

TOWN OF OUTLOOK

BYLAW NO. 12(98)

A BYLAW OF THE TOWN OF OUTLOOK TO PROVIDE FOR ENTERING INTO
AN AGREEMENT UNDER SECTION 175 OF THE URBAN
MUNICIPALITY ACT, 1984.

The Council of the Town of Outlook in the Province of Saskatchewan, enacts as follows:

1. The Town of Outlook is hereby authorized to enter into an agreement, attached hereto and forming part of this bylaw, and identified as "Exhibit A", with:

Saskatchewan Association For Resource Recovery Corporation, a non-profit corporation with an office in the City of Saskatoon, in the Province of Saskatchewan (hereinafter called "SARRC")

for the purpose stated within the agreement.

2. The Mayor and Town Administrator of the Town of Outlook are hereby authorized to sign and execute the attached agreement identified as "Exhibit A".

INTRODUCED AND READ a first time this 5th day of May, 1998.

READ a second time this 5th day of May, 1998.

READ a third time and adopted this 5th day of May, 1998.



Mayor

(SEAL)



Administrator

Certified a true copy of Bylaw No. 12(98)
of the Town of Outlook adopted by
resolution of Council on the 5th day
of May, 1998, A.D.

(SEAL)



Administrator

THIS AGREEMENT dated as of the 21st day of April, 1998.

BETWEEN:

SASKATCHEWAN ASSOCIATION FOR RESOURCE
RECOVERY CORPORATION,
a non-profit corporation with an office in the
City of Saskatoon, in the Province of Saskatchewan
(hereinafter called "SARRC")

- and -

THE TOWN OF OUTLOOK,
governed by *The Urban Municipality Act*
(hereinafter called the "Town")

WHEREAS SARRC is a non-profit corporation formed by the oil and oil filter first sellers in Saskatchewan to develop, implement and maintain a used oil waste management program in Saskatchewan;

AND WHEREAS the Town has taken steps to create an EcoCentre for the purposes for collecting used oil, filters and oil containers;

AND WHEREAS the parties are prepared to enter into this Agreement relating to the operation and funding of the EcoCentre;

NOW THEREFORE THIS AGREEMENT WITNESSETH that for and in consideration of the premises, and the terms and conditions set forth hereinafter, the parties hereto covenant and agree as follows:

1. DEFINITIONS

1.1 In this Agreement:

- (a) "Act" shall mean *The Environmental Management and Protection Act*;
- (b) "Regulations" shall mean the Regulations pursuant to the Act;
- (c) "Acceptable Used Oil Materials" shall mean any materials, as described in the SARRC Used Oil Materials Training Manual, as from time to time amended, collected by the Town at the EcoCentre;

- (d) "EcoCentre" means a depot, operated by the Town and designed for the purposes of collecting used oil, filters and oil containers as contemplated by the regulations under the Act and the SARRC Used Oil Materials Training Manual, as from time to time amended;
- (e) "Environmental Matters" means environmental matters relating to the EcoCentre, whenever and however arising including, without limiting the generality of the foregoing, the existence in or emanation from the EcoCentre of any hazardous substance or potentially hazardous condition, substance or material including, without limitation, Acceptable Used Oil Materials, crude oil, refined petroleum products and derivatives thereof, heat, sound, vibration or radiation resulting from human activity which might impair the quality of any air, land or water or adversely affect human health or damage any plant or animal and any illness, injury or death to any person or damage to any plant or animal or any adverse impact on the environment caused by the aforementioned;
- (f) "Product Management Program" shall have the same meaning as in the Act and Regulations;
- (g) "SERM" means the Saskatchewan Department of Environmental and Resource Management, being the government department responsible for the enforcement of the Act;

2. HEADINGS

2.1 All headings employed herein are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

3. EXTENDED MEANINGS

3.1 Words importing singular number shall include the plural and vice versa, and words importing the masculine or neuter gender shall include the masculine, feminine, and neuter genders, and words importing persons shall include companies, corporations, partnerships, syndicates, trusts and any number or aggregate of persons, wherever the fact or context so requires.

4. TERM

4.1 Subject to earlier termination as contemplated herein, the term of this Agreement is for a period of three years commencing on the 3rd day of February, 1998 and shall therefore terminate on the 3rd day of February, 2001, (the "Term"). The Town and SARRC agree that they may extend this Agreement or a revision of this Agreement beyond the Term, but to be effective such agreement to extend the Term must be in writing.

5. ECOCENTRE

5.1 The Town shall supply, during the Term hereof, as the site of the EcoCentre, the real property described as a Portion of the NW of 11-29-8 W3M.

5.2 The Town covenants with SARRC to at all times maintain, during the Term hereof, a valid SERM Permit to Operate a Storage Facility identification number as well as a SARRC registered EcoCentre number.

5.3 The Town shall operate the EcoCentre, being a depot created for the purposes of receiving and collecting SARRC Acceptable Used Oil Materials. The Town acknowledges that it is obligated to operate the EcoCentre in compliance with the rules respecting collection depots under the Product Management Program prescribed by the Act and Regulations and the operating procedures set by SARRC.

6. ECOCENTRE EQUIPMENT

6.1 The EcoCentre shall have the specifications set out in Schedule "A" hereto and for that purpose, the Town agrees to purchase from SARRC, and SARRC agrees to sell to the Town, the following:

- 1 - 3048 mm by 7315 mm prefabricated concrete building complete with floor grating, access ramp, concrete pad and signage
- 1 - 4500 litre used oil collection tank complete with dipstick, drum pump, hose and stinger
- 1 - type ABC 20 lb fire extinguisher

6.2 In addition to the above, the Town acknowledges that it will supply or arrange for the following equipment for the operation of the EcoCentre, namely:

- 4 - 205 litre used oil filter drums
- Used oil container bags and bag stands

7. PAYMENT FOR ECOCENTRE EQUIPMENT

7.1 The Town shall pay to SARRC in consideration for the EcoCentre equipment as hereinbefore set out in paragraph 6.1, the sum of Seventeen Thousand Two Hundred Eighteen Dollars and Seventy-four Cents (\$17,218.74) plus PST and GST, to be paid upon the execution hereof.

8. SARRC PAYMENTS TO TOWN

8.1 Subject to Article 10 and on condition that the Town submits the documentation required by SARRC, SARRC shall pay to the Town, in consideration for its proper and authorized operation of the EcoCentre, the following amounts:

- (i) \$0.03 per litre for each litre of acceptable oil properly consigned to the EcoCentre;
- (ii) \$10.00 for each 205 litre drum of acceptable filters;
- (iii) \$0.30 kg for other acceptable containers.

8.2 In addition, SARRC shall, in each year of the Term, pay to the Town by way of an operating service fee the sum of \$3,570.00.

9. SARRC CAPITAL PAYMENT

9.1 SARRC shall pay to the Town, in order to assist the Town in recovering a portion of its capital costs with respect to the EcoCentre, the following amounts:

- (i) in the year 1998 - \$6,100.00
- (ii) in the year 1999 - \$3,150.00
- (iii) in the year 2000 - \$1,250.00

10. MANNER OF PAYMENT

10.1 During the Term hereof, SARRC guarantees to the Town that it shall receive from SARRC payments (including capital payments) as set out in articles 8 and 9 of not less than \$13,200.00 per annum.

10.2 The \$13,200.00 per annum guaranteed payment shall be paid by SARRC to the Town by monthly payments of \$1,100.00 to be paid on the last day of each month during the Term hereof.

10.3 In the event the Town is entitled to reimbursement based on Articles 8 and 9 in excess of \$1,100.00 per month, such surplus shall be accrued and paid to the Town on December 31 of such year.

11. PUBLIC AWARENESS

11.1 Any public awareness or advertising campaign developed or implemented by SARRC will be at the sole expense and discretion of SARRC. The Town may, on condition it obtains written permission from SARRC, in advance, engage in public awareness or advertising campaigns respecting the EcoCentre and, if it does so, such activity will be at the sole expense of the Town.

12. OBLIGATIONS OF THE TOWN

12.1 The Town shall safely, effectively and efficiently administer the EcoCentre in accordance with the provisions of the Act and Regulations and the directions of SERM. The EcoCentre shall operate during regular business hours and without limiting the generality of the foregoing, the Town shall:

- (a) Receive acceptable used oil materials as described in the SARRC Used Oil Materials Training Manual (forwarded separately);
- (b) Receive acceptable used oil from 205-litre drums using the provided drum pump;
- (c) Visually inspect used oil materials and ensure they meet standards as may be prescribed by any and all applicable legislation, regulations, rules or standards;
- (d) Ensure the customer signs a log book prescribed by SARRC;
- (e) Deposit used oil into the collection tank;
- (f) Receive and supervise proper deposit of containers and filters at the EcoCentre;
- (g) Conduct inventory control checks daily or more frequently, as required;
- (h) Maintain the EcoCentre and the surrounding site in a neat and tidy condition at all times and in a manner as may be prescribed by any applicable legislation, regulation, rule or standard;

- (i) Ensure the EcoCentre is locked and secure when the EcoCentre is unattended;
- (j) Abide by and follow all operating procedures and responsibilities as set out by SARRC, as from time to time revised, as well as those instructions received from SERM.

13. REMOVAL OF ACCEPTED USED OIL MATERIALS

13.1 The Town shall contract with a SARRC registered carrier for the purposes of removing the Acceptable Used Oil Materials from the EcoCentre, as required.

13.2 The Town shall perform any such acts which are necessary to facilitate the removal of the Acceptable Used Oil Materials including completing any required documentation.

13.3 The Town shall be responsible for the Acceptable Used Oil Materials collected at the EcoCentre until such time as they are removed by a SARRC registered carrier as provided for in clause 13.1.

13.4 The Town shall comply with all applicable laws, regulations, by-laws, rules and standards with respect to the handling, collection and storage of the Acceptable Used Oil Materials and in carrying out the Product Management Program in the operation of the EcoCentre.

14. INSURANCE

14.1 The Town shall maintain property, comprehensive general liability and environmental impact liability insurance in a form and fashion satisfactory to SARRC. The said insurance shall protect and indemnify SARRC and/or the Town, as is appropriate, as well as their respective officers, servants, agents, sub-contractors and employees from any claim for damage or injury to persons or property or for the loss of life including liability assumed under this Agreement, any agreement or document contemplated hereby with limits of not less than \$50,000.00 for property, \$5,000,000.00 for comprehensive general liability and \$1,000,000.00 for environmental impact liability of any one loss. Such insurance shall include SARRC as an additional named insured with a "cross-liability" or a "severability of interests" endorsement.

14.2 The Town agrees to allow access of the insurer of the EcoCentre during regular business hours.

15. RELEASE AND INDEMNITY

15.1 The Town acknowledges that the EcoCentre is a collection depot for Acceptable Used Oil Materials, which include hazardous substances, and will act with due diligence and care in dealing with the Acceptable Used Oil Materials in the operation of the EcoCentre. The Town, for itself, its successors and assigns, agrees to release SARRC from each and every claim whatsoever that the Town may have or may have hereinafter or howsoever suffer, sustain or incur in regard to, arising out of, or in any way connected with Environmental Matters relating to the EcoCentre.

15.2 The Town shall indemnify and save SARRC harmless of and from any claims, causes of action, ministerial orders, other loss or demand arising out of the use of the EcoCentre including, without limitation, any costs incurred by SARRC with respect to actions or orders, statutory or otherwise, arising out of Environmental Matters.

16. ECOCENTRE LOCATION

16.1 The Town may, with the written consent of SARRC and any other appropriate authority, change the location of the EcoCentre. Such change in location will be at the sole cost and expense of the Town.

17. TERMINATION FOR CAUSE

17.1 In the event the Town does not comply with the terms of this Agreement or any application legislation, regulation, by-law or rule or if it removes the EcoCentre, without the appropriate consents, then SARRC may terminate this Agreement on one day's notice. Upon the notice becoming effective, the parties shall have no further obligations to each other, saving that the release and indemnity contained in article 15 shall survive.

18. TERMINATION WITHOUT CAUSE

18.1 SARRC may, in its absolute discretion, terminate this Agreement upon providing to the Town three months written notice. The written termination shall be effective upon the expiration of the three months. The party's obligations to each other shall continue during the three month notice and then terminate, saving that the release and indemnification in article 15 shall survive.

19. SARRC SIGNAGE AT ECOCENTRE

19.1 Any signage at the EcoCentre referencing SARRC or SARRC's role in the Product Management Program shall be used at the discretion of SARRC and in the event this

Agreement is terminated, either pursuant to Article 17 or Article 18, then SARRC may immediately attend to the Eco-Centre and remove any signage referencing SARRC.

20. NOTICES

20.1 Any notice to be given hereunder shall be in writing and may be fully served by faxing such notice via the fax number noted below or by sending same by prepaid registered mail or personal delivery to the addresses noted below:

In the case of SARRC:

2366 Avenue C North
Saskatoon, Saskatchewan
S7L 5X5
Fax No: (306) 652-1705

In the case of the Town:

Town of Outlook
P.O. Box 518
Outlook, Saskatchewan
S0L 2N0
Fax No: (306) 867-9898

20.2 If a notice is sent by fax it shall be deemed to be received by the addressee on the next business day. If a notice is sent by prepaid registered mail, it shall be deemed to be received by the addressee three business days after being sent.

21. FURTHER ASSURANCES

21.1 Both parties covenant and agree that they shall promptly execute and delivery any deed, instrument or other documents necessary or desirable to give effect to the intent of this Agreement.

22. SEVERABILITY

22.1 If any covenant, obligation or agreement contained in this Agreement, or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application or such covenant, obligation or agreement to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each covenant, obligation and agreement shall be separately valid and enforceable to the full extent permitted by law.

23. NON-WAIVER

23.1 No provision of this Agreement shall be deemed to be waived unless such waiver is in writing. Any waiver of any default committed by any of the parties hereto in the observance

or the performance of any part of this Agreement shall not extend to or be taken in any manner to affect any other default.

24. CONFIDENTIALITY

24.1 The Town covenants and agrees in favour of SARRC to keep the terms and conditions of this Agreement and matters ancillary thereto, confidential and not to disclose any information relating to the same to any third parties without the prior written consent of SARRC. SARRC covenants and agrees in favour of the Town to keep confidential any information it may receive unrelated to this program and related to the other business of the Town.

25. APPLICABLE LAW


25.1 This Agreement shall be governed and construed in all respects by the laws of the Province of Saskatchewan.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written by their authorized officers.

THE TOWN OF OUTLOOK

SASKATCHEWAN ASSOCIATION FOR
RESOURCE RECOVERY CORPORATION

PER: 
Authorized Officer

PER: 
Authorized Officer

PER: 
Authorized Officer

PER: 
Authorized Officer

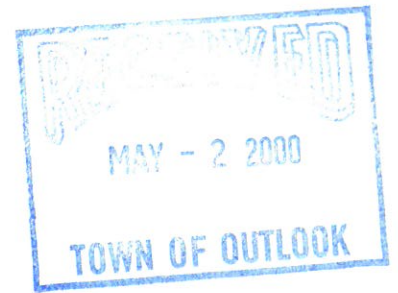
(Seal of the Town of Outlook)

h:\rss\sarrceco\agree



Saskatchewan Association for Resource Recovery Corp.

TO: **TOWN OF OUTLOOK**
BOX 518
OUTLOOK, SK S0L 2N0
Attention: Mr. Lawrence Zarubiak
Administrator



Dear Lawrence:

RE: SARRC Capital Payments to EcoCentre Operator
Amendments to EcoCentre Agreements

You will recall that articles 8, 9 and 10 of the EcoCentre Agreement provided for capital and operational payments to be made by SARRC to you. The capital repayments were to be for one-half of the capital costs, paid back over three years. SARRC's improved funding now provides a contribution to you to cover the entire capital cost of the building, tank, pump and signage, as originally supplied. Your capital cost was \$ 19,629.02 including GST and PST. Based on Article 9 of the original agreement, SARRC has repaid \$ 9458.33 to March 31, 2000 for capital recovery (PST and GST not included; GST was passed through). The remaining amount is therefore \$ 10,170.69, which includes repayment of PST of \$1205.29, and GST repayment of \$1205.29, the latter which must be accounted for with Revenue Canada since Outlook was rebated GST from Revenue Canada originally.

In furtherance of the goals of the Product Management Program and to assist you in operating the EcoCentre, SARRC proposes to contribute the remaining capital immediately. In consideration for this payment, it will be agreed between us that the previous articles 8, 9 and 10 are to be deleted from the EcoCentre Agreement and replaced with the following:

8. SARRC PAYMENTS TO THE TOWN

8.1 Subject to Article 9 and on condition that the Town submits the documentation required by SARRC, SARRC shall pay to the Town, in consideration for its proper and authorized operation of the EcoCentre, the following amounts:

- (i) \$0.03 per litre for each litre of acceptable oil properly consigned to the EcoCentre.
- (ii) \$10.00 for each 205-litre drum of acceptable filters.
- (iii) \$0.30 per kg for acceptable containers.

SARRC
2366 Avenue C North
Saskatoon, SK S7L 5X5
Telephone 306 652-7217
Fax 306 652-1705
Info Number 1-877-OIL-SASK
Web Site www.usedoilrecycling.com

Making every
drop count
Saskatchewan Used Oil
Recycling Program

Printed on recycled paper using environmentally friendly ink

Regardless of the actual amounts of Acceptable Used Oil Materials collected, as contemplated above, SARRC shall pay to the Town not less than \$1,250.00 per annum. SARRC shall pay additional amounts if the value of all Acceptable Used Oil Materials combined exceeds \$1,250.00 per annum.

8.2 In addition, SARRC shall, in each year of the Term, pay to the Town by way of an operating service fee the sum of \$5,950.00.

8.3 All amounts referred to in Articles 8.1 and 8.2 shall have the applicable Government of Canada Goods and Services Tax added.

9. MANNER OF PAYMENT

9.1 During the Term hereof, SARRC guarantees to the Town that it shall receive from SARRC payments as set out in Article 8 totalling not less than \$7,200.00 per annum.

9.2 The \$7,200.00 per annum guaranteed payment shall be paid by SARRC to the Town by monthly payments of \$600.00 to be paid on the last day of each month during the Term hereof.

9.3 In the event the Town is entitled to payment, based on Article 8, in excess of \$600.00 per month, such surplus shall be accrued and paid to the Town on December 31 of each year of the Term.

10. OPTION TO PURCHASE ECOCENTRE

1. If at any time the Town ceases to operate the EcoCentre, then, in that event, the Town shall immediately give notice to SARRC of the cessation of operations and, for a period of nine months commencing from the date the Town notifies SARRC that it has ceased to operate the EcoCentre, the Town grants to SARRC an option to purchase (the "Option") the EcoCentre, being specifically the building only and not the land upon which it is situate, on the following terms and conditions:

(i) The Option shall be exercised by SARRC delivering to the Town a letter being notice of the exercise of the Option and a cheque in the amount of \$10.00 (ten dollars) (the "Purchase Price").

(ii) That upon delivery of the letter giving notice of the exercise of the Option of the payment of the Purchase Price, SARRC may remove the EcoCentre from the lands upon which it is situate, notwithstanding that the EcoCentre is a fixture, and dispose of same as SARRC sees fit.

(iii) The parties agree that SARRC shall remove the EcoCentre from Town lands within three months of the date of exercising the Option.

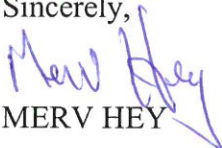
(iv) It is agreed between the Town and SARRC that SARRC shall not be responsible for any repair or grooming of the lands after the removal of the EcoCentre, and that the Town shall remain responsible for the care and control of the lands upon which the EcoCentre was situate.

(v) All costs involved in removing the EcoCentre from the land shall be borne by SARRC. Any costs for the repair or grooming of the lands after the removal of the EcoCentre shall be the responsibility of the Town.

2. Notwithstanding the above, in the event the Town receives an offer to purchase the EcoCentre from a purchaser satisfactory to SARRC, then, in that event, SARRC may consent to the sale to such purchaser on condition the purchaser enters into a satisfactory EcoCentre agreement with SARRC.

I trust that you are comfortable with this approach. If the above is acceptable to you, it shall be agreed between us that this letter shall form an amendment to the existing EcoCentre Agreement. Accordingly, if you wish to proceed, please sign both copies of this letter and return one signed original to our office. Upon receipt we will forward to you the balance of the capital contribution as previously described, and begin the new monthly payment rates effective April 1, 2000.

If you have any questions please call.

Sincerely,

MERV HEY

The above terms and conditions are accepted this 2nd day of May, 2000.

TOWN OF OUTLOOK, SASKATCHEWAN

Per: 
Authorized Signator