.

At each financial reporting date, the United Townships review the carrying amount of the liability. The United Townships recognize period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset. The United Townships continue to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

**Government Transfers**

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

Government transfers are recognized in the consolidated financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

**UNITED TOWNSHIPS OF HEAD, CLARA & MARIA**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**DRAFT**

**NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**Requisition Over-levy and Under-levy**

Over-levies and under-levies arise from the difference between the actual property tax levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

Requestion tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

**Contaminated Sites Liability**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of a contaminated site is recognized when a site is not in productive use and is management's estimate of the cost of post-remediation including operation, maintenance and monitoring.

**Non-Financial Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenue over expenses, provides the consolidated change in net financial assets for the year.

i) **Tangible Capital Assets**

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

	<u>Years</u>
Landfill (included in land) - Stonecliffe	17
- Bisset Creek site	66
Land improvements	20-25
Buildings	20-60
Linear Assets	25-50
Machinery and equipment	25
Vehicles	10

Annual amortization is charged in the year of acquisition and not in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

**UNITED TOWNSHIPS OF HEAD, CLARA & MARIA**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**DRAFT**

**NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**Non-Financial Assets (cont'd)**

ii) Contributions of Tangible Capital Assets

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.

iii) Natural Resources

Natural resources that have not been purchased are not recognized as assets in the consolidated financial statements.

iv) Methods Used for Determining the Costs

The financial information recorded includes the actual or estimated historical cost of tangible capital assets. When historical cost records were not available, other methods were used to estimate the costs and accumulated amortization of the assets. The United Townships of Head, Clara & Maria applied a consistent method of estimating the replacement or reproduction cost of the tangible capital assets for which it did not have historical cost records, except in circumstances where it could be demonstrated that a different method would provide a more accurate estimate of the cost of a particular type of tangible capital asset. The Canada-wide Consumer Price Index was used to deflate the replacement or reproduction cost to estimate historical cost in the year of acquisition.

**Segment Disclosures**

The United Townships were required to adopt Section PS2700 - Segment Disclosures. A segment is defined as a distinguishable activity or group of activities for which it is appropriate to separately report financial information. Management has determined that existing disclosures in the consolidated statement of operations and within the related notes for both the prior and current years sufficiently disclose information of all appropriate segments and therefore no additional disclosure is required. Furthermore, due to the size of the organization disclosure may contravene privacy laws.

**NOTE 2 CHANGES IN ACCOUNTING POLICY - ADOPTION OF NEW ACCOUNTING STANDARDS**

**PS3450 Financial Instruments**

PS3450 Financial Instruments establishes accounting and reporting requirements for all types of financial instruments. Portfolio investments in equity instruments are required to be measured at their fair value as quoted in the active market. All other financial instruments will generally be measured at cost or amortized cost. The United Townships adopted PS3450 Financial Instruments beginning January 1, 2023 prospectively.

Given that the United Townships financial instruments were already measured at cost or amortized cost and the United Townships did not have any portfolio investments quoted in an active market, the adoption of this standard does not give rise to any numerical changes in the United Townships' consolidated financial statements.

**UNITED TOWNSHIPS OF HEAD, CLARA & MARIA**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

DRAFT

**NOTE 2 CHANGES IN ACCOUNTING POLICY - ADOPTION OF NEW ACCOUNTING STANDARDS (Cont'd)**

**PS3280 Asset Retirement Obligations (ARO)**

PS3280 Asset Retirement Obligations (ARO) establishes the accounting and reporting requirements for legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use. This standard was adopted on January 1, 2022 on a modified retroactive basis with prior period restatement.

In the past, the United Townships have reported its obligations related to its landfill site applying PS3270 which has been replaced by PS3280. The new standard requires the recognition of a liability for legal obligations that exist as a result of the acquisition, construction or development of a tangible capital asset, or that result from the normal use of the asset when the asset is recorded. Such obligation justifies recognition of a liability and can result from existing legislation, regulation, agreement, contract, or that is based on a promise and an expectation of performance. The estimate of the liability includes costs directly attributable to asset retirement activities. Costs include post-retirement operation, maintenance, and monitoring that are an integral part of the retirement of the landfill site. When recording an asset retirement obligation, the estimated retirement costs are capitalized to the carrying value of the landfill site and amortized over the site's estimated useful life.

The United Townships' ongoing efforts to assess new information obtained through regular maintenance of the landfill site may result in additional asset retirement obligations from better information or from changes to the estimated cost to fulfill the obligation. The measurement of asset retirement obligations is also impacted by activities that occur to settle all or part of the obligation, or any changes in the legal obligation. Revisions to the estimated cost of the obligation will result in changes to the carrying amount of the associated assets that are in productive use and amortized as part of the asset on an ongoing basis. When obligations have reliable cash flow projections, the liability may be estimated using the present value of future cash flows. Subsequently, accretion of the discounted liability due to the passage of time is recorded as an in-year expense.

As a result of applying this accounting standard, an asset retirement obligation of \$1,052,823 (2022 - \$1,007,109) was recognized as a liability in the consolidated statement of financial position. These obligations represent estimated retirement costs of the landfill site. The United Townships have restated the prior period based on a simplified approach, using the ARO liabilities, ARO assets and the associated ARO accumulated amortization, amortization expense and accretion expense (for discounted ARO liabilities) for the period January 1, 2023 to December 31, 2023 as a proxy for January 1, 2022 to December 31, 2022 information. The adoption of PS3280 ARO was applied to the comparative period as follows:

As at December 31, 2022:

	As Previously Reported	Adjustments	As Restated
<b>Consolidated Statement of Financial Position</b>			
Tangible capital assets including ARO	\$ 1,174,854	\$ 884,427	\$ 2,059,281
Provision for landfill closure and post-closure care costs	\$ 421,000	\$ (421,000)	\$ -
Asset retirement obligation liability	\$ -	\$ 1,007,109	\$ 1,007,109
Accumulated surplus at end of year	\$ 2,324,037	\$ 298,318	\$ 2,622,355
<b>Consolidated Statement of Operations</b>			
Expenses - Environmental Services	\$ 90,077	\$ 99,868	\$ 189,945
Total expenses	\$ 783,665	\$ 99,868	\$ 883,533
Excess of revenue over expenses	\$ 195,605	\$ (99,868)	\$ 95,737



**UNITED TOWNSHIPS OF HEAD, CLARA & MARIA**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

DRAFT

**NOTE 3 OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF RENFREW**

During 2023, property taxes and payments in lieu of taxes were collected by the United Townships of Head, Clara & Maria on behalf of the County of Renfrew and the School Boards. The amounts collected and remitted, which are not reflected in the consolidated financial statements, are as follows:

	<u>School Boards</u>	<u>County of Renfrew</u>
Taxation and user charges	\$ 1,123,012	\$ 845,293
Share of payments in lieu of taxes	<u>11,254</u>	<u>130,154</u>
Amount requisitioned	<u>\$ 1,134,266</u>	<u>\$ 975,447</u>

**NOTE 4 ASSET RETIREMENT OBLIGATION**

**Landfill**

The United Townships own three land fill sites and is legally required to perform closure and post-closure activities upon retirement of these sites. Closure and post-closure activities include the final clay cover, landscaping, as well as surface and ground water monitoring, leachate control, and visual inspection. A liability for the total obligation, which was incurred when the site started accepting waste, irrespective of volume of waste accepted has been accrued. Council estimates that no obligation is incurred incrementally due to the volume of waste accepted, therefore, no further obligation is being accrued based on volume of waste accepted.

Undiscounted future cash flows expected for the Stonecliffe site are a closure cost in year 2039 of \$381,300 with annual post-closure activities starting in year 2040 of \$10,000 per year, for 25 years to the year 2064. Annual post-closure activities for the Deux Rivieres site are estimated at \$2,000 per year, expected to be incurred over the next 23 years to 2046. Undiscounted future cash flows expected for the Bissett Creek site are a closure cost in year 2088 of \$418,100 with annual post-closure activities starting in year 2089 of \$11,000 per year, for 25 years to year 2113. All costs are expected to increase at an annual inflation rate of 3.9%.

The estimated total liability of \$1,052,823 (2022 - \$1,007,109) is based on the sum of discounted future cash flows for closure and post-closure activities using a discount rate of 4.54% and assuming annual inflation of 3.9%.

	<u>2023</u>	<u>2022</u>
<b>Asset Retirement Obligation Liability</b>		
Balance, beginning of year	\$ 1,007,109	\$ 963,369
Accretion expense	<u>45,714</u>	<u>43,740</u>
Estimated total liability	<u>\$ 1,052,823</u>	<u>\$ 1,007,109</u>

The United Townships have reserved \$243,260 to finance the expected closure and post-closure care liabilities.

**UNITED TOWNSHIPS OF HEAD, CLARA & MARIA**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

*DRAFT*

**NOTE 5 DEFERRED REVENUE**

Deferred revenue consists of the following:

	<u>2023</u>	<u>2022</u>
Gas tax funding	\$ 7,732	\$ 21,838
Seniors program funding	3,765	-
Ontario Community Infrastructure Fund	<u>134,623</u>	<u>126,087</u>
	<u>\$ 146,120</u>	<u>\$ 147,925</u>

**NOTE 6 ACCUMULATED SURPLUS**

Accumulated surplus consists of the following:

	<u>2023</u>	<u>2022</u>
Unrestricted surplus	\$ 187,402	\$ 196,622
Internally restricted reserves	1,444,730	1,373,561
Unfinanced asset retirement obligations	(1,052,823)	(1,007,109)
Equity in tangible capital assets	<u>2,085,074</u>	<u>2,059,281</u>
	<u>\$ 2,664,383</u>	<u>\$ 2,622,355</u>

**NOTE 7 EXPENSES BY OBJECT**

The consolidated statement of operations reports expenses for the United Townships by function. The following is a summary of expenses by object.

	<u>2023</u>	<u>2022</u>
Salary and wages	\$ 370,071	\$ 352,796
Contracted services	227,047	195,081
Material and supplies	262,159	204,817
Accretion of asset retirement obligation	45,714	43,740
Amortization of tangible capital assets	<u>93,836</u>	<u>87,099</u>
	<u>\$ 998,827</u>	<u>\$ 883,533</u>

**NOTE 8 COMMITMENTS**

**Policing Services**

The United Townships have contracted with the Province of Ontario for policing services. The contract cost for 2023 was \$91,027 (2022 - \$85,935).

**Municipal Fire Management Services**

The United Townships have contracted with the Province of Ontario for fire management services. The contract cost for 2023 was \$9,879 (2022 - \$9,145).

**UNITED TOWNSHIPS OF HEAD, CLARA & MARIA**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**DRAFT**

**NOTE 9 FINANCIAL INSTRUMENTS**

The United Townships' financial instruments consist of cash, taxes receivable, accounts receivable, accounts payable and accrued liabilities.

**Risk**

It is management's opinion that the United Townships are not exposed to significant interest, currency or credit risks arising from its financial instruments.

**Fair Market Value**

The fair value of the United Townships' financial instruments approximates their carrying value due to their short term nature.

**NOTE 10 CONTAMINATED SITES LIABILITY**

The United Townships have adopted PS3260 Liability for Contaminated Sites. The United Townships did not identify any financial liabilities in 2023 (2022 - \$NIL) as a result of this standard.

**NOTE 11 BUDGET FIGURES**

Budget established for capital projects are based on project-oriented basis, the cost of which may be carried out over one or more years. Although they may not be directly comparable with current year actual amounts, they have been reflected on the consolidated statement of change in net financial assets. Furthermore, the budget makes no provision for amortization expense and solid landfill closure and post-closure care.



# THE CORPORATION OF THE UNITED TOWNSHIPS OF HEAD, CLARA & MARIA

## BY-LAW NUMBER 2024-011

**Being a By-law to Establish an Obligatory Reserve Fund for the Purpose of Providing a Safe Accessible Workplace for its Employees**

### **Legal Authority**

#### **Scope of Powers**

Section 8(1) of the *Municipal Act*, 2001, S.O. 2001, c.25, ("*Municipal Act*") as amended, provides that the powers of a municipality shall be interpreted broadly so as to confer broad authority on municipalities to enable them to govern their affairs as they consider appropriate, and to enhance their ability to respond to municipal issues.

#### **Powers of a Natural Person**

Section 9 of the *Municipal Act* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act.

#### **Powers Exercised by Council**

Section 5(1) of the *Municipal Act* provides that the powers of a municipality shall be exercised by its Council

#### **Powers Exercised by By-law**

Section 5(3) of the *Municipal Act* provides that a municipal power, including a municipality's capacity, rights, powers and privileges under section 9, shall be exercised by bylaw unless the municipality is specifically authorized to do otherwise.

#### **Delegation of Powers and Duties**

Section 23.1 of the *Municipal Act* authorizes a municipality to delegate its duties under the *Municipal Act*, subject to certain requirements.

#### **Appoint a Treasurer**

Section 286(1) of the *Municipal Act* provides that the municipality shall appoint a treasurer who is responsible for handling all of the financial affairs of the municipality on behalf of and in the manner directed by the council of the municipality.

#### **Investment**

Section 418 of the *Municipal Act* provides that a municipality may invest in

prescribed securities, in accordance with the prescribed rules, money that it does not require immediately including,

- (a) money in a sinking, retirement or reserve fund;
- (b) money raised or received for the payment of a debt of the municipality or interest on the debt; and
- (c) proceeds from the sale, loan or investment of any debentures. 2001, c. 25, s. 418 (1).

### **Preamble**

A municipality may create reserves and reserve funds for any purpose for which it is allowed to spend money.

An obligatory reserve fund is a reserve fund requires the municipality to spend any of the reserve monies on the specific purpose the reserve fund was created for.

### **Decision**

Council of the Corporation of the United Townships of Head, Clara and Maria believes it in the best interest of the Corporation to establish an obligatory reserve fund for the purpose of providing a safe, accessible workplace for its employees.

### **Direction**

**NOW THEREFORE** the Council of the Corporation of the United Townships of Head, Clara and Maria directs as follows:

1. That a reserve fund be established to hold funds in respect of the financial requirements of the Township for the purpose of providing a safe accessible workplace and that the reserve fund be named the HCM Safe Workplace Fund.
2. That the HCM Safe Workplace Fund monies be held in an account at Northern Credit Union.
3. That the Treasurer shall track the fund separately from municipal operations and provide Council quarterly fund transaction reports to Council.
4. That the Treasurer draft guidelines for the administration of this Fund.
5. That the Treasurer is authorized to invest these funds in such instruments as are allowable by law.
6. That internal borrowing from the HCM Safe Workplace Fund be prohibited.
7. That the following expenditures be supported by the HCM Safe Workplace Fund:
  - a. Office Equipment & Furniture
  - b. Renovations/Retrofits to Township buildings

- c. Computers and Software
  - d. Other expenses approved by resolution of Council
8. That should this fund no longer be required, any funds remaining may be redirected by a unanimous vote of Council.
  9. This by-law takes effect on the day of its final passing.
  10. That the Clerk for the United Townships of Head, Clara and Maria is hereby authorized to make minor modifications or corrections of a grammatical or typographical nature to the Bylaw and schedule after the passage of this Bylaw, where such modifications or corrections do not alter the intent of this Bylaw.

Read and adopted by Resolution 2024-062 this 20th Day of June 2024.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Municipal Clerk



# THE CORPORATION OF THE UNITED TOWNSHIPS OF HEAD, CLARA & MARIA

## BY-LAW NUMBER 2024-012

Being a By-law to authorize the entrance into the Municipal Funding Agreement with The Association of Municipalities of Ontario (AMO) which governs the transfer and use of the Canada Community-Building Fund ("CCBF") in Ontario.

### **Legal Authority**

#### **Scope of Powers**

Section 8(1) of the *Municipal Act*, 2001, S.O. 2001, c.25, ("*Municipal Act*") as amended, provides that the powers of a municipality shall be interpreted broadly so as to confer broad authority on municipalities to enable them to govern their affairs as they consider appropriate, and to enhance their ability to respond to municipal issues.

#### **Powers of a Natural Person**

Section 9 of the *Municipal Act* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act.

#### **Powers Exercised by Council**

Section 5(1) of the *Municipal Act* provides that the powers of a municipality shall be exercised by its Council

#### **Powers Exercised by By-law**

Section 5(3) of the *Municipal Act* provides that a municipal power, including a municipality's capacity, rights, powers and privileges under section 9, shall be exercised by bylaw unless the municipality is specifically authorized to do otherwise.

#### **Delegation of Powers and Duties**

Section 23.1 of the *Municipal Act* authorizes a municipality to delegate its duties under the *Municipal Act*, subject to certain requirements.

#### **Preamble**

Municipalities wishing to receive funding through the CCBF must enter into an agreement with AMO and that such agreement is for the period 2024-2034.

These funds were formally known as Gas Tax.

**Decision**

Council of the Corporation of the United Townships of Head, Clara and Maria believes it in the best interest of the Corporation to enter into the Agreement with AMO in order to receive funds from the CCBF.

**Direction**

NOW THEREFORE the Council of the Corporation of the United Townships of Head, Clara and Maria directs as follows:

1. That the Mayor and Clerk are hereby authorized to execute this Municipal Funding Agreement for the CCBF between the Association of Municipalities of Ontario and the Corporation of the United Townships of Head, Clara and Maria as in Schedule A attached hereto.
2. That Schedule A shall form part of this by-law.
3. This by-law takes effect on the day of its final passing.
4. That the Clerk for the United Townships of Head, Clara and Maria is hereby authorized to make minor modifications or corrections of a grammatical or typographical nature to the Bylaw and schedule after the passage of this Bylaw, where such modifications or corrections do not alter the intent of this Bylaw.

Read and adopted by Resolution 2024-063 this 20th Day of June 2024.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Municipal Clerk



**MUNICIPAL FUNDING AGREEMENT  
ON THE CANADA COMMUNITY-BUILDING FUND**

**BETWEEN:**

**THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO**

(referred to herein as “**AMO**”)

**AND:**

**THE UNITED TOWNSHIPS OF HEAD, CLARA & MARIA**

(a municipal corporation pursuant to the *Municipal Act, 2001*, referred to herein as the “**Recipient**”)

**WHEREAS** the Government of Canada, the Government of Ontario, AMO, and the City of Toronto are signatories to the Administrative Agreement on the Canada Community-Building Fund effective April 1, 2024 (the “**Administrative Agreement**”), which governs the transfer and use of the Canada Community-Building Fund (“**CCBF**”) in Ontario;

**AND WHEREAS** AMO is responsible for the administration of CCBF funding made available to all Municipalities in Ontario – except the City of Toronto – under the Administrative Agreement, and will therefore undertake (and require the Recipient to undertake) certain activities as set out in this Agreement;

**AND WHEREAS** the Recipient wishes to enter into this Agreement to access CCBF funding;

**NOW THEREFORE** the Parties agree as follows:

## DEFINITIONS AND INTERPRETATIONS

**Definitions.** For the purposes of this Agreement, the following terms shall have the meanings ascribed to them below:

**“Annual Report”** means the duly completed report to be prepared and delivered to AMO as described in Section 6.1.

**“Asset Management”** is a principle/practice that includes planning processes, approaches, plans, or related documents that support an integrated lifecycle approach to the effective stewardship of infrastructure assets to maximize benefits and effectively manage risk.

**“Canada”** means the Government of Canada, as represented by the Minister of Housing, Infrastructure and Communities.

**“Canada Community-Building Fund” or “CCBF”** means the program established under section 161 of the *Keeping Canada’s Economy and Jobs Growing Act*, S.C. 2011, c. 24 as amended by section 233 of the *Economic Action Plan 2013 Act, No. 1*, S.C. 2013, c. 33, as the Gas Tax Fund and renamed the Canada Community-Building Fund in section 199 of *Budget Implementation Act, 2021, No. 1*.

**“Contract”** means an agreement between the Recipient and a Third Party whereby the latter agrees to supply a product or service to an Eligible Project in return for financial consideration.

**“Eligible Expenditure”** means an expenditure described as eligible in Schedule B or deemed eligible by Canada in accordance with Section 4.2.

**“Eligible Investment Category”** means an investment category listed in Schedule A or deemed eligible by Canada in accordance with Section 3.2.

**“Eligible Project”** means a project that fits within an Eligible Investment Category.

**“Event of Default”** has the meaning given to it in Section 13.1 of this Agreement.

**“Funds”** mean the funds made available to the Recipient through the CCBF or any other source of funding as determined by Canada. Funds are made available pursuant to this Agreement and includes any interest earned on the said Funds. Funds transferred to another Municipality in accordance with Section 5.3 of this Agreement are to be treated as Funds by the Municipality to which the Funds are transferred; and Funds transferred to a non-municipal entity in accordance with Section 5.4 of this Agreement shall remain as Funds under this Agreement for all purposes and the Recipient shall continue to be bound by all provisions of this Agreement with respect to such transferred Funds.

**“Housing Needs Assessment”** or **“HNA”** means a report informed by data and research describing the current and future housing needs of a Municipality or community according to guidance provided by Canada.

**“Ineligible Expenditures”** means those expenditures described as ineligible in Schedule C or deemed ineligible by Canada in accordance with Section 4.2.

**“Infrastructure”** means tangible capital assets that are primarily for public use or benefit in Ontario – whether municipal or regional, and whether publicly or privately owned.

**“Lower-Tier Municipality”** means a Municipality that forms part of an Upper-Tier Municipality for municipal purposes, as defined under the *Municipal Act, 2001*, S.O. 2001, c. 25.

**“Municipal Fiscal Year”** means the period beginning January 1st of a year and ending December 31st of the same year.

**“Municipality”** and **“Municipalities”** means every municipality as defined under the *Municipal Act, 2001*, S.O. 2001, c. 25.

**“Non-Municipal Transfer By-law”** means a by-law passed by Council of the Recipient pursuant to Section 5.4 of this Agreement.

**“Parties”** means AMO and the Recipient.

**“Prior Agreement”** means the municipal funding agreement for the transfer of federal gas tax funds entered into by AMO and the Recipient, effective April 2014 and with an expiry date of March 31, 2024.

**“Single-Tier Municipality”** means a Municipality, other than an Upper-Tier Municipality, that does not form part of an Upper-Tier Municipality for municipal purposes, as defined under the *Municipal Act, 2001*, S.O. 2001 c. 25.

**“Third Party”** means any person or legal entity, other than the Parties to this Agreement, who participates in the implementation of an Eligible Project by means of a Contract.

**“Transfer By-law”** means a by-law passed by Council of the Recipient pursuant to Section 5.3 of this Agreement.

**“Unspent Funds”** means the amount reported as unspent by the Recipient as of December 31, 2023 in the Recipient’s 2023 Annual Report (as defined under the Prior Agreement).

**“Upper-Tier Municipality”** means a Municipality of which two or more Lower-Tier Municipalities form part for municipal purposes, as defined under the *Municipal Act, 2001*, S.O. 2001 c. 25.

## **Interpretations**

**“Agreement”** refers to this agreement as a whole, including the cover and execution pages and all of the schedules hereto, and all amendments made hereto in accordance with the provisions hereof.

The words **“herein”**, **“hereof”** and **“hereunder”** and other words of similar import refer to this Agreement as a whole and not any particular schedule, article, section, paragraph or other subdivision of this Agreement.

The term **“including”** or **“includes”** means including or includes (as applicable) without limitation or restriction.

Any reference to a federal or provincial statute is to such statute and to the regulations made pursuant to such statute as such statute and regulations may at any time be amended or modified and in effect and to any statute or regulations that may be passed that have the effect of supplementing or superseding such statute or regulations.

## **TERM OF THE AGREEMENT**

**Term.** Subject to any extension or termination of this Agreement or the survival of any of the provisions of this Agreement pursuant to the provisions contained herein, this Agreement shall come into effect as of April 1, 2024 up to and including March 31, 2034.

**Review.** This Agreement will be reviewed by AMO by June 30, 2027.

**Amendment.** This Agreement may be amended at any time in writing as agreed to by AMO and the Recipient.

**Notice.** Any of the Parties may terminate this Agreement on two (2) years written notice.

**Prior Agreement.** The Parties agree that the Prior Agreement, including Section 15.5 thereof, is hereby terminated. Notwithstanding the termination of the Prior Agreement, including Section 15.5, the reporting and indemnity obligations of the Recipient thereunder with respect to expended Funds governed by the Prior Agreement as set forth in Sections 5, 7, 10.3, 10.4 and 10.5 of the Prior Agreement shall survive the said termination.

## **ELIGIBLE PROJECTS**

**Eligible Projects.** Eligible Projects are those that fit within an Eligible Investment Category. Eligible Investment Categories are listed in Schedule A.

**Discretion of Canada.** The eligibility of any investment category not listed in Schedule A is solely at the discretion of Canada.

**Recipient Fully Responsible.** The Recipient is fully responsible for the completion of each Eligible Project in accordance with Schedule A and Schedule B.

## **ELIGIBLE EXPENDITURES**

**Eligible Expenditures and Ineligible Expenditures.** Eligible Expenditures are described in Schedule B. Ineligible Expenditures are described in Schedule C.

**Discretion of Canada.** The eligibility of any item not listed in Schedule B or Schedule C to this Agreement is solely at the discretion of Canada.

**Reasonable Access.** The Recipient shall allow AMO and Canada reasonable and timely access to all documentation, records and accounts and those of their respective agents or Third Parties related to the receipt, deposit and use of Funds and Unspent Funds, and any interest earned thereon, and all other relevant information and documentation requested by AMO or Canada or their respective designated representatives for the purposes of audit, evaluation, and ensuring compliance with this Agreement.

**Retention of Receipts.** The Recipient will keep proper and accurate accounts and records of all Eligible Projects including invoices and receipts for Eligible Expenditures for at least six (6) years after the completion of the project.

**Contracts.** The Recipient will award and manage all Contracts in accordance with its relevant policies and procedures and, if applicable, in accordance with any domestic or international trade agreements, and all other applicable laws. The Recipient will ensure any of its Contracts for the supply of services or materials to implement its responsibilities under this Agreement will be awarded in a way that is transparent, competitive, consistent with value for money principles and pursuant to its adopted procurement policy.

## **FUNDS**

**Use of Funds.** The Recipient acknowledges and agrees the Funds are intended for and shall be used only for Eligible Expenditures in respect of Eligible Projects.

**Unspent Funds.** Any Unspent Funds, and any interest earned thereon, will be subject to the terms and conditions of this Agreement, and will no longer be governed by the terms and conditions of the Prior Agreement.

**Transfer of Funds to a Municipality.** Where a Recipient decides to allocate and transfer Funds to another Municipality (the “Transferee Municipality”):

The allocation and transfer shall be authorized by a Transfer By-law. The Transfer By-law shall be passed by the Recipient’s council and submitted to AMO as soon thereafter as practicable. The Transfer By-law shall identify the Transferee Municipality and the amount of Funds the Transferee Municipality is to receive for the Municipal Fiscal Year(s) specified in the Transfer By-law.

The Recipient is still required to submit an Annual Report in accordance with Section 6.1 hereof with respect to the Funds transferred.

No transfer of Funds pursuant to this Section 5.3 shall be effected unless and until the Transferee Municipality has either (i) entered into an agreement with AMO on substantially the same terms as this Agreement, or (ii) has executed and delivered to AMO a written undertaking to assume all of the Recipient’s obligations under this Agreement with respect to the Funds transferred, such as undertaking in a form satisfactory to AMO.

**Transfer of Funds to a Non-Municipal Entity.** Where a Recipient decides to support an Eligible Project undertaken by a non-municipal entity (whether a for profit, non-governmental, or not-for profit organization):

The provision of such support shall be authorized by a Transfer By-law (a “Non-Municipal Transfer By-law”). The Non-Municipal Transfer By-law shall be passed by the Recipient’s council and submitted to AMO as soon as practicable thereafter. The Non-Municipal Transfer By-law shall identify the non-municipal entity, and the amount of Funds the non-municipal entity is to receive for that Eligible Project.

The Recipient shall continue to be bound by all the provisions of this Agreement notwithstanding any such transfer.

No transfer of Funds pursuant to this Section 5.4 shall be effected unless and until the non-municipal entity receiving the Funds has executed and delivered to AMO a written undertaking to assume all of the Recipient’s obligations under this Agreement with respect to the Funds transferred, in a form exclusively satisfactory to AMO.

**Payout of Funds.** Subject to Sections 5.14 and 5.15, AMO will transfer Funds twice yearly, on or before the dates agreed upon by Canada and AMO.

**Deposit of Funds.** The Recipient will deposit the Funds in:

An interest-bearing bank account; or

An investment permitted under:

The Recipient's investment policy; and

Provincial legislation and regulation.

**Interest Earnings and Investment Gains.** Interest earnings and investment gains will be:

Proportionately allocated to the CCBF when applicable; and

Applied to Eligible Expenditures for Eligible Projects.

**Funds Advanced.** Funds shall be spent (in accordance with Sections 3 and 4) or transferred (in accordance with Sections 5.3 or 5.4) within five (5) years after the end of the year in which Funds were received. Unexpended Funds shall not be retained beyond such five (5) year period without the documented consent of AMO. AMO reserves the right to declare that unexpended Funds after five (5) years become a debt to Canada which the Recipient will reimburse forthwith on demand to AMO for transmission to Canada.

**Expenditure of Funds.** The Recipient shall expend all Funds by December 31, 2038.

**HST.** The use of Funds is based on the net amount of harmonized sales tax to be paid by the Recipient net of any applicable tax rebates.

**Limit on Canada's Financial Commitments.** The Recipient may use Funds to pay up to one hundred percent (100%) of Eligible Expenditures of an Eligible Project.

**Federal Funds.** The Recipient agrees that any Funds received will be treated as "federal funds" for the purpose of other federal infrastructure programs.

**Stacking.** If the Recipient is receiving federal funds under other federal infrastructure programs in respect of an Eligible Project to which the Recipient wishes to apply Funds, the maximum federal contribution limitation set out in any other federal infrastructure program agreement made in respect of that Eligible Project shall continue to apply.

**Withholding Payment.** AMO may, in its exclusive discretion, withhold Funds where the Recipient is in default of compliance with any provisions of this Agreement.

**Insufficient Funds Provided by Canada.** Notwithstanding the provisions of Section 2, if Canada does not provide sufficient funds to continue the Funds for any Municipal

Fiscal Year during which this Agreement is in effect, AMO may immediately terminate this Agreement on written notice to the Recipient.

## **REPORTING REQUIREMENTS**

**Annual Report.** The Recipient shall submit a report to AMO by April 30<sup>th</sup> each year, or as otherwise notified by AMO. The report shall be submitted in an electronic format deemed acceptable by AMO and shall contain the information described in Schedule D.

**Project List.** The Recipient shall ensure that projects are reported in advance of construction. Information required is as noted in Section 2.3 of Schedule E.

## **ASSET MANAGEMENT**

**Implementation of Asset Management.** The Recipient will develop and implement an Asset Management plan, culture, and methodology in accordance with legislation and regulation established by the Government of Ontario (e.g., O. Reg. 588/17).

**Asset Data.** The Recipient will continue to improve data describing the condition of, long-term cost of, levels of service provided by, and risks associated with infrastructure assets.

## **HOUSING NEEDS ASSESSMENT**

**Requirement.** While an HNA is encouraged for all Municipalities, the Recipient must complete a HNA if it had a population of 30,000 or more on the 2021 Census of Canada and is a Single-Tier Municipality or a Lower-Tier Municipality.

**Content of the HNA.** The Recipient will prepare the HNA in accordance with the guidance provided from time to time by Canada.

**Use of HNA.** The Recipient is expected to prioritize projects that support the growth of the housing supply. The HNA is to be used by Municipalities to prioritize, where possible, Infrastructure or capacity building projects that support increased housing supply where it makes sense to do so.

**Publication of the HNA.** The Recipient will publish the HNA on its website.

**HNA reporting requirements.** The Recipient will send to AMO by March 31, 2025, unless otherwise agreed upon:

A copy of any HNA it is required to complete in accordance with Section 8.1; and



The URL to the published HNA on the Recipient's website.

## **COMMUNICATIONS REQUIREMENTS**

The Recipient will comply with all communication requirements outlined in Schedule E.

## **RECORDS AND AUDIT**

**Accounting Principles.** All accounting terms not otherwise defined herein have the meanings assigned to them; all calculations will be made and all financial data to be submitted will be prepared in accordance with generally accepted accounting principles ("GAAP") in effect in Ontario. GAAP will include, without limitation, those principles approved or recommended for local governments from time to time by the Public Sector Accounting Board or the Chartered Professional Accountants of Canada or any successor institute, applied on a consistent basis.

**Separate Records.** The Recipient shall maintain separate records and documentation for the Funds and keep all records including invoices, statements, receipts, and vouchers in respect of Funds expended on Eligible Projects in accordance with the Recipient's municipal records retention by-law. Upon reasonable notice by AMO or Canada, the Recipient shall submit all records and documentation relating to the Funds for inspection or audit.

**External Auditor.** AMO or Canada may request, upon written notice to Recipient, an audit of Eligible Project(s) or Annual Report(s). AMO shall retain an external auditor to carry out an audit and ensure that any auditor who conducts an audit pursuant to this Agreement or otherwise, provides a copy of the audit report to the Recipient.

## **INSURANCE AND INDEMNITY**

**Insurance.** The Recipient shall put in effect and maintain in full force and effect or cause to be put into effect and maintained for the term of this Agreement all the necessary insurance with respect to each Eligible Project, including any Eligible Projects with respect to which the Recipient has transferred Funds pursuant to Section 5 of this Agreement, that would be considered appropriate for a prudent Municipality undertaking similar Eligible Projects, including, where appropriate and without limitation, property, construction, and liability insurance, which insurance coverage shall identify Canada and AMO as additional insureds for the purposes of the Eligible Projects.

**Certificates of Insurance.** Throughout the term of this Agreement, the Recipient shall have a valid certificate of insurance that confirms compliance with the requirements of

Section 11.1. The Recipient shall produce such certificate of insurance on request, including as part of any AMO or Canada audit.

**AMO Not Liable.** In no event shall Canada or AMO be liable for:

Any bodily injury, death or property damages to the Recipient, its employees, agents, or consultants or for any claim, demand or action by any Third Party against the Recipient, its employees, agents, or consultants, arising out of or in any way related to this Agreement; or

Any incidental, indirect, special, or consequential damages, or any loss of use, revenue or profit to the Recipient, its employees, agents, or consultants arising out of any or in any way related to this Agreement.

**Recipient to Compensate Canada.** The Recipient will ensure that it will not, at any time, hold the Government of Canada, its officers, servants, employees or agents responsible for any claims or losses of any kind that the Recipient, Third Parties or any other person or entity may suffer in relation to any matter related to the Funds or an Eligible Project and that the Recipient will, at all times, compensate Canada, its officers, servants, employees and agents for any claims or losses of any kind that any of them may suffer in relation to any matter related to CCBF funding or an Eligible Project.

**Recipient to Indemnify AMO.** The Recipient hereby agrees to indemnify and hold harmless AMO, its officers, servants, employees or agents (each of which is called an “Indemnitee”), from and against all claims, losses, damages, liabilities and related expenses including the fees, charges and disbursements of any counsel for any Indemnitee incurred by any Indemnitee or asserted against any Indemnitee by whomsoever brought or prosecuted in any manner based upon, or occasioned by, any injury to persons, damage to or loss or destruction of property, economic loss or infringement of rights caused by or arising directly or indirectly from:

The Funds;

The Recipient’s Eligible Projects, including the design, construction, operation, maintenance, and repair of any part or all of the Eligible Projects;

The performance of this Agreement or the breach of any term or condition of this Agreement by the Recipient, its officers, servants, employees, and agents, or by a Third Party, its officers, servants, employees, or agents; and

Any omission or other wilful or negligent act of the Recipient or Third Party and their respective officers, servants, employees, or agents.

## TRANSFER AND OPERATION OF MUNICIPAL INFRASTRUCTURE

**Reinvestment.** The Recipient will invest into Eligible Projects, any revenue that is generated from the sale, lease, encumbrance, or other disposal of an asset resulting from an Eligible Project where such disposal takes place within five (5) years of the date of completion of the Eligible Project.

**Notice.** The Recipient shall notify AMO in writing 120 days in advance and at any time during the five (5) years following the date of completion of an Eligible Project if it is sold, leased, encumbered, or otherwise disposed of.

**Public Use.** The Recipient will ensure that Infrastructure resulting from any Eligible Project that is not sold, leased, encumbered, or otherwise disposed of, remains primarily for public use or benefit.

## DEFAULT AND TERMINATION

**Event of Default.** AMO may declare in writing that an Event of Default has occurred when the Recipient has not complied with any condition, undertaking or term in this Agreement. AMO will not declare in writing that an Event of Default has occurred unless it has first consulted with the Recipient. For the purposes of this Agreement, each of the following events shall constitute an “Event of Default”:

Failure by the Recipient to deliver in a timely manner an Annual Report or respond to questionnaires or reports as required;

Delivery of an Annual Report that discloses non-compliance with any condition, undertaking or material term in this Agreement;

Failure by the Recipient to co-operate in an external audit undertaken by Canada, AMO or their agents;

Delivery of an external audit report that discloses non-compliance with any condition, undertaking or term in this Agreement; and

Failure by the Recipient to expend Funds in accordance with the terms of this Agreement, including Section 5.8.

**Waiver.** AMO may withdraw its notice of an Event of Default if the Recipient, within thirty (30) calendar days of receipt of the notice, either corrects the default or demonstrates, to the satisfaction of AMO in its sole discretion that it has taken such steps as are necessary to correct the default.

**Remedies on Default.** If AMO declares that an Event of Default has occurred under Section 13.1, after thirty (30) calendar days from the Recipient’s receipt of the notice

of an Event of Default, it may immediately terminate this Agreement or suspend its obligation to pay the Funds. If AMO suspends payment, it may pay suspended Funds if AMO is satisfied that the default has been cured.

**Repayment of Funds.** If AMO declares that an Event of Default has not been cured to its exclusive satisfaction, AMO reserves the right to declare that prior payments of Funds become a debt to Canada which the Recipient will reimburse forthwith on demand to AMO for transmission to Canada.

## **CONFLICT OF INTEREST**

**No Conflict of Interest.** The Recipient will ensure that no current member of the AMO Board of Directors and no current or former public servant or office holder to whom any post-employment, ethics and conflict of interest legislation, guidelines, codes or policies of Canada applies will derive direct benefit from the Funds, the Unspent Funds, and any interest earned thereon, unless the provision of receipt of such benefits is in compliance with such legislation, guidelines, policies or codes.

## **NOTICE**

**Notice.** Any notice, information or document provided for under this Agreement will be effectively given if in writing and if delivered by hand, or overnight courier, mailed, postage or other charges prepaid, or sent by email to the addresses in Section 15.3. Any notice that is sent by hand or overnight courier service shall be deemed to have been given when received; any notice mailed shall be deemed to have been received on the eighth (8) calendar day following the day on which it was mailed; any notice sent by email shall be deemed to have been received on the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return email or other written acknowledgment), provided that in the case of a notice sent by email, if it is not given on a business day before 4:30 p.m. Eastern Standard Time, it shall be deemed to have been given at 8:30 a.m. on the next business day for the recipient.

**Representatives.** The individuals identified in Section 15.3 of this Agreement, in the first instance, act as AMO's or the Recipient's, as the case may be, representative for the purpose of implementing this Agreement.

**Addresses for Notice.** Further to Section 15.1 of this Agreement, notice can be given at the following addresses:

If to AMO:

Executive Director  
Canada Community-Building Fund Agreement  
Association of Municipalities of Ontario  
155 University Avenue, Suite 800  
Toronto, ON M5H 3B7

Telephone: 416-971-9856  
Email: ccbf@amo.on.ca

If to the Recipient:

Treasurer  
The United Townships of Head, Clara & Maria  
15 Township Hall Road  
Stonecliffe, ON K0J 2K0

## MISCELLANEOUS

**Counterpart Signature.** This Agreement may be signed (including by electronic signature) and delivered (including by facsimile transmission, by email in PDF or similar format or using an online contracting service designated by AMO) in counterparts, and each signed and delivered counterpart will be deemed an original and both counterparts will together constitute one and the same document.

**Severability.** If for any reason a provision of this Agreement that is not a fundamental term is found to be or becomes invalid or unenforceable, in whole or in part, it will be deemed to be severable and will be deleted from this Agreement, but all the other terms and conditions of this Agreement will continue to be valid and enforceable.

**Waiver.** AMO may waive any right in this Agreement only in writing, and any tolerance or indulgence demonstrated by AMO will not constitute waiver of rights in this Agreement. Unless a waiver is executed in writing, AMO will be entitled to seek any remedy that it may have under this Agreement or under the law.

**Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable in Ontario.

**Survival.** The Recipient agrees that the following sections and provisions of this Agreement shall extend for seven (7) years beyond the expiration or termination of this Agreement: Sections 4, 5.8, 5.9, 6.1, 11.4, 11.5, 12, 13.4 and 16.8.

**AMO, Canada and Recipient Independent.** The Recipient will ensure its actions do not establish or will not be deemed to establish a partnership, joint venture, principal-

agent relationship, or employer-employee relationship in any way or for any purpose whatsoever between Canada and the Recipient, between AMO and the Recipient, between Canada and a Third Party or between AMO and a Third Party.

**No Authority to Represent.** The Recipient will ensure that it does not represent itself, including in any agreement with a Third Party, as a partner, employee, or agent of Canada or AMO.

**Debts Due to AMO.** Any amount owed under this Agreement will constitute a debt due to AMO, which the Recipient will reimburse forthwith, on demand, to AMO.

**Priority.** In the event of a conflict, the part of this Agreement that precedes the signature of the Parties will take precedence over the Schedules.

**Complementarity.** The Recipient is to use the CCBF to complement, without replacing or displacing, other sources of funding for municipal infrastructure.

**Equity.** The Recipient is to consider Gender Based Analysis Plus (“**GBA+**”) lenses when undertaking a project.

## **SCHEDULES**

This Agreement, including:

Schedule A	Eligible Investment Categories
Schedule B	Eligible Expenditures
Schedule C	Ineligible Expenditures
Schedule D	The Annual Report
Schedule E	Communications Requirements

constitute the entire agreement between the Parties with respect to the subject matter contained in this Agreement and supersedes all prior oral or written representations and agreements.

**SIGNATURES**

**IN WITNESS WHEREOF**, AMO and the Recipient have respectively executed, and delivered this Agreement, effective April 1, 2024.

**THE UNITED TOWNSHIPS OF HEAD, CLARA & MARIA**

By:

\_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Date

**THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO**

By:

\_\_\_\_\_  
Name:  
Title: Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Witness:  
Title:

\_\_\_\_\_  
Date

## **SCHEDULE A: ELIGIBLE INVESTMENT CATEGORIES**

1. **Broadband connectivity** – investments in the construction, material enhancement, or renewal of infrastructure that provides internet access to residents, businesses, and/or institutions in Canadian communities.
2. **Brownfield redevelopment** – investments in the remediation or decontamination of a brownfield site within municipal boundaries – provided that the site is being redeveloped to construct a public park for municipal use, publicly owned social housing, or Infrastructure eligible under another investment category listed in this schedule.
3. **Capacity-building** – investments that strengthen the Recipient's ability to develop long-term planning practices as described in Schedule B, item 2.
4. **Community energy systems** – investments in the construction, material enhancement, or renewal of infrastructure that generates energy or increases energy efficiency.
5. **Cultural infrastructure** – investments in the construction, material enhancement, or renewal of infrastructure that supports the arts, humanities, or heritage.
6. **Drinking water** – investments in the construction, material enhancement, or renewal of infrastructure that supports drinking water conservation, collection, treatment, and distribution systems.
7. **Fire halls** – investments in the construction, material enhancement, or renewal of fire halls and fire station infrastructure.
8. **Local roads and bridges** – investments in the construction, material enhancement, or renewal of roads, bridges, tunnels, highways, and active transportation infrastructure.
9. **Public transit** – investments in the construction, material enhancement, or renewal of infrastructure that supports a shared passenger transport system that is available for public use.
10. **Recreational infrastructure** – investments in the construction, material enhancement, or renewal of recreational facilities or networks.
11. **Regional and local airports** – investments in the construction, material enhancement, or renewal of airport-related infrastructure (excluding infrastructure in the National Airports System).
12. **Resilience** – investments in the construction, material enhancement, or renewal of built and natural infrastructure assets and systems that protect and strengthen the resilience of communities and withstand and sustain service in the face of climate change, natural disasters, and extreme weather events.



13. **Short-line rail** – investments in the construction, material enhancement, or renewal of railway-related infrastructure for carriage of passengers or freight.
14. **Short-sea shipping** – investments in the construction, material enhancement, or renewal of infrastructure related to the movement of cargo and passengers around the coast and on inland waterways, without directly crossing an ocean.
15. **Solid waste** – investments in the construction, material enhancement, or renewal of infrastructure that supports solid waste management systems (including the collection, diversion, and disposal of recyclables, compostable materials, and garbage).
16. **Sport infrastructure** – investments in the construction, material enhancement, or renewal of amateur sport infrastructure (facilities housing professional or semi-professional sports teams are ineligible).
17. **Tourism infrastructure** – investments in the construction, material enhancement, or renewal of infrastructure that attracts travelers for recreation, leisure, business, or other purposes.
18. **Wastewater** – investments in the construction, material enhancement, or renewal of infrastructure that supports wastewater and storm water collection, treatment, and management systems.

Note: Investments in health infrastructure (e.g., hospitals, long-term care facilities, convalescent centres, and senior centres) are not eligible.

## **SCHEDULE B: ELIGIBLE EXPENDITURES**

Eligible Expenditures will be limited to the following:

1. **Infrastructure investments** – expenditures associated with acquiring, planning, designing, constructing, or renovating a tangible capital asset and any related debt financing charges specifically identified with that asset.
2. **Capacity-building costs** – for projects eligible under the capacity-building category only, expenditures associated with the development and implementation of:
  - Capital investment plans, integrated community sustainability plans, integrated regional plans, housing needs assessments, or asset management plans;
  - Studies, strategies, systems, software, third-party assessments, plans, or training related to asset management;
  - Studies, strategies, systems, or plans related to housing or land use;
  - Studies, strategies, or plans related to the long-term management of infrastructure; and
  - Other initiatives that strengthen the Recipient's ability to improve local and regional planning.
3. **Joint communications and signage costs** – expenditures directly associated with joint federal communication activities and with federal project signage.
4. **Employee costs** – the costs of the Recipient's employees for projects eligible under the capacity-building category only – provided that the costs, on an annual basis, do not exceed the lesser of:
  - 40% of the Recipient's annual allocation (i.e., the amount of CCBF funding made available to the Recipient by AMO under Section 5.5 of this Agreement); or
  - \$80,000.

## **SCHEDULE C: INELIGIBLE EXPENDITURES**

The following are deemed Ineligible Expenditures:

1. **Costs incurred before the Fund was established** – project expenditures incurred before April 1, 2005.
2. **Costs incurred before categories were eligible** – project expenditures incurred:
  - Before April 1, 2014 – under the broadband connectivity, brownfield redevelopment, cultural infrastructure, disaster mitigation (now resilience), recreational infrastructure, regional and local airports, short-line rail, short-sea shipping, sport infrastructure, and tourism infrastructure categories; and.
  - Before April 1, 2021 – under the fire halls category.
3. **Internal costs** – the Recipient's overhead costs (including salaries and other employment benefits), operating or administrative costs (related to planning, engineering, architecture, supervision, management, and other activities normally carried out by the Recipient's staff), and equipment leasing costs – except in accordance with Eligible Expenditures described in Schedule B.
4. **Rebated costs** – taxes for which the Recipient is eligible for a tax rebate and all other costs eligible for rebates.
5. **Land costs** – the purchase of land or any interest therein and related costs.
6. **Legal fees.**
7. **Routine repair or maintenance costs** – costs that do not result in the construction, material enhancement, or renewal of a tangible capital asset.
8. **Investments in health infrastructure** – costs associated with health infrastructure or assets (e.g., hospitals, long-term care facilities, convalescent centres, and senior centres).
9. **Investments in professional or semi-professional sports facilities** – costs associated with facilities used by professional or semi-professional sports teams.

## **SCHEDULE D: ANNUAL REPORT**

The Annual Report may include – but is not necessarily limited to – the following information pertaining to the previous fiscal year:

1. **Financial information** – and particularly:
  - Interest earnings and investment gains – in accordance with Section 5.7;
  - Proceeds from the disposal of assets – in accordance with Section 12.1;
  - Outgoing transfers – in accordance with Sections 5.3 and 5.4;
  - Incoming transfers – in accordance with Section 5.3; and
  - Amounts paid – in aggregate for Eligible Expenditures on each Eligible Project.
2. **Project information** – describing each Eligible Project that started, ended, or was ongoing in the reporting year.
3. **Results** – and particularly:
  - Expected outputs and outcomes for each ongoing Eligible Project;
  - Outputs generated and outcomes achieved for each Eligible Project that ended construction in the reporting year; and
  - Housing outcomes resulting from each Eligible Project that ended construction in the reporting year, and specifically:
    - i. The number of housing units enabled, supported, or preserved; and
    - ii. The number of affordable housing units enabled, supported, or preserved.
4. **Other information** – such as:
  - Progress made in the development and implementation of asset management plans and systems; and
  - The impact of the CCBF on housing pressures tied to infrastructure gaps, the housing supply, and housing affordability.

## **SCHEDULE E: COMMUNICATIONS REQUIREMENTS**

### **1. COMMUNICATIONS ACTIVITIES**

- 1.1 **Scope.** The provisions of this Schedule apply to all communications activities related to any Funds and Eligible Projects.
- 1.2 **Definition.** Communications activities may include (but are not limited to) public or media events, news releases, reports, web articles, blogs, project signs, digital signs, publications, success stories and vignettes, photo compilations, videos, advertising campaigns, awareness campaigns, editorials, award programs, and multi-media products.

### **2. INFORMATION SHARING REQUIREMENTS**

- 2.1 **Notification requirements.** The Recipient must report all active Eligible Projects to AMO in advance of construction each year. Reports must be submitted in an electronic format deemed acceptable by AMO.
- 2.2 **Active Eligible Projects.** Active Eligible Projects are those Eligible Projects that either begin in the current calendar year or are ongoing in the current calendar year.
- 2.3 **Information required.** The report must include, at a minimum, the name, category, description, expected outcomes, anticipated CCBF contribution, anticipated start date, and anticipated end date of each active Eligible Project.

### **3. PROJECT SIGNAGE REQUIREMENTS**

- 3.1 **Installation requirements.** Unless otherwise approved by Canada, the Recipient must install a federal sign to recognize federal funding for each Eligible Project in accordance with design, content, and installation guidelines provided by Canada.
- 3.2 **Permanent signs, plaques, and markers.** Permanent signage, plaques, and markers recognizing municipal or provincial contributions to an Eligible Project must also recognize the federal contribution and must be approved by Canada.
- 3.3 **Responsibilities.** The Recipient is responsible for the production and installation of Eligible Project signage in accordance with Section 3 of this Schedule E, except as otherwise agreed upon.
- 3.4 **Reporting requirements.** The Recipient must inform AMO of signage installations in a manner determined by AMO.

#### 4. DIGITAL COMMUNICATIONS REQUIREMENTS

- 4.1 **Social media.** AMO maintains accounts dedicated to the CCBF on several social media networks. The Recipient must @mention the relevant account when producing content that promotes or communicates progress on one or more Eligible Projects. AMO's CCBF-dedicated social media accounts are identified on [www.buildingcommunities.ca](http://www.buildingcommunities.ca).
- 4.2 **Websites and webpages.** Websites and webpages created to promote or communicate progress on one or more Eligible Projects must recognize federal funding using either:
- a) A digital sign; or
  - b) The Canada wordmark and the following wording (as applicable):
    - i. "This project is funded in part by the Government of Canada"; or
    - ii. "This project is funded by the Government of Canada".

The Canada wordmark or digital sign must link to [www.infrastructure.gc.ca](http://www.infrastructure.gc.ca). Guidelines describing how this recognition is to appear and language requirements are posted at <http://www.infrastructure.gc.ca/pub/signage-panneaux/intro-eng.html>.

#### 5. REQUIREMENTS FOR MEDIA EVENTS AND ANNOUNCEMENTS

- 5.1 **Definitions.** Media events and announcements include, but are not limited to, news conferences, public announcements, and the issuing of news releases to communicate the funding of Eligible Projects or achievement of key milestones (such as groundbreaking ceremonies, grand openings, and completions).
- 5.2 **Authority.** Canada, AMO, or the Recipient may request a media event or announcement.
- 5.3 **Notification requirements.** Media events and announcements must not proceed without the prior knowledge and agreement of AMO, Canada, and the Recipient.
- 5.4 **Notice.** The requester of a media event or announcement must provide at least fifteen (15) business days' notice to other parties of their intention to undertake such an event or announcement. If communications are proposed through a news release with no supporting event, Canada additionally requires five (5) business days with the draft news release to secure approvals and confirm the federal representative's quote.
- 5.5 **Date and location.** Media events and announcements must take place at a date and location that is mutually agreed to by the Recipient, AMO and Canada.

- 5.6 **Representatives.** The Recipient, AMO, and Canada will have the opportunity to participate in media events and announcements through a designated representative. Each Party will choose its own designated representative.
- 5.7 **Responsibilities.** AMO and the Recipient are responsible for coordinating all onsite logistics for media events and announcements unless otherwise agreed on.
- 5.8 **No unreasonable delay.** The Recipient must not unreasonably delay media events and announcements.
- 5.9 **Precedence.** The conduct of all joint media events, announcements, and supporting communications materials (e.g., news releases, media advisories) will follow the [Table of Precedence for Canada](#).
- 5.10 **Federal approval.** All joint communications material related to media events and announcements must be approved by Canada and recognize the funding of all contributors.
- 5.11 **Federal policies.** All joint communications material must reflect Canada's Policy on Official Languages and the Policy on Communications and Federal Identity.
- 5.12 **Equal visibility.** The Recipient, Canada, and AMO will have equal visibility in all communications activities.

## 6. PROGRAM COMMUNICATIONS

- 6.1 **Own communications activities.** The Recipient may include messaging in its own communications products and activities with regards to the use of Funds.
- 6.2 **Funding acknowledgements.** The Recipient must recognize the funding of all contributors when undertaking such activities.

## 7. OPERATIONAL COMMUNICATIONS

- 7.1 **Responsibilities.** The Recipient is solely responsible for operational communications with respect to the Eligible Projects, including but not limited to, calls for tender, construction, and public safety notices. Operational communications as described above are not subject to the federal official languages policy.
- 7.2 **Federal funding acknowledgement.** Operational communications should include, where appropriate, the following statement (as appropriate):
- a) "This project is funded in part by the Government of Canada"; or
  - b) "This project is funded by the Government of Canada".

- 7.3 **Notification requirements.** The Recipient must share information promptly with AMO should significant emerging media or stakeholder issues relating to an Eligible Project arise. AMO will advise the Recipient, when appropriate, about media inquiries received concerning an Eligible Project.

## 8. COMMUNICATING SUCCESS STORIES

- 8.1 **Participation requirements.** The Recipient must work with Canada and AMO when asked to collaborate on communications activities – including, but not limited to, Eligible Project success stories (including positive impacts on housing), Eligible Project vignettes, and Eligible Project start-to-finish features.

## 9. ADVERTISING CAMPAIGNS

- 9.1 **Responsibilities.** The Recipient may, at its own cost, organize an advertising or public information campaign related to the use of the Funds or Eligible Projects, provided that the campaign respects the provisions of this Agreement.
- 9.2 **Notice.** The Recipient must inform Canada and AMO of its intention to organize a campaign no less than twenty-one (21) working days prior to the launch of the campaign.



**ATTACHMENT 2 TO SCHEDULE A**  
**STATEMENT OF WORK FOR**  
**ELIGIBLE COMMUNITY DEPOT OPERATION**  
**for**  
**MASTER SERVICES AGREEMENT**  
**Number 2025 -00-137**





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## STATEMENT OF WORK

### STATEMENT OF WORK NUMBER: 2

This statement of work ("Statement of Work") is given pursuant to the Master Services Agreement ("MSA"), made as of \_\_\_\_\_ BETWEEN The Corporation of the United Township of Head, Clara and Maria ("Contractor") and Circular Materials, a federal not-for-profit corporation, having a place of business at 1 St. Clair Avenue West, Suite 700, Toronto ON M4V 1K6, operating as Circular Materials Ontario ("CMO", and with the Contractor, each a "Party" and collectively the "Parties"), with an effective date of \_\_\_\_\_ ("Statement of Work Effective Date").

NOW, THEREFORE, in consideration of the promises, mutual covenants, and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties acknowledge and agree to all covenants, terms and conditions as stipulated in the MSA, as follows:

1. Beginning on the applicable Statement of Work Eligible Community Service Commencement Date listed in Exhibit 5, the Contractor shall perform the Work required by this Statement of Work for all Depots listed in Exhibit 2 and Exhibit 3.
2. The Work under this Statement of Work shall include all the Contractor's other obligations under the MSA.
3. The time period during which the Work required by this Statement of Work is to be performed is from the earliest Statement of Work Eligible Community Service Commencement Date listed in Exhibit 5 until December 31, 2025. Pursuant to Section 2.1(b) of the MSA, CMO and the Contractor may, by Change Order, extend this Statement of Work for up to three (3) further periods of one (1) year each. The initial term and any such additional term or terms are herein referred to as the "SoW Term".
4. The full compensation for the Work under this Statement of Work shall be as set forth in Exhibit 6, which excludes Value Added Taxes. Value Added Taxes are payable by CMO to the Contractor on the price of the Statement of Work.
5. In the event of the termination of the MSA in accordance with Section 7.5 of the MSA, CMO shall only pay for the Work authorized by this Statement of Work which is performed prior to the termination date. For the purposes of clarity, CMO shall not be liable to make any other payments in connection with this Statement of Work as a result of such termination of the MSA.
6. Capitalized terms not defined in this Statement of Work shall have the meaning set out in the MSA.
7. This Statement of Work forms part of, and is subject to and governed by, the MSA.
8. Attached and forming an integral part of this Statement of Work are the following exhibits:
  - (i) Exhibit 1 – Scope of Work and Other Provisions;
  - (ii) Exhibit 2 – Staffed Depots in Eligible Communities;



- (iii) Exhibit 3 – Unstaffed Depots in Eligible Communities;
- (iv) Exhibit 4 – Blue Box Material Accepted in Collection System;
- (v) Exhibit 5 – Service Commencement Dates; and
- (vi) Exhibit 6 – Compensation.

**[Remainder of Page Intentionally Left Blank]**

**IN WITNESS WHEREOF**, the terms and conditions of this Statement of Work are acknowledged and agreed to by the Parties as of the date first listed above.



**The Corporation of the United Township of Head,  
Clara and Maria**

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

We have authority to bind the Contractor.

**Circular Materials Ontario**

By: \_\_\_\_\_

Name: Allen Langdon

Title: CEO

I have authority to bind CMO.

## **EXHIBIT 1: SCOPE OF WORK AND OTHER PROVISIONS**

### **ARTICLE 1 DEFINITIONS**

#### **1.1 Definitions**

“COLLECTION” means the receipt of Blue Box Material from an Eligible Source.

“COLLECTION SERVICES” means the portion of the Work required by this Statement of Work.

“DEPOT” means a Staffed Depot or an Unstaffed Depot or a New Depot.

“ELIGIBLE SOURCES” means, collectively, (i) eligible sources as defined in the Regulation and (ii) sources agreed by the Parties to be eligible sources for the purposes of the MSA.

“HAZARDOUS WASTE” means: (i) a hazardous and special product or HSP as defined by Ontario Regulation 449/21 under the (Ontario) Resource Recovery and Circular Economy Act, 2016; or (ii) a hazardous waste as defined in Revised Regulations of Ontario 1990, Regulation 347 under the (Ontario) Environmental Protection Act.

“NEW DEPOT” means a new depot as agreed to by the Parties for the purposes of this MSA.

“NON-BLUE BOX MATERIAL” means material that is not Blue Box Material.

“NON-ELIGIBLE SOURCE” means a source within an Eligible Community listed in Exhibit 5 that is not an Eligible Source.

“NON-ELIGIBLE SOURCE BLUE BOX MATERIAL UNIT PRICE” has the meaning set out in Exhibit 6.

“NON-ELIGIBLE SOURCE DEDUCTION” has the meaning set out in Section 3.3(a) of Exhibit 1.

“RESIDENTIAL DEPOT OPERATION COSTS” has the meaning set out in Exhibit 6.

“SINGLE STREAM” means Stream 1 and Stream 2 materials combined.

“SOW TERM” has the meaning set out in Section 3 of this Statement of Work.

“STATEMENT OF WORK EFFECTIVE DATE” has the meaning set out in the recitals to this Statement of Work.

“STAFFED DEPOT” means a facility listed in Exhibit 2.

“STREAM 1” has the meaning set out in Section 3.2(e)(i) of Exhibit 1 to this Statement of Work.

“STREAM 2” has the meaning set out in Section 3.2(e)(ii) of Exhibit 1 to this Statement of Work.



“TRANSITION DATE” means the transition date for an Eligible Community set forth in the document of the (Ontario) Ministry of Environment, Conservation and Parks entitled “Blue Box Transition Schedule” and dated June 1, 2021.

“UNSTAFFED DEPOT” means a facility listed in Exhibit 3.

“VALUATION TYPE” or “VALTYPE” means the source of Blue Box Material, including single-family residences, multi-family residences, long-term care homes, retirement homes, schools, depots and public spaces. The ValType shall be recorded on weigh scale tickets at a receiving facility.

## ARTICLE 2 SCOPE OF COLLECTION SERVICES

### 2.1 Scope of Collection Services

- (a) The Contractor shall provide Collection Services, including receiving Blue Box Material from Eligible Sources, quality control of received Blue Box Material, storage of Blue Box Material and sorting as required, for each Depot in a manner that meets or exceeds the standards, level, scope and quality of collection services the Depot (or, for a New Depot, a similar Depot) received immediately prior to the Transition Date and complies with the terms of the MSA.
- (b) Without limiting the generality of the foregoing, the Collection Services shall meet the applicable requirements of the Regulation, including Sections 24 and 25.
- (c) The Contractor shall retain responsibility for, and control of, Blue Box Material at a Depot from receipt from Eligible Sources through to pick up by CMO or a contractor identified by CMO from time to time.
- (d) Ownership of the Blue Box Material accepted at a Depot by the Contractor shall not transfer to the Contractor.
- (e) CMO shall not be obligated to join or instigate litigation to protect the right of the Contractor. The Contractor may independently enforce its rights under this Statement of Work against third party violators, including but not limited to seeking injunctive relief.



### ARTICLE 3 SERVICE PROVISION

#### 3.1 Addition or Removal of Depots

CMO and the Contractor may add New Depots or remove existing Depots, and make related revisions to the relevant exhibits, by Change Order, pursuant to Section 8.8 of the MSA.

#### 3.2 Blue Box Material to be Collected

- (a) The Contractor will collect Blue Box Material listed in Exhibit 4 and delivered by Eligible Sources to a Depot.
- (b) The Contractor will use best efforts to reduce the quantity of Non-Blue Box Material in collected Blue Box Material to no more than four percent (4%) by weight.
- (c) If the average amount of Non-Blue Box Material in collected Blue Box Material picked up by CMO, or a contractor identified by CMO from time to time, from the Depots in any rolling six (6) month period exceeds four percent (4%), the Contractor will, within ninety (90) calendar days, prepare and submit to CMO a plan that includes identification of sources of Non-Blue Box Material and strategies and supporting measures to mitigate the amounts of Non-Blue Box Material. The Contractor will implement the plan and provide quarterly reporting to CMO detailing the progress and outcomes of the plan. If improvement does not occur within ninety (90) calendar days after the start of the plan execution, the Contractor will work with CMO to establish additional changes and to adopt best practices recommended by CMO.
- (d) The Contractor may not collect, and collected Blue Box Material may not contain, any packaging containing Hazardous Waste.
- (e) If Blue Box Material is to be collected from Eligible Sources in the Eligible Communities listed in Exhibit 5 in a minimum of two streams as set out in Exhibit 4, the minimum separation of streams is as follows:
  - (i) Stream 1 – Paper Products and the following types of Paper Packaging:
    - paper laminates
    - kraft paper carry-out bags
    - kraft paper - non-laminated
    - corrugated cardboard
    - boxboard and other paper packaging
  - (ii) Stream 2 – Plastic Packaging, Metal Packaging, Glass Packaging and the following types of Paper Packaging:
    - gable top containers
    - aseptic containers

### 3.3 Non-Eligible Source Deduction

- (a) Subject to Section 3.3(b), the non-eligible source deduction for each calendar month ("Non-Eligible Source Deduction") shall be nine-point zero percent (9.0%) and such amount shall be used in the calculation of the Contract Price, pursuant to Exhibit 6.
- (b) If:
  - (i) the Contractor has submitted information and documents substantiating, to CMO's reasonable satisfaction, that the proportion of Blue Box Material from Non-Eligible Sources is less than nine-point zero percent (9.0%), then, at CMO's discretion, CMO may reduce the Non-Eligible Source Deduction upon thirty (30) days written notice; or
  - (ii) the amount of Blue Box Material collected differs from the amount expected by CMO, based on the typical capture rates of Blue Box Material and the estimated Blue Box Material available for collection, then, at CMO's discretion, CMO may increase the amount of the Non-Eligible Source Deduction, upon thirty (30) days written notice, to reflect the capture rate for Blue Box Material that is within the typical range of capture rates,

and, in either case, such adjusted amount shall be used in the calculation of the Contract Price for subsequent calendar months, pursuant to Exhibit 6.

### 3.4 Insurance

Without limiting the generality of Section 8.6 of the MSA, the Contractor shall obtain and maintain the "all risk" property insurance referred to in Section 8.6(a)(iv) for all Depots.

## ARTICLE 4 RECORD KEEPING AND REPORTING REQUIREMENTS

### 4.1 Record Keeping and Reporting Requirements

- (a) The Contractor shall provide an inventory of equipment for each Depot prior to the Statement of Work Eligible Community Service Commencement Date and shall submit an updated inventory of equipment for each Depot on a quarterly basis.
- (b) The Contractor shall retain records for the Blue Box Material that is collected including a record of the number of containers picked up and weight in metric tonnes of each load picked up by CMO or a contractor identified by CMO from time to time.
- (c) The Contractor shall, in addition to the records specified above, review a monthly summary report prepared by CMO and provided to the Contractor via an online web-based interface by the fifth (5th) day of the month following the month addressed in the summary report. If the fifth (5th) day of the month falls on a Saturday, Sunday or Statutory Holiday, the report may be provided on the next Business Day. This report shall include the following information:
  - (i) Originating Eligible Community ID number;
  - (ii) Total number of Depots;
  - (iii) Number of Depots added or removed through a Change Order during the calendar month;
  - (iv) Percentage of Blue Box Material from Non-Eligible Sources;
  - (v) Valtype of each load picked up by CMO or a contractor identified by CMO from time to time;
  - (vi) Blue Box Material onboard each load picked up by CMO or a contractor identified by CMO from time to time;
  - (vii) Scale ticket number;
  - (viii) Gross weight (tonnes);
  - (ix) Tare weight (tonnes, including by split load if applicable); and
  - (x) Net weight (tonnes; tonnes by compartment – Stream 1, Stream 2, where split-weighting occurs).
- (d) Within five (5) calendar days of the monthly summary report being provided to the Contractor via an on-line web-based interface, the Contractor shall review such monthly summary report and notify CMO of (i) any discrepancies in such monthly summary report or (ii) the Contractor's acceptance of such monthly summary report as an accurate and complete Work Report for the Month in respect of the applicable calendar month. If the fifth (5) calendar day after such report

is provided to the Contractor falls on a Saturday, Sunday or Statutory Holiday, the Contractor may notify CMO on the next Business Day.

- (e) If the Contractor does not notify CMO of any discrepancies in, or of the Contractor's acceptance of, such monthly summary report within the time specified in Section 4.1(d) of this Exhibit 1, the Contractor shall be deemed to have accepted such monthly summary report as an accurate and complete Work Report for the Month in respect of the applicable calendar month.
- (f) If the Contractor notifies CMO of any discrepancies in a monthly summary report within the time specified in Section 4.1(d) of this Exhibit 1, CMO will make commercially reasonable efforts to resolve the discrepancies and reissue such report within five (5) Business Days of being notified by the Contractor of such discrepancy. The Contractor shall review and respond to such reissued report in accordance with the requirements specified in Section 4.1(d) of this Exhibit 1 and Sections 4.1(d) and 4.1(e) of this Exhibit 1 shall otherwise apply to such reissued report.

## ARTICLE 5 DOCUMENTATION AND PAYMENT

### 5.1 Documentation and Payment

- (a) Starting in the first calendar month after the Statement of Work Eligible Community Service Commencement Date for an Eligible Community, the Contractor shall review and accept the monthly summary report for the Work performed in the prior calendar month for such Eligible Community in accordance with Section 4.1 of this Exhibit 1. Once accepted, or deemed to be accepted, by the Contractor, such monthly summary report shall be a work report for the month (the "Work Report for the Month") in respect of the applicable calendar month.
- (b) For clarity, the Contractor will only be paid for Work under this Statement of Work in respect of any calendar month once there is a Work Report for the Month for such calendar month.
- (c) For greater certainty, except as expressly set out in the MSA there shall be no increase to the prices set out in the Statement of Work for any changes to the Contractor's responsibilities.

**EXHIBIT 2: STAFFED DEPOTS IN ELIGIBLE COMMUNITIES**

Eligible Community	Depot Name	Street Address	City	Postal Code	Days of Operation per calendar month	Hours of Operation per day
The Corporation of the United Township of Head, Clara and Maria	Stonecliffe Site	67 Kenny Road	Mackey	K0J2B0	<b>Summer</b> (April to December) Thursday: 12:45pm-4:15pm Saturday: 8:30am - 12pm <b>Winter</b> (January to March) Thursday: 12:45pm-2:30pm Saturday: 8:30am-12pm <b>Holidays:</b> closed	<b>Summer</b> Thurs = 3.5 hrs Sat = 3.5 hrs <b>Winter</b> Thurs = 2.45 hrs Sat = 3.5 hrs
	Bisset Creek Site	93 Bissett Creek Road	Bissett Creek	K0J1E0	<b>Summer</b> (April to December) Tuesday: 12:30pm-3:30pm Saturday: 12:45pm-3:45pm <b>Winter</b> (January to March) Tuesday: 12:30pm-2pm Saturday: 12:45pm-2:45pm <b>Holidays:</b> closed	<b>Summer</b> Thurs = 3 hrs Sat = 3 hrs <b>Winter</b> Tues = 1.5 hrs Sat = 2 hrs

**\*NOTE: CMO holds no responsibility or liability for actual information that is different from the information presented in this Exhibit.**

**EXHIBIT 3: UNSTAFFED DEPOTS IN ELIGIBLE COMMUNITIES**

Eligible Community	Depot Name	Street Address	City	Postal Code
The Corporation of the United Township of Head, Clara and Maria	None			

**\*NOTE: CMO holds no responsibility or liability for actual information that is different from the information presented in this Exhibit.**

**EXHIBIT 4: BLUE BOX MATERIAL ACCEPTED IN COLLECTION SYSTEM**

	Material	Stream 1	Stream 2
<b>Paper/Fibres</b>	Newsprint	Yes	No
	Magazines and Catalogues	Yes	No
	Telephone Books	Yes	No
	Household Fine Paper	Yes	No
	Other Printed Paper	Yes	No
	Corrugated Cardboard	Yes	No
	Boxboard	Yes	No
	Gable Top Cartons	Yes	No
	Paper Laminates	Yes	No
	Aseptic Containers	No	No
<b>Aluminum</b>	Aluminum food or beverage cans	No	Yes
	Aluminum Foil & Trays	No	Yes
	Other Aluminum Packaging & Foil	No	Yes
<b>Plastics</b>	PET Bottles (#1)	No	Yes
	Thermoform PET (#1), Clamshells & Other Clear Plastic Containers	No	yes
	HDPE Containers (#2)	No	Yes
	Tubs & Lids (#2, #4 & #5)	No	Yes
	Other Bottles & Containers (#3, #5, #7)	No	Yes
	Plastic film (LDPE/HDPE) (#2, #4)	No	Yes
	Plastic Laminates	No	Yes
	Polystyrene Foam (#6)	No	No
<b>Steel</b>	Steel Food and Beverage Cans	No	Yes
	Steel Aerosols	No	No
	Steel Paint Cans	No	No
<b>Glass</b>	Flint/Clear Glass	No	Yes
	Coloured Glass	No	Yes
<b>Others</b>	Plastic Bags	No	No

**\*NOTE: CMO holds no responsibility or liability for information that is different from the information presented in this Exhibit.**



**EXHIBIT 5: SERVICE COMMENCEMENT DATES**

The table included below lists the Statement of Work Eligible Community Service Commencement Date when services, forming the Work described by this Statement of Work, are to commence in each Eligible Community.

Eligible Community	Statement of Work Eligible Community Service Commencement Date
The Corporation of the United Township of Head, Clara and Maria	1-1-2025

## **EXHIBIT 6: COMPENSATION**

- 1.1 For each calendar month during the SoW Term, the Contract Price for the Work performed under this Statement of Work in accordance with the requirements of the MSA shall be calculated as:
- (a) Residential Depot Operation Costs; less
  - (b) the Non-Eligible Source Deduction multiplied by the tonnes of Blue Box Material picked up by CMO, or a contractor identified by CMO from time to time, from the Depots during the applicable calendar month, multiplied by the Non-Eligible Source Blue Box Material Unit Price.

For the purposes of this Statement of Work, “**Residential Depot Operation Costs**” means \$987.00, as adjusted in accordance with this MSA, and “**Non-Eligible Source Blue Box Material Unit Price**” means \$200.00 per tonne, as adjusted in accordance with this MSA. The Residential Depot Operation Costs include the Contractor’s administration factor as published by the Resource Productivity and Recovery Authority.

The Residential Depot Operation Costs include the Contractor’s administration factor as published by the Resource Productivity and Recovery Authority in its 2020 Datacall. Notwithstanding any other provision in the MSA, the Residential Depot Operation Costs shall not be increased, and the Contractor shall not receive any additional compensation, if there is an increase in such administration factor.

1.2 Total Residential Depot Operation Costs Adjustment

- (a) The Residential Depot Operation Costs for each calendar month of the SoW Term shall be determined as follows:

Residential Depot Operation Costs = Base Residential Depot Operation Costs + Non-Fuel Price Component Adjustment, where such price adjustments are applicable to the calendar month.

- (b) The “**Base Residential Depot Operation Costs**” is the Residential Depot Operation Costs at the Statement of Work Eligible Community Service Commencement Date as set out in Section 1.1.
- (c) The “**Non-Fuel Price Component**” is 100% of the Base Residential Depot Operation Costs.
- (d) For the first calendar month immediately following the first annual anniversary of the Statement of Work Eligible Community Service Commencement Date and for each subsequent annual anniversary, the “Non-Fuel Price Component Adjustment” shall be (1) the Non-Fuel Price Component multiplied by (2) the percentage change in the CPI Index, as most recently published, since the Statement of Work Eligible Community Service Commencement Date. The Non-Fuel Price Component Adjustment will be added to or subtracted, as applicable, from the Base Residential Depot Operation Costs, for such calendar month and for each of the subsequent eleven (11) calendar months.

### 1.3 Total Non-Eligible Source Blue Box Material Unit Price Adjustment

- (a) The Non-Eligible Source Blue Box Material Unit Price for each calendar month of the SoW Term shall be determined as follows:

Non-Eligible Source Blue Box Material Unit Price = Base Non-Eligible Source Blue Box Material Unit Price + CM Fuel Price Component Adjustment + CPI Component Adjustment, where such price adjustments are applicable to the calendar month.

- (b) The “**Base Non-Eligible Source Blue Box Material Unit Price**” is the Non-Eligible Source Blue Box Material Unit Price as set out in Section 1.1 of Exhibit 6.
- (c) The “**CM Fuel Price Component**” is 20% of the Base Non-Eligible Source Blue Box Material Unit Price.
- (d) The “**CPI Component**” is 80% of the Base Non-Eligible Source Blue Box Material Unit Price.
- (e) For each calendar month during the SoW Term, the “**CM Fuel Price Component Adjustment**” shall be (1) the CM Fuel Price Component multiplied by (2) the percent change in the Southern Ontario Diesel Price, as most recently published in the table of Fuel Prices located at <https://data.ontario.ca/dataset/fuels-price-survey-information> (“**CM Diesel Fuel Index**”), compared to the Southern Ontario Diesel Price for the first week of July 2023. The CM Fuel Price Component Adjustment will be added to or subtracted from, as applicable, the Base Non-Eligible Source Blue Box Material Unit Price.
- (f) In the month of April of each calendar year during the SoW Term, the “**CPI Component Adjustment**” shall be (1) the CPI Component multiplied by (2) the percent change in the CPI Index, as published for March of such calendar year, compared to the CPI Index for July 2023. The CPI Component Adjustment will be added to or subtracted from, as applicable, the Base Non-Eligible Source Blue Box Material Unit Price for April of such calendar year and for each of the subsequent eleven (11) calendar months.

### 1.4 CPI Index

For the purposes of this Statement of Work, “**CPI Index**” means the Consumer Price Index (All items), monthly, not seasonally adjusted – Ontario (Table 18-10-0004-01) (Formerly CANSIM 326-0020) (<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000401>).

### 1.5 Changes to Indices

If the applicable publisher materially changes, discontinues or replaces the CPI Index, the CPI Index shall be subject to revisions as agreed by the Parties.

If the applicable publisher materially changes, discontinues or replaces the CM Diesel Fuel Index, CMO, in its discretion, shall choose an index to replace the CM Diesel Fuel Index.

**MASTER SERVICES AGREEMENT**

**for**

**SERVICES RELATED TO BLUE BOX MATERIAL**

**Number 2025-00-137**



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This Master Services Agreement (this “MSA”) is entered into as of \_\_\_\_\_, (“Effective Date”)

Between

The Corporation of the United Township of Head, Clara and Maria, a **corporation incorporated under the laws of Ontario**, having a place of business at 15 Township Hall Road, Stonecliffe, K0J 2K0 (“Contractor”)

And

Circular Materials, a federal not-for-profit corporation, having a place of business at 1 St. Clair Avenue West, Suite 700, Toronto ON, M4V 1K6, operating as Circular Materials Ontario (“CMO”)

#### **RECITALS**

WHEREAS, CMO is the administrator of the common collection system for Blue Box Material; and

WHEREAS, CMO issued an offer to the Contractor in connection with the collection of Blue Box Materials and related services; and

WHEREAS, Contractor and CMO (each a “Party”, and collectively the “Parties”) jointly desire to enter into this MSA respecting the collection of Blue Box Material and related services for the applicable Eligible Community as set out in one or more Statements of Work which, once such Statements of Work are duly executed, shall form part of, and be subject to and governed by, this MSA; and

WHEREAS the Contractor agrees to provide the Work in accordance with the terms and conditions of this MSA;

NOW, THEREFORE, in consideration of the promises, mutual covenants, and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties acknowledge and agree to all covenants, terms and conditions as stipulated in this MSA, as follows:

## ARTICLE 1 INTERPRETATION

### 1.1 Definitions

“APPLICABLE LAW” means any federal, provincial, municipal, local, domestic or foreign law, rule, statute, subordinate legislation, regulation, by-law, order, ordinance, protocol, code, guideline, treaty, policy, notice, direction or judicial, arbitral, administrative, ministerial or departmental judgment, award, decree, treaty, directive, or other requirement or guideline published or in force at any time which applies to or is otherwise intended to govern or regulate any Person (including any Party), property, transaction, activity, event or other matter, which in any way applies to the Work under this MSA or any Party, including any rule, order, judgment, guideline, directive or other requirement or guideline issued by any governmental or regulatory authority. Applicable Law shall include privacy laws, the (Ontario) *Freedom of Information and Protection of Privacy Act*, the (Ontario) *Municipal Freedom of Information and Protection of Privacy Act*, the (Canada) *Competition Act*, the (Ontario) *Environmental Protection Act*, the *Ontario Water Resources Act*, the (Ontario) *Dangerous Goods Transportation Act*, the (Ontario) *Occupational Health and Safety Act*, the (Ontario) *Resource Recovery and Circular Economy Act, 2016* and the Regulation.

“BLUE BOX MATERIAL” has the meaning set out in the Regulation, except in the context of a Statement of Work it has the meaning set out in such Statement of Work to the extent expressly set out otherwise in such Statement of Work.

“BUSINESS DAY” means any day from Monday to Friday inclusive, excluding statutory holidays in the province of Ontario.

“CHANGE NOTICE” has the meaning set in Section 8.8(a) of this MSA.

“CHANGE ORDER” has the meaning set in Section 8.8(f) of this MSA.

“COLLECTION DATA” means all data or information pertaining to Equipment or Blue Box Material or other aspects of the Work or activities involving any of the foregoing that is collected, generated or observed pursuant to this MSA, including any Statement of Work, or otherwise in the course of the Work. The Collection Data includes data and information expressly required to be delivered by the Contractor to CMO pursuant to this MSA.

“COLLECTION VEHICLE” means a vehicle used to perform collection services.

“CONTRACT PRICE” means the total price payable under this MSA, as set forth in the Statements of Work.

“CONTRACTOR DEFAULT” means a failure of the Contractor to comply with the requirements of this MSA or unsatisfactory performance of the Contractor’s obligations under this MSA, other than a Material Contractor Default.

“COST ESTIMATE” has the meaning set out in Section 8.8(b) of this MSA.

“CURRENT PANDEMIC CONDITIONS” means advice, guidelines, recommendations, instructions, requirements, restrictions, and laws of governmental authorities (including the Ontario Ministry of Labour, Training, and Skills Development, and Chief Medical Officer of Health / Provincial Health Officer)



and industry associations relating to an epidemic or a pandemic, including, without limitation, COVID-19, which are in effect as of a Statement of Work Effective Date, including by way of example restrictions that may delay, reduce productivity, or increase the cost of performance of the Work, in respect of the Statement of Work applicable to such Statement of Work Effective Date, such as physical distancing, wearing task-appropriate levels of personal protective equipment and cleaning or disinfecting.

“EFFECTIVE DATE” has the meaning set out above in this MSA.

“ELIGIBLE COMMUNITY” has the meaning set out in the Regulation.

“EQUIPMENT” means all vehicles, including Collection Vehicles and Hauling Vehicles, machinery, apparatus and other items used in completing the Work.

“HAULING VEHICLE” means a vehicle used to perform hauling services.

“INTELLECTUAL PROPERTY RIGHTS” means all intellectual property rights as recognized under any Applicable Law, including rights in and to patents, trade secrets, proprietary information, copyright, trademarks, industrial designs, and design patents whether or not registered or registrable and other rights in intellectual property of the same or similar effect or nature relating to the foregoing and any component thereof throughout the world.

“LEGISLATIVE CHANGE” means changes in Applicable Law, including repeal, replacement or amendment of an Applicable Law, including the Regulation, that give rise to the Work (or any part thereof) no longer being required or necessary, as determined by CMO in its sole and absolute discretion.

“LOSSES AND CLAIMS” means liabilities, claims, demands, losses, costs, expenses, damages, orders, penalties, actions, suits and other proceedings (including legal fees and disbursements).

“MANAGER” means the manager of this MSA identified by CMO, from time to time, in writing.

“MATERIAL CONTRACTOR DEFAULT” means the Contractor has committed any of the following acts or omissions:

- (i) disposing of any Blue Box Material that was collected as part of this MSA at any alternate fuel facility, landfill, energy from waste facility or other disposal location or with a Person not expressly permitted by this MSA;
- (ii) deliberately falsifying data, or exhibiting a pattern of providing false or misleading data, in relation to any documentation provided to CMO;
- (iii) failing to comply with the MSA, including any Statements of Work, in a manner that results in CMO or Producers becoming non-compliant with the Regulation;  
or
- (iv) abandoning the Work.

“PERSON” means any individual, partnership, limited partnership, joint venture, syndicate, company or corporation with or without share capital, trust, trustee, executor, administrator or other legal personal representative, and any federal, provincial or municipal government, regulatory authority, agency,

tribunal, commission, board or department of any such government or entity however designated or constituted.

“PRIME” means the Bank of Canada’s target for the overnight (interest) rate, as posted from time to time.

“PRODUCER” has the meaning set out in the Regulation.

“REGULATION” means Ontario Regulation 391/21 under the (Ontario) *Resource Recovery and Circular Economy Act, 2016*.

“STATEMENT OF WORK” means a statement of work entered into between CMO and the Contractor in the form attached to Schedule A.

“STATEMENT OF WORK ELIGIBLE COMMUNITY SERVICE COMMENCEMENT DATE” means the applicable date on which the Work commences in an Eligible Community.

“SUBCONTRACTOR” means a subcontractor employed by the Contractor pursuant to Section 5.2.

“UNUSUALLY SEVERE ADVERSE WEATHER CONDITIONS” means unusually severe adverse weather conditions at the place of the Work which:

- (i) are different from those normally and customarily experienced at the place of the Work (as documented by weather data from Environment Canada) over the past twenty (20) years taking into consideration severity, duration and time of year conditions; and
- (ii) preclude the safe performance of the Work.

“VALUE ADDED TAXES” means such sum as shall be levied upon any portion or all of the Contract Price (“Taxable Portion”) by the federal or any provincial government and is computed as a percentage of the Taxable Portion and includes the Goods and Services Tax, the Harmonized Sales Tax, and any similar tax, the collection and payment of which have been imposed on the Contractor by Canadian or provincial tax legislation

“WORK” means the performance of services including the supply of all materials, Equipment, labour, facilities, supervision, services, permits, licenses, or approvals required to complete the Contractor’s obligations under this MSA, including the Statements of Work and any Change Orders agreed to by the Parties.

“WORK REPORT FOR THE MONTH” has the meaning set forth in the applicable Statement of Work.

## 1.2 Interpretation

- (a) Whenever inconsistent in the context, words used in the present tense include the future tense, words in the plural include the singular, words in the singular include the plural, and the use of any gender shall be applicable to all genders whenever the sense requires. Words not defined in Section 1.1 or elsewhere in this MSA shall be given their common and ordinary meaning.

- (b) The words authorized, directed, required, requested, approved, ordered, sanctioned, and satisfactory, unless some other meaning is obvious from the context, shall mean respectively authorized, directed, required, required, approved, or sanctioned by or satisfactory to CMO or its appointed representative.
- (c) Where the word “including” or “includes” is used, it means “including (or includes) without limitation”.
- (d) The word may in this MSA denotes permissive.
- (e) The words shall and will in this MSA denote imperative.
- (f) Any capitalized term used in this MSA that is not defined in Section 1.1 or elsewhere in this MSA will, if applicable, have the meaning set out in the Regulation or otherwise will have the generally accepted industry or technical meaning given to such term.
- (g) Words importing the singular number will include the plural and vice versa, and words importing the use of any gender will include the masculine, feminine and neuter genders.
- (h) The headings in this MSA are solely for convenience of reference and will not be used for purposes of interpreting or construing the provisions hereof.
- (i) Unless otherwise provided for herein, all monetary amounts referred to herein will refer to the lawful money of Canada.
- (j) When calculating the period of time within which or following which any act is to be done or step taken pursuant to this MSA, the date which is the reference date in calculating such period will be excluded. If the last day of such period is not a Business Day, then the time period in question will end on the first Business Day following such non-Business Day.
- (k) Any references in this MSA to any law, by-law, rule, regulation, order or act of any government, governmental body or other regulatory body, including any Applicable Law, will be construed as a reference thereto as amended or re-enacted from time to time or as a reference to any successor thereto.
- (l) Attached to and forming an integral part of this MSA is Schedule A – Statements of Work.
- (m) This MSA shall constitute the entire agreement between the Parties and shall supersede all prior agreements, understandings, negotiations, and discussions, oral or written, between the Parties. In the event of any inconsistency between any of the provisions of this MSA, the inconsistency will be resolved by reference to the following in descending order of priority:
  - (i) Amendments to the Statements of Work;
  - (ii) Statements of Work;

- (iii) Amendment to the other portions of this MSA made in accordance with the requirement of this MSA, including Change Orders; and
- (iv) Other portions of this MSA.

### **1.3 Managed Contract**

- (a) The Parties acknowledge and agree that this MSA may be managed for CMO by a Manager. As of the Effective Date, CMO identifies RLG Systems Canada Inc. or one or more of its affiliates (“RLG”) as the Manager. Notwithstanding any other provision in this MSA, CMO may identify, in writing, its rights under this MSA, in whole or part, that may also be exercised, or enjoyed, by the Manager.
- (b) The Manager:
  - (i) shall receive copies of documents, and may request copies of documents, provided to CMO, or that may be requested by CMO, pursuant Sections 5.2(b) and 8.8(h)(i) of this MSA;
  - (ii) shall be notified, along with CMO, pursuant to Sections 6.2(e), 6.2(g) and 8.9(b) of this MSA; and
  - (iii) may provide notice to the Contractor pursuant to Section 7.1(b) of this MSA.

## **ARTICLE 2 TERM**

### **2.1 Term**

- (a) This MSA shall remain in effect from the Effective Date until all Statements of Work have expired or been terminated, unless this MSA is terminated as described in Sections 7.4 and 7.5, or as otherwise provided for in this MSA.
- (b) CMO and the Contractor may, by Change Order, extend a Statement of Work. Any such extension shall be under the terms and conditions of this MSA and the Statement of Work, as amended by CMO and Contractor from time to time.
- (c) CMO reserves the right to terminate this MSA or a Statement of Work in accordance with Section 7.5, or as otherwise provided for in this MSA. Termination shall not affect CMO’s right to make a claim against Contractor for the damages on account for such a breach.

## ARTICLE 3 SCOPE OF WORK

### 3.1 Service Provision

- (a) The Contractor shall provide all materials, personnel, and Equipment as required to provide the Work.
- (b) All Applicable Laws shall be complied with by the Contractor in the performance of all portions of the Work. The Contractor is familiar with all Applicable Laws, which in any manner affect the Work, those engaged or employed in the Work, or in the facilities or Equipment used in the Work, and no plea of misunderstanding will be considered on account of ignorance.
- (c) If, during the term of this MSA, there is a change in Applicable Law which is in effect as of a Statement of Work Effective Date that results in a material impact on the performance of any act required by the Statement of Work applicable to such Statement of Work Effective Date, the Parties shall renegotiate the provisions of this MSA, including the Statement of Work, using a Change Order pursuant to Section 8.8. If the Parties are unable to agree on the revised terms and conditions either Party may submit the dispute to arbitration in accordance with the provisions of this MSA.
- (d) CMO is committed to diverting Blue Box Materials from disposal and achieving efficiencies in the Work. To this end CMO will continue to explore new methods and technologies and, as a proposed change in the Work, CMO may issue a Change Notice to the Contractor in respect of such new methods and technologies. If CMO chooses to proceed with such new methods and technologies CMO will issue a Change Order to the Contractor in accordance with Section 8.8.

### 3.2 Environmental Attributes

- (a) Environmental Attributes means the interests or rights arising out of attributes or characteristics relating to the environmental impacts associated with the performance of the Work under this MSA. Any Environmental Attributes resulting from the Work performed under this MSA shall be and remain the sole property of CMO for its exclusive use. The Contractor hereby transfers and assigns to, or to the extent transfer or assignment is not permitted, holds in trust for, CMO who thereafter shall retain, all rights, title, and interest in all Environmental Attributes associated with the Work during the term of this MSA, and Contractor shall do all acts necessary to effect the foregoing.
- (b) For greater certainty, Section 3.2(a) does not include or apply to any Environmental Attributes arising from activities and operations facilitated by the Contractor's investment prior to the MSA Effective Date or not associated with the Work. Ownership of such Environmental Attributes shall belong solely to the Contractor.

### 3.3 Labour Disruption

- (a) If there is a lawful or legal strike, lockout, or work slowdown or other lawful or legal labour disruption or job action during the term of this MSA (the "Lawful LD Period"), the

Contractor shall, during the Lawful LD Period, conditional on the municipal council's approval of the Contractor's overall labour disruption contingency plan if council approval is required, make best efforts to:

- (i) Encourage Eligible Sources who do not receive collection services because of the Lawful LD, to separate and retain their Blue Box Material and not place such Blue Box Material out for collection during the Lawful LD Period.
  - (ii) Provide continued collection of Blue Box Material from Eligible Sources that currently receive collection from Subcontractors contracted by the Contractor and to have those Subcontractors deliver Blue Box Material collected from those Eligible Sources to third party receivers designated by CMO where the provision of such continued services will not, in the Contractor's sole discretion, adversely affect the Contractor's labour negotiations.
- (b) If the Contractor's employees engage in an unlawful or illegal strike, lockout, or work slowdown or other unlawful or illegal labour disruption or job action during the term of this MSA (the "Unlawful LD Period") that remains unresolved for a period of 30 calendar days, CMO may deem a Material Contractor Default to have occurred.
- (c) Notwithstanding any provision in the MSA to the contrary, during the LD Period, the Contractor will not invoice CMO for the cost of collecting the Blue Box Material from Eligible Sources that do not receive collection services pursuant to this MSA.

## ARTICLE 4 REPRESENTATIONS AND WARRANTIES

### 4.1 Representations and Warranties

Contractor represents and warrants to and covenants with CMO that:

- (a) it is duly incorporated, validly existing, and in good standing under the laws of its jurisdiction of incorporation, and is duly qualified to do business in all jurisdictions in which qualification is necessary in order to transact its business and perform its obligations set out in this MSA;
- (b) it has full power, authority, and right to execute and deliver this MSA, to make the representations, warranties, and covenants set out herein, and to perform its obligations under this MSA in accordance with its terms. This MSA has been validly executed by an authorized representative of Contractor, and constitutes a valid and legally binding and enforceable obligation of Contractor and the execution and delivery of this MSA and the consummation of the matters contemplated by this MSA have been duly authorized by all necessary corporate and other actions on the part of the Contractor;
- (c) if applicable, it has consulted with any lower tier municipalities in which the Work will be delivered or members of the Contractor, as the case may be, and obtained any necessary authorization from such lower tier municipalities or members of the Contractor, as the case may be;
- (d) it has and will, at its own expense, procure all permits, certificates and licenses required by Applicable Law for the performance of the Work;
- (e) as of the Effective Date, and throughout the term of this MSA, the Contractor has no exclusivity arrangements with any Subcontractor that obligates the Contractor to utilize that Subcontractor in the performance of the Work except for those disclosed in writing to CMO; and
- (f) in performing its obligations under this MSA, the Contractor shall exercise the standard of care, skill, judgment and diligence that would normally be provided by an experienced and prudent contractor supplying similar services and work.

## ARTICLE 5 CONTRACTOR MANAGEMENT

### 5.1 Record Keeping and Reporting Requirements

- (a) Through the performance of the Work the Contractor shall prepare, maintain and deliver records generated in accordance with the provisions of this MSA, including an annual fuel emissions report. Such obligations shall apply to all Work, unless otherwise specified in this MSA.
- (b) CMO may at any time, and from time to time, waive the requirement to include any particular item in any report in connection with the Work or may reduce the frequency of any report, but in such event shall have the right to reinstate any item and increase the frequency of reporting to the times provided in this MSA.
- (c) For clarity, nothing in this Section 5.1 shall relieve the Contractor from its obligation to execute the Work to completion in accordance with the requirements of this MSA.

### 5.2 Subcontractors

- (a) The Contractor may, subject to this Section 5.2, subcontract portions of the Work to Subcontractors. The Contractor shall, and shall cause the Subcontractors to, perform the Work in accordance with the provisions of this MSA.
- (b) The Contractor shall, with respect to subcontracts between the Contractor and its Subcontractors, provide CMO, upon request, with a copy of subcontracts entered into between the Contractor and its Subcontractors, and all applicable amendments and changes, redacted to prevent disclosure of commercial information.
- (c) The Contractor shall in all cases be fully responsible to CMO for all of its obligations under this MSA that are subcontracted to a Subcontractor and for all acts and omissions of all Subcontractors even if such Subcontractor was preselected or approved by CMO.

### 5.3 Access to the Work

- (a) Without limiting the generality of any other provision in this MSA, at all times requested by CMO or the Manager during operating hours upon at least 48-hours notice, the Contractor shall, at no expense to CMO or the Manager, provide CMO, the Manager and their respective professional advisors, auditors and consultants, and any Person authorized by CMO or the Manager with access to the Work (including the staff performing the Work and the Equipment being used to perform the Work) to monitor, observe and review any Work (including the staff performing the Work and the Equipment being used to perform the Work) being performed, provided that such access is not a health and safety risk to the Contractor's staff, or to CMO's or the Manager's respective personnel, and the Contractor shall, and shall cause the Subcontractors to, provide, and cooperate with CMO or the Manager in providing, such access. The Contractor shall provide access to such Work (including the staff performing the Work and the Equipment being used to perform the Work) whenever and wherever it is in progress and the Contractor shall provide sufficient, safe and proper facilities in respect



of such access. Without limiting the generality of the foregoing, during such access, CMO or the Manager may monitor the Work (including the staff performing the Work and the Equipment being used to perform the Work) provided that such monitoring, observing or reviewing of the Contractor's Work or Equipment shall not cause unreasonable delays to the Contractor's performance of the Work.

- (b) If any Work is found by CMO or the Manager, acting reasonably, not to be in accordance with the requirements of this MSA, the Contractor shall, at no expense to CMO or the Manager, make good such defective Work.
- (c) CMO, and other parties identified by CMO, shall be entitled to use information obtained pursuant to this Section 5.3 for the administration of this MSA and any internal purposes.

#### **5.4 Contingency Plan**

In the event of a Contractor Default or a Material Contractor Default, CMO may direct the Contractor, at the Contractor's expense, to:

- (a) prepare and present to CMO, for review and approval, a contingency plan ("Contingency Plan") as soon as practical, but not later than five (5) Business Days after the earlier of the Contractor becoming aware of, or CMO notifying the Contractor of, Work that is not compliant with the terms of this MSA. Such Contingency Plan shall demonstrate how the Contractor shall address the non-compliant Work and prevent similar non-compliant Work in the future; and
- (b) commence the implementation of the Contingency Plan approved by CMO as soon as practical, but not later than within two (2) Business Days of CMO approving the Contingency Plan; and
- (c) otherwise take all measures necessary to address the Work that is not compliant with the terms of this MSA.

## ARTICLE 6 COMPENSATION

### 6.1 Canadian Funds

All amounts in this MSA are in Canadian funds.

### 6.2 Documentation and Payment

- (a) CMO may issue a purchase order in respect of each Statement of Work. Any such purchase order shall be solely for the convenience of CMO and, notwithstanding any of the provisions set out in such purchase order, shall not create any binding obligations of either CMO or the Contractor or in any way be deemed to supersede or amend this MSA or any Statement of Work or be considered to form part of this MSA or any Statement of Work.
- (b) Subject to Section 6.2(c), after there is a Work Report for the Month in respect of a calendar month, CMO shall pay the Contract Price of the Work performed, in accordance with the requirements of the MSA and each applicable Statement of Work, during the calendar month related to such Work Report for the Month, within thirty (30) calendar days of the date the Work Report for the Month is agreed upon by the Contractor and CMO.
- (c) CMO shall not pay the Contract Price of the Work performed during a calendar month until at least forty-five (45) calendar days after the last day of such calendar month.
- (d) For clarity, CMO shall have no obligation to make any payments in respect of a calendar month until CMO has received all items required from the Contractor in respect of such calendar month, including the Work Report for the Month, pursuant to the provisions of this MSA, including the applicable Statements of Work, and the items are deemed acceptable to CMO, acting reasonably.
- (e) Where the Contractor disputes the amount of a payment, the Contractor shall issue a written notice to CMO describing the reasons for the disputed amount.
- (f) Price adjustments may be made pursuant to Section 6.4.
- (g) The Contractor shall inform CMO of any payment errors that result in overpayment by CMO in a timely manner by issuing a written notice informing CMO of the credit necessary to correct such error in the next payment or, if the overpayment is in respect of the last payment, by issuing a refund to CMO within thirty (30) calendar days.

### 6.3 Taxes

- (a) Except for the applicable Value Added Taxes payable by CMO pursuant to any Statements of Work, all taxes, including any sales, use, excise and similar value added taxes, however denominated or measured, imposed upon the price or compensation under this MSA or any Statements of Work, or upon the Work provided hereunder or thereunder, or based on or measured by gross receipts or net income, or measured by

wages, salaries or other remuneration of the Contractor's employees, will be solely the responsibility of the Contractor. The Contractor will deposit, or cause to be deposited, in a timely manner with the appropriate taxing authorities all amounts required to be withheld.

- (b) The Contractor is a registrant within the meaning of Part IX of the Excise Tax Act and shall provide CMO with its harmonized sales tax ("HST") number.

#### **6.4 Price Adjustment**

Price adjustments may be specified in a Statement of Work.

#### **6.5 Monies Due to CMO**

In the event there are any monies payable to CMO by the Contractor under the terms of this MSA, CMO shall invoice the Contractor for such amounts and the Contractor shall pay such amounts to CMO in accordance with such invoice.

#### **6.6 Other Requirements**

The Contractor is not eligible for any payment until after the performance of Work under a Statement of Work.

#### **6.7 Interest**

The Contractor shall be entitled to interest upon any amounts owing for more than thirty (30) calendar days on account of delay in payment by CMO, until payment of the unpaid amount. The interest shall be simple interest payable monthly at a rate of one percent (1%) per annum plus Prime.

#### **6.8 Limited Liabilities**

- (a) Subject to Section 6.8(b), the total cumulative liability of the Contractor to CMO for all Losses and Claims of any kind with respect to this MSA, whether based on tort, negligence, contract, warranty, strict liability or otherwise shall be the total amount of the Contract Price paid to the Contractor for the Work, provided that in the first twelve (12) months after the Effective Date, such total cumulative liability shall be the greater of (i) the total amount of the Contract Price paid to the Contractor for the Work and (ii) CMO's reasonable estimate of the Contract Price expected to be paid to the Contractor for the Work during the first twelve (12) months after the Effective Date (the "Contractor Liability Threshold").
- (b) The Contractor Liability Threshold and Section 6.8(a) shall not apply to any Losses and Claims arising out of, or in consequence of, any one or more of the following for which there shall be no limit of liability:
  - (i) all costs to complete the Work, in accordance with this MSA, including the applicable Statements of Work, that are in excess of Contract Price; and

- (ii) indemnification by the Contractor as set out in Section 7.2(a).
- (c) Subject to 6.8(d), the total cumulative liability of CMO to the Contractor for all Losses and Claims of any kind with respect to this MSA, whether based on tort, negligence, contract, warranty, strict liability or otherwise shall be the total amount of the Contract Price paid to the Contractor for the Work, provided that in the first twelve (12) months after the Effective Date, such total cumulative liability shall be the greater of (i) the total amount of the Contract Price paid to the Contractor for the Work and (ii) CMO's reasonable estimate of the Contract Price expected to be paid to the Contractor for the Work during the first twelve (12) months after the Effective Date (the "CMO Liability Threshold").
- (d) The CMO Liability Threshold and Section 6.8(c) shall not apply to any Losses and Claims arising out of, or in consequence of, indemnification by CMO as set out in Section 7.2(b) for which there shall be no limit of liability.

## ARTICLE 7 FAILURE TO PERFORM, REMEDIES AND TERMINATION

### 7.1 Time of the Essence

- (a) Time shall be of the essence for the performance of the Contractor's obligations under this MSA, including the performance and completion of the Work. The Work shall be delivered within the time promised, failing which CMO reserves the right to terminate this MSA, or portion thereof including one or more Statements of Work, in accordance with Section 7.5 without penalty or prejudice to any other right to remedy available to CMO.
- (b) In a case that the Contractor fails to perform the Work in accordance with the terms, conditions and specifications of this MSA, including any Statements of Work, CMO may give the Contractor notice as a written warning detailing the performance failure.

### 7.2 Responsibility for Damages/Indemnification

- (a) Contractor Indemnity
  - (i) The Contractor shall indemnify and hold harmless CMO, the Manager and their respective officers, directors, employees, agents and representatives (collectively, the "CMO Indemnitees") from and against any and all Losses and Claims brought against, suffered, sustained or incurred by the CMO Indemnitees, directly or indirectly arising out of this MSA attributable, wholly or in part, to:
    - (A) bodily injury, sickness, disease or death or to damage to or destruction of tangible property occurring in or on the premises or any part thereof and as a result of activities under this MSA;
    - (B) any negligent acts or omissions by, or willful misconduct of, the Contractor, its officers, agents, servants, employees, licensees or subcontractors, including failing to exercise the standard of care, skill judgment and diligence required pursuant to Section 4.1(f);
    - (C) failure to comply with, or breach of, any of the Contractor's obligations under this MSA;
    - (D) damages caused by the Contractor, its officers, agents, servants, employees, licensees or subcontractors, or arising from the execution of the Work, or by reason of the existence or location or condition of Work or any materials, plan or Equipment used thereof or therein, or which may happen by reason of the failure of the Contractor, its officers, agents, servants, employees, licensees or subcontractors to do or perform any or all of the several acts or things required to be done by them under this MSA;
    - (E) any assessment (including compliance orders and administrative penalties) or allegations of non-compliance under the Regulation or the

- (Ontario) *Resource Recovery and Circular Economy Act, 2016* directly attributable, in whole or in part, to the acts or omissions of the Contractor, its officers, agents, servants, employees, licensees or subcontractors, except to the extent such assessment is attributable to the negligence, willful misconduct or breach of this MSA by CMO;
- (F) any failure or delay by CMO to submit any required report or other information to the registry, as defined in the (Ontario) *Resource Recovery and Circular Economy Act, 2016* resulting from the acts or omissions of the Contractor, its officers, agents, servants, employees, licensees or subcontractors;
  - (G) any failure of the Contractor, its officers, agents, servants, employees, licensees or subcontractors to comply with the (Ontario) *Occupational Health and Safety Act* (or the regulations thereunder);
  - (H) any finding or declaration that a CMO Indemnitee is an “employer” for the purposes of the (Ontario) *Occupational Health and Safety Act* in connection with a breach of the (Ontario) *Occupational Health and Safety Act* (or the regulations thereunder) by the Contractor, its officers, agents, servants, employees, licensees or subcontractors in connection with the Work; or
  - (I) any fines, penalties or orders of any kind that may be levied or made in connection therewith pursuant to the (Ontario) *Environmental Protection Act*, the *Ontario Water Resources Act*, the (Ontario) *Dangerous Goods Transportation Act* or other similar Applicable Law, whether federal or provincial, due to the presence of, or exposure to, or release of (including any spill discharge, escape, emission, leak, deposit, dispersion, or migration into the environment) any hazardous materials, contaminants or pollutants in, into or through the natural environment in relation to the Work.
- (ii) Without limiting the generality of any other provision in this MSA, the Contractor shall indemnify and hold the CMO Indemnitees harmless from and against any and all Losses and Claims brought against, suffered, sustained or incurred by the CMO Indemnitees attributable to, wholly or in part, any acts or omissions either in negligence or nuisance whether wilful or otherwise by the Contractor, its officers, agents, servants, employees, licensees or subcontractors.
  - (iii) Notwithstanding any other provision in this MSA, indemnification by the Contractor pursuant to this Section 7.2(a) shall include claims, demands, actions, suits and other proceeding by Persons against the CMO Indemnitees for consequential, indirect, incidental, special, exemplary, punitive or aggravated damages, loss profits or revenues or diminution in value.
  - (iv) The Contractor acknowledges that CMO holds the benefit of any provision in this MSA, including under this Section 7.2(a), that is expressly intended to extend to

include the Manager, as a third party beneficiary, as trustee and agent for the Manager. CMO shall be entitled to enforce the rights of the Manager, as a third party beneficiary, under such provisions.

(b) CMO Indemnity

CMO shall indemnify and hold harmless the Contractor, and its respective elected officials, officers, directors, employees, agents and representatives (the "Contractor Indemnitees") from and against any and all Losses or Claims brought against, suffered, sustained or incurred by the Contractor Indemnitees, directly or indirectly arising out of this MSA attributable, wholly or in part, to any negligent acts or omissions by, or willful misconduct of, CMO, its officers, agents, servants, employees, licensees or contractors (other than the Contractor).

### 7.3 COVID-19

- (a) The Contractor's duties shall include managing the effects of the Current Pandemic Conditions on the performance of the Work and performing the Work in compliance with the Current Pandemic Conditions.
- (b) The costs, expenses and time of performing the Work in compliance with the Current Pandemic Conditions have been considered in setting the Contract Price and the schedule for completion of the Work and, notwithstanding any other provision in this MSA, shall not be the basis for an increase in the Contract Price or an extension of the schedule for completion of the Work.

### 7.4 Force Majeure

- (a) Subject to Section 7.4(b), "Force Majeure Event" means any event or circumstance beyond the reasonable control of either CMO or the Contractor (other than a lack of funds or other financial reason) including the following:
  - (i) Unusually Severe Adverse Weather Conditions; and
  - (ii) riots, war, rebellion, sabotage and atomic or nuclear incidents.
- (b) A Force Majeure Event shall not include the following events or circumstances:
  - (i) weather conditions that are not Unusually Severe Adverse Weather Conditions;
  - (ii) an electricity system outage, unless the electricity system outage affects an entire Eligible Community and persists for at least forty-eight (48) hours and is caused by a Force Majeure Event;
  - (iii) unavailability of, or delays in delivery or breakage of, or shortage of, Equipment or materials, unless such unavailability, delays, breakage or shortage are caused by a Force Majeure Event;

- (iv) the quantity of Blue Box Material collected or received differs from the Contractor's expectations;
  - (v) delay or other failure arising out of the nature of the Work to be done, or from any normal difficulties that may be encountered in the performance of the Work, having regard to the nature thereof;
  - (vi) if and to the extent the Party seeking to invoke the Force Majeure Event has caused the applicable Force Majeure Event by its (and, in the case of the Contractor, Subcontractor's) fault or negligence; or
  - (vii) if and to the extent the Party seeking to invoke the Force Majeure Event has failed to use reasonable efforts to prevent or remedy the Force Majeure Event, so far as possible and within a reasonable time period.
- (c) Circumstances relating to the COVID-19 pandemic shall not be regarded as a Force Majeure Event, unless circumstances arising in connection with the COVID-19 pandemic change materially from Current Pandemic Conditions in a manner that causes a new failure or delay in a Party's fulfillment or performance of any term of this MSA that would otherwise constitute a Force Majeure Event.
- (d) A Party that experiences a Force Majeure Event shall use all commercially reasonable efforts to end the Force Majeure Event, ensure the effects of the Force Majeure Event are minimized and resume full performance under this MSA.
- (e) In the event that either CMO or the Contractor shall be unable to fulfil, or shall be delayed, or shall be prevented from the fulfilment of, its obligation under this MSA by reason of a Force Majeure Event, then either Party shall forthwith notify the other in writing and CMO shall:
- (i) terminate this MSA or any affected Statements of Work as soon as reasonably practicable in writing and without any further payments being made;
  - (ii) perform, or engage others to perform, the obligations under this MSA that are impacted by the Force Majeure Event; and/ or
  - (iii) authorize the Contractor to continue the performance of this MSA in writing with such adjustments and/or amendments as required by the existence of the Force Majeure Event and as agreed upon by both Parties acting reasonably. If the Parties cannot agree upon the adjustments and/or amendments, it is agreed by the Parties that this MSA shall be immediately terminated with no further obligations by either Party.

For clarity, the Contractor shall not be entitled to be paid for obligations under this MSA that it does not perform as a result of a Force Majeure Event.

- (f) For the purposes of clarification and notwithstanding any other provision in this MSA, the Contractor shall be solely responsible for maintaining all Work, including collection



services, as applicable, in all circumstances that are not Force Majeure Events, in compliance with the requirements of this MSA.

## 7.5 MSA Termination

- (a) Any termination of this MSA or termination of the Contractor's right to perform the Work (or any part thereof) by CMO shall be without prejudice to any other rights or remedies CMO may have.
- (b) Without prejudice to any other right or remedy CMO may have under this MSA, CMO may terminate this MSA, or any Statements of Work, or terminate the Contractor's right to perform the Work (or any part thereof) as follows:
  - (i) notwithstanding any other section of this MSA, if there is a Legislative Change, immediately, upon written notice being provided to the Contractor;
  - (ii) if there is a Material Contractor Default, immediately, upon written notice being provided to the Contractor;
  - (iii) if there is a Contractor Default and the Contractor has failed to cure such Contractor Default within fifteen (15) Business Days after receipt of notice of such Contractor Default, or within the time specified in a Contingency Plan approved by CMO in accordance with Section 5.4, or within such other time as mutually agreed between the Parties, immediately, upon written notice being provided to the Contractor; and
  - (iv) if the Parties cannot agree upon a Change Order, immediately, upon written notice being provided to the Contractor. Without limiting the generality of the foregoing, CMO may exercise the right of termination provided for in this Section 7.5(b)(iv), if the Parties cannot agree upon a Change Order in respect of (i) a Communications pursuant to Section 8.16 or (ii) a change, alteration and/or amendment to the Work to be implemented after December 31, 2025.
- (c) If CMO terminates this MSA or any Statement of Work as noted above, CMO is entitled to:
  - (i) Take possession immediately of all the Blue Box Material;
  - (ii) Withhold any further payments to the Contractor until the completion of the Work; and
  - (iii) Recover from the Contractor, any loss, damage, and expense incurred by CMO by reason of the Contractor's default under Sections 7.5(b)(ii) or 7.5(b)(iii), which may be deducted from any monies due, or becoming due, to the Contractor.
- (d) For clarity, if CMO terminates this MSA or any Statement of Work because of a Legislative Change or pursuant to Section 7.5(b)(iv), then, subject to the other provisions of this MSA, CMO shall only be required to pay the Contractor for the Work performed prior to the

date of termination, less any amounts already paid for Work performed, and not for lost profits.

## 7.6 Remedies

- (a) The rights and remedies of CMO as set forth in any provision of this MSA, including Section 7.5, shall not be exclusive and are in addition to any other rights or remedies provided by law or in equity or otherwise.
- (b) The exercise of any remedy provided by this MSA does not relieve the Contractor from any liability remaining under this MSA.
- (c) CMO may take such steps as it considers necessary to remedy any breach of contract and any damages or expenditures thereby incurred by CMO plus a reasonable allowance for overhead may be collected by deduction or set-off pursuant to Section 7.5(b).
- (d) No waiver of any right or obligation of either Party hereto shall be effective unless in writing, specifying such waiver, and executed by the Party against whom such waiver is sought to be enforced. Except as otherwise set forth in this MSA, no failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this MSA shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege. A waiver by either Party of any of its rights under this MSA on any occasion shall not be a bar to the exercise of the same right on any subsequent occasion or of any other right at any time.

## 7.7 Disputes

- (a) If there is a dispute between CMO and the Contractor as to their respective rights and obligations, the Parties shall use the following dispute resolution procedures to resolve such dispute:
  - (i) The Parties shall attempt to resolve the dispute through informal discussions with the assistance of the Manager;
  - (ii) If, after a period of ten (10) Business Days, either Party believes the dispute will not be resolved through informal discussion, the dispute shall be referred by the Parties to non-binding mediation whereby the fees and expenses of the mediator will be divided equally (i.e., 50/50) between CMO and the Contractor. The mediator will be appointed jointly by the Parties; and
  - (iii) If the Parties are unable to resolve the dispute within a period of thirty (30) calendar days after the first mediation session, the dispute shall be resolved through binding arbitration in accordance with Section 7.8.

## 7.8 Arbitration

- (a) As provided for in Section 7.7(a)(iii), disputes shall be resolved through binding arbitration in accordance with the Arbitration Act, 1991, S.O. 1991, c.17 (“Arbitration Act”), as amended from time to time.
- (b) CMO and the Contractor shall agree on an arbitrator within ten (10) Business Days after either Party receives notice from the other Party. If the Parties fail to agree, either Party may apply to a court of competent jurisdiction for the appointment of an arbitrator in accordance with the Arbitrations Act, as amended.
- (c) No one shall be named or act as an arbitrator who is interested in any way financially in this MSA or in the business affairs of either Party or has been directly or indirectly involved to settle the matter.
- (d) The arbitrator is not authorized to make any decision inconsistent with this MSA or any Statement of Work, nor shall the arbitrator modify or amend any of this MSA terms.
- (e) The Parties agree that the award made by the Arbitrator shall be final and binding and shall in all respect be kept and observed.
- (f) The arbitrator, or arbitral tribunal, will apportion the costs of the arbitration to the Parties.
- (g) The Contractor shall be deemed to abandon the matter if no arbitrator has been appointed within six (6) months of CMO’s receipt of the notice specified in Section 7.8(b).
- (h) No matter may be submitted to arbitration except in accordance with the above provisions.

## 7.9 Choice of Forum

Any legal suit, action, litigation, or proceeding of any kind whatsoever in any way arising out of, from or relating to this MSA shall be instituted in the courts of the City of Toronto, Ontario, and each Party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, litigation or proceeding. Service of process, summons, notice, or other document by mail or personal service to such Party’s address set forth herein shall be effective service of process for any suit, action, litigation or other proceeding brought in any such court. Each Party agrees that a final judgment in any such suit, action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. The Parties irrevocably and unconditionally waive any objection to the venue of any action or proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum.

## ARTICLE 8 STANDARD CONDITIONS

### 8.1 Governing Laws

This MSA will be interpreted and governed by the laws of the Province of Ontario.

### 8.2 Compliance with Laws and Permits

- (a) The Contractor shall comply in all material respects with Applicable Laws and shall perform and complete the Work, and cause the Work to be performed and completed, in accordance with and in compliance with all Applicable Laws, including all Applicable Laws related to the environment and health and safety. If there is a conflict between the standards required by Applicable Laws, then Contractor shall perform and complete the Work in compliance with the higher or more rigorous standard.
- (b) The Contractor shall obtain, and shall ensure Subcontractors obtain, all permits, permissions, licences, and approvals required to perform the Work.

### 8.3 Assignment

This MSA enures to the benefit of and is binding upon the Contractor and CMO and their successors and permitted assigns. The Contractor shall not assign, transfer (including a change in control of Contractor), convey or otherwise dispose of this MSA, including any rights or obligations under this MSA, or its power to execute such MSA, without the prior written consent of CMO.

### 8.4 Contractor to Make Examinations

The Contractor has made its own examination, investigation, and research regarding proper methods of providing the Work and all conditions affecting the Work under this MSA, and the labour, equipment and materials needed thereon, and the quantity of the work to be performed. The Contractor agrees that it has satisfied itself based on its own investigation and research regarding all such conditions, that its conclusion to enter into this MSA was based upon such investigation and research, and that it shall make no claim against CMO because of any of the estimates, statements or interpretations made by any officer or agent of CMO that may be erroneous.

### 8.5 Access to Records

- (a) The Contractor shall maintain in its designated local office full and complete operations, customer, financial and service accounts, books and records, as applicable to the Work, including records related to arranging, establishing or operating a collection system and records related to arranging, establishing or operating a promotion and education program, in each case in accordance with the Regulation (collectively, the "Records") that at any reasonable time shall be open for inspection and copying for any reasonable purpose by CMO or the Manager. In addition, the Contractor shall maintain in its head office reporting records and billing records pertaining to this MSA that are prepared in accordance with Generally Accepted Accounting Principles (GAAP). The Records shall include such reporting records and billing records and all records and payments under this MSA, as adjusted for additional and deleted services provided under this MSA. CMO

or the Manager shall be allowed access to the Records for audit (including, as applicable to the Work, for an audit of practices and procedures implemented in respect of Part VI of the Regulation in accordance with Section 67 of the Regulation) and review purposes.

- (b) The Contractor shall make available copies of certified weigh scale records for Blue Box Materials collected under this MSA on request within two (2) Business Days of the request by CMO or the Manager. The weigh scale records may be requested for any period during the term of this MSA.
- (c) All records related to this MSA, including the Records, shall be maintained, and access granted pursuant to this Section 8.5, throughout the term of this MSA and for at least five (5) years thereafter.

## 8.6 Insurance

- (a) The Contractor shall at its own expense obtain and maintain for the term of this MSA:
  - (i) Commercial general liability insurance on an occurrence basis for an amount not less than five million (\$5,000,000) dollars per each occurrence, five million (\$5,000,000) dollars general aggregate and a two million (\$2,000,000) dollars products-completed operations aggregate limit. The policy shall include CMO and the Manager as additional insureds with respect to the Contractor's operations, acts and omissions relating to its obligations under this MSA, such policy to include non-owned automobile liability, bodily injury, property damage, contractual liability, owners and contractors protective, products and completed operations, contingent employers liability, cross liability and severability of interest clauses;
  - (ii) Automobile liability insurance for an amount not less than five million (\$5,000,000) dollars per occurrence on forms meeting statutory requirements covering all owned, non-owned, operated, hired, and leased vehicles used in the execution of this MSA. The policy shall be endorsed to provide contractual liability coverage;
  - (iii) Environmental impairment liability insurance (on a claims made or occurrence made basis), covering the work and services described in this MSA including coverage for loss or claims arising from contamination to third party property damage, bodily injury, cleanup costs and legal defense during the execution of this MSA. Such policy shall provide coverage for an amount not less than two million (\$2,000,000) dollars and shall remain in force for twelve (12) months following completion of work; and
  - (iv) For all Statements of Work involving depots, "all risks" property insurance in amounts sufficient to fully cover, on a replacement cost basis without deduction for depreciation, any building in which the Work is being performed (including all Depots applicable to such Statement of Work) and the Equipment contained therein and all other property owned by the Contractor or by others located therein including equipment, furniture and fixtures.

- (b) The Contractor shall not commence work until documentation evidencing the insurance requirements of the Contractor, have been filed and accepted by CMO. The documentation shall be certificates of insurance if purchased from a third party or evidence of self-insurance if applicable.
- (c) The Commercial General Liability policy is to contain, or be endorsed to contain, the following provisions:
  - (i) The Contractor's insurance coverage shall be the primary insurance with respect to CMO, the Manager and their respective officers, directors, employees, agents and representatives. Any insurance, self-insurance, or insurance pool coverage maintained by CMO or the Manager shall be more than the Contractor's insurance and shall not contribute with it;
  - (ii) Coverage shall state that the Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability; and
  - (iii) Policies for the above must be kept continuous throughout the term of this MSA. If any of the above policies are being cancelled, the Contractor shall notify CMO and the Manager in writing at least thirty (30) calendar days prior to the effective date of cancellation. The Contractor shall provide proof of renewal or replacement of any other policies of insurance, on or before the expiry date, at the request of the CMO or Manager. CMO reserves the right to request such higher limits of insurance or other types of policies appropriate to the Work as CMO may reasonably require.
- (d) All coverages for Subcontractors shall be subject to the same insurance requirements as stated herein for the Contractor.

## **8.7 Changes to MSA**

- (a) Changes to this MSA, including any Statement of Work, may only be made in writing signed by duly authorized representatives of both Parties.
- (b) No Party shall have any obligation with respect to the implementation of a Change Order unless or until the Parties have reached agreement in writing and the Parties have entered into a Statement of Work in respect of such change.

## **8.8 Change Management**

- (a) CMO shall be entitled to propose changes, alterations and/or amendments to the Work including removing all or a portion of the Work under any Statements of Work. If CMO deems it prudent to require a change in the Work, CMO shall notify the Contractor of the proposed change in the Work in writing ("Change Notice"). Without limiting the foregoing, CMO may issue a Change Notice using the Manager.

- (b) A Change Notice shall describe the change in the Work in sufficient detail to enable the Contractor to calculate and provide a change in cost estimate (the “Cost Estimate”), if any. The Contractor agrees that the Cost Estimate shall be provided in writing to CMO within a period of fifteen (15) Business Days or other timeline agreed to with CMO in writing from the date of receipt of the Change Notice.
- (c) The Cost Estimate shall include but is not limited to the following as it relates to the change in Work:
  - (i) A comment on whether relief from compliance with Contractor’s obligations under this MSA is required;
  - (ii) Any impact on Contractor’s ability to meet its obligations and the terms and conditions set out in this MSA;
  - (iii) Any amendment that may be required to be made to the terms and/or conditions of this MSA; and
  - (iv) Any change in the Contractor’s costs.
- (d) As soon as practicable after CMO receives the Cost Estimate, the Parties shall act in good faith to resolve the issues set out in the Cost Estimate and Change Notice, including providing evidence that the Contractor has used best efforts, such as (where practicable) the use of competitive quotes with its subcontractors to minimize any increase in costs and maximize any reduction in costs, demonstrating that any expenditure to be incurred or avoided has been determined in a cost effective manner, and any other evidence deemed appropriate by the Contractor and CMO, acting reasonably.
- (e) If the Contractor does not intend to use its own resources to implement any change in the Work, subject to prior written approval of CMO, the Contractor may subcontract the required resources with the objective of ensuring that it obtains best value for money when procuring any Work, services, supplies, materials, or equipment required in relation to the change in the Work.
- (f) If the Parties agree to the Cost Estimate and Change Notice, as may be modified, amended or altered by the Parties, the Parties shall document the applicable changes to the Statement of Work (“Change Order”) in respect of such modified, amended or altered Cost Estimate and Change Notice within five (5) Business Days after the Contractor receives confirmation from CMO that such Cost Estimate and Change Notice are accepted. For clarity, the Cost Estimate and Change Notice shall not be implemented, unless and until, the Parties have entered into a Change Order in respect of such Cost Estimate and Change Notice.
- (g) Any change in the Work that causes, or is expected to cause, the Contractor’s costs or any subcontractor’s costs to decrease shall be treated as a benefit to the Contractor with the expectation and understanding that CMO will also realize a proportional financial benefit in an amount to be negotiated in good faith between the Parties. If such an understanding

cannot be reached, the Parties agree to resolve the difference through the dispute resolution provisions set out in this MSA.

(h) Contractor's Proposed Change in the Work:

(i) If the Contractor seeks to propose a change in the Work in accordance with an express entitlement in this MSA, it must notify CMO in writing. The Contractor, in proposing a change in the Work, agrees to provide CMO with the following information and details in writing:

- A description of the proposed change in the Work in sufficient detail, to enable CMO to evaluate it in full;
- Reasons in support of the Contractor's proposed change in Work;
- Set out the details and implications of the change in the Work, including any anticipated change in the costs of providing the Work by the Contractor;
- Indicate whether a variation to the Contract Price is proposed (and, if so, provide a detailed Cost Estimate of such proposed change); and
- Identify an appropriate timeframe for the implementation of the change in Work.

(ii) CMO agrees that it shall, in a timely manner, and in any event no later than fifteen (15) Business Days, evaluate the Contractor's proposed change in the Work, considering all relevant issues, including whether:

- A change in the Contract Price will occur;
- The change affects the quality of the Work or the likelihood of successful delivery of the amended Work;
- The change will interfere with any relationship of CMO with third parties;
- The financial strength of the Contractor is sufficient to perform the change; and
- The change materially affects the risks or costs to which CMO is exposed.

(iii) If CMO accepts the Contractor's proposed change in the Work, the change in the Work shall be set out in a Change Order documenting all changes to the scope of Work and/or terms and conditions of this MSA. Where CMO accepts the Contractor's change proposal CMO shall notify the Contractor in a timely manner.



- (iv) If CMO rejects the Contractor's change proposal, CMO shall provide written reasons outlining the basis upon which the change in Work is not accepted by CMO.
  - (v) Unless CMO specifically agrees to an increase in the Contract Price in writing, there shall be no increase in price because of a change in the Work proposed by the Contractor.
  - (vi) Any change in the Work proposed by the Contractor that causes or that is expected to cause the Contractor's costs or any subcontractor's costs to decrease shall be treated as a benefit with expectation that CMO will also realize a proportional financial benefit in an amount to be negotiated in good faith between the Parties. The Parties agree to take all reasonable steps to negotiate the proportional financial benefit in good faith, failing which the Parties agree to resolve the difference through the dispute resolution provisions set out in this MSA.
- (i) Except as specifically confirmed in writing by the Parties in accordance with this Section 8.8, all Work shall remain unaltered and shall be performed in accordance with the terms and conditions of this MSA.

### **8.9 Conflicts and Omissions**

- (a) Neither Party to this MSA shall take advantage of any apparent error or omission in this MSA or any Statement of Work. Any Work not herein specified which is necessary for the proper performance and completion of any Work contemplated, which may be implied as included in this MSA, shall be done by the Contractor as if such Work had been specified and shall not be construed as a variation of the Work.
- (b) If the Contractor discovers any provision in this MSA which is contrary to, or inconsistent with any Applicable Law, the Contractor shall forthwith report the inconsistency or conflict to CMO in writing and shall not perform the Work impacted by such inconsistency or conflict until it receives instructions from CMO.

### **8.10 Duty to Notify**

If the Contractor becomes aware of any problem and/or condition which may adversely affect the performance of the Work, or the ability of the Contractor to conform with any requirements for the term of this MSA, then the Contractor shall promptly, and in no event more than two (2) Business Days after becoming aware of same, notify CMO, in writing, of such occurrence and of the nature of the relevant problem or condition in sufficient detail to permit CMO to understand the nature and scope thereof. In any event, the Contractor will provide such written progress reports to CMO as reasonably requested by CMO but not less frequently than monthly unless otherwise agreed to in writing by CMO.

### **8.11 Intellectual Property**

- (a) Subject to Section 8.11(b) or 8.11(c) of this MSA, all Collection Data (including any Intellectual Property Rights residing therein) obtained by or made available to the

Contractor in connection with this MSA (collectively, "Documentation") are the property of CMO or such other entity as identified by CMO, and the Contractor shall use such Documentation only as is necessary to perform the Work in accordance with this MSA or as necessary for internal operational, planning, or policy purposes and abiding by any regulatory requirements.

- (b) Notwithstanding any other provisions in Section 8.11, the Documentation that is subject to disclosure obligations or requirements to safeguard personal information for privacy purposes under the Freedom of Information and Protection of Privacy Act, the Municipal Freedom of Information and Protection of Privacy Act, an administrative or court order, and Documentation the content of which was ordinarily disclosed by the Contractor to the public in the normal course of its operations before the Effective Date, does not become part of the property of CMO pursuant to Section 8.11. Where the Contractor is complying with any of the Applicable Laws indicated in this Section 8.11(b), the Contractor shall not be considered to be breaching this MSA.
- (c) CMO acknowledges and agrees that any Documentation, regardless of whether the property of CMO pursuant to Section 8.11(a), may be a record for which the Contractor may have record retention and record destruction obligations pursuant to Applicable Law. Where such requirements imposed on the Contractor conflict with requirements that CMO may have with respect to the same Documentation, the Contractor shall not be considered to be breaching this MSA, and the parties will cooperate fully in resolving the matter.
- (d) Title to and all property right, title and interest in the Documentation and all Intellectual Property Rights in the Work, including all Intellectual Property Rights and personal property rights in or to the foregoing, shall transfer and are hereby assigned to CMO free and clear of all encumbrances upon CMO making any payment in accordance with this MSA which is attributable, either in whole or in part, to the relevant Work.
- (e) The Contractor acknowledges and agrees that CMO shall have full ownership of all personal property rights and Intellectual Property Rights in any and all Documentation and all Intellectual Property Rights in the Work in accordance with the terms of this MSA.
- (f) The Contractor hereby waives all rights, including any and all moral rights, in and to the Work and Documentation and shall obtain such waivers from all applicable personnel of the Contractor. Where applicable, the Contractor shall endeavor to obtain from all of the subcontractors and personnel of the Contractor the rights and waivers necessary to transfer the ownership of the Work and Documentation (including any Intellectual Property Rights therein or related thereto) to CMO.
- (g) Subject to the terms and conditions of this MSA, the Contractor acknowledges and agrees that CMO shall be entitled to fully exploit the Work and Documentation without restriction, and CMO acknowledges and agrees that the Contractor shall be entitled to use the Documentation in accordance with the Contractor's obligations under Applicable Law as set out in Section 8.11(b) and 8.11(c). To the extent the Contractor owns or possesses any Intellectual Property Rights required for full exploitation of the Work or Documentation, the Contractor hereby grants to CMO a worldwide, exclusive, royalty-

free, fully paid-up, transferable (to successors and assigns, including as a result of the acquisition of all or substantially all of the shares or assets of CMO, or if required by law), license under such Intellectual Property Rights to fully exploit the Work and Documentation. The Contractor shall enable CMO to fully exploit the Work and Documentation and any component thereof and to enjoy the full exercise of the rights conferred under this Section 8.11, including by, at CMO's request, making available or delivering to CMO where feasible as determined by the Contractor such technology (including software and data) in the Contractor's possession, custody or control as is required for CMO to exploit the Work and Documentation.

## 8.12 Confidentiality Covenant

- (a) Confidential Information means information of or relating to a party (the "Disclosing Party") that is designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure and has or will come into the possession or knowledge of the other party (the "Receiving Party") whether such information is or has been conveyed verbally or in written or other tangible form, and whether such information is acquired directly or indirectly such as in the course of discussions or other investigations by the Receiving Party. Without limiting the foregoing, Confidential Information includes all technical, financial and business information, ideas, concepts or know-how, or relating to Work performance and Work delivery and the terms of this MSA. Confidential Information does not include information that: (i) was already known to the Receiving Party, without obligation to keep it confidential, at the time of its receipt from the Disclosing Party; or (ii) is or becomes available to the public other than as a result of a breach hereof by the Receiving Party; provided that the foregoing exceptions will not apply with respect to any personal information that is subject to privacy laws ("Confidential Information").
- (b) The Receiving Party shall:
  - (i) take all measures reasonably required to maintain the confidentiality and security of the Confidential Information of the Disclosing Party;
  - (ii) not use or reproduce Confidential Information for any purpose, other than as reasonably required to exercise or perform its rights or obligations under this MSA;
  - (iii) not disclose any Confidential Information other than to employees, agents or subcontractors of the Receiving Party ("Representatives") to the extent, and only to the extent, they have a need to know the Confidential Information in order for Receiving Party to exercise its rights or perform its obligations under this MSA and who are bound by a legal obligation to protect the received Confidential Information from unauthorized use or disclosure; and
  - (iv) be responsible for any breach of this MSA by any of its Representatives.
- (c) Notwithstanding the above, the Receiving Party may disclose Confidential Information of the Disclosing Party to the extent required by a court of competent jurisdiction or other

governmental authority or otherwise as required by Applicable Law, provided that, unless prohibited by Applicable Law, the Receiving Party gives the Disclosing Party an opportunity to oppose the disclosure or to seek a protective order protecting such Confidential Information prior to any such disclosure.

- (d) Upon expiry or termination of this MSA, or upon request by the Disclosing Party, the Receiving Party will return to the Disclosing Party, or irrecoverably destroy, any Confidential Information of the Disclosing Party.
- (e) Contractor will not access, collect, use, disclose, dispose of or otherwise handle information of or about individuals that is subject to Applicable Laws relating to privacy ("Privacy Laws") in the performance of its obligations under this MSA, except: (i) to the extent necessary to perform the Work; (ii) in accordance with all Privacy Laws; and (iii) in a manner that enables CMO to comply with all Privacy Laws, including that the Contractor will obtain appropriate consents from the applicable individuals to allow Contractor and CMO to exercise their rights and to perform their obligations under this MSA as they relate to such information. Unless prohibited by Applicable Law, Contractor will immediately notify CMO of any demand, or request by a third party (including any government or a regulatory authority) for the disclosure of any information of CMO which is subject to Privacy Laws, and, to the maximum extent permitted by Applicable Law, will oppose, seek judicial relief of and appeal any such demand or request. Contractor will immediately notify CMO if Contractor becomes aware that Contractor has failed to comply with Privacy Laws in connection with of this MSA.
- (f) Each Party agrees and acknowledges that any violation of this Section 8.12 may cause irreparable injury to the other Party and that, in addition to any other remedies that may be available (in law, in equity or otherwise), the injured Party shall be entitled to seek an injunction, specific performance or other equitable relief against the threatened breach of this Section 8.11(a) or the continuation of any such breach, without the necessity of proving actual damages or posting any bond or other security.

### **8.13 Severability**

- (a) If, for any reason, any part, term, or provision of this MSA is held by a court of the Province of Ontario to be illegal, void or unenforceable, the validity of the remaining provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if this MSA did not contain the particular provision held to be invalid.
- (b) If it should appear that any provision hereof conflicts with any statutory provision of the Province of Ontario or Government of Canada, said provision, which may conflict therewith, shall be deemed inoperative and null and void insofar as it may be in conflict therewith, and shall be deemed modified to conform to such statutory provisions.

### **8.14 Survival**

All provisions of this MSA which expressly or by their nature survive the expiry or termination of this MSA shall survive the expiry or termination of this MSA, including the following: Section 6.8 (Limited Liabilities),

Section 7.2 (Responsibility for Damages/Indemnification), Section 7.5 (MSA Termination), Section 8.11 (Intellectual Property) and Section 8.11(a) (Confidentiality Covenant).

#### **8.15 Further Assurances**

Each Party shall, at its expense, do, execute and deliver, or cause to be done, executed and delivered, such further acts and documents as the other Party may reasonably request from time to time for the purpose of giving effect to this MSA or carrying out the intention or facilitating the performance of the terms of this MSA.

#### **8.16 Revisions to this MSA**

Except as otherwise expressly stated in this MSA, no amendment, supplement, modification or waiver or termination of this MSA and, unless otherwise specified, no consent or approval by any Party, is binding unless executed in writing and signed by an authorized representative of each Party. Notwithstanding the foregoing, CMO may propose any revisions to this MSA necessary to comply with amendments to the Regulation or other notices, interpretations, rulings, directives or other communications issued pursuant to the Regulation (collectively, "Communications"), and CMO will provide the Contractor with written notice of such proposed revisions as soon as reasonably practicable. Such revision shall automatically have effect from the date of the Change Order, if any, related to such Communications. CMO shall make commercially reasonable efforts to consider and respond to reasonable written feedback related to such revisions received from the Contractor within thirty (30) calendar days of receiving such feedback.

#### **8.17 Counterparts**

This MSA may be executed in counterparts, each of which shall be deemed an original and which, taken together, shall constitute one and the same instrument. Each counterpart of this MSA may be executed by electronic signature. CMO and the Contractor shall execute and deliver such further and other documents and do and perform such further and other acts or things as may be necessary or desirable to give full effect to this MSA.

#### **8.18 Notice**

Unless expressly stated otherwise, any notice, request, consent, claim, demand, waiver or other communication required or permitted to be given in connection with this MSA must be given in writing and will be given by hand or sent by courier or emailed, in each case addressed as follows, and will be deemed to have been received on the day of receipt if by hand or courier, or if given by email three (3) Business Days after confirmation of email transmission.

#### **To CMO:**

Circular Materials Ontario  
1 St. Clair Avenue West, Suite 700  
Toronto, ON M4V 1K6  
Attention: Manager, Procurement & Vendor Management

Email: [procurement@circularmaterials.ca](mailto:procurement@circularmaterials.ca)



With a copy to Manager:

RLG Systems Canada Inc.  
250 University Ave #200,  
Toronto, ON M5H 3E5  
Attention: Catherine McCausland

Email: [Catherine.McCausland@rev-log.com](mailto:Catherine.McCausland@rev-log.com)

To Contractor:

The Corporation of the United Township of Head, Clara and Maria  
15 Township Hall Road, Stonecliffe, KOJ 2K0  
Attention: Crystal Fischer, Municipal Clerk

Email: [clerk@headclaramaria.ca](mailto:clerk@headclaramaria.ca)

## **ARTICLE 9 MSA SCHEDULE**

### **9.1 MSA Schedule**

Attached to and forming an integral part of this MSA is Schedule A – Statements of Work.



**IN WITNESS WHEREOF**, the terms and conditions of this Master Services Agreement are acknowledged and agreed to by the Parties as of the date first listed above.

**The Corporation of the United Township of Head,  
Clara and Maria**

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

We have authority to bind the  
Contractor.

**Circular Materials Ontario**

By: \_\_\_\_\_

Name: Allen Langdon

Title: CEO

I have authority to bind CMO.



**ATTACHMENT 3 TO SCHEDULE A**  
**STATEMENT OF WORK FOR ELIGIBLE COMMUNITY PROMOTION AND EDUCATION**  
**(All Collection Services)**  
**for**  
**MASTER SERVICES AGREEMENT**  
**Number 2025-00-137**





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### STATEMENT OF WORK

STATEMENT OF WORK NUMBER: 3

This statement of work ("Statement of Work") is given pursuant to the Master Services Agreement ("MSA"), made as of \_\_\_\_\_ BETWEEN The Corporation of the United Township of Head, Clara and Maria ("Contractor") and Circular Materials, a federal not-for-profit corporation, having a place of business at 1 St. Clair Avenue West, Suite 700, Toronto ON M4V 1K6, operating as Circular Materials Ontario ("CMO", and with the Contractor, each a "Party" and collectively the "Parties"), with an effective date of \_\_\_\_\_ ("Statement of Work Effective Date").

NOW, THEREFORE, in consideration of the promises, mutual covenants, and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties acknowledge and agree to all covenants, terms and conditions as stipulated in the MSA, as follows:

1. Beginning on the applicable Statement of Work Eligible Community Service Commencement Date listed in Exhibit 4, the Contractor shall perform the Work required by this Statement of Work for all Households located within the applicable Eligible Community listed in Exhibit 4. For clarity, the Contractor shall perform the Work required by this Statement of Work for a Household located within an Eligible Community listed in Exhibit 4 on the applicable Statement of Work Eligible Community Service Commencement Date even if such Household is not included in the number of Households listed in Exhibit 2.
2. The Work under this Statement of Work shall include all the Contractor's other obligations under the MSA.
3. The time period during which the Work required by this Statement of Work is to be performed is from the earliest Statement of Work Eligible Community Service Commencement Date listed in Exhibit 4 until December 31, 2025. Pursuant to Section 2.1(b) of the MSA, CMO and the Contractor, by Change Order, may extend this Statement of Work for up to three (3) further periods of one (1) year each. The initial term and any such additional term or terms are herein referred to as the "SoW Term".
4. The full compensation for the Work under this Statement of Work shall be as set forth in Exhibit 5, which excludes Value Added Taxes. Value Added Taxes are payable by CMO to the Contractor on the price of the Statement of Work.
5. In the event of the termination of the MSA in accordance with Section 7.5 of the MSA, CMO shall only pay for the Work authorized by this Statement of Work which is performed prior to the termination date. For the purposes of clarity, CMO shall not be liable to make any other payments in connection with this Statement of Work as a result of such termination of the MSA.
6. Capitalized terms not defined in this Statement of Work shall have the meaning set out in the MSA.
7. This Statement of Work forms part of, and is subject to and governed by, the MSA.



8. Attached and forming an integral part of this Statement of Work are the following exhibits:

- i. Exhibit 1 – Scope of Work and Other Provisions;
- ii. Exhibit 2 – Households;
- ii. Exhibit 3 – Blue Box Material Accepted in Collection System;
- iv. Exhibit 4 – Service Commencement Dates; and
- v. Exhibit 5 – Compensation.

**[Remainder of Page Intentionally Left Blank]**



**IN WITNESS WHEREOF**, the terms and conditions of this Statement of Work are acknowledged and agreed to by the Parties as of the date first listed above.

**The Corporation of the United Township of Head, Clara and Maria**

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

We have authority to bind the Contractor.

**Circular Materials Ontario**

By: \_\_\_\_\_

Name: Allen Langdon

Title: CEO

I have authority to bind CMO

**EXHIBIT 1: SCOPE OF WORK AND OTHER PROVISIONS****ARTICLE 1  
DEFINITIONS****1.1 Definitions**

“COLLECTION SERVICES” means the work described in the Statement of Work for Eligible Community Residence and Facility Collection, the Statement of Work for Eligible Community Public Space Collection and, as applicable, the Statement of Work for Eligible Community Depot Collection or the Statement of Work for Eligible Community Depot Operation.

“FACILITY” has the meaning set out in the Regulation.

“HOUSEHOLD” means (i) a Residence, (ii) a dwelling unit contained within the type of Facility described by section (a) of the definition of “facility” in the Regulation and (iii) households agreed by the Parties to be households for the purposes of the MSA (including the households referred to in Exhibit 2).

“PROMOTION AND EDUCATION MATERIAL” means promotion and education materials developed by CMO or the Contractor in respect of the Blue Box Material.

“RESIDENCE” has the meaning set out in the Regulation.

“SOW TERM” has the meaning set out in Section 3 of this Statement of Work.

“STATEMENT OF WORK EFFECTIVE DATE” has the meaning set out in the recitals to this Statement of Work.

**ARTICLE 2**  
**SCOPE OF PROMOTION AND EDUCATION SERVICES**

**2.1 Scope of Promotion and Education Services**

- (a) The Contractor shall have primary responsibility for executing promotion and education for Households, including distribution of the Contractor's Promotion and Education Materials, including newsletters, calendars and apps for collection schedules.
- (b) The Contractor may:
  - (i) incorporate CMO's Promotion and Education Materials in the Contractor's Promotion and Education Materials;
  - (ii) use messaging and images that are developed by CMO in the Contractor's Promotion and Education Materials for the purposes of this Statement of Work and for no other purpose; and
  - (iii) distribute CMO's Promotional and Educational Materials and assist with promotion and education at the direction of CMO, including supporting local events organized by CMO.
- (c) CMO shall not be obligated to join or instigate litigation to protect the right of the Contractor. The Contractor may independently enforce its rights under this Statement of Work against third party violators, including but not limited to seeking injunctive relief.

### ARTICLE 3 SERVICE PROVISION

#### 3.1 Service Provision

- (a) The Contractor will have primary responsibility for providing persons associated with Households information about collection services, including:
- (i) where the Contractor is providing Residence and Facility collection:
    - the days and times that collection service is provided;
    - a list of Blue Box Material that may be deposited into blue box receptacles;
    - a list of materials that may not be deposited into blue box receptacles;
    - a description of how blue box receptacles can be replaced, or how additional blue box receptacles can be requested; and
    - a telephone number and email address, at which persons may receive responses to questions or concerns relating to collection;
  - (ii) where the Contractor is providing Depot collection:
    - the location of every depot collection site and its hours of operation;
    - a list of blue box material that may be delivered to the depots;
    - a list of materials that may not be included with Blue Box Material when delivered to the depots; and
    - a telephone number and email address, at which persons may receive responses to questions or concerns relating to collection; and
  - (iii) where the Contractor is providing Public Space collection:
    - general descriptions of public space locations at which receptacles for Blue Box Material are available;
    - a list of blue box material that may be placed into public space receptacles for Blue Box Material;
    - a list of materials that may not be placed into public space receptacles for Blue Box Material; and
    - a telephone number and email address, at which persons may receive responses to questions or concerns relating to collection.
- (b) The Contractor will utilize the Blue Box Material categories and terminology in Exhibit 3 Blue Box Material Accepted in Collection System in communications with Households.



## ARTICLE 4 DOCUMENTATION AND PAYMENT

### 4.1 Documentation and Payment

- (a) The Contractor shall review a monthly summary report prepared by CMO and provided to the Contractor via an online web-based interface by the fifth (5th) day of the month following the month addressed in the summary report. If the fifth (5th) day of the month falls on a Saturday, Sunday or Statutory Holiday, the report may be provided on the next Business Day. This report shall include the total number of Households.
- (b) Within five (5) calendar days of the monthly summary report being provided to the Contractor via an on-line web-based interface, the Contractor shall review such monthly summary report and notify CMO of (i) any discrepancies in such monthly summary report or (ii) the Contractor's acceptance of such monthly summary report as an accurate and complete Work Report for the Month in respect of the applicable calendar month. If the fifth (5) calendar day after such report is provided to the Contractor falls on a Saturday, Sunday or Statutory Holiday, the Contractor may notify CMO on the next Business Day.
- (c) If the Contractor does not notify CMO of any discrepancies in, or of the Contractor's acceptance of, such monthly summary report within the time specified in Section 4.1(b) of this Exhibit 1, the Contractor shall be deemed to have accepted such monthly summary report as an accurate and complete Work Report for the Month in respect of the applicable calendar month.
- (d) If the Contractor notifies CMO of any discrepancies in a monthly summary report within the time specified in Section 4.1(b) of this Exhibit 1, CMO will make commercially reasonable efforts to resolve the discrepancies and reissue such report within five (5) Business Days of being notified by the Contractor of such discrepancy. The Contractor shall review and respond to such reissued report in accordance with the requirements specified in Section 4.1(b) of this Exhibit 1 and Sections 4.1(b) and 4.1(c) of this Exhibit 1 shall otherwise apply to such reissued report.
- (e) Once accepted, or deemed to be accepted, by the Contractor, a monthly summary report shall be a work report for the month (the "**Work Report for the Month**") in respect of the applicable calendar month.
- (f) For clarity, the Contractor will only be paid for Work under this Statement of Work in respect of any calendar month once there is a Work Report for the Month for such calendar month.
- (g) For greater certainty, except as expressly set out in the MSA there shall be no increase to the prices set out in the Statement of Work for any changes to the Contractor's responsibilities.



**EXHIBIT 2: HOUSEHOLDS**

Eligible Community	Number of Households Receiving All Collection Services
The Corporation of the United Township of Head, Clara and Maria	140

**\*NOTE: The number of Households for multi-family buildings is determined by the number of dwelling units located within the applicable multi-family building.**

**\*\*NOTE: CMO holds no responsibility or liability for actual information that is different from the information presented in this Exhibit.**

**EXHIBIT 3: BLUE BOX MATERIAL ACCEPTED IN COLLECTION SYSTEM**

	Material	Stream 1	Stream 2
<b>Paper/Fibres</b>	Newsprint	Yes	No
	Magazines and Catalogues	Yes	No
	Telephone Books	Yes	No
	Household Fine Paper	Yes	No
	Other Printed Paper	Yes	No
	Corrugated Cardboard	Yes	No
	Boxboard	Yes	No
	Gable Top Cartons	Yes	No
	Paper Laminates	Yes	No
	Aseptic Containers	No	No
<b>Aluminum</b>	Aluminum food or beverage cans	No	Yes
	Aluminum Foil & Trays	No	Yes
	Other Aluminum Packaging & Foil	No	Yes
<b>Plastics</b>	PET Bottles (#1)	No	Yes
	Thermoform PET (#1), Clamshells & Other Clear Plastic Containers	No	yes
	HDPE Containers (#2)	No	Yes
	Tubs & Lids (#2, #4 & #5)	No	Yes
	Other Bottles & Containers (#3, #5, #7)	No	Yes
	Plastic film (LDPE/HDPE) (#2, #4)	No	Yes
	Plastic Laminates	No	Yes
	Polystyrene Foam (#6)	No	No
	Polystyrene Crystal (#6)	No	No
	<b>Steel</b>	Steel Food and Beverage Cans	No
Steel Aerosols		No	No
Steel Paint Cans		No	No
<b>Glass</b>	Flint/Clear Glass	No	Yes
	Coloured Glass	No	Yes
<b>Other</b>	Plastic Bags	No	No

**\*NOTE: CMO holds no responsibility or liability for information that is different from the information presented in this Exhibit.**



**EXHIBIT 4: SERVICE COMMENCEMENT DATES**

The table included below lists the Statement of Work Eligible Community Service Commencement Date when services, forming the Work described by this Statement of Work, are to commence in each Eligible Community.

<b>Eligible Community</b>	<b>Statement of Work Eligible Community Service Commencement Date</b>
The Corporation of the United Township of Head, Clara and Maria	2025.01.01



## **EXHIBIT 5: COMPENSATION**

- 1.1 For each calendar month during the SoW Term, the Contract Price for the Work performed under this Statement of Work in accordance with the requirements of the MSA shall be calculated as follows:
  - a) \$1.50 multiplied by the total number of Households listed in Exhibit 2 at the start of the applicable calendar month and divided by twelve (12).
- 1.2 For clarity, the number of Households listed in Exhibit 2 shall be used in the calculation of the Contract Price even if the number of Households listed in Exhibit 2 is not the actual number of Households at the start of the applicable calendar month.
- 1.3 The number of Households listed in Exhibit 2 shall be updated to reflect any Change Orders agreed under the MSA.

**ATTACHMENT 1 TO SCHEDULE A**  
**STATEMENT OF WORK FOR ELIGIBLE COMMUNITY RESIDENCE AND FACILITY AND PUBLIC SPACE**  
**COLLECTION**  
**for**  
**MASTER SERVICES AGREEMENT**  
**Number 2025-00-137**





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## STATEMENT OF WORK

STATEMENT OF WORK NUMBER: 1

This statement of work ("Statement of Work") is given pursuant to the Master Services Agreement ("MSA"), made as of \_\_\_\_\_ BETWEEN The Corporation of the United Township of Head, Clara and Maria ("Contractor") and Circular Materials, a federal not-for-profit corporation, having a place of business at 1 St. Clair Avenue West, Suite 700, Toronto ON M4V 1K6, operating as Circular Materials Ontario ("CMO", and with the Contractor, each a "Party" and collectively the "Parties"), with an effective date of \_\_\_\_\_ ("Statement of Work Effective Date").

NOW, THEREFORE, in consideration of the promises, mutual covenants, and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties acknowledge and agree to all covenants, terms and conditions as stipulated in the MSA, as follows:

1. Beginning on the applicable Statement of Work Eligible Community Service Commencement Date listed in Exhibit 8, the Contractor shall perform the Work required by this Statement of Work for all Eligible Sources and Public Space Receptacles located within the applicable Eligible Community listed in Exhibit 8 that are in existence on such date. For clarity, the Contractor shall perform the Work required by this Statement of Work for an Eligible Source located within an Eligible Community listed in Exhibit 8 on the applicable Statement of Work Eligible Community Service Commencement Date even if such Eligible Source is not included in the number of Stops listed in Exhibit 2 or referenced in Exhibits 3 or 4.
2. The Work under this Statement of Work shall include all the Contractor's other obligations under the MSA.
3. The time period during which the Work required by this Statement of Work is to be performed is from the earliest Statement of Work Eligible Community Service Commencement Date listed in Exhibit 8 until December 31, 2025. Pursuant to Section 2.1(b) of the MSA, CMO and the Contractor may, by Change Order, extend this Statement of Work for up to three (3) further periods of one (1) year each. The initial term and any such additional term or terms are herein referred to as the "SoW Term".
4. The full compensation for the Work under this Statement of Work shall be as set forth in Exhibit 9, which excludes Value Added Taxes. Value Added Taxes are payable by CMO to the Contractor on the price of the Statement of Work.
5. In the event of the termination of the MSA in accordance with Section 7.5 of the MSA, CMO shall only pay for the Work authorized by this Statement of Work which is performed prior to the termination date. For the purposes of clarity, CMO shall not be liable to make any other payments in connection with this Statement of Work as a result of such termination of the MSA.
6. Capitalized terms not defined in this Statement of Work shall have the meaning set out in the MSA.
7. This Statement of Work forms part of, and is subject to and governed by, the MSA.





8. Attached and forming an integral part of this Statement of Work are the following exhibits:

- i. Exhibit 1 – Scope of Work and Other Provisions;
- ii. Exhibit 2 – Stops;
- iii. Exhibit 3 – Multi-family Buildings;
- iv. Exhibit 4 – Retirement Homes, Long-Term Care Homes and Schools;
- v. Exhibit 5 – Public Space Receptacles;
- vi. Exhibit 6 – Non-Eligible Sources;
- vii. Exhibit 7 – Blue Box Material Accepted in Collection System;
- viii. Exhibit 8 – Service Commencement Dates; and
- ix. Exhibit 9 – Compensation.

**[Remainder of Page Intentionally Left Blank]**



**IN WITNESS WHEREOF**, the terms and conditions of this Statement of Work are acknowledged and agreed to by the Parties as of the date first listed above.

**The Corporation of the United Township of Head, Clara and Maria**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

We have authority to bind the Contractor.

**Circular Materials Ontario**

By: \_\_\_\_\_  
Name: Allen Langdon  
Title: CEO

I have authority to bind CMO

## **EXHIBIT 1: SCOPE OF WORK AND OTHER PROVISIONS**

### **ARTICLE 1 DEFINITIONS**

#### **1.1 Definitions**

“COLLECTION” means the collection of Blue Box Material from an Eligible Source located within an Eligible Community listed in Exhibit 8 and delivery of the collected Blue Box Material to a RF.

“COLLECTION SERVICES” means the portion of the Work required by this Statement of Work.

“ELIGIBLE SOURCES” means, collectively, (i) eligible sources as defined in the Regulation and (ii) sources agreed by the Parties to be eligible sources for the purposes of the MSA.

“FACILITY” has the meaning set out in the Regulation.

“HAZARDOUS WASTE” means: (i) a hazardous and special product or HSP as defined by Ontario Regulation 449/21 under the (Ontario) Resource Recovery and Circular Economy Act, 2016; or (ii) a hazardous waste as defined in Revised Regulations of Ontario 1990, Regulation 347 under the (Ontario) Environmental Protection Act.

“NEW ELIGIBLE SOURCE” means a new eligible source as agreed to by the Parties for the purposes of this MSA.

“NEW PUBLIC SPACE RECEPTACLE” means a new Public Space Receptacle as agreed to by the Parties for the purposes of the MSA.

“NON-BLUE BOX MATERIAL” means material that is not Blue Box Material.

“NON-COMPLIANT” means Blue Box Material that is set out incorrectly, inappropriately or improperly prepared including the following reasons:

- (i) Container contains Non-Blue Box Material;
- (ii) Blue Box Material not properly sorted;
- (iii) Recycling container is not suitable; or
- (iv) Cardboard is oversized.

“NON-ELIGIBLE SOURCE” means a source within an Eligible Community listed in Exhibit 8 that is not an Eligible Source.

“PUBLIC SPACE” has the meaning set out in the Regulation.

“PUBLIC SPACE RECEPTACLE” means a receptacle located in a Public Space for the collection of Blue Box Material that is collected on a residential collection route and listed in Exhibit 5.

“RECEIVING FACILITY” or “RF” means any facility designated by CMO as the point where the Contractor is to unload Blue Box Material, including any alternate facilities identified by CMO for use when an RF is unable to accept Blue Box Material.

“RESIDENCE” has the meaning set out in the Regulation.

“SINGLE STREAM” means Stream 1 and Stream 2 materials combined.

“SOW TERM” has the meaning set out in Section 3 of this Statement of Work.

“STATEMENT OF WORK EFFECTIVE DATE” has the meaning set out in the recitals to this Statement of Work.

“STOPS” means, collectively, (i) a Residence, (ii) a type of Facility described by sections (b), (c) or (d) of the definition of “facility” provided in the Regulation, (iii) a dwelling unit contained within the type of Facility described by section (a) of the definition of “facility” in the Regulation (iv) a Public Space Receptacle and (v) stops agreed by the Parties to be stops for the purposes of the MSA (including the stops referred to in Exhibit 2).

“STREAM 1” has the meaning set out in Section 3.3(f)(i) of Exhibit 1 to this Statement of Work.

“STREAM 2” has the meaning set out in Section 3.3(f)(ii) of Exhibit 1 to this Statement of Work.

“TRANSITION DATE” means the transition date for an Eligible Community set forth in the document of the (Ontario) Ministry of Environment, Conservation and Parks entitled “Blue Box Transition Schedule” and dated June 1, 2021.

“VALUATION TYPE” or “VALTYPE” means the source of Blue Box Material including one of, or a combination of more than one of, single-family residences, multi-family residences, long-term care homes, retirement homes, schools, depots and public space. The ValType shall be recorded on weigh scale tickets at an RF.

**ARTICLE 2**  
**SCOPE OF COLLECTION**  
**SERVICES**

**2.1 Scope of Collection Services**

- (a) The Contractor shall provide Collection Services, including picking up, Collection Vehicle compacting to a maximum compaction rate agreed to by the Parties, hauling of material to a RF and unloading by material stream for Blue Box Material from:
  - (i) Eligible Sources, including single-family residences, multi-family residences and facilities, including long-term care homes, retirement homes and schools, to each Eligible Source in a manner that meets or exceeds the standard, level, scope and quality of collection services the Eligible Source (or, for a New Eligible Source, a similar Eligible Source) received immediately prior to the Transition Date and complies with the terms of the MSA; and
  - (ii) Public Space Receptacles, to each Public Space Receptacle in a manner that meets or exceeds the standard, level, scope and quality of collection services the Public Space Receptacle (or, for a New Public Space Receptacle, a similar Public Space Receptacle) received immediately prior to the Transition Date and complies with the terms of the MSA.
- (b) Without limiting the generality of the foregoing, the Collection Services shall meet the applicable requirements of the Regulation, including Sections 22, 23, 27, 29 and 30.
- (c) The Contractor shall retain responsibility for, and control of, Blue Box Material from the point of collection through to delivery to an RF.
- (d) CMO shall not be obligated to join or instigate litigation to protect the right of the Contractor. The Contractor may independently enforce its rights under this Statement of Work against third party violators, including but not limited to seeking injunctive relief.

## **ARTICLE 3 SERVICE PROVISION**

### **3.1 Set-Out Location**

- (a) The Contactor shall provide curbside Collection Services for Blue Box Material from all Eligible Sources that are Residences and Facilities that set out garbage at curbside in an Eligible Community listed in Exhibit 8. Where the location of the curbside containers is not obvious, as may be the case with multi-family buildings, the Contractor shall be responsible for arranging with each Eligible Source to determine the collection point for Blue Box Material at the property.
- (b) The Contractor shall provide containerized Collection Services for Blue Box Material from all Eligible Sources that are Residences and Facilities that set out garbage in containers such as carts or front-end bins in an Eligible Community listed in Exhibit 8. The set-out locations will vary by Eligible Source. The Contractor shall work with the specific addresses to determine the optimal set-out location of the recycling containers, which best meets the needs of the Eligible Source and the Contractor.

### **3.2 Addition or Removal of Eligible Sources and Public Space Receptacles**

- (a) CMO and the Contractor may add New Eligible Sources or remove existing Eligible Sources, and make related revisions to the relevant exhibits, by Change Order, pursuant to Section 8.8 of the MSA.
- (b) CMO and the Contractor may add new Public Space Receptacles or remove existing Public Space Receptacles, and make related revisions to the relevant exhibits, by Change Order, pursuant to Section 8.8 of the MSA.

### **3.3 Blue Box Material to be Collected**

- (a) The Contractor will collect the Blue Box Material listed in Exhibit 7 from Eligible Sources that is placed in containers (including both Contractor-provided and Customer-owned containers) and Public Space Receptacles.
- (b) The Contractor will not scavenge, or permit its employees or Subcontractors to scavenge, any Blue Box Material that has been set out for collection during Contractor's performance of the Work.
- (c) The Contractor will use best efforts to reduce the quantity of Non-Blue Box Material in collected Blue Box Material to no more than four percent (4%) by weight.
- (d) If the average amount of Non-Blue Box Material collected from Eligible Sources in an Eligible Community (including Residences and Facilities) in any rolling six (6) month period exceeds four percent (4%) the Contractor will, within ninety (90) calendar days, prepare and submit to CMO a plan that includes identification of sources of Non-Blue Box Material and strategies and supporting measures to mitigate the amounts of Non-Blue Box Material. The Contractor

- will implement the plan and provide quarterly reporting to CMO detailing the progress and outcomes of the plan. If improvement does not occur within ninety (90) calendar days after the start of plan execution, the Contractor will work with CMO to establish additional changes and to adopt best practices recommended by CMO.
- (e) The Contractor may not collect, and collected Blue Box Material may not contain, any packaging containing Hazardous Waste.
  - (f) If Blue Box Material is to be collected from Eligible Sources and Public Space Receptacles in the Eligible Communities listed in Exhibit 8 in two streams as set out in Exhibit 7, the streams are as follows:
    - (i) Stream 1 – Paper Products and the following types of Paper Packaging:
      - paper laminates
      - kraft paper carry-out bags
      - kraft paper – non-laminated
      - corrugated cardboard
      - boxboard and other paper packaging
    - (ii) Stream 2 – Plastic Packaging, Metal Packaging, Glass Packaging and the following types of Paper Packaging:
      - gable top containers
      - aseptic containers

### **3.4 Blue Box Material from Non-Eligible Sources**

Other than for Non-Eligible Sources that are included in the count set out in Exhibit 6, the Contractor shall keep separate, and maintain separation of, Blue Box Material from Eligible Sources and Blue Box Material from Non-Eligible Sources. For clarity, the Contractor may only mix the Blue Box Material from Eligible Sources and Blue Box Material from Non-Eligible Sources included in the count set out in Exhibit 6. The Contractor, at its discretion, may remove Non-Eligible Sources from the count of Non-Eligible Sources set out in Exhibit 6. CMO may propose the removal of Non-Eligible Sources from the count of Non-Eligible Sources set out in Exhibit 6 through a Change Order.

### **3.5 Collection Containers**

The Contractor is responsible for replacing a damaged or missing container when requested by an Eligible Source.

### **3.6 Public Space Receptacles**

CMO, at any time, may direct the Contractor to affix signage provided by CMO to a Public Space Receptacle or post signage at the location of a Public Space Receptacle. The Contractor shall affix or post such signage, as directed, within thirty (30) calendar days.

### 3.7 Non-Compliant Material

If Non-Compliant Material was tagged prior to the Statement of Work Eligible Community Service Commencement Date, the Contractor shall, if Blue Box Material is Non-Compliant, place in a prominent location a non-compliance notification tag that identifies the specific problem(s) and reason(s) for non-compliance.

### 3.8 Unloading Blue Box Material

- (a) The locations of the RF(s) for each Eligible Community will be provided by CMO no later than ninety (90) calendar days prior to the Statement of Work Eligible Community Service Commencement Date for the Eligible Community.
- (b) Contractor will deliver all collected Blue Box Material to the RF identified by CMO. The Contractor will not release Blue Box Material to anyone other than the RF or dispose of any collected Blue Box Material without prior written authorization from CMO.
- (c) Delivery to an RF shall adhere to the following steps:
  - (i) The inbound Collection Vehicle shall pass over the weigh scale without exception. The operator of the Collection Vehicle must provide information such that a weigh scale ticket with all required data can be generated;
  - (ii) The Collection Vehicle shall go to the designated tipping floor area of the RF. Each of the fibres and containers must be deposited into the appropriate tipping floor area. A Collection Vehicle operator must take instruction from the tipping floor supervisor and only empty when permitted;
  - (iii) If Collection Vehicles have more than one compartment and are carrying more than one Stream of Blue Box Material, selected Collection Vehicles will be directed to return to the weigh scale after emptying the first compartment to get a split weight (estimated 10% of Collection Vehicles by Eligible Community will be directed to split weigh). After split weighing, a Collection Vehicle will return to the tipping floor area for the second compartment and empty the contents of the Collection Vehicle. The Collection Vehicle will then return to the weigh scale to obtain a tare weight;
  - (iv) The Collection Vehicle must empty the fibre and container compartments on every trip to the RF. The Collection Vehicle operator must ensure each compartment is completely emptied before moving to the next tipping floor area and before leaving the property. The Collection Vehicle operator shall not clean out the Collection Vehicle in a manner that causes or may cause fibre materials to be commingled with containers or vice versa;
  - (v) If the Collection Vehicle experiences a bulkhead failure, the Collection Vehicle operator shall work with the tipping floor supervisor to separate the materials from each compartment;



- (vi) Every Collection Vehicle must have a tare weight taken once every two months without exception. To alleviate the potential for backup and delays on the weigh scale, tare weight timing will be staggered; and
  - (vii) In the event an RF is unable to accept Blue Box Material from a Collection Vehicle, the Contractor shall immediately notify CMO and the Collection Vehicle shall proceed to another RF as directed by CMO. If the other RF is more than a sixty (60) minute drive from the centroid of an Eligible Community where the Blue Box Material was collected, CMO will reimburse the Contractor for reasonable expenses it incurs as a result of the Collection Vehicle's travelling beyond the sixty (60) minute boundary.
- (d) The Collection Vehicle operators shall comply with all operational protocol and procedures of an RF during unloading of Blue Box Material.

## ARTICLE 4 RECORD KEEPING AND REPORTING REQUIREMENTS

### 4.1 Record Keeping and Reporting Requirements

- (a) The Contractor shall cause the Collection Vehicle operator to provide the following information to CMO or such Person identified by CMO from time to time, including the RF representative, such that the following data may be collected for each inbound vehicle:
  - (i) Originating Eligible Community ID number;
  - (ii) Valtype (i.e., the type or the majority fraction of combined loads from single-family residences, multi-family residences, long-term care homes, retirement homes, schools, Public Space Receptacles) as applicable to the load;
  - (iii) Blue Box Material onboard (e.g. Stream 1, Stream 2, or a Single Stream material type);
  - (iv) Contractor ID number;
  - (v) Collection route or zone number (if applicable);
  - (vi) Collection Vehicle number; and
  - (vii) Collection Vehicle licence plate number.
  
- (b) The Contractor shall retain records for the Blue Box Material that is collected and delivered to a RF including a record of the number of Collection Vehicles emptied per day, the weight in metric tonnes of each load, and where the load was delivered.
  
- (c) Within sixty (60) calendar days of the end of a calendar year, the Contractor shall annually provide a report to CMO, in a form reasonably approved by CMO, outlining kilometres driven and actual or estimated fuel consumed by Collection Vehicles in the delivery of the Work under this Statement of Work. The report will be organized to display information by Collection Vehicle category and where Collection Vehicles are used for a specific Valtype the information for Collection Vehicles will be listed separately.
  
- (d) The Contractor shall, in addition to the records specified above, review a monthly summary report prepared by CMO and provided to the Contractor via an online web-based interface by the fifth (5th) day of the month following the month addressed in the summary report. If the fifth (5th) day of the month falls on a Saturday, Sunday or Statutory Holiday, the report may be provided on the next Business Day. This report shall include the following information:
  - (i) Originating Eligible Community ID number;
  - (ii) Total number of Stops;
  - (iii) Number of Stops added or removed through a Change Order during the calendar month;
  - (iv) Total number of Non-Eligible Source Stops;
  - (v) Valtype of each load delivered to an RF;

- (vi) Blue Box Material onboard each load delivered to an RF;
  - (vii) ID number of Contractor delivering each load to an RF;
  - (viii) Collection route or zone number (if applicable);
  - (ix) Collection Vehicle number;
  - (x) Collection Vehicle licence plate number;
  - (xi) Scale ticket number;
  - (xii) Gross weight (tonnes);
  - (xiii) Tare weight (tonnes, including by split load if applicable); and
  - (xiv) Net weight (tonnes; tonnes by compartment – Stream 1, Stream 2, where split-weighting occurs).
- (e) Within five (5) calendar days of the monthly summary report being provided to the Contractor via an on-line web-based interface, the Contractor shall review such monthly summary report and notify CMO of (i) any discrepancies in such monthly summary report or (ii) the Contractor's acceptance of such monthly summary report as an accurate and complete Work Report for the Month in respect of the applicable calendar month. If the fifth (5) calendar day after such report is provided to the Contractor falls on a Saturday, Sunday or Statutory Holiday, the Contractor may notify CMO on the next Business Day.
- (f) If the Contractor does not notify CMO of any discrepancies in, or of the Contractor's acceptance of, such monthly summary report within the time specified in Section 4.1(e) of this Exhibit 1, the Contractor shall be deemed to have accepted such monthly summary report as an accurate and complete Work Report for the Month in respect of the applicable calendar month.
- (g) If the Contractor notifies CMO of any discrepancies in a monthly summary report within the time specified in Section 4.1(e) of this Exhibit 1, CMO will make commercially reasonable efforts to resolve the discrepancies and reissue such report within five (5) Business Days of being notified by the Contractor of such discrepancy. The Contractor shall review and respond to such reissued report in accordance with the requirements specified in Section 4.1(e) of this Exhibit 1 and Sections 4.1(e) and 4.1(f) of this Exhibit 1 shall otherwise apply to such reissued report.

## ARTICLE 5 DOCUMENTATION AND PAYMENT

### 5.1 Documentation and Payment

- (a) Starting in the first calendar month after the Statement of Work Eligible Community Service Commencement Date for an Eligible Community, the Contractor shall review and accept the monthly summary report for the Work performed in the prior calendar month for such Eligible Community in accordance with Section 4.1 of this Exhibit 1. Once accepted, or deemed to be accepted, by the Contractor, such monthly summary report shall be a work report for the month (the "**Work Report for the Month**") in respect of the applicable calendar month.
- (b) If requested by CMO, the Contractor shall provide Collection Vehicle weigh scale records.
- (c) For clarity, the Contractor will only be paid for Work under this Statement of Work in respect of any calendar month once there is a Work Report for the Month for such calendar month.
- (d) For greater certainty, except as expressly set out in the MSA there shall be no increase to the prices set out in the Statement of Work for any changes to the Contractor's responsibilities.



**EXHIBIT 2: STOPS**

Eligible Community	Number of Single-Family Residence and Multi-Family Building Stops	Number of Public Space Receptacle Stops	Number of Retirement Home Stops	Number of Long-Term Care Home Stops	Number of School Stops	Total Number of Stops
The Corporation of the United Township of Head, Clara and Maria	140	0	0	0	0	140

**\*NOTE:** The number of Stops for multi-family buildings is determined by the number of dwelling units located within the applicable multi-family building.

**\*\*NOTE:** The number of Stops for Public Space Receptacles is determined by the number of such Public Space Receptacles at a location.

**\*\*\*NOTE:** In the event of a conflict or inconsistency between the information presented in Exhibit 2, Exhibit 3, Exhibit 4 and Exhibit 5, the information presented in Exhibit 2 shall be used to resolve the conflict or inconsistency.

**\*\*\*\*NOTE:** CMO holds no responsibility or liability for actual information that is different from the information presented in this Exhibit.



**EXHIBIT 3: MULTI-FAMILY BUILDINGS**

Eligible Community	Building Name	Street Address	City	Postal Code	Number of Dwelling Units
The Corporation of the United Township of Head, Clara and Maria	None				

**\*NOTE: The number of Stops for multi-family buildings is determined by the number of dwelling units located within the applicable multi-family building.**

**\*\*NOTE: CMO holds no responsibility or liability for actual information that is different from the information presented in this Exhibit.**



**EXHIBIT 4: RETIREMENT HOMES, LONG-TERM CARE HOMES AND SCHOOLS**

Eligible Community	Facility Name	Street Address	City	Postal Code	Number of Dwelling Units (as applicable)
The Corporation of the United Township of Head, Clara and Maria	None				

**\*NOTE: The number of Stops for a Retirement Home, Long-Term Care Home or School is not the number of dwelling units (as applicable) listed in this Exhibit 4.**

**\*\*NOTE: CMO holds no responsibility or liability for actual information that is different from the information presented in this Exhibit.**



**EXHIBIT 5: PUBLIC SPACE RECEPTACLES**

Eligible Community	Location	Street Address	City	Postal Code	Latitude	Longitude	Number of Public Space Receptacles at Location
The Corporation of the United Township of Head, Clara and Maria	None						

**\*NOTE: The number of Stops for Public Space Receptacles is determined by the number of such Public Space Receptacles at a location.**

**\*\*NOTE: CMO holds no responsibility or liability for actual information that is different from the information presented in this Exhibit.**





**EXHIBIT 6: NON-ELIGIBLE SOURCES**

Eligible Community	Name of Non-Eligible Source	Location	Street Address	City	Postal Code
The Corporation of the United Township of Head, Clara and Maria	None				

**\*NOTE: Each row in this Exhibit 6 will count as one Stop for Non-Eligible Sources.**

**\*\*NOTE: CMO holds no responsibility or liability for actual information that is different from the information presented in this Exhibit.**

**EXHIBIT 7: BLUE BOX MATERIAL ACCEPTED IN COLLECTION SYSTEM**

	Material	Stream 1	Stream 2
<b>Paper/Fibres</b>	Newsprint	Yes	No
	Magazines and Catalogues	Yes	No
	Telephone Books	Yes	No
	Household Fine Paper	Yes	No
	Other Printed Paper	Yes	No
	Corrugated Cardboard	Yes	No
	Boxboard	Yes	No
	Gable Top Cartons	Yes	No
	Paper Laminates	Yes	No
	Aseptic Containers	No	No
<b>Aluminum</b>	Aluminum food or beverage cans	No	Yes
	Aluminum Foil & Trays	No	Yes
	Other Aluminum Packaging & Foil	No	Yes
	PET Bottles (#1)	No	Yes
<b>Plastics</b>	Thermoform PET (#1), Clamshells & Other Clear Plastic Containers	No	yes
	HDPE Containers (#2)	No	Yes
	Tubs & Lids (#2, #4 & #5)	No	Yes
	Other Bottles & Containers (#3, #5, #7)	No	Yes
	Plastic film (LDPE/HDPE) (#2, #4)	No	Yes
	Plastic Laminates	No	Yes
	Polystyrene Foam (#6)	No	No
	Polystyrene Crystal (#6)	No	No
<b>Steel</b>	Steel Food and Beverage Cans	No	Yes
	Steel Aerosols	No	No
	Steel Paint Cans	No	No
<b>Glass</b>	Flint/Clear Glass	No	Yes
	Coloured Glass	No	Yes
<b>Other</b>	Plastic Bags	No	No

**\*NOTE: CMO holds no responsibility or liability for information that is different from the information presented in this Exhibit.**

**EXHIBIT 8: SERVICE COMMENCEMENT DATES**

The table included below lists the Statement of Work Eligible Community Service Commencement Date when services, forming the Work described by this Statement of Work, are to commence in each Eligible Community.

Eligible Community	Statement of Work Eligible Community Service Commencement Date
The Corporation of the United Township of Head, Clara and Maria	1-1-2025

### **EXHIBIT 9: COMPENSATION**

- 1.1 For each calendar month during the SoW Term, the Contract Price for the Work performed under this Statement of Work in accordance with the requirements of the MSA shall be calculated as follows:
- (a) the Unit Price multiplied by the total number of Stops as provided for in Exhibit 2 at the start of the applicable calendar month (provided that the Unit Price shall be prorated for a Stop that did not receive Collection Services for the entire calendar month). For clarity, the number of Stops listed in Exhibit 2 shall be used in the calculation of the Contract Price even if the number of Stops listed in Exhibit 2 is not the actual number of Stops at the start of the applicable calendar month; plus
  - (b) for each New Eligible Source added during the applicable calendar month, the Unit Price per Stop prorated based on the number of Business Days during the calendar month after the effective date of the Change Order that added such New Eligible Source multiplied by the number of Stops for such New Eligible Source; less
  - (c) a charge for the Blue Box Material from Non-Eligible Sources, based on (1) the total tonnes of Blue Box Material collected in the applicable calendar month, according to records provided pursuant to the Work Report for the Month, divided by (2) the total number of Stops for Eligible Sources listed in Exhibit 2 plus the total number of Stops for Non-Eligible Sources listed in Exhibit 6 (both based on counts set out in the applicable exhibit at the start of the applicable calendar month), multiplied by (3) the total number of Stops for Non-Eligible Sources included in the count set out in Exhibit 6 at the start of the applicable calendar month plus any other Stops for Non-Eligible Sources that contributed to the total tonnes of Blue Box Material collected in the applicable calendar month, multiplied by (4) the Non-Eligible Source Blue Box Material Unit Price.

For the purposes of this Statement of Work, “**Unit Price**” means \$10.09 per Stop per month, as adjusted in accordance with this MSA, and “**Non-Eligible Source Blue Box Material Unit Price**” means \$200.00 per tonne, as adjusted in accordance with this MSA.

The Unit Price includes the Contractor’s administration factor as published by the Resource Productivity and Recovery Authority in its 2020 Datacall. Notwithstanding any other provision in the MSA, the Unit Price shall not be increased, and the Contractor shall not receive any additional compensation, if there is an increase in such administration factor.

1.2 Total Unit Price Adjustment

- (a) The Unit Price for each calendar month of the SoW Term shall be determined as follows:  
  
Unit Price = Base Unit Price + Diesel Fuel Price Component Adjustment + Natural Gas Fuel Price Component Adjustment + Non-Fuel Price Component Adjustment, where such price adjustments are applicable to the calendar month.
- (b) The “**Base Unit Price**” is the Unit Price at the Statement of Work Eligible Community Service Commencement Date as set out in Section 1.1.

- (c) The **"Fuel Price Component"** is 20% of the Base Unit Price.
- (d) The **"Non-Fuel Price Component"** is 80% of the Base Unit Price.
- (e) Diesel Fuel

If the Contractor utilizes diesel fueled Collection Vehicles for the performance of Collection Services, for the first calendar month immediately following the Statement of Work Eligible Community Service Commencement Date and for each subsequent calendar month in which diesel fueled Collection Vehicles are used for the performance of the Work, then the **"Diesel Fuel Price Component Adjustment"** shall be (1) Fuel Price Component multiplied by (2) the percentage of fuel (measured by dollar expenditure) used in the Eligible Communities for the calendar month for the Collection Vehicles that is diesel, relative to all fuels used (i.e., diesel and compressed natural gas) for Collection Vehicles in the applicable calendar month multiplied by (3) the percent change in the Southern Ontario Diesel Price, as most recently published in the table of Fuel Prices located at <https://data.ontario.ca/dataset/fuels-price-survey-information> (**"Diesel Fuel Index"**), since the Statement of Work Eligible Community Service Commencement Date. The Diesel Fuel Price Component Adjustment will be added to or subtracted, as applicable, from the Base Unit Price.

- (f) Natural Gas

If the Contractor utilizes compressed natural gas fueled Collection Vehicles for the performance of Collection Services, for the first calendar month immediately following the Statement of Work Eligible Community Service Commencement Date and for each subsequent calendar month in which natural gas fueled Collection Vehicles are used for the performance of the Work, then the **"Natural Gas Fuel Price Component Adjustment"** shall be (1) Fuel Price Component multiplied by (2) the percentage of fuel (measured by dollar expenditure) used in the Eligible Communities for the calendar month for the Collection Vehicles that is compressed natural gas, relative to all fuels used (i.e., diesel and compressed natural gas) for Collection Vehicles in the applicable calendar month multiplied by (3) the percent change in the Ontario Compressed Natural Gas Price, as most recently published in the table of Fuel Prices located at <https://data.ontario.ca/dataset/fuels-price-survey-information> (**"Natural Gas Index"**), since the Statement of Work Eligible Community Service Commencement Date. The Natural Gas Fuel Price Component Adjustment will be added to or subtracted, as applicable, from the Base Unit Price.

- (g) For the first calendar month immediately following the first annual anniversary of the Statement of Work Eligible Community Service Commencement Date and for each subsequent annual anniversary, the **"Non-Fuel Price Component Adjustment"** shall be (1) the Non-Fuel Price Component multiplied by (2) the percentage change in the CPI Index, as most recently published, since the Statement of Work Eligible Community Service Commencement Date. The Non-Fuel Price Component Adjustment will be added to or subtracted, as applicable, from the Base Unit Price for such calendar month and for each of the subsequent eleven (11) calendar months.

### 1.3 Total Non-Eligible Source Blue Box Material Unit Price Adjustment

- (h) The Non-Eligible Source Blue Box Material Unit Price for each calendar month of the SoW Term shall be determined as follows:

Non-Eligible Source Blue Box Material Unit Price = Base Non-Eligible Source Blue Box Material Unit Price + CM Fuel Price Component Adjustment + CPI Component Adjustment, where such price adjustments are applicable to the calendar month.

- (i) The “**Base Non-Eligible Source Blue Box Material Unit Price**” is the Non-Eligible Source Blue Box Material Unit Price as set out in Section 1.1 of Exhibit 9.
- (j) The “**CM Fuel Price Component**” is 20% of the Base Non-Eligible Source Blue Box Material Unit Price.
- (k) The “**CPI Component**” is 80% of the Base Non-Eligible Source Blue Box Material Unit Price.
- (l) For each calendar month during the SoW Term, the “**CM Fuel Price Component Adjustment**” shall be (1) the CM Fuel Price Component multiplied by (2) the percent change in Diesel Fuel Index, as most recently published, compared to the Diesel Fuel Index for the first week of July 2023. The CM Fuel Price Component Adjustment will be added to or subtracted from, as applicable, the Base Non-Eligible Source Blue Box Material Unit Price.
- (m) In the month of April of each calendar year during the SoW Term, the “**CPI Component Adjustment**” shall be (1) the CPI Component multiplied by (2) the percent change in the CPI Index, as published for March of such calendar year, compared to the CPI Index for July 2023. The CPI Component Adjustment will be added to or subtracted from, as applicable, the Base Non-Eligible Source Blue Box Material Unit Price for April of such calendar year and for each of the subsequent eleven (11) calendar months.

### 1.4 CPI Index

For the purposes of this Statement of Work, “**CPI Index**” means the Consumer Price Index (All items), monthly, not seasonally adjusted – Ontario (Table 18-10-0004-01) (Formerly CANSIM 326-0020) (<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000401>).

### 1.5 Changes to Indices

If the applicable publisher materially changes, discontinues or replaces the Diesel Fuel Index, Natural Gas Index or CPI Index, the Diesel Fuel Index, Natural Gas Index or CPI Index, as applicable, shall be subject to revisions as agreed by the Parties.



**THE CORPORATION OF THE UNITED TOWNSHIPS OF  
HEAD, CLARA & MARIA**

**BY-LAW NUMBER 2024-07**

**BEING** a by-law to confirm proceedings of the Council of the United Townships of Head, Clara & Maria at its special and regular meetings held on Thursday, May 16, 2024.

**WHEREAS** Subsection 5(1) of the *Municipal Act, 2001*, as amended, provides that the powers of a municipal corporation are to be exercised by its council;

**AND WHEREAS** Subsection 5(3) of the said *Municipal Act* provides that all municipal power including the municipality's capacity, rights, powers and privileges under section 9, shall be exercised by by-law unless the municipality is specifically authorized to do otherwise;

**AND WHEREAS** it is deemed expedient that the proceedings of the Council of the United Townships of Head, Clara & Maria at this meeting be confirmed and adopted by by-law;

**NOW THEREFORE** the Council of the United Townships of Head, Clara & Maria enacts as follows:

1. **THAT** the action of the Council of the United Townships of Head, Clara & Maria in respect of each recommendation or resolution contained in the minutes of the special and regular council meetings of Thursday, May 16, 2024, and any reports of committees and of local boards and each motion and resolution passed and other action taken by the Council of the United Townships of Head, Clara & Maria at this meeting is hereby adopted and confirmed as if all such proceedings were expressly embodied in this by-law.
2. **THAT** the Mayor and the appropriate officials of the United Townships of Head, Clara & Maria are hereby authorized and directed to do all things necessary to give effect to the action of the Council of the United Townships of Head, Clara & Maria referred to in the proceeding section.
3. **THAT** the Mayor, or in the absence of the Mayor, the alternate head of council and the Municipal Clerk, or in the absence of the Municipal Clerk, the Deputy Clerk, or in the absence of the Municipal Clerk and the Deputy Clerk, the Acting Clerk, are authorized and directed to execute all documents necessary in that behalf and to affix thereto the corporate seal of the United Townships of Head, Clara & Maria.

**READ** a 1<sup>st</sup> time short and passed this 20<sup>th</sup> day of June 2024.

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MAYOR

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CLERK