

NO: R117

COUNCIL DATE: June 24, 2019

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **June 20, 2019**

FROM: **Acting General Manager, Engineering**

FILE: **7818-0122-00**

XC: **8118-0122-00-1/2/3**

8218-0122-00-1/2/3/4/5

8418-0122-00-1/2/3

8518-0122-00-1/2/3/4/5

SUBJECT: **Development Cost Charge Front-Ending Agreements and Development Works Agreements for Water and Sewer Infrastructure Works that Support Development in the Anniedale-Tynehead Neighbourhood Concept Plan**

RECOMMENDATIONS

The Engineering Department recommends that Council:

1. Authorize the execution of three Water Development Cost Charge Front-Ending Agreements to an upset limit of \$2,716,905.64, \$3,547,567.00, and \$9,811,911.00 (including all applicable taxes), as generally described in this report and as illustrated in Appendices "I" to "III" attached to this report, respectively;
2. Authorize the execution of five Sewer Development Cost Charge Front-Ending Agreements to an upset limit of \$3,446,000.00, \$3,403,399.00, \$2,512,250.00, \$1,604,500.00, and \$304,800.00 (including all applicable taxes), as generally described in this report and as illustrated in Appendices "IV" to "VIII" attached to this report, respectively;
3. Authorize the execution of three Water Development Works Agreements to an upset limit of \$23,384,939.36, \$16,755,810.00, and \$58,789,939.00 (including all applicable taxes), as generally described in this report and as illustrated in Appendices "I" to "III" attached to this report, respectively; and
4. Authorize the execution of five Sewer Development Works Agreements to an upset limit of \$8,164,099.00, \$5,870,668.00, \$2,760,477.00, \$2,590,727.00, and \$1,100,045.00 (including all applicable taxes), as generally described in this report and as illustrated in Appendices "IV" to "VIII" attached to this report, respectively.

INTENT

The purpose of this report is to obtain approval for the City to enter into Development Cost Charge Front-Ending Agreements (“DCCFEAs”) and Development Works Agreement (“DWAs”) with the Anniedale Land Development Limited Partnership (the “Front-Ending Developer”). The Front-Ending Developer may be reimbursed in the future with Anniedale-Tynehead Neighbourhood Concept Plan (“NCP”) specific Water and Sewer Development Cost Charges (“DCCs”) and DWA Specified Charges from development on the benefiting properties, as illustrated in Appendices “I” to “VIII”. The Front-Ending Developer will construct the water and sewer infrastructure works to service developments in the NCP.

BACKGROUND

The Engineering Department’s 10-Year Servicing Plan (“10YSP”) establishes the City’s capital expenditure plan for the construction of engineering infrastructure to service existing neighbourhoods and to support new growth across the City, and the identified growth related components in the 10YSP are used to determine the DCC rates for engineering infrastructure. In 2018, Council adopted the 10YSP (2018-2027) and related DCC rates.

Staff in the Engineering Department have been working through the development servicing design process with the Front-Ending Developer, who is proposing to construct water and sewer infrastructure works in the NCP. These works are eligible for NCP-specific Water and Sewer DCC reimbursements by the City; however, the NCP-specific Water and Sewer DCC reimbursements will leave a funding shortfall between the 10YSP costs and the cost of the works, the balance of which the Front-Ending Developer is proposing be recovered from the benefiting lands through Water and Sewer DWA Specified Charges.

Use of the DCCFEAs and the DWAs, as recommended in this report, is in keeping with City practice (see Appendices “IX” and “X” for DCCFEA Process Flowchart and DWA Process Flowchart, respectively) regarding the use of such agreements as means of financing the construction of services that are contained in the City’s 10YSP.

DISCUSSION

The Front-Ending Developer is proceeding with development on a site within the NCP. The construction of the water and sewer infrastructure works is required to allow development to proceed on that site and will also benefit other lands in the NCP (some portions of lands within the benefiting areas are excluded, as those portions of lands are undevelopable, e.g., riparian areas).

Since these works are necessary to proceed with this development, the Front-Ending Developer has offered to front-end the cost of these works, provided that it eventually receives the NCP-specific DCCs and DWA Specified Charges the City collects from subsequent development within the benefiting areas. The DCCFEAs and DWAs provide for the payment of funds collected by the City to the Front-Ending Developer, but do not recreate any other financial obligations between the City and the Front-Ending Developer. In accordance with Corporate Report No. Ro87; 2018, these agreements would remain in effect for 20 years after the completion date of the works to which they apply.

Water supply to the initial phase of development in the NCP would be provided by water infrastructure works, as illustrated in Appendices “I” and “II” without the commissioning of the future Fleetwood Reservoir by Metro Vancouver. These works would be able to service a population of approximately 4,321, and, as new developments use less water, it is likely more developments and population can be serviced by these works. Staff in the Engineering Department will monitor the water consumption to optimize the use and capacity of these works. If the capacity of the works is reached, then additional developments or population can be serviced by the existing water mains on 96 Avenue, of which its capacity may be increased by increasing the operating pressure in the system; however, this approach is not recommended in the long-term as it will increase water leakages and potential water main breaks.

The proposed Fleetwood Reservoir would be required to service any further increase in development and population in the NCP area, as the future Fleetwood Reservoir provides the source water for the water network, as illustrated in Appendix “III”.

The DCCFEAs, as proposed, will not significantly affect the reasonable implementation of other components of the City’s NCP-specific Water and Sewer DCC program or the 10YSP. The infrastructure projects are currently identified, but unfunded in the 10YSP. As of the date of this Corporate Report, no DCCs have been collected in the NCP.

The potential NCP-specific DCC recoveries are set out in the “DCCFEA Maximum Amount” column in Table 1 – Possible Cost Recovery Sources. The DCCFEAs will specify that any NCP-specific DCCs collected in the future will be used to reimburse the Front-Ending Developer for the capital costs and other eligible expenses related to the works.

The NCP-specific Water and Sewer DCC revenues that may be collected by the City from the benefiting lands are not enough to fully cover the costs for the subject works; hence, over and above the recoveries available from the DCCFEAs, the DWAs are required to recover the shortfall. The potential DWA Specified Charges recoveries are set out in the “DWA Maximum Amount” column in Table 1 – Possible Cost Recovery Sources. The DWA Specified Charges will be collected from the owners of the benefiting lands in the future at the time of an application for development or connection.

Pursuant to Section 570 of the Local Government Act, RSBC 2015, c 1 (the “Local Government Act”), a DWA may only be required where a sufficient petition for the DWA has been presented to Council. The Front-Ending Developer has undertaken the DWA petition process with the owners of the properties within each of the benefiting areas. Pursuant to Section 212 of the Community Charter, SBC 2003, c 26, the City Clerk has received and certified the petitions to be sufficient. The petitions included the information required by Section 570(5) of the Local Government Act.

Table 1. Possible Cost Recovery Sources

	Total Cost	DCCFEA Maximum Amount	DWA Maximum Amount	DWA Maximum Specified Charge (per hectare)
Water				
81/8418-0122-00-1	\$26,101,845.00	\$2,716,905.64	\$23,384,939.36	\$506,386.73
81/8418-0122-00-2	\$20,303,377.00	\$3,547,567.00	\$16,755,810.00	\$70,918.06
81/8418-0122-00-3	\$68,601,850.00	\$9,811,911.00	\$58,789,939.00	\$248,825.24
<i>Water sub-total</i>	<i>\$115,007,072.00</i>	<i>\$16,076,383.64</i>	<i>\$98,930,688.36</i>	
Sewer				
82/8518-0122-00-1	\$11,610,099.00	\$3,446,000.00	\$8,164,099.00	\$29,068.08
82/8518-0122-00-2	\$9,274,067.00	\$3,403,399.00	\$5,870,668.00	\$76,411.14
82/8518-0122-00-3	\$5,272,727.00	\$2,512,250.00	\$2,760,477.00	\$13,437.56
82/8518-0122-00-4	\$4,195,227.00	\$1,604,500.00	\$2,590,727.00	\$20,345.89
82/8518-0122-00-5	\$1,404,845.00	\$304,800.00	\$1,100,045.00	\$13,054.22
<i>Sewer sub-total</i>	<i>\$31,756,965.00</i>	<i>\$11,270,949.00</i>	<i>\$20,486,016.00</i>	
Total	\$146,764,037.00	\$27,347,332.64	\$119,416,704.36	

Subject to Council approving the recommendations of this report, Legal Services will prepare the related agreements for execution by the Front-Ending Developer, and the City Clerk will bring forward for the required readings the related DWA Bylaws, which if adopted will act to give the City authority to collect the DWA Specified Charges from the benefiting lands when such lands are developed. A sample DWA Bylaw is attached to this report as Appendix “XI”.

Construction of the works will be based on a competitive tendering process by the Front-Ending Developer, with the results of such process reviewed by City staff to confirm that the process reflects the City of Surrey Purchasing Policy and the prices represent reasonable value.

The Front-Ending Developer will post securities for the construction of the subject works through the normal Servicing Agreement process. The amounts to be collected from the benefiting lands through NCP-specific DCCs and DWA Specified Charges will be finalized upon completion of construction of the works and on certification of the actual costs of construction to a maximum of the upset limits included in the Recommendations section of this report.

FUNDING

The cost of construction of the works will be financed by the Front-Ending Developer. The proposed DCCFEAs and DWAs each have a term of 20 years after the completion date of the works, regardless of the amount of the recoveries that the Front-Ending Developer has achieved at that time under each agreement. These agreements will allow the Front-Ending Developer to recover some of the costs of constructing the subject works.

SUSTAINABILITY CONSIDERATIONS

The proposed water and sewer infrastructure works support the objectives of the City’s Sustainability Charter 2.0. In particular, the works relate to the Sustainability Charter 2.0 theme of Infrastructure. Specifically, the proposed works support the following Desired Outcomes (“DO”) and Strategic Direction (“SD”):

- All Infrastructure DO1: City facilities and infrastructure systems are well managed, adaptable and long lasting, and are effectively integrated into regional systems;
- All Infrastructure DO2: Infrastructure systems provide safe, reliable and affordable services; and
- All Infrastructure SD1: Proactively manage community assets to maintain them over the long-term in a state of good repair.

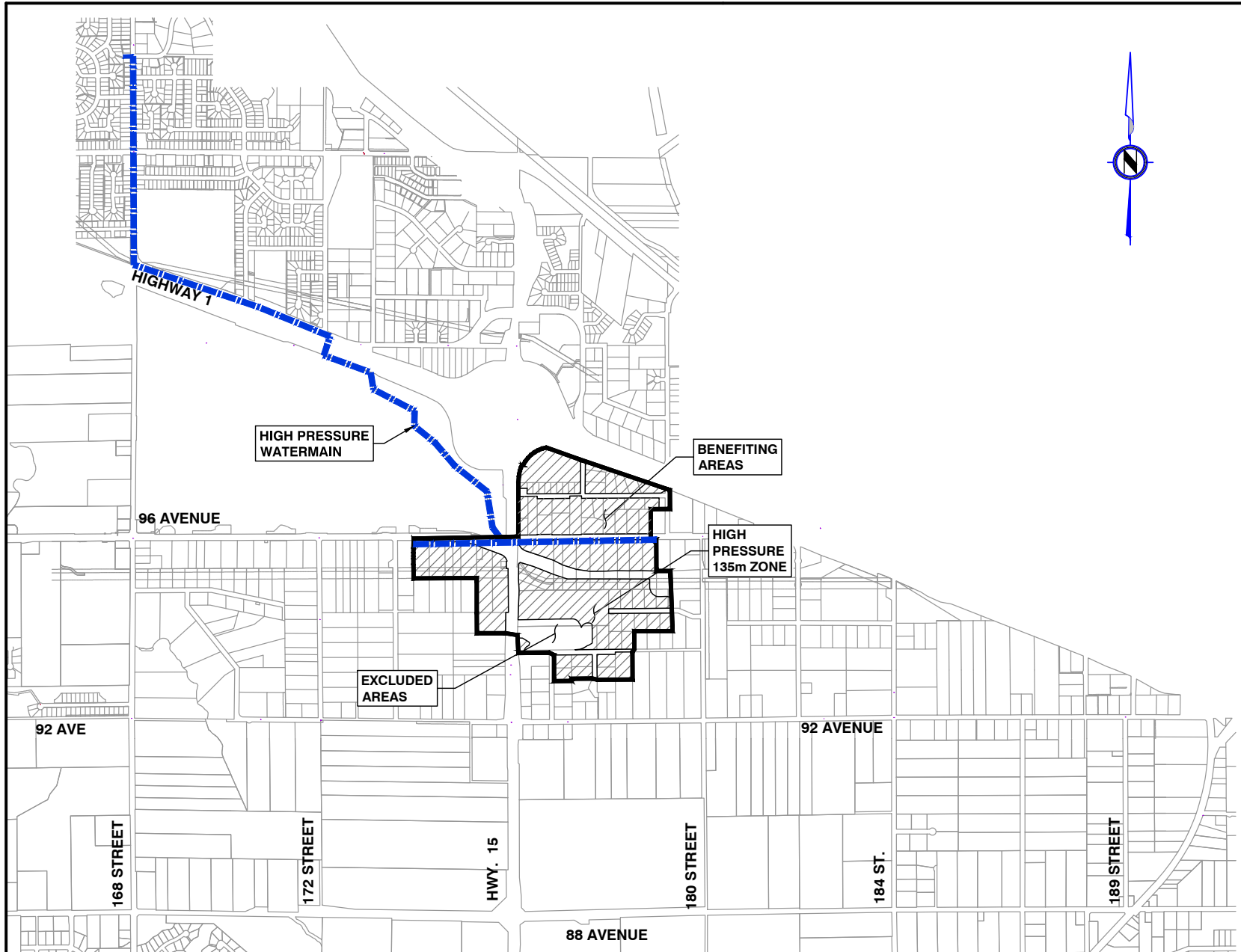
CONCLUSION

The Engineering Department recommends that Council authorize the execution of the DCCFEAs and DWAs as discussed in this report.

Jaime Boan, P.Eng.
Acting General Manager, Engineering

SSL/AE/cc

- Appendix "I" - Benefiting Area Map for Proposed Water DCCFEA 8118-0122-00-1 and DWA 8418-0122-00-1
- Appendix "II" - Benefiting Area Map for Proposed Water DCCFEA 8118-0122-00-2 and DWA 8418-0122-00-2
- Appendix "III" - Benefiting Area Map for Proposed Water DCCFEA 8118-0122-00-3 and DWA 8418-0122-00-3
- Appendix "IV" - Benefiting Area Map for Proposed Sewer DCCFEA 8218-0122-00-1 and DWA 8518-0122-00-1
- Appendix "V" - Benefiting Area Map for Proposed Sewer DCCFEA 8218-0122-00-2 and DWA 8518-0122-00-2
- Appendix "VI" - Benefiting Area Map for Proposed Sewer DCCFEA 8218-0122-00-3 and DWA 8518-0122-00-3
- Appendix "VII" - Benefiting Area Map for Proposed Sewer DCCFEA 8218-0122-00-4 and DWA 8518-0122-00-4
- Appendix "VIII" - Benefiting Area Map for Proposed Sewer DCCFEA 8218-0122-00-5 and DWA 8518-0122-00-5
- Appendix "IX" - DCCFEA Process Flowchart
- Appendix "X" - DWA Process Flowchart
- Appendix "XI" - Sample DWA Bylaw

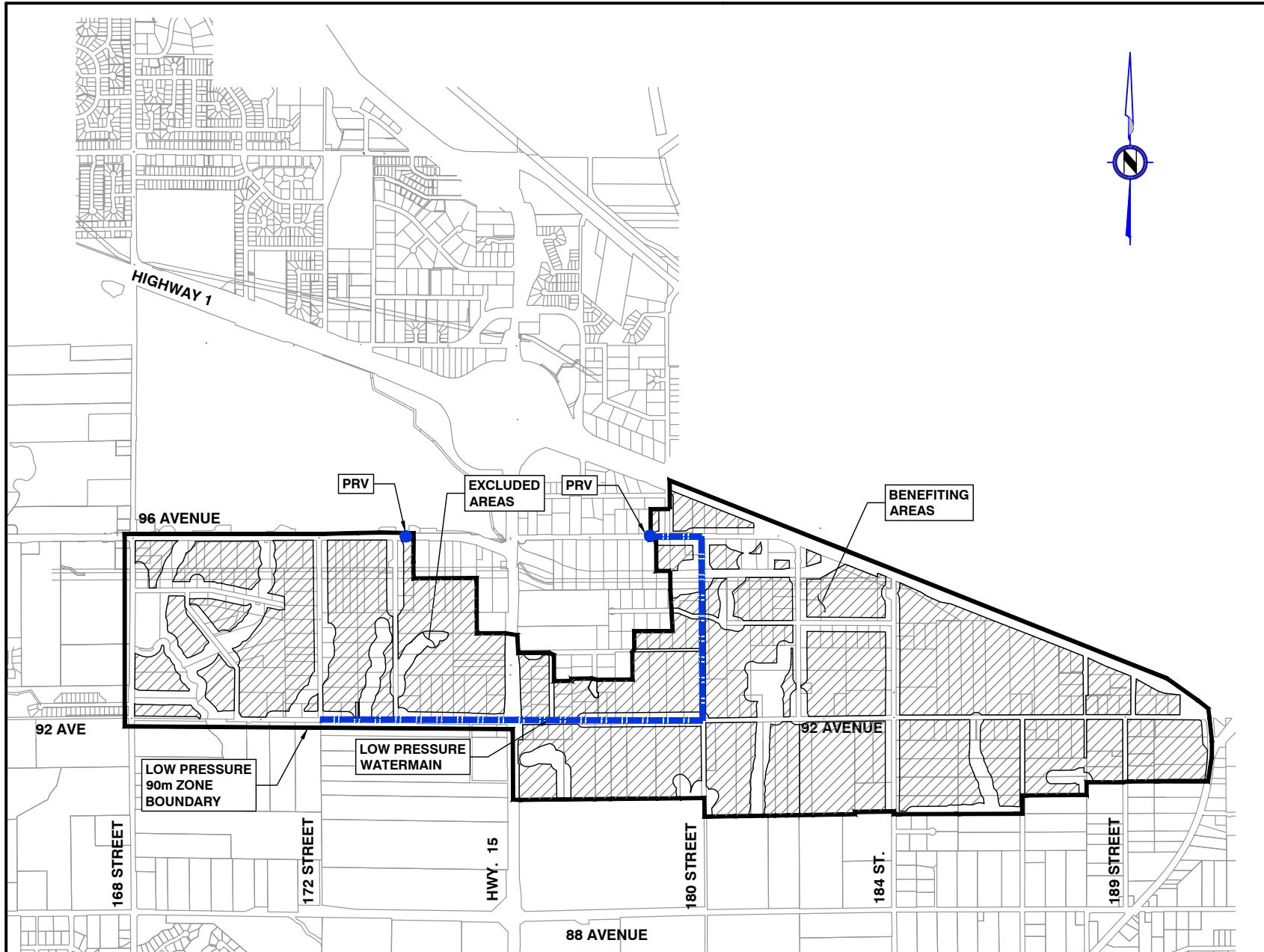


LEGEND

- HIGH PRESSURE WATERMAIN
- BENEFITING LANDS
- EXCLUDED AREAS

BENEFITING AREA MAP FOR PROPOSED WATER DCCFEA 8118-0122-00-1 AND DWA 8418-0122-00-1

Date:	18 SEPT 2018
DWG. No.	18-1007
Scale:	N.T.S.



LEGEND

- LOW PRESSURE WATERMAIN
- BENEFITING LANDS
- EXCLUDED AREAS

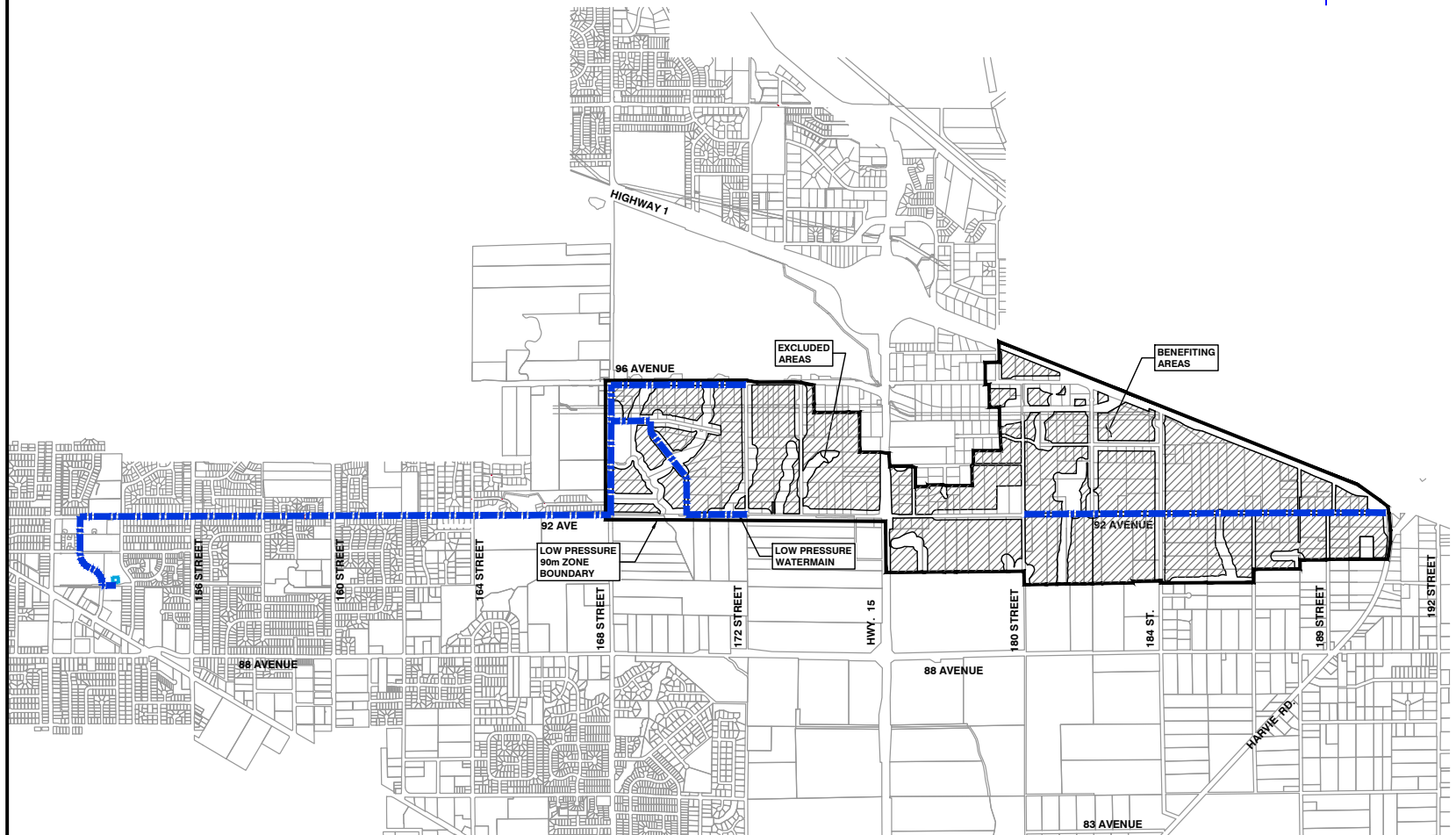
BENEFITING AREA MAP FOR PROPOSED WATER
DCCFEA 8118-0122-00-2
AND DWA 8418-0122-00-2

Date:	18 SEPT 2018
DWG. No.	18-1007
Scale:	N.T.S.



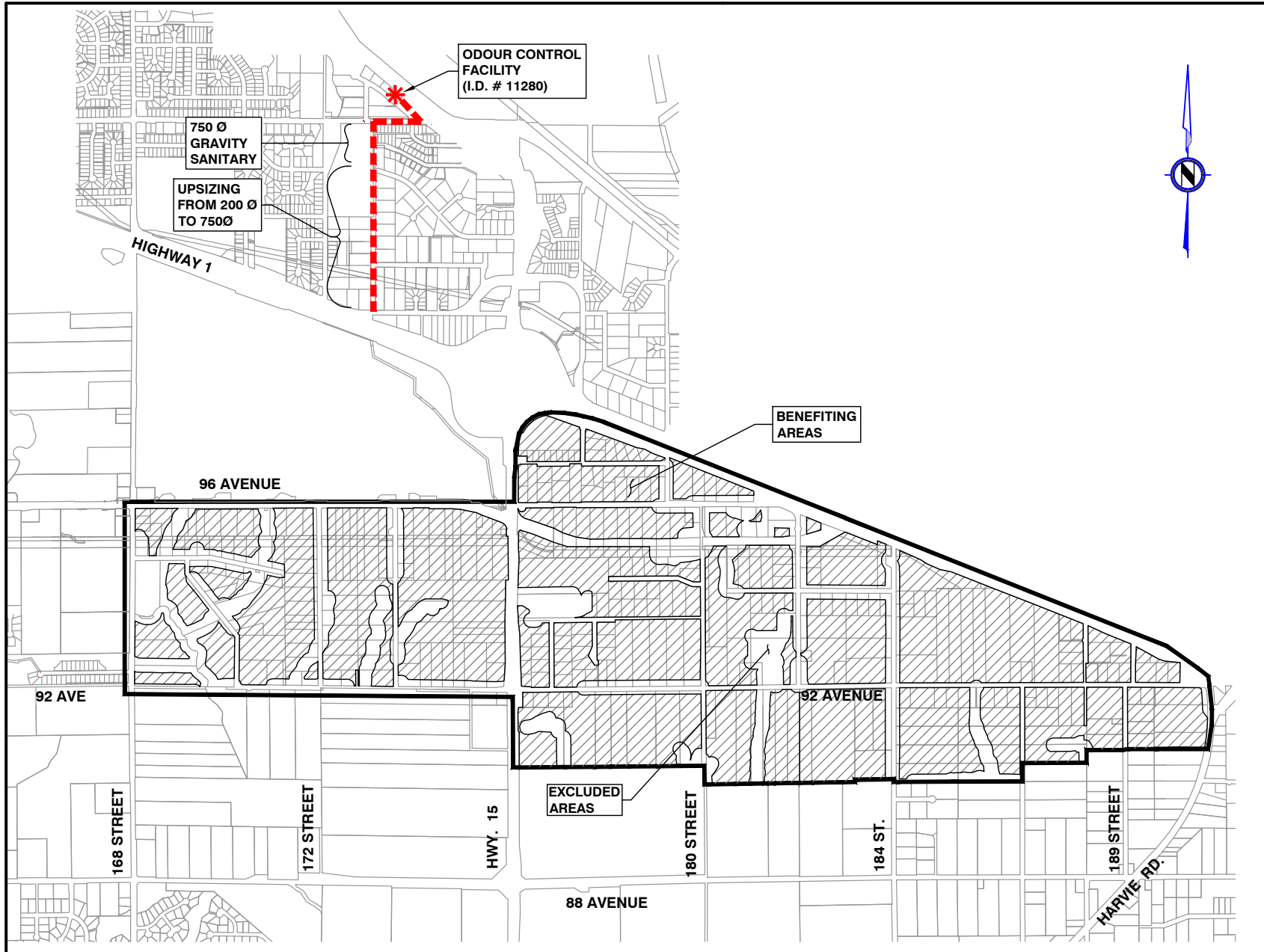
LEGEND

- LOW PRESSURE WATERMAIN
- BENEFITING LANDS
- EXCLUDED AREAS



BENEFITING AREA MAP FOR PROPOSED WATER DCCFEA 8118-0122-00-3 AND DWA 8418-0122-00-3

Date:	18 SEPT 2018
DWG. No.	18-1007
Scale:	N.T.S.

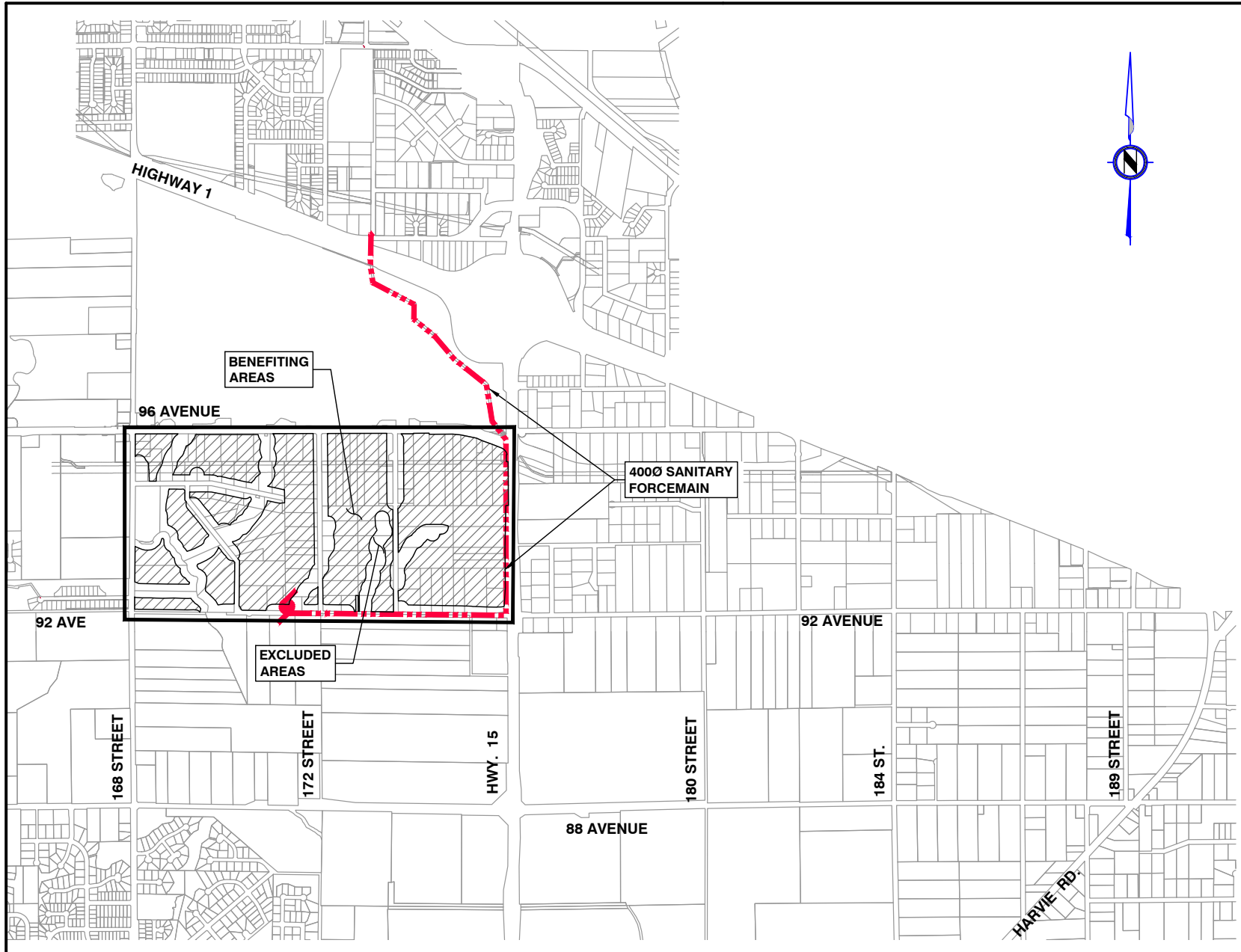


LEGEND

- 750Ø GRAVITY SANITARY SEWER
- BENEFITING LANDS
- EXCLUDED AREAS

BENEFITING AREA MAP FOR PROPOSED SEWER DCCFEA 8218-0122-00-1 AND DWA 8518-0122-00-1

Date:	18 SEPT 2018
DWG. No.	18-1007
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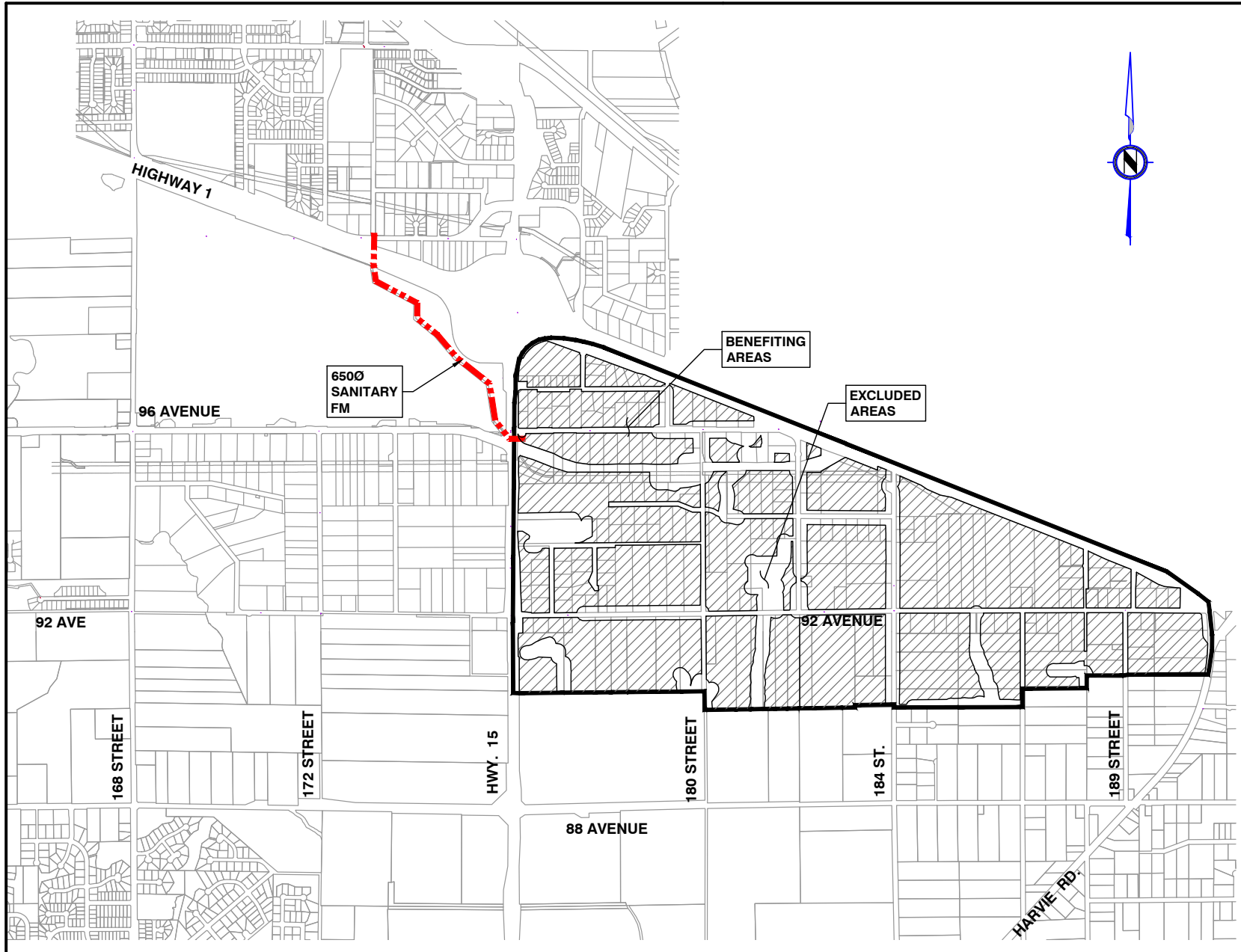


LEGEND

- 400Ø FM SANITARY SEWER
- BENEFITING LANDS
- EXCLUDED AREAS

BENEFITING AREA MAP FOR PROPOSED SEWER
 DCCFEA 8218-0122-00-2
 AND DWA 8518-0122-00-2

Date:	18 SEPT 2018
DWG. No.	18-1007
Scale:	N.T.S.



LEGEND

- 6500 FM SANITARY SEWER
- BENEFITING LANDS
- EXCLUDED AREAS

**BENEFITING AREA MAP
 FOR PROPOSED SEWER
 DCCFEA 8218-0122-00-3
 AND DWA 8518-0122-00-3**


Date:	18 SEPT 2018
DWG. No.	18-1007
Scale:	N.T.S.

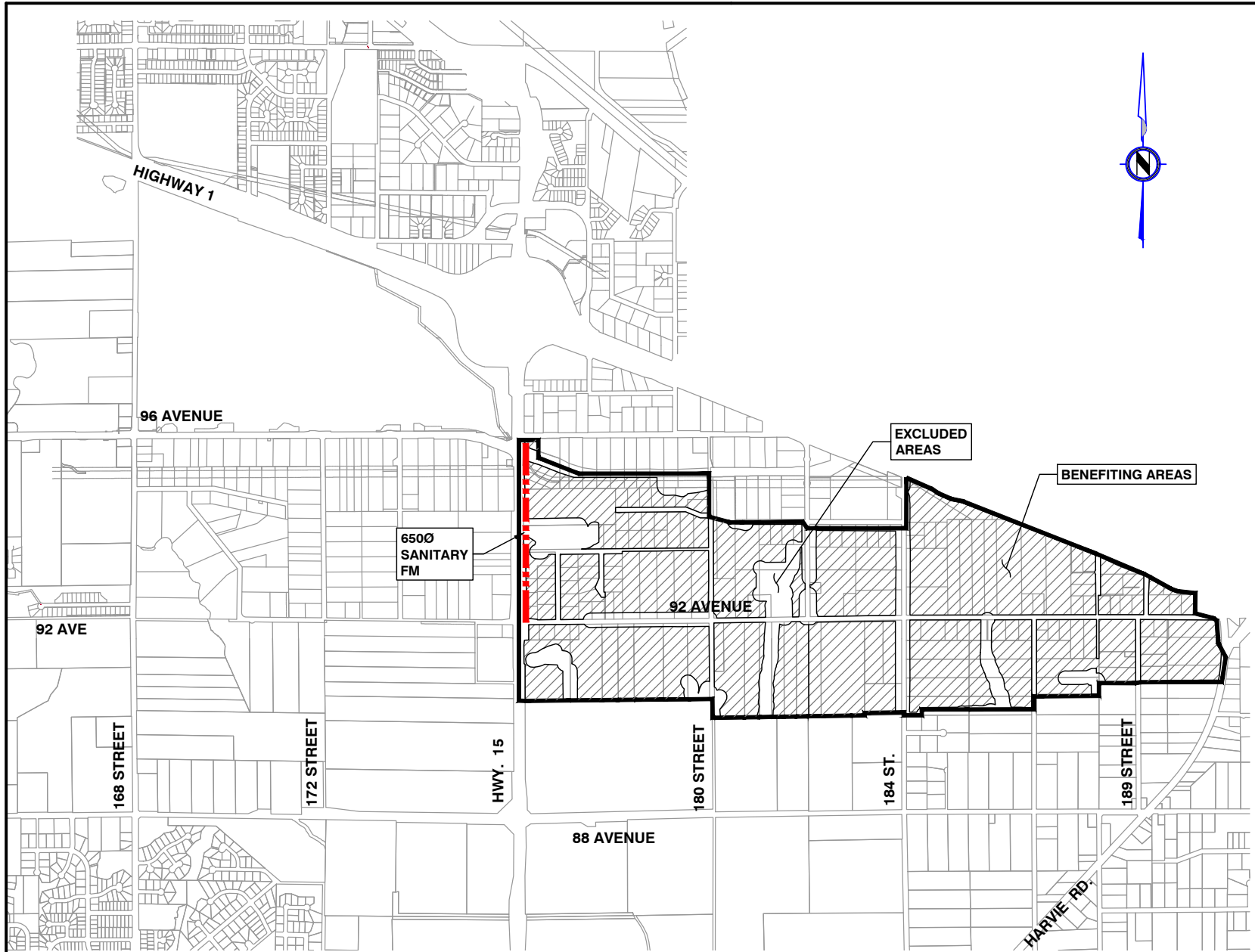


LEGEND

6500 FM
 SANITARY
 SEWER 

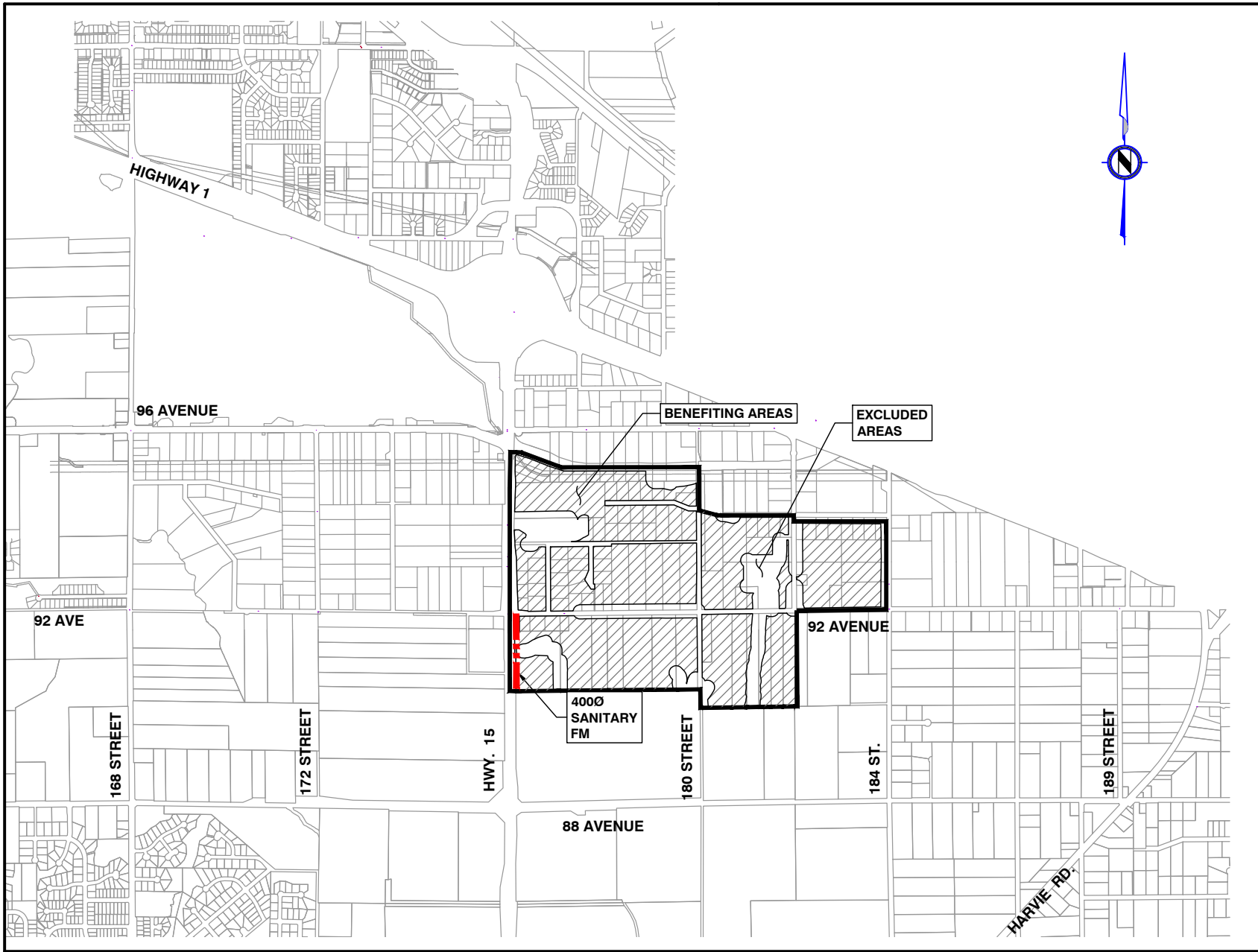
BENEFITING
 LANDS 

EXCLUDED
 AREAS 



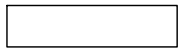


**BENEFITING AREA MAP
 FOR PROPOSED SEWER
 DCCFEA 8218-0122-00-4
 AND DWA 8518-0122-00-4**

Date:	18 SEPT 2018
DWG. No.	18-1007
Scale:	N.T.S.

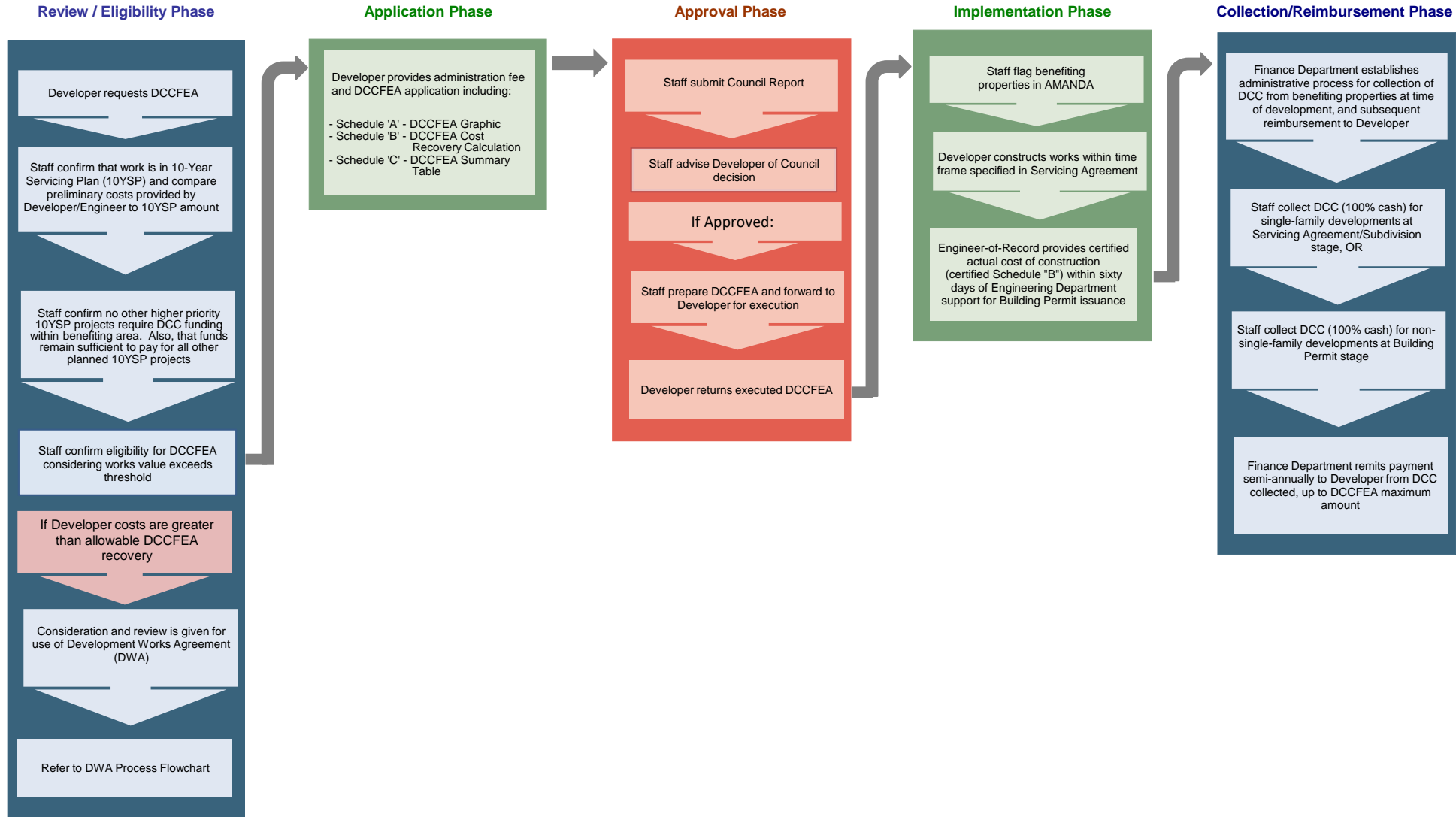


LEGEND

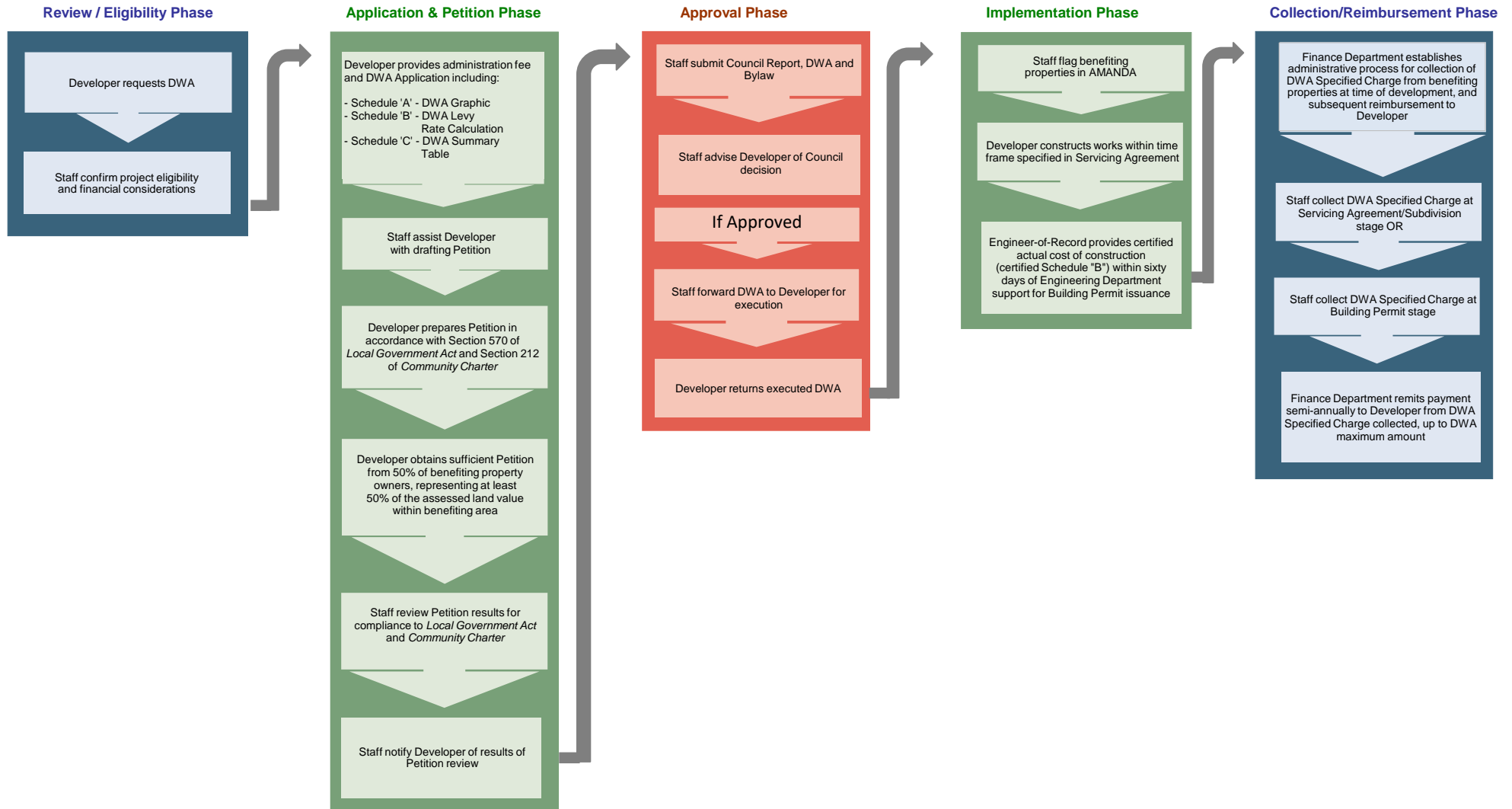
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- BENEFITING LANDS 
- EXCLUDED AREAS 

BENEFITING AREA MAP FOR PROPOSED SEWER	
DCCFEA 8218-0122-00-5 AND DWA 8518-0122-00-5	
Date:	18 SEPT 2018
DWG. No.	18-1007
Scale:	N.T.S.

DCC Front-Ending Agreement (DCCFEA) Process Flowchart



Development Works Agreement (DWA) Process Flowchart



CITY OF SURREY

BYLAW NO. #####

A bylaw to enter into a development works agreement which authorizes construction of works which will service the benefiting real property within a portion of the Anniedale-Tynehead Neighbourhood Concept Plan and establishes that the cost of the works shall be borne by the owners of real property within such defined area.

.....

- A. WHEREAS Council may by bylaw pursuant to Section 570 of the *Local Government Act*, R.S.B.C. 2015, c.1, as amended, (the "*Local Government Act*") enter into a development works agreement to provide, construct, alter, or expand works by the City of Surrey (the "City") or by the developer and the cost of constructing the works shall be recovered in whole or in part from the owners of real property in the area subject to the agreement;
- B. AND WHEREAS Council has been petitioned to construct works to serve a portion of the Anniedale-Tynehead Neighbourhood Concept Plan pursuant to Section 570(4)(c) of the *Local Government Act*;
- C. AND WHEREAS the City Clerk has certified that the petition is sufficient;
- D. AND WHEREAS it is deemed expedient to grant the request of the petitioners in the manner hereinafter provided and proceed with the construction of the works.

NOW THEREFORE, the Council of the City of Surrey, ENACTS AS FOLLOWS:

1. This Bylaw shall be cited for all purposes as "Development Works Agreement – **Water/Sewer** Infrastructure Works – Anniedale-Tynehead Neighbourhood Concept Plan Bylaw, 2019, No. **#####**."
2. The Council hereby authorizes the General Manger Engineering to enter into a development works agreement **84/8518-0122-00-1/2/3/4/5** (the "Development Works Agreement").

3. The Specified Charge, as defined in the Development Works Agreement, payable by the Owners shall not exceed the maximum value specified in the petition as being _____ (\$ _____) for each hectare of land of lawful money of Canada.

PASSED FIRST READING on the _____ day of _____, _____.

PASSED SECOND READING on the _____ day of _____, _____.

PASSED THIRD READING on the _____ day of _____, _____.

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk, and sealed with the Corporate Seal on the _____ day of _____, _____.

MAYOR

CLERK

CITY OF SURREY

DEVELOPMENT WORKS AGREEMENT

Project _____
(Water/Sewer)

THIS AGREEMENT dated for reference the _____ day of _____, 20__.

BETWEEN:

CITY OF SURREY,
13450 – 104th Avenue,
City of Surrey, B.C., V3T 1V8

(the “City”)

OF THE FIRST PART

AND:

(the “Developer”)

OF THE SECOND PART

WHEREAS:

- A. The real property within the Anniedale-Tynehead Neighbourhood Concept Plan is identified in column one entitled “Legal Description” in Schedule “A” and as illustrated in the “Benefiting Area Map” in Schedule “C”.
- B. The registered owners in fee simple of the Benefiting Area are identified in column two entitled “Registered Owner” in Schedule “A”.
- C. The Works are contained within the City's 10-Year Servicing Plan and the Owners have petitioned that the City advance the acquisition and construction of the Works.
- D. The Developer agrees to construct the Works with no contribution from the City.
- E. Council adopted Development Works Agreement – **Water/Sewer** Infrastructure Works - Anniedale-Tynehead Neighbourhood Concept Plan Bylaw, 20##, No. ##### on **Month Day, Year**, authorizing the parties to enter into this Agreement pursuant to Section 570 of the *Act*, providing for the provision of the Works by the Developer.

NOW THEREFORE this Agreement witnesses that in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration paid by each of the parties to each other (the receipt and sufficiency of which each party hereby acknowledges) the parties hereby covenant and agree with each other as follows:

1 DEFINITIONS

The parties hereto agree that in this Agreement, including the recitals above, the following definitions will apply:

“Act” means Section 570 of the *Local Government Act*, R.S.B.C. 2015, c. 1, as amended;

“Agreement” means this Agreement and all Schedules attached hereto;

“as amended” means as may be amended or replaced from time to time;

“Benefiting Area” means the real property described in column one entitled “Legal Description” in Schedule “A”;

“Capital Cost” means the actual costs incurred by the Developer to construct the Works and the Capital Cost is estimated to be the sum of [REDACTED] (\$ [REDACTED]), including applicable taxes, which costs will be amended by the final capital cost determined by the City in accordance with Section 2 of this Agreement;

“City” means the City of Surrey;

“Completion Date” means the date the works were placed on maintenance in accordance with Section 2.3 of this Agreement;

“Council” means the Council of the City;

“Developer” means the person, corporation, partnership or party identified as such on the first page of this Agreement and includes its personal or other legal representatives;

“Development Cost Charge” means a charge imposed pursuant to the Development Cost Charge By-law;

“Development Cost Charge By-law” means Surrey Development Cost Charge By-law, 2016, No. 18664, as amended;

“Development Works By-law” means the by-law specified in recital E.;

“General Manager Engineering” means the officer appointed by Council pursuant to Surrey Officers and Indemnification By-law, 2006, No. 15912, as amended, and includes an employee or an officer provided with the written authority to act on their behalf;

“Maximum Amount Owning” means the maximum amount that could be payable by the City to the Developer pursuant to this Agreement as [REDACTED] (\$ [REDACTED]) as specified in the petition;

“Owners” means each of the registered owners in fee simple of the Benefiting Area as identified in column two entitled “Registered Owner” in Schedule “A” attached hereto;

“Specified Charge” means a debt payable to the City in the maximum amount of \$ [REDACTED], which may be revised in accordance with Section 2.4 herein, for each hectare of land to be developed as approved by the City, in accordance with the by-laws of the City, including, but not limited to, the Development Cost Charge By-law and Subdivision and Development By-law;

“Subdivision and Development By-law” means Surrey Subdivision and Development By-law, 1986, No. 8830, as amended;

“Term” means the period of time this Agreement is in effect and shall start on the date this Agreement is executed by all parties and shall expire fifteen years after the Completion Date; and

“Works” means water/sewer infrastructure works and related appurtenances substantially as described in Schedule “B”.

2 WORKS

- .1 The Developer is solely responsible for the design, engineering and construction of the Works and for retaining consultants and entering into any contracts required to construct the Works, subject to the direction of the City.
- .2 The parties acknowledge that, as of the date of this Agreement, the Capital Cost are estimated.
- .3 The Developer agrees that once the City has placed the Works on maintenance the City will issue a letter confirming the maintenance start date and that date will be deemed to be the Completion Date for the purposes of this Agreement.
- .4 The Developer covenants and agrees to provide the City with an invoice detailing the Capital Cost and any other items required by the City, on the Developer’s letterhead, substantiated by the Professional Engineer who designed the Works, in order for the City to certify the final Capital Cost. Once the City has accepted the final Capital Cost the City will issue a letter confirming the value of the final cost and that number will be the final Capital Cost for the purposes of this Agreement.

3 PAYMENT FOR WORKS

- .1 The City is not responsible for financing any of the costs of the Works.
- .2 For greater certainty, all the land will be included in the Specified Charge calculation unless the General Manager Engineering in their sole discretion agrees in writing that a portion of the land is not able to be developed.
- .3 The Specified Charge shall be pro-rated for any portion of land not equal to one (1.0) hectare.
- .4 Until the Specified Charge is paid, Council, an Approving Officer, a building inspector or other municipal authority is not obligated to:

- (i) approve a subdivision plan, strata plan, building permit, development permit, development variance permit or zoning by-law necessary for the development of real property of the Owners within the Benefiting Area; or
 - (ii) do any other thing necessary for the development of real property of the Owners in the Benefiting Area.
- .5 In consideration of the completion of the Works by the Developer, to the satisfaction of the General Manager Engineering, without incurring any cost to the City, the City agrees to collect from the Owners within the Benefiting Area the Specified Charge for each subdivision or building permit on or before the date when the Development Cost Charges are payable, pursuant to the Development Cost Charge By-law up to the Maximum Amount Owing within the Benefiting Area.
- .6 The City agrees to reimburse the Developer up to the Maximum Amount Owing the Specified Charge collected pursuant to this Agreement as follows:
 - (a) to the extent the Specified Charge has been collected from any Owners at the then prevailing Specified Charge rate;
 - (b) the City shall only be obligated to pay to the extent the City actually receives the Specified Charge from the Owners; and
 - (c) the City shall remit the amounts actually received twice each calendar year to the Developer and the City shall have no further obligation to the Developer to make any payment pursuant to this Agreement.
- .7 Subject to Section 3.6 the City shall pay the Developer at the address of the Developer as set forth hereinbefore or at such other address as the Developer shall provide by registered mail. If the said payments are returned to the City unclaimed by the Developer and if the City is unable to locate the Developer after all reasonable efforts, then the City shall hold all monies collected until the expiry of this Agreement. After the expiry of this Agreement, the City shall retain all such unclaimed funds forever.
- .8 In the event of the assignment or transfer of the rights of the Developer voluntarily, or by operation of law, the General Manager, Finance shall pay any benefits accruing hereunder, after notice, to such successor of the Developer as the General Manager, Finance in their judgment deems entitled to such benefits; and in the event of conflicting demands being made upon the City for benefits accruing under this Agreement, then the City may at its option commence an action in interpleader joining any party claiming rights under this Agreement, or other parties which the City believes to be necessary or proper, and the City shall be discharged from further liability upon paying the person or persons whom any court having jurisdiction of such interpleader action shall determine, and in such action the City shall be entitled to recover its reasonable legal fees and costs, which fees and costs shall constitute a lien upon all funds accrued or accruing pursuant to this Agreement.

4 **TERM**

- .1 The Developer agrees to the Term of this Agreement
- .2 The Developer agrees that if insufficient funds are paid by the Owners within the Term of this Agreement, that it is at its risk and at the expiry of the Term no further monies are payable to the Developer pursuant to this Agreement.
- .3 This Agreement shall terminate prior to the expiry of the Term in the event the Developer has been paid the Maximum Amount Owing as specified herein.

5 **INDEMNITY**

In consideration of Ten (\$10.00) Dollars and other good and valuable consideration paid by the City to the Developer (the receipt and sufficiency of which is hereby acknowledged), the Developer jointly and severally agrees to indemnify and save harmless the City, its employees, elected officials, contractors and agents against all actions, causes of action, suits, claims and demands whatsoever which may arise either directly or indirectly by reason of the City and the Developer entering into this Agreement, and including without limitation the Developer agrees that if insufficient funds are paid by the Owners within the Term of this Agreement, that it is at its risk and at the expiry of the Term no further monies are payable to the Developer pursuant to this Agreement. This indemnity shall survive the expiry of the Term of this Agreement.

6 **CITY’S COSTS**

The Developer shall pay to the City, by cash or bank draft, prior to the City executing this Agreement, a fee equivalent to \$ [redacted] for the preparation and administration of this Agreement. The City acknowledges the receipt of payment by Receipt No. [redacted] paid to the City on [redacted] for the preparation and administration of this Agreement.

7 **NOTICES**

- .1 Any notice, demand, acceptance or request required to be given hereunder in writing shall be deemed to be given if either personally delivered or mailed by registered mail, postage prepaid (at any time other than during a general discontinuance of postal services due to a strike, lockout or otherwise) and addressed to the Developer as follows:

[redacted]

of such change of address as the Developer has, by written notification, forwarded to the City, and to the City as follows:

CITY OF SURREY
Engineering Department
13450 – 104 Avenue
Surrey, B.C., V3T 1V8

Attention: General Manager, Engineering
c.c. City Solicitor

or such change of address as the City has, by written notification, forwarded to the Developer.

- .2 Any notice shall be deemed to have been given to and received by the party to which it is addressed:
- (i) if delivered, on the date of delivery; or
 - (ii) if mailed, then on the fifth (5th) day after the mailing thereof.

8 ASSIGNMENT

The Developer shall not assign or transfer its interest in this Agreement without the prior written consent of the City, which consent shall not be unreasonably withheld.

9 ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes any prior agreements, undertakings, declarations or representations, written or verbal, in respect thereof. It is hereby agreed between the parties hereto that this Agreement shall be enforceable by and against the parties, and their successors and assigns.

10 LAWS OF BRITISH COLUMBIA

This Agreement shall be interpreted under and is governed by the applicable laws of Canada and the Province of British Columbia.

11 SCHEDULES

The Schedules attached hereto, which form part of this Agreement, are as follows:

- (a) Schedule “A” - Owners and Benefiting Area
- (b) Schedule “B” - Description of Water/Sewer Infrastructure Works
- (c) Schedule “C” - Benefiting Area Map

12 CONFLICT

In the event of any conflict or inconsistency between Schedules “A” and “C”, Schedule “A” shall supersede Schedule “C”.

IN WITNESS WHEREOF this Agreement has been executed as of the day and year first above written.

CITY OF SURREY

by its authorized signatory

General Manager, Engineering
by his Authorized Designate, Sam Lau, P.Eng.
Manager, Land Development

by its authorized signatory(ies):

(print name)

(signature)

SIGNED and WITNESSED in the)
presence of:)

(print name of witness))

(signature of witness))

ADDRESS: _____)

SCHEDULE "A"

OWNERS AND BENEFITING AREA

Sample

SCHEDULE "B"

DESCRIPTION OF **WATER/SEWER** INFRASTRUCTURE WORKS

Sample

SCHEDULE "C"

BENEFITING AREA MAP

Sample