

THIS INTERIM AGREEMENT made this _____ day of October, 2025.

B E T W E E N:

THE CORPORATION OF THE MUNICIPALITY OF STRATHROY-CARADOC
(Hereinafter referred to as “S-C”)

OF THE FIRST PART

- and -

THE CORPORATION OF THE TOWNSHIP OF ADELAIDE METCALFE
(Hereinafter referred to as “AM”)

OF THE SECOND PART

WHEREAS S-C operates wastewater and water public utilities (collectively referred to as the “System”) within its geographic boundaries;

AND WHEREAS the System presently has the capacity to service lands beyond S-C’s geographic boundaries;

AND WHEREAS S-C and AM entered into an Agreement for the provision of “Water Services”, being the supply of potable water from S-C and “Wastewater Services”, being the receipt and treatment of sanitary sewage and other Wastewater by S-C;

AND WHEREAS differences arose in connection with Water Services and Wastewater Services and S-C and AM are currently engaged in litigation proceedings that remain unresolved;

AND WHEREAS the Parties have agreed to enter into an interim agreement with respect to the provision of the Water Services and Wastewater Services (the “**Interim Agreement**”) while S-C and AM make efforts to resolve all remaining outstanding litigation proceedings between them and proceed to engage in negotiations with goal of and negotiate a new agreement for the aforesaid services;

AND WHEREAS S-C and AM have agreed that this Interim Agreement is being entered into on a without prejudice basis and both parties expressly reserve all their rights in connection with the unresolved litigation;

AND WHEREAS S-C is prepared to make available the agreed upon capacity for the provision of Water Services and Wastewater Services for the benefit of AM and its residents and AM wishes to accept this offer on an interim basis on the terms and conditions set out herein;

AND WHEREAS the Parties are prepared to continue to share storm water management facilities in accordance with this Interim Agreement;

AND WHEREAS AM shall be the provider of the Water Services and Wastewater Services to the customers and property owners in the Service Area and S-C shall provide the Water Services and Wastewater Services to AM in accordance with the terms of this Agreement;

AND WHEREAS Section 20(1) of the *Municipal Act, 2001* permits the Parties to enter into this Interim Agreement respecting the sharing of such services;

NOW THEREFORE the Parties agree as follows:

PART 1 – DEFINITIONS AND SCHEDULES

1.1 Definitions and Schedules:

In this Interim Agreement:

“Applicable Law” or “Applicable Laws” means all applicable statutes, enforceable and published rules, guidelines and policies, regulations, laws, procedures, standards, by-laws of Canada, the Province of Ontario, municipalities or other Regulatory Authorities, including, without limitation, all Guidelines of the Ministry of the Environment, Conservation and Parks;

“Centre Road Service Area” means that portion of the Service Area identified as the Centre Road Service Area in Schedule “A”.

“Connection Point” means that part or parts of any infrastructure within the Service Area connecting the AM Water Connecting Facilities to the Water System or that part or parts of any infrastructure within the Centre Road Service Area connecting the AM Wastewater Connecting Facilities to the Wastewater Facilities respectively;

“County Lane Service Area” means that portion of the Service Area identified as such on and as shown on the attached Schedule “A”.

“Grogast Subdivision Service Area” means that portion of the Service Area identified as such and as shown on the attached Schedule “A”.

“Parties” means collectively AM and S-C;

“Permitted Uses” means those uses permitted by the prevailing AM Zoning By-law and the prevailing AM Official Plan.

“Service Area” means the area depicted in Schedule “A” to this Agreement that includes the Centre Road Service Area, the Grogast Subdivision Service Area, and the County Lane Service Area all as shown in red on Schedule “A” attached to this Interim Agreement.

“Water” means potable water as supplied by Strathroy-Caradoc in accordance with all Applicable Laws.

“Wastewater” means any one or combination of sanitary sewage or non-domestic or water borne wastes from businesses, industries, together with such ground, surface and storm sewers which may be present, and referred to at time as ‘wastewater’.

“Wastewater Collection System” means the infrastructure and systems, and all components thereof, designed and built to convey Wastewater in the Service Area.

“Water Distribution System” means the infrastructure and systems, and all components thereof, designed and built to convey Water in the Service Area.

“AM” means The Corporation of the Township of Adelaide Metcalfe.

“S-C” means The Corporation of the Municipality of Strathroy-Caradoc.

“Design Standards” means Strathroy-Caradoc’s Design Standards, as amended or replaced from time to time, for the Wastewater Collection System and/or the Water Distribution System.

1.2 The following Schedules shall form part of this Agreement:

Schedule “A” – Service Areas

Schedule “B” – 2025 Rates and Charges

Schedule “C” – Service Connection Application

Schedule “D” – Operating Authority Duties

PART 2 - WASTEWATER

2.1 Service Area

2.1.1 Established.

A Wastewater Collection System “Service Area” is hereby established in the Centre Road Service Area set out in Schedule “A” to this Agreement.

2.1.2 No Extension.

The parties agree that there shall be no extension or expansion of the Wastewater Collection System beyond the limits of the Centre Road Service Area during the Term of this Agreement.

2.1.3 Design.

The Wastewater Collection System servicing the Centre Road Service Area shall be as it currently exists all of which shall be in accordance with the S-C Design Standards in such manner as to establish the maximum sewage flows for the existing and future Permitted Uses in accordance with the terms and conditions of this Interim Agreement. Wastewater flows within the Centre Road Service Area shall be restricted to the amount as set out in section 2.2.1. The Parties acknowledge and agree that it is the intention of this Interim Agreement that the Permitted Uses within the Centre Road Service Area and the overall Service Area shall not require nor shall AM be permitted at any time to request an increase and/or expansion of S-C’s commitment to provide water and wastewater flows beyond those contemplated by, and as set out in this Interim Agreement.

2.1.4 Permitted Uses.

AM and S-C hereby acknowledge and agree that all reasonable steps shall be taken to ensure that the lands located within the Service Area are to be used for those uses existing as of the date of the passing of this Interim Agreement and/or those uses that are permitted within the current AM Zoning By-law and contemplated in the AM Official Plan, as may be amended from time to time, and permit those uses that are primarily highway commercial, light industrial, and residential in nature in the Service Area. For further clarity, unless already existing or otherwise permitted through a Planning Act application, commercial plaza, small-scale free-standing retail and offices uses, as well as residential subdivisions on municipal services will not be permitted within the Service Area. AM acknowledges and agrees that it shall consult S-C on all Planning Act applications following the execution of this Interim Agreement that propose to change the use and/or increase the number of lots in the Service Area.

2.2 Agreement to Receive and Treat

2.2.1 Agreement.

S-C agrees to receive and treat Wastewater from the Centre Road Service Area at a rate of up to a maximum of 1285 m3 per day from those properties situated within the Centre Road Service Area, subject to the terms and conditions set out in this Interim Agreement. For the purposes of clarification, the Parties acknowledge and agree that S-C shall not receive and / or treat Wastewater from any other parts of the Service Area including, without limitation, the County Lane Service Area and the Grogast Subdivision Service Area.

2.2.2. Regulation of Discharges.

Any Wastewater discharged by AM into the S-C Wastewater Collection System at the Connection Points shall at all times comply with S-C's Sewer Discharge By-law, as may be amended from time to time. S-C may at its sole discretion and upon a reasonable request require AM to complete and pay for sampling of the effluent/discharges into the Wastewater Collection System from those industries situated within the Centre Road Service Area whose operations may employ processes resulting in exceedances of the S-C Sewer Discharge By-law. AM shall provide S-C with a copy of those sampling results within seven (7) days of AM receiving such sampling results.

2.2.3 S-C as Service Provider

For clarity, AM shall be the owner of the infrastructure and any ancillary components thereto comprising the Wastewater Collection System situated in the AM Service Area and that provides Wastewater Collection services to those customers and property owners situated within the Centre Road Service Area. The Parties acknowledge and agree that, at all times, S-C shall be the operating authority for the Wastewater Services to AM as a service provider in accordance with the terms of this Interim Agreement. S-C may provide staff and services to facilitate the Wastewater Services contemplated in this Interim Agreement and shall do so in accordance with all Applicable Laws and shall act as a service provider on behalf of AM.

2.3 Wastewater Collection System Service Area

2.3.1 Standards.

The Wastewater Collection System is currently installed and exists in the Centre Road Service Area and at all times shall be maintained to the specifications of S-C including any connections forcemains and other appurtenances as may be required from time to time. S-C shall maintain the right to inspect any maintenance and repair work performed by AM on the Wastewater Collection System.

2.4 Connection Points and Metering

2.4.1 Location.

S-C has made available and designated three (3) Connection Points for the Wastewater Collection System for Wastewater flows from the Centre Road Service Area.

2.4.2. Responsibility.

S-C shall measure the volume of Wastewater received and treated by using the metering that measures the use of potable Water. As a general rule and standard, Water used equals Wastewater received.

2.4.3. Calculated Flows.

If the said metering equipment fails to record the volume of Wastewater received, S-C shall be entitled to estimate sewage flow on the basis of flows reported over a period of four (4) months immediately prior to the date when S-C and/or AM becomes aware of the failure of the metering equipment.

2.5 Operation and Maintenance of Wastewater Collection System

2.5.1 Responsibility.

The Wastewater Collection System in the Service Area is owned by AM. S-C as the operating authority shall perform the duties set out in Schedule "D" attached hereto and as required by Applicable Law. S-C and AM hereby acknowledge and agree that, for the purposes of this Interim Agreement, S-C's reasonable costs associated with performing the duties of the operator/ operating authority shall be included in the Water Rates and Wastewater Rates set out in Schedule "B". The Parties acknowledge and agree that the duties performed by S-C as set out in Schedule "D" attached hereto shall be charged to AM in accordance with the Rates and Charges set out in Schedule "B" attached hereto and shall be reviewed and updated for any new agreement entered into by the Parties that expressly and in writing replaces this Interim Agreement as it relates to the provision of Wastewater Services.

2.5.2 Inspection.

S-C shall have the right, at all times, to inspect, test, check and examine the Wastewater Collection System situated within AM and located in the Centre Road Service Area. S-C shall be entitled to enter any premises, acting reasonably, with a representative of AM for the purpose of inspecting any component of the Wastewater Collection System.

2.6 Wastewater Treatment Capacity

2.6.1 Allocation.

S-C agrees to reserve and maintain a Wastewater treatment capacity up to a maximum of 1285 m³ per day for the exclusive benefit and use of AM.

2.6.2 Reporting.

S-C agrees to provide AM with a copy of the Strathroy Wastewater Treatment Facility Annual Report for the previous year calendar, by March 31st of the following calendar year.

2.7 Payment for Services

2.7.1 Wastewater Treatment Charge.

AM shall pay S-C in accordance with the rates as set out in S-C's 2025 Rates and Charges By-Law as set out in Schedule "B" attached to this Interim Agreement.

2.7.2 Invoicing.

Invoices received shall be issued by S-C for the Wastewater received by S-C from the Centre Road Service Area for the previous two (2) months. Invoices are issued every two (2) months by S-C for Wastewater.

2.7.3 Flow Measurement.

Flow is calculated by aggregating all the end-user water meter readings in AM and using this aggregated figure as the total amount of Wastewater flowing into the Wastewater Collection System

2.7.4 Payment Due.

All accounts and invoices shall be due and payable within a period of thirty (30) days of receipt.

2.8 Risk

2.8.1 Indemnities

AM hereby agrees to save harmless and keep indemnified S-C, and its employees, officers, contractors, subcontractors, councillors, successors and assigns, from and against all claims, demands, actions, suits, proceedings, losses, costs, including reasonable legal fees and disbursements, charges, damages, liabilities and expenses which S-C and its successors and assigns may at any time or times hereafter bear, sustain, suffer, be put to or incur by reason of: (i) any willful or negligent act or omission of any person with respect to the components of the Wastewater Collection System which are within AM; and/or (ii) with respect to Wastewater that was discharged into the Wastewater Collection System within AM failing to meet Applicable Laws including but not limited to the S-C Sewer System By-Law.

S-C hereby agrees to save harmless and keep indemnified AM, and its employees, officers, contractors, subcontractors, councillors, successors and assigns, from and against all claims, demands, actions, suits, proceedings, losses, costs, including reasonable legal fees and disbursements, charges, damages, liabilities and expenses which AM and its successors and assigns may at any time or times hereafter bear, sustain, suffer, be put to or incur by reason of any negligent act or omission of any person with respect to the operation and components of the Wastewater Collection System which are located within S-C.

2.8.2 Operations.

S-C and AM acknowledge and agree that they shall at all times comply with the applicable operational requirements and Applicable Law for or associated with the Wastewater Collection System and Wastewater treatment facilities.

2.8.3 Limits on Liability.

S-C shall use reasonable diligence at all times to receive Wastewater for treatment from the Centre Road Service Area in accordance with the volumes referred to in this Interim Agreement. In the event that S-C is unable despite its best efforts to receive Wastewater, S-C shall not in any way be liable for any loss, costs or damages which AM and/or any owner or occupant of any land, building or structure within the Centre Road Service Area may suffer or by reason of or on account of any matter or thing whatsoever arising out of anything done or purported to be done under the Interim Agreement, including any failure to perform any of the provisions of the Interim Agreement save and except for S-C's failure to meet Applicable Laws or incur by reason of any willful or negligent act by S-C, its representatives or for whom S-C is responsible for in law.

PART 3 - WATER SERVICE

3.1 Service Area

3.1.1 Established.

A Water "Service Area" is hereby established in the entire Service Area set out in Schedule "A" to this Agreement.

3.1.2 No Extension.

AM agrees that there shall be no extension or expansion of the Water Distribution System beyond the Service Area during the Term of this Agreement.

3.1.3 Design.

The Water Distribution System currently exists in the Service Area and has been designed in accordance with the S-C Design Standards. Water use within the Service Area shall be restricted on the basis of the design flows for the Service Area. It is the intention of this Interim Agreement that the uses within the Service Area will not be of a nature that would require expansion of S-C's commitment to provide Water flows beyond those as currently used in the Service Area and any additional reasonable requirements of AM for additional Water Services and as agreed by S-C.

3.1.4 Permitted Uses.

AM and S-C hereby agree that all reasonable steps shall be taken to ensure that lands located within the Service Area are to be used for existing uses as of the date of the passing of this Agreement and / or those uses that are permitted within the current AM Zoning By-law and Official Plan, as may be amended from time to time, and which permits uses that are primarily highway commercial, light industrial, and residential in nature in the Service Area. For further clarity, unless otherwise permitted through a Planning Act application, commercial plazas, small-scale free-standing retail and offices uses, as well as residential subdivisions on municipal services will not be permitted within the Service Area. AM shall consult S-C on all Planning Act applications which propose to change the use or increase the number of lots requiring Water Service situated within the Service Area.

3.2. Agreement to Supply Potable Water

3.2.1 Supply.

S-C agrees to supply to AM Water for distribution in the Service Area only and in accordance with all Applicable Laws.

3.2.2 S-C as the Accredited Operating Authority

AM shall be the owner of the Water Distribution System infrastructure that provides potable Water Service to the customers and property owners in the Service Area and S-C shall be the Accredited Operating Authority as defined in the Safe Drinking Water Act to provide Water Service to and in AM in accordance with the terms of this Interim Agreement and all Applicable Laws. S-C may provide staff and services to provide the Water Services but will do so as the Accredited Operating Authority in accordance with the terms and conditions of the Safe Drinking Water Act acting on behalf of AM.

3.3 Installation in Service Area

3.3.1 Standards.

The Water Distribution System in the Service Area has been installed to the specifications of S-C including meters at Connection Points, connections, fire hydrants, other appurtenances as required. S-C shall be permitted to inspect all such installations and repairs of the Water Distribution System during the Term of this Interim Agreement.

3.3.2 Control.

AM shall, in the distribution of Water obtained from S-C, impose and enforce all regulations on the use thereof which may from time to time be imposed with respect to supply and consumption of Water within the geographic limits of S-C.

3.4 Connection Points/Metering

3.4.1 Location.

S-C has permitted the five (5) Connection Points as existing to S-C's watermain. Four of these connections shall continue to be metered at the expense of AM. For the residences located within the County Lane Service Area, S-C will use the existing water meter readings for the measurement of flows along County Lane.

3.4.2 Responsibility.

AM shall, at its expense, calibrate and maintain metering equipment and ancillary apparatus thereto that shall be of sufficient design to accurately record water volume provided to the Service Area at the Connection Points. Monthly meter reads will be taken each month by S-C.

3.4.3 Supply.

S-C shall at all times use all reasonable diligence and take best efforts to supply Water at these Connection Points for distribution by AM. S-C shall supply Water to the AM Connection Points in the same and like manner as it supplies Water to S-C residents.

3.4.4 Calculated Flows.

Flows are determined by aggregating all the monthly end user meter readings in AM and this total figure will be accepted as the flow rate of Water to the Service Area.

3.5 Operation and Maintenance of Water Distribution System

3.5.1 Responsibility.

The Water Distribution System in the Service Area is owned by AM. S-C as the Accredited Operating Authority shall perform the duties set out in Schedule “D” attached hereto and as required by Applicable Law including but not limited to the requirements and obligations as set out in the Safe Drinking Water Act. S-C and AM hereby agree and acknowledge that, for the purposes of this Interim Agreement, the reasonable costs of S-C’s duties as Accredited Operating Authority shall be included in the Water Rates and Wastewater Rates set out in Schedule “B”. The parties acknowledge that duties performed by S-C as set out in Schedule “D” shall be considered and the Rates and Charges set out in Schedule “B” shall be revisited for any new agreement entered into in writing by the Parties relating to the provision of the Water Services.

3.5.2 Operations.

S-C and AM shall at all times comply with all Applicable Laws.

3.5.3 Inspection.

S-C shall have the right, at all times, to inspect, test, check and examine the Water Distribution System of AM situated within the Service Area. S-C shall, acting reasonably, be entitled to enter the Service Area with a representative of AM for the purposes of inspecting any component of the Water Distribution System.

3.6 Water Capacity Limits

S-C agrees to provide at all times the supply of Water to AM as set out in this Interim Agreement to provide Water to the Service Area with reasonable accommodation of any increased supply requirements of AM.

3.6.1 Reporting.

S-C agrees to provide AM with a copy of the S-C Water Annual Report for the previous year by March 31st of each calendar year. S-C agrees as the operating authority to complete, at the sole cost and expense of AM in accordance with industry standards, the AM Water Annual Report for the previous year by March 31st of each calendar year which AM Water Annual Report shall be provided to S-C on an annual basis.

3.6.2 Duty to Comply.

All Water customers in the Service Area shall at their sole cost and expense be required to comply with all regulations that are imposed and enforced by S-C relating to water service connection size, meters, backflow prevention and other appurtenant works provided such requirements are also imposed on S-C Water customers.

3.7 Payment for Service

3.7.1 Billing.

AM hereby agrees to pay the current Water and Sewer Rates as set out in the S-C Water and Wastewater Rates By-Law and set out in Schedule “B”.

3.7.2 Invoicing.

Invoices for Water received shall be issued every two (2) months for the prior two (2) months. Invoices shall be issued by S-C to the end-users every two (2) months.

3.7.3 Flow Measurement.

S-C shall use the aggregated monthly readings of all the end-user water meters as the monthly flow rate for Water and Wastewater.

3.7.4 Payment Due.

All Accounts and invoices shall be due and payable within a period of thirty (30) days of receipt.

3.8 New Connections.

S-C and AM acknowledge and agree that there may be additional premises in the Service Area that wish to receive Water services. Any such property owner shall submit to S-C a Service Connection Application which shall be reviewed by S-C and such approval shall not be unreasonably withheld.

3.9 Risk

3.9.1 Indemnity.

AM hereby agrees to save harmless and keep indemnified S-C, and its employees, officers, contractors, subcontractors, councillors, successors and assigns, from and against all claims, demands, actions, suits, proceedings, losses, costs, including reasonable legal fees and disbursements, charges, damages, liabilities and expenses which S-C and its successors and assigns may at any time or times hereafter bear, sustain, suffer, be put to or incur by reason of: (i) any willful or negligent act or omission of any person with respect to all components of the Water Distribution System within AM; (ii) any breach of the terms of this Interim Agreement.

S-C hereby agrees to save harmless and keep indemnified AM, and its employees, officers, contractors, subcontractors, councillors, successors and assigns, from and against all claims, demands, actions, suits, proceedings, losses, costs, including reasonable legal fees and disbursements, charges, damages, liabilities and expenses which AM and its successors and assigns may at any time or times hereafter bear, sustain, suffer, be put to or incur by

reason of any negligent act or omission of any person with respect to the operation of the Water Distribution System and those components of the Water Distribution System that are located within S-C.

PART 4 - STORM WATER MANAGEMENT

4.1 Service Area

4.1.1 Established.

The Service Area identified in Schedule “A” is situated within watersheds located in both S-C and AM namely, the McDonald Drain Watershed and the Cuddy Drain Watershed.

4.2 Agreement to Receive Storm Water

4.2.1 McDonald Drain.

S-C will manage storm water for the McDonald Drain Watershed and will receive flows of Storm Water from within the watershed for treatment and control.

4.2.2 Cuddy Drain.

AM will manage storm water on AM lands for the Cuddy Drain Watershed and S-C will receive flows of Storm Water from within the watershed for treatment and control.

4.2.3 Operation.

The operation and maintenance of the Stormwater Management (the “SWM”) facilities shall be at the sole cost and expense of the party required to provide the facility as identified in this Interim Agreement.

PART 5 - ADMINISTRATION

5.1 Term

5.1.1 Term.

This Agreement shall run for a period of one (1) year from the anniversary date or upon adoption of a new Servicing Agreement whichever occurs first (the “Term”). The Term of one (1) year of this Interim Agreement is intended to provide the Parties with the opportunity to try and negotiate a new longer term agreement.

5.1.2 This Term of this Interim Agreement may be extended in writing upon the mutual agreement of both Parties for an amended term as determined by the Parties acting reasonably.

5.1.3 Post Term

AM agrees that no connections to the Water Distribution System or the Wastewater Collection System shall be considered or approved upon termination of this Interim Agreement without the written approval of both Parties.

5.2 Notice

5.2.1 Clerk.

Notices to each party shall be in writing and are effective on the business day the notice is delivered to the Clerk of the receiving party.

5.3 Consultation

5.3.1 Annual Meeting.

The Parties agree to meet annually to discuss the administration of this Agreement, at the call of S-C. The meeting shall include the Mayors and the CAOs as the minimum representation from each municipality.

5.4 Taxes

5.4.1 Payments are Net.

All payments hereunder do not include any applicable taxes that may apply to the payments. The party making payment is responsible for the payment of applicable sales taxes imposed by either the Federal or Provincial Government. All applicable taxes shall be payable in addition to the fees set out herein.

5.5 Emergency Restrictions on Use

5.5.1 Shortage of Capacity.

AM acknowledges and agrees that S-C, in the event of an emergency, shall have the right at all times to restrict the amount of Wastewater S-C will receive for treatment and the supply of Water for distribution to AM under this Interim Agreement in the event that there should be a shortage in treatment capability and water supply affecting either system or a maintenance problem affecting S-C's sanitary collection/treatment system and water supply system.

S-C acknowledges and agrees that any such restrictions imposed on AM shall be comparable in the same proportion and duration to those imposed by S-C within its own boundaries.

5.5.2 Infrastructure Failure

Any failure of any S-C infrastructure that results in the inability of S-C to fulfil its obligations ("Infrastructure Failure") under this Agreement shall require AM to deploy alternate methods of sourcing Water and treating Wastewater on a

temporary basis until the Infrastructure Failure has been resolved at no expense or liability of any sort to S-C.

5.6 Reporting.

5.6.1 Monthly Reporting - Sewer Connections.

AM's Chief Building Official, or delegate, shall provide monthly reports to S-C concerning permits within the Service Area issued during the previous month for connection to any sanitary sewer covered by this Agreement.

5.6.2 Reporting – Severance Applications.

AM's Chief Building Official, or delegate, shall provide S-C with any notice of approved severance applications granted under the provisions of the Planning Act and situated within the Service Area.

5.6.3 Reporting – Site Plans – New Connections.

AM's Chief Building Official, or their delegate, shall provide S-C a copy of site plans for new connections within the Service Area to the municipal water and sewer system for connection, inspection and commissioning purposes.

5.7 Default

5.7.1 Default.

If AM shall fail to perform any of its covenants or obligations under this Agreement, S-C may from time to time at its discretion, after providing AM with fifteen (15) days written notice of non-compliance or less notice in the case of emergency or any other urgent matter, perform or cause to be performed any such covenants or obligations, or any part thereof, and for said purpose may do such things upon or in respect of the Service Area or in connection with this Agreement as S-C may consider necessary. AM shall indemnify and hold harmless S-C for any work that is completed. All expenses incurred by S-C under this provision shall be forthwith paid by AM and if AM fails to pay the same, paragraph 5.7.2 herein shall apply. Nothing in this paragraph shall require S-C to perform the covenants or obligations of AM under this Agreement.

5.7.2 Notice re: Remedies.

If any payment by AM to S-C remains unpaid for fifteen (15) days after any of the days on which it ought to have been paid, after a further ten (10) days' notice has been provided to AM of such default by S-C, S-C shall have the right at any time thereafter to implement the remedies set out in Section 5.7.4 by providing written notice to AM of S-C's intention to exercise such remedies and such notice shall be effective forthwith. Nothing in this paragraph shall limit the right of

S-C to commence legal proceedings to recover any damages sustained by the failure of AM to comply with the terms, covenants and provisions of this Agreement.

5.7.3 Breaches Unrelated to Payments.

If AM fails to comply with any term, covenant, provision or any other paragraph or portion of this Agreement, other than a term, covenant or provision relating to payment, any such breach of any term, covenant or provision is not enforceable by termination unless S-C serves on AM notice specifying the particular breach, and if the breach is capable of remedy, requiring AM to remedy the breach within a reasonable time, and requiring AM to make reasonable compensation to the satisfaction of S-C, acting reasonably. If AM fails to remedy the breach and deliver reasonable compensation to S-C for the breach of any covenant, term or provision of this Agreement after the requisite notice has been delivered by S-C, S-C shall have the right to implement the remedies set out in Section 5.7.4 by providing written notice to AM of S-C's intention to exercise such remedies. Such notice shall be effective forthwith. Nothing in this paragraph shall limit the right of S-C to commence legal proceedings to recover any damages sustained by the failure of AM to comply with the terms, covenants and provisions of this Agreement.

5.7.4 Remedies.

In the event that a default is not cured within the time frame set out in Section 5.7.2 or Section 5.7.3, as the case may be, without in any way limiting S-C's rights at law, S-C shall be permitted and AM shall be required to do the following:

- (a) S-C shall have the right to deny AM access to any utilization of further capacity that has not been used as of the date of default that would otherwise be available to AM under this Agreement;
- (b) S-C has the right to request the winding up of the provision of water and Wastewater Services and AM shall be responsible for promptly and without delay finding alternative Water and Wastewater Services to the Service Area. However, at no time shall S-C refuse the provision of Water and Wastewater Services until alternative arrangements have been arranged for the provision of the Water and Wastewater Services by AM in accordance with all Applicable Law.

Nothing in this paragraph shall limit the right of S-C to commence legal proceedings to recover any damages sustained by the failure of AM to comply with the terms, covenants and provisions of this Agreement. For clarity, the remedies in this Section 5.7.4 shall be cumulative.

5.7.5 No Termination Prior to End of Term.

The remedies in this Section 5.7 are intended to suspend but not terminate the rights of AM under this Agreement during any period when AM is in default of any term, covenant or provision of this Agreement. In the event that AM remedies such default and brings itself back into full compliance with the terms, covenants and provisions of this Agreement prior to the end of the Term, or any renewal thereof, all rights and obligations under the terms, covenants and provisions of this Agreement shall be fully available to AM.

5.8 Severability

5.8.1 Declaration.

It is agreed that if any provision of this Interim Agreement shall be found or declared by a Court of competent jurisdiction to be invalid, unenforceable or ultra vires, such provision shall conclusively be deemed to be severable and the remainder of the Interim Agreement shall be and remain in full force and effect.

5.9 Insurance.

5.9.1 Insurance by AM.

AM shall at its expense obtain and keep enforced during the term of this Agreement, Commercial General Liability insurance satisfactory to S-C including the following:

- (a) A limit of not less than Five Million (\$5,000,000.00) Dollars inclusive per occurrence for bodily injury and property damage;
- (b) S-C shall be named as additional insured with respect to this Agreement;
- (c) The policy shall contain a provision for cross-liability in respect of the named insured; and
- (d) Complete and comprehensive operations coverage.

AM shall, prior to the execution of this Agreement, furnish S-C with the Certificate of Liability Insurance evidencing proof of insurance coverage. The insurance coverage shall provide thirty (30) days prior written notice of any cancellation or change which reduces coverage during the Term of this Agreement.

5.10 Prohibition on Assignment

This Interim Agreement may not be transferred or assigned.

5.10.1 Successors.

This Agreement shall enure to the benefit of and be binding upon the successors and assigns of the Parties hereto.

5.10.2 Restructuring

In the event of AM and S-C restructuring by amalgamation, annexation or any other provincial order that alters the municipal jurisdiction governance for the lands constituting the Service Area, the Parties hereby agree to take such further actions and enter into such further agreement that may be necessary to ensure the services contemplated in this Interim Agreement shall remain in place for the Centre Road Service Area and the Service Area as applicable. The intention of this provision is that AM and S-C and their respective successors and assigns shall take all reasonable steps to ensure that the services contemplated in this Agreement for the Centre Road Service Area and the Service Area shall survive and remain available after any municipal restructuring, amalgamation, annexation or any other provincial order that alters the governance for the lands constituting the Centre Road Service Area and the Service Area as applicable.

5.11 Agreement Without Prejudice

5.11.1 AM and S-C acknowledge that, as of this date, there remains outstanding litigation and disputes relating to the provision of the services and the provision of Water and Wastewater Services for the Service Area. S-C and AM have entered into this Interim Agreement on a without prejudice basis. No term, covenant or provision of this Interim Agreement or negotiations, no prior drafts of the Interim Agreement or other discussions relating directly to the Interim Agreement shall be relied upon by either Party in connection with any litigation and disputes that are currently unresolved between the Parties.

5.12 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario, and shall be treated in all respects as an Ontario contract.

5.13 Extension of Time

Time shall at all times be of the essence in this Agreement. Any time limits specified in this Agreement may be extended with the consent in writing of both parties, but no such extension of time will operate or be deemed to operate as an extension of any other time limit. Time will remain of the essence in this Agreement notwithstanding any extension of any time limit.

5.14 No Waiver

No consent or waiver, express or implied, by a party to or of any breach or default by the other party in the performance by such other party of its obligations hereunder shall be deemed or construed to be a consent or waiver to

or of any other breach or default in the performance by such other party. Failure on the part of a party to complain of any act or failure to act of the other party or to declare the other party in default shall not constitute a waiver by the first party of its rights hereunder.

5.15 Amendment

This Agreement may not be modified or amended except with the written consent of both Parties hereto.

5.16 Counterparts and Delivery

This Agreement may be executed in counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall be one and the same instrument. The parties hereto agree that this Agreement may be transmitted by facsimile, email, scanned copies or such similar device and that the reproduction of signatures by facsimile, email, scanning or such similar device will be treated as binding as if original and each party undertakes to provide to the other party hereto a copy of the Agreement bearing original signatures forthwith upon demand.

5.17 Interpretation not Affected by Headings

Grammatical variations of any terms defined herein shall have similar meanings; words importing the singular number shall include the plural and vice versa; words importing the masculine gender shall include the feminine and other genders and vice versa. The division of this Agreement into separate sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

5.18 Disclaimer of Partnership

The parties disclaim any intention to create a partnership or to constitute either of them the agent of the other.

5.19 Recitals

The above recitals are true and hereby incorporated into this Interim Agreement by reference.

BALANCE OF PAGE INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF the Parties hereto have hereunto caused to be affixed their respective seals, attested by the hands of their proper officers duly authorized in that behalf.

**THE CORPORATION OF THE MUNICIPALITY
OF STRATHROY-CARADOC**

Per: _____
MAYOR

Per: _____
CLERK

We have authority to bind the Corporation.

**THE CORPORATION OF THE MUNICIPALITY
OF ADELAIDE METCALFE**

Per: _____
MAYOR

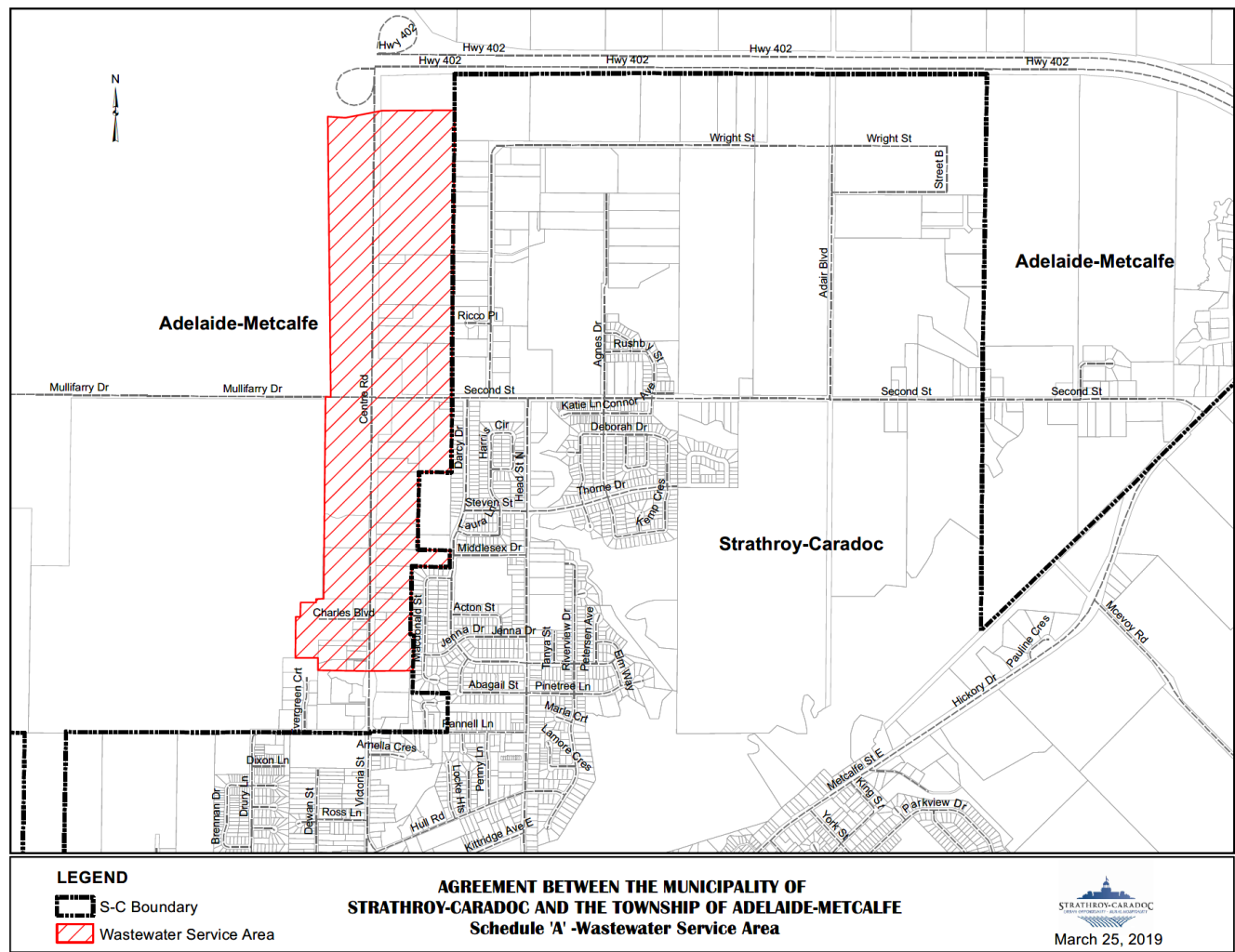
Per: _____
CLERK

We have authority to bind the Corporation.

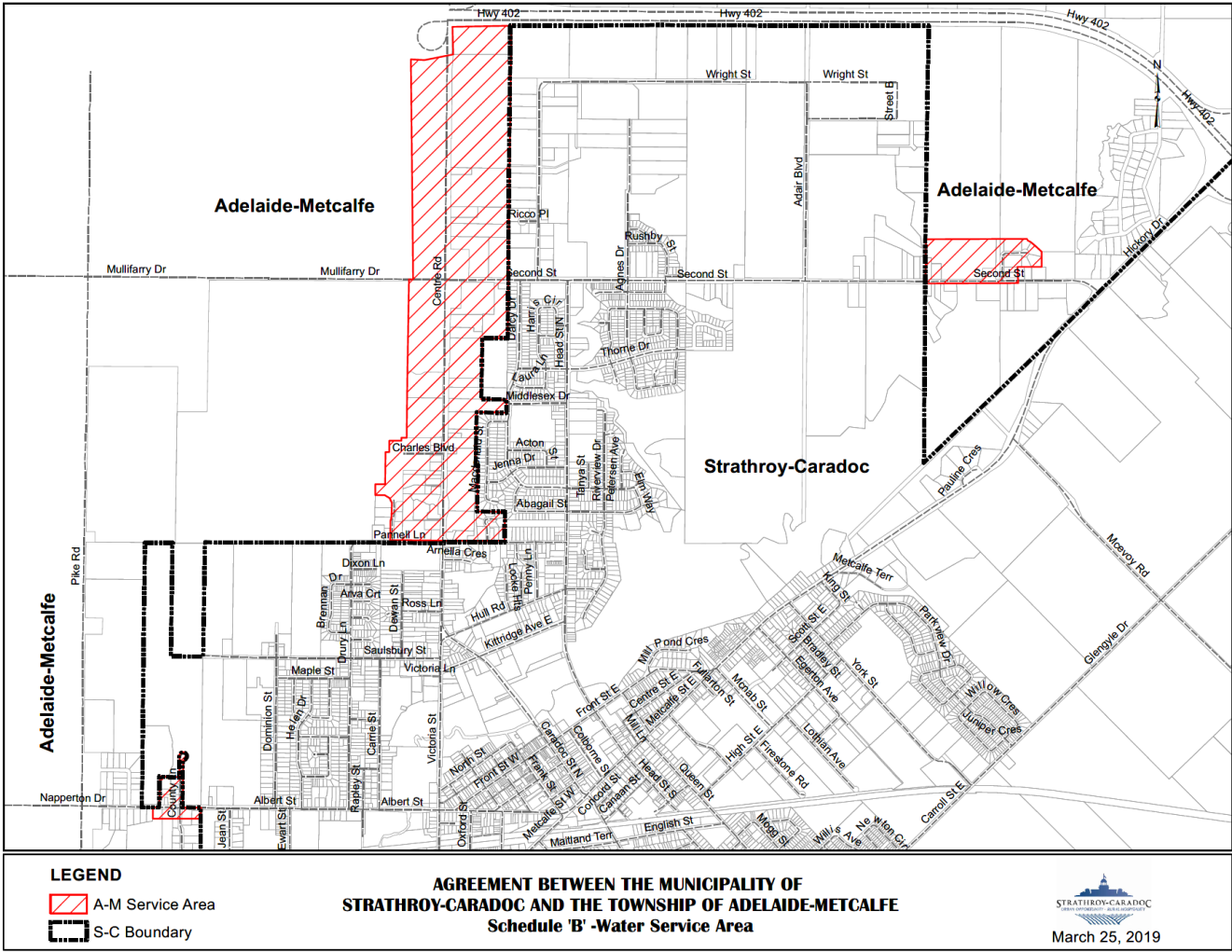
SCHEDULE "A"

SERVICE AREAS

WASTEWATER SERVICE AREA:



WATER SERVICE AREA:



SCHEDULE “B”

2025 RATES AND CHARGES

EXHIBIT 1					
2025 Schedule of Water Rates and Charges					
Strathroy/Mount Brydges Water System (servicing the Municipality of Strathroy-Caradoc) monthly rates					
Size of Service	Cubic Meters	Flat Rate (monthly)	Consumption	Consumption Balance	Un-Metered (3 X Flat Rate)
		0-11	12-3,000		
Up to 1.5"		\$35.51	\$2.08	\$1.63	\$106.52
2" General		\$44.05	\$2.08	\$1.63	\$132.14
3" General		\$52.14	\$2.08	\$1.63	\$156.41
4" General		\$136.75	\$2.08	\$1.63	\$410.26
5" General		\$173.36	\$2.08	\$1.63	\$520.07
6" General		\$210.91	\$2.08	\$1.63	\$632.74
8" General		\$303.04	\$2.08	\$1.63	\$909.12
10" General		\$681.74	\$2.08	\$1.63	\$2,045.23
Not Connected		\$34.81			
Fire Protection Rate					
2" General		\$44.04			
3" General		\$52.14			
4" General		\$136.76			
5" General		\$173.36			
6" General		\$211.47			
8" General		\$303.04			
10" General		\$681.74			
Private Fire Hydrant Charges					
Per Fire Hydrant		\$33.93			
Connection Charges (Only for lots with existing water service at property line)					
Existing Standard residential water service to property line		\$2,039.63			

EXHIBIT 2				
2025 Schedule of Water Rates and Charges				
Strathroy Water System servicing the Township of Adelaide-Metcalf monthly rates				
Size of Service	Cubic Meters	Flat Rate (monthly)	Consumption	Consumption Balance
		0-11	12-3,000	
Up to 1.5" Residential		\$53.26	\$3.12	\$2.45
2" General		\$66.07	\$3.12	\$2.45
3" General		\$78.20	\$3.12	\$2.45
4" General		\$205.13	\$3.12	\$2.45
5" General		\$260.04	\$3.12	\$2.45
6" General		\$316.37	\$3.12	\$2.45
8" General		\$454.56	\$3.12	\$2.45
10" General		\$1,022.62	\$3.12	\$2.45
Not Connected		\$52.22		
Fire Protection Rate				
2" General		\$66.06		
3" General		\$78.20		
4" General		\$205.14		
5" General		\$260.04		
6" General		\$317.20		
8" General		\$454.56		
10" General		\$1,022.61		
Private Fire Hydrant Charges				
Per Fire Hydrant		\$50.89		

EXHIBIT 3				
2025 Schedule of Wastewater Rates and Charges				
Strathroy/Mount Brydges Wastewater System (servicing the Municipality of Strathroy-Caradoc) Monthly rates				
Size of Service	Cubic Meters	Flat Rate (monthly)	Consumption	Consumption Balance
		0-11	12-3,000	
Up to 1.5" General		\$46.98	\$2.83	\$2.12
2" General		\$50.24	\$2.83	\$2.12
3" General		\$59.48	\$2.83	\$2.12
4" General		\$156.01	\$2.83	\$2.12
5" General		\$229.13	\$2.83	\$2.12
6" General		\$241.22	\$2.83	\$2.12
8" General		\$345.69	\$2.83	\$2.12
10" General		\$901.04	\$2.83	\$2.12
Un-metered (Residential) (existing prior to October 15, 2012)		\$70.46		
Un-metered (Residential) (new connection after Oct 15, 2012)		\$93.94		
Not Connected		\$43.51		

EXHIBIT 4				
2025 Schedule of Wastewater Rates and Charges				
Township of Adelaide-Metcalf Wastewater System monthly rates				
Size of Service	Cubic Meters	Flat Rate (monthly)	Consumption	Consumption Balance
		0-11	12-3,000	
Up to 1.5" General		\$46.98	\$2.83	\$2.12
2" General		\$50.24	\$2.83	\$2.12
3" General		\$59.48	\$2.83	\$2.12
4" General		\$156.01	\$2.83	\$2.12
5" General		\$229.13	\$2.83	\$2.12
6" General		\$241.22	\$2.83	\$2.12
8" General		\$345.69	\$2.83	\$2.12
10" General		\$901.04	\$2.83	\$2.12
Un-metered (Residential) (existing prior to Oct 15, 2012)		\$70.46		
Un-metered (Residential) (new connection after Oct 15, 2012)		\$93.94		
Not Connected		\$43.51		

EXHIBIT 5	
2025 Water Meter Rates	
Municipality of Strathroy-Caradoc including Township of Adelaide-Metcalf	
Water Meters (includes HST)	
Standard Residential Meter (5/ 8" x 5/ 8" or 5 /8" x3 /4 ") including ERT	\$589.39
Standard Commercial Meter (3/4") including ERT	\$754.41
Standard Meter (1") including ERT	\$919.44
Standard Meter (1 1/2") including ERT	\$1,178.77
Standard Meter (2") including ERT	\$1,373.27
Larger than (2") including ERT	Cost + 15%

EXHIBIT 6	
2025 Water Meter Rates	
Municipality of Strathroy-Caradoc including Township of Adelaide-Metcalf	
Account Charges	
Late Payment	1.5%/month
Late Payment per annum	19.56%
Arrears Certificate	\$18.04
Returned Cheque (plus bank charges)	\$46.35
Bill Re-Prints (per bill)	\$2.06
Transfer to Property Taxes	\$51.50
Change of Occupancy	\$12.38

Replace Damaged Water Meters (includes hst and labour, does not included angle stop)	
5/8" Water Meter (includes HST)	\$589.39
3/4" Water Meter (includes HST)	\$754.41
1" Water Meter (includes HST)	\$919.44
1 1/2" Water Meter (includes HST)	\$1,178.77
2" Water Meter	\$1,373.27

Return for Inspection/Installation	
Return for Inspection or Meter Installation (per Occurrence)	\$61.30

Meter checked for accuracy at customer's request and found to be accurate	
5/8" Water Meter	\$589.00 (HST incl.) + \$236.90
3/4" Water Meter	\$739.54 (HST incl.) + \$236.90
1" Water Meter	\$901.41 (HST incl.) + \$236.90
1 1/2" Water Meter	\$1155.66 (HST incl.) + \$236.90
2" Water Meter	\$1346.34 (HST incl.) + \$236.90

Water Tampering	
Bypass prior to water meter	\$180.35 (+ estimated water consumption + water meter replacement if required)
Failure to install remote read device prior to new occupancy	3.0 * minimum monthly water charge 2.0 * minimum monthly sewer charge

Additional Rates	
Unauthorized operation of Fire Hydrant (does not include fine)	\$123.46 (+ estimated water consumption at Bulk Water Rate)
Bulk Water Cost (per cubic meter)	\$4.30
Tap size 50 mm or less	\$414.93
Tap size over 50 mm	\$803.71
Disconnection of Water Service during Regular Hours	\$43.61
Reconnection of Water Service during Regular Hours	\$43.61
Disconnection and Reconnection of water service during same visit during reg hours (on-site less than 15 minutes)	\$43.61
Disconnection of Water Service after Regular Hours	\$172.10
Reconnection of Water Service after Regular Hours	\$172.10
Disconnection and Reconnection of water service during same visit after hours (on-site less than 15 minutes)	\$172.10
Application Fee - Water/Wastewater Service Connection	\$241.65
Existing water meter removal or installation during Regular Hours	\$93.11
Inspection Fee (Per Connection)	\$365.42
Hydrant flow test rate (per hydrant)	\$144.78
Materials or Services Purchased	Cost plus 15%
Extra Strength Sewage Surcharge Rate (R)	\$0.44/m3
Extra Strength Sewage Surcharge Rate (R2)	\$2.00/kg

Hourly Rates (minimum 1 hour per site visit)	
Grader	\$114.20
Loader	\$124.92
Dump Truck	\$183.43
Back Hoe	\$75.15
Street Sweeper	\$139.10
Equipment Operator Regular Hours	\$87.22
Equipment Operator After Hours	\$123.77
Environmental Services Operator Regular	\$93.11
Environmental Services per after hours	\$129.67

SCHEDULE “C”

SERVICE CONNECTION APPLICATION



Form ES 19
Rev. Apr 24/23

SERVICE CONNECTION APPLICATION General Information

The below information is intended to assist owners and their contractors by outlining the responsibilities for installing service connections made to existing municipally owned water and wastewater mains. Applicants are encouraged to have a pre-application meeting with Engineering and Public Works to discuss the project.

The owner is required to complete a 'Service Connection Application' form in order for the Municipality of Strathroy-Caradoc to process a request to install services to existing infrastructure. The following items are required:

- ☐ Completed and signed 'Service Connection Application' form
- ☐ A detailed sketch (may require engineered drawing if complex)
- ☐ Associated Fees and Deposits
- ☐ Traffic Management Plan

The detailed sketch must indicate the location of the service connections along with details on the connections, including but not limited to, saddle type/make, water service diameter, name of contractor completing tap and material type along with road restoration. All servicing must be in accordance with the current Municipality of Strathroy-Caradoc Servicing Standards. The engineered drawing must be reviewed and accepted by the Director of Engineering and Public Works or designate prior to approval of the Service Connection Application.

The contractor performing the work must be approved by the Director of Engineering and Public Works or designate prior to the commencement of work. It should be noted that for any reason the Director may decide to withhold approval of a Contractor. For a Contractor to be approved they may be required to provide the following:

- ☐ Demonstrate adequate bonding and insurance
- ☐ Demonstrate previous experience doing similar type work

Once the stamped engineered drawing has been accepted, contractor has been approved, any required fees have been received and the Application have been approved, the owner may proceed with the construction to connect the new service(s) to the municipal main(s).

The owner must provide Strathroy-Caradoc with a minimum of one (1) week's written notice prior to the intended start of construction so that tapping and inspections can be appropriately scheduled and coordinated accordingly. It should be noted that Strathroy-Caradoc may/may not be completing the physical tapping of the watermain, which will be determined on a case by case basis. A safe trench to complete the necessary inspection or work. Strathroy-Caradoc will also be inspecting the installation.

The owner is responsible for providing all the necessary parts for the installation including but not limited to:

- ☐ Service Saddle



- ☐ Main Stop
- ☐ Curbstop box and rod
- ☐ Water Service Pipe
- ☐ Tracer Wire

The owner is also responsible for all municipal costs associated with the service connection(s) to the main(s), this includes payment of deposit and fees. This includes coordination of the construction, inspection and the tapping of the main(s) as described in the accepted detailed sketch or engineered drawings.

Restoration Deposit Fee Terms and Conditions:

- ☐ It is the applicant's responsibility to inform Strathroy-Caradoc when any work is to take place on the road allowance and complete the required permits.
- ☐ It is applicant's responsibility to inform Strathroy-Caradoc when the work is complete and ready for inspection by our staff.
- ☐ Strathroy-Caradoc does not guarantee that the location selected for service is not in use by other utilities or services.
- ☐ The applicant agrees prior to beginning any work on the road allowance to properly set up signage and safety devices and this shall be in conformance with the Manual of Uniform Traffic and Control Devices. Upon completion of the work all signage and safety devices shall be removed.
- ☐ The road allowance shall not be closed at any time. If the road is to be restricted to one lane of traffic the use of properly trained traffic control persons, minimum of two, shall be used to control the flow of traffic.
- ☐ Road crossings may be required to be bored. Newer asphalt road surface is not to be cut. All disturbed areas are to be restored to the original condition including any necessary sod, topsoil, and seeding. Damage to sidewalks or the road surface, curb and gutter, ditches shall be repaired by the applicant.
- ☐ If the applicant fails to restore any such damage to the satisfaction of Strathroy-Caradoc, Strathroy-Caradoc shall use the deposit to restore the damages and any further or additional costs will be invoiced to the applicant for payment.
- ☐ All material that is backfilled shall be properly compacted to prevent settling. All disturbed areas are to be restored to original conditions.
- ☐ The applicant shall ensure that all utility locates have been obtained. The applicant will be responsible for any utility repairs that are necessary if they are cut.
- ☐ The applicant shall ensure that all surfaces and subsurface drainage is maintained all times and any such drainage works that are damaged are repaired to the satisfaction of Strathroy-Caradoc.
- ☐ The applicant agrees to hold Strathroy-Caradoc harmless for any damage or liability caused by the work.
- ☐ The deposit will be held for at least 60 days after notification from the applicant that the work has been completed. The work will then be inspected by Strathroy-Caradoc staff who will determine if the work is satisfactorily completed before the deposit is returned.



SERVICE CONNECTION APPLICATION FORM

Authorization # _____

Please complete the following application to request a service connection to an existing main and forward to: pzuberbuhler@strathroy-caradoc.ca

Watermain ☐

Sanitary Sewer ☐

Owner Information:

Owner Name			
Mailing Address		Postal Code	
Telephone		Cell Phone	
Email			

Connection Information:

Service Connection Address			
Owner			
Engineering Consultant (If Applicable)			
Description of Work			
Name of Contractor			
Contact for Contractor			
Address of Contractor			
Estimated Start Date		Estimated Completion	

The following must be included with this application form for review and acceptance:

- ☐ Drawing indicating the service connection details and location
- ☐ Road works application and deposit paid
- ☐ Application Fee - please refer to the current Water & Sewer Rates

<https://www.strathroy-caradoc.ca/en/city-hall/By-laws.aspx>



By signing below, the Applicant agrees to complete the service connection(s) as described in the Service Connections - General Information Sheet, accepted drawings and follow all AWWA/Strathroy-Caradoc Servicing Standards. The applicant also agrees to pay for costs incurred by the Municipality for work completed on the connection, which is not limited to, but includes the physical tapping and inspections.

Signature

Date

Internal Use Section:

Building Department Comments			
Engineering and Public Works Comments			
Approval Signature		Date	
Distribution	Applicant_____ File_____ Operators_____		
Water Connection	Connection Inspected By: _____ Name Date		
	Comments: _____		
Wastewater Connection	Connection Inspected By: _____ Name Date		
	Comments: _____		

Completed Copy Sent to: ☐ pzuberbuhler@strathroy-caradoc.ca
☐ Building Department

Date: _____
Date: _____

SCHEDULE “D”

OPERATING AUTHORITY DUTIES

- DWQMS Regulatory Requirements:
 - o Development of Operational Plan, QMS
 - o Annual Management Reviews incl. Risk
 - o Annual Reporting
 - o Records Management (ie. logbooks, sampling, training etc.)
 - o 10-yr Capital Planning (also Financial Plan)
 - o Communications with Owner
 - o Emergency Planning
- Designated Operator In Charge
- Designated Overall Responsible Operator
- Providing water that meets all prescribed drinking water quality standards
- Operating the system in accordance with the Safe Drinking Water Act, and its associated regulations
- Ensuring the system is kept in a fit state of repair
- Providing appropriate staffing and supervision
- Complying with all sampling, testing and monitoring requirements
- Meeting reporting requirements
- Operators must be accredited in accordance with Applicable Laws
- System Maintenance:
 - o Hydrant flushing (annual)
 - o Exercising Valves (~5 years)
 - o Chamber Maintenance - air valves (2x per year)
- Weekly sampling
- Emergency Response (ie. watermain breaks etc.)
- Permitting, inspections of new service connections

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