

**BY-LAW NUMBER 15-46**

**OF**

**THE CORPORATION OF THE TOWNSHIP OF CLEARVIEW**

**BEING A BY-LAW TO AUTHORIZE THE EXECUTION OF AGREEMENTS BETWEEN  
THE TOWNSHIP OF CLEARVIEW AND CREEMORE SPRINGS BREWERY LIMITED**

**WHEREAS** Section 9 of the *Municipal Act 2001, S.O 2001, c. 25* as amended, grants municipalities the rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

**AND WHEREAS** the Council of the Corporation of the Township of Clearview approved the Letter of Intent which contains the draft agreement for the cost sharing of the project with Creemore Springs Brewery on October 21, 2013;

**AND WHEREAS** the Creemore STP Aeration Upgrade project has concluded and the cost sharing calculations in the draft agreement have been updated to the actuals;


**AND WHEREAS** the Council of the Corporation of the Township of Clearview authorized the borrowing of the funds for the project on June 23, 2014 and the loan has been finalized and the interest rate set on April 27, 2015;

**AND WHEREAS** Council of the Corporation of The Township of Clearview deems it expedient to enter into an agreement with Creemore Springs Brewery Limited for the reimbursement of funds expended to upgrade the Creemore Sewage Treatment Plant Aeration;

**NOW THEREFORE COUNCIL OF THE CORPORATION OF THE TOWNSHIP OF  
CLEARVIEW HEREBY ENACTS AS FOLLOWS:**

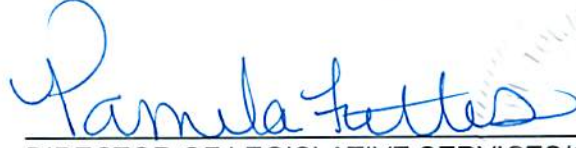
1. This By-law may be known and cited for all purposes as the "Township of Clearview Creemore STP Aeration Upgrade Agreement By-law No. 15-46."
2. That Council does hereby authorize the Mayor/County Councillor and the Director of Legislative Services/Clerk to execute the Agreement, attached hereto as Schedule "A".
3. That Schedule "A" is declared to form part of this By-law.
4. This By-law shall come into force and take effect upon being passed by Council.

Read a first, second and third time and finally passed this 1<sup>st</sup> day of June, 2015.



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MAYOR/COUNTY COUNCILLOR



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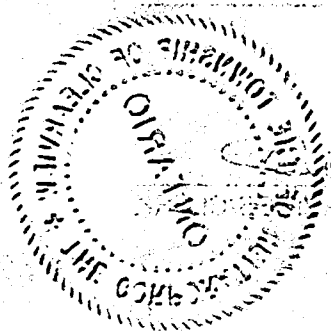
DIRECTOR OF LEGISLATIVE SERVICES/CLERK



Printed name of your client bearing witness to the fact that the person named is your

*Edward J. ...*  
WITNESSES TO THE SIGNATURE OF THE

*W. J. ...*  
DIRECTOR OF THE BUREAU OF RECORDS



THIS AGREEMENT made, in duplicate, this 19 day of May, 2015

BETWEEN: **THE CORPORATION OF THE TOWNSHIP OF CLEARVIEW**  
(hereinafter called the "Township")

OF THE FIRST PART

AND: **CREEMORE SPRINGS BREWERY LIMITED**  
(hereinafter called the "Brewery")

OF THE SECOND PART

WHEREAS the Township of Clearview had constructed a sewage treatment plant in 2001, and associated sewage works, in the former Village of Creemore, in the Township of Clearview, County of Simcoe;

AND WHEREAS the Brewery is the owner of property located in the former Village of Creemore, legally described in Schedule "A" hereto ("the lands"), in the Township of Clearview, County of Simcoe and municipally known as 137 – 139 Mill Street, Creemore, Ontario from which is operated its brewery business (the "Brewery Operation");

AND WHEREAS the Brewery is a unique proposed user of sewage service within the former Village of Creemore;

AND WHEREAS the equipment installed for the aeration system was expected to have a 30 year lifespan;

AND WHEREAS Creemore Springs Brewery Limited contributed 20% towards the cost of the construction of sewage treatment plant in 2001 including the aeration system;

AND WHEREAS Creemore Springs Brewery Limited entered into a Sewage Use Agreement with The Township of Clearview on May 30, 2012;

AND WHEREAS Section 14 of the Sewage Use Agreement includes a requirement to pay a charge towards capital replacement of the Creemore sewage treatment plant's aeration equipment which is separate from the charge proposed in this agreement;

AND WHEREAS R.J. Burnside & Associates Limited completed a Technical Study dated July 11, 2013 that determined that the Biochemical Oxygen Demand loading from Creemore Springs Brewery Limited will exceed plant capacity during Creemore Springs Brewery Limited's expansion necessitating the upgrade of the Creemore Sewage Treatment Plant aeration equipment and included cost estimates;

AND WHEREAS the parties wish, by this Agreement, to establish the financial obligations of the Brewery for defined costs including the Brewery's contribution toward the capital cost of the aeration equipment upgrade ("sewage works") for sewage service to its Brewery Operation for the term of this Agreement;

NOW THEREFORE the parties hereto, in consideration of the mutual covenants and agreements herein contained, do hereby agree as follows:

DEFINITIONS

1. (a) "Sewage service rate", "sewage works", and "sewer rate" shall have the meaning given under section 221(1) of the *Municipal Act*.

## TERM

2. This Agreement shall govern for a period of ten (10) years from the date that aeration equipment upgrade becomes fully available to the Brewery Operation as certified in writing by the Township's Engineers, or the full payout of the loan which finances the upgrade.
  - a. The Township shall obtain financing for the sewage works and the Brewery shall repay the Township for the full cost of the loan. The loan shall reflect current market rates at the time the loan is entered into and must be with reputable lender. The Brewery is not responsible for any costs incurred by the Township for late payments on the loan, unless the late payments are a direct result of the Brewery not making timely payments to the Township. The Township shall not add and charge through to the Brewery any premium on the loan.
  - b. The loan will be for two consecutive 5 year terms for which the lending rate and other actual borrowing costs, if any, which will form the cost of borrowing for the second 5 years shall be determined at the time of the loan renewal.

## COMPENSATION FOR SEWAGE TREATMENT SERVICES

3. During the term of this Agreement, the Brewery agrees to pay to the Township:
  - (a) a sewer aeration upgrade fee – a monthly fee toward the capital cost of the sewage works of \$2,104.30 per month ( $\$3,765.68 \times 55.88\%$ ) for a fixed period of 60 months to be followed by a monthly amount to be determined for the remaining 60 months based on the renewal of the loan.
4. During the term of this Agreement, no special assessment with respect to sewage services shall be sought or applied against the Brewery by the Township under the Local Improvement Act or under any other provincial or municipal statute, regulation, by-law or resolution.
5. The parties agree that:
  - (a) any amount due and owing to the Township under this Agreement is a lien and charge upon the land which may be registered on title to the land on which the Brewery Operation is situated, and that the Township shall have the right to collect such outstanding amounts (in the same manner as municipal taxes) pursuant to the provisions of the Municipal Act; and
  - (b) this agreement shall, forthwith after execution, be registered on title to the lands at the Brewery's expense.

## WARRANTY

6. The Township warrants and agrees that the sewage works to be provided by the Township under the terms of this Agreement shall be designed, and shall be sufficient to:
  - (a) Accommodate and treat all sewage effluent currently being generated by the Brewery in its normal operation; and



Schedule A

Legal Description of the Lands

LT 13 S/S OF ELIZABETH ST PL 315 NOTTAWASAGA; PT LT 14 S/S OF ELIZABETH ST PL 315 NOTTAWASAGA PT 1 & 2, 51R5903; PT LT 13 N/S OF EDWARD ST PL 315 NOTTAWASAGA AS IN RO1418544, PT LT 14 N/S OF EDWARD ST PL 315 PT 1, 51R18279 & PT 2 51R18279; PT LT 14 N/S OF EDWARD ST PL 315 NOTTAWASGA AS IN RO1420775; LT 15 N/S OF EDWARD ST PL 315 NOTTAWASAGA; LT 16 N/S OF EDWARD ST PL 315 NOTTAWASAGA; S/T INTEREST IN RO 1361518; T/W AN EASEMENT IN FAVOUR OF LT 13 & PT LT 14 S/S ELIZABETH ST PL 315 BEING PL 315 BEING PTS 1 & 2 PL 315 BEING PTS 1 & 2 51R5903 OVER PT LT 10 CON 7 NOTTAWASAGA, PTS 14, 15 & 19 PL 51R26562 AS IN SC885621; CLEARVIEW

LT 15 S/S OF ELIZABETH ST PL 315 NOTTAWASGA; PT LT 14 S/S OF ELIZABETH ST PL 315 NOTTAWASGA AS IN RO1425069; CLEARVIEW

LT 16 S/S OF ELIZABETH ST PL 315 NOTTAWASGA; CLEARVIEW

LT 17 N/S OF EDWARD ST PL 315 NOTTAWASAGA; CLEARVIEW

PT LT 13 N/S EDWARD ST PL 315 NOTTAWASAGA; PT LT 14 N/S OF EDWARD ST PL 315 NOTTAWASGA AS IN RO1103967; CLEARVIEW

Schedule B: Calculations

**Creemore WWTP Aeration Upgrade Project**

Actual 2015

Scenario 1 - Betterment

Total cost of Upgraded Aeration Project		\$	406,289	
Less cost to replace existing equipment	\$	(218,655)		
Adjustment for early replacement (45% of value)	\$	98,395		
Adjustment for blower contributions (est.)	\$	(2,700)		
Cost to replace existing equipment	\$	(122,960)		
Clearview portion to replace existing equipment	\$	(122,960)		
CSB equipment replacement portion	\$	(95,695)		
Net cost to replace equipment		\$	(218,655)	
<b>Net Cost</b>		\$	<b>187,634</b>	
		\$	187,634	100%
CSB expansion portion	\$	131,344		70%
Clearview expansion portion	\$	56,290		30%
<b>Total Payable</b>				
CSB equip replacement (lost value due to early replacement)	\$	95,695		
CSB expansion portion	\$	131,344		
<b>Total CSB</b>	\$	<b>227,039</b>		
Clearview equip replacement	\$	122,960		
clearview expansion portion	\$	56,290		
<b>Total Clearview</b>	\$	<b>179,251</b>		
<b>Total cost of project</b>	\$	<b>406,289</b>		
Less CSB	\$	(227,039)		55.88%
Less Clearview	\$	(179,251)		44.12%
<b>Total remaining</b>	\$	<b>-</b>		

Note: This is an example of the calculation methodology. Figures used are draft and may change.

70/30 based on future plant capacity

45% = 80% of 56.7% (17/30 years useful life remaining in equipment to be replaced)

Blower contributions = estimated amount paid since agreement established