

**Contribution Agreement**

**- between -**

**Her Majesty the Queen in Right of Canada**

**- and -**

**The Corporation of the City of North Bay**

**- concerning –**

**Per- and Polyfluoroalkyl Substances (“PFAS”) at the North Bay Airport Lands**

## CONTRIBUTION AGREEMENT

### Per- and Polyfluoroalkyl Substances (“PFAS”) at the North Bay Airport Lands

This **Contribution Agreement** is made in duplicate as of the date of the last signature

**BETWEEN:** HER MAJESTY THE QUEEN IN RIGHT OF CANADA, represented by the Minister of National Defence, acting through the Department of National Defence (“DND”)

**AND** THE CORPORATION OF THE CITY OF NORTH BAY (hereafter the “City”);

(Individually referred to as “Party” and collectively referred to as “the Parties”).

**WHEREAS** DND intends to provide a Contribution to the City, towards the City’s remediation efforts of PFAS contamination at the North Bay Airport Lands (hereafter “Airport Lands” or “the Site”);

**WHEREAS** firefighting training by DND on the Airport Lands from the early 1970’s to 1995 involved the use of foam containing PFAS;

**WHEREAS** Her Majesty the Queen in Right of Canada transferred the firehall and the lands upon which it is situated and the chattels and equipment in the said firehall to the City on June 30th 1995 (referred to below as the “Airport Lands”);

**WHEREAS** fighting a fire in a hangar on the Airport Lands on July 27<sup>th</sup> 1997 required a significant quantity of foam containing PFAS;

**WHEREAS** Her Majesty the Queen in Right of Canada transferred the remainder of the Airport Lands to the City on January 30th 1998;

**WHEREAS** the Parties are committed to the principles of sustainable development in recognizing the environmental, social and economic dimensions associated with the remediation of PFAS at the Airport Lands;

**WHEREAS** the Parties recognize the unique nature of the remediation of the PFAS contamination at the Airport Lands and that this Contribution Agreement (hereafter “Agreement”) does not constitute a precedent or admission of legal liability for the Airport Lands or any other sites or contaminated lands wheresoever located; and

**WHEREAS** the Parties recognize that DND’s financial contribution to the remediation of the Airport Lands is to be directed to contamination that poses a health and safety or environmental risk and that is found on National Classification System Class 1 or 2 sites.

**WHEREAS** the Parties agree that the Site has been scored using the National Classification System for Contaminated Sites and was determined to be a Class 1.

**WHEREAS** the Parties want to collaborate and use to the greatest extent possible their respective strengths and resources.

**NOW THEREFORE, in consideration of the foregoing background, the covenants in this Agreement, and other good and valuable consideration (the receipt and adequacy of which are hereby acknowledged), the Parties agree as follows:**

## **1.0 INTERPRETATION / DEFINITIONS**

1.1 Unless otherwise defined herein, or unless the context otherwise required in this Agreement, including the Introduction and the Schedules hereto, the following terms will have the following meanings:

- a) “Agreement” means this Contribution Agreement and the Schedules attached hereto providing for the ongoing relationship between the Parties in relation to the Project, as amended from time to time.
- b) “Contamination” means the presence of PFAS substances occurring on or under the Site at concentrations (1) above background (normally occurring) levels and which pose or are likely to pose an immediate or long term hazard to human health or the environment, or (2) exceeding concentrations specified in Federal or Provincial policies, guidelines and regulations published at the time this Agreement comes into effect.
- c) “Contribution” means a transfer payment subject to performance conditions specified in a contribution agreement. A contribution is to be accounted for and is subject to audit.
- d) “Eligible Costs” means the costs described in section 9.1 of this Agreement.
- e) “Environmental Assessment” means an environmental assessment as defined by the Ontario *Environmental Assessment Act*.
- f) “Fiscal Year” means the period beginning on April 1 in one year and ending on March 31 in the next year.

- g) “NCS Class 1 Sites” means the National Classification System rating for contaminated sites defined by the Canadian Council of Ministers of the Environment that classifies these types of sites as:

**Action Required:** The available information indicates that action (e.g. further site characterization, risk management, reclamation, etc.) is required to address existing concerns. Typically, Class 1 sites show a propensity to high concern for several factors, and measured or observed impacts have been documented.

- h) “NCS Class 2 Sites” means the National Classification System rating for contaminated sites defined by the Canadian Council of Ministers of the Environment that classifies these types of sites as:

**Action Likely Required:** The available information indicates that there is high potential for adverse off-site impacts, although the threat to human health and the environment is generally not imminent. There is probably no indication of off-site contamination; however, the potential for this was rated high and therefore some action is likely required.

- i) “Party” or “Parties” means either DND or the City if used in the singular and both DND and the City when used in plural.
- j) “PFAS” means Per- and Polyfluoroalkyl Substances; PFAS are man-made chemicals used in a variety of industrial and consumer products, including fire-fighting foams.
- k) “Project” means the Remediation of the Contamination on, in or under the North Bay Airport Lands located in the City of North Bay as described in Schedule 1.
- l) “Project cost” means the total costs estimated by the City to complete the Remediation, which includes eligible and ineligible costs.
- m) “Records” means notes, lab books, technical and progress reports, memos, letters, accounts, invoices, receipts, vouchers, information of a scientific or technical nature pertaining to the Project or the purposes of the Agreement, whether oral or recorded in any form or medium and whether or not protected by copyright, including but not limited to data, techniques, methods, processes, know-how, inventions, designs, formulae, photographs, drawings, plans, specifications, reports, studies, technical and procedural manuals, computer hardware and computer software, data files, and documentation and like records on any medium.
- n) “Remediation” means removal of the Contamination or management of the Contamination on-Site in order to reduce the human health and/or environmental

risks to acceptable levels, to be determined through the contaminated site management process to be conducted in accordance with Ontario Regulation 153/04.

- o) “Site” means the North Bay Airport Lands located in the City of North Bay, described more particularly in the legal description and map in Schedule 4 of this Agreement that is, or is projected to be, remediated, as provided for in this Agreement.
- p) “Work” means materials and services furnished or provided to the City to perform the Remediation at the Site.

## **2.0 OBJECTIVES, RESULTS AND PRINCIPLES**

2.1 The objective of this Agreement is to set out the terms and conditions for DND’s Contribution to the City for the Remediation of the Contamination. The Remediation of the Contamination shall be carried out by the City on its own behalf and not on behalf of DND.

2.2 The expected result of the Remediation is that Contamination on the Site will be remediated by the City to acceptable levels, to be determined through the contaminated site management process to be conducted in accordance with Ontario Regulation 153/04, and that the Remediation will thereby assist in minimizing risk of adverse effects to human health and the environment in the local affected areas. This Agreement does not apply to the remediation of PFAS contaminated groundwater which has migrated from the Site prior to the completion of the Remediation.

2.3 The acceptable level of Remediation of the Site will be determined through the development and implementation of a remedial action plan including the possible development of property specific standards for PFAS, in consultation with the Province of Ontario.

2.4 The City will apply the following principles in support of the implementation of this Agreement:

- a) **Consistency with applicable law:** this Agreement must be interpreted in a manner consistent with federal and provincial legislative requirements;
- b) **Choice of Remediation options:** the preferred Remediation option will be: protective of human health and safety; environmentally acceptable; achievable in a timely manner; most cost-effective; and will seek to restore the quality of the environment to the level required for the expected future use of the Site. While it is recognized that the objective of the Remediation will be to assist in minimizing the risk of adverse effects to human health and safety and the environment off Site, the Remediation is expressly not intended to apply to the remediation of PFAS contaminated

groundwater which has migrated from the Site prior to the completion of the Remediation.;

- c) **Effectiveness and efficiency:** sound project planning and decision-making, and will contribute to the best use of public resources; and
- d) **Transparency and accountability:** ensure, subject to the terms and conditions of this Agreement and applicable laws, timely disclosure of and access to relevant information concerning the Project.

### **3.0 THIRD PARTIES**

3.1 The City will identify, and direct where applicable, any third parties determined responsible for the Remediation of the Site to proceed with the necessary actions and/or activities for the Remediation of the Site.

### **4.0 PROJECT SCOPE**

4.1 This Agreement applies to the Remediation of PFAS at the Site where Contamination occurred before the date of transfer of the firehall and firefighting equipment from DND to the City on June 30<sup>th</sup>, 1995.

4.2 For greater certainty, this Agreement does not apply to lands located off-Site or the remediation of contaminants other than PFAS, and PFAS contamination which occurred after June 30<sup>th</sup>, 1995.

4.3 This Agreement binds the Parties only with respect to Remediation that has not commenced as of the Effective Date of this Agreement.

4.4 If the Project requires Environmental Assessment Act approval, then subject to the completion of an Environmental Assessment and in accordance with the Environmental Assessment, the Project will be carried out by the City in the phases as set out in Schedule 1 to this Agreement.

4.5 The City will ensure that the Project is carried out in a timely and cost effective manner. The City will comply with the reporting process as described in Schedule 2. DND will have full and open access to the Records to conduct an audit, upon seven days' notice to the City. The conducting of such an audit shall not unreasonably interfere with the operations of the City. DND shall pay for the costs of any audits undertaken pursuant to this clause.

4.6 In the event that DND chooses to conduct an audit, the audit will be carried out by such an independent auditor as DND may appoint and the City will co-operate and provide access to the Records in order for the audit to take place.

4.7 Should an audit conducted by DND reveal that expenditures have not been expended in accordance with this Agreement, the Project and the required Work, DND will request reimbursement from the City.

4.8 Should the City, or its designated agent, fail to demonstrate progress in achieving Project milestones as defined in Schedule 1 in a reasonable time frame, DND will request the City to reimburse any federal funding not yet spent and made available to the City as set out in Section 14 of this Agreement.

4.9 DND may declare a default under this Agreement if any of the following events occurs:

- a) The City is in material non-compliance with any term, condition, or other obligation contained in this Agreement for which it has responsibility;
- b) The City has submitted false or misleading information to DND or has made a false or misleading representation in respect of any manner related to this Agreement, except for an error in good faith, demonstration of which is incumbent on the City, to DND's satisfaction;
- c) Pursuant to a review of any report received from the City, DND concludes that a material discrepancy exists between the actual revenues and Eligible Costs incurred to date, the other sources of funding obtained to date, and the corresponding forecast amount set out in the budget, or between the progress made on the Project to date and that which could reasonably be expected to have been made at that point in time based on the activities described in Schedule 1; or
- d) The City becomes insolvent, commits an act of bankruptcy, has a receiving order made against it, makes an assignment to the benefit of creditors, takes the benefit of a statute relating to bankrupt or insolvent debtors, goes into receivership or bankruptcy, ceases to actively carry on a business, or is wound up or dissolved.

4.10 If DND declares that an event of default has occurred, then DND may, in addition to any other remedy provided by law or pursuant to this Agreement, exercise one or more of the following remedies:

- a) Where DND determines, acting reasonably, that the City's default is capable of cure and that a delay to allow for such cure is appropriate, DND reserves the right to send a written notice of default to the City specifying a cure period of no less than thirty (30) calendar days from the reception of the notice by the City and requesting that proof that the default has been cured within the specified delay be provided to DND;
- b) If the City fails to cure the default within the prescribed delay and provide DND with proof, to DND's reasonable satisfaction, that the default has been cured within the

specified delay, DND may give the City written notice of termination of this Agreement, and require the City to reimburse all or parts of DND's contribution disbursed, with interest, calculated in accordance with the *Interest and Administration Charges Regulations*, from the date of demand for reimbursement;

- c) Suspend any obligation by Canada to contribute or continue to contribute to funding the Project, including any obligation to pay an amount owing prior to the date of such suspension; or
- d) Only where DND determines, acting reasonably, that the City's default is not capable of cure and that a delay to allow for such cure is not, appropriate, then DND may immediately terminate the Agreement by means of a written notice of default and termination given to the City and require the City to reimburse all or part of DND's contribution disbursed, with interest, calculated in accordance with the *Interest and Administration Charges Regulations*, from date of demand for reimbursement.

4.11 Notwithstanding section 4.10, the occurrence of any of the events of default listed in section 4.9 d) will automatically trigger a default under this Agreement, without any further notice to the City.

## **5.0 PROJECT FUNDING**

5.1 Subject to the terms and conditions of the Agreement, DND's total Contribution to the City for the Project under this Agreement will not exceed ninety seven percent (97%) of Eligible Costs up to a maximum of \$19.4M.

5.2 The City will ensure that, subject to the terms and conditions of this Agreement, the federal Contribution is supplemented by funds from the City sufficient to pay for 3% of the Eligible Costs up to \$19.4M.

5.3 Total Project costs are currently estimated by the City to be \$39,875,000. The Parties will further discuss funding for the balance of the total Project costs, but the City cannot reasonably expect that additional costs in this regard will be financed because they may be incurred by the City. The Parties further understand that additional costs are subject to approvals.

5.4 The City will ensure that work performed under this Agreement is subject to there being sufficient appropriations by each Party in respect of the contribution for the fiscal year in which the work is to be done; and work may be immediately reduced in amount or cancelled by the City in the event that the funding level is changed by the City, despite anything in this Agreement to the contrary.

5.5 No portion of the respective shares of the Parties will be paid in kind.

5.6 The respective shares of the Parties will be used by the City for the Work designed to complete the Project.

5.7 The City will manage the Project in accordance with the provisions of this Agreement and the City will ensure that there will be no Project cost overruns and should cost overruns occur the costs will be the sole responsibility of the City. In the event that there is an increase in the cost of any work, over and above the Work set forth in this Agreement, as a result of a change of laws related to Remediation whether such change of laws occurs before, or after the Project is notionally completed, will be the sole responsibility of the City. The Parties will further discuss any other financing of the costs for the Project but it is agreed that a Party cannot reasonably expect that additional costs in this regard will be financed simply because they were incurred or may be incurred by that Party.

5.8 If there is an increase in cost of the Work that arises from the subsequent discovery of the occurrence of significant PFAS contamination in or on the Site, off-Site, or if the PFAS contamination in groundwater off-site is found to create a risk to human health or safety or a risk to the environment then the Parties agree that they will discuss the financing of the additional costs of remediation. It is agreed that a Party cannot reasonably expect that additional costs in this regard will be financed because they were incurred by that Party. The Parties further understand that additional costs are subject to approvals.

5.9 For greater certainty, the Policy Framework for Shared-Responsibility Contaminated Sites Project Funding does not prevent the City from requesting additional funding in the future, and such a request would be assessed as per the established process, and in consideration of available funding and funding already contributed. Should the City submit a subsequent proposal under the Policy Framework for Shared-Responsibility Contaminated Sites Project Funding, DND has the authority to consider and discuss the proposal with the City and would sponsor the proposal through the established process. DND does not have the authority to grant funding for costs excluded from this Agreement without first returning to Treasury Board.

## **6.0 PAYMENT SUBJECT TO AN APPROPRIATION AND FUNDING LEVELS**

6.1 Pursuant to section 40 of the *Financial Administration Act* (R.S.C. 1985, c F-11), the payment of monies under this Agreement is subject to there being an appropriation for the Fiscal Year in which the payment is to be made.

6.2 Notwithstanding any other provisions of this Agreement, DND may reduce or terminate this Agreement in the event that departmental funding levels are changed by Parliament during the term of this Agreement. In the event that DND reduces or cancels its financial contribution the maximum amount payable pursuant to section 5.2 of this Agreement will be reduced accordingly.

6.3 DND will promptly advise the City of any reductions of funding once it becomes aware of any such situation.

## **7.0 STACKING LIMIT**

7.1 The City will declare to DND all sources and amounts of funding for this Project at the time of application, at any time throughout the Project, and at the end of the Project. In that regard, the City declares that it will not receive any contribution other than that provided for in this Agreement.

7.2 The maximum total government assistance (i.e. total federal, provincial, and municipal assistance) is one hundred percent (100%) of Eligible Costs but the total DND Contribution pursuant to this Agreement cannot and will not exceed ninety seven percent (97%) of Eligible Costs up to a maximum of \$19.4M. The Contribution may be adjusted or reduced by DND, as necessary, to maintain the stacking limit. The City agrees that any Contribution made in excess of the stacking limit is an overpayment and shall be considered a debt due to Her Majesty the Queen in Right of Canada.

## **8.0 OVERPAYMENTS**

8.1 Where DND determines that:

- a) the City is not entitled to the Contribution or a part thereof; or
- b) the amount of the Contribution paid under this Agreement exceeds the amount to which the City is entitled under this Agreement,

the City will repay DND, promptly and by no later than thirty (30) calendar days from the date of DND's notice under this Agreement, the amount of the Contribution disbursed or the amount of the overpayment, as the case may be, together with interest calculated in accordance with the federal *Interest and Administrative Charges Regulations*. Any such amount is a debt due to Her Majesty in right of Canada and is recoverable as such.

## **9.0 ELIGIBLE AND INELIGIBLE COSTS**

9.1 Eligible Costs, as agreed to by the DND and the City include those relating to:

- a) Project management / engineering required for the Project;
- b) Mobilization and demobilization of the work force and equipment;
- c) Accommodation and meals for the work force that is required;

- d) Construction or demolition costs that are required to create access for eligible activities;
- e) Site Remediation
  - a. Development of remediation objectives (or remediation criteria) with the Province;
  - b. Environmental investigations required for design of the on-Site containment cell;
  - c. Site Specific Risk Assessment (“SSRA”) to define property specific standards, and including ecological investigations with survey and biota sampling to support assessment of ecological risks);
  - d. Treatability Study in order to evaluate soil and groundwater treatment suitability for remediation design;
  - e. On Site Containment Design along with leachate treatment system (site assessment, design (drawings and specification);
  - f. On-Site Cell Construction (construction and care of containment cell until performance is confirmed and approved by province);
  - g. Management of soil and waste containing PFAS including tipping fees and management/disposal of waste water containing PFAS;
  - h. Assess performance of the Remediation; and
  - i. Define Risk Management Measures, where required and associated costs.
- f) Site re-grading and re-vegetation required for site reclamation;
- g) Final reports and documentation; and
- h) Monitoring, as part of the remedial action plan, of contaminants that have a potential risk for human health and the environment.

9.2 Ineligible costs, as agreed to by the DND and the City include those relating to:

- a) Remediation of areas off-Site;
- b) Reimbursement of project expenditures that occurred prior to the Effective Date or after the expiry or notice of termination of the Agreement;
- c) Site assessment work unless additional or updated assessment information is an essential pre-requisite of the design of the Remediation Project;
- d) Site improvements for future intended land uses;

- e) Decommissioning activities such as demolition and removal of buildings or infrastructure for reasons other than creating access for eligible activities; and
- f) Removal and disposal of inert material.

## **10.0 PAYMENT CONDITIONS**

10.1 DND will not pay interest for failing to make a payment under this Agreement but agrees to make reasonable efforts to avoid failing to make a payment under this Agreement.

10.2 DND will not pay any claims or release the final payment until the requirements under Schedule 2 are, in DND's opinion, satisfied to the extent possible at the time the claim is submitted to DND.

## **11.0 ADVANCE PAYMENT**

11.1 Subject to the terms and conditions of this Agreement, DND may provide quarterly advance payments to the City based on cash flow forecast requirements submitted by the City for each period provided that the City has fully accounted for any preceding advance payment to the satisfaction of DND.

11.2 In order to receive an advance payment, the City must submit an advance claim request and other documentation as required under Schedule 2.

11.3 The City must demonstrate that the advance payment was applied to the payment of Eligible Costs, to the satisfaction of DND, within thirty (30) calendar days of the end of the period for which the advance payment was made.

11.4 A single claim for advance payment may be submitted for up to the first three financial quarters within a fiscal year. Reporting requirements outlined in this Agreement still apply in the event an advance payment is issued covering multiple quarters.

## **12.0 PROGRESS PAYMENT**

12.1 In order to receive progress payments of Eligible Costs, the City must submit progress claims to DND no later than thirty (30) calendar days after the end of each quarter. Each claim must include the documentation as required under Schedule 2. Subject to the terms and conditions of this Agreement, if the City cannot submit a claim for progress payment on or before March 31 of a Fiscal Year, the City shall provide DND with a signed statement of anticipated Eligible Costs incurred up to March 31 in order for DND to establish a Payable at Year-End no later than two working days before the end of DND's reporting deadline for Period

13. The reporting deadline for Period 13 will be communicated to the City by 31 March each year.

12.2 DND will make a payment upon review and acceptance of a progress claim, subject to the terms and conditions of this Agreement.

### **13.0 HOLDBACK**

13.1 DND may withhold up to ten percent (10%) of the Contribution towards Eligible Costs claimed under the Agreement. Any amount withheld will be released when Construction Phase 1 has been completed to the satisfaction of DND and the final reports and other documentation as required under Schedule 2 have been received.

### **14.0 FISCAL YEAR BREAKDOWN**

14.1 Subject to the terms and conditions of this Agreement, DND's Contribution shall be allocated to the City as indicated in the following table by Fiscal Year:

Fiscal Year	DND Contribution (\$)
2021-2022	485,000
2022-2023	1,488,950
2023-2024	1,358,000
2024-2025	16,068,050
2025-2026	0
2026-2027	0
Total	19,400,000

### **15.0 CHANGES TO THE FISCAL YEAR BREAKDOWN**

15.1 The City may reallocate costs associated with an activity to another activity listed in the Cost Estimate Table in Schedule 1. The reallocation of costs amongst the activities does not allow the City to exceed the Contribution for a given Fiscal Year. Any cost overruns are the responsibility of the City.

15.2 For requests for reallocation greater than twenty percent (20%), the City must submit a notice to DND along with a revised budget for approval. The City is only authorized to make a re-allocation once it has received DND's written approval.

15.3 For reallocation of costs amongst activities that is less than twenty percent (20%), the City must only provide DND with a revised budget when submitting its next claim for payment.

## **16.0 FISCAL YEAR BUDGETING**

16.1 The amount of the Contribution payable by DND for each Fiscal Year of the Project is set out in the table at section 14.1.

16.2 If the actual amount payable by DND in respect of any Fiscal Year of the Project is less than the estimated amount in the table at section 14.1, the City may request that DND re-allocate the difference between the two amounts to a subsequent Fiscal Year. Subject to section 6.1, DND agrees to make reasonable efforts to accommodate the City's request. The City acknowledges that requests for re-allocation of Project funding will require appropriation adjustments or federal Crown approvals.

16.3 The City should submit any request for re-allocation before December 31<sup>st</sup> of any Fiscal Year to allow sufficient time for DND's assessment and determination and increase the chances of such request being approved.

16.4 In the event that any requested re-allocation of Project funding is not approved, the amount of DND's Contribution payable pursuant to section 14.1 may be reduced by the amount of the requested re-allocation. If the Contribution payable by DND pursuant to section 14.1 is so reduced, the Parties agree to review the effects of such reduction on the overall implementation of the Project and adjust the terms and conditions of this Agreement as required.

## **17.0 GOVERNANCE**

17.1 The City agrees to:

- a) Award and manage the contract(s) necessary to carry out the Project;
- b) Be responsible for decision-making concerning the Work on Site;
- c) Pay for the Work required and done to carry out the Project;
- d) Ensure that the Work is completed;
- e) Carry out the Project, in accordance with the terms and conditions of this Agreement, including but not limited to, the plans and performance expectations in this Agreement and Schedules 1 and 2 to this Agreement;
- f) Comply with all applicable statutes, regulations, orders and other laws in carrying out the Project;

- g) Share with DND any findings and reports of its audits, at no costs, should the City decide to audit the Project referenced in this Agreement, in its entirety or in part, or to verify the management of the overall Agreement;
- h) Maintain proper accounts and Records relating to this Agreement for no less than six years following expiration or termination of this Agreement, and that the accounts and Records shall include, without limitation, all working papers and all original invoices, receipts, vouchers, and proof of payment relating to the Eligible Costs;
- i) Allow DND and third parties contracted by DND to have such Records inspected or audited and the City shall provide, at no cost, reasonable and timely access to the Project Site and all other relevant facilities and the Records and will collaborate and assist anyone authorized by DND to inspect or audit these records and to take copies in paper and electronic form. Without limiting the foregoing, access includes access to the premises of third parties under subcontract with the City for the implementation of the Project, and any premises where the Project takes place or is administered from;
- j) Make Records and information available to the Auditor General of Canada when requested by the Auditor General of Canada for the purposes of an inquiry under subsection 7.1(1) of the *Auditor General Act*;
- k) Ensure that an Environmental Assessment, will be carried out as early as practicable in the planning stages of the Project and before any irrevocable decisions are made by the City with respect to the Project. The Environmental Assessment will be conducted in accordance with the Ontario *Environmental Assessment Act, as amended from time to time*, and other relevant processes required by the Province of Ontario;
- l) Ensure that its duty to consult and comply with modern treaty obligations are carried out with respect to the Project;
- m) Identify a representative that acts on behalf of the City for all matters pertaining to the administration and signing of amendments to this Agreement and is recognized as the official representative of the City for the purposes of this Agreement;
- n) Co-ordinate with DND in developing and managing appropriate communications with all Project stakeholders respecting both federal, provincial and, municipal protocols which recognize DND's Contribution. The Parties will work together in good faith on all initiatives concerning the communications and promotion of the Project. Communications and public information will follow mutually agreed upon strategies recognizing the federal, provincial and municipal nature of this Agreement and the communication policies of the Parties;

- o) Prepare reporting for DND as described in Schedule 2. The Parties will meet twice a year and more frequently on an as required basis to review the progress of the Work on the Project;
- p) Allow DND to publicly disclose the amount of its contribution to the City under this Agreement and the general nature of activities supported by these contributions. The City acknowledges that any evaluation or audit report related to this Agreement may also be made public;
- q) Ensure that no capital assets will be acquired under this Agreement; and
- r) The intellectual property resulting from the Work carried out under this Agreement will belong exclusively to the City. However, the City will grant DND, free of charge, an irrevocable, non-exclusive, non-transferable licence allowing DND to reproduce, adapt, install and use the content of the Records for any purpose deemed useful by DND.

17.2 The DND agrees:

- a) Delegate the authority to sign and amend this Agreement to the organizational position of Director of Contaminated Sites under the Assistant Deputy Minister (Infrastructure and Environment);
- b) Subject to the terms and conditions of the Agreement, provide to the City a maximum of 97% percent of Eligible Costs for the Project up to a maximum of \$19.4M during the term of this Agreement;
- c) Approve amended cash flow requests subject to DND's ability to increase funding for the fiscal year or to carry funding from one fiscal year to the next; and
- d) Notify the City, in writing, of DND's intent to recover payments with interest in accordance with the *Interest and Administrative Charges Regulations* should the City be in default of the provisions of this Agreement or have received overpayment.

**18.0 ACCESS TO INFORMATION AND CONFIDENTIAL INFORMATION**

18.1 Subject to applicable laws, including but not limited to, the *Access to Information Act* (R.S.C., 1985, c. A-1), and the *Municipal Freedom of Information and Privacy Act*, R.S.O. 1990, c.M.56 all information pertaining to the Contribution provided under this Agreement is public information and may be disclosed to third parties upon request under the relevant Act.

18.2 The Parties will mutually ensure that information of a confidential nature will be treated as confidential. Any documents that the City provides to DND and which it considers to be confidential in nature will be marked clearly and appropriately.

18.3 The Parties will use reasonable efforts, subject to applicable laws, to protect any confidential information from disclosure to any third party. Such efforts will be, in the case of DND, governed by the *Privacy Act* (R.S.C., 1985, c. P-21), and for the City, no less than those used by the City to protect its own confidential information.

## **19.0 LIMITATION OF LIABILITY AND INDEMNIFICATION**

19.1 The City agrees that Her Majesty the Queen in Right of Canada, Her officers, servants, employees, agents and Canadian Armed Forces members will not be held liable for any injury, including death, to any person, or for any loss or damage to property of any person related to the Work.

19.2 The City will indemnify and save harmless Her Majesty the Queen in Right of Canada, Her officers, servants, employees, agents and Canadian Armed Forces members from and against all actions, claims, demands, losses, costs, damages, suits or other proceedings, whether in contract, tort (including negligence) or otherwise in relation to the Work, by whomsoever brought or prosecuted in any manner based upon or occasioned by:

- a) Any injury to any person, including but not limited to, death, economic loss or any infringement of rights;
- b) Any damage to or loss or destruction of property of any person; or
- c) Any obligation of any person, including but not limited to, any obligation arising from a loan, capital lease or other long term obligation in relation to this Agreement, except to the extent to which such actions, claims, demands, losses, costs, damages, suits or other proceedings are caused by the negligence of an officer, servant, employee or agent of Her Majesty the Queen in Right of Canada in the performance of his or her duties.

19.3 For greater certainty, DND is providing a share of project funding and not acknowledging or accepting legal or financial liability for the contamination.

## **20.0 MISCELLANEOUS PROVISIONS**

20.1 Neither the signing of this Agreement nor any monetary contribution to the Project shall be interpreted as an admission of responsibility or legal liability for the Contamination, and

nothing in this Agreement shall be interpreted or used to define the rights of the Parties, or of any third party, in relation to any matter referred to in this Agreement.

20.2 The City must ensure that any person lobbying on behalf of the City is compliant with the federal *Lobbying Act* (R.S.C., 1985, c. 44 (4<sup>th</sup> Supp.)).

20.3 No current or former public-office holder or public servant to whom the *Conflict of Interest Act*, the *Conflict of Interest and Post-Employment Code for Public-Office Holders* or the *Values and Ethics Code for Public Service* applies shall derive a direct benefit from this Agreement unless the provision or receipt of such benefits is in compliance with such legislation and codes.

20.4 All public information documents paid in whole or in part by DND must be made available in both official languages, when DND determines that this is required under the *Official Languages Act* (R.S.C., 1985, c. 31 [4<sup>th</sup> Supp.]).

20.5 The use of the singular in this Agreement will include the plural and vice versa, and words importing gender will include all genders.

## **21.0 STATUS OF AGREEMENT**

21.1 This Agreement is not, nor is it intended to be a procurement instrument. Any material procurement resulting from, or required by, the implementation of this Agreement must be accomplished in accordance with the applicable procurement laws, regulations and financial authorities.

21.2 Nothing contained in this Agreement will be construed to place the Parties in the relationship of agents and principal, master and servant, settler and trustee, partners or joint venturers and neither Party will have any right to obligate or bind the other Party in any manner.

21.3 The City will not represent itself, including in any agreement with a third party, as a partner, employee or agent of DND or in a manner that could lead the public to believe that the City is a partner, employee or agent of DND.

21.4 The Parties recognize the unique nature of the Remediation of the Site and that this Agreement does not constitute a precedent or admission of legal liability for contaminated sites, wherever they may be located.

## **22.0 DIFFERENCES IN INTERPRETATION**

22.1 The Parties agree to first try to settle in good faith any dispute arising from the interpretation, implementation or operation of this Agreement.

22.2 In the event that the Parties cannot resolve any question of fact or mixed question of law and fact related to the interpretation, implementation or operation of this Agreement, they will try to solve the matter first at the Assistant Deputy Minister level for DND and at the Chief Administrative Officer for the City, and if unsuccessful, at the Deputy Minister level for DND and at the Chief Administrative Officer level for the City. Any dispute arising out of this Agreement, which cannot be resolved between the Deputy Minister and the Chief Administrative Officer, will be submitted to mediation.

22.3 If parties cannot resolve their dispute through mediation, either Party shall have the right to give to the other a notice of such dispute and the Parties shall submit their dispute to arbitration as per the Arbitration Act, 1991, S.O. 1991, c. 17.

22.4 Each of the Parties shall bear its own costs. Where the arbitration board consists of one member, the fees of such member shall be shared equally by the Parties, and where the board consists of three members, each of the Parties shall pay the fees of their respective appointees and shall share the fees of the third arbitrator equally. The Parties shall also share equally any other expenses related to arbitration such as meeting room and reporters if engaged by mutual agreement.

## **23.0 NOTICES**

23.1 Where any Party is obliged or entitled to give any notice, request, approval, demand, consent, direction or other communication to the other Party, such party shall first communicate the substance thereof personally or by telephone. However, such notice shall not be sufficiently given until sent in writing via e-mail to the addressees as indicated below. Services of such notice shall be deemed to have been given within five (5) days of emailing.

Notices to DND will be sent via e-mail to:

Ranjeet Gupta  
Director of Contaminated Sites  
National Defence Headquarters  
101 Colonel By Drive  
Ottawa, Ontario  
K1A 0K2  
ranjeet.gupta@forces.gc.ca

Notice to the City will be sent to:

David Euler  
Chief Administrative Officer  
The Corporation of the City of North Bay  
200 McIntyre Street  
North Bay, Ontario  
P1B 8H8  
david.euler@cityofnorthbay.ca

#### **24.0 DURATION, TERMINATION AND AMENDMENT**

24.1 This Agreement will enter into effect on the Effective Date and will remain in effect until the earlier of 1) March 31, 2025; or, 2) the Project has been completed and all terms and conditions of this Agreement, in the sole opinion of DND, have been met, including but not limited to reimbursements of all eligible costs. Without limiting the foregoing and for greater clarity, the obligation to provide the “Project Summary Report” mentioned in Schedule 2 will remain even if any one of these two events occurs.

24.2 The City may terminate this Agreement by giving written notice of that intent to DND, delivered not less than ninety (90) days prior to the proposed termination date.

24.3 At any time before the completion of the Project, DND may, by giving notice in writing to the City, terminate this Agreement. The notice of termination will give the City ninety (90) days’ prior notice of the termination. Subject to the maximum amount of DND’s Contribution and the terms, conditions, and limitations of this Agreement, reasonable costs incurred by the City for the purpose of the Project up until the end of that notice period will be considered as Eligible Costs; it is agreed that this would only cover costs incurred as a consequence of contracts existing at the time the notice of termination is received. The rest of any advance funding received by the City will be returned to DND.

24.4 This Agreement may be amended only with the mutual written consent of the Parties and in accordance with applicable law.

#### **25.0 GOVERNING LAW**

This Agreement shall be governed by, and is to be interpreted in accordance with, the applicable federal laws and the laws in force in the province of Ontario.

#### **26.0 ASSIGNMENT OF THE AGREEMENT**

This Agreement or any payment, rights or obligations thereunder, shall not be assigned, in whole or in part, without the prior written consent of DND. Any assignment made without such prior written consent is void and of no effect.

**27.0 COMING INTO EFFECT, DATE AND SIGNATURE**

**27.1** This Agreement constitutes the entire understanding between the Parties pertaining to the matters contemplated hereby and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties.

**27.2** This Agreement becomes effective on the date of the later signature (the “Effective Date”) and ends on March 31, 2025.

**27.3** This Agreement may be signed in counterparts.

The Corporation of the City of North Bay

Her Majesty the Queen in Right of Canada  
as represented by the Minister of National  
Defence, acting through the Department of  
National Defence, more particularly by the  
Director of Contaminated Sites

\_\_\_\_\_  
Signature

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

24 / 06 / 21  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## **SCHEDULE 1: PROJECT SCOPE AND COST ESTIMATE**

The Project includes:

- a) Consultation with stakeholders including, but not limited to, the indigenous and local communities, municipality, local health unit and the Ministry of Environment, Conservation and Parks, as required;
- b) Completion of an Environmental Assessment, or equivalent process as required under the *Ontario Environmental Assessment Act*, as amended from time to time, for the remediation Project;
- c) Development of remediation objectives (or property specific standards) with the Province;
- d) Environmental investigations required for design of the on-site containment cell;
- e) Site Specific Risk Assessment (SSRA) to define property specific standards, and including ecological investigation with survey and biota sampling to support assessment of ecological risks);
- f) Treatability Study in order to evaluate soil and groundwater treatment suitability for remediation design;
- g) On Site Containment Design (site assessment, design (drawings and specification));
- h) On-Site Cell Construction (construction and care of containment cell until performance is confirmed and approved by province);
- i) Assess performance of remediation;
- j) Define Risk Management Measures where required, and associated costs;
- k) Contouring, covering and establishing vegetation on the areas of surface soil contamination; and
- l) Site reclamation and landscaping compatible with the natural surroundings and future use at the sites.
- m) Management of soil and waste containing PFAS including tipping fees and management/disposal of waste water containing PFAS.
- n) Project cost estimates for the Phases found in the table below.

<b>COST ESTIMATES<sup>1, 2</sup></b>						
	<b>Estimated Remediation Costs</b>	<b>DND Cost Share</b>		<b>City Cost Share</b>		<b>Project Costs Excluded from Agreement</b>
	<b>(\$)</b>	<b>(%)</b>	<b>(\$)</b>	<b>(%)</b>	<b>(\$)</b>	<b>(\$)</b>
<b>Phase 1: Development of remediation/risk management strategy</b> <i>- Conduct Site Specific Risk Assessment</i> <i>- Develop Remedial Objectives in consultation with the Province</i> <i>- Develop Risk Management/Remedial Action Plan, including Remedial Options Analysis</i> <i>- Implement Risk Management Measures where required</i> <i>- Conduct investigations in support of siting and design of containment cell</i> <i>- Conduct treatability studies</i> <i>- Complete Environmental Assessment and define EPA requirements to support of the project as per O.Reg. 153/04 and Part V of EPA - waste management</i> <i>- Develop Remedial Design and Tender Package</i> <i>- Update cost estimates of remedial/risk management plan</i>	\$3,435,000	97%	\$3,331,950	3%	\$103,050	\$0
<b>Phase 1 Total</b>	<b>\$3,435,000</b>	<b>97%</b>	<b>\$3,331,950</b>	<b>3%</b>	<b>\$103,050</b>	<b>\$0</b>

<b>Phase 2: Implementation of Remediation/Risk Management Strategy and Operational Plan</b>						
<b>Construction, Phase 1 :</b> - Procurement - Site preparation - Permitting and approvals - Construction of containment cell and leachate collection system - Engineering and administrative support	\$16,565,000	97%	\$16,068,050	3%	\$496,950	\$0
	\$7,415,500	0% <sup>3</sup>	0	0% <sup>3</sup>	\$0	\$7,415,500
<b>Construction, Phase 2:</b> - Excavation of contaminated soils, confirmatory testing - Temporary storage of contaminated soils, - Collection/management/treatment of excess water/leachate - Backfilling/reinstatement - Soil stabilization and confirmatory testing - Placement of stabilized soil in containment cell and capping, - Commissioning of leachate collection and treatment system - Confirmatory testing, installation of monitoring infrastructure, performance monitoring and confirmation that remedial objectives were achieved - Engineering and administrative support	\$10,309,500	0% <sup>3</sup>	0	0% <sup>3</sup>	\$0	\$10,309,500
<b>Phase 2 Total</b>	<b>\$34,290,000</b>	<b>97%</b>	<b>\$16,068,050</b>	<b>3%</b>	<b>\$496,950</b>	<b>\$17,725,000</b>

<b>Phase 3: Post Closure</b>						
1. Post-Closure Care	\$2,000,000	0%	\$0	0%	\$0	\$2,000,000
2. Performance Monitoring (assess performance of remediation).	\$150,000	0%	\$0	0%	\$0	\$150,000
<b>Phase 3 Total</b>	<b>\$2,150,000</b>	<b>0%</b>	<b>\$0</b>	<b>100%</b>	<b>\$0</b>	<b>\$2,150,000</b>
<b>SUMMARY</b>						
<i>Total Eligible Costs (captured under the City's Request for Funding)</i>	<i>\$20,000,000</i>	<i>97%</i>	<i>\$19,400,000</i>	<i>3%</i>	<i>\$600,000</i>	<i>\$0</i>
<i>Total Non-Eligible costs (in excess of the City's Request for Funding)</i>	<i>\$19,875,000<sup>4</sup></i>	<i>0%</i>	<i>\$0</i>	<i>0%</i>	<i>\$0</i>	<i>\$19,875,000<sup>4</sup></i>
<i>Total Estimated Project Costs</i>	<i>\$39,875,000</i>		<i>\$19,400,000</i>		<i>\$600,000</i>	<i>\$19,875,000</i>

Notes:

1. Total estimated Project costs are sourced from GHD's (the City's environmental consultant/contractor) updated cost estimates provided via e-mail to the City and dated November 20, 2020. Project scope and costs are estimates and are subject to change. Construction details to be determined as per requirements that are to be defined as a result of Phase 1 work.
2. It is understood that the estimated Project costs outlined above exceed the City's Request for Funding of \$20M submitted on July 25, 2019. Estimated costs in excess of the approved \$20M request for funding are presented for information only to ensure transparency and consistency with the most up to date information for the Project.
3. DND's cost share is established at 97% for Eligible Costs, up to a maximum of \$19.4M. Project costs beyond \$19.4M are not considered under this Agreement.
4. These amounts may be the subject of a future funding request under the Policy Framework for Shared-Responsibility Contaminated Sites Project Funding.
5. All cost estimates based on Class D estimates.

## **SCHEDULE 2: REPORTING**

The City will provide the following reports to DND:

### **Claims for Progress Payments**

The City must provide the following documentation with all claims for progress payments submitted in accordance with this Agreement:

- A financial report signed by the Chief Financial Officer or Duly Authorized Officer of the organization outlining the Eligible Costs incurred for each activity;
- Documentation to support payment for all Eligible Costs. Supporting documentation includes: full proof/backup to include e.g. claims, invoicing from and progress payments to contractors and consultants, material and equipment costs, timesheets and fees, and photos. Third party consultant verification reports would assist with backup. Detailed financial information supporting the statement, along with evidence satisfactory to DND that the amount of the requested payment has been determined in accordance with this Agreement, that Eligible Costs related to the payment have been incurred, and that the work has been completed. This evidence may include, without limitation, copies of accounts, records, invoices, cheques, receipts, vouchers, certificates and statutory declarations, as required by DND; and
- An updated Project quarterly cash flow statement and budget.

### **Claims for Advance Payment**

The City must provide the following documentation with all claims for advance payments submitted in accordance with this Agreement:

- A financial report signed by the Chief Financial Officer or Duly Authorized Officer of the organization outlining the forecasted Eligible Costs for each activity; and
- An updated Project quarterly cash flow statement and budget.

To request an advance payment, the City must submit a quarterly cash flow forecast requirement for the Eligible Costs to be incurred during the advance period. Such documentation must demonstrate why an advance payment or payments is essential to the successful completion of the Project.

### **Ongoing Progress / Technical Reports**

No later than September 30<sup>th</sup> and March 31<sup>st</sup> of each year, the City shall submit a report of Project activities to-date in sufficient detail to allow DND to evaluate the progress of the Project. This report shall address the following points:

- A narrative description of progress made in implementing the Project including any successes or difficulties that have been encountered with the Project to date.
- A description of progress on implementing the Environmental Assessment and fulfilling duty to consult and modern treaty obligations;
- The percentage of completion of each activity; and
- The percentage of budget spent per activity.

### **Project Summary Report**

Upon completion of the Project phase where DND's contribution to the Project reaches the maximum of \$19.4M established under this Agreement (currently Project Phase 2, Construction, Phase 1), the City will provide DND with a Site Completion Report that includes the information and documents listed below within one hundred and eighty (180) calendar days:

- Site location and historical, current and proposed future land use;
- Site issue description including groundwater and surface water contamination, if any;
- Remedial objectives (property specific standards);
- Remediation methodology;
- Quantities excavated/demolished/removed from site/disposed on Site;
- Remediation results;
- Residual contamination and future work planned, if any;
- Stakeholder consultation;
- Site plans, figures, before and after images;
- Site inspection reports;
- A full and final release as set out in Schedule 3;
- A description of variances in the cost, schedule and scope of the Project; and
- A declaration as to the total funding provided from all sources for the Project.

### SCHEDULE 3: FULL AND FINAL RELEASE

The City does hereby waive, remise and forever release Her Majesty the Queen in Right of Canada, Her officers, servants, members of Her Armed Forces, Her and Her heirs, executors, administrators, successors and assigns from all manner of claims, actions, or demands (collectively “Claims”) of any kind of nature that it ever had, now has, or may hereafter have, regarding the payment or non-payment of any manner of fees, levies, taxes, investments, royalties or other similar charges related to Work that occurred, in accordance with the Agreement signed on [...] 2021, regarding the Remediation of the PFAS Contamination at the Site. It is understood and agreed that this Release shall not apply to any third-party Claims arising from or in connection with any migration of PFAS contaminated groundwater from the Site.

This release shall be effective only upon submission to DND by the City of the Site Completion Report described in Schedule 2 to this Agreement, and only when Her Majesty the Queen in Right of Canada shall have paid to the City the sum of its Contribution for the Eligible Costs as defined by and as incurred in accordance with the Agreement (the “Effective Date”).

The City acknowledges that Her Majesty the Queen in Right of Canada does not admit any liability to the City by the acceptance of this release or the payment of the said sum of money.

IN WITNESS THEREOF, this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

\_\_\_\_\_  
[Name]

\_\_\_\_\_  
[Title]

\_\_\_\_\_  
[Name of Witness]

\_\_\_\_\_  
[Title]

#### **SCHEDULE 4: LEGAL DESCRIPTION OF NORTH BAY AIRPORT LANDS**

PIN 49127-1158: PCL 18743 SEC WF; LT 17 CON 1 WIDDIFIELD; PT LT 14 CON 1 WIDDIFIELD; PT LT 15 CON 1 WIDDIFIELD; PT LT 16 CON 1 WIDDIFIELD; PT LOT 18 CON 1 WIDDIFIELD; PT LT 16 CON A WIDDIFIELD; PT LT 17 CON A WIDDIFIELD ; PT LT 18 CON A WIDDIFIELD; PT LT 19 CON A WIDDIFIELD PT 1-6 & 8-18, 20-25 36R10424, PT 9, 10 36R1002; PT 3, 8 36R10361 & PT 3, 5, 7 36R10360 EXCEPT PT 1-4 36R11056, PT 1 36R13164 & 36M698; SUBJECT TO AN EASEMENT AS IN LT106546; SUBJECT TO AN EASEMENT IN LT231567; SUBJECT TO AN EASEMENT AS IN LT365964; SUBJECT TO AN EASEMENT AS IN LT76091; SUBJECT TO AN EASEMENT AS IN LT78542; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PTS 2 & 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

PIN 49127-1059: PART BLOCK 3, PLAN 36M671; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PT 2 & 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

PIN 49127-1030: BLOCK 1, PLAN 36M671; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PTS 2 & 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

PIN 49127-1208: PART BLOCK 5, PLAN 36M671; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PARTS 2 & 4, PLAN 36R11056 AS IN LT391111; CITY OF NORTH BAY

PIN 49127-1209: PART BLOCK 5, PLAN 36M671; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PARTS 2 & 4 PLAN 36R11056 AS IN LT391111; CITY OF NORTH BAY

PIN 49127-1211: PART LOT 14 CON A, WIDDIFIELD PART 1 & 2, 36R10361; S & E PART 2 ON 36R10361 EXCEPT PART 2, 36R14370; T/W LT82755, LT86042, LT44273, LT51686, LT93726, LT69890, LT85778, LT70900, LT49897, LT61599, LT59732, LT105416, LT104155, LT103252, WF2277, WF2233, WF2968; S/T WF2178, WF2197, WF2233, WF2276, WF2277, WF2295; NORTH BAY; DISTRICT OF NIPISSING; CITY OF NORTH BAY

PIN 49127-1047: PART BLOCK 3, PLAN 36M671; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PTS 2 & 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

PIN 49127-1161: BLOCK 1, PLAN 36M698; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PARTS 2, 4, 36R11056 AS IN LT391111; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 3, 4,6,7,9,10, 11, 36R14322 AS IN BS177458; CITY OF NORTH BAY

PIN 49127-1162: BLOCK 2, PLAN 36M698; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PARTS 2, 4, 36R11056 AS IN LT391111; SUBJECT TO AN EASEMENT AS IN LT78542; SUBJECT TO AN EASEMENT IN GROSS OVER PART 17 36R14322 AS IN BS177458; CITY OF NORTH BAY

PIN 49127-1163: BLOCK 3, PLAN 36M698; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PTS 2, 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

PIN 49127-1164: BLOCK 4, PLAN 36M698; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PARTS 2, 4, 36R11056 AS IN LT391111; SUBJECT TO AN EASEMENT IN GROSS OVER PT 3 36R14315; PTS 1, 3, 4, 6,7,8 36R14323; PTS 1, 4, 5, 6, 8, 9, 11 36R14320; PTS 3, 5, 6, 7 36R14317 AS IN BS177458; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 2, 3, 4,6,7,8 ,10, 36R14320; PT 1, 3,5 36R14317 AS IN BS177459; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 6, 7,8, 10 36R14320 AS IN BS177461; CITY OF NORTH BAY

PIN 49127-1165: BLOCK 5, PLAN 36M698; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PARTS 2, 4, 36R11056 AS IN LT391111; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 9, 36R14323; 7,8, 19-22, 26, 27, 32-38, 40-43 36R14325; 2-5, 7-10, 14, 16-19, 22, 26, 27, 30, 32, 33, 38-40, 42, 48, 52, 36R14318; 9, 14, 17-26, 28-31, 34, 38-41, 46, 47, 49, 52-54, 58, 59, 61, 63-70, 79, 80, 82-87, 91-93, 95, 96, 99, 100, 107, 108, 113, 114, 120-128, 132, 133, 36R14326; 8-10 36R14319 AS IN BS177458; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 35, 36, 38-40, 44, 36R14325; PTS 2-4, 8, 11, 13, 15-17, 20-26, 29, 34, 35, 37, 38, 41-43, 45, 53, 54, 36R14318; PTS 3-9, 12, 22, 26, 30-34, 39, 46, 51, 53, 62, 64, 66-69, 85, 89-91, 93, 94, 96, 97, 100, 101, 109, 114, 115, 125, 128, 129, 131, 133 36R14326; PTS 3-5 36R14324 AS IN BS177459; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 2, 5, 11-15, 21-24, 26-28, 30, 57, 58, 72-74, 77, 78, 81-83, 88, 90, 91, 36R14326; PTS 2-4, 15, 16, 19 36R14319 AS IN BS177460; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 12-16, 19, 20 36R1438 AS IN BS177461; CITY OF NORTH BAY

PIN 49127-1166: BLOCK 6, PLAN 36M698; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PARTS 2, 4, 36R11056 AS IN LT391111; SUBJECT TO AN EASEMENT IN GROSS OVER PART 2, 36R14316 AS IN BS177460; CITY OF NORTH BAY

PIN 49127-1167: BLOCK 7, PLAN 36M698, TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PTS 2, 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

PIN 49127-1168: DEW LINE ROAD, PLAN 36M698; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PARTS 2, 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

PIN 49127-1169: GA WAY, PLAN 36M698; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PARTS 2, 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

PIN 49127-1170: AVIATION AVENUE, PLAN 36M698; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PARTS 2, 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

PIN 49127-1171: AIRPORT WAY, PLAN 36M698; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PARTS 2, 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

PIN 41927-1172: TERMINAL STREET, PLAN 36M698; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PARTS 2, 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

PIN 49127-1173: AIR CARGO LANE, PLAN 36M698; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PARTS 2, 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

PIN 49127-1174: JACK GARLAND DRIVE, PLAN 36M698; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PARTS 2, 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

PIN 49127-1175: AVIATION LANE, PLAN 36M698; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PARTS 2, 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

49127-1074: PT LT 14 AND 15 CON A WIDDIFIELD; PT LT 14 AND 15, CON 1 WIDDIFIELD BEING A TRAVLLED ROAD KNOWN AS NORTHMOUNT RD, DESIGNATED AS PART 5 ON 36R13258; STOPPED UP AND CLOSED BY BYLAW 2014-085 BS126662; NORTH BAY; DISTRICT OF NIPISSING

49127-1035: VOODOO CRESCENT, PLAN 36M671; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PTS 2 & 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

49127-1036: ROUNDEL ROAD, PLAN 36M671; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PTS 2 & 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

49127-0875: PT N ½ LT 16 CON A WIDDIFIELD PTS 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49 AND 50 36R11835; T/W EASEMENT OVER PTS 1 TO 5 36R11835 AS IN LT365964; T/W EASEMENT OVER PTS 59 TO 63, 65 TO 74 36R11835 AS IN LT428485; S/T EASE OVER PTS 39, 40, 43, 45, 46, 47, 48 & 49 36R11835 AS IN LT391422, S/T EASE OVER PTS 35, 36, 37, 38, 39 36R11835 AS IN LT391707; NORTH BAY; DISTRICT OF NIPISSING

49127-0877: PT S ½ LOT 16 CON 1 WIDDIFIELD AND PT N ½ LT 16 CON A WIDDIFIELD BEING PTS 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64 AND 65 ON 36R11835; T/W EASEMENT OVER PTS 6 TO 10 36R11835 AS IN LT365964, T/W EASEMENT OVER PTS 66 TO 74 36R11835 AS IN LT428486; S/T EASEMENT OVER PTS 54, 56, 60, 62, 63 36R11835 AS IN LT3941422; S/T EASEMENT OVER PTS 59 TO 63, 65 36R11835 AS IN LT428485; NORTH BAY; DISTRICT OF NIPISSING

49127-0878: PT N ½ LT 16 CON A WIDDIFIELD BEING PTS 1, 2,3,4,5,6 AND 7 36R10299 AND PT S ½ LT 16 CON 1 WIDDIFIELD BEING PTS 8, 9, 10, 11, 13, 14, 16 & 17 36R10299 EXCEPT PTS 15 TO 65 36R11835; T/W EASEMENT OVER PTS 1 TO 10 36R11835 AND PT 6 36R10370 AS IN LT365964; S/T EASEMENT LT391422, LT391708, LT391709; S/T EASEMENT OVER PTS 66 TO 74 36R11835 AS IN LT428485, S/T EASEMENT OVER PTS 66 TO 74 36R11835 AS IN LT428486; NORTH BAY; DISTRICT OF NIPISSING

49127-0814: PCL 18741 SEC WF; PT S ½ LT 16 CON 1 WIDDIFIELD PT 12 & 15, 36R10299; NORTH BAY; DISTRICT OF NIPISSING

49127-0816: PCL 18917 SEC WF; PT N ½ LT 17 CON A WIDDIFIELD; PT N ½ LT 18 CON A WIDDIFIELD PT 1 & 2, 36R11056, S/T PT 2, 36R11056 AS IN LT391111; NORTH BAY; DISTRICT OF NIPISSING

49127-0817: PCL 18917 SEC WF; PT N ½ LT 17 CON A WIDDIFIELD; PT N ½ LT 18 CON A WIDDIFIELD PT 3 & 4, 36R11056, S/T PT 4, 36R11056 AS IN LT391111; NORTH BAY; DISTRICT OF NIPISSING

49127-0815: PCL 18742 SEC WF; PT S ½ LT 15 CON 1 WIDDIFIELD PT 7, 36R10361; NORTH BAY; DISTRICT OF NIPISSING

49127-0848: PCL 4896 SEC NIP; PT LT 15 CON A WIDDIFIELD PT 6, 36R10361; NORTH BAY; DISTRICT OF NIPISSING

49127-1073: FIRSTLY PART BLOCK 3, PLAN 36M691, DESIGNATED AS PT 1 36R13540; SECONDLY PART BLOCK 3, PLAN 36M691, DESIGNATED AS PT 2 36R13489; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PTS 2 & 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

49127-1207: PART BLOCK 5, PLAN 36M671 PART 1, PLAN 36R14370; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PARTS 2 & 4, PLAN 36R11056 AS IN LT391111; CITY OF NORTH BAY

49127-1210: PART OT 14 CON A WIDDIFIELD PART 2, PLAN 36R14370; T/W LT82755, LT86042, LT44273, LT51686, LT93726, LT69890, LT85778, LT70900, LT49897, LT61599, LT59732, LT105416, LT104155, LT103252, WF2277, WF2233, WF2968; CITY OF NORTH BAY

49127-1137: PART BLOCK 5, PLAN 36M671, PART 1, PLAN 36R14197; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PARTS 2 & 4, PLAN 36R11056 AS IN LT391111; CITY OF NORTH BAY

49127-1024: PT LT 14 CON 1 WIDDIFIELD, PT 1 ON 36R-13164; NORTH BAY; DISTRICT OF NIPISSING; T/W LT367637

49127-1136: PART OF BLOCK 4, PLAN 36M671 PART 1 36R13451 AND PART 1 36R14184; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PTS 2 & 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

49127-1135: BLOCK 4, PLAN 36M671 SAVE AND EXCEPT PART 1 36R13320, PART 1 36R13451 AND PART 1, 36R14184; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PTS 2 & 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

49127-1040: PART BLOCK 4, PLAN 36M671 DESIGNATED AS PART 1 ON PLAN 36R-13320; TOGETHER WITH AN EASEMENT AS IN LT367637; TOGETHER WITH AN EASEMENT OVER PTS 2 & 4, 36R11056 AS IN LT391111; CITY OF NORTH BAY

**Figure 1: North Bay Airport Lands.**

Note: Figure 1 corresponds to the PINS which were provided as the legal description in Schedule 4, and is the property that is outlined in red and yellow, but nothing outside the yellow.

