

THIS AGREEMENT made in duplicate this 1st day of May, 2013.

BETWEEN:

THE COUNTY OF ST. PAUL NO. 19
a Municipal Corporation in the Province of Alberta
(the "Municipality")

OF THE FIRST PART

-and-

SILVERBACK SALES AND RENTALS
(the "Contractor")

OF THE SECOND PART

SEWAGE DISPOSAL CONTRACT

WHEREAS the Municipality is the owner and has care and control of the sewage lagoons within the Municipality located at ***Ashmont, Mallaig and Whitney Lake (the "Lagoons")***;

AND WHEREAS the Contractor hauls sewage from properties within the Municipality;

NOW THEREFORE, in consideration of the covenants and promises contained in this Agreement, the Municipality and the Contractor agree as follows:

1. Term

The Contractor is entitled to dispose of sewage into the "Lagoon" subject to the terms and conditions of this Agreement. This contract shall commence on the **1st day of May, 2013** and continue until the Municipality or the Contractor provide notice to terminate the contract.

2. Consideration

In consideration for the Municipality allowing the Contractor to dispose of sewage in the Lagoons, the Contractor shall upon execution of this Agreement, pay **an annual fee of twenty five (\$25.00)** dollars, plus all applicable federal and provincial levies and taxes, including the Goods and Services Tax.

3. Contractor's Covenants

The Contractor agrees that it shall:

- (a) comply with all federal, provincial and municipal laws and regulations respecting the hauling and disposal of sewage; including proper dumping into Lagoons or approved locations;
- (b) at all times provide sewer trucks which are in good working order;
- (c) ensure that the vehicles and employees who enter upon the Lagoons shall not do damage to the land or appurtenances, reasonable wear and tear excepted;
- (d) provide, upon the Municipality's request, a list of employee's who will operate the sewage disposal trucks, as well as a list of the sewage disposal trucks indicating the license plates for each truck;
- (e) maintain, and upon the Municipality's request provide the Municipality a copy of an insurance policy covering the Contractor for comprehensive general liability, with a limit of \$2,000,000.00 per occurrence, with the Municipality named as a co-insured;
- (f) only deposit domestic sewage into the Lagoons, consisting of laundry, bathing, toilet and kitchen wastes and excluding all other wastes;

- (g) refrain from depositing into the Lagoons matter which, in the opinion of the Municipality, may impair the operation of the Lagoons, or may be unduly harmful to the environment;
- (h) only deposit domestic sewage into the Lagoons from residences within the Municipality;
- (i) at all times carry on its business pursuant to this Agreement as an independent contractor in pursuit of an independent calling and not as an employee or servant of the Municipality. Accordingly, the Contractor shall be responsible to pay all federal and provincial income tax, unemployment insurance contributions, Canada Pension Plan payments and other requirements and deductions under law, whether municipal, provincial or federal, and the Contractor shall furthermore be responsible for payment of all Workers' Compensation Board claims and shall establish an account with the Workers' Compensation Board for payment of all accounts thereto;
- (j) not assign its interest under this Agreement, without the prior written consent of the Municipality, which consent may be unreasonably or arbitrarily withheld;
- (k) allow the Municipality, upon request by the Municipality, to test the nature of the substances which the Contractor deposits into the Lagoons;
- (l) ensure that all access gates, latches, locks and similar devices are secured and closed after use by the Contractor;
- (m) refrain from allowing or assisting in the access of unauthorized persons to the Lagoons; and
- (n) indemnify and save harmless the Municipality from and against any and all claims, losses, damages or injury to any person or the property of any person including the Municipality however caused by the Contractor, its servants, contractors and agents, which may occur at any time in connection with the rights and privileges granted to the Contractor pursuant to this Agreement, excepting that the Contractor is not required to indemnify and save harmless the Municipality from and against any and all claims, losses, damages or injury solely caused by the negligence of the Municipality.

4. Municipality's Covenants

The Municipality agrees that it shall:

- (a) not levy any additional charges or fees against the Contractor for dumping sewage into the Lagoons, other than the consideration specified in Clause 2 above;
- (b) refrain from impeding the Contractor's rights and privileges contained herein, including by impeding the Contractor's access to the Lagoons as long as the Contractor is not in default under this Agreement;

5. Termination

- 5.1 Upon the breach by the Contractor of any of the Contractor's covenants herein, the Municipality shall have the right to terminate this Agreement upon giving twenty-four (24) hours written notice to the Contractor; under such circumstances the Municipality may retain the entire consideration specified in Clause 2 above;
- 5.2 Upon the breach by the Municipality of any of the Municipality's covenants herein, the Contractor shall have the right to terminate the Agreement upon twenty-four (24) hours written notice to the Municipality; under such circumstances the Municipality shall refund a pro-rated portion of the consideration specified in Clause 2 above, in proportion to the unexpired period of the term;
- 5.3 The Municipality may, without cause, terminate this Agreement upon thirty (30) days written notice to the Contractor; under such circumstances shall refund a pro-rated portion of the consideration referred to in Clause 2 above, in proportion to the unexpired period of the term.

6. **Notice**

Any notice required or permitted to be given under this Agreement may be effectively given under letter addressed to:

The Municipality:

County of St. Paul No. 19
5015 - 49 Avenue
St. Paul, Alberta
T0A 3A4
Attn: Chief Administrative Officer

The Contractor:

Silverback Sales and Rentals
c/o Andy Jubinville
Box 945
St. Paul, AB T0A 3A0

provided that in the event that a notice is served by mail at a time where there is an interruption of mail service affecting the delivery of such mail, then such notice shall not be deemed to have been serviced until one (1) week after the date that normal mail service is restored.

7. **Execution**

In witness whereof the parties hereto have executed this Agreement by their respective duly authorized officers in that behalf, and affix the relevant corporate seal, as of the date and year first above written.

COUNTY OF ST. PAUL NO. 19

SILVERBACK SALES AND RENTALS

Per: _____

Per: _____

Per: _____

Per: _____