

THE CORPORATION OF THE MUNICIPALITY OF WEST GREY

BY-LAW NUMBER 34 - 2011

BEING, A by-law to approve and authorize the execution of an Agreement between the Municipality of West Grey and the Townships of Chatsworth and Georgian Bluffs for the purpose of permitting only sludge from the Durham Sewage Treatment Plant to be transported to the Chatsworth/Georgian Bluffs Anaerobic Bio-digester for processing;

WHEREAS, the Council of the Municipality of West Grey deems it expedient and in the public interest to enter into the aforementioned Agreement between the Municipality of West Grey and the Townships of Chatsworth and Georgian Bluffs;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE MUNICIPALITY OF WEST GREY ENACTS AS FOLLOWS:

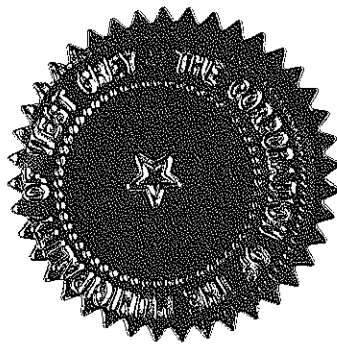
1. That the Agreement between the Municipality of West Grey and the Townships of Chatsworth and Georgian Bluffs, attached hereto as Schedule "A", and forming part of this by-law, is hereby approved.
2. That the Mayor and CAO are hereby authorized to sign and seal the said Agreement.
3. That this by-law shall come into full force and effect on the date of passing.

Read a first and second time, this 16th day of May, 2011.

Read a third time and finally passed, this 16th day of May, 2011.


Kevin Eccles, Mayor


Christine Robison, CAO



SCHEDULE "A" TO BY-LAW NUMBER 34 - 2011

MUNICIPALITY OF



TOWNSHIPS OF CHATSWORTH AND
GEORGIAN BLUFFS AGREEMENT

THIS AGREEMENT made in triplicate this 11th day of April, 2011
BETWEEN:

THE CORPORATION OF THE TOWNSHIP OF CHATSWORTH

(hereinafter individually called Chatsworth or collectively
with Georgian Bluffs called the "Waste Processor")

-and-

THE CORPORATION OF THE TOWNSHIP OF GEORGIAN BLUFFS

(hereinafter individually called Georgian Bluffs or collectively
with Chatsworth called the "Waste Processor")

-and-

THE CORPORATION OF THE MUNICIPALITY OF WEST GREY

(hereinafter called West Grey)

WHEREAS Georgian Bluffs and Chatsworth are jointly constructing an Anaerobic Bio-digester located in Georgian Bluffs whereby sewage, septage and similar organic waste can be processed (hereinafter referred to as "the Bio-digester");

AND WHEREAS Georgian Bluffs and Chatsworth (Waste Processor) has obtained all approvals necessary for the management and operation of the Bio-digester pursuant to the provisions of Certificate of Approval 2717-87CNIJ2 issued August 25th, 2010;

AND WHEREAS under Section 20 (1) of the Municipal Act, 2001, S.O. 2001 c.25 a municipality may enter into an agreement with one or more municipalities or local bodies to jointly provide, for their joint benefit, any matter which all of them have the power to provide within their own boundaries

AND WHEREAS the parties wish to enter into this agreement for the purpose of permitting only sludge from the Durham Sewage Treatment Plant to be transported to the Bio-digester for processing;

AND WHEREAS West Grey confirms that it or its representative contractor has obtained all necessary approvals for collecting and transporting organic waste to the Bio-digester and will pay a tipping fee to the Waste Processor for the right to deposit organic material at the Bio-digester;

AND WHEREAS this agreement is authorized by By-law of each of the participating municipalities;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual terms and conditions herein contained and other good and valuable consideration (the receipt and sufficiency of which is acknowledged by each of the parties hereto) the parties hereto hereby covenant and agree with each other as follows:

1.0 DEFINITIONS

- 1.1 "Certificate of Approval" means certification from the Ministry of Environment for the receipt and processing of organic waste, septage, or any other material to be accepted at the Bio-digester."
- 1.2 "In-service Date" means the date upon which waste is first accepted and deposited at the site pursuant to the provisions of any required Certificate of Approval needed to allow Georgian Bluffs waste to be accepted;
- 1.3 "Organic Waste" shall mean household compost such as fruits, vegetables, meats, bones, shell fish, poultry, dairy products, eggs including egg shells, cooked foods and leftovers, coffee grounds, tea bags, paper hand towels, and facial tissue collected at the curb in the Municipality of Meaford or in its compost drop off site and listed and permitted by the Certificate of Approval for the Bio-digester.

- 1.4 "Subject Lands" shall mean those lands on Sideroad 3 described as Lots 4 and 5 Concession 5 in the geographic Township of Derby, Township of Georgian Bluffs;
- 1.5 "Tipping Fee" shall be the cost of disposing material at the Bio-digester site paid by Meaford to the Waste Processor.
- 1.6 "Waste Processor" shall mean the entity operating the bio-digester represented equally by the Township of Georgian Bluffs and the Township of Chatsworth.
- 1.7 "Year" means a calendar year.

2.0 TERM

- 2.1 This Agreement shall come into force and take effect upon the execution hereof by the parties hereto pursuant to the terms of this Agreement subject to the following.
- 2.1.1 The original term of this agreement shall commence on the in service date or June 1st, 2011 and terminate on May 31st, 2015.
- 2.1.2 The Waste Processor or West Grey may terminate this agreement with one year's minimum written notice.
- 2.2 West Grey acknowledges that in the event the Bio-digester is not operational for technical or maintenance reasons for a period exceeding fourteen (14) business days, that alternate disposal arrangement shall be made by West Grey acceptable to the parties so as to comply with applicable certificates of approval and the intent of this agreement as expressed in Section 3.2 and other applicable sections. Immediately upon the Waste Processor confirming the Bio-digester is operational Sewage Sludge from West Grey shall be delivered and processed at the bio-digester as provided for in this agreement.

3.0 MANAGEMENT

- 3.1 The Waste Processor shall be responsible for the management of the Bio-digester including using sewage Sludge provided by West Grey to produce electrical power for the purposes of a green energy project, and shall ensure that all applicable approvals are in place for processing of sewage sludge including any amendment to the certificate of approval for the site, or any other such waste approval.
- 3.2 In processing sewage sludge at the site, the Waste Processor shall take all reasonable steps to manage the impact of the bio-digester on the surrounding lands and environment and shall act in a responsible and environmentally sound manner.
- 3.3 West Grey shall be responsible for collecting and transporting organic waste to the bio-digester and shall ensure all applicable approvals are in place to transport sewage sludge to the bio-digester site.
- 3.4 The parties shall work cooperatively to ensure the amount of residual waste entering the bio-digester, and in the case of the Waste Processor ensuring the appropriate screen or similar device is maintained so as to separate organic waste from residual waste. In the event a sampling program is needed to test the percentage of residual waste in the sewage sludge, the parties agree to share equally in the cost of the sampling program.
- 3.5 Sewage sludge shall be the property and responsibility of West Grey until such time as it arrives at the bio-digester and is entered into the facility treatment process. After the sewage sludge is entered into the bio-digester for treatment it becomes the property and responsibility of the Waste Processor.
- 3.6 West Grey acknowledges that no single shipment of organic waste shall exceed 15 cubic meters and that annually an estimated 400 cubic meters will be directed to the bio-digester.
- 3.7 West Grey shall ensure all sewage sludge provided to the facility is accurately weighed and shall supply a bill of lading pertaining to the shipments of sewage sludge provided by West Grey with each shipment that arrives at the facility. Invoices shall be based on the bill of lading information supplied.

- 3.8 The parties shall determine the nature of statistical information to be supplied but agree it shall include at minimum the number and license plate of delivery vehicles, and the date and time of arrival, and departure time.
- 3.9 West Grey agrees to schedule shipments to the bio-digester with the Waste Processor to correspond with the hours of operation of the facility.

TIPPING FEES AND OTHER RATES

- 4.1 West Grey agrees to pay the applicable tipping fee as set by the Waste processor in accordance with applicable policies and procedures once established.
- 4.2 The agreed upon tipping fee between the parties shall be \$25.00 per cubic meter increasing annually based on the Cost of Living as identified annually by the Consumer Price Index for Ontario as identified by Statistics Canada. The parties agree to evaluate and discuss tipping fees annually to ascertain the fees are competitive and appropriate relative to applicable market conditions.
- 4.3 Tipping fees shall be billed monthly by the Waste Processor based on total weight recorded on the bill of lading. In addition to the said invoice accurate statistical information regarding shipments shall be provided by the Waste Processor to West Grey monthly with the invoice.

5.0 INSURANCE AND INDEMNITY

- 5.1 The parties agree to maintain in good standing at all times adequate policies of insurance, provided that any such policy of insurance shall name each of the parties to this Agreement as additional named insured for the purposes of this agreement.
- 5.2 The parties to this Agreement during the term of this Agreement hereby agree to indemnify and save harmless each other from and against all actions, causes of action, losses, liens, damages, suits, judgments, awards, orders, claims, fines, costs and demands whatsoever which may arise out of, either directly or indirectly, by reason of or as a consequence of or in any way related to the provisions or subject matter of this Agreement or any action or actions taken hereunder provided that each party hereto shall only be responsible to bear its proportionate contribution of such indemnification which shall be in the same proportion as each party's total financial contribution to the expenses of the Board from the In-service date to the date of indemnification.

6.0 RESPONSIBILITIES OF THE PARTIES HERETO

- 6.1 The parties agree to jointly investigate and adopt a municipal by-law to restrict the spreading of raw septage on farm fields within the boundaries of the respective municipalities following a suitable public notice process and scheduling to consider existing landowner contracts.
- 6.2 The parties hereto shall act expeditiously and in good faith with respect to all of their obligations in accordance with the terms and provisions of this Agreement.
- 6.3 The Council of each party hereto shall authorize its proper signing officers to this Agreement.

7.0 RESOLUTION OF DISPUTES

- 7.1 Where a disagreement or dispute arises between the parties to this Agreement, with respect to the interpretation, construction, meaning or effect of this Agreement or any provision hereof, the parties hereto hereby agree to set out in writing the nature and particulars of the disagreement and, if necessary, to submit the disagreement or dispute to non-binding mediation to resolve the disagreement or dispute

- 7.2 In the event that the parties are unable to resolve the disagreement or dispute pursuant to the preceding paragraph, either party may at its option submit the disagreement or dispute for arbitration pursuant to the provisions of Section 15 of the Municipal Arbitrations Act, R.S.O. 1990, c. M.48.
- 7.3 Each of the parties hereto shall be a party to each such arbitration brought pursuant to the Arbitration Act with respect to provisions of this Agreement and each of the parties hereto shall be responsible for its own legal or other costs incurred in mediation or arbitration.
- 7.4 The provisions of the Arbitration Act and the Regulations passed thereunder shall, with necessary modifications, apply to proceedings brought under this section, and any decision pursuant to the legislation shall be final and binding upon all the parties.

8.0 NOTICE

- 8.1 Any notice which is permitted or required to be given pursuant to the provisions of this Agreement shall be in writing and shall be served personally or by registered mail upon the Municipal Clerk of each of the parties hereto at the addresses hereinafter set forth:

The Corporation of the Town of Chatsworth
CAO/Clerk Administrator
316837 Highway 6
Chatsworth, Ontario N0G 1G0

The Corporation of the Town of Georgian Bluffs
Clerk

177964 Grey Road 18 RR#3
Owen Sound, Ontario N4K 5N5

The Corporation of the Municipality of West Grey
402813 Grey Road 4, R.R.# 2 Durham, Ontario, N0G 1R0

Where notice is served by registered mail, the notice shall be effective on the second business day after the document is mailed.

9.0 GOVERNING LAWS, HEADINGS, SEVERABILITY

- 9.1 This Agreement shall be interpreted in accordance with Province of Ontario law.
- 9.2 The headings in this Agreement are for ease of reference only and shall not be read so as to abridge or modify the meaning of any provision in the main text of this Agreement.
- 9.3 If any term or provision of this Agreement or the application thereof to any party hereto shall to any extent be held to be void, invalid or unenforceable, the rest of this Agreement shall not be affected thereby and each term and provision of this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

10.0 AMENDMENTS AND TIMING

- 10.1 The parties hereto may amend this Agreement or any part hereof upon the approval in writing of both of the parties hereto. Any such amendments shall be in writing and shall be in the form of an addendum to this Agreement.
- 10.2 Time shall be of the essence of this Agreement and of every part hereof and no extension or variation of this Agreement shall operate as a waiver of this provision.

11.0 SUCCESSORS AND ASSIGNS

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

IN WITNESS WHEREOF the parties have hereunto affixed their corporate seals duly attested by the hands of their proper officers in that behalf.

For the "Waste Processor"

**THE CORPORATION OF THE
TOWNSHIP OF CHATSWORTH**

Mayor

CAO/Clerk

**THE CORPORATION OF THE
TOWNSHIP OF GEORGIAN BLUFFS**

Mayor

Clerk

For West Grey

**THE CORPORATION OF THE
MUNICIPALITY OF WEST GREY**

K. E. E. E.

Mayor

Christine Folsby

CAO Clerk