

THIS AGREEMENT made as of the 18th day of September, 2023

AMONG:

CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION

AND

CAPITAL REGION PARKLAND WATER SERVICES COMMISSION

AND

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

AND

CITY OF ST. ALBERT

AND

STRATHCONA COUNTY

AND

STURGEON COUNTY

AND

TOWN OF MORINVILLE

(collectively the "Members")

AND

REGIONAL WATER CUSTOMERS GROUP INC.

(the "Trustee Corporation")

AMENDED AND RESTATED MEMBERSHIP AND TRUST AGREEMENT

WHEREAS:

- A. The Members entered into a Membership and Trust Agreement dated May 20, 2014 (the "Prior Agreement");
- B. The Members desire to participate in the acquisition, management and usage of the License;
- C. The Members have agreed to acquire, own, operate, manage, lease and sell the License pursuant to the terms of this Agreement;
- D. The parties hereto have deemed it expedient and advisable to enter into this Agreement for the purpose of establishing their respective rights and obligations in relation to the Project;
- E. The Trustee Corporation is the legal owner of the License;
- F. The Trustee Corporation has agreed to hold legal title to the License as bare trustee on behalf of the Members pursuant to the terms of this Agreement;
- G. Due to easier calculations, the Members have agreed to contribute to the costs pertaining to the Project, in accordance with each Member's Proportionate Cost Responsibility; and
- H. Each Member has agreed that the Members' entitlement to the supply of water in accordance with the License shall not be subject to restriction or proportional allocation except as set forth herein.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree each with the other as follows:

ARTICLE 1 - DEFINITIONS

1.1 For the purposes of this Agreement, the following terms shall have the meanings herein specified:

- (a) **"Board of Directors"** means a duly constituted meeting of the entirety of the Board of Directors;
- (b) **"Defaulting Member"** has the meaning as described thereto in Section 14.2;
- (c) **"Director"** means a duly appointed director of the Trustee Corporation;
- (d) **"Effective Date"** is the date of the incorporation of the Trustee Corporation;
- (e) **"Event of Default"** means any of the events or circumstances provided for in Section 14;
- (f) **"Existing or Planned Future Customer(s)"** means a municipality, government authority, corporation, partnership, syndicate, joint venture, co-operative, association, individual, or other entity of any kind whatsoever to whom a Member supplies water to as of the date of this Agreement, or plans to supply in the future, as definitively enumerated for each respective Member in Schedule "B";
- (g) **"License"** means that water diversion licenses that have been, or will be issued by the Province of Alberta, to permit the extraction of water from the North Saskatchewan River for the general usage of its Members, including but not limited to the following:
 - (i) License No. 00351924-00-00, as issued as of the Effective Date October 19, 2020, with priority number of 2014-06-03-0001; and
 - (ii) Preliminary Certificate 00567643-00-00, as issued on October 19, 2020 with priority number 2014-06-03-0002;
- (h) **"Member(s)"** means the City of St. Albert, Capital Region Northeast Water Services Commission, Sturgeon County, Capital Region Parkland Water Services Commission, Capital Region Southwest Water Services Commission, Town of Morinville and Strathcona County initially, and any other person who becomes a party to this agreement pursuant to the terms of this Agreement or otherwise, collectively or individually where the context of this Agreement so requires;
- (i) **"New Customer(s)"** means a municipality, government authority, corporation, partnership, syndicate, joint venture, co-operative, association, individual, or other entity of any kind whatsoever to whom a Member does not supply water to as of the date of this Agreement;
- (j) **"Non-Defaulting Member"** has that meaning as described thereto in Section 14.2;
- (k) **"Project"** means the Members causing:
 - (i) the incorporation of the Trustee Corporation;
 - (ii) the joint control of the Trustee Corporation;
 - (iii) the sharing of the License in equal and undivided proportions;
 - (iv) the sharing of costs pertaining to the Project and holding of the License in accordance with each Member's Proportionate Cost Responsibility;
- (l) **"Proportionate Cost Responsibility"** means each Members' obligation to contribute to all expenses of the Project which shall be determined by multiplying the cost to be apportioned to each Member by that fraction, having as its numerator, that volume of water supplied to that Member for the preceding calendar year and as its denominator, the aggregate volume of water supplied to all Members for the preceding calendar year;

- (m) **"Special Resolution"** means a resolution passed:
 - (i) at a meeting of the Members with a vote of not less than 75 % of those Members who vote on the resolution; or
 - (ii) a resolution consented to in writing by all of the Members who would have been entitled at a meeting to vote on the resolution in person;
- (n) **"Threshold Water Usage"** means when the aggregate amount of water supplied to the Members in a calendar year exceeds eighty (80%) percent of the total amount of water permitted to be diverted under the License.

The parties hereby confirm and ratify the matters contained and referred to in the Preamble to this Agreement and agree that same is expressly incorporated into and form part of this Agreement.

ARTICLE 2 - PURPOSE

- 2.1 This Agreement replaces and supersedes in its entirety the Prior Agreement between the Members and the Trustee Corporation.
- 2.2 The Members hereby enter into and form a joint venture for the limited purpose and scope set forth in this Agreement.
- 2.3 The sole purpose of the Project is for the Trustee Corporation to acquire and hold the License for the benefit of each Member.

ARTICLE 3 - ACQUISITION OF LICENSE

- 3.1 For the purpose of registered ownership of the License, the Project, together with any improvements or business carried on in conjunction therewith, the parties have caused to be incorporated the Trustee Corporation. Save and except for as otherwise agreed to, the Trustee Corporation shall not carry on, nor be permitted to carry on, any business of any nature or kind whatsoever in its own right, and shall be restricted in all of its activities to the performance of its function as nominee as herein set forth.
- 3.2 The parties hereto agree that the Trustee Corporation shall hold and continue to hold the License and the Project in its name as legal, bare trustee only and the Members shall carry on all of their dealings with regard to the Project through the operation of the Trustee Corporation in accordance with the terms of this Agreement. The Trustee Corporation shall carry on business relative to only the Project and only in accordance with this Agreement and shall hold no assets other than for the beneficial ownership of the Members.
- 3.3 The parties hereto acknowledge that the Trustee Corporation shall hereafter have no beneficial right, title, claim or interest whatsoever in the Project or License or any assets or property used in connection therewith, and that all assets and property comprised or used in connection with the Project or License shall be obtained and held by or on behalf of the Members in equal proportions.
- 3.4 The Trustee Corporation hereby accepts its appointment and declares that it shall hold and continue to hold the Project as bare trustee for the Members in accordance with the terms of this Agreement. Without limiting the obligations of the Trustee Corporation as set forth in this Agreement, the following provisions shall apply:
 - (a) the Trustee Corporation shall perform such activities and enter into such agreements and instruments in connection with the Project as the Members, in accordance with the terms of this Agreement, shall direct from time to time;
 - (b) the Trustee Corporation shall:
 - (i) at all times comply with the provisions of this Agreement and follow the directions of the Members;
 - (ii) act solely on the directions of the Members and no other person; and

- (iii) not acquire or hold any property, incur any liability, undertake any obligation or perform any activity except on the directions of the Members, and in connection with the Project;

ARTICLE 4 - DIVERSION OF WATER

4.1 The Members acknowledge and agree that upon the execution of this Agreement their respective interest in the Project and in any and all agreements relating to the Project are undivided and equally apportioned between them.

4.2 Prior to meeting or exceeding the Threshold Water Usage, the Trustee Corporation shall permit each Member to divert as much water as the Member requires to satisfy its own water usage demands and the water usage demands of

- (a) its Existing or Planned Future Customers; and
- (b) any New Customers desiring the supply of water from the Member,

provided that no Member shall be permitted to supply water to a New Customer that is an Existing or Planned Future Customer of another Member unless it receives the prior written consent of that Member.

4.3 Upon meeting or exceeding the Threshold Water Usage,

- (a) the Members shall negotiate in good faith the proportionate allocation of the remaining volume of water permitted to be diverted under the License; and
- (b) the Trustee Corporation shall permit each Member to divert water in accordance with the proportionate allocation negotiated by the Members.

4.4 In the event that the Members are unable to agree to the proportionate allocation of the remaining volume of water under Section 4.3(a) of this Agreement, the Members shall refer the matter to the Dispute Resolution Procedure attached hereto as Schedule "A" for determination.

ARTICLE 5 - CONTRIBUTION

5.1 It is the intent of the Members that all costs associated with the acquisition and maintenance including, without limitation, all regulatory fees and professional fees incurred by the Trustee Corporation, are to be satisfied by each Member in accordance with their respective Proportionate Cost Responsibility.

ARTICLE 6 - EXPENSES OF PROJECT AND LIABILITY OF MEMBERS

6.1 All costs and expenses incurred in the Project shall be borne by each Member in proportion to its Proportionate Cost Responsibility at the time such cost, loss or expense is incurred.

6.2 Any cost or liability which may be incurred by any Member in connection with the Project or any portion thereof shall be borne by each Member in proportion to its Proportionate Cost Responsibility at the time such liability was incurred, provided that if such liability is incurred by such Member either:

- (a) as a result of anything done by him without the prior authorization or subsequent sanction of the other Members; or
- (b) as a result of his fraudulent or gross negligence;

then such liability shall be borne solely by that Member.

6.3 Except as otherwise provided in this Agreement or in the event of an emergency or an event of *force majeure*, if any Member shall at any time incur, make payment of or discharge any debt or other obligation in connection with the Project that is properly and rightfully the obligation of the Project, then each Member shall make contribution in respect thereof in proportion to its Proportionate Cost Responsibility at the time such debt or other obligation was incurred; provided that if such debt or other obligation was incurred by any Member as a result of anything done by him in breach

of this Agreement or without the prior authorization or subsequent sanction of the other Members, then the other Members shall not be required to make such contribution.

ARTICLE 7 - FINANCING

7.1 Payment of Fees

Each Member agrees that each of them shall be responsible for their respective payment of dues or such other amounts to the Trustee Corporation, such as is set forth in the Bylaws.

7.2 Non-Payment Constitutes Event of Default

In the event that a Member does not pay all or a portion of those amounts that it is obligated to pay to the Trustee Corporation as set forth in the Bylaws (a "**Defaulting Member**"), this shall constitute an event of default ("**Event of Default**").

7.3 Default Loan

In addition to any other rights of the Non-Defaulting Members herein provided for, any Non-Defaulting Member may elect to make and, if so, is hereby irrevocably authorized by the Defaulting Member to make such contribution on behalf of the Defaulting Member (hereinafter in this Article referred to as the "Default Loan"). The amount of the Defaulting Loan shall constitute a debt owed by the Defaulting Member to the Non-Defaulting Member who has made the Default Loan, in which event the Defaulting Member shall pay or cause to be paid to such Non-Defaulting Member who has made the Default Loan:

- (a) the amount of the Default Loan; and
- (b) the reasonable costs of the Non-Defaulting Member relating to obtaining monies to make the Default Loan; and
- (c) interest on the amount of the Default Loan outstanding from time to time calculated and payable monthly on the first day of each and every calendar month at a rate equal to the Prime Rate at the time the Default Loan is made plus six (6%) percent per annum.

ARTICLE 8 - ADDITIONAL CAPITAL CONTRIBUTIONS BY MEMBERS

8.1 The Members acknowledge and agree that additional funds may need to be required to be contributed by the Members for the Project. Such funds shall be contributed by each Member in proportion to its Proportionate Cost Responsibility at that time and in accordance with Article 6 herein.

8.2 A formal written request for additional funds shall be delivered by the Trustee Corporation to each Member. Each Member shall advance the monies so requested within thirty (30) days of the receipt of the written request for additional funds.

ARTICLE 9 - BANKING

9.1 The Members agree that the banking for the Project shall be done in such chartered bank or other financial institution as from time to time shall be determined by the Members, and such bank account shall be maintained under the style and firm name of the Trustee Corporation or such other name as the Members shall agree, and the Members shall deliver such necessary banking resolutions as may be required. Two (2) designated persons, or any two (2) of the Directors of the Trustee Corporation pursuant to an on-going appointment, may be appointed by the Members from time to time to draw cheques on behalf of the Members and shall sign, endorse and accept on their behalf any bills, notes, cheques, drafts, or any other instruments respecting the operation of such account. All monies received from time to time on account of the affairs herein contemplated shall be immediately paid into the account in the same draft, cheques, bills or cash in which they are received, and as monies are required for the payment of obligations arising in respect of the Project, the same shall be made by cheque drawn on the account, in accordance with the provisions of this Agreement.

ARTICLE 10 - MANAGEMENT AND MEETINGS OF THE MEMBERS

- 10.1 Subject to Article 10 hereof, the overall management and control of the affairs of the Project shall be vested in the Board of Directors.
- 10.2 Notwithstanding any bylaws of the Trustee Corporation to the contrary, the Members shall each be entitled to appoint one Director to the Board of Directors.
- 10.3 Each Member shall advise the Trustee Corporation who each Director shall be from time to time.
- 10.4 Only that Member that appointed its Director may cause that Director to be removed or replaced.

ARTICLE 11 - FUNDAMENTAL DECISIONS

- 11.1 Notwithstanding Article 10 hereof, the Board of Directors shall not authorize the Trustee Corporation to do any of the following without a Special Resolution:
- (a) enter into any contract outside of the Trustee Corporation's ordinary course of business of the Project;
 - (b) provide additional services besides those services that are the Project;
 - (c) amend the terms of the License;
 - (d) cancel the License;
 - (e) transfer the License;
 - (f) temporarily assign the License;
 - (g) permit any other person other than the Members to be a Member of the Trustee Corporation;
 - (h) change the Articles of the Trustee Corporation;

11.2 If at any meeting of the Members, any matter set is considered and the matter is neither approved nor adjourned for further consideration, in either case by the Members at such meeting, then notwithstanding any intermediate acts or negotiations any Member shall be entitled to refer the dispute, and, to the extent that it is necessary or reasonable in all of the circumstances, any related question or dispute, to be resolved pursuant to the Dispute Resolution Procedure attached hereto as Schedule "A".

ARTICLE 12 - USE OF REVENUE, AUDIT AND BOOKS OF ACCOUNT

12.1 The Board of Directors shall appoint an accountant or manager to maintain or cause to be maintained full books of account and correct entries of all receipts and expenditures involved in the Project and the Trustee Corporation, such books of account to be maintained in accordance with the accounting standards determined by and satisfactory to the Members, provided that such accounts shall at all times be the property of the Members and shall at all times be open for the inspection of the Members or any of them. Such books of account shall be in the possession of the accountant or manager who is engaged, who shall be entitled to compensation for maintaining such books of account. All costs incurred pursuant to this Article shall be a cost of the Project.

ARTICLE 13 - SALE, TRANSFER OR MORTGAGE

13.1 No person shall be entitled to become a Member pursuant to this Agreement unless it first enters into a written agreement with the Members and the Trustee Corporation pursuant to which that person undertakes to assume all of the obligations arising out of this Agreement and to be bound by the terms hereof.

13.2 Except as expressly permitted herein, no Member shall sell, assign, transfer, mortgage, charge or otherwise encumber or suffer any third party to sell, assign, transfer, mortgage, charge or otherwise encumber or contract to do so or permit any of the foregoing, whether voluntarily or by operation of law, all or any part of its interest in the License without the written consent of the other Members and any attempt to do so shall be void. The giving of such consent in any one or more instances shall not limit or waive the need for such consent in any other or subsequent instances.

ARTICLE 14 - EVENTS OF DEFAULT

14.1 Any of the following events shall constitute an event of default hereunder with respect to the Member in question:

- (a) if a Member shall file a petition in bankruptcy or for re-organization or for any arrangement pursuant to any applicable bankruptcy law or under any similar law, now or hereafter in effect, or shall be adjudicated a bankrupt, or shall make an assignment for the benefit of its creditors, or shall commit any act of bankruptcy which has not been rectified within, five (5) business days after notice thereof, or shall be dissolved;
- (b) if a petition or answer shall be filed proposing the adjudication of a Member as a bankrupt or its re-organization pursuant to any applicable bankruptcy law or any similar law, now or hereafter in effect, and
 - (i) such Member shall consent to the filing thereof; or
 - (ii) such petition or answer shall not be discharged or denied within thirty (30) days after the filing thereof;
- (c) if a Member shall default in any other obligation concerning:
 - (i) the License;
 - (ii) any water supply agreement between one or more of the Members;
 - (iii) any applicable environmental law, which default may either adversely impact the License or the right to divert water by any Member;
- (d) if a Member shall default in providing any funds within such time limits as set out in this Agreement, including, without limitation, a default pursuant to Section 7 hereof;
- (e) if a Member shall fail to execute and deliver without lawful excuse any deed or other instrument which may be desirable or necessary to accomplish any purpose of this Agreement within fifteen (15) days of a request in writing;
- (f) if a Member shall fail in any other material respect to observe, perform or comply with any agreement, condition or obligation required by this Agreement to be observed, performed or complied with by such Member, and such failure shall continue for a period of thirty (30) days after notice of such failure and a demand for performance, observance or compliance shall have been given by any of the other Members; provided, however, that if the nature of such failure is such that it cannot be cured by a payment of money and cannot be cured within a period of thirty (30) days, such Member shall have such additional time as may be necessary as long as the curing of such default is commenced promptly and is prosecuted with due diligence to completion.

14.2 Any Member that has not committed an Event of Default (hereinafter in this Article referred to as the "Non-Defaulting Member") shall have the right, but shall not be obliged, to perform, comply or observe any obligation or covenant in question on behalf of the Member in default (hereinafter in this Article referred to as the "Defaulting Member") as provided for in this Agreement.

14.3 The provision in this Agreement of certain remedies which are available after the occurrence of an Event of Default is not intended to be exclusive, and the remedies contained in this Agreement are intended to be cumulative and in addition to any other remedies which may at the time be available at law or equity. Without limiting the generality of the foregoing, in the event that a Member shall at any time commit an Event of Default then the Non-Defaulting Members shall be entitled to specific performance or an order restraining and enjoining such Event of Default, as the case may be, and the Defaulting Member shall not plead in defence thereto that there would be an adequate remedy at law, it being recognized and agreed that the injury and damage resulting from an Event of Default would be impossible to measure monetarily.

14.4 Without limiting the generality of Section 14.3 hereof, the Non-Defaulting Member may additionally exercise those remedies that it may have against the Defaulting Member pursuant to any agreement or relationships in place between the Defaulting Member and the Non-Defaulting Members.

14.5 Subject to the terms of this Agreement, if an Event of Default shall have occurred and be continuing, the Defaulting Member, for so long as the Event of Default continues and remains uncured, shall not be entitled to have its representatives vote in respect of any question considered by the Project nor have its directors on the board of directors of the Trustee Corporation vote in respect of any question considered by such board, which question, in either case, shall be decided by the representatives of the Non-Defaulting Member, but such representatives of the Defaulting Member will continue to be entitled to receive notice of and attend meetings. If an Event of Default shall have occurred and be continuing then, for so long as the Event of Default continues, a quorum of the representatives shall be deemed to exist so long as a majority of the board of directors who are appointed by Non-Defaulting Members are present.

14.6 Upon the occurrence of an Event of Default, the Non-Defaulting Members may do any one or more of the following:

- (a) pursue any remedy available to them in law or in equity, it being acknowledged that specific performance, injunctive relief (mandatory or otherwise) or other equitable relief may be the only adequate remedy for a default;
- (b) pursue any remedy available to them in any other agreement in place between the Defaulting Member and either the Trustee Corporation or a Non-Defaulting Member, as the case may be;
- (c) take such actions in their own names or in the name of the Defaulting Member or the Trustee Corporation, as may reasonably be required, to cure the default, the costs of which shall be deemed to be a debt owing by the Defaulting Member to the party (whether it be the Trustee Corporation or one or more Non-Defaulting Member);
- (d) waive the default provided, however, that any waiver of a particular default shall not operate as a waiver of any subsequent or continuing default;
- (e) terminate the Defaulting Member's membership of the Trustee Corporation. In the event that such a termination occurs, the Defaulting Member's entitlement to divert water pursuant to the License shall also terminate.

ARTICLE 15 - PROHIBITIONS AGAINST ENCUMBRANCES AND PARTITION

15.1 The Members agree that no mortgage, lien, or other encumbrance shall be placed upon the License, any membership in the Trustee Corporation or against the Trustee Corporation itself except in accordance with Section 13.2 of this Agreement.

15.2 The parties hereto agree that in order not to impair the operation of the License, the Members shall not be at liberty to pledge, mortgage, encumber, charge, assign, hypothecate, or deal in any manner with their interest in the License, except as provided in this Agreement, without the consent in writing of the other Members.

15.3 No Member shall have the right to partition, nor shall it make any application to or permit any Court or other authority having jurisdiction over the matter, nor commence nor prosecute any action for partition and sale and the other Members shall, in addition to all other rights and remedies in law and in equity, be entitled to a decree or Order restraining and enjoining such application, petition, action or proceeding, and the offending Member shall not plead in defence thereto that there would be an adequate remedy at law; it being recognized and agreed that the injury and damage resulting from such breach would be impossible to measure monetarily, and each Member hereby expressly waives any statute, law, rule or regulation which may provide it with rights to partition.

ARTICLE 16 - NOTICES AND OBLIGATIONS

16.1 Each Member shall cause all notices which may in any way affect:

- (a) the obligations and responsibilities of the Members; or
- (b) the License;

to be directed or forwarded to the other parties. The Members shall determine what steps to take in connection with any proceedings set out in any notice. The decision of the majority of the committee of representatives of the Members shall govern, subject to the terms of this Agreement. Each Member may also take whatever steps it may deem necessary or advisable to protect its own interest.

ARTICLE 17 - TERM

17.1 This Agreement shall terminate upon:

- (a) the unanimous consent of the Members; or
- (b) the beneficial ownership of the License becoming vested in one Member;
- (c) the termination of the License;

provided that the provisions of this Agreement shall survive its expiration to the extent necessary to give effect thereto.

ARTICLE 18 - FORCE MAJEURE

18.1 If any of the Members shall fail to meet its obligations hereunder within the time prescribed, and such failure shall be caused or materially contributed to by *force majeure*, such failure shall be deemed not to be a breach of the obligations of such Member hereunder and the time for the performance of such obligations shall be extended accordingly (to a maximum of one hundred and eighty (180) days). For the purposes of this Agreement, *force majeure* shall mean any acts of God, strikes, lockouts or other industrial disturbances, acts of the Queen's enemies, sabotage, war, blockades, insurrections, riots, epidemics, lightning, earthquakes, floods, storms, fires, washouts, nuclear and radiation activity or fallout, arrests, and restraints of rulers and people, civil disturbances, explosions, breakage of or accident to machinery, inability to obtain materials or equipment, any legislative, administrative or judicial action which has been resisted in good faith by all reasonable legal means, any act, omission or event whether of the kind herein enumerated or otherwise not within the control of such Member, and which by the exercise of due diligence such Member could not have prevented, but lack of funds on the part of such Member shall be deemed not to be a *force majeure*.

ARTICLE 19 - GENERAL

19.1 Notices

- (a) Whether or not so stipulated herein, all notices, communication, requests and statements (the "Notice") required or permitted hereunder shall be in writing.
- (b) Any Notice required or permitted hereunder shall be sent to the intended recipient at its address as follows:
 - (i) City of St. Albert
5 St Anne Street
St. Albert, Alberta
T8N 3Z9
Attention: Senior Manager and/ or Manager of Utilities
E-mail: rlefevre@stalbert.ca and/ or bbrost@stalbert.ca
 - (ii) Capital Region Northeast Water Services Commission
P.O. Box 3438
Sherwood Park, Alberta
T8H 2T3
Attention: Commission Manager
Fax: (780) 464-0557
E-mail: CRNWSC-MGR@outlook.com

- (iii) Sturgeon County
9613 – 100 Street
Morinville, Alberta
T8R 1L9
Attention: Chief Operations Manager
Fax: (780) 939-3003
E-mail: smacdougall@sturgeoncounty.ca
- (iv) Capital Region Parkland Water Services Commission
c/o Town of Stony Plain
4905-51 Avenue
Stony Plain, Alberta
TT9E 4C4
Attention: Manager
E-mail: akhan@stonyplain.com
- (v) Capital Region Southwest Water Services Commission
c/o The City of Leduc
1 Alexandra Park
Leduc, Alberta
T9E 4C4
Attention: Commission Manager
Fax: (780) 980-7127
E-mail: solson@leduc.ca
- (vi) Town of Morinville
10125 – 100 Avenue
Morinville, Alberta
T8R 1L6
Attention: General Manager
Fax: (780) 939-5633
E-mail: Sharlene.Edwards@morinville.ca
- (vii) Strathcona County
2001 Sherwood Drive
Sherwood Park, Alberta
T8A 3W7
Attention: Manager
Fax: (780) 464-0557
E-mail: Tammy.Lockhart@strathcona.ca
- (viii) Regional Water Customers Group Inc.
c/o Strathcona County
Sherwood Park, Alberta
T8A 3W7
Attention: Manager
Fax: (780) 464-0557
E-mail: Tammy.Lockhart@strathcona.ca

or to such other address as each Member and the Trustee Corporation may from time to time direct in writing.

- (c) Notice shall be served by one of the following means:
 - (i) by delivering it to the address specified in (a) during normal business hours. Notice delivered in this manner shall be deemed received when actually delivered;
 - (ii) by fax or email to the Member on whom it is to be served. Notice delivered in this manner shall be deemed received on the earlier of:

- (A) if transmitted before 3:00 p.m. on a Business Day, on that Business Day; or
 - (B) if transmitted after 3:00 p.m. on a Business Day, on the next Business Day after the date of transmission; or
- (iii) by mailing via first class registered post, postage prepaid, to the Member to whom it is served. Notice so served shall be deemed to be received five (5) days after the date it is postmarked. In the event of postal interruption, no notice sent by means of the postal system during or within seven (7) days prior to the commencement of such postal interruption or seven (7) days after the cessation of such postal interruption shall be deemed to have been received unless actually received.

19.2 Governing Law

This Agreement shall be construed and governed by the laws of the Province of Alberta and the laws of Canada applicable therein and the parties irrevocably attorn to the exclusive jurisdiction of the Courts of the Province of Alberta.

19.3 Time of Essence

Time shall be of the essence of this Agreement.

19.4 Headings

The headings, captions, paragraph numbers, sub-paragraph numbers, article numbers and indices appearing in this Agreement have been inserted as a matter of convenience and for reference only and in no way define, limit, construct or enlarge the scope or meaning of this Agreement or any provisions hereof.

19.5 No Authority

Except as may from time to time be expressly stated in writing by all Members or as otherwise stated in this Agreement, no Member has authority to assume or create any obligation whatsoever, expressed or implied, on behalf of or in the name of the other Members, nor to bind the other Members in any manner whatsoever.

19.6 Agreement Entire Relationship

This Agreement constitutes the entire agreement between the parties relating to the subject matter hereof and the parties acknowledge and agree that there are no covenants, representations, warranties, agreements or conditions expressed or implied, collateral or otherwise forming part of or in any way affecting or relating to this Agreement save as expressly set out in this Agreement.

19.7 Further Assurances

Each of the parties do hereby agree to do such things and execute such further documents, agreements and assurances as may be necessary or advisable from time to time in order to carry out the terms and conditions of this Agreement in accordance with their true intent.

19.8 Amendments

This Agreement may not be altered or amended in any of its provisions, except where any such changes are reduced to writing and executed by the parties.

19.9 Waiver

No consent or waiver, express or implied, by any Member to or of any breach or default by any Member in the performance of another Member 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 of obligations hereunder by such Member hereunder. Failure on the part of any Member to complain of any act or failure to act of another Member or to declare another Member in default, irrespective of how long such failure continues, shall not constitute a waiver by such Member of its rights hereunder.

19.10 Counterparts

This Agreement may be executed and delivered in any number of counterparts, by facsimile copy, by electronic or digital signature or by other written acknowledgement of consent and agreement to be legally bound by its terms. Each counterpart when executed and delivered will be considered an original but all counterparts taken together constitute one and the same instrument.

19.11 Statutory Reference

Any reference to a statute shall include and shall be deemed to be a reference to such statute and to the regulations made pursuant thereto and promulgated thereunder with all amendments made thereto and in force from time to time and any final judicial decisions interpreting the same, and to any statute or regulation that may be passed which has the effect of supplementing or superseding the statute so referred to or the regulations made pursuant thereto.

19.12 Unenforceability

If any term, covenant or condition of this Agreement or the application thereof to any Member or circumstances shall be invalid or unenforceable to any extent, the remainder of this Agreement or application of such term, covenant or condition to a Member or circumstance other than those to which it is held invalid or unenforceable shall not be affected thereby and each remaining term, covenant or condition of this Agreement shall be valid and shall be enforceable to the fullest permitted by law.

19.13 Remedies Generally

Mention in this Agreement of any particular remedy of a Member in respect of a default by another Member does not preclude the other Members from any other remedy in respect thereof, whether available at law or in equity or by statute or expressly provided for in this Agreement. No remedy shall be exclusive or dependent upon any other remedy, but a Member may from time to time exercise any one of more of such remedies generally or in combination, such remedies being cumulative and not alternative.

19.14 Singular, Plural and Gender

Wherever the singular, plural, masculine, feminine or neuter is used throughout this Agreement the same shall be construed as meaning the singular, plural, masculine, feminine, neuter, body politic or body corporate where the fact or context so requires and the provisions hereof.

19.15 Binding Effect

This Agreement shall enure to the benefit of and be binding upon the successors and permitted assigns of each of the Members.

19.16 Assignment

No Member shall assign its interest in this Agreement, or any part hereof, in any manner whatsoever without having first received written unanimous consent from the other Members.

19.17 Requests for Consent

All Members shall provide any decision with regard to a request for consent in a timely manner.

19.18 Construction

This Agreement shall be interpreted according to its fair construction and shall not be construed as against any Member hereto.

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

CITY OF ST. ALBERT

Per: 
Brian Brost (May 15, 2023 15:24 MDT)
Name: Brian Brost
Title: Manager of Utilities
Per: 
Regan Lefebvre (May 15, 2023 15:51 MDT)
Name: Regan Lefebvre
Title: Senior Manager of Utilities

CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

STURGEON COUNTY

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

CAPITAL REGION PARKLAND WATER SERVICES COMMISSION

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

TOWN OF MORINVILLE

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

STRATHCONA COUNTY

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

REGIONAL WATER CUSTOMERS GROUP INC.

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

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

CITY OF ST. ALBERT

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION

Per: J. Clark
Name: JYCE CLARKE
Title: Commission Manager
Per: [Signature]
Name: Rob Olsen
Title: Chairman

STURGEON COUNTY

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

CAPITAL REGION PARKLAND WATER SERVICES COMMISSION

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

TOWN OF MORINVILLE

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

STRATHCONA COUNTY

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

REGIONAL WATER CUSTOMERS GROUP INC.

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

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


CITY OF ST. ALBERT

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

STURGEON COUNTY

Per: 
Name: Jeffrey Yanev
Title: Manager, Utility + waste mgmt services
Per: _____
Name: _____
Title: _____

CAPITAL REGION PARKLAND WATER SERVICES COMMISSION

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

TOWN OF MORINVILLE

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

STRATHCONA COUNTY

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

REGIONAL WATER CUSTOMERS GROUP INC.

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

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

CITY OF ST. ALBERT

CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION

Per: _____

Per: _____

Name: _____

Name: _____

Title: _____

Title: _____

Per: _____

Per: _____

Name: _____

Name: _____

Title: _____

Title: _____

STURGEON COUNTY

CAPITAL REGION PARKLAND WATER SERVICES COMMISSION

Per: _____

Per: _____

Name: _____

Name: Amir Khan

Title: _____

Title: Commission Manager

Per: _____

Per: _____

Name: _____

Name: _____

Title: _____

Title: _____

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

TOWN OF MORINVILLE

Per: _____

Per: _____

Name: _____

Name: _____

Title: _____

Title: _____

Per: _____

Per: _____

Name: _____

Name: _____

Title: _____

Title: _____

STRATHCONA COUNTY

REGIONAL WATER CUSTOMERS GROUP INC.

Per: _____

Per: _____

Name: _____

Name: _____

Title: _____

Title: _____

Per: _____

Per: _____

Name: _____

Name: _____

Title: _____

Title: _____

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

CITY OF ST. ALBERT

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

STURGEON COUNTY

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

CAPITAL REGION PARKLAND WATER SERVICES COMMISSION

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

TOWN OF MORINVILLE

Per: 
Name: Jordan Betteridge
Title: acting General Manager
Per: _____
Name: _____
Title: _____

STRATHCONA COUNTY

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

REGIONAL WATER CUSTOMERS GROUP INC.

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

CITY OF ST. ALBERT

CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

STURGEON COUNTY

CAPITAL REGION PARKLAND WATER SERVICES COMMISSION

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

TOWN OF MORINVILLE

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____
Per: _____
Name: _____
Title: _____

STRATHCONA COUNTY

REGIONAL WATER CUSTOMERS GROUP INC.

Per: Jacqueline Roblin
Name: Jacqueline Roblin, Manager
Title: Legislative Services and Contract Management
Per: _____
Name: _____
Title: _____

Per: Tammy Lockhart
Name: Tammy Lockhart
Title: Manager
Per: _____
Name: _____
Title: _____

Per: Jason Casault
Name: Jason Casault
Title: Director, Utilities

OTH - UTL - 1715

STRATHCONA COUNTY		
APPROVED		
REQ'D	INITIAL	DATE
Manager	RL	Sept 8/23
Director	PC	Aug 30, 23
Legal Services	JD	Sept 13/23
Finance		
Assoc. Commissioner		
Treasurer		

SCHEDULE "A"

DISPUTE RESOLUTION PROCEDURE

1. **Definitions**

In this Schedule, in addition to terms defined elsewhere in the Agreement, the following words and phrases have the following meanings:

- (a) "Arbitrator" means the person appointed to act as such to resolve any Dispute;
- (b) "Arbitration" means a process whereby each of the Parties, with or without legal counsel, agrees to jointly engage and meet with an Arbitrator who will render a binding decision in respect of any Disputes;
- (c) "Disclosed Information" means the information disclosed by a Party for the purpose of settlement, negotiation, Mediation or Arbitration;
- (d) "Mediation" means a process whereby a Representative of each Party, with or without legal counsel, agrees to jointly engage the services and meet with a Mediator to participate in a mediation, conciliation or similar dispute resolution process;
- (e) "Mediator" means the person appointed to facilitate the resolution of a Dispute between the Parties;
- (f) "Representative" means an individual who has no direct operational responsibility for the matters comprising the Dispute, who holds a senior position with a Party and who has full authority to settle a Dispute.

2. **Principles of Dispute Resolution**

Each Member acknowledges and agrees that:

- (a) in any business relationship a difference of opinion or interpretation or a divergence of interest may arise;
- (b) Each Member is committed to resolving any disputes in a non-adversarial, informal and cost efficient manner;
- (c) the following process shall apply in respect of Disputes which are either referred to, or are required by the terms of this Agreement to be resolved in accordance with, the Dispute Resolution Procedure; and
- (d) the Parties shall make all reasonable efforts to resolve all Disputes by negotiation and agree to provide, without prejudice, open and timely disclosure of relevant facts, information and documents to facilitate these negotiations as further contemplated within this Schedule.

3. **Dispute Process**

In the event of any Dispute, the Parties agree that they shall undertake a process to promote the resolution of a Dispute in the following order:

- (a) first, by negotiation;
- (b) second, by way of Mediation; and
- (c) third, if agreed to mutually by the Members, by Arbitration.

Negotiation, Mediation or Arbitration shall refer to, take into account, and apply the intentions and principles stated by the Parties within the Agreement.

4. **Negotiation**

A Member shall give written notice ("Dispute Notice") to the other Members and the Trustee Corporation of a Dispute and outline in reasonable detail the relevant information concerning the Dispute. Within seven (7) days following receipt of the Dispute Notice, each Member shall each appoint a Representative, who shall meet and attempt to resolve the Dispute through discussion and negotiation. If the Dispute is not resolved within thirty (30) days of the appointment of a Representative by each Member, the negotiation shall be deemed to have failed.

5. **Mediation**

- (a) If the Representatives cannot resolve the Dispute through negotiation within such thirty (30) day period, then the Dispute shall be referred to Mediation.
- (b) In such event, either Member shall be entitled to provide the other Members with a written notice ("Mediation Notice") specifying:
 - (i) the subject matters remaining in Dispute, and the details of the matters in Dispute that are to be mediated; and
 - (ii) the nomination of an individual to act as the Mediator.
- (c) The Members shall, within thirty (30) days of the Mediation Notice, jointly nominate or agree upon a Mediator.
- (d) Where a Mediator is appointed, the Members shall submit in writing their Dispute to the Mediator, and afford to the Mediator access to all records, documents and information the Mediator may reasonably request. The Members shall meet with the Mediator at such reasonable times as may be required and shall, through the intervention of the Mediator, negotiate in good faith to resolve their dispute. All proceedings involving a Mediator are agreed to be without prejudice, and the cost of the Mediator shall be shared equally between the Parties.
- (e) In the event that
 - (i) the Members do not agree on the appointment of a Mediator with thirty (30) days of the Mediation Notice;
 - (ii) the Mediation is not completed within thirty (30) days after the appointment of the Mediator; or
 - (iii) the Dispute has not been resolved within sixty (60) days from the date of receipt of the Dispute Notice;
 any Member may by notice to the others, withdraw from the Mediation process and in such event the Dispute shall be deemed to have failed to be resolved by Mediation.

6. **Arbitration:**

- (a) If Mediation fails to resolve the Dispute, the Dispute shall be submitted to binding Arbitration. Any of the Members may provide the other Members with written notice ("Arbitration Notice") specifying:

- (i) the subject matters remaining in Dispute and the details of the matters in Dispute that are to be arbitrated; and
 - (ii) the nomination of an individual to act as the Arbitrator.
- (b) Within fourteen (14) days following receipt of the Arbitration Notice, the other Members shall, by written notice, advise as to which matters stated in the Arbitration Notice each accepts and with which matters each disagrees and shall also advise whether each agrees with the resolution of the disputed items by Arbitration, and whether each agrees with the Arbitrator selected by the initiating Member or provide the name of one Arbitrator selected by that other Member. Should the Members fail to agree to resolve any disputed items by Arbitration, this Dispute Resolution Process shall come to an end.
- (c) Subject to agreement of the Members to resolve any disputed items by Arbitration as contemplated above the Members shall, within thirty (30) days of the Arbitration Notice, jointly nominate or agree upon an Arbitrator.
- (d) Should the Members fail to agree on a single arbitrator within the fourteen (14) day period referred to above, then any Member may apply to a Justice of the Court of Queen's Bench of Alberta to have the arbitrator appointed.
- (e) The terms of reference for Arbitration shall be those areas of dispute referred to in the Arbitration Notice, and the receiving Member's response thereto.
- (f) The Arbitrator shall conduct the Arbitration in accordance with the commercial arbitration rules (the "Rules") established from time to time by the ADR Institute of Canada Inc., unless the Parties agree to modify the same pursuant to any arbitration agreement. The Arbitration Act (Alberta) shall apply to all Arbitrations but if there is a conflict between the Rules and the provisions of the Act, the Rules shall prevail. Notwithstanding the foregoing, any such Arbitration shall be conducted in the English language.
- (g) The Arbitrator shall proceed to hear and render a written decision concerning any Dispute within:
 - (i) forty-five (45) days, if the subject matter of the Dispute is less than \$250,000.00; or
 - (ii) ninety (90) days, if the subject matter of the Dispute is greater than \$250,000.00.
- (h) The Arbitrator has the right to award solicitor-client costs against an unsuccessful Member and to award interest but does not have the right to award punitive, consequential or other exemplary damages.
- (i) The Arbitrator's decision is final and binding but is subject to appeal or review by any court of proper jurisdiction only with respect to an allegation of fraud.
- (j) Judgment upon any award (an "Award") rendered in any such Arbitration may be entered in any court having jurisdiction thereof, or application may be made to such court for a judicial acceptance of the Award and an enforcement order, as the laws of such jurisdiction may require or allow.
- (k) The Members acknowledge and agree that, where a Dispute involves a Claim for injunctive relief, a Member may refer such matter to Arbitration in accordance with this Schedule or apply to the appropriate court for relief.

7. **Participation**

The Parties and their Representatives will participate in good faith in the negotiation, Mediation and, if applicable, Arbitration processes and provide such assistance and Disclosed Information as may be reasonably necessary.

8. **Location**

The place for Mediation and Arbitration shall be within the City of Edmonton, or such other location as the Parties may agree.

9. **Selection of Mediator and Arbitrator**

Without restricting any of the foregoing, if the Parties are unable to agree upon the appointment of a single Mediator or Arbitrator, respectively, within ten (10) days after receipt of the Mediation Notice or Arbitration Notice, as the case may be, either of the Parties may request that a single Mediator or Arbitrator, as the case may be, of suitable training, experience and independence, and who in respect of the subject matter of the Dispute has a reasonable practical understanding, be recommended for appointment by the executive director or other individual fulfilling that role for the ADR Institute of Canada, Inc. The executive director shall be requested to make this determination within five (5) days of receipt of the request.

10. **Costs**

Subject to clause 6(h) of this Schedule, in the case of an Arbitration the Parties shall bear their respective costs incurred in connection with the negotiation, Mediation and, if applicable, Arbitration except that the Parties shall equally share the fees and expenses of the Mediator and Arbitrator and the cost of the facilities required for Mediation and Arbitration.

11. **Disclosed Information**

All Disclosed Information shall be treated as confidential and neither its delivery nor disclosure shall represent any waiver of privilege by a Party disclosing such Disclosed Information. Subject only to the rules of discovery, each Party agrees not to disclose the Disclosed Information to any other Person or for any other purpose. Such Disclosed Information cannot be used in any subsequent proceedings without the consent of the Party who has made the disclosure. The Parties agree that any Representative, Mediator and, if applicable, Arbitrator shall not be subpoenaed or otherwise compelled as a witness in any proceedings for the purpose of testifying with respect to the nature or substance of any dispute resolution process that may arise in relation to any matter that is a subject of this Agreement. Nothing in this Dispute Resolution Procedure shall require a Party to disclose information that is subject to confidentiality provisions with third parties.

SCHEDULE "B"
EXISTING OR PLANNED FUTURE CUSTOMERS

(Existing Customers are identified in black text, Planned Future Customers are identified in red text)

CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION
<ul style="list-style-type: none"> ▪ City of Fort Saskatchewan ▪ Strathcona County ▪ Sturgeon County ▪ Town of Gibbons ▪ Town of Bon Accord ▪ Town of Redwater ▪ Highway 28/63 Water Services Commission <ul style="list-style-type: none"> ○ Hamlet of Opal ○ Hamlet of Egremont ○ Hamlet of Thorhild ○ Hamlet of Abee ○ Hamlet of Newbrook ○ Long Lake Provincial Park ○ Hamlet of Radway ○ Village of Waskatenau ○ Hamlet of Warspite ○ Town of Smoky Lake ○ Hamlet of Bellis ○ Village of Vilna ○ Hamlet of Spedden ○ Hamlet of Ashmont ○ Hamlet of Lottie Lake ○ Garner Lake Provincial Park ▪ John S. Batiuk Regional Water Services Commission <ul style="list-style-type: none"> ○ Town of Bruderheim ○ Town of Lamont ○ Hamlet of St. Michael ○ Village of Chipman ○ Hamlet of Hilliard ○ Village of Andrew ○ Town of Mundare ○ Town of Vegreville ▪ Alberta Central East (ACE) Water Corp. <ul style="list-style-type: none"> ○ Hamlet of Willingdon ○ Hamlet of Hairy Hill ○ Town of Two Hills ○ Hamlet of Beauvallon ○ Village of Myrnam ○ Hamlet of Derwent ○ Hamlet of Lavoy ○ Hamlet of Ranfurly ○ Village of Innisfree ○ Village of Mannville ○ Town of Vermilion ○ Hamlet of Duvernay

CAPITAL REGION PARKLAND WATER SERVICES COMMISSION

- City of Spruce Grove
- Town of Stony Plain
- Parkland County
- West Inter Lake District (WILD) Water Services Commission
 - Hamlet of Wabamun
 - Paul First Nation
 - Parkland County
 - Summer Village of Lakeview
 - Summer Village of Kapasiwin
 - Wabamun Provincial Park
 - Summer Village of Silver Sands
 - Summer Village of South View
 - Summer Village of Seba Beach
 - Summer Village of Betula Beach
 - Bulk Water Stations
 - Hamlet of Wabamun
 - Summer Village of Silver Sands
 - Summer Village of Seba Beach
 - Alexis First Nation
 - Lac Ste. Anne County
 - Alberta Beach
 - Summer Village of Val Quentin
 - Summer Village of Sunset Point
 - Summer Village of Castle Island
 - Summer Village of Yellowstone
 - Summer Village of Ross Haven
 - Bulk Stations
 - Alberta Beach
 - Summer Village of West Cove
 - Summer Village of Ross Haven
 - Town of Onoway
 - Alexander First Nation
 - Summer Village of Sandy Beach
 - Summer Village of Sunrise Beach
 - Hamlet of Gunn
 - Bulk Stations
 - Heatherdown
 - Summer Village of Sandy Beach

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

- Leduc County
 - Edmonton International Airport
 - Hamlet of New Sarepta
 - Hamlet of Looma
 - Hamlet of Rolly View
 - Hamlet of Kavanagh
- City of Beaumont
- City of Leduc
- Town of Calmar

<ul style="list-style-type: none"> ▪ Village of Hay Lakes ▪ Camrose County <ul style="list-style-type: none"> ○ Hamlet of Armenia ▪ Town of Millet ▪ Miquelon Lake Provincial Park ▪ City of Camrose
<p>CITY OF ST. ALBERT</p>
<p>STRATHCONA COUNTY</p>
<ul style="list-style-type: none"> ▪ Hamlet of Ardrossan ▪ Hamlet of Josephburg ▪ Hamlet of Antler Lake ▪ Half Moon Lake ▪ Fultonvale ▪ Hamlet of South Cooking Lake ▪ Hamlet of Collingwood Cove ▪ Bremner ▪ Hamlet of Ardrossan East ▪ Hillshire ▪ Cambrian ▪ Matheson Meadows ▪ Bulk Customers <ul style="list-style-type: none"> ○ CRNWSC <ul style="list-style-type: none"> ▪ Hamlet of Sherwood Park ▪ City of Fort Saskatchewan ▪ Northern Bear ▪ Point Aux Pins Water Co-op ▪ Four Way Water Supply ▪ Akenside Water Fund ▪ Josephburg Water Co-Op ▪ Highway 14 Regional Water Services Commission <ul style="list-style-type: none"> ○ Hamlet of Antler Lake ○ Hamlet of South Cooking Lake ○ Town of Tofield ○ Village of Ryley ○ Town of Viking ○ Beaver County ○ Village of Bruce ○ Hamlet of Round Hill ○ Hamlet of Kingman ○ Hamlet of Kinsella
<p>STURGEON COUNTY</p>
<ul style="list-style-type: none"> ▪ Hamlet of Villeneuve ▪ Hamlet of Riviere Qui Barre ▪ Hamlet of Alcomdale

- Hamlet of Summerbrook
- Hamlet of Cardiff
- Alexander First Nation
- Hamlet of Sturgeon Valley
- DND Lancaster Park
- Namao
- Alexander First Nation New Industrial Park
- CFB Edmonton Emergency Bypass Connection
- Morinville Hutterite Colony
- Villeneuve Airport Connection
- Rural Connections/Subdivisions
 - Legal South
 - Legal West
 - Northern Lights
 - ProNorth Industrial
 - Alcomdale Transmission
 - Fort Augustus
 - Hu Haven / Riverside
 - Casa Vista
 - Hewitt Estates / Sturgeon View Estates
 - Landing Hill
- Sturgeon Industrial Park
 - Bunge
 - Industrial Park Commercial Customers
- Alberta Industrial Heartland
 - NRW Sturgeon Refinery
 - Pembina
 - Evonik
 - Nutrien
 - Wolf Mid-Stream

TOWN OF MORINVILLE

- Town of Legal
- Sturgeon County

THIS AGREEMENT made as of the Effective Date.

AMONG:

CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION

AND

CAPITAL REGION PARKLAND WATER SERVICES COMMISSION

AND

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

AND

CITY OF ST. ALBERT

AND

STRATHCONA COUNTY

AND

STURGEON COUNTY

AND

TOWN OF MORINVILLE

(collectively the "Members")

AND

REGIONAL WATER CUSTOMERS GROUP INC.
(the "Trustee Corporation")

MEMBERSHIP AND TRUST AGREEMENT

WHEREAS:

- A. The Members desire to participate in the acquisition, management and usage of the License;
- B. The Members have agreed to acquire, own, operate, manage, lease and sell the License pursuant to the terms of this Agreement;
- C. The parties hereto have deemed it expedient and advisable to enter into this Agreement for the purpose of establishing their respective rights and obligations in relation to the Project;
- D. The Trustee Corporation is the legal owner of the License;
- E. The Trustee Corporation has agreed to hold legal title to the License as bare trustee on behalf of the Members pursuant to the terms of this Agreement;
- F. Due to easier calculations, the Members have agreed to contribute to the costs pertaining to the Project, in accordance with each Member's Proportionate Cost Responsibility; and
- G. Each Member has agreed that the Member's entitlement to divert a certain allocation of water in accordance with the License shall be calculated in accordance with each's proportionate entitlement of water in 2037, as set forth in the Proportionate Entitlement.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree each with the other as follows:

ARTICLE 1 - DEFINITIONS

- 1.1 For the purposes of this Agreement, the following terms shall have the meanings herein specified:
- (a) **"Board of Directors"** means a duly constituted meeting of the entirety of the Board of Directors;
 - (b) **"Defaulting Member"** has the meaning as described thereto in Section 12.2;
 - (c) **"Director"** means a duly appointed director of the Trustee Corporation;
 - (d) **"Effective Date"** is the date of the incorporation of the Trustee Corporation;
 - (e) **"Event of Default"** means any of the events or circumstances provided for in Section 12;
 - (f) **"License"** means that water diversion license that has been, or will be issued by the Province of Alberta, to permit the extraction of water from the North Saskatchewan River for the general usage of its Members;
 - (g) **"Member(s)"** means the City of St. Albert, Capital Region Northeast Water Services Commission, Sturgeon County, Capital Region Parkland Water Services Commission, Capital Region Southwest Water Services Commission, Town of Morinville and Strathcona County initially, and any other person who becomes a party to this agreement pursuant to the terms of this Agreement or otherwise, collectively or individually where the context of this Agreement so requires;
 - (h) **"Non-Defaulting Member"** has that meaning as described thereto in Section 12.2;
 - (i) **"Project"** means the Members causing:
 - (i) the incorporation of the Trustee Corporation;
 - (ii) the joint control of the Trustee Corporation;
 - (iii) the sharing of the License in accordance with each Member's Proportionate Entitlement;
 - (iv) the sharing of costs pertaining to the Project and holding of the License in accordance with each Member's Proportionate Cost Responsibility;
 - (j) **"Proportionate Entitlement"** means each Members' undivided tenancy-in-common beneficial percentage interest in the License, which is calculated as set forth below, which is based on the water allocation to each Member in 2037:

MEMBER	VOLUME OF WATER ALLOCATED IN 2037 (M ³)	PROPORTIONATE ENTITLEMENT
City of St. Albert	8,967,117	10.75%
Capital Region Northeast Water Services Commission	11,769,836	14.109%
Sturgeon County	1,365,752	1.637%
Capital Region Parkland Water Services Commission	18,137,777	21.743%
Capital Region Southwest Water Services Commission	30,455,710	36.51%

MEMBER	VOLUME OF WATER ALLOCATED IN 2037 (M ³)	PROPORTIONATE ENTITLEMENT
Town of Morinville	3,123,828	3.745%
Strathcona County	9,597,916	11.506%
TOTAL	83,417,936	100.00%

subject to adjustment as a result of a transfer or adjustment of a Member's Proportionate Entitlement pursuant to the terms of this Agreement;

- (k) "Proportionate Cost Responsibility" means each Members' obligation to contribute to all expenses of the Project which shall be determined by multiplying the cost to be apportioned to each Member by that fraction, having as its numerator, that volume of water supplied to that Member for the preceding calendar year and as its denominator, the aggregate volume of water supplied to all Members for the preceding calendar year;
- (l) "Special Resolution" means a resolution passed:
 - (i) at a meeting of the Members with a vote of not less than 75 % of those Members who vote on the resolution; or
 - (ii) a resolution consented to in writing by all of the Members who would have been entitled at a meeting to vote on the resolution in person.

1.2 The parties hereby confirm and ratify the matters contained and referred to in the Preamble to this Agreement and agree that same is expressly incorporated into and form part of this Agreement.

ARTICLE 2 - PURPOSE

2.1 The Members hereby enter into and form a joint venture for the limited purpose and scope set forth in this Agreement.

2.2 The sole purpose of the Project is for the Trustee Corporation to acquire and hold the License for the benefit of each Member in accordance with each Member's Proportionate Entitlement.

ARTICLE 3 - ACQUISITION OF LICENSE

3.1 For the purpose of registered ownership of the License, the Project, together with any improvements or business carried on in conjunction therewith, the parties have caused to be incorporated the Trustee Corporation. Save and except for as otherwise agreed to, the Trustee Corporation shall not carry on, nor be permitted to carry on, any business of any nature or kind whatsoever in its own right, and shall be restricted in all of its activities to the performance of its function as nominee as herein set forth.

3.2 The parties hereto agree that the Trustee Corporation shall hold and continue to hold the License and the Project in its name as legal, bare trustee only and the Members shall carry on all of their dealings with regard to the Project through the operation of the Trustee Corporation in accordance with the terms of this Agreement. The Trustee Corporation shall carry on business relative to only the Project and only in accordance with this Agreement and shall hold no assets other than for the beneficial ownership of the Members. The Trustee Corporation shall permit each Member to divert water in accordance with each of their Proportionate Entitlement.

3.3 The parties hereto acknowledge that the Trustee Corporation shall hereafter have no beneficial right, title, claim or interest whatsoever in the Project or License or any assets or property used in connection therewith, and that all assets and property comprised or used in connection with the Project or License shall be obtained and held by or on behalf of the Members in proportion to their respective Proportionate Entitlements.

3.4 The Trustee Corporation hereby accepts its appointment and declares that it shall hold and continue to hold the Project as bare trustee for the Members in accordance with the terms of this Agreement. Without limiting the obligations of the Trustee Corporation as set forth in this Agreement, the following provisions shall apply:

- (a) the Trustee Corporation shall perform such activities and enter into such agreements and instruments in connection with the Project as the Members, in accordance with the terms of this Agreement, shall direct from time to time;
- (b) the Trustee Corporation shall:
 - (i) at all times comply with the provisions of this Agreement and follow the directions of the Members;
 - (ii) act solely on the directions of the Members and no other person; and
 - (iii) not acquire or hold any property, incur any liability, undertake any obligation or perform any activity except on the directions of the Members, and in connection with the Project;

ARTICLE 4 - CONTRIBUTION

4.1 The Members acknowledge and agree that upon the execution of this Agreement their respective interest in the Project and in any and all agreements relating to the Project are undivided and apportioned between them in proportion to their respective Proportionate Entitlement.

4.2 Unless otherwise agreed by the Members, no adjustment to the Proportionate Entitlement of any Member in the Project shall be made except as a result of a transfer of a Member's Proportionate Entitlement pursuant to the terms of this Agreement.

4.3 It is the intent of the Members that all costs associated with the acquisition and maintenance including, without limitation, all regulatory fees and professional fees incurred by the Trustee Corporation, are to be satisfied by each Member in accordance with their respective Proportionate Entitlement.

ARTICLE 5 - EXPENSES OF PROJECT AND LIABILITY OF MEMBERS

5.1 Except as otherwise provided in Article 4, all costs and expenses incurred in the Project shall be borne by each Member in proportion to its Proportionate Cost Responsibility at the time such cost, loss or expense is incurred.

5.2 Any cost or liability which may be incurred by any Member in connection with the Project or any portion thereof shall be borne by each Member in proportion to its Proportionate Cost Responsibility at the time such liability was incurred, provided that if such liability is incurred by such Member either:

- (a) as a result of anything done by him without the prior authorization or subsequent sanction of the other Members; or
- (b) as a result of his fraudulent or gross negligence;

then such liability shall be borne solely by that Member.

5.3 Except as otherwise provided in this Agreement or in the event of an emergency or an event of *force majeure*, if any Member shall at any time incur, make payment of or discharge any debt or other obligation in connection with the Project that is properly and rightfully the obligation of the Project, then each Member shall make contribution in respect thereof in proportion to its Proportionate Cost Responsibility at the time such debt or other obligation was incurred; provided that if such debt or other obligation was incurred by any Member as a result of anything done by him in breach of this Agreement or without the prior authorization or subsequent sanction of the other Members, then the other Members shall not be required to make such contribution.

ARTICLE 6 - FINANCING

6.1 Payment of Fees

Each Member agrees that each of them shall be responsible for their respective payment of dues or such other amounts to the Trustee Corporation, such as is set forth in the Bylaws.

6.2 Non-Payment Constitutes Event of Default

In the event that a Member does not pay all or a portion of those amounts that it is obligated to pay to the Trustee Corporation as set forth in the Bylaws (a "Defaulting Member"), this shall constitute an event of default ("Event of Default").

6.3 Default Loan

In addition to any other rights of the Non-Defaulting Members herein provided for, any Non-Defaulting Member may elect to make and, if so, is hereby irrevocably authorized by the Defaulting Member to make such contribution on behalf of the Defaulting Member (hereinafter in this Article referred to as the "Default Loan"). The amount of the Defaulting Loan shall constitute a debt owed by the Defaulting Member to the Non-Defaulting Member who has made the Default Loan, in which event the Defaulting Member shall pay or cause to be paid to such Non-Defaulting Member who has made the Default Loan:

- (a) the amount of the Default Loan; and
- (b) the reasonable costs of the Non-Defaulting Member relating to obtaining monies to make the Default Loan; and
- (c) interest on the amount of the Default Loan outstanding from time to time calculated and payable monthly on the first day of each and every calendar month at a rate equal to the Prime Rate at the time the Default Loan is made plus six (6%) percent per annum.

ARTICLE 7 - ADDITIONAL CAPITAL CONTRIBUTIONS BY MEMBERS

7.1 The Members acknowledge and agree that additional funds may need to be required to be contributed by the Members for the Project. Such funds shall be contributed by each Member in proportion to its Proportionate Cost Responsibility at that time and in accordance with Article 5 herein.

7.2 A formal written request for additional funds shall be delivered by the Trustee Corporation to each Member. Each Member shall advance the monies so requested within thirty (30) days of the receipt of the written request for additional funds.

ARTICLE 8 - BANKING

8.1 The Members agree that the banking for the Project shall be done in such chartered bank or other financial institution as from time to time shall be determined by the Members, and such bank account shall be maintained under the style and firm name of the Trustee Corporation or such other name as the Members shall agree, and the Members shall deliver such necessary banking resolutions as may be required. Two (2) designated persons, or any two (2) of the Directors of the Trustee Corporation pursuant to an on-going appointment, may be appointed by the Members from time to time to draw cheques on behalf of the Members and shall sign, endorse and accept on their behalf any bills, notes, cheques, drafts, or any other instruments respecting the operation of such account. All monies received from time to time on account of the affairs herein contemplated shall be immediately paid into the account in the same draft, cheques, bills or cash in which they are received, and as monies are required for the payment of obligations arising in respect of the Project, the same shall be made by cheque drawn on the account, in accordance with the provisions of this Agreement.

ARTICLE 9 - MANAGEMENT AND MEETINGS OF THE MEMBERS

9.1 Subject to Article 9 hereof, the overall management and control of the affairs of the Project shall be vested in the Board of Directors.

9.2 Notwithstanding any bylaws of the Trustee Corporation to the contrary, the Members shall each be entitled to appoint one Director to the Board of Directors.

9.3 Each Member shall advise the Trustee Corporation who each Director shall be from time to time.

9.4 Only that Member that appointed its Director may cause that Director to be removed or replaced.

ARTICLE 10 - FUNDAMENTAL DECISIONS

10.1 Notwithstanding Article 9 hereof, the Board of Directors shall not authorize the Trustee Corporation to do any of the following without a Special Resolution:

- (a) enter into any contract outside of the Trustee Corporation's ordinary course of business of the Project;
- (b) provide additional services besides those services that are the Project;
- (c) amend the terms of the License;
- (d) cancel the License;
- (e) transfer the License;
- (f) temporarily assign the License;
- (g) permit any other person other than the Members to be a Member of the Trustee Corporation;
- (h) change the Articles of the Trustee Corporation;

10.2 If at any meeting of the Members, any matter set is considered and the matter is neither approved nor adjourned for further consideration, in either case by the Members at such meeting, then notwithstanding any intermediate acts or negotiations any Member shall be entitled to refer the dispute, and, to the extent that it is necessary or reasonable in all of the circumstances, any related question or dispute, to be resolved pursuant to the Dispute Resolution Procedure attached hereto as Schedule "A".

ARTICLE 11 - USE OF REVENUE, AUDIT AND BOOKS OF ACCOUNT

11.1 The Board of Directors shall appoint an accountant or manager to maintain or cause to be maintained full books of account and correct entries of all receipts and expenditures involved in the Project and the Trustee Corporation, such books of account to be maintained in accordance with the accounting standards determined by and satisfactory to the Members, provided that such accounts shall at all times be the property of the Members and shall at all times be open for the inspection of the Members or any of them. Such books of account shall be in the possession of the accountant or manager who is engaged, who shall be entitled to compensation for maintaining such books of account. All costs incurred pursuant to this Article shall be a cost of the Project.

ARTICLE 12 - SALE, TRANSFER OR MORTGAGE

12.1 No person shall be entitled to become a Member pursuant to this Agreement unless it first enters into a written agreement with the Members and the Trustee Corporation pursuant to which that person undertakes to assume all of the obligations arising out of this Agreement and to be bound by the terms hereof.

12.2 Except as expressly permitted herein, no Member shall sell, assign, transfer, mortgage, charge or otherwise encumber or suffer any third party to sell, assign, transfer, mortgage, charge or otherwise encumber or contract to do so or permit any of the foregoing, whether voluntarily or by operation of law, all or any part of its Proportionate Entitlement without the written consent of the other Members and any attempt to do so shall be void. The giving of such consent in any one or more instances shall not limit or waive the need for such consent in any other or subsequent instances.

ARTICLE 13 - EVENTS OF DEFAULT

13.1 Any of the following events shall constitute an event of default hereunder with respect to the Member in question:

- (a) if a Member shall file a petition in bankruptcy or for re-organization or for any arrangement pursuant to any applicable bankruptcy law or under any similar law, now or hereafter in effect, or shall be adjudicated a bankrupt, or shall make an assignment for the benefit of its creditors, or shall commit any act of bankruptcy which has not been rectified within, five (5) business days after notice thereof, or shall be dissolved;
- (b) if a petition or answer shall be filed proposing the adjudication of a Member as a bankrupt or its re-organization pursuant to any applicable bankruptcy law or any similar law, now or hereafter in effect, and
 - (i) such Member shall consent to the filing thereof; or
 - (ii) such petition or answer shall not be discharged or denied within thirty (30) days after the filing thereof;
- (c) if a Member shall default in any other obligation concerning:
 - (i) the License;
 - (ii) any water supply agreement between one or more of the Members;
 - (iii) any applicable environmental law, which default may either adversely impact the License or the right to divert water by any Member;
- (d) if a Member shall default in providing any funds within such time limits as set out in this Agreement, including, without limitation, a default pursuant to Section 6 hereof;
- (e) if a Member shall fail to execute and deliver without lawful excuse any deed or other instrument which may be desirable or necessary to accomplish any purpose of this Agreement within fifteen (15) days of a request in writing;
- (f) if a Member shall fail in any other material respect to observe, perform or comply with any agreement, condition or obligation required by this Agreement to be observed, performed or complied with by such Member, and such failure shall continue for a period of thirty (30) days after notice of such failure and a demand for performance, observance or compliance shall have been given by any of the other Members; provided, however, that if the nature of such failure is such that it cannot be cured by a payment of money and cannot be cured within a period of thirty (30) days, such Member shall have such additional time as may be necessary as long as the curing of such default is commenced promptly and is prosecuted with due diligence to completion.

13.2 Any Member that has not committed an Event of Default (hereinafter in this Article referred to as the "Non-Defaulting Member") shall have the right, but shall not be obliged, to perform, comply or observe any obligation or covenant in question on behalf of the Member in default (hereinafter in this Article referred to as the "Defaulting Member") as provided for in this Agreement.

13.3 The provision in this Agreement of certain remedies which are available after the occurrence of an Event of Default is not intended to be exclusive, and the remedies contained in this Agreement are intended to be cumulative and in addition to any other remedies which may at the time be available at law or equity. Without limiting the generality of the foregoing, in the event that a Member shall at any time commit an Event of Default then the Non-Defaulting Members shall be entitled to specific performance or an order restraining and enjoining such Event of Default, as the case may be, and the Defaulting Member shall not plead in defence thereto that there would be an adequate remedy at law, it being recognized and agreed that the injury and damage resulting from an Event of Default would be impossible to measure monetarily.

13.4 Without limiting the generality of Section 13.3 hereof, the Non-Defaulting Member may additionally exercise those remedies that it may have against the Defaulting Member pursuant to any agreement or relationships in place between the Defaulting Member and the Non-Defaulting Members.

13.5 Subject to the terms of this Agreement, if an Event of Default shall have occurred and be continuing, the Defaulting Member, for so long as the Event of Default continues and remains uncured, shall not be entitled to have its representatives vote in respect of any question considered by the Project nor have its directors on the board of directors of the Trustee Corporation vote in respect of any question considered by such board, which question, in either case, shall be decided by the representatives of the Non-Defaulting Member, but such representatives of the Defaulting Member will continue to be entitled to receive notice of and attend meetings. If an Event of Default shall have occurred and be continuing then, for so long as the Event of Default continues, a quorum of the representatives shall be deemed to exist so long as a majority of the board of directors who are appointed by Non-Defaulting Members are present.

13.6 Upon the occurrence of an Event of Default, the Non-Defaulting Members may do any one or more of the following:

- (a) pursue any remedy available to them in law or in equity, it being acknowledged that specific performance, injunctive relief (mandatory or otherwise) or other equitable relief may be the only adequate remedy for a default;
- (b) pursue any remedy available to them in any other agreement in place between the Defaulting Member and either the Trustee Corporation or a Non-Defaulting Member, as the case may be;
- (c) take such actions in their own names or in the name of the Defaulting Member or the Trustee Corporation, as may reasonably be required, to cure the default, the costs of which shall be deemed to be a debt owing by the Defaulting Member to the party (whether it be the Trustee Corporation or one or more Non-Defaulting Member);
- (d) waive the default provided, however, that any waiver of a particular default shall not operate as a waiver of any subsequent or continuing default;
- (e) terminate the Defaulting Member's membership of the Trustee Corporation. In the event that such a termination occurs, the Defaulting Member's entitlement to divert water pursuant to the License shall also terminate.

ARTICLE 14 - PROHIBITIONS AGAINST ENCUMBRANCES AND PARTITION

14.1 The Members agree that no mortgage, lien, or other encumbrance shall be placed upon the License, any membership in the Trustee Corporation or against the Trustee Corporation itself except in accordance with Section 12.2 of this Agreement.

14.2 The parties hereto agree that in order not to impair the operation of the License, the Members shall not be at liberty to pledge, mortgage, encumber, charge, assign, hypothecate, or deal in any manner with their interest, except as provided in this Agreement, without the consent in writing of the other Members.

14.3 No Member shall have the right to partition, nor shall it make any application to or permit any Court or other authority having jurisdiction over the matter, nor commence nor prosecute any action for partition and sale and the other Members shall, in addition to all other rights and remedies in law and in equity, be entitled to a decree or Order restraining and enjoining such application, petition, action or proceeding, and the offending Member shall not plead in defence thereto that there would be an adequate remedy at law; it being recognized and agreed that the injury and damage resulting from such breach would be impossible to measure monetarily, and each Member hereby expressly waives any statute, law, rule or regulation which may provide it with rights to partition.

ARTICLE 15 - NOTICES AND OBLIGATIONS

15.1 Each Member shall cause all notices which may in any way affect:

- (a) the obligations and responsibilities of the Members; or
- (b) the License;

to be directed or forwarded to the other parties. The Members shall determine what steps to take in connection with any proceedings set out in any notice. The decision of the majority of the committee of representatives of the Members shall govern, subject to the terms of this Agreement. Each Member may also take whatever steps it may deem necessary or advisable to protect its own interest.

ARTICLE 16 - TERM

16.1 This Agreement shall terminate upon:

- (a) the unanimous consent of the Members; or
- (b) the beneficial ownership of the License becoming vested in one Member;
- (c) the termination of the License;

provided that the provisions of this Agreement shall survive its expiration to the extent necessary to give effect thereto.

ARTICLE 17 - FORCE MAJEURE

17.1 If any of the Members shall fail to meet its obligations hereunder within the time prescribed, and such failure shall be caused or materially contributed to by *force majeure*, such failure shall be deemed not to be a breach of the obligations of such Member hereunder and the time for the performance of such obligations shall be extended accordingly (to a maximum of one hundred and eighty (180) days). For the purposes of this Agreement, *force majeure* shall mean any acts of God, strikes, lockouts or other industrial disturbances, acts of the Queen's enemies, sabotage, war, blockades, insurrections, riots, epidemics, lightning, earthquakes, floods, storms, fires, washouts, nuclear and radiation activity or fallout, arrests, and restraints of rulers and people, civil disturbances, explosions, breakage of or accident to machinery, inability to obtain materials or equipment, any legislative, administrative or judicial action which has been resisted in good faith by all reasonable legal means, any act, omission or event whether of the kind herein enumerated or otherwise not within the control of such Member, and which by the exercise of due diligence such Member could not have prevented, but lack of funds on the part of such Member shall be deemed not to be a *force majeure*.

ARTICLE 18 - GENERAL

18.1 Notices

- (a) Whether or not so stipulated herein, all notices, communication, requests and statements (the "Notice") required or permitted hereunder shall be in writing.
- (b) Any Notice required or permitted hereunder shall be sent to the intended recipient at its address as follows:
 - (i) City of St. Albert
5 St Anne Street
St. Albert, Alberta
T8N 3Z9
Attention: Business Manager
FAX: (780) 460-2394
E-mail: bbrost@stalbert.ca

- (ii) Capital Region Northeast Water Services Commission
c/o Strathcona County
2001 Sherwood Drive
Sherwood Park, Alberta
T8A 3W7
Attention: CRNWSC Operator
Fax: (780) 464-0557
E-mail: charles.conroy@strathcona.ca
- (iii) Sturgeon County
9613 – 100 Street
Morinville, Alberta
T8R 1L9
Attention: General Manager
Fax: (780) 939-3003
E-mail: imckay@sturgeoncounty.ca
- (iv) Capital Region Parkland Water Services Commission
c/o City of Spruce Grove
315 Jespersen Avenue
Spruce Grove, Alberta
T7X 3E8
Attention: Commission Manager
Fax: (780) 962-1062
E-mail: clevasseur@sprucegrove.org
- (v) Capital Region Southwest Water Services Commission
c/o The City of Leduc
1 Alexandra Park
Leduc, Alberta
T9E 4C4
Attention: Commission Manager
Fax: (780) 980-7127
E-mail: kcole@leduc.ca
- (vi) Town of Morinville
10125 – 100 Avenue
Morinville, Alberta
T8R 1L6
Attention: Director of Public Works
Fax: (780) 939-5633
E-mail: cvalcourt@morinville.ca
- (vii) Strathcona County
2001 Sherwood Drive
Sherwood Park, Alberta
T8A 3W7
Attention: Manager
Fax: (780) 464-0557
E-mail: lyle.clarke@strathcona.ca
- (viii) Regional Water Customers Group Inc.
c/o Strathcona County
Sherwood Park, Alberta
T8A 3W7
Attention: Manager
Fax: (780) 464-0557
E-mail: lyle.clarke@strathcona.ca

or to such other address as each Member and the Trustee Corporation may from time to time direct in writing.

(c) Notice shall be served by one of the following means:

- (i) by delivering it to the address specified in (a) during normal business hours. Notice delivered in this manner shall be deemed received when actually delivered;
- (ii) by fax or email to the Member on whom it is to be served. Notice delivered in this manner shall be deemed received on the earlier of:
 - (A) if transmitted before 3:00 p.m. on a Business Day, on that Business Day; or
 - (B) if transmitted after 3:00 p.m. on a Business Day, on the next Business Day after the date of transmission; or
- (iii) by mailing via first class registered post, postage prepaid, to the Member to whom it is served. Notice so served shall be deemed to be received five (5) days after the date it is postmarked. In the event of postal interruption, no notice sent by means of the postal system during or within seven (7) days prior to the commencement of such postal interruption or seven (7) days after the cessation of such postal interruption shall be deemed to have been received unless actually received.

18.2 Governing Law

This Agreement shall be construed and governed by the laws of the Province of Alberta and the laws of Canada applicable therein and the parties irrevocably attorn to the exclusive jurisdiction of the Courts of the Province of Alberta.

18.3 Time of Essence

Time shall be of the essence of this Agreement.

18.4 Headings

The headings, captions, paragraph numbers, sub-paragraph numbers, article numbers and indices appearing in this Agreement have been inserted as a matter of convenience and for reference only and in no way define, limit, construct or enlarge the scope or meaning of this Agreement or any provisions hereof.

18.5 No Authority

Except as may from time to time be expressly stated in writing by all Members or as otherwise stated in this Agreement, no Member has authority to assume or create any obligation whatsoever, expressed or implied, on behalf of or in the name of the other Members, nor to bind the other Members in any manner whatsoever.

18.6 Agreement Entire Relationship

This Agreement constitutes the entire agreement between the parties relating to the subject matter hereof and the parties acknowledge and agree that there are no covenants, representations, warranties, agreements or conditions expressed or implied, collateral or otherwise forming part of or in any way affecting or relating to this Agreement save as expressly set out in this Agreement.

18.7 Further Assurances

Each of the parties do hereby agree to do such things and execute such further documents, agreements and assurances as may be necessary or advisable from time to time in order to carry out the terms and conditions of this Agreement in accordance with their true intent.

18.8 Amendments

This Agreement may not be altered or amended in any of its provisions, except where any such changes are reduced to writing and executed by the parties.

18.9 Waiver

No consent or waiver, express or implied, by any Member to or of any breach or default by any Member in the performance of another Member 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 of obligations hereunder by such Member hereunder. Failure on the part of any Member to complain of any act or failure to act of another Member or to declare another Member in default, irrespective of how long such failure continues, shall not constitute a waiver by such Member of its rights hereunder.

18.10 Counterparts

This Agreement may be executed and delivered in any number of counterparts, by facsimile copy, by electronic or digital signature or by other written acknowledgement of consent and agreement to be legally bound by its terms. Each counterpart when executed and delivered will be considered an original but all counterparts taken together constitute one and the same instrument.

18.11 Statutory Reference

Any reference to a statute shall include and shall be deemed to be a reference to such statute and to the regulations made pursuant thereto and promulgated thereunder with all amendments made thereto and in force from time to time and any final judicial decisions interpreting the same, and to any statute or regulation that may be passed which has the effect of supplementing or superseding the statute so referred to or the regulations made pursuant thereto.

18.12 Unenforceability

If any term, covenant or condition of this Agreement or the application thereof to any Member or circumstances shall be invalid or unenforceable to any extent, the remainder of this Agreement or application of such term, covenant or condition to a Member or circumstance other than those to which it is held invalid or unenforceable shall not be affected thereby and each remaining term, covenant or condition of this Agreement shall be valid and shall be enforceable to the fullest permitted by law.

18.13 Remedies Generally

Mention in this Agreement of any particular remedy of a Member in respect of a default by another Member does not preclude the other Members from any other remedy in respect thereof, whether available at law or in equity or by statute or expressly provided for in this Agreement. No remedy shall be exclusive or dependent upon any other remedy, but a Member may from time to time exercise any one of more of such remedies generally or in combination, such remedies being cumulative and not alternative.

18.14 Singular, Plural and Gender

Wherever the singular, plural, masculine, feminine or neuter is used throughout this Agreement the same shall be construed as meaning the singular, plural, masculine, feminine, neuter, body politic or body corporate where the fact or context so requires and the provisions hereof.

18.15 Binding Effect

This Agreement shall enure to the benefit of and be binding upon the successors and permitted assigns of each of the Members.

18.16 Assignment

No Member shall assign its interest in this Agreement, or any part hereof, in any manner whatsoever without having first received written unanimous consent from the other Members.

18.17 Requests for Consent

All Members shall provide any decision with regard to a request for consent in a timely manner.

18.18 Construction

This Agreement shall be interpreted according to its fair construction and shall not be construed as against any Member hereto.

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

CITY OF ST. ALBERT

Per: [Signature]

Per: [Signature]

CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION

Per: _____

Per: _____

STURGEON COUNTY

Per: _____

Per: _____

CAPITAL REGION PARKLAND WATER SERVICES COMMISSION

Per: _____

Per: _____

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

Per: _____

Per: _____

TOWN OF MORINVILLE

Per: _____

Per: _____

STRATHCONA COUNTY

Per: _____

Per: _____

REGIONAL WATER CUSTOMERS GROUP INC.

Per: _____

Per: _____

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Per: [Signature]

Per: _____

STURGEON COUNTY

Per: _____

Per: _____

CAPITAL REGION PARKLAND WATER SERVICES COMMISSION

Per: [Signature]

Per: _____

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

Per: _____

Per: _____

TOWN OF MORRISVILLE

Per: [Signature]

Per: _____

STRATHCONA COUNTY

Per: [Signature]

Per: _____

REGIONAL WATER CUSTOMERS GROUP INC.

Per: [Signature]

Per: _____

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CITY OF ST. ALBERT

Per: _____

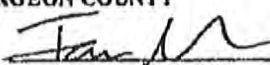
Per: _____

CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION

Per: _____

Per: _____

STURGEON COUNTY

Per:  _____

Per: _____

CAPITAL REGION PARKLAND WATER SERVICES COMMISSION

Per: _____

Per: _____

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

Per: _____

Per: _____

TOWN OF MORINVILLE

Per: _____

Per: _____

STRATHCONA COUNTY

Per: _____

Per: _____

REGIONAL WATER CUSTOMERS GROUP INC.

Per: _____

Per: _____

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CITY OF ST. ALBERT

Per: _____

Per: _____

CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION

Per: _____

Per: _____

STURGEON COUNTY

Per: _____

Per: _____

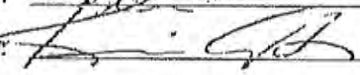
CAPITAL REGION PARKLAND WATER SERVICES COMMISSION

Per: _____

Per: _____

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

Per:  _____

Per:  _____

TOWN OF MORINVILLE

Per: _____

Per: _____

STRATHCONA COUNTY

Per: _____

Per: _____

REGIONAL WATER CUSTOMERS GROUP INC.

Per: _____

Per: _____

SCHEDULE "A"

DISPUTE RESOLUTION PROCEDURE

1. Definitions

In this Schedule, in addition to terms defined elsewhere in the Agreement, the following words and phrases have the following meanings:

- (a) "Arbitrator" means the person appointed to act as such to resolve any Dispute;
- (b) "Arbitration" means a process whereby each of the Parties, with or without legal counsel, agrees to jointly engage and meet with an Arbitrator who will render a binding decision in respect of any Disputes;
- (c) "Disclosed Information" means the information disclosed by a Party for the purpose of settlement, negotiation, Mediation or Arbitration;
- (d) "Mediation" means a process whereby a Representative of each Party, with or without legal counsel, agrees to jointly engage the services and meet with a Mediator to participate in a mediation, conciliation or similar dispute resolution process;
- (e) "Mediator" means the person appointed to facilitate the resolution of a Dispute between the Parties;
- (f) "Representative" means an individual who has no direct operational responsibility for the matters comprising the Dispute, who holds a senior position with a Party and who has full authority to settle a Dispute.

2. Principles of Dispute Resolution

Each Member acknowledges and agrees that:

- (a) in any business relationship a difference of opinion or interpretation or a divergence of interest may arise;
- (b) Each Member is committed to resolving any disputes in a non-adversarial, informal and cost efficient manner;
- (c) the following process shall apply in respect of Disputes which are either referred to, or are required by the terms of this Agreement to be resolved in accordance with, the Dispute Resolution Procedure; and
- (d) the Parties shall make all reasonable efforts to resolve all Disputes by negotiation and agree to provide, without prejudice, open and timely disclosure of relevant facts, information and documents to facilitate these negotiations as further contemplated within this Schedule.

3. Dispute Process

In the event of any Dispute, the Parties agree that they shall undertake a process to promote the resolution of a Dispute in the following order:

- (a) first, by negotiation;
- (b) second, by way of Mediation; and

- (c) third, if agreed to mutually by the Members, by Arbitration.

Negotiation, Mediation or Arbitration shall refer to, take into account, and apply the intentions and principles stated by the Parties within the Agreement.

4. Negotiation

A Member shall give written notice ("Dispute Notice") to the other Members and the Trustee Corporation of a Dispute and outline in reasonable detail the relevant information concerning the Dispute. Within seven (7) days following receipt of the Dispute Notice, each Member shall each appoint a Representative, who shall meet and attempt to resolve the Dispute through discussion and negotiation. If the Dispute is not resolved within thirty (30) days of the appointment of a Representative by each Member, the negotiation shall be deemed to have failed.

5. Mediation

- (a) If the Representatives cannot resolve the Dispute through negotiation within such thirty (30) day period, then the Dispute shall be referred to Mediation.
- (b) In such event, either Member shall be entitled to provide the other Members with a written notice ("Mediation Notice") specifying:
- (i) the subject matters remaining in Dispute, and the details of the matters in Dispute that are to be mediated; and
 - (ii) the nomination of an individual to act as the Mediator.
- (c) The Members shall, within thirty (30) days of the Mediation Notice, jointly nominate or agree upon a Mediator.
- (d) Where a Mediator is appointed, the Members shall submit in writing their Dispute to the Mediator, and afford to the Mediator access to all records, documents and information the Mediator may reasonably request. The Members shall meet with the Mediator at such reasonable times as may be required and shall, through the intervention of the Mediator, negotiate in good faith to resolve their dispute. All proceedings involving a Mediator are agreed to be without prejudice, and the cost of the Mediator shall be shared equally between the Parties.
- (e) In the event that
- (i) the Members do not agree on the appointment of a Mediator with thirty (30) days of the Mediation Notice;
 - (ii) the Mediation is not completed within thirty (30) days after the appointment of the Mediator; or
 - (iii) the Dispute has not been resolved within sixty (60) days from the date of receipt of the Dispute Notice;

any Member may by notice to the others, withdraw from the Mediation process and in such event the Dispute shall be deemed to have failed to be resolved by Mediation.

6. Arbitration:

- (a) If Mediation fails to resolve the Dispute, the Dispute shall be submitted to binding Arbitration. Any of the Members may provide the other Members with written notice ("Arbitration Notice") specifying:

- (i) the subject matters remaining in Dispute and the details of the matters in Dispute that are to be arbitrated; and
 - (ii) the nomination of an individual to act as the Arbitrator.
- (b) Within fourteen (14) days following receipt of the Arbitration Notice, the other Members shall, by written notice, advise as to which matters stated in the Arbitration Notice each accepts and with which matters each disagrees and shall also advise whether each agrees with the resolution of the disputed items by Arbitration, and whether each agrees with the Arbitrator selected by the initiating Member or provide the name of one Arbitrator selected by that other Member. Should the Members fail to agree to resolve any disputed items by Arbitration, this Dispute Resolution Process shall come to an end.
- (c) Subject to agreement of the Members to resolve any disputed items by Arbitration as contemplated above the Members shall, within thirty (30) days of the Arbitration Notice, jointly nominate or agree upon an Arbitrator.
- (d) Should the Members fail to agree on a single arbitrator within the fourteen (14) day period referred to above, then any Member may apply to a Justice of the Court of Queen's Bench of Alberta to have the arbitrator appointed.
- (e) The terms of reference for Arbitration shall be those areas of dispute referred to in the Arbitration Notice, and the receiving Member's response thereto.
- (f) The Arbitrator shall conduct the Arbitration in accordance with the commercial arbitration rules (the "Rules") established from time to time by the ADR Institute of Canada Inc., unless the Parties agree to modify the same pursuant to any arbitration agreement. The Arbitration Act (Alberta) shall apply to all Arbitrations but if there is a conflict between the Rules and the provisions of the Act, the Rules shall prevail. Notwithstanding the foregoing, any such Arbitration shall be conducted in the English language.
- (g) The Arbitrator shall proceed to hear and render a written decision concerning any Dispute within:
- (i) forty-five (45) days, if the subject matter of the Dispute is less than \$250,000.00; or
 - (ii) ninety (90) days, if the subject matter of the Dispute is greater than \$250,000.00.
- (h) The Arbitrator has the right to award solicitor-client costs against an unsuccessful Member and to award interest but does not have the right to award punitive, consequential or other exemplary damages.
- (i) The Arbitrator's decision is final and binding but is subject to appeal or review by any court of proper jurisdiction only with respect to an allegation of fraud.
- (j) Judgment upon any award (an "Award") rendered in any such Arbitration may be entered in any court having jurisdiction thereof, or application may be made to such court for a judicial acceptance of the Award and an enforcement order, as the laws of such jurisdiction may require or allow.
- (k) The Members acknowledge and agree that, where a Dispute involves a Claim for injunctive relief, a Member may refer such matter to Arbitration in accordance with this Schedule or apply to the appropriate court for relief.

7. **Participation**

The Parties and their Representatives will participate in good faith in the negotiation, Mediation and, if applicable, Arbitration processes and provide such assistance and Disclosed Information as may be reasonably necessary.

8. **Location**

The place for Mediation and Arbitration shall be within the City of Edmonton, or such other location as the Parties may agree.

9. **Selection of Mediator and Arbitrator**

Without restricting any of the foregoing, if the Parties are unable to agree upon the appointment of a single Mediator or Arbitrator, respectively, within ten (10) days after receipt of the Mediation Notice or Arbitration Notice, as the case may be, either of the Parties may request that a single Mediator or Arbitrator, as the case may be, of suitable training, experience and independence, and who in respect of the subject matter of the Dispute has a reasonable practical understanding, be recommended for appointment by the executive director or other individual fulfilling that role for the ADR Institute of Canada, Inc. The executive director shall be requested to make this determination within five (5) days of receipt of the request.

10. **Costs**

Subject to clause 6(l) of this Schedule, in the case of an Arbitration the Parties shall bear their respective costs incurred in connection with the negotiation, Mediation and, if applicable, Arbitration except that the Parties shall equally share the fees and expenses of the Mediator and Arbitrator and the cost of the facilities required for Mediation and Arbitration.

11. **Disclosed Information**

All Disclosed Information shall be treated as confidential and neither its delivery nor disclosure shall represent any waiver of privilege by a Party disclosing such Disclosed Information. Subject only to the rules of discovery, each Party agrees not to disclose the Disclosed Information to any other Person or for any other purpose. Such Disclosed Information cannot be used in any subsequent proceedings without the consent of the Party who has made the disclosure. The Parties agree that any Representative, Mediator and, if applicable, Arbitrator shall not be subpoenaed or otherwise compelled as a witness in any proceedings for the purpose of testifying with respect to the nature or substance of any dispute resolution process that may arise in relation to any matter that is a subject of this Agreement. Nothing in this Dispute Resolution Procedure shall require a Party to disclose information that is subject to confidentiality provisions with third parties.



Industry
Canada Industrie
Canada

Certificate of Incorporation

Canada Not-for-profit Corporations Act

Certificat de constitution

*Loi canadienne sur les organisations à but non
lucratif*

Regional Water Customers Group Inc.

Corporate name / Dénomination de l'organisation

889277-6

Corporation number / Numéro de
l'organisation

I HEREBY CERTIFY that the above-named corporation, the articles of incorporation of which are attached, is incorporated under the *Canada Not-for-profit Corporations Act*.

JE CERTIFIE que l'organisation susmentionnée, dont les statuts constitutifs sont joints, est constituée en vertu de la *Loi canadienne sur les organisations à but non lucratif*.

Virginie Ethier

Director / Directeur

2014-05-20

Date of Incorporation (YYYY-MM-DD)
Date de constitution (AAAA-MM-JJ)

Canada



2014-05-21

Corporation Information Sheet

Canada Not-for-profit Corporations Act (NFP Act)

Fiche de renseignements concernant l'organisation

Loi canadienne sur les organisations à but non lucratif (Loi BNL)

Regional Water Customers Group Inc.

Corporation Number	889277-6	Numéro d'organisation
Corporation Key Required for changes online	11376359	Clé de société Requise pour mettre les renseignements à jour en ligne
Anniversary Date Required to file annual return	05-20 (mm-dd/mm-jj)	Date anniversaire Requise pour le dépôt du rapport annuel
Annual Return Filing Period Starting in 2015	05-20 to/au 07-19 (mm-dd/mm-jj)	Période pour déposer le rapport annuel Débutant en 2015

Reporting Obligations

A corporation can be dissolved if it defaults in filing a document required by the NFP Act. To understand the corporation's reporting obligations, consult the pamphlet "Your Reporting Obligations under the *Canada Not-for-profit Corporations Act*" enclosed or available on our website.

Corporate Name

Where a name has been approved, be aware that the corporation assumes full responsibility for any risk of confusion with trade names and trademarks (including those set out in the NUANS Name Search Report). The corporation may be required to change its name in the event that representations are made to Corporations Canada and it is established that confusion is likely to occur. Also note that any name granted is subject to the laws of the jurisdiction where the corporation carries on its activities. For additional information about protecting corporate names, consult our website.

Obligations de déclaration

Une organisation peut être dissoute si elle omet de déposer un document requis par la Loi BNL. Pour connaître les obligations de déclaration de l'organisation, veuillez consulter « Vos obligations de déclaration en vertu de la *Loi canadienne sur les organisations à but non lucratif* » ci-joint ou disponible dans notre site Web.

Dénomination

Dans les cas où Corporations Canada a approuvé une dénomination, il faut savoir que l'organisation assume toute responsabilité de risque de confusion avec toutes dénominations commerciales, marques de commerce existantes (y compris celles qui sont citées dans le Rapport NUANS de recherche de dénominations). L'organisation devra peut-être changer sa dénomination advenant le cas où des représentations soient faites auprès de Corporations Canada établissant qu'il existe une probabilité de confusion. Il faut aussi noter que toute dénomination octroyée est assujettie aux lois de la province ou du territoire où l'organisation mène ses activités. Pour obtenir des renseignements supplémentaires concernant la protection d'une dénomination, consulter notre site Web.