

This CWWF Application has already been submitted.



**CLEAN WATER AND WASTEWATER FUND  
APPLICATION FORM**

**PLEASE READ THE PROGRAM GUIDE** in order to ensure you submit all required information before completing this Application Form.

The Application Form must be completed in full and submitted with all mandatory supporting documentation. See the [Program Guide](#) for more details. Applicants should be aware that information collected is subject to provincial freedom of information legislation.

All sections of the application form must be completed. If a question is not relevant to your specific project, enter N/A. Where possible we have provided examples to assist you in the completion of the Application Form.

Please provide only specific concise project information.

*\* Item is required to save or submit the form.*

Application Number: **67**

**A. Applicant Information**

|  |   |      |
|--|---|------|
| Legal Name of Applicant:<br>Sun Peaks Mountain Resort Municipality |   |      |
| Applicant Mailing Address:<br>P.O. Box 1002                        | City/Town:<br>Sun Peaks                       |      |
| Province:<br>BC  | Postal Code:<br>V0E 5N0                       |      |
| Primary Contact First Name:<br>Rob                                 | Phone Number:<br>(250)<br>578-2020            | Ext: |
| Primary Contact Last Name:<br>Bremner                              | Email Address:<br>cao@sunpeaksmunicipality.ca |      |
| Title of Primary Contact:<br>Chief Administrative Officer          | Alternate Contact Name:                       |      |

**B. Project Information**

|                  |  |
|------------------|--|
| Project Title *: | Sun Peaks – Sewage Treatment Plant Facilities Upgrades   |
| 1.               | Select the Project Type that describes the largest percentage of capital works or asset management/design & planning work being undertaken in this project.<br>Wastewater  |
| 2.               | <p>a) Nature of the project.<br/>Rehabilitation</p> <p>b) Select the eligible investment categories that describes the proposed project. See the <a href="#">Program Guide</a> for full description.<br/>Capital projects for rehabilitation</p>   |
| 3.               | <p>Provide a brief description of the project (1,000 characters or less).<br/>The Sun Peaks Utilities Corporation Limited (SPUCL) is responsible for operation and maintenance of the Sun Peaks Mountain Resort Municipality's (SPMRM) utilities, and has identified the need to increase the capacity of the Sewage Treatment Plant (STP). The upgrades to increase the system capacity involve the construction of a new influent tank and pump system, new up-flow sludge blanket filtration (USBF)</p> |

bioreactor, sludge storage tank, and ancillary mechanical equipment. In addition, SPUCL plans to upgrade the flow balancing pond that requires rehabilitation. The pond's liner and aeration system are old and susceptible to damage during routine maintenance. This rehabilitation portion of the project includes plans to replace the pond liner, aeration system and blower, upgrade the electrical service to three phase, replace the variable frequency drives (VFDs) and decommission the previously abandoned rapid infiltration pump house.

**4. Provide the rationale of why the project is needed and the objectives it will achieve.**

This project has been identified to be a priority project by SPMRM. The rationale behind this project and how it aligns with the SPMRM's current and future needs for wastewater treatment has been identified through the benefits of this project, which will: - Accommodate growth at SPMRM: the existing STP capacity has been operating at capacity, or has slightly exceeded capacity during peak season, - Increase the STP's capacity for treatment and volume: through expansion by adding additional storage volume, treatment capacity, - Upgrade the STP to improve operational performance: this will reduce the risk of non-compliance and environmental harm, - Replace assets that are nearing the end of useful life due to poor condition, - Improve solids storage and management.

**5. Provide a detailed list of the physical works of the project.**

Example:

Project Works:

- Treated wastewater effluent pipeline and outfall;
- Approximately 10km of effluent forcemain;
- Pumping system for the forcemain;
- Outfall structure for discharge to a river;
- Civil, mechanical and electrical works and supplies

Project Works:

The physical upgrades to the existing STP include:

- Desludge the pond and dewater solids with geotubes,
  - Remove and dispose of the existing aeration system and liner,
  - Install a new UV resistant liner,
  - Install new aeration equipment, including: floating lateral system, anchors, diffusers, and air header extension to new blower,
  - Install a new aeration pond blower (to be retrofitted into existing rapid infiltration (RI) pump house),
  - Install soft curtain baffle walls in the pond,
  - Upgrade the existing power supply service to three phase from the main road to the current, operational RI pump house,
  - Disconnect the power and demolish the old RI pump house,
  - Reconfigure power conduits from current, operational RI pump house to adjacent structures,
  - Relocate existing emergency backup generator to current, operational RI pump house,
  - Install four new VFDs for RI pumps and new blower,
  - Install a new emergency backup generator at the front end of the STP.
- The physical STP capacity improvements:
- New influent diversion manhole to new influent tank,
  - New 60m<sup>3</sup> partially buried, cast-in-place, concrete influent tank complete with 4 low lift pumps and level control,
  - New partially buried, cast-in-place concrete up-flow sludge blanket filtration bioreactor (bioreactor #4) complete with process mechanical equipment,
  - New VFD controlled air blower (requires blower building

extension); and, • Ancillary mechanical equipment, electrical and controls.

6. a) Provide physical address of project. \*  
1325 Industrial Way, Sun Peaks, BC V0E 5N0
- b) Project Latitude:  
50.8750
- c) Project Longitude:  
-119.9210
- \* Map of project location is mandatory. See the [Program Guide](#) for a list of mandatory documents.

7. a) What is the population of the community?  
470
- b) What is the population that will be served by this project?  
7000
- c) List the communities below that will benefit from the project:  
Sun Peaks Mountain Resort Municipality

8. a) Estimated Project Start Date:  
01/01/2017  
12:00:00 AM
- b) Estimated Project End Date:  
31/03/2018  
12:00:00 AM
- c) Estimated Construction Start Date:  
01/04/2017 12:00:00 AM
- d) Estimated Construction End Date:  
31/03/2018 12:00:00 AM
- e) Identify project risks. Please list all that are known and include your evaluation and proposed mitigation for each risk. See below for example. (i.e. seasonal limitations to construction; detailed design work; public oppositions expected; referendum required; Environmental Assessment/Aboriginal Consultation; etc...)

Example Timeline Risks:

| Issue/Risk                    | Timing or Impact   | Mitigation  |
|-------------------------------|--|---|
| Fisheries construction window | Construction allowed October to March.<br>If the fisheries window is missed, construction will be delayed a full year. | Project requires only one year of construction which allows for 3 construction seasons within program period. |

Timeline Risks:

Issue/Risk

Timing of funding announcement

Timing or Impact

Delays for the start of this project may be observed with the announcement of funding later than the anticipated start date.

Mitigation

We intend to start the detailed design of this project in December 2016 in order to have some lag time before the tender deadline at the end of March. This lag time will allow for minor delays during detailed design to be mitigated and have a lesser impact to the construction timeline.

|  |   |   |
|--|---|---|
| <p>Increase in cost of equipment due to inflation or equipment that is sourced from outside of Canada</p> <p>Shorter Construction Season</p>   | <p>This may result in an increase to the cost estimate provided in the Facilities Upgrades report that was completed for this project.</p> <p>Delays in the construction start date may be observed if a shorter construction is observed due to a longer winter.</p> | <p>We have included a contingency allowance in the project cost estimate to account for potential cost increases due to inflation, etc.</p> <p>We are aware of the short subalpine construction season, and have included project team members that have worked in the area. Design components for this project will be finalized during the construction off-season to mitigate any changes in the construction season timeline.</p> |
| <p>Detailed design work is required to be completed by end of March to put project out to tender for April.</p>  | <p>Any delay in the detailed design work may result in delays to the construction season.</p>   | <p>We will work with a consultant that is knowledgeable about the project, and understands the constraints with working in a shorter construction season window.</p>  |
| <p>f) Other project timeline comments:</p> <p>The SPMRM and SPUCL have a long standing working relationship, that as a collective has identified the success of this project as a priority for 2017. With this relationship between the owner and operator, there will be input from the operators of the wastewater treatment system during the design of the upgrades. This input is invaluable to the success of the project at an operational standpoint</p>   |   |   |
| <p>9. a) Does the project involve federal owned asset?</p> <p>No</p> <ul style="list-style-type: none"> <li>If yes, please provide detail:</li> </ul> <p>b) Does the project involve provincial owned asset?</p> <p>No</p> <ul style="list-style-type: none"> <li>If yes, please provide detail:</li> </ul> <p>c) Has tender on design work been awarded?</p> <p>Yes</p> <ul style="list-style-type: none"> <li>If yes, date work started:</li> </ul> <p>01/09/2016<br/>12:00:00 AM</p> <p>d) Has tender on construction work been awarded?</p> <p>No</p> <ul style="list-style-type: none"> <li>If yes, date work started:</li> </ul> <p>01/01/0001<br/>12:00:00 AM</p> <p>e) Has physical work on construction been started?</p> <p>No</p> |   |   |

- If yes, date work started:  
01/01/0001  
12:00:00 AM
- f) Does the project involve lands within the Agricultural Land Reserve?  
No

### C. Financial Details

*In addition to the financial information below, a Detailed Cost Estimate template has been provided on the website and is part of your mandatory documents.*

| 10.   | <p>Cost Estimate Summary</p> <p>You will be required to fill out and submit the <a href="#">Detailed Cost Estimate</a> template provided on the website. The totals below must match the Detailed Cost Estimate template.</p> <table> <tr> <td>a) Total Gross Project Costs (Eligible + Ineligible):</td> <td style="text-align: right;">\$ 2415000</td> </tr> <tr> <td>b) Total Ineligible Project Costs:</td> <td style="text-align: right;">\$ 0</td> </tr> <tr> <td>c) Total Eligible Project Costs:</td> <td style="text-align: right;">\$ 2415000</td> </tr> <tr> <td>d) Maximum Grant Amount (Provincial 33% + Federal Share 50%):</td> <td style="text-align: right;">\$ 2004450</td> </tr> <tr> <td>e) Requested Grant Amount (if less than question 10.d):</td> <td style="text-align: right;">\$ 2004450</td> </tr> </table> | a) Total Gross Project Costs (Eligible + Ineligible): | \$ 2415000        | b) Total Ineligible Project Costs: | \$ 0 | c) Total Eligible Project Costs: | \$ 2415000 | d) Maximum Grant Amount (Provincial 33% + Federal Share 50%): | \$ 2004450 | e) Requested Grant Amount (if less than question 10.d): | \$ 2004450 |
|---|---|---|-------------------|------------------------------------|------|----------------------------------|------------|---|------------|---|------------|
| a) Total Gross Project Costs (Eligible + Ineligible):         | \$ 2415000  |   |                   |                                    |      |                                  |            |   |            |   |            |
| b) Total Ineligible Project Costs:                            | \$ 0  |   |                   |                                    |      |                                  |            |   |            |   |            |
| c) Total Eligible Project Costs:                              | \$ 2415000  |   |                   |                                    |      |                                  |            |   |            |   |            |
| d) Maximum Grant Amount (Provincial 33% + Federal Share 50%): | \$ 2004450  |   |                   |                                    |      |                                  |            |   |            |   |            |
| e) Requested Grant Amount (if less than question 10.d):       | \$ 2004450  |   |                   |                                    |      |                                  |            |   |            |   |            |
| 11.   | <p>Provide detailed list of Other Funding Sources.</p> <p><u>Please note:</u> Other federal and/or provincial grants will affect the total grant requested as per stacking limit. See the <a href="#">Program Guide</a> for information on stacking rules.</p> <table> <tr> <th style="text-align: left;">Other Funding Sources</th> <th style="text-align: left;">Amount of Funding</th> </tr> <tr> <td>Not Applicable.</td> <td style="text-align: right;">\$ 0</td> </tr> <tr> <td></td> <td style="text-align: right;">\$</td> </tr> <tr> <td></td> <td style="text-align: right;">\$</td> </tr> <tr> <td></td> <td style="text-align: right;">\$</td> </tr> </table>   | Other Funding Sources                                 | Amount of Funding | Not Applicable.                    | \$ 0 |                                  | \$         |   | \$         |   | \$         |
| Other Funding Sources   | Amount of Funding   |   |                   |                                    |      |                                  |            |   |            |   |            |
| Not Applicable.   | \$ 0  |   |                   |                                    |      |                                  |            |   |            |   |            |
|   | \$  |   |                   |                                    |      |                                  |            |   |            |   |            |
|   | \$  |   |                   |                                    |      |                                  |            |   |            |   |            |
|   | \$  |   |                   |                                    |      |                                  |            |   |            |   |            |
| 12.   | <p>If this project involves a partnership, provide the legal name of all partner organizations and describe how they are supporting this project.</p> <p>Sun Peaks Mountain Resort Municipality is the owner of this project and is responsible for providing the financial support for this project. Sun Peaks Utilities Corporation Ltd. is responsible for operations and maintenance of the finished project, as such they support the project through a time involvement for annual operations and maintenance. Funds for capital project as well as operations and maintenance for the wastewater system are collected by the SPMRM.</p>  |   |                   |                                    |      |                                  |            |   |            |   |            |
| 13.   | <p>Indicate how the local share of capital costs have been secured and show evidence of secured funds i.e. audited financial statement, bank statement, etc.</p> <p>The SPMRM will borrow from the Municipal Finance Authority for their portion of the project costs. This borrowing will be completed over a short-term period of 5 years. Evidence of secured funds from borrowing will be provided once grant funding is secured, however the SPMRM has noted that this project will be delayed without grant funding.</p>  |   |                   |                                    |      |                                  |            |   |            |   |            |
| 14.   | <p>Will the project require the borrowing of funds?</p> <p>Yes</p> <ul style="list-style-type: none"> <li>• If yes, provide details on borrowing:<br/>The SPMRM will borrow funds through the Municipal Finance Authority. Details of borrowing include that it will be completed over the short-term period of 5 years.</li> </ul>   |   |                   |                                    |      |                                  |            |   |            |   |            |
| 15.   | <p>Who will own the completed project?</p> <p>s.16</p>  |   |                   |                                    |      |                                  |            |   |            |   |            |

s.16

|     |   |
|-----|---|
| 16. | <p>Who will be responsible for operating and maintenance?<br/>SPMRM is responsible and intends to have SPUCL carry out this work under an O&amp;M services agreement. SPUCL has been engaged to operate and maintain the community's water and wastewater infrastructure by SPR LLP since 1993.</p> <ul style="list-style-type: none"> <li>Do you have a plan to fund, operate and maintain the asset over its lifecycle?<br/>Yes</li> <li>What are the expected annual operation &amp; maintenance costs of the project [including depreciation]?<br/>77000</li> <li>How will the operation, maintenance and renewal of this capital project be funded?<br/>Ongoing operations, maintenance and capital renewal costs will be funded through the SPMRM wastewater utility which will be established once control of the wastewater system is transferred to the municipality. This project will not incur any increases in the annual operation &amp; maintenance costs. Any cost increases observed due to the added infrastructure for the storage tank and pumps will be saved through the efficiencies observed as a result of the improvements completed at the pond and aeration system. As such, operation and maintenance costs for the installed upgrades are estimated based on operation of the new blower for 3 months out of the year during peak operating season. An allowance of \$4,500 has been assumed for staff hours for specific component of the wastewater treatment plant.</li> </ul> |
| 17. | <p>Do you have council/board resolution authorizing the project to proceed and commit your share of project funding?<br/>Yes</p> <ul style="list-style-type: none"> <li>If no, when do you expect to submit the council/board resolution:<br/>01/01/0001<br/>12:00:00 AM</li> </ul>   |
| 18. | <p>a) Indicate how the program funding will have an incremental impact on the project (this funding will advance this project by X years or will not go forward without program funding). By accessing funding through the CWWF, this project will be advanced by at least one year. Funding through the CWWF will also enable us to undertake these improvements as one complete package rather than phasing or delays. This will ensure that all benefits accrue as soon as possible and will be more efficient to design and construct.</p> <p>b) Will this project build to or meet a recognized standard/regulation (Drinking or Wastewater) or Green Building Standard?<br/>Yes</p> <ul style="list-style-type: none"> <li>If yes, identify the standard or regulation:<br/>All Sewage treatment components included in the project will be designed and constructed to meet the requirements of the existing permit RE-1535 under the Municipal Wastewater Regulation. All upgrades will be designed and constructed to meet the requirements of the Municipal Wastewater Regulation in the event that the registration is required in the future.</li> </ul>  |
| 19. |   |

Eligible Project Costs Forecast - Project cost estimates are based on work completed or goods and services received, and are for all contributions (Provincial, Federal, and Applicant Share):

|  |            |
|--|------------|
| Eligible Project Costs – work expected to be completed by March 31, 2017 | \$ 200000  |
| Eligible Project Costs – work expected to be completed by March 31, 2018 | \$ 2215000 |
| Total (must equal Total Eligible Project Costs (Question 10 c.))         | \$ 2415000 |

20. Asset Management

- a) Do you have a long-term financial plan that exceeds a 5 year horizon (if yes, over how many years)?

20

- b) How does the financial plan relate to your Asset Management plan, Capital Works plan, OCP, and any other strategic community and corporate plans?

The financial plan is an integral part of our Asset Management Program. As new assets are constructed and added, they are incorporated into our Asset Register which informs our Capital Plan and Asset Renewal Plan. Both historic and replacement costs as well as asset condition are tracked and reviewed to refine our financial planning and reporting.

- c) What proportion (%) of infrastructure replacement are you able to fund through current financial revenues?

100

For the asset class that you are applying for:

- d) Do you have an asset inventory/registry – complete? Up to date?

Yes, we do have a complete and up-to-date Asset Register.

- e) Condition assessment?

Yes, we do have reports on the condition and deficiencies of the assets that are included in this funding submission.

- f) An asset management plan? If yes, is the plan linked to a long term financial plan?

Yes, the assets that are needing to be replaced are included in our current Asset Management Renewal Plan

- g) Using the AM BC Roadmap available at [www.assetmanagementbc.ca](http://www.assetmanagementbc.ca), identify which 'Basic Level' practice modules/building blocks your local government has achieved (for the asset category applied for)?

For this specific capital project, we are at 4.3 of the Asset Management Road Map. We have Assessed and evaluated our water distribution alternatives and reviewed the proposed outcomes.

- h) What effect will the proposed project have on service levels and how will these be measured, e.g. *The water treatment plant upgrade will improve water quality in the community – Measured by the reduction in the number of boil water advisories, and improved levels of disinfection residuals and or by the number of residents with improved water quality and/or meet a provincial/federal standard.*

At the Sewage Treatment Plant, the overall effluent quality will be improved as a result of the increased capacity of the treatment plant. This will be measured and shown through effluent quality monitoring results for TSS (total suspended solids) and BOD. The main effect on service levels associated with effluent quality is during periods of peak flow, during which the effluent quality will greatly improve as a result of this increased capacity at the STP.

#### D. Project Objectives and Benefits

**Increased capacity or lifespan of the asset (economic growth), improved environmental outcomes (cleaner environment) and enhanced service (building stronger communities).**

21. a) Will this project increase capacity or lifespan of the asset?

Yes

- If yes, please explain:

The Sewage Treatment Plant was constructed in the late 1980s. While there have been modifications to the plant since then, this project will represent a significant expansion of capacity at the plant and will enable the plant to better serve the existing population and future growth and development of the resort. The flow balancing pond liner and aeration system is at the end of its lifespan, the new liner and equipment will increase its lifespan by 30 years. Improved solids removal in the pond will increase the lifespan of the rapid infiltration basins.

b) Will this project result in enhanced services?

Yes

- If yes, please explain:

The system capacity will be increased allowing greater peak inflow and long term reliability. Plant backup power will continue to provide service even during power outages.

c) Will this project result in improved environmental outcomes?

Yes

- If yes, elaborate in question 22 below.

**Economic growth**

22. a) Describe the economic benefits of the project and how the project improves economic growth in the community.

The population of the SPMRM is significantly smaller than the service population, outlining the importance of the success of the resort in terms of economic benefits to the community. The successful operation and maintenance of the utilities, including water system, wastewater system, road network, etc., directly relates to the performance of the resort to the recreation and tourism industry as a driving factor of the SPMRM's economy. As such, the benefits of the proposed upgrades to the STP will be observed through economic benefits in the daily operation of the resort.

b) Do you have an economic development plan?

Yes

- If yes, when was it updated?

01/11/2012

12:00:00 AM

**Cleaner environment**

c) Describe the environmental benefits and contribution of the project (e.g. reduced resource consumption, reduction in greenhouse gas emissions, etc.):

The project will contribute to a cleaner environment by improving effluent treatment, and reducing and potentially eliminating incidental discharges of effluent. Plant upsets will become less frequent and maintenance of high effluent quality will be more reliable. Solids discharge to the flow balancing will be reduced, so virtually all of the waste solids will be captured and converted to class A compost in the facility's in vessel composter. Use of biosolids compost as a soil amendment is a significant carbon sink and can account for significant



return of carbon to the soil that would otherwise be released to the atmosphere.

d) Describe any energy efficient features included in this project.

The project uses energy efficient, variable speed blowers coupled with smart control to ensure that the correct amount of air is added to the process at all times. This improves process efficiency and effectiveness and reduces energy consumption and discharge of reduced Sulphur compounds.

e) Do you have a council endorsed water conservation plan?

Yes

- If yes, when was it last updated:

15/04/2016

12:00:00 AM

f) Does the project consider climate related risks, and if so what adaptation/mitigation measures will be taken?

Sun Peaks is located in an area that is prone to forest fire danger, dramatic winter weather and sudden spells of warm weather resulting in fast snow melt which causes high peak sewage flows. These phenomena are being exacerbated by climate change and can result in power outages which impacts the wastewater system. The installation of back-up generators will enable the wastewater system to continue operating while the main power service is not working. Mitigation measures also include water conservation planning. Sun Peaks has been at the forefront of water conservation efforts. Steps to improve water conservation includes the installation of water meters, requirements for the installation of water efficient plumbing fixtures and a dense and compact development pattern that reduces the need for outdoor irrigation of landscaped areas.

### **Stronger communities**

g) Describe how this project will advance the long-term goals and vision of the community as identified in applicable community plans.

Sun Peaks has plans for growth as articulated in the Official Community Plan and the Resort Master Development Plan. The current Sewage Treatment Plant is currently operating at capacity during peak periods and does not have capacity to accommodate the projected growth. Constructing the proposed upgrades will help ensure that the infrastructure at Sun Peaks is robust enough to meet current needs as well to accommodate future growth.

h) Will this project increase capacity, and/or enhance service, and/or improve environmental outcomes. (A project may do one or all three, please briefly describe which your project does and how.)

This project will increase capacity at the Sewage Treatment Plant. This is particularly important as the plant currently experiences plant upsets during peak times at the resort. By increasing capacity, these plant upsets will be reduced or eliminated altogether and there will be capacity for growth. Increased reliability in the plant will improve environmental outcomes by preventing accidental effluent releases from a damaged pond liner, and reduce the solids load to the rapid infiltration basins. This will both reduce the organic load to the environment through the basins, and increase the lifespan of the basins. Service will be enhanced through the addition of back-up power supply

which will ensure the plant will be able to keep operating when the power goes out.

**E. Environmental Assessment and Aboriginal Consultation**

- |     |  |
|-----|--|
| 23. | Is any part of the project located on federal lands?<br>No   |
| 24. | Will aboriginal groups be consulted about the project?<br>No |
| 25. | Is the project subject to an environmental assessment?<br>No |

**F. Mandatory and Supporting Documents**

All mandatory documentation\* is to be emailed or mailed to: Please include your project number.

Ministry of Community, Sport and Cultural Development  
PO Box 9838 Stn Prov Govt  
4th Floor 800 Johnson St.  
Victoria, BC V8W 9T1  
Phone: 250-387-4060  
Email: [infra@gov.bc.ca](mailto:infra@gov.bc.ca)

\* Please see the [Program Guide](#) for a list of documentation.

## Clean Water and Wastewater Fund

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MINISTRY OF COMMUNITY, SPORT AND CULTURAL DEVELOPMENT  
Local Government Infrastructure and Finance  
Location: 4<sup>th</sup> Floor, 800 Johnson Street  
Mailing: PO Box 9838 STN PROV GOVT, Victoria, BC V8W 9T1  
Telephone: 250-387 - 4060  
Website: [www.gov.bc.ca/cleanwaterwastewaterfund](http://www.gov.bc.ca/cleanwaterwastewaterfund)

March 13, 2017

Rob Bremner  
Chief Administrative Officer  
Sun Peaks Mountain Resort Municipality  
PO Box 1002  
Sun Peaks, British Columbia V0E 5N0

Dear Rob Bremner:

**Re: Clean Water and Wastewater Fund**  
**Project #C40176 – Sewage Treatment Plant Facilities Upgrades**

It is my pleasure to inform you that your application for funding under the Clean Water and Wastewater Fund (CWWF) for 'Sewage Treatment Plant Facilities Upgrades' has been **confidentially** approved at a maximum federal/provincial contribution of \$2,004,450.

**By receiving and entering into this agreement you are required to keep this confidential until such time as a public announcement has been made by the program partners.**

Enclosed is the agreement between the Ministry of Community, Sport and Cultural Development (MCSCD) and your local government in relation to the above mentioned project.

Please ensure a PDF version of the signed shared cost agreement is emailed to [INFRA@gov.bc.ca](mailto:INFRA@gov.bc.ca) by **March 23<sup>th</sup>, 2017** with the originally signed shared cost agreement to follow by post.

All public information material pertaining to the project shall clearly and prominently indicate that the project is funded pursuant to CWWF, which includes tendering. Contracts will be awarded in a way that is transparent, competitive and consistent with value for money principles. It is the responsibility of the local government to comply with all local regulations and obtain necessary permits.

In addition, Schedules B and C "Payment Terms and Conditions" and "Reporting Requirements" outline the claims process and the various reports to be submitted. A provincial representative will be in contact reporting requirements at a future date.

... /2



If you have any questions, please contact Elizabeth Crossley, Grant Analyst, at [Elizabeth.Crossley@gov.bc.ca](mailto:Elizabeth.Crossley@gov.bc.ca) or 778-698-3256.

Yours truly,

A handwritten signature in black ink, appearing to be 'Liam Edwards', with a long horizontal stroke extending to the right.

Liam Edwards, Executive Director  
Local Government Infrastructure and Finance

Enclosure

This Shared Cost Agreement dated for reference the 13th day of March, 2017.

**BETWEEN**

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**, represented by the Minister of Community, Sport and Cultural Development and Minister Responsible for Translink (the "Province")

**AND**

SUN PEAKS MOUNTAIN RESORT MUNICIPALITY (the "Recipient")

for the Sewage Treatment Plant Facilities Upgrades Project No.  
C40176

**WHEREAS:**

- A. The Government of Canada ("Canada") and the Province entered into the Clean Water and Wastewater Fund Funding Agreement (the "CWWFA") made September 30, 2016.
- B. Funding has been approved under the CWWFA to be paid by the Province to the Recipient for the Project defined in this Agreement, on the terms and conditions set out in this Agreement.
- C. The participation and performance of the Recipient play a critical role in achieving the purposes of the CWWFA.
- D. The parties wish to delineate their respective responsibilities under this Agreement and ensure compliance with the CWWFA.

**NOW THEREFORE**, in consideration of the sum of One Dollar and other valuable consideration, the receipt and sufficiency of which is acknowledged by each party, the parties agree as follows:

**DEFINITIONS**

- 1. In this Agreement and its recitals the following definitions apply:

**"Agreement"** means this Shared Cost Agreement and any attached schedules;

**"Applicable Laws"** means all laws, statutes, regulations, and bylaws of any governmental authority having the force of law from time to time including those

affecting, applicable to or otherwise relating to the Project, the Recipient or any Third Party;

**"Commencement Date"** means the date identified in Schedule A;

**"Completion Date"** means the date identified in Schedule A upon which the Recipient will complete the Project;

**"Contract"** means a contract between the Recipient and a Third Party whereby the Third Party agrees to contribute a product or service to the Project in return for financial consideration which may be claimed as an Eligible Expenditure;

**"CWWFA Staff"** means employees of the Ministry of Community, Sport and Cultural Development who are directly involved in the administration of the CWWFA, and includes anyone authorized to act on their behalf;

**"Eligibility Criteria"** means the criteria established by the Province set out in Schedule B of this Contribution Agreement;

**"Eligible Expenditures"** are those expenditures set out in Schedule D which represent the categories of Project costs toward which the contribution by the Province is to be used and those Project costs which are eligible for reimbursement through the contribution by Canada;

**"Fiscal Year"** means the period beginning April 1 of a year and ending March 31 of the following year;

**"Ineligible Expenditures"** are those expenditures set out in Schedule D;

**"Oversight Committee"** means the Committee established under the authority in section 7 of the CWWFA;

**"Project"** means the project described in Schedule A;

**"Provincial Minister"** means the Minister of Community, Sport and Cultural Development and Minister Responsible for Translink and includes anyone authorized to act on his/her behalf;

**"Stipulations"** means the terms set out in this Agreement that must be met in order for the Recipient to retain the funds received under this Agreement; and

**"Third Party"** means any person, employee or agent, other than a party to this Agreement, that is involved in the implementation of the Project.

## **SCHEDULES**

2. The Schedules to this Agreement are:

|            |                                      |
|------------|--------------------------------------|
| Schedule A | Project Information                  |
| Schedule B | Payment Terms and Conditions         |
| Schedule C | Reporting Requirements               |
| Schedule D | Eligible and Ineligible Expenditures |

## **TERM**

3. Notwithstanding the actual date of execution of this Agreement, the term of this Agreement begins on the Commencement Date, and expires on March 31, 2019.

## **OBLIGATIONS OF THE RECIPIENT**

4. As a Stipulation to this Agreement the Recipient agrees to:
- (a) carry out the Project in a diligent and professional manner;
  - (b) commence carrying out the Project within three months of the date of reference of this Agreement;
  - (c) complete the Project no later than the Completion Date;
  - (d) provide evidence satisfactory to the Province that the Recipient has commenced the Project in accordance with section 4(b) of this Agreement. Such evidence may consist of verification that construction has started, or other evidence deemed appropriate by the Province;
  - (e) submit its claims for reimbursement of Eligible Expenditures in accordance with the provisions of Schedule B of this Agreement; and
  - (f) be responsible for any and all costs, expenses and liabilities (other than Eligible Expenditures which are reimbursed in accordance with the terms of this Agreement) including all Ineligible Expenditures, unapproved expenditures, and cost overruns.
5. If the Recipient has failed to provide evidence satisfactory to the Province in accordance with section 4(d) of this Agreement to demonstrate the Project has commenced, the Province will inform the Federal Co-chair of the Oversight Committee and the Oversight Committee will examine the issue.

6. As a stipulation to this Agreement the Recipient and any Third Party will comply with all Applicable Laws.
7. As a stipulation to this Agreement the Recipient agrees to:
  - (a) establish and maintain accounting and administrative records which clearly disclose the nature and amounts of the different items of cost pertaining to the Project, including those that are to be used as the basis for the calculation of the claims by the Recipient for reimbursement from the contribution by Canada of Eligible Expenditures and which shall include the Contracts, invoices, statements, receipts and vouchers in respect of the Project;
  - (b) permit the Province, Canada, or any member of the Oversight Committee, for contract monitoring and audit purposes, to inspect at all reasonable times both before and after the Completion Date, any books of account or records (both printed and electronic, including, but not limited to, hard disk or diskettes), and any other information reasonably required by the Province or Canada, whether complete or not, that are produced, received or otherwise acquired by the Recipient as a result of or in connection with this Agreement;
  - (c) maintain all such accounts, records and information for a period of six years after the Completion Date;
  - (d) ensure that all Contracts entered into by the Recipient with any Third Parties contain the provisions in section 6 above; and
  - (e) adhere to all environmental mitigation measures, if any, identified during the environmental assessment process.
8. As a stipulation to this Agreement the Recipient is solely responsible for all aspects of the Project, including without limitation, the planning, design, construction, operation, maintenance, worker and public safety, completion and ownership of the infrastructure, and nothing in this Agreement shall be deemed to give the Province interest in, or responsibilities for the Project, unless otherwise expressly provided in this Agreement.
9. As a stipulation to this Agreement the Recipient will ensure that the federal/provincial contribution is to be used solely for the purpose of defraying the Eligible Expenditures incurred by the Recipient in carrying out and completing the Project as described in Schedule A.
10. As a stipulation to this Agreement the Recipient acknowledges that Eligible Expenditures that have received funding from any other federal or provincial sources may not be reimbursed under this Agreement, and the Recipient agrees to promptly



notify the Province through CWWFA Staff in writing of any and all such funding received.

11. As a stipulation to this Agreement the Recipient will not knowingly permit any member of the House of Commons of Canada or the Senate of Canada or the Legislative Assembly of British Columbia to be admitted, directly or indirectly, to any share or part of any Contract, agreement or commission made pursuant to this Agreement or in relation to the Project or to obtain any benefit arising therefrom.
12. As a stipulation to this Agreement the Recipient acknowledges and agrees that it is not an agent of Canada or the Province and that it will not hold itself out as such and will not do any act or thing which might be construed as authorizing any contract or permitting any other liability or obligation to be incurred on behalf of either Canada or the Province.
13. For the purposes of this section “significant change” in respect of a Project includes:
  - (a) any material change to its location, scope or timing; or
  - (b) any change that would trigger a further environmental assessment.

Any request for changes or variations to the Project, including significant changes, will be made in writing and will be reviewed by the Province.

14. As a stipulation to this Agreement the Recipient will retain title to, and ownership of infrastructure resulting from the Project for at least five (5) years after the Completion Date.
15. As a stipulation to this Agreement if at any time within five (5) years from the Completion Date, the Recipient sells, leases, or otherwise disposes of, directly or indirectly, any asset purchased, acquired, constructed, rehabilitated or renovated, in whole or in part, with funds contributed by Canada or the Province under this Agreement, other than to Canada, the Province, a local government, or otherwise with Canada’s consent, the Recipient may be required to reimburse Canada and the Province, any funds received for the Project.

The Recipient will immediately notify the Province in writing if at any time during the five (5) year period following the Completion Date, any transaction triggering the above-mentioned repayment occurs.

16. As a stipulation to this Agreement the Recipient will ensure that any Contracts it awards to any Third Party will be awarded in a way that is transparent, competitive, and consistent with value for money principles.

17. As a stipulation to this Agreement all Contracts for works associated with the Project will be publicly tendered. If this is not feasible or practicable, the Recipient agrees to notify the Province in writing before proceeding with the Project.
18. As a stipulation to this Agreement the Recipient acknowledges that the Province reserves the right to review the Recipient's procurement and tendering policies and practices relating to the Contracts at any time from the date of approval of the Project to three years after the Completion Date.

#### **OBLIGATIONS OF THE PROVINCE**

19. Provided the Recipient is in compliance with its obligations under this Agreement, and subject to the terms of this Agreement, the Province will pay the Recipient the Province's and Canada's contributions in the manner set out in Schedule B of this Agreement.
20. Without prejudice to the generality of section 19, the Province will not have any obligation to make the Province's or Canada's contribution under section 19 unless the Recipient has complied with the provisions set out in Schedule B.
21. Notwithstanding any other provision of this Agreement, the payment of money by the Province to the Recipient under this Agreement is subject to satisfactory implementation of all environmental mitigation measures, including the requirements of the *Canadian Environmental Assessment Act, 2012* and the *BC Environmental Assessment Act*, if any, identified during the environmental assessment process.

#### **COMMUNICATIONS**

22. The Recipient acknowledges it has reviewed and agrees to comply with:
  - (a) the communications protocol set out in Schedule C of the CWWFA; and
  - (b) the Provincial Communications Protocol.

Copies can be found on the Provincial Clean Water and Wastewater Fund website at [www.gov.bc.ca/cleanwaterwastewaterfund](http://www.gov.bc.ca/cleanwaterwastewaterfund).

23. The Recipient acknowledges that the eligibility of expenditures related to communication activities will be subject to Schedule D of this Agreement.
24. The Recipient agrees to be responsible for all required Project signage.

25. The Recipient agrees to follow signage guidelines as provided by the Province. Pursuant to section D.1 (e) of Schedule D of this Agreement, Project signage costs are an Eligible Expenditure.
26. In compliance with the CWWFA communications protocol and the Provincial Communications Protocol referred to above, the Recipient agrees to install in a visible location at the Project site, temporary signage thirty (30) days prior to the start of construction which will remain in place until thirty (30) days after construction is completed and the infrastructure is fully operational or opened for public use.

## **INDEMNIFICATION**

27. The Recipient shall indemnify and save harmless Canada, the Province, and their respective elected officials, officers, servants, employees or agents from and against all actions, whether in contract, tort or otherwise, claims and demands, losses, costs and expenses, damages, suits or other proceedings by whomsoever brought or prosecuted in any manner that Canada, the Province, and their respective elected officials, officers, servants, employees, or agents may sustain, incur, suffer or be put to at any time either before or after the expiration or termination of this Agreement by the Recipient or a Third Party, or their respective employees, officers, directors, sub-contractors, servants, or agents, related to or arising from this Agreement or the Project including without limitation the on-going operation, maintenance and repair of the infrastructure resulting from the Project, except always liability arising out of the independent negligent acts of the Province or Canada.

## **INSURANCE**

28. The Recipient will, without limiting its obligations or liabilities herein, purchase and maintain insurances with insurers licensed in Canada with coverage of a type, and in amounts, that any similar business, acting reasonably, would procure for a project of the scope, size and exposure of the Project, during the term of this Agreement and for any subsequent ongoing operations and maintenance of the resulting infrastructure.
29. The Recipient shall require and ensure that each Third Party maintains insurances comparable to those required above.
30. Upon request by the Province, the Recipient will deliver a certified copy of the policies of insurance applicable under this Agreement. No review or approval of any insurance policy by the Province derogates from or diminishes the Province's rights or the Recipient's liability under this Agreement.

## DEFAULT

31. Any of the following events will constitute an Event of Default, whether any such event is voluntary, involuntary or results from the operation of law or any judgment or order of any court or administrative or government body:
- (a) the Recipient fails to comply with any provision of this Agreement;
  - (b) any representation or warranty made by the Recipient in connection with this Agreement is untrue or incorrect;
  - (c) any information, statement, certificate, report or other document furnished or submitted by or on behalf of the Recipient pursuant to or as a result of this Agreement is untrue or incorrect;
  - (d) the Recipient ceases, in the opinion of the Province, to carry on business as a going concern;
  - (e) a change occurs with respect to one or more of the properties, assets, conditions (financial or otherwise), business or operations of the Recipient which, in the opinion of the Province, materially adversely affects the ability of the Recipient to fulfill its obligations under this Agreement;
  - (f) an order is made or a resolution is passed or a petition is filed for the liquidation or winding up of the Recipient;
  - (g) the Recipient becomes insolvent or commits an act of bankruptcy or makes an assignment for the benefit of its creditors or otherwise acknowledges its insolvency; or
  - (h) a bankruptcy petition is filed or presented against the Recipient, or a proposal under the *Bankruptcy and Insolvency Act* (Canada) is made, or a receiver or receiver-manager of any property of the Recipient is appointed.

## TERMINATION

32. Upon the occurrence of any Event of Default and at any time thereafter the Province may, notwithstanding any other provision of this Agreement, at its sole option, elect to do any one or more of the following:
- (a) terminate this Agreement and request repayment of all or a portion of the funding paid under this Agreement in which case the Province's obligation to make any further payment of the money remaining unpaid under this Agreement is terminated;

- (b) require that the Event of Default be remedied within a time period specified by the Province;
  - (c) suspend any installment of payment due to the Recipient by the Province while the Event of Default continues;
  - (d) waive the Event of Default;
  - (e) pursue any other remedy available at law or in equity.
33. If the Province terminates this Agreement under section 32 and requests repayment of all or a portion of the funding paid to the Recipient under this Agreement, the Recipient shall repay the requested amount forthwith to the Province and the Province is discharged of all liability to the Recipient under this Agreement.
34. If the Province terminates this Agreement under section 32(a), then such termination may take place on ninety (90) days written notice.
35. The Province may, at its sole option, terminate this Agreement at any time without cause upon one hundred and twenty (120) days written notice to the Recipient.

#### **REMEDIES NON-EXCLUSIVE**

36. The rights, powers and remedies conferred on the Province under this Agreement or any statute or law are not intended to be exclusive and each remedy shall be cumulative and in addition to and not in substitution for every other remedy existing or available to the Province.
37. The exercise of any one or more remedies available to the Province will not preclude the simultaneous or later exercise by the Province of any other right, power or remedy.

#### **APPROPRIATION**

38. Notwithstanding any other provision of this Agreement, the payment of money by the Province to the Recipient under this Agreement is subject to:
- (a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act*, to enable the Province, in any fiscal year or part thereof when any payment by the Province to the Recipient falls due under this Agreement, to make that payment; and

- (b) Treasury Board, as defined in the *Financial Administration Act*, not having controlled or limited expenditure under any appropriation referred to in subsection (a) of this section.

#### **NO FURTHER OBLIGATIONS**

39. The Recipient acknowledges that nothing in this Agreement will bind Canada or the Province to provide any financing for any addition or improvement to the Project, or any cost overruns of the Project and that no partnership, joint venture or agency will be created or will be deemed to be created by this Agreement or any action of the parties under this Agreement.

#### **TERMS APPLICABLE TO CANADA**

40. The Province and the Recipient acknowledge the financial contribution to the Project by Canada under this Agreement and, in consideration of that contribution and notwithstanding that Canada is not a signatory to this Agreement; the parties agree that the terms of this Agreement applicable to, or with respect to, Canada are for her sole benefit.

#### **JOINT AND SEVERAL OBLIGATIONS**

41. In the event the Recipient is comprised of more than one entity, then the covenants and obligations of each of such entities with the others will be both joint as well as several.

#### **AMENDMENTS**

42. Unless otherwise specified in this Agreement, this Agreement may be amended only by further written agreement between the parties.

#### **SURVIVAL OF TERMS**

43. Sections 7(b) and (c), 14, 15, 24 and 27, continue in force indefinitely, even after this Agreement ends.

## NOTICE

44. Any written communication from the Recipient to the Province must be mailed, personally delivered, or electronically transmitted to the following address:

Ministry of Community, Sport and Cultural Development  
Local Government Infrastructure and Finance Branch  
P.O. Box 9838, STN PROV GOVT  
Victoria, British Columbia V8W 9T1  
Email: INFRA@gov.bc.ca

Attention: Director, Infrastructure and Engineering

45. Any written communication from the Province to the Recipient must be mailed, personally delivered, or electronically transmitted to the following address:

**Sun Peaks Mountain Resort Municipality**  
**PO Box 1002**  
**Sun Peaks, British Columbia V0E 5N0**

Attention: Chief Administrative Officer

46. Any written communication from either party will be deemed to have been received by the other party on the tenth business day after mailing in British Columbia or on the date of transmission if emailed.
47. Either party may, from time to time, notify the other party in writing of a change of address or number and, following the receipt of such notice, the new address or number will, for the purposes of sections 44 or 45 of this Agreement, be deemed to be the contact information of the party giving notice.

## LOBBYISTS AND AGENT FEES

48. The Recipient warrants:
- (a) that any person it has hired, for payment, to speak to or correspond with any employee or other person representing Canada or the Province on the Recipient's behalf, concerning any matter relating to the contribution under this Agreement or any benefit hereunder and who is required to be registered pursuant to either the *Lobbying Act*, R.S.C. 1985, c. 44 (4th Supp.) or the *Lobbyists Registration Act*, S.B.C. 2001, c. 42, as amended, is registered pursuant to one or both of those acts; and

- (b) it has not and will not make a payment or other compensation to any legal entity that is contingent upon or is calculated upon the contribution hereunder or on negotiating the whole or any part of the terms of this Agreement.

In the event of a breach of subsections (a) or (b), the Province may terminate this Agreement or recover from the Recipient the full amount of all contributions under this Agreement.

## **MISCELLANEOUS**

- 49. This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable in British Columbia.
- 50. The Schedules to this Agreement are an integral part of this Agreement as if set out at length in the body of this Agreement.
- 51. If any provision of this Agreement or the application to any person or circumstance is invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to any other person or circumstance will not be affected or impaired thereby and will be enforceable to the extent permitted by law.
- 52. Nothing in this Agreement operates as a consent, permit, approval or authorization by the Province or any ministry or branch thereof to or for anything related to the Project that, pursuant to Applicable Laws, the Recipient is required to obtain unless it is expressly stated herein to be such a consent, permit, approval or authorization.
- 53. All disputes arising out of or in connection with this Agreement will be referred to and finally resolved by arbitration pursuant to the *Arbitration Act*, R.S.B.C. 1996, c.55.



IN WITNESS WHEREOF each of the parties has executed this Agreement on the dates set out below.

SIGNED by the Minister of Community, )  
Sport and Cultural Development and )  
Minister Responsible for Translink or his or her )  
duly authorized representative on behalf of )  
HER MAJESTY THE QUEEN IN RIGHT OF )  
THE PROVINCE OF BRITISH COLUMBIA )

\_\_\_\_\_  
Minister or his/her authorized representative

Date: \_\_\_\_\_

SUN PEAKS MOUNTAIN RESORT MUNICIPALITY (the "Recipient"):

Per: \_\_\_\_\_  
Authorized Signatory

Date: \_\_\_\_\_

\_\_\_\_\_  
Name/Title

## **Schedule A: PROJECT INFORMATION**

- A.1 Project Title: Sewage Treatment Plant Facilities Upgrades Project No. C40176.
- A.2 The Sewage Treatment Plant Facilities Upgrades will consist of the following:
- The project works will include:
- Desludging of lagoons;
  - Remove and dispose of existing aeration system and liner;
  - Install new aeration equipment (floating lateral system, anchors, diffusers) aeration pond blower and new UV resistant liner;
  - Install soft curtain baffle walls in the pond;
  - Upgrade existing power supply and complete electrical reconfigurations;
  - Decommission old rapid intake pump house;
  - Install four new variable frequency drives;
  - Install new emergency backup generator;
  - Install new 60m<sup>3</sup> influent tank and diversion manhole;
  - Install sludge blanket filtration bioreactor; and,
  - Ancillary mechanical equipment, electrical and controls.
- A.3 The Commencement Date of the Project is April 1, 2016; the Project was approved on March 8, 2017.
- A.4 The Completion Date of the Project shall be no later than March 31, 2018.

## **Schedule B: PAYMENT TERMS AND CONDITIONS**

### **B.1 Payment by the Province of the Financial Contributions from Canada and the Province:**

The Province will make financial contributions to the Recipient which will not exceed the lesser of 83% of the total costs of the Project or Two Million Four Thousand Four Hundred Fifty Dollars and No Cents (\$2,004,450 ) being the maximum amount (the "Total Contribution") approved to be paid under this Agreement to pay for Project costs incurred by the Recipient.

These financial contributions are available to the Recipient through two funding sources, both to be paid through the Province. One-third of the Project costs are eligible for funding by the Province ("Contribution by the Province") based on the eligibility criteria established in B.2 and one-half of the Project costs are eligible for funding provided by Canada ("Contribution by Canada") based on the eligibility criteria established in B.3.

### **B.2 Contribution by the Province:**

#### **B.2.1 Initial Contribution of Provincial Funding:**

Upon the execution of this Agreement by both parties, the Recipient becomes eligible for, and the Province will make one initial payment for, eighty percent (80%) Six Hundred Thirty Seven Thousand Five Hundred Sixty Dollars and No Cents (\$637,560 ) (the "Initial Payment") of the Contribution by the Province. The Initial Payment by the Province does not require the Recipient to incur Project costs before becoming eligible for the Initial Payment.

#### **B.2.2 Final Payment of Provincial Funding:**

Upon completion of the Project and after receipt and approval of the Final Report, the Recipient becomes eligible for a Contribution by the Province of up to twenty percent (20%) of the total Contribution by the Province in the amount of One Hundred Fifty Nine Thousand Three Hundred Ninety Dollars and No Cents (\$159,390 ) or one-third of the total project costs, whichever is less.

### **B.3. Contribution by Canada:**

B.3.1 The Recipient will be eligible for the Contribution by Canada once claims for Eligible Expenditures have been submitted to and approved by the Province. The Recipient will deliver to the Province through CWWF Staff, claims setting out the amount of

Eligible Expenditures actually incurred and paid by the Recipient to the date of such claims.

- B.3.2 Claims for reimbursement will be submitted in accordance with the forecast detailed in the Recipient's most current budget forecast report, or at a time otherwise acceptable to the Province.
- B.3.3 Claims must be submitted with an up-to-date progress report and a summary of expenditures which includes the name of the payee, date paid, work rendered, start/end dates, invoice number, and invoice date.
- B. 3.4 The Eligible Expenditures included in each claim must all be incurred and paid in one Fiscal Year. Claims submitted that include Eligible Expenditures incurred and paid in more than one Fiscal Year will not be accepted by the Province.
- B.3.5 No reimbursement will be paid if a claim is received later than March 31, 2019.
- B.3.6 For each approved claim the Province will reimburse the Recipient for one-half of the approved claim to the Recipient (which is a Contribution by Canada). The amounts paid by the Province to the Recipient for all claims plus the amount of the Initial Payment and the Final Payment shall not exceed the Total Contribution amount.
- B.3.7 The following documents must be submitted with each claim made by the Recipient and the Province will not reimburse a claim unless the following have been submitted:
  - a) a current Periodic Progress Report;
  - b) a current Budget Forecast Report; and
  - c) any other additional technical reporting requirements as required under Schedule C of this Agreement.

## **Schedule C: REPORTING REQUIREMENTS**

### **C.1 Periodic Progress Reports:**

The Recipient will deliver to the Province through CWWFA Staff on a quarterly basis and/or upon request by the Province, periodic progress reports ending March 31, June 30, September 30, and December 31 of each year of the term of this Agreement commencing on the first quarter following the date of execution of this Agreement and ending on the date of Project completion. The periodic progress reports will be in a form established by the Province and are to be completed and submitted within a time frame as stipulated by the Province.

### **C.2 Budget Forecasting Report:**

The Recipient will deliver to the Province through CWWFA staff on a monthly basis and/or upon request by the Province, budget forecast reports ending the last day of each month for each year of the term of this Agreement commencing on the first month following the date of execution of this Agreement. The budget forecast reports will be in a form established by the Province.

### **C.3 Final Report:**

In order to receive final payment when the Project is completed, the Recipient will deliver to the Province through CWWFA Staff a Final Report, in a form established by the Province.

### **C.4 Project Audit Report:**

Prior to payment of the final claim for Eligible Expenditures, the Recipient may also be required to provide a Project audit report from a person authorized to be an auditor under section 169 of the *Community Charter* confirming that the Project expenditures have been made in compliance with this Agreement and the CWWFA guidelines. If required by the Province, the audit is to be in accordance with the form and reporting standards recommended by the Canadian Institute of Chartered Accountants.

## C.5 Additional Reporting Requirements:

(a) The additional reporting requirements are:

### **Proof of Wastewater System Ownership Transfer**

Prior to payment in excess of 15% of approved funding, the Recipient must submit proof that ownership will be or has been transferred to the Sun Peaks Mountain Resort Municipality from the Sun Peaks Utilities Corporation Limited. Proof of ownership of the wastewater infrastructure and associated assets must be confirmed through municipal bylaw or Memorandum of Understanding that provides a date of the transfer of ownership or the date, in the near term, when the transfer will occur.

### **Wastewater System Requirements**

Prior to payment in excess of 25% of approved funding amount, the Recipient must provide written confirmation to the Province that the project design and construction meets the statutory requirements under the British Columbia Environmental Management Act – Municipal Wastewater Regulation. This includes:

Where the proposed construction involves a wastewater system, the Recipient must submit a signed copy from a qualified professional ensuring the wastewater facility design will achieve the applicable discharge requirements of the Municipal Wastewater Regulation or under an approved Liquid Waste Management Plan.

### **Proposed Equipment and Energy Systems**

Prior to payment in excess of 25% of approved funding amount, the Recipient must submit documentation to the Province listing all energy features of this project including equipment/devices containing energy efficiency features and design (e.g. pumps, lighting, controls, HVAC, etc.).

### **Asset Management**

Prior to payment in excess of 75% of approved funding amount, the Recipient must submit to the Province the following:

- A summary of the current state of asset management practice within the organization as related to the asset group which corresponds with the project (ex. for a water supply project, the asset group would be 'all water assets'); and
- A summary of the activities (related to the same asset group) that the organization intends to carry out to improve asset management practice within the organization.

The Asset Management BC Roadmap and/or AssetSMART 2.0 can be referred to: [www.assetmanagementbc.ca](http://www.assetmanagementbc.ca). Responses relying upon different formats or resources may also be accepted at the discretion of the program lead.

### **System Enforced Water Conservation Plan Technical 75%**

Prior to payment in excess of 75% of approved funding amount, the Recipient must do one of the following:

1. Provide an up-to-date, succinct, effective, council or board endorsed water conservation plan, which covers the entire water system, to the Province; or
2. In the situation that a water conservation plan has been previously submitted to the Province and/or is more than 5 years old, the Recipient is required to submit an updated outline of that plan that identifies actions that are complete, in process and any new actions planned. An effective water conservation plan may include the completion of a Water Conservation Calculator report (see: [www.waterconservationcalculator.ca](http://www.waterconservationcalculator.ca)) and the following:

- Identify current water consumption (e.g. 600 L/capita/day);
- Set a water reduction target (e.g. 350 L/capita/day by xxxx year);
- Outline the communities current and planned water conservation actions/measures (e.g. universal metering, inclined block water rates, conservation plumbing fixtures, leakage reduction, rebate programs, education programs, xeriscaping, etc.);
- Identify current and planned mitigation and adaptation strategies to address climate change (e.g. installing water meters to secure water supply, lowering demand to reduce pumping requirements, etc.);
- Detail how strategies/initiatives will be implemented (e.g. schedule, funding, staff responsibility, etc.); and,
- Link the plan to other regulatory mechanisms, policies and plans (e.g. Official Community Plan, water master plan, wastewater management strategy, BC Living Water Smart, Climate Action Plan, etc.).

#### **System Enforced Wastewater Requirements Technical 75%**

Prior to payment in excess of 75% of approved funding amount, the recipient must provide the following to the Province:

- a) Demonstration that the project complies with the British Columbia Environmental Management Act, and is authorized under:

- The Municipal Wastewater Regulation; or
- An approved Liquid Waste Management Plan.

- b) Confirmation that the:

- Wastewater facility has been classified by the British Columbia Environmental Operations Certification Program (BCEOCP); and

- That the operator(s) of the wastewater facility are either:

1. certified to the level required by the wastewater facility classification under the BCEOCP; or
2. a plan is in place and is submitted to the Province to ensure operators will receive their required training (includes both education and experience) to enable BCEOCP certification.

#### **System Enforced Wastewater Management Technical 75%**

Prior to payment in excess of 75% of approved funding amount, the Recipient must submit an outline to the Province demonstrating how the community is working towards and

planning for sustainable wastewater management. The following describes recommended components to include in outline:

**System Profile**

- Number of system failures resulting in effluent discharges into the environment;
- Identify existing wastewater flows per capita per day;
- Identify industrial, commercial or institutional toxins and/or chemical contaminants that are introduced into the sewer system and that are known to negatively impact the treatment process or receiving environment; and

**Targets**

- Identify and/or establish a wastewater flow reduction target (% or volume annually and/or per capita by xxxx year);

**Planning**

- Outline current and planned strategies/initiatives that support integrated resource management, as well as climate change adaptation and mitigation. This can include biosolids composting and reuse, rainwater management, wastewater heat recovery, water reclamation, asset management, energy efficiency, etc.; and
- Link wastewater management strategies to relevant policies and plans (e.g. Official Community Plan, Regional Growth Strategy, BC Climate Action Charter, watershed management plans, water conservation plan, stormwater/rainwater drainage plans, liquid waste management plans, bylaws, etc.).

**System Enforced Asset Renewal Profile Technical 100%**

Prior to final payment, the Recipient must complete and submit an asset renewal profile for the asset group which corresponds with the project for which the grant was awarded (ex. for a water supply project, the asset group would be 'all water assets'). A renewal profile attempts to forecast the time of failure of assets and project when they will require financing for replacement.

An effective renewal profile should include the following:

- Data regarding expected remaining life and replacement value for individual assets from the community's asset data register;
- A graph with replacement year on the X-axis and the collective replacement costs for assets on the Y-axis. The X-axis should start at the current year and show the projected replacement costs for the next 30 years or more;
- Show the annual expenditures required to renew existing assets, including those assets constructed as part of the project (ex: for a drinking water project, include all drinking water asset components such as pipes, valves, pumps, etc. for the entire asset group, not just the newly installed assets), over the next 30 (or more) years.

(b) Reports submitted by the Recipient under this section, if any, are for the Province's information and CWWFA guidelines accountability only, and their review by the Province in no way endorses, approves or verifies the findings, technical data, results, quality statements, representations or recommendations therein, and the Recipient warrants that all information contained in any report is true and correct.



C.6 Other Information:

The Recipient will provide the Province through CWWFA Staff, upon request, all such other information concerning the progress of the Project to completion and payment of Eligible Expenditures, as may be required by the Province from time to time.

## Schedule D – ELIGIBLE AND INELIGIBLE EXPENDITURES

### D.1 ELIGIBLE EXPENDITURES

Excluding those identified under Section D.2 (Ineligible Expenditures), Eligible Expenditures will be all costs considered by the Province to be direct and necessary for the successful implementation of the Project. Eligible Expenditures will include only the following:

- a) the capital expenditures for acquiring, constructing, renewing, rehabilitating, materially enhancing or renovating an Asset, as defined and determined according to Public Sector Accounting Standards in effect in Canada;
- b) costs incurred between Commencement Date and the Completion Date set out in Schedule A and are deemed to be direct and necessary.
- c) expenditures directly associated with joint federal communication activities and with project signage related to funding recognition set out in Schedule C (Communications Protocol) of the CWWFA and in the Provincial Communications Protocol as described in section 22 of this Agreement;
- d) the expenditures for engineering and environmental reviews, including environmental assessments and follow-up programs as defined in the *Canadian Environmental Assessment Act 2012* and the expenditures of remedial activities, mitigation measures and follow-up identified in any environmental assessment;
- e) the expenditures for Project-related signage, lighting, Project markings and utility adjustments;
- f) Recipient audit and evaluation expenditures if an audit is requested under Schedule C of this Agreement;
- g) the incremental expenditures of the Recipient's employees or leasing of equipment may be included as eligible expenditures under the following conditions:
  - i. The Recipient is able to demonstrate that it is not economically feasible to tender a contract;
  - ii. The employee or equipment is engaged directly in respect of the work that would have been the subject of the contract is required to complete the project; and
  - iii. The arrangement is approved in advance and in writing by the Province; and.
- h) other expenditures that, in the opinion of the Province, are considered to be direct and necessary for the successful implementation of the Project and have been approved in writing prior to being incurred.

## **D.2 INELIGIBLE EXPENDITURES**

The following expenditures are ineligible:

- a) expenditures incurred before the Commencement Date;
- b) expenditures incurred after the Project Completion Date with the exception of expenditures related to audit and evaluation requirements pursuant to the Agreement;
- c) costs incurred for cancelled projects;
- d) the expenditures related to purchasing land, buildings and associated real estate and other fees;
- e) financing charges and interest payments on loans;
- f) leasing land, buildings, equipment except those noted under D.1(g) above and other facilities;
- g) furnishings and non-fixed assets which are not essential for the construction and operation of the Project;
- h) general repairs and maintenance of the Project and related structures, unless they are part of a larger capital expansion project;
- i) services or works normally provided by the Recipient, incurred in the course of implementation of the Project, except those specified as eligible expenditures;
- j) the expenditures related to any goods and services which are received through donations or in kind;
- k) any overhead expenditures, including salaries and other employment benefits of any employees of the Recipient, direct or indirect operating or administrative expenditures of Recipients, and more specifically expenditures related to planning, engineering, architecture, supervision, management and other activities normally carried out by staff except in accordance with subsections D.1 (g) in the Eligible Expenditures above;
- l) taxes for which the Recipient is eligible for a tax rebate and all other expenditures eligible for rebates;
- m) legal fees;
- n) Permits fees charged by the Recipient to itself; and,
- o) any of the following expenditures for joint federal communication activities (media consultant, event planners, gifts, and hospitality costs such as, but not limited to, food/beverages, liquor, or entertainment).