

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

EB-2014-0086

RESPONSE TO INTERROGATORIES

October 16, 2014



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OEB Staff-IR 1 – Rate Generator, Sheet 14 – RTSR RRR Date

Below is a screen shot of the billing determinants Innisfil Hydro has provided on sheet 14 of the Rate Generator:

Rate Class	Rate Description	Unit	Non-Loss Adjusted Metered kWh	Non-Loss Adjusted Metered kW	Applicable Loss Factor
RESIDENTIAL	Retail Transmission Rate - Network Service Rate	\$/kWh	147,964,296	-	1.0746
RESIDENTIAL	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	147,964,296	-	1.0746
GENERAL SERVICE LESS THAN 50 KW	Retail Transmission Rate - Network Service Rate	\$/kWh	30,842,995	-	1.0746
GENERAL SERVICE LESS THAN 50 KW	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	30,842,995	-	1.0746
GENERAL SERVICE 50 TO 4,999 KW	Retail Transmission Rate - Network Service Rate	\$/kW	17,822,602	49,886	-
GENERAL SERVICE 50 TO 4,999 KW	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	17,822,602	49,886	-
GENERAL SERVICE 50 TO 4,999 KW	Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	33,099,119	92,646	-
GENERAL SERVICE 50 TO 4,999 KW	Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	33,099,119	92,646	-
UNMETERED SCATTERED LOAD	Retail Transmission Rate - Network Service Rate	\$/kWh	479,040	-	1.0746
UNMETERED SCATTERED LOAD	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	479,040	-	1.0746
SENTINEL LIGHTING	Retail Transmission Rate - Network Service Rate	\$/kW	108,960	308	-
SENTINEL LIGHTING	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	108,960	308	-
STREET LIGHTING	Retail Transmission Rate - Network Service Rate	\$/kW	1,494,736	4,524	-
STREET LIGHTING	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1,494,736	4,524	-

- a) Please confirm that the data entered in columns “Non-Loss Adjusted Metered kWh” and “Non-Loss Adjusted Metered kW” are not adjusted by Innisfil Hydro’s Board approved loss factor.

IHDSL Response:

IHDSL can confirm that the incorrect numbers were input. The numbers have been corrected and a revised file is enclosed.

- b) Board staff was unable to reconcile the above data with the Innisfil Hydro reported RRR data as per December 31, 2013. Please reconcile and provide an explanation as to the differences.

IHDSL Response:

The corrected numbers should reconcile with the RRR data as per December 31, 2013. Please note that IHDSL has updated Tab 5 in the Continuity Schedule as 1595 amounts were included that still remain on our tariff with a sunset date of April 30, 2014.

OEB Staff-IR 2 - Rate Generator, sheet 15 – RTSR RRR Date

Board staff noted that Innisfil Hydro entered the following Hydro One Network Inc.’s sub-transmission rates on sheet 15 of the Rate Generator:

Hydro One Sub-Transmission Rates	Unit	Effective January 1, 2013	Effective January 1, 2014	Effective January 1, 2015
Rate Description		Rate	Rate	Rate
Network Service Rate	kW	\$ 3.18	\$ 3.23	\$ 3.18
Line Connection Service Rate	kW	\$ 0.70	\$ 0.65	\$ 0.70
Transformation Connection Service Rate	kW	\$ 1.63	\$ 1.62	\$ 1.63
Both Line and Transformation Connection Service Rate	kW	\$ 2.33	\$ 2.27	\$ 2.33

- a) Please confirm that cells I35 to I41 should have reflected the most recent Board-approved sub-transmission rates, of \$3.23 (Network Service Rate), \$0.65 (Line Connection Service Rate) and \$1.62 (Transformation Connection Service Rate), which were issued December 19, 2013 (EB-2013-0141) for rates effective January 1, 2014.

IHDSL Response:

IHDSL confirms that cells I35 to I41 should have reflected the most recent sub-transmission rates, of \$3.23 (Network Service Rate), \$0.65 (Line Connection Service Rate) and \$1.62 (Transformation Connection Service Rate), which were issued December 19, 2013 (EB-2013-0141) for rates effective January 1, 2014.

- b) If so, Board staff will make the necessary adjustments. If not, explain why not.

IHDSL Response:

IHDSL appreciates the updates to the model.

OEB Staff-IR 3 - Rate Generator, sheet 15 – RTSR RRR Date

As per EB-2013-0141 Hydro One Network Inc.'s rate rider #9A (Rate Rider for Disposition of Deferral/Variance Accounts (2012) (General)) is effective until December 31, 2014. Please confirm that the inputs cells I79 to I91 should be zero. If so, Board staff will make the necessary adjustments.

IHDSL Response:

IHDSL confirms that the input cells from I79 to I91 should be zero.

OEB Staff-IR 5 - Rate Generator, sheet 26

Board staff notes that Innisfil Hydro has not provided a sunset date for the incremental capital rate riders.

Please provide a sunset date and the rationale for choosing that date

IHDSL Response:

IHDSL requests a sunset date of December 31, 2016, which aligns with our next scheduled rebasing.

OEB Staff-IR 4 - Manager's summary, p. 42-43

In its Application Innisfil Hydro request the establishment of a DVA account to track forecasted lost revenue for its Street lighting customer class. Please provide further reasoning, including the causation, materiality and prudence for such an account given that provisions for the off-ramp mechanism have not been triggered.

IHDSL Response:

IHDSL has requested the establishment of a DVA account to track forecasted lost revenue as a result of the LED streetlight conversion currently planned by the Town of Innisfil. IHDSL recognizes that at this time the off-ramp mechanism has not been triggered, however tracking any lost revenue for this rate class provides a means to fully understand if the materiality threshold has been reached.

Energy Probe – 1 – Section 3.2.10

- a) Would any of the loss in revenues for the streetlight class be recoverable through the LRAMVA? Please explain fully your answer.

IHDSL Response:

IHDSL would recover some of the lost revenue via the LRAM/VA mechanism. IHDSL is acceptable to offsetting any LRAM/VA adjustment to the recorded DVA amount. The known LRAM/VA impact will not be known until September 2016 at the earliest and potentially September 2017.

- b) Is the Town receiving any assistance from the OPA in covering the costs of the conversion of the streetlights to LED technology? If yes, please provide details. If no, are there are any OPA programs that the Town could use?

IHDSL Response:

The Town of Innisfil has submitted an application to the IHDSL via the OPA ICM portal. The project has just been pre-approved.

- Application number: #134,193.
- Status: "Pre-Project Application – Submitted to LDC for Pre-Approval" currently the application is under review by IHDSL's 3rd party technical reviewer, Finn Projects. Finn

need to ensure the lights qualify on the Design Lights Consortium (DLC) list for the prescriptive incentive, estimated project cost is reasonable, and all other eligibility criteria are met. Pre-project inspection of existing street lighting has taken place, including pre-project M&V, power measurements were taken on each type of fixture to establish base case wattages.

- Next steps: Once received IHDSL will review Finn Project's pre-approval recommendation, if all requirements are met the application will be pre-approved and the retrofit will begin.
- Incentive: Estimated Incentive: \$301,908.

c) When does Innisfil Hydro expect to file its next cost of service application?

IHDSL Response:

IHDSL is currently scheduled to file its next COS application in 2016 for 2017 rates.

OEB Staff-IR10 - Manager's summary, p. 43-55

Please confirm that Innisfil Hydro's rate base does not currently include any capital additions related to Innisfil Hydro's new headquarters.

IHDSL Response:

IHDSL can confirm that our rate base does not currently include any capital additions related to the new Corporate Headquarters and Operations Centre.

OEB Staff-IR11 - Manager's summary, p. 43-55

As part of Innisfil Hydro's last rebasing application (EB-2012-0139), Innisfil Hydro estimated incremental capital requirements for the new headquarters in the amount of \$5M, in addition to the inclusion of \$2M in the 2012 rate base. Please explain the increase in cost for the new headquarters, given Innisfil Hydro's statement that "the architectural drawings were transposed onto the new site without modification".

IHDSL Response:

In IHDSL's last rebasing application (EB-2012-0139) the cost for the new facilities was estimated to be \$7M. The \$7M was a preliminary estimate prior to architectural drawings being finalized and did not include development charges, servicing costs, or roadwork costs. No additional design costs were incurred with transferring the design plans onto the new site location of 7251 Yonge St., Innisfil. It should also be noted that the \$2M was excluded in the 2012 rate base calculation.

OEB Staff-IR12 - Manager's Summary, p. 55

On p. 55 Innisfil Hydro shows estimated rental income of \$101,705 from the proposed leasing options of a total space of 5630 sq. ft.

- a) Please explain how Innisfil Hydro proposes to include this revenue off-set in the cost recovery of the ICM during the remainder of the IRM term.

IHDSL Response:

IHDSL proposes the establishment of a DVA account to record any rental income. The amounts recorded in the DVA account would then be offset to the ICM amount during IHDSL's next rebasing application when the ICM costs are trued up. IHDSL's next rebasing will be in 2017.

OEB Staff-IR13 - Manager's summary

- a) Please provide Innisfil Hydro's 2015 non-discretionary capital expenditures not including the capital expenditures for the new headquarters.

IHDSL Response:

Following is Innisfil Hydro's 2015 non-discretionary capital expenditures, not including the capital expenditures for the new headquarters:

2015 Non Discretionary Budget Forecast

ENGINEERING BUDGET - 5 YR. FORECAST		2015		
Proj No	CAPITAL REQUESTS - DISTRIBUTION PLANT	Budget Est	Contributions	Net capital
DO001	County Relocates: IBR & 5th SR Intersection	\$ 651,424	-\$ 235,862	\$ 415,562
DO002	LINE EXTENSION MAPLEVIEW RD 20TH SR TO PRINCE WILLIAM WAY	\$ 354,025		\$ 354,025
DO003	LINE EXTENSION Mapleview Dr Yonge St to Madelaine	\$ 389,295		\$ 389,295
DO004	LINE REBUILD Yonge St from Lockhart to Mapleview Dr	\$ 319,118		\$ 319,118
DO005	Line Recloser refurb - 4 year cycle replace	\$ 19,339		\$ 19,339
DO006	Substandard transformer re-habs	\$ 131,717		\$ 131,717
DO007	Line extension for BBP development: 25th SR Intersection to South Entrence	\$ 239,335		\$ 239,335
DO008	2015 Pole replacement program	\$ 119,793		\$ 119,793
DO009	Infrastructure replacements and betterments	\$ 180,183		\$ 180,183
DO017	DS Oil re-inhibit treatment per/each	\$ 26,214		\$ 26,214
DO010	U/G padmounted Transformer and Switchgear replacements and painting	\$ 53,712		\$ 53,712
DO011	27.6 kV mechanized scada controlled load interrupting gang switches (3)	\$ 130,926		\$ 130,926
DO012	44 kV mechanized scada controlled load Interrupting gang switches (2)	\$ 152,268		\$ 152,268
DO013	County Relocates IBR & 20th S.R.	\$ 577,917	-\$ 182,158	\$ 395,758
DO014	DS Electrical Code Compliance Upgrade	\$ 132,507		\$ 132,507
DO015	DS Battery Bank Installation	\$ 466,592		\$ 466,592
DO016	Everton Back Lot conversion	\$ 156,492		\$ 156,492
				\$ -
CAPITAL REQUESTS - GENERAL PLANT				\$ -
GO001	Engineering IT			
GO012	Fleet vehicle replacement 1- 2005 Dodge RAM	\$ 40,000		\$ 40,000
GO002	Stand up Fork Lift	\$ 30,000		\$ 30,000
GO003	All Terrain Fork Lift	\$ 80,000		\$ 80,000
GO004	Fleet tools	\$ 15,050		\$ 15,050
GO005	Stores equipment	\$ 4,547		\$ 4,547
GO006	Tools, shop and garage equipment	\$ 21,653		\$ 21,653
GO007	Measurement and testing equipments	\$ 14,074		\$ 14,074
GO008	Distribution radio repeated fault indicators	\$ 29,281		\$ 29,281
GO009	System supervisory & Control Room	\$ 64,010		\$ 64,010
GO010	Radio Communcation IT Infrastructure Installation	\$ 51,185		\$ 51,185
GO011	Capacitor Interlink to SCADA	\$ 48,029		\$ 48,029
BASE - CAPITAL				\$ -
BASE 1		\$ 275,005	\$ -	\$ 275,005
BASE 2		\$ 34,500	-\$ 10,000	\$ 24,500
BASE3		\$ 450,337	-\$ 450,337	\$ -
BASE4		\$ 165,725	-\$ 165,725	\$ -
TOTAL		\$ 5,424,253	-\$ 1,044,082	\$ 4,380,172
NET		\$ 4,380,172		

Distribution	\$ 3,982,343
General	\$ 397,829
Total Engineering Capital	\$ 4,380,172
IT & Metering	\$ 719,500
WIP changes	\$ -
Total IHDSL Capital Expenditure:	\$ 5,099,672

b) Please explain why Innisfil Hydro choose to calculate the ICM threshold based on forecast capital expenditures of \$4.9M agreed in EB-2012-0139.

IHDSL Response:

At the time of submission of EB-2014-0086, the Engineering team was still in the process of firming up the 2015 budget for capital planning; as the actual non-discretionary capital jobs were not finalized, IHDSL elected to utilize the \$4.9M agreed in EB-2012-0139.

- c) Please provide a new threshold calculation using 2015 non-discretionary capital expenditure.

IHDSL Response:

A new threshold calculation is not required, as the non-discretionary capital budget is \$5M.

Energy Probe – 2 - Section 3.3.1

Did Innisfil update the 2009 Option Analysis referred to on page 51 and included in Exhibit 2? If not, why not?

IHDSL Response:

IHDSL did not update the 2009 Option Analysis; Option 5 was chosen for the following reasons:

1. recommended in the architect's report;
2. closer to the urban centre for customer dispatch/response improvement;
3. located on the Town Administrative Campus for improved convenience to customers;
4. accessible to GO bus service, unlike the current location;
5. fully serviced land, unlike current location;
6. less expensive land as compared to current location; and
7. closer to fueling and fleet maintenance services.

As the aforementioned reasons are valid for both the Old Town Hall and the 7251 Yonge St. location, governance and direction from our Board of Directors determined that updating the analysis was not required.

Energy Probe – 3 - Section 3.3.1

Is Innisfil Hydro asking for the creation of a deferral account to record the leasing revenue associated with the new headquarters? If not, why not and please explain the difference between this new revenue and the request for a DVA to track the difference between forecast and actual streetlighting revenue in Section 3.2.10.

IHDSL Response:

Please refer to OEB Staff IR 12 IHDSL response:

IHDSL proposes the establishment of a DVA account to record any rental income. The amounts recorded in the DVA account would then be offset to the ICM amount during IHDSL's next rebasing application when the ICM costs are trued up. IHDSL's next rebasing will be in 2017.

Energy Probe – 4 - Section 3.3.1

- a) What is the approved level of OM&A included in rates associated with OM&A for Innisfil Hydro's current site?

IHDSL Response:

IHDSL's approved level of OM&A included in rates associated with the current site is \$97k.

- b) What is the forecast OM&A costs associated with the new headquarters?

IHDSL Response:

The forecasted cost for the new building is \$245k. The primary driver to the increase is a result of property taxes - \$20k for current location and \$127k for the 7251 Yonge St. location. Utilities have remained the same due the energy efficiencies of the new building.

Energy Probe – 5 - Section 3.3.1

What is the net book value at the end of 2014 associated with the existing site? Please break down the NBV into each component such as land, buildings, etc.

IHDSL Response:

Please refer to the following table:

Hydro relocation to Town Campus

Moving Innisfil Hydro from 2073 Commerce Park Drive to the Town of Innisfil campus.
 IHDSL will sell all three building and the 2 portables in June 2015.
 IHDSL will retain the yard land with the Bob Duego DS.

Asset description	Cost	Accum Depre	NBV	Proceeds	Loss(Gain)	Tax Effect (Est.)	Net P&L Loss (Gain)
Land - 1905	123,493.01		123,493.01				
Building & Fixtures - 1908	748,392.24	\$313,565.68	434,826.56				
Total	871,885.25	313,565.68	558,319.57	(925,000.00)	(366,680.43)	183,340.22	(183,340.22)

Energy Probe – 8 - Section 3.3.1

The evidence indicates that Innisfil Hydro will be moving into the new headquarters by November 1, 2014, but that the Town of Innisfil Operations Centre is not expected to be completed until November, 2015. Does this result in any additional costs for Innisfil Hydro? Please explain.

IHDSL Response:

IHDSL anticipates no incremental expenses until the Town of Innisfil Operations Centre is completed in 2015. With the forthcoming sharing of fueling services and vehicle maintenance there may be capital contributions which will be part of IHDSL's ongoing capital planning process.

SEC-1 – 3.3.1

[p.51] Please provide a copy of the Applicant's formal business case for the new facility.

IHDSL Response:

Please refer to IHDSL's Business Plan submitted with our 2013 COS Application EB-2012-0139 in Appendix 1.

SEC-2 – 3.3.1

[p.51] Please provide a copy of all materials provided to the Applicant's Board of Directors in approving the proposed Corporate Headquarters and Operations Facility.

IHDSL Response:

IHDSL has provided a summary below, for your quick review, of all information provided to IHDSL's Board of Directors with respect to the approval of the new Corporate Headquarters and Operations Centre. PDF copies of the materials have been supplied in Appendix 2.

Board Meeting	Staff Report	Subject	Resolution
2009			
July 20, 2009	09-08-08	RFP – Site Concept Plan Consultant.	That the Board receive the report. #09-71
Aug 24, 2009	09-09-11	Application to OEB re: rate recovery.	That the Board endorse staff’s proposal to apply for rate recovery starting in September 2010 for a proposed location. #09-85
Dec 21, 2009	09-13-12	McKnight Charron Laurin Inc. (MCL Architects) analysis regarding evaluation of five options to meet growth requirements.	That the Board receive the report. #09-134
2010			
May 17, 2010	10-05-11	Integration with Innisfil Roads to centralized operations campus.	That the Board receive the report. #10-56
2011			
Sept 19, 2011	11-09-08	Preliminary Building Design by MCL Architects, based loosely on the preliminary designs completed two years ago.	That the Board provide direction to staff to negotiate the sale of the West lot at appraised value with the Town of Innisfil with a final sale pending approval from the Board and the Town and with formal approval to move to Town Campus, and That the Board provide direction to staff to investigate a corporate name change, logo change, Mission and Vision statement update. #11-8
Oct 17, 2011	11-10-08	Two options prepared by MCL Architects for utilization of the old Town Hall with an addition for the new Innisfil Hydro facility.	That the Board receive the report, and that the Board provide the following feedback toward the continuing development of the plans: <ol style="list-style-type: none"> 1. Costing for Option 3 with a mezzanine only; 2. Costing for Option 3 with two floors built over the new operations centre and provision for rental

			income; and 3. Costing for a new option to demolish the old building and build a new building slab on grade. #11-98
Nov 21, 2011	11-11-11	MCL Architects - option estimates for discussion.	That the Board receive the report, and Further provide direction to staff to investigate Options 5 and 5A further. #11-112
Dec 23, 2011	11-12-10	MCL Architects – layouts for Option 5 and 5a.	That the Board receive the report, and Provide direction to staff to continue with the development of Options 5 and 5A. #11-126
2012			
Jan 16, 2012	12-01-06	Lease options and rates.	That the Board receive the report and provide staff with further direction. #12-05
Feb 21, 2012	11-12-12	Formal approval to engage MCL Architects; to engage Town staff in discussions to purchase three acres around the old Town Hall, and zoning.	That the Board receive the report, approve the appointment of MCL Architects, and provide direction to staff to engage the Town of Innisfil to purchase three acres around old Town Hall (2147 Innisfil Beach Road) for the appraised value of \$470,000. #12-20
March 19, 2012	12-03-09	Summary of pending changes to plans.	That the Board receive the report. #12-32
April 16, 2012	12-03-12	Town’s purchase of 2061 Commerce Park Dr. (west lot) from Innisfil Hydro for a water reservoir and pumping station and the sale of three acres around the old town hall; bore hole sampling; portables.	That the Board receive the report. #12-45
May 24, 2012	12-05-09	April 18 th In Camera Council meeting to discuss Town’s purchase of 2061 Commerce Park Drive from Innisfil Hydro for a water reservoir and pumping station and the sale of	That the Board receive the report, and Provide authority for staff to sign the necessary architectural engagement documents, and Pending Council approval, sell the west lot (2061

		<p>three acres around the old town hall. Board's approval of MCL Architects appointment. Staff Re-evaluation of original concept.</p>	<p>Commerce park Drive) to Town of Innisfil for the appraised value of \$500k and lease back the building and associated lands for the appraised value of \$32,200/year, and Pending Council approval, purchase 3.5 acres at the Town of Innisfil Administration Campus (2147 Innisfil Beach Road) for the appraised value of \$650k, and Provide direction to staff with the intent to demolish the Old Town Hall building and for the construction of a head office and operations yard following the completion of the acquisition of 2147 Innisfil Beach Road in Innisfil. #12-57</p>
June 18, 2012	12-06-08	<p>Amendment of purchase agreement to sell 2061 Commerce Park Drive, to reflect a closing date of Feb 28, 2014 and a license for the Town of Innisfil to construct a water reservoir and pumping station effective July 31, 2012. This amendment saves Innisfil Hydro from dealing with capital gains and saves \$32k in lease payments. Updated architectural drawings sent to Town for review comments.</p>	<p>That the Board receive the report, and Pending Council approval, the Board approve the sale of 2061 Commerce park Drive to the Town of Innisfil for \$500k effective Feb 28, 2014 and provide the Town of Innisfil a license to construct a water reservoir and pumping station on 2061 Commerce Park Drive effective July 31, 2012. #12-67</p>
July 16, 2012	12-07-08	<p>Verbal update of July 11 Town Council meeting. Updated architectural drawings and update from LEED consultant.</p>	<p>That the Board receive the report, and Direct staff to target LEED Silver for the new building. #12-76</p>
Aug 24, 2012	12-08-13	<p>Geotechnical investigation – 2147 Innisfil Beach Road.</p>	<p>That the Board receive the report, and That Board Resolution 12-67 be amended to reflect the</p>

		<p>Latest purchase agreement to sell 2061 Commerce park Drive and license agreement for Town of Innisfil. New Building Plans. Decommissioning Consulting Services report.</p>	<p>Board's approval to sell 2061 Commerce Park Dr. to Town of Innisfil with an option for the Town to purchase 2073 Commerce Park Dr. by Feb 28, 2014 at the appraised price of \$425k, and Provide staff the authority to sign necessary documents, and Approve License Agreement as presented to construct a water reservoir & pumping station at 2061 Commerce Park Dr., and provide staff the authority sign necessary documents. #12-93</p>
Sept 17, 2012	12-09-08	<p>Purchase of 2147 Innisfil Beach Road. Building Demolition Tender. Construction Check-list for LEED Silver.</p>	<p>That the Board receive the report, and Award the demolition tender to Priestly Demolition Inc. for the low bid price of \$118,914.00 for the demolition of 2147 Innisfil Beach Road, and Consultant to seek LEED certified designation. #12-102</p>
Oct 15, 2012	12-10-09	<p>Site servicing and grading drawings; asbestos removal; structural demolition.</p>	<p>That the Board receive the report. #12-113</p>
Dec 17, 2012	12-12-11	<p>Demolition of Old Town Hall.</p>	<p>That the Board receive the report. #12-141</p>
2013			
Jan 21, 2013	13-01-08	<p>Presentation of opportunity to move to Town campus at the south end.</p>	<p>That the Board receive the report, and Approve the investigation of proceeding with a land swap and building move further south on Town campus. #13-7</p>
Feb 19, 2013	13-02-08	<p>Relocation of Innisfil Hydro and Town's Roads Department to new lands contiguous to the south end of Town Campus.</p>	<p>That the Board receive the report. #13-23</p>
March 18, 2013	13-02-10	<p>Draft appraisal of the two Town Campus</p>	<p>That the Board receive the report, and</p>

		locations. Site plan for the draft location. Cost estimate for relocating storm pond.	Approve the land swap between 2147 Innisfil Beach road and 5.5 acres at the south end of Town Campus in principle pending Council approval, severance and final Board approval. #13-35
April 15, 2013	13-04-13	Latest site plan. Severance of 6.67 acres; not the 5.5 acres as originally estimated.	That the Board receive the report, and Provide direction to amendment of the severance to ~6.67 acres with an additional associated cost of ~\$175,500 subject to final approval at a later date. #13-49
May 21, 2013	13-05-10	General contractor and construction tenders. Update on Draft property swap. Financial comparisons for property swap. Significant dates summary.	That the Board receive the report, and Approve selling property 1 (3.67 acres) and purchasing property 2 (6.655 acres) for a net balance owing to the town of \$160,750. #13-60
June 17, 2013	13-06-09	Property Swap. Tender submissions from General Contractors. Innisfil Art Council re art competition options.	That the Board receive the report, and Approve the general contractor, B.W.K. Construction, with the tender price of \$8,670,000 plus HST for the construction of the new Innisfil Hydro building on Yonge Street. #13-74
July 15, 2013	13-07-09	Kick-off meeting with general contractor, sub-contractors and architect. Site Plan Control Agreement with the Town of Innisfil, building permit and development charges.	That the Board receive the report. #13-86
Aug 27, 2013	13-08-10	Update on progress. Cash flow projections.	That the Board receive the report. #13-99
Sept 16, 2013	13-09-08	Progress Update.	That the Board receive the report. #13-109
Oct 21, 2013	13-10-09	Review of submissions for Innisfil Hydro's art completion.	That the Board receive the report. #13-120

Nov 18, 2013	13-11-13	Progress Update.	That the Board receive the report. #13-135
Dec 10, 2013	13-12-12	Sculpture proposals.	That the Board receive the report, and Further approve the assignment of the 10M polished steel sculpture by Ron Baird for the price of \$125,000 plus applicable taxes. #13-148
2014			
Jan 20, 2014	14-01-06	Bi-Weekly site meeting update. Amendment to the closing date, from February 28/14 to December 8/14.	That the Board receive the report. #14-06
Feb 10, 2014	14-02-09	Progress Update.	That the Board receive the report. #14-17
Mar 17, 2014	14-03-08	Progress Update.	That the Board receive the report. #14-29
Apr 28, 2014	14-04-12	Second floor work stations.	That the Board receive the report. #14-43
May 26, 2014	14-05-11	Progress Update.	That the Board receive the report. #14-55
June 25, 2014	14-06-08	Progress Update.	That the Board receive the report. #14-66
July 21, 2014	14-08-09	Progress Update.	That the Board receive the report. #14-84
Aug 18, 2014	14-08-10	Progress Update.	That the Board receive the report. #14-95
Sept 15, 2014	14-10-08	Progress Update.	That the Board receive the report. #14-108

SEC-4 – 3.3.1

[p.53] The evidence states that the Applicant plans to demolish the old facility and sell 2.07 acres of the land for \$925k.

To clarify, IHDSL will not be demolishing the old facility at 2061 and 2073 Commerce Park Drive.

- a) What is the total size of the plot of land in which the old facility sits? If the amount is greater than 2.07 acres, please explain why the Applicant is not planning to sell the entire plot.

IHDSL Response:

The total land size of IHDSL's current location is 3.37 acres. IHDSL is maintaining the existing 1.3 acre storage yard which houses a 13.3 kVA 44-27.6 kV transformers station and has the provision to house an additional transformer.

- b) Has the Applicant incorporated an offset to its ICM to account for the \$925K revenue from the sale? If so, please provide details of the offset calculation. If not, please explain the rationale.

IHDSL Response:

IHDSL is recording capital additions within its fixed asset records totalling 13.2M for land and building components. The proceeds from the sale of the property will be utilized to mitigate with cash flow impacts as incorporated within the banking arrangements. The proceeds will also be eligible to a capital gains tax.

SEC-5 – 3.3.1

[p.53] Please provide a copy of the “twenty year plan”.

IHDSL Response:

Please refer to IHDSL's Business Plan contained in Appendix 1. (Appendix 2 in the Business Plan provides the IHDSL 20 Year Supply Analysis.)

SEC-6 – 3.3.1

[p.54] Please provide information to support the application that the proposed Corporate Headquarters and Operations Facility design is appropriate and cost-effective.

IHDSL Response:

Please refer to OEB Staff-IR 7A) IHDSL response:

The largest contributor to the increase in costs for the respective options is the elapse of time and change of scope. The option analysis completed in 2009 identified preliminary costs without actual architectural drawings. The decision to move forward with Option 5 at the Old Town Hall location, although meeting the criteria of being on the Town Campus, was not fully efficient due to the fact that IHDSL would have to maintain and utilize two storage yards. The 3.5 acres eliminated any potential expansion required to support the Town of Innisfil customers long term (20 plus years). With the determination that renovation of the existing building on the Old Town Hall property was not feasible, due to asbestos, demolition of the building commenced.

After the demolition had occurred, dialogue started with the Town of Innisfil regarding their intent to purchase land on the south side of the Town Campus. The option to purchase additional acreage provided the following synergies:

1. located on the Town Campus;
2. one site for all IHDSL departmental functions;
3. co-location with the Parks and Roads cluster; and
4. room for expansion if required in 25 - 30 years.

Given the additional provisions, IHDSL and the Board of Directors approved the purchase, design and build on the new site location of 7251 Yonge St.

SEC-7 – 3.3.1

[p.54] Please provide the design requirements and expectations provided to the architect for the design of the building.

IHDSL Response:

The design requirements for the new Corporate Headquarters and Operations Centre were generated based on interactive consultations with the architect and IHDSL's CEO.

The following targets were established for design of the building,

1. \$200 per sq. ft. for the building (excluding development charges, land, etc.);
2. investigate ground source heating; and

3. investigate LEED Silver and Gold requirements.

The consultations commenced with preliminary sketches drafted after touring our current premises and meeting with the management team to understand departmental requirements. To maintain the \$200 per sq. ft. target, ground source heating was eliminated and IHDSL elected to go to LEED Basic. In comparing the overall cost to the target for the construction of the building, a cost of \$206 was achieved.

SEC-8 – 3.3.1

[p.54] Regarding the size of the new the proposed Corporate Headquarters and Operations Facility:

- a) Please provide the full architectural layout.

IHDSL Response:

Please refer to Appendix 3 for the full architectural layout for 7251 Yonge St.

- b) What is the total square feet of the proposed facility?

IHDSL Response:

The total square feet of the new facility is 41,802 which includes: garage, warehouse, operational centre and leasing.

- c) Why is 250 square feet per person an appropriate standard considering a significant portion of the Applicant's employees do not primarily work in doors.

IHDSL Response:

Of the 41 full time, part time and student positions, four positions primarily work outdoors and do not require dedicated office space. These positions would regularly utilize hallways, lineman briefing room, locker room, lunch room and control room that factor into the 250 sq. ft. per person.

- d) What is the actual square feet per person of new facility?

IHDSL Response:

From the total area, subtracting tenant (leasing), warehouse and garage space provides 22,853 sq. ft. / 41 people now = 557 sq. ft. per person. In 20 years with 89 employees, the space available is 257 sq. ft. per person.

- e) Please provide the i) gross square feet per employee, ii) capital cost per employee, and ii) capital cost/gross square feet.

IHDSL Response:

7251 Yonge St, Innisfil (Plan 51R38921)

		10 Year		20 Year
Capital Cost	\$	13,246,704.00	\$	13,246,704.00
Sq Ft Leasing area, warehouse and garage		18,949		18,949
Sq Ft Office area (including common areas)		22,853		22,853
Total Sq Ft - 7251 Yonge		41,802		41,802
Employees projected over a 10 year horizon		67		89
Gross SQ Ft per employee		341		257
Capital cost per employee (Office area)	\$	108,088.42	\$	81,369.94

Total Meeting Rooms	Sq FT
Cust service Lobby	151
Flr 1 meeting room	238
Lunch/training room	542
Lineman meeting/training room	352
Board Room	331
2nd Flr meeting room	221
Total Sq FT for Meeting Rooms	1835

SEC-9 – 3.3.1

[p.55] Has the Applicant incorporated the estimated leasing revenue as an offset to the amount sought to recover in this ICM application? If so, please provide details of the offset calculation. If not, please explain the rationale.

IHDSL Response:

Please refer to OEB Staff-IR 12 - IHDSL response:

IHDSL proposes the establishment of a DVA account to record any rental income. The amounts recorded in the DVA account would then be offset to the ICM amount during IHDSL's next rebasing application when the ICM costs are tried up. IHDSL's next rebasing will be in 2017.

SEC-10 – 3.3.1

[p.55] Regarding the estimated leasing revenue, please provide details regarding how the Applicant determined the estimated square footage and leasing rate per square foot.

Estimated Leasing Revenue for IHDSL Corporate Headquarters

Leasing Area - IHDSL Corporate Headquarters	SQ FT	Est. Lease Rate per SQ FT	Est. Annual Revenue
Lower Level	2570	\$ 23.50	\$ 60,395.00
Upper Level	3060	\$ 13.50	\$ 41,310.00
Total	5630		\$ 101,705.00

It is estimated that leasing income will commence in July 2015.

IHDSL Response:

The building design segregates the leasing area, thus the determination of the square footage (5,630 sq. ft.). Please refer to Appendix 3 for the building layout. Leasing rates were obtained from an independent commercial real estate firm.

SEC-11 – 3.3.1

Please provide the Applicant's actual regulated ROE for 2013 and forecasted regulated ROE for 2014.

IHDSL Response:

The 2013 Actual Regulated ROE is shown in the following table:

Template for Calculation of ROE on a Deemed Basis				
UTILITY NAME: Innisfil Hydro Distribution System Limited				
YEAR END DATE: December 31, 2013				
Please input based on your utility in the grey cells.				
Regulatory Net Income Calculation:			<i>Staff Comments</i>	
Regulated net income, as per RRR 2.1.13 reconciliation		\$ 218,973 A		Must match regulated net income amount from 2.1.13 template. Input net surplus as positive number and net deficit as a negative number.
Remove:				Must match account 6115. Input deferred tax expense as a negative number and deferred tax income as a positive number.
Future/deferred taxes		\$ (826,500) B		
Non rate regulated items		\$ 0 C		As an example, non rate regulated items may include income/expenses associated with generation or CDM
Adjustment to interest expense - for deemed debt		\$ 107,134 D (=W)		
Adjusted regulated net income		\$ 938,339 E = A-B-C-D		
Deemed Equity Calculation:			<i>Staff Comments</i>	
Rate Base:				
Cost of power		\$ 25,531,065 F		Must match sum of accounts 4705 to 4750 inclusive. Input as positive number.
Operating expenses		\$ 5,030,447 G		Must approximate sum of accounts 4505-4640, 4805-5695, 6105, 6205-6225, 6310-6415. Input as positive number.
Total		\$ 30,561,512 H = F + G		
Working capital allowance %		12.0%		Must match percentage allowance in last approved CoS rate proceeding
Total working capital allowance		\$ 3,667,381 J		
Fixed Assets				
Opening balance - regulated fixed assets (NBV)	\$ 28,527,378			Please make the necessary adjustments to bring the fixed assets reported in the Audited Financial Statements to reflect the regulated rate base. NBV = Net Book Value
Closing balance - regulated fixed assets (NBV)	\$ 34,567,672			
Average regulated fixed assets	\$ 31,547,525	\$ 31,547,525 K		
Total rate base		\$ 35,214,906 L = J + K		
Regulated deemed short-term debt	4.00%	\$ 1,408,596 M		
Regulated deemed long-term debt	56.00%	\$ 19,720,348 N		
Regulated deemed equity	40%	\$ 14,085,963 P		
		\$ 35,214,906		
Regulated Rate of Return on Deemed Equity			<i>Staff Comments</i>	
		6.7% Q = E / P		
ROE% from most recent cost of service application last approved EDR			<i>Staff Comments</i>	
		8.98% R		Must match approved ROE from last CoS rate proceeding
Difference - maximum deadband 3%			<i>Staff Comments</i>	
		-2.32% S = Q - R		
Interest adjustment on deemed debt:			<i>Staff Comments</i>	
Regulated deemed short-term debt - as above	\$ 1,408,596	6.67%		
Regulated deemed long-term debt - as above	\$ 19,720,348	93.33%		
	\$ 21,128,944	100.00%		
Short-term debt rate	2.07%	0.14%		Interest rate on short-term debt from last approved CoS rate proceeding
Long-term debt rate	4.36%	4.07%		Interest rate on long-term debt from last approved CoS rate proceeding
Average debt rate		4.21%		
Regulated deemed debt - as above	\$ 21,128,944			
Weighted average interest rate	4.21%			
Deemed interest	\$ 888,965 T			
Interest expense as per the OEB trial balance	\$ 781,831 U			Must match sum of accounts 6005-6045
Difference	\$ 107,134 V = T - U			
Utility tax rate	0.00%			Distributor's Board-approved tax rate from the distributor's last rate application (IRM or CoS).
Tax effect on interest expense	\$ 0			
Interest adjustment on deemed debt:	\$ 107,134 W			

Based on the revised revenue requirements, IHDSL is forecasting that the 2014 ROE will remain at 8.98%

VECC-1 - Incremental Capital Module

Innisfil Hydro indicates that staff growth requirements are expected to be 75 FTEs in 2031 compared to 30 FTEs in 2009 and the customer base of 14,500 is expected to grow to 38,000 customers by 2031.

- a) Please summarize the basis for these growth assumptions.

IHDSL Response:

IHDSL's growth assumptions are outlined in Appendix 2 of IHDSL's Business Plan (see Appendix 1).

VECC-2 - Incremental Capital Module

- a) Page 44 – Please confirm the address & relative location, size (square footage) and utilization of each of the existing 5 non-contiguous buildings.

IHDSL Response:

The following table identifies the size and utilization of the 5 non-contiguous buildings for 2061 and 2073 Commerce Park Drive locations. Please note that the 2 portables are utilized for storage, therefore not included in the table.

IHDSL Buildings - Commerce Park Dr

Address	Main Purpose	Usable sq ft
2073 Commerce Park Dr	Main Office - Customer Service/IT	3,133
2061 Commerce Park Dr	Engineering/Operations/Finance/Regulatory/CDM	3,680
2073 Commerce Park Dr - Carriage Building	Stores/Line Crew/Meeting Room	1,315
Total Sq Ft		8,128
Total FTE Accommodation*		32.5
Exceeding Space Requirements 2011*		17%
Exceeding Space Requirements 2014**		26%

*Using Government Office Space Standards of 250 sq ft per person

*Based on staff compliment of 32 + 3 co-op students (2011)

**Based on staff compliment of 41 (2014)



- b) Page 51 – Please confirm the scope of work/investigation that was undertaken by McKnight Sharron Laurin Architects.

IHDSL Response:

McKnight Sharron Laurin Architects were engaged to investigate alternate site options for IHDSL as the current site was nearing capacity.

- c) Page 51- Please confirm the origin of the five options and discuss if any other options have been considered.

IHDSL Response:

Please refer to Energy Probe IR -2 - IHDSL response:

IHDSL did not update the 2009 Option Analysis; Option 5 was chosen for the following reasons:

1. recommended in the architect's report;
2. closer to the urban centre for customer dispatch/response improvement;
3. located on the Town Administrative Campus for improved convenience to customers;
4. accessible to GO bus service, unlike the current location;
5. fully serviced land, unlike current location;
6. less expensive land as compared to current location; and
7. closer to fueling and fleet maintenance services.

As the aforementioned reasons are valid for both the Old Town Hall and the 7251 Yonge St. location, governance and direction from our Board of Directors determined that updating the analysis was not required.

- d) Page 51 – please confirm the address of option 5.

IHDSL Response:

The original address for Option 5 was 2147 Innisfil Beach Rd. (Old Town Hall). With the land swap the address now associated with Option 5 is 7251 Yonge St.

- e) Page 51 – Please confirm Old Town Hall is the same as Innisfil Town Administration campus on Innisfil Beach Road.

IHDSL Response:

IHDSL confirms that the Old Town Hall (2147 Innisfil Beach Rd.) is located on the Innisfil Town Administration campus. The Innisfil Town Administration campus is comprised of the Innisfil Town Hall, Innisfil Recreational Centre, Simcoe Police Services buildings, and part of the Town Roads Operational centre. The Town Campus intersects at the corner of Innisfil Beach Rd. and Yonge St., thus the new site location of 7251 Yonge St. is on the campus.

- f) Page 51 – Please discuss the criteria used to evaluate the 5 options and the weighting given to each criterion.

IHDSL Response:

The report was reviewed by IHDSL Management Team, the Board of Directors and the architect. Analysis of the respective options identified that Option 5 with the proximity to the Innisfil Town Campus, serviced land and reduction of non-contiguous operational functions best suited the needs of Innisfil Hydro.

- g) Page 52 - Please discuss the efficiencies and economies of scale that could be achieved by remaining contiguous with the Town of Innisfil Parks and Roads cluster.

IHDSL Response:

Please refer to OEB Staff - IR 5 b) & 7 a):

The largest contributor to the increase in costs for the respective options is the elapse of time and change of scope. The option analysis completed in 2009 identified preliminary costs without actual architectural drawings. The decision to move forward with Option 5 at the Old Town Hall location, although meeting the criteria of being on the Town Campus, was not fully efficient due to the fact that IHDSL would have to maintain and utilize two storage yards. The 3.5 acres eliminated any potential expansion required to support the Town of Innisfil customers long term (20 plus years). With the determination that renovation of the existing building on the Old Town Hall property was not feasible, due to asbestos, demolition of the building commenced.

After the demolition had occurred, dialogue started with the Town of Innisfil regarding their intent to purchase land on the south side of the Town Campus. The option to purchase additional acreage provided the following synergies:

1. located on the Town Campus;
2. one site for all IHDSL departmental functions;
3. co-location with the Parks and Roads cluster; and
4. room for expansion if required in 25 - 30 years.

Given the additional provisions, IHDSL and the Board of Directors approved the purchase, design and build on the new site location of 7251 Yonge St.

- h) Page 52 – Please provide the specific details of the land swap with Innisfil Hydro and the Town of Innisfil and the discuss the impact on option 5 and the impact on the purchase agreement to sell 2.07 acres at the existing Innisfil Hydro site and purchase 3.5 acres at the Old Town Hall site.

IHDSL Response:

IHDSL has enclosed a PDF copy of a Statement of Adjustments and the Funds Summary in Appendix 6 which outlines the details of the land swap. The total price for the lands at 7251 Yonge St was \$998,250. The Town of Innisfil issued a credit of \$837,500 (\$650,000 plus \$187,000 for incurred demolition costs) towards the \$998,250 purchase price. The resulting amount owing to the Town of Innisfil was \$160,000.

The land swap has no impact on the agreement for the Town of Innisfil to purchase the 2.07 acres which is anticipated to close February 2015.

With respect to Option 5 and the Old Town Hall site, the land swap allows for one site for IHDSL without maintaining two non-contiguous yards and future expansion if required 20 years forward. Please refer to VECC - 3 for further information.

- i) Page 52 – Please confirm the Yonge Street property and how it relates to option 5.

IHDSL Response:

The 7251 Yonge St property is located on the south side of the Town Campus. Option 5 was chosen for the following reasons:

1. recommended in the architect's report;
2. closer to the urban centre for customer dispatch response improvement;
3. located on the Town Administrative Campus for improved convenience to customers;
4. accessible to GO bus service, unlike the current location;
5. fully serviced land, unlike current location;
6. less expensive land as compared to current location ; and
7. closer to fueling and fleet maintenance services.

The criteria for selection was the same as for the OLD Town Hall property with plus factors, additional acreage and colocation with the Parks and Roads cluster.

- j) Page 54 – Please explain why the sale of the property for 2061 and 2073 Commerce Park Drive will not be finalized until February 2015. Please discuss when the property will be vacant and what the final carrying costs on the property will be once it is vacated.

IHDSL Response:

The sale of the properties for 2016 and 2073 Commerce Park Drive will occur after IHDSL has moved into the new Headquarters and Operations Centre which will be fully completed

by December 2014. Property tax and utilities will continue for the month of January 2015 to allow for a 30 day overlap to complete network assets removal at 2016 and 2073 Commerce Park Dr.

- k) Page 55 – Please provide the details (assumptions and analysis) to support leasing options that are anticipated to materialize in July 2015.

IHDSL Response:

IHDSL is assuming that the leasing area will be occupied by July 2015. The Town of Innisfil has minimal office space which rarely comes available for lease. Leasing rates were established by a commercial realtor. IHDSL has received inquiries to date on leasing opportunities.

- l) Page 57 – Please provide a schedule showing Innisfil Hydro's discretionary and non-discretionary capital projects for the years 2012 to 2015.

IHDSL Response:

Please refer to tables below:

Discretionary and Non Discretionary Spending - 2012

Projects	Budget	Actual Cost	Actual Contributions	Net Capital Spend	Is it Discretionary?
2012 Distribution Plant					
DO-005 - 2012 Pole Replacement Program	\$ 389,270	\$ 446,005		\$ 446,005	Non
DO-006 - Infrastructure Replacements	\$ 166,850	\$ 163,797		\$ 163,797	Non
DO-007- Recloser automation	\$ 33,186	\$ 33,443		\$ 33,443	Non
DO-009 - 27.6kv Mechanized SCADA Load Interpt	\$ 157,808	\$ 124,767		\$ 124,767	Non
DO-010 - 44kv Mechanized SCADA Load Interpt	\$ 144,906	\$ 149,065		\$ 149,065	Non
DO-012 - UG padmount TX replacements	\$ 67,600	\$ 16,873		\$ 16,873	Part Non
DO-013-Substandard trnasformer rehabs	\$ 172,110	\$ 27,623		\$ 27,623	Part Non
DO-015-County relocates IBR & 20th SDRD	\$ 314,309	\$ 203		\$ 203	Discretionary ¹
DO-016-County relocated 7th Line & 20th SDRD	\$ 289,159	\$ 297,101	\$ 92,157	\$ 204,945	Non
DO-017-County relocates IBR & 10th SDRD	\$ 379,402	\$ 441,029	\$ 123,041	\$ 317,988	Non
DO-018-Urbanization carry forward	\$ 24,000	\$ 119,210	\$ 49,934	\$ 69,276	Non
DO-019-Urbanization 1 Pole Relocate Finish	\$ 154,850	\$ -		\$ -	Discretionary
DO-021-Cookstown water main relocates	\$ 20,020	\$ -		\$ -	Discretionary
DO-022-TS Land	\$ 465,000	\$ 526,913		\$ 526,913	
DB-001- Retail meters	\$ 74,000	\$ 50,794		\$ 50,794	Non
Base	\$ 583,370	\$ 1,016,719	\$ 638,348	\$ 378,371	Non
Sub-Total Distribution Plant	\$3,435,840	\$ 3,413,544	\$ 903,480	\$ 2,510,064	
2012 General Plant					
GO-010 Land	\$2,000,000	\$ 662,562	\$ -	\$ 662,562	Non
GB-002 Replace & Improve building/fixtures	\$ 25,000	\$ -		\$ -	
GB-003 Furniture & Equipment	\$ 25,500	\$ 4,162		\$ 4,162	Non
GB-001 Hardware General	\$ 120,000	\$ 73,117		\$ 73,117	Non
GF-001 Hardware Finance scanner	\$ 2,500	\$ -		\$ -	
GB-001 Software General	\$ 73,000	\$ 18,090		\$ 18,090	Non
GF-002 GP Upgrade	\$ 45,000	\$ 32,668		\$ 32,668	Non
GO-012 Eng topobase & IFRS enhancement	\$ 164,150	\$ 11,947		\$ 11,947	Non
GO-008 Stores Equipment	\$ 4,000	\$ 4,461	\$ -	\$ 4,461	Non
GO-007 Fleet tools	\$ 27,000	\$ 13,151		\$ 13,151	Non
GO-009 Measurement & Testing tools	\$ 8,500	\$ 7,377	\$ -	\$ 7,377	Non
Base	\$ 11,000	\$ -		\$ -	
GO-004 System Supervisory	\$ 36,300	\$ 19,208		\$ 19,208	Non
GO-005 Radio repeated faulted indicators	\$ 35,600	\$ 3,800		\$ 3,800	Non
GO-011 Scada program conversion	\$ 200,100	\$ 253,248		\$ 253,248	Non
DO-009 - 27.6kv Mechanized SCADA Load Interpt	\$ 68,700	\$ 69		\$ 69	Non
DO-010 - 44kv Mechanized SCADA Load Interpt	\$ 16,150	\$ 2,375		\$ 2,375	Non
2011 Projects-capitalized 2011 contribution recog 2012			\$ 45,205	-\$ 45,205	Non
Pratt Alcon North Economic Evaluation		\$ 942,138	\$ 649,247	\$ 292,891	Non
County of Simcoe 2011 Project-capitalized 2011 cc			\$ 90,811	-\$ 90,811	Non
Sub-Total General Plant	\$2,862,500	\$ 2,048,373	\$ 785,263	\$ 1,263,109	
2012 Grand Total	\$6,298,340	\$ 5,461,917	\$ 1,688,744	\$ 3,773,173	

¹ Moved out to 2015 due to County schedule change

Discretionary and Non Discretionary Spending - 2013

Project	Budget	Actual Cost	Actual Contribution	Net Capital Spend	Is it Discretionary?
IHDSL2013BASE - MAJOR CAPITAL BASE REQUESTS - DISTRIBUTION PLANT		\$ 561,142	-\$ 69,365	\$ 491,777	Non
IHDSL2013DO001 - STATION RECLOSURER	\$ 207,300	\$ 169,828	\$ -	\$ 169,828	Non
IHDSL2013DO002 - 44 KV ALDUTI RUPTOR	\$ 144,500	\$ 185,785	\$ -	\$ 185,785	Non
IHDSL2013DO003 - 27.6 KV MECHANIZED SCADA CONTROLLED LOAD INTERPT	\$ 181,180	\$ 13,384	\$ -	\$ 13,384	Discretionary ¹
IHDSL2013GO007 - SYSTEM SUPERVISORY	\$ 62,000	\$ 45,457	\$ -	\$ 45,457	Part Non
IHDSL2013GO008 - CAPACITOR INTELILINK TO SCADA	\$ 51,400	\$ 121	\$ -	\$ 121	Discretionary ²
IHDSL2013GO009 - RADIO REPEATEDFAULT INDICATORS	\$ 38,400	\$ 1,878	\$ -	\$ 1,878	Discretionary ¹
IHDSL2013DB001 - RETAIL METERS		\$ 59,156	\$ -	\$ 59,156	Non
IHDSL2013DO004 - INFRASTRUCTURE REPLACEMENTS & BETTERMENTS	\$ 210,900	\$ 181,259	\$ -	\$ 181,259	Non
IHDSL2013DO005 - U/G PADMOUNTED TX REPLACEMENTS & PAINTING	\$ 79,700	\$ 81,971	\$ -	\$ 81,971	Non
IHDSL2013DO006 - SUBSTANDARD TRANSFORMER REHABS	\$ 182,700	\$ 179,274	\$ -	\$ 179,274	Non
IHDSL2013DO007 - POLE REPLACEMENT 2013	\$ 391,288	\$ 397,492	\$ -	\$ 397,492	Non
IHDSL2013DO008 - 27 KV EXTENSION 20TH SR, BBPT TO 13TH LINE	\$ 724,294	\$ 687,654	\$ -	\$ 687,654	Non
IHDSL2013DO009 - BIG BAY POINT F3 FOR BBPT DEVELOPMENT	\$ 110,743	\$ 2,979	\$ -	\$ 2,979	Discretionary ³
IHDSL2013DO010 - UTILITY RELOCATES	\$ 68,074	\$ 1,766	\$ -	\$ 1,766	Discretionary
IHDSL2013DO012 - BBPT LINE EXT FOR BBPT DEV & NEW 27.6 KV SUB STN	\$ 470,522	\$ 397,894	\$ -	\$ 397,894	Non
IHDSL2013DO014 - 3 PH 27.6KV CONDUCTORING 20TH BTWN 5TH & 7TH	\$ 290,115	\$ 123,174	\$ -	\$ 123,174	Non
IHDSL2013DO015 - 3 PH 44KV REPOLING-RECONDUCTORING 20TH BTWN 6TH & 7TH	\$ 256,250	\$ 149,284	\$ -	\$ 149,284	Non
IHDSL2013GB003A - HARDWARE GENERAL		\$ 53,604	\$ -	\$ 53,604	Non
IHDSL2013GB003B - SOFTWARE GENERAL		\$ 124,394	\$ -	\$ 124,394	Non
IHDSL2013GB004 - FURNITURE & EQUIPMENT		\$ 12,060	\$ -	\$ 12,060	Non
IHDSL2013GB005 - REPLACE & IMPROVE BUILDING AND FIXTURES		\$ 4,304	\$ -	\$ 4,304	Non
IHDSL2013GF001 - GP UPGRADE		\$ 31,588	\$ -	\$ 31,588	Non
IHDSL2013GO003 - FLEET TRUCKS - 2	\$ 80,000	\$ 64,048	\$ -	\$ 64,048	Non
IHDSL2013GO005 - FLEET TOOLS	\$ 20,000	\$ 13,338	\$ -	\$ 13,338	Part Non
IHDSL2013GO006 - MEASUREMENT & TESTING TOOLS	\$ 13,000	\$ 5,794	\$ -	\$ 5,794	Part Non
IHDSL2013GO010A - ENGINEERING TOPOBASE & IFRS ENHANCE - Hardware	\$ 174,000	\$ 7,560	\$ -	\$ 7,560	Discretionary ¹
IHDSL2013GO010B - ENGINEERING TOPOBASE & IFRS ENHANCE - Software		\$ 21,268	\$ -	\$ 21,268	Discretionary ¹
IHDSL2013GO012 - SCADA UPGRADE PHASE 2	\$ 150,000	\$ 149,320	\$ -	\$ 149,320	Non
GO-LAND	\$ 1,015,496	\$ 1,015,496	\$ -	\$ 1,015,496	Non
		\$ 4,799,813	-\$ 145,449	\$ 4,654,364	

1 Reduced scope and rescheduled for budget reasons

2 Rescheduled

3 Postponed to 2015 for budget reasons

Discretionary and Non Discretionary Spending - 2014				
Proj. No.	Description	Revised Amount	Original Amt	Is it Discretionary?
Base	Base	\$ 873,080	523,171	Non
DO-001	Pole replacements	\$ 387,456	327,397	Non
DO-002	Substandard Trasformer Rehabs	\$ 190,967	220,967	Non
DO-003	Transformer/Switchgear replacements & painting	\$ 7,502	79,225	Non
DO-004	Infrastructure replacements & betterments	\$ 167,024	197,024	Non
DO-005	Reclosure Automation & Replacement DS-4 yr cycle	\$ 248,122	335,300	Non
DO-009	County relocates IBR & 20th SR	\$ -	400,954	Discretionary ¹
DO-010	Lefroy DS	\$ 2,303,713	1,658,100	Non
DO-016	Radio Comm	\$ 672,525	672,525	Non
GO-001	Class 7 all terrain fork lift replacement	\$ -	80,000	Discretionary ¹
GO-002	Stand up fork lift	\$ -	30,000	Discretionary ¹
GO-003	SCADA PME Switch Auto IBR Urbanization	\$ 75,610	66,600	Non
GO-004	Fleet tools - Ops	\$ 20,780	20,780	Non
GO-005	Stores equipment	\$ 4,364	4,364	Non
GO-006	Fleet tools-Eng	\$ 4,500	4,500	Non
GO-007	Fault Finder Replacement	\$ 13,507	13,507	Non
GO-008	Radio repeated fault indicators	\$ 39,900	39,900	Non
GO-009	System Supervisory	\$ 51,360	64,200	Non
GO-010	Truck	\$ -	40,000	Discretionary ¹
GO-011	SCADA batteries, chargers & cabinet replacement	\$ 167,200	167,200	Non
Total		5,227,610	4,945,714	
DB-001	Retail Meters	\$ 94,880	118,600	Non
GB-001	Measurement & testing tools	\$ -	45,000	Non
GB-002	Hardware and software	\$ 185,000	185,000	Non
GB-003	Furniture & equipment	\$ 25,000	50,000	Non
GB-004	Misc prior to move	\$ -	15,000	Non
GB-005		\$ -	-	
GB-006		\$ -	-	
GO-012	CYME, work floww application & integration	\$ 122,100	182,100	Non
GF-001	Budget software	\$ 40,800	30,000	Non
Total		467,780	625,700	
Total Capital		5,695,390	5,571,414	
¹ Moved to 2015				

ENGINEERING BUDGET - 5 YR. FULL FORECAST				2015			
CAPITAL REQUESTS - DISTRIBUTION PLANT				Contributions	Net capital	Is it Discretionary?	
New Big Bay Point DS 44kV/27.6 Station	\$	2,500,000		\$	2,500,000	Discretionary	
County Relocates: IBR & 5th SR Intersection	\$	651,424	-\$ 235,862	\$	415,562	Non	
LINE EXTENSION MAPLEVIEW RD 20TH SR TO PRINCE WILLIAM WAY	\$	354,025		\$	354,025	Non	
Line Extension: Mapleview Dr, from Prince William Way to Rail Track (End of our 1 Ph)	\$	293,333		\$	293,333	Discretionary	
LINE EXTENTION Mapleview Dr Yonge St to Madelaine	\$	389,295		\$	389,295	Non	
Line Extension: Stroud DS to Yonge St	\$	72,000		\$	72,000	Discretionary	
LINE REBUILD Yonge St from Lockhart to Mapleview Dr	\$	319,118		\$	319,118	Non	
Line Recloser refurb - 4 year cycle replace	\$	19,339		\$	19,339	Non	
Substandard transformer re-habs	\$	131,717		\$	131,717	Non	
Line extension for BBPt development: 25th SR Intersection to South Entrence	\$	239,335		\$	239,335	Non	
2015 Pole replacement program	\$	119,793		\$	119,793	Non	
Infrastructure replacements and betterments	\$	180,183		\$	180,183	Non	
Third party utility relocates	\$	63,280	-\$ 25,335	\$	37,944	Discretionary	
DS Oil re-inhibit treatment	\$	26,000		\$	26,000	Non	
U/G padmounted Transformer and Switchgear replacements and painting	\$	53,712		\$	53,712	Non	
27.6 kV mechanized scada controlled load interrupting gang switches	\$	130,926		\$	130,926	Non	
44 kV mechanized scada controlled load Interrupting gang switches	\$	152,268		\$	152,268	Non	
County Relocates IBR & 20th S.R.	\$	577,917	-\$ 182,158	\$	395,758	Non	
DS Electrical Code Compliance Upgrade	\$	132,507		\$	132,507	Non	
DS Battery Bank Installation	\$	466,592		\$	466,592	Non	
Oil Containment Program: 2 tx's per year	\$	240,000		\$	240,000	Discretionary	
Hwy 400 Crossings - Pole Replacement	\$	50,000		\$	50,000	Discretionary	
Strathallan Woods Rebuild	\$	75,000		\$	75,000	Discretionary	
Ewart Street swamp land - Pole Replacement	\$	156,000		\$	156,000	Discretionary	
Victoria Street, Cookstown, Rebuild	\$	108,000		\$	108,000	Discretionary	
Everton OH to U/G Rear lot to Front Lot conversion	\$	156,492		\$	156,492	Non	
Parkview Dr - Rear OH (adj to Harbourview Golf Course) to Front U/G conv	\$	199,000		\$	199,000	Discretionary	
Lockhart Road Switch Replacement (motorized) ~5 pole replacement and 1 motorized sw replacement	\$	110,000		\$	110,000	Discretionary	
CAPITAL REQUESTS - GENERAL PLANT							
Fleet vehicle replacement 1- 2005 Dodge RAM	\$	40,000		\$	40,000	Non	
Stand up Fork Lift	\$	30,000		\$	30,000	Non	
All Terrain Fork Lift	\$	80,000		\$	80,000	Non	
Fleet tools	\$	15,050		\$	15,050	Non	
Stores equipment	\$	4,547		\$	4,547	Non	
Tools, shop and garage equipment	\$	21,653		\$	21,653	Non	
Measurement and testing equipments	\$	14,074		\$	14,074	Non	
Distribution radio repeated fault indicators	\$	29,281		\$	29,281	Non	
System supervisory & Control Room	\$	64,010		\$	64,010	Non	
Radio Communcation IT Infrastructure Installation	\$	51,185		\$	51,185	Non	
Capacitor Interlink to SCADA	\$	48,029		\$	48,029	Non	
BASE - CAPITAL							
Base 1	\$	275,072	\$ -	\$	275,072	Non	
Base 2	\$	34,310	-\$ 9,958	\$	24,352	Non	
Base 3	\$	450,357	-\$ 450,356.94	\$	-	Non	
Base 4	\$	165,610	-\$ 165,609.81	\$	-	Non	
Economic Evaluation	\$	500,000		\$	500,000		
TOTAL				\$	9,790,434	-\$ 1,069,280	\$ 8,721,154
NET				\$	8,721,154		
				\$	8,515,830		
				\$	205,324		
				\$	8,721,154		
				\$	668,500		
				\$	9,389,654		
Descretionary Budget:				\$	4,289,982		

OEB Staff-IR 6 - Manager’s Summary, p. 43-55 and Exhibit 1

a) Please provide the address of the new corporate headquarters.

IHDSL Response:

The address of the new corporate headquarters is:
 7251 Yonge Street, Innisfil, ON L9S 0J3.

b) Please confirm Innisfil Hydro’s current headcount of 35 FTE and complete the table below using projected growth data over the next 10 years.

The 35 FTE equates to 41 headcount (including co-op students). The following table identifies the information requested using projected growth data.

7251 Yonge St, Innisfil (Plan 51R38921)

		10 Year		20 Year
Capital Cost	\$	13,246,704.00	\$	13,246,704.00
Sq Ft Leasing area, warehouse and garage		18,949		18,949
Sq Ft Office area (including common areas)		22,853		22,853
Total Sq Ft - 7251 Yonge		41,802		41,802
Employees projected over a 10 year horizon		67		89
Gross SQ Ft per employee		341		257
Capital cost per employee (Office area)	\$	108,088.42	\$	81,369.94

Total Meeting Rooms	Sq FT
Cust service Lobby	151
Flr 1 meeting room	238
Lunch/training room	542
Lineman meeting/training room	352
Board Room	331
2nd Flr meeting room	221
Total Sq FT for Meeting Rooms	1835

IHDSL has provided the following comparators within the industry with respect to capital cost, projected employees, gross square feet and capital cost per employee. The table shows comparisons to new builds for Enersource and Powerstream which were only Head Office Administrative buildings. The Waterloo North comparison reflects a build which consists of a Head Office and Operations Centre.

Industry Comparators for new Builds

	Waterloo North Admin & Operations Year 1	Enersource Admin Year 1	PowerStream Admin Year 1	Innisfil Hydro - Admin Compare Year 1	Innisfil Hydro - Admin Compare Year 10	Innisfil Hydro - Admin & Operations Compare Year 1*	Innisfil Hydro - Admin & Operations Compare Year 10**	Innisfil Hydro - Admin & Operations Compare Year 20
Year	2010	2012		2014	2024	2014	2024	2034
Capital Cost	26.5	20	27.7	7.2	7.2	13.2	13.2	13.2
Square Footage	104,000	79,000	92,000	22,853	22,853	36,175	38,745	41,805
Head Office Employees (proj)	117	150	270	41	67	41	67	89
Gross square feet per employee	889	527	341	557	341	882	578	470
Capital cost per employee	\$226,496	\$133,333	\$102,593	\$175,610	\$107,463	\$321,951	\$197,015	\$148,315
Capital cost/gross square feet	\$255	\$253	\$301	\$315	\$315	\$365	\$341	\$316

Admin = administrative building only
 Admin & Operations = administrative building plus warehouse, storage yard, garage

*Year 1 Admin & Operations Compare removes leasing square footage of 5630 sq. ft.
 **Year 10 Admin & Operations Compare added upper level square footage of 2570 sq. ft.

- c) Please explain the basis for the forecasted customer growth and the associated growth in FTEs.

IHDSL Response:

The forecasted customer growth is outlined in Appendix 2 of IHDSL's Business Plan (see Appendix 1). From the customer growth assumptions, an equation of 1 FTE per 450 customers was utilized. IHDSL has provided a 10 year and 20 year horizon as the planning anticipated future growth requirements for 25 years.

- d) Please state if and what industry standards Innisfil Hydro applied in its planning process and provide comparators within the industry.

IHDSL Response:

The industry planning standards that IHDSL utilized are Government Office Space Standards. A copy of the standards has been included in Appendix 4. Further to the office space standards the assumptions utilized in IHDSL's Business Plan was 1 FTE for every 450 customers and 250 sq. ft. for every employee.

OEB Staff-IR 7 - Manager's Summary, p. 43-55 and Exhibit 2

In Exhibit 2, Innisfil Hydro provided an analysis of 5 options by McKnight, Charron and Laurin Inc. Architects, which range from cost points of \$1.3M to 3.1M. In its analysis Mr. McKnight recommended option 5, the renovation of the Old Town Hall at a cost of \$1.3M.

- a) Please explain how the chosen option for a new headquarters in the amount of \$13.2M is prudent and cost effective, given the options detailed in Exhibit 2, in particular options 1 and 2.

IHDSL Response:

The largest contributor to the increase in costs for the respective options is the elapse of time and change of scope. The option analysis completed in 2009 identified preliminary costs without actual architectural drawings. The decision to move forward with Option 5 at the Old Town Hall location, although meeting the criteria of being on the Town Campus, was not fully efficient due to the fact that IHDSL would have to maintain and utilize two storage yards. The 3.5 acres eliminated any potential expansion required to support the Town of Innisfil customers long term (20 plus years). With the determination that renovation of the existing building on the Old Town Hall property was not feasible, due to asbestos, demolition of the building commenced.

After the demolition had occurred, dialogue started with the Town of Innisfil regarding their intent to purchase land on the south side of the Town Campus. The option to purchase additional acreage provided the following synergies:

1. located on the Town Campus;
2. one site for all IHDSL departmental functions;
3. co-location with the Parks and Roads cluster; and
4. room for expansion if required in 25 - 30 years.

Given the additional provisions, IHDSL and the Board of Directors approved the purchase, design and build on the new site location of 7251 Yonge St.

Energy Probe – 7 - Section 3.3.1 & Exhibit 2

- a) Please explain the significant difference in costs in the 5 options reviewed in Exhibit 2 and the capital cost shown in the table on page 57.

IHDSL Response:

Please refer to OEB Staff-IR 7 a) above.

- b) Please explain why there is no reduction in the capital costs shown in the table on page 57 related to sale of the existing land for \$925,000 noted on page 51.

IHDSL Response:

IHDSL is recording capital additions within its fixed asset records totalling \$13.2M for land and building components. The proceeds from the sale of the property will be utilized to mitigate cash flow impacts as incorporated within the banking arrangements. The proceeds will also be eligible to a capital gains tax.

- c) How does Innisfil Hydro propose to treat the \$925,000 for the sale of the existing site for regulatory purposes?

IHDSL Response:

IHDSL is recording capital additions within its fixed asset records totalling \$13.2M for land and building components. The proceeds from the sale of the property will be utilized to mitigate cash flow impacts as incorporated within the banking arrangements. The proceeds will also be eligible to a capital gains tax.

SEC-3 – 3.3.1 Exhibit 2

[p.51 and Exhibit 2, p.57] Please reconcile the significant difference in the total costs of each site option in the McKnight analysis, with the total estimated capital cost in the application.

IHDSL Response:

Please refer to Energy Probe - 7a).

VECC-3 - Exhibit 2

Please discuss more fully the cons of option 5.

IHDSL Response:

In Option 5 the cons identified were "operations and warehousing remote from the administration". This statement relates to our current logistics in which departmental functions are fully segregated amongst the 5 non-contiguous buildings (refer to table in VECC - 2a). The design for the Old Town Hall property included a small warehouse and storage yard; however utilization of the existing storage yard at 2073 Commerce Park Drive would have to be maintained. This re-established the non-contiguous environment in which IHDSL currently operates within and inefficiencies as staff would have to drive back and forth to two separate locations.

Staff-IR 5 - Manager's Summary, Exhibits 3-6

Innisfil Hydro provided the following purchase and sale agreement between itself and the Town of Innisfil as well as a letter stating that the Town of Innisfil wishes to exercise its option to also purchase 2073 Commerce Park Drive at a purchase price of \$425,000:

Buyer	Seller	Property	Purchase Price
Town of Innisfil	Innisfil Hydro	2061 Commerce Park Drive, Innisfil	\$500,000
Innisfil Hydro	Town of Innisfil	2147 Innisfil Beach Road	\$650,000
Town of Innisfil	Innisfil Hydro	2147 Innisfil Beach Road	\$663,500
Innisfil Hydro	Town of Innisfil	Plan 51R38921	\$998,250

- a) Please confirm the above transactions.

IHDSL Response:

The Town of Innisfil had agreed to purchase the property at 2061 and 2073 Commerce Park Drive to facilitate a water/reservoir pumping station to support growth in Innisfil. The requirement to build the water/reservoir pumping station preceded IHDSL's move to the new Corporate Headquarters. To facilitate the building of the pumping station the agreement was modified to enable the Town of Innisfil to purchase a parcel of land to commence with the construction of the pumping station. The total purchase price remains at \$925k for 2061 and 2073 Commerce Park Dr.

- b) On p. 52 of the Manager's summary, Innisfil Hydro notes that a second land swap was the result of an invitation to relocate the building site after the Town of Innisfil purchased 72 acres of land for a new operations centre and salt barn. The total cost of the new site is \$998,250, which is an increase of \$348,250 or 53.5% over the Old Town Hall campus.

IHDSL Response:

IHDSL agrees that the purchase price is an increase of \$348,250 for the land swap from the Old Town Hall to the southern location of the Town Campus (7251 Yonge St.). The Old Town Hall property was 3.5 acres which equates to a cost of \$185,714 per acre. The 7251 Yonge St. property is 6.67 acres, which equates to a cost of \$149,662 per acre. With the additional acreage IHDSL also provided space to have a warehouse, storage yard and garage on one site (please refer to VECC IR 3 response).

- i. Please explain Innisfil Hydro efficiencies and economies of scale by remaining contiguous with the Town of Innisfil Parks and Roads cluster to justify this increase.

IHDSL Response:

IHDSL will not only be contiguous with the Town of Innisfil Parks and Roads cluster but, with the move to 7251 Yonge St., IHDSL itself will be contiguous as we will have one storage yard, a garage and warehouse in conjunction with the Administration building.

With the colocation, IHDSL will see the efficiencies in the following areas:

1. fuel;
2. vehicle maintenance;
3. administrative savings for property maintenance and plowing (contract administration will be performed by the Town of Innisfil);
4. at source access to granulars (sand, salt, etc.);
5. security - police on Town Campus.

In addition to aforementioned efficiencies, IHDSL foresees improvements in the following areas:

1. access to granulars at the source reduces overall drive time for the line crew;
2. improved response time during inclement weather as vehicles and trucks will be inside the garage (no removal of ice or snow); and
3. improved dielectrics for the vehicles (Jibb failures) .

- ii. Please provide an estimate of any cost savings and detail the economic benefit to Innisfil Hydro's customers.

IHDSL Response:

The benefits to IHDSL's customers regarding the new Headquarters and Operations Centre is that it provides the connection, or link, to long term future growth in a centralized location to serve our customers. As the building was designed to address long term growth (offset with leasing revenues until the additional space is required), IHDSL will not require expansion or a new building for 30 years. The colocation with the Parks and Roads cluster brings efficiencies for the rate payer in terms of tax and a 1-time increase for the building. We have heard and listened to our customers that the centralized location, in conjunction with a facility that will be accessible, is very appealing. IHDSL fully anticipates an increase to our walk-in volumes. The centre also provides the means to further enhance customer engagement and educational training opportunities with respect to conservation, billing and services.

- iii. Innisfil Hydro has included an amount of \$781,945 for parking lot and road. Provide further details of these costs and provide a cost allocation between Innisfil Hydro and the Town of Innisfil.

IHDSL Response:

IHDSL has enclosed a copy of the cost allocation document for costs pertaining to parking lot and roadway allocations with the Town of Innisfil (Appendix 7).

- c) On p. 57 of the manager's summary, Innisfil Hydro shows the amount of land value included in the ICM claim as \$1,015,496. Please explain the variance to the purchase price of \$998,250.

IHDSL Response:

The value of \$1,015,496 reflected in the table on page 57 consists of \$998,250 for the purchase of the land (7251 Yonge Street) and \$17,246 for legal/closing costs.

- d) How has the sale of 2073 and 2061 Commerce Park Drive for a combined value of \$925,000 been reflected in the ICM cost recovery claim? Please provide the exact closing dates for both transactions.

IHDSL Response:

IHDSL is recording capital additions within its fixed asset records totalling \$13.2M for land and building components. The proceeds from the sale of the property will be utilized to mitigate cash flow impacts as incorporated within the banking arrangements. The proceeds will also be eligible to a capital gain tax. The closing date for the sale of the property will be executed in February 2015.

Energy Probe – 6 - Section 3.3.1 & Exhibits 5 & 6

On page 51 it is stated that Innisfil Hydro purchased 3.5 acres at the Old Town Hall site for \$650,000. On page 52 it is stated that Innisfil Hydro decided to swap land with the Town of Innisfil and have received more land at a lower cost per acre.

- a) Did the \$650,000 purchase cost for the 3.5 acres at the Old Town Hall site include a cost to demolish the existing building?

IHDSL Response:

The \$650k cost for the 3.5 acres at the Old Town Hall (2147 Innisfil Beach Road) did not include a cost to demolish the existing building.

- b) If the response to part (a) is no, what was the cost to Innisfil Hydro to demolish the old building?

IHDSL Response:

The cost to IHDSL to demolish the Old Town Hall (2147 Innisfil Beach Rd.) was \$187,500.

- c) Please reconcile the cost of \$650,000 and the land swap with the cost for land of \$1,015,496 shown in the table on page 57.

IHDSL Response:

IHDSL has enclosed a PDF copy of a Statement of Adjustments and the Funds Summary in Appendix 6 which outlines the details of the land swap. The total price for the lands at 7251 Yonge St was \$998,250. The Town of Innisfil issued a credit of \$837,500 (\$650,000 plus \$187,000 for incurred demolition costs) towards the \$998,250 purchase price. The resulting amount owing to the Town of Innisfil was \$160,000.

- d) Exhibit 5 shows a sale price of \$663,500 for the old town hall site and Exhibit 6 shows a purchase cost of \$998,250 for the new property. Please reconcile this with the statement on page 52 regarding the swap.

IHDSL Response:

The sale of the Old Town Hall was for \$650,000 and, with associated legal costs/land transfer tax, the revised total is \$663,500.

- e) Please reconcile the purchase price of \$998,250 shown in Exhibit 6 with the cost of \$1,015,496 shown in the table on page 57.

IHDSL Response:

The value of \$1,015,496 reflected in the table on page 57 consists of \$998,250 for the purchase of the land and \$17,246 for legal/closing costs.

OEB Staff-IR 8 - Manager's Summary, Exhibit 7 Construction Agreement and Incremental Capital Project model, Summary

In exhibit 7, Innisfil Hydro provided a construction agreement with B.W.K Construction Company Ltd. in the amount of \$9.8M. In the summary sheet of the Incremental Capital Project model Innisfil Hydro shows an amount of \$10.7M with the building and an additional amount of \$754K for HVAC and Roof.

- a) Please explain the variance.

IHDSL Response:

The amounts reflected on the Incremental Capital Summary Tab reflect the physical asset components for the purposes of depreciation calculations and CCA class. The \$8.6M is a component of the \$10,694,626 capital cost. Additional costs for this asset component categorization include development charges, site servicing, roadwork and architect/review costs.

Details of Project									
Building of a Operations Centre and Corporate Headquarters									
Asset Component	Capital Cost	Depreciation Rate	CCA Class	CCA Rate					
					2015	2016	2017	2018	2019
1 Building	10,694,626	2%	1	6%					
2 Roof and HVAC	754,637	5%	1	6%					
3 Parking lot and roads	781,945	4%	17	8%					
4 Land	1,015,496	0%		0%					
5									
Closing Net Fixed Asset	12,963,802	12,680,900	12,397,997	12,115,095	11,832,193				
Amortization Expense	282,902	282,902	282,902	282,902	282,902				
CCA	749,511	703,290	659,941	619,286	581,154				

IHDSL confirms that roofing was part of the original \$8.6M estimate (excluding GST).

- c) Please state if the contract was the result of a competition. If so, please provide other quotes that were received. If not, please explain why not.

IHDSL Response:

The contract awarded to B.W.K Construction Company LTD was the result of a competition. A pdf copy summarizing the bids is enclosed in Appendix 5.

- d) Explain the contractual measures taken to control cost overruns and how Innisfil Hydro protected its interests and customers?

IHDSL Response:

IHDSL has implemented the following measures to control cost overruns and protect the interest of our customers:

- i. the contract awarded to B.W.K Construction Company is a fixed price contract for completed works;
- ii. a Project Manager was hired via the architect to oversee all project details;
- iii. bi-weekly on site meetings with IHDSL's CEO and Project Manager;
- iv. routine inspections undertaken by IHDSL's bank for project milestones; and
- v. monthly updates provided to IHDSL's Board of Directors.

Appendix 1 – IHDSL Business Plan

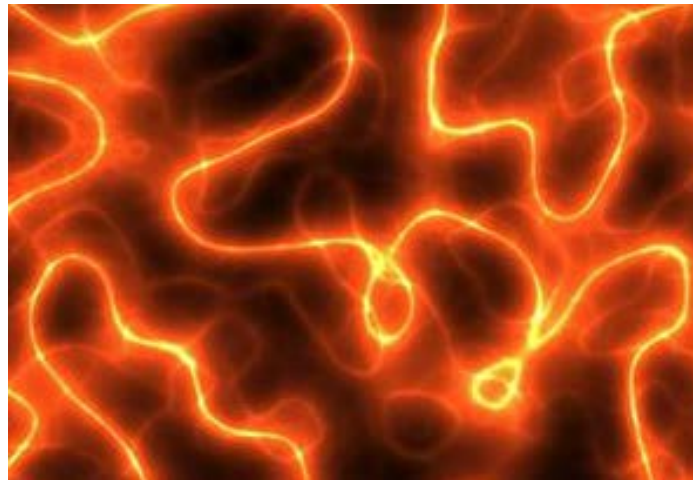
References:

OEB Staff-IR 6 c)

SEC-1

SEC-5

VECC-1



Business Plan 2012
For years 2013 to 2017

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Background

The Innisfil Hydro Electric Commission was originally formed in January 1991 and in July 1993, the distribution assets were purchased from Ontario Hydro for the service area expansion as provided for in Bill 185. Innisfil Hydro Distribution Systems Limited (Innisfil Hydro) was incorporated as a for-profit local distribution company in year 2000 as required by the *Electricity Act 1998*. Innisfil Hydro has a distribution licence from the Ontario Energy Board (Licence # ED-2002-0520 defined boundary as the Town of Innisfil as of January 1, 1994) to operate its distribution system within the licensed territory of 292 square kilometres in the Town of Innisfil and the south part of the City of Barrie with the passing of *Bill 196, Barrie-Innisfil Boundary Adjustment Act, 2009*.

As of January 1, 2010, Innisfil Hydro had approximately 110 kilometres of 44KV circuits, 176 kilometres of three-phase distribution, 200 kilometres of single-phase circuits, 116 kilometres of primary underground cable, 9 distribution stations, 2 shared distribution stations with Hydro One and 4 private stations with distribution voltages of 16/27.6kV and 4.8/8.32kV.

Innisfil Hydro has 5 “in-house” Linemen and associated equipment. Major construction projects and substation maintenance is contracted out to independent contractors. A service agreement has been negotiated with the Town of Innisfil in order for Innisfil Hydro to put water and wastewater billing onto the existing monthly Hydro bills starting August 1, 2012. This has triggered the need to accelerate the hire of a Customer Service Manager.

The Head Office and Operations Centre for Innisfil Hydro is located at 2073 Commerce Park Drive in Innisfil, Ontario with 34 full-time staff. The site consists of a Customer Service building, an Engineering and Finance building, a Warehouse building and two public school portables situated on approximately 3.3 acres. The site was purchased from Pan-Abode model log homes & cabins.

Innisfil Hydro's positive cash flow from operations ceased in 2009 due to capital requirements. Dividend payments are projected to be consistent over the next five years at \$625,000 per year.

GO Transit service to Barrie has commenced in 2008 with a proposed Innisfil GO Train station situated at 20th Sideroad and 5th Line not expected until after 2013. The 400 Industrial Park development is extremely slow due to the lack of waste water treatment. The Town of Innisfil has completed a business plan to bring full municipal servicing to the 400 Industrial Park area. Timelines for servicing decisions in not expected until the fall of 2012.

The Provincial Government's Intergovernmental Action Plan (IGAP) Report was released on August 29, 2006. The report has deduced that the population of Simcoe County would be 667,000 by year 2031. It is projected that by 2031, Innisfil Hydro will service 56,000 people in Innisfil with another 39,000 people in the new Barrie lands.

Sturdy Power Line is contracted until June 30, 2013 and the Olameter meter reading and billing contract is being renegotiated in 2012 to accommodate water and wastewater billing. The collective agreement with the local union has been negotiated until July 2013.

Innisfil Hydro is a member of the *Cornerstone Hydro Electric Concepts Association Inc.* (CHEC), George Shaparew sits on the Board of Directors. The group has 12 LDC members

(representing >100,000 customers) that have hired staff to perform ‘back office’ functions for its members. A Chief Operating Officer was hired in early 2009 and now they have a total of 4 full time staff.

IHDSL remains an active member in the Electricity Distributors Association. Liability, equipment, property, vehicle, bad debt and crime insurance are with MEARIE, which is a division of the EDA. MEARIE is a reciprocal insurance exchange that is owned by its members. We therefore receive insurance coverage at much lower rates than other market insurance providers.

1. Innisfil Customer Growth Assumptions

Following the aftermath of the *Oak Ridges Moraine Protection Act 2001*, property developers have acquired many Innisfil properties for the purpose of land development. Land development pressures have been reflected in the Town of Innisfil’s Official Plan (2006);

<http://www.innisfil.ca/official-plan>

The County of Simcoe Official Plan (2008);

http://www.simcoe.ca/ws_cos/media/media/planning%20files/OP%20Consolidation%20August%202007%20-%20TEXT%20FINAL.pdf

Draft Proposed Modified County of Simcoe Official Plan (2012)

<http://www.simcoe.ca/dpt/pln/index.htm>

Places to Grow, Simcoe Strategy;

https://www.placestogrow.ca/index.php?option=com_content&task=view&id=210&Itemid=15

https://www.placestogrow.ca/index.php?option=com_content&task=view&id=165&Itemid=15

Proposed Amendment 1 (2010) to the Growth Plan for the Greater Golden Horseshoe, 2006

https://www.placestogrow.ca/index.php?option=com_content&task=view&id=210&Itemid=15

The Provincial Government’s IGAP Report was released on August 29, 2006 and is located at URL

http://www.simcoe.ca/ws_cos/media/media/IGAP-ECA---Communities-Report---MARCH-15-2006-FINAL.pdf

The Barrie-Innisfil Boundary Adjustment Act, 2009;

<http://www.mah.gov.on.ca/Page6474.aspx>

The Town of Innisfil's Official Plan (2006) and the County of Simcoe's Official Plan (2008) growth projections have been summarized below:

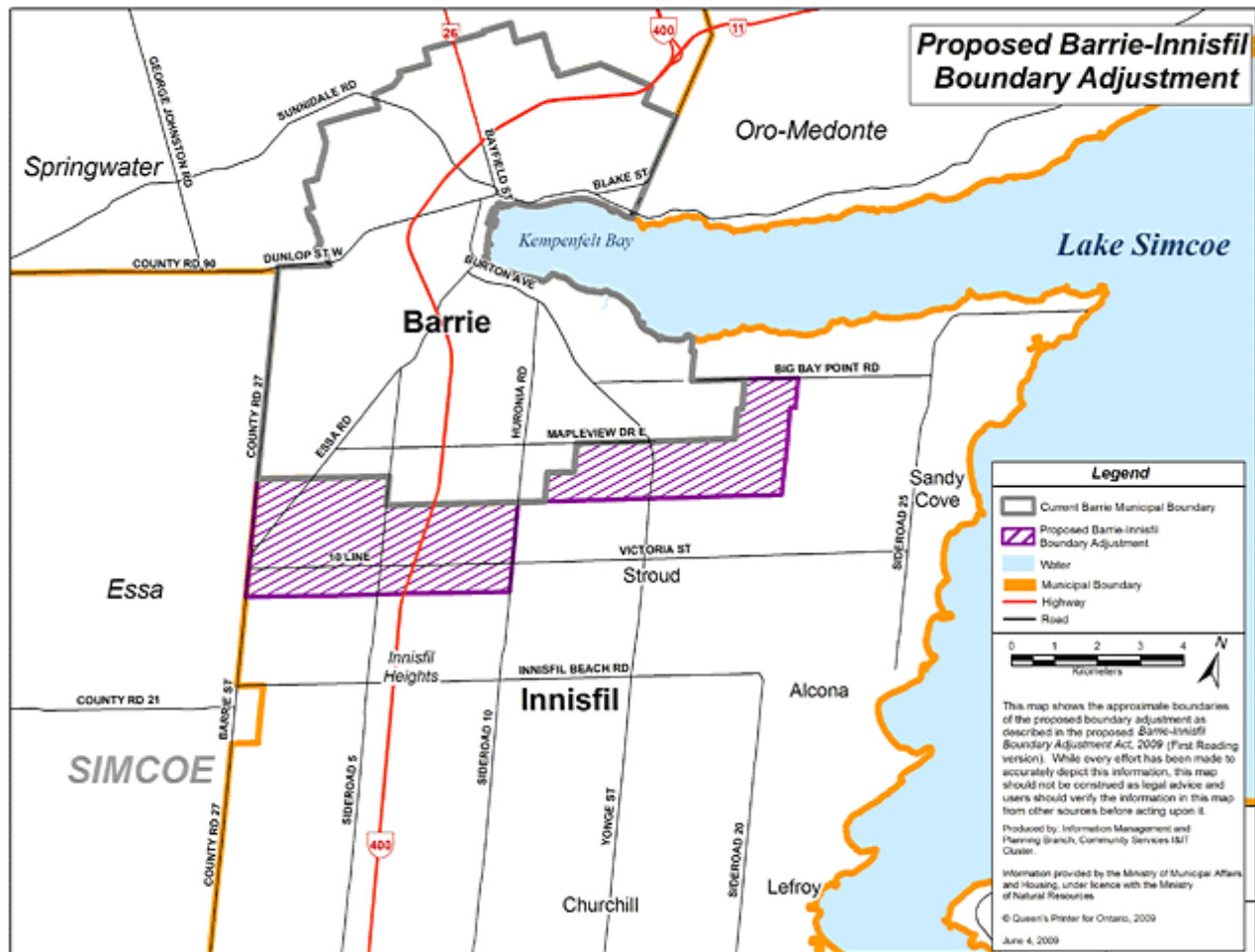
Official Plan	Population 2006	Population 2026	Employment 2006	Employment 2026
Innisfil	32,400	55,000	5,700	27,700

Official Plan	Population 2006	Population 2031	Employment 2006	Employment 2031
Simcoe	32,400	65,000	5,700	13,100

Both population and employment is projected to increase by more than 100% within the next 25 years. It is this municipal growth that is fueling the need for capital expansion within the long range plan. As required in the Distribution System Code:

6.1.1 A distributor shall make every reasonable effort to respond promptly to a customer's request for connection. In any event a distributor shall respond to a customer's written request for a customer connection within 15 calendar days. A distributor shall make an offer to connect within 60 calendar days of receipt of the written request, unless other necessary information is required from the load customer before the offer can be made.

By virtue of the short timelines provided for distributors to make an offer to connect (60 days) versus years it takes to complete large capital projects, the distributor is therefore obligated to plan and build infrastructure in advance of a request for connection as a normal course of business.



The Barrie-Innisfil Boundary Adjustment Act was effective on Jan 1, 2010. This has granted the City of Barrie approximately 2,300 hectares of Innisfil lands for their development purposes. Until the City of Barrie releases an official plan amendment, 39,000 residents, or 80MW of demand, has been estimated for this service territory by 2031. These lands are in Innisfil Hydro's licensed distribution territory and long term plans have been incorporated in that regard.

There are five commercial development sites around the Highway 400 and Innisfil Beach Road area with a potential of over 100 lots. Three out of the five commercial sites were approved in 1990, 1991 and 1993. There has been an environmental assessment on-going for the impact of water and waste-water facilities around the Highway 400 corridor. Future development from Metrus Properties has proposed development for ~50,000 residents and 20,000 commercial jobs north of Georgian Downs. Preferred water and waste-water servicing for this area has been recommended from the City of Barrie, but not entertained by Barrie. Hydro servicing for such a development would require a 70 MW supply either with 3-44kV feeders or a preferred 230kV – 27.6kV T.S. The scope of such an undertaking is not anticipated within this 5-year plan but has been discussed with Hydro One and PowerStream (Appendix 6).

Long range planning strategies has been discussed with Hydro One and neighbouring South Simcoe LDCs. Innisfil Hydro believes that its best strategy for service supply post 2020 involves the deployment of an Innisfil Transformer Station 230kV – 27.6kV. Hydro One has indicated that Barrie TS will reach the end of its useful life in 2020. If Barrie TS gets rebuilt from 115kV to 230kV supply, it is then possible to run a double two circuit 230kV compact tower line down the 100' 13M3 easement from Barrie TS into Innisfil. A three acre property for a new 230kV – 27.6kV TS has been purchased in 2012. If a 230kV supply is delayed or not possible, the new TS site could be supplied with 115kV or even multiple 44kV sub-transmission circuits.

A resort community (Friday Harbour) is planned within the development of Big Bay Point Marina has been approved by Council and by the Ontario Municipal Board. This 600 acre site will consist of approximately 1,600 + new customers over a ten year period. It is anticipated that development would commence in 2014. It will be built to 28kV standards supplied with a new 44kV-27.6 kV Distribution Station, being ultimately replaced with 27.6kV supply from a new T.S. Both Innisfil Hydro and the Town of Innisfil have approved a land swap consisting of a 1/10th acre parcel (Alcona DS) to be sold to the Town in exchange for a one acre parcel at the Big Bay Point Road gravel pit. Innisfil Hydro will build its distribution station to supply load growth at the resort community, along with future load in the new Barrie lands and will provide 27.6kV backup to the Brian Wilson DS in Alcona.

The Lefroy area has development approval for approximately 2,300 customers. Together with the anticipated GO Train station on 5th Line, a new 27.6kV feeder extension from 7th Line to 4th Line will be required within a five year horizon. To meet the demands for Lefroy and a back-up for Alcona, a new 44kV-27.6kV Distribution Station is planned for Lefroy.

The following chart was provided by the Town of Innisfil and projects Innisfil new dwelling construction activity from 2009 to 2031.

Estimated New Dwelling construction activity										
Area	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Alcona	260	260	260	260	260	260	260	260	260	260
Cookstown	c	50	50	50	50	50	50			
Gilford		2	2	2	2	2	2	2	2	2
Lefroy			50	50	50	50	50	50	50	50
Big Bay Point (Res)			b	100	100	100	100	100	100	100
New Growth Areas				a		100	100	100	100	100
Balance (rural)	25	25	25	25	25	25	25	25	25	25
Totals	285	337	387	487	487	587	587	537	537	537

Area	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Totals	Population
															30000
Alcona	260	260	260	260	260	260	260	260	260	260	260	260	260	6455	18719.5
Cookstown														300	870
Gilford														18	52.2
Lefroy	50	50	50	50	50	50	50	50	50	50	50	50	50	1050	3045
Big Bay Point (Res)	100	100	100	100	100	100	100	100	100					1600	4640
														0	0
New Growth Areas	100	100	100	100	100	100	100	100	100	100	100	100	100	1800	5220
Balance (rural)	25	25	25	25	25	25	25	25	25	25	25	25	25	625	1812.5
Totals	535	535	535	535	535	535	535	535	535	435	435	435	435	11848	64359.2

Utilizing growth projections from all available data, the following comprises the parameters for long range growth projections:

- Innisfil population in 2031 56,000
- New Barrie land population in 2031 39,000
- Big Bay Point development 1,600 units + commercial load

Further residential growth forecasts from Hemson Consulting as presented to Town Council on November 26, 2009, it is projected for 2010 – 150 units, 2011/12 – 200 units, 2013 – 300 units and 2014+ 600 units per year. Innisfil Hydro's projection is more conservative than the Town's estimated new dwelling activity. It is felt that Innisfil Hydro's conservative estimates more closely mirror the economic down-turn felt in the housing market. Factoring additional commercial customer growth, the following growth assumptions have been forecasted over the next five years:

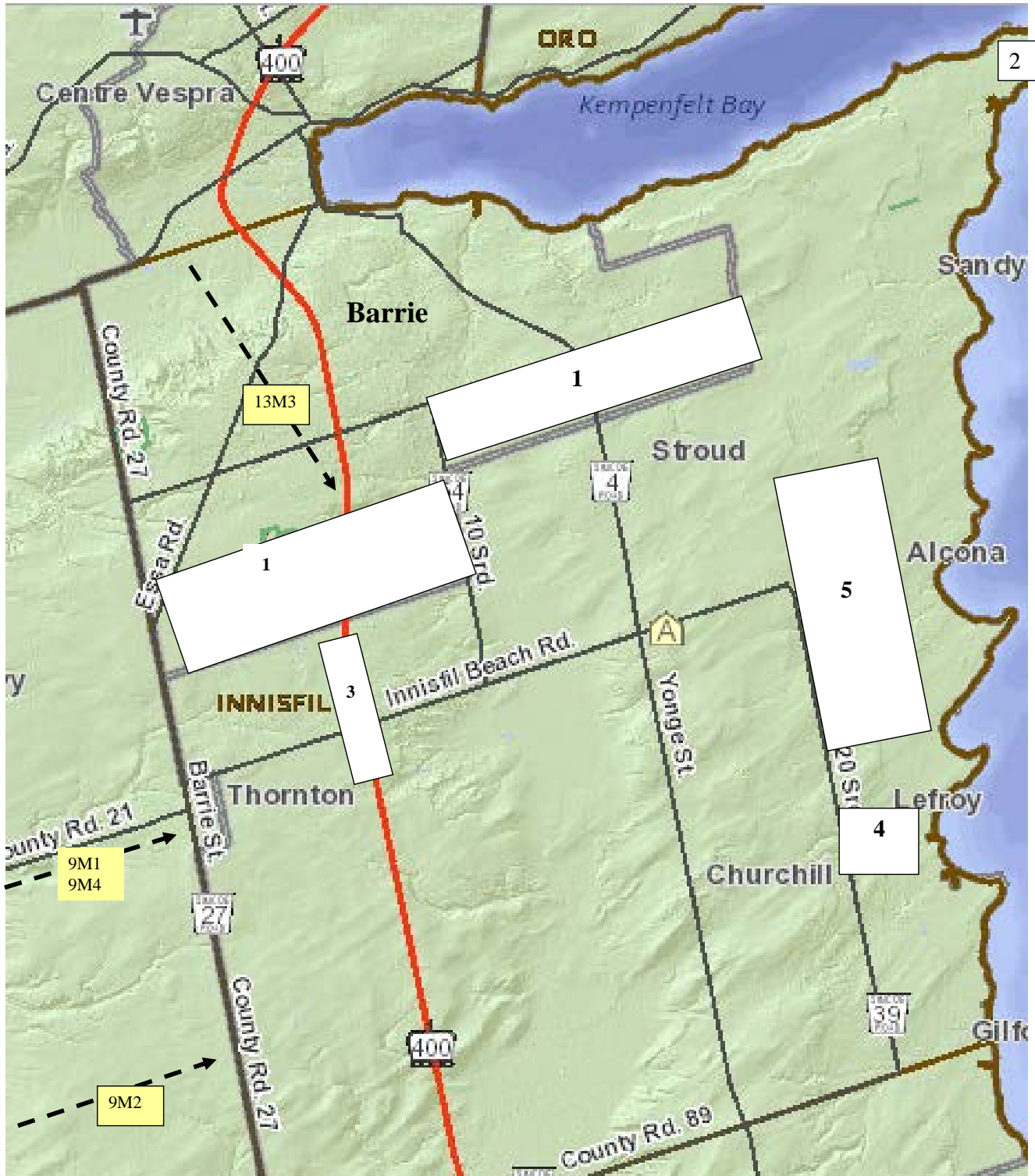
Customer Growth Assumptions

	Forecast 2012	Projection 2013	2014	2015	2016	2017
Total Customers Y/E	15,020	15,219	15,666	16,360	17,193	18,052
Residential Growth	192	194	421	652	781	805
GS < 50 Growth	4	5	24	38	49	51
GS > 50 Growth	(2)	(0)	2	3	4	4

Innisfil Hydro Load Growth by location

New Load by 2024
 Total - 80MW
 Zone 1 - 40 MW
 Zone 2 - 8MW
 Zone 3 - 10 MW
 Zone 4 - 8 MW
 Zone 5 - 14 MW

G Shaparew Mar 1, 2010



2. Human Resources Five Year Plan



A new Collective Agreement between Innisfil Hydro Distribution Systems Limited and Power Workers' Union C.U.P.E. Local 1000 Innisfil, was ratified in 2010 and expires on July 6, 2013.

During the past year, Innisfil Hydro hired a Customer Service Manager and a Smart Grid Engineer. The Customer Service Manager was hired to facilitate the inclusion of water and waste water billing, in addition to providing other mid-management assistance to the Vice President of Corporate Services.

In an effort to meet the need for succession planning for the Engineering Manager position, as well as to replace the retiring contract Protection and Control engineer, a recent Smart Grid Engineer/Engineer-in-Training was hired. This position will also be responsible for the coordination and administration of Innisfil Hydro's smart grid initiatives.

The 2012 rate application was submitted to the Ontario Energy Board (OEB) involving an Incentive Rate Mechanism (IRM). The allotted IRM rate increase that was approved was 0.88% for May 1, 2012. This nominal increase of 0.88% in distribution rates has put pressure on service delivery requirements since the collective agreement incorporated a 3% wage increase in 2012.

In 1212, Staff are preparing a Cost of Service (COS) application for submission to the OEB at the end of August, setting rates for the next four years. The following new positions will be included in the COS application for 2013 and will require approval from the Board of Directors:

- **Meter Technician** – *Required for back-up to the one incumbent and to start meter re-verification on all smart meters.*
- **IFRS Analyst** – *Required to administer IFRS implementation in addition to financial, regulatory and tax reporting.*
- **Purchaser/Stock Keeper**– *Required for back-up to the one incumbent and for custodianship of the new building*
- **Customer Service Representative** – *Required for Water / Wastewater and Power customer growth and regulatory burdens*
- **Regulatory Analyst (1/2)** – *Required to meet regulatory reporting requirements.*
- **Smart Grid Technician** – *Required for new SCADA software, network changes and new Smart Grid hardware. Funded through the Smart Grid Rate Rider.*

Although Hydro One has anticipated an increase in retirements due to their aging work force, it is not as critical for Innisfil Hydro. Innisfil Hydro was formed in 1993, and, therefore, does not have the same problem as more mature LDCs because there are few employees that have long service levels with the OMERS pension plan. However, two senior Innisfil Hydro managers are eligible for retirement in 2015. Discussions with a management consultant have begun for a non-union succession plan analysis to help establish seamless progression.

The following table outlines the estimated growth expectations with a predicted employee per customer ratio (end of year). It is worthwhile noting that new staff resources correlate to the cost of service rate applications that occur every four years. A Smart Grid (SCADA) Technician for 2013, funded by the Smart Grid Rate Rider has not been shown.

Human Resources Five Year Plan

	Forecast 2012	Projection 2013	2014	2015	2016	2017
Customer Growth	194	199	448	693	833	860
Customer Growth %	1.8%	1.3%	2.9%	4.4%	5.1%	5.0%
Total Customers Y/E	15,020	15,219	15,666	16,360	17,193	18,052
Employees	34.0	38.5	38.5	38.5	38.5	45.5
Customer to employee	442	395	407	425	447	397

Headcount by year	Forecast 2012	Projection 2013	2014	2015	2016	2017
President	1	1	1	1	1	1
HR	1.5	1.5	1.5	1.5	1.5	2
Ops Mgmt	2	2	2	2	2	2
Stores clerk	1	1	1	1	1	1
Purchasing	0	1	1	1	1	1
Techs	3	3	3	3	3	3
Ops clerk	1	1	1	1	1	1
Finance Mgmt	2	2	2	2	2	2
Regulatory/CDM	2	2.5	2.5	2.5	2.5	3
Accounting	1.5	2.5	2.5	2.5	2.5	2.5
CS Mgmt	3	3	3	3	3	3
IT	1	1	1	1	1	2
CSRs	7	8	8	8	8	8
Metering	1	2	2	2	2	2
Line crew	5	5	5	5	5	8
Locator	0	0	0	0	0	1
P Eng	1	1	1	1	1	1
GIS	1	1	1	1	1	1
SCADA	0	0	0	0	0	1
Total	34	38.5	38.5	38.5	38.5	45.5

3. Conservation and Demand Management Plan



The *Green Energy Act 2009* received royal assent on May 14, 2009. With this Bill, energy conservation and demand management is now a condition of the distribution license. In support of the *Green Energy Act 2009* and further Ministerial direction, the Ontario Energy Board (OEB) has issued energy reduction targets and CDM Codes for local distribution companies. The energy targets have to be achieved throughout the 2011-2014 timeframe.

Innisfil Hydro's targets are as follows:

Demand – 2.5 MW

Energy Reduction – 9.2 GWH

The energy reduction targets assigned by the OEB are equivalent to 700 residential homes within Innisfil Hydro's service territory. The targets will be met by a combination of OPA approved programs and conservation programs specific to Innisfil Hydro's service territory requirements known as OEB approved programs.

Innisfil Hydro registered/offered all the OPA programs (Tier 1) within the Consumer, Commercial & Institutional, Industrial, and Home Assistance portfolios for 2011-2014. In line with our customer rate class ratios the primary focus of the 2011 CDM program was on the Residential and General Service (GS) customer rate classes to promote awareness of the "saveONenergy" programs and the provincial website.

The transitional issues from the 2010 CDM programs and complete implementation of the 2011- 2014 OPA CDM programs has been extremely fragmented thus impacting Innisfil Hydro's ability to secure base energy savings to build cumulative persistence energy savings. The majority of programs and associated tools were not available until June 2011, and 2 programs within the Consumer Program have never been implemented (Mid-stream electronics and Consumer Conservation Card). Additionally, 2 programs that were estimated to greatly enhance residential savings (Home Assistance Program and *peaksaver plus*) were not ready for implementation until 2012.

The following tables identify IHDSL's forecasted 2014 results and 2011 actuals by program;

OPA-Contracted Province-Wide CDM Programs DRAFT 2011 Results			
LDC: Innisfil Hydro Distribution Systems Limited			
DRAFT Progress to Targets	Incremental 2011	Scenario 1: % of Target Achieved	Scenario 2: % of Target Achieved
Net Annual Peak Demand Savings (MW)	0.2	3.8%	9.4%
Net Cumulative Energy Savings (GWh)	0.6	23.7%	23.8%
Scenario 1 = Assumes that demand resource resources have a persistence of 1 year			
Scenario 2 = Assumes that demand response resources remain in your territory until 2014			

Note: all highlighted programs were not ready for implementation in 2011 at the time of the Master Agreement

IHDSL – OPA 2011 Tier 1 Participation

#	Initiative	Activity Unit	Uptake/ Participation Units
Consumer Program			
1	Appliance Retirement	Appliances	250
2	Appliance Exchange	Appliances	13
3	HVAC Incentives	Equipment	188
4	Conservation Instant Coupon Booklet	Products	2,037
5	Bi-Annual Retailer Event	Products	3,439
6	Retailer Co-op	Products	0
7	Residential Demand Response	Devices	233
8	Residential New Construction	Houses	0
Business Program			
9	Efficiency: Equipment Replacement	Projects	1
10	Direct Install Lighting	Projects	11
11	Existing Building Commissioning Incentive	Buildings	0
12	New Construction and Major Renovation Incentive	Buildings	0
13	Energy Audit	Audits	0
14	Commercial Demand Response (part of the Residential program schedule)	Devices	5
15	Demand Response 3 (part of the Industrial program schedule)	Facilities	0
Industrial Program			
16	Process & System Upgrades	Projects	0
17	Monitoring & Targeting	Projects	0
18	Energy Manager	Managers	0
19	Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	Projects ¹	0
20	Demand Response 3	Facilities	0
Home Assistance Program			
21	Home Assistance Program	Homes	0
Pre 2011 Programs Completed in 2011			
22	Electricity Retrofit Incentive Program	Projects	0
23	High Performance New Construction	Projects	1
24	Toronto Comprehensive	Projects	0
25	Multifamily Energy Efficiency Rebates	Projects	0
26	Data Centre Incentive Program	Projects	0
27	EnWin Green Suites	Projects	0

In order to meet Innisfil Hydro's target for energy and demand savings an incremental volume of 20 % energy savings will have to be achieved in 2012. To achieve these required energy savings, Innisfil Hydro will focus primarily on the GS customer rate class (<GS 50 and >GS 50). The following strategies have been developed to accomplish this goal,

- Contractor sessions to promote the value add proposition of ERII rebates
- Specialized sessions for farm sector, OMAFRA on rebate programs and control of increased energy costs
- Personalized targeted visits to large use customers to promote the rebate programs and value add from Innisfil Hydro
- Partnerships with local builders to participate with the Residential New Construction program
- Targeted media on the success stories of customers who have already participated in the saveONenergy programs
- Focused direct mail to increase *peaksaver plus* participation
- Sandy Cove information sessions to promote the Home Assistance Program

In addition to the focus on our business program, Innisfil Hydro will still continue to participate in community events to deliver the CDM message to its residential customers.

4. Information Technology and Metering Five Year Capital Plan

Information Technology (IT) is an integral part of the electricity industry in Ontario. The challenges and demands for increased efficiencies and security with zero 'down time' provide on-going opportunities to improve our network infrastructure and integrity. A comprehensive security audit of our internal network is being conducted in 2012 and any remedial actions will be undertaken in 2013. Security audits will be undertaken every second year thereafter.

Electricity retailers continue to be active in our service area, renewing contracts and enrolling new customers. There are service agreements with twenty electricity retailers, of whom twelve have active enrollments. North Star Utilities Division of Harris Computer Systems and



SPi provide dependable software solutions that allow us to transact in excess of 138,000 Electronic Business Transactions (EBT) per year with electricity retailers via our Customer Information and Billing System (CIS).

The Alliance Service Bureau operated by Savage Data Systems continues to provide timely processing of our daily settlement statements from the Independent Electricity System Operator (IESO). Embedded generation has been integrated into our daily settlement files

by the Service Bureau for import into the CIS.

An upgrade to the Customer Information Systems (CIS) is planned for 2013 to take advantage of programming enhancements from North Star Utilities and enhanced reporting functionality to facilitate reporting requirements for the Low-income Energy Assistance Program.

Implementation of 'Springboard' software has automated the tracking of Human Resources training-2012. It will be the first year of tracking training compliance with this new tool. Upgrades to the Penny Software for timesheet input has been implemented and input to Ceridian Canada for payroll is now web-based.

An upgrade of Microsoft Great Plains (MGP) to the current version is planned for 2014. IFRS implementation is ongoing and further integration with engineering software is planned for 2013.

Engineering continues to build on the implementation of a topobased solution supplied by AutoCad via Automated Solutions Inc. (ASI). The integration of CYME software for distribution system planning, analysis, Connection Impact Assessment for distributed generation with the topobased solutions will continue from 2012 forward. ASI's applications for outage management, work order estimating and asset management will also make use of the topobased technology against an oracle database. Network virtualization is scheduled for completion in 2013.

A multi-year project that commenced with the “*Energy Conservation Leadership Act, 2006*” (*Bill 21*) which received royal assent on March 28, 2006 was completed in 2011. This Act included amendments to the *Electricity Act, 1998* to allow for the establishment of a “Smart Metering Entity” to implement “Smart Metering” in Ontario. The underlying premise behind the provincial mandate to install these meters was to educate consumers on their consumption habits and implement new rate structures that would encourage load shifting and the conservation of energy.

The Ministry of Energy tasked the IESO with the development of a Meter Data Management/Meter Data Repository (MDM/R) including the workflow and interfaces that are required between the MDM/R, Local Distribution Companies (LDCs), Advanced Metering Infrastructures (AMI) and CIS. The Ministry of Energy continues to oversee ongoing policy and monitoring of the Smart Metering Initiative (SMI) to ensure the Government’s policy objectives are met. The initial goal was to have a ‘smart meter’ installed in every residential and small commercial premise in Ontario.

Innisfil Hydro, in conjunction with the Cornerstone Hydro Electric Concepts (CHEC) group of distributors and a consulting firm (Util-Assist), participated in the Ministry approved London Hydro Phase II RFP which was overseen by a Fairness Commissioner, Mr. Peter Sorensen. By virtue of participation in this Ministry approved process, we were named in regulation and proceeded with implementation of an AMI in Innisfil.

The AMI installed is a tower based solution for communicating with deployed smart meters. Two existing towers were chosen, the Town of Innisfil’s Churchill Tower and the Town’s Big Bay Point Tower on Innisfil Hydro’s substation site.

Innisfil Hydro is registered with the provincial MDM/R and successfully cut-over to the production environment of the MDM/R in late March 2011. The required reading success rate between the Sensus AMI and the MDM/R is being maintained.

The OEB amended the Standard Supply Service Code on August 4, 2010 to establish a mandatory time-of-use billing schedule. For Innisfil, the start month was June 2011 for time-of-use (TOU) billing rates on June consumption. With the implementation of TOU billing, printing meter readings on customers’ bills was temporarily suspended. The MDM/R stores both meter readings as well as TOU data, however the system was not designed to pass meter readings when responding to billing quantity requests from LDC’s.



Measurement Canada mandated that meter readings again be presented on customers’ bills by January 2012.

In May 2012, start and end meter readings on customers’ bills was reinstated. By 2013, a permanent solution with additional functionality is to be implemented in the MDM/R. More testing between the CIS and the MDM/R will be required in advance of updating the production environment in the CIS.

As part of a consortium of 33 LDC's, Innisfil Hydro participated in a security audit of the AMI in 2012. The audit findings were distributed in early 2012; ongoing remediation efforts are being undertaken by the 'Smart Meter' vendor, Sensus Metering Systems Inc. to address vulnerabilities identified by the audit. Any additional remediation require as a result of a 2012 audit will be implemented in 2013-2014.

Between 2013 and 2017 significant system integration will be undertaken to link Smart Meter data from the Operational Data Store (ODS) with the Geographic Information System (GIS), Supervisory Control and Data Acquisition (SCADA) and Outage Management System (OMS) to streamline operations and facilitate 'smart grid' development. During this time, further integration is planned between Microsoft Great Planes (MGP) and the GIS for the International Financial Reporting System (IFRS) final implementation and asset management. Additionally, CYME modeling software will be linked with the GIS. During this time, re-verification of installed Smart Meters will also commence. Next generation smart meters will also be available enabling 2 way communication for in-home devices for consumers.

The following IT and Metering Five Year Capital Plan is designed to sustain the existing network infrastructure, server capacity, processing speed and user workstations required to operate efficiently and profitably in the electricity market. The goal is to facilitate system integration to improve efficiency while maintaining the high level of security required ensuring the integrity of electronic data.

General office furniture, equipment, buildings and fixture requirements for the next five years have also been included in this long range forecast.

5 YEAR CAPITAL PLAN for IT, Metering, Buildings

Hardware	2013	Description	2014	Description	2015	Description	2016	Description	2017	Description
Network Infrastructure GB003	15,000	Upgrade network infrastructure Replace firewalls	15,000	Upgrade network infrastructure Replace firewalls	15,000	Upgrade network infrastructure Replace firewalls	15,000	Upgrade network infrastructure Replace firewalls	15,000	Upgrade network infrastructure Replace firewalls
	13,000	Add network printers and other peripherals	13,000	Add network printers and other peripherals	13,000	Add network printers and other peripherals	13,000	Add network printers and other peripherals	13,000	Add network printers and other peripherals
	50,000	Network redundancy and security enhancements	50,000	Network redundancy and security enhancements	50,000	Network redundancy and security enhancements	50,000	Network redundancy and security enhancements	50,000	Network redundancy and security enhancements
Server Upgrades/ Replacement GB003	35,000	Virtualization Enhance/Replace	35,000	Virtualization Enhance/Replace	35,000	Virtualization Enhance/Replace	35,000	Virtualization Enhance/Replace	35,000	Virtualization Enhance/Replace
Workstation Unit Replacement GB003	15,000	Add and replace workstations & monitors cyclical by department	15,000	Add and replace workstations & monitors cyclical by department	15,000	Add and replace workstations & monitors cyclical by department	15,000	Add and replace workstations & monitors cyclical by department	15,000	Add and replace workstations & monitors cyclical by department
Metering Wholesale Meters Retail Meters DB001	15,900	Wholesale Meter Upgrades	15,900	Wholesale Meter Upgrades	15,900	Wholesale Meter Upgrades	15,900	Wholesale Meter Upgrades	74,900	Add One Wholesale Meter (44kV)
	100,150	Residential and C&I	100,150	Residential and C&I	100,150	Residential and C&I	100,150	Residential and C&I	41,150	Residential and C&I
Hardware Total	\$244,050		\$244,050		\$244,050		\$244,050		\$244,050	
1860	116,050		116,050		116,050		116,050		116,050	
1920	128,000		128,000		128,000		128,000		128,000	
Total	244,050		244,050		244,050		244,050		244,050	

Software	2013	Description	2014	Description	2015	Description	2016	Description	2017	Description
Network Related GB003	15,000	Network Security Enhancements sql, 128 bit encryption	10,000	Network Security Enhancements Implement Security Audit Recommendations	15,000	Network Security Enhancements Implement Security Audit Recommendations	10,000	Network Security Enhancements Implement Security Audit Recommendations	15,000	Network Security Enhancements Implement Security Audit Recommendations
Server Related GB003	10,000	Exchange archive, physical vMotion	10,000	Exchange archive, physical vMotion	10,000	Exchange archive, physical vMotion	10,000	Exchange archive, physical vMotion	10,000	Exchange archive, physical vMotion
GB003	25,000	Harris NS upgrades-add licences	25,000	Harris NS upgrades-add licences	25,000	Harris NS upgrades-add licences	25,000	Harris NS upgrades-add licences	25,000	Harris NS upgrades-add licences
GF001	40,000	MGP upgrades	40,000	MGP upgrades and Integrations	40,000	MGP upgrades and integrations	40,000	MGP upgrades and integrations	40,000	MGP upgrades and integrations
GF001	7,500	Add Wennsoft licences	7,500	Add MGP licences	7,500	Add Wennsoft licences	7,500	Add MGP licences	7,500	Add Wennsoft licences
GO010	171,000	Engineering -topobase, CYME, IFRS integration,add AUD clients integrate GIS to AMI	171,000	Engineering -topobase, CYME, IFRS integration,add Topo clients integrate GIS to AMI	171,000	Engineering -topobase, CYME, IFRS integration,add AUD clients integrate GIS to AMI	171,000	Engineering -topobase, CYME, IFRS integration,add Topo clients integrate GIS to AMI	171,000	Engineering -topobase, CYME, IFRS integration,add AUD client integrate GIS to AMI
Workstation Related GB003	10,000	Workstation apps upgrade cyclical by department	15,000	Workstation apps upgrade cyclical by department	10,000	Workstation apps upgrade cyclical by department	15,000	Workstation apps upgrade cyclical by department	10,000	Workstation apps upgrade cyclical by department
Software Total-1925	\$278,500		\$278,500		\$278,500		\$278,500		\$278,500	

Building, F&F	2013	Description	2014	Description	2015	Description	2016	Description	2017	Description
1908	35,000	Miscellaneous-existing location	52,500	Miscellaneous additions/fixtures at New Building and DR site	52,500	Miscellaneous additions/fixtures at New Building and DR site	52,500	Miscellaneous additions/fixtures at New Building and DR site	52,500	Miscellaneous additions/fixtures at New Building and DR site
GB001minus DR,GB002	17,500	New Building - Misc		Complete new DR site	50,000	Replace one 'unit' at DR site	50,000	Replace second 'unit' at DR site	50,000	Add new 'unit' at DR site
GB001 DR	75,000	Start new DR site	75,000	Miscellaneous	35,000	Miscellaneous	35,000	Miscellaneous	35,000	Miscellaneous
1915	35,000	Miscellaneous	35,000	Add/replace furniture&equipment cyclical by department		Add/replace furniture&equipment cyclical by department		Add/replace furniture&equipment cyclical by department		Add/replace furniture&equipment cyclical by department
Total	\$162,500		\$162,500		\$137,500		\$137,500		\$137,500	
Grand Total	\$685,050		\$685,050		\$660,050		\$660,050		\$660,050	

Summary	2013	2014	2015	2016	2017
1860	116,050	116,050	116,050	116,050	116,050
1920	128,000	128,000	128,000	128,000	128,000
1925	278,500	278,500	278,500	278,500	278,500
1908	127,500	127,500	102,500	102,500	102,500
1915	35,000	35,000	35,000	35,000	35,000
Total IT & Metering	685,050	685,050	660,050	660,050	660,050
Engineering capital	8,335,802	5,257,224	5,469,323	5,578,857	5,519,149
WIP changes	-	-	-	-	-
Total IHDSL capital	9,020,852	5,942,274	6,129,373	6,238,907	6,179,199

5. Engineering Five Year Capital Plan



The capital infrastructure necessary to meet the 20-year demand, which is more than double the existing demand, will require long term planning with staging of the capital infrastructure. Failure to plan capital requirements will prohibit Innisfil Hydro from meeting the needs of the growing community, which would, therefore, restrict growth due to lack of capacity, contrary to the Distribution System Code (DSC).

The DSC requires an LDC to maintain its distribution system in good working condition, as follows:

“4.4.1 A distributor shall maintain its distribution system in accordance with good utility practice and performance standards to ensure reliability and quality of electricity service, on both a short-term and long-term basis.”

Furthermore, the introduction of *Ontario Regulation 22/04*, Electrical Distribution Safety, in late 2004 established additional legislated focus on maintaining municipal distribution systems. Specifically the Regulation requires an LDC to

“ Section 4. Safety standards...

(2) All distribution systems and the electrical installations and electrical equipment forming part of such systems shall be designed, constructed, installed, protected, used, maintained, repaired, extended, connected and disconnected so as to reduce the probability of exposure to electrical safety hazards. O. Reg. 22/04, s. 4 (2).”

Section 4 goes on to identify all components of the distribution system and specifies for each component as follows:

“ 1. Operating electrical equipment shall be maintained in proper operating condition.”

IHDSL has established a documented program to address the legislated requirements to maintain its distribution system. Appendix 3 includes the Asset Management Plan which was first developed in 2008.

Whether O&M or Capital, programs are generally prioritized as follows:

1. Health & Safety
2. Legislative
3. Growth
4. Reliability

The new Innisfil Hydro Head Office and Operations Center is slated to start construction in the fall of 2012. The 2013 budget reflects the necessary investment to enhance Innisfil Hydro’s effectiveness and operations with all departments under one roof rather

than the five (5) buildings currently being utilized. Growth requirements and structural deficiencies have prompted this required expansion.

A new Supervisory Control and Data Acquisition (SCADA) software program began in 2012. The outdated SCADA program does not have enough capacity to include new operational devices. The new SCADA system is a step towards Smart Grid implementation and can accommodate an enhanced capacity server, work stations, and an extensive number of control points for new operational devices. The new SCADA implementation features enhanced reliability, faster response time and has the capability to talk with other SCADA systems outside of Innisfil Hydro's network as well. In an effort to mitigate costs, discussions are on-going with the Town of Innisfil's water and wastewater departments to share network communications.

Furthered growth in Innisfil Hydro's SCADA network will occur in the presented five year plan consisting of both 44 kV and 27.6 kV automated switches. There are a number of old mid span openers and air break switches that will be replaced with remote operable load break switches. These new devices in the 44kV and 27.6 kV systems will provide remote switching capability and real time data acquisition to better manage outage reporting numbers to the OEB. Crew time will be reduced during emergency and non-emergency operations and built in functionality can be used for future smart grid, self healing considerations.

Recloser automation has been planned in each year from 2013 to 2017. Electronic Vacuum style reclosers with electronic relay controls are planned to replace the oil filled hydraulic reclosers providing remote communication via the SCADA network and the recording of momentary and operational data. The electronic reclosers play a compulsory role in the Self healing, smart grid system.

Pole replacements, infrastructure betterments, substandard transformer replacements and pad mounted transformer replacements have been carried forward from year to year to address the need to remove and replace rotten and damaged poles and substandard or defective devices that pose a danger to the public and safety of workers.

A 2009 pole replacement project on the 20th Sideroad will accommodate the line extension planned in 2013 to egress 27.6 KV into the Big Bay Point (BBP) area from Brian Wilson DS to make a future operational feeder tie. This line will become increasingly important to ensure the new BBP station projected in 2015 is not islanded without back up in an emergency or for planned station maintenance. To support the Friday Harbour development start up, a section of line will be constructed from the newly built 27.6kV line extension easterly to the south entrance of the resort.

In 2014, the construction of a new Distribution Station in the Lefroy area is required to facilitate growth needs of the Lefroy secondary plan. With this new station, a link to the Brian Wilson DS has been facilitated in the 5 year forecast in 2014 with a 27.6 kV line extension from the 7th Line to the 5th Line on the 20th Sideroad, combined with additional re-poling and re-conductoring between the 6th and 7th Lines on the 20th Sideroad. A pole replacement and line extension project completed in 2010/2011 has set the foundation for connecting the new Lefroy station which will provide excellent

redundancy to the south end of Alcona and avoid islanding new customer growth in Lefroy.

In 2014, the start of distribution expansion for the new Barrie lands is expected. Rebuilding of old infrastructure on Yonge Street north of Lockhart Road and west on Mapleview (some dating back to the early 1950's), will supply the Mapleview west location within the City of Barrie with 3 phase power for anticipated customer growth. This line will also facilitate feeders from a possible station expansion of Stroud DS with an additional 5 MVA transformer (44-8.3kV) in 2016. For station back-up, the same expansion will need to occur at Sandy Cove DS. Another alternative being investigated that will eliminate the need to expand two stations, is to build a 44-27.6kV DS at the Innisfil TS site.

A rear lot relocation project is anticipated in 2014 to remove 415m of 1940's vintage single phase overhead primary infrastructure out of the back yards of customers' homes to the street front Boulevard. Accessibility, safety of workers and public, decreased outage times and the replacement of old infrastructure are a direct benefit of this project.

In 2015, the installation of a new Distribution Station in the Big Bay Point area to facilitate growth of the BBP Friday Harbour resort and surrounding area is planned. A land transfer between the Town of Innisfil and Innisfil Hydro has designated a location for the station in the Town's gravel pit. The new station, (44-27.6 KV), will also provide back up to the Brian Wilson station.

To energize the new BBP Distribution Station, a 44kV line extension from the 13th line north on 25th Sideroad is required in 2015. As part of the scope of works in this project, a 44kV supply is also needed by the Friday Harbour resort as a hotel facility reviewed from the developer's plans exceeds the maximum KVA size of transformer we can provide in the distribution system under the Conditions of Service.

With the anticipated growth in the Big Bay Point area, egress from the new station is forecasted as one of the projects in 2015. New feeders will go north and easterly into the Big Bay Point area as well as south to the 13th Line. This egress will provide the redundant tie for emergency or planned feeder maintenance.

In 2016, several other projects are anticipated to accommodate load growth in the City of Barrie's new Lands. Feeder egress from the 20th Sideroad and Mapleview area will extend 27.6 KV westerly to the Yonge Street. A 27.6 KV conversion and line rebuild from the 10th Line and 10th Sideroad area west over Highway 400 to the 5th Sideroad will replace old infrastructure while introducing 27.6 KV for future expansion. A line extension of a second 8.3kV circuit from the Stroud DS expansion in the Yonge Street and Mapleview areas will provide future growth needs and redundancy for circuit backup and station maintenance. Also in 2016, a 44kV pole line rebuild and replacement on Lockhart Road between the 25th Sideroad and Yonge Street will take place to rebuild the old infrastructure. This 44kV line supplies three distribution stations and two private station customers.

Phase 1 of a primary cable replacement in the Sandy Cove retirement community will occur in the year 2016. The underground cables in this development were installed in the early 1980's with the life expectancy of the cable in that era of 20-25 years. The aging cable within this development is direct buried which creates an obstacle in elbow replacement during failure or maintenance. Cable length is often not long enough to make repairs. Phase 2 of this project continues in 2017.

As presented in Appendix 2, load growth indicates the need for a new 44kV feeder in 2017. Feeder 9M6 from the Alliston TS will supply growth requirements until 2020. This new sub transmission feeder will be built on a recently constructed pole line equipped to accommodate a second 44kV feeder.

In 2017, 44kV pole replacements are required between the Maplevue and Lockhart road area on the 25 Sideroad to replace decaying and feathering sub transmission poles. Insect infestation has also been identified in poles replaced in this section of line. This project will set the stage for a future 27.6kV feeder tie between the Brian Wilson DS and the recently constructed Big Bay Point DS.

The Alliston 9M2 was successfully installed in 2009. Future load requirements and redundancy issues prompted this project. In 2017, a 44kV pole replacement and re-conductoring is necessary to replace pole infrastructure, some dating back to the 1950's along with 44kV conductor replacement from 336 kcmil AAC to 556 kcmil AAC as this section cannot accommodate full feeder capacity and is a weak link. *Ontario Regulation 22/04* standards will dictate the pole replacement as the existing infrastructure cannot support the new weight of the 556 kcmil AAC.

In 2017, the replacement of a 1993 Double Bucket truck will be required. This truck was purchased second hand from another power company in 2010 and will be at the end of its useful life.

Load growth calculations have been presented in Appendix 2 outlining anticipated demand together with predicted supply from 2008 – 2031. Anticipated demand is based on 2KW per resident.

The 2008 decrease in reliability was caused by loss of supply from Hydro One and storm related outages. In 2009, a new 44kV feeder was put into service and tree trimming frequency was increased from four years to three years. A more in-depth reliability analysis is available in Appendix 4, (Reliability Management Plan). Capital budgets from 2013 to 2017 and a pending project pool list is presented in the following six pages. Appendix 9 includes a more detailed description of the Capital projects for 2013.



ENGINEERING BUDGET - 5 YR. FORECAST

2013

CAPITAL REQUESTS - DISTRIBUTION PLANT		Contributions
Stn. Recloser automation, replacements & Ln. Recl. Maint.4 yr.Cycle	\$ 223,300	
44kV Mechanized scada controlled load Interrupting gang switches (2)	\$ 160,100	
27.6kV Mechanized scada controlled load interrupting gang switches (3)	\$ 253,180	
Infrastructure replacements and betterments	\$ 210,900	
U/G padmounted Transformer replacements and painting	\$ 79,700	
Substandard transformer re-habs	\$ 182,700	
2013 Pole Replacement	\$ 391,288	
27kV Extension 20th S.R., BBPT to 25th SR.	\$ 724,294	
Big Bay Pt. F3 for BBPT Development	\$ 110,743	
Utility relocates	\$ 101,112	\$ 33,026
CAPITAL REQUESTS - GENERAL PLANT		
New Building Construction	\$ 5,000,000	
Stand up inside Fork Lift	\$ 30,000	
Fleet vehicle replacement 2004 pick up 265000km/Add SCADA/Eng. Addition	\$ 80,000	
Stores equipment	\$ 4,200	
Tools, shop and garage equipment	\$ 20,000	
Measurement and testing equipments Locator replacement	\$ 19,000	
System supervisory	\$ 62,000	
Capacitor Intelilink to SCADA (2)	\$ 51,400	
44KV/27.6 kV Radio repeated fault indicators	\$ 38,400	
Topobase - Integration - IFRS	\$ -	
BASE - CAPITAL		
1. Land right & legal easements	\$ -	
2. Station ancillary equipment replacement & improvement	\$ 4,622	
3. Innisfil Hydro & customer contributed poles, towers & fixture works	\$ 104,990	\$ 29,270
4. Innisfil Hydro & customer contributed O/H conductor works	\$ 98,695	\$ 23,313
5. Innisfil Hydro & customer contributed u/g duct installations & relocates	\$ 9,243	\$ 4,108
6. Innisfil Hydro & customer contributed primary cable installations & relocates	\$ 75,485	\$ 40,762
7. Innisfil Hydro & customer contributed O/H TX relocates, replacements & upgrades	\$ 172,279	\$ 51,864
8. Innisfil Hydro & customer contributed U/G TX relocates,replacements & upgrades	\$ 106,345	\$ 73,378
9. Innisfil Hydro & customer contributed O/H secondary relocates,replacements & upgrades	\$ 21,875	\$ 7,189
10. Innisfil Hydro & customer contributed U/G secondary relocates,replacements & upgrades	\$ 175,725	\$ 119,493
11. Innisfil Hydro system supervisory & scada control	\$ 11,297	
12. Economic evaluation	\$ 195,332	
TOTAL	\$ 8,718,205	\$ 382,403
NET	\$ 8,335,802	
Distribution	\$ 8,049,505	
General	\$ 286,297	
Total Engineering Capital	\$ 8,335,802	
IT & Metering	\$ 685,050	
WIP changes	\$ -	
Total IHDSL Capital Expend	\$ 9,020,852	
2013-2016 4 year average	\$ 6,832,851	



ENGINEERING BUDGET - 5 YR. FORECAST 2014

CAPITAL REQUESTS - DISTRIBUTION PLANT		Contributions
Lefroy DS 44kV/27.6 Station	\$ 1,400,000	
3 Phase 27.6kV Conductoring on 20th S.R. between 5th & 7th Lines	\$ 290,115	
3 Phase 44kV Repoling-reconductoring 20th btwn. 6th & 7th	\$ 256,550	
Line rebuild and feeder extension from Stroud DS to Barrie moritorium lands	\$ 500,000	
27.6kV Mechanized scada controlled load interrupting gang switches (3)	\$ 263,053	
44kV Mechanized scada controlled load Interrupting gang switches (2)	\$ 166,344	
Stroud DS transformer replacement	\$ 25,000	
Everton rear lot 1 phase relocate to street front	\$ 300,000	
2014 Pole Replacement	\$ 331,289	
Infrastructure replacements and betterments	\$ 219,125	
Recloser automation & replacements DS - 4 year cycle replace	\$ 232,009	
UG padmounted transformer replacements and painting	\$ 82,808	
Substandard transformer re-habs	\$ 189,825	
Utility relocates	\$ 70,729	\$ 34,314
CAPITAL REQUESTS - GENERAL PLANT		
Class 7 All Terrain Fork Lift Replacement	\$ 80,000	
SCADA PME 2 (two) motorized switch gear installs IBR Urbanization	\$ 70,000	
Fleet tools	\$ 20,780	
Stores equipment	\$ 4,364	
Tools, shop and garage equipment	\$ 20,780	
Measurement and testing equipments Fault finder replacement	\$ 13,507	
27.6 kV Radio repeated fault indicators	\$ 39,898	
System supervisory	\$ 64,418	
BASE - CAPITAL		
1. Land right & legal easements	\$ -	
2. Station ancillary equipment replacement & improvement	\$ 4,802	
3. Innisfil Hydro & customer contributed poles, towers & fixture works	\$ 109,085	\$ 30,412
4. Innisfil Hydro & customer contributed O/H conductor works	\$ 102,544	\$ 24,222
5. Innisfil Hydro & customer contributed u/g duct installations & relocates	\$ 9,603	\$ 4,268
6. Innisfil Hydro & customer contributed primary cable installations & relocates	\$ 78,429	\$ 42,352
7. Innisfil Hydro & customer contributed O/H TX relocates, replacements & up	\$ 178,998	\$ 53,887
8. Innisfil Hydro & customer contributed U/G TX relocates, replacements & up	\$ 110,492	\$ 76,240
9. Innisfil Hydro & customer contributed O/H secondary relocates, replacements	\$ 22,728	\$ 7,469
10. Innisfil Hydro & customer contributed U/G secondary relocates, replacements	\$ 182,578	\$ 124,153
11. Innisfil Hydro system supervisory & scada control	\$ 11,738	
12. Economic evaluation	\$ 202,950	
TOTAL	\$ 5,654,541	\$ 397,317
NET	\$ 5,257,224	
Distribution	\$ 4,931,740	
General	\$ 325,484	
Total Engineering Capital	\$ 5,257,224	
IT & Metering	\$ 685,050	
WIP changes	\$ -	
Total IHDSL Capital Ex	\$ 5,942,274	
2013-2014 2 year average		\$ 7,481,563



ENGINEERING BUDGET - 5 YR. FORECAST

2015

CAPITAL REQUESTS - DISTRIBUTION PLANT		Contributions
Big Bay Point DS 44kV/27.6 Station	\$ 1,400,000	
F3 & F4 Feeder Extension from BBP DS to Big Bay Point Development	\$ 705,194	
44kV line Extension from 13th Line on BBPT.Rd.and 25th SR N to BBPDS & Dev	\$ 750,000	
Recloser automation & replacements Innisfil DS - 4 year cycle replace	\$ 248,482	
Substandard transformer re-habs	\$ 203,303	
27.6 kV mechanized scada controlled load interrupting gang switches (3)	\$ 281,730	
44 kV mechanized scada controlled load Interrupting gang switches (2)	\$ 178,154	
2015 Pole replacement program	\$ 354,811	
Infrastructure replacements and betterments	\$ 234,683	
Third party utility relocates	\$ 75,751	\$ 36,750
U/G padmounted Transformer replacements and painting	\$ 88,687	
CAPITAL REQUESTS - GENERAL PLANT		
Fleet vehicle replacement 2- 2005 Dodge RAM 1/2 Ton	\$ 85,000	
Fleet tools	\$ 15,000	
Stores equipment	\$ 4,674	
Tools, shop and garage equipment	\$ 22,255	
Measurement and testing equipments Fault finder replacement	\$ 14,466	
27.6 kV Radio repeated fault indicators	\$ 42,731	
System supervisory	\$ 68,992	
SCADA PME motorized switch gear install Green Acres	\$ 35,000	
BASE - CAPITAL		
1. Land right & legal easements	\$ -	
2. Station ancillary equipment replacement & improvement	\$ 5,143	
3. Innisfil Hydro & customer contributed poles, towers & fixture works	\$ 116,830	\$ 32,571
4. Innisfil Hydro & customer contributed O/H conductor works	\$ 109,825	\$ 25,942
5. Innisfil Hydro & customer contributed u/g duct installations & relocates	\$ 10,285	\$ 4,571
6. Innisfil Hydro & customer contributed primary cable installations & relocates	\$ 83,997	\$ 45,359
7. Innisfil Hydro & customer contributed O/H TX relocates, replacements & upgrade:	\$ 191,707	\$ 57,713
8. Innisfil Hydro & customer contributed U/G TX relocates,replacements & upgrades	\$ 118,337	\$ 81,653
9. Innisfil Hydro & customer contributed O/H secondary relocates,replacements & up	\$ 24,342	\$ 8,000
10. Innisfil Hydro & customer contributed U/G secondary relocates,replacements & up	\$ 195,541	\$ 132,968
11. Innisfil Hydro system supervisory & scada control	\$ 12,571	
12. Economic evaluation	\$ 217,359	
TOTAL	\$ 5,894,849	\$ 425,526
NET	\$ 5,469,323	
Distribution	\$ 5,168,634	
General	\$ 300,689	
Total Engineering Capital	\$ 5,469,323	
IT & Metering	\$ 660,050	
WIP changes	\$ -	
Total IHDSL Capital Expenditures	\$ 6,129,373	
2013-2015 - 3 year average	\$ 7,030,833	



ENGINEERING BUDGET - 5 YR. FORECAST

2016

CAPITAL REQUESTS - DISTRIBUTION PLANT		Contributions
Sandy Cove Acres U/G Cable Replacement and Rehab - North side, Phase 1	\$ 725,000	
Line Extension 27.6kV on Mapleview-Repoling from 20th & Mapleview W to St.	\$ 450,000	
Stroud DS 44kV/8320V Station Expansion 5 MVA Second Transformer	\$ 250,000	
Line Extension 3 Ph. Fdr 2 8320kV on Lockhart Rd.W/Yonge St. N to Maplevie'	\$ 450,000	
Highway 400 & 10th Ln. 27.6 Crossing & Repoling from 10 S.R. to 5 S.R.	\$ 250,000	
44kV Line Rebuild Lockhart Road from 25 S.R. to Yonge St.	\$ 750,000	
Substandard transformer re-habs	\$ 217,534	
27.6 kV mechanized scada controlled load interrupting gang switches (3)	\$ 301,451	
44 kV mechanized scada controlled load Interrupting gang switches (2)	\$ 190,625	
2016 Pole replacement program	\$ 379,648	
Infrastructure replacements and betterments	\$ 251,111	
Recloser automation & replacements Innisfil DS - 4 year cycle replace	\$ 265,876	
U/G padmounted Transformer replacements and painting	\$ 94,895	
Third party utility relocates	\$ 81,054	\$ 39,323
CAPITAL REQUESTS - GENERAL PLANT		
Fleet tools	\$ 15,000	
Stores equipment	\$ 5,001	
Tools, shop and garage equipment	\$ 15,000	
Measurement and testing equipment	\$ 15,479	
27.6 kV Radio repeated fault indicators	\$ 45,722	
System supervisory	\$ 73,821	
Fleet vehicle replacement 1-2006 Ford 1/2 ton	\$ 45,000	
BASE - CAPITAL		
1. Land right & legal easements	\$ -	
2. Station ancillary equipment replacement & improvement	\$ 5,503	
3. Innisfil Hydro & customer contributed poles, towers & fixture works	\$ 125,008	\$ 34,851
4. Innisfil Hydro & customer contributed O/H conductor works	\$ 117,512	\$ 27,758
5. Innisfil Hydro & customer contributed u/g duct installations & relocates	\$ 11,005	\$ 4,891
6. Innisfil Hydro & customer contributed primary cable installations & relocates	\$ 89,877	\$ 48,534
7. Innisfil Hydro & customer contributed O/H TX relocates, replacements & up	\$ 205,126	\$ 61,753
8. Innisfil Hydro & customer contributed U/G TX relocates, replacements & upc	\$ 126,621	\$ 87,369
9. Innisfil Hydro & customer contributed O/H secondary relocates, replacement	\$ 26,046	\$ 8,560
10. Innisfil Hydro & customer contributed U/G secondary relocates, replacement	\$ 209,229	\$ 142,276
11. Innisfil Hydro system supervisory & scada control	\$ 13,451	\$ -
12. Economic evaluation	\$ 232,575	\$ -
TOTAL	\$ 6,034,169	\$ 455,313
NET	\$ 5,578,857	
Distribution	\$ 5,350,382	
General	\$ 228,474	
Total Engineering Capital	\$ 5,578,857	
IT & Metering	\$ 660,050	
WIP changes	\$ -	
Total IHDSL Capital Expen	\$ 6,238,907	
2013-2016 - 4 year average		\$ 6,832,851



ENGINEERING BUDGET - 5 YR. FORECAST

2017

CAPITAL REQUESTS - DISTRIBUTION PLANT		Contributions
Substandard transformer re-habs	\$ 231,674	
27.6 kV mechanized scada controlled load interrupting gang switches (3)	\$ 321,045	
44 kV mechanized scada controlled load Interrupting gang switches (2)	\$ 203,016	
2017 Pole replacement program	\$ 404,325	
Infrastructure replacements and betterments	\$ 267,433	
Recloser automation & replacements Innisfil DS - 4 year cycle replace	\$ 253,158	
U/G padmounted Transformer replacements and painting	\$ 101,063	
Third party utility relocates	\$ 86,323	\$ 41,879
44KV reconductoring and poling 5sr N to Innisfil Beach Rd	\$ 784,000	
44KV Additional Subtransmission line extension of the Alliston 9M6 to 5th side road	\$ 425,000	
44kV Betterment 25 Sideroad - Lockhart to Mapleview	\$ 294,496	
Sandy cove acres U/G cable replacement and rehab North side phase 2	\$ 750,000	
CAPITAL REQUESTS - GENERAL PLANT		
Double bucket truck fleet replacement 55 foot 1993 Ammador	\$ 325,000	
Fleet tools	\$ 12,500	
Stores equipment	\$ 5,326	
Tools, shop and garage equipment	\$ 10,000	
Measurement and testing equipment	\$ 16,485	
27.6 kV Radio repeated fault indicators	\$ 48,694	
System supervisory	\$ 78,619	
SCADA PME two (2) motorized switch gear install Crossroads	\$ 84,420	
Capacitor Intelilink to SCADA (2)	\$ 64,000	
BASE - CAPITAL		
1. Land right & legal easements	\$ -	
2. Station ancillary equipment replacement & improvement	\$ 5,860	\$ -
3. Innisfil Hydro & customer contributed poles, towers & fixture works	\$ 133,133	\$ 37,116
4. Innisfil Hydro & customer contributed O/H conductor works	\$ 125,151	\$ 29,562
5. Innisfil Hydro & customer contributed u/g duct installations & relocates	\$ 11,721	\$ 5,209
6. Innisfil Hydro & customer contributed primary cable installations & relocates	\$ 95,719	\$ 51,688
7. Innisfil Hydro & customer contributed O/H TX relocates, replacements & upgra	\$ 218,459	\$ 65,766
8. Innisfil Hydro & customer contributed U/G TX relocates, replacements & upgra	\$ 134,851	\$ 93,047
9. Innisfil Hydro & customer contributed O/H secondary relocates, replacements & upgra	\$ 27,739	\$ 9,116
10. Innisfil Hydro & customer contributed U/G secondary relocates, replacements & upgra	\$ 222,829	\$ 151,524
11. Innisfil Hydro system supervisory & scada control	\$ 14,325	\$ -
12. Economic evaluation	\$ 247,692	\$ -
TOTAL	\$ 6,004,057	\$ 484,909
NET	\$ 5,519,149	
Distribution	\$ 5,184,779	
General	\$ 334,370	
Total Engineering C	\$ 5,519,149	
IT/Metering	\$ 660,050	
WIP changes	\$ -	
Total IHDSL Capital	\$ 6,179,199	
2013-2017 - 5 year average		\$ 6,702,121

The following pending projects have been prioritized and listed to provide a pool of projects that can be inserted into the 5-Year Plan as priorities and circumstances change.

Priority	Rating	Project Description	Dollar Amount	
moved into	1	44kV Betterment 25 Sideroad - Lockhart to Mapleview	\$ 294,496	used 2017
med	5	DS Oil re-inhibit treatment per/each	\$ 26,000	
low	12	Capacitor Intelliink tp SCADA per/each	\$ 21,400	
med	3	44KV reconductoring and poling 5sr N to Innisfil Beach Rd	\$ 784,000	used 2017
high	2	Lockhart Road 44kV Pole Replacement - 10 Sideroad to Yonge Street	\$ 512,000	
low	10	Stratallen Woods U/G conversion	\$ 450,000	
low	11	Degrassi cove U/G conversion phase 1	\$ 450,000	
med	4	44 kV line rebuild 5SR from Hwy. 89 north to 5th Line 9M2 tie	\$ 700,000	
med	6	Parkview rear lot 1 phase relocate to street front	\$ 275,000	
low	8	Line extension 27.6kV Lefroy DS 4th line -20th S.R east to 10th S.R	\$ 980,000	
low	9	Line extension 27.6kV Lefroy DS to Bob Deugo 10th S.R north to Innisfil Be	\$ 520,000	
low	16	Alcona south 27.6 conversion	\$ 400,000	
low	14	400 Corridor Voltage Conversion Thornton DS offload phase 1	\$ 785,000	
low	13	Sandy cove acres U/G cable replacement and rehab North side phase 2	\$ 750,000	used 2017
low	15	400 Corridor Voltage Conversion Thornton DS offload phase 2	\$ 860,000	
med	7	Cookstown rebuild and infrastructure replacement	\$ 550,000	

6. Financial Five Year Forecast Plan

The following Proforma Financial statements (2012 – 2017) have been attached in Appendix 1:

- Executive Summary
- Balance Sheet Budget
- P&L Budget
- Balance Sheet Analysis of Capital
- Cash from Operations Budget
- Rate Base, Debt, Equity and ROE Analysis



Assumptions:

- Rebasing rates are planned for May 1, 2013. Depending on cost increases beyond our control, a rebasing exercise can be accomplished before 2017, but there must be extra-ordinary and serious circumstances to justify.
- Projections are correlated with HR, IT and Engineering forecasts
- Expenses have utilized 3% growth and 5% for contract line crew costs per year
- Revenue growth is based on customer growth
- Load trends are based on the Town's economic development activity
- Innisfil Hydro is planning to move to a new location in 2013. The sale of the existing head office building is not projected until 2014.

Appendix 1

Executive Summary

	Forecast 2012	Projection 2013	2014	2015	2016	2017
Total Customers Y/E	15,020	15,219	15,666	16,360	17,193	18,052
Growth Numbers	194	199	448	693	833	860
Growth %	1.8%	1.3%	2.9%	4.4%	5.1%	5.0%
Total Revenues	8,308,637	9,034,486	10,054,245	10,004,370	10,499,329	11,813,853
Total Expenses	6,070,186	7,090,525	7,613,400	7,912,400	8,313,800	9,157,300
PILS Taxes	418,800	227,700	308,400	189,600	170,200	254,200
NIAT	1,076,989	648,005	877,806	539,544	484,379	723,558
Retained Earnings	5,199,868	5,222,873	5,475,679	5,390,223	5,249,602	5,348,160
Return S/H Equity	6.5%	3.9%	5.2%	3.2%	2.9%	4.3%
Capital Contributions	1,083,954	382,523	397,317	425,526	455,313	484,909
Dividends	625,000	625,000	625,000	625,000	625,000	625,000
Dividends yield	3.8%	3.8%	3.7%	3.7%	3.7%	3.7%
Change in cash	1,037,013	0	(1)	(0)	(0)	0
Debt	16,560,564	23,708,111	26,904,601	30,719,740	34,400,888	37,488,222
Change in debt	4,364,737	7,147,547	3,196,490	3,815,139	3,681,148	3,087,334
Debt ratio	49.9%	58.8%	61.4%	64.6%	67.4%	69.1%
Equity ratio	50.1%	41.2%	38.6%	35.4%	32.6%	30.9%

Customer Growth Assumptions

	Forecast 2012	Projection 2013	2014	2015	2016	2017
Total Customers Y/E	15,020	15,219	15,666	16,360	17,193	18,052
Residential Growth	192	194	421	652	781	805
GS < 50 Growth	4	5	24	38	49	51
GS > 50 Growth	(2)	(0)	2	3	4	4

Balance Sheet Budget

	Actual 2011	Forecast 2012	Projection 2013	2014	2015	2016	2017
Assets							
Cash	-	-	-	0	-	-	0
Short term investments	-	-	-	-	-	-	-
Receivables	2,952,862	3,000,000	3,150,000	3,200,000	3,250,000	3,300,000	3,350,000
Unbilled revenue	2,914,972	2,962,199	3,113,965	3,163,965	3,213,965	3,263,965	3,313,965
Inventory	428,004	440,000	450,000	463,500	477,400	491,700	506,500
Income taxes receivable	421,969	-	-	-	-	-	-
Future Income taxes-Current	22,000	22,000	22,000	22,000	22,000	22,000	22,000
Prepays	300,372	315,000	325,000	334,800	344,800	355,100	365,800
Due from Interco	-	-	-	-	-	-	-
Notes due from IESL	-	-	-	-	-	-	-
Capital Assets	52,269,149	60,194,622	68,889,974	73,723,372	79,493,881	85,355,981	91,139,533
Accumulated Depreciation	(27,938,675)	(29,530,159)	(30,985,429)	(32,450,158)	(34,457,224)	(36,719,838)	(39,258,538)
Long Term Investment	21,721	21,721	21,721	21,721	21,721	21,721	21,721
Regulatory assets	2,563,947	768,619	389,117	504,157	503,497	502,837	502,177
Future Income Taxes	1,740,000	1,740,000	1,740,000	1,640,000	1,540,000	1,440,000	1,340,000
Total Assets	35,696,321	39,934,000	47,116,346	50,623,357	54,410,041	58,033,467	61,303,158
Liabilities							
Cash	1,037,013	0	0	-	0	0	-
Current portion of LTD	5,026,316	1,211,243	1,306,770	1,401,285	364,039	373,103	381,460
Payables	4,372,280	4,773,375	4,893,687	4,947,900	5,002,500	5,058,100	5,114,200
Customer credit bal & deposits	648,368	650,000	620,000	608,000	596,000	584,000	572,000
Income taxes payable	-	120,000	130,000	131,000	132,000	133,000	134,000
Due to related party	97,871	70,100	48,900	25,500	1,000	1,500	2,000
Future Taxes	-	-	-	-	-	-	-
Customer & retailer deposits	205,196	215,000	210,000	206,000	202,000	198,000	194,000
Regulatory Liabilities	983,818	98,625	-	-	-	-	-
Long term debt	7,169,511	15,349,321	22,401,341	25,503,316	30,355,701	34,027,785	37,106,762
Total Liabilities	19,540,376	22,487,664	29,610,698	32,823,001	36,653,240	40,375,488	43,504,422
Shareholder Equity							
Capital Stock	10,852,444	10,852,444	10,852,444	10,852,444	10,852,444	10,852,444	10,852,444
Development chgs	555,621	555,621	555,621	555,621	555,621	555,621	555,621
Retained Earnings	4,747,880	6,038,267	6,097,581	6,392,287	6,348,731	6,249,910	6,390,668
Total Shareholder Equity	16,155,945	17,446,336	17,505,649	17,800,357	17,756,801	17,657,979	17,798,737
Total Liabilities and Equity	35,696,321	39,934,000	47,116,347	50,623,358	54,410,041	58,033,467	61,303,159

P&L Budget

	Actual 2011	Forecast 2012	Projection 2013	2014	2015	2016	2017
Energy Revenue	21,570,056	24,387,689	24,220,825	25,407,600	27,033,700	28,763,900	30,604,800
Energy Costs	(21,570,056)	(24,387,689)	(24,220,825)	(25,407,600)	(27,033,700)	(28,763,900)	(30,604,800)
Distribution Revenue	7,633,882	8,992,133	8,530,871	9,038,950	9,496,900	9,983,650	11,292,100
Other Revenue	544,272	444,825	501,915	1,021,195	513,170	521,379	527,953
Total Gross Margin & other revenue	8,178,154	9,436,958	9,032,786	10,060,145	10,010,070	10,505,029	11,820,053
Operating Expenses:							
Distribution Ops & Maintenance	1,476,314	1,760,995	2,137,512	2,190,700	2,245,300	2,301,400	2,600,300
Billing and Collecting	925,296	955,500	1,106,020	1,133,700	1,162,000	1,191,100	1,220,800
Administration	1,806,010	1,931,265	2,235,040	2,391,200	2,348,400	2,406,900	2,666,600
Depreciation	1,894,236	1,386,248	1,561,144	1,847,000	2,105,800	2,363,600	2,618,700
Total Operating Expenses	6,101,856	6,034,008	7,039,716	7,562,600	7,861,500	8,263,000	9,106,400
Earnings from Operations	2,076,298	3,402,950	1,993,070	2,497,545	2,148,570	2,242,029	2,713,653
Interest on Long term debt	672,043	742,662	1,068,256	1,254,639	1,362,826	1,530,950	1,678,795
Earnings before Income Taxes	1,404,256	2,660,288	924,813	1,242,906	785,744	711,079	1,034,858
Income Taxes	293,400	744,900	240,500	323,200	204,300	184,900	269,100
Net Earnings	1,110,856	1,915,388	684,313	919,706	581,444	526,179	765,758
ROE	6.9%	11.0%	3.9%	5.2%	3.3%	3.0%	4.3%
Retained Earnings, Beginning	4,262,023	4,747,880	6,038,267	6,097,581	6,392,287	6,348,731	6,249,910
Dividends	(625,000)	(625,000)	(625,000)	(625,000)	(625,000)	(625,000)	(625,000)
Change in Future Income Tax	-	-	-	-	-	-	-
Retained Earnings, Ending	4,747,880	6,038,267	6,097,581	6,392,287	6,348,731	6,249,910	6,390,668

Balance Sheet Analysis of Capital

	Actual	Forecast	Projection				
	2011	2012	2013	2014	2015	2016	2017
Distribution and General Plant							
Capital Asset Opening Balance	50,156,165	52,269,149	60,194,622	68,889,974	73,723,372	79,493,881	85,355,981
Purchases	4,415,727	9,362,689	9,403,375	6,339,591	6,554,899	6,694,220	6,664,108
WIP changes	110,615	(35,616)	-	-	-	-	-
Capital Contributions	(521,407)	(1,083,954)	(382,523)	(397,317)	(425,526)	(455,313)	(484,909)
Adjustments	85,160	-	-	-	-	-	-
Disposals	(1,977,111)	(317,646)	(325,500)	(1,108,876)	(358,864)	(376,807)	(395,647)
Capital Asset Ending Balance	52,269,149	60,194,622	68,889,974	73,723,372	79,493,881	85,355,981	91,139,533
Accum Deprec Opening Balance	(27,555,405)	(27,938,675)	(29,530,159)	(30,985,429)	(32,450,158)	(34,457,224)	(36,719,838)
Current year depreciation	(1,894,236)	(1,386,248)	(1,561,144)	(1,847,000)	(2,105,800)	(2,363,600)	(2,618,700)
Adjustments-'12 SMI trueup je	(16,884)	(354,606)	-	-	-	-	-
Disposals	1,716,823	266,170	276,675	572,071	305,034	320,286	336,300
Deduct:Truck Depr realloc rolling stock	(220,718)	(159,800)	(170,800)	(189,800)	(206,300)	(219,300)	(256,300)
Add:Stranded Meter depr from DVA acct	31,745	43,000	-	-	-	-	-
Capital Asset Ending Balance	(27,938,675)	(29,530,159)	(30,985,429)	(32,450,158)	(34,457,224)	(36,719,838)	(39,258,538)
Net Book Value	24,330,474	30,664,463	37,904,545	41,273,214	45,036,658	48,636,144	51,880,995
Excess of Purchases over depreciation	2,000,084	6,892,487	7,459,708	4,095,274	4,023,573	3,875,307	3,560,499
NBV of Disposals	260,288	51,476	48,825	536,805	53,830	56,521	59,347

Cash from Operations Budget

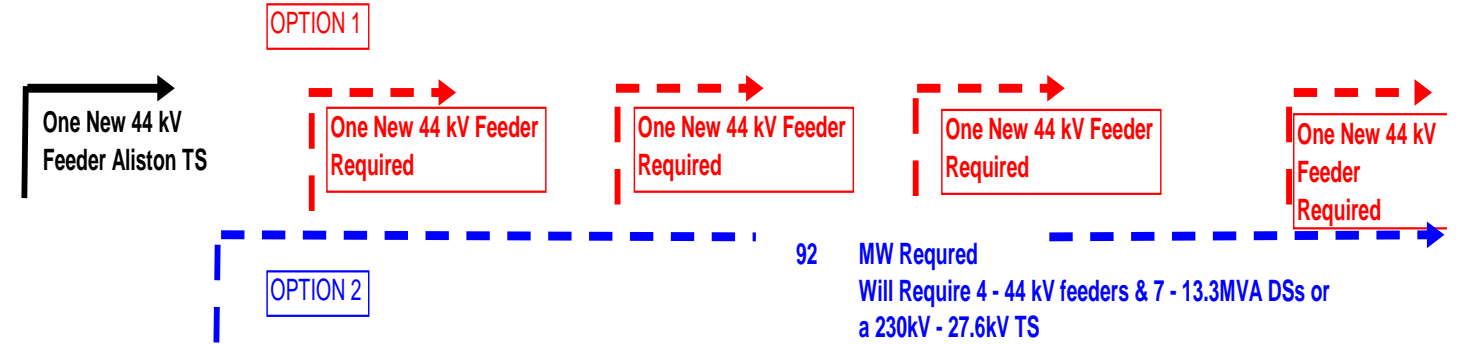
	Actual 2011	Forecast 2012	Projection 2013	2014	2015	2016	2017
Operating							
Net Earnings	1,110,856	1,915,388	684,313	919,706	581,444	526,179	765,758
Future income taxes	(122,000)	-	-	100,000	100,000	100,000	100,000
(Gain)Loss on disposal	126,618	51,476	48,825	(463,195)	53,830	56,521	59,347
Depreciation	2,081,606	1,857,654	1,731,944	2,036,800	2,312,100	2,582,900	2,875,000
	3,197,080	3,824,518	2,465,083	2,593,311	3,047,374	3,265,600	3,800,105
Customer Deposits	(145,812)	9,804	(5,000)	(4,000)	(4,000)	(4,000)	(4,000)
Change in non-cash oper working cap	186,711	795,936	(242,654)	(103,487)	(104,800)	(79,500)	(79,900)
	3,237,979	4,630,258	2,217,429	2,485,824	2,938,574	3,182,100	3,716,205
Financing							
Capital contributions	521,407	1,083,954	382,523	397,317	425,526	455,313	484,909
Proceeds from property sale	-	-	-	1,000,000	-	-	-
Changes in debt	3,217,182	4,364,737	7,147,547	3,196,490	3,815,139	3,681,148	3,087,334
Loan to related party	-	-	-	-	-	-	-
	3,738,589	5,448,691	7,530,070	4,593,807	4,240,665	4,136,461	3,572,243
		2,895,458					
Investing							
Net additions to ST investments	-	-	-	-	-	-	-
Net additions to property and equip	(4,459,345)	(9,327,073)	(9,403,375)	(6,339,591)	(6,554,899)	(6,694,220)	(6,664,108)
Net additions to regulatory liabilities	191,954	(885,193)	(98,625)	-	-	-	-
Net additions to regulatory assets	403,930	1,795,328	379,502	(115,040)	660	660	660
Net additions to LT investments	-	-	-	-	-	-	-
	(3,863,461)	(8,416,937)	(9,122,498)	(6,454,631)	(6,554,239)	(6,693,560)	(6,663,448)
Dividends	(625,000)	(625,000)	(625,000)	(625,000)	(625,000)	(625,000)	(625,000)
S/H Equity-Development Chges	-	-	-	-	-	-	-
Increase(Decrease) in Cash	2,488,107	1,037,013	(0)	0	(0)	(0)	0
Cash, beginning of year	(3,525,119)	(1,037,013)	(0)	(0)	0	(0)	(0)
Cash, end of year	(1,037,013)	(0)	(0)	0	(0)	(0)	0

Appendix 2

20 Year Innisfil Hydro Supply Analysis (2011-2031)

G. Shaparew Aug 27, 2012

Normal Load growth at 2kW per population
 Load growth minus 2.5 MW conservation target



Available Supply From Hydro One (MW)

Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Feeder Capacity	63	63	63	63	63	88	88	88	88	88	88	88	88	113	113	113	138	138	138	163	163	163	188	188	188	188	213	213
Total Load MW	54	63	48	49	49	50	67	67	68	69	72	77	83	90	99	109	118	127	137	146	155	163	170	178	185	192	199	201
2.5MW reduction						48	67	65	66	67	70	74	80	87	96	106	115	125	134	143	153	161	168	175	182	189	196	198

DS Cap MW	68	68	68	68	75	75	75	75	75	75	88	101	101	101	101	124	124	124	137	150	163	163	180	180	180	193	193	206
Projected Load in Innisfil (MW)					Bob Deugo DS						New Lefroy DS	New BBP DS				DS			DS	DS	DS	DS			DS			DS

56K Population

Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
OP MW	53.7	62.7	48.2	49	65	66	67	67	68	69	71	74	76	78	80	82	85	88	92	95	98	102	103	105	107	109	111	114
With BBP MW	53.7	62.7	48.2	49	65	66	67	67	68	69	72	76	80	82	86	90	94	97	100	104	107	110	112	115	117	119	121	123
population	30.5	30.9	32.4	32007	32515	32932	33277	33608	34170	34748	35467	36796	38132	39046	39946	40926	42566	44206	45846	47486	49126	50766	51250	52410	53570	54730	55745	56760
Units		129	203	353	175	144	119	114	194	199	248	459	461	315	310	338	566	566	566	566	566	566	400	400	400	400	350	350
Pop Increase		400	400	1024	508	418	345	331	563	577	719	1330	1336	914	900	980	1640	1640	1640	1640	1640	1640	1160	1160	1160	1160	1015	1015

39K Population

Barrie Lands MW									0	0	0	0.2	1.2	3.2	7.2	12.2	18.2	24.2	30.2	36.2	42.2	48.2	53.2	58.2	63	67.8	72.6	77.4
Population									0	0	0	100	600	1600	3600	6100	9100	12100	15100	18100	21100	24100	26600	29100	31500	33900	36300	38700
Units									0	0	0	34	172	345	690	862	1034	1034	1034	1034	1034	1034	862	862	828	828	828	828
Pop Increase									0	0	0	100	500	1000	2000	2500	3000	3000	3000	3000	3000	3000	2500	2500	2400	2400	2400	2400

BBP Requirements (MW)

BBP Units									0.00	0.00	1.08	2.16	3.24	4.32	6.48	8.64	8.64	8.64	8.64	8.64	8.64	8.64	8.64	8.64	8.64	8.64	8.64	8.64
BBP Units Add									0	0	200	200	200	200	400	400	0	0	0	0			0	0				

Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Customers EOY	13,542	13,703	13,832	14,035	14,388	14,563	14,707	14,826	15020	15219	15666	16360	17193	18052	19452	21052	22652	24252	25852	27452	29052	30652	31914	33176	34404	35631	36809	37986
New customers		129	203	353	175	144	119	114	194	199	448	693	833	860	1400	1600	1600	1600	1600	1600	1600	1600	1262	1262	1228	1228	1178	1178
% customer growth		0.9%	1.5%	2.5%	1.2%	1.0%	0.8%	0.8%	1.3%	1.3%	2.9%	4.2%	4.8%	4.8%	7.2%	7.6%	7.1%	6.6%	6.2%	5.8%	5.5%	5.2%	4.0%	3.8%	3.6%	3.4%	3.2%	3.1%

Appendix 3



Innisfil Hydro Distribution Systems Limited

Asset Management Plan

2012



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Background

The Innisfil Hydro Electric Commission was originally formed in January 1991 and in July 1993, the distribution assets were purchased from Ontario Hydro for the service area expansion. Innisfil Hydro Distribution Systems Limited (Innisfil Hydro) was incorporated as a for-profit local distribution company in year 2000 as required by the *Electricity Act 1998*. Innisfil Hydro has a distribution licence from the Ontario Energy Board (Licence # ED-2002-0520) to operate its distribution system within the licensed territory of 292 square kilometres, defined as the Town of Innisfil as of January 1, 1994.

As of January 1, 2009, Innisfil Hydro had approximately 110 kilometres of 44KV circuits, 176 kilometres of three-phase distribution, 200 kilometres of single-phase circuits, 116 kilometres of primary underground cable, 9 distribution stations, 2 shared distribution stations with Hydro One and 4 private stations with distribution voltages of 16/27.6kv and 4.8/8.32kv.

Innisfil Hydro hired five “in-house” Linemen in 2010 that perform daily service work requirements. All other associated Line construction projects and Substation work is contracted out to an independent contractor.

The Head Office and Operations Centre for Innisfil Hydro is located at 2073 Commerce Park Drive in Innisfil, Ontario with 34 full time staff. The site consists of a Customer Service building, an Engineering and Finance building, a Warehouse building and two old school portables situated on approximately 3.6 acres.

Following the aftermath of the *Oak Ridges Moraine Protection Act 2001*, property developers have acquired many Innisfil properties for the purpose of land development. Land development pressures have been reflected in the Town of Innisfil’s Official Plan (2006).

Utilizing growth projections from all available data, the following population projections comprises the parameters for growth:

- Innisfil population in 2031 56,000
- New Barrie land population in 2031 39,000
- Big Bay Point development 1,600 units + commercial load

Both population and employment is projected to increase by more than 100% within the next 20 years. It is this municipal growth that is fueling the need for capital expansion within this rate application. As required in the Distribution System Code:

6.1.1 A distributor shall make every reasonable effort to respond promptly to a customer’s request for connection. In any event a distributor shall respond to a customer’s written request for a customer connection within 15 calendar days. A distributor shall make an offer to connect within 60 calendar days of receipt of the written request, unless other necessary information is required from the load customer before the offer can be made.

The capital infrastructure necessary to more than double existing demand requires long term planning where capital infrastructure is staged. Failure to approve planned capital requirements will prohibit the ability for Innisfil Hydro to meet the needs of the growing community and therefore growth would be contrary to the Distribution System Code.

AESI Acumen Engineering Solutions was engaged in 2012 to review, provide commentary and make recommendations on the Asset Management Plan. Their report is attached in Appendix 7. Innisfil Hydro staff have implemented all reasonable recommendations from the AESI report into the 2012 Asset Management Plan.

2012 Programs whether O&M or Capital are generally prioritized as follows:

1. Health & Safety
2. Legislative
3. Growth
4. Reliability

*** This Asset Management Plan is a 'living document' and will receive on-going review.**

2.0 Regulatory Requirements

The Distribution System Code (DSC) requires an LDC to maintain its distribution system in good working condition, as follows:

“4.4.1 A distributor shall maintain its distribution system in accordance with good utility practice and performance standards to ensure reliability and quality of electricity service, on both a short-term and long-term basis.”

The DSC has an **Appendix C, Minimum Maintenance Standards**. Appendix C, as amended from time to time, will be attached to and will be a part of this plan.

Furthermore, introduction of Ontario Regulation 22/04, Electrical Distribution Safety, in late 2004 introduced additional legislated focus on maintaining municipal distribution systems. Specifically the Regulation requires an LDC to:

“Section 4. Safety standards...”

(2) All distribution systems and the electrical installations and electrical equipment forming part of such systems shall be designed, constructed, installed, protected, used, maintained, repaired, extended, connected and disconnected so as to reduce the probability of exposure to electrical safety hazards. O. Reg. 22/04, s. 4 (2).”

Section 4 goes on to identify all components of the distribution system and specifies for each component as follows:

“1. Operating electrical equipment shall be maintained in proper operating condition.”

IHDSL has established a documented program to address the legislated requirements to maintain its distribution system.

Historical and present electrical system maintenance endeavours to meet the all of the minimum maintenance standards in DSC Appendix C. Reductions in Operations or Maintenance funding may erode Innisfil Hydro’s ability in achieving all of the maintenance requirements in the DSC.

3.0 Overhead Lines

3.1 Tree Trimming



Vegetation and Right of Way control is a requirement under the Minimum Inspection Requirements of the Distribution System Code and good utility practice. Innisfil Hydro has a large rural and urban area where overhead hydro lines are in the proximity to trees.

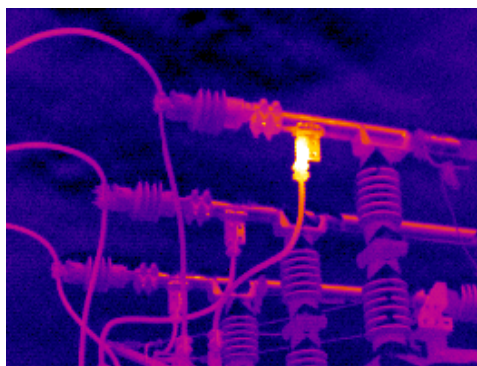
Trees contacting energized lines have the ability to inflict the following:

- Interruption of power due to short circuit to ground or between phases;
- Damage to conductors, hardware and poles;
- Danger to persons and property within the vicinity due to falling conductors, hardware, poles and trees;
- Danger of electric shock potential from electricity energizing vegetation.

In an effort of mitigating direct contact between trees and distribution assets, tree trimming is conducted on a three year cycle. Innisfil Hydro does not have any ‘in-house’ tree trimming personnel or equipment and therefore uses an independent contractor at market rates. Depending on the size, shape and growth aspect of relevant trees, the tree trimmers remove sufficient foliage from the tree to limit the possibility of contact during high wind situations within a three year time frame.

Following tree trimming, the independent contractor removes all debris and returns the site to as-found condition. Any pole line damage or anomaly noticed by the tree trimming crew is reported to Innisfil Hydro for remedial action. The cost for tree trimming has been budgeted in account 5135.

3.2 Infra-red Scanning



Electrical energy forces the movement of electrons through a conductor. In situations where a restriction in a conductor or an electrical connection exists, the movement of electrons through the restriction heats up. Left unabated, the effect of 'hot spots' can have the following effects:

- Increased line losses
- Radio interference
- Damage to equipment
- The danger of energized equipment falling to the ground
- Power interruption

The attached pictures (above) shows an infrared scan of a hot connection which would require immediate action. Innisfil Hydro does not have trained personnel nor has the equipment necessary for infra-red scanning. This service is contracted out to an independent contractor at market rates.

In an effort to be pro-active, infrared scanning is performed on Innisfil Hydro's high voltage assets on a three year cycle as follows:

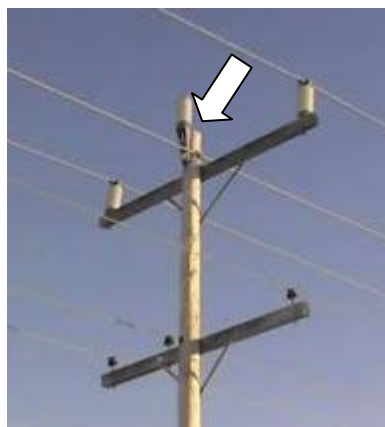
Year 1. All overhead primary voltage 3 phase and single phase lines (44kV, 27.6kV, 8.32kV) including Distribution Stations.

Year 2. All 44kV overhead lines including Distribution Stations, ½ of (27.6 kV & 8.32kV) 3 phase overhead primary voltage lines and ½ of all underground primary voltage lines.

Year 3. All 44kV overhead lines including Distribution Stations, the other ½ of (27.6 kV & 8.32kV) 3 phase overhead primary voltage lines and the other ½ of all underground primary voltage lines.

Any abnormal condition is reported to Innisfil Hydro for remedial action. Critical abnormalities are reported to Innisfil Hydro for immediate action. The cost for infra-red scanning has been budgeted in accounts 5020 & 5045.

3.3 Line Patrol



Line patrol is a requirement under the Minimum Inspection Requirements of the Distribution System Code and good utility practice. Line patrol may highlight problems or may identify conditions that warrant a more thorough or vigorous inspection or the need for specific maintenance. Visual inspection of major distribution system components identify problems and hazards such as leaning poles, damaged equipment, enclosures and vandalism. The attached picture was taken as a result of line patrol. The centre 44 kV conductor is resting on the wooden cross arm. Left unabated, the conductor would burn through the cross arm

and possibly cause the pole to catch fire. The 44 kV circuit would lock-out affecting thousands of customers and possibly contact the lower circuit, affecting hundreds of customers with power interruption and possible electrical damage to their homes and businesses. Line patrol in this situation had the potential of saving thousands of customer interruption hours, saving several thousand dollars in asset replacement and the diversion of hundreds of insurance claims.

Line patrol includes a visual inspection of all related equipment as follows:

Conductors and Cables

- Low conductor clearance
- Broken/frayed conductors or tie wires
- Tree conditions, exposed broken ground conductors
- Broken strands, bird caging, and excessive or inadequate sag
- Insulation fraying on secondary especially open wire

Poles/Supports

- Bent, cracked or broken poles
- Excessive surface wear or scaling
- Loose, cracked or broken cross arms and brackets
- Woodpecker or insect damage, bird nests
- Loose or unattached guy wires or stubs
- Guy strain insulators pulled apart or broken
- Guy guards out of position or missing
- Grading changes, or washouts
- Indications of burning

Hardware and Attachments

- Loose or missing hardware
- Insulators unattached from pins
- Conductor unattached from insulators
- Insulators flashed over or obviously contaminated
- Tie wires unraveled
- Ground wire broken or removed
- Ground wire guards removed or broken

Vegetation and Right of Way

- Leaning or broken “danger” trees
- Growth into line of “climbing” plants
- Unapproved/unsafe occupation or secondary use

Civil Infrastructure

- Buildings that house equipment that need attention
- Cable chambers, underground vaults and tunnels that need attention

Staff perform line patrol whenever driving through Innisfil Hydro's distribution territory. Distribution system problems are either remedied immediately or scheduled for remedial action. Line patrol is also performed by line personnel and engineering staff when a problem has been identified within a circuit by SCADA and or by customer calls.

During routine patrols through Innisfil, many trouble calls are identified each year. Electrical system problems ranging from tree limbs to failing parts and materials are repaired as emergency calls at any time of day or night.

Pole top maintenance and pole inspection is a program where line staff perform a physical inspection at each pole in a defined route by setting up a Line truck to tighten and inspect all hardware (insulators, cross-arms, bolts, etc.) Over time, wood poles shrink, wear and deteriorate to a point that original installations become loose. With weather elements such as wind and ice loading, hardware can eventually loosen and fail. The solution for this is on a yearly basis, a defined route of approximately one eighth of all poles (approximately 1250), would be inspected from a Line truck and all hardware tightened. The cost to do these works is approximately \$56,000.00 and has not been budgeted for in 2013. To date, \$5,000 to \$7,000 per year are being spent for patrol inspections and service is also done on an as needed basis when identified by a trouble call. By staying proactive with this program the aim is to lower the SAIDI/SAIFI/CAIDI reporting and lower emergency calls where expense dollars are currently being drawn from.

Innisfil Hydro has only Operation's staff on standby duty after normal working hours. Engineering and Operation's staff perform line patrol while driving to and from work on a daily basis. The Town is divided into eleven quadrants and staff keep a log of the quadrants and dates that receive line patrol.

3.4 Poles



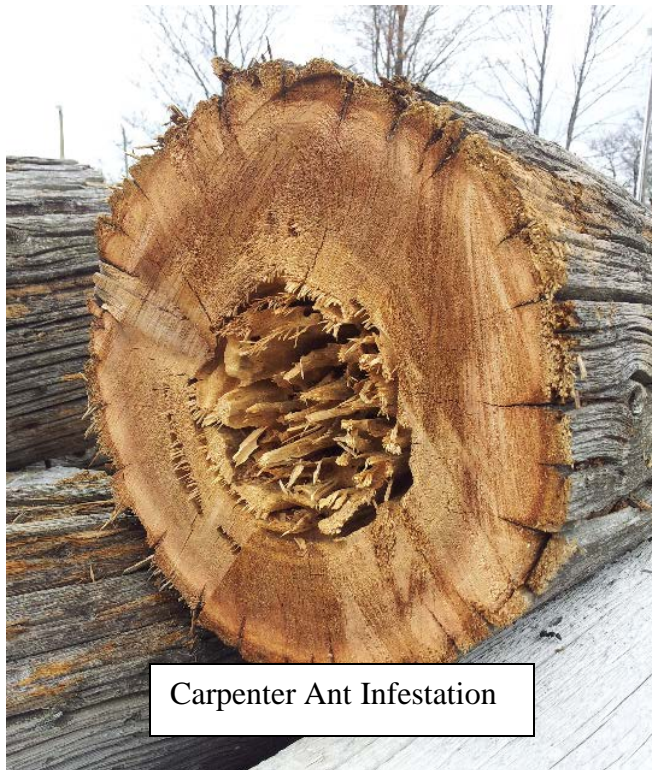
Pole inspection is a requirement under the Minimum Inspection Requirements of the Distribution System Code and good utility practice. Innisfil Hydro utilizes approximately 10,000 poles within its distribution system incorporating Jack Pine, Red Pine, Western Red Cedar and Yellow Cedar ranging from 30' to 90' in length. These pole species involve creosote, chromium copper arsenate or pentachlorophenol treatment to extend the life of the wood. There are no steel or composite poles that are in service in

Innisfil. Two concrete poles are in service where feeder 9M6 enters Innisfil. These two concrete poles were installed in 2009 to facilitate installations where guying was not possible.

The majority of wood pole deterioration occurs at the pole butt, basically where the pole enters the ground. The amount of pole below the surface is 2 feet plus 10% of the pole height. It is the area flush with the ground that receives the greatest impact of moisture and oxygen that enables the rotting of the pole which occurs from the inside-out. Poles are therefore tested to see the extent by which that they are hollow. The extent to which the pole is structurally sound correlates to the pole's ability to withstand structural loadings such as transformers, switches, hardware and wind shear. Depending on the circumstances, poles that lack structural integrity have the risk of falling down and be injurious to property, personnel, equipment and the public.

Innisfil Hydro embarks on an eight year pole testing program cycle. The poles are tested using non-destructive devices that measure the moisture content of the wood just above ground level. The higher the moisture level within the wood relates to a higher level of deterioration. When a threshold level of moisture is detected, a resistograph is used to physically measure the extent of the deterioration. The pole testing results are logged and pole replacement is scheduled as required.

While pole testing at grade identifies the need of pole replacements due to ground level pole deterioration. Poles also require replacement as a result of carpenter ant / termite damage and age related weathering above grade. Example of these two pole deficiencies are shown below.



Carpenter Ant Infestation



Weathered Pole Top

Historically, a pole replacement rate of approximately 4% has been experienced and is budgeted for within the capital budget. However, an approximate 200-215 of the tested poles per year receive comments back to Innisfil Hydro from the pole testers indicating

deficiencies. Items such as slack or loose guy wires, guy strain insulators pulled apart or broken, guy guards out of position or missing, loose grounding connections and missing nomenclature are a few examples. A maintenance program has not been budgeted before in the past, however with an Annual Pole Maintenance Program, Innisfil Hydro would be able to address the issues raised by our contractor and remediate potential hazards to the public and staff. The annual maintenance cost of **\$13,440.00** has been included in the **5120** account in the 2013 budget.

Along with the pole testing results, the poles are numbered, tagged with a GPS coordinate and tagged with other hardware and nomenclature. The results are inputted into the Geographical Information System (GIS). An increase to a six year pole testing program cycle will increase pole testing costs by over 33%. The typical cost for pole testing utilizing an eight year pole testing program cycle is \$30,000.

Each year in Innisfil, at least 10 complaint calls are received from customers for leaning poles. These are existing poles in Innisfil that over time have leaned due to weather or soil conditions. Whether on a rural or urban road it, is becoming more noticeable that the existing poles are leaning more with each passing year. Presently, Innisfil Hydro uses a small amount of expense budget out of the 5120 account to deal with this issue, however the small amount of money available for this problem is not nearly enough to combat the larger picture outside of a few complaints.

A better initiative is a yearly program to straighten poles that are currently leaning. This issue will always be present with existing poles. The detrimental effect of leaning poles is that, once over center to a varying degree dependant on soil conditions, the pole has a much higher potential to be pushed over or break in storm winds or ice loading conditions. A domino effect can then occur, toppling pole after pole. Aside from the fact that leaning poles are visually displeasing to look at, the potential for more dangerous situations may exist. Moving forward a budget figure of \$35,000 dollars would accommodate the straitening of only 50 poles, but would constitute the start of an ongoing program year over year to deal with the problem. This amount has not been budgeted for in 2013.

Pole Replacements are undertaken for the following different reasons:

- Pole decomposition or structural damage
- Vehicle accidents
- Customer service requests requiring taller or different class of pole
- Road widenings and grade changes
- Line rebuilds
- ESA compliance

Innisfil Hydro replaces poles that can exhibit a health and safety hazard to the public and staff. Each year, 1/8th of Innisfil Hydro wood poles are tested and rated to determine when they should be replaced or retested. Poles have been identified as needing a subsequent retest may undergo 'butt treatment' whereby the useful life of the pole can be extended.

Poles are replaced to current ESA requirements. With an approximate 4% replacement program of the poles that are tested annually, the following number of poles are anticipated to be replaced each year over the next 5 years which includes pole replacements triggered by accidents, capital growth and project requirements:

	2012	2013	2014	2015	2016	2017
Total Count	10,120	10,150	10,180	10,210	10,240	10,270
Total Replacement	215	215	215	215	220	220
Additional	30	30	30	30	30	30

Poles are replaced as required to maximize the health and safety of the public, system reliability and the ability to connect new customers.

3.5 Switches

Switch inspection is a requirement under the Minimum Inspection Requirements of the Distribution System Code and good utility practice. Switches are devices that allow or disallow the conductivity of high voltage conductors. They are available in single phase solid or fused configurations and three phase applications involving load break (remote and local operation), and air break (remote and local operation).



Fused switches (cut-outs) accept different sizes of fuses, which are used for the protection of lines, equipment or transformers from main feeder amperages. Fused cut-outs are inspected during the infra-red scanning process. Fused cut-outs that fail are replaced as needed. When fused cut-outs fail with an abnormal frequency, fused cutout statistics are investigated to see if a manufacturer's defect has occurred. If a manufacturer's defect is suspected, then all related fused cut-outs may be replaced as an act of due diligence. Failure to do so will not only decrease reliability and the safety of operational personnel would be compromised.

Load break and air break switches are predominately on the 44kV system and perform switching operations to allow for maintenance and emergency procedures. Along with inspections carried out by infra-red scanning, these switches have scheduled maintenance once every four years. Line staff perform switch maintenance on one quarter of all airbreak and loadbreak switches on an annual basis. The cost to perform three phase switch maintenance has been budgeted in account 5125 which does not include repair parts.

There are numerous in-line switches and mid span openers (MSOs) on the 44kV, 27.6kV and 8.32kV system. These are single phase switches or mid span openers that

can be grouped together on a three phase feeder. These switches are used for sectionalizing circuits for maintenance and emergency requirements. In-line switches can be used to break load when a load-break tool is used. In-line switches are inspected during the infra-red scanning process and are replaced as required. Failure to do so will not only decrease reliability, the safety of operational personnel would be compromised. These devices have traditionally received proactive maintenance via the infra red scanning process. An actual physical inspection would require three crew hours to perform in-line switch or MSO maintenance which would require an extra \$12,900 of internal labour annually to implement a cycle program. This new additional amount has been budgeted for in the 5125 account of the 2013 Maintenance Budget.

Switch Replacements are undertaken for the following different reasons:

- Mechanical or electrical failure;
- Vehicle accidents, lightning strikes;
- New customer requirements;
- Road reconstruction;
- Line rebuilds or circuit reconfigurations;
- ESA compliance;
- Upgrades for system security involving the SCADA system;
- Systemic failures involving a particular manufacturer or style.

The following switch addition and replacement schedule has been incorporated to deal with capital requirements:

Disconnect Cutouts Single & Three Phase						
	2012	2013	2014	2015	2016	2017
Total Count	384	399	415	431	447	463
Replacement	30	10	10	10	10	10
Additional	15	16	16	16	16	16
These cutouts include disconnect devices on our distribution infrastructure, but exclude transformer protection fuses.						
Air Break and Load Break Three Phase Switches						
	2012	2013	2014	2015	2016	2017
Total Count	57	65	73	81	89	97
Replacement	2	3	3	3	3	3
Additional *	8	8	8	8	8	8
Includes manual and automatic switches, on both our subtransmission and distribution system. Types include SCADA-Mate's, Alduti-Rupter's, reclosers (used as switches), and manual gang switches						
* numbers based on 5 yr plan, pending Green Energy plan approval						
In-Line Switches & MSOs						
	2012	2013	2014	2015	2016	2017
Total Count	336	338	340	342	344	346
Replacement	8	8	8	10	10	10
Additional	2	2	2	2	2	2

3.6 Reclosers



transformers inside the other six (6) of our DS'. The remaining 37 single-phase

Recloser inspection is a requirement under the Minimum Inspection Requirements of the Distribution System Code and good utility practice. IHDSL currently has eight (8) three-phase reclosers and 82 single-phase reclosers installed and fully operational on its distribution infrastructure. While all eight (8) three-phase reclosers are radio controlled and serve as circuit breakers inside three (3) of our Distribution Stations (DS), 45 single phase hydraulic reclosers serve as protective devices for station

hydraulic reclosers are installed on our distribution lines in Innisfil Hydro's system. The list is kept in an EXCEL directory by the Engineering and Operations Clerk. These devices are programmable switches that open and close depending on how the current limits are set. These devices break load within an oil bath or vacuum chamber for dielectric purposes. After a number of operations, the oil bath becomes contaminated with carbon, which is formed by the oxidation of the oil by the arc squelching process. The carbon impregnated oil loses dielectric properties and needs to be inspected and the oil replaced. The oil reclosers are inspected and rebuilt once every 4 years. They are also inspected by the infra-red process. Reclosers that are damaged, will be replaced as required. The cost for rebuilding the reclosures is capitalized and the cost for maintaining reclosers is in account 5125.

3.7 Voltage Regulators



Voltage regulator inspection is a requirement under the Minimum Inspection Requirements of the Distribution System Code and good utility practice. Voltage regulators are single phase devices that are situated on high voltage lines, far away from the Distribution Station. When line losses drop the voltage potential below acceptable levels, the voltage regulators increase the line voltage to within CSA standards. Innisfil has four voltage regulators in the distribution system. These devices are patrolled and inspected by the infra-red process. The devices are not physically removed from service for inspection. They are however visually inspected monthly. The cost for inspecting voltage regulators is in account 5016. There are no voltage regulators budgeted for replacement in 2013.

3.8 Transformers



Transformer inspection is a requirement under the Minimum Inspection Requirements of the Distribution System Code and good utility practice. Innisfil hydro has 3071 overhead and pad mounted transformers in its distribution system. The transformer list is kept in the Northstar Billing system. Innisfil Hydro does not have any transformers in confined spaces or below grade.

Transformers are able to transform high distribution voltage into low voltage (< 750V) that can be utilized by customers. All transformers have had their mineral oil tested and verified so that as of 2005, all transformers are PCB free (< 50 PPM). Transformers are visually inspected according to the Minimum Inspection Requirements in the Distribution system Code (every 3 years Urban and every 6 years rural).

The typical line patrol inspections address the following issues:

- Hot connects via infra red scanning
- General appearance
- Loose wires
- Bird or animal nests

For Innisfil Hydro to have internal staff or external contractors either climb poles or set-up bucket trucks to inspect transformers up close, it is estimated that the cost of \$60 per overhead transformer would be required. This translates into an annual cost increase of \$45,000. This has not been budgeted for in 2013.

The annual cost for inspecting transformers has been budgeted within the infra-red scanning process.

Transformers are changed with different sized units as needed. Transformers are replaced when they fail do to lightning strike, vehicle accident, potential oil leakage or internal/external problems. The following overhead transformer addition and replacement schedule has been incorporated to deal with capital requirements:

Overhead Transformers

	2012	2013	2014	2015	2016	2017
Total Count	2,145	2,156	2,168	2,183	2,203	2,223
Replacement	26	26	27	28	28	28
Additional	11	12	15	20	20	20

The cost for infra-red scanning overhead transformers has been budgeted in account 5020 & 5045.

3.9.1 Capacitors



Capacitor inspection is a requirement under the Minimum Inspection Requirements of the Distribution System Code and good utility practice. When AC power flows through the conductor, there is a loss of power in the conductor due to its resistance and reactance. Capacitor banks are installed to reduce line losses, improve power factor and balance feeders for easier switching.

Innisfil Hydro has 9 sets of capacitor banks in its distribution system. Capacitors are visually inspected according to the Minimum Inspection Requirements in the Distribution System Code

(every 3 years Urban and every 6 years rural) and are also inspected by the infra-red scanning program. Capacitors are inspected annually (basic inspection) and damaged capacitors are repaired or replaced as required. The cost for inspecting capacitors has been budgeted in account 5125. There are no plans to replace any capacitors within the next five year horizon.

Fault Indicators

The installation and use of overhead radio controlled fault indicators has been deployed since 1996. These units send radio signals to the Innisfil Hydro Supervisory Control and Data Acquisition (SCADA) system when fault currents have been detected. They assist in finding a problem section of line and for sectionalizing damaged sections of high voltage lines. Lowering System Average Interruption Duration Index (SAIDI) reporting is the root function of these indicators. Fault indicator inspection and testing is now required more urgently than in past years as Innisfil Hydro has been experiencing problems in communications via the radio system and also water infiltration into several of fault indicators themselves causing false reporting and failure of the units. A plan of testing and inspecting is a necessity to ensure good reporting with high reliability. With forty sets of indicators scattered over Innisfil Hydro territory an expected cost of \$12,100 would be needed on a yearly basis to make this happen on an annual basis. This new additional amount has been budgeted for in the **5125** account of the 2013 budget.

3.11 Load Balancing

Due to the change in seasons through the year, distribution station loads fluctuate from electric heat loads in winter to air conditioning loads in summer. The addition of customer upgrades and new services going into the distribution system also contribute to unbalancing loads out of these stations. What the typical solution and remedy for this ongoing issue is to balance the distribution feeders out of the station. In doing so it accomplishes several things, the first of which is lowering line losses within the distribution system. It also increases the power factor of the station output and is operationally better for the life of the power transformer. To accomplish this goal, balancing is done at the onset of peak seasons (summer and winter) and would require \$9,000 of crew labour to complete. This has not been budgeted for in 2013 or subsequent years.

4.0 Underground Lines

4.1 Switching Cubicles

Switching cubicle inspection is a requirement under the Minimum Inspection Requirements of the Distribution System Code and good utility practice. Innisfil Hydro has 49 switching cubicles in its distribution system. The manufacturer S&C has been the standard supplier for these devices (PME configuration). The function of these devices is to provide an above ground mechanism for underground express cables to be switched and a connection for fused local cables. The PME standard utilizes a 'dead



front' configuration whereby there are no high voltage connections exposed when the switching cubicle doors are open. As opposed to the S&C PMH live front configuration, the PME's exhibit fewer problems and need less maintenance.

Switching cubicles are visually inspected according to the Minimum Inspection Requirements in the Distribution system Code (every 3 years Urban and every 6 years rural) and are also inspected by the infra-red scanning program every three

years. Damaged switching cubicles are repaired or replaced as required. The cost for infra-red inspecting switching cubicles has been budgeted in account 5020 & 5045. Switch Gears are exposed to a variety of elements which can cause potential public safety hazards, equipment deterioration and operational challenges. In addition to infra-red testing , a more in-depth maintenance program will create an opportunity to lubricate and operate infrequently used load break elbows and switches; repair and/or replace corroded connectors caused by acidic soil conditions and standing water; identify and correct any abnormal soil infiltration; inspect, repair or replace transformer grounding; re-fresh deteriorated nomenclature and identify any damage to the outside of the equipment caused by pedestrian, vehicular and municipal maintenance traffic. An annual maintenance cost of **\$49,780.00** under the heading of Underground Transformer and Switch Gear Maintenance has been included in the **5161** account of the 2013 budget.

4.2 Locates



As specified in section 228 the Occupational Health and Safety Act:

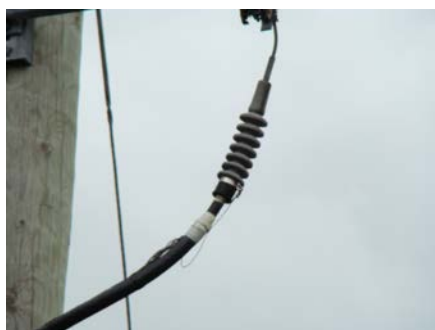
- (1) *Before an excavation is begun,*
 - (a) *gas, electric and other services in and near the area to be excavated shall be accurately located and marked; and*
 - (b) *if a service may pose a hazard, the service shall be shut off and disconnected.*
- (2) *The employer who is responsible for the excavation shall request the owner of the service to locate and mark the service.*
- (3) *If a service may pose a hazard and cannot be shut off or disconnected, the owner of the service shall be requested to supervise the uncovering of the service during the excavation.*

- (4) *Pipes, conduits and cables for gas, electrical and other services in an excavation shall be supported to prevent their failure or breakage. O. Reg. 213/91, s. 228.*

The current minimum standard contained in the Ontario Energy Board's service quality requirements is that underground cable locates must be completed within 5 working days of a customer's request, at least 90% of the time. For customers requesting a specific date, the locate must be completed within 5 working days of the requested date. Since the development of the service quality indicators in 1999, Ontario Regulation 22/04 has been proclaimed in force. Adherence to the standards set out in Regulation 22/04 is a legal requirement.

The cost for underground cable locating has been budgeted in accounts 5070, 5075, 5040 & 5045.

4.3 Elbows and Terminators



High voltage elbow and underground cable terminator inspection is a requirement under the Minimum Inspection Requirements of the Distribution System Code and good utility practice. Elbows and terminators are visually inspected according to the Minimum Inspection Requirements in the Distribution system Code (every 3 years Urban and every 6 years rural), which are inspected by the infra-red scanning program. Pad mounted transformers have their lids opened and are inspected by the infra-red scanning process. Damaged elbows and terminators are repaired or replaced as required.

Innisfil Hydro does not log the number of elbows or cable terminators in its distribution system. Elbows or cable terminators are nomenclatured to the connecting switch, transformer or switching cubicle.

The standard for underground distribution is to use 28 kV class equipment even on 8.32kV distribution. This standardization improves reliability and allows for easier voltage conversion upgrades. The cost for infra-red inspecting underground elbows and terminators has been budgeted in account 5020 & 5045. In addition to infra-red testing, a more in-depth maintenance program will create an opportunity to lubricate and operate infrequently used load break elbows and switches; repair and/or replace corroded connectors caused by acidic soil conditions and standing water; identify and correct any abnormal soil infiltration; inspect, repair or replace transformer grounding; re-refresh deteriorated nomenclature and identify any damage to the outside of the equipment caused by pedestrian, vehicular and municipal maintenance traffic. An annual maintenance cost of **\$49,780.00** under the heading of Underground Transformer and Switch Gear Maintenance has been included in the **5161** account of the 2013 budget.

4.4 Transformers



Underground transformer inspection is a requirement under the Minimum Inspection Requirements of the Distribution System Code and good utility practice. Elbows and terminators are visually inspected according to the Minimum Inspection Requirements in the Distribution system Code (every 3 years Urban and every 6 years rural) which are inspected by the infra-red scanning program. Underground transformers have their lids opened and all connections are inspected by the infra-red scanning process. Damaged transformers or components are repaired or replaced as required. All transformers have the mineral oil tested and or verified so that all transformers are PCB free (< 50 PPM). Transformers are visually inspected according to the Minimum Inspection Requirements in the Distribution System Code (every 3 years Urban and every 6 years rural). The typical infra-red inspections address the following issues:

- Hot connects via infra red scanning
- Check for lock and penta bolt in place
- General appearance
- Placement of pad or vault
- Leaking oil
- Loose wires
- Bird or animal nests

Innisfil Hydro does not have any submersible transformers which operate below grade level. All underground transformers sit at or above grade, on top of a pad or vault.

All underground transformers are numbered, their secondary services are tagged as are the high voltage elbows. The cost for inspecting underground transformers has been budgeted in the infra-red scanning budget. The cost for infra-red scanning underground transformers has been budgeted in account 5020 & 5045. Underground Transformers are exposed to a variety of elements which can cause potential public safety hazards, equipment deterioration and operational challenges. In addition to infra-red testing , a more in-depth maintenance program will create an opportunity to lubricate and operate infrequently used load break elbows and switches; repair and/or replace corroded connectors caused by acidic soil conditions and standing water; identify and correct any abnormal soil infiltration; inspect, repair or replace transformer grounding; re-fresh deteriorated nomenclature and identify any damage to the outside of the equipment caused by pedestrian, vehicular and municipal maintenance traffic. An annual maintenance cost of **\$49,780.00** under the heading of Underground Transformer and Switch Gear Maintenance has been included in the **5161** account of the 2013 budget.

Transformers are changed with different sized units as needed. Transformers are replaced when they fail do to lightning strike, vehicle accident or internal/external problems. The following underground transformer addition and replacement schedule has been incorporated to deal with capital requirements:

Pad Mounted Transformers

	2012	2013	2014	2015	2016	2017
Total Count	1,030	1,105	1,190	1,275	1,360	1,445
Replacement	8	9	8	9	9	9
Additional	75	85	85	85	85	85

All additional transformers are required to meet load growth and load demand.

4.5 Underground Primary Cables



Underground primary cable inspection is a requirement under the Minimum Inspection Requirements of the Distribution System Code and good utility practice. With respect to underground systems, riser poles are checked by overhead patrols with a visual check of cable, cable guards, terminators and arrestors. While it is not possible to inspect underground cable directly, the system may be checked for exposed cable and or grade changes that may indicate that the cable has been brought too close to the surface.

The majority of primary underground cable in Innisfil is 'cross-linked, polymer encased' and in duct. Cables with a premature failure rate are repaired or replaced as required. The five year capital plan identifies areas that require underground cable replacements. These areas are mainly in the Sandy Cove North subdivision. The cost for maintaining and inspecting underground primary services has been budgeted in account 5150.

4.6 Secondary Services

Underground secondary service inspection is a requirement under the Minimum Inspection Requirements of the Distribution System Code and good utility practice. With respect to underground systems, riser poles are checked by an overhead patrol with a visual check of cable, cable guards and connections. While it is not possible to inspect underground cable directly, the system may be checked for exposed cable and or grade changes that may indicate that the cable has been brought too close to the surface.



Approximately 30 spans of secondary buss replacement have been budgeted to replace in 2013. The old buss works that is now starting to lose its insulation from UV and other weather related factors is becoming a danger to working utility staff and wildlife. The old secondary buss is removed from service and the new larger buss is installed, thus handling higher capacities and lower line losses.

The majority of 120/240V underground secondary service wire in Innisfil is 300V aluminum secondary cable and in duct. The majority of 600/347V underground secondary service wire in Innisfil is 600V aluminum secondary cable and in duct. Secondary services with a premature failure rate are repaired or replaced as required. The cost for

maintaining and inspecting underground secondary services has been budgeted in account 5155.

4.7 Grounding

Lightning from storms can cause extreme damage on hydro utility equipment and subsequently cause prolonged customer interruptions. Lightning mitigation that includes good grounding has for the longest time been on the fore front of Innisfil Hydro's operating plan. Past capital budgets had incorporated tens of thousands of dollars put in to arrestor and grounding installations to protect Innisfil Hydro's assets. Older installations like overhead and pad mounted transformers installations, steel cross arm locations and separate dead end arrestor locations that have been existing for many years generally confirm that ground rods decay below the ground line. Acidic soils and moisture cause older galvanized steel ground rods to decay to the point where only a few feet are left from a ten foot rod. This deterioration causes high resistance in the grounding system and decreases the ability to prevent catastrophic lightning damage to Innisfil Hydro's and customers' equipment. Ground rod resistance testing is a program that can be implemented to check the resistance at individual locations. If the grounding is unsatisfactory by means of a ground rod resistance tester, then repair or replacement will need to be made to the grounding deficiency. If an approximate 300 lightning arrestor locations were done yearly, \$18,000 would be needed. This amount has not been budgeted in the 2013 capital or maintenance budgets. Also not budgeted for are inspections to approximately 3100 transformer grounding locations and over 100 miscellaneous other grounding points within Innisfil Hydro's system.

4.8 Mapping

Mapping inspection and verification is mentioned in the DSC Minimum Maintenance Standards, (Phase indicators and unit numbers match operating map where used).

Although extreme due diligence as a rule warrants the best upkeep of mapping information, errors can still occur with even the greatest care. These operational maps describe the sub-transmission and distribution systems and are what crews and staff use to guide them in the restoration of power or for switching to complete jobs. If changes have been made without notification or open points moved in the field, time is required to verify these problems in the maps. The end result can mean longer interruption times to customers in outage situations or worse, confusion of field staff risking their health safety. Nomenclature checks, map verification and open point confirmation should be done on a yearly basis to ensure that all maps match the actual field conditions in service. An amount of \$14,500 is required to verify operation maps in the field, which has not been budgeted for in 2013.

5.0 Distribution Stations

5.1 Monthly Inspection



Distribution station inspection is a requirement under the Minimum Inspection Requirements of the Distribution System Code and good utility practice. Distribution stations in Innisfil are connected to the 44kV system on the primary side and the 27.6kV or 8.32kV system on the secondary side. Distribution stations are necessary to reduce the 44 kV sub-transmission voltage so that it can be utilized for single phase loads (< 35 kV). The 44 kV sub-transmission voltage is necessary to contend with

the voltage losses engendered by the vast distances of the circuits. There are presently 9 distribution stations in service. Two stations are 44 kV – 27.6 kV and the rest are 44 kV – 8.32 KV. It is expected that the actual transformer replacement will need to occur after 50 years of service. Within the foreseeable five year horizon, actual transformer replacements are not anticipated according to distribution station records below.

Monthly inspections are undertaken for both rural and urban distribution station sites. The inspection involves the following parameters:

- Theft of copper
- Vegetation
- Fencing
- Litter
- Health & Safety
- Station Grounding (visual)
- Condition of SCADA building
- Transformer temperature
- Reclosure operations



There are ten privately owned 44 kV transformer stations connected to Innisfil Hydro's distribution system. Innisfil Hydro performs monthly inspections on privately owned stations to assure continued integrity with regard to reliability and health and safety. Since privately owned stations are connected directly to Innisfil Hydro's system, power quality problems at the private station can affect other customers on Innisfil Hydro's system. Innisfil Hydro's inspection forms are

sent directly to the private station owners so that any remedial action can be undertaken.

The cost for monthly inspections is budgeted in account 5016. Annual distribution station maintenance includes weed and vegetation control, grass cutting, snow plowing, supervisory control and data acquisition (SCADA) maintenance. The cost for annual maintenance is budgeted in accounts 5114, 5125 and 5012. Due to the evidence of copper theft from substation sites, security at substations has started to be implemented in 2012. Each station security system will have the following features and response protocol.

- Driveway sensor to activate flood light(s) inside the station upon vehicle entering driveway;
- Key activated arm and disarm switch at main entry;
- Magnetic contact on main entry gate;
- Motion sensor(s) inside gated compound (designed to minimize nuisance alarms) which will activate alarm and flood light(s);
- Alarm signals will be communicated via existing SCADA system to on call Manager;
- Securatas Guard Service will provide onsite alarm verification at request of on call Manager prior to Police dispatch;
- On site motion triggered camera will record activity within station.

The contingent cost of copper theft remediation greatly exceeds the scrap copper value that is being taken. Substation security will deter unauthorized entry and therefore improve public safety and system reliability.

5.2 Major Service

On a four year rotation, distribution stations are switched out of service and maintenance is performed. This maintenance service includes the following:

- Bus connection inspection and tightening
- Ground resistance test
- Transformer oil analysis

- Switch cleaning and lubrication
- Inspection and cleaning of terminators, insulators, arrestors
- Cleaning of site, structures and hardware.

Substation maintenance crews generally perform major service over a 1-2 day period. Failure to perform major service could affect system reliability and the life-span of the related equipment. The cost for performing major distribution station service and maintenance for is budgeted in account 5114. This excludes any repairs or oil related problems. For example, filtering oil in a distribution station transformer may cost approximately \$15,000. There is no schedule to replace any substation transformer within the next five year horizon.

Distribution Stations – Transformer Year of Manufacture

Station	Serial Number	Year of Manufacture
Big Bay Pt. DS	1-3552	1971
Bob Deugo DS	05-1996	2006
Brian Wilson DS – T1	T60841	1991
Brian Wilson DS – T2	146 330 1002	1996
Cedar Point DS	T60243-1	1976
Cedar Point DS Spare	87-367 (2 MVA)	1987
Cedar Point DS Spare	W1135-2 (5 MVA)	1967
Innisfil DS	T60347	1978
Lefroy DS	1-3504	1970
Leonards Bch.DS	1-3800	1974
Sandy Cove DS	1-3899	1975
Sandy Cove DS Spare	2-350318	1982
Stroud DS	B3S6058	1969

6.0 Metering

6.1 Wholesale Meters

Innisfil Hydro has seven wholesale meters within its distribution system. These meters are pole mounted and measure the electrical energy entering Innisfil Hydro's distribution territory from Hydro One. Five



of the wholesale meters are on 44 kV circuits and two are on 8.32 kV circuits. Innisfil Hydro is a 'Market Participant' as defined by the Independent Electricity System Operator. The meters are regulated under the authority of Measurement Canada. The wholesale meters and accompanying instrument transformers are certified once every six years, after which they must be re-sealed by a licensed Meter Service Provider. Innisfil Hydro has contracted with Cru Solutions Inc., operated by EARTH Corporation (formerly Erie Thames Power Corporation) to perform licensed meter services. Wholesale meters are patrolled with periodic line patrols and infra-red scanning on an annual basis. The meters are connected to Bell Canada's land lines and are read on a daily basis by the IESO and Innisfil Hydro's agent. Any meter reading problems are investigated immediately by Innisfil Hydro and or Cru Solutions for remedial service. The cost for maintaining wholesale meters is budgeted in account 5175.

6.1 Retail Meters



Innisfil Hydro has over 14,500 retail meters in service. These range from typical 240 V house meters to 44 kV primary meters at privately owned transformer stations. The demarcation point between Innisfil Hydro and the Customers' property is specified in Innisfil Hydro's Condition of Service.

The meters are regulated under the authority of Measurement Canada with meter seals ranging from 6-12 years, after which the meters must be resealed or sample tested. If sample testing shows meter accuracy for residential meters, then sample groups can pass inspection without being re-sealed.

All retail smart meters are read on a daily basis by wireless technology. In 2012, there are approximately 4 residential meters that were not replaced with smart meters due to access restrictions. Staff are diligently working with customers to alleviate the restrictions.

Interval meters are read on a daily basis by Innisfil Hydro's agent through phone lines. Any meter reading problems are reported immediately for remedial action by Innisfil Hydro. The annual cost for maintaining retail meters is budgeted in account 5065.

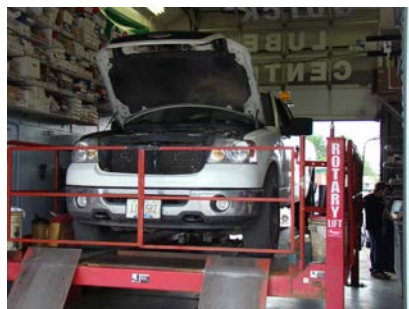
Contract negotiations were completed in 2009 with KTI/Sensus for supply of smart meters, with Olameter for mass deployment of the meters and with Kineiq/Savage Data Systems for Operation Data Storage of the flow of data from the smart meters. The Advanced Metering Infrastructure (AMI) installed is a tower based solution for communicating with deployed smart meters. Two existing towers were chosen, the Town of Innisfil's Churchill Tower and the Town's Big Bay Point Tower on Innisfil Hydro's substation site. Communications equipment was installed at both locations early in 2009, with communications established between the towers in early May. Mass deployment of smart meters commenced mid-September 2009, with substantial completion of March 2010. Innisfil Hydro is now registered with the provincial Meter

Data Management Repository (MDM/R) and have been assigned an identification number.

Time-of-use (TOU) billing to standard supply residential and low volume general service customers commenced on June 1, 2011.

7.0 Vehicle Maintenance

7.1 Service



Innisfil Hydro contracts out some line and all substation maintenance and construction. Innisfil Hydro does not have internal vehicle maintenance staff or equipment and out-sources that function. Innisfil Hydro has fourteen motorized vehicles in its fleet consisting of 1-double bucket line truck, 1-single bucket line truck, 1-RBD, 1-1 ton dump truck, 5 pick-up trucks, 5 Ford Escape Hybrids and 1 forklift. The vehicle replacement plan includes no replacement vehicles in 2012. Most of these vehicles do

not meet the weight threshold for Commercial Vehicle Operator Registration (CVOR) except for the one ton dump truck and the three line vehicles. They receive basic maintenance in accordance with the manufacturer's recommendation. Any other maintenance or repairs are conducted in accordance with the Ministry of Transportation vehicle safety standards.

Vehicles are amortized over their useful life of 10 years. The following actions are undertaken to extend the useful life of vehicles:

- The availability to rotate vehicles between users to maximize the mileage driven in respect of the vehicle's age.
- The availability to transfer a vehicle to another department where usage is less severe or addressing a need for a spare vehicle or for parts.
- Analysis if the vehicle in sufficiently good shape to extend its useful life past the evaluation criteria.

The cost for maintaining Innisfil Hydro's fleet is allocated to projects on a vehicular hourly basis.

7.2 Replacement



The basic criterion for vehicle replacement is 10 years of age or 200,000 km. Vehicles deteriorate differently depending on factors such as quality of manufacture and the severity of usage. Vehicle replacement is not intended to follow a stringent set of rules that does not allow for the flexibility

needed for asset management, but is a working target. Criteria that affects vehicle useful life includes:

- Other facets or technologies required of the vehicle that can no longer receive maintenance support or uses parts or updates that can no longer be supplied.
- Analysis if the vehicle a “lemon” where expenses exceed depreciation which may warrant an early retirement date.
- Analysis if the vehicle no longer has a useful purpose or is in sufficiently in poor shape to warrant an early retirement date.
- Sufficient mechanical or structural damage caused by an accident or abnormal wear.

Vehicles that exhibit good service past 10 years of age or greater than 200,000 km may be kept in the fleet as determined by analysis. Maintenance costs will be monitored to determine if they exceed the depreciation of a replacement vehicle. Surplus equipment is sold or disposed of for the greatest benefit to Innisfil Hydro.

YEAR	VEHICLE	TRUCK #	PLATE #
1993	GMC BUCKET TRUCK MODEL WG64	301	359 1YH
2000	GMC PICK-UP WITH DUMP BOX	94	1339XV
2004	CHEVY SILVERADO PICK-UP	84 (Student Truck)	1356NC
2005	DODGE RAM PICK-UP	87 (Julie Jeffels)	XP3 286
2005	DODGE RAM PICK-UP	91 (ON CALL TRUCK)	3765NS
2006	FORD F150	93 (Sheldon Lamoureux)	1185RZ
2008	FORD ESCAPE (HYBRID)	92 (Milan Boldin)	BDBA902
2008	FORD ESCAPE (HYBRID)	85 (Min Gill)	ACMR852
2009	FORD ESCAPE (HYBRID)	88 (Tony Mendicino)	AEME615
2009	FORD ESCAPE (HYBRID)	89 (Pete Stephens)	AEME616
2010	POSI PLUSSINGLE BUCKET MODEL FM2	302	185 9ZB
2010	FORD ESCAPE (HYBRID)	95 (Steve Edwards)	BJWA 824
2010	REEL TRAILER	402	H6112Y
2010	PORTABLE TRAFFIC SIGNALERS (2)	404 (For Both)	NO PLATES
2011	CHEVY SILVERADO HYBRID	96 (Wade Morris)	AA52433
2011	FORD SRW F350 PICK UP	101 (ROB REAL)	3809ZJ
2011	FLOAT TRAILER	403	H6607W
2011	POLE TRAILER	401	H6113Y
2011	FREIGHTLINER RBD	201	554 8ZR

8.0 Property Maintenance

8.1 Sites

Innisfil Hydro owns 10 substation sites and one 3.3 acre head off site. A new 3.5 acre head office site is being purchased in 2012 at the Town's Administrative Campus at 2147 Innisfil Beach Road along with a one acre parcel for a substation in Big Bay Point. These sites have the grass cut and snow plowed as required. Innisfil hydro also owns numerous registered easements and non-registered easements for distribution assets registered on title, requiring on-going monitoring in an effort to protect the easement rights of Innisfil Hydro.

The following list includes all properties owned by Innisfil Hydro and their respective land size and 1999 assessment values.

Innisfil Hydro Land Values

Distribution Stations			
Land Description	Address	Size Acreage	FMV 1999 (\$)
Alcona Land	835 Innisfil Beach Rd	0.12	18,000
Brian Wilson DS	1434 Innisfil Beach Rd	2.00	112,000
Big Bay Point DS	709 13 th Line	0.91	66,000
Cedar Point DS	733 6 th Line	1.84	106,000
Cookstown Land	18 Victoria St.	0.08	17,700
Innisfil DS	2255 Hwy 89	0.28	36,500
Lefroy DS	1495 Kilarney Beach Rd	0.82	62,000
Leonard's Beach DS	2895 25 th SR	0.28	35,500
Sandy Cove DS	1104 Lockhart Rd	0.91	66,000
Stroud DS	2135 Lockhart Rd	0.38	45,000
Barrie Land	22 Saunders Rd	3.5	(2012) 465,000
Yard	2033 Commerce Park Dr	1.3	88,000
Eng/Fin	2061 Commerce Park Dr	1.0	(2012) 500,000
CS/Warehouse	2073 Commerce Park Dr	1.0	(2012) 550,000

8.2 Buildings, Head Office



The head office site includes one wood frame building for Customer Service, one wood frame building for Engineering/finance, one wood framed building for the warehouse and two used public school portables (not shown). Parking for ~ 30 cars is provided along with outside storage for line hardware. The site is in a commercially zoned area with architectural control zoned across the road. The cost for maintaining the head office is budgeted for in accounts 5085, 5340 and 5620.

The existing facility is not capable of facilitating growth needs. A long range staffing and space needs analysis was undertaken that was correlated with long-term growth projections. A professional architectural firm (McKnight Charron Laurin Inc. Architects) was hired to undertake a study which consisted of the following options:

1. Staying at the same location and making the necessary upgrades and additions to the existing five buildings.
2. Staying at the same location and construct a new building, replacing the five existing buildings.
3. Purchasing a neighbouring commercial property, upgrade and expand the existing buildings.
4. Purchase a green field commercial site and construct a new building.
5. Acquire the vacant Town of Innisfil old administration building and make the necessary upgrades and additions.

The recommendation was for option 5 which provided the best overall value. The site was the only one that was fully serviced from among the five options. It was closer to the centre of Town for response purposes, land was less expensive than the existing site and there is access to public transportation. Architectural renderings were undertaken for the new site with the construction of a single building to engender efficiencies as compared to the existing five buildings. Due to the high cost of renovating the existing building (bricks, roof, HVAC, windows, washrooms, elevator, asbestos, accessibility, etc.), it was deemed prudent to demolish the existing built and construct a new one to LEED standards. It is anticipated that substantial completion of this new building will occur in December 2013.

The building design incorporated some extra space for anticipated future growth needs. This space is designed in a way that it could be leased out to a commercial party until required. The Town of Innisfil's Economic Development Department has indicated that there is a shortage of commercial office space available and that a positive rate of return could be achieved.

Of the three existing lots that Innisfil Hydro currently uses for their head office, two lots are anticipated to be sold to the Town of Innisfil at appraised value for a water reservoir and pumping station. The third lot is used for outdoor storage and will remain as an outdoor storage yard because it contains a transformer station and was designed for a second transformer station on site.

9.0 Equipment Maintenance

9.1 Office Equipment

Office equipment includes desks, chairs, filing cabinets, office partitions etc. Repairs to office furniture occurs as needed and replacements occur generally after 10 years plus. When the need for expansion occurs and new furniture is purchased, displaced office equipment is re-used or re-cycled to other areas of the corporation where appropriate. The cost of office equipment is budgeted in account 1915. Surplus equipment is sold or disposed of for the greatest benefit to Innisfil Hydro.

9.2 Computer Hardware



Computer hardware includes the phone system, photo copiers, fax machines, printers, monitors, personal computers, network servers, power supplies, network cables, wireless equipment etc. The parameters for the replacement of computer hardware is as follows:

- Improved space and speed requirements from new software
- New technologies not supported by existing equipment.
- Existing equipment not supported by suppliers
- Reliability problems from existing equipment

When the need for expansion occurs and new computer equipment is purchased, displaced computer equipment is re-used or re-cycled to other areas of the corporation where appropriate. The cost of computer hardware is budgeted in account 1920. Surplus equipment is sold or disposed of for the greatest benefit to Innisfil Hydro.

9.3 Line Tools

Innisfil Hydro incorporated in-house Line Staff and Line Tools in 2010 so Line equipment is generally in new condition. Innisfil Hydro also purchases and operates line equipment such as underground cable locating equipment, fault locating equipment, meter analyzers and AVO meters, etc. The equipment is generally kept until it's no longer working or cost beneficial to maintain or replaced with new technologies. The cost of tools is budgeted in accounts 1935, 1940 and 1945.

10.0 Innisfil Beach Road Urbanization

The Town of Innisfil is 'urbanizing' a section of Innisfil Beach Road between the 20th Side Road and Lake Simcoe. In 2005, the Town retained a consulting firm of MBPD to undertake an Urban Design Study of Innisfil Beach Road in the community of Alcona. The intent was to determine the future urban design of the public road allowance and the lands and buildings adjoining the road. There has been a series of public consultations and public participation involving members of the general public, landowners, business operators and members of Town staff and Council.

As a result of this consultation process and the work of MBPD, a draft document has been prepared entitled the Innisfil Beach Road Urban Design Study and Guidelines. A presentation was made to Council on February 28, 2007 by the Town's consultants.

This is a multi-year project involving property acquisition, road widening, curbs, gutters, roadside parking and streetscaping. The project was initially a four year project with utility relocations starting in 2009. The project has been changed to a two year project with Utility relocations completing in 2011.



The Town of Innisfil has finalized the urbanization design through a By-law. The same By-law requiring utility relocations to be underground. Innisfil Hydro was provided notice to relocate a portion of the overhead infrastructure due to the improvement of the highway. According to the *Public Service Works on Highways Act., R.S.O. 1990, CHAPTER P.49*, without a cost sharing agreement between the Road Authority (Town of Innisfil) and the Operating Corporation (Innisfil Hydro), the Town of Innisfil will be responsible for ½ of the labour costs and Innisfil Hydro shall be responsible for the other ½ of labour costs and all material costs as outlined in Sec.2 below:

Notice to operating corporation to take up works

2. (1) Where in the course of constructing, reconstructing, changing, altering or improving a highway it becomes necessary to take up, remove or change the location of appliances or works placed on or under the highway by the operating corporation, the road authority may by notice in writing served personally or by registered mail require the operating corporation, without prejudice to their respective rights under section 3, so to do on or before the date specified in the notice. R.S.O. 1990, c. P.49, s. 2 (1).

Apportionment of costs of taking up

(2) The road authority and the operating corporation may agree upon the apportionment of the cost of labour employed in such taking up, removal or change, but, subject to section 3, in default of agreement such cost shall be apportioned equally between the road authority and the operating corporation, and all other costs of the work shall be borne by the operating corporation. R.S.O. 1990, c. P.49, s. 2 (2).

If the Town of Innisfil incurs a loss due to neglect by Innisfil Hydro, Sec 2 (5) of the *Public Service Works on Highways Act., R.S.O. 1990, CHAPTER P.49*, indicates that Innisfil Hydro shall make due compensation as follows:

Compensation

(5) Where a road authority incurs a loss or expense by reason of an operating corporation neglecting to take up, remove or change the location of appliances or works by the date specified in a notice given under subsection (1) or such date as altered by a judge under subsection (4), the operating corporation shall make due compensation to the road authority for such loss or expense, and a claim for compensation, if not agreed upon by the operating corporation and the road authority, shall be determined by the Ontario Municipal Board. R.S.O. 1990, c. P.49, s. 2 (5).

In an effort to mitigate any claims for compensation (*R.S.O. 1990, c. P.49, s. 2 (5)*), Innisfil Hydro has budgeted capital funds (which is the total project cost without including contributions from the Town of Innisfil) for the relocation of distribution assets on Innisfil Beach Road as follows:

2009 -	\$1,000,000
2010 -	\$3,900,000
2011 -	\$ 464,800
2012 -	\$ 50,000

11.0 Long Range Load Projections

Long range load projections have been plotted from years 2011 to 2031. The parameters for the load growth model utilizes all known growth plans whereby Innisfil Hydro's customer base will grow to over 35,000 by 2031. Future demand has been estimated at 2 kW / resident which will include loads for commercial requirements such as schools, stores and businesses.

Innisfil Hydro currently has a supply limit of 63 MW from Hydro One and is projected to grow to 124 MW in 2031. This current supply limit will be exceeded so Innisfil Hydro has acquired one new 44kV feeder from Hydro One in late 2009 and another new 44kV feeder is planned for 2017. These new feeders will be able to supply Innisfil until 2020. At that time, four more 44kV feeders or a new Transmission Station will be required until

anticipated build-out in 2031. Innisfil Hydro Staff have met with Hydro One in 2010 to share their long range planning requirements. A report was issued by Hydro One and it is available in Appendix 6. It is expected that dialogue will resume between Innisfil Hydro, Powerstream and Hydro One again in 2014 or 2015 to continue long range supply planning.

Two New 44 kV Feeders into Innisfil Hydro

In the early part of the 2000s, Hydro One had been working with Simcoe County LDCs to develop a South Simcoe Load Growth Strategy. One of the outcomes of this strategy was to build a new transformer station (Everett TS) to provide much needed capacity relief for Alliston TS, which was overloaded during peak periods. The new TS has opened up three feeder locations (9M2, 9M3 & 9M6), two of which are available to Innisfil for growth requirements. These two feeders will provide future load growth capacity as well as much needed back up for the other 44kV feeders in Innisfil. The two main 44 kV feeders supplying Innisfil (9M4 & 9M1) are on the same pole line, from 12 km outside of Innisfil. Problems with one or both circuits create huge supply problems for Innisfil Hydro. The lock-out of both feeders in July 2008 had blacked out 2/3 of the entire Town of Innisfil for four hours. Having other supply feeders from Alliston TS available would have limited that interruption to about 10 minutes. There was no contribution to Hydro One required for one new 44kV feeder. The estimated contribution required to Hydro One in 2008 for the second feeder was \$930k and was not undertaken. The project for a single circuit was completed in late 2009.

An approximate four (4) km of single circuit 44 kV sub-transmission was built from the 10 Sideroad of Essa south on Highway 27 and across the 5th Line of Innisfil to the 5 Sideroad. The one new incoming feeder should provide enough capacity for Innisfil until 2017, at that time, the second circuit will be required. Approximately sixty-five (65) poles replaced existing smaller single phase and three phase poles in order to accommodate for the sub-transmission circuits. Within the scope of this project, one metering unit and three (3) 44 kV SCADA load break switches were installed; two (2) switches at the Innisfil Hydro/Hydro One border and a third as a paralleling point within Innisfil Hydro's system.

APPENDIX C - MINIMUM INSPECTION REQUIREMENTS

C.1 DISTRIBUTION INSPECTION STANDARDS**Inspection Cycles**

A distributor should ensure that only persons qualified under the Occupation of Health and Safety Act are involved in inspection activities. Since some inspections can expose inspectors to energized lines or high voltage circuits and equipment, and may include inspection and repair, a qualified person should be assigned to this work. This assumes that they are both properly trained to protect both themselves and the public, and to respond to those emergencies, which may arise during inspections.

In developing the standards for facilities inspections, the patrol inspection is defined as follows:

Patrol or simple visual inspections consists of walking, driving or flying by equipment to identify obvious structural problems and hazards such as leaning power poles, damaged equipment enclosures, and vandalism. In cases where a patrol notices that a problem exists or identifies a condition that warrants a more thorough or rigorous inspection, patrol may then include situations where structures are opened as necessary, and individual pieces of equipment carefully observed and their condition noted and recorded. The specifics of these inspections would be recorded, and a summary document prepared in the distributor's annual reports as part of their rates or licensing submissions.

In all cases, a distributor is responsible to ensure that appropriate follow up and corrective action is taken regarding problems identified during a patrol.

The Board or a Board-designated party reserves the right to conduct random audits of inspection reports to ensure that appropriate follow up and corrective action is taken regarding problems identified during a patrol.

It is expected that distributors will file both annual summary reports of detailed patrol inspection activities that have taken place during the previous year as well as an outline of inspection plans ("compliance plans") for the forthcoming year.

Inspection cycles are categorized by the following major distribution facilities:

- Distribution Transformers
- Stations
- Switching and Protective Devices
- Regulators
- Capacitors
- Conductors and Cables

APPENDIX C - MINIMUM INSPECTION REQUIREMENTS

Vegetation
Poles/Supports
Civil Infrastructure

For each of these facilities, the distributor shall further distinguish between overhead facilities, underground facilities. The distributor shall also separate according to the facilities' location and the relative population density in the locale.

- **Rural** means those areas that are less populous suburban areas and are outside of a standard metropolitan area. Generally, rural will be defined on a circuit or sub-circuit basis by each utility, as areas with a line density of less than 60 customers per kilometer of line. It is recognized that there may be circumstances where the utility might want to treat something as urban though it would otherwise be defined as 'rural' according to this definition.
- **Urban**, means areas with higher density and, by definition pose safety and reliability consequences to greater numbers of people.

The following description provides a list of the requirements to be expected from a typical distribution line patrol inspection in terms of the types of defects that may be detected visually. Clearly, the list will vary depending on the equipment specifics and locations, thus this should be viewed as a 'generic' patrol expectation.

Transformers and switching kiosks:

- Paint condition and corrosion
- Placement on pad or vault
- Check for lock and penta bolt in place
- Grading changes
- Access changes (Shrubs, trees, etc.)
- Phase indicators and unit numbers match operating map (where used)
- Leaking oil
- Flashed or cracked insulators
- Pad mounted – lid damage, missing bolts, cabinet damage, public security lock damage

Substation- May consist of one or all types of equipment listed

Switching/Protective Devices

- Overhead
 - Bent, broken bushings and cutouts,
 - Damaged lightning arresters, control boxes, current and potential transformers
- Underground
 - Security and structural condition of enclosure
- Pad mounted
 - Security and structural condition of enclosure

APPENDIX C - MINIMUM INSPECTION REQUIREMENTS

Regulators

- Condition of bushings
- Tank corrosion/leaks
- Damaged disconnect switches or lightning arresters

Capacitors

- Condition of bushings
- Tank corrosion/leaks
- Damaged cutouts, disconnects or control cabinet

Conductors and Cables

- Low conductor clearance
- Broken/frayed conductors or tie wires
- Tree conditions, exposed broken ground conductors
- Broken strands, bird caging, and excessive or inadequate sag.
- Insulation fraying on secondary especially open wire

Poles/Supports:

- Bent, cracked or broken poles
- Excessive surface wear or scaling
- Loose, cracked or broken cross arms and brackets
- Woodpecker or insect damage, bird nests
- Loose or unattached guy wires or stubs
- Guy strain insulators pulled apart or broken
- Guy guards out of position or missing
- Grading changes, or washouts
- Indications of burning

Hardware and attachments:

- Loose or missing hardware
- Insulators unattached from pins
- Conductor unattached from insulators
- Insulators flashed over or obviously contaminated (difficult to see)
- Tie wires unraveled
- Ground wire broken or removed
- Ground wire guards removed or broken

Equipment Installations (includes transformers)

- Contamination/discoloration of bushings
- Oil leaks
- Rust
- Ground lead attachments
- Ground wires on arrestors unattached
- Bird or animal nests
- Vines or brush growth interference

APPENDIX C - MINIMUM INSPECTION REQUIREMENTS

Evidence of bushing flashover
Accessibility compromised

Vegetation and Right of Way:

Leaning or broken “danger” trees
Growth into line of “climbing” trees
Unapproved/unsafe occupation or secondary use

Civil Infrastructure - For example, buildings that house the equipment may need attention (cracking, fire hazards, etc). In addition, cable chambers, underground vaults and tunnels crossing the rail track or water are also included in this category. These inspections would likely be conducted in the patrol of the equipment with which they are “associated.”

Underground Systems:

With respect to underground systems, riser poles should be checked as with an overhead patrol, with a visual check of cable, cable guards, terminators and arrestors. While it is not possible to inspect underground cable directly, the system may be checked for exposed cable and or grade changes that may indicate that the cable has been brought too close to the surface. Patrol inspection of cable chambers is not required since a visual inspection will not reveal faults because the failure mechanism for underground cable (e.g. voids, water trees) is not visually detectable.

Cable is hard to check, but the system can be checked for exposed cable and/or grading changes that may have brought cable or wire too close to the surface.

APPENDIX C - MINIMUM INSPECTION REQUIREMENTS

**TABLE C-1
Electric Utility System Inspection Cycles
(Maximum Intervals in Years)**

Major or Substantial Distribution Facility*	Patrol	Patrol
Distribution Transformers	Urban	Rural
Overhead	3	6
Submersible	3	6
Vault	3	6
Pad Mounted	3	6

Stations (see note below)	Outdoor Open	Outdoor Enclosed	Indoor Enclosed	Outdoor Open	Outdoor Enclosed	Indoor Enclosed
Transformer Station	1 month	1	1	6 month	1	1
Distribution Station	1 month	1	1	6 month	1	1
Customer Specific Substation	1	3	3	1	3	3
Lines and Associated Equipment						
Regulators		3			6	
Switching and Protective Devices		3			6	
Capacitors		3			6	
Conductors and Cables						
Overhead		3			6	
Underground		3			6	
Submarine		3			6	
Vegetation (see note below)		3			6	
Poles		3			6	
Civil Infrastructure		3			6	

APPENDIX C - MINIMUM INSPECTION REQUIREMENTS

Notes to Table C-1:

1. The above distribution system patrol cycles form part of the regulatory framework and are minimum inspection requirements for each major or substantial distribution component and related hardware.
2. A distributor may determine that more frequent inspections may be required due to local conditions such as geographic location, climate, environmental conditions such as air pollution or highway salt spray, technologies available to perform the inspection, type and vintage of distribution technology in place, manufacturer specifications, system design, or relative importance to overall system reliability of a particular piece of equipment or portion of the distributor's distribution system.

The burden of proof is on the distributor to demonstrate that it should not have to comply with these the inspection schedules or requirement in Table C-I. To demonstrate that it should not have to comply with these inspection schedules, the distributor would have to present a comprehensive and detailed case establishing:

Revised inspection cycles may be allowed when justified by:

- Documented historical good utility maintenance and inspection practices, including a program to manage reliability.
- Alternative or additional maintenance activities that are practiced by the utility and can be demonstrated as being practiced.
- Achieved reliability performance. The utility will be required to submit both the current and historic reliability statistics over five years. These statistics must be verifiable. This will be measured by the following:
 - Once the data is available over the course of Generation 1 and 2 of the PBR regime, the reliability indices that are better than the average of distributors which are comparable in size and type. The reliability indices to be used are those that are defined over time in the PBR regime, including initially SAIDI, CAIDI and SAIFI averaged over the previous three year period, and;
 - The reliability indices over time for the individual utility that are at least as good, if not better, than the average of the indices over the previous five year period. Again, the reliability indices to be used are those that are defined over time in the PBR regime, including initially SAIDI, CAIDI and SAIFI averaged over the previous five-year period.

3. The method by which inspection cycles are structured and the work carried out is at the discretion of the distributor. The above table is organized according to major classification of equipment, however distributors may choose to conduct and record the inspections on some other basis such as:
 - Circuit or feeder basis
 - Overhead & underground
 - System voltage
 - Dividing its service area into geographical areas
 - Other

It is intended that if the inspections are organized by one of the above approaches, all major equipment categories identified in the table and related hardware along the line or within the area will be inspected. It is intended that the utility would perform the inspection on a minimum of approximately 1/3 (urban) or 1/6 (rural) of their system in each year, such that at the end of the first term of the PBR framework, a utility would have performed an inspection of their entire system in urban areas and approximately half of rural systems. If, in any one year of the PBR framework, a utility has performed the inspection on less or more than the 1/3 (urban) or 1/6 (rural) of their system, the utility would provide an explanation of this deviation in their annual submission. For clarity, the plant will be inspected on a cyclical basis, and the cyclical interval is specific to a particular region or portion of plant, and not on the system as a whole.

APPENDIX C - MINIMUM INSPECTION REQUIREMENTS

4. **“Civil Infrastructure”**: Refers to facilities and structures such as tunnels, ducts suspended from or attached to bridges, underground chambers and hand holes, towers supporting distribution plant, communication towers, buildings that house substation equipment. It is intended that civil infrastructure will be inspected as part of the patrol of the distribution system or in the course of doing normal, routine utility work. It is recognized that there may be instances where it will be extremely difficult to perform a visual inspection (e.g. where access is restricted due to energized equipment in cable chambers), and therefore the civil infrastructure associated with this would be inspected in the course of doing normal utility work which would require entrance to the chamber, which would require the utility to de-energize the equipment. In other words, the equipment should not be de-energized simply to comply with this scheduled inspection routine.
5. **“Patrol”**: Visual inspection of major distribution system components to identify problems and hazards such as leaning poles, damaged equipment enclosures, and vandalism. This will include an inspection of all related peripheral equipment, hardware, connections, all supports and attachments (e.g. cross arms, braces, guys and anchors). This would also include an assessment of vegetation encroachment on right-of-ways.

The patrol may highlight that a problem exists or may identify conditions that warrant a more thorough or rigorous inspection or the need for specific maintenance. The specific follow up or corrective action shall be according to the best judgment of the distributor considering best industry practices. To further clarify the nature of problems detected during the inspection, the distributor may choose to utilize diagnostic tools such as infrared thermography, ultrasonic testing or other technologies that may emerge. Several technologies are also available for wood pole testing. Distributors may choose, (as post inspection follow up or ongoing maintenance), to conduct tests of major distribution system components on a sample basis. Issues such as the age, equipment design, exposure to adverse conditions, manufacturer specifications, and relative impact on overall system reliability may influence a distributor's decisions regarding corrective action and application of these diagnostic technologies following a patrol. In all cases, a distributor is responsible to ensure that appropriate follow up and corrective action is taken regarding problems identified during a patrol. This may entail upgrade or replacement of specific components or equipment.

Maintenance activities and schedules are not specified in the above table and are left to the discretion of the distributor. It is not practical to attempt to establish a regulatory regime for literally hundreds of maintenance activities that range from insulator washing, cable replacement, CO₂ cleaning of switchgear, to gas-in-oil testing of station transformers, etc. The absence of more detailed inspection or maintenance criteria in the above table in no way reduces the distributor's obligation to maintain the distribution system in a safe and serviceable condition.

The Board or a Board-designated party reserves the right to conduct random audits of inspection reports to ensure that appropriate follow up and corrective action is taken regarding problems identified during a patrol.

7. **“Rural”**: Generally will be defined on a circuit or sub-circuit basis by each distributor, as areas with a customer density of less than 60 customers per kilometer of line. It is recognized that there may be circumstances where the distributor may choose to treat some parts of its distribution system as urban though it is “rural” according to this definition.

“Urban”: Each distributor will define “Urban”, or more populated areas, on a circuit or sub-circuit basis, as areas with higher density and, by definition pose safety and reliability consequences to greater numbers of people.

8. **“Stations”**: The terms “substations”, “distribution /municipal stations”, etc. Are frequently interpreted and applied differently by various distributors. In some jurisdictions the term “substation” refers to a large 125 MVA station directly connected to the 115 or 230 kV

APPENDIX C - MINIMUM INSPECTION REQUIREMENTS

transmission system while in other jurisdictions “substation” refers to a customer specific station that provides transformation from a distribution voltage to a utilization voltage of 600V for example.

The impact on overall distribution system reliability of any particular station varies considerably according to the nature of the station and local system design. Specific station design features such as indoor versus outdoor may warrant different inspection cycles according to the relative exposure to unauthorized access and associated public safety concerns.

The following definitions are provided to assist with interpretation of the above table such that the resulting inspection cycles are appropriate for the nature of the station.

- 8.1 “Transformer Station” (TS): A transformation facility with the primary connected to the 115/ 230 kV or higher transmission system and the secondary operating at 50 kV or less.
- 8.2 “Distribution Station” (DS): Also known as “municipal Station (MS), a transformation facility with the primary operating at a sub transmission or distribution voltage and the secondary operating at lower distribution voltage. The upstream transformation facility will typically be a Transformer Station. A Distribution Station supplies main feeders for wide area distribution.
- 8.3 “Customer-Specific Substation”: A transformation facility supplying a specific industrial/commercial customer. The primary operates at a distribution or sub transmission voltage and the secondary typically operates at 600V. The upstream station could be either of the stations identified in 8.1 or 8.2. Typically these facilities are on the customer’s private property and include customer-owned equipment in addition to a Distributor-owned transformer.
- 8.4 “Outdoor Open”: Typically refers to a station surrounded by a locked security fence. Within the station fence bare energized components operating at distribution voltage levels or higher are readily accessible. More frequent inspections are required for public safety considerations and to ensure integrity of the station fence.
- 8.5 “Outdoor Enclosed”: Similar to 8.4 above however all bare live components are enclosed in locked metal enclosures. Due to reduced accessibility to energized components less frequent inspections are appropriate.
- 8.6 “Indoor”: Typically refers to a station located within a secure building. Access by the public to bare energized components within the station is prevented by the building enclosure. Due to reduced exposure to unauthorized public access less frequent inspections are appropriate.
9. “Conductors and Cables: Underground”: It is not possible to inspect underground cable directly, however, the system can be checked for exposed cable and or grade changes that may indicate that the cable has been brought too close to the surface. Patrol inspection of cable chambers is not required since a visual inspection will not reveal faults because the failure mechanism for underground cable (e.g. voids, water trees) is not visually detectable.
10. “Vegetation”: Refers to encroachment of vegetation upon distribution lines on any right-of-way; either public road allowance or private property. It is intended that vegetation will be inspected as part of the regular patrol of distribution equipment.

C.2 DISTRIBUTION INSPECTION REPORTING

APPENDIX C - MINIMUM INSPECTION REQUIREMENTS

TABLE C-2
Sample Annual Inspection Summary Report

Distributor						
Reviewed by	Name:				Position/Title:	
Date:	Signature:					
DESCRIPTION		Percentage of Distribution System Scheduled for Patrol (%)	Percentage of Distribution System Actually Patrolled (%)	Reason Patrol was not Completed	Date Patrol will be Completed	
Part 1 - Lines						
Overhead Plant Transformers Switching & Protective Devices Regulators Capacitors Conductor Vegetation Poles Civil Infrastructure	Urban					
	Rural					
Underground Plant Transformers Switching & Protective Devices Regulators Capacitors Cable Civil Infrastructure	Urban					
	Rural					
Part 2 – Substations	Number of Substations in Distribution System	No. of Substation Patrols Scheduled	No. of Scheduled Patrols not completed	Reason Patrols were not Completed	No. of Substations not Patrolled During Reporting Period	Date Substation Patrol Schedule will be Resumed
Transformer Station						
Distribution Station						
Customer Specific Substation						

Notes to Table C-2:

APPENDIX C - MINIMUM INSPECTION REQUIREMENTS

1. This report provides a summary of the patrols scheduled and carried out during the year as well as the target dates for completion of patrols which were not completed as planned.
2. This format is a sample of a summary report for patrols carried out on a geographical, system characteristic (overhead or underground) basis.
3. Major equipment categories need not be reported separately however, all categories of equipment within the particular area or circuits shall be inspected.
4. Civil infrastructure is intended to be inspected as part of patrol of the distribution system or in the course of doing normal routine utility work.
5. This report is to be submitted to the OEB on an annual basis.

APPENDIX C - MINIMUM INSPECTION REQUIREMENTS

**TABLE C-3
Sample Patrol Deficiency Record**

Area/District _____ **Date** _____

Circuit _____ **Patrolled by** _____

Grid _____ **Page** _____ of _____

Location	Equipment Id. No.	Equipment Classification	Repair Required/ Problem	Corrective Action Priority		Assigned to or Work Order No.	Date Repair Completed or Scheduled
				Grade 1	Grade 2		
Number of Deficiencies for the Circuit/Area							

APPENDIX C - MINIMUM INSPECTION REQUIREMENTS

Notes to Table C-3:

1. The format of this record is to be determined by the distributor based on their own system data input forms. This format is a sample for inspections done on a geographical or circuit basis and indicates the information that is expected to be collected.
2. Deficiencies and corrective action for all major equipment classifications for the area or circuit would be recorded.
3. Distributors are required to retain this information and make it available to the Board upon request.
4. Corrective Action Grade 1 is defined as a condition requiring urgent and immediate response and continued action until the condition is repaired or no longer presents a potential hazard.
5. Corrective Action Grade 2 is defined as a condition requiring timely corrective action to mitigate an existing condition which, at the time of identification, does not present an immediate hazard to the public, Distributor employees, or property.

Appendix 4



Reliability Management Plan

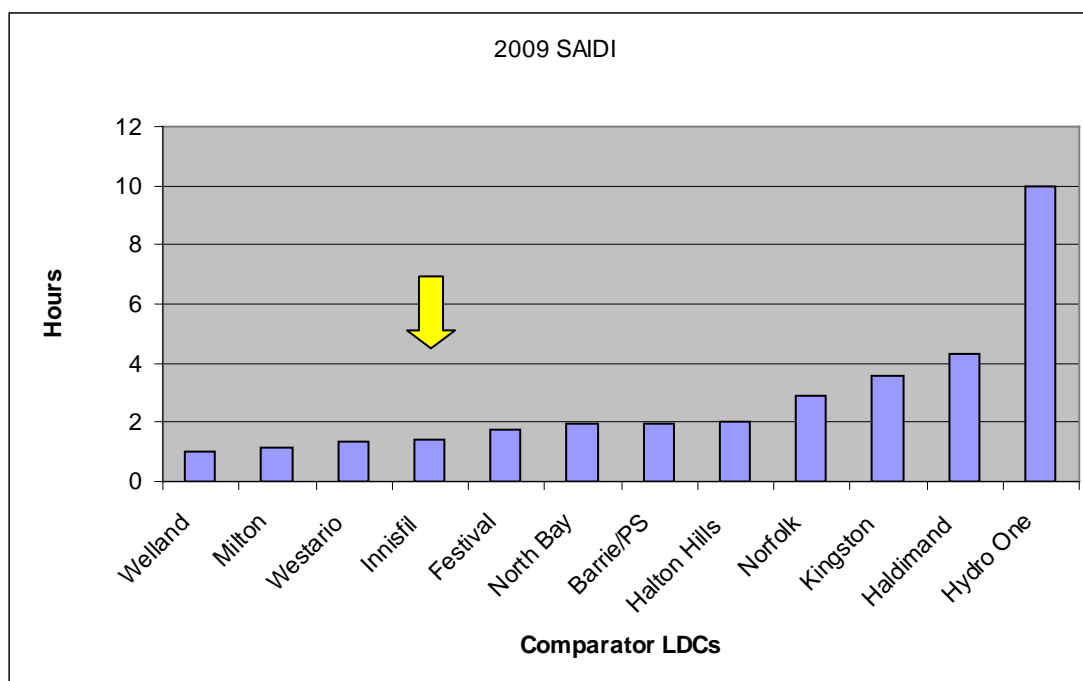
2012

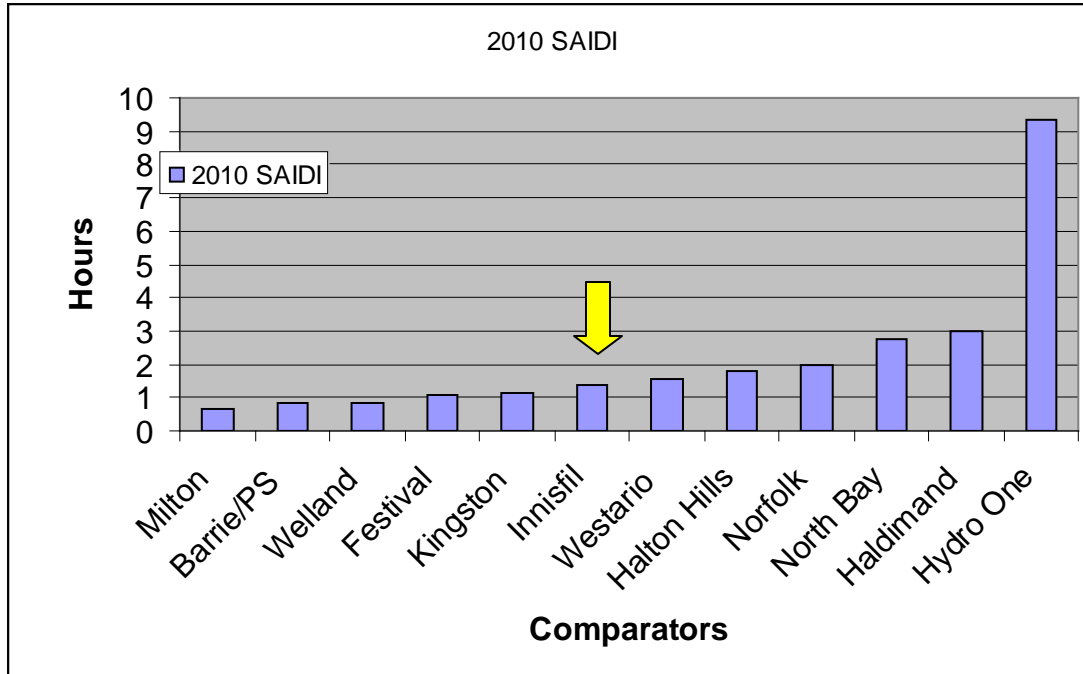
The Distribution System Code (DSC) requires an LDC to maintain its distribution system in good working condition, as follows:

“4.4.1 A distributor shall maintain its distribution system in accordance with good utility practice and performance standards to ensure reliability and quality of electricity service, on both a short-term and long-term basis.”

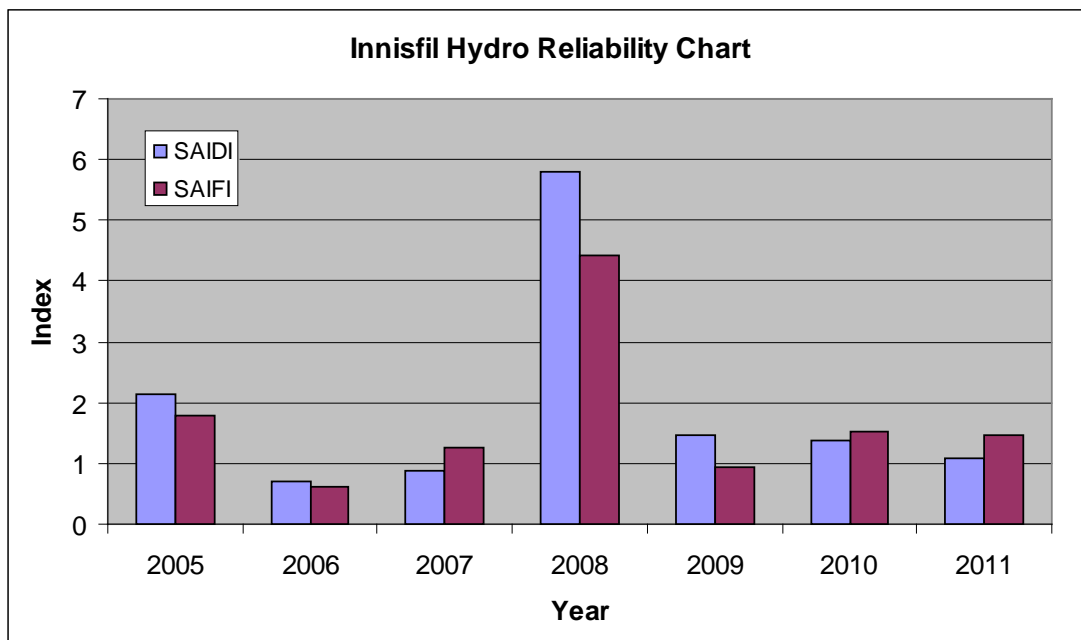
Together with the Asset Management Plan in the Business Plan, the Reliability Management Plan utilizes statistical evaluation tools to evaluate system reliability by diving into the root causes of electrical interruptions and incorporating operational and capital plans to provide the best overall cost benefit for system reliability.

By comparing Innisfil Hydro’s reliability against their comparator group (2009 SAIDA vs. 2010 SAIDI), it is evident that Innisfil Hydro has moved from 4th place in 2009 to 6th place in 2010 of system average interruption duration statistics. The root cause of the slippage within the comparator group is not known even though Innisfil Hydro has improved over the period. 2011 statistics will not be available until late 2012.





From the graph below, there has been a marginal SAIDI improvement over the past three years. The 2008 anomaly was caused by loss of supply at Hydro One which involved the failure of two transformers at Alliston TS.



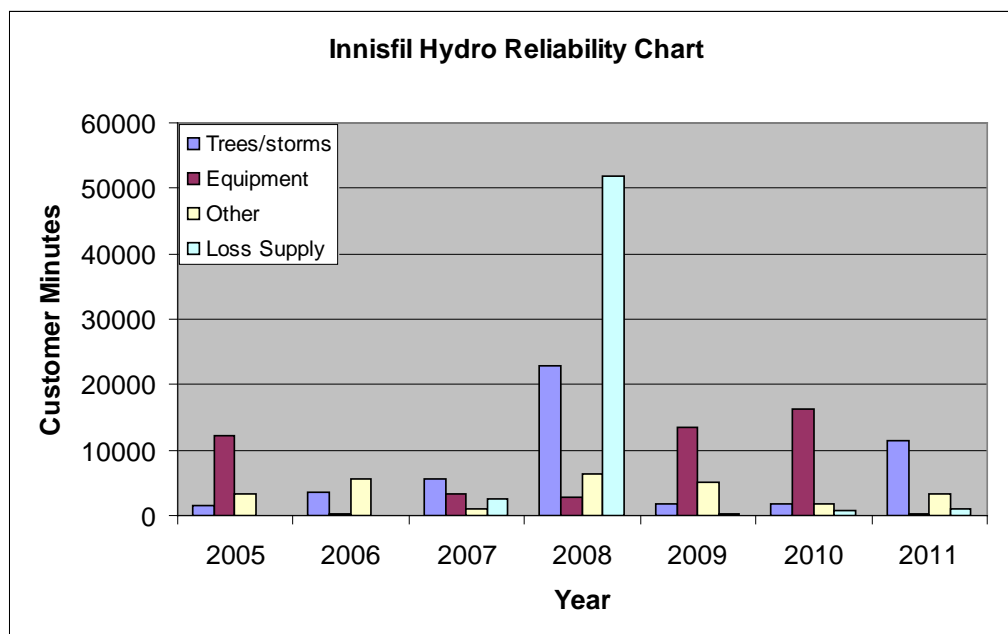
Diving into interruption statistics more deeply, an analysis has been developed with regard to the underlying causes of the interruptions in service. These underlying causes have been broken down into four categories initially as follows:

1. Adverse weather and tree contacts
2. Defective equipment
3. Other – unknown causes, foreign interference and scheduled outages
4. Loss of supply.

As seen from the Innisfil Hydro Reliability Chart below, the largest interruption duration cause in 2009 was equipment failure. The loss of supply from Hydro One in 2008 has virtually disappeared. This success was primarily due to the replacement of two transformers at Alliston TS by Hydro One and the completion of one new 44kV circuit into Innisfil in late 2009. The impact of tree contact and storm related interruptions have stayed the same from 2009 to 2010.

Weather mitigation has been accomplished by shortening the tree trimming rotation from a four year cycle to a three year cycle. With this schedule, one third of the trees in Innisfil Hydro's distribution territory that have proximity to power lines will be trimmed. Trees are trimmed by an independent contractor which was chosen through a public tender process.

Statistics in the OEB Yearbook for 2010 now includes additional reliability information which has loss of supply removed. Having pure distribution system reliability would be more helpful when analyzing comparator LDCs. Since 2010 is the first year this information is available, the 2012 plan will include reliability data exclusive of loss of supply to compare 2010 and 2011 reliability years.



The Innisfil Hydro Reliability Chart measures actual customer interruption minutes by category. The largest cause for interruptions in 2010 is equipment related failures, which is a marginal increase over the previous year.

In 2011, equipment failures virtually disappeared and storm related interruptions prevailed. From the storm related interruptions, 85% was caused by a single event on February 19, 2011 from feeder 13M3 out of Barrie supplying the north part of Innisfil. The tree trimming cycle for 2011 focused on the 13M3 service area and should have addressed this reliability factor for 2012.

The 13M3 service area has the highest concentration of trees amongst all of the tree trimming cycles. There is justification to warrant a further review of the frequency and efficacy of tree trimming in that area.

Appendix 5

Innisfil Hydro

Health and Safety Business Plan

Goal

The Joint Health & Safety Committee (JHSC) is compiled of employer and employee representatives who work together to pro-actively improve health and safety in the workplace.

Member Duties

- 1) Identify sources of danger or hazards.
- 2) Assist in writing recommendations for improvements to the employer.
- 3) Obtain certain information from the employer regarding actual or potential hazards.
- 4) Be consulted about testing methods and strategies.
- 5) Be present at the beginning of testing, if the member feels their presence is required.
- 6) Inspect the workplace at least once per month or at least a section of the workplace once a month.
- 7) Inform the JHSC of actual or potential hazards.
- 8) Assist in resolving matters when a worker refuses work on the grounds that it endangers health and safety.
- 9) Review the Health & Safety Policy on an annual basis, revise as necessary.

The H&S Committee Members will make recommendation for funds required to the budget committee for the annual budget. Items that require funding includes, but is not limited to:

- Attendance to E&USA conferences, workshops & annual general meetings.
- Attendance to IAPA or other pertinent safety associations for events.
- General or specialized training required for H&S Committee Members
- Recommendation for funding to facilitate recommended safety training for staff.
- Funds required to facilitate statutory obligations, meetings and staff participation.

Action Plan

This health and safety business plan is the overall strategy for planning and implementation of a health and safety system including the following action plan items:

- Long and short-term health and safety targets and objectives is ZeroQuest. Innisfil Hydro has won E&USA's President Award for 250,000 no lost time hours in 2005. Another 250,000 hour mile stone was reached in year 2011 and a 500,000 hour accident free celebration is planned for in 2012.
- Project assignment responsibilities are determined at every H&S committee meeting. Target dates for completion are provided and tracked on the minutes of every regular scheduled meeting.
- Anticipated funding requirements for H&S Committee resources shall be provided to the budget committee by mid September of each year. The average amount budgeted per year for the Health and Safety committee is \$5,000. All other staff training costs are budgeted within departmental human resource training budgets.
- Securing the Silver Effort Level has been completed in late 2009.
- Securing the Gold Outcomes Level is expected to be completed in 2013.
- The Action Plan will be reviewed on an annual basis by the H&S committee to track past performance and to set new targets for subsequent years.

SOUTH SIMCOE AREA STUDY

ADEQUACY OF TRANSMISSION FACILITIES

AND

TRANSMISSION PLAN 2011 - 2025

January 12, 2011

Prepared by Hydro One in Consultation with the OPA

Prepared by: Alessia Dawes & Sacha Constantinescu

Approved by: John Sabiston

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EXECUTIVE SUMMARY

A transmission reinforcement plan is recommended for the South Simcoe area to address area reliability and capacity needs.

The Simcoe area is under intense development pressures and its population is expected to increase significantly by 2031. The South Simcoe area, which covers Barrie, Alliston, Innisfil and Bradford, is summer peaking, and had a non-coincident combined peak demand of about 420 MW in 2007. The demand dropped in 2008 (about 400 MW), increased in 2009 (about 430 MW), and reached 444 MW in 2010. It appears that the demand in the South Simcoe area was not greatly affected by the cooler summers and the economic downturn.

This assessment, which was carried out in consultation with the Ontario Power Authority has identified the following needs in the area over the next fifteen years:

- Inadequate 44 kV voltage levels at Midhurst TS and Orillia TS in the near term.
- Inadequate supply capacity to meet growing load requirements for Alliston TS in the medium term (5-10 years).
- Longer-term needs (>10 years out), include:
 - Inadequate transformation capacity to meet growing load requirement for Essa TS 500/230 kV auto-transformer.
 - Inadequate supply capacity to meet growing load requirements, as well as End-of-Life (EOL) issues expected in 2020 for Barrie TS.
 - Inadequate transmission capacity to meet the combined load requirements of the transformer stations served by M6E/M7E.
 - Marginally adequate supply capacity at Everett TS due to current transformer (CT) ratios.
 - Marginally adequate transmission capacity along E3B/E4B to meet load requirements for Barrie TS.

A multi-stage action plan to meet the above needs has been identified. The installation of two low-voltage capacitor banks at Midhurst TS and Orillia TS to restore the voltage to adequate levels was identified for immediate action. In the medium term, an upgrade of Alliston TS to increase its capability of meeting future load requirements will be considered by Innisfil Hydro. Options to meet longer-term needs were identified through this study but decisions were deferred until the next study update in 2014 (or earlier if required, as the situation will be monitored). These options include:

- installing a third 500/230 kV transformer at Essa TS to increase its transformation capacity
- changing ratios of the metering CTs at Everett TS to increase its supply capability
- installing in-line breakers on M6E and M7E to allow for increased load requirements and help meet IESO's load restoration criteria
- replacing End of Life (EOL) equipment at Barrie TS, as well as at other stations that have equipment at EOL.

INTRODUCTION

This adequacy assessment of the South Simcoe area focused on the electrical supply to four load stations—Midhurst TS, Barrie TS, Everett TS, and Alliston TS—as well as Essa TS, the primary supply point for the area, and the 230 kV and 115 kV transmission lines connecting them.

Geographically, the South Simcoe area consists of nine townships and/or municipalities - Adjala-Tosorontio, Barrie, Bradford West Gwillimbury, Essa, Innisfil, New Tecumseth, and parts of Oro-Medonte and Springwater. Electricity distribution in the South Simcoe area is carried out by Innisfil Hydro Distribution Systems Limited, PowerStream Inc. and Hydro One. A map of the area is shown in Appendix A, Figure 1.

The South Simcoe area is summer peaking, and had a non-coincident combined peak demand of about 420 MW in 2007. The demand had dropped in 2008 (about 400 MW), increased in 2009 (about 430 MW), and was at its highest in 2010 (about 444 MW). It appears that the demand in the South Simcoe area was not greatly affected by the cooler summers and the economic downturn. A plausible reason for this is articulated in the provincial report called *Simcoe Area: A Strategic Vision for Growth*, dated June 2009, found on the following website:

https://www.placestogrow.ca/images/pdfs/Simcoe_ENG.pdf

The Simcoe area – comprised of Simcoe County and the Cities of Barrie and Orillia – is unique in that it is under intense development pressures and also contains extremely important environmental assets for the Greater Golden Horseshoe. In 2006, the Province released the *Growth Plan for the Greater Golden Horseshoe* (the Growth Plan) which was updated in 2010, and can be found at the following link:

https://www.placestogrow.ca/index.php?option=com_content&task=view&id=210&Itemid=15

This plan is aimed at boosting job creation and improving quality of life while curbing urban sprawl and protecting the natural environment and farmland. Much of this growth will be focused in Barrie and Innisfil, with a lot of new housing being built, and the creation of high quality manufacturing and industrial jobs.

In August 2009, a study was initiated by Hydro One as a result of Local Distribution Companies (LDCs) in South Simcoe inquiring about transformation capacity and transmission adequacy.

The purpose of the study was to assess the load growth in the South Simcoe area and ensure that adequate transmission and connection facilities will be available to meet the electrical demand requirements over the next decade. LDCs that provided load forecasts included:

- ★ Hydro One Networks Inc. – Distribution
- ★ Innisfil Hydro Distribution Systems Limited
- ★ PowerStream Inc.

1. EXISTING ELECTRICAL FACILITIES

1.1 *Transmission in Simcoe County*

Electrical supply in this area is provided through 500 kV, 230 kV and 115 kV transmission lines and step down transformation facilities (transmission stations, TS) as shown in Appendix A, Figures 2 and 3.

The hub of the electrical system for Simcoe County is Essa TS. Essa TS provides the only connection to the 500 kV system in this area, which supplies the majority of resources with electricity to meet demand in Simcoe County. The Simcoe County transmission system is connected to Essa TS as follows (refer to Appendix A, Figures 2 and 3):

1. Two 230 kV radial circuits (E26/E27) emanating north to supply Waubashene TS and Parry Sound TS;
2. Two 230 kV circuits (E8V/E9V) first heading south to Orangeville TS, and then going west providing a connection to Bruce A Generation Station (GS) via 230 kV circuits B4V and B5V;
3. Two 230 kV circuits (M6E/M7E) heading northeast to Midhurst TS and making a network connection at Minden TS;
4. Two 230 kV circuits (E20S/E21S) heading west to Stayner TS, and then transforming into a single 115 kV circuit (S2S) making a network connection to Owen Sounds TS (and ultimately Bruce A Generating Station); and,
5. Two 115 kV circuits (E3B/E4B) into Barrie TS

Voltage support is provided in the area by two high voltage capacitor banks at Essa TS.

All stations in Simcoe County were considered in the analysis to determine the adequacy of the existing transmission system however only the following stations in the South Simcoe study area were considered for transformation capacity issues: Alliston TS, Barrie TS, Everett TS and Midhurst TS.

1.2 *Contracted Generation*

New generation contracted under the Ontario Power Authority's Renewable Energy Standard Offer Program (RESOP) and Feed-in Tariff (FIT) program, are shown in Appendix B, Tables 1A and 1B, respectively. These show that the two programs would add about 10 effective MW of renewable generation in the South Simcoe area by the end of year 2012.

2. ADEQUACY OF EXISTING FACILITIES IN SOUTH SIMCOE

2.1 Study Assumptions

The assessment of supply adequacy and security in the South Simcoe area was carried out for the 15 year period 2011 to 2025 using the forecast peak demand for the area. The assumption and the criteria used are as per the IESO Ontario Resource and Transmission Assessment Criteria:

http://www.theimo.com/imoweb/pubs/marketAdmin/IMO_REQ_0041_TransmissionAssessmentCriteria.pdf

2.2 Load Forecast

The load forecast, prepared in late-2009 and revised in 2010, used in this assessment is shown in Appendix C, Table 2a and 2b. The peak total summer load in Simcoe County is projected to grow by an annual rate of about 2.2% before conservation and distributed generation (DG) and 1.1% when these local resources are taken into account. Loads in the South Simcoe area (supplied by Alliston TS, Barrie TS, Everett TS and Midhurst TS) are projected to increase by an annual rate of 3.1% before conservation and DG and 1.9% with conservation and DG.

The projected rates of increase are consistent with the information provided in the Simcoe Area report, referred to above. The report states that growth will be directed to the five largest urban nodes, three of which are located in the South Simcoe area: Barrie, Alliston and Bradford. This growth allocation results in a significantly higher load growth rate for the South Simcoe area compared to the rest of the Simcoe area, with a growth rate of 1.3%

2.3 Supply Capacity and Needs

Single and double element contingencies were considered in assessing the adequacy and reliability of the South Simcoe area. The single element contingencies, or [N-1] contingency events, are helpful in determining the maximum load that can be supplied to an area or part of the area following the critical contingency while meeting all requirements for stability, equipment rating, and voltage. This maximum load for a transmission line or circuit is the load meeting capability (LMC) of the supply lines to the area or part of the area. The maximum load for a transmission station is the 10-day Limited Time Rating (LTR) of one of the two power transformers that make up that station (normally the most limiting transformer is considered).

2.3.1 Supply Capacity to Alliston TS, Barrie TS, Everett TS and Midhurst TS

Before consideration for conservation, Alliston TS is expected to be loaded beyond its 10-day LTR supply capacity in year 2017 according to Appendix C, Table 2a. After conservation, Alliston TS is expected to be loaded beyond its 10-day LTR supply capacity in year 2019. This increase in load is mainly due to growth projected in the Innisfil Hydro service territory.

Everett TS load is expected to stay within the station “unlimited” 10-day LTR for the entire study period according to Appendix C, Table 2a. Currently Everett TS has a “limited” 10-day LTR due to the tap ratio setting of low voltage metering CT’s (current transformers). Once the minimum load of the station is greater than 8 MVA, the tap ratio’s can be increased and the “unlimited” 10-day LTR applied.

Barrie TS is not expected to be loaded beyond its 10-day LTR within the study period according to Appendix C, Table 2a. GO Transit’s proposed new substation load of 20 MW, which may be operational sometime around 2020, was not considered in the forecast. GO Transit is considering electrifying its train system, thus removing all diesel locomotives and replacing them with electric ones. An option under consideration is to have Barrie TS feed the GO Transit substation. Note that Hydro One has declared Barrie TS to be End-of-Life (EOL) by year 2020. By year 2020, the majority of the high value components at Barrie TS are projected to trend towards EOL. Significant re-investment may be required in order to sustain and improve functionality and reliability levels. As well, the existing old low voltage structure poses limitations for uprating and replacing assets, and also poses challenges during maintenance and construction work, as the personnel must work close to live equipment. These issues at Barrie TS will require further study and discussion in order to determine the best solution.

Midhurst TS load is expected to stay within the station 10-day LTR for the entire study period according to Appendix C, Table 2a.

2.3.2 Supply Capacity of the 500 kV Network

The majority of electricity supply in Simcoe County is provided via two 500/230 kV auto-transformers located at Essa TS named T3 and T4. The 500 kV and 230 kV systems are connected via these two 750 MVA auto-transformers at Essa TS. Due to the load growth in the area, T3 auto-transformer would be nearing its 10-day LTR by 2020 before conservation and DG, however, once conservation/DG are taken into account, T3 would remain below its 10-day LTR throughout the whole study period. T4 auto-transformer nears its 10-day LTR as early as 2024.

The study assumed the second 230 kV shunt capacitor bank will be installed at Essa TS by November 2011. The installation of this capacitor bank is a need that was determined, and put into action by the North/South Reinforcement Project.

2.3.3 Supply Capacity of the 230 kV Network

Two double circuit 230 kV lines emanate out of Essa TS to supply power to step-down transformation stations in the South Simcoe area:

- ★ Alliston TS and Everett TS are supplied via a double circuit line (E8V and E9V) running southwest towards Orangeville TS; and,
- ★ Midhurst TS and several other transformer stations outside of the study area, are supplied via double circuit line (M6E and M7E) running northeast towards Minden TS.

The load meeting capability (LMC) of E8V/E9V circuits, due to thermal limitations on one circuit following the loss of its companion, is 444 MVA for the loss of E8V and 424MVA for the loss of E9V (due to thermal limitations on a section of E8V between Orangeville TS and Everett TS). At the end of the study period, year 2025, the combined load of Alliston TS, Everertt TS and Alliston TS Industrial customer is expected to be 341 MVA. Simulation of N-1 contingencies were required to be performed in order to determine that there are no foreseen circuit overloads for the duration of the study period for the loss of either E8V or E9V.

Circuits M6E/M7E also require simulation of N-1 contingencies in order to determine circuit overloads. Note that these circuits are comprised of many sections, each section with its own LMC due to various sag limitations. The Essa TS by Midhurst TS sections reach their LMC starting in year 2017 based on the load forecast without conservation and DG. The Cooper Falls Junction by Minden TS section of M6E reaches its LMC starting year 2024 and the Midhurst TS by Orillia TS sections reach their LMC starting year 2025.

The 230/115 kV auto-transformers, T1 and T2, at Essa TS currently supply load to Barrie TS only. Auto-transformer T1 is the most limiting of the pair and loading of T1 will remain within its 10-day LTR throughout the study period in the event that the companion auto-transformer, T2, is removed from service. However, if the required transformation capacity at Barrie TS were increased or additional load is needed to be supplied via the 115 kV system, both existing 230/115 kV autotransformers at Essa TS would need to be upgraded. In addition, the condition of T1 is poor and its End-Of-Life (EOL) is projected to be in 10-15 years (2020-2025).

2.3.4 Supply Capacity of the 115 kV Network

One 115 kV corridor supplies power to one step-down transformation station in the South Simcoe Area (as well as Simcoe County as a whole):

- Two single circuit 115 kV lines from Essa TS to Barrie TS (E3B and E4B).

The two 115 kV lines between Essa TS and Barrie TS (E3B and E4B) are also nearing capacity as the load at Barrie TS increases. This is particularly apparent on one 0.5 km section of circuit E3B near Essa TS, due to operating temperature limitations. These lines will be sufficient to supply Barrie TS in its existing state, however, if station capacity is increased at Barrie TS, and/or a new connection is made to circuits E3B and E4B, these circuits will require upgrading.

2.3.5 Load Security and Restoration

The load restoration criteria requires that following design criteria contingencies, all load lost must be restored within 8 hours, load loss in excess of 250 MW must be restored within 30 minutes, and load loss amount between 150 and 250 MW within 4 hours.

In addition to this, load security criteria require that not more than 600 MW of load may be interrupted by configuration. The 600 MW load interruption limit reflects the established practice of incorporating up to three typical modern transmission stations on a double-circuit line. A typical TS is a 75/125 MVA DESN station with transformer overload capability factor of 1.6 in the winter and 1.5 during summertime.

There are three pairs of 230 kV double circuits in the south Simcoe area: E8V/E9V, M6E/M7E, and E26/E27.

E8V/E9V

By the end of the study period the total load connected to E8V/E9V is 296 MW, not considering conservation and DG. Since the two circuits share a common tower line a valid [N-2] contingency event is the loss of a tower resulting in the loss of both E8V and E9V circuits. Simulations were performed and the total 296 MW of load can be restored from either end of the circuits, Essa TS or Orangeville TS. Therefore, depending on the severity of the transmission line failure, total load restoration is achievable within 8 hours.

M6E/M7E

The total load serviced by circuits M6E/M7E is winter peaking. By winter 2020/2021, the total load connected to M6E/M7E is 610 MW before accounting for conservation and DGs, however the load will remain below the 600 MW threshold throughout the study period once these factors are included. Tables 3a and 3b contain the summer and winter load forecasts, respectively, for all stations supplied off of M6E/M7E. Since the two circuits share a common tower line, a valid [N-2] contingency event is the loss of a tower resulting in the loss of both M6E and M7E circuits. Simulations were performed and the total 610 MW of load cannot be restored from the Minden TS end, since the station can only supply about 300MW to these circuits. Depending on the sequence of stations being restored there could be at least 300 MW of unsecured load. The amount of restored MW of load is greater from the Essa TS, however, it is limited by the LMC of the Essa TS by

Midhurst TS section, which would allow for approximately 400 MW to be supplied. Up to 22 MW of load could be restored through low voltage feeder transfers, which would take about one hour to complete following the contingency.

Therefore load security criteria will not be exceeded within the study period when conservation and DGs are taken into account. With respect to load restoration, depending on the severity of the transmission line failure, up to 420 MW of load is restorable until one of the outage circuits is restored, at which point the remaining load can be supplied. With the current arrangement, a severe enough failure can prevent this section of line from meeting IESO's load restoration criteria.

E26/E27

The total load serviced by radial circuits E26/E27 will not exceed 160 MW by the end of this study period and a contingency would only affect Parry Sounds TS and Waubashene TS. To restore full operation to these transformer stations, E26/E27 would have to be placed back into service.

2.3.6 Needs Summary

In summary, the following needs are identified for the South Simcoe area:

Station Overloads

- (a) Alliston TS is expected to reach the station 10-day LTR by summer 2017
- (b) Essa TS 500/230 kV auto-transformer T3 is expected to reach its 10-day LTR by summer 2020
- (c) Essa TS 500/230 kV auto-transformer T4 is expected to reach its 10-day LTR by summer 2024
- (d) Everett TS is expected to reach the station's "limited" 10-day LTR by summer 2020

Voltage Deficiencies

- (e) Midhurst TS DESN #1 is expected to experience post-contingency voltage deficiencies by summer 2011
- (f) Alliston TS is expected to experience post-contingency voltage deficiencies by summer 2020.
- (g) Midhurst TS DESN #2 is expected to experience post-contingency voltage deficiencies by summer 2021

Circuit Overloads

- (h) 230 kV Transmission Line M6/7E, section Essa TS x Midhurst TS is expected to be over its LMC starting summer 2017
- (i) 230 kV Transmission Circuit M6E, section Cooper Falls Jct. x Minden TS is expected to be over its LMC starting summer 2024
- (j) 230 kV Transmission Line M6/7E, section Midhurst TS x Orillia TS is expected to be over its LMC starting summer 2025.

Load Security/Restoration Violations

(k) By winter 2020/2021, more than 600 MW of winter loading is expected to be connected to 230 kV transmission line M6/7E and could be lost due to configuration.

Equipment End-Of-Life based on Condition Assessments

(l) Barrie TS reaches EOL by year 2020

(m) Essa TS 230/115 kV autotransformer, T1, reaches EOL in 10-15 years.

Figure 4, on the following page, presents the needs for the South Simcoe Area, and the years in which they arise.

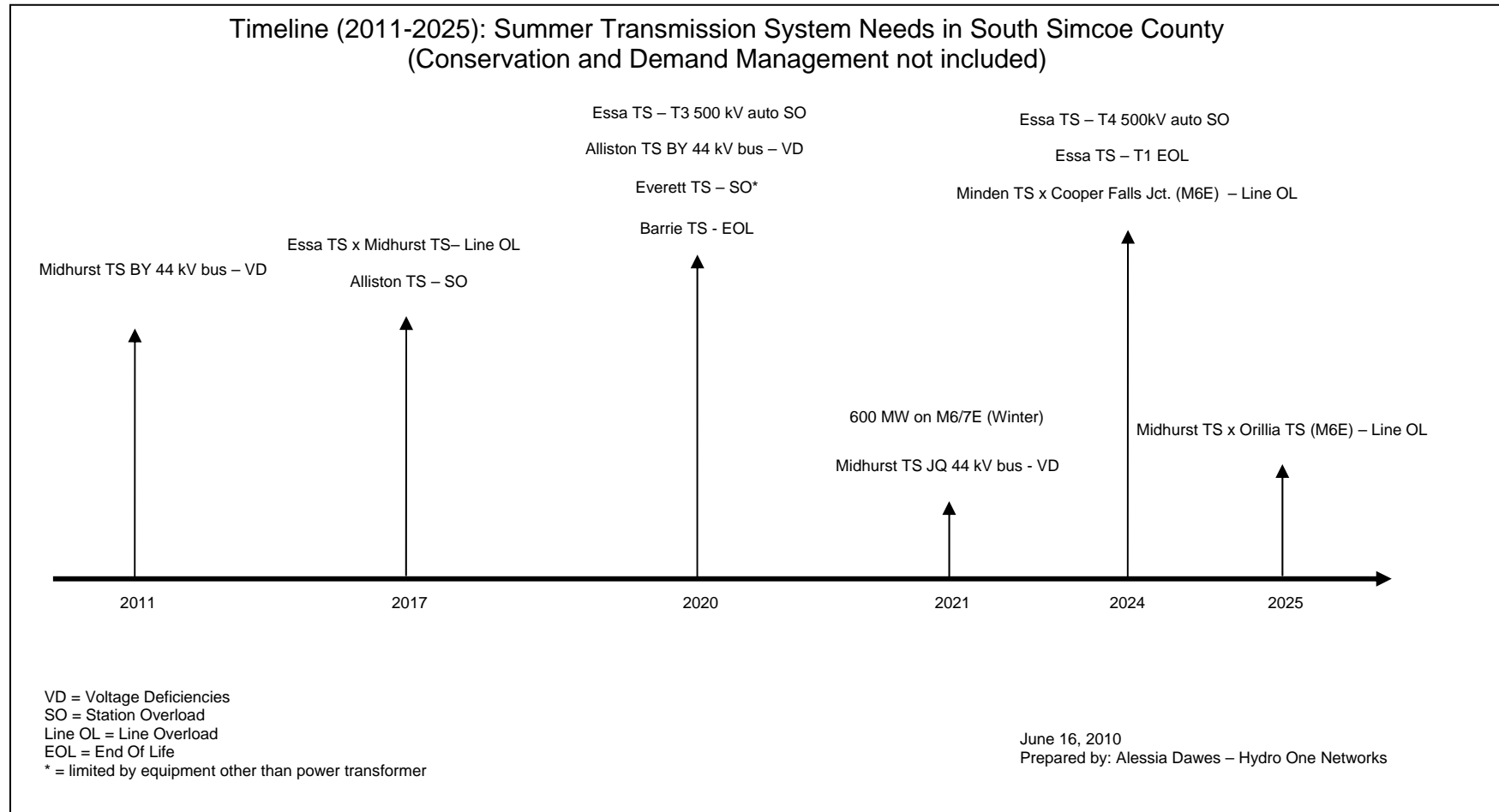


Figure 4: Needs for the South Simcoe Area

3. OPTIONS TO ADDRESS NEEDS

The following four sets of options were developed to address the needs identified above.

Note: All Prices are based on historical data (provided to Hydro One's Transmission Planner from Hydro One's Engineering and Construction Services under AR#19427 on March 26, 2010):

- ★ Taxes extra, overhead extra, interest extra
- ★ No escalation considered
- ★ No assumptions are made as to feasibility or construction
- ★ No assumptions made as to space requirements
- ★ No breakdown of price provided
- ★ Real Estate and Environmental costs extra

3.1 *Options to Relieve Station Overloads*

Table 1 outlines options that could relieve Alliston TS station overload by year 2017 (Near-term Supply Needs). Since Innisfil Hydro's load is expected to increase beyond the study period, a list of Long-term Supply Need Options are also provided in Table 1.

Table 2 outlines two options that could relieve Essa TS 500/230 kV autotransformer overloads.

Power flow through Everett TS is currently limited by the low voltage metering current transformers (CTs). The ratio setting of these CTs limits the station's 10-day LTR to 95.6 MVA however the power transformers are capable of 117 MVA. Due to low night time loading, the CT ratio cannot be changed at this time. Once more load is placed onto Everett TS resulting in higher night time loading, > 8 MVA, the ratio setting can be increased resulting in an increase to the 10-day LTR.

3.2 *Options to Relieve Voltage Deficiencies*

Table 3 outlines the option to relieve the voltage deficiency at Midhurst TS as well as voltage deficiency at other stations along M6E/M7E transmission line.

3.3 *Options to Relieve Circuit Overloads*

Table 4 outlines options that could relieve the circuit overloads along sections of M6E/M7E.

3.4 Options to Relieve Load Security/ Restoration Violations

Table 4, options 3, 4, and 5 could relieve load security and restoration violations for stations off M6E/M7E.

Table 1: Short Listed Options for the Relief of Alliston TS Station Overload – Assumed I/S date 2017 (**Near-Term**)

Option	Description	Adverse Effects	Alliston TS LV – VD	Historical Cost (costs include an additional estimated 30% for tax, overhead & interest)
Near-Term Supply Needs (Transformation Capacity within Study Period)				
1) Upgrade Alliston TS	<ul style="list-style-type: none"> ★ From 50/83 MVA DESN to 75/125 MVA DESN ★ 230/44 kV or 230/44/27.6 kV ★ Likely have to upgrade 44 kV buswork & add feeder positions 	<ul style="list-style-type: none"> ★ No thermal violations ★ Alliston TS 44 kV bus voltage deficiencies starting summer 2021 	<ul style="list-style-type: none"> ★ No material improvement to low voltage performance ★ LV capacitors would still be required 	<p>\$ 28M</p> <p>Customers to pay for (at a minimum) additional transformation capacity and feeder positions</p>
2) Upgrade Barrie TS	<ul style="list-style-type: none"> ★ From 115/44 kV 50/83 MVA DESN to 230/44 kV 75/125 MVA DESN (or 230/44/27.6 kV) ★ Rebuild E3/4B to 230 kV Tx Line ★ Provide new LV structure and feeder positions 	<ul style="list-style-type: none"> ★ No thermal violations ★ No voltage violations 	<ul style="list-style-type: none"> ★ No need for LV capacitor banks within study period provided Alliston TS 10-day LTR is respected. 	<p>\$62M (Line ~50%, Station ~50%)</p> <p>Customers to pay for (at a minimum) additional transformation capacity and feeder positions. Details on cost allocation for line upgrade uncertain at this time (consideration should be made for the decommissioning of Essa TS 115 kV yard).</p>
Long-Term Supply Needs (by ~2031)				
3) Build Innisfil TS at 230 kV from Essa TS	<ul style="list-style-type: none"> ★ Build new 14-15 km 230 kV Tx line from Essa TS into Innisfil ★ Build new 230/27.6 kV 50/83 MVA 	<ul style="list-style-type: none"> ★ No thermal violations ★ No voltage violations 	<ul style="list-style-type: none"> ★ No need for LV capacitor banks within study period provided 	<p>\$140 M (Line ~35%, Station ~30%, Essa ~ 35%)</p> <p>Customer to pay for (at a minimum) the entire new</p>

	<ul style="list-style-type: none"> ★ station ★ Likely induce creation of Essa TS North yard, 230 kV switching ★ 3 feeders – 2024 ★ 5 feeders – 2031 		Alliston TS 10-day LTR is respected.	Transformer station and the dedicated new transmission line. Details on cost allocation for the creation of Essa TS North yard is uncertain at this time. Subject to economic evaluation.
4) Build Innisfil TS at 115 kV from Essa TS	<ul style="list-style-type: none"> ★ Reconductor 115 kV Tx line E3/4B and extend ~6 km into Innisfil ★ Build new 115/27.6 kV 50/83 MVA station ★ Upgrade Essa TS 230/115 kV autotransformers 	<ul style="list-style-type: none"> ★ No thermal violations ★ No voltage violations 	<ul style="list-style-type: none"> ★ No need for LV capacitor banks within study period provided Alliston TS 10-day LTR is respected. 	<p>\$132 M (Line ~30%, Station ~20%, Essa ~ 50%)</p> <p>Customer to pay for (at a minimum) the entire new Transformer station and the extended portion of the transmission line, dedicated to the customer. Cost allocation for the re-conductoring of E3/4B and the upgrading of Essa TS autotransformers is uncertain at this time. Subject to economic evaluation.</p>
5) Build Innisfil TS at 230 kV via tapping E8/9V	<ul style="list-style-type: none"> ★ Tap existing 230 kV circuits E8/9V near Alliston TS ★ Create new ROW Eastwards towards Innisfil ★ Decide if you need/can cross the 500 kV ROW ★ Build new 230/27.6 kV 50/83 MVA station 	<ul style="list-style-type: none"> ★ No thermal violations ★ No voltage violations 	<ul style="list-style-type: none"> ★ No need for LV capacitor banks within study period provided Alliston TS 10-day LTR is respected. 	Highly dependent on new ROW.

<p>6) Build Innisfil TS at 115 kV via circuit coming south from Barrie TS (or 230 kV with option #2 in place)</p>	<ul style="list-style-type: none"> ★ Current circuit being used as 44 kV feeder from Barrie TS ★ Circuit has capability to run at 115 kV ★ Work required to energize line at 115 kV to feed the new Innisfil TS 	<p>★ TBD</p>	<p>★ TBD</p>	<p>TBD</p>
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Table 2: Relief of Essa TS 500 kV Autotransformer Overloads – Assumed I/S date - TBD

Option	Description	Observation	Recommendation Going-Forward
1) Replace the existing 500/230 kV autotransformers at Essa TS with higher rated ones	<ul style="list-style-type: none"> ★ Replace the existing autotransformers with ones with higher LTR values 	<ul style="list-style-type: none"> ★ T3 consists of 3 single phase units. ★ T3 becomes overloaded summer 2019 ★ T4 consists of 3 single phase units ★ T4 becomes overloaded summer 2024 	<ul style="list-style-type: none"> ★ Check to ensure that no single phase unit is more limiting than the other phases ★ Look into Hydro One’s spare inventory being mindful of impedances ★ Check Lead-times for autotransformer purchasing ★ Check if a 3-phase unit replacement is appropriate
2) Install a 3 rd 500/230 kV autotransformer at Essa TS		<ul style="list-style-type: none"> ★ Would require some 230 kV breakers ★ Perhaps a 500 kV breaker ★ Unsure if room exists in the current Essa TS 500 kV yard 	<ul style="list-style-type: none"> ★ TBD

Table 3: Relief of Voltage Deficiencies Along M6/7E – Assumed I/S date 2012

Option	Description	Adverse Effects	Essa x Midhurst Line Overload	> 600 MW on M6/7E	Midhurst TS JQ bus - VD	Essa TS T3 & T4 500/230 kV autotransformers
1) Low Voltage Capacitor Banks at Midhurst TS BY bus & Orillia TS	<ul style="list-style-type: none"> ★ Install 2 – 30 MX capacitor banks at Midhurst TS DESN #1 (BY buses) ★ Install 2 – 30 MX capacitor banks at Orillia TS 	<ul style="list-style-type: none"> ★ No new thermal violations ★ No new voltage violations 	<ul style="list-style-type: none"> ★ Postpones the line overload to the end of the study period 2023* 	<ul style="list-style-type: none"> ★ Does not impact the amount of MW load connected to M6/7E ★ M6/7E load exceeds 600 MW in Winter 2021 	<ul style="list-style-type: none"> ★ Slight improvement in voltage decline ★ Postpones the need for LV capacitors to 2023* 	<ul style="list-style-type: none"> ★ Postpones the need to upgrade T4 to beyond study period ★ Postpones the need to upgrade T3 by 1 year

*Note: With North Simcoe County upgrades

- ★ Additional transformation capacity (either Bracebridge TS or Muskoka TS)
- ★ Additional Var support (either Bracebridge TS or Muskoka TS)

Table 4: Short-Listed Options for Relief of M6/7E Line Overloads – Assumed I/S TBD

Option	Description	Adverse Effects	Essa x Midhurst Line Overload	> 600 MW on M6/7E (Winter 2021)	Minden TS x Cooper Falls Jct. Line Overload	Midhurst x Orillia Line Overload
1) Low Voltage Capacitor Banks at Midhurst TS BY bus & Orillia TS	<ul style="list-style-type: none"> ★ Install 2 – 30 MX capacitor banks at Midhurst TS DESN #1 (BY buses) ★ Install 2 – 30 MX capacitor banks at Orillia TS 	<ul style="list-style-type: none"> ★ No new thermal violations ★ No new voltage violations 	<ul style="list-style-type: none"> ★ Without LV caps, the Need date is 2017 ★ With LV caps & Simcoe North upgrade, the Need date is postponed to 2023 	<ul style="list-style-type: none"> ★ Does not impact the amount of MW load connected to M6/7E 	<ul style="list-style-type: none"> ★ Without LV caps, the Need date is 2023 ★ With LV caps & Simcoe North upgrade, the Need date is not within the study period 	<ul style="list-style-type: none"> ★ Without LV caps, the Need date is 2024 ★ With LV caps & Simcoe North upgrade, the Need date is not within the study period
2) Re-conductor overloaded sections of M6/7E	<ul style="list-style-type: none"> ★ Replace existing conductors with higher ampacity ones 	<ul style="list-style-type: none"> ★ TBD 	<ul style="list-style-type: none"> ★ After installing the LV caps, the Need date for the line overload is after the >600 MW rule Need date, hence re-conductoring may not be required. 	<ul style="list-style-type: none"> ★ Does not impact the amount of MW load connected to M6/7E 	<ul style="list-style-type: none"> ★ After installing the LV caps, the Need date for the line overload is after the >600 MW rule Need date, hence re-conductoring may not be required. 	<ul style="list-style-type: none"> ★ After installing the LV caps, the Need date for the line overload is after the >600 MW rule Need date, hence re-conductoring may not be required.
3) 1 x 230 kV Line between Essa TS x Midhurst TS	<ul style="list-style-type: none"> ★ Widen the existing ROW and install a single 230 kV circuit ★ (Under normal conditions) Place 	<ul style="list-style-type: none"> ★ TBD 	<ul style="list-style-type: none"> ★ Overload should be resolved 	<ul style="list-style-type: none"> ★ Results in less than 550 MW of winter loading on M6/7E by the end of 	<ul style="list-style-type: none"> ★ After installing the LV caps, the Need date for the line overload is after the >600 	<ul style="list-style-type: none"> ★ TBD (overload should be resolved however, simulation recommended).

	half of entire Midhurst TS load onto new circuit; quarter of Midhurst TS load placed on M6E; quarter placed on M7E			the study period. ★ Impact to restoration TBD	MW rule Need date ★ TBD (must be simulated)	
4) In-line breakers	★ Sectionalize M6/7E to reduce flow on remaining circuits upon contingencies	★ TBD	★ Overload should be resolved (must be simulated)	★ If breakers place at Orillia TS, 5 DESN TS's would be split up (2/3, 3/2, or 2.5/2.5)	★ Overload should be resolved (must be simulated)	★ Overload should be resolved (must be simulated)
5) Tap E26/27 to resupply Midhurst TS	★ Tap E26/27 and create ~6 km of new ROW to Midhurst TS (M6/7E)	★ TBD	★ Overload should be resolved (must be simulated)	★ TBD via simulation however, the 600 MW rule will be not violated within the study period.	★ After installing the LV caps, the Need date for the line overload is after the >600 MW rule Need date ★ TBD (must be simulated)	★ TBD

Note: With North Simcoe County upgrades

- ★ Additional transformation capacity (either Bracebridge TS or Muskoka TS)
- ★ Additional Var support (either Bracebridge TS or Muskoka TS)

4. DISCUSSION OF PREFERRED OPTIONS

Since post-contingency voltage violations can occur as early as summer 2011, the preferred option is to install, as soon as possible, low voltage capacitor banks at Midhurst TS DESN #1 BY bus and Orillia TS. The installation of these low voltage capacitor banks, as well as solutions from the North/South Reinforcement Project, postpone many of the South Simcoe Needs. Figure 5 illustrates a timeline of the postponed Needs dates with Midhurst TS and Orillia TS capacitor banks are installed.

Three options were identified to supply Innisfil Hydro's load and alleviate the Alliston TS station overload which is forecast to occur as early as 2017:

1. Upgrade Alliston TS to a 75/125 MVA DESN station
2. Rebuild Barrie TS to a 230 kV 75/125 MVA DESN station
3. Build a new line and station into Innisfil

Based on historical costs and anticipated regulatory approval timelines, Innisfil Hydro has indicated that they tentatively prefer option 1. If Innisfil Hydro decides to pursue this option, low voltage capacitor banks will need to be installed at Alliston TS. Need date of these capacitor banks would likely not change. The second option—rebuilding Barrie TS—would require further study if it were to become Innisfil Hydro's preferred option, as this option would be driven by multiple needs and considerations (i.e., Barrie TS EOL, supply for multiple LDCs, potential GO Transit supply, expansion of transmission corridors, etc.).

Options to meet longer-term solutions were identified through this study but decisions as to which options are preferred were deferred by the study team as none of them would need to be committed before 2015.

5. RESULTING NEEDS TIMELINE & STAGING OF DEVELOPMENT PLAN

Resulting Needs Timeline

Figure 5 illustrates the postponed Need dates of M6E and M7E circuit overloads and 500/230 kV autotransformers at Essa TS after the installation of the low voltage capacitor banks at Midhurst TS DESN #1 and Orillia TS, in addition to the upgrades for the North/South Reinforcement Project. Furthermore, notice that the Need dates for the M6E/M7E circuit overloads are pushed beyond the Need date of load security off M6E/M7E. Figure 6 depicts the timeline once conservation is taken into account, further postponing the Need dates.

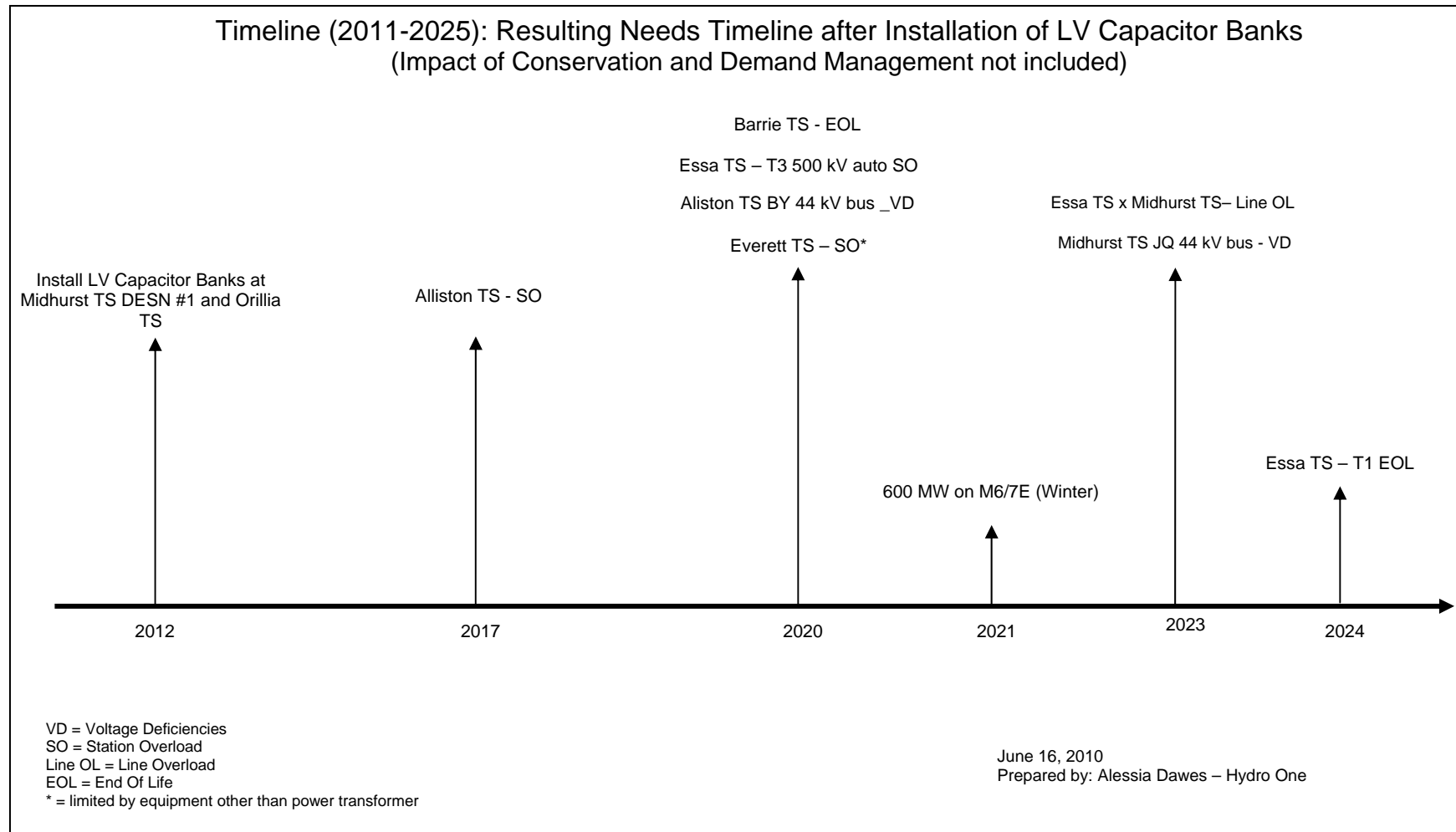


Figure 5: Resulting Needs Timeline with Installation of LV Capacitor Banks

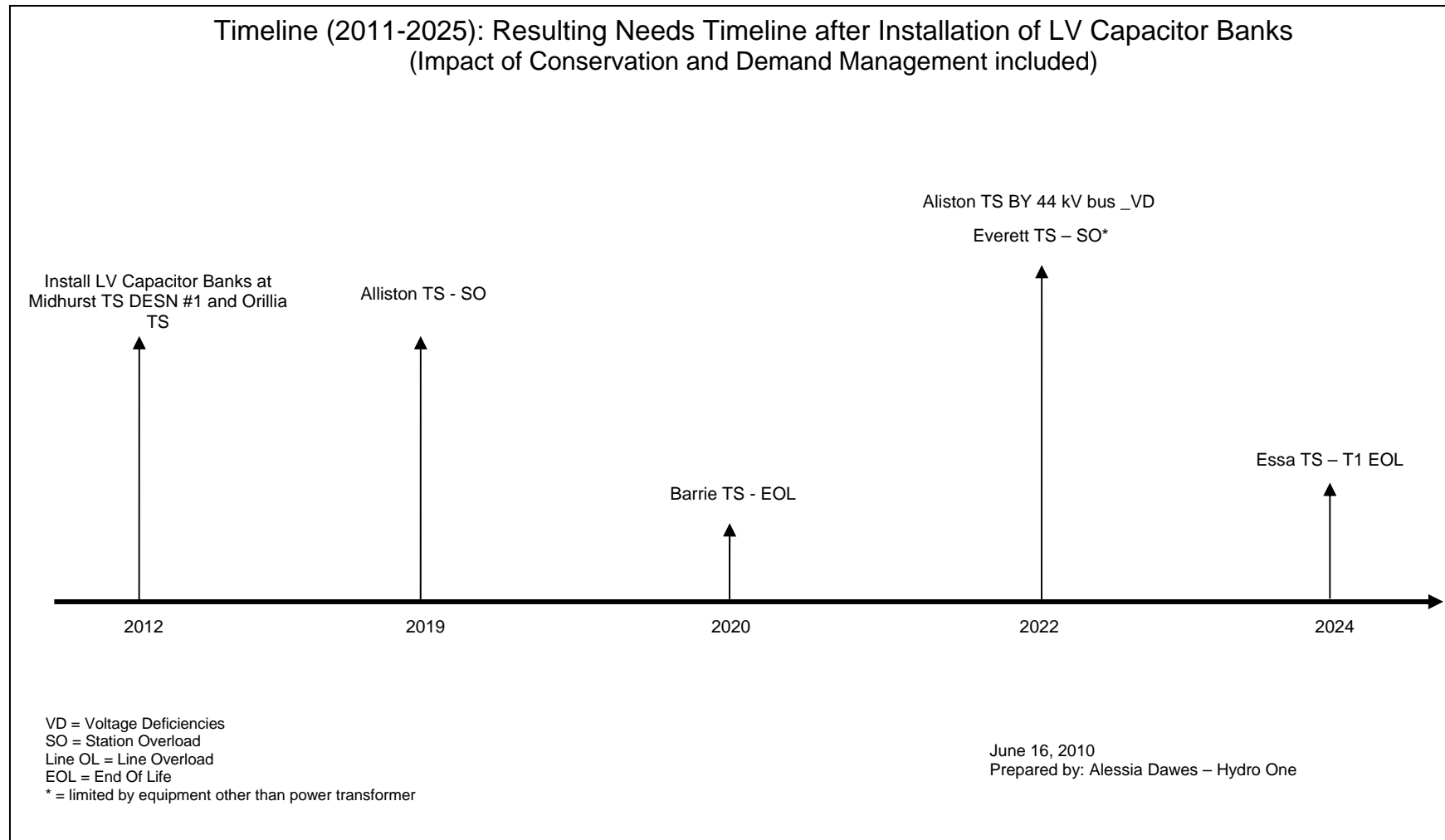


Figure 6: Resulting Needs Timeline with Installation of LV Capacitor Banks and impact of CDM

Staging of Development Plan

In view of the uncertainty associated with the load forecast as a result of the economic downturn, it is recommended that the preferred plan be implemented in stages as follows:

(1) Immediate Action: Install LV Capacitor Banks

Install low voltage capacitor banks at Midhurst TS DESN#1 and Orillia TS. This is to be placed in service by spring 2012.

(2) Medium-Term: Upgrade Alliston TS

This stage is to be placed in service by spring 2017 and should therefore be initiated no later than spring 2015 upon LDC request for additional transformation capacity. An addition to this project would be to place LV capacitor banks at Alliston TS in conjunction with the capacity upgrade. In the event the LDC determines that this is not their preferred option, further study of the identified alternatives (i.e., upgrading Barrie TS, or building a new Innisfil TS, and associated line construction) would be required.

(3) Long-term Needs:

A number of options to meet longer-term area supply needs were identified through this study, but as none of them need to be committed before 2015, a decision as to the preferred options was deferred for further study in 2014, or earlier if required. In view of the uncertainty associated with the economic recovery and therefore the load forecast, it is recommended that the load level in the entire Simcoe County be monitored to ensure that options are studied with enough lead time to meet needs as they arise. The following are some of the options identified in this study that may require further study as load continues to grow in the region:

1. Install additional 500/230 kV transformation capacity at Essa TS
2. Change CT ratio of Metering CTs at Everett TS
3. Install In-Line Breakers onto M6/7E
4. Replace End-Of-Life Equipment

Depending how the relief of Alliston TS station overload actually occurs, Hydro One may replace EOL equipment (like-for-like) at Barrie TS and Essa TS according to their work prioritization schedule. However, given the potential for further load growth and electrification of transit, it is recommended that options for Barrie TS EOL be studied in detail at the next iteration of this study.

6. CONCLUSIONS

The following conclusions can be reached from the analysis performed by this study.

- Midhurst TS as well as other stations connected along transmission line M6/7E experience post-contingency voltage deficiencies throughout the study period. Midhurst TS DESN#1 is expected to experience these voltage deficiencies as early as summer 2011. The earliest possible option to relieve this problem cannot be implemented until 2012.
- South Simcoe County requires additional transformation capacity for its growing load specifically in the Innisfil Hydro Service territory. The majority of Innisfil Hydro load is fed from Alliston TS. Alliston TS is expected to be loaded beyond its capacity limit in 2017. Several options have been developed to relieve Alliston TS.
- Sections of transmission line M6/7E become overloaded upon the loss of its companion circuit (post-contingency). Starting in 2017, the Essa TS by Midhurst TS section becomes overloaded. With conservation and the addition of low voltage capacitor banks at Midhurst TS and Orillia TS in addition of upgrades to Northern Simcoe County, the Need dates for these line overloads are postponed past 2025.
- The 500/230 kV auto-transformers at Essa TS are expected to be loaded to 100% of their capacity by 2020. However, when taking conservation into account, the transformers will not surpass their 10-day LTR within the study period.
- There will be greater than 600 MW of load served by transmission line M6E/M7E that could be load potentially lost due to configuration starting winter 2020/2021, but with conservation the loading remains below 600 MW throughout the study period. This would be a load security violation according to the IESO reliability criteria.

7. RECOMMENDATIONS

Several recommendations can be drawn from this study to address the current system deficiencies and provide system capacity to meet forecasted load growth. These recommendations are:

1. Hydro One Networks Inc. to install two low voltage capacitor banks at Midhurst TS DESN #1 as soon as possible.
2. Innisfil Hydro to officially request additional transformation capacity to Hydro One. Innisfil Hydro to initiate this request in time for Hydro One to obtain all necessary approvals for construction.
3. Hydro One Networks, the LDCs, and OPA to review the study in 2014 with updated Simcoe County load forecasts and to decide on appropriate actions to meet longer-term needs as they emerge.
4. The local electric utilities in Simcoe County and Hydro One to continue to monitor load growth and to review options for long-term growth based on location of new developments and load forecasts.
5. Hydro One to look a future options to enable M6E/M7E to meet load IESO's load restoration criteria.

APPENDIX A: South Simcoe Area Maps

Figure 1: Map of South Simcoe Area



Figure 2: Existing Transmission Facilities in South Simcoe Area

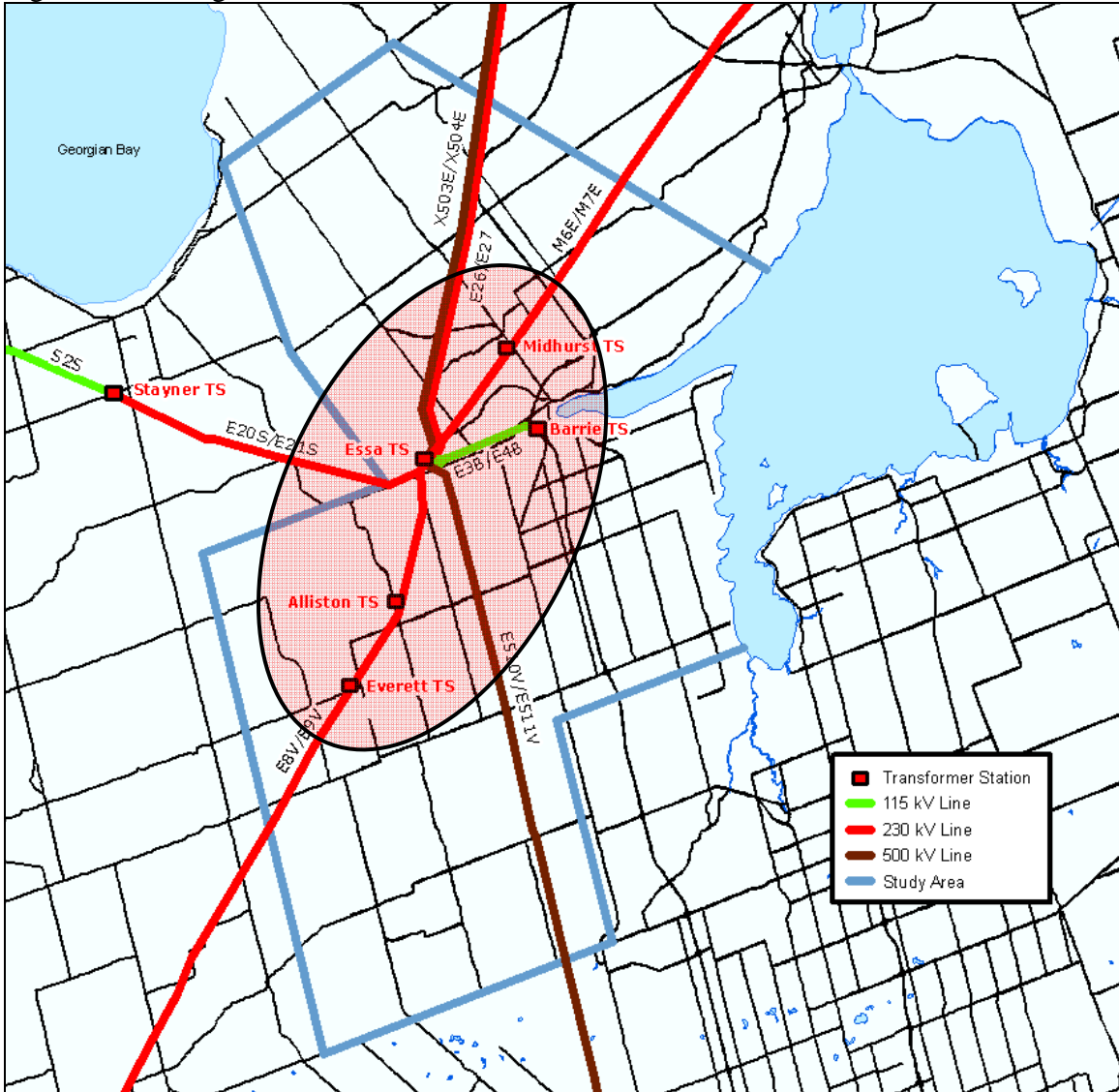
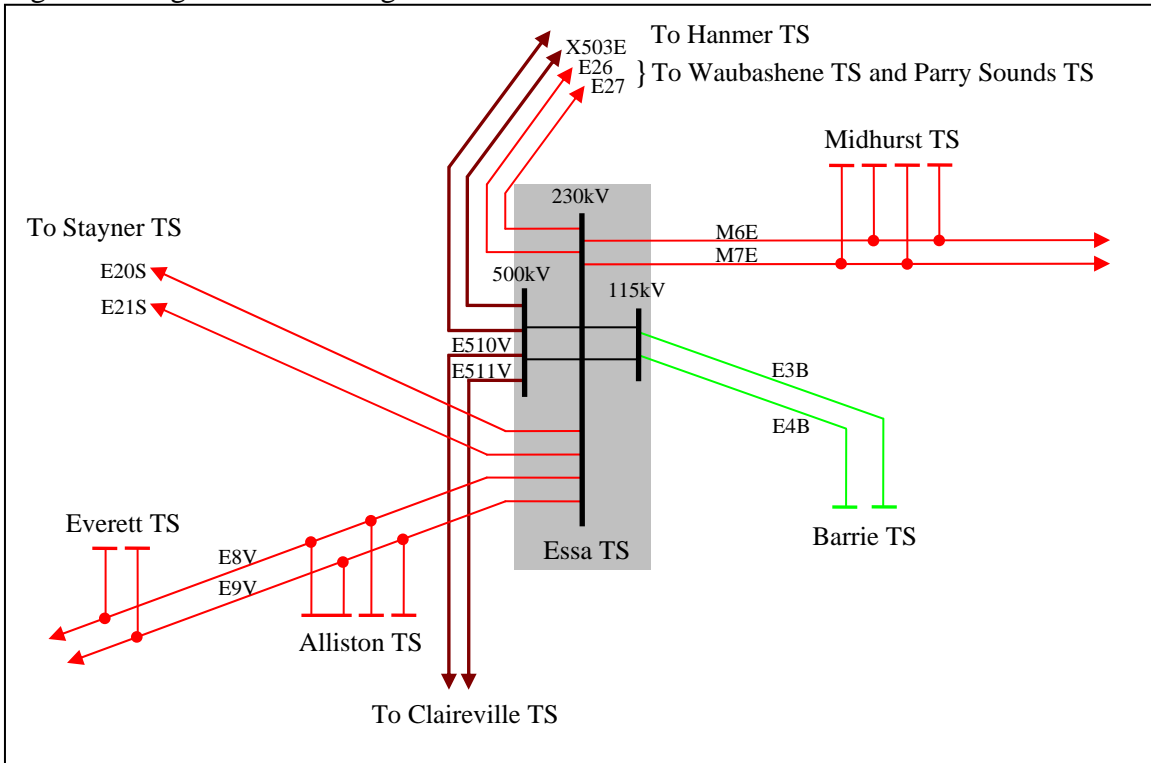


Figure 3: Single Line Drawing of Facilities in South Simcoe Area



APPENDIX B: Contracted Generation for South Simcoe area

Table 1a: Renewable Energy Standard Offer Program (RESOP) in the South Simcoe Area

Location	Nameplate Capacity by Type (MW)				Effective MW	Estimated i/s date
	Wind	Solar	Bioenergy	Total Contracted		
Alliston TS	-	-	-	-	-	-
Barrie TS	-	0.01	-	0.01	0.004	Mar/4/2008
Everett TS	-	-	-	-	-	-
Midhurst TS	0.004	-	-	0.004	0.0016	Aug/6/2011
Total	0.004	0.01	0	0.014	0.0056	

Data source: Ontario Power Authority

1. Effective MW calculated assuming 20% effective capacity for wind and 40% for solar generation, based on best available information

Table 1b: Feed-in Tariff (FIT) in the South Simcoe Area

Location	Nameplate Capacity by Type (MW)				Effective MW	Estimated i/s date
	Wind	Solar	Bioenergy	Total Contracted		
Alliston TS	-	-	-	-	-	-
Barrie TS	-	1.2	-	1.2	0.5	Dec/31/2012
Everett TS	-	0.8	-	0.8	0.3	Dec/31/2012
Midhurst TS	-	23.8	-	23.8	9.5	Dec/31/2012
Total	0	25.8	0	25.8	10.3	

Data source: Ontario Power Authority

1. Effective MW calculated assuming 40% for solar generation, based on best available information.
2. This table summarizes all contracted FIT generation at the time of writing. This includes all Capacity-Allocation-Exempt (CAE) applications received as of June 4, 2010, and all non-CAE applications received during the FIT program Launch Period (Oct 1 – Nov 30, 2010) that were offered contracts.

APPENDIX C: Simcoe County Demand Forecasts

Table 2a: Summer Load Forecast for South Simcoe Area (MVA): “Area” peak demand based on median growth and normal weather

	STN LTR	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Alliston TS Forecast	111.9	79.5	81.7	85.3	92.7	101.3	109.2	116.6	124.1	132.2	139.5	147.7	155.9	164.0	172.2	180.4
Alliston TS Conservation	111.9	2.7	4.2	5.9	7.5	8.7	9.9	11.1	12.2	13.1	13.8	14.6	15.2	15.8	16.2	16.6
Alliston TS Net Load	111.9	76.8	77.5	79.4	85.2	92.6	99.3	105.5	111.9	119.1	125.7	133.1	140.7	148.2	156.0	163.8
Barrie TS Forecast	115.0	78.9	80.8	82.8	84.8	86.8	88.8	90.8	92.9	95.1	97.3	99.6	101.9	104.2	106.7	109.2
Barrie TS Conservation	115.0	3.1	4.8	6.7	8.5	9.8	11.2	12.5	13.7	14.7	15.6	16.4	17.2	17.8	18.3	18.7
Barrie TS Net Load	115.0	75.8	76.0	76.1	76.3	77.0	77.6	78.3	79.2	80.4	81.7	83.2	84.7	86.4	88.4	90.5
Everett TS Forecast	117.0	76.3	78.3	80.4	82.4	84.9	87.3	89.9	92.6	95.4	98.2	101.2	104.1	107.3	110.5	113.3
Everett TS Conservation	117.0	1.3	2.0	2.8	3.5	4.1	4.6	5.2	5.7	6.1	6.4	6.8	7.1	7.3	7.6	7.7
Everett TS Net Load	117.0	75.0	76.3	77.6	78.9	80.8	82.7	84.7	86.9	89.3	91.8	94.4	97.0	100.0	102.9	105.6
Midhurst TS Forecast	339.4	238.9	241.5	244.5	247.5	250.4	253.5	256.6	259.8	262.9	266.3	269.6	273.2	276.7	280.3	284.0
Midhurst TS Conservation	339.4	7.1	11.0	15.4	19.6	22.7	25.7	28.8	31.6	34.0	35.9	37.8	39.5	40.9	42.2	43.1
Midhurst TS Net Load	339.4	231.8	230.5	229.1	227.9	227.7	227.8	227.8	228.2	228.9	230.4	231.8	233.7	235.8	238.1	240.9
Total Area Load Forecast		473.6	482.3	493.0	507.4	523.4	538.8	553.9	569.4	585.6	601.4	618.1	635.0	652.3	669.6	687.0
Total Area Conservation		14.1	22.0	30.8	39.1	45.3	51.4	57.6	63.1	67.9	71.8	75.5	79.0	81.8	84.3	86.2
Total Area Net Load		459.5	460.3	462.2	468.3	478.1	487.4	496.3	506.3	517.7	529.6	542.6	556.0	570.5	585.3	600.8

Data sources: Hydro One-Dx, PowerStream Inc., Innisfil Hydro, and Ontario Power Authority

Station LTR: Summer 10-day Limited Time Ratings

Conservation forecasts include LDC/OPA energy efficiency and demand response programs, and the effects of codes & standards and time-of-use rates. Energy efficiency/demand response savings from transmission-connected industrial customers are not included in the forecast. The conservation forecast is an allocation of the province-wide forecast to the local area; demand savings are coincident with IESO system peak.

Table 2b: Summer Load Forecast for other stations in Simcoe County (MVA): “Area” peak demand based on median growth and normal weather

	STN LTR	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Bracebridge TS Forecast	95.0	33.0	33.1	33.1	33.1	33.2	33.2	33.3	33.3	33.4	33.4	33.4	33.5	33.5	33.6	33.6
Bracebridge TS Conservation	95.0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Bracebridge TS Net Load	95.0	33.0	33.1	33.1	33.1	33.2	33.2	33.3	33.3	33.4	33.4	33.4	33.5	33.5	33.6	33.6
Muskoka TS Forecast	153.9*	138.7	140.5	142.3	144.2	146.0	147.9	149.9	151.9	153.8	155.8	157.8	159.9	162.0	164.1	166.2
Muskoka TS Conservation	153.9*	3.8	6.0	8.4	10.6	12.3	14.0	15.7	17.2	18.4	19.5	20.5	21.5	22.2	22.9	23.4
Muskoka TS Net Load	153.9*	134.9	134.5	133.9	133.6	133.7	133.9	134.2	134.7	135.4	136.3	137.3	138.4	139.8	141.2	142.8
Orillia TS Forecast	165.2	112.1	114.3	116.6	118.9	121.3	123.8	126.2	128.8	131.3	134.0	136.6	139.4	142.2	145.0	147.9
Orillia TS Conservation	165.2	4.0	6.3	8.9	11.2	13.0	14.7	16.5	18.1	19.5	20.6	21.7	22.7	23.5	24.2	24.7
Orillia TS Net Load	165.2	108.1	108.0	107.7	107.7	108.3	109.1	109.7	110.7	111.8	113.4	114.9	116.7	118.7	120.8	123.2
Parry Sound TS Forecast	52.2	43.9	44.1	44.4	44.6	44.8	45.0	45.2	45.4	45.6	46.0	46.2	46.4	46.6	46.8	47.0
Parry Sound TS Conservation	52.2	1.6	2.4	3.4	4.3	5.0	5.7	6.4	7.0	7.5	7.9	8.4	8.7	9.1	9.3	9.5
Parry Sound TS Net Load	52.2	42.3	41.7	41.0	40.3	39.8	39.3	38.8	38.4	38.1	38.1	37.8	37.7	37.5	37.5	37.5
Stayner TS Forecast	191.5	107.3	109.1	111.0	112.9	114.8	116.7	118.7	119.7	120.6	121.6	122.6	123.5	124.5	125.5	126.5
Stayner TS Conservation	191.5	3.5	5.4	7.6	9.7	11.2	12.7	14.2	15.6	16.8	17.8	18.7	19.5	20.2	20.9	21.3
Stayner TS Net Load	191.5	103.8	103.7	103.4	103.2	103.6	104.0	104.5	104.1	103.8	103.8	103.9	104.0	104.3	104.6	105.2
Waubashene TS Forecast	99.6	89.2	90.6	91.9	93.3	94.7	96.1	97.6	99.0	100.5	102.0	103.6	105.1	106.7	108.3	109.9
Waubashene TS Conservation	99.6	3.4	5.2	7.4	9.3	10.8	12.3	13.8	15.1	16.2	17.1	18.0	18.8	19.5	20.1	20.6
Waubashene TS Net Load	99.6	85.8	85.4	84.5	84.0	83.9	83.8	83.8	83.9	84.3	84.9	85.6	86.3	87.2	88.2	89.3
Alliston TS T2** Forecast	99.9	44.0	44.0	44.0	44.0	44.0	47.3	47.3	47.3	47.3	47.3	47.3	47.3	47.3	47.3	47.3
Alliston TS T2** Conservation	99.9	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Alliston TS T2** Net Load	99.9	44.0	44.0	44.0	44.0	44.0	47.3	47.3	47.3	47.3	47.3	47.3	47.3	47.3	47.3	47.3
Total Area Load Forecast		568.2	575.7	583.2	591.0	598.8	610.0	618.1	625.3	632.6	640.0	647.4	655.0	662.7	670.5	678.4
Total Area Conservation		16.3	25.4	35.6	45.2	52.3	59.4	66.6	72.9	78.4	83.0	87.3	91.2	94.6	97.4	99.6
Total Area Net Load		551.9	550.3	547.6	545.8	546.5	550.6	551.5	552.4	554.2	557.0	560.1	563.8	568.1	573.1	578.8

Data sources: Hydro One-Dx and Ontario Power Authority

Station LTR: Summer 10-day Limited Time Ratings

Bracebridge TS does not have conservation estimate as it does not serve LDC load

* LTR limited by a low voltage current transformer and post-contingency voltage problems

** Transformer dedicated to an Industrial customer

Conservation forecasts include LDC/OPA energy efficiency and demand response programs, and the effects of codes & standards and time-of-use rates. Energy efficiency/demand response savings from transmission-connected industrial customers are not included in the forecast. The conservation forecast is an allocation of the province-wide forecast to the local area; demand savings are coincident with IESO system peak.

Table 3a: Summer Load Forecast for Load Security Analysis of Load Connected to Circuits M6/7E (MW)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Bracebridge TS Forecast	33.0	33.1	33.1	33.1	33.2	33.2	33.3	33.3	33.4	33.4	33.4	33.5	33.5	33.6	33.6
Bracebridge TS Conservation	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Bracebridge TS Net Load	33.0	33.1	33.1	33.1	33.2	33.2	33.3	33.3	33.4	33.4	33.4	33.5	33.5	33.6	33.6
Muskoka TS Forecast	138.7	140.5	142.3	144.2	146.0	147.9	149.9	151.9	153.8	155.8	157.8	159.9	162.0	164.1	166.2
Muskoka TS Conservation	3.8	6.0	8.4	10.6	12.3	14.0	15.7	17.2	18.4	19.5	20.5	21.5	22.2	22.9	23.4
Muskoka TS Net Load	134.9	134.5	133.9	133.6	133.7	133.9	134.2	134.7	135.4	136.3	137.3	138.4	139.8	141.2	142.8
Orillia TS Forecast	112.1	114.3	116.6	118.9	121.3	123.8	126.2	128.8	131.3	134.0	136.6	139.4	142.2	145.0	147.9
Orillia TS Conservation	4.0	6.3	8.9	11.2	13.0	14.7	16.5	18.1	19.5	20.6	21.7	22.7	23.5	24.2	24.7
Orillia TS Net Load	108.1	108	107.7	107.7	108.3	109.1	109.7	110.7	111.8	113.4	114.9	116.7	118.7	120.8	123.2
Midhurst TS Forecast	238.9	241.5	244.5	247.5	250.4	253.5	256.6	259.8	262.9	266.3	269.6	273.2	276.7	280.3	284.0
Midhurst TS Conservation	7.1	11.0	15.4	19.6	22.7	25.7	28.8	31.6	34.0	35.9	37.8	39.5	40.9	42.2	43.1
Midhurst TS Net Load	231.8	230.5	229.1	227.9	227.7	227.8	227.8	228.2	228.9	230.4	231.8	233.7	235.8	238.1	240.9
Total Area Load Forecast	522.7	529.4	536.5	543.7	550.9	558.4	566	573.8	581.4	589.5	597.4	606	614.4	623	631.7
Total Area Conservation	14.9	23.3	32.7	41.4	48.0	54.4	61.0	66.9	71.9	76.0	80.0	83.7	86.6	89.3	91.2
Total Area Net Load	507.8	506.1	503.8	502.3	502.9	504	505	506.9	509.5	513.5	517.4	522.3	527.8	533.7	540.5

Bracebridge TS does not have conservation estimate as it does not serve LDC load

Note: Numbers highlighted in RED indicate loading on M6E/M7E above 600MW which violates IESO's load security criteria

Conservation forecasts include LDC/OPA energy efficiency and demand response programs, and the effects of codes & standards and time-of-use rates. Energy efficiency/demand response savings from transmission-connected industrial customers are not included in the forecast. The conservation forecast is an allocation of the province-wide forecast to the local area; demand savings are coincident with IESO system peak.

Table 3b: Winter Load Forecast for Load Security Analysis of Load Connected to Circuits M6/7E (MW)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	2011	2012	2013	2014	2013	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Bracebridge TS Forecast	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0
Bracebridge TS Conservation	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Bracebridge TS Net Load	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0
Muskoka TS Forecast	169.2	171.4	173.6	175.9	178.1	180.5	182.8	185.2	187.6	190.0	192.5	195.0	197.5	200.1	202.7
Muskoka TS Conservation	3.8	6.0	8.4	10.6	12.3	14.0	15.7	17.2	18.4	19.5	20.5	21.5	22.2	22.9	23.4
Muskoka TS Net Load	165.4	165.4	165.2	165.3	165.8	166.5	167.1	168	169.2	170.5	172	173.5	175.3	177.2	179.3
Orillia TS Forecast	118	120.4	122.8	125.2	127.7	130.3	132.9	135.5	138.3	141.0	143.8	146.7	149.7	152.6	155.7
Orillia TS Conservation	4.0	6.3	8.9	11.2	13.0	14.7	16.5	18.1	19.5	20.6	21.7	22.7	23.5	24.2	24.7
Orillia TS Net Load	114	114.1	113.9	114	114.7	115.6	116.4	117.4	118.8	120.4	122.1	124	126.2	128.4	131
Midhurst TS Forecast	195.1	199.6	204.3	209.1	214.0	218.7	223.6	228.5	233.6	238.8	244.1	249.6	257.5	265.6	273.9
Midhurst TS Conservation	7.1	11.0	15.4	19.6	22.7	25.7	28.8	31.6	34.0	35.9	37.8	39.5	40.9	42.2	43.1
Midhurst TS Net Load	188	188.6	188.9	189.5	191.3	193	194.8	196.9	199.6	202.9	206.3	210.1	216.6	223.4	230.8
Total Area Load Forecast	512.3	521.4	530.7	540.2	549.9	559.5	569.3	579.3	589.5	599.9	610.5	621.3	634.7	648.4	662.3
Total Area Conservation	14.9	23.3	32.7	41.4	48	54.4	61	66.9	71.9	76	80	83.7	86.6	89.3	91.2
Total Area Net Load	497.4	498.1	498	498.8	501.9	505.1	508.3	512.4	517.6	523.9	530.5	537.6	548.1	559.1	571.1

Bracebridge TS does not have conservation estimate as it does not serve LDC load

Note: Numbers highlighted in RED indicate loading on M6E/M7E above 600MW which violates IESO's load security criteria

Conservation forecasts include LDC/OPA energy efficiency and demand response programs, and the effects of codes & standards and time-of-use rates. Energy efficiency/demand response savings from transmission-connected industrial customers are not included in the forecast. The conservation forecast is an allocation of the province-wide forecast to the local area; demand savings are coincident with IESO system peak.

APPENDIX 7

Innisfil Hydro Distribution Systems Ltd.

Review of Innisfil Hydro's 2011 Asset Management Plan

Submitted by:

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Innisfil Hydro Distribution Systems Ltd.

Review of the 2011 Asset Management Plan

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DRAFT



EXECUTIVE SUMMARY

In preparation for its Cost of Service rate application, Innisfil Hydro Distribution System Ltd. (“Innisfil Hydro”) has engaged AESI to review, provide commentary and make recommendations on its 2011 Asset Management Plan. The Asset Management Plan, and requirements, is defined in the Ontario Energy Board’s Filing Requirements for Transmission and Distribution Applications, specifically in Chapter 2. AESI reviewed the Asset Management Plan and provided a draft of its comments and recommendations, based on the defined Ontario Energy Board requirements and on its experience in assisting other Local Distribution Companies to develop their Asset Management Plans. In response to the draft, Innisfil Hydro provided its Business Plan 2011 for years 2012 to 2016 for consideration and with respect to the comments and recommendations presented in this review.

The existing 2011 Asset Management Plan includes a good narrative of Innisfil Hydro’s asset management practices, relevant data and appropriate references to the OEB’s Distribution Code. However, the Asset Management Plan should provide additional information regarding maintenance practices and the utility’s means and methodology for documenting, reviewing and analyzing inspection and maintenance data in order to identify and prioritize capital expenditures. With regards to capital expenditures, the Asset Management Plan should include a three year forecast (test year plus two subsequent years) of each capital project and estimated expenditures. A five year (2012 to 2016 inclusive) forecast of engineering capital expenditures is presented within the Business Plan, the details of which should be included within the Asset Management Plan as noted in this review.

Further, the Asset Management Plan should explicitly state whether Innisfil Hydro has undertaken any asset condition studies and should include such studies as an appendix to the Asset Management Plan.

Much of the content of the existing Asset Management Plan and relevant sections of the Business Plan may be leveraged and included, as further discussed in this report, within the following framework:

1. Overview of the Distribution System
2. Asset Management Objectives
3. Approach to Managing Assets
4. Identifying and Prioritizing Projects
5. Capital Budget Items
6. Forecasted Capital Expenditures



1 INTRODUCTION

The Ontario Energy Board (“OEB”) has established Filing Requirements for Transmission and Distribution Applications (“Filing Requirements”) in which it “Sets out the standards for transmitters and distributors to follow when filing for rate adjustments, leave to construct approvals, and conservation funding.” Chapter 2 of the Filing Requirements specifically addresses a Cost of Service (“CoS”) rate application for transmission and distribution companies. In June 2011 Chapter 2 was revised and now requires an Asset Management Plan to be included in Exhibit 2 (Rate Base) of the CoS application.

Following are the minimum requirements of an asset management plan, as outlined in Section 2.5.2.2 of Chapter 2:

- The applicant must provide a formal asset management plan, if the applicant has such a plan. If not, an explanation as to why the applicant does not have such a plan must be provided. The applicant must also state whether or not it is planning to have one in place in the future.
- In the absence of an asset management plan, the applicant must provide information outlining its approach to the planning and prioritization of capital projects.
- The applicant must also provide, at minimum, a three year forecast of capital expenditures (test year plus two subsequent years).
- The applicant must also state whether or not it has undertaken any asset condition studies and, if so, copies of such studies must be filed.

To provide support for its future Ontario Energy Board rate filings Innisfil Hydro Distribution Systems Ltd. (“Innisfil Hydro”) has recognized the importance of comprehensive asset management planning to capture and potentially expand on its existing asset management activities. Innisfil Hydro has also recognized that it is now required to have a documented Asset Management Plan as part of its CoS rate application in August 2012. As such, it has developed an Asset Management Plan and has engaged AESI to review, provide commentary and make recommendations on the 2011 Asset Management Plan.



2 OBSERVATIONS AND ASSESSMENT

The assessment of Innisfil Hydro's 2011 Asset Management Plan is presented below and is based on AESI's knowledge and experience with similar Local Distribution Companies ("LDCs") and its understanding of the OEB requirements of an Asset Management Plan.

The existing 2011 Asset Management Plan includes a good narrative of Innisfil Hydro's asset management practices, relevant data and appropriate references to the OEB's Distribution Code. Innisfil's Asset Management Plan presents seven main sections, each of which provides an overview of an asset category; these include overhead lines, underground lines, distribution stations, metering, vehicles, property and equipment. Within each of these sections, the applicable assets and relevant asset management practices are described. For example, the overhead lines section includes a description of vegetation management, infrared thermography, line patrol, pole inspection and testing, protective device inspection, transformer inspection, voltage regulator inspection, capacitor inspection, fault indicator inspection and load balancing. Within these sections, Innisfil Hydro presents general consequences of not remediating deficiencies identified during inspection, providing support for expenditures. The narrative of maintenance practices within these sections, however, should be elaborated to further detail condition-based maintenance¹ activities or other preventive maintenance² activities, such as insulator washing, if performed. Innisfil Hydro could also include a brief description of its method of documenting inspection and maintenance data.

Some of the descriptions of asset management practices within the plan include a brief statement about the associated estimated expense that *would* be required but may not indicate whether the expenditure is planned for the bridge year or subsequent years; alternatively, it may state that the cost has been budgeted into a specific account, but does not identify the cost. Further, the Asset Management Plan often states that the cost has not been budgeted for in 2012 (or in subsequent years); it is not clear from this latter statement whether it is required or should

¹ Maintenance performed after inspection or other maintenance (e.g. infrared thermography) indicates impending failure or degradation in performance or condition of the asset. Condition-based maintenance serves to eliminate opportunity of breakdowns and reduce deviations from optimum asset performance.

² Maintenance performed at predetermined intervals or according to prescribed criteria and intended to reduce the probability of failure.



be included in forecasts. As such, the existing asset management plan does not adequately address the OEB's requirement to provide a three year forecast of capital expenditures.

Innisfil Hydro's Business Plan, however, provides a five year (2012 – 2016) forecast of capital expenditures, although only engineering capital expenditures are outlined; the forecast should not be restricted to engineering capital expenditures but capital expenditures of the utility. Furthermore, there should be a clear correlation between the costs presented in the Asset Management Plan and those in the engineering capital budget forecast of the Business Plan. It is imperative that there is consistency between any data, financial or otherwise, presented to the OEB and particularly between the Asset Management Plan and Business Plan.

Also not clearly documented within the plan is a description of how data from these asset management practices is reviewed, analyzed and used for identifying and prioritizing capital expenditures. Therefore, the plan does not adequately address the OEB's requirement to provide information outlining its approach to the planning and prioritization of capital projects.

Lastly, the existing plan does not state whether or not Innisfil has undertaken any asset condition studies; this should be clearly identified within the plan and if such studies have been performed, the results should be included as an appendix to the plan.

3 RECOMMENDATIONS

3.1 General

- i. The Asset Management Plan should, as prescribed, include a minimum 3 year forecast of capital expenditures (test year plus two subsequent years) for the utility. Chapter 2 (Section 2.5.2.1) identifies capital expenditure information that should be provided on a project specific basis. While this information is required only for capital expenditures over the past five historical years, the bridge year and the test year (note that test year is required in the Asset Management Plan), Innisfil Hydro should consider providing this information for the two years subsequent to the test year. As noted above, there should be a clear correlation and consistency between the costs presented in the Asset Management Plan and those in the forecasts of the Business Plan.
- ii. The Asset Management Plan should clearly demonstrate age and condition classification of particular assets if replacement of aging infrastructure is a significant component of the Plan and, as such, a large increase in capital expenditures, compared to historical expenditures, is required to replace those assets near or at the end of their useful life. For



example, a utility may have experienced a steady, modest growth rate in the 1950s and 1960s that was reflected in the installation of equipment such as wood poles.

When the community growth accelerated in the 1970s there was a correspondingly large increase in the number of wood poles installed. Historically, pole replacement may have been a modest capital expenditure as poles from the 1950s and 1960s came to the end of their useful life. The much larger number of poles installed in the 1970s may only now require replacement, thus creating a larger increase in capital expenditures to maintain high quality standards of safety and reliability. Demonstration of this aging characteristic is a critical recommendation to avoid non-approval of proposed expenditures based on historical patterns. Graphical representation of the age of particular assets creates an immediate appreciation of this trend.

- iii. The Asset Management Plan should clearly state whether or not Innisfil Hydro has undertaken any asset condition studies; if such studies have been performed, Innisfil Hydro should include the results as an appendix to its Asset Management Plan. In AESI's experience, the asset condition studies are those studies performed beyond the routine practices (i.e. inspection and maintenance) to assess asset condition.
- iv. As noted above, documentation of maintenance practices within the Asset Management Plan should be elaborated to further detail condition-based maintenance or other preventive maintenance practices, such as insulator washing, as applicable.
- v. Innisfil Hydro should ensure that inspection cycles defined within the Asset Management Plan are consistent with the OEB's minimum inspection requirements.

3.2

3.2 Structure

Much, if not all, content in the existing asset management plan could be leveraged to develop a plan that is more aligned, in our experience, with the OEB's expectations and with those Asset Management Plans presented with minimal to no associated interrogatories. The following presents a framework that Innisfil Hydro could adopt for its Asset Management Plan.

1. Overview of the Distribution System

This section should include a description of the service area, number and type of customers, primary and secondary voltages, conductor/cable lengths, meter types, etc. Some of the 'Background' content within the Business Plan could be leveraged for this section.

2. Asset Management Objectives

This section should identify Innisfil Hydro's objectives for managing its assets. Typical objectives include, but are not limited to, ensuring customer and employee safety, providing a reliable system while improving reliability indices, accounting for future load growth and ensuring appropriate future supply, addressing legislature or regulatory directives, etc. Several sections within the Business plan address such items, although not explicitly defined as asset management objectives. For example, both the 'Background' and Section 1 discuss population and customer growth. These should be included within the Asset Management Plan and elaborated on with respect to capital expansion and additional funding that may be required to accommodate the expansion of Innisfil Hydro's distribution infrastructure.

3. Approach to Managing Assets

Innisfil Hydro could utilize the current format in which it identifies assets and describes inspection and maintenance practices, based on the overhead distribution system, underground distribution system, substations, metering, vehicles, property and equipment. Further, and as noted above, Innisfil Hydro presents the consequences of not remediating deficiencies identified during inspection; this information is well presented and relevant as it relates Innisfil's approach to managing assets to achieving objectives. When appropriate, the significance of aging infrastructure should be emphasized within this section. This can be critical to the immediate budgetary requirements but also demonstrates the long-term



commitment to maintain high quality infrastructure. Graphical representation clarifies the history of the particular asset and demonstrates the anticipated trends.

4. Identifying and Prioritizing Projects

Within this section, Innisfil Hydro should describe its approach to identifying projects within the capital budget. In our experience with utilities of Innisfil's size, the approach is informal and essentially encompasses review and analysis of inspection data, maintenance data, age classifications, system reliability data and regulatory and municipal drivers. The methodology may also comprise analysis of leading indicators of the 'health' of the system, such as load forecasting and system planning. Innisfil Hydro should also describe any risk, cost/benefit or other analysis performed to identify projects for inclusion in the capital budget.

This section should also describe the approach to prioritizing projects and therefore expenditures. For example, projects meeting multiple objectives may be assigned a high priority as compared to a project achieving a single objective. Also as an example, a pole line rebuild may be considered less of a priority than spot pole replacements presenting safety concerns. It should be noted that Innisfil's approach need not be complicated or involve formal risk assessment methods. However, it should be clear in explaining that Innisfil has a process in place in which it reviews system data and considers objectives to determine priorities. Section 5 of the Business Plan identifies the priorities of capital and operations and maintenance programs. This information could be leveraged and elaborated upon within the Asset Management Plan to provide further information about these priorities with respect to asset management objectives and developing the capital budget.

5. Capital Budget Items

This section should explain that the capital budget is developed following the approach to identifying and prioritizing projects, and therefore expenditures; it should also reiterate that spending is prioritized to achieve asset management objectives. Further, a listing and description of key categories, and OEB Uniform System of Account ("USoA") codes within each category, should be included. Examples of categories may include, but are not limited to, buildings and land, stations, underground distribution, overhead distribution, transformers, meters, office equipment, hardware and software, vehicles, tools, etc.

Programs may be defined within the categories. For example, the stations category may include a program for system expansion and a program for replacement or upgrades due to age or condition; similarly, the overhead distribution category may include programs such



as relocation of hydro plant due to municipal drivers, replacement or upgrade of plant due to age or condition, and expansion to supply new development.

The Business Plan provides an itemized engineering budget forecast over a five year period; the items listed appear to be individual programs that could be included within this section of the Asset Management Plan, as noted below. Programs are further itemized to identify projects (further described below).

Innisfil Hydro should also include a description of each program. Section 5 of the Business Plan provides good information that may be leveraged within the Asset Management Plan. For example, the replacement of aged switches with automated switches is discussed. Again, this should be expanded upon within the Asset Management Plan to identify the risks of such aged infrastructure, including a description of how the program meets a defined asset management objective(s), the benefits of the proposed program and the consequences of not expending capital funds (i.e. implementing the program).

Generally, Innisfil Hydro should clearly articulate the impact of these programs to its distribution system and the customers it serves and justify its request for added funding such that the OEB may deem Innisfil Hydro prudent in its spending and may support a rate increase.

Below is a brief example of what may be presented within this section of the asset management plan.

1. Category: Overhead Distribution

This category includes OEB USoA codes 1830, 1835 and 1855.

1.1. Program: Relocation of Hydro Plant Due to Municipal Drivers

Relocation of overhead plant that is currently situated where road-widening is proposed. Projects within this program are generally non-discretionary and mandated by the Town of Innisfil.

1.2. Program: Replacement or Upgrade Due to Age or Condition

Replacement of overhead assets in poor condition as noted in pole-line inspection records. Also includes replacement and upgrade of open-wire secondary with triplex service wire.



6. Forecasted Capital Expenditures

As noted above, programs are further itemized to identify projects. Projects within capital budget should be identified for the test year (the prospective rate year) and subsequent two years. Each capital project should include at least the project cost, scope of work (i.e. description of the project) and business case (i.e. project justification/reason for completing the project).

In addition to the narrative, forecasted capital expenditures should be presented in table format, as has been included in well-documented asset management plans.

Below is an example of what may be presented within this section of the asset management plan. The categories and descriptions are guides and not intended to be all-inclusive.

Project 1: Relocation of Overhead Pole Line on Yonge St. between Victoria St. and Innisfil Beach Rd.

Capital Budget Amount: \$102,000.

Project	Total	1830	1835	1840	1845	1850
Project 1	\$102,000	\$67,000	\$12,000	\$11,000	\$10,000	\$2,000

Scope of Work:

Business Case:

Category	Test Year	Test Year + 1	Test Year + 2
Buildings	\$ (total)	\$ (total)	\$ (total)
Land	\$ (total)	\$ (total)	\$ (total)
Stations	\$ (total)	\$ (total)	\$ (total)
Underground Distribution	\$ 21,000	\$ (total)	\$ (total)
Overhead Distribution	\$ 79,000	\$ (total)	\$ (total)
Transformers	\$ 2,000	\$ (total)	\$ (total)



Review of the 2011 Asset Management Plan

Meters	\$ (total)	\$ (total)	\$ (total)
Total Capital Budget	\$ 102,000	\$ (sum)	\$ (sum)

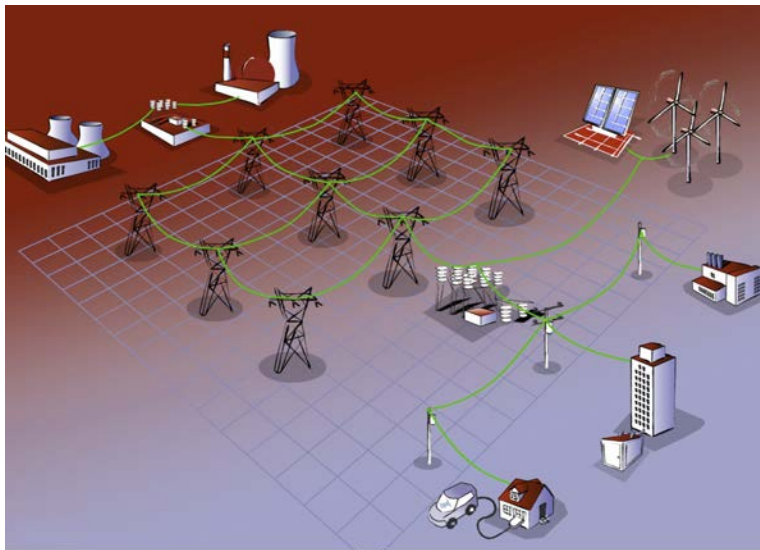
OEB	Description	Test Year	Test Year + 1	Test Year + 2
1805	Land	\$ (total)	\$ (total)	\$ (total)
1820	Distribution Station Equip.	\$ (total)	\$ (total)	\$ (total)
1830	O/H Poles, Towers, Fixtures	\$ 67,000	\$ (total)	\$ (total)
1835	O/H Conductors, Devices	\$12,000	\$ (total)	\$ (total)
1840	U/G Conduit	\$11,000	\$ (total)	\$ (total)
1845	U/G Conductors, Devices	\$10,000	\$ (total)	\$ (total)
1850	Line Transformers	\$2,000	\$ (total)	\$ (total)
1860	Meters	\$ (total)	\$ (total)	\$ (total)
1920	Computer Hardware	\$ (total)	\$ (total)	\$ (total)
1925	Computer Software	\$ (total)	\$ (total)	\$ (total)
1940	Tools, Shop, Garage Equip.	\$ (total)	\$ (total)	\$ (total)
Total Capital Expenditures		\$102,000	\$ (sum)	\$ (sum)

APPENDIX 8



Innisfil Hydro Distribution Systems Limited

Green Energy Act Plan (Basic Plan)



July 23, 2012

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1. Introduction

This document outlines the Green Energy Act Plan for Innisfil Hydro Distribution Systems Limited (IHDSL).

At this time IHDSL is filing the basic Green Energy Act (GEA) Plan, as directed by the OEB document EB-2009-0397 Distribution System Plans – Filing Under Deemed Conditions of License revised May 17, 2012. The basic GEA Plan provides information to the Board and interested stakeholders regarding the readiness of IHDSL's system to accommodate the connection of renewable generation and the expansion or reinforcement necessary to accommodate renewable generation. In addition this report provides information with respect to the general condition of the distribution system.



2. Current Assessment of Distribution System

2.1. Distribution System Overview:

Innisfil Hydro Distribution Systems Limited owns, operates, and maintains a distribution system currently serving approximately 15,000 customers within an area of about 300 square kilometers. The service territory encompasses all of the Town of Innisfil, which includes the communities of South Barrie, Stroud, Alcona, Lefroy, Churchhill, Cookstown, Gilford, Sandy Cove, and Big Bay Point. A majority of our customers are located in the above noted urban centers'. We also serve a smaller percentage of customers who are farmers.

IHDSL's industrial customer base is minimal in comparison to residential customers. We have had a significant growth in the area in the past 10 years and expect this trend to continue into the next decade. We predict our customer base to double in the next 15 years.

We currently operate our subtransmission system at 44 kV and our three-phase distribution system at 27,600 and 8,320 volts. We own, operate and maintain nine (9) distribution substations, jointly own, operate, and maintain four (4) private substations, and inspect and maintain seven (7) other customer owned substations.

The average age of our substations is 33 years; a majority of them were installed and commissioned in the 1970's. We own, operate, and maintain four (4) subtransmission feeders, 27 distribution feeders, approximately 750 km of both overhead and underground conductors, and 3,085 distribution transformers.

In the past six (6) years we have designed, installed, and commissioned one (1) distribution substation. We have systematically invested significant capital in upgrading our Distribution Automation (DA), and Supervisory Control and Data Acquisition (SCADA) systems, our IT infrastructure, deploying newer Reclosers and



Scada-Mate[®] switches, SCADA software for use by System Operators, and backend enterprise systems to support the need for better data management and system integration.

In 2011 we replaced all hydraulic reclosers at the Leonards Beach Distribution Station (DS) with the newer vacuum reclosers with microprocessor controls¹. Our goal is to upgrade the remaining hydraulic reclosers in our distribution system in the near future with the newer vacuum type with advanced electronic controls, as part of our Smart Grid initiative. This initiative will help improve reliability by reducing outage duration while assisting our efforts to track and mitigate momentary interruptions.

We recently installed approximately 15,000 residential and commercial electric “smart” meters, completing our Advanced Metering Infrastructure (AMI) program and implementing TOU billing for all eligible customers by June 2011. We are currently developing internal processes to better utilize smart meter data to further improve our customer experience. Albeit, our AMI meters do not have true 2-way communication, thereby limiting our customers’ ability to participate in the CDM Demand Response Programs pertaining to water heaters, pool pumps, peaksaver, etc. We are in the process of reviewing the cost implications for upgrading (1) AMI meters with 2-way communication capability, and (2) our current IT infrastructure (both capital and O&M) to accommodate the system requirements for the implementation of Demand Response programs.

We have worked with our neighbours, Hydro One and Power Stream, on our 15 year future growth plan to establish the possibility of building a 230 kV TS to better serve the growing demand for power.

We are committed to continuing our infrastructure renewal program **to improve customer participation** in reducing energy consumption, **improve system reliability** by reducing outages and outage duration, **improve operational efficiency** by deploying distribution automation and Smart SCADA technology, **improve security and safety** by reducing the vulnerability of the grid to unexpected hazards and promoting a safer system for both workers and the general public, and **promote environmental quality** by allowing customers to purchase cleaner, lower-carbon-emitting generation, and promote a more even deployment of renewable energy sources.

¹ G&W Viper Reclosers with SEL 351R controls



INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

Table 1 - **Circuit length (in meters)**

System Voltage	44 kV	27.6 kV	8.32 kV	TOTAL
Overhead	125,900	98,700	382,800	607,400
Underground	700	66,100	74,400	141,200
<uncategorized>	300	3,600	1,700	5,600
Total	126,900	168,400	458,900	754,200

Table 2 - **Distribution Transformer Count**

System Voltage	44 kV	27.6 kV	8.32 kV	TOTAL
Overhead	0	444	1,649	2,093
Padmount	0	477	509	992
Total	0	921	2,158	3,085

2.2. Embedded Distribution System

Subtransmission: IHDSL is embedded into Hydro One Networks Inc.'s (HONI) subtransmission system. We currently own, operate, and maintain four (4) subtransmission feeders² from our boarder connection point, all of which have been identified by HONI to have available capacity to connect FIT or micro-FIT generators (as of July 17, 2012). A new subtransmission feeder³ has been planned for 2017 to accommodate future load growth.

Distribution: Among our 27 distribution feeders 26 feeders still have available capacity to connect generators, while four other feeders are nearing their capacity for micro-FIT connection. As of this report date, 24 feeders have a total of 1.2 MW of solar generation already connected or slated to be connected.

2.3. Municipal Substations

IHDSL has nine (9) substations serving the community. The total design capacity is 58 MVA providing a margin of safety over the peak system load of 15%⁴. The subtransmission system (44 kV) allows for transfer of loads between stations as required.

² Alliston TS 9M1, 9M2, 9M4, and Barrie TS 13M3

³ 9M6 from Alliston TS

⁴ Based on a 70% load factor on our DS transformers


INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

Table 3 - Feeder Data:

SUBSTATION	LOCATION	SIZE	OWNER	FEEDER #	Volt	Vintage
BIG BAY POINT DS	709 13th Line	5,000 KVA	Innisfil Hydro	F1 & F2	44/8.32 kV	1971
BOB DEUGO DS	2033 Commerce Park Drive	10,000 KVA	Innisfil Hydro	F1 & F2	44/27.6 kV	2006
BRIAN WILSON DS	1434 Innisfil Beach Road	20,000 KVA	Innisfil Hydro	F1, F2, F3 & F4	44/27.6 kV	1991 (T1) 1991 (T2)
CEDAR POINT DS	733 6th Line	5,000 KVA	Innisfil Hydro	F1 & F2	44/8.32 kV	1976
INNISFIL DS	2255 Highway #89	5,000 KVA	Innisfil Hydro	F1, F2 & F3	44/8.32 kV	1978
LEFROY DS	1495 Killarney Beach Road	5,000 KVA	Innisfil Hydro	F1, F2 & F3	44/8.32 kV	1970
LEONARDS BEACH DS	2895 25th Sideroad	5,000 KVA	Innisfil Hydro	F1 & F2	44/8.32 kV	1974
SANDY COVE DS	1104 Lockhart Road	5,000 KVA	Innisfil Hydro	F1 & F3	44/8.32 kV	1975
STROUD DS	2135 Lockhart Road	5,000 KVA	Innisfil Hydro	F1, F2 & F3	44/8.32 kV	1969
COOKSTOWN WEST DS	Victoria St. Cookstown, West of Cty.Rd. 27	7,000 KVA	Hydro One	F2 & F4	44/8.32 kV	--
THORNTON DS	Innisfil Beach Rd. East of Cty.Rd. 27	5,000 KVA	Hydro One	F1 & F2	44/8.32 kV	--

Note: All transformers are connected as Delta-Primary and Wye-Secondary.

2.4. Station Metering and Monitoring

We have installed and commissioned station monitoring equipment and systems on all nine (9) of our substations, while only three⁵ (3) have smart SCADA equipment installed and functional, as noted in the table below. Our intent is to add remote sensing and switching capability with Smart Grid Self-healing properties to the remaining six (6) stations. *We currently do not monitor private substations.*

Table 4 – **Smart SCADA Status of IHDSL DS**

STATION	Station Monitoring Capability	Smart SCADA Status
BIG BAY POINT DS	YES	NEEDS UPGRADE
BOB DEUGO DS	YES	Fully Functional
BRIAN WILSON DS	YES	Fully Functional
CEDAR POINT DS	YES	NEEDS UPGRADE
INNISFIL DS	YES	NEEDS UPGRADE
LEFROY DS	YES	NEEDS UPGRADE
LEONARDS BEACH DS	YES	Fully Functional
SANDY COVE DS	YES	NEEDS UPGRADE
STROUD DS	YES	NEEDS UPGRADE

We are currently engaging with other public utilities to share costs.

- Communication infrastructure
 - o We currently use an unlicensed frequency band for our SCADA system and have experienced significant signal interference. In an effort to improve signal quality we are working on replacing/upgrading all our communication equipment to use the dedicated utility frequency band that was recently released for LDC usage by Industry Canada. We are planning on completing this upgrade before the end of next year, which will require significant investment in capital and O&M.
 - o As part of the SCADA upgrade we intend to replace the older vintage OPTOMUX protocol equipment with newer technology devices, while

⁵ Namely Bob Deugo, Brian Wilson, and Leonards Beach DS

quality testing our existing DNP3 communication equipment to ensure long term reliable operation.

- This new technology gives us the capability to monitor and control DG units, which in turn allows us the opportunity to consider a higher number of DG connection requests.
- The installation of the new SCADA system will improve our ability to obtain real time voltage readings at various locations of our single and three phase distribution system, which in turn will enable us to better determine circuit response to load and other operating conditions. This will further assist us in the evaluation of DG connection requests.
- For the implementation of the above two projects it will be necessary for us to expand our technical support team by adding **ONE new position** in 2013. The added cost is reflected in Table 9.

2.5. Feeder Capacities to Connect Generation

At IHDSL we follow the guidelines stipulated by Hydro One in their document: Distributed Generation Technical Interconnection Requirements – Interconnections at Voltages 50kV and below; DT-10-015 Rev 2, June 2011. In this section Hydro One stipulates the acceptable generation limits for three-phase and single phase generators for DG facilities interconnected to HONI Distribution feeders. We use the same guidelines for our system. In addition, we use other industry recognized standards and procedures in determining connectability of DG's to our system; including IEEE 1547, which is the "Standard for Interconnecting Distributed Resources With Electric Power System", and calculations based on feeder specific load calculations. We have a design threshold to limit connected DG power to 50% of our calculated average minimum load of each feeder, which is determined to be 15% of the average maximum load on the respective feeder.

An internal tracking worksheet is used to log all interconnection points and their capacities. Using this log we are able to determine the total connected generation on each feeder, and decide if any additional generators can be connected.

The following table shows the connected or pending Distributed Generators (DG) on each feeder and the remaining capacities. Ratings are given in kilo-Watts.

Table 5 – IHDSL Feeder Capacity Status for DG Connectivity - Distribution
Distribution System

Distribution: Among our 27 distribution feeders 26 feeders still have available capacity to connect generators, while four feeders are nearing their capacity for micro-FIT connection.

Station	Feeder	Max DG Capacity	Connected or Pending	Remaining Capacity
Innisfil	F3	96	118	NONE
Innisfil	F1	122	40	82
Innisfil	F2	105	20	85
Big Bay Point	F1	124	3	121
Big Bay Point	F2	115	20	95
Bob Deugo	F1	47	10	37
Bob Deugo	F2	54	20	34
Brian Wilson	F1	91	71	20
Brian Wilson	F2	75	70	5
Brian Wilson	F3	168	82	86
Brian Wilson	F4	TBD	0	TBD
Cedar Point	F1	146	15	131
Cedar Point	F2	202	5	197
Cookstown-West	F2	82	13	69
Cookstown-West	F4	102	10	92
Leonards Beach	F1	104	7	97
Leonards Beach	F3	144	15	129
Lefroy	F1	152	10	142
Lefroy	F2	93	20	73
Lefroy	F3	60	20	40
Sandy Cove	F1	92	0	92
Sandy Cove	F3	69	0	69
Stroud	F1	86	25	61
Stroud	F2	16	10	6
Stroud	F3	132	44	88
Thornton	F1	67	50	17
Thornton	F2	33	30	3

Orange highlight: No more capacity for DG connection

Yellow highlight: Nearing capacity for DG connection

Subtransmission System

As noted earlier in this report IHDSL is embedded into Hydro One Networks Inc.'s (HONI) subtransmission system, and we currently own, operate, and maintain four (4) subtransmission feeders from our boarder connection point, all of which have been identified by HONI to have available capacity to connect FIT or micro-FIT generators as noted below.

Table 6 - IHDSL Feeder Capacity Status for DG Connectivity - Subtransmission

Feeder	TS	Voltage	Rating	Available DG Capacity
9M1	Alliston	44 kV	600 amps	30.0MW
9M2	Alliston	44 kV	600 amps	30.0MW
9M4	Alliston	44 kV	600 amps	29.80MW
13M3	Barrie	44 kV	600 amps	29.75MW

Note: Above capacity data was calculated on 17-July-2012 using Hydro One's Capacity Evaluation Tool. Please see Appendix section for screen shots of calculation.

2.6. Challenges related to our distribution system:

Currently we are facing capacity limitations on five (5) distribution feeders. One feeder has already reached its maximum capacity for DG connectivity while four (4) other feeders are nearing their maximum capacity. Over the next two to three years we are anticipating DG connection requests to amount to 2 - 3 MW in total. It is very likely that our aging infrastructure would need to be upgraded to accommodate the anticipated DG connection applications. However, an accurate estimate of the extent of system upgrades and associated costs are better determined after the specific feeders on which these DG units will be connected are identified. In the interim, as we continue to expand our in-house technical capabilities to conduct substation and feeder based studies, and implement communication and SCADA system upgrades, it is imperative that we have the opportunity to employ an **additional technician** starting in 2013 to adequately support these efforts.

One of the other challenges we face in our distribution system pertains to the sharing of the distribution infrastructure with other LDC's. We currently have four (4) feeders that are based out of two separate HONI owned stations, namely Thornton DS and Cookstown DS. Since two separate LDC's are operating out of the same substation it poses logistical problems. These arrangements pose unique challenges when working on micro-FIT and FIT projects.

Table 7 - **HONI owned DS with IHDSL feeders**

Station Name	Bus Name	Feeder Name	Voltage (kV)	Thermal Capacity (MW)	Upstream TS	Upstream TS Feeder
Cookstown West DS	Total	F1, F2*, F3, F4*	8.32	4.8	Everett TS	M6
Thornton DS	Total	F1*, F2*, F3	8.32	3.3	Alliston TS	M4

* Feeders owned by IHDSL

Long Term Load Transfer (LTLT) Customers

IHDSL supplies power to 95 Hydro One LTLT customers via three IHDSL's feeders⁶. These feeders supply power to the following LTLT customers: 61 metered

⁶ Cookstown F4, and Thornton F1 and F2



customers, 33 flat rate customers, and 1 micro-FIT customer; these are HONI customers who are supplied power through our distribution infrastructure. We do not have any IHDSL customers who are fed off HONI distribution infrastructure.

Under this arrangement of shared ownership where the station is owned by HONI, the feeder is owned by IHDSL, and the distribution transformer and meter are owned by HONI, we have constant challenges in working through FIT and micro-FIT applications when approached by HONI customers. These customers come under the care of HONI yet for DG connectivity all infrastructure related calculations and upgrade works need to be done by IHDSL.

We have reviewed and analyzed various alternative solutions but all such options were deemed to be cost prohibitive.

We are cognisant of the June 30, 2014 deadline for eliminating LTLT arrangements which will help LDC's with dealing with distributed generation requests; however, logistical challenges for the remaining two years need to be addressed. As of the report date, IHDSL has 33 HONI owned transformers⁷ on the distribution system.

2.7. Identification of Expenditures

As noted in table 5, several of our feeders do not have additional capacity for DG connectivity, and therefore, if we are to continue to offer our customers the opportunity to connect their renewable power generators to our grid we would need to implement a variety of infrastructure upgrade projects to accommodate their generators. As of this report date, a detailed engineering analysis and estimate is currently being developed.

As part of our infrastructure renewal plan we have proposed the following expenditure for the next five years:

Note: costs highlighted in **green** are in addition to IHDSL's forecasted Capital and OM&A budgets.

⁷ 12 are located on the Cookstown F4 Feeder, 3 located on the Thornton F1 Feeder, and 18 located on the Thornton F2 Feeder.

Table 8 - Substation & Distribution System Upgrade:

Description	Budget \$				
	2013	2014	2015	2016	2017
Recloser Automation, Replacement, & Line Recloser Maintenance (4 yr cycle)	\$ 223,300 ^a	\$ 232,000 ^a	\$ 248,500 ^a	\$ 265,900 ^b	\$ 253,200 ^b
44kV SCADA Controlled Load Interrupting Gang Switches	\$ 160,100	\$ 166,300	\$ 178,200	\$ 190,600	\$ 203,000
27.6kV SCADA Controlled Load Interrupting Gang Switches	\$ 253,200	\$ 263,100	\$ 281,700	\$ 301,500	\$ 321,000
Implementation of Automated Sectionalization and Restoration (ASR) ⁸	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Fault Current Indicators	\$ 38,400	\$ 39,900	\$ 42,700	\$ 45,700	\$ 48,700
Total	\$1,175,000	\$1,201,300	\$1,251,100	\$1,303,700	\$1,325,900

^a: Substation Recloser upgrade; ^b: Line Recloser Upgrade

Table 9 - Investment in Personnel and Enterprise Architecture:

Description	2012	2013	2014	2015	2016	2017
Smart Grid/Green Energy Engineer	75,000	100,000	103,000	106,100	109,270	112,550
- Support Tech. ^c	0	75,000	77,250	79,600	82,000	84,460
New SCADA System	200,000	250,000 ^c	0	0	0	0
Software Upkeep ^c	25,000	10,000	10,300	10,600	10,900	11,500
Radio Hardware Installation & Commissioning ^c	0	200,000	0	0	0	0

^c Not included in the current 5 year plan

⁸ Not included in the current 5 year plan. The implementation of the ASR scheme will give us the option to automatically sectionalize faulted segments of a feeder and restore power to as many customers as possible through the intelligent and strategic switching of circuit ties.



INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

GEA Budget

Costs to support the Substation & Distribution System Upgrade, Investment in Enterprise Architecture and personnel to support the technology and implementation is broken down by category and year in the following table,

	2013 (\$000)	2014 (\$000)	2015 (\$000)	2016 (\$000)	2017 (\$000)	Total (\$000)
Capital	710	260	261	261	262	1754
OM&A	75	77	80	82	84	398
Total	785	337	341	343	346	2152

Further details of the GEA Budget, strategy and proposed riders will be addressed within IHDSL's COS Application EB-2012-0139.

2.8. Unique Challenges

We have seen substantial interest from farmers in our service territory for both microFIT and FIT solar projects; however, with the visibility of the generators there has been a steady transition of residential roof mount solar projects. Given the older infrastructure on parts of our service territory we see a need for upgrading our infrastructure over the next few years.

3. Planned Development of the Distribution Systems to Accommodate Generation Connections

3.1 Existing and Pending Renewable Generation Projects:

Since the rollout of the MicroFIT and FIT programs, IHDSL has received a large number of requests for solar panel installations on its grid. To date we have approximately 135 FIT/MicroFIT projects that have either been approved or being evaluated, while several other requests are being put on hold due to capacity. Although received projects slowed down in late 2011 due to the 2 Year FIT Review, IHDSL is again experiencing an increase in DG connectivity requests. IHDSL fully expects the requests to maintain in the foreseeable future. Therefore, need to plan infrastructure upgrade projects including substation and distribution automation, to benefit DG connections, and accommodate additional generation.

MicroFIT Summary

Installed Projects by Year

YEAR	2010	2011	2012	2013	2014	2015	2016
Forecast	5	15	20	25	30	30	30
Actual	10	29	10 *				

*as of July 23, 2012

Breakdown of MicroFIT Applications (as of July 23, 2012)

Total Connected	49
Pending Connection	32
Pending LDC OTC	15
Application Terminated	27
Contract Transferred	8
Total Applications	131
Total Capacity	1173.52 kW

FIT Summary

Installed Projects by Year



INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

YEAR	2010	2011	2012	2013	2014	2015	2016
Forecast	1	2	3	3	3	3	3
Actual	0	1	0*				

*as of July 23, 2012

Breakdown of FIT Applications (as of July 23, 2012)

Total Connected	1
In CIA Process	1
Pending CIA Process	2
Total Applications	4
Total Capacity	990 kW

3.2 Infrastructure Projects and Activities to Accommodate Renewable Generation

Our priority would be to upgrade feeders that have reached maximum capacity for DG connectivity. At the top of the list is the upgrading of the backbone of our Innisfil F3 feeder, on which we have a backlog of DG applications, and that is long past its depreciation. We have observed widespread deterioration of the assets of this feeder and have deemed it necessary to completely rebuild about 5 km of infrastructure at an approximate cost of \$600k-\$700k, subject to feeder load conditions.

In addition, the upgrade projects that are part of our Smart Grid initiatives are expected to indirectly benefit renewable generation.

3.3 Costs to be Recovered

For the above noted project we anticipate our material to labor cost ratio to be approximately 40/60.

Additional cost recovery schedules will be provided upon request.

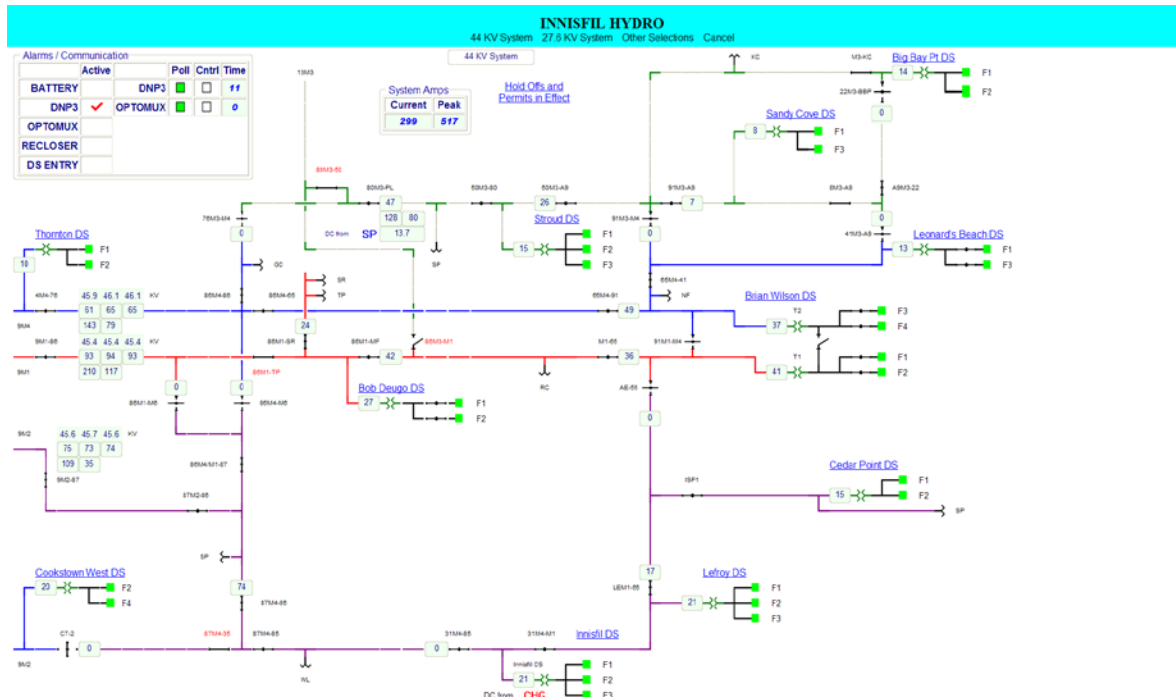
4. Smart Grid Development

One of the major initiatives IHDSL had worked on under the Smart Grid umbrella is the AMI project. As part of this project we installed and commissioned approximately 15,000 meters. In addition we have invested time and resources for the upkeep of our SCADA system, replacing, upgrading, and/or maintaining substation Remote Terminal Units (RTU's), SCADA switches, and Reclosers.

We are continuing to pursue projects to further modernize and automate our infrastructure, while looking for ways to provide our customers more choices to conserve energy.

Our grid modernization plan includes:

- Replacing our old SCADA system with modern state of the art system. Our current 8,320 volt distribution system is not tied into our current SCADA system, while our 27.6 kV system has limited line visibility.
 - o The new SCADA system will help improve visibility on both these systems and will help with quicker outage restoration, improving our SAIDI and CAIDI metrics.
 - o Our SCADA system, as currently configured, is remotely operable through control terminals in our operation centres as well as through secure mobile devices. The new SCADA system we are proposing to install will also be configured with remote accessibility, allowing greater functionality.



- Introducing enterprise-wide engineering, accounting, work management, and customer information systems that seamlessly integrate to provide improved efficiency, and better business intelligence that would lead to better business decisions for our customers and us
- Replacing/upgrading our reclosers and switches for the implementation of "Distribution Automation".
- Installing advanced Fault Current Indicators with communication capability will reduce the time taken to locate our faults and help reduce outage restoration times and overall reliability.

Some of the Benefits of Distributed Generation:

- Power quality and reliability- For sensitive equipment (computer equipment, manufacturing process equipment) or in the event where a power outage could seriously impact a business, DG can be used to improve power quality and reliability.
- Security - A DG system can provide added security by maintaining power to critical operating areas which would otherwise be affected by utility power outages.



- Environment - Many DG installations reduce total emissions levels by using energy resources more efficiently, replacing heating and water heating fossil fuel combustion emissions and in some cases displacing more damaging central plant emissions.
- Other – DG's further help with avoiding future expansions of transmission and distribution networks in their respective areas.

How Investment in Smart Grid Technology may help Distributed Generation Initiatives:

- The implementation of Substation and Distribution Automation is expected to reduce the number of sustained outages and thereby decreasing the downtime of DG units that would have otherwise been dropped from the grid.
- The ability to track momentary outages by installing advanced microprocessor controlled automatic interrupting devices will provide intelligent data on momentary outages that would help LDC's implement proactive solutions to eliminate sustained outages.
- Our new communication infrastructure will enable real time monitoring of our subtransmission and distribution system, further helping operator assisted restoration efforts, and thereby reducing downtime.
- The installation of smart meters will enable us to harvest accurate load data which in turn will help us optimize DG connection capacity on our feeders.

5. Summary

The GEA Plan has been prepared to illustrate the ability to accommodate renewable generation. Through the plan the existing capacity has been outlined as well as requirements for future investments.

In order for IHDSL to continue to accommodate DG connection requests, given our current system limitations, we would need to follow through with the various infrastructure improvement projects as outlined above.

Should additional supporting documentation be required IHDSL will be glad to provide such as required.

END OF REPORT



Appendix

Service Territory



INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED



DG connectivity capacity at TS

hydro one Capacity Evaluation Tool
Version 1.4 (Data Updated on 2012-6-13)

Proposed Project Data

Connecting Station / Feeder: ALLISTON TS - M1 ← Alliston 9M1

Project Size: 30000 kW ← Max Capacity

Technology: Solar

Evaluate **RESULT Passes**

Above test FAILED at 31MW

hydro one Capacity Evaluation Tool
Version 1.4 (Data Updated on 2012-6-13)

Proposed Project Data

Connecting Station / Feeder: ALLISTON TS - M2 ← Alliston 9M2

Project Size: 30000 kW ← Max Capacity

Technology: Solar

Evaluate **RESULT Passes**

Above test FAILED at 31MW

hydro one Capacity Evaluation Tool
Version 1.4 (Data Updated on 2012-6-13)

Proposed Project Data

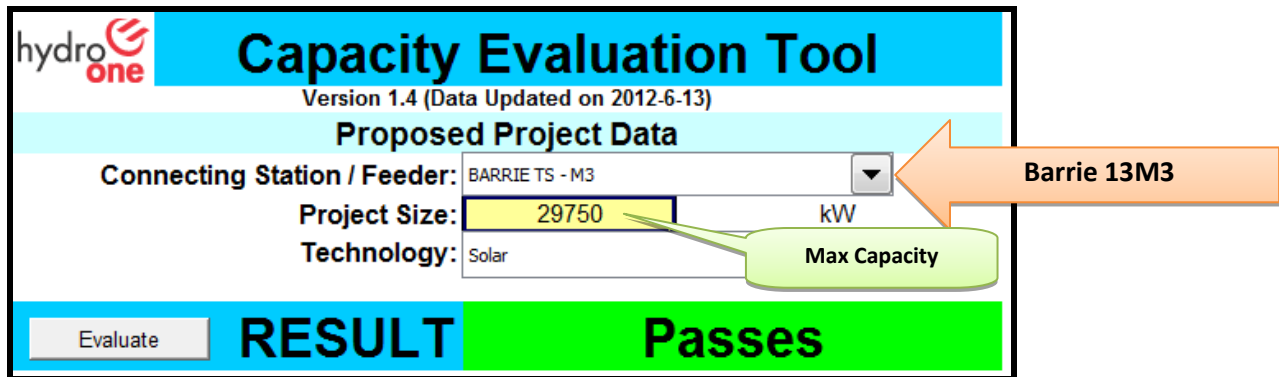
Connecting Station / Feeder: ALLISTON TS - M4 ← Alliston 9M4

Project Size: 29800 kW ← Max Capacity

Technology: Solar

Evaluate **RESULT Passes**

Above test FAIELD at 29.9MW



hydro one **Capacity Evaluation Tool**
Version 1.4 (Data Updated on 2012-6-13)

Proposed Project Data

Connecting Station / Feeder: BARRIE TS - M3

Project Size: 29750 kW

Technology: Solar

Max Capacity

Barrie 13M3

Evaluate **RESULT Passes**

Above test FAILED at 29.8MW

Note: These scenarios were tested on 17-July-2012 using Hydro One's Capacity Evaluation Tool.

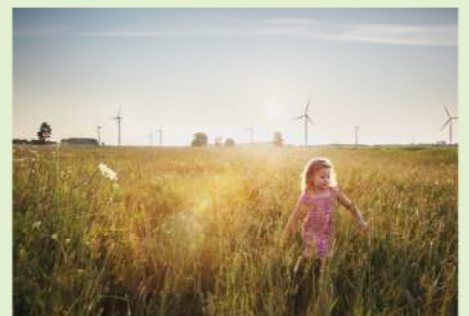
OPA Letter of Comment:

Innisfil Hydro Distribution Systems Limited

Basic Green Energy Act Plan



August 20, 2012



Introduction

On March 25, 2010, The Ontario Energy Board (“the OEB”) issued its Filing Requirements for Distribution System Plans. As a condition of Licence, Ontario Distributors are required to file a Green Energy Act Plan as part of their cost of service application.

The Filing Requirements distinguish between Basic and Detailed Green Energy Act Plans (“Plan” or “GEA Plan”) and outline the specific information and level of detail which must be provided for each type of Plan. Recognizing the importance of coordinated planning in achieving the goals of the *Green Energy and Green Economy Act, 2009* (the “GEA”), distributors must consult with embedded and host distributors, upstream transmitters and the OPA in preparing their Plans. For both Basic and Detailed Plans, distributors are required to submit as part of the Plan, a letter of comment from the OPA.

The OPA will review distributors’ Basic Plans to ensure consistency with regard to FIT and microFIT applications received, as well as with integrated Plans for the region or the system as a whole.

Innisfil Hydro Distribution Systems Limited - Basic Green Energy Act Plan

The OPA has reviewed the Basic GEA Plan from Innisfil Hydro Distribution Systems Limited dated July 23rd, 2012, and has provided its comments below.

OPA FIT/microFIT Applications Received

Innisfil Hydro’s GEA Plan indicates they have received applications for 131 microFIT and 4 Capacity Allocation Except (“CAE”) projects within their service territory. Of these, 49 microFIT and 1 CAE projects have been connected. No Capacity Allocation Required (CAR) applications have been received. This information is shown in section 3.1 *Existing and Pending Renewable Generation Projects* of the Plan.

According to OPA’s information, as of August 8th, 2012, 130 microFIT, and 4 Capacity Allocation Exempt (“CAE”) applications have been received in Innisfil Hydro’s service territory, representing 1.16 MW and 0.99 MW of capacity, respectively. Of these, 53 microFIT and 1 CAE projects are currently connected.

Upstream Transmission Constraints

According to the information provided in Innisfil Hydro’s GEA Plan, Innisfil Hydro’s distribution system is supplied from feeders originating from Alliston TS and Barrie TS. The OPA confirms that there are no currently known upstream transmission constraints at Alliston, Barrie TS, or at other nearby transmission supply points.

Further details on capacity at the above mentioned stations may be found in the updated Transmission Availability Table for Small FIT 2012 available on the OPA's FIT website as follows:

<http://fit.powerauthority.on.ca/sites/default/files/TAT%20Table%20Final%20-%20April%205%20for%20posting.pdf>

Economic Connection Test

The OPA received a directive dated April 5, 2012 from the Minister of Energy with respect to the Feed-in Tariff Program Review. The directive states that “[g]iven the transmission projects planned through the Long Term Energy Plan and changes to the FIT Program, the OPA shall not run the Economic Connection Test “. A link to the full directive is provided on the OPA's website:

<http://www.powerauthority.on.ca/sites/default/files/page/FIT-ReviewApril-2012.pdf>

Opportunities for Integrated Solutions

There are no known corresponding expansions among neighbouring LDCs that could be addressed through integrated transmission solutions at this time.

Conclusion

The OPA finds that Innisfil Hydro's Basic GEA Plan is reasonably consistent with the OPA's information regarding renewable energy generation applications to date.

The OPA appreciates the opportunity to comment on Innisfil Hydro's Basic GEA Plan.

Innisfil Hydro Distribution Systems Ltd

APPENDIX 9

Capital Expenditure Request

Date	Jan-13
Project Title	Retail Meters
Job Type	Meters
Request number	IHDSL 2013 DB 001

Description and Purpose	Legislative Requirement
Purchase single and three phase meters for new services as required by Measurement Canada	

Economic Justification			
Tax depreciation declining balance (%)	4%	Payback period (in years)	N/A
Book depreciation life (in years)	25	Internal rate of return (IRR%)	-39.3%
Estimated delivery/start date		Cumulative Economic Value Added	(\$76,296)
Estimated start-up period (in months)			
Anticipated post audit date			

Cost Summary			
Capital expenditure	\$ 115,900		
Related expenses	\$ -		
Additional working capital requirements			
Total funds required	\$ 115,900		

Quote no. 1 (selected)		
Quote no. 2		
Quote no. 3		

Included in current Profit Plan / Budget		
Yes / No		
Amount in Plan/ Budget if Yes		
Reason if No		

Approvals		Date
Prepared by		
Project Leader		
Director		
CFO/Treasurer	Laurie Ann Coolegde	
President and CEO	George Shaparew	
Board of Directors approval		

Innisfil Hydro Distribution Systems Ltd

Capital Expenditure Request

Date	Feb-12
Project Title	Station Recloser Automation, Repl. & Ln. Recl. Maint. 4 yr. Cycle
Job Type	Reliability & System
Request number	2013 DO 001

Description and Purpose	Reliability
Refurbishing existing hydraulic line and DS reclosers. This is a four (4) year cycle. Replacing existing reclosers with new vacuum recloser at Cedar Point DS & Lefroy DS (two (2) sets at each DS). Also, implement SCADA automation and control for new vacuum reclosers. This will improve substation automation and increase reliability of the system.	

Economic Justification			
Tax depreciation declining balance (%)	4%	Payback period (in years)	N/A
Book depreciation life (in years)	25	Internal rate of return (IRR%)	#NUM!
Estimated delivery/start date		Cumulative Economic Value Added	(\$146,996)
Estimated start-up period (in months)			
Anticipated post audit date			

Cost Summary			
Capital expenditure	\$	223,300	
Related expenses	\$	-	
Additional working capital requirements			
Total funds required	\$	223,300	

Quote no. 1 (selected)		
Quote no. 2		
Quote no. 3		

Included in current Profit Plan / Budget		
Yes / No		
Amount in Plan/ Budget if Yes		
Reason if No		

Approvals		Date
Prepared by		
Project Leader		
Director		
CFO/Treasurer	Laurie Ann Coolegge	
President and CEO	George Shaparew	
Board of Directors approval		

Innisfil Hydro Distribution Systems Ltd

Capital Expenditure Request

Date	Feb-12
Project Title	44 kV Alduti Ruptor
Job Type	Reliability & System
Request number	2013 DO 002

Description and Purpose	Reliability
Two (2) switches in total. Each of these switches shall replace an aging and obsolete current airbreak or MSO location. These switches are designed utilizing SCADA technology to faster isolate faulted locations in the 44kV subtransmission system.	

Economic Justification			
Tax depreciation declining balance (%)	4%	Payback period (in years)	N/A
Book depreciation life (in years)	25	Internal rate of return (IRR%)	#NUM!
Estimated delivery/start date		Cumulative Economic Value Added	(\$105,392)
Estimated start-up period (in months)			
Anticipated post audit date			

Cost Summary			
Capital expenditure	\$	160,100	
Related expenses	\$	-	
Additional working capital requirements			
Total funds required	\$	160,100	

Quote no. 1 (selected)		
Quote no. 2		
Quote no. 3		

Included in current Profit Plan / Budget		
Yes / No		
Amount in Plan/ Budget if Yes		
Reason if No		

Approvals		Date
Prepared by		
Project Leader		
Director		
CFO/Treasurer	Laurie Ann Coolegde	
President and CEO	George Shaparew	
Board of Directors approval		

Innisfil Hydro Distribution Systems Ltd

Capital Expenditure Request

Date	Feb-12
Project Title	27.6 kV Mechanized SCADA Controlled Load Interruptors
Job Type	Reliability
Request number	2013 DO 003

Description and Purpose	Reliability
Install 27.6 kV vacuum line reclosers, connect with SCADA and implement distribution system automation.	
Total of three (3) sets to be installed at strategic locations. These reclosers will be SCADA operated and distribution automation equipped. This is a step forward towards Smart Grid providing automatic isolation of faulted line sections & automatic power restoration to healthy line section. Provide enhanced reliability & safety.	

Economic Justification			
Tax depreciation declining balance (%)	4%	Payback period (in years)	N/A
Book depreciation life (in years)	25	Internal rate of return (IRR%)	-39.3%
Estimated delivery/start date		Cumulative Economic Value Added	(\$166,663)
Estimated start-up period (in months)			
Anticipated post audit date			

Cost Summary			
Capital expenditure	\$ 253,179		
Related expenses	\$ -		
Additional working capital requirements			
Total funds required	\$ 253,179		

Quote no. 1 (selected)		
Quote no. 2		
Quote no. 3		

Included in current Profit Plan / Budget			
Yes / No			
Amount in Plan/ Budget if Yes			
Reason if No			

Approvals		
		Date
Prepared by		
Project Leader		
Director		
CFO/Treasurer	Laurie Ann Coolegde	
President and CEO	George Shaparew	
Board of Directors approval		

Innisfil Hydro Distribution Systems Ltd

Capital Expenditure Request

Date	Feb-12
Project Title	Infrastructure Btrmnts.
Job Type	Customer Demand
Request number	2013 DO 004

Description and Purpose	Health & Safety / Reliability
Replace suspect porcelain dead end bells within distribution system. Secondary buss replacement. Replace rotting cross arms. Replace defective in-line 44kV, 27.6 kV and 8.32 kV switches.	

Economic Justification			
Tax depreciation declining balance (%)	4%	Payback period (in years)	N/A
Book depreciation life (in years)	25	Internal rate of return (IRR%)	#NUM!
Estimated delivery/start date		Cumulative Economic Value Added	(\$138,833)
Estimated start-up period (in months)			
Anticipated post audit date			

Cost Summary			
Capital expenditure	\$ 210,900		
Related expenses	\$ -		
Additional working capital requirements			
Total funds required	\$ 210,900		

Quote no. 1 (selected)		
Quote no. 2		
Quote no. 3		

Included in current Profit Plan / Budget		
Yes / No		
Amount in Plan/ Budget if Yes		
Reason if No		

Approvals		Date
Prepared by		
Project Leader		
Director		
CFO/Treasurer	Laurie Ann Coolegde	
President and CEO	George Shaparew	
Board of Directors approval		

Innisfil Hydro Distribution Systems Ltd

Capital Expenditure Request

Date	Feb-12
Project Title	U/G Padmnt.Tx Replacements & Painting
Job Type	Infrastructure Replacement
Request number	2013 DO 005

Description and Purpose	Reliability
Inspections have detected that certain padmount transformers are starting to rust. Some transformers need normal repair and painting, while some transformers are beyond normal repair and need replacement.	
To ensure deteriorating padmount transformers do not pose a safety or environmental risk, a program to identify and replace these transformers is required.	

Economic Justification			
Tax depreciation declining balance (%)	4%	Payback period (in years)	N/A
Book depreciation life (in years)	25	Internal rate of return (IRR%)	#NUM!
Estimated delivery/start date		Cumulative Economic Value Added	(\$52,464)
Estimated start-up period (in months)			
Anticipated post audit date			

Cost Summary			
Capital expenditure	\$	79,700	
Related expenses	\$	-	
Additional working capital requirements			
Total funds required	\$	79,700	

Quote no. 1 (selected)		
Quote no. 2		
Quote no. 3		

Included in current Profit Plan / Budget		
Yes / No		
Amount in Plan/ Budget if Yes		
Reason if No		

Approvals		Date
Prepared by		
Project Leader		
Director		
CFO/Treasurer	Laurie Ann Coolegde	
President and CEO	George Shaparew	
Board of Directors approval		

Innisfil Hydro Distribution Systems Ltd

Capital Expenditure Request

Date	Feb-12
Project Title	Substandard TX Rehabs
Job Type	Infrastructure Replacement
Request number	2013 DO 006

Description and Purpose	Health & Safety
Sub-standard transformer installations not to ESA Standards, where the transformer is installed below the secondary buss. This method of framing was used in earlier years of construction to conserve on pole height. These installations now pose a clearance, and subsequent safety risk to staff and the public, while working on or in the vicinity of these installations.	

Economic Justification			
Tax depreciation declining balance (%)	4%	Payback period (in years)	N/A
Book depreciation life (in years)	25	Internal rate of return (IRR%)	-39.3%
Estimated delivery/start date		Cumulative Economic Value Added	(\$120,268)
Estimated start-up period (in months)			
Anticipated post audit date			

Cost Summary			
Capital expenditure	\$ 182,700		
Related expenses	\$ -		
Additional working capital requirements			
Total funds required	\$ 182,700		

Quote no. 1 (selected)		
Quote no. 2		
Quote no. 3		

Included in current Profit Plan / Budget		
Yes / No		
Amount in Plan/ Budget if Yes		
Reason if No		

Approvals		Date
Prepared by		
Project Leader		
Director		
CFO/Treasurer	Laurie Ann Coolegde	
President and CEO	George Shaparew	
Board of Directors approval		

Innisfil Hydro Distribution Systems Ltd

Capital Expenditure Request

Date	Feb-12
Project Title	Pole Replacement
Job Type	Infrastructure Replacement
Request number	2013 DO 007

Description and Purpose	Health & Safety / Reliability
Approximately 1/8th of Innisfil Hydro's poles will be tested through it's testing program. With an anticipated 4% failure rate, an estimated sixty (70) poles will be replaced.	
Twenty (20) poles with live three (3) phase - no transformer. Twenty (20) poles with live one (1) phase - no trans	
Fifteen (15) poles with live three (3) phase with transformer. Fifteen (15) poles with live one (1) phase with trans	

Economic Justification			
Tax depreciation declining balance (%)	4%	Payback period (in years)	N/A
Book depreciation life (in years)	25	Internal rate of return (IRR%)	-39.3%
Estimated delivery/start date		Cumulative Economic Value Added	(\$257,581)
Estimated start-up period (in months)			
Anticipated post audit date			

Cost Summary			
Capital expenditure	\$	391,289	
Related expenses	\$	-	
Additional working capital requirements			
Total funds required	\$	391,289	

Quote no. 1 (selected)		
Quote no. 2		
Quote no. 3		

Included in current Profit Plan / Budget		
Yes / No		
Amount in Plan/ Budget if Yes		
Reason if No		

Approvals		Date
Prepared by		
Project Leader		
Director		
CFO/Treasurer	Laurie Ann Coolegde	
President and CEO	George Shaparew	
Board of Directors approval		

Innisfil Hydro Distribution Systems Ltd

Capital Expenditure Request

Date	Feb-12
Project Title	27kV Extension 20th S.R.,BBPt to 13th Ln
Job Type	Reliability
Request number	2013 DO 008

Description and Purpose	Growth
27.6 kV line extension to service Big Bay Point Development. 27.6kV tie between future Big Bay Point station and Brian Wilson for back-up. Without this project, the station could not be shut down for maintenance and a substation failure would result in a localized blackout lasting days.	

Economic Justification			
Tax depreciation declining balance (%)	4%	Payback period (in years)	N/A
Book depreciation life (in years)	25	Internal rate of return (IRR%)	#NUM!
Estimated delivery/start date		Cumulative Economic Value Added	(\$476,791)
Estimated start-up period (in months)			
Anticipated post audit date			

Cost Summary			
Capital expenditure	\$ 724,294		
Related expenses	\$ -		
Additional working capital requirements			
Total funds required	\$ 724,294		

Quote no. 1 (selected)		
Quote no. 2		
Quote no. 3		

Included in current Profit Plan / Budget		
Yes / No		
Amount in Plan/ Budget if Yes		
Reason if No		

Approvals		Date
Prepared by		
Project Leader		
Director		
CFO/Treasurer	Laurie Ann Coolegde	
President and CEO	George Shaparew	
Board of Directors approval		

Innisfil Hydro Distribution Systems Ltd

Capital Expenditure Request

Date	Feb-12
Project Title	Big Bay Point F3 for BBPT Development
Job Type	Customer Demand
Request number	2013 DO 009

Description and Purpose	Growth
To prepare for the first phase of the Big Bay Point Development, we need to rebuild existing three (3) phase 8.3kV line east of Big Bay Point DS along the 13th Line to the south entrance of the development to accommodate new three (3) phase 27.6kV circuit feeding Big Bay Point Development.	

Economic Justification			
Tax depreciation declining balance (%)	4%	Payback period (in years)	N/A
Book depreciation life (in years)	25	Internal rate of return (IRR%)	#NUM!
Estimated delivery/start date		Cumulative Economic Value Added	(\$72,900)
Estimated start-up period (in months)			
Anticipated post audit date			

Cost Summary			
Capital expenditure	\$	110,743	
Related expenses	\$	-	
Additional working capital requirements			
Total funds required	\$	110,743	

Quote no. 1 (selected)		
Quote no. 2		
Quote no. 3		

Included in current Profit Plan / Budget		
Yes / No		
Amount in Plan/ Budget if Yes		
Reason if No		

Approvals		Date
Prepared by		
Project Leader		
Director		
CFO/Treasurer	Laurie Ann Coolegde	
President and CEO	George Shaparew	
Board of Directors approval		

Innisfil Hydro Distribution Systems Ltd

Capital Expenditure Request

Date	Feb-12
Project Title	Utility Relocates
Job Type	Customer Demand
Request number	2013 DO 010

Description and Purpose	Legislative
According to the <i>Public Service Works on Highways Act., R.S.O. 1990, CHAPTER P.49</i> , without a cost sharing agreement between the Road Authority and the Operating Corporation (Innisfil Hydro), the Road Authority will be responsible for ½ of the labour costs and Innisfil Hydro shall be responsible for the other ½ of labour costs and all material costs	

Economic Justification			
Tax depreciation declining balance (%)	4%	Payback period (in years)	N/A
Book depreciation life (in years)	25	Internal rate of return (IRR%)	-39.3%
Estimated delivery/start date		Cumulative Economic Value Added	(\$44,812)
Estimated start-up period (in months)			
Anticipated post audit date			

Cost Summary			
Capital expenditure	\$	68,074	
Related expenses	\$	-	
Additional working capital requirements			
Total funds required	\$	68,074	

Quote no. 1 (selected)		
Quote no. 2		
Quote no. 3		

Included in current Profit Plan / Budget			
Yes / No			
Amount in Plan/ Budget if Yes			
Reason if No			

Approvals		
		Date
Prepared by		
Project Leader		
Director		
CFO/Treasurer	Laurie Ann Coolegde	
President and CEO	George Shaparew	
Board of Directors approval		

Appendix 2 – Board Correspondence Details

Reference:

SEC-2

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

July 20, 2009

Staff Report

ADMINISTRATION BUILDING UPDATE

Summary

The Town of Innisfil has issued an RFP for a consultant to provide a site concept plan for new Operations Facilities which will encompass an operational service delivery and site location review. This review includes the operational requirements for Innisfil Hydro and is expected to be completed on October 1, 2009.

Estimates have been provided for the renovation of the old Town Hall as follows:

• Architectural Renovations	\$1,573,935
• Architectural Fees 10.5%	\$ 165,263
• Cubicles	\$ 95,195
• Total	\$1,834,393

Staff will endeavour to re-address renovation parameters and see if the budget could be lowered to the \$1m threshold and report back in due course.

Recommendation

It is recommended that the Board receive this report.

4. OEB UPDATE

MOVED BY: Brian Jackson

SECONDED BY: Robert Lake

RESOLUTION NO. 09-67

Be it resolved that the Board hereby receive the OEB Update report, for information purposes.

CARRIED

5. SMART METERING UPDATE

MOVED BY: Robert Lake

SECONDED BY: Brian Jackson

RESOLUTION NO. 09-68

Be it resolved that the Board receive the Smart Meter Update staff report, for information purposes.

CARRIED

6. OPA UPDATE

MOVED BY: Robert Lake

SECONDED BY: Brian Jackson

RESOLUTION NO. 09-69

Be it resolved that the Board receive the OPA Update staff report, for information purposes.

CARRIED

7. LONG-TERM PLANNING

MOVED BY: Robert Lake

SECONDED BY: Brian Jackson

RESOLUTION NO. 09-70

Be it resolved that the Board receive the Long-Term Planning staff report, for information purposes.

CARRIED

8. ADMINISTRATION BUILDING UPDATE

MOVED BY: Robert Lake

SECONDED BY: Brian Jackson

RESOLUTION NO. 09-71

Be it resolved that the Board receive the Administration Building Update staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

BOARD OF DIRECTORS MEETING

August 24, 2009

Staff Report

FACILITY MOVE UPDATE

Summary

Following recent reviews of relocating Innisfil Hydro facilities, one major financial risk is evident:

- The cost of relocating business operations to Innisfil Town campus costs ~\$2m including the existing property sale. If the OEB allows the expense, the impact will be ~\$1/customer/month. If the OEB will not allow the expense, the impact will be a ~\$2m reduction of retained earnings.

In an effort to provide financial certainty, Staff propose to apply to the OEB with a capital asset module for 2011 rates. This capital asset module will include the costs of moving and will be required for submission in September 2010 for approval to take place on May 2011. Staff propose to justify the move by citing growth pressures and accessibility requirements. Our submission must include prudent judgment, justification and a defensible analysis. In an effort to facilitate prudent judgment, five options are being evaluated by McKnight Charron Laurin Inc. Architects which should be available within 6 weeks (outline attached). These options will be analyzed for viability within the scope of long term facility requirements as follows:

1. Green field site 7.4 acres, 3249 Clifford Court. Required estimate for land \$997,000, 12,000 square feet of office space, 4,000 square feet of operations and warehousing space, one acre of outside storage, parking suitable for ~ 70 employees, selling of the existing Hydro site for \$1,000,000.
2. Existing 15,000 square feet building on 1988 Commerce Park Drive with 6 acres. Required estimate for land \$2,925,000, renovation of existing space for offices, 4,000 square feet of operations and warehousing space, one acre of outside storage, selling of the existing Hydro site for \$1,000,000.
3. Existing Innisfil Hydro 3.3 acre site. Required estimate for 12,000 square feet of office space, 4,000 square feet of operations and warehousing space, parking suitable for ~ 70 employees, removal of 5 existing buildings. Existing one acre yard to remain.
4. Existing Innisfil Hydro 3.3 acre site. Required estimate for 2,500 square feet of new office space, updating the existing buildings to make them accessible, 4,000 square feet of operations and warehousing space, parking suitable for ~ 70 employees and the removal of two portables. Existing one acre yard to remain.

5. Town of Innisfil Campus. Required estimate to refurbish the old 12,000 square feet Town Hall on Innisfil Beach Road \$1,835,000, 4,000 square feet of operations and warehousing space with parking, one acre of outside storage, selling of the existing Hydro site for \$1,000,000.

Staff suggest that the only way of being certain of funding approvals from the OEB is to actually make an application. Staff suspect that the application will receive intense scrutiny from the OEB and registered interveners and that a prudent business case will be required in order to secure approvals.

An operational review is underway with the Town of Innisfil and Innisfil Hydro for a possible joint operations yard at the Town campus. This review is expected to be completed by October 1, 2009. There may be possible property issues that will require Town budget approvals so site decisions may not be possible until early 2010.

Recommendation

It is recommended that the Board endorse staff's proposal to apply to the OEB for rate recovery starting in September 2010 for a proposed relocation.

8. SECOND QUARTER 2009 FINANCIALS

MOVED BY: Robert Lake
SECONDED BY: Brian Jackson

RESOLUTION NO. 09-82

Be it resolved that the Board receive the second quarter 2009 unaudited Financial Statements, and

Further declare a budgeted dividend to the Town of Innisfil in the amount of \$156,250.

CARRIED

9. CAPITAL PROJECTS UPDATE

MOVED BY: Robert Lake
SECONDED BY: Brian Jackson

RESOLUTION NO. 09-83

Be it resolved that the Board receive the Capital Projects Update staff report, for information purposes.

CARRIED

10. ACCOUNTING SUPPORT POSITION

MOVED BY: Robert Lake
SECONDED BY: Brian Jackson

RESOLUTION NO. 09-84

Be it resolved that the Board approve the hiring of a part-time accounting support person.

CARRIED

11. FACILITY MOVE UPDATE

MOVED BY: Robert Lake
SECONDED BY: Brian Jackson

RESOLUTION NO. 09-85

Be it resolved that the Board receive the Facility Move Update staff report, and

Further endorse staff's proposal to apply to the Ontario Energy Board for rate recovery starting in September 2010 for a proposed relocation.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

BOARD OF DIRECTORS MEETING

December 21, 2009

Staff Report

FACILITY MOVE UPDATE

Summary

Attached is an analysis from MCL Architects regarding the evaluation of five options for Innisfil Hydro to meet growth requirements for office and warehousing space needs. The recommended choice is to relocate to the Town campus involving the Old Town Hall and a separate warehouse and operations center.

\$2,567,849 has been earmarked for 2011 in the five year forecast for the office and warehouse relocation. The South Simcoe Police Services will be utilizing the Old Town Hall until their new facility will be completed in October 2010. The Town has commissioned an Operation's Facility Review and Analysis from Covenco Engineering which included Innisfil Hydro's needs for warehouse and operations center. The outcome and direction for this report is not known at this time. It is anticipated that information regarding the Covenco report and the Town's capital budget will be available in early 2010.

Recommendation

It is recommended that the Board receive this report.



McKNIGHT • CHARRON • LAURIN Inc. ARCHITECTS

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www.MCLArchitects.ca

67 High Street
Barrie, Ontario
L4N 1W5

Innisfil Hydro Option Analysis for Various Locations

15 December 2009

Site Option 1: Purchase Greenfield Site - 3249 Clifford Court (7.4 acres)

-Land cost:	\$ 997,000.00
-new building: 12,000 sq. ft. x \$170:	\$2,040,000.00
-Operations & warehousing: 4000 sq. ft. x 120	\$ 480,000.00
-Outside Storage & servicing	\$ 60,000.00
-Parking: 70 x \$2,500	\$ 175,000.00
Sub-total:	\$3,752,000.00
Less sale value for present property:	\$1,000,000.00
Total:	\$2,752,000.00

Site Option 2: Purchase existing 15,000 sq. ft. building - 1988 Commerce Park Drive (8 acres)

-Land cost with building:	\$2,925,000.00
-renovate existing building: 15,000 x \$45	\$ 675,000.00
-Operations & warehousing: 4000 sq. ft. x 120	\$ 480,000.00
-Outside Storage & servicing	\$ 60,000.00
-Parking: existing	\$ 00
Sub-total:	\$4,140,000.00
Less sale value for present property:	\$1,000,000.00
Total:	\$3,140,000.00

Site Option 3: Existing Innisfil Hydro site with all New Building (3.3 acres)

-Land cost:	\$ 00
-demolish existing 3 buildings & remove 2 portables:	\$ 150,000.00
-new building: 12,000 sq. ft. x \$170:	\$2,040,000.00
-Operations & warehousing: 4000 sq. ft. x 120	\$ 480,000.00
-Outside Storage & servicing	\$ 60,000.00
-Parking: 70 x \$2,500	\$ 175,000.00
Total:	\$2,905,000.00

Site Option 4: Existing Innisfil Hydro with 2,500 sq. ft. addition & renos
 (3.3 acres)

-Land cost:	\$	00
-renovate existing 3 buildings (8,500 x \$50) :	\$	425,000.00
-accessibility upgrades: (ramps + 2 elevators)	\$	180,000.00
-new addition: 2,500 sq. ft. x \$170:	\$	425,000.00
-Operations & warehousing: 4000 sq. ft. x 120	\$	480,000.00
-remove two portables:	\$	10,000.00
-Outside Storage & servicing	\$	60,000.00
-Parking: 70 x \$2,500	\$	175,000.00
Total:		<u>\$1,755,000.00</u>

Site Option 5: Town of Innisfil Campus (Old Town Hall) (12,000 sq. ft.)

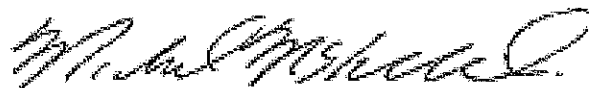
-Land cost:	\$	00
-renovate existing buildings and add Elevator addition:	\$	1,835,000.00
-Operations & warehousing (south campus): 4000 sq. ft. x 120	\$	480,000.00
-Parking: existing	\$	00
-Outside Storage & servicing	\$	60,000.00
Sub-total:		<u>\$2,375,000.00</u>
Less sale value for present property:		<u>\$1,000,000.00</u>
Total:		<u>\$1,375,000.00</u>

Pros & Cons:

- Site Option 1: Pros: Greenfield - build to suit, will not disrupt present operations
- Cons: land expense, low site may need to be raised, no sanitary or storm sewers, relatively high project cost.
- Site Option 2: Pros: close to Hwy. 400, existing parking, will not disrupt present operations
- Cons: large interior volumes not conducive to widow adjacencies, Log building requires special clearances at partitions for seasonal building movement, most expensive project cost
- Site Option 3: Pros: close to Hwy. 400
- Cons: relatively high project cost, construction will disrupt on-going operations (swing space needed), relatively small site.
- Site Option 4: Pros: close to Hwy. 400, relatively low project cost, work can be phased
- Cons: some disruption will occur to present operations, inefficient operational space in 3 buildings, accessibility costs high and awkward, relatively small site.
- Site Option 5: Pros: part of Campus Plan (close to admin), will not disrupt present operations, least expensive option,
- Cons: operations & warehousing remote from admin,

Recommendation: Site Option 5 is the recommended choice.

Michael McKnight, B. Arch. OAA.



9. 2009 DIVIDENDS

MOVED BY: Brian Jackson
SECONDED BY: Robert Lake

RESOLUTION NO. 09-131

Be it resolved that the Board hereby approve the declaration of fourth quarter dividends in the amount of \$156,250, with payment to follow upon presentation of the December 31, 2009 financial statements in February 2010.

CARRIED

10. DRAFT 2010 MEETING SCHEDULE

MOVED BY: Robert Lake
SECONDED BY: Brian Jackson

RESOLUTION NO. 09-132

Be it resolved that the Board hereby receive the 2010 Meeting Schedule, changing January 18 to 25 and bringing the schedule back in January 2010.

CARRIED

11. HEALTH AND SAFETY

MOVED BY: Brian Jackson
SECONDED BY: Robert Lake

RESOLUTION NO. 09-133

Be it resolved that the Board receive the minutes of the December 11, 2009 Joint Health and Safety Committee.

CARRIED

12. FACILITY MOVE UPDATE

MOVED BY: Brian Jackson
SECONDED BY: Robert Lake

RESOLUTION NO. 09-134

Be it resolved that the Board receive the Facility Move Update staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

May 17, 2010

Staff Report

FACILITY MOVE UPDATE

Summary

A confidential draft report regarding the Town of Innisfil Operational Facility Plan has been provided to staff, the Innisfil Hydro summary has been attached.

The report recommends that the operation's portion of Innisfil Hydro and Parks and Recreation be integrated with Innisfil Roads into a new centralized operations campus. This recommendation is contingent on the acquisition of property. It is possible that the property acquisition might occur in 2011. The Town has an approved budget for another salt dome which could be built in 2012. The Old Town Administration Building is currently being used by the South Simcoe Police Service until their building renovations are complete in July of this year. A proposed timetable for the completion of the required Operations Centre infrastructure and buildings is 2013 according to the draft report. Staff have not received verification from the Town with regard to the proposed timeline and subsequently feel that the proposed timeline is extremely optimistic.

The following options have been provided for discussion:

1. Move Hydro administration into the Old Town Hall and keep the Operations Centre at Commerce Park Dr. until the integrated Town Operations Centre is complete. Staff feel that having a contiguous admin. and service centre is advantageous and there are unknown timelines for the development of the integrated Town Operations Centre,
2. Move Hydro administration into the Old Town Hall and build a new Hydro Operations Centre together with the Town's new salt dome. This could occur quicker than waiting for the Town Operations Centre to be completed.
3. Allow the Town to offer the Old Admin. Building to be used as a medical centre or for other purposes. Build a new Hydro joint Admin. and Operations Centre on the Town's proposed Operations Campus. This option may forgo some Roads, Parks and Hydro synergies but would increase Hydro efficiencies by virtue of being in the same building.
4. Hydro to stay autonomous and not join the Town Campus family. This option may be more expensive than the other options but would allow Hydro to develop its assets as needed and not be restricted to the Town's time-lines.

Staff require more accurate information on the timing of property acquisition and infrastructure timelines with regard to the Town's Operation's Campus in order to facilitate planning. Staff would also like to hear comments and direction from the Board.

Recommendation

It is recommended that the Board receive this report.

3 Innisfil Hydro Integration Feasibility from the Draft Covenco Report

3.1 Background

The Innisfil Operations and Facilities Review includes a consideration for cohabitation within the future campus. Amongst the organizations being considered is Innisfil Hydro; specifically, personnel for field operations. The assumption is that the linemen and supervision would call the new campus home and the necessary fleet support and storage facilities would be accommodated. Hydro has plans to refit and occupy the previous Town Hall (for administration) fronting on Innisfil Beach Road (by 2011). Hydro also has plans to build a dedicated operation's facility just south of the Recreation Centre.

To further consider the above scenario, an interview was held with the President of Innisfil Hydro to assess the projections for year 2031 related to future facilities, footprint, concept plan, population (Hydro personnel) and Fleet.

3.2 Findings and Observations

In general Innisfil Hydro has an operations requirement that includes: a 1.3-acre outside storage area; a mustering room; 2 foreman's offices, a line and a meter room; a tool room and some general storage. Some other observations include:

- The current subscriber base is approximately 14,400 and is projected to grow to (year 2031) to 36,000.
- Current personnel for Hydro is 23 and is projected to be 33 by 2031 (including linemen and contracts)
- Current fleet consists of 3 large trucks and 2-3 additional vehicles. The projected fleet is estimated to be: 12 pickups, 8 large trucks and 2 forklifts. Fleet parking requirements will be 20 spots for trucks (and possibly other light trucks) and an additional 20 for cars.
- Projected annual fuel usage is estimated at 43,000 litres of gasoline and 54,000 litres of diesel. On site fuel service is desired.
- There is currently "minor" work done on vehicles for maintenance. It is desired that full service and repair work (excluding heavy repairs such as engine replacements, transmission replacements, etc.) will be available on the new campus.
- Security demands can be adjoined but require separate secured accommodations. Will require security for warehouse and inventory related areas.
- This operation has limited environmental risk factors. Hydro desires the new facility and contents to be designed and built to LEED BASIC standard (as is the plan for the balance of the campus).
- Linemen working for a contractor, K-line, primarily constitute the personnel being considered as eligible for the Campus move.

3.3 Recommendations

It is recommended that Innisfil Hydro operations be integrated into the new Operations Centre (there is 3000 sq ft available). Some common amenities can be shared such as the cafeteria and patio; the main stock room (if desired); truck and personnel parking (including some heated indoor), etc. Expansion for Parks and Recreation is also available for ops facility, additional space for (long term) archived material, as well as additional space for new services (tbd) i.e. infrastructure, telecommunications, Broadband, storage and servicing.

Further authorize a two-year extension (July 1, 2010 to June 30, 2012) to the Olameter Meter Reading Contract and the Olameter Mailing Services Contract.

CARRIED

9. WORKPLACE VIOLENCE PREVENTION AND HARASSMENT POLICIES

MOVED BY: Robert Lake

SECONDED BY: John Skorobohacz

RESOLUTION NO. 10-54

Be it resolved that the Board approve the Workplace Violence Prevention Policy and Harassment Policy as presented.

CARRIED

* Mayor Jackson returned to the meeting at 4:30 pm.

10. ELECTRICAL SAFETY AUTHORITY REG. 22/04 DUE DILIGENCE AUDIT

MOVED BY: Brian Jackson

SECONDED BY: Robert Lake

RESOLUTION NO. 10-55

Be it resolved that the Board receive the Electrical Safety Authority Reg. 22/04 Due Diligence Audit staff report, for information purposes.

CARRIED

11. FACILITY MOVE UPDATE

MOVED BY: Brian Jackson

SECONDED BY: Robert Lake

RESOLUTION NO. 10-56

Be it resolved that the Board receive the Facility Move Update staff report, for information purposes.

CARRIED

12. TOWN VIDEO SPONSORSHIP

MOVED BY: Brian Jackson

SECONDED BY: Robert Lake

RESOLUTION NO. 10-57

Be it resolved that Innisfil Hydro not advertise with the Town of Innisfil promotional video.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

BOARD OF DIRECTORS MEETING

September 19, 2011

Staff Report

HYDRO MOVE UPDATE

Summary

McKnight Charron Laurin Inc. Architects were asked to provide a preliminary design for a new Hydro office, yard and operations centre based loosely on the preliminary designs completed two years ago (Appendix 1). The changes requested are:

1. Main Office and Operations Centre to be contiguous.
2. Customer Service reception to be at grade level with an area available for retailing energy conservation items.
3. Solar and/or some small wind power generators to be incorporated into the design.
4. Storage yard to have fencing that respects the appearance of the overall campus.
5. Internal roadway access maintained within the campus facilities.
6. The Police have indicated a desire to share storage.

The preliminary plan is expected for the Board's review at the October 17th Board meeting.

The Town has expressed an interest in utilizing one of the three lots (West Lot) of the existing Hydro facility for a new Innisfil Heights water reservoir and pumping station (Appendix 2). The existing yard (South Lot) is intended to be kept by Innisfil Hydro because it has a sub-station on it with the provision for a future second transformer and associated switch gear. The East lot could become available to the Town for a possible future Innisfil Heights fire hall as mentioned in the Fire Master Plan. At this time, direction is requested from the Board to negotiate the sale of the West lot at appraised value with the Town of Innisfil with a final sale pending approval from the Board and with formal approval to move to the Town Campus.

Now that Innisfil Hydro is serving Innisfil and South Barrie, it would be an auspicious time to look at a name change, logo change, Mission and Vision statement update. The last time the Mission and Vision statements were looked at was approximately ten years ago. With a pending move, stationary and signage would need to be created anyway. An opportunity exists for this new Board to create a new image and brand for Innisfil Hydro.

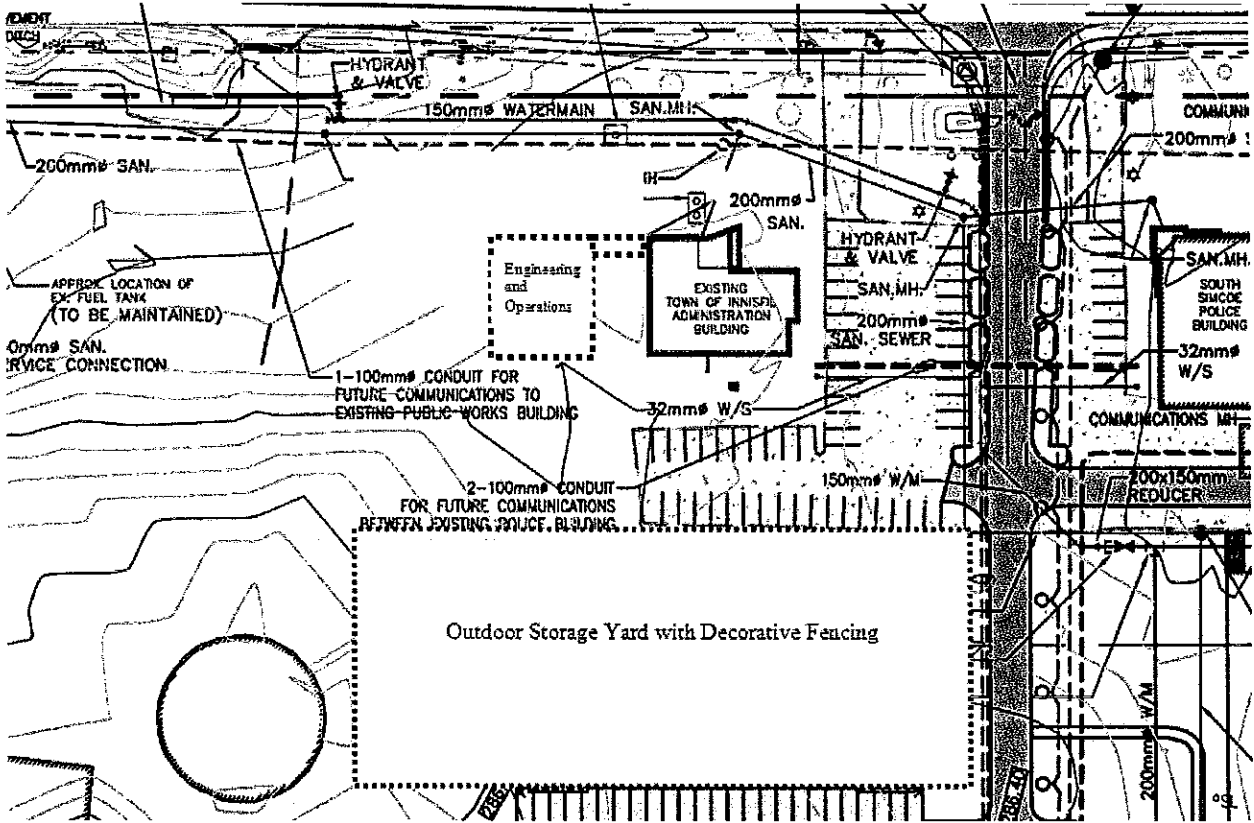
Gerald McGroarty from Brandon Taylor Consulting has estimated a cost of \$6,500 plus taxes to develop a sampling of two names and logos for consideration. Staff have the intention to utilize this consultant, with input from employees, to present a recommendation to the Board for approval.

Recommendation

It is recommended that the Board receive this report, and

It is recommended that the Board provide direction to staff to negotiate the sale of the West lot at appraised value with the Town of Innisfil with a final sale pending approval from the Board and the Town and with formal approval to move to Town Campus, and

It is recommended that the Board provide direction to staff to investigate a corporate name change, logo change, Mission and Vision statement update.





7. VEHICLE RADIO SYSTEM UPGRADE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 11-87

Be it resolved the Board hereby approve the substitution of the 2011 project "*IHDSL 2011 GO 004, OPTO to DNP3 Communication Replacement*" worth \$50,000 with the Vehicle Radio Upgrade as recommended by Point to Point, to include digital capabilities, for an amount not to exceed \$50,000.

CARRIED

8. HYDRO MOVE UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 11-88

Be it resolved that the Board hereby receive the Hydro Move Update Staff Report, for information purposes, and

That the Board provide direction to staff to negotiate the sale of the West lot at appraised value with the Town of Innisfil with a final sale pending approval from the Board and the Town and with formal approval to move to Town Campus, and

That the Board provide direction to staff to investigate a corporate name change, logo change, Mission and Vision statement update.

CARRIED

9. WATER AND WASTEWATER BILLING UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 11-89

Be it resolved that the Board hereby receive the Water and Wastewater Billing Update Staff Report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

October 17, 2011

Staff Report

HYDRO MOVE UPDATE

Summary

Two options have been prepared by McKnight Sharron Laurin Inc. Architects for utilization of the old Town Hall with an addition for the new Innisfil Hydro facility (attached). The plans are still quite rough and will need much more development. Staff will pick the best part of each option and work on developing a third hybrid option.

Town staff are aware of the development of these preliminary plans and their feedback will be requested when the plans have evolved sufficiently.

Staff request any feedback from the Board toward the continuing development of the plans.

Recommendation

It is recommended that the Board receive this report and provide feedback to staff toward the continuing development of the plans.

7. SMART METERING UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 11-97

Be it resolved that the Board hereby receive the Smart Metering Update staff report, for information purposes.

CARRIED

8. HYDRO MOVE UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 11-98

Be it resolved the Board hereby receive the Hydro Move Update staff report, and

The Board provided the following feedback toward the continuing development of the plans:

- (1) Costing for Option 3 with a mezzanine only;
- (2) Costing for Option 3 with two floors built over the new operations centre and provision for rental income; and
- (3) Costing for a new option to demolish the old building and build a new building slab on grade.

CARRIED

9. WATER AND WASTEWATER BILLING UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 11-99

Be it resolved that the Board hereby receive the Water and Wastewater Billing Update Staff Report, for information purposes, and

It is recommended that the Board approve in principle the concept to bill and collect the Town of Innisfil's water and wastewater billing onto Innisfil Hydro's monthly electricity bills, subject to Town Council approval; and further

That the Board direct staff to develop and negotiate a service agreement with the Town of Innisfil, subject to the confirmation of the Town's acceptancy of this proposal.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

November 21, 2011

Staff Report

BUILDING MOVE UPDATE

Summary

McKnight, Charron and Laurin Architects have provided the following estimates for discussion:

Option 3 – renovate existing building, build a 1 story operations centre addition with a mezzanine. This will fulfill the needs for 10 years.

\$3,865,000

Option 4 – renovate existing building, build a 3 story operations centre addition. This will fulfill the needs for 20 - 30 years.

\$5,280,000

Option 5 – demolish and build new, same size as building option 3.

\$4,919,000

Option 5A – demolish and build new, same size as option 4.

\$6,684,000

Recommendation

It is recommended that the Board receive this report and provide direction to staff on which options to investigate further.

11. BUILDING MOVE UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 11-112

Be it resolved that the Board receive the Building Move Update staff report, and
Further provide direction to staff to investigate Options 5 and 5A further.

CARRIED

12. CONDITIONS OF SERVICE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 11-113

Be it resolved that the Board hereby receive the Conditions of Service staff report, and
Further approve the Conditions of Service Version 7.0 R1 – 2011 and the
accompanying Policies dated May 31, 2011.

CARRIED

13. HEALTH & SAFETY UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 11-114

Be it resolved that the Board hereby receive the September 21, 2011 Health & Safety
minutes.

CARRIED

14. INFORMATIONAL ITEMS

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 11-115

Be it resolved that the Board hereby receive the Informational Items staff report, for
information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

December 23, 2011

Staff Report

BUILDING MOVE UPDATE

Summary

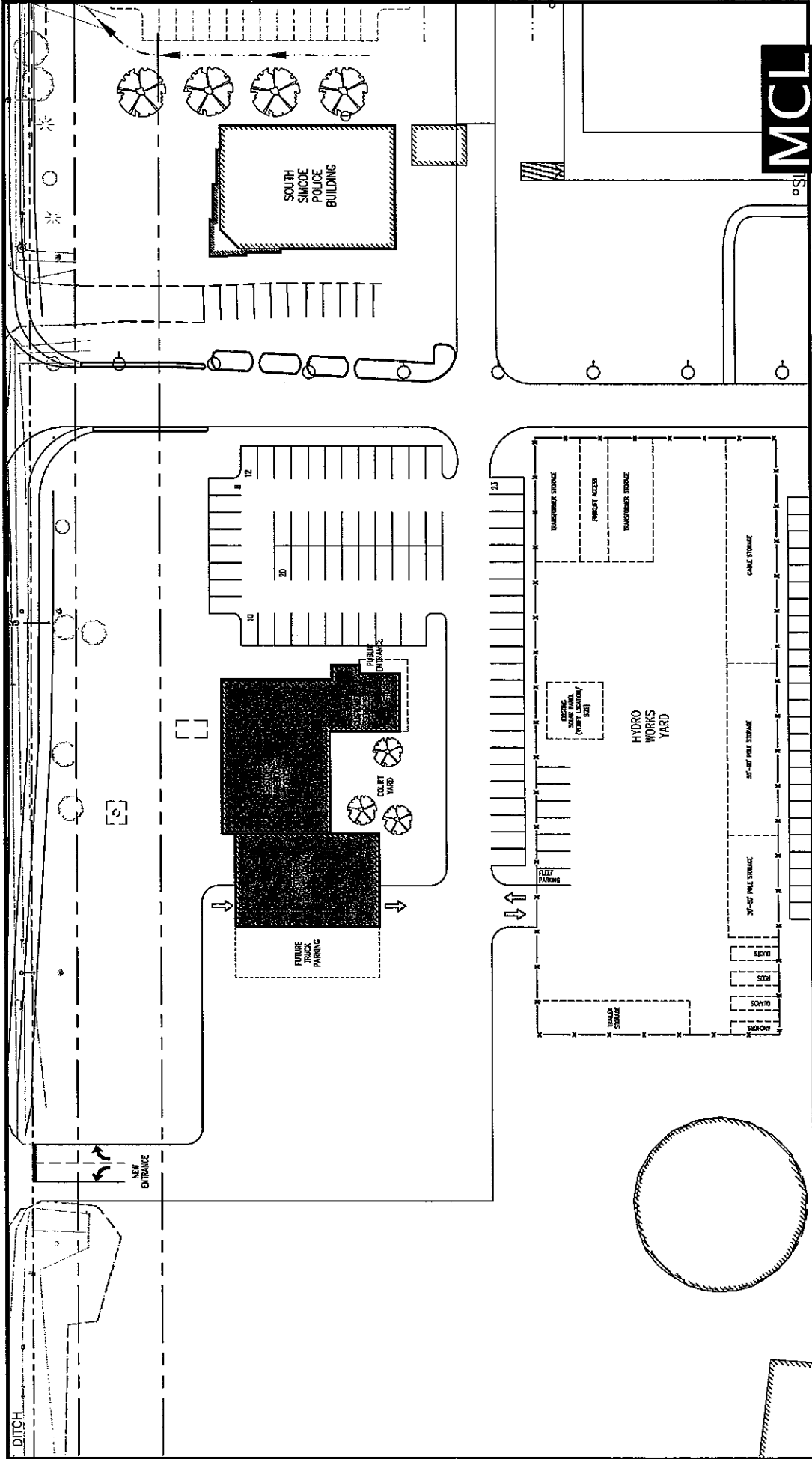
MCL Architects have provided layouts for Option 5 and 5a. Staff feels that there are a number of improvements necessary to move forward which will be discussed at the board meeting.

The Board is encouraged to provide staff with comments and direction.

Recommendation

It is recommended that the Board receive this report and provide staff with further direction.

Click here to view attachment



MCL

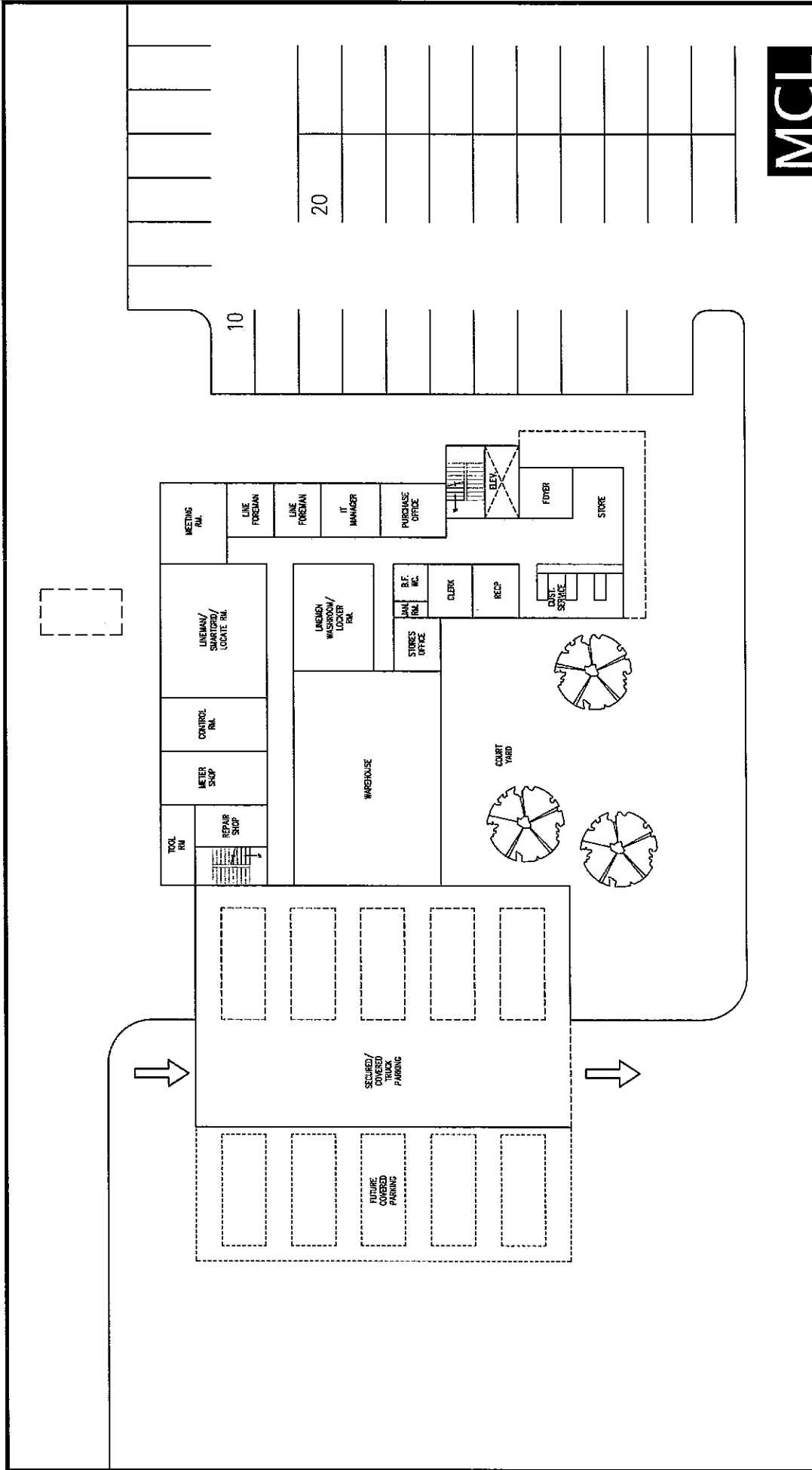
MCKNIGHT
CHARON
LAURIN, INC.
ARCHITECTS

DECEMBER 13, 2011

OPTION FIVE:
Demolition of Existing Building & New Construction
Schematic Plan (Site Plan)

INNISFIL HYDRO DEMOLITION & NEW CONSTRUCTION

2101 Innisfil Beach Road
Innisfil, Ontario, L9S 1A1

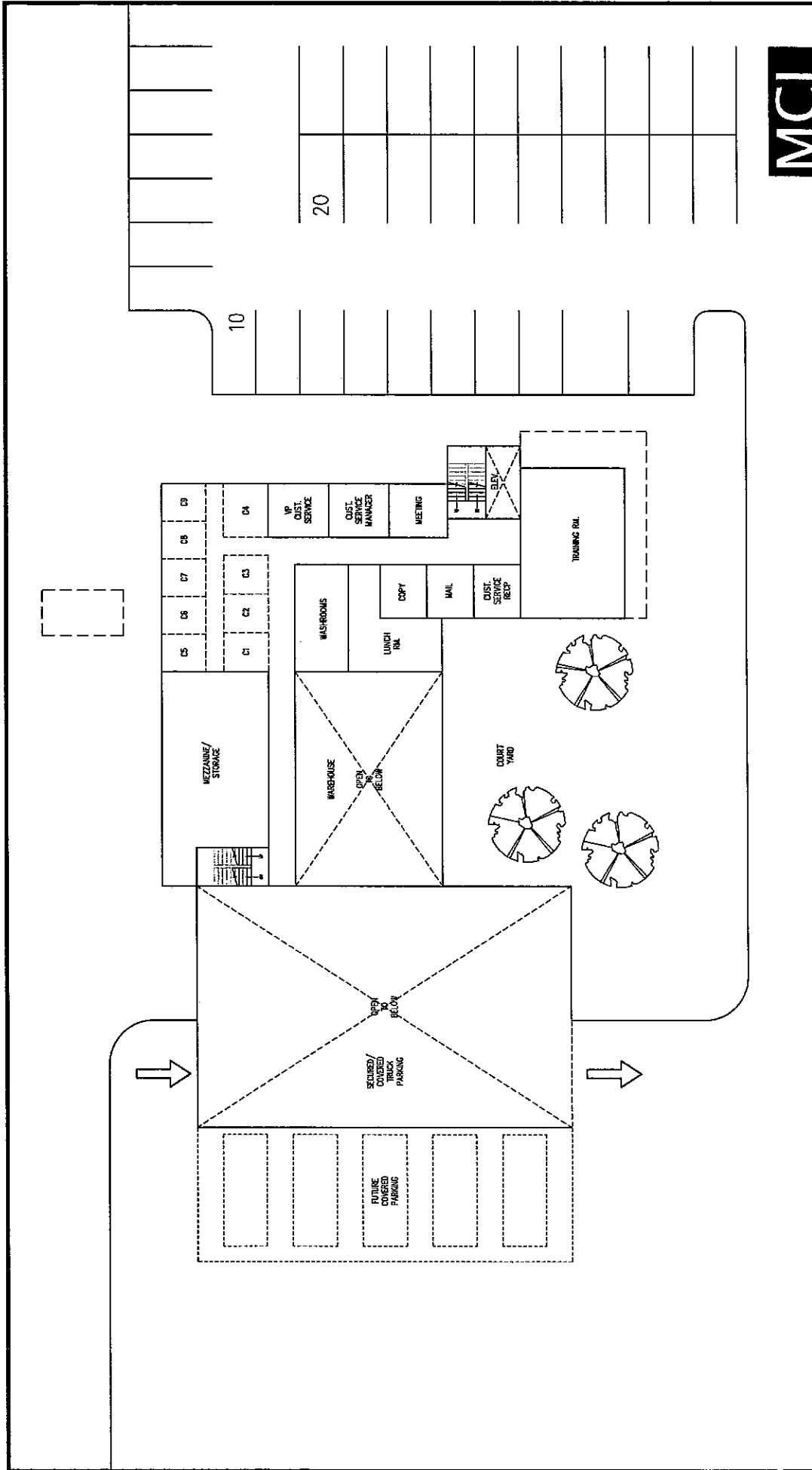


DECEMBER 13, 2011

OPTION FIVE:
Demolition of Existing Building & New Construction
Schematic Plan (Main Floor Plan)

INNISFIL HYDRO DEMOLITION & NEW CONSTRUCTION

2101 Innisfil Beach Road
Innisfil, Ontario, L9S 1A1

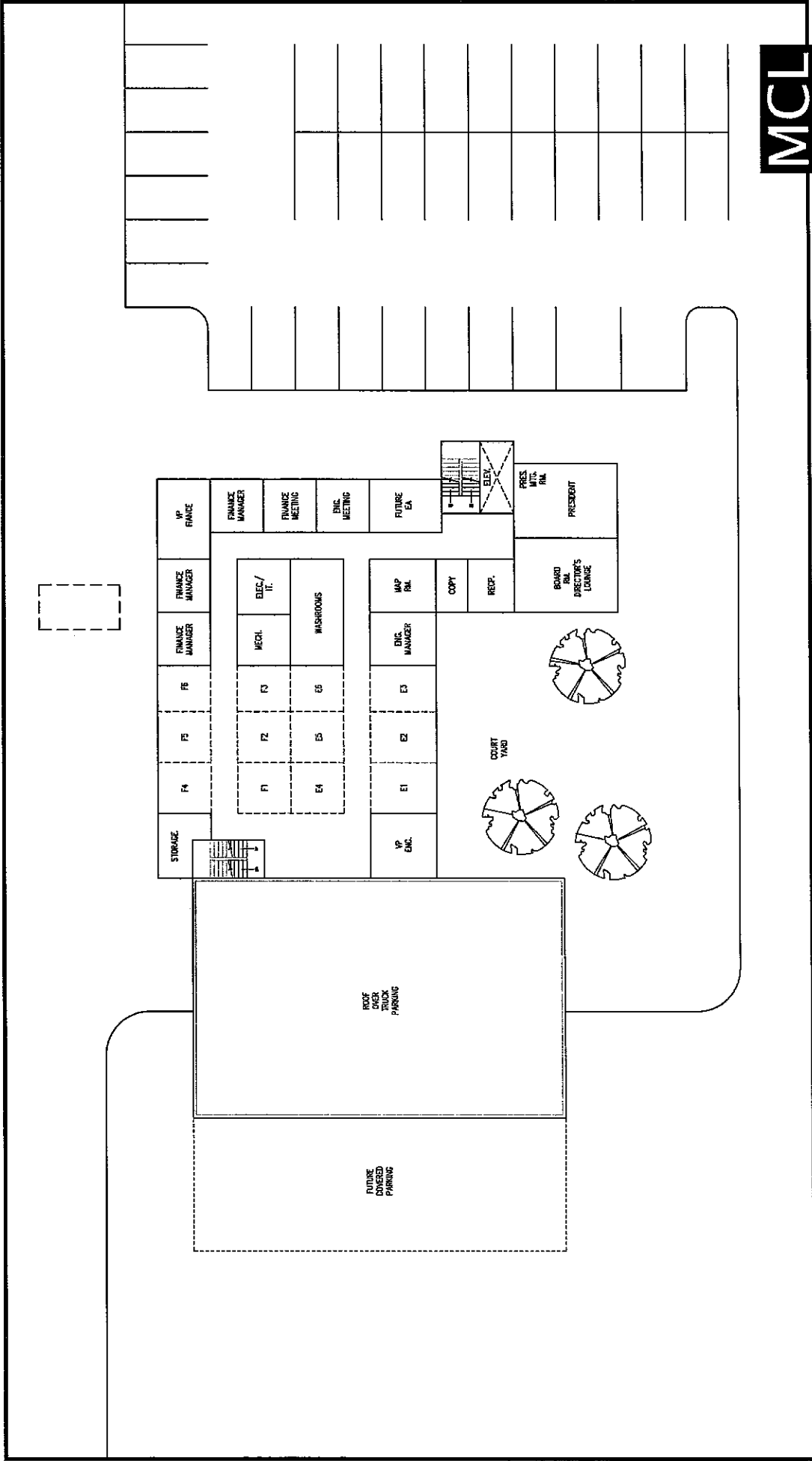


DECEMBER 13, 2011

OPTION FIVE:
Demolition of Existing Building & New Construction
Schematic Plan (Second Floor Plan)

INNISFIL HYDRO DEMOLITION & NEW CONSTRUCTION

2101 Innisfil Beach Road
Innisfil, Ontario, L5S 1A1

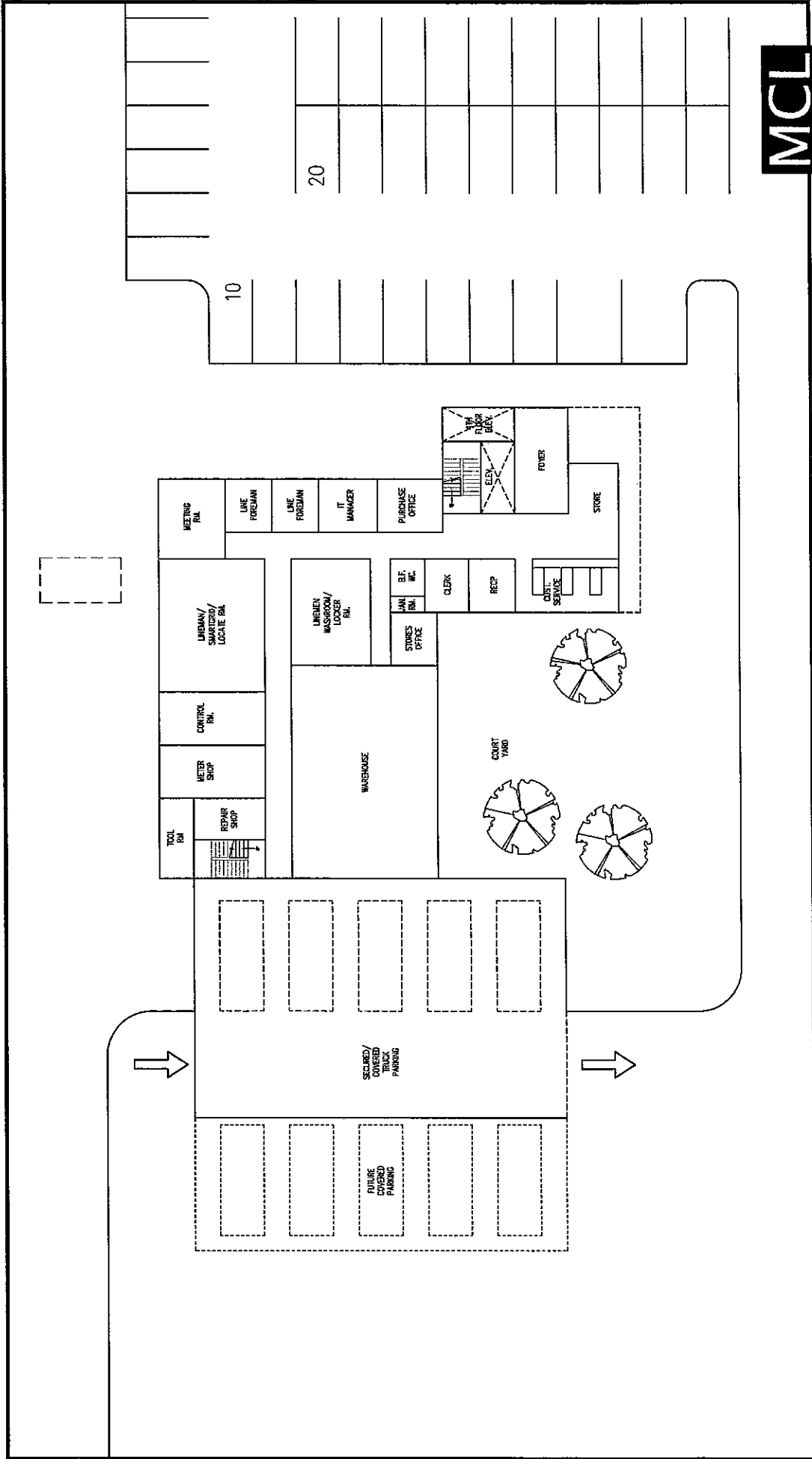


DECEMBER 13, 2011

OPTION FIVE:
 Demolition of Existing Building & New Construction
 Schematic Plan (Third Floor Plan)

INNISFIL HYDRO DEMOLITION & NEW CONSTRUCTION

2101 Innisfil Beach Road
 Innisfil, Ontario, L9S 1A1

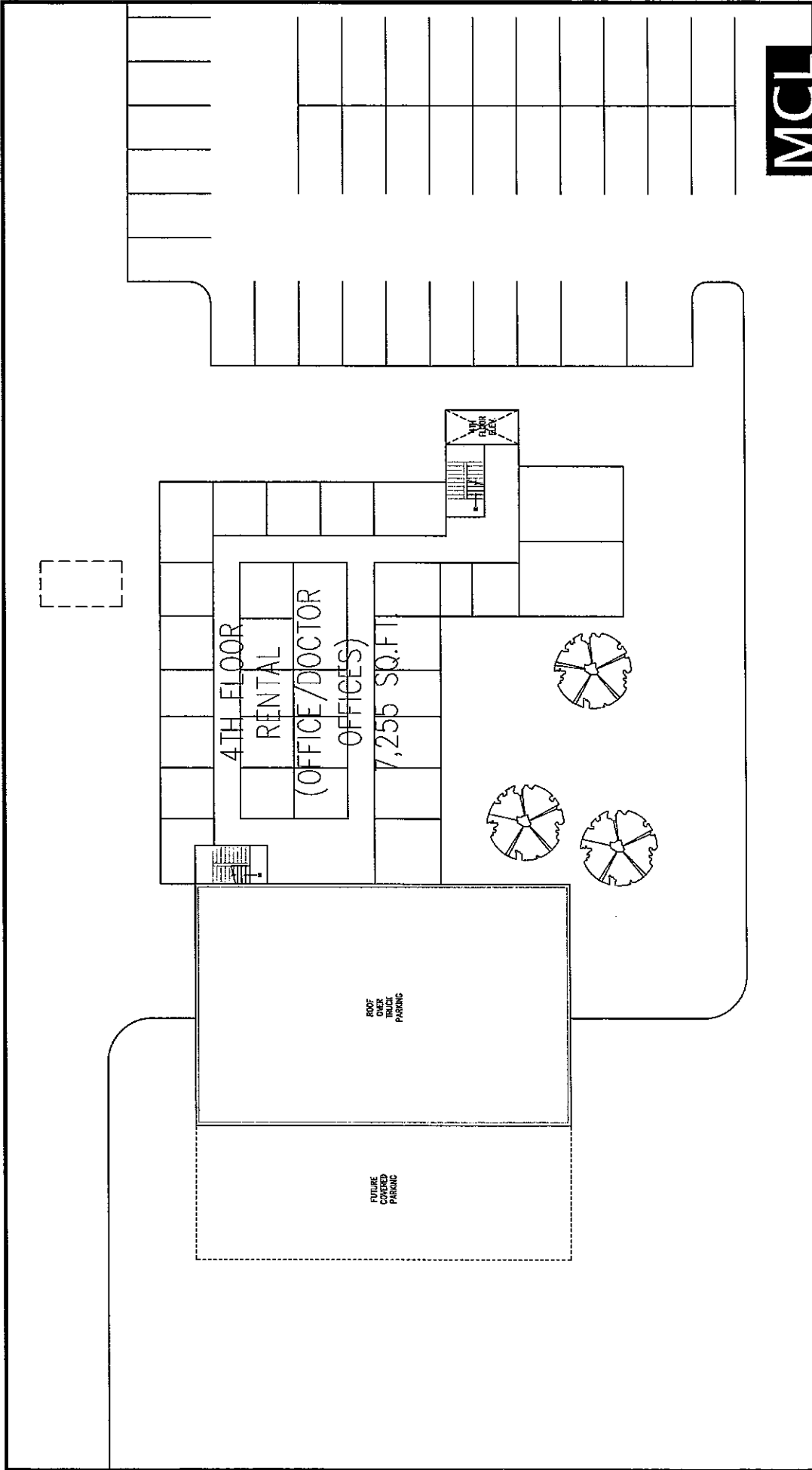


DECEMBER 13, 2011

OPTION FIVE A:
 Demolition of Existing Building & New Construction
 Schematic Plan (Main Floor Plan)

INNISFIL HYDRO DEMOLITION & NEW CONSTRUCTION

2101 Innisfil Beach Road
 Innisfil, Ontario, L9S 1A1



DECEMBER 13, 2011

OPTION FIVE A:
 Demolition of Existing Building & New Construction
 Schematic Plan (Fourth Floor Plan)

INNISFIL HYDRO DEMOLITION & NEW CONSTRUCTION
 2101 Innisfil Beach Road
 Innisfil, Ontario, L9S 1A1

10. BUILDING MOVE UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 11-126

Be it resolved that the Board hereby receive the Building Move Update staff report and provide direction to staff to continue with the development of Options 5 and 5A.

CARRIED

11. HR UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 11-127

Be it resolved that the Board receive the HR Update staff report, and

Approve the hire of a Full Time CDM Representative, and

Increase the part-time accounting clerk hours to 32 hours per week.

CARRIED

12. DRAFT MEETING SCHEDULE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 11-128

Be it resolved that the Board review and approve the 2012 Meeting Schedule as presented.

CARRIED

13. INFORMATIONAL ITEMS

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 11-129

Be it resolved that the Board hereby receive the Informational Items staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

January 16, 2012

Staff Report

BUILDING MOVE UPDATE

Summary

The Architects are drafting layouts which are expected to be available for viewing at the February Board Meeting.

Town staff have reaffirmed an option to use the existing Innisfil hydro site as a pumping station and reservoir for Innisfil Heights. An appraisal has been requested for the existing Hydro lots and a three acre parcel surrounding the Old Town Hall. Depending on future course of events, it may be possible to do a land swap which could benefit both parties.

Town Economic Development staff have confirmed the shortage of rental office space in Innisfil and said that extra space needed for future needs could be leased out until needed. They've indicated that the second floor (3,500 sq') could be utilized as a business incubation centre in partnership with Nottawasaga Futures. If the first floor does not receive any interest for medical purposes due to a competitive site in Alcona, Northern Lights, the Chamber of Commerce and other business support services may be interested in leasing space.

Lou Kelly from Coldwell Banker indicated that market lease rates are as follows:

- ◆ Main Floor \$22.00 to \$25.00 SQ FT Net Net Net ie. Tenant pays all expenses and proportionate share of Taxes Ins and Common Areas
- ◆ Second Floor \$13.00 to \$15.00 SQ FT Net Net Net..

Utilizing the lowest lease rates above with an average income of \$17.50 per square foot, estimating a 5% interest rate with 2.5% maintenance costs will net \$10 per sq' profit or a 5% simple rate of return. At this rate it appears that proceeding with construction now that will factor in future growth needs will provide positive cash flow.

Jamie Sidlofsky from BLG shall be providing an opinion as to any regulatory restrictions prohibiting the leasing of surplus office space. If this opinion gets completed before Monday, it will be walked into the meeting.

Recommendation

It is recommended that the Board receive this report and provide staff with further direction.

4. OEB UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-03

Be it resolved that the Board hereby receive the OEB Update staff report, for information purposes.

CARRIED

5. OPA UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-04

Be it resolved that the Board hereby receive the OPA Update staff report, for information purposes.

CARRIED

6. BUILDING MOVE UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-05

Be it resolved that the Board hereby receive the Building Move Update staff report, and further provide staff with further direction.

CARRIED

7. JOINT HEALTH AND SAFETY UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-06

Be it resolved that the Board hereby receive the December 2, 2011 Joint Health and Safety Committee minutes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

February 21, 2012

Staff Report

BUILDING MOVE UPDATE

Summary

- a) A proposal has been submitted by McKnight, Charron, Laurin Inc. Architects for the design of the new Hydro building. The proposed architectural fee including structural, mechanical and electrical engineering fees is 6% of the project cost. Not included is LEED consulting and site engineering servicing which are priced separately. The same firm was involved with the SS Police building and the fee was 6.7%. Additional construction review services are priced at \$69/hour, the same price as the 2009 police building. Sid Armatage was referenced and has indicated that the services from McKnight, Charron, Laurin Inc. Architects were very good (e-mail attached). New site and floor plans have also been provided for review. At this point, formal approval to engage McKnight, Charron, Laurin Inc. Architects is requested.
- b) Appraisals have been completed for the old Town Hall site and the Innisfil Hydro Site (summaries are attached). Three acres around the old Town Hall are appraised at \$470,000 which will require a further \$130,000 for the demolition of the building. The two Hydro sites are appraised at \$925,000. If Innisfil Hydro and the Town undergo a property swap, Innisfil Hydro would purchase Town land for \$470,000. The Town would purchase Hydro property for \$925,000. The net gain that Hydro would realize is \$455,000 which could be dividended back to the Town, subject to Board approval at a later date. At this point, approval to engage Town staff in discussions to purchase three acres around the old Town hall is requested.
- c) The old Town Hall is zoned Community Services. The principal permitted uses in a Community Services (CS) Zones are:

6.1 COMMUNITY SERVICES (CS) ZONE

6.1.1 Principal Permitted Uses

- a) Any undertaking established or maintained by a Governmental Authority, Board, Agency or Commission thereof, and without limiting the generality of this clause, including municipal offices, libraries, post offices, police stations, fire halls, community hall, and any undertaking of a utility company such as a gas company, telephone, cable or hydra-technical company;
- b) A church and accessory uses;
- c) Nursery school;

- d) Nursing home;
- e) Hospital;
- f) School;
- g) University;
- h) College;
- i) Library;
- j) Seniors Housing;
- k) Cemetery;
- l) Doctors Office
- m) Medical clinic
- n) Parks and recreation facilities
- o) Uses buildings and structures accessory to any of the above uses.

The existing zoning appears to facilitate the anticipated construction for a utility company. There also does not appear to be any encumbrances in renting extra space for business development or a doctor's office.

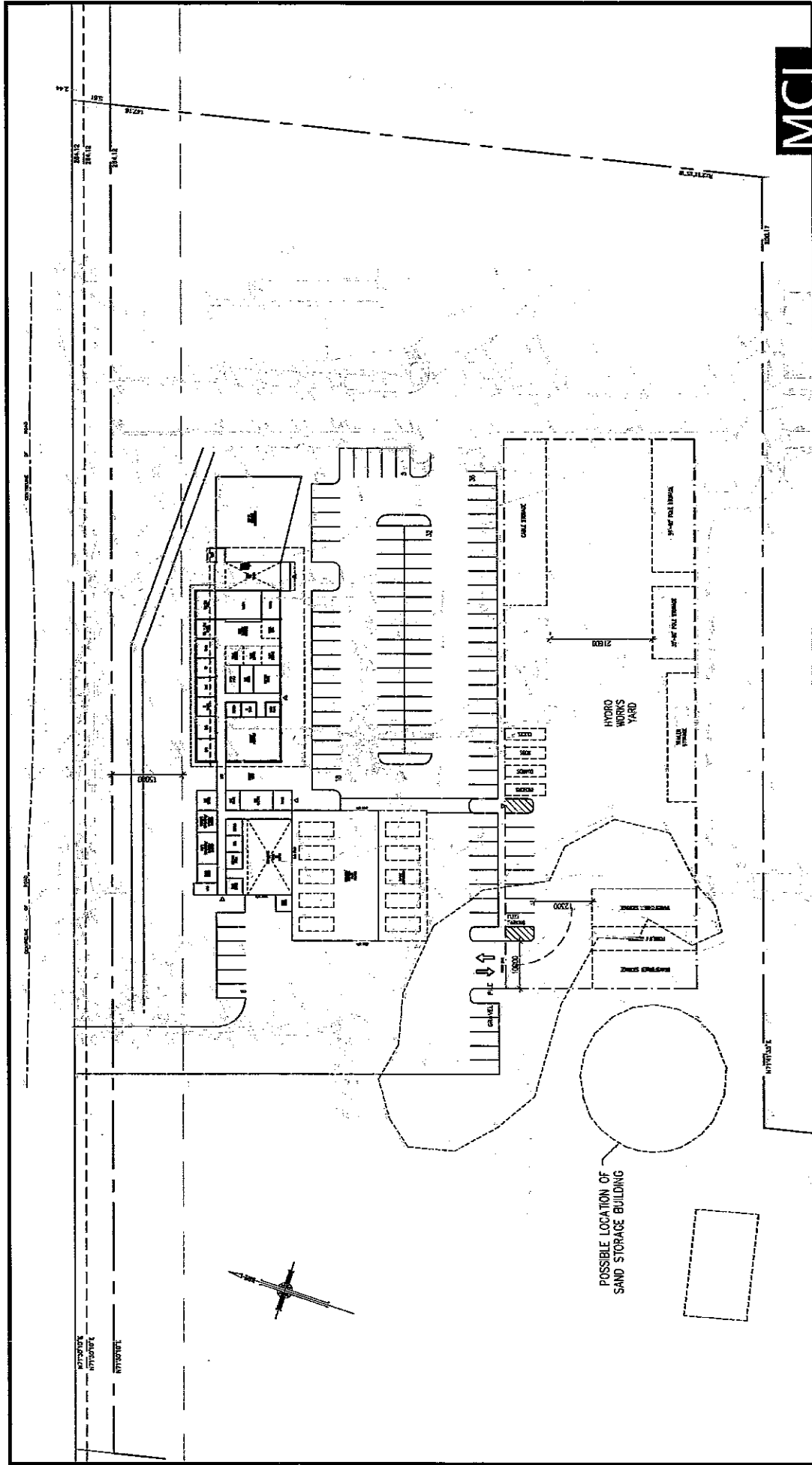
- d) James Sidlofsky from Borden Ladner Gervais LLP was asked to provide a memo explaining if there are any regulatory restrictions that would restrict Innisfil Hydro from renting surplus future office space (attached). The memo indicates that it is reasonable to plan buildings for future needs and it is reasonable to rent out that future space so that customers can benefit from the revenue. That being said, James states that there is no positive way to know how the OEB will judge this activity and if a higher level of assurance is required, he will be happy to approach OEB staff and ask the question.

Recommendation

It is recommended that the Board receive this report, and

THAT the Board approve the appointment of McKnight, Charron, Laurin Inc. Architects at a fee of 6% and construction review services priced at \$69/hour, and

THAT the Board provide direction to staff to engage the Town to purchase three acres around old Town Hall (2147 Innisfil Beach Road) for the appraised value of \$470,000 for the location of the new Innisfil Hydro head office site.

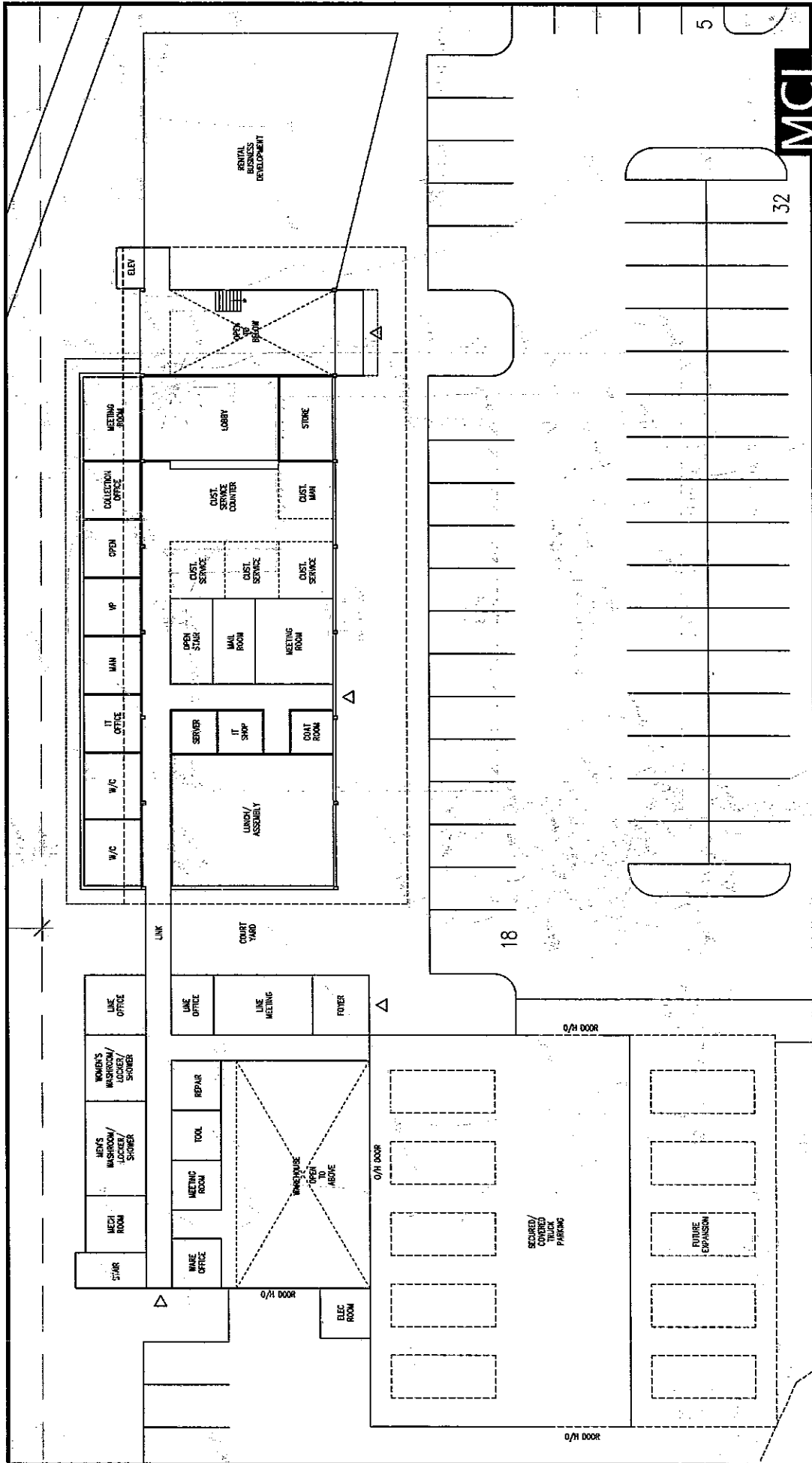


February 15th, 2012

OPTION FIVE A:
Schematic Site Plan

INNISFIL HYDRO DEMOLITION & NEW CONSTRUCTION

2101 Innisfil Beach Road
Innisfil, Ontario, L9S 1A1



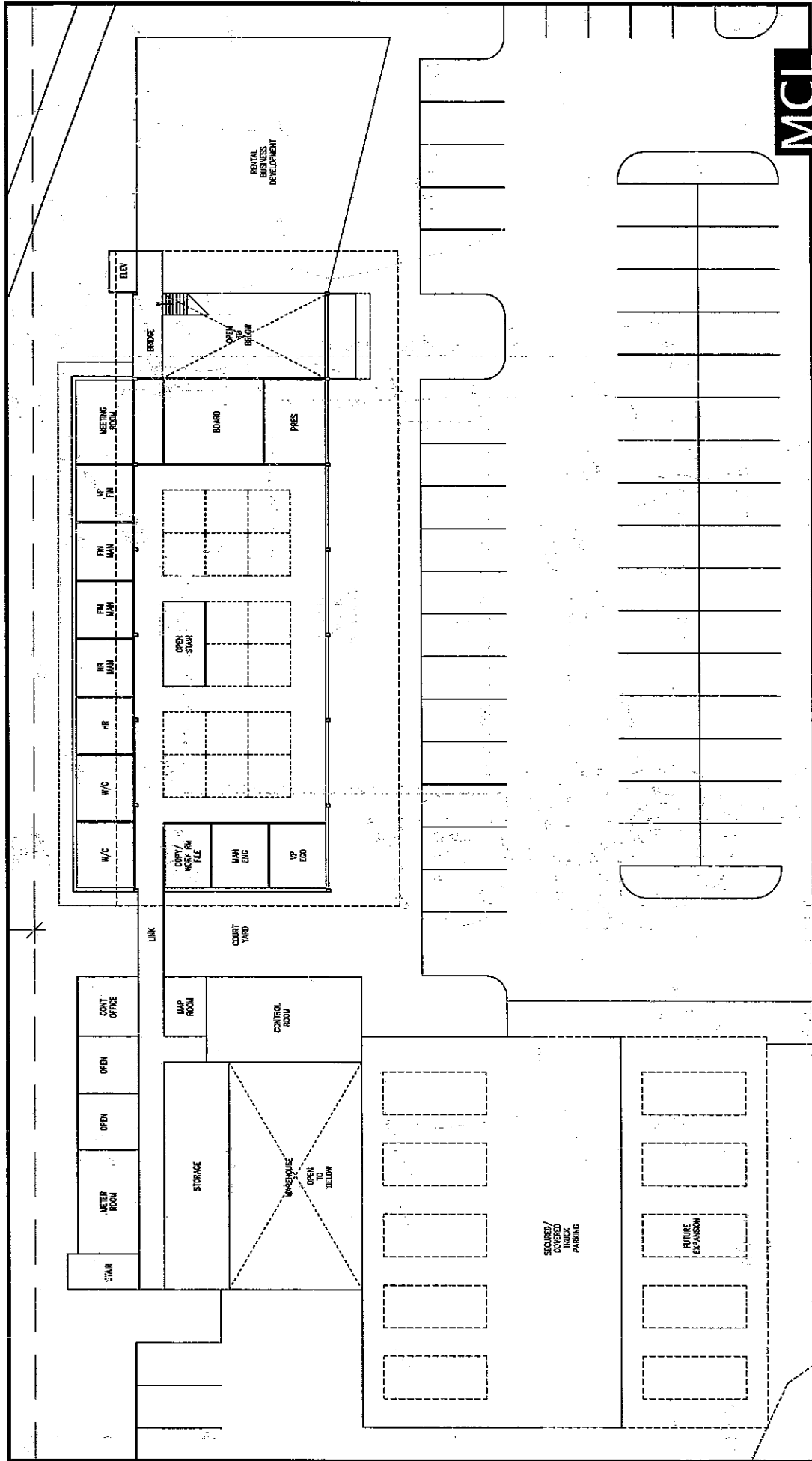
MCL
 MCKNIGHT
 CHARLTON
 LAURIN ARCHITECTS

February 15th, 2012

OPTION FIVE A:
 Schematic Main Floor Plan

INNISFIL HYDRO DEMOLITION & NEW CONSTRUCTION

2101 Innisfil Beach Road
 Innisfil, Ontario, L9S 1A1



MCKNIGHT
CHARON
LAURIN INC.
ARCHITECTS

February 15th, 2012

OPTION FIVE A:
Schematic Second Floor Plan

INNISFIL HYDRO DEMOLITION & NEW CONSTRUCTION

2101 Innisfil Beach Road
Innisfil, Ontario, L9S 1A1



MCKNIGHT • CHARRON • LAURIN INC.
ARCHITECTS

Tel: 705-722-6739
Fax: 705-726-5418
www.MCLarchitects.ca

67 High Street
Barrie, Ontario
L4N 1W5

30 January 2012

George Shaparew
President, Innisfil Hydro
2073 Commerce Park Dr.
Innisfil ON L9S 4A2

30 January 2012

**Re: Proposed Architectural & Engineering Fees
for the New Innisfil Hydro Building**

Dear Mr. Shaparew:

Thank you for asking us to provide a fee proposal for your new Hydro Offices and Works yard Facility. The gross floor area (GFA) of the two-storey facility will be approximately 32,300 sq. ft., as reflected in Option 5A in our letter to you, dated 15 November last year.

The construction cost estimate at that time was \$200 per sq. ft. = \$6,460,000.00
The demolition cost of the existing building on the site + the cost of engineered fill for the old basement area was \$130,000.00

The overall Construction Cost Estimate is therefore: \$6,590,000.00 + HST.

The above cost estimate does not include any increase to site services or surface treatment, communications or landscaping. In addition to the Construction costs there are permit costs, professional consultant fees, equipment costs, testing and inspection costs, legal costs, surveying costs and construction contingency costs.

I understand that Innisfil Hydro wishes to make this facility a LEED Gold Certified project. This will add a premium to the cost of the building. We can budget an amount with our proposed LEED consultant, Mike Pelton of Fluent Engineering.

Our Architectural fee, including Structural, Mechanical and Electrical Engineering fees would be:

$6.0\% \times \$6,590,000.00 = \$395,400.00 + HST$

We propose using the same Engineers that we used on the addition and renovations to the Innisfil Police Station. Please see attached quotations from SWS Engineering, Burmar Engineering and E-lumen Engineering.

Additional Consultants:


-LEED Consultant, Mike Pelton of Fluent Engineering: \$61,500.00. See Fluent Eng quote attached.

-Landscape Architect: was not required for the Police Building. We can get a quote if requested.

-Site Services & Grading Engineering: I have requested a quotation from Terry Hoehn at Ainley Engineering, the same firm the worked on the Police building. I expect to receive their fee proposal in a day or two.

If you like me to attend any meetings with the Board, I am available. Please call if you have any questions.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Michael McKnight". The signature is fluid and cursive, with a large initial "M" and a long, sweeping underline.

Michael McKnight, B. Arch. OAA



MCKNIGHT • CHARRON • LAURIN INC.
ARCHITECTS

Tel: 705-722-6739
Fax: 705-726-5418
www.MCLarchitects.ca

67 High Street
Barrie, Ontario
L4N 1W5

30 January 2012

George Shaparew
President, Innisfil Hydro
2073 Commerce Park Dr.
Innisfil ON L9S 4A2

Re: Additional Architectural Site Review Services - Innisfil Hydro Building

Thank you for the opportunity to provide additional construction review services for your new Hydro Facility

The construction period is anticipated to be 50 weeks.

The review services to be provide include construction monitoring, reporting as well as co-ordination between the Town, the project Consultants and the Bullder.

Please note that this additional service will not affect our role or responsibility to be on site or available to respond to issues as they may arise.

Proposed Hours and Fee:

2.5 work days per week:
(Divided into 2 full days one week, 3 full days the next week or as becomes necessary at each phase of construction.

Total days: 125 days at \$ 69 / hr. (8 hr day) total hours: 1000

Proposed fee: \$69,000.00 + HST

Yours sincerely,

Michael McKnight, B. Arch. OAA

SWS ENGINEERING INC.

swseng@bellnet.ca
(905) 272-1938
fax (905) 272-8254

1100 Central Pkwy West, Unit 15, 2nd Floor, Mississauga, ON L5C 4E5
Authorized by the Association of Professional Engineers of Ontario to offer professional engineering services

Our Ref: McKnight-84-InnisfilHydro.doc
January 24, 2012

McKnight Charron Laurin Inc. Architects
67 High Street
Barrie, ON L4N 1W5

Attention: Mr. Michael McKnight

RE: Proposed Innisfil Hydro Office Building, ON

Please accept this letter as our outline of fee and services for the above noted project. Our proposal is based upon the information in your E-mail of Jan 23, 2012.

OUR PROPOSAL

OPTION 1 – 24,000 sf GFA Building

To provide structural design, drawings and periodic site reviews, we proposed a fee of **Forty Nine Thousand Dollars (\$49,000.00)**. Our fee breakdown is as follows:

Design and Drawing Phase

To provide structural design and drawings for the proposed building, we propose a fee of **Forty Thousand Dollars (\$40,000.00)**.

Construction Phase

To provide coordination, to review shop drawings and to provide periodic site reviews, we propose a fee of **Nine Thousand Dollars (\$9,000.00)**.

Disbursement

Travelling and phone charges are included. Plotting and printing if required will be extra.

OPTION 2 – 32,000 sf GFA Building

To provide structural design, drawings and periodic site reviews, we proposed a fee of **Sixty Three Thousand Dollars (\$63,000.00)**. Our fee breakdown is as follows:

Design and Drawing Phase

To provide structural design and drawings for the proposed building, we propose a fee of **Fifty Thousand Dollars (\$50,000.00)**.

Construction Phase

To provide coordination, to review shop drawings and to provide periodic site reviews, we propose a fee of **Thirteen Thousand Dollars (\$13,000.00)**.

Disbursement

Travelling and phone charges are included. Plotting and printing if required will be extra.

EXTRA

The following services are not included in our proposed fee will be charged extra:

- Alternate designs, phasing of project or re-starting a temporary shelved project.
- Design structure for deep foundation such as piles, grade beams and suspended floor. Our proposal assumes conventional shallow footings on average soil, and ground floor slab on grade.
- All site works and design of structures not connected to the building.
- Changes during progress of project: revisions due to causes not solely within our control, and after documents have been prepared, will be considered extra.
- Preparation of As-Built drawings and determining deficiencies during warranty periods.
- Reproduction of drawings and documents.
- No charges for phone and faxes.
- Testing and inspection by independent inspection and testing services.
- Shop drawings and bar lists shall be prepared by others.
- Quantity take-off.
- All applicable GST and taxes.

PAYMENT


We shall submit invoice to your office monthly. Fees, including reimbursable expense, should be paid within 30 days after receipt of our invoices. We reserve the right to suspend services for account overdue 60 days or more.

Contract is open for acceptance for 45 days from the date shown in this proposal. We ask that an authorized representative of your firm sign below as authorization to proceed.

We trust this proposal merits your approval.

Yours truly,

SWS ENGINEERING INC.



Samson Wong, B.E.Sc., M.E.Sc., P.Eng.
Sw/sw

January 27, 2012

E12-3561

M.C.L. ARCHITECTS

67 High Street
Barrie, Ontario
L4N 1W5

Attention: Mr. Michael McKnight

Fax: 705-726-5418

RE: Mechanical Consulting Fee
Innisfil Hydro (32,000 Sq. Ft.)
Innisfil, Ontario

Dear Sir:

Following please find our quotation and proposal for providing the Mechanical Engineering and Design documents for the above noted project. Please note that we have utilized the information e-mailed to our offices on January 26, 2012, as a basis for the following presentation.

DESIGN FEE:

We Include:

- a) Attendance at required design meetings (maximum of 6) to review the project Owner's expectations relative to the anticipated mechanical systems design.
- b) Complete mechanical systems drawings and specifications for construction based upon the material provided. This would include the interior building plumbing, heating, ventilating and air conditioning systems design.
- c) Any involvement with sprinkler system design work would be limited to the provision of an Outline Performance Specification only (if required).
- d) Project administration that would include the issuance of any required Addendums, Site Instructions, Change Orders etc. and the review of any mechanical equipment related shop drawings.
- e) All specifications to be depicted on drawings.
- f) Full project supervision (maximum of 18 site meetings/inspections) with associated mechanical systems status reports and comments issued after each meeting/inspection. (Additional site visits to be charged at \$650.00/visit).
- g) All sundry expenses and/or disbursements (i.e.: printing/plotting of documents, courier expenses, long distance telephone calls, travel, etc.).

...2/

January 26, 2012

2

E12-3561

- h) Provision of necessary mechanical systems support activity to accommodate "LEEDS" Gold Building Certification.

OUR FEE:

Price No. 1: (32,000 Sq. Ft. With 24,000 Sq. Ft. Finished at this time).....\$ 39,500.00

Price No. 2: (32,000 Sq. Ft. With Whole Building Designed at this time).....\$ 46,500.00

SPECIAL NOTE:

Additive to each of the above prices would be fee of \$3,000.00 (+ HST) to cover the required "LEEDS Gold" building certification support activity (for selected independent "LEEDS" certified consultant).

ITEMS NOT INCLUDED:

- a) Mechanical systems site plan and any related Storm Water Management analysis/calculations.
- b) **Sprinkler systems layout/design.**
- c) Any work related to septic system or well water systems design.
- d) All applicable Government taxes.
- e) Electrical systems design and consulting fee.
- f) Any costs associated with Permit applications.
- g) Any work related to potential asbestos removal.
- h) Building "LEEDS" certification. We expect that an independent "LEEDS" certified consultant will be retained to complete this work.
- i) Demolition work. Mechanical drawings limited to specific drawing notations/specifications.

ADDITIONAL WORK:

Additional work over and above that noted previously will be invoiced at the following rates:

Engineer.....	\$140.00/hour
Senior Design	\$90.00/hour
AutoCAD Operator/Drafting.....	\$70.00/hour
Secretarial/Administration.....	\$40.00/hour

We thank you for requesting that Brumar Engineering Services complete a proposal on the above noted project. Please direct any questions you may have regarding this fee to the undersigned.

Yours truly,

BRUMAR ENGINEERING SERVICES LIMITED



Bruce W. Hamilton, P.Eng.

BWH/rk



January 26, 2012

McKnight Charron Laurin Inc. Architects
67 High St.
Barrie, Ontario L4N 1W5

Attention: Michael McKnight

Re: **Innisfil Hydro Building**
Innisfil, Ontario
e-Lumen Project Number: 12-014

Dear Michael,

Thank you for the opportunity to offer you our Lighting and Electrical Engineering Services on the above noted project.

Attached please find our fee proposal and description of our services.

We hope you will find this proposal acceptable and look forward to working with you. Should you wish to review its contents, please do not hesitate to call.

Yours Very Truly,

Phil Santia, P.Eng.,
Principal
e-Lumen International Inc.

PS/ps



Project Description

The new building facility project consists of the following:

- a. Total Ground Floor building area is 32,000 sq.ft. with 8,000 sqft open space
- b. As per Architectural Drawings.
- c. Exterior Site Plan and Parking.
- d. Alternative energy investigation
- e. Telecommunication infrastructure design
- f. Security design
- g. CCTV design
- h. Audio Visual design

Scope of Work Included

1. Full Lighting and Electrical documentation for the building including the following:

- Lighting for all areas of the building.
- Emergency and Exit Lighting throughout as per OBC requirements.
- Empty conduit and raceway infrastructure for voice and data systems. Complete end to end non-active communication design
- Empty conduit and raceway infrastructure for Security and Card Access Control Systems if required – no active components, selection by owner.
- All electrical utility outlets and miscellaneous power devices throughout.
- All wiring to mechanical equipment shown on Mechanical Consultants drawings.
- Site Lighting and Building exterior lighting.
- Coordinate with owner's equipment as required.
- Site plan including incoming power and telecommunications.

2. Attend design meetings with Architect and other team members to coordinate lighting and electrical design as required.



Scope of Work Not Included (Available as Additional Services)

- Commissioning of all electrical systems, beyond normal traditional electrical contractors start-up and handover to owner.
- Preparation of 'as-built' drawings, which will be provided by the electrical contractor.

Additional Changes

- Any client originated changes after contract documents are substantially in progress will be considered extra and billed at our hourly rates. An 'Extra Work Request' form will be submitted for approval before commencing with the changes.
- Additional meetings and site visits will be undertaken only on receipt of your formal request and billed at our per diem rate of \$600.00 per meeting/visit.

Project Related Expenses

- All project related expenses are additional to the fees and will be invoiced at our costs plus 10% and applicable taxes. Copies of all receipts will be provided.
- Project related expenses not included are; ESA Drawing submission, printing, plotting, and courier.
- Invoices are issued monthly and are due and payable when rendered. Interest will be charged on overdue accounts at 1% per month.



Description of our Services

Contact Document Stage

- Prepare detail drawings and sketches in collaboration with other members of the design team to arrive at a workable, satisfactory and coordinated solution of the accepted schematic design concepts.
- Attend meetings with other team members for coordination.
- Assure compliance with applicable prevailing codes and regulations during the course of the design and construction.
- Keep all other members of the design team informed of the progress of the lighting and electrical work regular exchange of reports, memoranda's, CAD drawings and prints as required.
- Assist in the development of the design and construction schedule if required.
- Produce complete set of documentation to fully illustrate all aspects of the lighting and electrical installation.
- Prepare detailed and coordinated AutoCAD working drawings and specifications for the purpose of calling for competitive tenders.

Tender and Post-Tender Stage

- Answer all queries and issue written clarification in form of Addenda to the bidders.
- If necessary, augment written clarification with sketches.
- Analyze all tenders and make recommendations for acceptance of an Electrical Contractor.



Construction and Contract Administration Stage

- Review of lighting and electrical shop drawings for the sole purpose of ascertaining compliance with the design concepts and contract documents.
- Interpret the contract documents where requested to do so by client or the contractor.
- Issue Notices of Change in written and/or drawing form to cover all changes to the contract documents.
- Keep the client informed of the potential anomalies well in advance of their occurrences and avoid last minute action.
- Attend **Two (24)** site review meetings during construction.
- Provide lighting and electrical site visit reviews of the ongoing electrical contractor's work during construction and comment in writing on the following:
 - o Quality of work
 - o Adherence to the letter and intent of the contract documents.
 - o Coordination of the electrical work with that of other trades.
 - o Keeping up with the construction schedule.
 - o Acceptability of the monthly electrical progress payment claims.
 - o Issue written instruction for clarification of the intent of the contract documents.

- Provide 'final electrical inspection' report at substantial completion of project.

Project Close-Out Stage

- Assist in expediting the completion of electrical deficiencies and outstanding work.
- Provide follow-up review once all deficiencies have been completed.
- Review of electrical 'as-built' drawings and manuals submitted by the electrical contractor to ensure compliance with tender documents.



Fees

Design Fee	\$45,400.00
Reduce fee by \$11,400 if building is only 24,000sqft	
Contract Administration Fee (24 site meetings based on \$600 per meeting)	\$14,400.00
Total excluding HST and expenses.	\$59,800.00

Expenses

Incidental expenses. (\$0.54/Km, courier, printing ...ect)	As Required

Authorization To Proceed

Any authorization to proceed whether written, verbal or implied by active engagement in the project will be construed as acceptance of all of the conditions expressed in this proposal.

January 23, 2012

McKnight Charron Laurin Inc. Architects
67 High Street
Barrie, Ontario L4N 1W5
Contact: Michael McKnight
Phone: 705-722-6739 x124
Email: Michael@mclarchitects.ca

Re: LEED® & ENERGY Consulting Services for Innisfil Hydro

Dear Michael,

We are pleased to provide the following proposal for our LEED® & ENERGY Consulting Services for the new Innisfil Hydro building. We understand the project is interested in achieving LEED Canada 2009 GOLD Certification for this building and we have based this proposal on that objective.

We understand that this project is a new 2-storey, 24,000ft² office/works building located in Innisfil. We also understand that an 8,000ft² addition is under consideration by the client. The fee to include the potential addition has been provided as a separate line item in this proposal.

In summary, our proposed scope of work involves the following:

- completing a preliminary LEED & ENERGY assessment of the project,
- developing LEED & ENERGY design concepts and strategies to establish a structured approach to achieve LEED certification,
- preparing project-specific LEED specifications,
- performing LEED & ENERGY design reviews,
- performing LEED & ENERGY construction reviews,
- preparing a final ENERGY model for LEED certification,
- assembling the LEED & ENERGY documentation, and
- coordinating the LEED application/certification process with the Canada Green Building Council.

Please note that we have divided our scope of work into a LEED consulting segment and an ENERGY consulting segment for your information. However, we have priced these services based on FGI performing both scopes on this project (i.e. these cannot be pursued independently). Also, to be clear, Building Systems Commissioning is a separate scope of work – not included in this proposal.

Note: Our work will involve the preparation of a written report that will include a LEED checklist and an outline of the project-specific credit requirements to achieve LEED certification for this project. While we do not provide project costing, this report will assist the project estimator/cost consultant with the preparation of a preliminary LEED budget for the project. With this costing information, we will work with the team to help determine the best approach to achieve LEED certification and maximize value. The following sections describe our detailed scope of work for this project:

LEED & ENERGY SCOPE OF WORK

1 Concept Design

1.1 LEED & ENERGY Assessment and Development of Design Concepts & Strategies

Our work on this project would begin with a thorough review of the drawings and specifications followed by correspondence with the design team. This could be handled in a conference call format or individual calls to the key team members. The purpose of this review is to gather information and complete a preliminary LEED & ENERGY assessment of the project.

Based on the information gathered and our preliminary assessment, we would develop a comprehensive summary of LEED & ENERGY design concepts for the project. Once assembled, we would present our recommendations to the team during a LEED workshop session. At this session, we would work through the recommended concepts and strategies with the various designers and the Owner to develop a preliminary approach to achieve LEED Certification.

1.2 Draft LEED & ENERGY Design Basis Report

Following the LEED workshop, we would prepare a written report outlining our recommended approach to achieve LEED Certification. Our recommendations, established based on our extensive experience with other similar projects and the feedback we received from the design team, would address a range of architectural, mechanical, and electrical energy conservation measures and a range of sustainability measures affecting site issues, water conservation, energy performance, materials selection, and indoor environmental quality.

Our report will include a clear delineation between measures that are already included in the base building and measures for which an incremental cost will need to be identified. A draft version of our report could then be used by the estimator and/or cost consultant to quantify the capital cost impact of the various LEED credits.

Since LEED now includes process loads within all energy calculations (note: these were not included prior to the introduction of LEED 2009) – we will have to work with the team to identify process energy savings opportunities and develop an approach to document process energy savings. The approach we develop will involve establishing reasonable baselines and savings calculation methodologies, which will be subject to review and approval by the Canada Green Building Council.

Note: Any approach to LEED relies on the active participation of all key members of the design team. It is expected that the design team will provide the details including architectural, mechanical, and electrical design drawings, as well as specifications and calculations (e.g. ASHRAE 62-2007 outdoor air calculations) as necessary. It is also expected that the designers of record will certify compliance with all mandatory requirements of the applicable energy codes.

1.3 Final LEED & ENERGY Design Basis Report

Once final decisions are made, we would finalize our LEED & ENERGY reports and present the results to the design team. During this meeting, we would answer any questions and help finalize a project specific approach to achieve LEED certification.

The outcome of this work will be 2 documents (an ENERGY DESIGN BASIS and a LEED DESIGN BASIS) that will become the cornerstone of the sustainable design process as the team moves into detailed design. These reports will be used as a reference by the design team and by Fluent Group during design reviews to help ensure the project stays on course towards LEED certification.

2 Design Development & Construction Documents

2.1 Specifications for Sustainability Measures

To support achievement of the envisioned sustainability ideas and features, it is critical to craft the project specifications so that sustainability is an integral part of the construction documents. This demands an attention to detail and careful consideration of the interaction between disciplines. FGI provides custom LEED specifications and clauses that clearly stipulate the contractor's responsibilities for key LEED requirements. We also assist with the integration of sustainability requirements into the construction documents prepared by the other key disciplines (e.g. architectural, mechanical, electrical, civil, landscape).

2.2 Review of Construction Documents

The emphasis of this task is to effectively integrate the selected LEED and ENERGY measures into the construction documents. This integration is an iterative process where FGI works with the design team to make initial recommendations and review draft documents to assist the team in completing the final construction documents. As a first step, FGI would complete a written review of the construction documents (at around 70%-80% complete). By reviewing and providing comments on the integration of sustainability requirements and prescriptive energy performance requirements within the documents, FGI assists the team in verifying that the LEED and ENERGY objectives will be met. This quality assurance process is important in order to identify potential conflicts and issues that could cause delays and increase costs during construction. FGI would also review the 100% complete construction documents as part of the LEED documentation process and would highlight any key comments.

3 Construction Reviews & Documentation

3.1 Coordination with Contractors

Since LEED is still in its early adoption stages by much of the construction industry, it is critical that all members of the team including contract administrators, site supervisors, project managers and trades understand the impact of LEED on their activities. This process is initiated with an educational session where the fundamentals of LEED are conveyed, the sustainable intent of the project is affirmed, and (where practical) implementation strategies are presented. This initial session is the start of a dialogue that continues throughout the construction and certification process between the designated LEED site representative (a member of the contractor's team) and FGI as the LEED Consultant. FGI believes that by readily responding to questions, concerns, and inquiries we help address issues before they become major problems that could jeopardize LEED certification. Since the successful certification of a project

depends on the details of the application, all members of the team must understand the importance of their roles.

3.2 Contractor Submittal Reviews (SI, SD, CCN, CO)

The review of the construction documents included in the design phase is only the first step in our review process. All documents that could modify the contract, change an approach onsite, or include additional details must be vetted by the LEED Consultant. These reviews are handled in tandem with the 'designers of record' reviews, and comments generated by the LEED Consultant are to be incorporated into the consultant's reviews. For this to be successful, it is critical that open lines of communication are maintained between the architects, engineers, and LEED Consultant.

3.3 Detailed Energy Modeling

Once the design is complete and all submittals (including site instructions, shop drawings, and change orders) are finalized, FGI will prepare a final energy model for the project and a final energy modeling report. The purpose of this report is to document compliance with ASHRAE/IESNA 90.1 and establish the modeled annual energy cost savings for the as-designed building relative to the reference building.

3.4 Site Reviews of Sustainability Measures

The final stage of our review process is the review of actual materials, products, and practices being utilized onsite. With the complexity and pressures of conventional construction, we have often seen dramatic differences between construction documents and products installed onsite. FGI emphasizes prevention, however routine site inspections are necessary to identify and mitigate issues as they arise. For this project, FGI anticipates being on site on a total of **six (6)** occasions during construction activities (including the initial kickoff session). Following each visit, FGI will issue a site review report that indicates any issues that were identified onsite or best practices that should be acknowledged. These site visits also provide the construction team with a venue to ask questions, receive status updates, and generally understand what is required of them to support the LEED certification mandate.

In addition to our site visits, a contractor contact (a member of the construction team) will be required to take on a portion of the LEED-related site verification work. This requirement would be written into the Contract Documents. The contractor contact would assist in the preparation of LEED submittals (e.g. site photos, logbooks, etc.) and FGI would review the submittals for LEED compliance.

3.5 Design Documentation

Using the 'as-built' or equivalent documents, FGI would compile a list of the supporting calculations, narratives, and design documentation that the team is to supply for the purposes of the design documentation. Submissions from the team will be reviewed and critiqued by FGI. We have found that the most successful way to document the design related credits is to do so before the project is constructed – however, this often extends well into the construction phase. By working with the team and reviewing their submissions, we help ensure that the information is complete and any outstanding issues are resolved. FGI would compile the final LEED documentation package based on the information provided by the design team.

3.6 Construction Documentation

The final stage in the documentation process is to gather information related to the practices, materials and products used in the construction of the building. FGI's approach requires that the contractors submit documentation that is vetted by FGI periodically throughout construction (the specific frequency varies depending on project timelines but typically is in the form of monthly submissions). The veracity of the data provided is ultimately the contractor's responsibility, however FGI's quality assurance process identifies problems with information flows and relevancy of the information. It also provides a means to track the LEED performance of the project throughout construction.

4 LEED Certification

The final certification application does not occur until after the project is complete and all the Design and Construction documentation is formalized. FGI takes an active role throughout the process to help verify that the documentation is complete and properly presented. FGI will prepare and submit the final application to the Canada Green Building Council, and will coordinate the subsequent review and documentation requests. FGI will rely on the design team to provide additional details or calculations to satisfy the CaGBC peer reviewer's questions. FGI will advise the client of the status throughout this process and will inform them once the final certification has been achieved.

Based on the final energy modeling report, FGI will prepare the LEED Letter Templates for EAp2 and EAcl and provide all necessary supporting documentation for this prerequisite and credit. For the purposes of LEED certification, the model prepared by FGI must be peer-reviewed by a third-party prior to acceptance by the CaGBC. To streamline and expedite this process, we recommend that FGI coordinate directly with the third-party reviewer to make arrangements for this review and resolve any questions that may arise.

Note: FGI fees for coordinating with the third-party reviewer are included in our Fee Proposal. Third-party reviewer fees, however, are not included and would be paid directly by the Owner.

FEE PROPOSAL

Re: **LEED® & ENERGY Consulting Services for Innisfil Hydro**

The following breakdown of our fees includes our LEED and Energy Consulting Services for each Phase of the project as described in our Scope of Work. Please note that these fees are based on FGI being engaged to complete all tasks included in our Scope of Work as a complete package (i.e. individual tasks cannot be separated):

LEED + ENERGY Consulting		LEED Fee	ENERGY Fee
1	Concept Design	\$4,500	\$2,500
2	Design Development & Construction Documents	\$6,500	\$4,500
3	Construction Reviews & Documentation	\$12,500	\$13,500
4	LEED Certification	\$7,500	\$2,500
Total		\$31,000	\$23,000

OPTION A: LEED + ENERGY Consulting for Building Addition		LEED Fee	ENERGY Fee
5	Add 8,000ft ² to project scope (concurrent w/ 24,000 ft ²)	\$4,500	\$3,000
Total		\$4,500	\$3,000

Notes:

1. All prices are quoted in Canadian Dollars and all applicable taxes are extra.
2. This proposal is in effect for 90 days from the date of issue.
3. Additional work beyond the scope of this proposal would be charged at an hourly rate of \$140/hr, plus expenses.
4. Our time and expenses for attendance at meetings and site visits outlined in our scope of work is included in our fee.
5. Attendance at meetings in addition to the meetings and site visits outlined in our scope of work would be charged as indicated in Note 3, plus travel expenses.
6. All Green Building Council CIR, registration, and certification costs are in addition to this fee proposal and are to be paid by the Owner.
7. Printing fees (i.e. reproduction of drawings and documents, if required) would be charged (at cost) as additional disbursements.
8. As the ENERGY Consultant for this project, FGI would apply for and collect third-party energy efficiency design assistance funding directly (including DAP / NBCP / HPNC, as applicable), in addition to the fees quoted above. Our fees have been adjusted to account for these incentives.
9. As the LEED and ENERGY Consultant for this project, our role would be to provide information, calculations, advice, reviews, etc. to help guide the project towards enhanced LEED and ENERGY performance. However, we cannot guarantee that any

particular level of LEED or ENERGY performance will be attained. The process (and the ultimate success of the project) relies on the active participation of all members of the design and construction team.

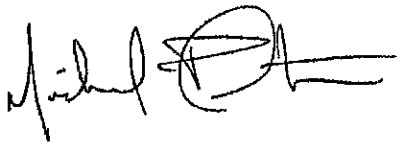
10. FGI has professional liability coverage of \$1,000,000 (max of \$1,000,000 per claim).

11. Written (fax or e-mail) acceptance of this proposal is required for work to commence.

12. Invoices would be issued monthly as the work progresses and shall be paid net 35 days from the date of Invoice.

We thank you for your interest in our services and we look forward to the opportunity to work with you on this exciting project. Please let us know if you require anything further.

Sincerely,



Fluent Group Consulting Engineers Inc.
per Michael Pelton, P.Eng.

**TOWN OF INNISFIL
INNISFIL HYDRO SITE PLAN
SITE SERVICING & GRADING**

ENGINEERING FEE ESTIMATE

Date: Jan. 30, 2012

TASK LIST	PERSONNEL WITH HOURLY CHARGE OUT RATES						TOTAL COST
	Senior Eng. \$155.00	Senior Tech. \$110.00	Jr. Eng. \$85.00	Drafting	Survey	Secretarial \$60.00	
1 Project Initiation and Background Review	0.25	6.00				0.50	\$730.00
2 Preparation of Preliminary Site Servicing and Grading Plans		4.50	18.00	12.00		1.00	\$2,990.00
3 Design Meetings (Assume 3)		6.00	3.00				\$920.00
4 Revisions to Preliminary Design	0.25	4.00	12.00	8.00		0.50	\$2,130.00
5 Final Submission and Design Revisions	0.25	2.00	7.00	4.00		0.50	\$1,180.00
6 Preparation of Site Servicing and Grading tender items, quantities and cost estimates		2.00	8.00			1.00	\$960.00
7 Services during construction including site inspections	0.50	12.00	21.00			1.50	\$3,270.00
8 Disbursements							\$800.00
SUBTOTAL ESTIMATED ENGINEERING DESIGN FEE							\$12,960.00
HST (13%)							\$1,687.40
TOTAL ESTIMATED ENGINEERING DESIGN FEE							\$14,667.40

**ANDREW, THOMPSON
& ASSOCIATES LTD.**

642 Welham Road, Suite 103
Barrie, ON L4N 9A1
PHONE 705-721-1596 FAX 705-721-5183
WEB www.andrew-thompson.on.ca



January 25, 2012

Innisfil Hydro Distribution Systems Limited
2073 Commerce Park Drive
Innisfil, ON L9S 4A2

Attention: Mr. George Shaparew

Re: 2061 & 2073 Commerce Park Drive, Innisfil, ON

Dear Mr. Shaparew:

At your request, we provide this report describing our investigation and analysis of the above referenced property, as of January 12, 2012. We understand the purpose of this report is to estimate market value to assist with an internal review. This report is to be relied upon by the client only unless otherwise stated. The property rights appraised in this report are the fee simple ownership, assuming the title to be free and clear of all encumbrances, unless otherwise stated.

As a result of our investigation it is our professional opinion that the subject property in its Highest and Best Use as a mixed use commercial property has a current market value of:

2073 Commerce Park Drive	\$550,000
2061 Commerce Park Drive	\$500,000
Combined Subject Property	\$925,000

It should be noted that two portables are situated on the combined subject property and have not been included in the value estimates as indicated above. Based on a previous consulting letter dated April 2008, we identified the combined value of the portables to be in the range of \$36,000 to \$40,000. Assuming that no major changes have been made to the portables, the value estimates provided would still apply.

In this case we have not invoked any Extraordinary or Hypothetical Assumptions.

George Shaparew

From: Sid Armatage [sarmatage@innisfil.ca]
Sent: February 7, 2012 4:24 PM
To: George Shaparew
Subject: RE: McKnight Architects

Good price for architect fee. We paid 6.7% x 1.5 [renovations increase fees] = 10.05%

They charged for supervision, \$69.00 per hour and our bill was approx. \$55,000 for 11 months. Bill van Rijn [Ryan] was the super and if he is the proposed person he did an excellent job always reviewing project, identified numerous problems and dealt with contractor to make sure things were completed. He continued to deal with a few contingencies well after project was done.

Sid Armatage
Manager Parks Recreation and Facilities
Town of Innisfil
2101 Innisfil Beach Road
Innisfil, ON L9S 1A1
tele: (705)436-3740 ext 4301
fax: (705)436-7120
sarmatage@innisfil.ca



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From: George Shaparew [mailto:georges@Innisfilhydro.com]
Sent: Tuesday, February 07, 2012 1:25 PM
To: Sid Armatage
Subject: McKnight Architects

Hi Sid, McKnight, Charron, Laurin Architects have provided me a price to do the new Hydro Building. 6% plus \$69/hr for construction review services. Can you give me confirmation that they did a good job for the police building in case one of my Board asks?

Many thanks Sid.

George Shaparew
President
Innisfil Hydro Distribution Systems Limited
2073 Commerce Park Dr.

08/02/2012

James Sidlofsky
T 416.367.6277
F 416.361.2751
jsidlofsky@blg.com

Borden Ladner Gervais LLP
Scotia Plaza, 40 King St W
Toronto, ON, Canada M5H 3Y4
T 416.367.6000
F 416.367.6749
blg.com



Memorandum

Date: February 10, 2012

To: George Shaparew, President
Innisfil Hydro Distribution Systems Limited (“Innisfil Hydro”)

From: James Sidlofsky

Client/Matter No: 021902/000002

Subject: Regulatory issues related to construction of administrative offices

**STRICTLY PRIVATE AND CONFIDENTIAL – SUBJECT
TO SOLICITOR-CLIENT PRIVILEGE**

**CONFIDENTIAL DRAFT – FOR DISCUSSION
PURPOSES ONLY**

INTRODUCTION:

In our recent discussions, you have advised that Innisfil Hydro intends to construct new administrative offices in the near future. Our understanding is that the building will be approximately 24,000 square feet, and that this is approximately 7,000 square feet larger than necessary to meet Innisfil Hydro’s immediate needs. You have also advised that growth projections for the Innisfil area contemplate a significant local population increase over the next 20 years, together with a corresponding increase in the size of Innisfil Hydro.

Innisfil Hydro’s architects have recommended to you that the building be built larger now to accommodate growth, rather than constructing additions at a later date. They have designed a two storey building with no option to expand upward in the future. You have advised that your intention is to rent out the unused space until such time as it is needed, and that the space will likely be needed by Innisfil Hydro in 15-20 years.

You have asked whether Innisfil Hydro will be able to build and rent out the extra space according to Sec 71 of the *Ontario Energy Board Act, 1998* (the “OEB Act”), and if not, whether Innisfil Hydro could build it and have an affiliated company rent the space according to Paragraph 73(1)6 of the OEB Act. Section 71 provides that:

“Subject to subsection 70(9) and subsection (2) of this section, a transmitter or distributor shall not, except through one or more affiliates, carry on any business activity other than transmitting or distributing electricity.”¹

Paragraph 73(1)6 provides:

73(1) If one or more municipal corporations own, directly or indirectly, voting securities carrying more than 50 per cent of the voting rights attached to all voting securities of a corporation that is a distributor, the distributor’s affiliates shall not carry on any business activity other than the following:

...

6. Business activities the principal purpose of which is to use more effectively the assets of the distributor or an affiliate of the distributor, including providing meter installation and reading services, providing billing services and carrying on activities authorized under section 42 of the *Electricity Act, 1998*.

ASSUMPTIONS:

In considering these questions, we have assumed that Innisfil Hydro can establish the need for a new administrative building at this time, and that it will be able to justify the related expenditure. The issue that you have raised with us relates only to the portion of the building that is not required to meet Innisfil Hydro’s immediate needs. Innisfil Hydro should also be able to demonstrate that it is reasonable to assume that the additional space will be required in the future, and that it is more appropriate to build the complete facility now rather than building a smaller building now and expanding it at a later date.

We have also assumed that any rental of space to an affiliate of Innisfil Hydro will be undertaken in compliance with the Ontario Energy Board’s (the “Board’s”) *Affiliate Relationships Code for Electricity Distributors and Transmitters* (the “ARC”). This includes compliance with the transfer pricing provisions of the ARC. While ARC-related matters are beyond the scope of this memo, we would be pleased to discuss them with you.

Finally, we have assumed, and you have confirmed, that revenues from the rental of the space will be applied as an offset against Innisfil Hydro’s service revenue requirement in the rebasing application after the building goes into service.

CONCLUSIONS:

Based on our preliminary review of this matter, assuming that the new administrative building and the related expenditure can be justified; that it is reasonable to assume that the additional space will be required for distribution purposes; that the ARC’s requirements are followed where the space is being rented to an affiliate; and that rental revenues are accounted for in accordance with the Board’s requirements, it would not appear to us that the rental by Innisfil Hydro of space

¹ Subsection 70(9) of the OEB Act deals with the distributor’s obligation to provide standard supply service to its customers, and subsection 71(2) deals with a distributor’s authorization to carry on conservation-related activities. Neither of these items is relevant to this discussion.

that is not required immediately would contravene section 71 of the OEB Act. It would also not appear necessary to enter into an arrangement whereby an Innisfil Hydro affiliate rented the space from Innisfil Hydro in order to then rent it to third parties.

As you will appreciate, it is not always possible to predict what the Board will do in a particular case, as the Board deals with issues (in relation to both rates and compliance) on a case-by-case basis and its decisions will be based fundamentally on the facts before it in a given matter. As this will be a significant expenditure for Innisfil Hydro, you may wish to discuss this with Board compliance staff before finalizing your plans. If you would prefer not to discuss this directly with staff, we would be pleased to have a “no names” discussion with staff and to report back to you on their thoughts on the matter. While staff do not speak for the Board, the Board will typically look to staff for recommendations on whether to initiate compliance proceedings.

DISCUSSION:

We are aware of at least one other licensed distributor that has rented out office space that it does not currently need. While there is little guidance from the Board on this issue, we note that in 2006, the Board’s then-Chief Compliance Officer, Brian Hewson, issued a Compliance Bulletin (200605, a copy of which is attached for your reference) in which he considered the nature of the activities that, in his view, are permitted under subsection 71(1) of the OEB Act (note that although it was not mentioned in the bulletin, distributors were not yet permitted to engage in renewable generation activities at that time). Mr. Hewson stated:

“It is my view that the business activities authorized by section 71(1) are limited to distribution activities. I consider distribution activities to be those that enable the conveyance of electricity *for distribution purposes*. Such activities must be conducted within the distributor’s licensed service area and include, but are not limited to, the operation and maintenance of the distribution system, meter reading services, and services for billing and collecting electricity charges.”

Mr. Hewson also provided a list of activities that he did not consider to be distribution activities. While the views of staff are not binding on the Board, and Mr. Hewson indicated that the list was not intended to be exhaustive, we do note that the activity contemplated by Innisfil Hydro is not addressed in the list.

This does not appear to be a situation in which Innisfil Hydro is carrying on business as a commercial landlord. It is a portion of a distribution-related facility, which we understand from you is not needed at present but reasonably expected to be needed in the future, that is being rented.

The Board’s Accounting Procedures Handbook (the “APH”) and the Uniform System of Accounts (the “USoA”) contemplate revenues from the rental of distributor-owned facilities – specifically, Article 220 of the APH provides that Account 4210 (Rent from Electric Property) “shall include rents received for the use by others of land, buildings, and other property devoted to electric operations by the utility” and includes among its example items “Real property rentals, including meeting rooms, etc.”

As you are likely aware, Article 220 of the APH also discusses Account 4385 (Non-Utility Rental Income), which “shall include all rent revenues and related expenses of land, buildings, or other

property included in account 2075, Non-Utility Property Owned or Under Capital Leases or elsewhere, and used for non-utility purposes.” However, it would appear that the administrative building would more appropriately fall within the scope of Account 4210 as the building as a whole is devoted to electric operations by the utility.”

Balances in Accounts 4210 and 4385, among others, are taken into account in determining the revenue offsets that reduce the distributor’s service revenue requirement to its base revenue requirement. Innisfil Hydro’s customers will benefit from the rental revenue when Innisfil Hydro rebases after the building goes into service, because the rental revenues forecasted for that test year will be applied to offset Innisfil Hydro’s test year revenue requirement (for the test year and the IRM period that follows). This is the case whether the revenues have been accounted for within Account 4210 or Account 4385.

Arguably, it would seem more appropriate to rent out the unused space rather than to recover all building-related costs from Innisfil Hydro’s customers. A significant amount of unused space may raise issues for intervenors and the Board in a cost-of service application.

We trust that these comments will be of assistance to you, and we would be pleased to discuss this matter further with you.

TOR01: 4845857: v2

DRAFT

10. WATER AND WASTEWATER BILLING

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-18

Be it resolved that the Board hereby receive the Water and Wastewater Billing staff report, and

Further authorize the approval of the Water and Wastewater Services Agreement, and

Further authorize staff to sign the necessary documents.

CARRIED

11. CORPORATE SERVICES UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-19

Be it resolved that the Board hereby receive the Corporate Services Update staff report, for information purposes.

CARRIED

12. BUILDING MOVE UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 12-20

Be it resolved that the Board hereby receive the Building Move Update staff report, and

Further that the Board approve the appointment of McNight, Charron, Laurin Inc. Architects at a fee of 6% and construction review services priced at \$69/hour, subject to approval of the project by the Board and Council "force majeure", and

Further that the Board provide direction to staff to engage the Town to purchase three acres around old Town Hall (2147 Innisfil Beach Road) for the appraised value of \$470,000 for the location of the new Innisfil Hydro head office site.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

March 19, 2012

Staff Report

BUILDING MOVE UPDATE

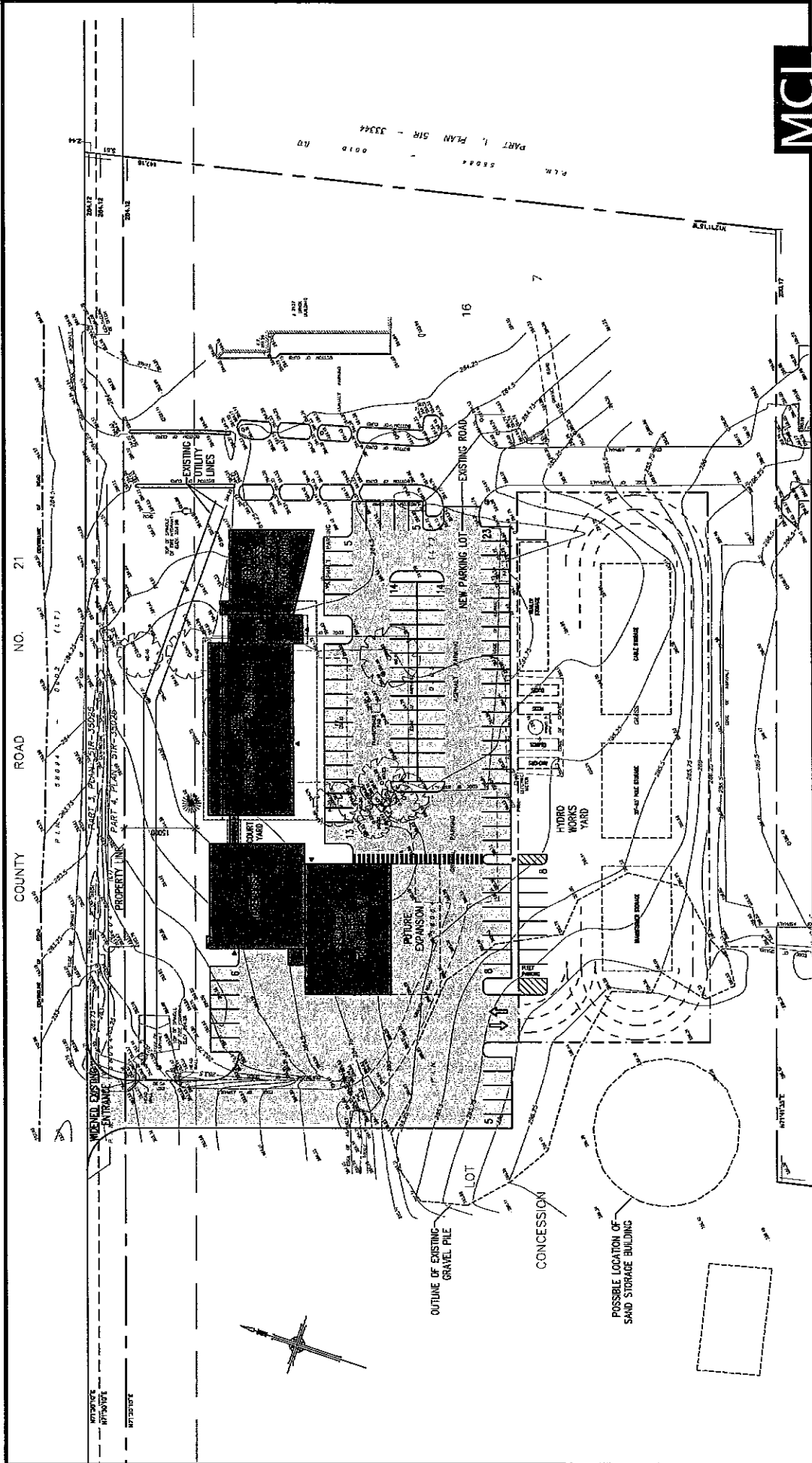
Summary

The architects have met with Hydro staff on March 1 and Town staff on March March 12. Hydro staff updates have been incorporated in the attached plans. Pending changes as recommended by Town staff are:

- Operations yard west side moved east about 10m to facilitate movement around the salt dome.
- Town's gravel pile to be removed and will be replenished on another part of the administrative campus.
- Roads has insufficient garage space and is parking trucks outside. They have expressed an interest in leasing garage space if the future garage space expansion is built now.
- Police parking will use the Innisfil Recreational Complex's north parking.
- Police have asked for ~1,000 sq' of enclosed storage in the yard for stolen property.
- Police said that pending a structural analysis, Hydro can use their antenna tower.
- April 18 is the tentative date for an in-camera briefing for Council.

Recommendation

It is recommended that the Board receive this report.

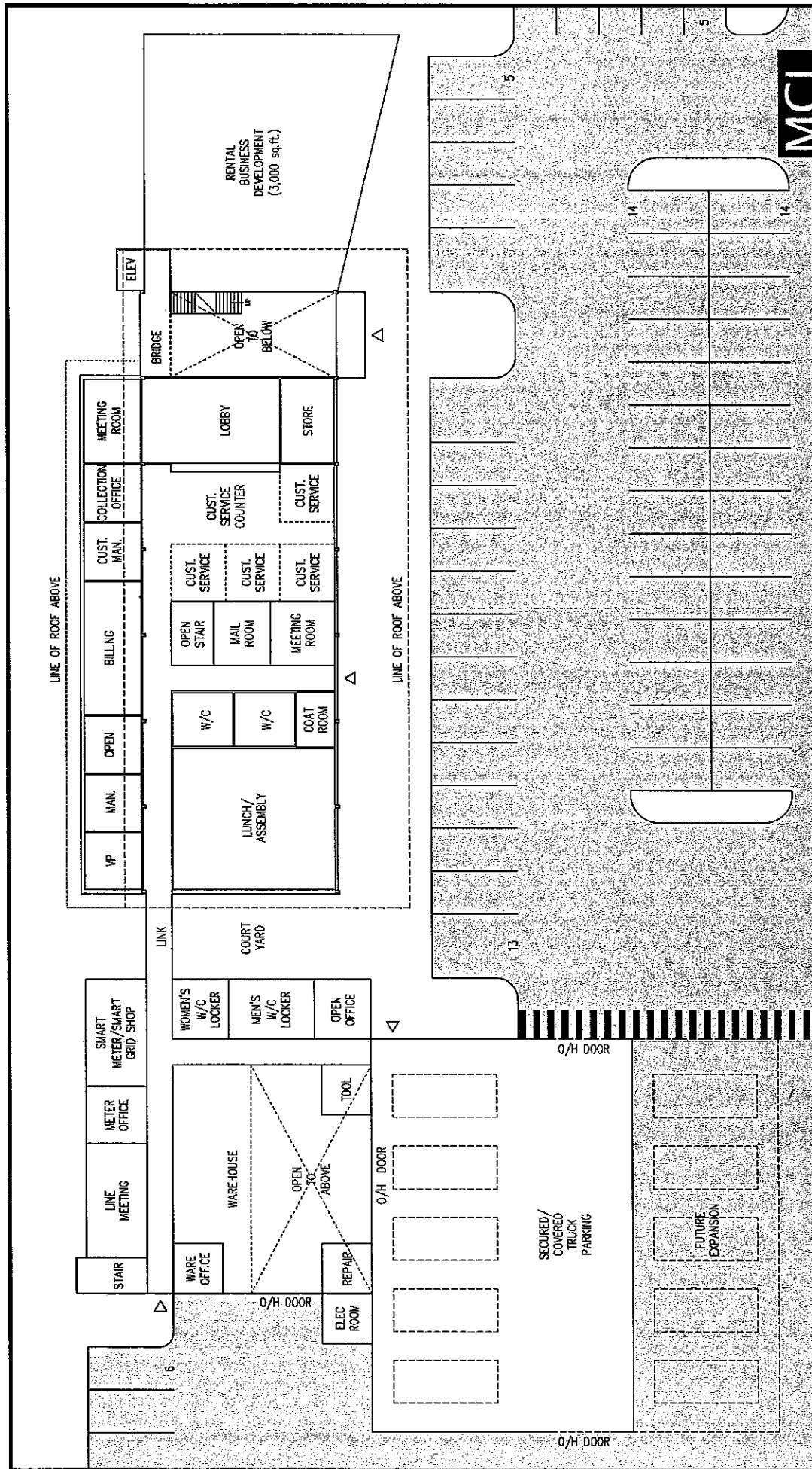


March 12th, 2012

OPTION FIVE A:
 Schematic Site Plan

INNISFIL HYDRO DEMOLITION & NEW CONSTRUCTION

2101 Innisfil Beach Road
 Innisfil, Ontario, L9S 1A1

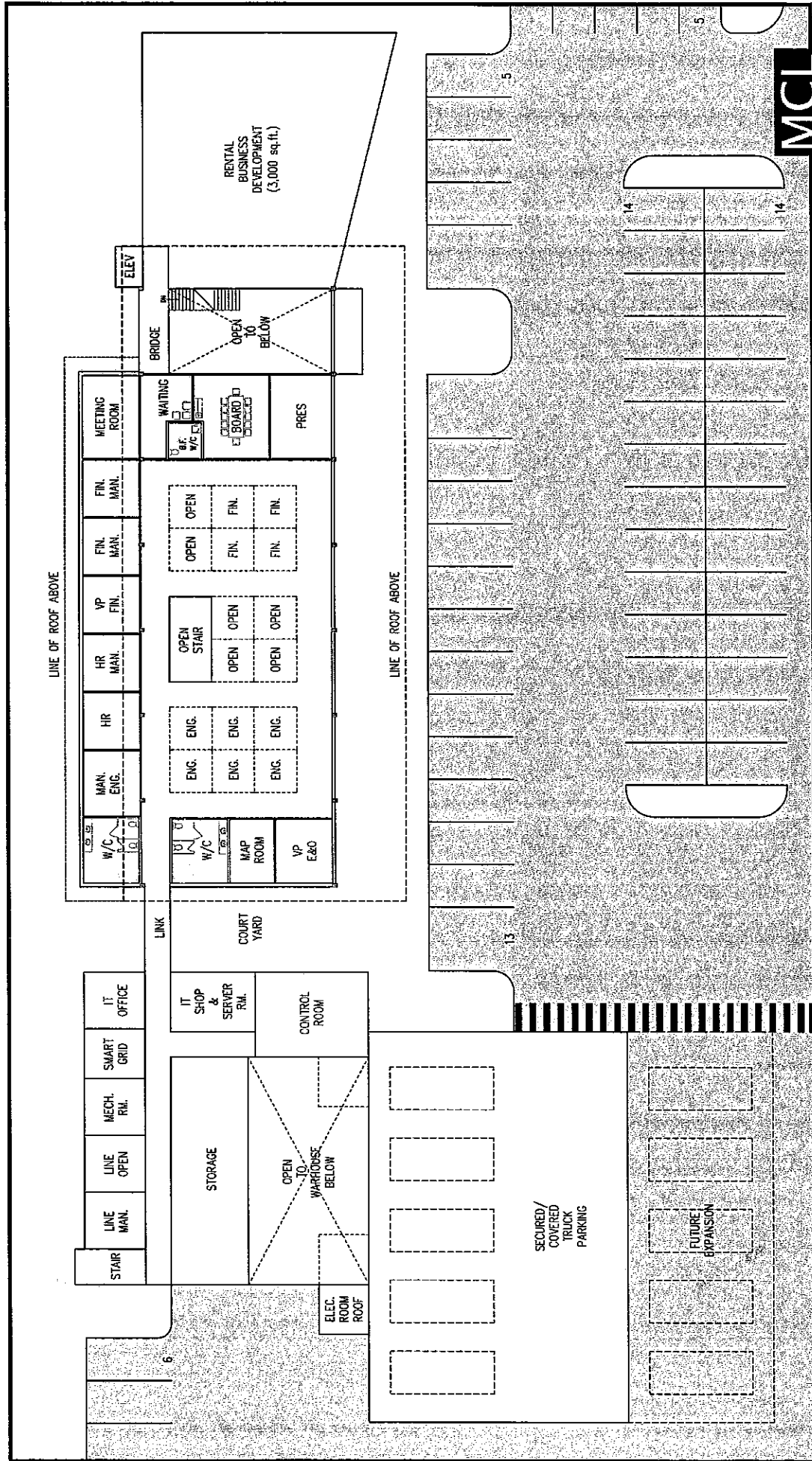


March 12th, 2012

OPTION FIVE A1:
Schematic Main Floor Plan

INNISFIL HYDRO DEMOLITION & NEW CONSTRUCTION

2101 Innisfil Beach Road
Innisfil, Ontario, L9S 1A1

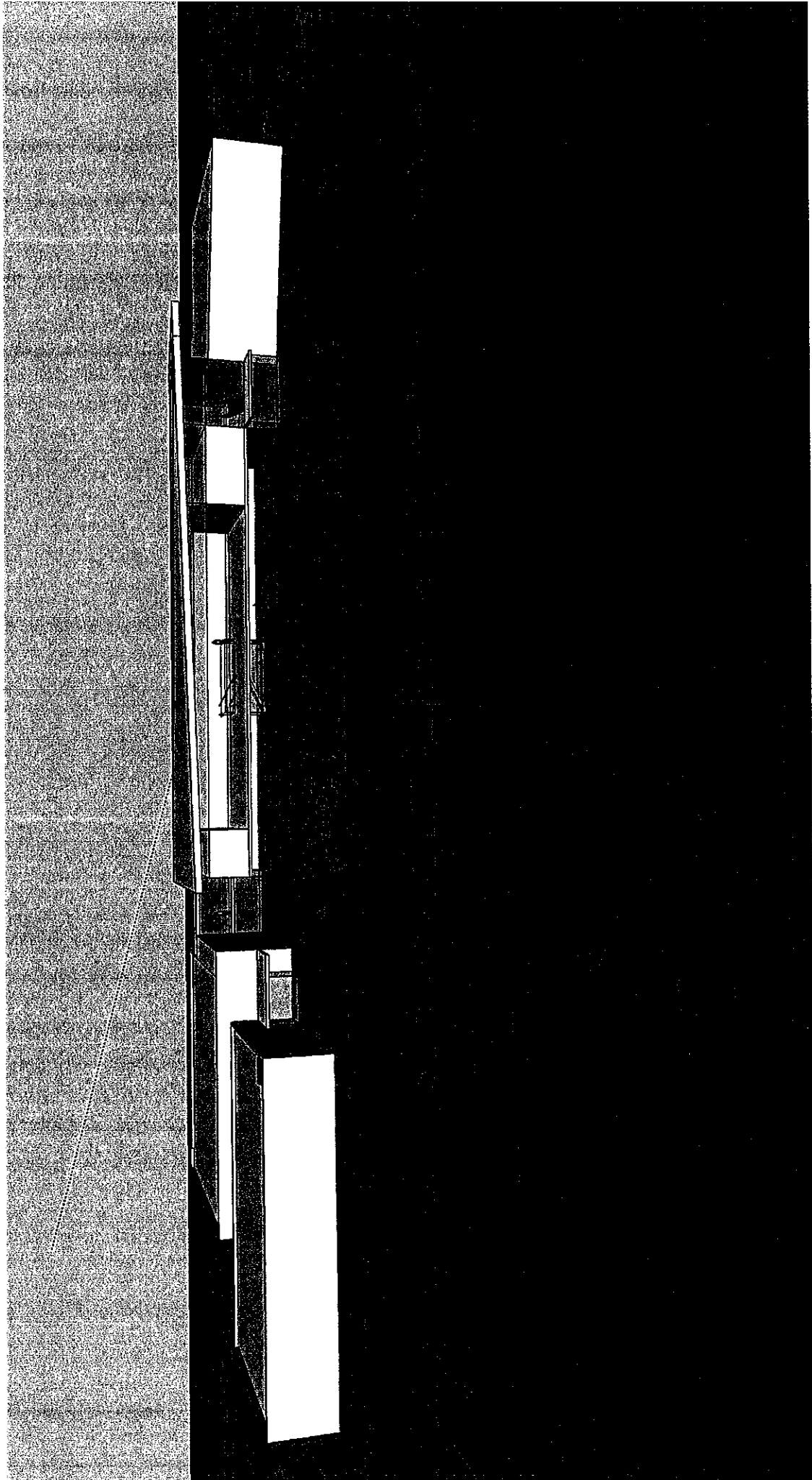


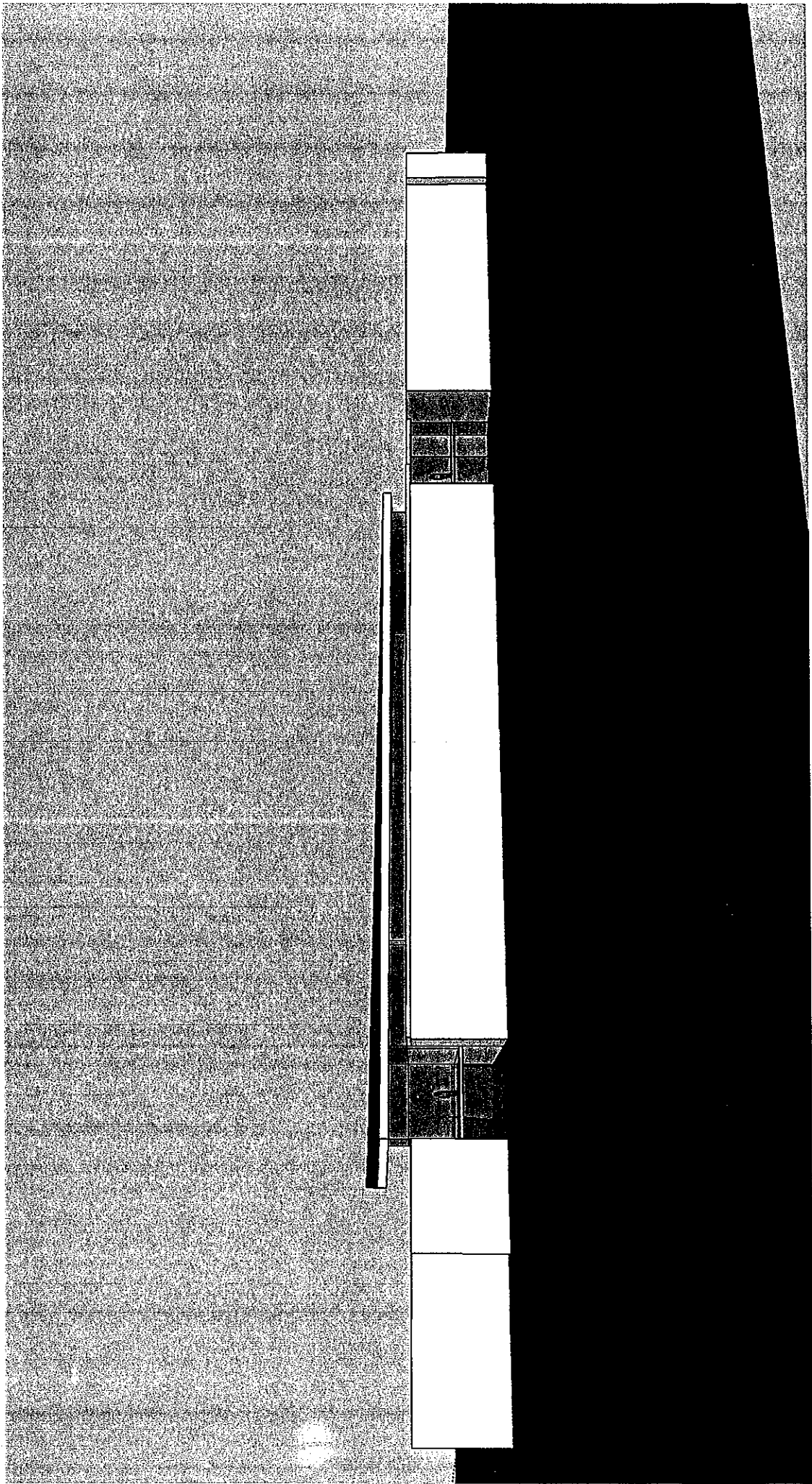
March 12th, 2012

OPTION FIVE A:
Schematic Second Floor Plan

INNISFIL HYDRO DEMOLITION & NEW CONSTRUCTION

2101 Innisfil Beach Road
Innisfil, Ontario, L9S 1A1





8. CORPORATE SERVICES UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 12-31

Be it resolved that the Board hereby receive the Corporate Services Update staff report, for information purposes.

CARRIED

9. BUILDING MOVE UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 12-32

Be it resolved that the Board hereby receive the Building Move Update staff report, for information purposes.

CARRIED

10. INFORMATIONAL ITEMS

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-33

Be it resolved that the Board hereby receive the Informational Items staff report, for information purposes.

CARRIED

11. ADJOURNMENT

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-34

Be it resolved that the meeting of the Board of Directors of Innisfil Hydro Distribution Systems Limited adjourn at the hour of 12:13 p.m.

CARRIED

CHAIRMAN
SECRETARY

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

April 16, 2012

Staff Report

BUILDING MOVE UPDATE

Summary

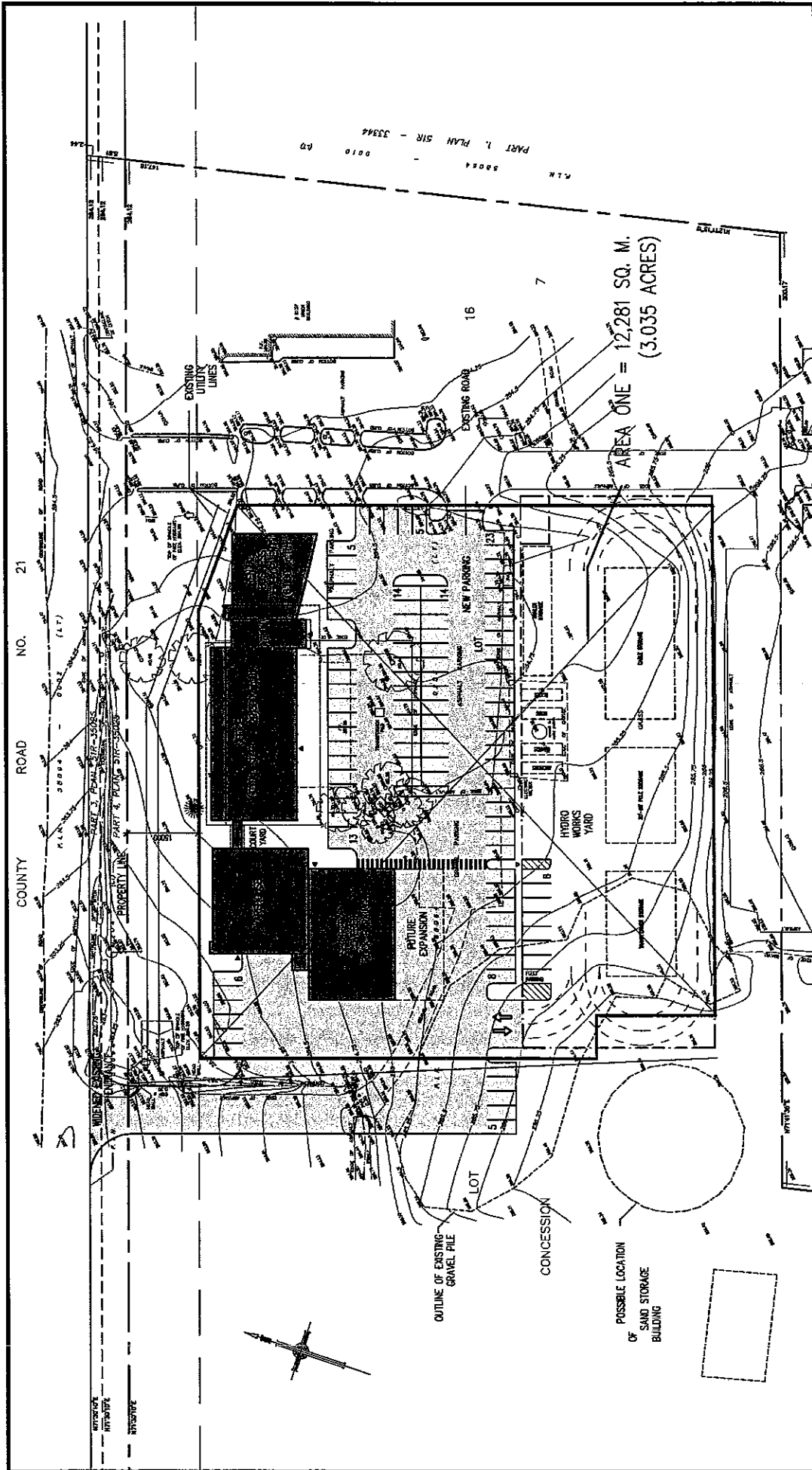
An in-camera Council meeting is scheduled for April 18 to discuss inter alia, the Town's purchase of 2061 Commerce Park Drive (West Hydro Lot) from Innisfil Hydro for a water reservoir and pumping station and the sale of three acres around the old town hall for a new Hydro building. If Council provides direction to proceed with the transactions, a public report is expected to be released in May. Staff and the architects are preparing to demolish the old town hall before the new building tender is issued to facilitate the time-lines of new construction.

The Town staff have undertaken bore hole sampling at the West Hydro lot. Geological sample results have not been shared with us at this time. The architects have prepared a project schedule which is attached for reference. Roads staff are prepared to draw down the gravel pile beside the old town hall and re-establish the gravel pile later this year at the SE corner of the Town's campus pending administrative approvals.

The two existing portable buildings at the East Hydro lot can be moved to the south lot storage yard after the move. One portable could be made available to the South Simcoe Police for their storage requirement of stolen property at very little cost. Innisfil Hydro would benefit by freeing up space at the new storage yard and by having police presence at the old storage yard for security purposes.

Recommendation

It is recommended that the Board receive this report.



March 12th, 2012
 Site Areas March 30th, 2012

Site Area One
 Schematic Site Plan

INNISFIL HYDRO DEMOLITION & NEW CONSTRUCTION

2101 Innisfil Beach Road
 Innisfil, Ontario, L9S 1A1

Innisfil Hydro Project Schedule
26 March 2012

ID	Task Name	Duration	Start	Finish	1st Quarter			3rd Quarter			1st Quarter			3rd Quarter			1st Q	
					Jan	Feb	Mar	Jul	Aug	Sep	Nov	Dec	Jan	Feb	Mar	Jul	Aug	Sep
1	PRE-DESIGN STAGE	40 days	Mon Jan 30, '12	Fri Mar 23, '12														
2	SCHEMATIC DESIGN STAGE	20 days	Mon Mar 26, '12	Fri Apr 20, '12														
3	DESIGN DEVELOPMENT	30 days	Mon Apr 23, '12	Fri Jun 1, '12														
4	Owner Review/Approval	5 days	Mon Jun 4, '12	Fri Jun 8, '12														
5	CONSTRUCTION DOCUMENTS	70 days	Mon Jun 11, '12	Fri Sep 14, '12														
6	TENDER	20 days	Mon Sep 17, '12	Fri Oct 12, '12														
7	Bid Review & Approval	5 days	Mon Oct 15, '12	Fri Oct 19, '12														
8	Contract Award	0 days	Fri Oct 19, '12	Fri Oct 19, '12														
9	CONSTRUCTION (59 Weeks)	295 days	Mon Oct 22, '12	Fri Dec 6, '13														
10	Substantial Completion	0 days	Fri Dec 6, '13	Fri Dec 6, '13														
11	Final Completion	15 days	Mon Dec 9, '13	Fri Dec 27, '13														
12	COMMISSIONING & OCCUPANCY	15 days	Mon Dec 30, '13	Fri Jan 17, '14														
13	Pre-qual. General Contractors	30 days	Mon Jun 18, '12	Fri Jul 27, '12														
14	Site Plan Application	40 days	Mon Apr 9, '12	Fri Jun 1, '12														
15	Building Permit	30 days	Fri Sep 14, '12	Thu Oct 25, '12														

Five days equal one work week.

Approve the 2011 AGM minutes as presented, and
Approve the amendments to By-law #1 as presented.

CARRIED

12. BUILDING MOVE UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 12-45

Be it resolved that the Board hereby receive the Building Move Update staff report, for information purposes.

CARRIED

13. BRANDING

MOVED BY: Robert Lake
SECONDED BY: John Skorobohacz

RESOLUTION NO. 12-46

Be it resolved that the Board hereby receive the Branding staff report, for information purposes, and

The Board has provided direction to further investigate Innisfil Power with the swirl logo.

CARRIED

14. HEALTH & SAFETY UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 12-47

Be it resolved that the Board hereby receive the Health & Safety Committee staff report, for information purposes.

CARRIED

15. INFORMATIONAL ITEMS

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-48

Be it resolved that the Board hereby receive the Informational Items staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

MAY 24, 2012

Staff Report

BUILDING MOVE UPDATE

Summary

An in-camera Council meeting had occurred on April 18 to discuss inter alia, the Town's purchase of 2061 Commerce Park Drive (West Hydro Lot) from Innisfil Hydro for a water reservoir and pumping station and the sale of three acres around the old town hall for InnPower's new building. Council provided direction to proceed with the transaction so a public report is expected to be approved in Council on June 20.

The following attachments have been provided for reference:

1. Architectural Agreement
2. Appraisal, Old Town Hall - \$650k
3. Appraisal, renting 5 truck parking bays - \$30k/year
4. Draft Purchase Agreement, Old Town Hall
5. 3.5 acre lot severance, Old Town Hall
6. Draft registered plan, Old Town Hall
7. Architectural view, south wall
8. Architectural layout, first floor
9. Architectural layout, second floor
10. Draft Purchase Agreement, Hydro west lot
11. Appraisal, rent back Hydro Building - \$32,220/year
12. Appraisal, west Hydro lot - \$500k

At the February Director's meeting, the Board approved the appointment of McNight, Charron, Laurin Inc. Architects for the project. An Engagement Agreement with the architect has been provided for the Board's review. The agreement has been vetted by our solicitor and it allows us to cancel the agreement with a minimum seven days notice if the project is abandoned, (GC8.10).

Staff has re-evaluated the original concept of acquiring 3 acres around the Old Town Hall. It was acknowledged that the 3 acre parcel was land locked and that a further one half acre would be required to eliminate that problem. A new site plan for 3.5 acres is attached along with an amended appraisal of \$650k for the site. The rental of 5 truck bays is expected to generate an appraised value of \$30k per year if approved by Town staff.

The property transactions are tentatively scheduled to occur on June 30, 2012. With the sale of the west lot, the Town will be able to start construction of the water reservoir

and pumping station while Innisfil Hydro still occupies the building for approximately 18 months. Leasing back the building has been appraised at \$32,220 per year.

It is expected that the final sales agreements and registered site plans will be available for the Board to receive and approve at the June 18 Board meeting. In the recommendation, staff are requesting confirmation of the transactions.

Recommendation

It is recommended that the Board receive this report, and

Provide the authority for staff to sign the necessary architectural engagement documents with McNight, Charron, Laurin Inc. Architects, and

Pending Council approval, sell the west lot (2061 Commerce Park Drive in Innisfil) to the Town of Innisfil for the appraised value of \$500k and lease back the building and associated lands for the appraised value of \$32,220 / year, and

Pending Council approval, purchase 3.5 acres at the Town of Innisfil Administration Campus (2147 Innisfil Beach Road in Innisfil) for the appraised value of \$650k, and

Provide direction to staff with the intent to demolish the Old Town Hall Building and for the construction of a head office and operations yard following the completion of the acquisition of 2147 Innisfil Beach Road in Innisfil.



Ontario Association of Architects

**Ontario Association of Architects
Standard Form
of
Contract for Architect's Services**

DOCUMENT 600, 2008

ADAPTED FOR **New Innisfil Hydro Building**

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AGREEMENT

- A1 This contract made as of the 23rd day of the 2nd month in the year of 2012
- A2 Between the Client Innisfil Hydro Distribution Systems Limited
2073 Commerce Park Drive, Innisfil, Ontario, L9S 4A2
- A3 and the *Architect*: McKnight Charron Laurin Inc. Architects
67 High Street, Barrie, Ontario, L4N 1W5
- A4 For the following *project*: New Innisfil Hydro Building
- A5 with the following *construction budget*: \$7 M. to be finalized when LEED impact tabulated
- A6 The anticipated construction contract is: General Contractor, Stipulated Sum, through Invited Tender
- A7 In addition to the *Architect's* responsibilities as described in the General Conditions, including GC2, the *Architect* shall provide services as described in the following schedule(s) affixed to this contract Schedule B
- A8 In accordance with the Client's responsibilities as described in the General Conditions, including GC1, the Client shall furnish, surveys, reports, services and additional information as described in the following schedule(s) affixed to this contract: Schedule B
- A9 The *architect* shall coordinate the services of the following *consultants*:
- .1 engaged by the *Architect*: Mechanical, Electrical, Structural.
 - .2 engaged by the client: Site Services Engineers (and Landscape Architect if required by Municipality)
- The Client shall pay fees and *reimbursable expenses* to the *Architect* when invoices are submitted as set forth below:
- A10 For the *Architect's* services as outlined in the schedule(s) identified in A7, the fee shall be computed as follows:
- A fixed fee of \$ 543,870.00 +HST, apportioned as follows:
- | | |
|--|----------------|
| Schematic design phase percent | (<u>11</u> %) |
| Design development phase percent | (<u>11</u> %) |
| Construction documents phase percent | (<u>45</u> %) |
| Bidding or negotiating phase percent | (<u>3</u> %) |
| Construction phase-contract administration percent | (<u>30</u> %) |
- Fees for Additional Services, If authorized in writing by the client, shall be based on the following hourly rates or as mutually agreed with the Client prior to the commencement of such services:
- | | |
|---------------------------------|----------|
| Principals \$ <u>140</u> | per hour |
| Senior staff \$ <u>105</u> | per hour |
| Intermediate staff \$ <u>85</u> | per hour |
| Junior staff \$ <u>70</u> | per hour |
| Clerical \$ <u>60</u> | per hour |
- A11 An administrative charge of 0 % shall be added to the *reimbursable expenses* as noted in GC12.9.
- A12 The rate for calculating automobile travel costs shall be \$ NA per kilometre. (mileage included in architect's fees)
- A13 The Client shall pay to the *Architect*, upon execution of this contract, a retaining fee of \$ 0. This retaining fee shall be credited against the last invoice and is the minimum payment that the Client must pay the *Architect* under this contract.
- A14 The Client shall pay the *Architect* upon receipt of invoices on account of the *Architect's* fee and *reimbursable expenses*, together with such value-added taxes as may be applicable. Invoices shall be issued monthly unless otherwise agreed.
- A15 An unpaid invoice shall bear interest, calculated monthly at the rate of 0.67 % per month, commencing 30 days after the date that the *architect* submits the invoice.
- A16 When this contract or any documents are prepared in both English and French, it is agreed that in the event of any discrepancy between the English and the French version, the English language shall prevail.
- A17 Notices in writing between the parties shall be considered to have been received by the addressee on the date of delivery if delivered to the individual, or to a member of the firm, or to an officer of the corporation for whom they are intended, by hand or by registered post; or if sent by regular post, to have been delivered 5 working days from the date of mailing. The addresses for official notice shall be as stated in A2 and A3. Notices sent electronically, by email or facsimile for example, are not considered to be reliable for the purpose of official notice.

Other Terms of Contract:

A18 The Client and the *Architect* agree as set forth in the following other terms:

Travel expenses, including mileage, are included in the architect's fees. Overnight accommodation, if requested by the client, shall be a reimbursable expense.

For clarification the above lump sum fee includes:	\$395,400.00	for Arch + Struct Eng + Mech Eng + Elec Eng.
	\$ 61,500.00	for LEED consultant (Fluent Eng)
	\$ 17,970.00	for Site Services Eng + Storm Water Report (Ainley)
	\$ 69,000.00	for Additional Arch site review per request
	<u>\$543,870.00 +HST</u>	Total

This contract is entered into as of the day and year first written above.

Client

Innisfil Hydro Distribution Systems Limited

(Name of client)

(Signature)

John Skorobohacz, Chair

(Name and title of person signing)

(Signature)

George Shaparew, President

(Name and title of person signing)

Witness (es)

(Signature)

Laurie Ann Cooledge, CFO/Treasurer

(Name and title of person signing)

Architect

McKnight Charron Laurin Inc, Architects

(Name of architect)

(Signature)

Michael McKnight, Partner

(Name and title of person signing)

(Signature)

(Name and title of person signing)

Witness (es)

(Signature)

Steve Charron, Partner

(Name and title of person signing)

Architect: McKnight Charron Laurin Inc. Architects	
Client: Innisfil Hydro Distribution Systems Limited	
Project: New Innisfil Hydro Building	Project No: 11-045
Schedule B To Document 600, 2008	
Services of the Architect and Responsibilities of the Client	
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Architect's Services

1.0 Architect's Services

- 1.1 The *Architect's* services consist of those services performed by the *Architect*, the *Architect's* employees, and the *Architect's consultants* set forth herein and any other services included in Article A. 18 including the provision of normal structure, mechanical and engineering services by professional engineers when these Consultants are engaged by the *Architect*.
- 1.2 The *Architect's* services include the *consultant co-ordination* required to integrate all parts of the services.
- 1.3 The *Architect's* services include developing the *Construction Budget* and *Estimate of Probable Construction Cost*.
- 1.4 The *Architect* shall review and comment on the *Client's Construction Budget* and shall prepare the estimate of probable *Construction Cost* as set out in this contract.

2.0 Schematic Design Phase

The *Architect* shall:

- 2.1 review the program of requirements furnished by the *Client* and characteristics of the site;
- 2.2 review and comment on the *Client's construction budget* in relation to the *Client's* program of requirements;
- 2.3 review with the *Client* alternative approaches to the design of the *project* and the types of construction contracts;
- 2.4 review applicable statutes, regulations, codes and by-laws and where necessary review the same with the authorities having jurisdiction;
- 2.5 based on the mutually agreed upon program of requirements, schedule and *construction budget*, prepare for the *Client's* review and approval, schematic design documents to illustrate the scale and character of the *project* and how the parts of the *project* functionally relate to each other; and
- 2.6 prepare and submit to the *Client* an estimate of probable *Construction Cost* based on current area or volume unit costs.

3.0 Design Development Phase

Based on *Client* approved schematic design documents and agreed estimate of *construction cost*, the *Architect* shall:

- 3.1 prepare for the *Client's* review and approval, design development documents consisting of drawings and other documents appropriate to the size of the *project*, to describe the size and character of the entire *project* including the architectural, structural, mechanical, and electrical systems, materials and such other elements as may be appropriate;
- 3.2 prepare and submit to the *Client* for approval a revised estimate of *construction cost*;
- 3.3 continue to review applicable statutes, regulations, codes and by laws as the design of the *project* is developed, and
- 3.4 *Client's* review and approval to be obtained before proceeding to next phase.

4.0 Construction Documents Phase

Based on the *Client* approved design development documents and agreed estimate of *construction cost*, the *Architect* shall:

- 4.1 prepare, for the *Client's* review and approval, *construction documents* consisting of drawings and specifications setting forth in detail the requirements for the construction of the *project*
- 4.2 advise the *Client* of any adjustments to the estimate of *construction cost*, including adjustments indicated by changes in requirements and general market conditions;

- 4.3 obtain instructions from and advise the Client on the preparation of the necessary bidding information, bidding forms, conditions of the contract and the form of contract between the Client and the contractor;
- 4.4 review statutes, regulations, codes and by-laws applicable to the design and where necessary review the same with the authorities having jurisdiction in order that the Client may apply for and obtain the consents, approvals, licences and permits necessary for the *project*, and
- 4.5 Client's review and approval to be obtained before proceeding to next phase

5.0 Bidding or Negotiation Phase

- 5.1 Following the Client's approval of the *construction documents* and the latest estimate of *construction cost*, the *Architect* shall assist and advise the Client in obtaining bids or negotiated proposals and in awarding and preparing contracts for construction

6.0 Construction Phase – Contract Administration

- 6.1 The extent of the duties, responsibilities and limitations of authority of the *Architect* as the Client's representative during construction shall be modified or extended only with the written consent of the Client and the *Architect*.
- 6.2 During the construction phase – contract administration, the *Architect* shall:
 - .1 be a representative of the Client;
 - .2 advise and consult with the Client;
 - .3 have the authority to act on the Client's behalf to the extent provided in this contract, have access to the *work* at all times wherever it is in preparation or progress;
 - .4 forward all instructions from the Client to the contractor;
 - .5 carry out the *general review* of the *work*;
 - .6 examine, evaluate and report to the Client upon representative samples of the *work*;
 - .7 keep the Client informed of the progress and quality of the *work*, and report to the Client defects and deficiencies in the *work* observed during the course of the site reviews;
 - .8 determine the amounts owing to the contractor under the construction contract based on the *Architect's* observations and evaluation of the contractor's application(s) for payment;
 - .9 issue certificates for payment in the value proportionate to the amount of the construction contract, of work performed and products delivered to the *place of the work*;
 - .10 in the first instance, interpret the requirements of the construction contract documents and make findings as to the performance thereunder by both the Client and contractor;
 - .11 render interpretations in written and graphic form as may be required with reasonable promptness on the written request of either the Client or the contractor.
 - .12 render written findings within a reasonable time, on all claims, disputes and other matters in question between the Client and the contractor relating to the execution or performance of the *work* or the interpretation of the construction contract documents (Rendering findings on an extensive number or size of claims, disputes or other matters shall constitute additional services);
 - .13 render interpretations and findings consistent with the intent of and reasonably inferable from the construction contract documents; showing partiality to neither the Client nor the contractor; but shall not be liable for the result of any interpretation or finding rendered in good faith in such capacity;
 - .14 have the authority to reject work which does not conform to the construction contract documents, and whenever, in the *Architect's* opinion, it is necessary or advisable for the implementation of the intent of the construction contract documents, have the authority to require special inspection or testing of *work*, whether or not such work has been fabricated, installed or completed;
 - .15 review and take other appropriate action with reasonable promptness upon such contractor's submittals as shop drawings, product data, and samples, for conformance with the general design concept of the *work* as provided in the construction contract documents;
 - .16 prepare change orders and change directives for the Client's approval and signature in accordance with the construction contract documents;

- .17 have the authority to order minor adjustments in the *work* which are consistent with the intent of the construction contract documents, when these do not involve an adjustment in the contract price or an extension of the contract time;
- .18 furnish supplemental instructions to the contractor with reasonable promptness or in accordance with a schedule for such instructions agreed to by the *Architect* and the contractor;
- .19 determine the date of *Substantial Performance of the Work*;
- .20 receive from the contractor and forward to the Client for the Client's review the written warranties and related documents;
- .21 verify the validity of the contractor's application for final payment and issue a certificate of final payment;
- .22 prior to the end of the period of one year following the date of *Substantial Performance of the Work*, review any defects or deficiencies which have been reported or observed during that period, and notify the contractor in writing of those items requiring attention by the contractor to complete the *work* in accordance with the construction contract;
- .23 obtain proof of bonds and insurance policies, and
- .24 review Contractor documentation at Project completion.

Client's Responsibilities

1.0 The Client shall provide:

1.1 full information regarding the requirements for the *project* including a program setting forth the Client's project objectives, constraints, schedules, and criteria, including:

- .1 spatial and functional requirements and relationships,
- .2 flexibility and expandability,
- .3 special equipment and systems, and
- .4 site requirements;

1.2 a *construction budget* for the *project*; and

1.3 information, surveys, reports and services as set out below, the accuracy and completeness of which the *Architect* shall be entitled to rely upon and such contracts for the provision of information, surveys, reports and services, whether arranged by the Client or the *Architect*, shall be considered direct contracts with Clients unless explicitly provided otherwise:

- .1 surveys describing physical characteristics, legal limitations and utility locations for the *project* site, and a written legal description of the site and adjoining properties as necessary showing the following survey and legal information, as applicable: grades and lines of streets, alleys, pavements and adjoining property and structures; adjacent drainage; rights of way; restrictions; easements; encroachments; zoning; deed restrictions; boundaries and contours of the site; locations, dimensions and data pertaining to existing buildings, other improvements, and trees; and information concerning utility services, both public and private, above and below grade, including inverts and depths;
- .2 subsurface investigation and reports which include but are not limited to test borings, test pits, determination of soil bearing values, percolation tests, a list of and evaluations of *toxic and hazardous substances and materials* present at the place of the *work*, ground corrosion and resistivity tests, including necessary operations for anticipating subsoil conditions, with reports and appropriate professional recommendations;
- .3 reports and appropriate professional recommendations of specialist *consultants* when required by the *Architect*;
- .4 air and water pollution tests, tests for *toxic and hazardous substances and materials*, structural, mechanical, chemical, and other laboratory and environmental tests, inspections,

laboratory and field tests and reports as required by the *Architect*, the *Architect's consultants*, the authorities having jurisdiction or the construction contract documents; and

.5 all legal, accounting and insurance counselling services as may be necessary at any time for the *project*, including such auditing services as the Client may require to verify the contractor's applications for payment or to ascertain how or for what purpose the contractor uses the monies paid by or on behalf of the Client.

DEFINITIONS

ADDITIONAL SERVICES

Additional services are those professional services which are not contemplated at the time of execution of the contract and therefore cannot be identified then as being included in the contract but which with the written consent of the client and *architect* are subsequently added to, or which adjust, the scheduled scope of services outlined in the schedule(s) listed in this contract.

ARCHITECT

The *architect* is the entity identified in this contract as such and who is the holder of a Certificate of Practice (C of P) issued by the Ontario Association of Architects.

CONSTRUCTION BUDGET

The *construction budget* is the client's combined estimate of the *construction cost*, construction contingencies and GST, or if there is no client's combined estimate, an amount agreed to by the client and the *architect*.

CONSTRUCTION COST

Construction cost is the contract price(s) of all project elements designed or specified by, or on behalf of, or as a result of, the coordination by the *architect*, including cash allowances, building permit fees, changes, construction management fees or other fees for the coordination and procurement of construction services, and all applicable taxes, including the full amount of value-added taxes, whether recoverable or not.

Where there is no contract price for all or part of the project, the *construction cost* shall be the estimate of cost of construction as determined by the *architect*, or as agreed by the *architect* if a *cost consultant* is engaged, at market rates at the anticipated time of construction. *Construction cost* excludes the following:

- the compensation of the *architect* and the *consultants*,
- other professional fees which are the responsibility of the client,
- the land cost, and land development charges.

In the event that the client furnishes labour or material below market cost, or recycled materials are used, the *construction cost* for purposes of establishing the *architect's* and *consultants'* fees includes the cost of all materials and labour necessary to complete the *work* as if all materials had been new and as if all labour had been paid for at market prices at the time of construction or, in the event that the construction does not proceed, at existing market prices at the anticipated time of construction.

CONSULTANT

The *consultant* is a person or an entity engaged by the client or the *architect* to provide services supplementary to those provided by the *architect*.

CONSULTANT COORDINATION

Consultant coordination consists of:

- managing the communications between *consultants* and with the client, and
- providing direction as necessary to give effect to any design decisions taken, and
- reviewing the product of the work to assist in identifying conflicts and to monitor compliance with directions.

CONSTRUCTION DOCUMENTS - *Construction documents* consist of drawings, specifications and other documents appropriate to the size and complexity of the *project*, to describe the size and character of the entire *project* including architectural, structural, mechanical, and electrical systems, materials and such other elements setting forth in detail the requirements for the construction, enlargement or alteration of the building or buildings of the *project*.

DIRECT PERSONNEL EXPENSE

Direct personnel expense means the salary of the *architect's* or the *architect's consultant's* personnel engaged on the project plus the cost of such mandatory and customary contributions and employee benefits as employment taxes and other statutory benefits, insurance, sick leave, holidays, vacations, pensions and similar contributions and benefits.

GENERAL REVIEW

General review means review during visits to the *place of the work* (and where applicable, at locations where building components are fabricated for use at the *project* site) at intervals appropriate to the stage of the construction that the *architect* in its professional discretion, considers necessary to become familiar with the progress and quality of the *work* and to determine that the *work* is in general conformity with the construction contract documents, and to report, in writing, to the client, contractor and chief building official.

INSTRUMENTS OF SERVICE

Instruments of service are the design, drawings, specifications and reports prepared by or on behalf of the *architect* or *consultant*, including but not limited to plans, sketches, drawings, graphic representations and specifications, computer-generated designs and materials.

PLACE OF THE WORK

The *place of the work* is the designated site or location of the *work* identified in the construction contract documents.

PROJECT

The *project* as described in this contract means the total enterprise or endeavour contemplated of which the *work* may be the whole or a part.

REIMBURSABLE EXPENSES

Reimbursable expenses include, but are not limited to, the following actual expenditures, supported by receipts or invoices, incurred by the *architect*, and the *architect's consultants* in the interest of the *project*:

- .1 transportation in connection with the *project* for authorized travel, e.g. for transportation, lodging and meals;
- .2 communication and shipping, e.g. for long distance telephone calls and facsimile messages, courier service, postage and electronic conveyances;

- .3 reproduction of *instruments of service*, photographs, and other documents, including plotting of computer-generated drawings;
- .4 renderings, models, and mock-ups and web-based project management services, specifically requested by the client;
- .5 fees, levies, duties or taxes for permits, licences or approvals from authorities having jurisdiction;
- .6 premiums for additional insurance coverage or limits, including that of professional liability insurance, requested by the client in excess of that normally carried by the *architect* and the *architect's consultants*.

SUBSTANTIAL PERFORMANCE OF THE WORK

Substantial performance of the work is as defined in the lien legislation applicable to the place of the *work*. In the absence of such legislation, it shall mean the date the *work* is ready for the purpose intended.

TOXIC OR HAZARDOUS SUBSTANCES OR MATERIALS

Toxic or hazardous substances or materials means any solid, liquid, gaseous, thermal or electromagnetic irritant or contaminant, and includes, without limitation, pollutants, moulds, asbestos, bio-contaminants, biohazards and nuclear, and hazardous and special wastes whether or not defined in any federal, provincial, territorial or municipal laws, statutes or regulations.

WORK

The *work* means the total construction and related services required by the construction contract documents.

GENERAL CONDITIONS

GC1 CLIENT'S RESPONSIBILITIES

- .1 The client shall provide all information as outlined in the schedule(s) identified in this contract. The *architect* shall be entitled to rely upon such information. Contracts for the provision of information, whether arranged by the client or the *architect*, shall be considered direct contracts with the client unless explicitly provided otherwise.
- .2 The client shall:
 - .1 authorize in writing a person to act on the client's behalf and define that person's scope of authority with respect to the *project* when necessary. In the absence of such naming of an authorized representative, the signatory to this contract is deemed to be the representative;
 - .2 review documents submitted by the *architect* and give the *architect* timely decisions for the orderly progress of the *architect's* services;
 - .3 obtain and pay for the building permit and all other permits and development costs;
 - .4 immediately notify the *architect* in writing if the client observes or otherwise becomes aware of any fault or defect in the *project* or any nonconformity with the requirements of the construction contract;
 - .5 engage specialist *consultants* to provide relevant information about existing conditions of the client's property, such as, geotechnical, topographical, toxic and hazardous material.
 - .6 engage *consultants* identified in article A-9 of this contract under terms and conditions of other contracts that are compatible with this contract;
 - .7 ensure that all *consultants* engaged by the client under other contracts carry professional liability insurance coverage,
 - .8 ensure that the client's *construction budget* includes a contingency for cost escalation, design issues in the *construction documents* and unforeseen circumstances that arise or become apparent during the course of the *project*.
- .3 The client agrees that, should the construction contract include provision that any dispute between the client and the contractor may be finally resolved by arbitration, the construction contract shall include provisions satisfactory to the *architect* that:
 - .1 require the client and contractor to notify the *architect* in writing of any arbitration and of any matters in dispute that affect the *architect*;
 - .2 provide that, upon receipt of the notice in GC 1.3.1 above, the *architect* shall have the option to participate in the arbitration as a party;
 - .3 provide that, in the event that GC1.3.1 and GC 1.3.2 above are not complied with, the client and contractor agree to not pursue any claim against the *architect* arising from matters resolved by the arbitration.

GC2 ARCHITECT'S RESPONSIBILITIES

- .1 The *architect* shall provide professional services as outlined in the schedule(s) identified in this contract.
- .2 The *architect* shall maintain records of *reimbursable expenses*, and for any services for which the fee is computed as a multiple of *direct personnel expense*. These records shall be maintained to acceptable accounting standards and made available to the client at mutually convenient times.

GC 3 CONSTRUCTION BUDGET AND CONSTRUCTION COSTS

- .1 **Construction Budget and Construction Cost**
Neither the *architect* nor the client has control over the cost of labour, materials or equipment, over the contractor's methods of determining bid prices, or over competitive bidding, market or negotiating conditions and therefore the *architect* cannot and does not warrant or represent that bids or negotiated prices will not vary from the estimate of *construction cost*.
- .2 **Estimate of Construction Cost**
If the construction procurement phase has not commenced within three months after the *architect* submits the *construction documents* to the client, the agreed estimate of *construction cost* shall be adjusted to reflect changes in the general level of prices in the construction industry between the date of submission of the *construction documents* to the client and the date on which bids or proposals are sought.
- .3 If the lowest compliant bid or lowest negotiated proposal exceeds the latest agreed estimate of *construction cost* by more than 15%, the client shall provide:
 - .1 written approval of an increase in the estimate of *construction cost*, or
 - .2 authorization for re-bidding or re-negotiating of the proposal, or
 - .3 co-operation with the *architect* in revising the project scope or quality as necessary to reduce the *construction cost*, or
 - .4 termination of this contract in accordance with GC8 if the *project* is abandoned.

- 4 If the client proceeds under GC3.3.3, and the extent to which the lowest compliant bid or lowest negotiated proposal exceeds the latest agreed estimate of *construction cost* by more than 15% and is not due to extraordinary market conditions or other factors not reasonably foreseeable by or under the control of the *architect*, then the client may require the architect to modify the *construction documents* or provide other services necessary to reduce the *construction cost* to within 15% of the latest agreed estimate of *construction cost* for no additional fee. Such modification of the *construction documents* to that extent shall be the limit of the *architect's* responsibility under GC3.3.3, and having done so, the *architect* shall be entitled to compensation in accordance with this contract, for all other such services performed, whether or not the construction phase is commenced.

GC4 CERTIFICATE FOR PAYMENT

- .1 The issuance of a certificate for payment shall constitute a representation by the *architect* to the client, based on the *architect's general review* and on review of the contractor's schedule of values and application for payment, that the *work* has progressed to the value indicated; that to the best of the *architect's* knowledge, information and belief, the *work* observed during the course of *general review* is in general conformity with the contract documents; and that the contractor is entitled to payment in the amount certified. Such certification is subject to:
 - .1 review and evaluation of the *work* as it progresses for general conformity as provided in the services outlined in the schedule(s) described in this contract;
 - .2 the results of any subsequent tests required by or performed under the contract documents;
 - .3 minor deviations from the contract documents being corrected prior to completion; and
 - .4 any specific qualifications stated in the certificate for payment.
- .2 The issuance of the certificate for payment shall not be a representation that the *architect* has made any examination to ascertain how and for what purpose the contractor has used the monies paid on account of the contract price, or that the contractor has discharged the obligations imposed on the contractor by law, or requirements of the Workplace Safety Insurance Board, or other applicable statute, non-compliance with which may render the client personally liable for the contractor's default.

GC5 COPYRIGHT AND USE OF DOCUMENTS

- .1 Copyright for the *architect's instruments of service* belongs to the *architect*. The *architect's instruments of service* shall remain the property of the *architect* whether the *project* for which they are made is executed or not, and whether or not the *architect* has been paid for the services. Their alteration by the client or any other person is prohibited.
- .2 Submissions or distribution of the *architect's instruments of service*, including all software and electronic media, to meet official regulatory requirements or for other purposes in connection with the *project* is not to be construed as publication in derogation of the *architect's* reserved rights.
- .3 The client may retain copies, including electronic or digital and other reproducible copies, of the *architect's instruments of service* for information and reference in connection with the client's use and occupancy of the *project*. Copies may only be used for the purposes intended and for a one-time use, on the same site, and for the same *project*, by this client only and may not be offered for sale or transfer without the express written consent of the *architect*. Except for reference purposes, the *architect's instruments of service*, including all electronic or digital files and information, shall not be used for renovations, additions or alterations to the *project* or on any other project without a written licence from the *architect* for the limited or repeat use of the documents.
- .4 As a condition precedent to the use of the *architect's instruments of service* for the *project*, all fees and *reimbursable expenses*, including all fees and expenses of suspension or termination, due to the *architect*, are required to be paid in full.
- .5 The client shall be entitled to keep original models or architectural renderings which the client specifically commissioned and paid for.

GC6 PROJECT IDENTIFICATION

- .1 The *architect* shall be entitled to sign the building by inscription, or otherwise, on a permanent, suitable and reasonably visible part of the building.
- .2 The *architect* shall be entitled to include as part of the contract documents a provision to erect a sign identifying the *architect* and the *architect's consultants* on the *project* site.

In some instances the client may also be represented on the sign. Graphics on the construction sign may also include a reproduction of a rendering of the *project*.

GC7 LIABILITY OF THE ARCHITECT

- .1 The *architect* carries professional errors and omissions liability insurance coverage, and the policy is available for inspection by the client at all times, upon request.
- .2 The client agrees that any and all claims, whether in contract or tort, which the client has or hereafter may have against the *architect* in any way arising out of or related to the *architect's* duties and responsibilities pursuant to this contract, shall be limited to coverage and amount of professional liability insurance carried and available to the *architect* for the payment of such claims at the time the claim is made. Prior to the date of execution of this contract, if the client wishes to increase the amount of the coverage of such policy or to obtain other special insurance coverage, then the *architect* shall cooperate with the client to obtain such increased or special insurance at the client's expense.

DEFINITIONS

ADDITIONAL SERVICES

Additional services are those professional services which are not contemplated at the time of execution of the contract and therefore cannot be identified then as being included in the contract but which with the written consent of the client and *architect* are subsequently added to, or which adjust, the scheduled scope of services outlined in the schedule(s) listed in this contract.

ARCHITECT

The *architect* is the entity identified in this contract as such and who is the holder of a Certificate of Practice (C of P) issued by the Ontario Association of Architects.

CONSTRUCTION BUDGET

The *construction budget* is the client's combined estimate of the *construction cost*, construction contingencies and GST, or if there is no client's combined estimate, an amount agreed to by the client and the *architect*.

CONSTRUCTION COST

Construction cost is the contract price(s) of all project elements designed or specified by, or on behalf of, or as a result of, the coordination by the *architect*, including cash allowances, building permit fees, changes, construction management fees or other fees for the coordination and procurement of construction services, and all applicable taxes, including the full amount of value-added taxes, whether recoverable or not.

Where there is no contract price for all or part of the project, the *construction cost* shall be the estimate of cost of construction as determined by the *architect*, or as agreed by the *architect* if a *cost consultant* is engaged, at market rates at the anticipated time of construction. *Construction cost* excludes the following:

- the compensation of the *architect* and the *consultants*,
- other professional fees which are the responsibility of the client,
- the land cost, and land development charges.

In the event that the client furnishes labour or material below market cost, or recycled materials are used, the *construction cost* for purposes of establishing the *architect's* and *consultants'* fees includes the cost of all materials and labour necessary to complete the *work* as if all materials had been new and as if all labour had been paid for at market prices at the time of construction or, in the event that the construction does not proceed, at existing market prices at the anticipated time of construction.

CONSULTANT

The *consultant* is a person or an entity engaged by the client or the *architect* to provide services supplementary to those provided by the *architect*.

CONSULTANT COORDINATION

Consultant coordination consists of:

- managing the communications between *consultants* and with the client, and
- providing direction as necessary to give effect to any design decisions taken, and
- reviewing the product of the work to assist in identifying conflicts and to monitor compliance with directions.

CONSTRUCTION DOCUMENTS - *Construction documents* consist of drawings, specifications and other documents appropriate to the size and complexity of the *project*, to describe the size and character of the entire *project* including architectural, structural, mechanical, and electrical systems, materials and such other elements setting forth in detail the requirements for the construction, enlargement or alteration of the building or buildings of the *project*.

DIRECT PERSONNEL EXPENSE

Direct personnel expense means the salary of the *architect's* or the *architect's consultant's* personnel engaged on the project plus the cost of such mandatory and customary contributions and employee benefits as employment taxes and other statutory benefits, insurance, sick leave, holidays, vacations, pensions and similar contributions and benefits.

GENERAL REVIEW

General review means review during visits to the *place of the work* (and where applicable, at locations where building components are fabricated for use at the *project site*) at intervals appropriate to the stage of the construction that the *architect* in its professional discretion, considers necessary to become familiar with the progress and quality of the *work* and to determine that the *work* is in general conformity with the construction contract documents, and to report, in writing, to the client, contractor and chief building official.

INSTRUMENTS OF SERVICE

Instruments of service are the design, drawings, specifications and reports prepared by or on behalf of the *architect* or *consultant*, including but not limited to plans, sketches, drawings, graphic representations and specifications, computer-generated designs and materials.

PLACE OF THE WORK

The *place of the work* is the designated site or location of the *work* identified in the construction contract documents.

PROJECT

The *project* as described in this contract means the total enterprise or endeavour contemplated of which the *work* may be the whole or a part.

REIMBURSABLE EXPENSES

Reimbursable expenses include, but are not limited to, the following actual expenditures, supported by receipts or invoices, incurred by the *architect*, and the *architect's consultants* in the interest of the *project*:

1. transportation in connection with the *project* for authorized travel, e.g. for transportation, lodging and meals;
2. communication and shipping, e.g. for long distance telephone calls and facsimile messages, courier service, postage and electronic conveyances;

- .3 reproduction of *instruments of service*, photographs, and other documents, including plotting of computer-generated drawings;
- .4 renderings, models, and mock-ups and web-based project management services, specifically requested by the client;
- .5 fees, levies, duties or taxes for permits, licences or approvals from authorities having jurisdiction;
- .6 premiums for additional insurance coverage or limits, including that of professional liability insurance, requested by the client in excess of that normally carried by the *architect* and the *architect's consultants*.

SUBSTANTIAL PERFORMANCE OF THE WORK

Substantial performance of the work is as defined in the lien legislation applicable to the place of the *work*. In the absence of such legislation, it shall mean the date the *work* is ready for the purpose intended.

TOXIC OR HAZARDOUS SUBSTANCES OR MATERIALS

Toxic or hazardous substances or materials means any solid, liquid, gaseous, thermal or electromagnetic irritant or contaminant, and includes, without limitation, pollutants, moulds, asbestos, bio-contaminants, biohazards and nuclear, and hazardous and special wastes whether or not defined in any federal, provincial, territorial or municipal laws, statutes or regulations.

WORK

The *work* means the total construction and related services required by the construction contract documents.

GENERAL CONDITIONS

GC1 CLIENT'S RESPONSIBILITIES

- .1 The client shall provide all information as outlined in the schedule(s) identified in this contract. The *architect* shall be entitled to rely upon such information. Contracts for the provision of information, whether arranged by the client or the *architect*, shall be considered direct contracts with the client unless explicitly provided otherwise.
- .2 The client shall:
 - .1 authorize in writing a person to act on the client's behalf and define that person's scope of authority with respect to the *project* when necessary. In the absence of such naming of an authorized representative, the signatory to this contract is deemed to be the representative;
 - .2 review documents submitted by the *architect* and give the *architect* timely decisions for the orderly progress of the *architect*'s services;
 - .3 obtain and pay for the building permit and all other permits and development costs;
 - .4 immediately notify the *architect* in writing if the client observes or otherwise becomes aware of any fault or defect in the *project* or any nonconformity with the requirements of the construction contract;
 - .5 engage specialist *consultants* to provide relevant information about existing conditions of the client's property, such as, geotechnical, topographical, toxic and hazardous material.
 - .6 engage *consultants* identified in article A-9 of this contract under terms and conditions of other contracts that are compatible with this contract;
 - .7 ensure that all *consultants* engaged by the client under other contracts carry professional liability insurance coverage,
 - .8 ensure that the client's *construction budget* includes a contingency for cost escalation, design issues in the *construction documents* and unforeseen circumstances that arise or become apparent during the course of the *project*.
- .3 The client agrees that, should the construction contract include provision that any dispute between the client and the contractor may be finally resolved by arbitration, the construction contract shall include provisions satisfactory to the *architect* that:
 - .1 require the client and contractor to notify the *architect* in writing of any arbitration and of any matters in dispute that affect the *architect*;
 - .2 provide that, upon receipt of the notice in GC 1.3.1 above, the *architect* shall have the option to participate in the arbitration as a party;
 - .3 provide that, in the event that GC1.3.1 and GC 1.3.2 above are not complied with, the client and contractor agree to not pursue any claim against the *architect* arising from matters resolved by the arbitration.

GC2 ARCHITECT'S RESPONSIBILITIES

- .1 The *architect* shall provide professional services as outlined in the schedule(s) identified in this contract.
- .2 The *architect* shall maintain records of *reimbursable expenses*, and for any services for which the fee is computed as a multiple of *direct personnel expense*. These records shall be maintained to acceptable accounting standards and made available to the client at mutually convenient times.

GC 3 CONSTRUCTION BUDGET AND CONSTRUCTION COSTS

- .1 **Construction Budget and Construction Cost**
Neither the *architect* nor the client has control over the cost of labour, materials or equipment, over the contractor's methods of determining bid prices, or over competitive bidding, market or negotiating conditions and therefore the *architect* cannot and does not warrant or represent that bids or negotiated prices will not vary from the estimate of *construction cost*.
- .2 **Estimate of Construction Cost**
If the construction procurement phase has not commenced within three months after the *architect* submits the *construction documents* to the client, the agreed estimate of *construction cost* shall be adjusted to reflect changes in the general level of prices in the construction industry between the date of submission of the *construction documents* to the client and the date on which bids or proposals are sought.
- .3 If the lowest compliant bid or lowest negotiated proposal exceeds the latest agreed estimate of *construction cost* by more than 15%, the client shall provide:
 - .1 written approval of an increase in the estimate of *construction cost*, or
 - .2 authorization for re-bidding or re-negotiating of the proposal, or
 - .3 co-operation with the *architect* in revising the project scope or quality as necessary to reduce the *construction cost*, or
 - .4 termination of this contract in accordance with GC8 if the *project* is abandoned.

- .4 If the client proceeds under GC3.3.3, and the extent to which the lowest compliant bid or lowest negotiated proposal exceeds the latest agreed estimate of *construction cost* by more than 15% and is not due to extraordinary market conditions or other factors not reasonably foreseeable by or under the control of the *architect*, then the client may require the architect to modify the *construction documents* or provide other services necessary to reduce the *construction cost* to within 15% of the latest agreed estimate of *construction cost* for no additional fee. Such modification of the *construction documents* to that extent shall be the limit of the *architect's* responsibility under GC3.3.3, and having done so, the *architect* shall be entitled to compensation in accordance with this contract, for all other such services performed, whether or not the construction phase is commenced.

GC4 CERTIFICATE FOR PAYMENT

- .1 The issuance of a certificate for payment shall constitute a representation by the *architect* to the client, based on the *architect's general review* and on review of the contractor's schedule of values and application for payment, that the *work* has progressed to the value indicated; that to the best of the *architect's* knowledge, information and belief, the *work* observed during the course of *general review* is in general conformity with the contract documents; and that the contractor is entitled to payment in the amount certified. Such certification is subject to:
 - .1 review and evaluation of the *work* as it progresses for general conformity as provided in the services outlined in the schedule(s) described in this contract;
 - .2 the results of any subsequent tests required by or performed under the contract documents;
 - .3 minor deviations from the contract documents being corrected prior to completion; and
 - .4 any specific qualifications stated in the certificate for payment.
- .2 The issuance of the certificate for payment shall not be a representation that the *architect* has made any examination to ascertain how and for what purpose the contractor has used the monies paid on account of the contract price, or that the contractor has discharged the obligations imposed on the contractor by law, or requirements of the Workplace Safety Insurance Board, or other applicable statute, non-compliance with which may render the client personally liable for the contractor's default.

GC5 COPYRIGHT AND USE OF DOCUMENTS

- .1 Copyright for the *architect's instruments of service* belongs to the *architect*. The *architect's instruments of service* shall remain the property of the *architect* whether the *project* for which they are made is executed or not, and whether or not the *architect* has been paid for the services. Their alteration by the client or any other person is prohibited.
- .2 Submissions or distribution of the *architect's instruments of service*, including all software and electronic media, to meet official regulatory requirements or for other purposes in connection with the *project* is not to be construed as publication in derogation of the *architect's* reserved rights.
- .3 The client may retain copies, including electronic or digital and other reproducible copies, of the *architect's instruments of service* for information and reference in connection with the client's use and occupancy of the *project*. Copies may only be used for the purposes intended and for a one-time use, on the same site, and for the same *project*, by this client only and may not be offered for sale or transfer without the express written consent of the *architect*. Except for reference purposes, the *architect's instruments of service*, including all electronic or digital files and information, shall not be used for renovations, additions or alterations to the *project* or on any other project without a written licence from the *architect* for the limited or repeat use of the documents.
- .4 As a condition precedent to the use of the *architect's instruments of service* for the *project*, all fees and *reimbursable expenses*, including all fees and expenses of suspension or termination, due to the *architect*, are required to be paid in full.
- .5 The client shall be entitled to keep original models or architectural renderings which the client specifically commissioned and paid for.

GC6 PROJECT IDENTIFICATION

- .1 The *architect* shall be entitled to sign the building by inscription, or otherwise, on a permanent, suitable and reasonably visible part of the building.
- .2 The *architect* shall be entitled to include as part of the contract documents a provision to erect a sign identifying the *architect* and the *architect's consultants* on the *project* site.

In some instances the client may also be represented on the sign. Graphics on the construction sign may also include a reproduction of a rendering of the *project*.

GC7 LIABILITY OF THE ARCHITECT

- .1 The *architect* carries professional errors and omissions liability insurance coverage, and the policy is available for inspection by the client at all times, upon request.
- .2 The client agrees that any and all claims, whether in contract or tort, which the client has or hereafter may have against the *architect* in any way arising out of or related to the *architect's* duties and responsibilities pursuant to this contract, shall be limited to coverage and amount of professional liability insurance carried and available to the *architect* for the payment of such claims at the time the claim is made. Prior to the date of execution of this contract, if the client wishes to increase the amount of the coverage of such policy or to obtain other special insurance coverage, then the *architect* shall cooperate with the client to obtain such increased or special insurance at the client's expense.

- .3 The *architect* shall be entitled to rely upon product information published by manufacturers and shall not be held liable for relying on information or representation which it reasonably believes to be accurate.
- .4 The *architect* shall not:
 - .1 be required to make exhaustive or continuous on-site reviews;
 - .2 be responsible for acts or omissions of the contractor, subcontractors, suppliers or any other persons performing any of the work, or for failure of any of them to carry out the work in accordance with the contract documents;
 - .3 have control, charge, or supervision, or responsibility for construction means, methods, techniques, schedules, sequences or procedures, or, for safety precautions and programs required in connection with the *work*, and
 - .4 be responsible for any and all matters arising from *toxic or hazardous substances or materials*.
- .5 The client acknowledges that either the *architect* or the client may engage *consultants* on behalf of and for the benefit and convenience of the client; and agrees that the *architect* shall not be liable to the client, in contract or in tort, for the acts, omissions or errors of such *consultants* whether retained by the *architect* or the client. Nothing in this clause shall derogate from the *architect's* duty of coordination.
- .6 The client shall not commence any claim or proceeding in contract, tort, breach of statutory duty or otherwise against any current or former employee, officer or director of the *architect* arising out of acts, omissions or errors of such person pursuant to this contract.
- .7 The client agrees that the *architect* shall not be responsible in contract or in tort for any changes made to the *architect's* design or the *construction documents* without the *architect's* knowledge and approval.

GC8 SUSPENSION AND TERMINATION

SUSPENSION

- .1 If the client lacks the financial ability or authority to proceed, the client may give seven days written notice to the *architect* that the client elects to suspend the *architect's* services.
- .2 If any invoice submitted by the *architect* remains unpaid by the client for forty-five days or more from the date the invoice was submitted, then the *architect* may give seven days written notice to the client that the *architect* will suspend services.
- .3 The *architect* may suspend services on the *project*:
 - .1 if within seven days of delivery of the notice in GC8.2, the client has not paid the *architect's* invoice, or the *architect* and the client have not agreed in writing on terms for payment of the invoice, or
 - .2 if construction of the *work* proceeds in the absence of a building permit and without the chief building official dispatching building officials to the site or, if the *architect* becomes aware of an action taken by the client which violates applicable building codes or regulations, then,
- .4 In either of these events the client shall not have any claim whatsoever against the *architect* for any loss, cost, damage, or expense incurred or anticipated to be incurred by the client as a result of the suspended services.
- .5 The rights of the *architect* given by GC8.3 are in addition to and not in substitution for any other rights the *architect* may have under this contract or otherwise for non-payment of the *architect's* invoices by the client.
- .6 In the event of a suspension of services, the *architect* shall not be liable for delay or damage as a result of the suspension of services. Upon suspension, the *architect* shall submit an invoice for all services performed to the effective suspension date, together with *reimbursable expenses* and applicable taxes then due. Before resuming services, the *architect* shall be entitled to payment, within thirty days of the date that the invoice for suspension of services is submitted, for all suspension expenses as defined in GC8.6 and for all expenses for recommencement of services. The *architect's* fees for the remaining services and time schedules shall be adjusted accordingly.
- .7 Suspension expenses include expenses directly attributable to suspension of the *project* for which the *architect* is not otherwise compensated, including costs attributed to suspending the *architect's* contractual and employee commitments.

TERMINATION

- .8 If the *project* results in construction, this contract is terminated on the earliest of:
 - .1 the date of receipt of letter of termination from the client, or
 - .2 seven days from the abandonment of the *project*; or
 - .3 one year from the date of certification of *substantial performance of the work*; or
 - .4 one year from the date of total completion.
- .9 This contract may be terminated by either party upon not less than seven days written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination.
- .10 This contract may be terminated by the client upon at least seven days written notice to the *architect* in the event that the *project* is abandoned.
- .11 If the *project* is suspended or abandoned in whole or in part for more than a total of sixty days, it shall be deemed to be abandoned and treated in accordance with article 8.9.

- .12 In the event of termination, the *architect* shall be paid, within thirty days of the date that an invoice is submitted, for all services performed to the effective termination date, together with *reimbursable expenses* and applicable taxes then due, and for all termination expenses as defined in GC8.13.
- .13 Termination expenses are expenses directly attributable to abandonment of the *project* or termination of this contract for which the *architect* is not otherwise compensated, and in addition, an amount for anticipated loss of earnings computed as a percentage of the total fee earned to the time of termination for the *architect's* services and *additional services*, as follows;
- .1 twenty percent if termination occurs during the schematic design phase; or
 - .2 ten percent if termination occurs during the design development phase; or
 - .3 five percent if termination occurs during a phase subsequent to the design development phase.

GC9 LAW GOVERNING THIS CONTRACT

- .1 This contract shall be governed by the law of the Province of Ontario.

GC10 SUCCESSORS AND ASSIGNS

- .1 The client and the *architect* respectively bind themselves, their partners, successors, assigns and legal representatives to the other party to this contract and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this contract. Except as otherwise provided herein, neither the client nor the *architect* shall assign, sublet, or transfer an interest in this contract without the written consent of the other. Consent to such assignment or transference shall not be unreasonably withheld.
- .2 The contract documents are for the purpose of construction of the *project* contemplated by this contract and shall not be used by the client for any other purpose.

GC11 EXTENT OF CONTRACT

- .1 This contract represents the entire and integrated contract between the client and the *architect* and supersedes all prior negotiations, representations, or contracts, either written or oral. This contract may be amended only in writing signed by both the client and the *architect*.

GC12 PAYMENTS TO THE ARCHITECT

FEES

- .1 An invoice submitted by the *architect* under this contract is due and payable when submitted to the client. Payments for the *architect's* services shall be made on account for invoices as described in article A14 of this contract and, where applicable, shall be in proportion to services performed within each phase of the service.
- .2 No deductions shall be made by the client from amounts payable to the *architect* on account of penalty, liquidated damages, or other sums withheld from payments to contractors, or on account of the cost of changes in the *work* other than those for which the *architect* is proven to be legally responsible or has agreed to pay.
- .3 Variance from the *construction budget* established under this contract shall not constitute grounds for the client to withhold fees due to the *architect*.
- .4 When a percentage-based fee is used as the method for determining the *architect's* fee, the basis for calculating the applicable portion of the fee for each phase of the *architect's* services shall be based on article A10 of this contract.
- .5 If the scope of the *project* or of the *architect's* services is changed, the fees shall be adjusted accordingly. For *additional services* or when revisions or additions are made to the program of requirements or previously approved documents prepared by the *architect* and such revisions or additions require services beyond those already provided, the fee for such *additional services* shall be based on the rates in article A10 of this contract, or as otherwise mutually agreed with the client.
- .6 If and to the extent that the contract time initially established in the construction contract is exceeded or extended through no fault of the *architect*, fees for services required for such extended period of the contract administration shall be adjusted and computed as set forth in article A10 of this contract or as otherwise mutually agreed with the client.
- .7 In the event that new or additional taxes in respect of the services included in this contract are required by federal, provincial, territorial, regional or municipal legislation after the contract is executed, the amount under this contract shall be adjusted to include such taxes.
- .8 Fees and *reimbursable expenses* may be subject to such value-added taxes as the Federal Goods and Services Tax or Harmonized Sales Tax. The client shall pay to the *architect*, together with, and in addition to, any fees and *reimbursable expenses* that are, or become, payable as required by legislation, any value-added taxes that become payable in relation to the fees and *reimbursable expenses*.

REIMBURSABLE EXPENSES

- .9 The client shall pay the *architect* for all *reimbursable expenses* as defined plus an administrative charge as identified in article A11 of this contract.
- .10 All *reimbursable expenses* not defined shall be approved by the client prior to any expenditure by the *architect*.

GC13 SEVERABILITY

- .1 If any provision of this contract is declared by a court of competent jurisdiction to be invalid, illegal, or unenforceable, such provision shall be severed from this contract and the other provisions shall remain in full force and effect.

**ANDREW, THOMPSON
& ASSOCIATES LTD.**

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Barrie, ON L4N 9A1
PHONE 705-721-1596 FAX 705-721-5183
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April 25, 2012

Innisfil Hydro Distribution Systems Limited
2073 Commerce Park Drive
Innisfil, ON L9S 4A2

Attention: Mr. George Shaparew

Re: Part of 2147 Innisfil Beach Road, Innisfil, ON

Dear Mr. Shaparew:

This letter is to be an addition to the appraisal report of "Part of 2147 Innisfil Beach Road, Innisfil" dated January 25, 2012. This letter is not considered an independent opinion in absence of that report and is to be read in conjunction with the originally prepared report.

The original report addressed the valuation of the former Innisfil Town Hall assumed to be situated on approximately 3 acres. The previous value conclusions summarized were:

- Value for a "continued use" \$650,000
- Value for "redevelopment" \$470,000

We have since been instructed that:

- The client requires a single estimate of value.
- The assumed site size has increased to 3.5 acres, an increase of 0.5 acres.
- An easement providing for services is to run along the front yard of the property.

It is our opinion that the "market value" of the subject property is best identified by the continued use of the subject building. The indicated value for "redevelopment" represents a secondary value in the case that a user is not available after a reasonable marketing and exposure time. It is reasonable to expect that if available on the open market, a user would arise for a continued use.

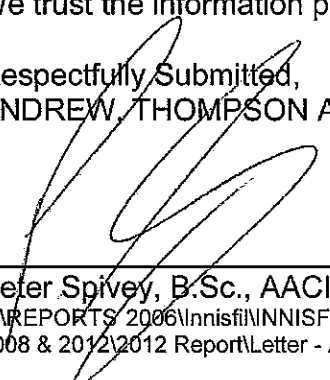
It is our opinion that the addition of 0.5 acres would not have an impact on its potential value to a continued user as it would not add any additional utility to the building, above what is provided by the originally assumed 3 acre site. It is also our opinion that the presence of a servicing easement crossing the property within the front yard will have no impact on the continued use or value of the subject property.

As of the original effective date of January 12, 2012, it is our opinion that the addition of 0.5 acres in site size and the registration of a servicing easement across the front yard will have no impact to the original estimate of value provided for a "continued use".

Therefore we conclude that the original concluded value of **\$650,000** as of January 12, 2012 best provides a single estimate of value for the subject building as if on a 3.5 acre site.

We trust the information provided meets with your approval.

Respectfully Submitted,
ANDREW THOMPSON AND ASSOCIATES LTD.



Peter Spivey, B.Sc., AACI, P.App

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May 14, 2012

Innisfil Hydro Distribution Systems Limited
2073 Commerce Park Drive
Innisfil, ON L9S 4A2

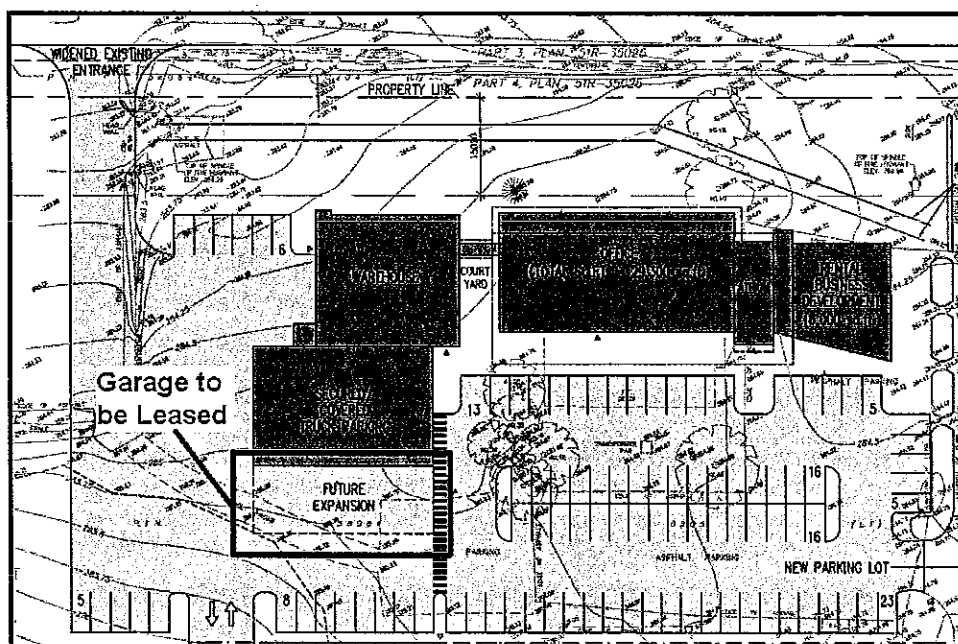
Attention: Mr. George Shaparew

Re: Proposed Innisfil Hydro Facility (2147 Innisfil Beach Road, Innisfil, ON)

Dear Mr. Shaparew:

This letter is to provide an estimate of market rent for a shared truck garage. The shared truck garage is to be part of a proposed Innisfil Hydro Facility that is to be constructed at 2147 Innisfil Beach Road, the site of the former Innisfil Town Hall. The proposed building is to include offices, warehouse space and a truck garage. It is our understanding that the shared portion of the truck garage to be leased will be approximately 3,600 sq.ft in size, heated and provide 5 truck parking bays.

We have been instructed to provide an estimate of market rent for the shared garage. The leased area would be utilized for parking only and will not include any portion of the site outside of the building. The leased garage area will be utilized for truck parking only and will not be used for any light industrial uses such as vehicle repair etc..



The proposed use of the shared truck parking area is considered unique. Truck parking is not generally leased on a per sq.ft. basis as is the case with service industrial / truck repair space but rather on a per bay rent for a given time period that could be monthly, seasonal or annual.

We have not identified any market evidence of lease rates for shared space that allowed for truck parking only. Alternatively we have reviewed going rates for large vehicle storage in shared facilities on a per bay basis. A review of storage rates for large trucks, boats and RVs indicates that rental rates per bay ranges from \$100 to \$500 per month. These rents are gross with the property owner paying all costs including utilities, taxes and maintenance. The lower end of this range represents outdoor storage or non-heated inside storage while the upper end of this range represents better quality heated indoor storage space. The subject space is expected to be representative of good quality space with easy access and would be most indicative of the upper end of this range.

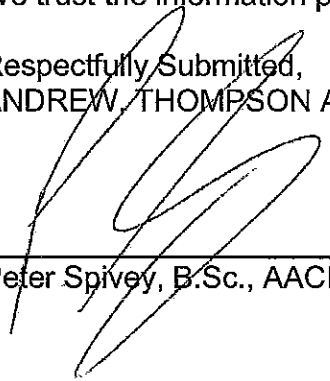
Considering the location and expected quality of the subject space we conclude that a rental rate of \$500 per month or \$6,000 per year per bay could be reasonably obtained. Based on 5 truck bays the gross annual rent for the shared space would be \$30,000.

A rent of \$30,000 per annum would represent a lease rate of \$8.33 per sq.ft. gross or approximately \$5.83 to \$6.33 per sq.ft. net. A net lease rate of \$5.83 to \$6.33 per sq.ft. is considered the lower end of the range for truck service space which would be appropriate given the restrictions.

Therefore, we conclude a rental rate for the 5 bay truck parking of **\$30,000 per annum on a gross basis.**

We trust the information provided meets with your approval.

Respectfully Submitted,
ANDREW THOMPSON AND ASSOCIATES LTD.



Peter Spivey, B.Sc., AACI, P.App

This Agreement of Purchase and Sale dated this day of May 2012

BUYER, INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
(Full legal names of all Buyers), agrees to purchase from

SELLER, THE CORPORATION OF THE TOWN OF INNISFIL
(Full legal names of all Sellers), the following

REAL PROPERTY:

Address. 2147 Innisfil Beach Road,

fronting on the side of

in the Town of Innisfil

and having a frontage of 116.2 m more or less by a depth of 123.9 m more or less

and legally described as being approximately 3.498 acres

..... (the "property").
[Legal description of land including easements not described elsewhere]

PURCHASE PRICE: Dollars (CDN\$) 650,000.00

Six Hundred and Fifty Thousand Dollars

DEPOSIT: Buyer submits herewith
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

One Dollars (CDN\$) 1.00

by negotiable cheque payable to the Seller "Deposit Holder" to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A. & B attached hereto form(s) part of this Agreement.

1. **IRREVOCABILITY:** This Offer shall be irrevocable by Buyer until 6:00 XX /p.m. on the 30th day of May 2012, after which time, if not accepted, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the 31st day of July 2012, Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 



3. ~~NOTICES: The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage represents both the Seller and the Buyer (multiple representation), The Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.~~ Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: FAX No.:
 (For delivery of Documents to Seller) (For delivery of Documents to Buyer)

Email Address: Email Address:
 (For delivery of Documents to Seller) (For delivery of Documents to Buyer)

4. **CHATELS INCLUDED:** n/a

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:** n/a

6. **RENTAL ITEMS:** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable: none

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the purchase price.

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 20th day of July, 2012, (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (commercial) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 



9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.


11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this Offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 



16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
17. **RESIDENCY:** Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate or a statutory declaration that Seller is not then a non-resident of Canada.
18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
20. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money may be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless Seller's spouse has executed the consent hereinafter provided.
23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
25. **CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
26. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
27. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):



INITIALS OF SELLER(S):





28. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

(Witness) (Buyer/Authorized Signing Officer) (Seal) DATE

(Witness) (Buyer/Authorized Signing Officer) (Seal) DATE

I, the Undersigned Seller, agree to the above Offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

THE CORPORATION OF THE TOWN OF INNISFIL

(Witness) (Seller/Authorized Signing Officer) (Seal) DATE

(Witness) (Seller/Authorized Signing Officer) (Seal) DATE

~~SPOUSAL CONSENT: The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees with the Buyer that he/she will execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.~~

(Witness) (Spouse) (Seal) DATE

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all

changes both typed and written was finally accepted by all parties at.....a.m./p.m. this.....day

of....., 20..... (Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)

Listing Brokerage..... Tel.No.(.....)
Co-op/Buyer Brokerage..... Tel.No.(.....)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Seller) DATE

(Buyer) DATE

(Seller) DATE

(Buyer) DATE

Address for Service.....

Address for Service.....

Tel.No.(.....)

Tel.No.(.....)

Seller's Lawyer, Loopstra, Nixon

Buyer's Lawyer, HGR Graham Partners LLP

Address, 135 Queen's Plate Drive #600, Toronto

Address, 190 Cundles Road East #107, Barrie

(416) 746-4710 (416) 746-8319

(705) 737-1811 (705) 737-5390

Tel.No. FAX No.

Tel.No. FAX No.

FOR OFFICE USE ONLY COMMISSION TRUST AGREEMENT
To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale;
In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all monies received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.
DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by:
(Authorized to bind the Listing Brokerage) (Authorized to bind the Co-operating Brokerage)

Schedule A

Agreement of Purchase and Sale – Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED, and

SELLER, THE CORPORATION OF THE TOWN OF INNISFIL

for the purchase and sale of **2147 Innisfil Beach Road,**

..... dated the day of **May**, 20 **12**

Buyer agrees to pay the balance as follows:

1. The Buyer agrees to pay the balance of the purchase price, subject to adjustments, by bank draft or certified cheque to the Seller on the completion of this transaction.

2. This Agreement is conditional until 6:00 p.m. June 30th, 2012 (the "Condition Date") upon each of the Buyer and Seller obtaining the requisite corporate or municipal authority, as the case may be, for the purchase and sale of the subject Property substantially as set forth herein (hereinafter, the "Approval Conditions"). If either the Buyer or Seller fails to satisfy the Approval Conditions by the Condition Date, then this Agreement shall be at an end, the Deposit shall be returned to the Buyer and each of the Parties shall be relieved of their respective rights, entitlements and obligations herein.

3. If, following Closing, the Buyer ("Innisfil Hydro", in this section) should receive a bona fide offer to purchase the Subject Property or part thereof which it is willing to accept ("Third Party Offer"), Innisfil Hydro shall, by notice in writing ("Notice") to the Seller (the "Town", in this section), make an offer to sell the Subject Property (the "Hydro Offer to Sell") or part thereof to the Town at the price and at the same terms and conditions as are contained in the Third Party Offer. The Town shall have a period of 30 days from the date of Notice to accept the Hydro Offer to Sell, failing which Innisfil Hydro shall be free to accept the Third Party Offer and complete the sale of the Subject Property or part thereof in accordance with the Third Party Offer.

4. Title to the Subject Property shall be transferred to the Buyer subject to the following interests:

- (a) together with easements for ingress and egress over Parts 1 and 3, shown on the attached sketch; and
- (b) subject to easements in favour of the Town of Innisfil:
 - (i) over Part 4 for sewer and water utilities;
 - (ii) over Part 5 for the 10kw solar facility; and
 - (iii) over Part 6 for parking facilities.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 



LEGEND: THIS PLAN IS TO BE SUPERSED BY THE PLAN INCORPORATING THE ACTING SURVEYOR'S RECORD AND APPROVAL.

DATE: _____

BY: _____

REVISIONS:

NO.	DATE	DESCRIPTION
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PLAN OF SURVEY OF PART OF
LOT 16
 CONCESSION 7
 GEOGRAPHIC TOWNSHIP OF INNISFIL
 TOWN OF INNISFIL
 COUNTY OF SIMCOE

SCALE: 1 : 400

RUDY MAK SURVEYING LTD.

SURVEYOR'S CERTIFICATE

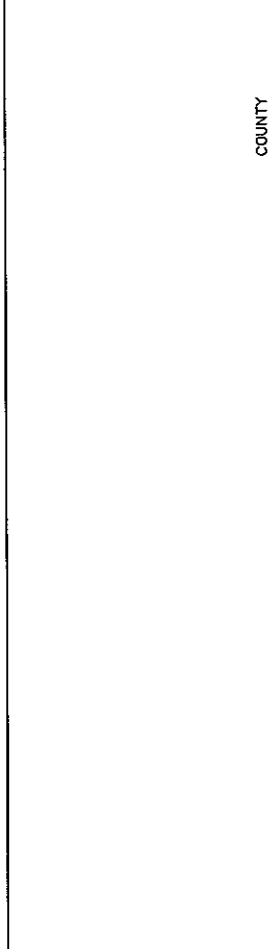
I, RUDY MAK, SURVEYOR, DO HEREBY CERTIFY THAT THE SURVEY AND PLAN ARE CORRECT AND IN ACCORDANCE WITH THE ACTING SURVEYOR'S RECORD AND APPROVAL.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL OF OFFICE ON THE _____ DAY OF _____, 2023.

DATE: _____

BY: _____

RUDY MAK SURVEYING LTD.



LEGEND: THIS PLAN IS TO BE SUPERSED BY THE PLAN INCORPORATING THE ACTING SURVEYOR'S RECORD AND APPROVAL.

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PLAN OF SURVEY OF PART OF
LOT 16
 CONCESSION 7
 GEOGRAPHIC TOWNSHIP OF INNISFIL
 TOWN OF INNISFIL
 COUNTY OF SIMCOE

SCALE: 1 : 400

RUDY MAK SURVEYING LTD.

SURVEYOR'S CERTIFICATE

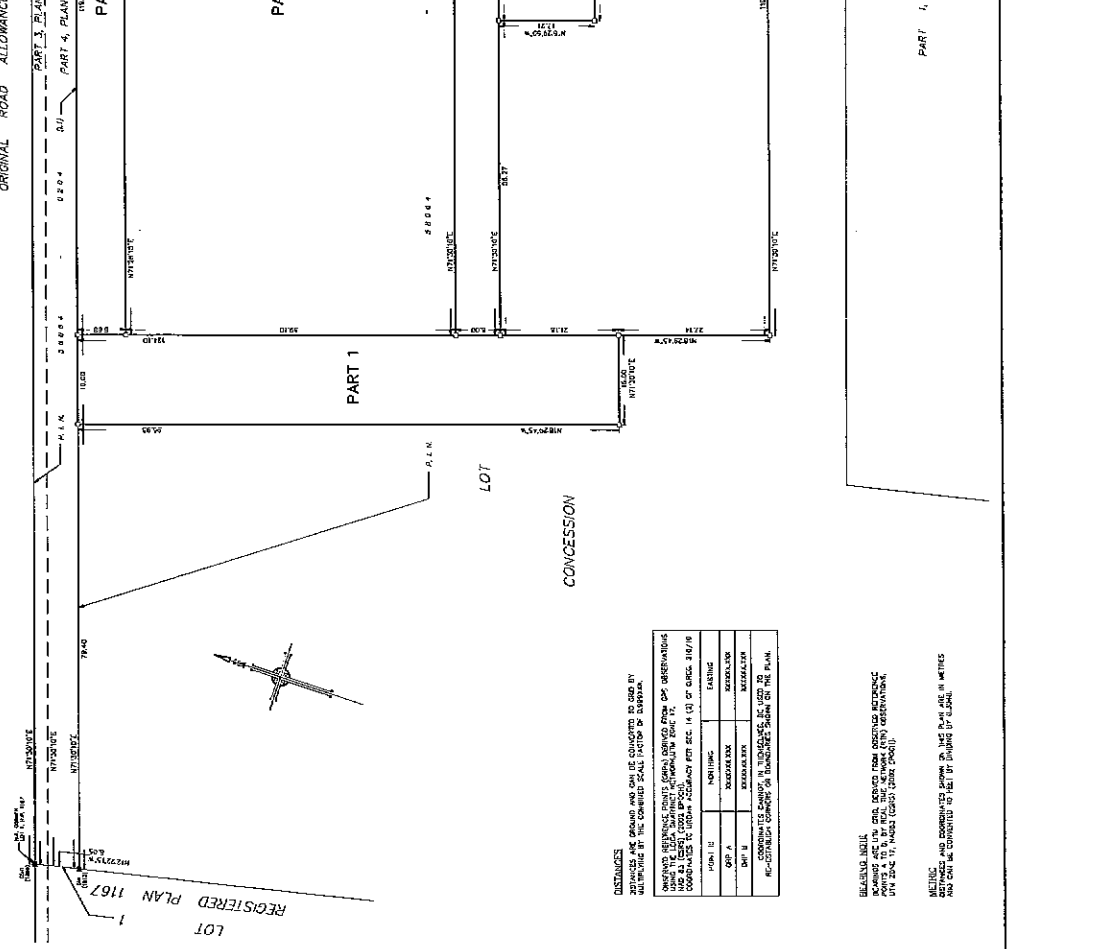
I, RUDY MAK, SURVEYOR, DO HEREBY CERTIFY THAT THE SURVEY AND PLAN ARE CORRECT AND IN ACCORDANCE WITH THE ACTING SURVEYOR'S RECORD AND APPROVAL.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL OF OFFICE ON THE _____ DAY OF _____, 2023.

DATE: _____

BY: _____

RUDY MAK SURVEYING LTD.



LEGEND: THIS PLAN IS TO BE SUPERSED BY THE PLAN INCORPORATING THE ACTING SURVEYOR'S RECORD AND APPROVAL.

DATE: _____

BY: _____

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BY: _____

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RUDY MAK SURVEYING LTD.
 ONTARIO LAND SURVEYORS

89 BIC BAY POINT ROAD
 BARRIE, ONTARIO CANADA (705) 722-3645
 E-MAIL: MRUDY@RUDYMAK.COM

DATE: _____

BY: _____

REVISIONS:

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PLAN OF SURVEY OF PART OF
LOT 16
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 GEOGRAPHIC TOWNSHIP OF INNISFIL
 TOWN OF INNISFIL
 COUNTY OF SIMCOE

SCALE: 1 : 400

RUDY MAK SURVEYING LTD.

SURVEYOR'S CERTIFICATE

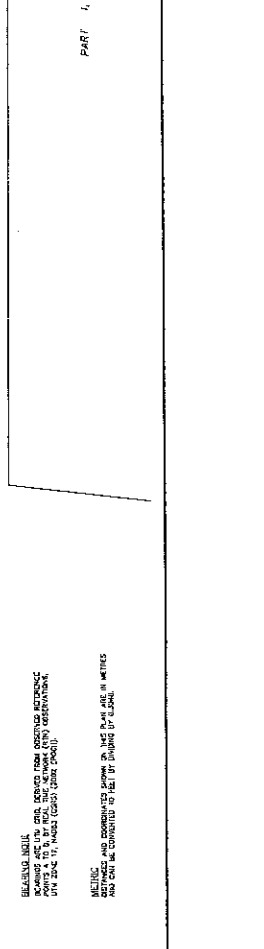
I, RUDY MAK, SURVEYOR, DO HEREBY CERTIFY THAT THE SURVEY AND PLAN ARE CORRECT AND IN ACCORDANCE WITH THE ACTING SURVEYOR'S RECORD AND APPROVAL.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL OF OFFICE ON THE _____ DAY OF _____, 2023.

DATE: _____

BY: _____

RUDY MAK SURVEYING LTD.



LEGEND: THIS PLAN IS TO BE SUPERSED BY THE PLAN INCORPORATING THE ACTING SURVEYOR'S RECORD AND APPROVAL.

DATE: _____

BY: _____

REVISIONS:

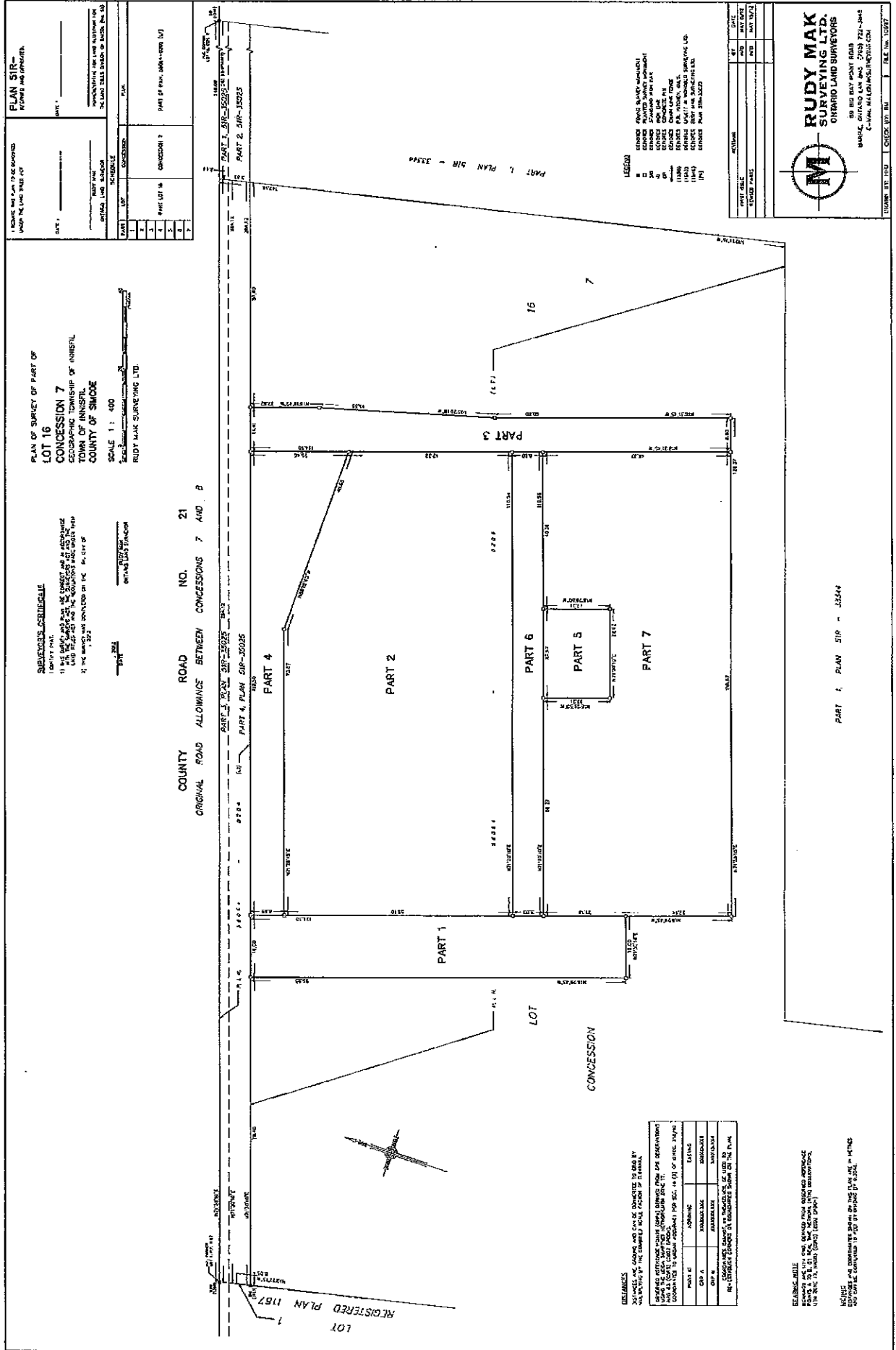
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7	_____	_____

DATE: _____

BY: _____

REVISIONS:

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7	_____	_____



PLAN SIR -
 REVISIONS AND APPROVALS

DATE	REVISION	BY

CONCESSION 7
 PART 1, PART 2, PART 3, PART 4, PART 5, PART 6, PART 7

CONCESSION 7
 PART 1, PART 2, PART 3, PART 4, PART 5, PART 6, PART 7

PLAN OF SURVEY OF PART OF
LOT 16
CONCESSION 7
 CONCESSION TO MAKE OF UNDEVELOPED
 TOWN OF MISSISSIPPI
 COUNTY OF SIMCOE

SCALE 1: 400

RUDY MAK SURVEYING LTD.

SUBSEQUENT LEGISLATION

1. BY THE PLAN
 2. THE PLAN IS THE BASIS FOR THE SUBSEQUENT LEGISLATION
 3. THE PLAN IS THE BASIS FOR THE SUBSEQUENT LEGISLATION
 4. THE PLAN IS THE BASIS FOR THE SUBSEQUENT LEGISLATION

RUDY MAK SURVEYING LTD.

COUNTY ROAD NO. 21
ORIGINAL ROAD ALLOWANCE BETWEEN CONCESSIONS 7 AND 8

- LEGEND**
- BOUNDARY OF CONCESSION 7
 - BOUNDARY OF CONCESSION 8
 - BOUNDARY OF CONCESSION 9
 - BOUNDARY OF CONCESSION 10
 - BOUNDARY OF CONCESSION 11
 - BOUNDARY OF CONCESSION 12
 - BOUNDARY OF CONCESSION 13
 - BOUNDARY OF CONCESSION 14
 - BOUNDARY OF CONCESSION 15
 - BOUNDARY OF CONCESSION 16
 - BOUNDARY OF CONCESSION 17
 - BOUNDARY OF CONCESSION 18
 - BOUNDARY OF CONCESSION 19
 - BOUNDARY OF CONCESSION 20



RUDY MAK SURVEYING LTD.
 ONTARIO LAND SURVEYORS

200 EAST GERRARD STREET EAST
 TORONTO, ONTARIO M4M 1B7
 C-MAIL: 416-461-8888 FAX: 416-461-8889

DATE	BY
DATE	BY

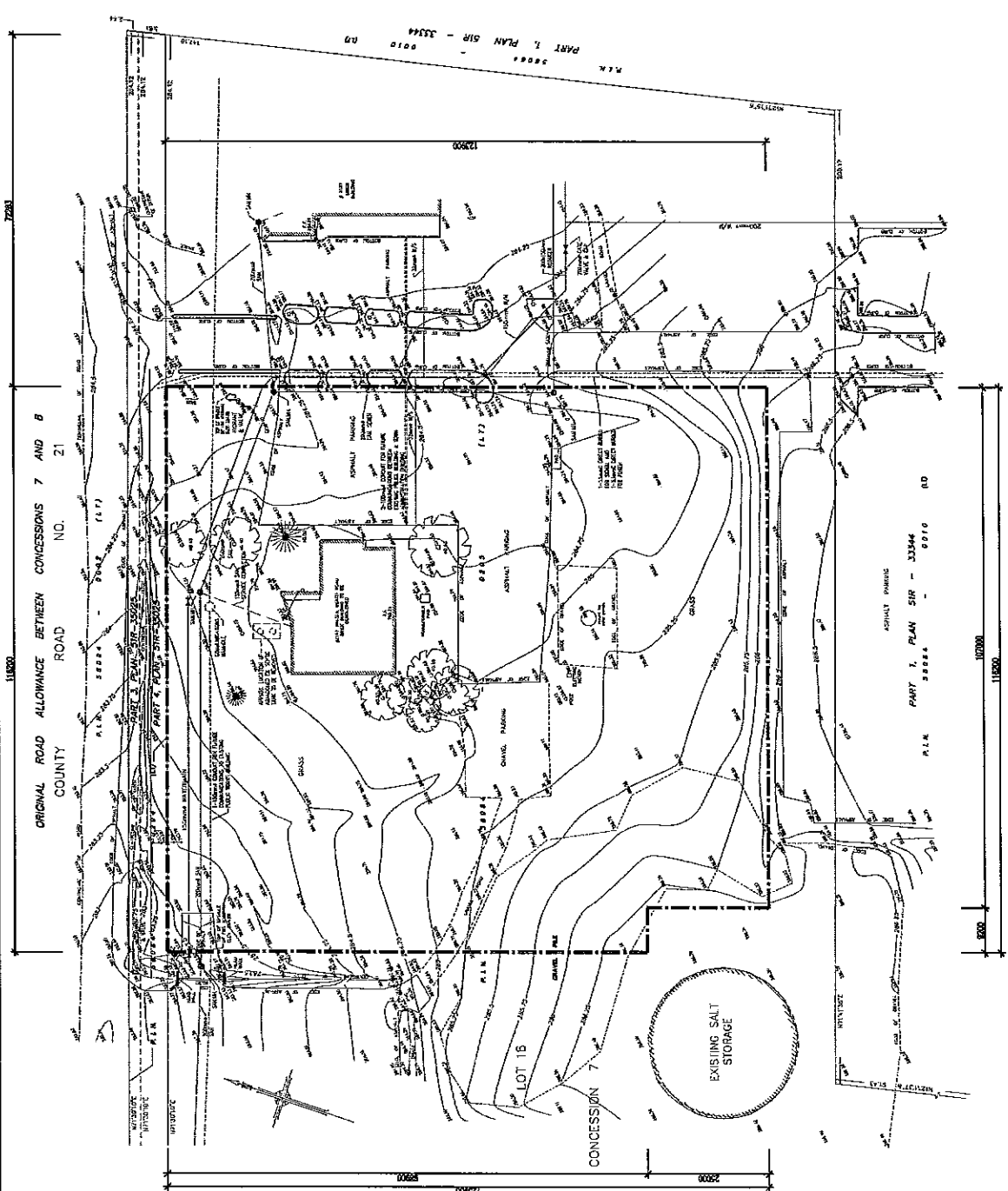
NOTICES

THIS PLAN IS THE BASIS FOR THE SUBSEQUENT LEGISLATION
 AND THE PLAN IS THE BASIS FOR THE SUBSEQUENT LEGISLATION
 AND THE PLAN IS THE BASIS FOR THE SUBSEQUENT LEGISLATION

REGISTERED PLAN 1187

REGISTERED PLAN 1187

PART 1, PLAN SIR - 35644



NO.	REVISION	DATE

ASSOCIATION OF PROFESSIONAL ENGINEERS OF ONTARIO

MCL
 CONSULTANTS
 67 High Street, North York, Ontario
 Phone: (416) 491-7777
 Fax: (416) 491-7748

EXISTING SITE PLAN SHOWING PROPOSED LOT LINES

PROJECT NAME:
 PROJECT NO.:
 SHEET NO.:
 DATE:
 DRAWN BY:
 CHECKED BY:
 SCALE:

1:10000
 11-010
 1:1000
 1:1000

ORIGINAL ROAD ALLOWANCE BETWEEN CONCESSIONS 7 AND 8
 COUNTY ROAD NO. 21

PART 1, PLAN SIR - 33344

PART 2, PLAN SIR - 33344

LOT 16

EXISTING SALT STORAGE

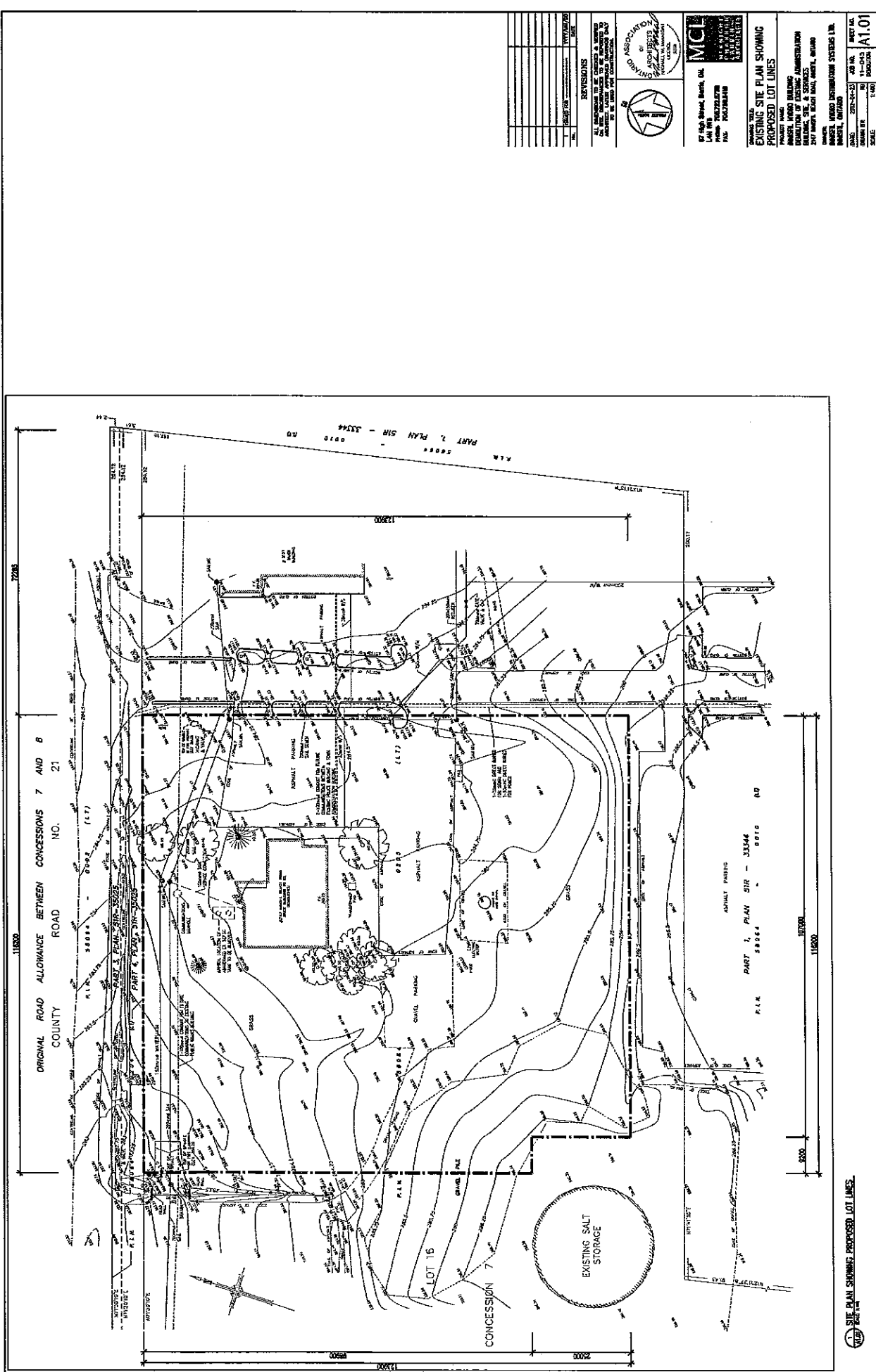
CONCESSION 7

PART 1, PLAN SIR - 33344

PART 2, PLAN SIR - 33344

EXISTING SITE PLAN SHOWING PROPOSED LOT LINES

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ORIGINAL ROAD ALLOWANCE BETWEEN CONCESSIONS 7 AND 8
COUNTY ROAD NO. 21

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19	ISSUED FOR PERMIT	11/10/03
20	ISSUED FOR PERMIT	11/10/03

ALL DIMENSIONS TO BE CHECKED & VERIFIED ON SITE. DIMENSIONS TO BE SHOWN TO ADJUST TO THE ACTUAL CONDITIONS. DIMENSIONS TO BE SHOWN TO ADJUST TO THE ACTUAL CONDITIONS.

ASSOCIATION OF ARCHITECTS & ENGINEERS OF ONTARIO

MCL
17 High Street, North York, ON
M4W 1A7
PHONE: (416) 922-6777
FAX: (416) 922-6778

CONTRACT NO. 11-043
PROJECT NAME: EXISTING SITE PLAN SHOWING PROPOSED LOT LINES
CLIENT: 11000 DISTRIBUTION SYSTEMS LTD.
11000, 2075 EAST BEAVER CREEK ROAD, NORTH YORK, ONTARIO, CANADA
DATE: 2003-04-23
DRAWN BY: [Name]
SCALE: 1:1000

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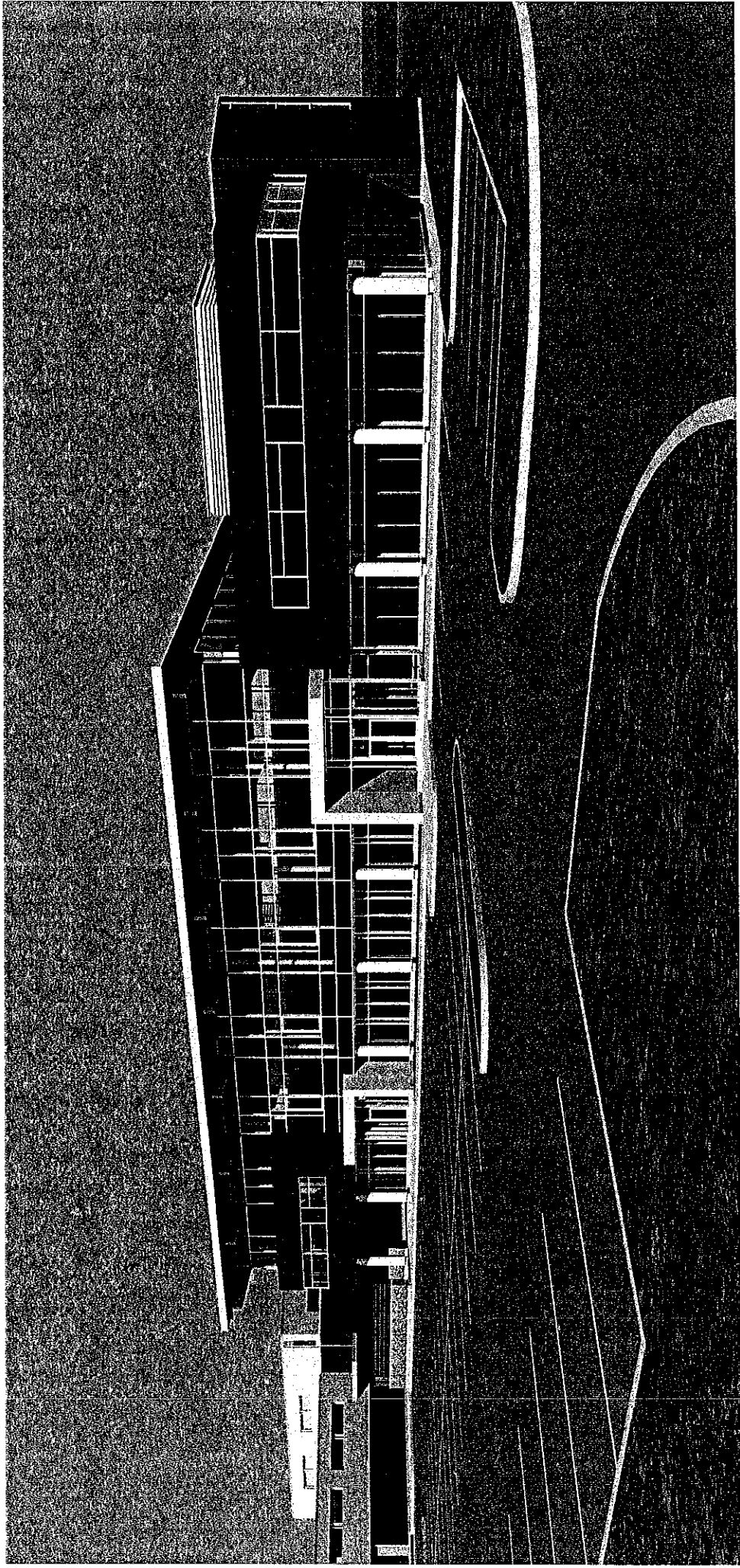
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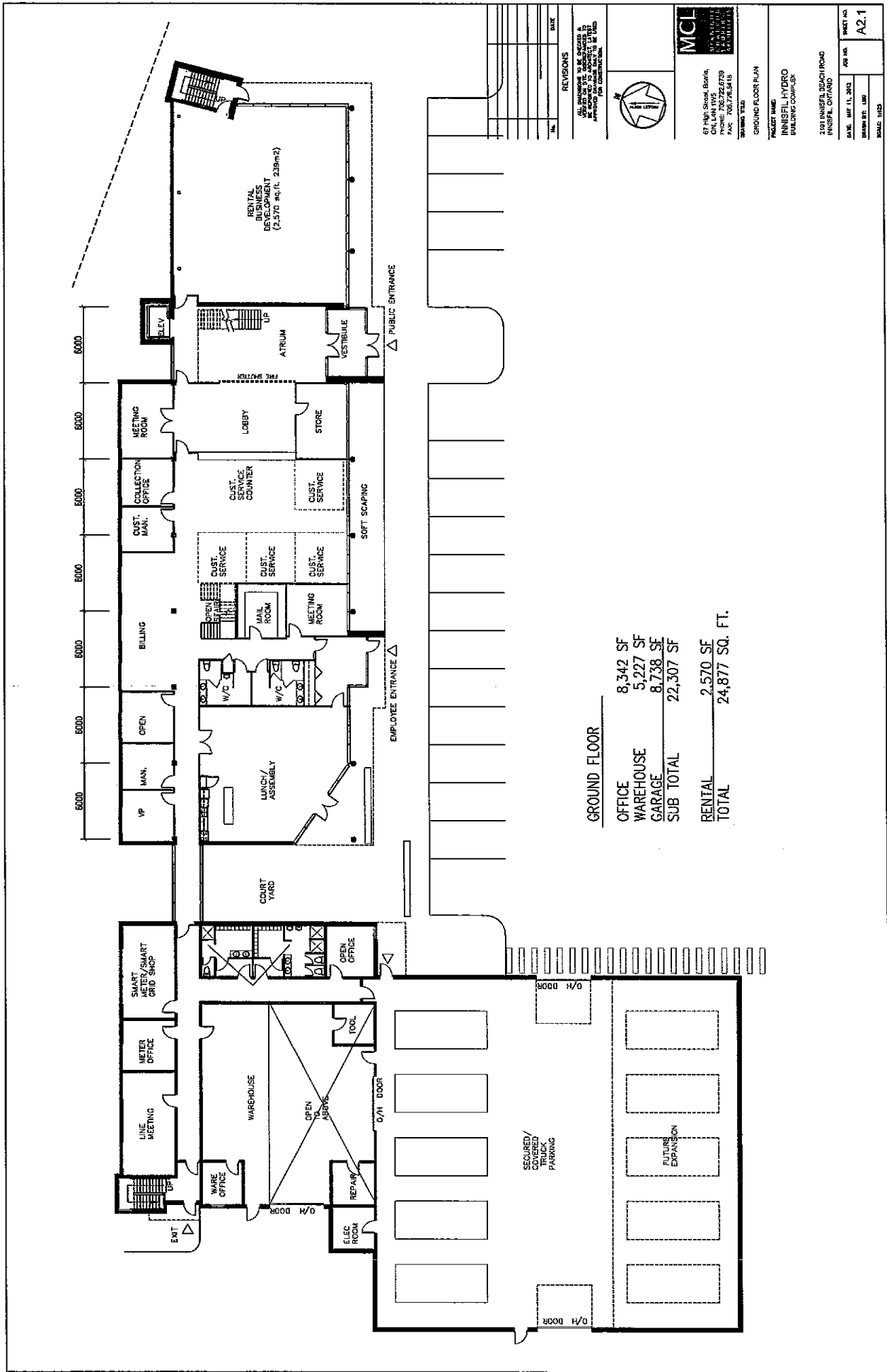
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GROUND FLOOR

OFFICE	8,342 SF
WAREHOUSE	5,227 SF
GARAGE	8,738 SF
SUB TOTAL	22,307 SF
RENTAL	2,570 SF
TOTAL	24,877 SQ. FT.

MCL
 67 High Street, Boston, MA 02110
 PHONE: 781.222.0739
 FAX: 781.222.0739

PROJECT NAME:
 INNSBFL HYDRO BUILDING COMPLEX

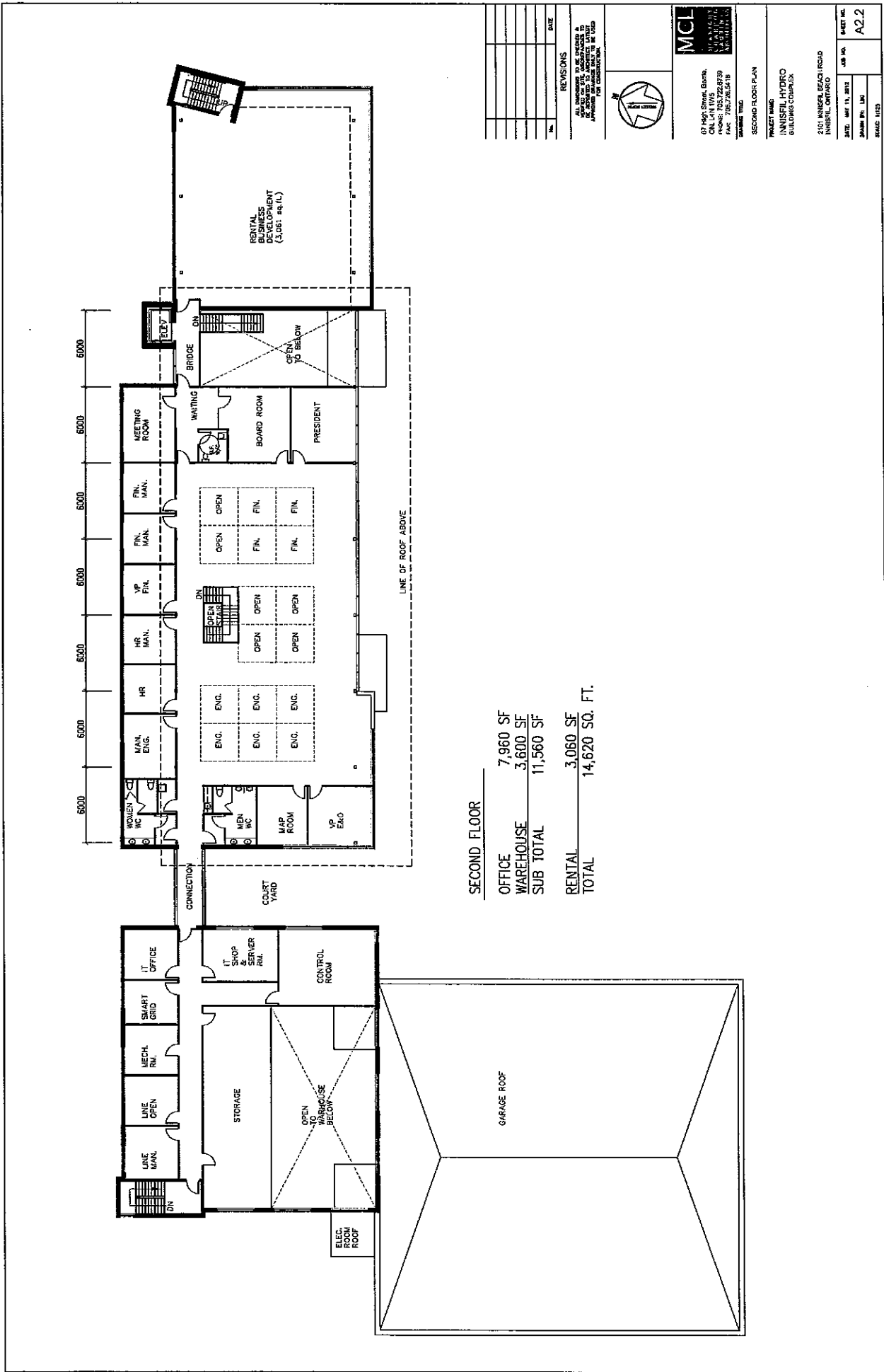
PROJECT NO.:
 2101 INNSBFL BEACH ROAD
 INNSBFL, ONTARIO

DATE: JAN 11, 2012
SCALE: 1/8" = 1'-0"

SHEET NO.:
 A2.1

REVISIONS

NO.	DATE	DESCRIPTION



SECOND FLOOR

OFFICE	7,960 SF
WAREHOUSE	3,600 SF
SUB TOTAL	11,560 SF
RENTAL	3,060 SF
TOTAL	14,620 SQ. FT.

NO.	REVISIONS	DATE

ALL DIMENSIONS TO FACE UNLESS NOTED OTHERWISE. ALL DIMENSIONS TO FACE UNLESS NOTED OTHERWISE. APPROVED FOR CONSTRUCTION BY THE ARCHITECT.



MCL
 67 High Street, Suite 200
 Cambridge, MA 02142
 PHONE: 617.552.8339
 FAX: 617.552.8339
 WWW.MCLINC.COM

SECOND FLOOR PLAN
 PROJECT NAME:
 INNISFIL HYDRO
 BUILDING COMPLEX
 2101 INNISFIL BEACH ROAD
 INNISFIL, ONTARIO
 DATE: MAY 11, 2012
 JOB NO.
 DRAWING NO. 102
 SHEET NO. A2.2
 SCALE: 1/8" = 1'-0"

Agreement of Purchase and Sale Commercial

This Agreement of Purchase and Sale dated this day of May 20 12

BUYER, THE CORPORATION OF THE TOWN OF INNISFIL, agrees to purchase from
(Full legal names of all Buyers)

SELLER, INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED, the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address 2061 Commerce Park Drive

fronting on the east side of Commerce Park Drive

in the Town of Innisfil

and having a frontage of 146 m more or less by a depth of 77 m (irreg) more or less

and legally described as Lot 27, Plan 1640

..... (the "property").
(Legal description of land including easements not described elsewhere)

PURCHASE PRICE: Dollars (CDN\$) 500,000.00

Five Hundred Thousand Dollars

DEPOSIT: Buyer submits herewith
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

One Dollars (CDN\$) 1.00

by negotiable cheque payable to the Seller "Deposit Holder"
to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A ~~& B~~ **& B** (survey) attached hereto form(s) part of this Agreement.

1. **IRREVOCABILITY:** This Offer shall be irrevocable by Seller until 6:00 ~~am~~ pm on
(Seller/Buyer)
the 30 day of May 20 12, after which time, if not accepted, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the 31st day of July, 20 12 Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 

3. ~~NOTICES: The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.~~ Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: FAX No.:
 (For delivery of Documents to Seller) (For delivery of Documents to Buyer)

Email Address: Email Address:
 (For delivery of Documents to Seller) (For delivery of Documents to Buyer)

4. **CHATELS INCLUDED:** n/a

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:** n/a

6. **RENTAL ITEMS:** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable: n/a

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the purchase price.

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 20th day of July 20..12.., (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use [commercial] may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 



9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this Offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 



16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O. 1990.
17. **RESIDENCY:** Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate or a statutory declaration that Seller is not then a non-resident of Canada.
18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
20. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money may be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless Seller's spouse has executed the consent hereinafter provided.
23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
25. **CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
26. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
27. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



28. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

THE CORPORATION OF THE TOWN OF INNISFIL

(Witness) (Buyer/Authorized Signing Officer) (Seal) DATE.....
 (Witness) (Buyer/Authorized Signing Officer) (Seal) DATE.....

I, the Undersigned Seller, agree to the above Offer. ~~I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.~~

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

(Witness) (Seller/Authorized Signing Officer) (Seal) DATE.....
 (Witness) (Seller/Authorized Signing Officer) (Seal) DATE.....

SPOUSAL CONSENT: The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees with the Buyer that he/she will execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) (Spouse) (Seal) DATE.....

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at..... a.m./p.m. this..... day of....., 20.....
 (Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)

Listing Brokerage.....	Tel.No. (.....)
Co-op/Buyer Brokerage.....	Tel.No. (.....)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Seller) DATE.....
 (Seller) DATE.....
 Address for Service.....
 Tel.No. (.....)
 Seller's Lawyer: **HGR Graham Partners LLP (George G. Cameron)**
 Address: **190 Cundies Road East, #107, Barrie**
 (705) 737-1811 (705) 737-5390
 Tel.No. FAX No.

(Buyer) DATE.....
 (Buyer) DATE.....
 Address for Service.....
 Tel.No. (.....)
 Buyer's Lawyer: **Loopstra, Nixon**
 Address: **135 Queen's Plate Dr, #600, Toronto**
 (416) 746-4710 (416) 746-8319
 Tel.No. FAX No.

FOR OFFICE USE ONLY		COMMISSION TRUST AGREEMENT	
<p>To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale; In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.</p>			
DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale.		Acknowledged by:	
..... (Authorized to bind the Listing Brokerage)	 (Authorized to bind the Co-operating Brokerage)	

**Schedule A
Agreement of Purchase and Sale – Commercial**

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, THE CORPORATION OF THE TOWN OF INNISFIL....., and

SELLER, INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED.....

for the purchase and sale of **2061 Commerce Park Drive**.....

..... dated the day of **May**....., 20**12**.....

Buyer agrees to pay the balance as follows:

1. The Buyer agrees to pay the balance of the purchase price, subject to adjustments, by bank draft or certified cheque to the Seller on the completion of this transaction.

2. This Agreement is conditional until 6:00 p.m. June 30th, 2012 (the "Condition Date") upon each of the Buyer and Seller obtaining the requisite corporate or municipal authority, as the case may be, for the purchase and sale of the subject Property substantially as set forth herein (hereinafter, the "Approval Conditions"). If either the Buyer or Seller fails to satisfy the Approval Conditions by the Condition Date, then this Agreement shall be at an end, the Deposit shall be returned to the Buyer and each of the Parties shall be relieved of their respective rights, entitlements and obligations herein.

3. Following Closing the Buyer shall Lease to the Seller the Subject Property upon the following terms and conditions:

(a) The Seller, in its capacity as tenant, shall enter into the standard form of Lease of the Buyer, in its capacity as Landlord, on or before Closing, which Lease shall incorporate the terms and conditions set forth herein;

(b) The term of the Lease shall be from the date of Closing until the 31st day of January, 2014; and

(c) The Seller, as "tenant" under the Lease:

- I. shall pay Gross Rent at the rate of \$2,685.00 per month; and**
- II. shall pay the cost of its own utilities and insurance.**

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 



**ANDREW, THOMPSON
& ASSOCIATES LTD.**

642 Welham Road, Suite 103
Barrie, ON L4N 9A1
PHONE 705-721-1596 FAX 705-721-5183
WEB www.andrew-thompson.on.ca



April 30, 2012

Innisfil Hydro Distribution Systems Limited
2073 Commerce Park Drive
Innisfil, ON L9S 4A2

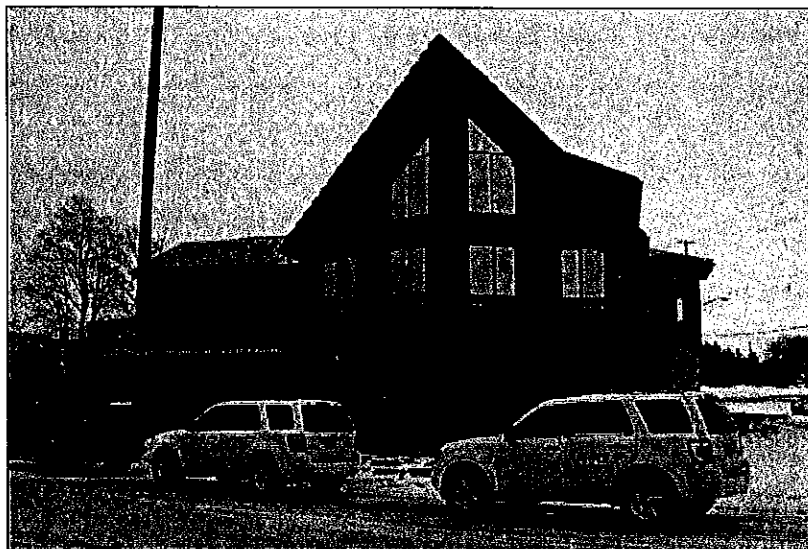
Attention: Mr. George Shaparew

Re: 2061 Commerce Park Road, Innisfil, ON

Dear Mr. Shaparew:

This letter is to provide an estimate of market rent for **2061 Commerce Park Road, Innisfil** for a period of 1 ½ years on a net basis with the tenant paying all costs. The subject property was previously described in the appraisal report of "2061 & 2073 Commerce Park Road, Innisfil" dated January 25, 2012. This letter and the estimated rent apply to 2061 Commerce Park Road only. The subject property is assumed to be as described in the referenced appraisal report dated January 25, 2012. This letter should be read in conjunction with the originally prepared report.

The subject property represents 1.07 acre site improved with a 3,680 sq.ft. log residence utilized as office space. This building does not represent typical office space by modern standards but is considered to be functional.



The following chart summarizes leases of industrial office / service commercial space considered similar:

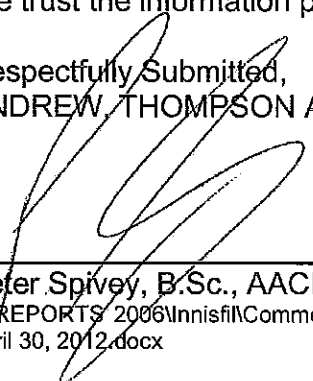
#	LOCATION	LEASED AREA SQ.FT.	COMMENT	RATE/SQ.FT.
Industrial Office / Service Commercial				
1.	#V – 142 Commerce Park Drive, Barrie	3,133	Lease of industrial office space in the City of Barrie's south end	\$9.00 net
2.	#C1 & D – 580 Bryne Drive, Barrie	2,900	Lease of office space in the City of Barrie's south end	\$9.00 net
3.	65 Reive Boulevard, Innisfil	2,121	Service Commercial / Office space located near Cookstown with Highway exposure.	\$7.40 net
4.	990 Innisfil Beach Road, Innisfil	1,400	New office building in Alcona but situated on a small site.	\$10.00 net
5.	#3 & 4 – 100 Caplan Avenue	3,300	Lease of industrial office space in the City of Barrie's south end	\$10.50 net
6.	#A – 566 Bryne Drive, Barrie	1,779	Lease of office space in the City of Barrie's south end	\$8.50 net
7.	# 8 & 9 – 70 Ellis Drive, Barrie	4,950	Lease of industrial space with 26' ceilings and 2 drive-in doors.	\$6.50 net

The above chart provides 7 references of recently leased space considered useful in identifying an appropriate lease rate for the subject property. The referenced leases provide a range of \$6.50 per sq.ft. to \$10.50 per sq.ft.. All of the leases are on a net basis. The lower end of the range is indicative of service commercial/industrial space with a small office component. These facilities would lease at a lower rate than expected for the subject property. The upper end of the range represents office space located in a good service commercial location or modern office space in a downtown location. In both cases the office property in these locations is considered superior to the subject. The strongest support for the subject property is considered to be in the range of \$8.50 per sq.ft. to \$9.00 per sq.ft. as indicated by a number of leases of office space situated within industrial areas.

Therefore, we conclude a lease rate for the subject property of **\$8.75 per sq.ft.** or **\$32,220 per annum** on a net basis.

We trust the information provided meets with your approval.

Respectfully Submitted,
ANDREW THOMPSON AND ASSOCIATES LTD.


Peter Spivey, B.Sc., AACI, P.App

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**ANDREW, THOMPSON
& ASSOCIATES LTD.**

642 Welham Road, Suite 103
Barrie, ON L4N 9A1
PHONE 705-721-1596 FAX 705-721-5183
WEB www.andrew-thompson.on.ca



January 25, 2012

Innisfil Hydro Distribution Systems Limited
2073 Commerce Park Drive
Innisfil, ON L9S 4A2

Attention: Mr. George Shaparew

Re: 2061 & 2073 Commerce Park Drive, Innisfil, ON

Dear Mr. Shaparew:

At your request, we provide this report describing our investigation and analysis of the above referenced property, as of January 12, 2012. We understand the purpose of this report is to estimate market value to assist with an internal review. This report is to be relied upon by the client only unless otherwise stated. The property rights appraised in this report are the fee simple ownership, assuming the title to be free and clear of all encumbrances, unless otherwise stated.

As a result of our investigation it is our professional opinion that the subject property in its Highest and Best Use as a mixed use commercial property has a current market value of:

2073 Commerce Park Drive	\$550,000
2061 Commerce Park Drive	\$500,000
Combined Subject Property	\$925,000

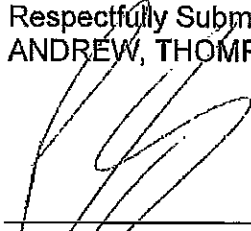
It should be noted that two portables are situated on the combined subject property and have not been included in the value estimates as indicated above. Based on a previous consulting letter dated April 2008, we identified the combined value of the portables to be in the range of \$36,000 to \$40,000. Assuming that no major changes have been made to the portables, the value estimates provided would still apply.

In this case we have not invoked any Extraordinary or Hypothetical Assumptions.

This current short narrative report is provided in a format that is consistent with the Terms of Reference and in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (C-USPAP) adopted by the Appraisal Institute of Canada.

We trust the information provided meets with your approval and thank you for considering our firm.

Respectfully Submitted,
ANDREW, THOMPSON AND ASSOCIATES LTD.



Peter Spivey, B.Sc., AACI, P. App.

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8. CORPORATE SERVICES UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 12-56

Be it resolved that the Board hereby receive the Corporate Services Update staff report, for information purposes.

CARRIED

9. BUILDING MOVE UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-57

Be it resolved that the Board hereby receive the Building Move Update staff report, and

Provide the authority for staff to sign the necessary architectural engagement documents with McNight, Charron, Laurin Inc. Architects, and

Pending Council approval, sell the west lot (2061 Commerce Park Drive in Innisfil) to the Town of Innisfil for the appraised value of \$500k and lease back the building and associated lands for the appraised value of \$32,220 / year, and

Pending Council approval, purchase 3.5 acres at the Town of Innisfil Administration Campus (2147 Innisfil Beach Road in Innisfil) for the appraised value of \$650k, and

Provide direction to staff with the intent to demolish the Old Town Hall Building and for the construction of a head office and operations yard following the completion of the acquisition of 2147 Innisfil Beach Road in Innisfil.

CARRIED

10. HEALTH & SAFETY UPDATE

MOVED BY: John Skorobohacz
SECONDED BY: Robert Lake

RESOLUTION NO. 12-58

Be it resolved that the Board hereby receive the Health & Safety Committee staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

JUNE 18, 2012

Staff Report

BUILDING MOVE UPDATE

Summary

A Staff Report is anticipated to be presented to Town Council on June 20 to receive approval to purchase 2061 Commerce Park Dr. from Innisfil Hydro and to sell 2147 Innisfil Beach Rd. to Innisfil Hydro. As of June 11, the draft staff report was not available for disclosure.

The purchase agreement to sell 2061 Commerce Park Dr. has been amended to reflect a closing date of February 28, 2014 and a license for the Town of Innisfil to construct a water reservoir and pumping station effective July 31, 2012. This amendment saves Innisfil Hydro from dealing with capital gains within the cost of service rate application and saves Innisfil Hydro \$32k in lease payments.

Updated architectural drawings have been attached for review. These drawings were sent to senior management staff at the Town for their review and comments.

Recommendation

It is recommended that the Board receive this report, and

Pending Council approval, the Board approve the sale of 2061 Commerce Park Dr. to the Town of Innisfil for \$500,000 effective February 28, 2014 and provide the Town of Innisfil a license to construct a water reservoir and pumping station on 2061 Commerce Park Dr. effective July 31, 2012.

This Agreement of Purchase and Sale dated this day of May 20. 12

BUYER, THE CORPORATION OF THE TOWN OF INNISFIL agrees to purchase from
(Full legal names of all Buyers)

SELLER, INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address. 2061 Commerce Park Drive

fronting on the east side of Commerce Park Drive

in the Town of Innisfil

and having a frontage of 146 m more or less by a depth of 77 m (irreg) more or less

and legally described as Lot 27, Plan 1640

..... (the "property").
(Legal description of land including easements not described elsewhere)

PURCHASE PRICE: Dollars (CDN\$) 500,000.00

Five Hundred Thousand Dollars

DEPOSIT: Buyer submits herewith
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

One Dollars (CDN\$) 1.00

by negotiable cheque payable to the Seller "Deposit Holder" to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A ~~A~~ & B (survey) attached hereto form(s) part of this Agreement.

1. **IRREVOCABILITY:** This Offer shall be irrevocable by Seller until 6:00 XX /p.m. on the 30 day of May 20. 12, after which time, if not accepted, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the 31st day of July 20. 12 Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 



~~3. **NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.~~

FAX No.: FAX No.:
 (For delivery of Documents to Seller) (For delivery of Documents to Buyer)

Email Address: Email Address:
 (For delivery of Documents to Seller) (For delivery of Documents to Buyer)

4. **CHATELS INCLUDED:** n/a

.....

.....

.....

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:** n/a

.....

.....

.....

6. **RENTAL ITEMS:** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable: n/a

.....

.....

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the purchase price.

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 20th day of July 20..... 12..... (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (..... **commercial!**) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

INITIALS OF BUYER(S): **INITIALS OF SELLER(S):**

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.
10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.
11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.
12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.
13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this Offer there shall be a binding agreement of purchase and sale between Buyer and Seller.
14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.
15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.

INITIALS OF BUYER(S):



INITIALS OF SELLER(S):





16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
17. **RESIDENCY:** Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate or a statutory declaration that Seller is not then a non-resident of Canada.
18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
20. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money may be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless Seller's spouse has executed the consent hereinafter provided.
23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
25. **CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
26. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
27. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):



INITIALS OF SELLER(S):





28. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

THE CORPORATION OF THE TOWN OF INNISFIL

(Witness) (Buyer/Authorized Signing Officer) DATE.....
 (Witness) (Buyer/Authorized Signing Officer) DATE.....

I, the Undersigned Seller, agree to the above Offer. ~~Hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.~~

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

(Witness) (Seller/Authorized Signing Officer) DATE.....
 (Witness) (Seller/Authorized Signing Officer) DATE.....

SPOUSAL CONSENT: The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees with the Buyer that he/she will execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) (Spouse) DATE.....

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at a.m./p.m. this day of 20.....

(Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)

Listing Brokerage Tel.No. (.....).....
 Co-op/Buyer Brokerage Tel.No. (.....).....

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Seller) DATE.....
 (Seller) DATE.....
 Address for Service Tel.No. (.....).....
 Seller's Lawyer: **HGR Graham Partners LLP (George G. Cameron)**
 Address: **190 Cundles Road East, #107, Barrie**
 (705) 737-1811 (705) 737-5390
 Tel.No. FAX No.

(Buyer) DATE.....
 (Buyer) DATE.....
 Address for Service Tel.No. (.....).....
 Buyer's Lawyer: **Loopstra, Nixon**
 Address: **135 Queen's Plate Dr., #600, Toronto**
 (416) 746-4710 (416) 746-8319
 Tel.No. FAX No.

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale;
 In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by:
 (Authorized to bind the Listing Brokerage) (Authorized to bind the Co-operating Brokerage)

Schedule A

Agreement of Purchase and Sale – Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, THE CORPORATION OF THE TOWN OF INNISFIL, and

SELLER, INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

for the purchase and sale of **2061 Commerce Park Drive**

..... dated the day of **May**, 20 **12**

Buyer agrees to pay the balance as follows:

1. The Buyer agrees to pay the balance of the purchase price, subject to adjustments, by bank draft or certified cheque to the Seller on the completion of this transaction.

2. This Agreement is conditional until 6:00 p.m. June 30th, 2012 (the "Condition Date") upon each of the Buyer and Seller obtaining the requisite corporate or municipal authority, as the case may be, for the purchase and sale of the subject Property substantially as set forth herein (hereinafter, the "Approval Conditions"). If either the Buyer or Seller fails to satisfy the Approval Conditions by the Condition Date, then this Agreement shall be at an end, the Deposit shall be returned to the Buyer and each of the Parties shall be relieved of their respective rights, entitlements and obligations herein.

3. Following Closing the Buyer shall Lease to the Seller the Subject Property upon the following terms and conditions:

(a) The Seller, in its capacity as tenant, shall enter into the standard form of Lease of the Buyer, in its capacity as Landlord, on or before Closing, which Lease shall incorporate the terms and conditions set forth herein;

(b) The term of the Lease shall be from the date of Closing until the 31st day of January, 2014; and

(c) The Seller, as "tenant" under the Lease:

I. shall pay Gross Rent at the rate of \$2,685.00 per month; and

II. shall pay the cost of its own utilities and insurance.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 



Amendment to Agreement of Purchase and Sale

BETWEEN BUYER: THE CORPORATION OF THE TOWN OF INNISFIL

AND SELLER: INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

RE: Agreement of Purchase and Sale between the Seller and Buyer, dated the day of **May** 20 **12**

concerning the property known as **2061 Commerce Park Drive, Town of Innisfil**

..... as more particularly described in the aforementioned Agreement.

The Buyer(s) and Seller(s) herein agree to the following Amendments to the aforementioned Agreement:

Delete:

Completion Date: July 31, 2012
Requisition Date: July 20, 2012

Insert:

Completion Date: February 28, 2014
Requisition Date: February 19, 2014

The Purchaser shall have a Lease to occupy the Property by way of License (the "License") from and after August 1, 2012 for the purposes of installing a reservoir and pumping station (the "Works"). The Purchaser shall be responsible for arranging all regulatory approvals for construction of the Works and for payment of all costs related to the Works. The Purchaser shall indemnify and save the Vendor harmless from and against any and all costs, liabilities, damages or any other form of obligation whatsoever that may arise out of or in connection with the Works. The Purchaser shall maintain builders risk and liability coverage for its occupation of the Property under Licence in the form and content satisfactory to the Vendor, which coverage shall name the Vendor as a co-insured party. The Purchaser shall provide the Vendor with a certificate confirming the foregoing coverage prior to closing.

INITIALS OF BUYER(S):

○

INITIALS OF SELLER(S):

○



IRREVOCABILITY: This Offer to Amend the Agreement shall be irrevocable by Seller until 5 a.m./p.m. on the 22nd day of June, 2012, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor. Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard. **All other Terms and Conditions in the aforementioned Agreement to remain the same.**

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) (Buyer/Seller) (Seal) DATE.....

(Witness) (Buyer/Seller) (Seal) DATE.....

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) (Buyer/Seller) (Seal) DATE.....

(Witness) (Buyer/Seller) (Seal) DATE.....

The Undersigned Spouse of the Seller hereby consents to the Amendments hereinbefore set out.

(Witness) (Spouse) (Seal) DATE.....

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Amendment to Agreement with all changes both typed and written was finally accepted by all parties at a.m./p.m. this day of, 20.....

.....
(Signature of Seller or Buyer)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

(Seller) DATE.....

(Seller) DATE.....

Address for Service.....

Tel.No. (.....)

Seller's Lawyer HGR Graham Partners LLP (George Cameron)

Address 190 Cundles Road East, Suite 107 Barrie, ON

(705) 737-1811 (705) 737-5390

Tel.No. FAX No.

(Buyer) DATE.....

(Buyer) DATE.....

Address for Service.....

Tel.No. (.....)

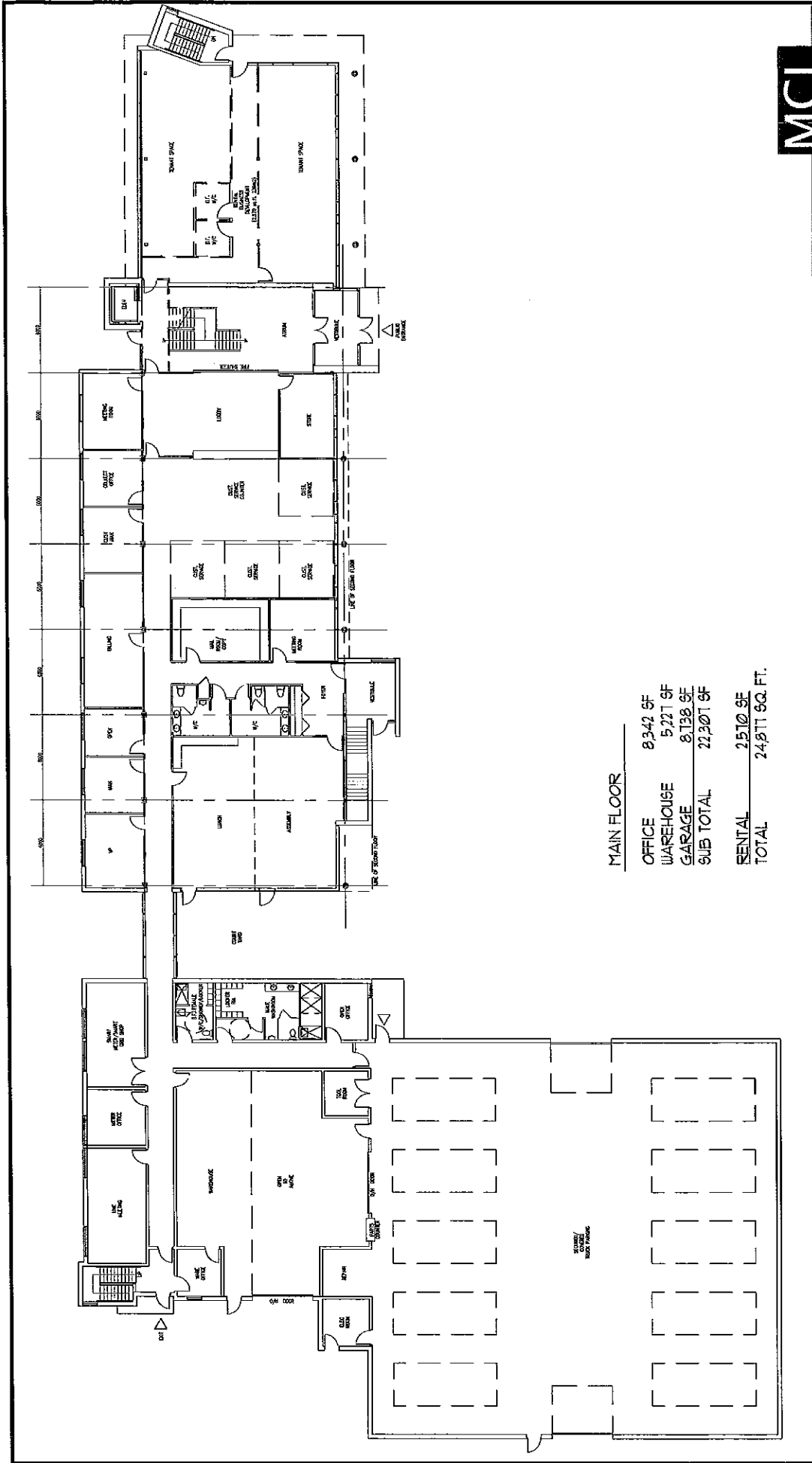
Buyer's Lawyer Loopstra Nixon

Address 135 Queen's Plate Drive Suite 600, Toronto, ON

(416) 746-4710 (416) 746-8319

Tel.No. FAX No.





MAIN FLOOR

OFFICE	8,342 SF
WAREHOUSE	5,227 SF
GARAGE	8,198 SF
SUB TOTAL	22,307 SF
RENTAL	2,510 \$/SF
TOTAL	24,817 \$/SQ. FT.

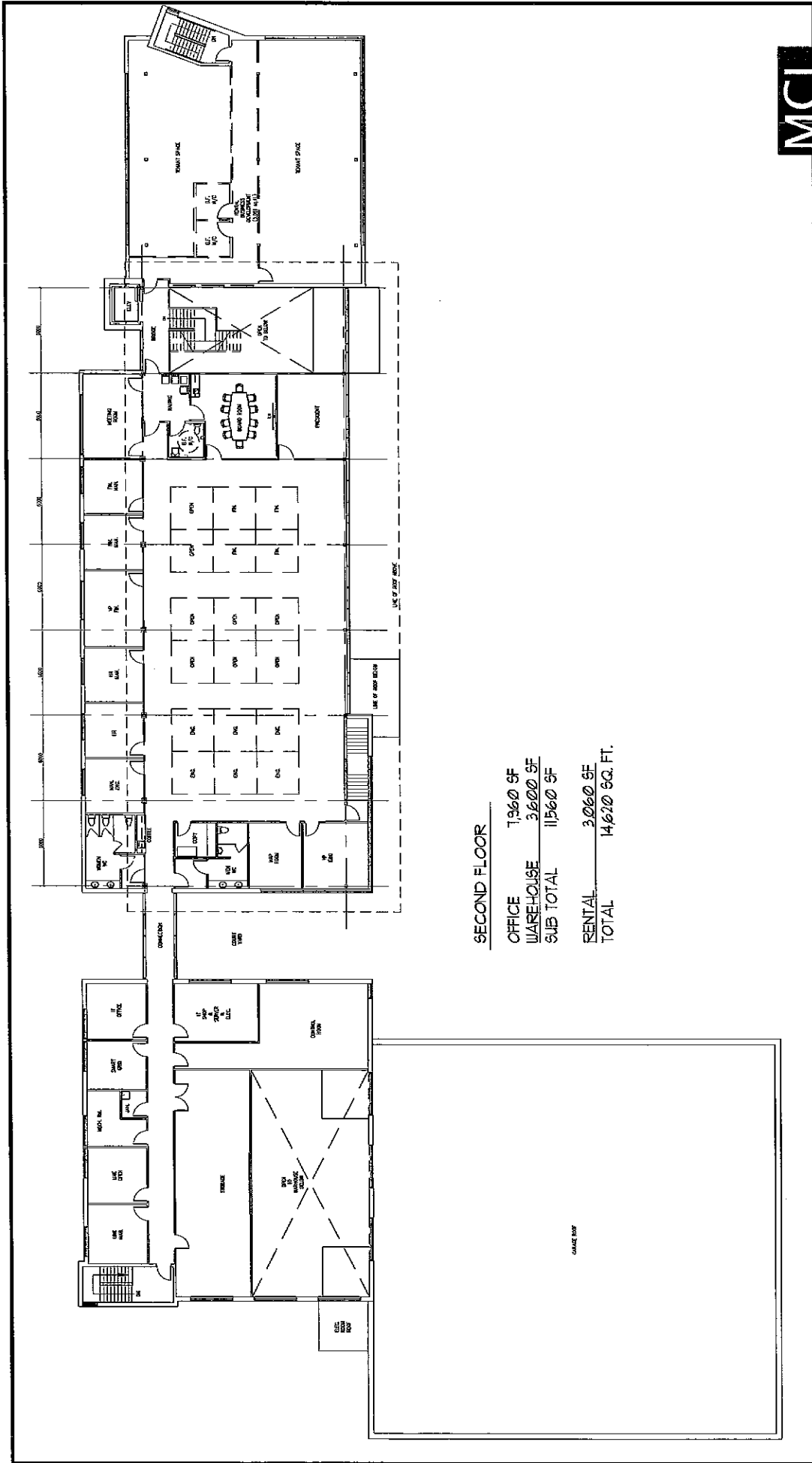


**MCKNIGHT
CHARRON
LAURINC
ARCHITECTS**

June 7th, 2012

Main Floor Plan
Design Development

INNISFIL HYDRO BUILDING COMPLEX
2101 Innisfil Beach Road
Innisfil, Ontario, L5S 1A1



SECOND FLOOR

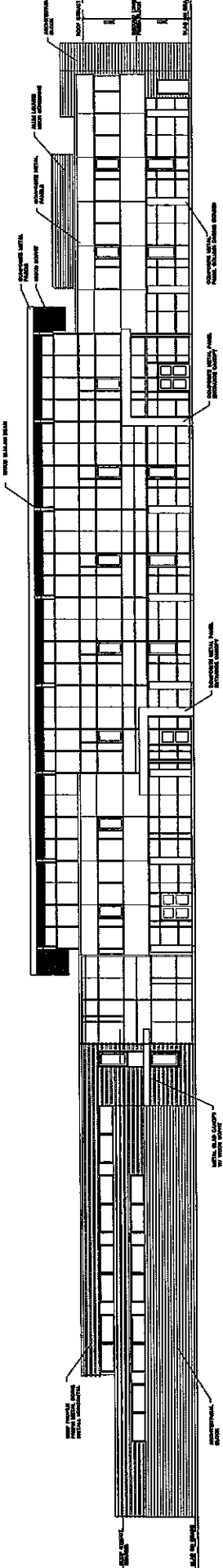
OFFICE	7,960 SF
WAREHOUSE	3,600 SF
SUB TOTAL	11,560 SF
RENTAL	3,060 SF
TOTAL	14,620 SQ. FT.



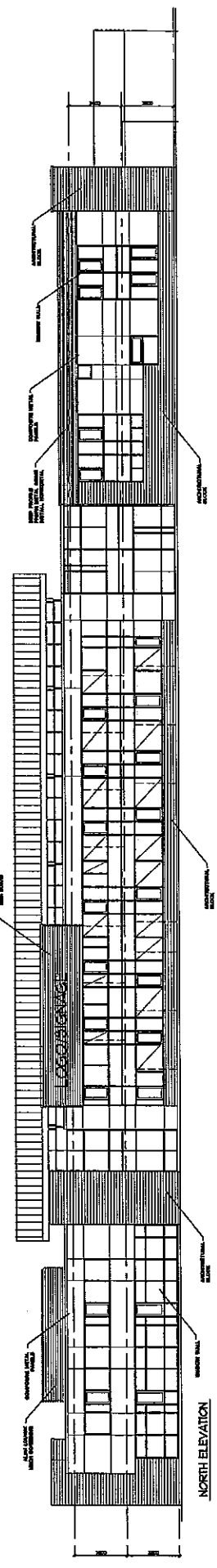
June 7th, 2012

Second Floor Plan
Design Development

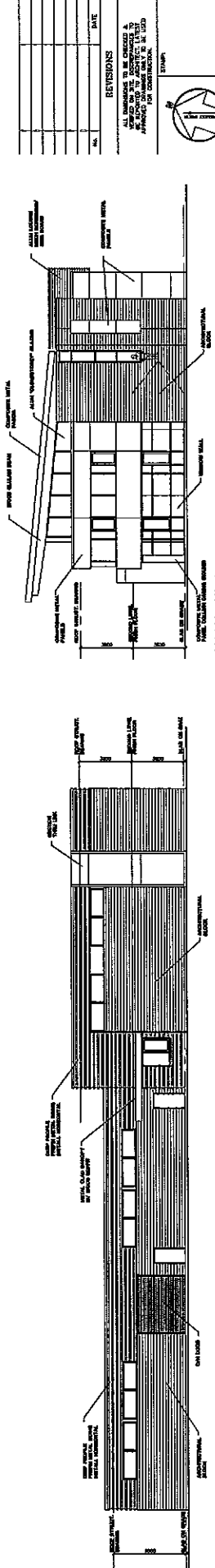
INNISFIL HYDRO BUILDING COMPLEX
2101 Innisfil Beach Road
Innisfil, Ontario, L9S 1A1



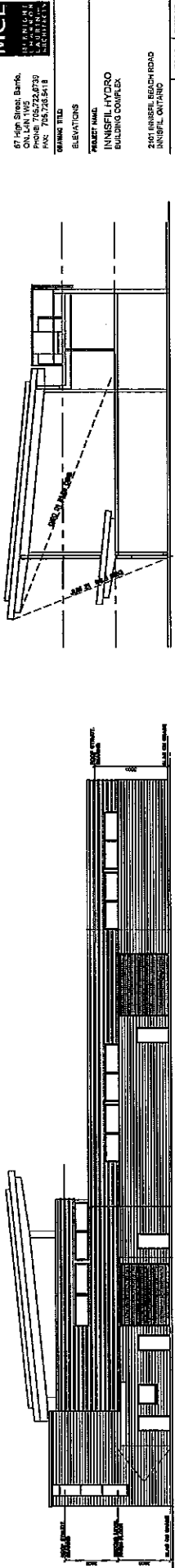
SOUTH ELEVATION



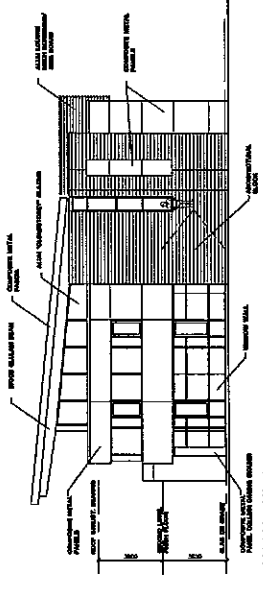
NORTH ELEVATION



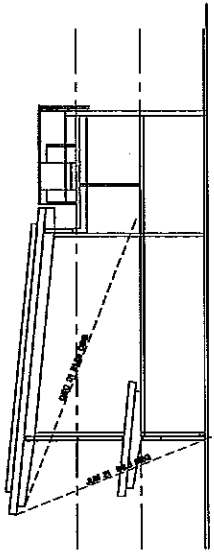
EAST ELEVATION



WEST ELEVATION



EAST ELEVATION

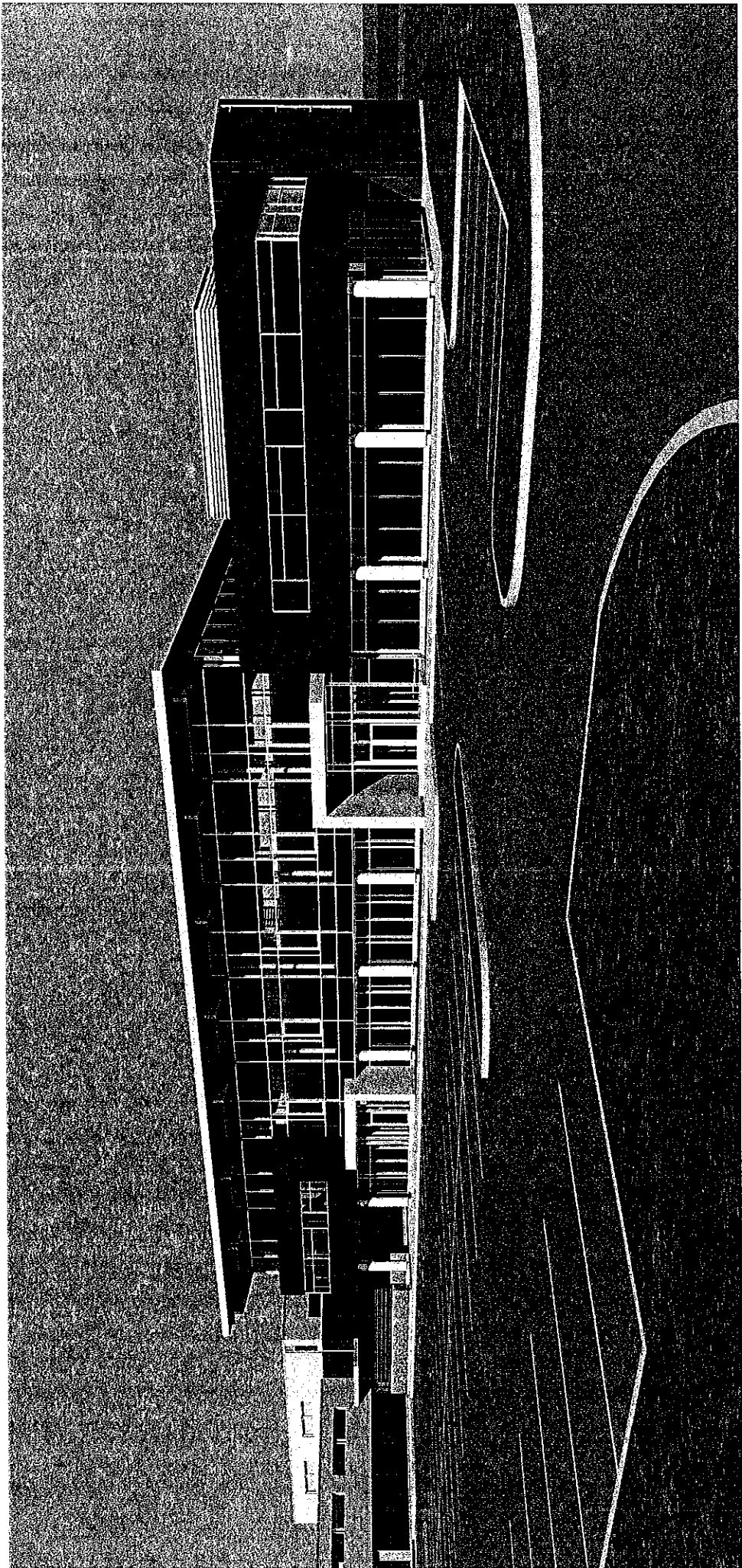


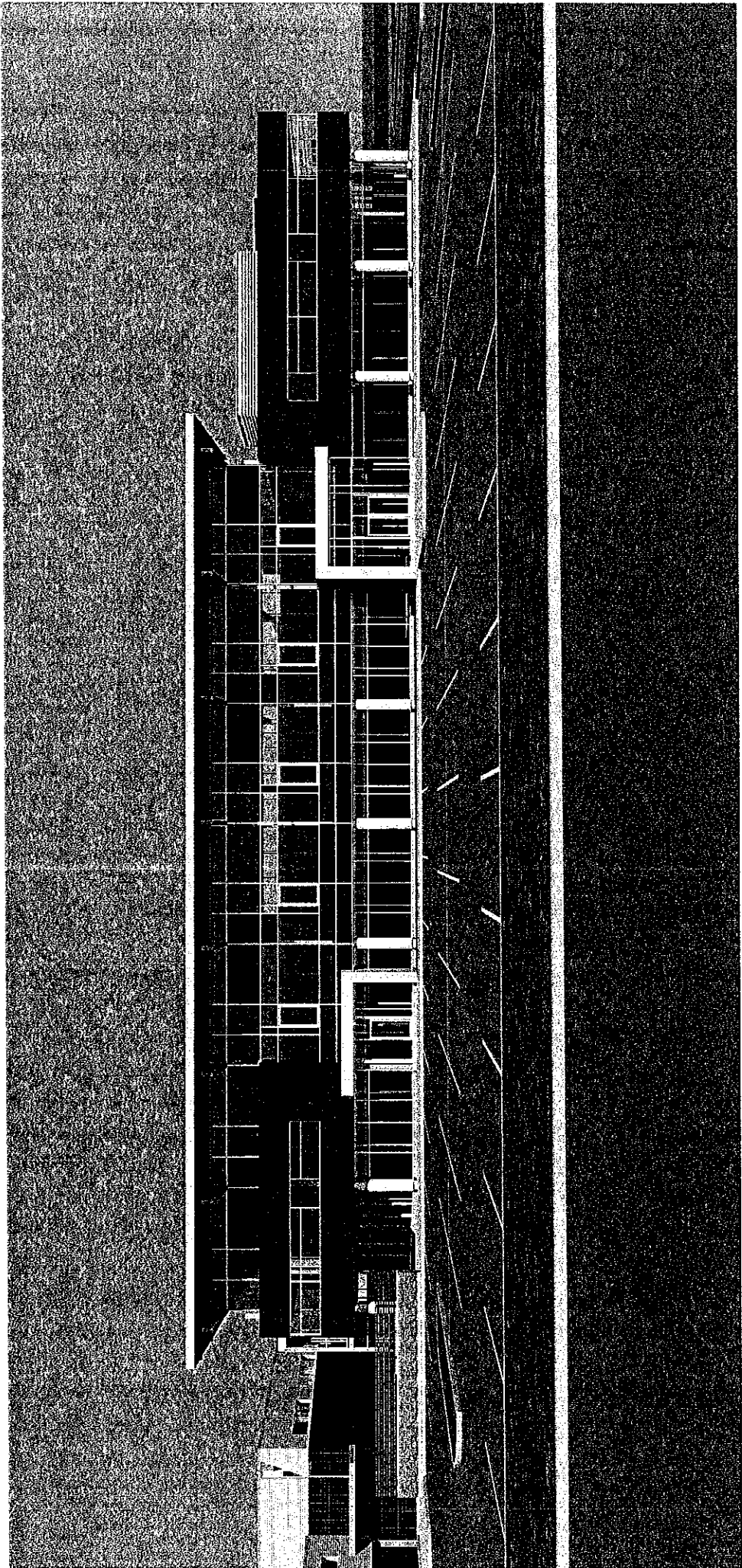
CROSS SECTION

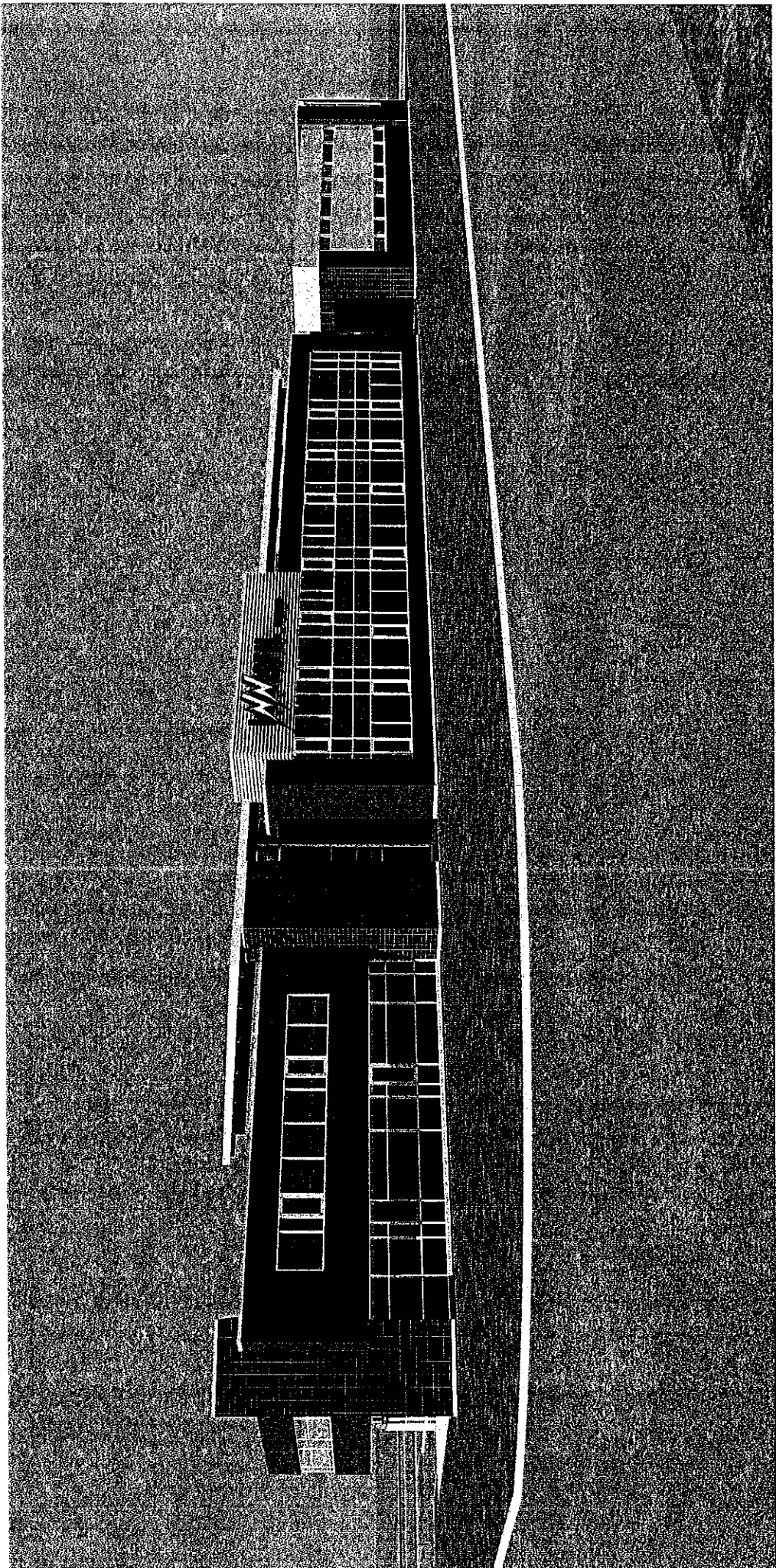
NO.	DATE	REVISIONS

DRAWING TO BE CHECKED BY ARCHITECT OR ENGINEER FOR CONSTRUCTION.
 THIS DRAWING IS VALID ONLY IN THE JURISDICTION OF THE PROVINCE OF ONTARIO.
 STAMP: [North Arrow]

MCL
 87 High Street, Barrie,
 ON, L4N 1W5
 TEL: 705-733-5570
 FAX: 705-733-5418
 GRAND TRAIL
 ELEVATIONS
 PROJECT NAME:
 INNISFIL HYDRO
 BUILDING COMPLEX
 2141 WATKINS BEACH ROAD
 INNISFIL, ONTARIO
 DATE: MAY 28, 1978
 JOB NO.
 DRAWING BY: LJO
 SHEET NO. A3.1
 SCALE: 1/8" = 1'-0"







8. BUILDING MOVE UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 12-67

Be it resolved that the Board hereby receive the Building Move Update staff report, and

That Board Resolution 12-57 be amended to reflect the Board's approval to sell 2061 Commerce Park Drive to the Town of Innisfil for the amount of \$500,000 effective February 28, 2014, and

Further that the Board approve the issuance of the license to the Town of Innisfil for the purpose of allowing the Town to construct a water reservoir and pumping station on part of 2061 Commerce Park Drive.

CARRIED

10. INFORMATIONAL ITEMS

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-68

Be it resolved that the Board hereby receive the Informational Items staff report, for information purposes.

CARRIED

12. ADJOURNMENT

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-69

Be it resolved that the meeting of the Board of Directors of Innisfil Hydro Distribution Systems Limited adjourn at the hour of 12:00 p.m.

CARRIED

CHAIRMAN

SECRETARY

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

JULY 16, 2012

Staff Report

BUILDING MOVE UPDATE

Summary

A Staff Report is being presented to Town Council on July 11 to receive approval to purchase 2061 Commerce Park Dr. from Innisfil Hydro and to sell 2147 Innisfil Beach Rd. to Innisfil Hydro (report attached). A verbal update of Council's decision will be provided at the meeting.

Updated architectural drawings have been attached for review along with an update from the LEED consultant. To pursue GOLD, the project needs almost all of the pending credits (~20).

To pursue SILVER, the project needs approximately half of them (~10) and we will need to decide which ones to pursue. It is likely to achieve GOLD, the following two aspects will need to be incorporated:

1. Rainwater Harvesting Cistern for Additional Water Savings = +4 points (cost between \$35-\$45k)
2. Measurement & Verification = +3 points (cost between \$55k-\$75k for additional metering equipment and M&V consulting)

Due to the anticipated extra cost going from SILVER to GOLD, (\$90k - \$120k), it would seem more prudent to target SILVER, the same as the New Town Hall and the Innisfil Recreational Complex.

Recommendation

It is recommended that the Board receive this report and direct staff to target LEED Silver for the new building.

THE CORPORATION OF THE TOWN OF INNISFIL

Roads Services
a Division of
Infrastructure & Engineering

2183 Innisfil Beach Road
Innisfil, ON
L9S 1A3



Town Hall
2101 Innisfil Beach Road
Innisfil, ON, L9S 1A1

Tel:(705) 436-3710
1-(888) 436-3710
Fax:(705) 436-7120
Web Site: www.innisfil.ca

June 18, 2012

George Shaparew
President & CEO
Innisfil Hydro Distribution Systems Limited
2073 Commerce Park Dr.
Innisfil ON L9S 4A2

Dear George:

Subject: Letter of Interest, Truck Parking

I would like to take this opportunity to acknowledge that the Town of Innisfil Road's Department has an interest in leasing up to five truck parking bays at Innisfil Hydro's new heated garage planned for January 2014. I understand the appraisal for the rental is \$500 per month per bay. This will be subject to Council approval of a negotiated lease agreement and budget approvals.

The Roads Department is planning on building a new salt dome and a new operations facility in the future and therefore looking for some heated storage for our equipment until our new facilities move forward. The lease agreement will require a standard 12 month cancellation clause.

I trust this letter of interest is sufficient for your needs and we will need to have further discussion in the future.

Sincerely,

R. Wayne Young
Manager of Roads

Copy: Jason Reynar, Town Clerk
Andrew Campbell, Director of Infrastructure



Rec'd July 3/12

Council Date July 11/12

Item # D.7

Action Taken

Resolution #

TOWN OF INNISFIL STAFF REPORT

STAFF REPORT NO. DSR-119-12

DATE: July 11, 2012

TO: Mayor, Deputy Mayor and Members of Council

FROM: Sid Armatage, Manager of Parks, Recreation & Facilities
Grant Shellswell, Manager of Engineering
Jason Reynar, Director of Legal Services/Town Clerk

SUBJECT: Land Disposition: Old Town Hall
License and Future Acquisition: Innisfil Heights Reservoir

RECOMMENDATION

That Staff Report DSR-119-12 dated July 11, 2012 be received;

That Council authorizes:

- (a) the Mayor and Clerk to execute Purchase and Sale Agreements between The Corporation of the Town of Innisfil and Innisfil Hydro Distribution Systems Limited for
 - i. the sale of 3.5 acres of land to Innisfil Hydro, known municipally as 2147 Innisfil Beach Road where the former Town Hall building is located, at an appraised price of \$650,000; and,
 - ii. the purchase of 1.07 acres of land from Innisfil Hydro, known municipally as 2061 Commerce Park Drive, at an appraised price of \$500,000 with a closing in February 2014 to construct Phase 1 of the new Innisfil Heights Reservoir;
- (b) the Mayor and Clerk to execute a License Agreement with Innisfil Hydro Distribution Systems for 2061 Commerce Park Drive until the purchase closes to facilitate the commencement of the construction of the reservoir;
- (c) the Mayor and Clerk to execute a Lease Agreement with Innisfil Hydro Distribution Systems for use of five indoor vehicle bays at the newly constructed Hydro Facility at the 2147 Innisfil Beach Road;

That Council exercises its discretion in determining that the Old Town Hall Sale is exempt from the disposition of land procedure by operation of Section 4(h) of the Town's Disposition of Land Corporate Policy No. 18-07; and,

That the final agreements be provided to Council for information once complete.

BACKGROUND

Innisfil Heights Reservoir

The existing Innisfil Heights Reservoir does not have sufficient capacity for the continued development of the existing Innisfil Heights employment lands. To address this infrastructure need, the Town initiated an EA in 2009 to assess the location for a new reservoir.

In 2011, the Town completed a Master Water and Wastewater Plan ("Master Plan") that assessed the Innisfil Heights employment lands reservoir capacity need for the current and future expansion of the employment lands. The Master Plan concluded that the size of the reservoir would need to be significantly larger to meet the future growth potential of the employment lands and it would also service the proposed Campus Node.

A new alternate location was presented in 2011 and approved for construction in the budget. Staff proceeded with a Municipal Class Environmental Assessment ("EA") update to evaluate the alternate location. The EA update concluded that the new preferred site for the reservoir was Innisfil Hydro's adjoining properties at 2061 ("Parcel A") and 2073 ("Parcel B") Commerce Park Drive (see attached Key Map).

Old Town Hall

The old Town Hall was occupied by town staff and was home to the Council Chambers until the Spring of 2008 when the new Town Hall was constructed. Since that time, the building has been vacant except for a year when the South Simcoe police north division was located there while the police station was renovated.

Prior to the renovations of the police station, a Council Building Committee reviewed the possibility of renovating the Old Town Hall for the police. The assessment identified that extensive renovations would be required including electrical upgrade, HVAC replacement, addition of an elevator for access to each floor, brick facing replacement and roof replacement. The cost estimate for this work was estimated at \$1.9 million. During the vacancy period, other uses of the building were explored (e.g. community use or private sector tenants), but the renovation costs resulted in little or no interest.

ANALYSIS/CONSIDERATION

Innisfil Heights Reservoir

The EA recommended that the reservoir be constructed below grade, which has the added benefit of being constructed in phases. Therefore, staff recommend proceeding with the construction of Phase 1 on Parcel A through its purchase at an appraised value of \$500,000. As the employment lands are expanded in the future and/or the Campus Node is developed, the Town will be able to expand the reservoir by purchasing Parcel B (appraised at \$550,000) in order to provide the required water storage volume. Hydro has committed to that transaction at a future date at the request of the Town. At this point, the next expansion of the reservoir will be

required between 2016 and 2020 with full build out by 2031.

In the meantime, staff recommend entering into a license with Hydro at no cost to permit the use of Parcel A until the closing of the transaction in February 2014. That date facilitates tax mitigation for Hydro and allows the Town to lock in the purchase price now.

Old Town Hall

Although discussions took place with Innisfil Hydro about renovating and occupying the old Town Hall building for their expanded administrative offices, the renovation cost was similarly prohibitive. As a result, staff recommend proceeding with the sale of the land at an appraised value of \$650,000 (see attached Design Map). The old Town Hall building will be demolished by Hydro and it will then construct a new facility equipped with space for a medical centre, as well as rental and business incubation.

The Hydro plans—which have been approved by its Board—also include an enlarged garage area that the Town would lease in order to shelter Roads Services equipment currently stored outside until plans and land acquisitions are finalized and construction of the sand and salt dome and operation facility are complete. There will also be a fenced storage area to the south of the building for hydro equipment and possible South Simcoe Police storage units.

Land Disposition Policy

The Town's Disposition of Land Corporate Policy sets out a procedure for disposing of municipal land, including a declaration that the land is surplus at a public meeting. Council has the discretion to waive those procedures where appropriate. Staff recommend that Council exercise its discretion given the complexity and interdependent elements of the transaction with Hydro.

OPTIONS / ALTERNATIVES

If Council chooses not to proceed as outlined in this report, Council could attempt to find other suitable land in the Innisfil Heights Area for acquisition, which may result in Innisfil Hydro having to put its relocation plans on hold. As well the Town would continue to carry the cost for ongoing expenses to operate the vacant old Town Hall building which has a present budget of \$8,300.

FINANCIAL CONSIDERATION

Old Town Hall

The overall impact of the sale of the old Town Hall property to the Town will be revenue of \$650,000 less legal and registration costs. The net proceeds from this land sale should be placed in the capital expenditure reserve fund.

Innisfil Heights Reservoir

Capital Budget (Land, Design, Approvals)	\$690,000
Land Transfer Tax	\$ 6475
HST (non-refundable)	\$ 8800
Expenses incurred	<u>-\$193,901</u>
Remaining Budget for Land Acquisition	<u>\$480,824</u>

Purchase Price (from Innisfil Hydro) \$500,000

Budget Deficit (within staff approval parameters) **-\$ 19,176**

The additional funds for the shortfall on the purchase of the reservoir property should be sourced from the same funding sources as the original project; being 13% (\$2,492.88) from Water Reserves and 87% (\$16,683.12) from Water Development Charges.

CONCLUSION

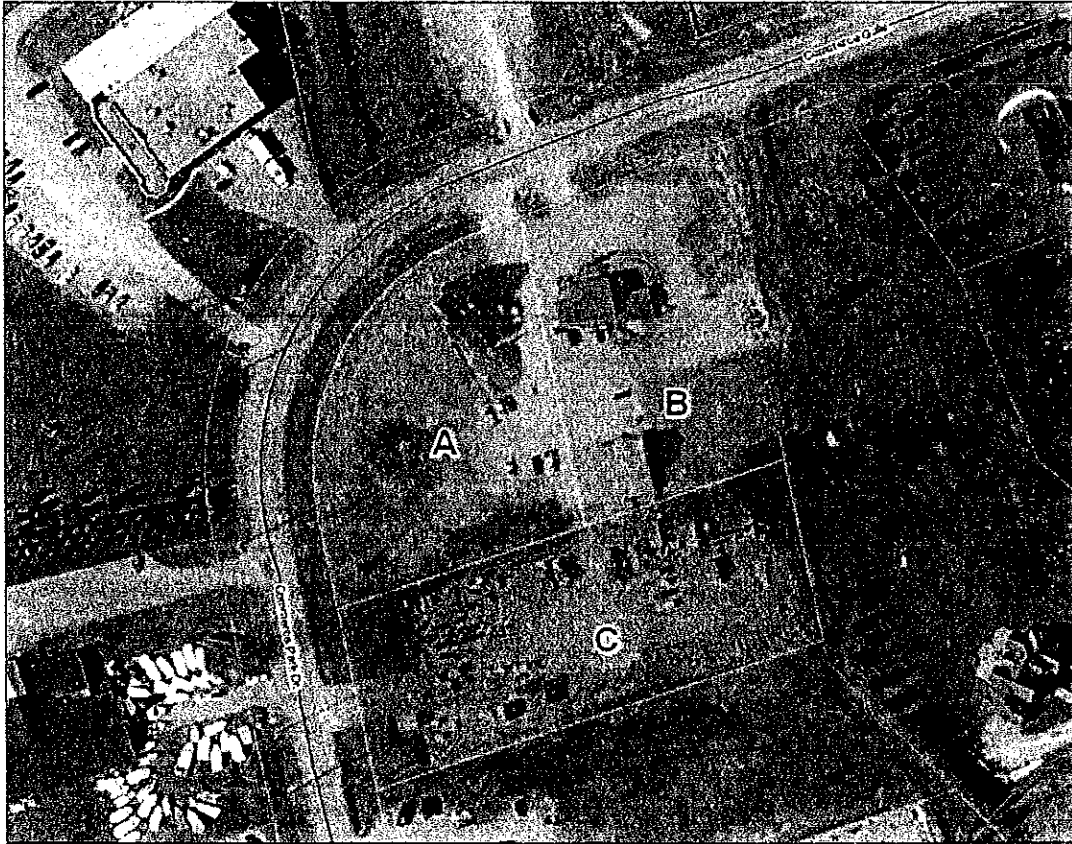
If Council approves of the actions outlined above, the next step will be to finalize and execute the agreements. The old Town Hall sale is anticipated to close in the next few weeks.

PREPARED AND REVIEWED BY:

Grant Shellswell, Manager of Engineering
Sid Armatage, Manager of Parks, Recreation & Facilities
Jason Reynar, Director of Legal Services/Town Clerk

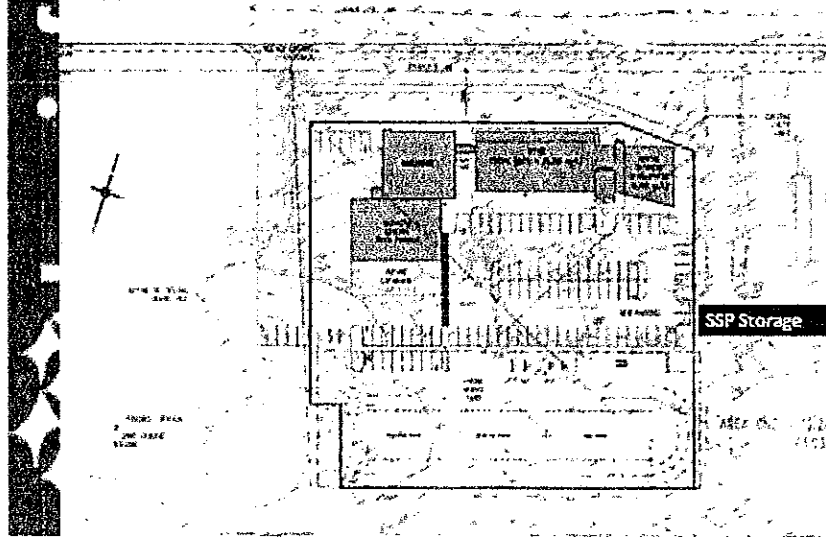
Attachments

- Hydro Properties Key Map (Parcels A & B – 2061 and 2073 Commerce Park Drive)
- Old Town Hall Design Map (2147 Innisfil Beach Road)



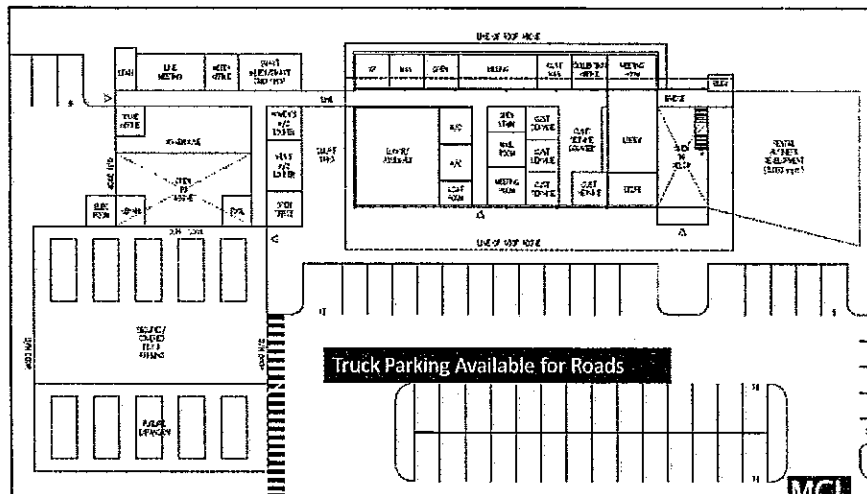
Innisfil Hydro – Parcels A & B (2061 & 2073 Commerce Park Drive respectively)

Old Town Hall Site, 3 Acre Allocation



First Floor

Medical Centre Rental



INNISFIL HYDRO DEMOLITION & NEW CONSTRUCTION
 2171 East Hill Road, In. Road
 In. Road, In. Road, In. Road

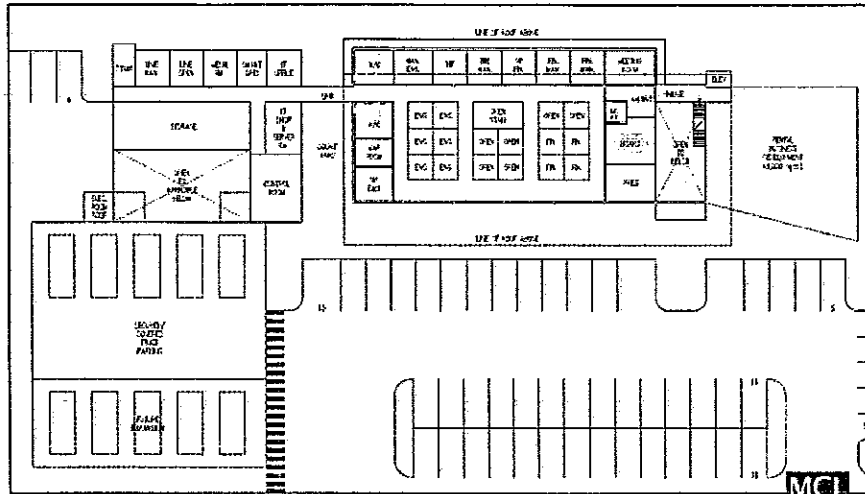
OPTION FIVE A1
 In. Road, In. Road, In. Road

MARCH 22ND, 2012



Second Floor

Business Development
Rental Space

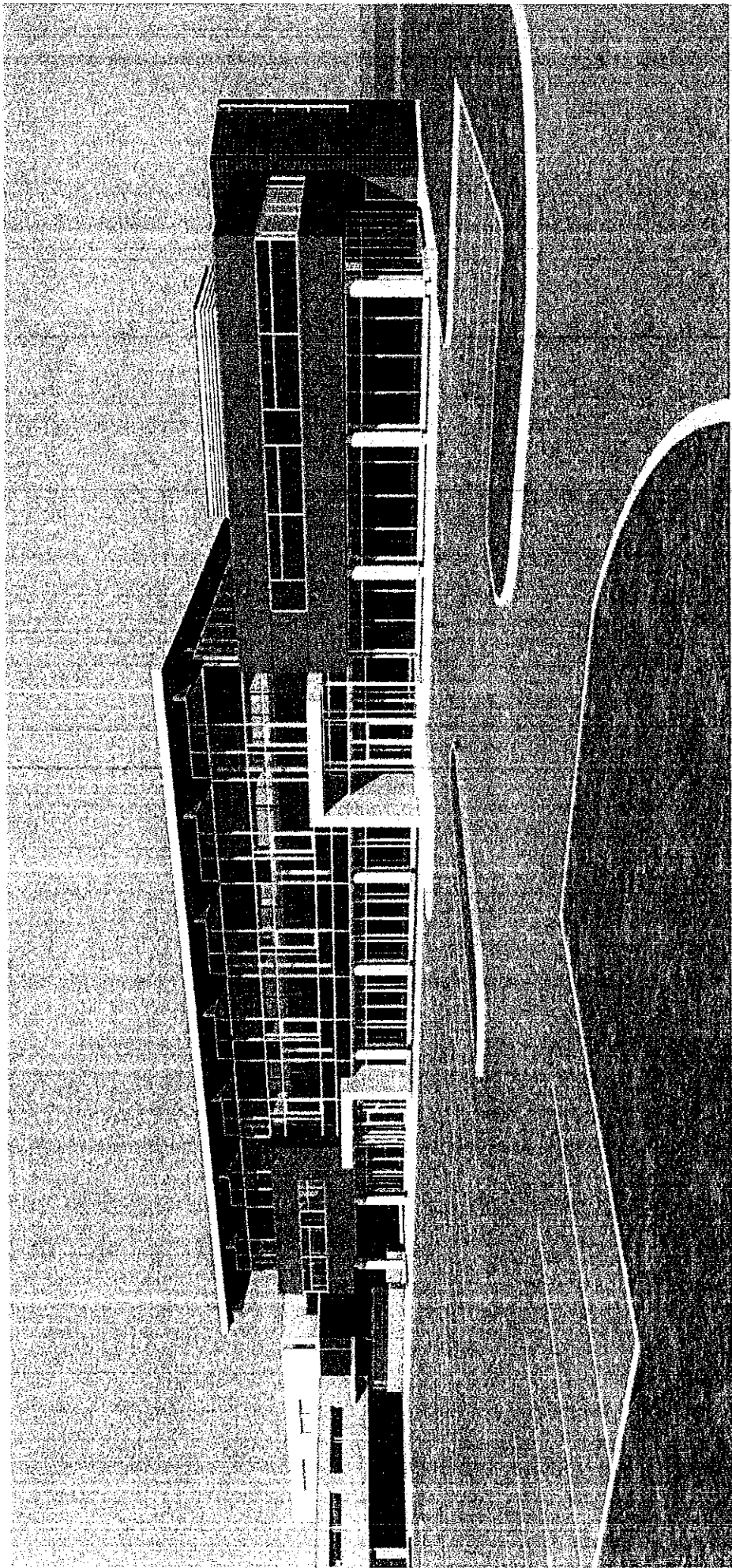


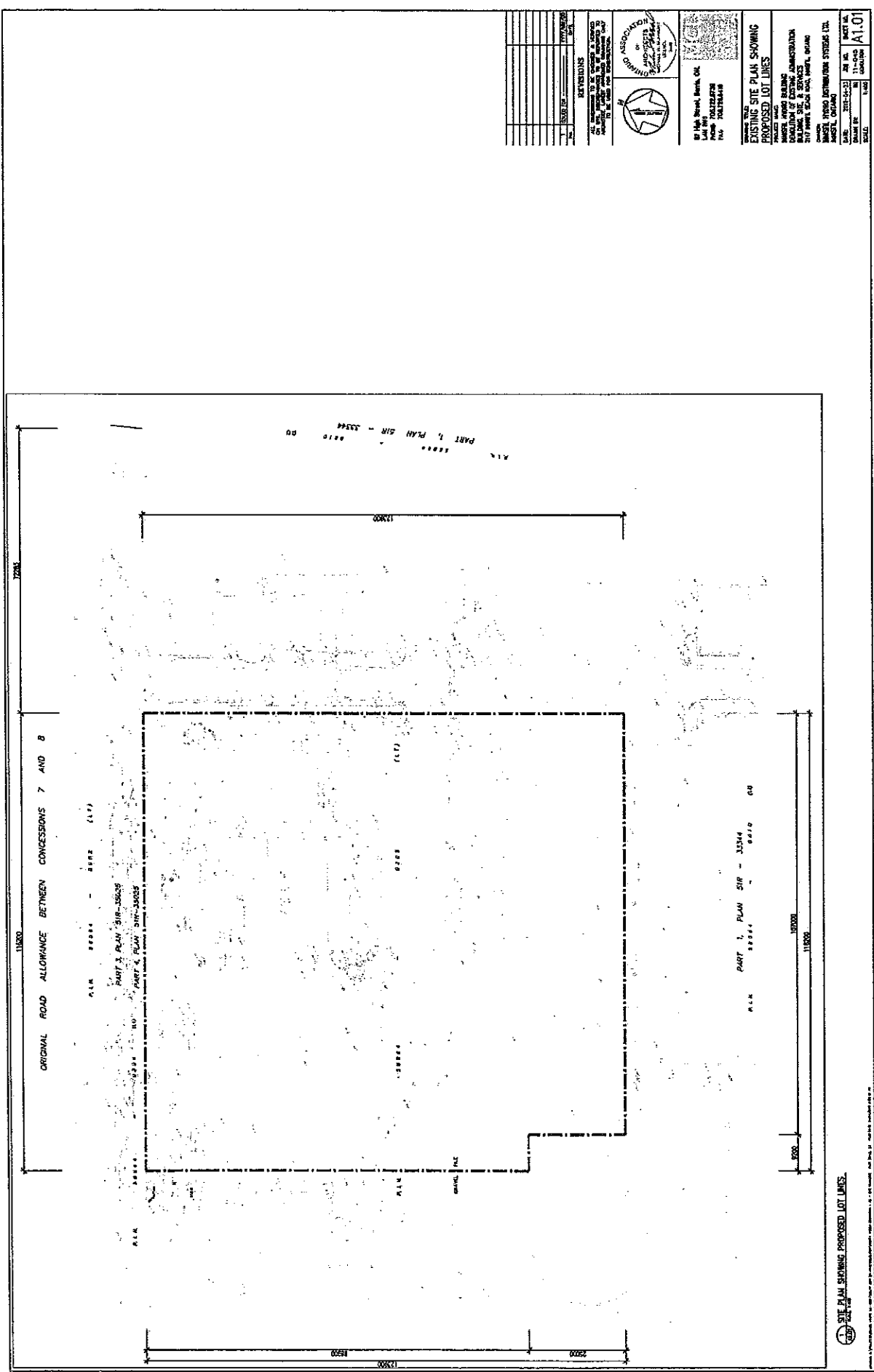
INNISFIL HYDRO DEMOLITION & NEW CONSTRUCTION
 2171 Lakeshore Blvd. East
 Suite 101, Scarboro, Ont. M1S 4L5

OPTION FIVE A1
 2171 Lakeshore Blvd. East, Suite 101

March 12th, 2012

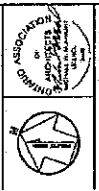






NO.	DESCRIPTION	DATE	BY	CHKD.

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE IN THIS DOCUMENT.



82 High Street, North Ok
 LAI 101
 PHONE: 761.222.8728
 FAX: 761.222.8448

PRINTING THE SITE PLAN SHOWING PROPOSED LOT LINES
 MASEL ANTHONY BUILDING
 DEPARTMENT OF EXCESS ADMINISTRATION
 310 WEST EDGAR ROAD, WASHINGTON, OKLAHOMA 73101

PROJECT NO. 11-045
 SHEET NO. A1.01

11-045 SITE PLAN SHOWING PROPOSED LOT LINES.

THE CORPORATION OF THE TOWN OF INNISFIL

BY-LAW NO. 097-12

A By-Law of The Corporation of the Town of Innisfil to confirm the proceedings of the Council of The Corporation of the Town of Innisfil at its Council meeting held on July 11, 2012.

WHEREAS the powers of a municipal corporation are to be exercised by its Council, pursuant to Subsection 5(1) of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended ("*Municipal Act*"); and

WHEREAS the powers of every Council are to be exercised by by-law, pursuant to Subsection 5(3) of the *Municipal Act*; and

WHEREAS it is deemed expedient that the proceedings of the Council of The Corporation of the Town of Innisfil at this meeting be confirmed and adopted by by-law.

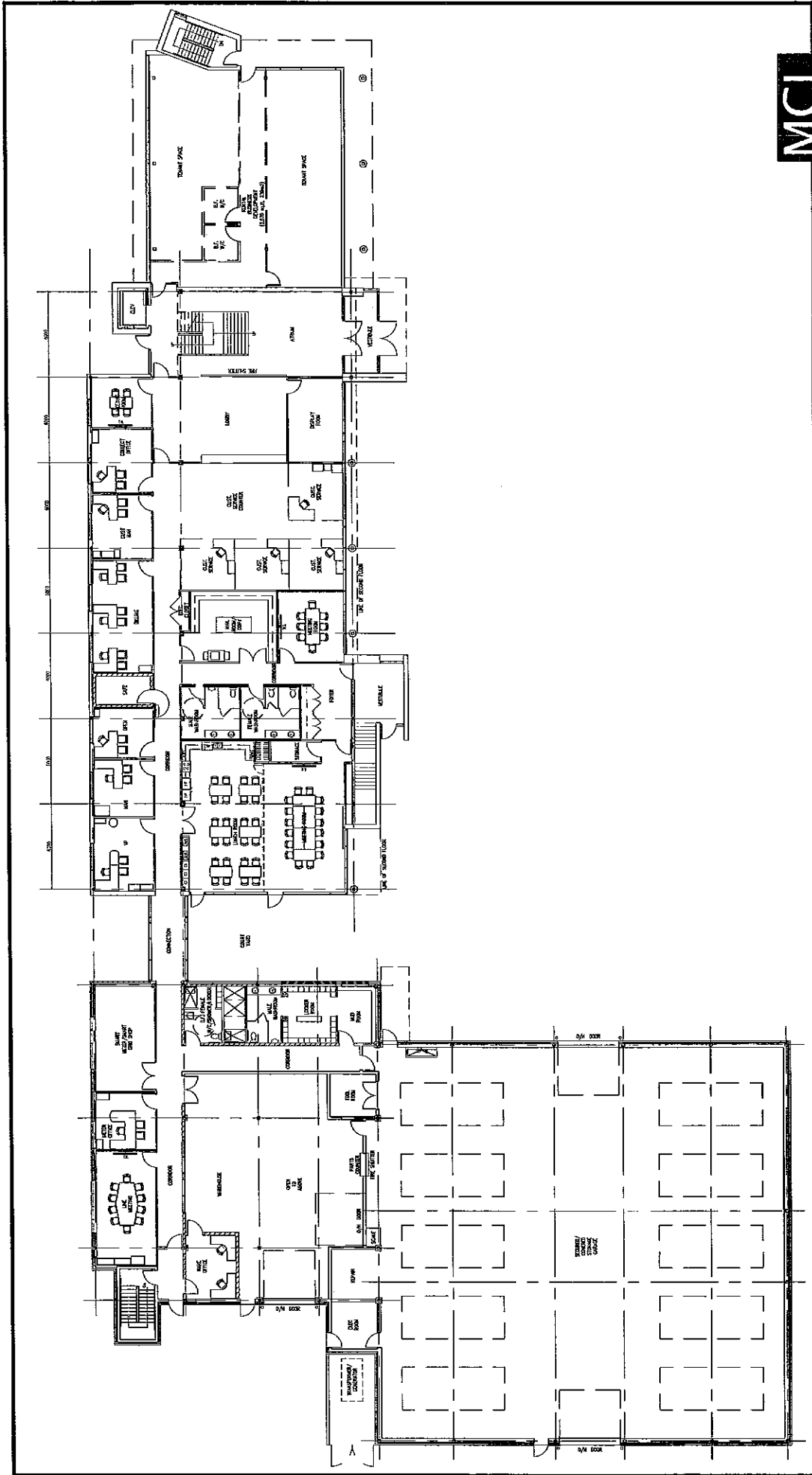
NOW THEREFORE The Corporation of the Town of Innisfil enacts as follows:

1. The actions of the Council of The Corporation of the Town of Innisfil at its meeting held July 11, 2012 respect of each recommendation contained in the reports of the Committee of the Whole as adopted or amended and adopted and each motion and resolution passed and other action taken by the Council of The Corporation of the Town of Innisfil at this meeting is hereby adopted and confirmed as if all such proceedings were expressly embodied in this by-law.
2. The Mayor and Clerk and the appropriate other officials of the Town of Innisfil are hereby authorized and directed to do all things necessary to give effect to the action of the Council of the Town of Innisfil referred to in the preceding section.
3. The Mayor and Clerk are authorized and directed to execute all documents necessary in that behalf and to affix thereto the Seal of The Corporation of the Town of Innisfil.

PASSED THIS 11th DAY OF JULY, 2012.

Barbara Baguley, Mayor

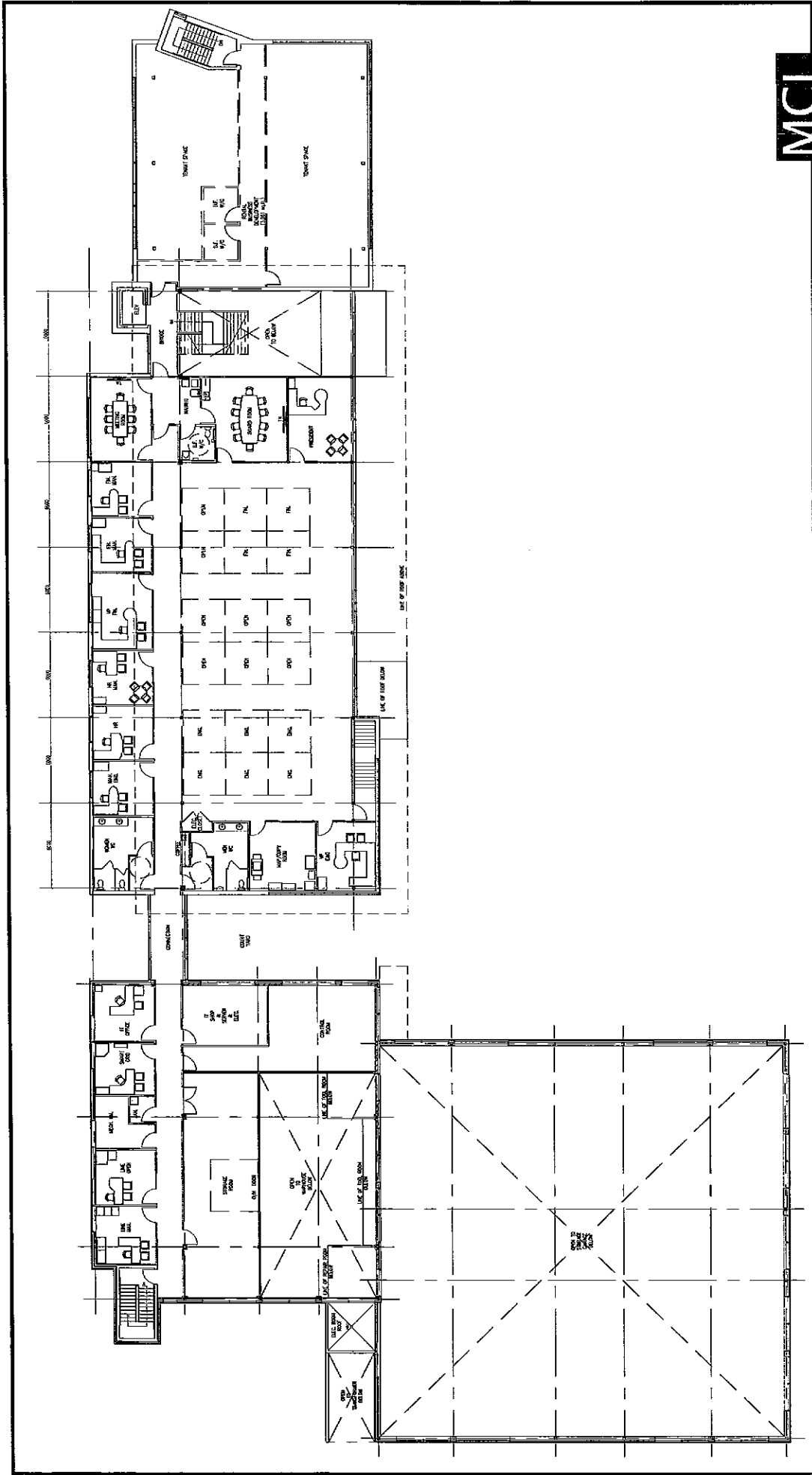
Jason Reynar, Clerk



July 6th, 2012

Main Floor Plan
 Design Development

INNISFIL HYDRO BUILDING COMPLEX
 2-101 Innisfil Beach Road
 Innisfil, Ontario, L9S 1A1



July 6th, 2012

Second Floor Plan
 Design Development

INNISFIL HYDRO BUILDING COMPLEX
 2101 Innisfil Beach Road
 Innisfil, Ontario, L9S 1A1

From: Michael Pelton [mpelton@fluentgroup.com]
Sent: July 9, 2012 12:54 PM
To: Michael McKnight; George Shaparew
Cc: 'Jessica Lief'; Janine Vanry
Subject: Innisfil Hydro - Decisions Regarding LEED Certification Level

Attachments: 2012-07-06 Preliminary Checklist.pdf; 2012-07-06 Innisfil Hydro Pending Credits - for decision making.xlsx

Hi Michael/George,

The purpose of this email is to outline some key decisions that will need to be made regarding the LEED Certification Level for the Innisfil Hydro project.

As a starting point, based on what we know now, we have prepared the attached checklist to show our recommended approach to pursue LEED CERTIFIED (40 points + 5 "buffer" points = 45 points total).

To achieve higher levels of LEED performance, additional credits would need to be pursued, as follows:

LEED SILVER = 50 points + 5 buffer points = 55 points total (Note: we would need +10 points relative to the attached checklist)

LEED GOLD = 60 points + 5 buffer points = 65 points total (Note: we would need +20 points relative to the attached checklist)

Please refer to the attached "Pending Credits" spreadsheet that lists the points that could potentially be pursued to improve the LEED performance level along with a brief description of each.

To pursue GOLD, the project needs almost all of the pending credits (~20). We can proceed on that basis, if desired.

To pursue SILVER, the project needs approximately half of them (~10) and we will need to decide which ones to pursue. Based on feedback from our clients, the "most-valued" measures from this list include:

1. Rainwater Harvesting Cistern for Additional Water Savings = +4 points (cost between \$35-\$45k)
2. Measurement & Verification = +3 points (cost between \$55k-\$75k for additional metering equipment and M&V consulting)

Could we schedule a time for a conference call to discuss which credits to pursue and which LEED level should be targeted?

Thanks and best regards,

Michael

--

Michael C. Pelton, P. Eng.
Founding Principal

Fluent Group Consulting Engineers Inc.
295A Broadway Avenue, Second Floor
P.O. Box 188, Orangeville, Ontario, L9W 2Z6
t 888.358.3683 x701 f 866.620.7502 c 519.938.7211
www.fluentgroup.com

POINTS PURSUED			LEED® Canada Building Design + Construction 2009 Checklist
Yes	?	No	Innisfil Hydro Building Complex (New Construction)
45	23	42	Certified 40-49 Silver 50-59 Gold 60-79 Platinum 80+
8	3	15	SS - Sustainable Sites (26 possible points)
•			SSp1 - Construction Activity Pollution Prevention: Implement a site specific erosion control plan, in accordance with US EPA Guidelines, OR local authority requirements, whichever are more stringent.
1			SSc1 - Site Selection: Do not develop buildings, roads, or parking on land that is: prime farmland; within specified floodplain elevations; ecologically sensitive; within 30.5m of wetlands; within 15m of a water body; public parkland.
		5	SSc2 - Development Density & Community Connectivity: Design and surroundings to meet 13,800 sq.m/ha (5 pts) OR within 800m of high density residential and 10 amenities (3 pts) OR meet project density and Option 2 (5 pts).
		1	SSc3 - Brownfield Redevelopment: Develop on a contaminated site and work with an independent firm to provide remediation and documentation as required by a Provincial/Federal/Local Contaminated Sites Program.
		6	SSc4.1 - Public Transportation Access: Locate building within 800m of a rail/subway station OR within 400m of two or more public bus lines offering frequent service (6 pts) OR implement a TDM to reduce SOV usage by 25%/50% (3/6 pts).
1			SSc4.2 - Bicycle Storage and Changing Rooms: Provide secure covered bicycle storage for 5% of building occupants.
3			SSc4.3 - Low Emitting and Fuel Efficient Vehicles: Provide refueling stations for 3% of total parking capacity OR provide vehicles for 3% of parking capacity OR provide a carshare for 3% of FTE (min. 2 years)
	2		SSc4.4 - Parking Capacity: Provide preferred parking for carpools for 5% of spaces AND EITHER less than the local bylaw requirements OR parking for less than 5% of FTE OR provide no new parking (in all cases, do not exceed 3.5 spaces per 1000 ft ² of GFA).
		1	SSc5.1 - Protect and Restore Habitat: Limit site disturbance on greenfield sites OR restore greater of 50% of non-building site area and 20% of total site area with native/adaptive vegetation.
		1	SSc5.2 - Maximize Open Space: Exceed open space bylaw by 25% OR provide open space equal to building footprint (if no zoning) OR provide open space for 20% of site area (if zoning exists, but no landscaped requirement).
	1		SSc6.1 - Stormwater Quantity Control: For sites with low imperviousness ($\leq 50\%$), design for the post-development 2 year, 24 hr peak discharge rate and quantity to be equal to pre-development. Otherwise, design for a 25% decrease.
1			SSc6.2 - Stormwater Quality Control: Remove 80% of the average annual post-development total suspended solids (TSS) AND implement a nutrient management plan.
		1	SSc7.1 - Heat Island Effect: Non Roof: Provide shade (within 5 years) OR use materials with an SRI ≥ 29 OR use open-grid pavement for 50% of impervious surfaces; OR locate 50% of parking below grade.
1			SSc7.2 - Heat Island Effect: Roof: Use materials with an SRI of ≥ 78 (for roofs with 2:12 pitch or less) or ≥ 29 (for roofs over 2:12 pitch) for 75% of the roof area AND/OR use green roof for 50% of the roof area.
1			SSc8 - Light Pollution Reduction: Design exterior lighting to reduce LPD (20% below ASHRAE 90.1-2007), address light trespass (interior and boundary), and design to minimize uplighting according to zone classification.
7	3	0	WE - Water Efficiency (10 possible points)
•			WEp1 - Water Use Reduction: Meet minimum fixture requirements and save 20% compared to the baseline (not including irrigation) AND install permanent building water meter(s) to measure all loads in aggregate.
4			WEc1 - Water Efficient Landscaping: Use native/adaptive drought tolerant plantings, high efficiency irrigation technologies AND/OR rainwater harvesting systems to reduce potable water usage (50% = 2 points, 100% = 4 points).
	2		WEc2 - Innovative Wastewater Technologies: Reduce the use of potable water for building sewage conveyance by 50% OR treat and infiltrate or reuse 50% of wastewater on-site.
3	1		WEc3 - Water Use Reduction: Reduce potable water usage within the building by using high-efficiency fixtures and/or rainwater harvesting systems and/or greywater systems (30% = 2 points, 35% = 3 points, 40% = 4 points).

LEED® Canada BD+C 2009 Checklist for Innisfil Hydro Building Complex (New Construction)

9	10	16	EA - Energy and Atmosphere (35 possible points)
•	/	/	EAp1 - Fundamental Commissioning of Building Energy Systems: Engage a Cx Agent to prepare a Cx plan, produce Cx specs, verify performance of systems, verify training and O&M manual, and provide a Cx report.
•	/	/	EAp2 - Minimum Energy Performance: Use energy modeling to show a design energy cost savings of 10% or more relative to a reference building designed to ANSI/ASHRAE/IESNA 90.1-2007 Appendix G.
•	/	/	EAp3 - Fundamental Refrigeration Management: Design all building HVAC&R systems to use non-CFC refrigerants.
6	4	9	EAc1 - Optimize Energy Performance: Use energy modeling to show design energy cost savings relative to a reference building designed to ANSI/ASHRAE/IESNA 90.1-2007 Appendix G (1 point for 12%, +1 point for every additional 2%).
1	1	5	EAc2 - On-Site Renewable Energy: Design the project to use on-site renewable energy (e.g. solar, wind, micro-hydro, renewable biomass) to offset purchased energy (1% = 1 points, 13% = 7 points).
2			EAc3 - Enhanced Commissioning: Engage the Fundamental Cx Agent to review design prior to CDs, review CDs, review contractor shop drawings, prepare a re-Cx manual for O&M staff, and coordinate training.
	2		EAc4 - Enhanced Refrigeration Management: Do not use refrigerants OR select refrigerants that meet a specified calculation threshold of Ozone Depletion Potential and Global Warming Potential.
	3		EAc5 - Measurement and Verification: Retain a firm to develop and implement an M&V Plan consistent with IPMVP to sub-meter lighting, cooling, heating, pumping, air-moving, process, and water equipment and loads.
		2	EAc6 - Green Power: Provide 35% of the building's electricity consumption from approved off-site renewable sources (e.g. EcoLogo, or Green-e) for at least 2 years.

6	1	7	MR - Materials and Resources (14 possible points)
•	/	/	MRp1 - Storage and Collection of Recyclables: Design the building to include easily accessible areas dedicated to the separation, collection and storage of paper, cardboard, glass, plastic & metals.
		3	MRc1.1 - Building Reuse: Maintain existing walls, floors, and roof (exterior envelope and framing, excluding window assemblies) (55% = 1 point, 75% = 2 points, 95% = 3 points).
		1	MRc1.2 - Building Reuse: Maintain 50% of existing interior walls, flooring, and ceiling systems by surface area.
2			MRc2 - Construction Waste Management: Implement a waste management plan to sort, quantify, and divert waste from landfill by salvaging or recycling materials (50% = 1 point, 75% = 2 points).
		2	MRc3 - Materials Reuse: Use salvaged or refurbished materials for a minimum percentage of DIVISIONS 2-10 total material cost (5% = 1 point, 10% = 2 points).
2			MRc4 - Recycled Content: Use recycled content materials (post-consumer + ½ pre-consumer) for a minimum percentage of DIVISIONS 2-10 total material cost (10% = 1 point, 20% = 2 points).
1	1		MRc5 - Regional Materials: Use materials that are extracted and manufactured within 800 km of the project site for a minimum percentage of DIVISIONS 2-10 total material cost (20% = 1 point, 30% = 2 points).
		1	MRc6 - Rapidly Renewable Materials: Use renewable products (10 year harvest cycle or less) for 2.5% of the total value of all building materials and products, based on cost..
1			MRc7 - Certified Wood: Use Forest Stewardship Council (FSC) certified sustainably harvested wood for a minimum of 50% of all permanently installed wood-based materials and products (by cost).

LEED® Canada BD+C 2009 Checklist for Innisfil Hydro Building Complex (New Construction)

10	2	3	IEQ - Indoor Environmental Quality (15 possible points)
•			IEQp1 - Minimum Indoor Air Quality Performance: Meet the minimum requirements of ASHRAE Standard 62.1-2007, Ventilation for Acceptable Indoor Air Quality following the Ventilation Rate Procedure.
•			IEQp2 - Environmental Tobacco Smoke Control: Prohibit smoking within the building AND if providing designated smoking areas outdoors, ensure they are 7.5 m from any doors/fresh air intakes.
1			IEQc1 - Outdoor Air Delivery Monitoring: Provide airflow measurement in ventilation systems AND provide CO2 monitoring in spaces with high occupant densities (>25/93m ²). Alert occupants or manager if values vary by >10%.
		1	IEQc2 - Increased Ventilation: Exceed ASHRAE 62.1-2007 by 30% in all regularly occupied spaces AND for residential suites meet ASHRAE 62.1-2007 and provide outside air directly ducted to the suite and distributed to each space.
1			IEQc3.1 - Construction IAQ Management Plan: During Construction: Develop and implement an Indoor Air Quality (IAQ) Management Plan for the construction and pre-occupancy phases.
1			IEQc3.2 - Construction IAQ Management Plan: Before Occupancy: Perform a building flushout or IAQ testing.
1			IEQc4.1 - Low Emitting Adhesives and Sealants: Ensure all products used inboard of the weatherproofing system meet the VOC requirements of SCAQMD Rule #1168.
1			IEQc4.2 - Low Emitting Paints and Coatings: Ensure all products used inboard of the weatherproofing system meet the VOC requirements of GS-11, GS-03, AND/OR SCAQMD Rule #1113.
1			IEQc4.3 - Low Emitting Flooring Systems: Ensure all carpet system products meet or exceed the requirements of the Carpet & Rug Institute's (CRI) Green Label IAQ Test Program AND other flooring must meet FloorScore certification.
1			IEQc4.4 - Low Emitting Composite Wood and Agrifibre: Ensure all wood/agrifibre based products including associated laminate adhesives contain no added urea-formaldehyde resins.
1			IEQc5 - Indoor Chemical and Pollutant Source Control: Install permanent entryway grates (3m min.), isolate sources of chemicals (photocopiers, janitor drains, etc.), install MERV 13 filters, provide CO alarms near combustion equipment.
1			IEQc6.1 - Controllability of Systems: Lighting: Provide individual lighting controls for at least 90% of building occupants. For shared multi-occupant areas, design lighting controls that comply with ASHRAE 90.1-2007 section 9.4.1.2.
		1	IEQc6.2 - Controllability of Systems: Thermal Comfort: Provide individual comfort controls for at least 50% of building occupants. Operable windows may be used as comfort controls. Meet group needs in common areas.
	1		IEQc7.1 - Thermal Comfort: Design: Comply with ASHRAE 55-2004 Thermal Comfort Conditions for Human Occupancy. Document compliance using Section 6.1.1.
		1	IEQc7.2 - Thermal Comfort: Verification: Have standalone displays of temperature and humidity within each dwelling unit. Provide permanently installed instructions advising occupants how to maintain comfort conditions.
	1		IEQc8.1 - Daylight: Use calculations, simulations or measurement to demonstrate that the regularly occupied spaces meet the LEED daylighting threshold in 75% of spaces.
1			IEQc8.2 - Views: Provide views in plan and section for 90% of occupants.

LEED® Canada BD+C 2009 Checklist for Innisfil Hydro Building Complex (New Construction)

5 1 0 ID - Innovation in Design (6 possible points)			
1			IDc1.1 - Green Housekeeping: Implement a high performance cleaning program supported by a green cleaning policy.
1			IDc1.2 - Low-Emitting Furniture: Purchase low-emitting furniture and seating that is either GreenGuard certified, BIFMA x 7.1 tested or meets independent laboratory testing requirements.
1			IDc1.3 - Green Building Education: Create a public outreach program to educate visitors and staff of the environmental impact of the building and the sustainable strategies installed. Both passive and active measures are required.
1			IDc1.4 - Low-Mercury Lighting Program: Use low-mercury lamps and have an ongoing program to ensure lamps are replaced with appropriate products on an ongoing basis.
	1		IDc1.5 - Innovation Measure: TBD (potentially exemplary water savings from rainwater harvesting cistern)
1			IDc2 - LEED Accredited Professional: Design team must include at least one LEED A.P.

0 3 1 RP - Regional Priority (4 possible points - only available over 40 points)			
		1	RPc1 - Durable Building: Develop and implement a building durability plan to CSA S478-95 (R2007). This credit usually includes a third party consultant expert to perform reviews and conduct analysis.
	1		RPc2 - Regional Priority Credit: Select LEED credits that are regionally significant. One "bonus" point per credit achieved, up to three. Regional Priority credits are to be proposed by the project team (no previous credit history).
	1		RPc2 - Regional Priority Credit: Select LEED credits that are regionally significant. One "bonus" point per credit achieved, up to three. Regional Priority credits are to be proposed by the project team (no previous credit history).
	1		RPc2 - Regional Priority Credit: Select LEED credits that are regionally significant. One "bonus" point per credit achieved, up to three. Regional Priority credits are to be proposed by the project team (no previous credit history).

Credit	Points	Comments	Decision (Pursue / Don't Pursue)
SSc4.4 Parking Capacity	2	Verify parking bylaw, provide dedicated carpooling spaces, and implement carpooling program.	
SSc6.1 Stormwater Quantity Control	1	SWM Engineer to determine viability and cost estimate.	
WEc2 Innovative Wastewater Technologies	2	Implement a rainwater harvesting cistern and use water for toilets/urinals.	
WEc3 Water Use Reduction	1	Implement a rainwater harvesting cistern and use water for toilets/urinals.	
EAc1 Optimize Energy Performance	4	Final energy model results depend on many factors (the range of 4 points accounts for some uncertainty now). May need additional energy saving measures.	
EAc2 On-Site Renewable Energy	1	Add additional PV (~10kW additional to get 1 point (maybe 2)).	
EAc4 Enhanced Refrigeration Management	2	Brumar to include requirements in specification (may limit options for refrigeration equipment).	
EAc5 Measurement & Verification	3	Implement an M&V program (refer to info sent from FGi on June 8, 2012)	
MRc5 Regional Materials	1	Final results depend on many factors (the pending point accounts for some uncertainty now).	
IEQc7.1 Thermal Comfort: Design	1	Brumar to determine viability and comment on any additional costs for this point.	
IEQc8.2 Daylight	1	Looks plausible, detailed calcs needed based on final drawings and window specs. May need skylights for additional daylighting in some spaces.	
IDc1.5 Innovation	1	TBD - could be achieved with rainwater harvesting cistern.	
Regional Priority Credits	3	Not yet defined by CaGBC ((the range of 3 points accounts for some uncertainty now)	

8. BUILDING MOVE UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-76

Be it resolved that the Board hereby receive the Building Move Update staff report, and
Further direct staff to target LEED Silver for the new building.

CARRIED

9. EMERGENCY PLAN AND BUSINESS RECOVERY PLAN

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-77

Be it resolved that the Board hereby receive the Emergency Plan and Business
Recovery Plan staff report.

CARRIED

9(a). LAND SWAP

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 12-78

Be it resolved that the Board authorize staff to continue negotiations for a possible land
swap beside the Innisfil Transformer Station Site on 22 Saunders Road in Barrie,
including engaging in offers to purchase on the condition that the Board will provide final
approval.

CARRIED

10. HEALTH & SAFETY UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-79

Be it resolved that the Board hereby receive the Health & Safety Update staff report, for
information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

August 24, 2012

Staff Report

BUILDING MOVE UPDATE

Summary

The purchase of 2147 Innisfil Beach Road (IBR) is scheduled to occur on August 24, 2012.

A geotechnical investigation has been completed at 2147 IBR by Terraprobe. The results indicate that no significant ground water problems are anticipated for the installation of the proposed services and building construction. Based on the soil conditions encountered in the boreholes, compact to very dense silt and sand capable of supporting conventional foundations has been identified.

The latest purchase agreement to sell 2061 Commerce Park Drive and a license agreement for the Town to construct a water reservoir and pumping station is attached for review. The Board has provided authority to sell 2061 Commerce Park Drive (Resolution 12-67, June 18, 2012), but this new purchase agreement includes an option for the Town to purchase 2073 Commerce Park Drive by February 28, 2014 at the appraised price of \$425k.

The new building plans have been scheduled to be vetted by the Innisfil Accessibility Advisory Committee on August 14, 2012. Their recommendations have been forwarded the architects for consideration.

A report has been completed by Decommissioning Consulting Services to identify any designated substances present at 2147 IBR prior to the demolition tender. Some asbestos has been identified in vinyl floor tiles, vinyl sheeting, ceiling tiles, drywall joint compound, pipe fitting insulation and window caulking. Lead has been identified in some paint samples. There was no mould identified. It is anticipated that the demolition tender will be released this month.

Recommendation

It is recommended that the Board receive this report, and

THAT Board Resolution 12-67 be amended to reflect the Board's approval to sell 2061 Commerce Park Drive to the Town of Innisfil with an option for the Town to purchase 2073 Commerce Park Drive by February 28, 2014 at the appraised price of \$425k and provide staff the authority to sign the necessary documents, and

Approve the License Agreement as presented for the Town to construct a water reservoir and pumping station at 2061 Commerce Park Drive and provide staff the authority to sign the necessary documents.

Agreement of Purchase and Sale Commercial

This Agreement of Purchase and Sale dated this day of July 2012.

BUYER, THE CORPORATION OF THE TOWN OF INNISFIL
(Full legal names of all Buyers), agrees to purchase from

SELLER, INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
(Full legal names of all Sellers), the following

REAL PROPERTY:

Address, 2061 Commerce Park Drive
fronting on the east side of Commerce Park Drive
in the Town of Innisfil

and having a frontage of 146 m more or less by a depth of 77 m (irreg) more or less
and legally described as Lot 27, Plan 1640, Town of Innisfil, County of Simcoe

(Legal description of land including easements not described elsewhere) (the "property").

PURCHASE PRICE:

Dollars (CDN\$) 500,000.00

Five Hundred Thousand

..... Dollars

DEPOSIT: Buyer submits herewith

(Herewith/Upon Acceptance/as otherwise described in this Agreement)

One

..... Dollars (CDN\$) 1.00

by negotiable cheque payable to the Seller "Deposit Holder"
to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion.
For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the
Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that,
unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's
non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A, &B &C

..... attached hereto form(s) part of this Agreement.

1. **IRREVOCABILITY:** This Offer shall be irrevocable by Seller until 6:00 PM /p.m. on
the 31st day of July 2012 after which time, if not accepted, this
Offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the 28th day
of February 2014 Upon completion, vacant possession of the property shall be given to the
Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



3. ~~NOTICES: The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.~~ Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No. (For delivery of Documents to Seller) FAX No. (For delivery of Documents to Buyer)

Email Address: (For delivery of Documents to Seller) Email Address: (For delivery of Documents to Buyer)

4. **CHATELS INCLUDED:**
 N/A

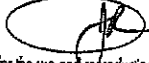

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:**
 N/A

6. **RENTAL ITEMS:** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:
 N/A

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the purchase price.

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 19th day of February 20.14., (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (...commercial...) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

INITIALS OF BUYER(S):  INITIALS OF SELLER(S): 

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.
10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.
11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.
12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.
13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this Offer there shall be a binding agreement of purchase and sale between Buyer and Seller.
14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.
15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.

INITIALS OF BUYER(S):



INITIALS OF SELLER(S):





16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
17. **RESIDENCY:** Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate or a statutory declaration that Seller is not then a non-resident of Canada.
18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
20. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money may be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless Seller's spouse has executed the consent hereinafter provided.
23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
25. **CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
26. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
27. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



28. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

THE CORPORATION OF THE TOWN OF INNISFIL
[Signature] BARBARA BAGUEL (Buyer/Authorized Signing Officer) DATE July 31/12
[Signature] Jason Reynar (Buyer/Authorized Signing Officer) DATE July 31, 2012
Director Legal Services Clerk

I, the Undersigned Seller, agree to the above Offer. I hereby irrevocably and exclusively agree to pay directly to the Brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the Brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
[Signature] (Seller/Authorized Signing Officer) DATE July 31, 12
[Signature] (Seller/Authorized Signing Officer) DATE July 31, 12

SPOUSAL CONSENT: The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees with the Buyer that he/she will execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

[Signature] (Spouse) DATE

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at a.m./p.m. this day of , 20.....

INFORMATION ON BROKERAGE(S)

Listing Brokerage..... Tel.No.(.....)
.....
Co-op/Buyer Brokerage..... Tel.No.(.....)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.
(Seller) DATE.....
(Seller) DATE.....
Address for Service..... Tel.No.(.....)
Seller's Lawyer: HGR Graham Partners (George Cameron)
Address: 190 Cundles Road East, #107, Barrie, ON
[705] 737-1811 [705] 737-5390
Tel.No. FAX No.
I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.
(Buyer) DATE.....
(Buyer) DATE.....
Address for Service..... Tel.No.(.....)
Buyer's Lawyer: Keisha-Ann Shaw Hill
Address: The Corporation of The Town of Innisfil
[(705) 436-3740 [(705) 436-7120
Tel.No. FAX No.

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:
In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by:
[Authorized to bind the Listing Brokerage] [Authorized to bind the Co-operating Brokerage]

Schedule A
Agreement of Purchase and Sale – Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, THE CORPORATION OF THE TOWN OF INNISFIL, and

SELLER, INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

for the purchase and sale of 2061 Commerce Park Drive

..... dated the day of July, 20 12

Buyer agrees to pay the balance as follows:

1. The Buyer agrees to pay the balance of the purchase price, subject to adjustments, by bank draft or certified cheque to the Seller on the completion of this transaction.
2. This Agreement is conditional until 6:00 p.m. August 31, 2012 (the "Condition Date") upon each of the Buyer and Seller obtaining the requisite corporate or municipal authority, as the case may be, for (a) the purchase and sale of the subject Property, (b) the License arrangement described at Section 3 below, and (c) the Option set forth at Section 4 below; all substantially as set forth herein (hereinafter, the "Approval Conditions"). If either the Buyer or Seller fails to satisfy the Approval Conditions by the Condition Date, then this Agreement shall be at an end, the Deposit shall be returned to the Buyer and each of the Parties shall be relieved of their respective rights, entitlements and obligations herein.
3. The Purchaser shall have a License to occupy the Property by way of License, in the form attached hereto as Schedule "C" (the "License") from and after August 31, 2012 for the purposes of installing a reservoir and pumping station (the "Works"). The Purchaser shall be responsible for arranging all regulatory approvals for construction of the Works and for payment of all costs related to the Works. The Purchaser shall indemnify and save the Vendor harmless from and against any and all costs, liabilities, damages or any other form of obligation whatsoever that may arise out of or in connection with the Works. The Purchaser shall maintain builders risk and liability coverage for its occupation of the Property under License in the form and content satisfactory to the Vendor, which coverage shall name the Vendor as an additional secured party. The Purchaser shall provide the Vendor with a certificate confirming the foregoing coverage prior to closing.
4. The Vendor hereby grants the Purchaser an option to purchase Lot 28, Plan 1640 (the "Option Lands") at a price of \$425,000.00 (the "Option"). The Option must be triggered by the Purchaser on or before February 28, 2013 by notice, in writing, to the Vendor. If the Option is triggered by the Purchaser as aforesaid, the acquisition of the Option Lands shall be completed on the Closing Date set forth for the Subject Property herein. The purchase price for the Option Lands shall be paid by the Purchaser in full at Closing.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):





SCHEDULE 'B'

REGISTERED

COMMERCIAL

PLAN

LOT 26

LOT 27

LOT 28

LOT

PLAN

51 M - 01 A

P.I.N. 58062-0160

PART 1
PLAN 518-27963

LOT 18

SB (R.P. 1640)

26.53
M10.50'0" W

(26.21 width by REGISTERED PLAN 1640)

PARK DRIVE

PARK DRIVE

CHAIN LINK FENCE

CHAIN LINK FENCE

REGISTERED PLAN 1640 & 1641

N70°28'30"E

(N72°17'55"E, 115.32' NEDD PLAN 1640)

M10.38'0" W
REGD. PLAN 1640 & 1641

SB (R.P. 1640)

P.I.N. 58062-0124(LT)

P.I.N. 58062-0125(LT)

P.I.N. 47970907

28.21

SB (R.P. 1640)

(1335)

LOT 1

LOT 4

LOT 1

LOT 4

SCHEDULE "C"

LICENSE AGREEMENT

This Agreement is made this 31st day of ~~August~~ ^{July}, 2012.

BETWEEN:

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
("Licensor" or "Hydro")

and

THE CORPORATION OF THE TOWN OF INNISFIL
("Licensee" or "Town")

RECITALS:

- A. Hydro is the registered owner of lands known as 2061 Commerce Park Drive, Innisfil, more particularly described in Schedule "A", attached ("Lands").
- B. The Town is a municipal corporation incorporated and subsisting under the laws of the Province of Ontario.
- C. Hydro and the Town have entered into Purchase and Sale Agreement for the Lands to be completed February 28, 2014. As such, Hydro wishes to grant a license to the Town in order for the Licensee to have, use and possess a portion of the vacant Lands (as shown in schedule B) until completion of the Purchase and Sale Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements herein, the sufficiency of which is acknowledged, and subject to the terms and conditions set out in this Agreement, the parties agree as follows:

1. GRANT OF LICENSE

- 1.1 The Licensor authorizes and licenses the Licensee to occupy, maintain and use a portion of the vacant Lands for the purposes of constructing a water reservoir in accordance with its approved plans, and in accordance with the terms and conditions set out in this Agreement (the "Works").
- 1.2 It is understood and agreed that during the term of the license, Hydro will require the continued use of the building on the lands which includes but not limited to existing parking, septic system, ground source heating and driveway access. The Town may encroach onto the existing parking, septic system and ground source heating provided accommodations are made to the satisfaction of Hydro at the Town's cost.
- 1.3 This Agreement shall be in effect from and after August 31, 2012 to an until February 28, 2014 ("**Termination Date**").
- 1.4 It is understood and agreed that in the event that the Agreement for Purchase of Sale between the parties herein be extended for whatever reasons, then this License

Agreement shall also extend to the date of the closing of the Agreement for Sale and Purchase.

2. THE WORKS: SERVICES AND MATERIALS

- 2.1 The Licensee undertakes to construct the Works in a good and workmanlike manner and in accordance with all federal, provincial and municipal statutory and regulatory authority of competent jurisdiction.
- 2.2 The Licensee undertakes and agrees with the Licensor to pay for the services and materials related to the Works promptly as those payments come due. In the event of any registration of a Notice of Lien under the *Construction Lien Act (Ont.)* the Licensee shall (a) immediately notify the Licensor, stating the value and the nature of the claim and the services or materials to which it applies and (b) shall either (i) satisfy the Claim for Lien or (ii) vacate the Lien by payment of sufficient moneys into Court on account of any action arising out of the Lien.

3. INDEMNIFICATION

- 3.1 The Licensee agrees that it will, from time to time and at all times hereafter, indemnify and save harmless the Licensor, its Board of Directors, employees, successors and assigns, from all claims, demands, actions, losses, damages, costs and causes of action, of every nature and kind which may be brought against or made upon the Licensor, arising out of the License permitted pursuant to this Agreement or the Works undertaken by the Licensor.

4. INSURANCE

- 4.1 During the term of this Agreement, the Licensee shall obtain and maintain continuously in full force and effect Commercial General Liability insurance, naming the Licensor as an additional insured, with limits of not less than Five Million Dollars (\$5,000,000.00) inclusive per occurrence for bodily injury, death and damage to property. This insurance coverage shall include cross-liability and severability of interest clauses, non-owned automobile liability and standard contractual liability. This insurance coverage shall be taken out with an insurance company licensed to transact business in the Province of Ontario.
- 4.2 The Licensee shall provide proof of such insurance coverage to the Licensor.

5. MAINTENANCE OF LANDS

- 5.1 The Licensee agrees to maintain the Licensor's lands free from obstruction and refuse and in a tidy condition, and to remove or remedy any hazardous matter or condition arising out of the use of the Lands pursuant to this Agreement, save and except obstruction and refuse generated during the normal course of construction. Failure to

comply with this condition may result in written notice to the Licensee to maintain the Lands in a tidy condition within thirty (30) days of the date of the notice.

6. COMPLIANCE

- 6.1 The Licensee shall comply with all statutes, regulations, bylaws, rules, orders, and other requirements enacted or imposed by federal, provincial, municipal, or other governmental bodies, agencies, tribunals, or other authorities with respect to the obligations.

7. TAXES

- 7.1 The Licensee agrees to pay any increase in federal, provincial and municipal taxes, rates, duties and assessments which may be specifically levied in respect of the use and occupancy of the Licensor's lands by the Licensee.

8. RIGHT OF ENTRY

- 8.1 The Licensee agrees that the Licensor, its agents and invitees shall have the to enter on the Lands for any purpose necessary in the opinion of the Licensor, and such purposes may interfere to any extent necessary with the use of the Lands.

9. ASSIGNMENT

- 9.1 The Licensee agrees that this Agreement and the rights contained herein shall not be assigned or transferred, either in whole or in part, without the consent of the Licensor, such consent not to be unreasonably withheld or delayed.

10. TENANCY NOT IMPLIED

- 10.1 The parties agree that nothing in this Agreement shall be deemed to set up a tenancy by implication or otherwise.

11. REGISTRATION ON TITLE

- 11.1 The Licensee agrees that this Agreement may be registered by the Licensor, at the Licensee's expense, against title to the Licensor's lands.

12. NOTICE

- 12.1 Any notice to be given pursuant to this Agreement may be delivered or sent by registered mail and addressed as follows:

(a) to the Licensor at: Innisfil Hydro Distribution Systems Limited
2073 Commerce Park Drive
Innisfil, ON L9S 4A2

Attention: President

(b) to the Licensee at: The Corporation of the Town of Innisfil
2101 Innisfil Beach Road
Innisfil, ON L9S 1A1

Attention: Town Clerk

or to such other addresses as either party may from time to time designate by written notice to the other party.

- 13.2 Any notice given under this Agreement shall be deemed to have been received in the case of delivery, on the day on which it was delivered and, in the case of notice by mail, on the fifth business day following the day on which the notice was mailed.

13. CORPORATE CAPACITY

13.1 The Licensee represents and warrants to the Licensor as follows:

- (a) the Licensee is a municipal corporation validly subsisting under the laws of Ontario and has full municipal power and corporate capacity to enter into this Agreement and any documents arising from this Agreement; and
- (b) all necessary municipal action has been taken by the Licensee to authorize the execution and delivery of this Agreement.

14. SUCCESSORS AND ASSIGNS

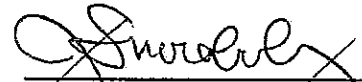
14.1 This Agreement shall enure to the benefit of and be binding upon each of the parties hereto and their respective successors, heirs, executors, administrators and assigns.

15. SCHEDULES

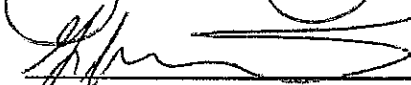
15.1 Schedules "A" and "B", attached, shall form part of this Agreement.

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be duly executed as of the date first written above.

INNISFIL HYDRO DISTRIBUTION)
SYSTEMS LIMITED)



Name: John Skorobohacz
Title: Chairman

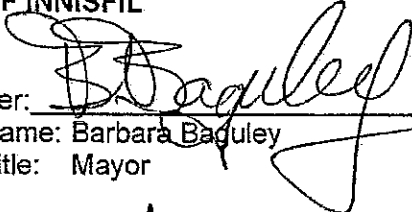


Name: George Shaparew
Title: President & CEO

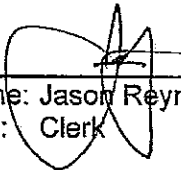
) I/We have authority to bind the corporation

SIGNED, SEALED AND DELIVERED)
Authorized by ~~Bylaw No. 2012-XXXX~~)
RESOLUTION NO. CR-135-05-12)

THE CORPORATION OF THE TOWN
OF INNISFIL

Per: 

Name: Barbara Baguley
Title: Mayor

Per: 

Name: Jason Reynar
Title: Clerk

We have authority to bind the Corporation.

SCHEDULE "A"

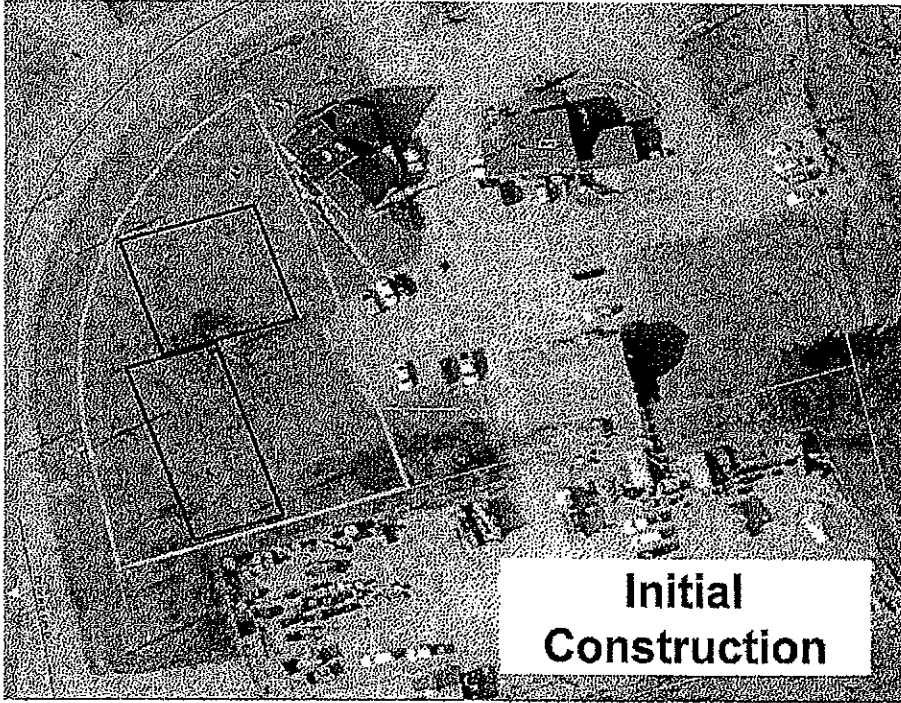
LANDS

PIN # 5806 20124

2061 Commerce Park Avenue, being Lot 27, Plan 1640 (Innisfil), in the Town of Innisfil, County of Simcoe

SCHEDULE "B"

Refer to drawings attached hereto and marked as Schedule "B"



This Agreement of Purchase and Sale dated this day of July 20 12

BUYER, INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED, agrees to purchase from
(Full legal names of all Buyers)

SELLER, THE CORPORATION OF THE TOWN OF INNISFIL, the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address 2147 Innisfil Beach Road

fronting on the side of

in the Town of Innisfil

and having a frontage of 116.2 m more or less by a depth of 123.9 m more or less

and legally described as Part Lot 16, Concession 7, Except Parts 1 & 2 on Plan 51R-35025

Town of Innisfil, County of Simcoe more particularly shown as the (the "property").
(Legal description of land including easements not described elsewhere)

draft R-Plan as attached as SCHEDULE (B). *[Signature]*

PURCHASE PRICE: Dollars (CDN\$) 650,000.00

Six Hundred and Fifty Thousand Dollars

DEPOSIT: Buyer submits herewith
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

One Dollars (CDN\$) 1.00

by negotiable cheque payable to the Seller "Deposit Holder" to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A. & B **attached hereto form(s) part of this Agreement.**

1. **IRREVOCABILITY:** This Offer shall be irrevocable by until a.m./p.m. on the 31st day of July 20 12, after which time, if not accepted, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.
(Seller/Buyer)

2. **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the 30th day of August, 20 12. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S): *[Handwritten initials]*

INITIALS OF SELLER(S): *[Handwritten initials]*

3. **NOTICES:** ~~The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.~~ Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: FAX No.:
 (For delivery of Documents to Seller) (For delivery of Documents to Buyer)

Email Address: Email Address:
 (For delivery of Documents to Seller) (For delivery of Documents to Buyer)

4. **CHATELS INCLUDED:**
 N/A

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:**
 N/A

6. **RENTAL ITEMS:** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:
 N/A

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the purchase price.

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 20th day of August, 2012., (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (commercial.....) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

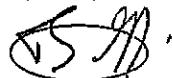
INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.
10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.
11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.
12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.
13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this Offer there shall be a binding agreement of purchase and sale between Buyer and Seller.
14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.
15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.

INITIALS OF BUYER(S):



INITIALS OF SELLER(S):





16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
17. **RESIDENCY:** Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate or a statutory declaration that Seller is not then a non-resident of Canada.
18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
20. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money may be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless Seller's spouse has executed the consent hereinafter provided.
23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
25. **CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
26. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
27. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

JS

INITIALS OF SELLER(S):

[Handwritten initials]



28. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

INNISEIL HYDRO DISTRIBUTION SYSTEMS LIMITED

(Witness) DATE July 31/12
 (Buyer/Authorized Signing Officer) [Seal]
 (Witness) DATE July 31/12
 (Buyer/Authorized Signing Officer) [Seal]

~~I, the undersigned Seller, agree to the above Offer, thereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.~~

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

THE CORPORATION OF THE TOWN OF INNISFIL

(Witness) DATE July 31/12
 (Seller/Authorized Signing Officer) [Seal]
 (Witness) DATE July 31/12
 (Seller/Authorized Signing Officer) [Seal]

~~**SPOUSAL CONSENT:** The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990 and hereby agrees with the Buyer that he/she will execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.~~

(Witness) DATE
 (Spouse) [Seal]

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at a.m./p.m. this day of 20.....

[Signature of Seller or Buyer]

INFORMATION ON BROKERAGE(S)

Listing Brokerage.....	Tel.No. (.....)
Co-op/Buyer Brokerage.....	Tel.No. (.....)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Seller) DATE.....
 (Seller) DATE.....
 Address for Service.....
 Tel.No. (.....)
 Seller's Lawyer: Keisha-Ann Shaw Hill
 Address: The Corporation of the Town of Innisfil
 (705) 436-3740 (705) 436-7120
 Tel.No. FAX No.

(Buyer) DATE.....
 (Buyer) DATE.....
 Address for Service.....
 Tel.No. (.....)
 Buyer's Lawyer: HGR Graham Partners (George Cameron)
 Address: 190 Cundles Road East, Suite 107, Barrie, ON
 (705) 737-1811 (705) 737-5390
 Tel.No. FAX No.

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:
 In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale.

Acknowledged by:

[Authorized to bind the Listing Brokerage]

[Authorized to bind the Co-operating Brokerage]

Schedule A

Agreement of Purchase and Sale – Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED....., and

SELLER, THE CORPORATION OF THE TOWN OF INNISFIL.....

for the purchase and sale of **2147 Innisfil Beach Road**.....

..... dated the day of **July**, 20**12**

Buyer agrees to pay the balance as follows:

1. The Buyer agrees to pay the balance of the purchase price, subject to adjustments, by bank draft or certified cheque to the Seller on the completion of this transaction.

2. This Agreement is conditional until 6:00 p.m. on August 25, 2012 (the "Condition Date") upon each of the Buyer and Seller obtaining the requisite corporate or municipal authority, as the case may be, for the purchase and sale of the subject property substantially as set forth herein (hereinafter, the "Approval Conditions"). If either the Buyer or Seller fails to satisfy the Approval Conditions by the Condition Date, then this Agreement shall be at an end, the Deposit shall be returned to the Buyer and each of the Parties shall be relieved of their respective rights, entitlements and obligations herein.

3. If, following Closing, the Buyer ("Innisfil Hydro", in this section) should receive a bona fide offer to purchase the Subject Property or part thereof which it is willing to accept ("Third Party Offer"), Innisfil Hydro shall, by notice in writing ("Notice") to the Seller (the "Town", in this section), make an offer to sell the Subject Property (the "Hydro Offer to Sell") or part thereof to the Town at the price and at the same terms and conditions as are contained in the Third Party Offer. The Town shall have a period of 30 days from the date of Notice to accept the Hydro Offer to Sell, failing which Innisfil Hydro shall be free to accept the Third Party Offer and complete the sale of the Subject Property or part thereof in accordance with the Third Party Offer.

4. Title to the Subject Property shall be transferred to the Buyer subject to the following interests:

- (a) together with easements for ingress and egress over Parts 1 and 3, shown on the attached sketch; and
- (b) subject to easements in favour of the Town of Innisfil;
 - (i) over Part 4 for sewer and water utilities;
 - (ii) over Part 5 for the 10kw solar facility; and
 - (iii) over Part 6 for parking facilities.

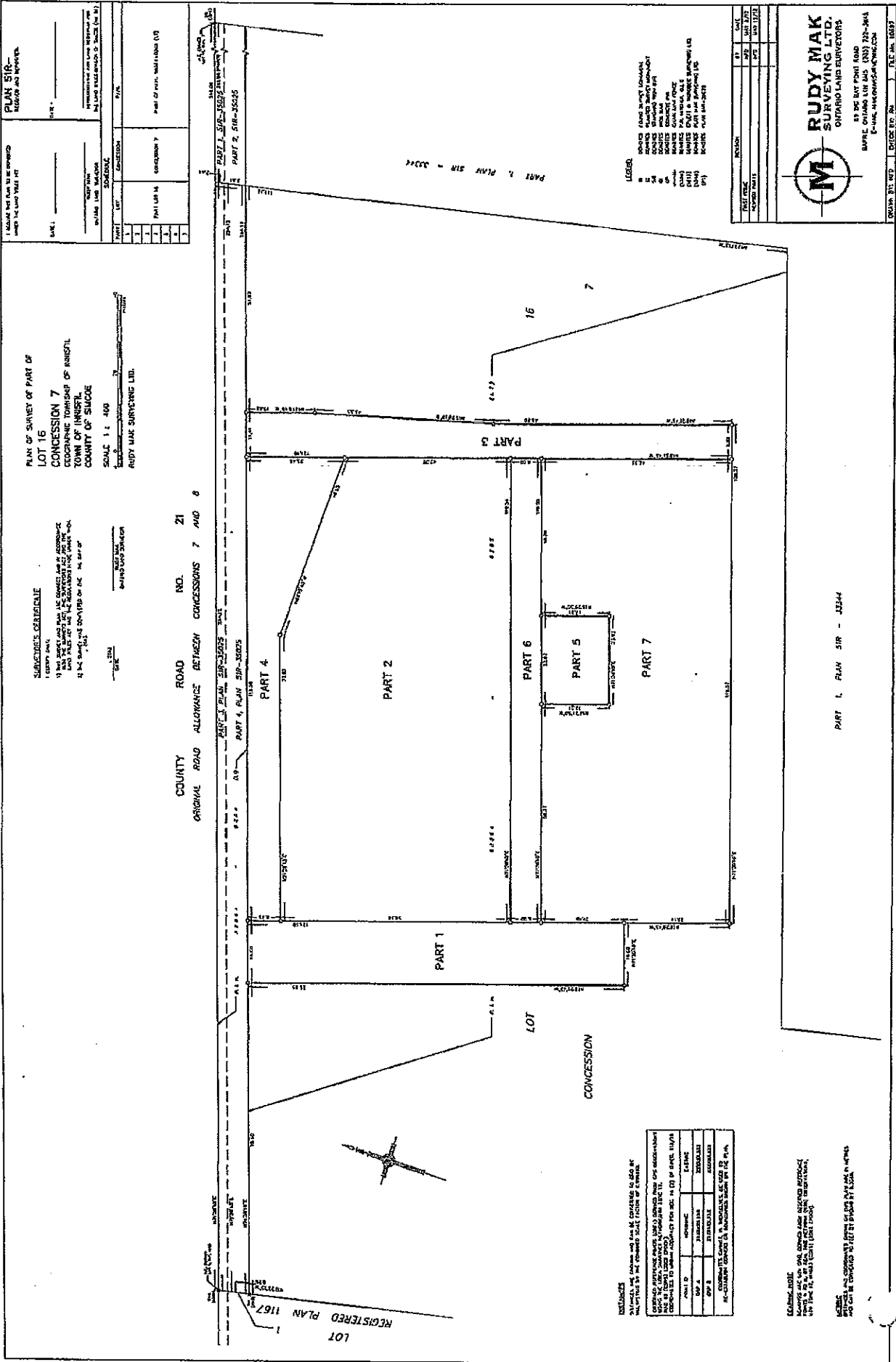
5. THE BUYER AND SELLER HEREBY ACKNOWLEDGE THAT CLAUSE 3 UNDER SCHEDULE (A) SHALL REMAIN IN FULL FORCE AND EFFECT BINDING UPON THE BUYER, AND SHALL NOT BE DEEMED TO HAVE MERGED ON THE DELIVERY OF THE TRANSFER INSTRUMENT BUT SHALL SURVIVE THE CLOSING OF THE TRANSACTION. AR

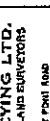
This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

SCHEDULE "B"




RUDY MAK SURVEYING LTD.
 CHARTERED LAND SURVEYORS
 SUITE 203 - 4001 14th Avenue NW
 CALGARY, ALBERTA T2C 1L6
 TEL: 403-241-8888
 FAX: 403-241-8889

DATE	BY	SCALE
1998/09/22	RS	1:400
1998/09/22	RS	1:400
1998/09/22	RS	1:400

THIS PLAN IS THE PROPERTY OF RUDY MAK SURVEYING LTD. AND IS NOT TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, WITHOUT THE WRITTEN PERMISSION OF RUDY MAK SURVEYING LTD.

NOTES:
 1. THIS PLAN IS A SUMMARY OF THE SURVEY AND DOES NOT REPRESENT THE ORIGINAL FIELD BOOKS OR INSTRUMENT RECORDS.
 2. THE SURVEY WAS CONDUCTED IN ACCORDANCE WITH THE SURVEY ACT, R.S.A. 1980, CAP. S-26.
 3. ALL DIMENSIONS ARE GIVEN IN METERS UNLESS OTHERWISE SPECIFIED.
 4. THE SURVEY WAS CONDUCTED ON THE 15th DAY OF SEPTEMBER 1998.

2012-08-21

Attention: Janine Vanry
Fluent Group Consulting Engineers Inc.

Via Email: jvanry@fluentgroup.com



Registration of your project with the Canada Green Building Council

CaGBC Project ID#: 15726
Project Name: Innisfil Hydro Building Complex
Registered to: LEED Canada for New Construction and Major Renovations - 2009
Official Registration Date: 2012-08-15

On behalf of the CaGBC staff, Board, members and volunteers, please accept our congratulations for registering your project under LEED®. By registering your project, you and your team have declared your intention of being leaders on the path to a more sustainable future. Thank you!

Being LEED registered means that the project may be referenced as a "LEED Canada Candidate project" or a "LEED Canada Registered project" in your media profiling. If you are targeting a specific rating level, such as LEED Gold, you are also welcome to add "targeting LEED Gold" to your declaration. Please refer to our LEED Brand User Guidelines available at www.cagbc.org/LEEDprogram, for more details. As the main contact for this project, it is your responsibility to provide the LEED Brand User Guidelines to the project owner and the design team.

Another benefit of having a LEED registered project is that your team now has access to multiple tools that can assist you in preparing your project for LEED Canada certification. All of these tools are available on the CaGBC website (www.cagbc.org/LEEDprogram), under the appropriate Rating Systems page.

Key information includes:

- Certification Methodology for preparing your documentation for submission.
- The Credit Interpretation Request (CIR) database where you can search for alternative pathways to credit achievement or request your own CIR.
- LEED Letter Template and associated Excel tools necessary for documenting your project's achievements.
- LEED Canada Reference Guides available for purchase in electronic or hardcopy format.

If you have any questions regarding the certification of your project, please first review the resources noted above. If your answer cannot be obtained through the posted information, queries can be directed to Customer Service in our Ottawa office by email at info@cagbc.org or by calling toll-free at 1-866-941-1184.

Please ensure that your CaGBC Project ID number **15726** and your Project Name, "**Innisfil Hydro Building Complex**", are prominently displayed in the subject lines of all correspondence with the Canada Green Building Council.

Please also note that you are the main contact for this registered project, and as such all communication from the CaGBC will be directed to you.

The main contact is responsible for:

- updating the online project information, including the list of team members; and

12. ENERGY MANAGER

MOVED BY: Barb Baguley

SECONDED BY: Robert Lake

RESOLUTION NO. 12-92

Be it resolved that the Board receive the Energy Manager staff report, for information purposes, and

That the Board approve Innisfil Hydro to host the Energy Manager for CHEC.

CARRIED

13. BUILDING MOVE UPDATE

MOVED BY: Barb Baguley

SECONDED BY: Robert Lake

RESOLUTION NO. 12-93

Be it resolved that the Board hereby receive the Building Move Update staff report, and

THAT Board Resolution 12-67 be amended to reflect the Board's approval to sell 2061 Commerce Park Drive to the Town of Innisfil with an option for the Town to purchase 2073 Commerce Park Drive by February 28, 2014 at the appraised price of \$425k and provide staff the authority to sign the necessary documents, and

Approve the License Agreement as presented for the Town to construct a water reservoir and pumping station at 2061 Commerce Park Drive and provide staff the authority to sign the necessary documents.

CARRIED

14. INFORMATIONAL ITEMS

MOVED BY: Robert Lake

SECONDED BY: Barb Baguley

RESOLUTION NO. 12-94

Be it resolved that the Board hereby receive the Informational Items staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

September 17, 2012

Staff Report

BUILDING MOVE UPDATE

Summary

The purchase of 2147 Innisfil Beach Road (IBR) occurred on August 30, 2012.

The building demolition tender was released on September 5, 2012 and the tender opening is to occur on September 14, 2012. Staff will walk in the tender results and recommendation for the Board's approval.

The LEED consultant has preparing the construction check-list for LEED Silver. It was pointed out that in 2009, LEED point evaluation had changed making the current Silver level the previous Gold level. Previous 'LEED Bronze' is now called 'LEED Certified'. Staff have asked the LEED consultant to provide a LEED Certified check-list and also provide two options for LEED Silver for cost evaluation purposes. It is possible that the consultants report may miss this Board package submission deadline so it will be sent in as an addendum.

Recommendation

It is recommended that the Board receive this report, and

THAT Board award the demolition tender to _____
for the demolition of 2147 Innisfil Beach Road.

8. BUILDING MOVE UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 12-102

Be it resolved that the Board hereby receive the Building Move Update staff report, and

That the Board award the demolition tender to Priestly Demolition Inc. for the low bid price of \$118,914.00 for the demolition of 2147 Innisfil Beach Road, and

That the Consultant seek LEED certified designation.

CARRIED

9. HR UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 12-103

Be it resolved that the Board hereby receive the HR Update staff report, for information purposes.

CARRIED

10. INFORMATIONAL ITEMS

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 12-104

Be it resolved that the Board hereby receive the Informational Items staff report, for information purposes, and

Further that the Board offer congratulations to Robert Lake for his appointment to the Technical Panel.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

October 15, 2012

Staff Report

BUILDING MOVE UPDATE

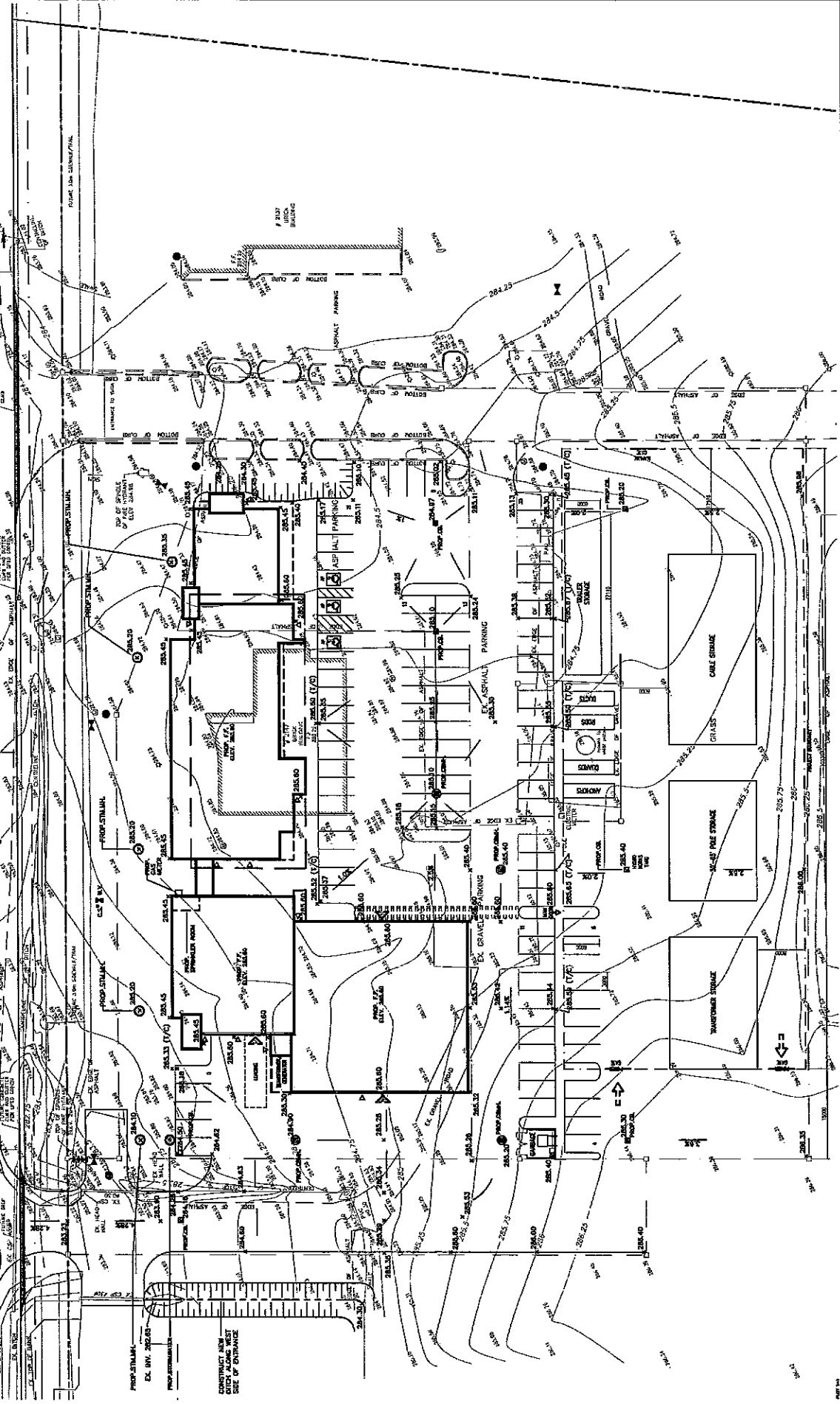
Summary

Site Servicing and Grading drawings for the project are attached for reference. A meeting with Town staff is planned to review the combined access and drainage of the existing public works driveway.

The asbestos removal portion of the demolition is well underway. Structural demolition is expected to start on October 15.

Recommendation

It is recommended that the Board receive this report.



Ainley
CONSULTING
ENGINEERS
PLANNERS
CONTRACT NO. DWG. No. 212010-GR1

TOWN OF INNISFIL
PROPOSED NEW
INNISFIL HYDRO FACILITY
GRADING PLAN

DESIGNED BY	DATE
CHECKED BY	DATE
APPROVED BY	DATE

PRELIMINARY

NO.	DATE	REVISION

NOTES:
1. THIS PLAN IS A PRELIMINARY DESIGN AND IS SUBJECT TO CHANGE WITHOUT NOTICE.
2. THE CLIENT IS RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS.
3. THE DESIGNER ASSUMES NO LIABILITY FOR THE ACCURACY OF THE INFORMATION PROVIDED BY THE CLIENT.
4. THE DESIGNER ASSUMES NO LIABILITY FOR THE ACCURACY OF THE INFORMATION PROVIDED BY THE CLIENT.
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9. THE DESIGNER ASSUMES NO LIABILITY FOR THE ACCURACY OF THE INFORMATION PROVIDED BY THE CLIENT.
10. THE DESIGNER ASSUMES NO LIABILITY FOR THE ACCURACY OF THE INFORMATION PROVIDED BY THE CLIENT.

DATE: 10/15/2010
DRAWN BY: [Name]
CHECKED BY: [Name]
APPROVED BY: [Name]

7. TENDER AWARD, TOWN OF INNISFIL PUMP STATION #3

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 12-111

Be it resolved that the Board hereby receive the Tender Award, Town of Innisfil Pump Station #3 staff report, and

That the Board provide approval to award the Town of Innisfil Pump Station #3, 44kV Line Extension contract (Project PO1101252012), for labour and equipment, to Valard Construction LP in the amount of \$149,165.00 plus HST, pending receipt of purchase order from the Town of Innisfil.

CARRIED

8. CORPORATE SERVICES UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-112

Be it resolved that the Board receive the Corporate Services Update staff report, for information purposes.

CARRIED

9. BUILDING MOVE UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-113

Be it resolved that the Board hereby receive the Building Move Update staff report, for information purposes.

CARRIED

10. INFORMATIONAL ITEMS

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 12-114

Be it resolved that the Board hereby receive the Informational Items staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

November 20, 2012

Staff Report

BUILDING MOVE UPDATE

Summary

The architects have submitted a new project schedule with the following mile stones:

- ◆ Site Plan Application – Nov 1 to Dec 19, 2012
- ◆ Prequalify General Contractors – Nov 19, 2012 to Jan 11, 2013
- ◆ Tender – Feb 22 to Mar 21, 2013
- ◆ Contract Award – March 28, 2013
- ◆ Substantial Completion – May 15, 2014
- ◆ Occupancy - June 6, 2014

Recommendation

It is recommended that the Board receive this report.

Innisfil Hydro Project Schedule
 Revised 23 October 2012

ID	Task Name	Duration	Start	Finish	1st Quarter			3rd Quarter			1st Quarter			3rd Quarter					
					Jan	Mar	May	Jul	Sep	Nov	Jan	Mar	May	Jul	Sep	Nov	Jan	Mar	May
1	PRE-DESIGN STAGE	40 days	Mon Jan 30, '12	Fri Mar 23, '12															
2	SCHEMATIC DESIGN STAGE	20 days	Mon Mar 26, '12	Fri Apr 20, '12															
3	DESIGN DEVELOPMENT	30 days	Tue Jul 24, '12	Mon Sep 3, '12															
4	Owner Review/Approval	5 days	Tue Sep 4, '12	Mon Sep 10, '12															
5	CONSTRUCTION DOCUMENTS	85 days	Fri Oct 26, '12	Thu Feb 21, '13															
6	TENDER	20 days	Fri Feb 22, '13	Thu Mar 21, '13															
7	Bid Review & Approval	5 days	Fri Mar 22, '13	Thu Mar 28, '13															
8	Contract Award	0 days	Thu Mar 28, '13	Thu Mar 28, '13															
9	CONSTRUCTION (59 Weeks)	295 days	Fri Mar 29, '13	Thu May 15, '14															
10	Substantial Completion	0 days	Thu May 15, '14	Thu May 15, '14															
11	Final Completion	15 days	Fri May 16, '14	Thu Jun 5, '14															
12	COMMISSIONING & OCCUPANCY	15 days	Fri Jun 6, '14	Thu Jun 26, '14															
13	Pre-qual. General Contractors	40 days	Mon Nov 19, '12	Fri Jan 11, '13															
14	Site Plan Application	35 days	Thu Nov 1, '12	Wed Dec 19, '12															
15	Building Permit	30 days	Wed Jan 2, '13	Tue Feb 12, '13															

A period of Five days equals one work week.

13. HUMAN RESOURCES UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 12-127

Be it resolved that the Board hereby receive the Human Resources Update staff report, and

Further approve the hiring of a part time Customer Service Support person, and

In addition, approve the change to the Non-Union Salary Schedule A as presented incorporating the following changes:

- Splitting of the bottom two bands into three;
- Adding the *HR and Admin/Assistant* into Band 2;
- Moving the *Accounting Manager* and *Regulatory/Conservation Manager* from Band 4 to Band 5; and
- A retro increase back to July 1, 2012 for the three positions: HR/Admin Assistant, Accounting Manager and Regulatory/Conservation Manager.

CARRIED

14. HEALTH AND SAFETY UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 12-128

Be it resolved that the Board receive the Health and Safety Update staff report, and

Further approve the annual Health and Safety policy.

CARRIED

15. BUILDING MOVE UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 12-129

Be it resolved that the Board hereby receive the Building Move Update staff report, for information purposes.

CARRIED

I INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

December 17, 2012

Staff Report

BUILDING MOVE UPDATE

Summary

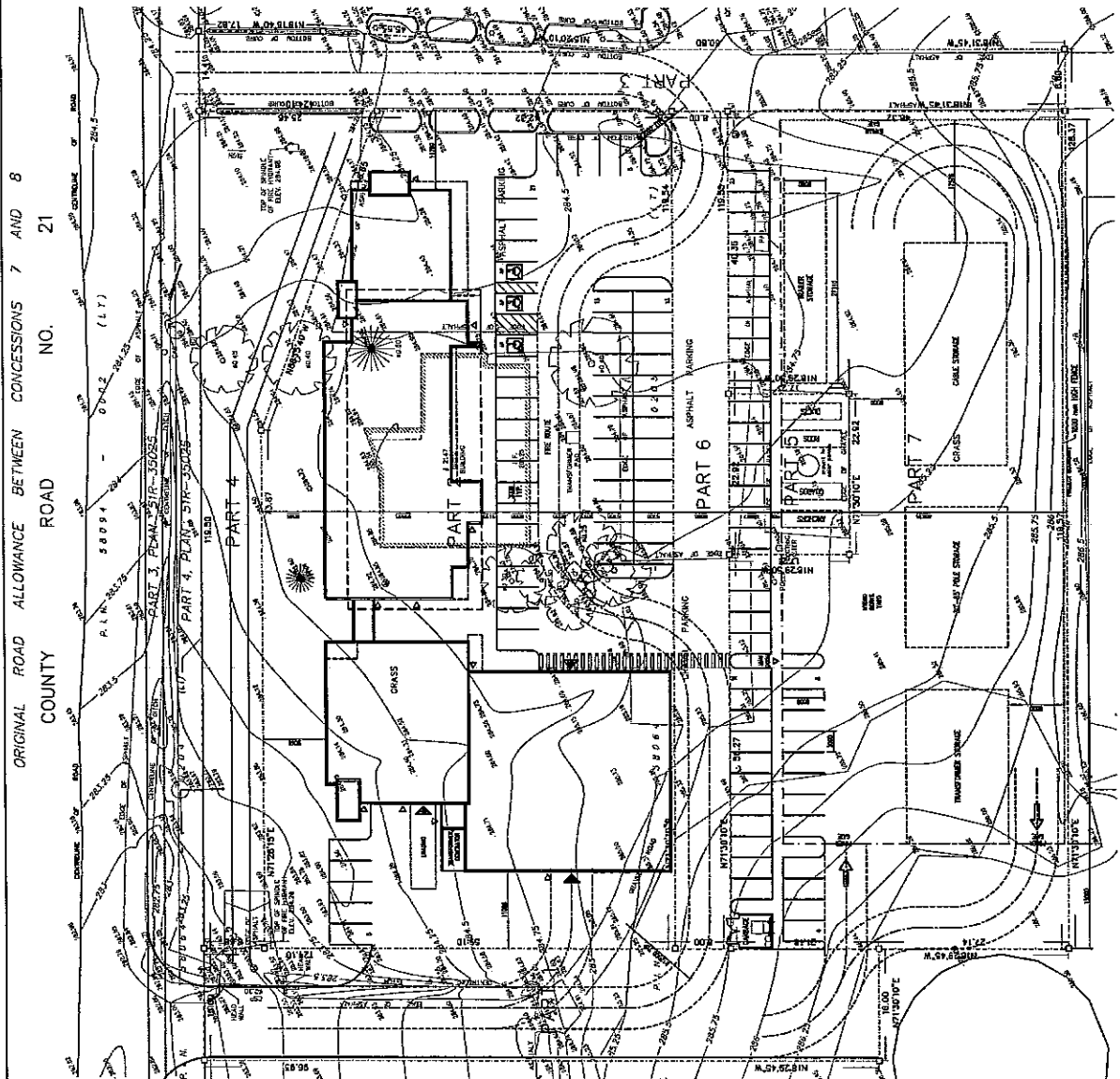
Demolition of the Old Town Hall has been completed. A new site plan application has been submitted to the Town for approval. Staff have met with Global Furniture, the electrical and computer network designer and have chosen a building commissioning agent (Green Initiatives Inc).

The architect has indicated that the project is on-time according to the latest proposed schedule.

Recommendation

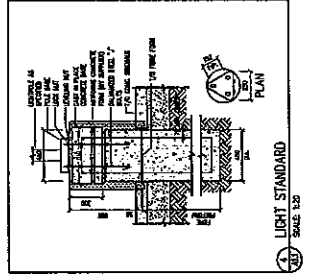
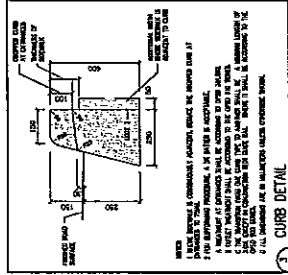
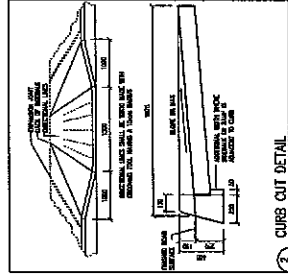
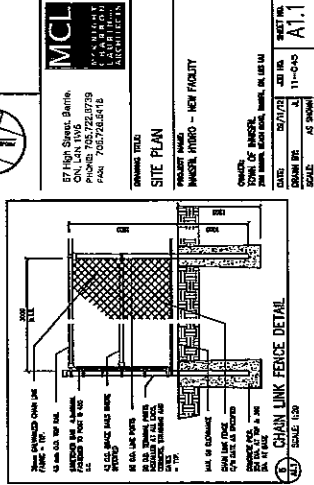
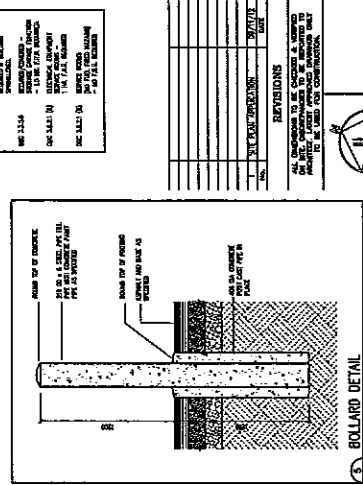
It is recommended that the Board receive this report.

ORIGINAL ROAD ALLOWANCE BETWEEN CONCESSIONS 7 AND 8
 COUNTY ROAD NO. 21
 COUNTY



REVISIONS

NO.	DATE	DESCRIPTION
1	07/17/12	ISSUED FOR PERMIT
2	07/17/12	ISSUED FOR PERMIT
3	07/17/12	ISSUED FOR PERMIT
4	07/17/12	ISSUED FOR PERMIT
5	07/17/12	ISSUED FOR PERMIT
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44	07/17/12	ISSUED FOR PERMIT
45	07/17/12	ISSUED FOR PERMIT
46	07/17/12	ISSUED FOR PERMIT
47	07/17/12	ISSUED FOR PERMIT
48	07/17/12	ISSUED FOR PERMIT
49	07/17/12	ISSUED FOR PERMIT
50	07/17/12	ISSUED FOR PERMIT



MCL
 87 High Street, Suite 200
 ON LAM, TN 37824
 PHONE 757.222.9739
 FAX 757.222.9716

SITE PLAN
 PROJECT NAME: MANSER, HIRSH - NEW FACILITY
 DRAWING TITLE: SITE PLAN
 DATE: 07/17/12
 DRAWN BY: [Signature]
 CHECKED BY: [Signature]
 SCALE: AS SHOWN

SITE PLAN
 SCALE: 1/8" = 1'-0"

GENERAL NOTES:

ALL DIMENSIONS SHALL BE AS INDICATED UNLESS OTHERWISE NOTED.

ADDITIONAL GENERAL NOTES TO BE FOUND IN THE DRAWINGS.

CONCRETE SHALL BE SUPPLIED BY A QUALIFIED SUPPLIER.

CONCRETE SHALL BE PLACED AND VIBRATED AS SPECIFIED IN THE SPECIFICATIONS.

ALL REINFORCING SHALL BE SUPPLIED BY A QUALIFIED SUPPLIER.

ALL REINFORCING SHALL BE PLACED AND TIED AS SPECIFIED IN THE SPECIFICATIONS.

ALL REINFORCING SHALL BE LABELED AS SPECIFIED IN THE SPECIFICATIONS.

ALL REINFORCING SHALL BE LABELED AS SPECIFIED IN THE SPECIFICATIONS.

ALL REINFORCING SHALL BE LABELED AS SPECIFIED IN THE SPECIFICATIONS.

CONCRETE FINISHES:

CONCRETE SHALL BE FINISHED AS SPECIFIED IN THE SPECIFICATIONS.

CONCRETE SHALL BE FINISHED AS SPECIFIED IN THE SPECIFICATIONS.

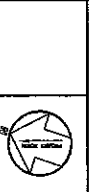
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CONCRETE SHALL BE FINISHED AS SPECIFIED IN THE SPECIFICATIONS.

CONCRETE SHALL BE FINISHED AS SPECIFIED IN THE SPECIFICATIONS.

NO.	REVISIONS	DATE

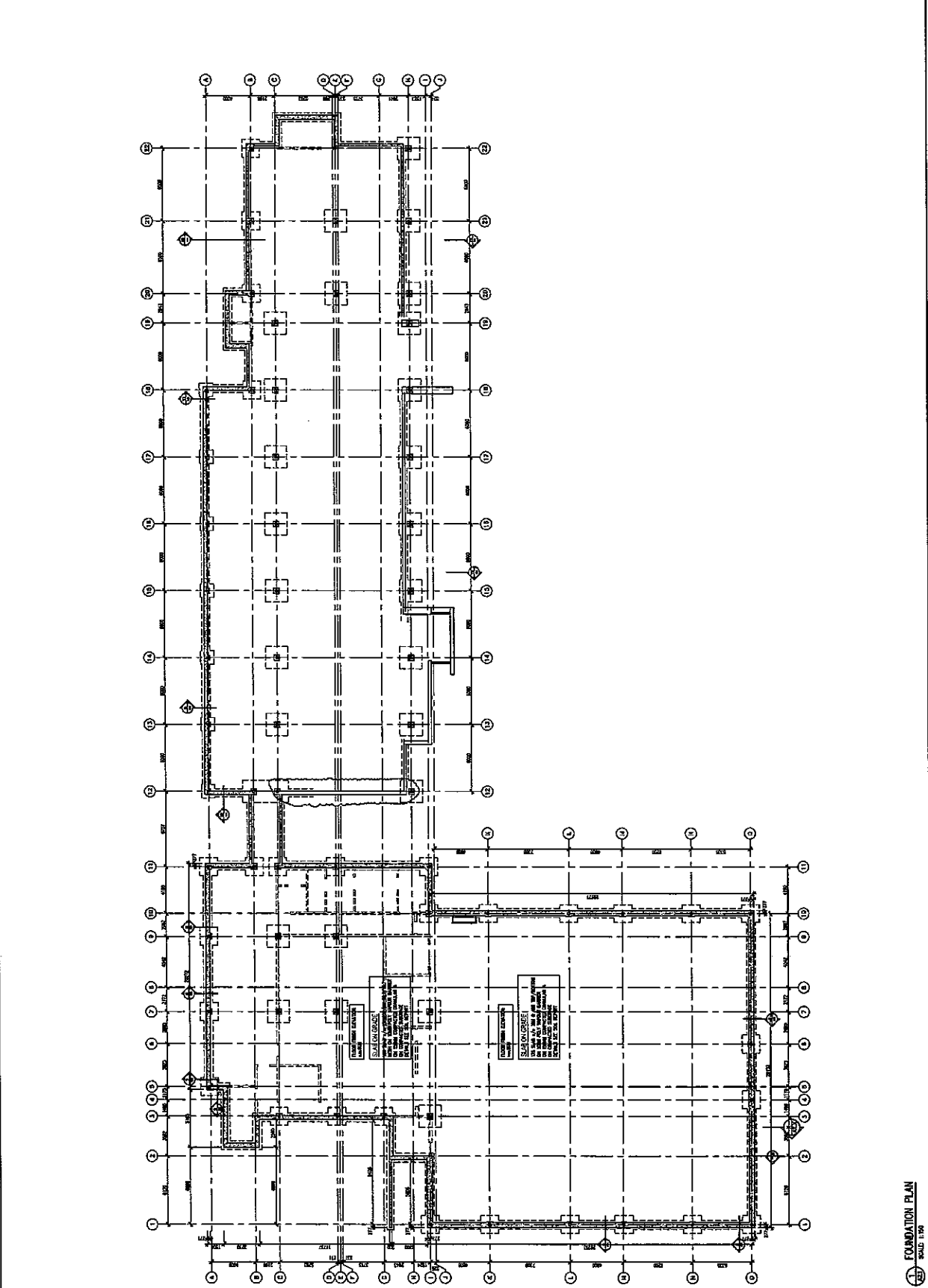


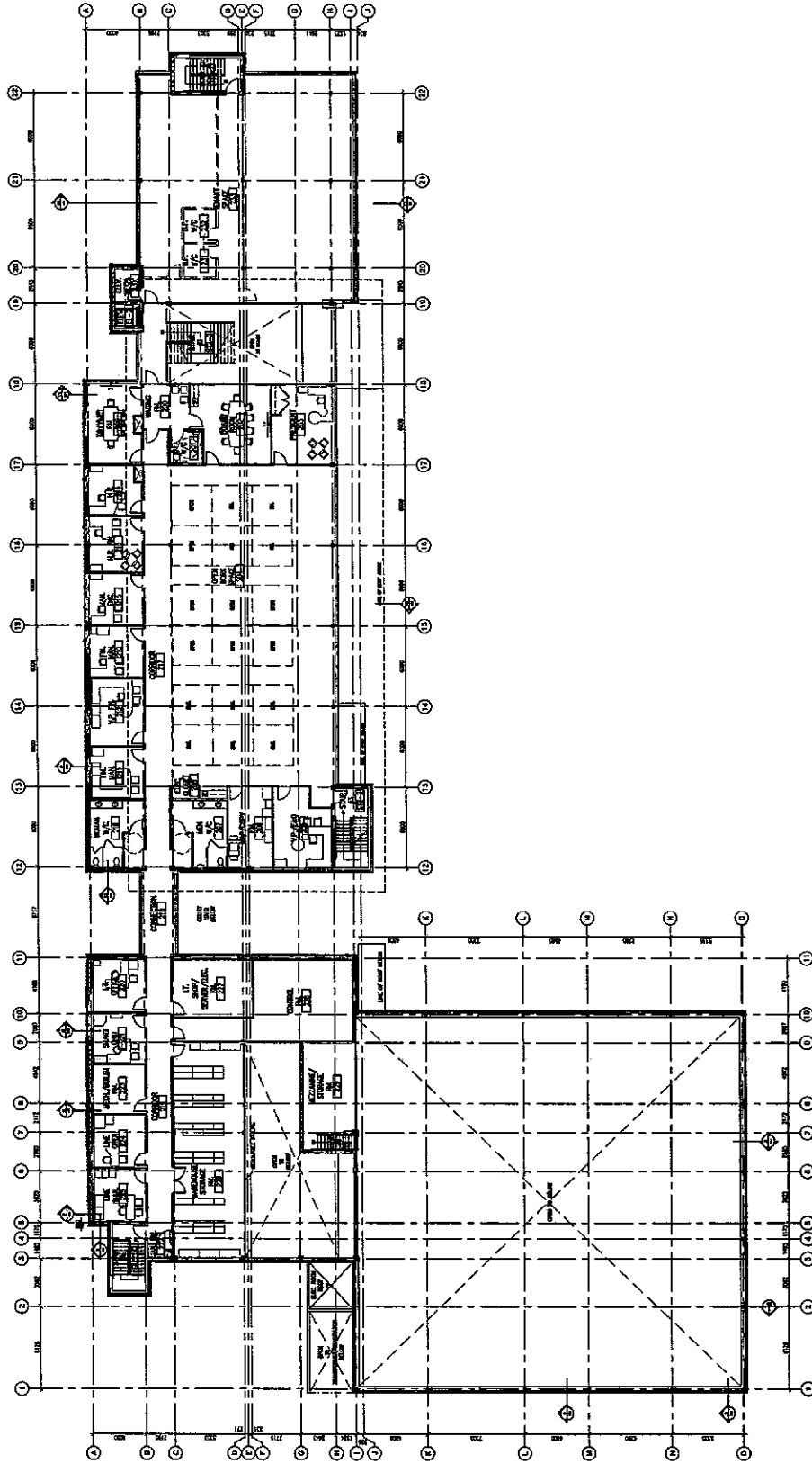
MCL

67 High Street,
Boston, MA 02108
Phone: 617.624.5440
Fax: 617.624.5441

OWNER: NEW FACILITY
PROJECT NAME: NEW FACILITY

DATE: 11-03
SCALE: AS SHOWN





NO.	DESCRIPTION	DATE



MCL
 MECHANICAL
 ELECTRICAL
 PLUMBING

SECOND FLOOR PLAN

OWNER: **STATE OF MASS.**
 PROJECT: **STATE HOUSE RENOVATION**
 DRAWING NO.: **11-045**
 SHEET NO.: **A2.2**

SECOND FLOOR PLAN
 SCALE: 1/8" = 1'-0"

8. 2013/2014 FORESTRY CONTRACT

MOVED BY: Barb Baguley

SECONDED BY: Robert Lake

RESOLUTION NO. 12-138

Be it resolved that the Board hereby receive the 2013/2014 Forestry Tender staff report, and

Further award the 2013 and 2014 tree trimming contract to the lowest bidder, W. H. Weller.

CARRIED

9. CORPORATE SERVICES UPDATE

MOVED BY: Barb Baguley

SECONDED BY: Robert Lake

RESOLUTION NO. 12-139

Be it resolved that the Board receive the Corporate Services Update staff report, for information purposes.

CARRIED

10. WELLNESS POLICY

MOVED BY: Robert Lake

SECONDED BY: Barb Baguley

RESOLUTION NO. 12-140

Be it resolved that the Board hereby receive the Wellness Policy staff report, and

That the Board further approve the Wellness Policy, as amended, effective January 1, 2013.

CARRIED

11. BUILDING MOVE UPDATE

MOVED BY: Barb Baguley

SECONDED BY: Robert Lake

RESOLUTION NO. 12-141

Be it resolved that the Board hereby receive the Building Move Update staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

January 21, 2013

Staff Report

BUILDING MOVE UPDATE

Summary

An opportunity has presented itself regarding the move to Town campus. The Town is investigating the purchase of 70 acres contiguous to the south end of Town campus (Presentation attached). Council's direction to purchase the land will be forthcoming on Thursday, January 17. The Roads division would then move south and take advantage of the new property for a yard.

Innisfil Hydro has a window of opportunity to join the Roads division before breaking ground at the original proposed lot on Innisfil Beach Road. The benefits of moving to the south part of campus with Roads are:

- ◆ Sharing of electrical, water, wastewater, gas and network services.
- ◆ Sharing of driveways.
- ◆ Closer to future fueling infrastructure at Roads.
- ◆ Closer to future vehicle maintenance at Roads.
- ◆ The ability to move the building structure without architectural design changes.
- ◆ The ability to showcase the better looking back side of the building to Yonge Street traffic.
- ◆ The ability to hide the operations yard
- ◆ The ability for Roads to leverage the existing architectural design from Hydro to save costs and promote a campus feel.
- ◆ The ability to swap 3 acres for 5.5 acres which will allow for two Hydro yards to combine into one and provide space for future garage expansions.
- ◆ The Director of Planning has indicated that rental space demand will not be unduly diminished at the Yonge Street location.

For the benefit of acquiring more land, there will be extra costs for surveying, servicing and for the site plan application. Following direction to proceed to investigate a land swap, staff would engage the architect, surveyor, soils specialist and engineering design firm to analyze the requirements for the move.

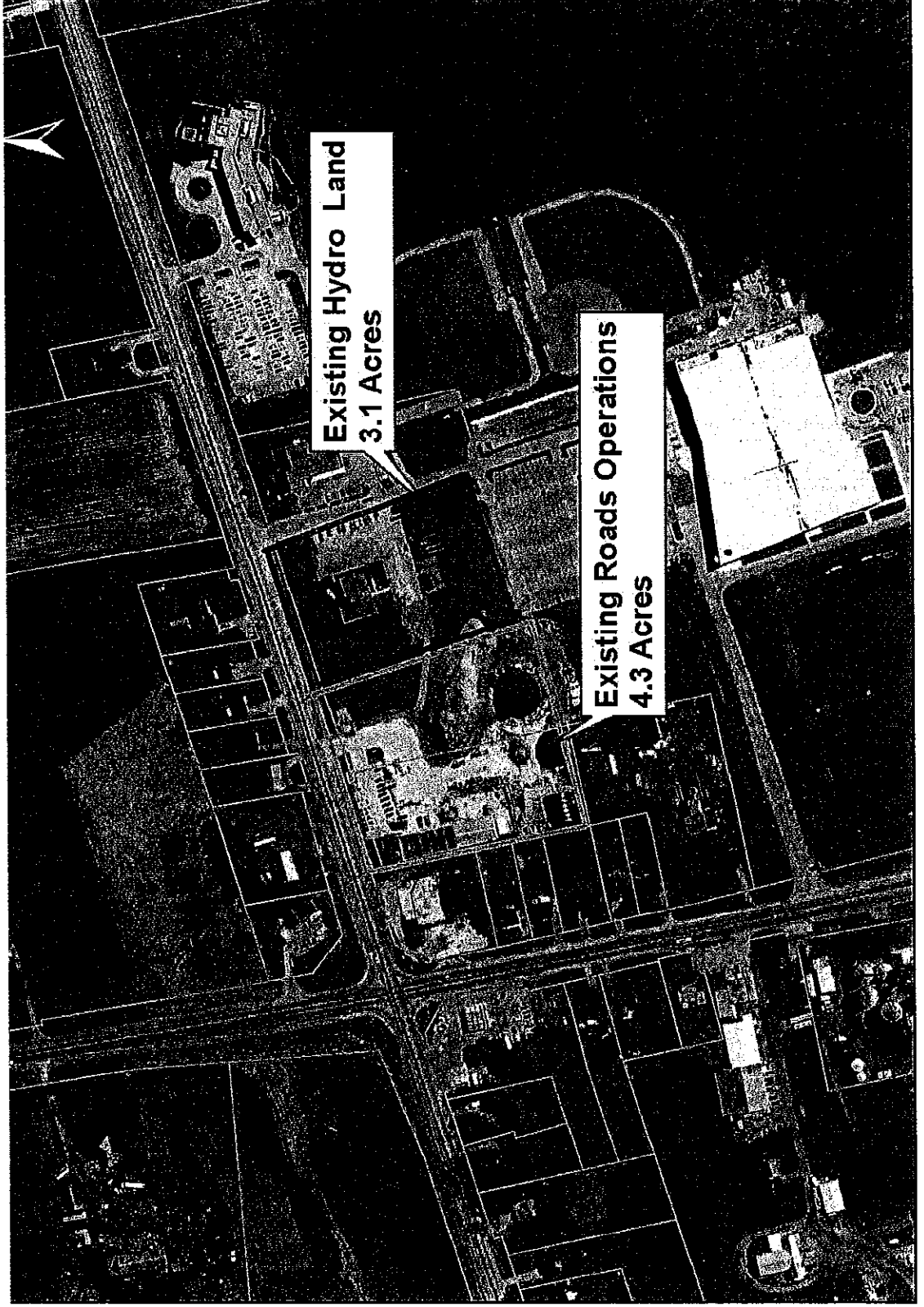
Recommendation

It is recommended that the Board receive this report and approve the investigation of proceeding with a land swap and building move further south on Town campus.

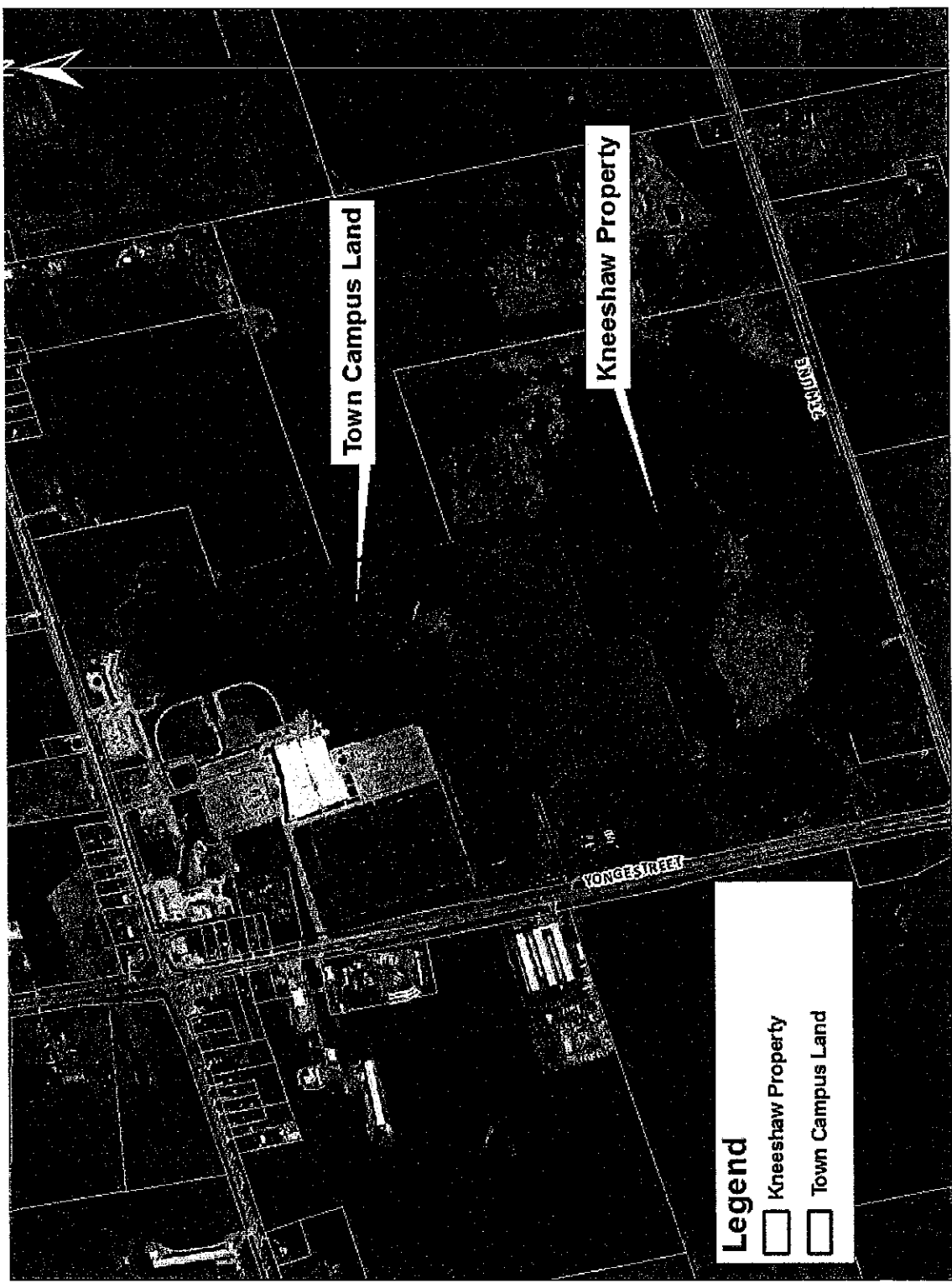
Hydro and Roads Facilities Relocation Options

Opportunity to move south of the
Innisfil Recreational Complex

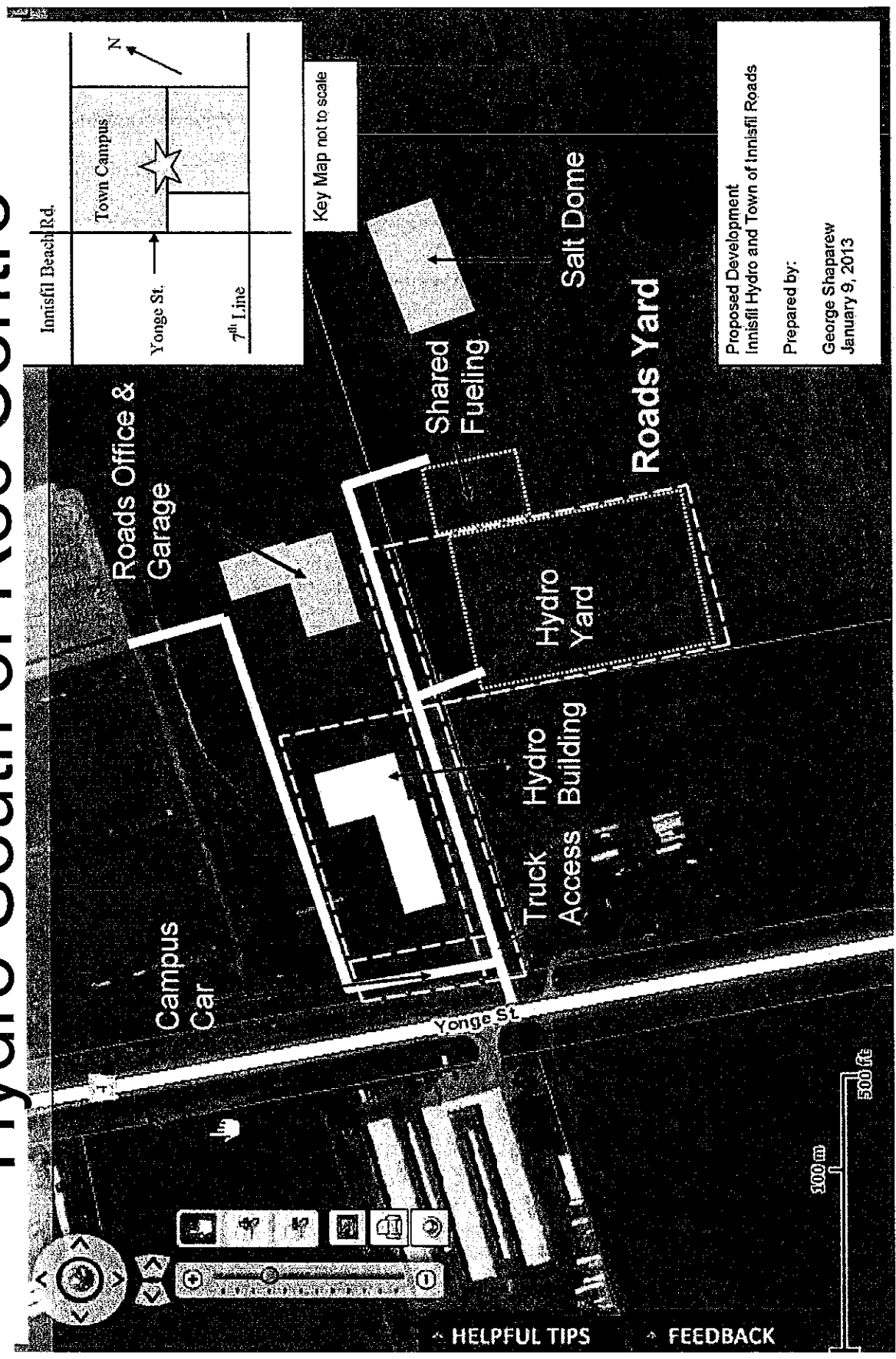
Present Building Lot



Town Campus Land Addition

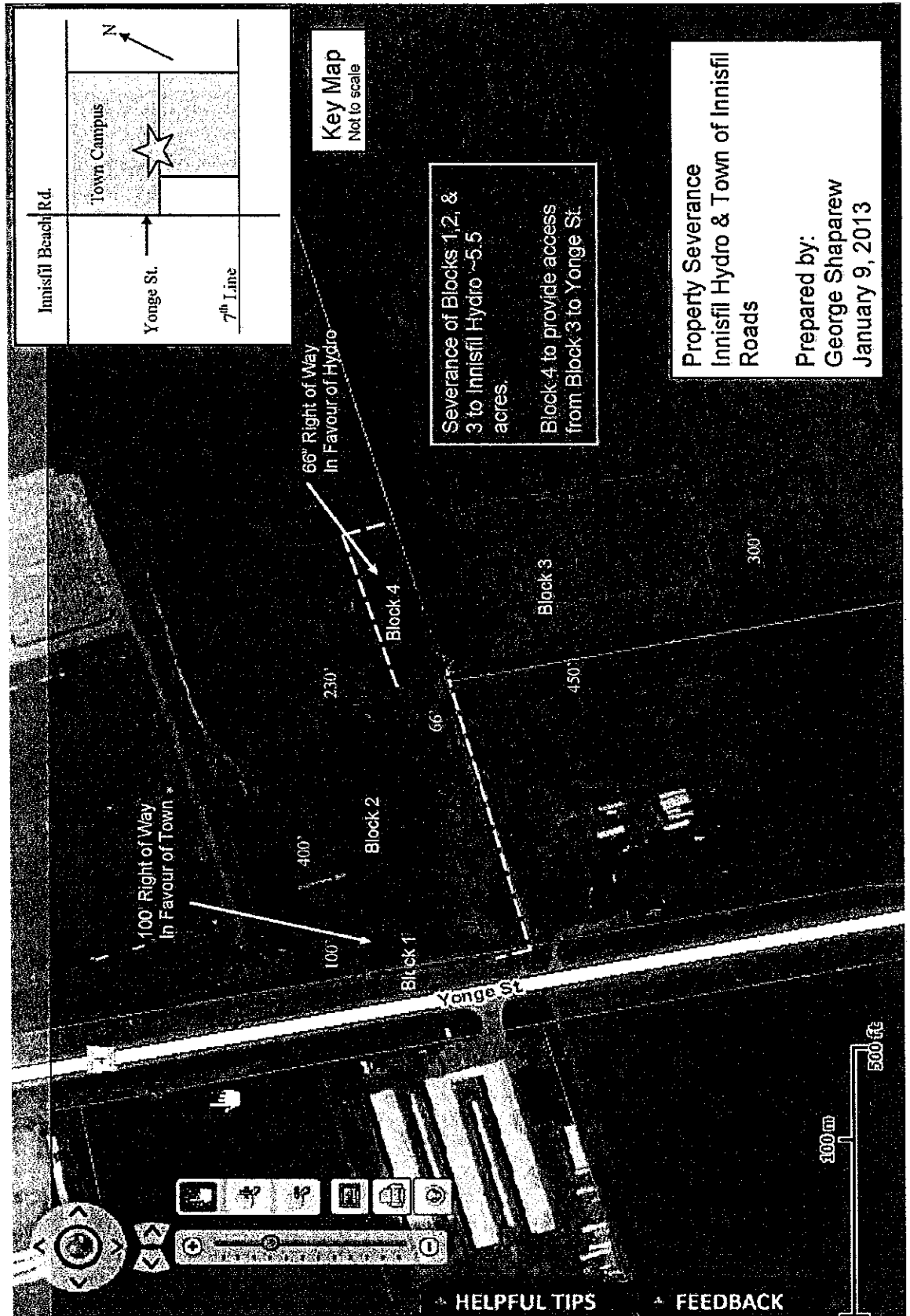


Possible Relocation of Roads and Hydro South of Rec Centre

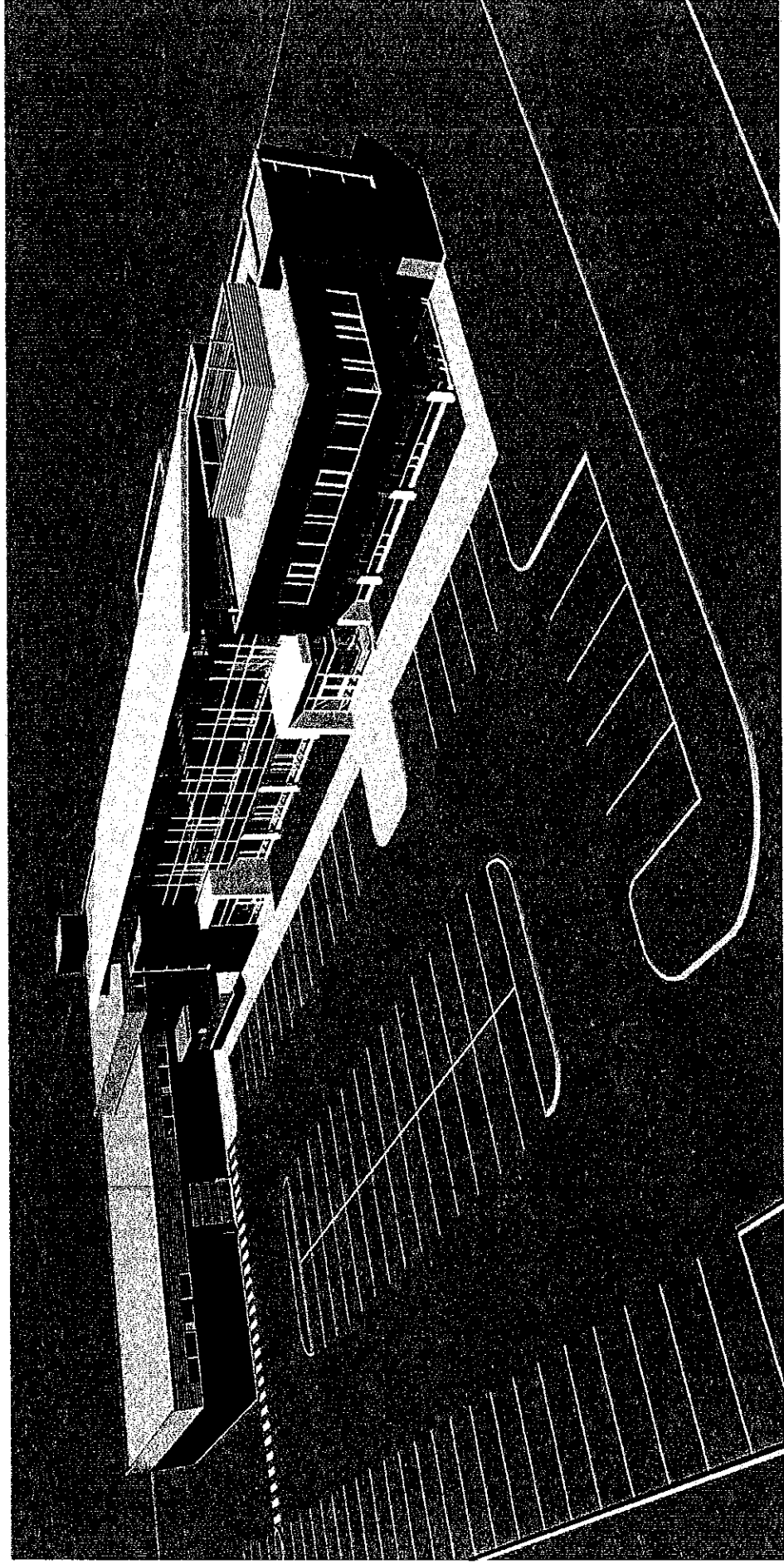


Proposed Development
Innisfil Hydro and Town of Innisfil Roads
Prepared by:
George Shaparew
January 9, 2013

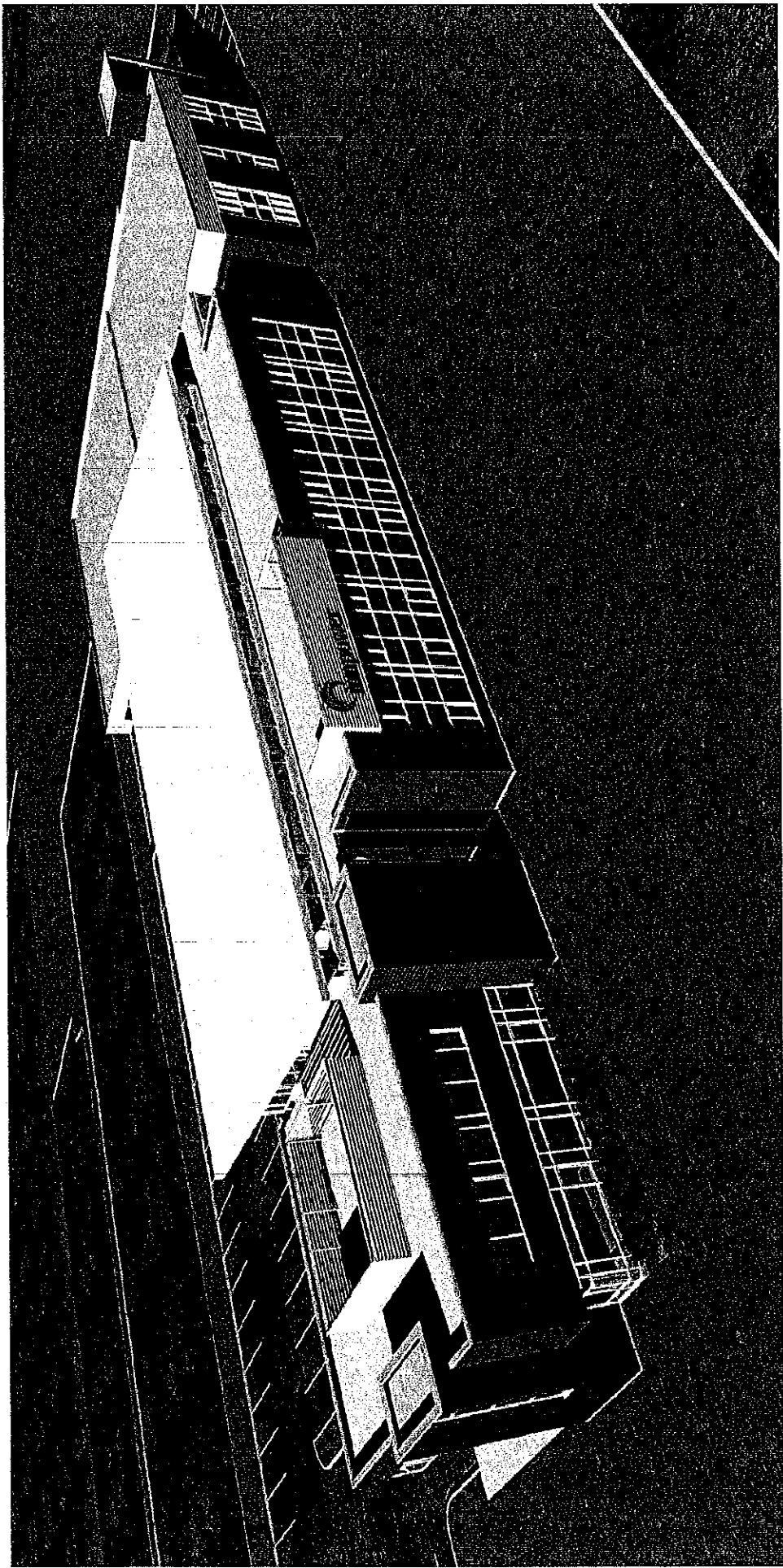
Possible Land Swap with Town



New Building Driving South on Yonge St.



New Building Driving North on Yonge St.



Option Available

- Town to purchase 70 additional acres increasing campus size.
- With Roads relocating south to additional land, opportunity to move with them, share driveways, services, fueling, vehicle maintenance etc. The yard will become larger and less intrusive.
- Opportunity to increase available land used by Hydro from 3 acres to 5.5 acres.
- Old Roads site and Hydro Yard to be sold by Town (7.4 acres).

8. BUILDING MOVE UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 13-7

Be it resolved that the Board hereby receive the Building Move Update staff report, and

Further approve the investigation of proceeding with a land swap and building move further south on Town campus.

CARRIED

9. FINANCIAL POLICY

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 13-8

Be it resolved that the Board table the Financial Policy staff report; and

Await any further updates in due course.

CARRIED

10. CORPORATE SERVICES UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 13-9

Be it resolved that the Board hereby receive the Corporate Services Update staff report, for information purposes.

CARRIED

11. HEALTH & SAFETY UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 13-10

Be it resolved that the Board hereby receive the Health & Safety Update staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

February 19, 2013

Staff Report

BUILDING MOVE UPDATE

Summary

On February 6, 2013, Innisfil Town Council had approved the purchase of 70 acres of land contiguous to the south end of Town campus. Innisfil Hydro, Town staff, Ainley Engineering and our architects have met to discuss the relocation of Innisfil Hydro and the Roads Department to the new lands. The architects have provided a proposal to Town staff for site plan development of their new facility. Ainley Engineering has completed the site survey and has provided an estimate for tender ready documents required for site grading, roadways, water and wastewater servicing and for the relocation of the storm pond. The estimate was for approximately \$100k and the Town said that they would pay for these costs. Innisfil Hydro has engaged the appraiser to value the possible land swap of 3 acres with the proposed 5.5 acres.

The latest schedule presented by the architects indicates that ground breaking would be delayed by two months to May with occupancy in August 2014.

Recommendation

It is recommended that the Board receive this report.

Agreement of Purchase and Sale Commercial

This Agreement of Purchase and Sale dated this day of

BUYER, INNISEIL HYDRO DISTRIBUTIONS SYSTEMS LIMITED , agrees to purchase from
(Full legal names of all Buyers)

SELLER, JOHN EISSES & ALIDA EISSES , the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address LOT-20 CONCESSION-5 (PART -2, 4.686 ACRES)
fronting on the side of 5TH LINE AND 20TH SIDEROAD (VACANT LAND)
in the Town of Innisfil
and having a frontage of Feet more or less by a depth of AS ATTACHED Feet more or less
and legally described as SOUTHEAST CORNER LOT-20 CONCESSION-5 (AS ATTACHED) (PART 2, 4.686 ACRES TO
BE SEVERED) (the "property").
(Legal description of land including easements not described elsewhere)

PURCHASE PRICE: Four Hundred Thousand
..... Dollars (CDN\$) 400,000.00

DEPOSIT: Buyer submits Upon Acceptance
(Herewith/Upon Acceptance/as otherwise described in this Agreement)
Twenty-Five Thousand Dollars (CDN\$) 25,000.00

by negotiable cheque payable to Coldwell Banker The Real Estate Centre "Deposit Holder"
to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion.
For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the
Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that,
unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's
non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A, B attached hereto form(s) part of this Agreement.

- IRREVOCABILITY:** This offer shall be irrevocable by Buyer until 8:00 p.m. on
(Seller/Buyer)
the 18th day of January , 2013 , after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.
- COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the 27th day of November , 2013 Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



3. **NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

Fax No.: (705) 436-7630
(For delivery of Documents to Seller)

Fax No.: (705) 436-7630
(For delivery of Documents to Buyer)

Email Address:
(For delivery of Documents to Seller)

Email Address:
(For delivery of Documents to Buyer)

4. **CHATELS INCLUDED:**

.....

.....

.....

.....

.....

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:**

.....

.....

.....


6. **RENTAL ITEMS:** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:.....

.....

.....

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the.....10th..... day of.....November....., 2013..... (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the Property, that its present use (.....) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.
10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.
11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the Property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.
12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.
13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.
14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.
15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.


INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O. 1990.
17. **RESIDENCY:** Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate or a statutory declaration that Seller is not then a non-resident of Canada.
18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
20. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless Seller's spouse has executed the consent hereinafter provided.
23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
25. **CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
26. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
27. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):



INITIALS OF SELLER(S):





28. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

INNISEIL HYDRO DISTRIBUTIONS SYSTEMS LIMITED

(Witness)
 (Witness)
 (Buyer / Authorized Signing Officer) DATE Jan 15 / 2013
 (Buyer / Authorized Signing Officer) DATE

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

JOHN EISSES & ALIDA EISSES

(Witness) (Seller / Authorized Signing Officer) DATE
 (Witness) (Seller / Authorized Signing Officer) DATE

SPOUSAL CONSENT: The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees with the Buyer that he/she will execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) (Spouse) DATE

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at a.m./p.m. this day of

(Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)

Listing Brokerage... Coldwell Banker The Real Estate Centre
Phone ... (705) 436-5111 Fax ... (705) 436-7630
Co-operating/Buyer Brokerage.....
Phone Fax.....

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

DATE	DATE
(Seller)	(Buyer)
DATE	DATE
(Seller)	(Buyer)
Address for Service: LOT-20 CONCESSION-5 (PART -2 4.686 ACR)	Address for Service:
Phone	Phone
Seller's Lawyer.....	Buyer's Lawyer.....
Address	Address
Phone Fax	Phone Fax

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale;
 In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by:
 (Authorized to bind the Listing Brokerage) (Authorized to bind the Co-operating Brokerage)

Schedule A Agreement of Purchase and Sale - Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, ...INNISFIL HYDRO DISTRIBUTIONS SYSTEMS LIMITED....., and

SELLER, ...JOHN EISSES & ALIDA EISSES.....,

for the purchase and sale of ...LOT-20 CONCESSION-5 (PART -2, 4.686 ACRES.) in the Town of Innisfil.....

Agreement of Purchase and Sale dated

The Buyer agrees to pay the balance of the purchase price, subject to adjustments, to the Seller on completion of this transaction, with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.

This offer is conditional upon the Buyer's Board of Directors Approval. Unless the Buyer gives notice in writing to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than FORTY-FIVE (45) days following acceptance of this offer that this condition is fulfilled, this offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. this condition is included for the benefit of the Buyer and may be waived at the Buyers's sole option by notice in writing to the Seller as aforesaid with in the time period stated herein.

This offer is conditional upon:

- 1) The Buyer obtaining a rezoning of subject lands suitable for the Buyers intended use.
- 2) The Buyer obtaining a satisfactory severance acquiring 4.686 acres on the Southeast corner with frontages on the 5th line and 20th sideroad in the town of Innisfil

Unless the Buyer gives notice in writing delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 5:00 p.m. October 30th 2013 that these conditions are fulfilled at the Buyer's sole discretion, this offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. This condition is included for the benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

Any and all costs pertaining to rezoning and severance will be the sole responsibility of the Buyer which would include legal, surveying, town and any governmental fees and such fees may not be limited to the above. The Buyer will be responsible for all real estate fees and commissions. The Seller will only be responsible for their own legal fees to close this transaction.

The parties to this Agreement acknowledge that Coldwell Banker the Real Estate Centre has recommended that they obtain advice from their legal counsel prior to signing this document. The parties further acknowledge that no information provided by Coldwell Banker The Real Estate Centre is to be construed as expert legal, tax, or environmental advice, and Coldwell Banker The Real Estate Centre accepts no responsibility for damages, if any, suffered by any party to this agreement, or any third party.

The Seller represents and warrants that no hazardous conditions or substances exist on the land, no pending litigation respecting environmental matters, no outstanding ministry of environmental orders and the land has never been used as a waste disposal site.

Continued on next page...

This page must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 

Schedule A Agreement of Purchase and Sale - Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, ...INNISFIL HYDRO DISTRIBUTIONS SYSTEMS LIMITED....., and

SELLER, ...JOHN EISSES & ALIDA EISSES.....,

for the purchase and sale of ...LOT-20 CONCESSION-5 (PART -2, 4.686 ACRES.) in the Town of Innisfil.....

Agreement of Purchase and Sale dated

Continued from previous page:

The purchase price shall be determined at the rate of \$85,361.00 per acre based upon a surveyor's certificate as to the area expressed in acres and the purchase price set forth on page one may be increased or decreased if the actual area does not equate to 4.686 acres.

If the buyer has not received written notice from the appropriate authorities by October 30th 2013 granting their desired rezoning & severance, then by notice in writing to the Seller on or before October 30th 2013. The sellers agree to grant one extension for four months from October 30th 2013 under the same terms and conditions. In the event the above extension takes place then the new closing would be 10-days following the Buyer receiving his rezoning & severance approvals.

The seller agrees to execute any Requisite Documents, at no cost to the Buyer, pertaining to applications needed for rezoning and severance.

Notwithstanding the completion date set out in this Offer, the Buyer may advance the completion date of the transaction by not more than 120 days, by giving written notice of the amended completion date to the Seller or the Seller's Solicitor at least 30 days in advance of the earlier of the completion date set out herein and the amended completion date.

This page must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

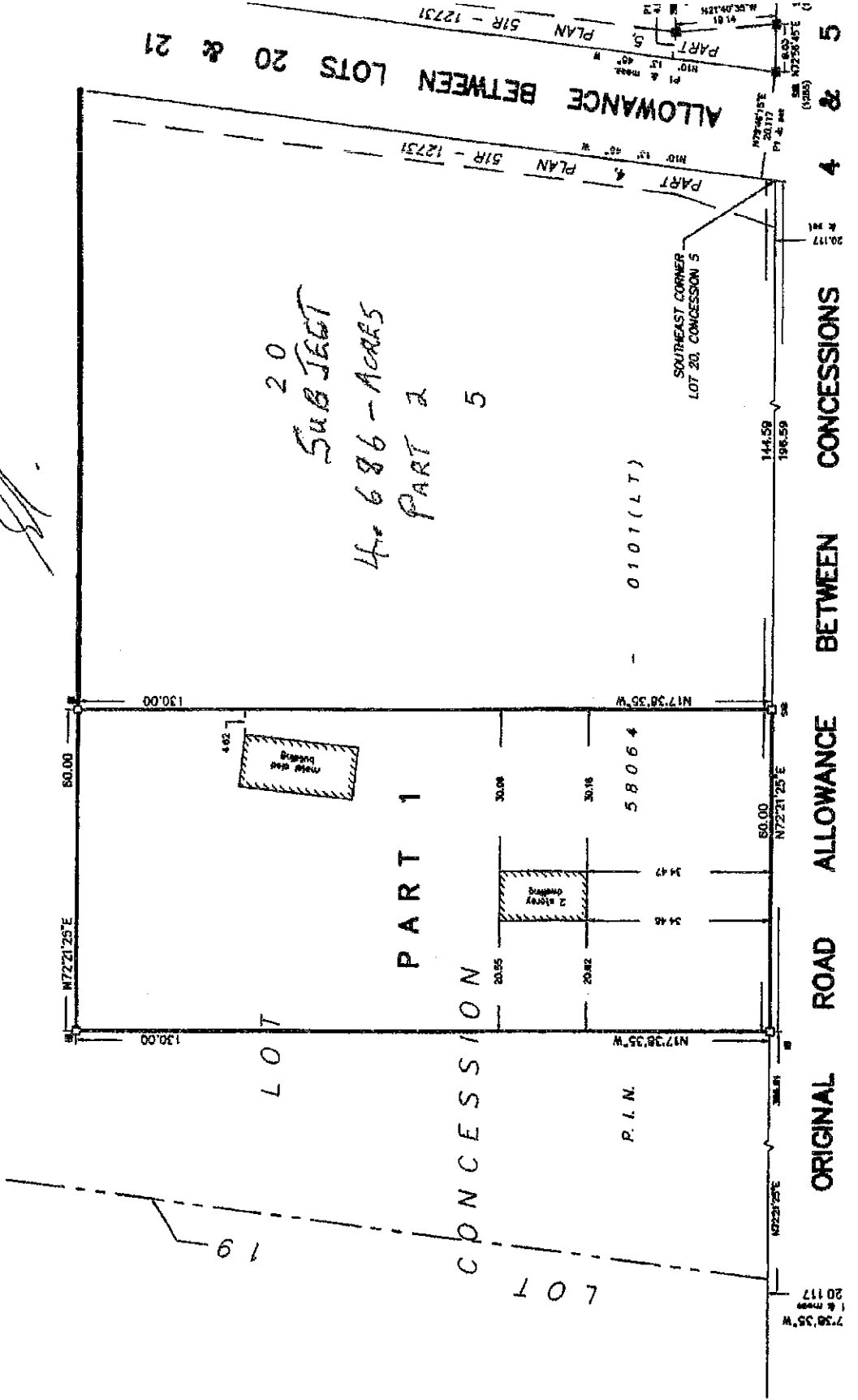


SCHEMULE "B"



[Handwritten signature]

20
SUBJECT
4-686-ACARS
PART 2
5



ORIGINAL ROAD ALLOWANCE BETWEEN CONCESSIONS

4 & 5

8. CORPORATE SERVICES UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 13-20

Be it resolved that the Board hereby receive the Corporate Services Update staff report, for information purposes.

CARRIED

9. 2012 YEAR END SCORECARD

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 13-21

Be it resolved that the Board hereby receive the 2012 Year End Scorecard staff report, for information purposes.

CARRIED

10. 20TH SR AND 5TH LINE PROPERTY PURCHASE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 13-22

Be it resolved that the Board hereby receive the 20th SR and 5th Line Property Purchase staff report, and

THAT Innisfil Hydro purchase the 4.7 acre lot for \$450,000 plus incidental costs, or as determined by the Chairman and the President & CEO, and

THAT Innisfil Hydro transfer the purchase agreement to the Town of Innisfil to purchase the 4.7 acre lot and then purchase approximately one acre from the Town of Innisfil on a shared cost basis.

CARRIED

11. BUILDING MOVE UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 13-23

Be it resolved that the Board hereby receive the Building Move Update staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

March 18, 2013

Staff Report

BUILDING MOVE UPDATE

Summary

A draft appraisal of the two Town Campus locations has been provided as follows:

2147 Innisfil Beach Road	\$677,000
New South Yonge St. Location	\$825,000

Innisfil Hydro has purchased 2147 Innisfil Beach Road (IBR) from the Town of Innisfil and has attributed the following costs:

Purchase Price	\$650,000
Land Transfer Tax	
Building Condition Study	
Demolition	
Legal	
Survey	
Appraisal	
Soil testing	
All Above (Make Ready Costs)	<u>\$173,890</u>
Total	\$823,890

It has been noted that \$173,890 has been sunk into the property as was required to prepare the lot for the construction of the new building. Architectural fees have not been included in the make ready costs as they are attributed to the new building only. Factoring in the purchase price of the 2147 IBR and make ready costs, the final amount is virtually the same as the value of the 5.5 acres investigated at the south end of Town Campus. A land swap would therefore be amicable with the Town of Innisfil for 2147 IBR and 5.5 acres at the south end of campus.

A site plan has been provided for the draft location of Innisfil Hydro's new building and the Town of Innisfil's new Roads building. The cost estimate for relocating the storm pond is a minimum \$250k so both buildings have been laid out with the storm pond in place. The existing storm pond has sufficient capacity for both buildings and Conservation Authority approvals would not encumber proposed time-lines.

Recommendation

It is recommended that the Board receive this report and approve the land swap between 2147 IBR and 5.5 acres at the south end of Town Campus in principle pending Council approval, severance and final Board approval.

**ANDREW THOMPSON
& ASSOCIATES LTD.**

647 Wellington Road, Suite 103
Barns, ON L4N 2A1
PHONE 705-771-1596 FAX 705-771-5193
WEB www.andrew-thompson.on.ca



March 8, 2013

Innisfil Hydro Distribution Systems Limited
2073 Commerce Park Drive
Innisfil, ON L9S 4A2

Attention: Mr. George Shaparew

Re: 2147 Innisfil Beach Road & Proposed Sites, Innisfil

Dear Mr. Shaparew:

At your request, we provide this consulting report describing our investigation and analysis of the above referenced property, as of March 1, 2013. We understand the purpose of this report is to estimate market value. The intended use is to assist with corporate review. This report is to be relied upon by the client only unless otherwise stated. The property rights appraised in this report are the fee simple ownership, assuming the title to be free and clear of all encumbrances, unless otherwise stated. This report should be read in its entirety prior to making a decision to rely upon the report.

As a result of our investigation it is our professional opinion that the properties in their Highest and Best Use for permitted institutional developments have a current market value of

Property #1 (2147 Innisfil Beach Road)	\$677,000
Property #2 (Proposed Sites)	\$150,000 per acre

The following assumptions have been applied with respect to the proposed sites (Property #2):

- The value conclusion for Property #2 assumes that the property is severed, serviced, zoned for an institutional use and accessible along a laneway running between the sites as identified within this report. In the absence of this assumption, this property is part of two larger properties with little individual utility.
- The value conclusion for Property #2 does not account for any easements and right-of-ways that may be registered on the proposed sites.

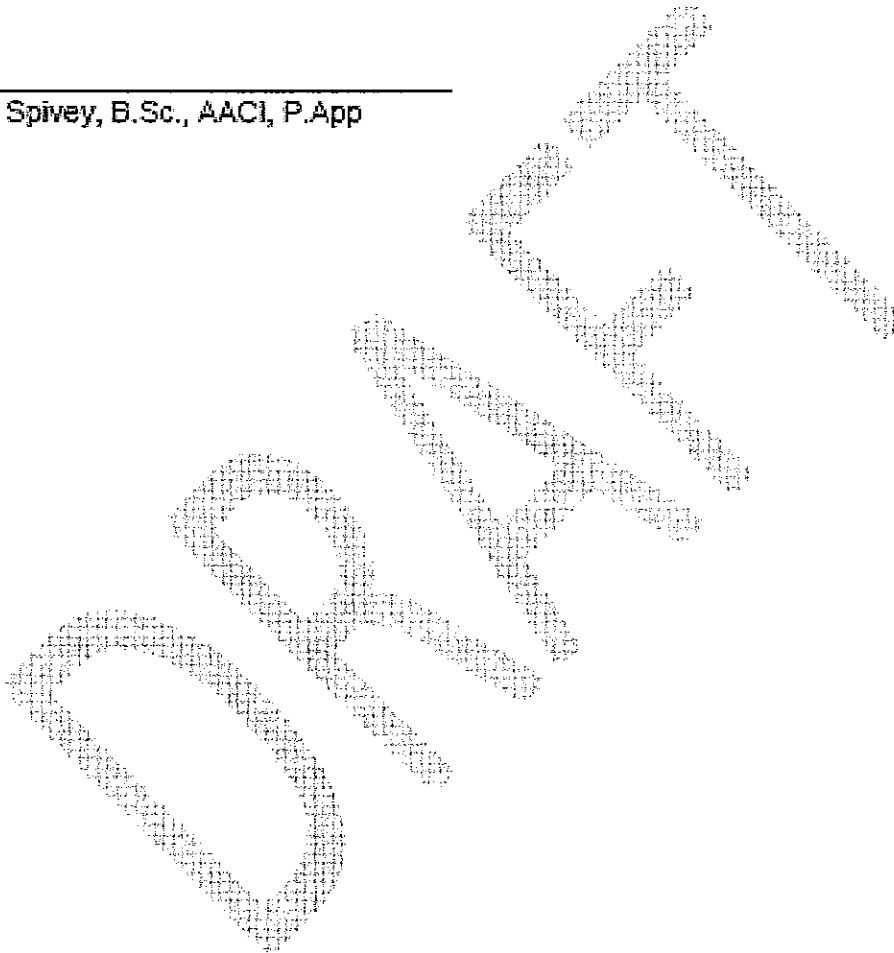
2147 Innisfil Beach Road & Proposed Sites (Part of 580640203 & 580640014), Innisfil 3

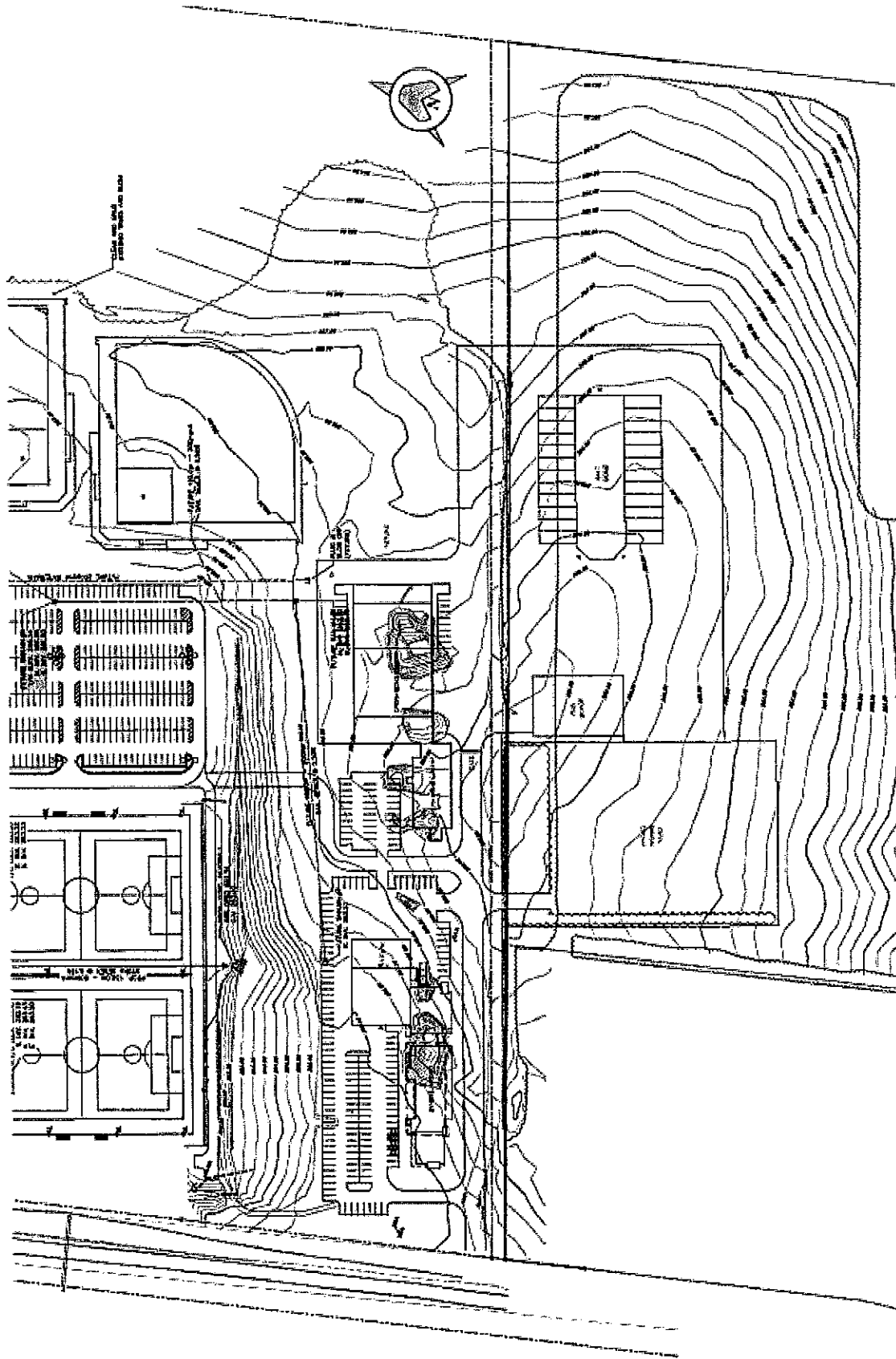
This consulting report is provided in a format that is consistent with the Terms of Reference and in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (C-USPAP) adopted by the Appraisal Institute of Canada.

We trust the information provided meets with your approval and thank you for considering our firm.

Respectfully Submitted,
ANDREW, THOMPSON AND ASSOCIATES LTD.

Peter Spivey, B.Sc., AACI, P.App





8. CORPORATE SERVICES UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 13-33

Be it resolved that the Board hereby receive the Corporate Services Update staff report, and

Further approve the Information Technology Security Policy as presented.

CARRIED

9. HEALTH & SAFETY UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 13-34

Be it resolved that the Board hereby receive the Health & Safety Update staff report, for information purposes.

CARRIED

10. BUILDING MOVE UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 13-35

Be it resolved that the Board hereby receive the Building Move Update staff report, and

Approve the land swap between 2147 Innisfil Beach Road (IBR) – 3.67 acres - and 5.5 acres at the south end of Town Campus in principle pending Council approval, severance and final Board approval.

CARRIED

13. INFORMATIONAL ITEMS

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 13-36

Be it resolved that the Board hereby receive the Informational Items staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

April 15, 2013

Staff Report

BUILDING MOVE UPDATE

Summary

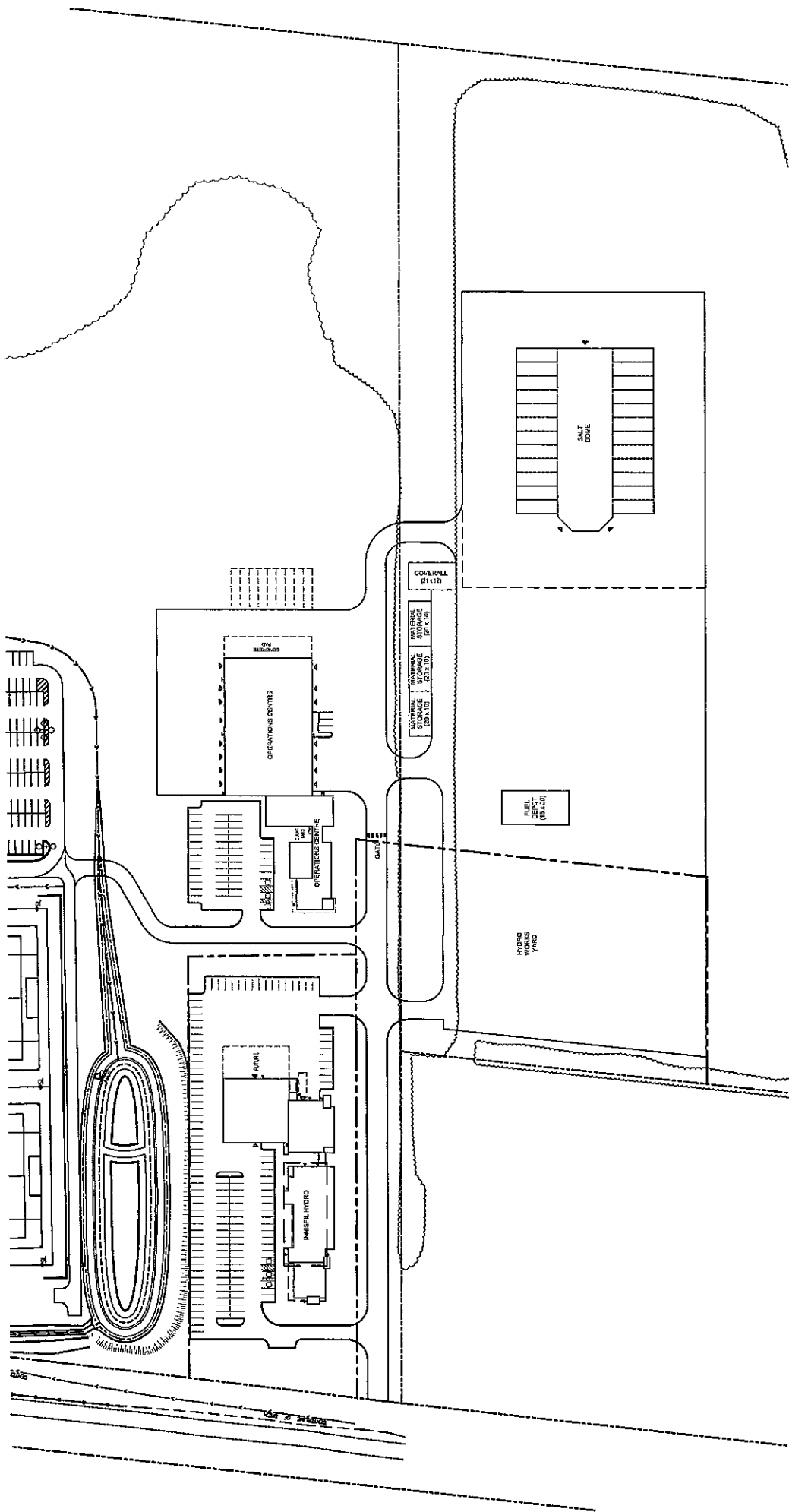
The latest site plan has been attached for reference. Ainley Engineering is finalizing elevations with initial engineering designs requiring a grade reduction at the Road's building site and one meter of engineered fill at the Hydro building site. Town staff is planning to issue a tender for earth works that will provide base elevations for the start of both building sites. It is estimated that Innisfil Hydro could tender the new building in May and have the successful contractor start in July.

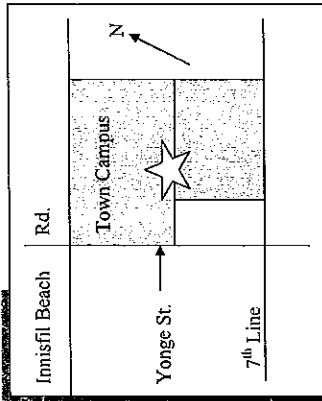
The surveyors are underway in establishing a reference plan for the proposed severance (draft severance plan attached). New calculations now require the severance of 6.67 acres, and not the 5.5 acres as originally estimated. Both buildings have been moved north and east to accommodate the 20m wide road roadway access. The additional 1.17 acres @ \$150/acre requires Innisfil Hydro to pay an additional ~\$175,500. The additional land will allow for the expansion of the garage area as may be required in 20+ years.

Recommendation

It is recommended that the Board receive this report, and

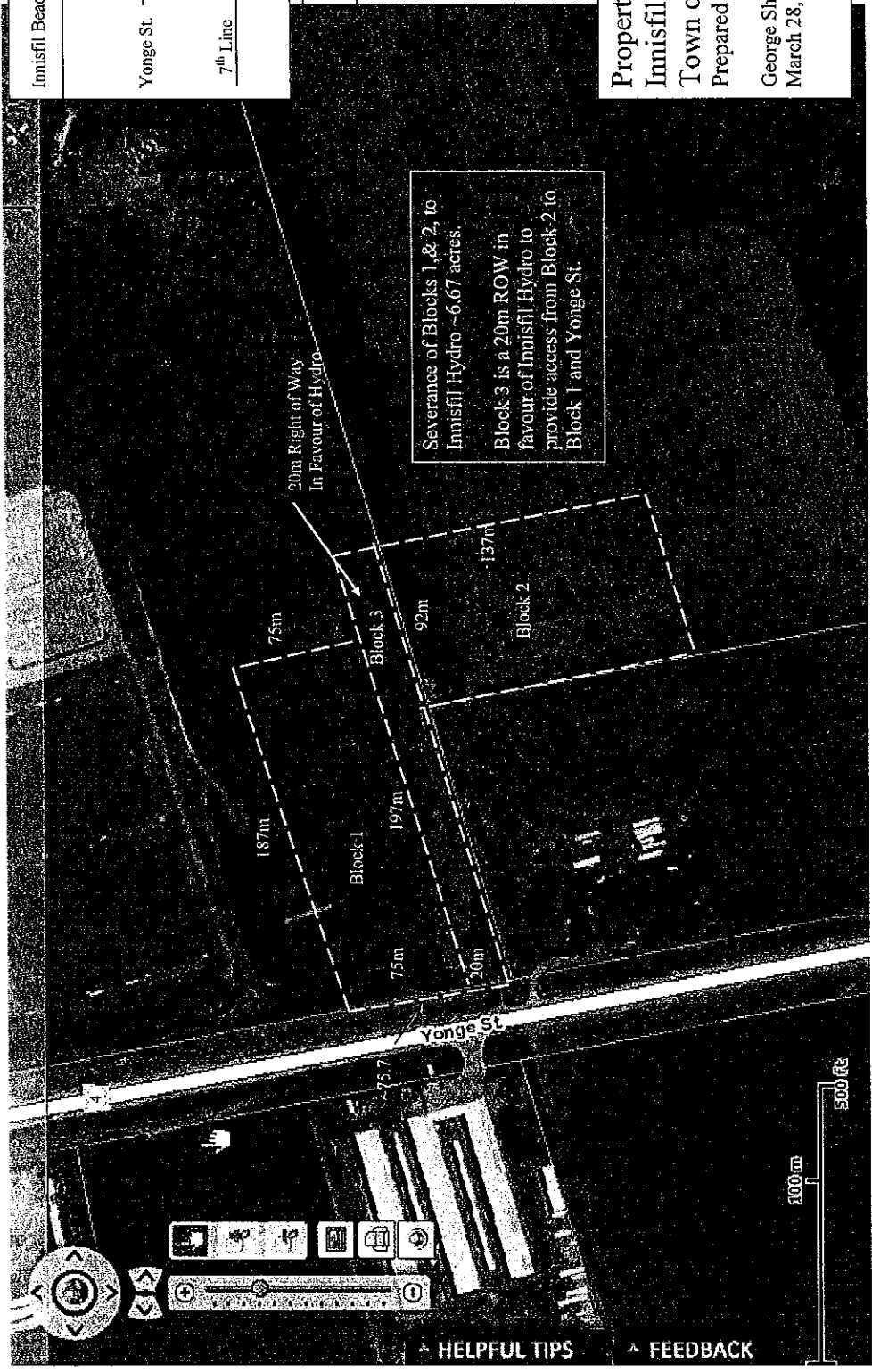
That the Board provide direction to amendment of the severance to ~6.67 acres with an additional associated cost of ~ \$175,500 subject to final approval at a later date.





Key Map NTS

Property Severance
 Innisfil Hydro and
 Town of Innisfil Roads
 Prepared by:
 George Shaparew
 March 28, 2013



Severance of Blocks 1, & 2, to
 Innisfil Hydro --6.67 acres.
 Block 3 is a 20m ROW in
 favour of Innisfil Hydro to
 provide access from Block 2 to
 Block 1 and Yonge St.

Navigation controls including a compass, a toolbar with icons for pan, zoom, and other map functions, and a scale bar showing 100m and 500ft.

HELPFUL TIPS FEEDBACK

11. TENDER AWARD

MOVED BY: Barb Baguley

SECONDED BY: Robert Lake

RESOLUTION NO. 13-47

Be it resolved that the Board hereby receive the Tender Award, 20 Sideroad Distribution Circuit Upgrade Project: 2013DO014 & 2013DO015 staff report, and

That the Board provide approval to award the Line Construction contract (Project IHDSL2013DO014 and DO015), labour and equipment, to Riggs Distler in the amount of \$76,104 plus HST.

CARRIED

12. HEALTH & SAFETY UPDATE

MOVED BY: Robert Lake

SECONDED BY: Barb Baguley

RESOLUTION NO. 13-48

Be it resolved that the Board hereby receive the Health & Safety Update staff report, for information purposes.

CARRIED

13. BUILDING MOVE UPDATE

MOVED BY: Robert Lake

SECONDED BY: Barb Baguley

RESOLUTION NO. 13-49

Be it resolved that the Board hereby receive the Building Move Update staff report, and

That the Board provide direction to the amendment of severance to ~ 6.67 acres with an additional associated cost of ~\$175,500 subject to final approval at a later date.

CARRIED

14. INFORMATIONAL ITEMS

MOVED BY: Robert Lake

SECONDED BY: Barb Baguley

RESOLUTION NO. 13-50

Be it resolved that the Board hereby receive the Informational Items staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

May 21, 2013

Staff Report

BUILDING MOVE UPDATE

Summary

Submissions for the short list for general contractors were received by May 3. The construction tender was scheduled to be released on May 16 and will conclude on June 6. The Architects will review submissions starting June 7 for a recommendation to this Board to approve a proponent on June 17.

George Cameron has been requested to draft the property swap documents with a closing date of June 14. Hydro has purchased 3.67 acres, the Old Innisfil Town Hall (Property 1) for \$650k. We've demolished the building and invested \$174k totaling \$824k. This work was done to build a new Hydro building. Subsequently, the Town bought 70 acres adjacent to Town Campus which is more suitable for both parties. Hydro is buying parts 1 and 3 on the new survey. Part 2 remains with the Town and they provide Hydro an easement for access similar to a road allowance.

Property 2 is 6.655 acres, appraised at \$150k/acre = \$998,250. Hydro is to sell Property 1 to the Town, add in invested costs of \$174k and purchase property 2 for the difference. The following two options have been presented for transaction costs:

Option 1		Option 2	
Sell Property 1 (purchase cost)	\$650,000	Sell Property 1 (appraised value)	\$677,000
Property 1 Invested Costs	\$174,000	Property 1 Invested Costs	\$174,000
Selling	\$824,000	Selling	\$851,000
Purchase Property 2	\$998,250	Purchase Property 2	\$998,250
Net Owing to Town	\$174,250	Net Owing to Town	\$147,250

Option 1 involves the purchase cost and invested cost of property 1 while option 2 involves the appraised value and invested cost of property 1. Staff are asking the Board to determine the appropriate option to use for the transaction.

The following significant dates have been provided as follows:

- May 17: Tender issued for general contract
- May 21: Board meeting to give final approval for the property swap
- May 28: All staff picture taken at the new site (4:45pm), the Board is invited to participate
- June 5: Council meeting to approve the property swap
- June 14: Closing date for the property swap
- June 17: 10:00 am official ground breaking at the new site with the Board and senior staff, and
11:00 am Board meeting to approve the general contractor

Recommendation

It is recommended that the Board receive this report, and

That the Board provide approval to sell property 1 (3.67 acres) and purchase property 2 (6.655 acre) for a net balance owing to the Town of \$_____.



**TOWN OF INNISFIL
 INNISFIL HYDRO &
 OPERATIONS CENTRE**

OVERALL HYDRO & LIGHTING

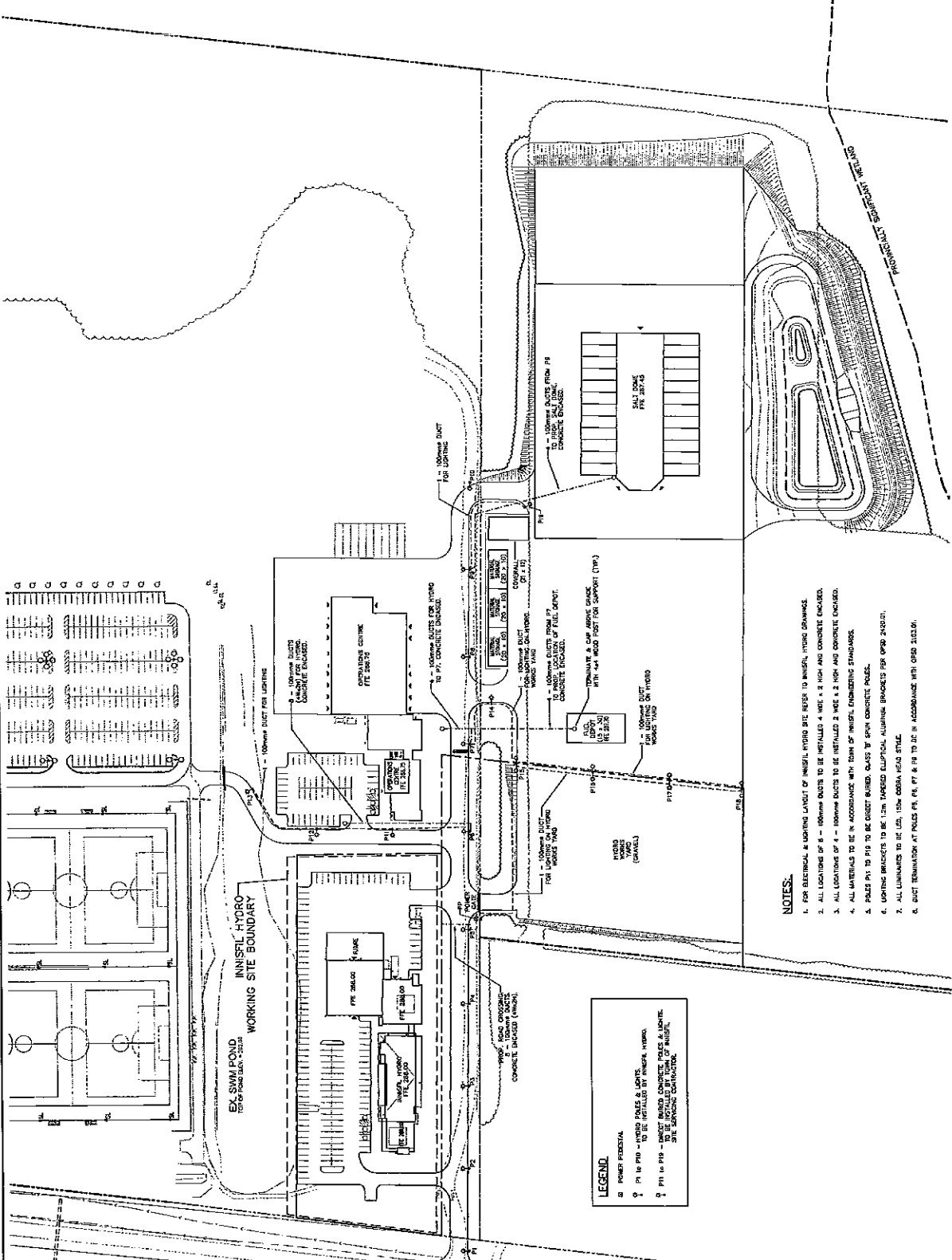
SCALE: 1:1000	DATE: MAR. 2013
DESIGN: TPK	CHECKED: TPK
DRAWN: JDL	

NO.	DATE	BY	REVISION
1.	MAY 2013	T.P.K.	ISSUED FOR TENDER

DISCLAIMER:
 The information contained in this drawing is for general information only and is not intended to be used for any other purpose. The user of this drawing is advised to consult the original contract documents and to verify the accuracy of the information contained herein. The user of this drawing is advised to consult the original contract documents and to verify the accuracy of the information contained herein. The user of this drawing is advised to consult the original contract documents and to verify the accuracy of the information contained herein.

NOTES:

- FOR ELECTRICAL & LIGHTING LAYOUT OF INNISFIL HYDRO REFER TO INNISFIL HYDRO DRAWINGS.
- ALL LOCATIONS OF 8" - 100mm DUCTS TO BE INSTALLED 4 WIDE x 2 HIGH AND CONCRETE ENCLOSED.
- ALL LOCATIONS OF 4" - 100mm DUCTS TO BE INSTALLED 2 WIDE x 2 HIGH AND CONCRETE ENCLOSED.
- ALL MATERIALS TO BE IN ACCORDANCE WITH TOWN OF INNISFIL ENGINEERING STANDARDS.
- POLES P19 TO P18 TO BE DIRECT BURIED, CLASS B, WITH CONCRETE PILES.
- WORKING BRACKETS TO BE 1.2m MARKED ELLIPTICAL ALUMINUM BRACKETS PER OPD 24007.
- ALL LUMINAIRES TO BE 100, 150w COBIA, 1650, 5000K.
- DUCT TERMINATION AT POLES P18, P17 & P16 TO BE IN ACCORDANCE WITH OPD 21030.



LEGEND:

- 8" POWER DUCTS
- 4" POWER DUCTS
- P16 TO P19 - 100mm DUCTS FOR HYDRO
- P16 TO P19 - 100mm DUCTS FOR LIGHTING
- P16 TO P19 - 100mm DUCTS FOR HYDRO & LIGHTING
- P16 TO P19 - 100mm DUCTS FOR HYDRO & LIGHTING

COUNTY ROAD No. 4

INTRODUCTION

This consulting report addresses the valuation of multiple parcels of institutional land located within or in close proximity to the Town of Innisfil Campus. The Town Campus is comprised of a newly developed recreation complex, the town hall and the public works yard. The subjects will be referred to as Property 1 and Property 2 within this report.

Property #1 is a 3.67 acre parcel of institutional land located slightly east of the intersection of Innisfil Beach Road and Highway #11. This site was formerly occupied by the Innisfil municipal office which has since been demolished. The site is now vacant. Property #1 is identified as a single PIN# 580640228.

Property #2 is comprised of 2 parcels of land that are to be located at the southern limit of the Town Campus. Parcel 1 has an approximate size of 2.64 acres and will have frontage along Yonge Street. Parcel 2 has an approximate size of 3.10 acres and will be accessed by a newly constructed laneway / road. These parcels are not individually identified parcels within the registry office and are parts of two separate larger parcels.

For the purposes of this consulting report Property #2 are assumed to be severed parcels that are zoned for an institutional use, similar to the adjoining lands, serviced to the lot line and access being provided by the laneway that is to run between the parcels.

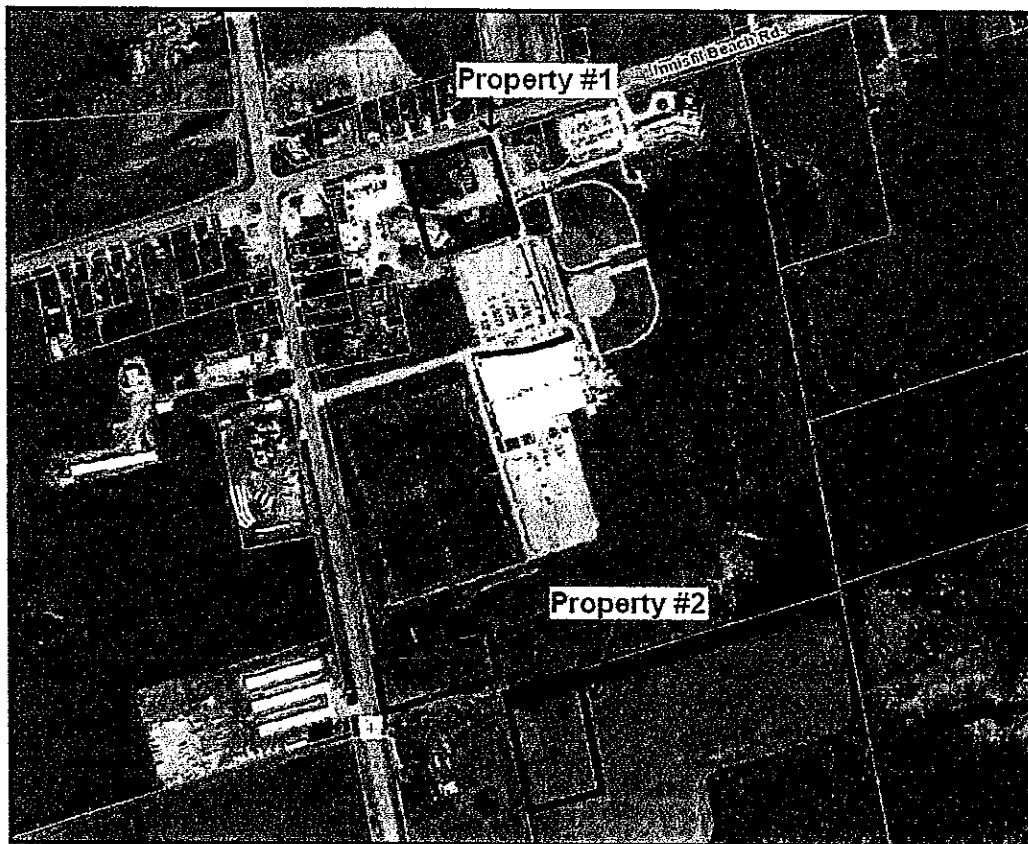


Figure 1 Source: County of Simcoe GIS

EXECUTIVE SUMMARY

Intended Users Innisfil Hydro Distribution Systems Limited

Effective Date March 1, 2013

Property #1

Address 2147 Innisfil Beach Road, Innisfil

Legal Description PIN #58064-0228 - Part of Lot 16, Concession 7, Being Parts 2, 4, 5, 6 & 7 on Plan 51R38545, Subject to an Easement over Parts 4, 5 & 6 on Plan 51R38545, as in SC1008245, Together with an Easement over Parts 1 & 3 on Plan 51R38545 as in SC1008245, in the Town of Innisfil, County of Simcoe

Registered Owner Innisfil Hydro Distribution Systems Limited

Lot Size 3.67 acres

Official Plan Designation "Institutional"

Zoning "Community Services"

Present Use Vacant Institutional Land

Highest and Best Use - Land Development as a permitted institutional use.

Property #2

Address Not Assigned – Proposed Site

Legal Description Part of: PIN #58064-0203 – Part of Lot 16, Concession 7, Being Parts 1 & 2 on Plan 51R33344, Except Parts 1 & 2 on Plan 51R35025, in the Town of Innisfil, County of Simcoe

Part of: PIN #58064-0014 – Part of Lot 16, Concession 7, Part 1 on Plan 51R4694, in the Town of Innisfil, County of Simcoe

Registered Owner Part of: 58064-0203 - The Corporation of the Town of Innisfil

Part of 58064-0014 – Kneeshaw Bonnie & James

Lot Size	Parcel #1 2.64 acres Parcel #2 3.01 acres (Based on Estimates from Dimensions Provided)
Official Plan Designation	"Institutional" and "Agricultural" (Assumed Institutional)
Zoning	"Environmental Protection" (Assumed Community Services)
Present Use	Vacant Institutional & Agricultural Land
Highest and Best Use - Land	Based on the assumptions outlined in this report the Highest and Best Use is for development as a permitted institutional use.

VALUATION:

Purpose of the Appraisal To estimate market value for corporate review.

Property #1 (2147 Innisfil Beach Road)

Estimate of Market Value \$677,000

Property #2 (Proposed Sites)

Estimate of Market Value \$150,000 per acre

- The value conclusion for Property #2 assumes that the property is severed, serviced, zoned for an institutional use and accessible along a laneway running between the sites as identified within this report. In the absence of this assumption, this property is part of two larger properties with little individual utility.
- The value conclusion for Property #2 does not account for any easements and right-of-ways that may be registered on the proposed sites.

I REQUIRE THIS PLAN TO BE DEPOSITED UNDER THE LAND TITLES ACT

PLAN 51R-
RECEIVED AND DEPOSITED.

DATE :

DATE :

RUDY MAK
ONTARIO LAND SURVEYOR
REPRESENTATIVE FOR LAND REGISTRAR FOR THE LAND TITLES DIVISION OF SIMCOE (No. 51)

SCHEDULE		P.L.N.
PART	LOT	CONCESSION
1	PART OF LOT 20	CONCESSION 5
2		PART OF P.L.N. 56064-0184 (LT)

PLAN OF SURVEY OF PART OF

LOT 20
CONCESSION 5
GEOGRAPHIC TOWNSHIP OF INNISFIL
TOWN OF INNISFIL
COUNTY OF SIMCOE

SCALE 1 : 750



RUDY MAK SURVEYING LTD.

SURVEYOR'S CERTIFICATE

I CERTIFY THAT:

- THIS SURVEY AND PLAN ARE CORRECT AND IN ACCORDANCE WITH THE SURVEYS ACT, THE SURVEYORS ACT AND THE LAND TITLES ACT AND THE REGULATIONS MADE UNDER THEM.
- THE SURVEY WAS COMPLETED ON THE 14TH DAY OF MAY, 2013.

DATE

RUDY MAK
ONTARIO LAND SURVEYOR

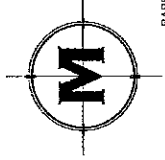
BEARING NOTE

BEARINGS ARE UTM GRID, DERIVED FROM SIMULTANEOUS GPS OBSERVATIONS FROM OBSERVED REFERENCE POINTS, HAVING A BEARING OF N24339.3"E, UTM ZONE 17 (81° WEST LONGITUDE) NA83S (CSRS) (2002 EPOCH).

LEGEND

- +— DENOTES FOUND SURVEY MONUMENT
- DENOTES PLANTED SURVEY MONUMENT
- SB DENOTES STANDARD IRON BAR
- IB DENOTES IRON BAR
- DENOTES FENCING
- (1255) DENOTES ROBERT C. HANCOCK SURVEYING LTD
- (1546) DENOTES RUDY MAK SURVEYING LTD.
- (P1) DENOTES PLAN 51R-30871

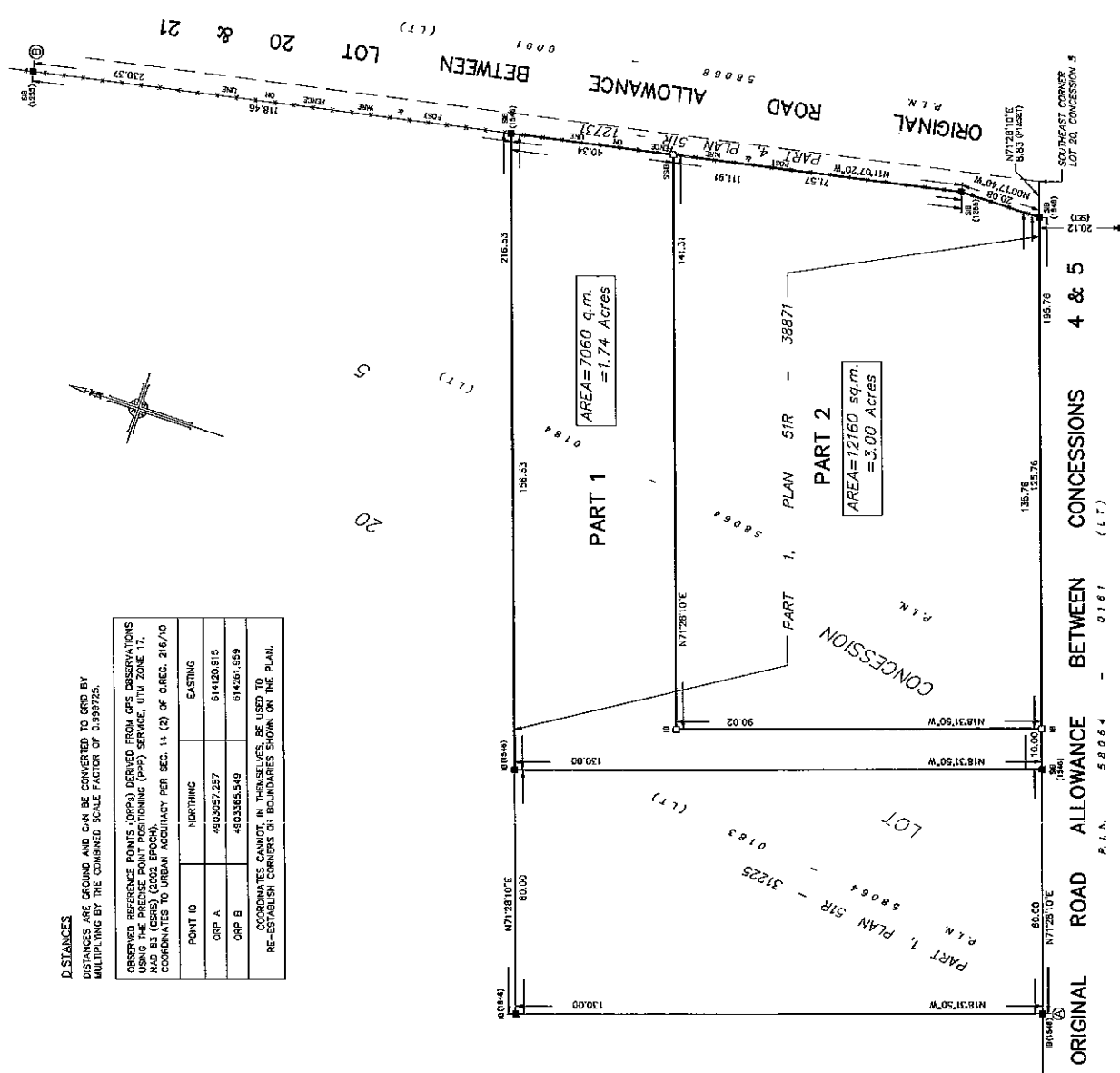
REVISION	BY	DATE
FIRST ISSUE	HFD	MAY 9/13



RUDY MAK
SURVEYING LTD.
ONTARIO LAND SURVEYORS

89 BIG BAY POINT ROAD
BARRIE, ONTARIO L4N 8M6 (705) 722-3645
E-MAIL MAIL@RUDYMAK.SURVEYING.COM

DRAWN BY: HFD CHECK BY: RM FILE NO. 11023



DISTANCES

DISTANCES ARE GROUND AND CAN BE CONVERTED TO GRID BY MULTIPLYING BY THE COMBINED SCALE FACTOR OF 0.99725.

POINT ID	NORTHING	EASTING
ORP A	4803057.257	614120.815
ORP B	4803365.949	614261.659

COORDINATES CANNOT, IN THEMSELVES, BE USED TO RE-ESTABLISH CORNERS OR BOUNDARIES SHOWN ON THE PLAN.

METRIC DISTANCES AND COORDINATES SHOWN ON THIS PLAN ARE IN METRES AND CAN BE CONVERTED TO FEET BY DIVIDING BY 0.3048.

8. LINE CONTRACT TENDER

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 13-58

Be it resolved that the Board hereby receive the Line Contract Tender staff report, and

Further that the Board provide approval to award the two year service contract to Riggs Distler.

CARRIED

9. CORPORATE SERVICES UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 13-59

Be it resolved that the Board hereby receive the Corporate Services Update staff report, for information services.

CARRIED

10. BUILDING MOVE UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 13-60

Be it resolved that the Board hereby receive the Building Move Update staff report, and

That the Board provide approval to sell property 1 (3.67 acres) and purchase property 2 (6.655 acres) for a net balance owing to the Town of \$160,750.

CARRIED

11. LEFROY DISTRIBUTION STATION PROPERTY

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 13-61

Be it resolved that the Board hereby receive the Lefroy Distribution Station Property staff report, and

That the Board approve the severance and sale of 3 acres from the 5th Line and 20th SR property for a sale price of \$312,600 to the Town of Innisfil.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

June 17, 2013

Staff Report

BUILDING MOVE UPDATE

Summary

Council has approved the property swap for the new building on June 5, 2013. The closing for the property transactions are scheduled for June 14, 2013.

Tender submissions from general contractors are expected back on June 12, 2013 and the recommendation will be e-mailed or walked into the Board meeting for approval at the June 17 meeting.

The Innisfil Art Council was approached for the call for art for possible indoor and outdoor projects. Submissions be are proposed to be received by September 15th. A draft budget of \$25k to \$140k was proposed and the committee believes there may enough funds to potentially bring in 2 pieces. At this point, the committee's perspective is that a dynamic exterior piece, visible from Yonge St would be the best option.

Once options and pricing have been narrowed down, the intent is to bring them to a future board meeting for approval.

Recommendation

It is recommended that the Board receive this report, and approve the general contractor _____ with the tender price of \$ _____
For the construction of the new Innisfil Hydro building on Yonge Street.



48 ALLIANCE BLVD, UNIT 110
BARRIE, ONTARIO L4M 5K3
WWW.MCLARCHITECTS.CA
T 705 722 6739

June 17th, 20123

George Shaparew
President & CEO
Innisfil Hydro Distribution Systems Limited
2073 Commerce Park Dr.
Innisfil, Ontario L9S 4A2

Re: Tender Review
Innisfil Hydro

Dear George,

Tenders for the above noted project were received at the office of MCL Architects on June 14th, 2013. The low base bid was received from B.W.K. Construction Company Ltd. in the amount of \$ 8,670,000.00 (excluding HST). The quotations submitted are as follows:

The following Base bids were received:

1st B.W.K. Construction Company Ltd.	Base Bid of :	\$ 8,670,000
2nd Bertram Construction Company Ltd.	Base Bid of:	\$ 9,148,700
3rd W.S. Morgan Construction Limited	Base Bid of:	\$ 9,293,000
4th Buttcon Limited	Base Bid of:	\$ 9,380,000
5th Monteith Building Group Ltd.	Base Bid of:	\$ 9,697,000

Included in B.W.K. Construction Company Limited tender price was the following:

Masonry: Burling Ranger Company Inc.	\$ 334,000
Mechanical: Bering Mechanical Ltd.	\$ 1,416,800
Electrical: Wallwin Electric	\$ 1,799,673

B.W.K. Construction Company Limited tender documentation is deemed 'formal' including requested bid bond and agreement to bond documents. Tender Form Appendix "A", "B" and "C" have been reviewed and are in order.

B.W.K. Construction Company Limited has had previous successful work experience with our firm and we recommend to Innisfil Hydro that this tender be awarded to them as the lowest bidder.

If there is further discussion required for this award, please contact me at your earliest opportunity.

Regards,

Jessica Liefel
McKnight Charron Laurin Inc. Architects

8. CORPORATE SERVICES UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 13-73

Be it resolved that the Board hereby receive the Corporate Services Update staff report, for information services.

CARRIED

9. BUILDING MOVE UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 13-74

Be it resolved that the Board hereby receive the Building Move Update staff report, and

Further approve the general contractor, B.W.K. Construction Co. Ltd., with the tender price of \$8,670,000 plus HST for the construction of the new Innisfil Hydro building on Yonge Street.

CARRIED

10. NAME CHANGE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 13-75

Be it resolved that the Board hereby receive the Name Change staff report, and

Further approve the name change from Innisfil Hydro Distribution Systems Limited to Innpower Corporation effective on or about the day of the move to the new building.

CARRIED

11. STAFFING

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 13-76

Be it resolved that the Board hereby receive the Staffing staff report, and

Further approve the hire of a full-time Financial Analyst; a full-time Customer Service Representative and the conversion of the part-time HR Administrative Assistant to a full time position.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

July 15, 2013

Staff Report

BUILDING MOVE UPDATE

Summary

The kick-off meeting with the general contractor, sub-contractors and the architect occurred on July 2. The general contractor said he will deploy construction trailers on site within two weeks.

The Site Plan Control Agreement with the Town has been signed by Innisfil Hydro and will be registered on title when signed by the Mayor and Town Clerk. The building permit has been applied for on May 30 and its approval is pending. A conditional building permit may be applied for, to help reduce the delay with the construction schedule. Development Charges of \$702,468.99 has been forwarded to the Town as required for the issuance of the building permit.

Recommendation

It is recommended that the Board receive this report

7. OPA UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 13-84

Be it resolved that the Board hereby receive the Ontario Power Authority Update staff report, for information purposes.

CARRIED

The Chairman suggested obtaining testimonials from companies who have received savings.

The Mayor would like examples of the dollar savings for small, medium and large businesses.

8. CORPORATE SERVICES UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 13-85

Be it resolved that the Board hereby receive the Corporate Services Update staff report, for information services.

CARRIED

9. BUILDING MOVE UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 13-86

Be it resolved that the Board hereby receive the Building Move Update staff report, for information purposes.

CARRIED

The President reported that the modified building permit will be available today and that digging will begin this week.

The Vice-President, Engineering & Operations reported that the sign will be up at the new site within two weeks.

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

August 27, 2013

Staff Report

BUILDING MOVE UPDATE

Summary

The building permit has been issued. Storm sewers have been installed. Lot grading will commence the week of August 12 and foundations the week of August 26.

Cash flow projections for the new building have been estimated in the order of:

2013 - \$ 4.50M

2014 - \$ 6.83M

Total - \$11.33M

Borrowing requirements will bring the Balance Sheet debt/equity ratio to 61/39%. Staff will be meeting with the TD Bank on August the 23rd to formalize the financing requirements of the new building project.

Cash Flow Projections Part 1

New Innisfil Hydro Building Costs		20-Aug-13						
Cost Centres	Total Cost	LTD 7/31/13	01-Sep-13	01-Oct-13	01-Nov-13	01-Dec-13	01-Jan-14	01-Feb-14
Actual cost to July 31, 2013								
Land	\$ 1,015,496.30							
Building	\$ 49,868.88							
Architect Fees	\$ 353,793.92							
Development charges (TOI)	\$ 702,468.99	\$ 2,121,628.09						
Estimated costs to go								
General Contractor	\$ 8,670,000.00		\$ 100,000.00	\$ 400,000.00	\$ 500,000.00	\$ 600,000.00	\$ 700,000.00	\$ 700,000.00
Furniture	\$ 75,000.00							
Moving	\$ 25,000.00							
Site Servicing	\$ 795,000.00			\$ 100,000.00	\$ 300,000.00	\$ 300,000.00	\$ 95,000.00	
Road Works	\$ 375,000.00							
Architect & Review	\$ 190,076.08		\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
Sale of commerce Park Property	\$ 925,000.00							
Contingency	\$ 70,000.00							
Total Project Cost	\$ 11,396,704.17							
Cash Flow by month:		\$ 2,121,628.09	\$ 120,000.00	\$ 520,000.00	\$ 820,000.00	\$ 920,000.00	\$ 815,000.00	\$ 720,000.00
Cash Flow by year:		2013: \$ 4,501,628.09						
		2014: \$ 6,825,076.08						
		Total						
		\$ 11,326,704.17						

Cash Flow Projections Part 2

01-Mar-14	01-Apr-14	01-May-14	01-Jun-14	01-Jul-14	01-Aug-14	01-Sep-14	01-Oct-14	01-Nov-14	Total
									\$ 2,121,628.09
\$ 800,000.00	\$ 900,000.00	\$ 900,000.00	\$ 800,000.00	\$ 700,000.00	\$ 600,000.00	\$ 500,000.00	\$ 300,000.00	\$ 170,000.00	\$ 8,670,000.00
					\$ 75,000.00				\$ 75,000.00
					\$ 25,000.00				\$ 25,000.00
									\$ 795,000.00
		\$ 100,000.00	\$ 200,000.00	\$ 75,000.00					\$ 375,000.00
\$ 20,000.00	\$ 20,000.00	\$ 16,282.08	\$ 13,794.00						\$ 190,076.08
									\$ 925,000.00
									\$ 70,000.00
\$ 820,000.00	\$ 920,000.00	\$ 1,016,282.08	\$ 1,013,794.00	\$ 775,000.00	\$ 700,000.00	\$ 500,000.00	\$ 300,000.00	\$ 175,000.00	\$ 11,396,704.17

Actual Costs

Innisfil Hydro Distribution Systems Limited

Financial Analysis of the new administration building and operational yard
as at August 20, 2013

Balance Sheet @ June 2013

Debt vs Equity ratio

Debt	ST debt	1,264,922		
	LT debt	12,698,102		
	New Loan	12,321,704	26,284,728	61%
Equity			16,484,618	39%

ICM submission

Bank Loan	12,321,704
Amortize 30 years, 10 year renewable @ 5%	
P&I Monthly	66,442
P&I Yearly	797,298

# of customers	15,000
----------------	--------

Building	11,306,208
Land	1,015,496

Estimated OEB recovery	Annually
a) Depreciation	282,655
b) Interest	443,581
c) ROE	295,721
Total	1,021,957

Recovery per customer annually	68
Recovery per customer monthly	6
Total bill impact @ 1/1/14	4.6%

ASSUMPTIONS

- 1) Estimated completion of new admin building and yard Oct 2014.
- 2) Anticipating filing ICM (Incremental Capital Module) to the OEB by August 2014.

Recommendations

It is recommended that the Board receive this report.

8. 2013 SECOND QUARTER CAPITAL PROJECTS

MOVED BY: Barb Baguley

SECONDED BY: Robert Lake

RESOLUTION NO. 13-97

Be it resolved that the Board hereby receive the 2013 Second Quarter Capital Projects staff report, for information purposes.

CARRIED

9. JULY 2013 SCORECARD

MOVED BY: Robert Lake

SECONDED BY: Barb Baguley

RESOLUTION NO. 13-98

Be it resolved that the Board hereby receive the July 2013 Scorecard staff report, for information purposes.

CARRIED

10. BUILDING MOVE UPDATE

MOVED BY: Robert Lake

SECONDED BY: Barb Baguley

RESOLUTION NO. 13-99

Be it resolved that the Board hereby receive the Building Move Update staff report, for information purposes.

CARRIED

11. HEALTH & SAFETY UPDATE

MOVED BY: Barb Baguley

SECONDED BY: Robert Lake

RESOLUTION NO. 13-100

Be it resolved that the Board hereby receive the Health & Safety Update staff report, for information purposes.

CARRIED

12. INFORMATIONAL ITEMS

MOVED BY: Robert Lake

SECONDED BY: Barb Baguley

RESOLUTION NO. 13-101

Be it resolved that the Board hereby receive the Informational Items staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

September 16, 2013

Staff Report

BUILDING MOVE UPDATE

Summary

The Town has approved an earth moving contractor to level areas of the site, install services and build the roadways (see attached). Engineered fill has been applied to the building site and the digging of foundations is pending. The General Contractor has ordered the steel, windows and precast concrete.

Recommendations

It is recommended that the Board receive this report.



Item # G.1

List # 15-13

Date September 18/13

CAPITAL ENGINEERING

MEMORANDUM

DATE: September 18, 2013
TO: Mayor, Deputy Mayor, Members of Council
FROM: Awlad Hossain, Project Manager, Capital Engineering
SUBJECT: **Operation, Salt & Hydro Building Earth Works & Site Servicing Tender Award**

In accordance with the Town's Purchasing Policy, Council is to be advised by memo following the award of any tender that exceeds \$1 million in value.

The tendering process was successful in receiving bids from 5 contractors. The bid submissions were all checked for completeness, with Maacon Construction being confirmed to have the low compliant bid.

Maacon Construction's bid was \$2,919,395.50, approximately 12% over the approved project budget of \$2,600,000. To avoid re-tendering and scope change of works, the evaluation committee suggested a negotiation of price with the lowest bidder, and to defer some items to the 2014 Capital Budget.

As a result, several contract items valued at \$598,580.00 were deferred from the bidding price. After the deferral, the bidding price came down to \$2,320,815.50. The process to negotiate and amend the bid through the deferral of items was completed in compliance with the Town's Procurement Policy.

Bidding Price by Maacon Construction	\$2,919,395.50
Deferral Price	<u>\$598,580.00</u>
Net Price	\$2,320,815.50 (H.S.T excluded)

The contractor agreed to accept the offer with a negotiated price of \$2,320,815.50 that aligned with the approved budget.

Reference checks have been completed for Maacon Construction with all reports received indicating positive comments about the performance and abilities of the contractor.

The Operation, Salt & Hydro Building Earth Works & Site Servicing contract is to provide infrastructure services for the proposed construction of the Operation, Salt and Hydro buildings. The scope of works includes site works, storm water management, sanitary sewer, watermain and electric etc. Completion of this project is expected at the end of 2013.

Should Council have any questions please feel free to contact me.

8. BUILDING MOVE UPDATE

MOVED BY: Barb Baguley

SECONDED BY: Robert Lake

RESOLUTION NO. 13-109

Be it resolved that the Board hereby receive the Building Move Update staff report, for information purposes.

CARRIED

9. HR UPDATE

MOVED BY: Robert Lake

SECONDED BY: Barb Baguley

RESOLUTION NO. 13-110

Be it resolved that the Board hereby receive the HR Update staff report, for information purposes.

CARRIED

10. INFORMATIONAL ITEMS

MOVED BY: Barb Baguley

SECONDED BY: Robert Lake

RESOLUTION NO. 13-111

Be it resolved that the Board hereby receive the Informational Items staff report, for information purposes.

CARRIED

11. ADJOURNMENT

MOVED BY: Barb Baguley

SECONDED BY: Robert Lake

RESOLUTION NO. 13-112

Be it resolved that the meeting of the Board of Directors of Innisfil Hydro Distribution Systems Limited adjourn at the hour of 11:20 a.m.

CARRIED

Original signed by:

CHAIRMAN

SECRETARY

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

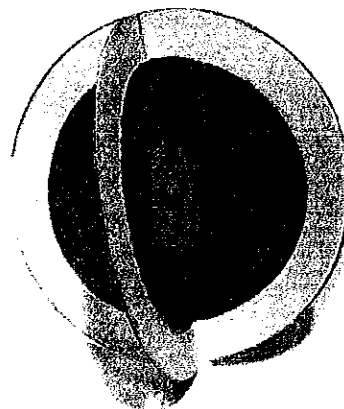
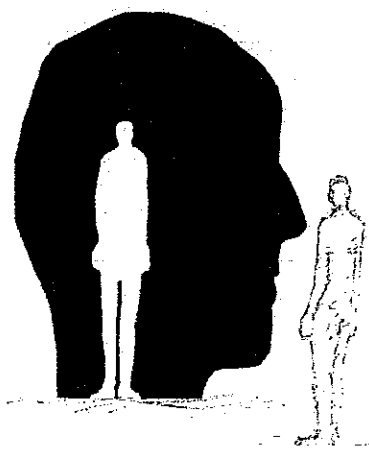
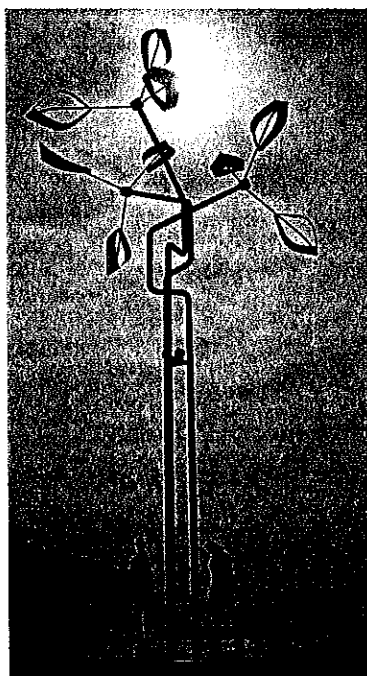
October 21, 2013

Staff Report

BUILDING MOVE UPDATE

Summary

The Innisfil Art's Council met on September 30 to review seven submissions for Innisfil Hydro's art competition. The following three submissions were asked provide further detail and models for review on November 29. It is expected that a final submission will be available for approval by this Board at the December Board meeting.



Depending on weather, steel could be erected the week of October 14.

Recommendation

It is recommended that the Board receive this report.

A discussion took place on the effective date of water rates. Staff are instructed to contact Town of Innisfil staff to adjust rate changes, to be effective January 1, 2014 from February 1, 2014.

8. CORPORATE SERVICES UPDATE

MOVED BY: Robert Lake

SECONDED BY: Barb Baguley

RESOLUTION NO. 13-119

Be it resolved that the Board hereby receive the Corporate Services Update staff report, for information services.

CARRIED

Staff will monitor the success of ePost as far as Collections and postage costs are concerned.

9. BUILDING MOVE UPDATE

MOVED BY: Barb Baguley

SECONDED BY: Robert Lake

RESOLUTION NO. 13-120

Be it resolved that the Board hereby receive the Building Move Update staff report, for information purposes.

CARRIED

10. HEALTH & SAFETY UPDATE

MOVED BY: Barb Baguley

SECONDED BY: Robert Lake

RESOLUTION NO. 13-121

Be it resolved that the Board hereby receive the Health & Safety Update staff report, for information purposes.

CARRIED

The President reported that endorsement from the Innisfil Accessibility Committee has been received for the new building.

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

November 18, 2013

Staff Report

BUILDING MOVE UPDATE

Summary

Steel has been erected on the garage part of the building with the remaining steel scheduled to be delivered by December 3. The concrete floor is expected to be poured on the admin part of the building by end of November with the heated garage floor being poured in the spring. The building is expected to be fully enclosed in March 2014.

The Town's contractor has poured the roadway curbs and is expected to apply the base asphalt this month. The Yard has been leveled and granular has been applied. Fencing and lighting is scheduled for installation in the spring.

A new large sign will be installed at the site with all the contractors listed. The General Contractor is still predicting September occupancy but with the rainy fall, October 2014 is most likely.

Recommendation

It is recommended that the Board receive this report.

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

BOARD OF DIRECTORS MEETING

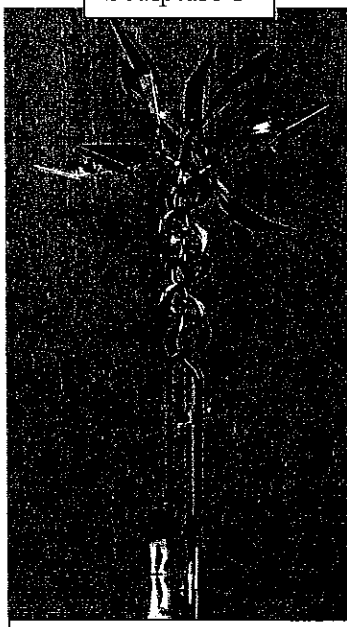
December 10, 2013

Staff Report

BUILDING MOVE UPDATE

Summary

Sculpture 1



Ron Baird, Beaverton ON
*People at bottom not included

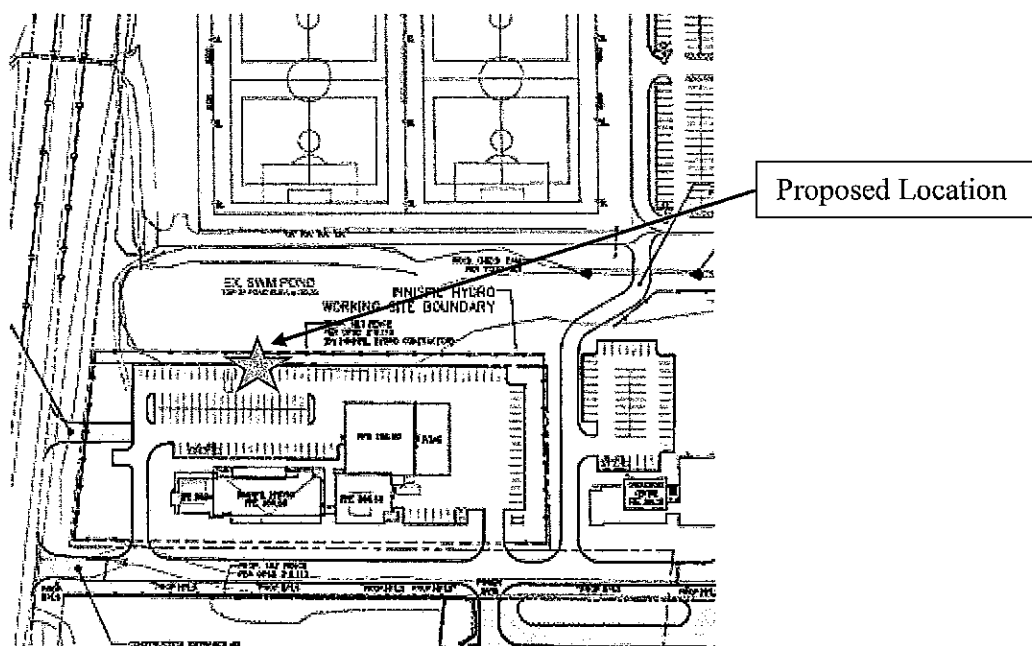
Sculpture 1 embraces Innisfil's history, renewable energy and the creation of a significant landmark on the property. The main theme of this sculpture is; conservation through renewable energy. The sculpture clearly demonstrates the possibility of harvesting power from the wind, the sun and water in a fascinating way. People's curiosity will draw them to this significant community landmark.

The polished stainless steel sculpture is 10 metres high, lighting and a simple shield to prevent climbing are integrated into three main stems which reference the process of simple Celtic Knot-work near the top. Innisfil's name is derived from the ancient name of Ireland, Inisfail.

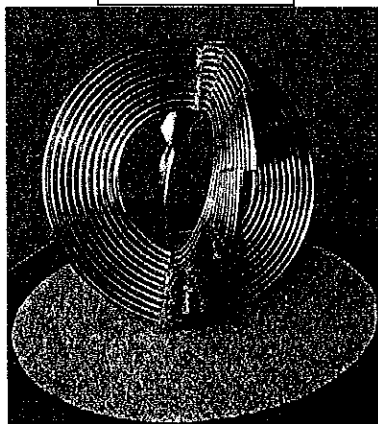
There are three carefully engineered turbines mounted on top which silently dance a gentle adagio in the breezes. The blades are polished to a mirror finish which will reflect the colours of the site, the season, the sky and broadcast moving patches of light into grassy shadows and onto the snow on sunny days. It is a sculpture of many moods

depending upon the weather.

The design is safe for the public and represents an unappealing target to vandals. It is constructed entirely from high quality stainless steel which is a medium of choice to withstand Innisfil's winters and winds. It can't be climbed. It will not rust or deteriorate. The proposed location is at the north end of the parking lot where the sculpture will have full visibility from Yonge Street. This sculpture received a rating of 89 from the selection committee.



Sculpture 2



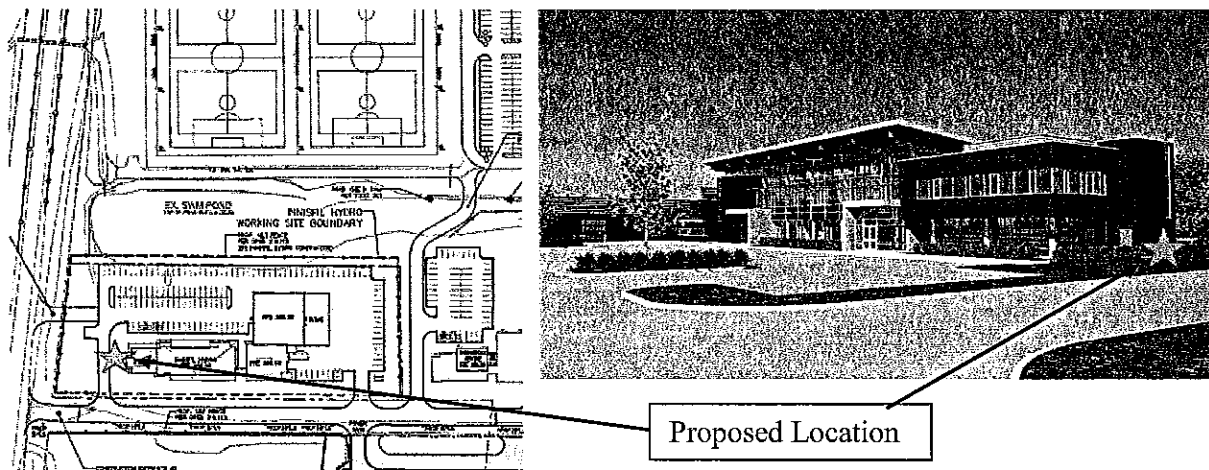
Lilly Otasevic, Toronto ON

Sculpture 2 is titled *Dynamis* and is 7' in diameter. It is composed of two disks formed by surgical grade stainless steel tubes arranged in concentric circles. The first disc resembles Tesla's coil for electromagnetics and the second disk "breaks" into sections which are slightly rotated to create a turbine-like form. These two disks cross perpendicularly to build a form that represents earth. The sculpture's shape also resembles an atom with its core and its moving electrons creating an electric current, which is a basic reference to electricity.

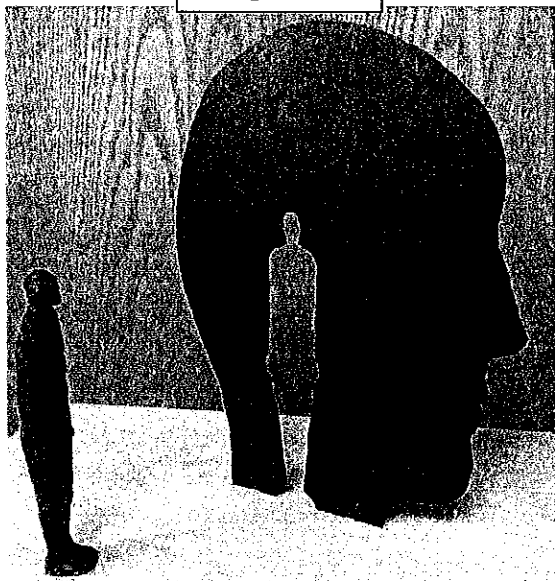
The title – *Dynamis* – pertains to power and the potential of renewable energy resources. It is also a reference to Dynamo, the first generator. The "Turbine" disc is a reference to turbines in Hydro Power plants. It also represents a water wall turbine and the utilization of tidal power. It visually connects us to old and new wind turbines and wind power as a renewable resource. The turbine disc also serves to remind us of the time Innisfil Settlers and the first sawmills in the area.

These crossed discs carry a theme of planet earth, its pulse and seasons, its biomass, geothermal potential and all other natural sources for production of clean energy. The sculpture's 23.5 degree incline access is the same as the earth, reminding us of our place in the universe and our access to the ultimate renewable energy – solar energy.

The proposed location is at the west end of the building where the sculpture will have full visibility from Yonge Street. The concrete base would elevate the sculpture approximately 4' for a total height of the sculpture of 11'. This sculpture received a rating of 87 from the selection committee.



Sculpture 3



Ted Fullerton, Tottenham ON

Sculpture 3 titled *Body, Mind and Spirit*, will create a significant and poignant identity of "place" in its breadth of interpretation and aesthetic, while relating to the fundamental principles of community and the individual that will associate to a healthy and strong environment. The conceptual premise and image for this sculpture is to inspire and symbolically reflect on the connection to Innisfil's essential beliefs that comprise its collective accord, which fundamentally instill a sense of, "place" and community.

Body: The body defines the wellbeing of an individual while suggesting a community "body" of likeminded individuals.

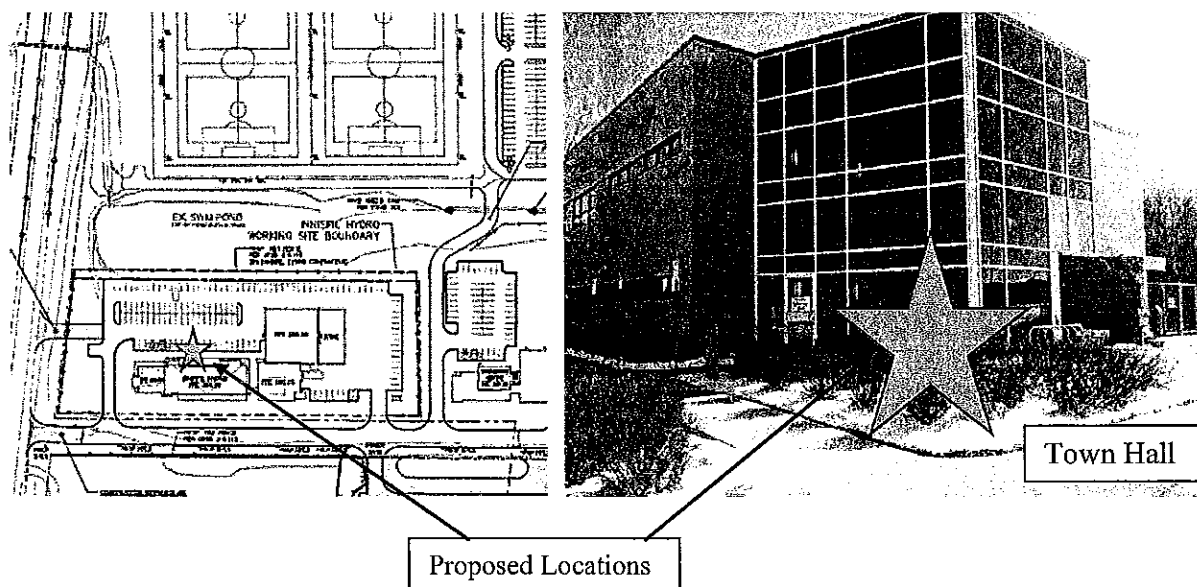
Mind: A state of thought or feeling that allows human endeavour to flourish, realize and overcome.

Spirit: Spirit is the "life force" of a person or community that defines significant intangible meaning.

The head stands 14' tall with a cut-out of 9'. It is made of 2" thick steel. The bronze statue stands 8' tall.

The location proposed by the artist is directly in front of the north wall of the building, beside the main entrance. This sculpture received a rating of 76 from the selection

committee. The selection committee felt that the sculpture would better suit Town hall or the new library.



The three submissions have been presented in order of preference by the selection committee. All three proposals came in at the \$125K budget. The selection committee was comprised of three patrons from the Innisfil Arts, Culture and Heritage Council, the architects and George Shaparew. If only one sculpture is chosen, Sculpture 1 is recommended. If a second sculpture is chosen in addition to the first, then the addition of the Sculpture 2 is recommended. It is possible to reduce the price of Sculpture 2 by changing the material from surgical stainless steel to regular stainless steel. If all three pieces are chosen, then the Body, Mind and Spirit is recommended at Town Hall or the new Library. Funding for the last piece can be accomplished within the existing dividend budget for the Town as an in-kind dividend. The proposal to incorporate Sculpture 3 is aligned with the Town of Innisfil's Inspiring Innisfil 2020 strategy to, "Grow and empower arts, culture, and heritage substantially".

Recommendation

It is recommended that the Board receive this report and approve the assignment of one, two or three sculptures.

Discussion took place regarding monitoring the use of fuel in company vehicles to ensure anomalies are identified.

12. BUILDING MOVE UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 13-148

Be it resolved that the Board hereby receive the Building Move Update staff report, and

Further approve the assignment of the 10M polished steel sculpture by Ron Baird for the price of \$125,000 plus applicable taxes.

CARRIED

Timing of the installation is to occur at or near the time of opening of the new building.

13. PERFORMANCE PLANNING

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 13-149

Following direction as provided by the Board to the President & CEO In Camera, the Non-Union Conditions of Employment will be amended and brought back to the Board for approval at a future meeting.

CARRIED

14. HEALTH & SAFETY UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 13-150

Be it resolved that the Board hereby receive the Health & Safety Update staff report, for information purposes.

CARRIED

15. INFORMATIONAL ITEMS

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 13-151

Be it resolved that the Board hereby receive the Informational Items staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

January 20, 2014

Staff Report

BUILDING MOVE UPDATE

Summary

The bi-weekly site meetings have resumed following the Christmas break. The cold weather in December has caused some delays but the general contractor says the project delays can be made up and October completion is still being scheduled.

The glue-lam beams and decking have been installed for the roof of the administration section. The building is expected to be enclosed by the end of March.

The sale of the existing Innisfil Hydro site on Commerce Park Drive to the Town of Innisfil was originally scheduled for February 28, 2014. An amendment to this date was signed by both parties deferring the closing date to December 8, 2014.

Recommendation

It is recommended that the Board receive this report.

3 b). MINUTES

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 14-03

Be it resolved that the minutes of the December 20, 2013 Special Board meeting be adopted as circulated.

CARRIED

4. OEB UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 14-04

Be it resolved that the Board hereby receive the Ontario Energy Board Update staff report, for information purposes.

CARRIED

5. OPA UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 14-05

Be it resolved that the Board hereby receive the Ontario Power Authority Update staff report, for information purposes.

CARRIED

6. BUILDING MOVE UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 14-06

Be it resolved that the Board hereby receive the Building Move Update staff report for information purposes.

CARRIED

7. CORPORATE SERVICES UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 14-07

Be it resolved that the Board hereby receive the Corporate Services Update staff report, and

Further receive the verbal report regarding the Cookstown water billing code error.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

February 10, 2014

Staff Report

BUILDING MOVE UPDATE

Summary

Staff received an update from our Architects on February 5th, along with current pictures of the building (attached). Following are the highlights:

- Core slab, as well as the wood glulam beams and cross laminated timber, have now been installed.
- Site servicing is now complete and the structural steel framing has been erected.
- Steel stud framing and exterior grade gypsum board is currently being installed in the garage/mezzanine area.
- Concrete block installation is approximately 40%.

A display of the proposed finishes for the new building will be available at the board meeting.

Recommendation

It is recommended that the Board receive this report.

8. CAPITAL PROJECTS RE-SCHEDULED FROM 2013 TO 2014

MOVED BY: Barb Baguley

SECONDED BY: Robert Lake

RESOLUTION NO. 14-16

Be it resolved that the Board hereby receive the Capital Projects Re-Scheduled from 2013 to 2014 staff report, and

FURTHER approve the deferral of the 2013 capital project for IHDSL2013GO011 to the 2014 Capital Budget with an increase of \$65,735.00 to accommodate the change in scope.

CARRIED

9. BUILDING MOVE UPDATE

MOVED BY: Barb Baguley

SECONDED BY: Robert Lake

RESOLUTION NO. 14-17

Be it resolved that the Board hereby receive the Building Move Update staff report, for information purposes.

CARRIED

10. 2013 YEAR END SCORECARD

MOVED BY: Robert Lake

SECONDED BY: Barb Baguley

RESOLUTION NO. 14-18

Be it resolved that the Board hereby receive the 2013 Year End Scorecard staff report, for information purposes.

CARRIED

11. CORPORATE SERVICES UPDATE

MOVED BY: Barb Baguley

SECONDED BY: Robert Lake

RESOLUTION NO. 14-19

Be it resolved that the Board hereby receive the Corporate Services Update staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

March 17, 2014

Staff Report

BUILDING MOVE UPDATE

Summary

The roofer has been scheduled to seal the roofs on March 24. The south side of the building is enclosed and preparations are underway to enclose the north side.

The builder said the long and cold winter has deferred the scheduling of trades. The scheduling of trades will occur at an increased pace when the winter weather dissipates. The completion date has been moved from the beginning of September to the end of September. Staff are tentatively scheduling the move for mid-October.

As of January 31, 2014, we have spent 34% of a total budget of \$12,322,000.

Recommendation

It is recommended that the Board receive this report.

Recommend the appointment of George Shaparew as Director for a two year term starting January 1, 2015.

CARRIED

Staff are to provide short bios of the Directors to accompany their re-appointment recommendation.

8. BUILDING MOVE UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 14-29

Be it resolved that the Board hereby receive the Building Move Update staff report, for information purposes.

CARRIED

9. TRADEMARK UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 14-30

Be it resolved that the Board hereby receive the Trademark Update staff report, for information purposes.

CARRIED

Staff were directed to prepare a press release announcing the name change to coincide with the unveiling of the sign on the new building.

10. INFORMATIONAL ITEMS

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 14-31

Be it resolved that the Board hereby receive the Informational Items staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

April 28, 2014

Staff Report

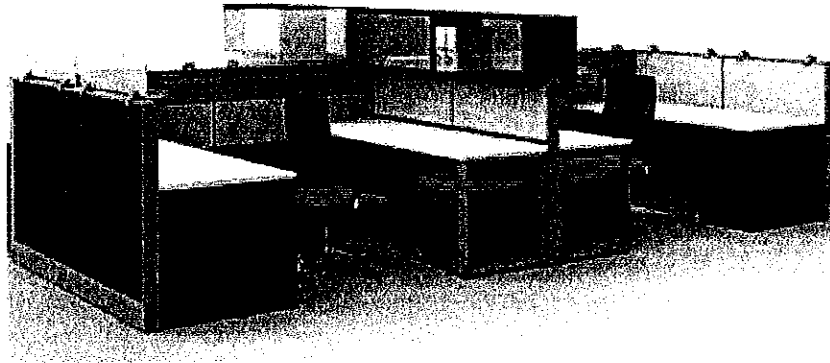
BUILDING MOVE UPDATE

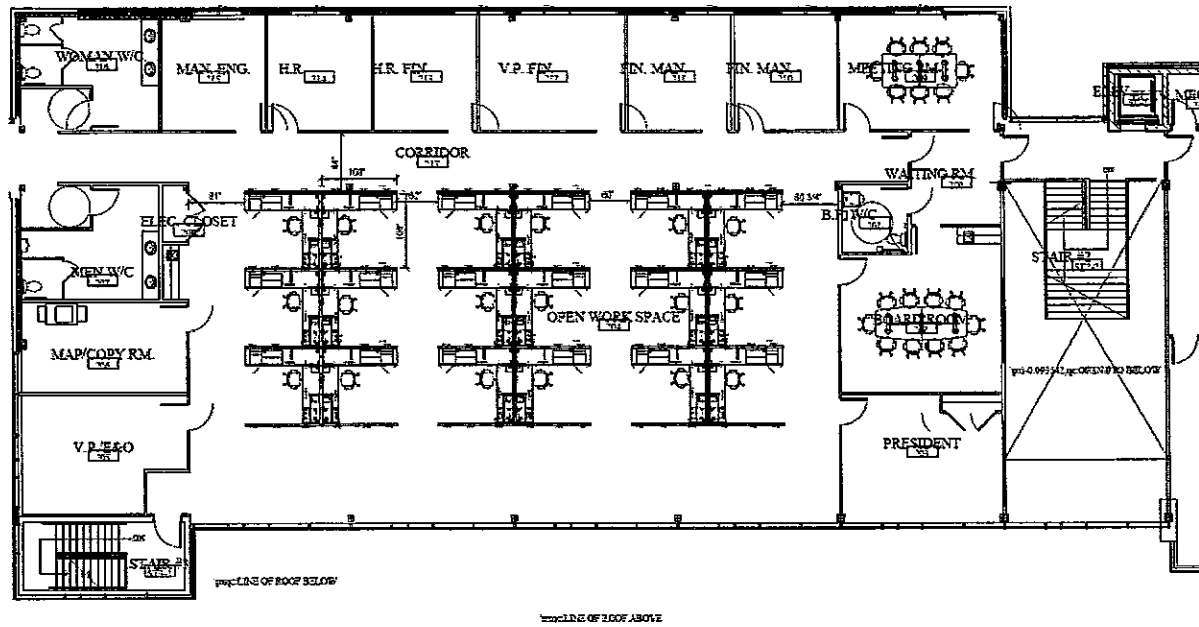
Summary

The second floor of the main office has an open concept area with 18 work stations. Staff have investigated four manufacturers of work stations and have chosen the Tayco Cosmopolitan line as the preferred manufacturer. Quotes including delivery and installation have been received in sealed envelopes from the following three distributors:

Art Marketing	\$91,400 + HST
Functional Office Furniture	\$87,780 + HST
Harkel Office	\$79,775 + HST

It is staff's intention to award the purchase of 18 work stations to Harkel Office as outlined in the Finance Policy.





Recommendation

It is recommended that the Board receive this report.

11. ANNUAL GENERAL MEETING UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 14-42

Be it resolved that the Board hereby receive the Annual General Meeting Update staff report, for information purposes.

CARRIED

By-Law No. 1, Section 1.01(k) to be reworded as follows: "Municipal Representatives" means the CAO and the Mayor or their respective designates.

12. BUILDING MOVE UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 14-43

Be it resolved that the Board hereby receive the Building Move Update staff report, for information purposes.

CARRIED

The Mayor suggested a tour of the new facilities following a future Board meeting.

13. INFORMATIONAL ITEMS

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 14-44

Be it resolved that the Board hereby receive the Informational Items staff report, for information purposes.

CARRIED

14. ADJOURNMENT

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 14-45

Be it resolved that the meeting of the Board of Directors of Innisfil Hydro Distribution Systems Limited adjourn at the hour of 12:19 p.m.

CARRIED

CHAIRMAN

SECRETARY

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

May 26, 2014

Staff Report

BUILDING MOVE UPDATE

Summary

After attending a site visit this week, staff provided the following progress report:

- Windows on the north side are 75% installed;
- Roofing has begun on the garage;
- Masonry work on the north stairwell and elevator shaft has begun;
- 2nd floor concrete top has been prepared and is ready to be poured;
- Mechanical and electrical rough ins are ongoing; and
- A mock-up showing the material used in the construction has been placed on site to provide a visual of the completed work.

Recommendation

It is recommended that the Board receive this report.

8. BELLE EWART DS TRANSFORMER AWARD

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 14-52

Be it resolved that the Board hereby receive the Belle Ewart DS Transformer Award staff report, and

FURTHER approve the purchase from the lowest bidder, Virginia Transformers, for \$369,265 plus taxes, contingent upon legal review of Virginia's terms and conditions.

CARRIED

9. DISTRIBUTION STATIONS STATUS UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 14-53

Be it resolved that the Board hereby receive the Distribution Stations Status Update staff report, and

FURTHER approve the purchase from Virginia Transformers of a new 44/27.6kV station transformer, the cost of which not to exceed \$369,265 plus taxes, less the insurance payment, contingent upon legal review of Virginia's terms and conditions.

CARRIED

10. CORPORATE SERVICES UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 14-54

Be it resolved that the Board hereby receive the Corporate Services Update staff report, for information purposes.

CARRIED

11. BUILDING MOVE UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 14-55

Be it resolved that the Board hereby receive the Building Move Update staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

June 25, 2014

Staff Report

BUILDING MOVE UPDATE

Summary

Building construction has been progressing. Partitions and drywall are being installed on the second floor.

The sculpture is expected to be completed in August and will be stored until installation in October.

The site construction supervisor has been notified of the planned building tour with this Board and senior staff. The TD bank has been notified and our rep may join us for the building tour also.

As of the June 10 payment draw, 42% of the project has been completed.

Recommendation

It is recommended that the Board receive this report.

FURTHER authorize the renewal of meter reading and mailing contracts with Olameter Inc., as presented.

CARRIED

8. BUILDING MOVE UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 14-66

Be it resolved that the Board hereby receive the Building Move Update staff report, as information purposes.

CARRIED

MOVED BY: John Skorobohacz
SECONDED BY: Barb Baguley

RESOLUTION NO. 14-67

Be it resolved that the Board hereby authorize funding for the art sculpture through retained earnings.

CARRIED

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 14-68

Be it resolved that the Board hereby authorize a news release, to incorporate the building move and name change.

CARRIED

9. HR UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 14-69

Be it resolved that the Board hereby receive the HR Update staff report, and

THAT the Non-Union Conditions of Employment be accepted as presented, incorporating a 2.75% economic increase to all bands with the ability to move from the 100% mid-point rate dependent on performance appraisals.

CARRIED

10. STAFFING

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 14-70

Be it resolved that the Board hereby receive the Staffing staff report, and

FURTHER approve the hire of a full-time Purchaser/Stockkeeper.

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

July 21, 2014

Staff Report

BUILDING MOVE UPDATE

Summary

Substantial completion of the new building is still October 21, 2014. Staff are gearing up for the move in early November.

Recommendation

It is recommended that the Board receive this report.

8. CORPORATE SERVICES UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 14-83

Be it resolved that the Board hereby receive the Corporate Services Update staff report, and

FURTHER authorize an expenditure not to exceed \$35,000 (plus taxes) to implement an automated solution to meet the requirements of membership in ON1Call whereby members are required to report back to ON1Call using the online 360 Feedback feature to advise that locates are complete.

CARRIED

9. BUILDING MOVE UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 14-84

Be it resolved that the Board hereby receive the Building Move Update staff report, for information purposes.

CARRIED

10. HEALTH & SAFETY UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 14-85

Be it resolved that the Board hereby receive the Health & Safety Update staff report, for information purposes.

CARRIED

11. INFORMATIONAL ITEMS

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 14-86

Be it resolved that the Board hereby receive the Informational Items staff report, for information purposes.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

August 18, 2014

Staff Report

BUILDING MOVE UPDATE

Summary

Substantial completion of the new building is still October 21, 2014. The General Contractor has invoiced 64% of the value of the project.

Staff are gearing up for the move on November 8 & 9, 2014. A grand opening is anticipated on November 3, 2014 for dignitaries, staff and constructors. A public open house is planned for December and may be linked with a Christmas lighting exchange program.

Recommendation

It is recommended that the Board receive this report.

8. CORPORATE SERVICES UPDATE

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 14-94

Be it resolved that the Board hereby receive the Corporate services Update staff report, for information purposes.

CARRIED

9. BUILDING MOVE UPDATE

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 14-95

Be it resolved that the Board hereby receive the Building Move Update staff report, for information purposes.

CARRIED

10. BOARD SECRETARY APPOINTMENT

MOVED BY: Robert Lake
SECONDED BY: Barb Baguley

RESOLUTION NO. 14-96

Be it resolved that the Board hereby receive the Board Secretary Appointment staff report, and

FURTHER appoint Barb Cesarin as the Board's secretary.

CARRIED

11. HR REPORT

MOVED BY: Barb Baguley
SECONDED BY: Robert Lake

RESOLUTION NO. 14-97

Be it resolved that the Board hereby receive the HR staff report, and

FURTHER approve the addition of a standby per diem.

CARRIED

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
BOARD OF DIRECTORS MEETING

September 15, 2014

Staff Report

BUILDING MOVE UPDATE

Summary

At the time of writing, the August invoice from the constructor has not been received.

Painting has commenced on the second floor. Curbs and sidewalks are scheduled for the week of Sept 15. Power has been energized in the building. The constructor still has the schedule for substantial completion on October 21 and move in November 8.

Recommendation

It is recommended that the Board receive this report.

9. BUILDING MOVE UPDATE

MOVED BY: John Skorobohacz

SECONDED BY: Barb Baguley

RESOLUTION NO. 14-108

Be it resolved that the Board hereby receive the Building Move Update staff report, for information purposes.

CARRIED

10. HEALTH & SAFETY UPDATE

MOVED BY: Barb Baguley

SECONDED BY: John Skorobohacz

RESOLUTION NO. 14-109

Be it resolved that the Board hereby receive the Health & Safety Update staff report, for information purposes.

CARRIED

11. INFORMATIONAL ITEMS

MOVED BY: John Skorobohacz

SECONDED BY: Barb Baguley

RESOLUTION NO. 14-110

Be it resolved that the Board hereby receive the Informational Items staff report, for information purposes.

CARRIED

The Mayor requested a copy of the Moving bill insert.

12. ADJOURNMENT

MOVED BY: Barb Baguley

SECONDED BY: John Skorobohacz

RESOLUTION NO. 14-111

Be it resolved that the meeting of the Board of Directors of Innisfil Hydro Distribution Systems Limited adjourn at the hour of 11:46 a.m.

CARRIED

CHAIRMAN

SECRETARY

Appendix 3 – Architectural Drawings

References:

SEC-8

SEC-10

EXTERIOR WALL LEGEND

EW-1 BRICK BLOCK/CAVITY WALL
 200mm ABSORBER/REINFORCING BLOCK
 250mm AIR SPACE
 75mm RIGID INSUL. (R.S.I. 2.15)
 AIR VAPOUR BARRIER
 240mm CONC. BLOCK

EW-2 BRICK BLOCK/CAVITY WALL
 200mm ABSORBER/REINFORCING BLOCK
 250mm AIR SPACE
 75mm RIGID INSUL. (R.S.I. 2.15)
 AIR VAPOUR BARRIER
 180mm CONC. BLOCK

EW-3 METAL STUD/STEEL STUD
 75mm PEXEN METAL SOND ON
 50mm VERTICAL Z-ORIS @ 1200mm O.C.
 MOISTURE BARRIER
 50mm RIGID INSULATION
 13mm DENSGLASS GOLD
 100mm STEEL STUD @ 400mm O.C. MAX.
 BATT INSULATION (R.S.I. 2.7)
 6ml POLY VAPOUR BARRIER
 13mm GYPSUM BOARD

EW-4 CURTAIN WALL/STEEL STUD
 CURTAIN WALL SPANDREL CLASS C/W
 100mm BALK SECTION
 100mm RIGID INSULATION
 40mm STEEL STUD @ 400mm O.C. MAX.
 30mm RIGID INSULATION
 6ml POLY VAPOUR BARRIER
 13mm GYPSUM BOARD

EW-5 CONCRETE PANEL/STEEL STUD
 60mm CONCRETE PANEL
 25mm VERTICAL FURRING CHANNELS
 MOISTURE BARRIER
 50mm RIGID INSULATION
 20mm HORIZONTAL 15g Z-ORIS
 13mm DENSGLASS GOLD
 100mm STEEL STUD @ 400mm O.C. MAX.
 BATT INSULATION (R.S.I. 2.7)
 6ml POLY VAPOUR BARRIER
 13mm GYPSUM BOARD

EW-6 CONCRETE PANEL/STEEL STUD
 60mm CONCRETE PANEL
 25mm VERTICAL FURRING CHANNELS
 MOISTURE BARRIER
 50mm RIGID INSULATION
 20mm HORIZONTAL 15g Z-ORIS
 13mm DENSGLASS GOLD
 100mm C CHANNEL @ 1800mm O.C.
 STEEL STUD INFILL @ 100mm MAX.
 BATT INSUL. (R.S.I. 2.7)
 6ml POLY VAPOUR BARRIER
 13mm GYPSUM BOARD

EW-7 ALUM. PANEL/STEEL STUD
 32mm ALUM. FINISHED PANEL, PROFILE
 25mm VERTICAL FURRING CHANNELS
 MOISTURE BARRIER
 50mm RIGID INSULATION
 20mm HORIZONTAL 15g Z-ORIS
 16mm DENSGLASS GOLD
 92mm STEEL STUD INFILL @ 400mm O.C.
 BATT INSUL. (R.S.I. 2.7)
 6ml POLY VAPOUR BARRIER
 13mm GYPSUM BOARD

INTERIOR WALL LEGEND

STEEL STUD WALL TYPES

W-51
 13MM DRYWALL (FINISH AS PER SCHEDULE)
 92MM STEEL STUD AT 400MM O.C. TO
 U/S OF STRUCTURE
 13MM DRYWALL (FINISH AS PER SCHEDULE)

W-52
 13MM DRYWALL (FINISH AS PER SCHEDULE)
 92MM STEEL STUD AT 400MM O.C. TO
 U/S OF STRUCTURE
 SOUND BATT INSULATION
 13MM DRYWALL (FINISH AS PER SCHEDULE)

W-53
 60 MAX. FR. - ULC DES WALL
 15.0MM SHEETROCK PROCODE C CORE
 GYPSUM PANELS (FINISH AS PER SCHEDULE)
 92/100MM STEEL STUD AT 400MM O.C. TO
 U/S OF STRUCTURE
 15.0MM SHEETROCK PROCODE C CORE
 GYPSUM PANELS (FINISH AS PER SCHEDULE)

W-54
 13MM DRYWALL (FINISH AS PER SCHEDULE)
 122MM STEEL STUD AT 400MM O.C. TO
 U/S OF STRUCTURE
 13MM DRYWALL (FINISH AS PER SCHEDULE)

W-55
 13MM DRYWALL (FINISH AS PER SCHEDULE)
 122MM STEEL STUD AT 400MM O.C. TO
 U/S OF STRUCTURE
 SOUND BATT INSULATION
 13MM DRYWALL (FINISH AS PER SCHEDULE)

W-56
 13MM DRYWALL (FINISH AS PER SCHEDULE)
 122MM STEEL STUD AT 400MM O.C. TO
 U/S OF STRUCTURE

W-57
 13MM DRYWALL (FINISH AS PER SCHEDULE)
 122MM STEEL STUD AT 400MM O.C. TO
 U/S OF STRUCTURE

W-58
 13MM DRYWALL (FINISH AS PER SCHEDULE)
 122MM STEEL STUD AT 400MM O.C. TO
 U/S OF STRUCTURE

W-59
 13MM DRYWALL (FINISH AS PER SCHEDULE)
 122MM STEEL STUD AT 400MM O.C. TO
 U/S OF STRUCTURE

CONCRETE BLOCK WALL TYPES

WALL TYPE W-B1
 180MM STANDARD CONCRETE BLOCK
 PAINTED EXPOSED SURFACES AS SPECIFIED

WALL TYPE W-B2
 240MM STANDARD CONCRETE BLOCK
 PAINTED EXPOSED SURFACES AS SPECIFIED

WALL TYPE W-B3
 13MM DRYWALL OR
 40MM METAL STUDS AT 400MM O.C.
 250MM STANDARD CONCRETE BLOCK
 PAINTED EXPOSED SURFACES AS SPECIFIED

FLOOR PLAN LEGEND

— PLAN DETAIL REFERENCE

— INTERIOR ELEVATION REFERENCE

— WALL/BUILDING SECTION REFERENCE

— CURTAIN WALL TYPE

— WINDOW TYPE

— FRAME TYPE

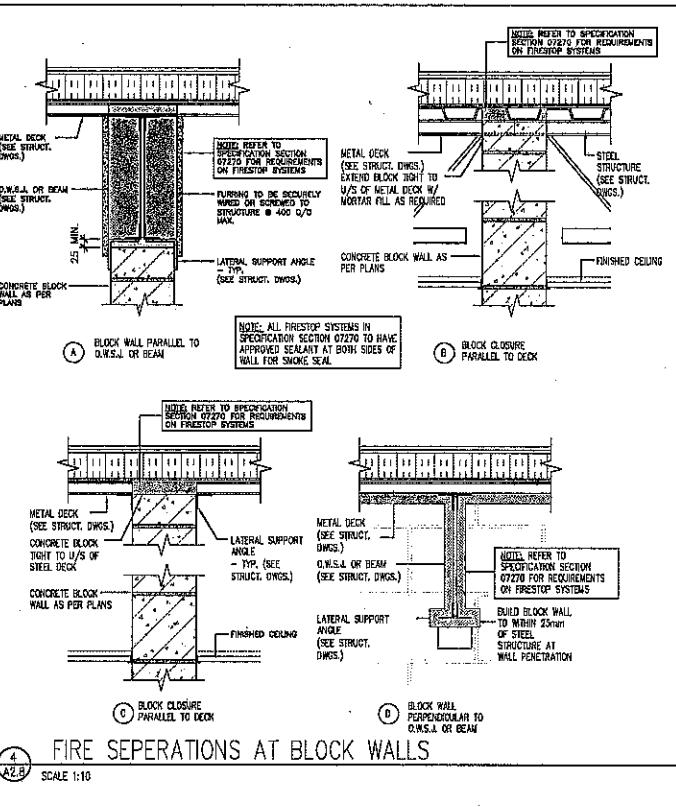
— WALL TYPE

BFPS - BARRIER FREE PUSH BUTTON
 B1 - BOLLUSSED BLOCK
 C/A - CENTRALINE
 C/C - CLOSET CONTROL, UNIT
 CO - CLEAN OUT LINE/STACK
 (REFER TO MECH. DWGS.)
 CP - CONTROL PANEL
 DW - DISH WASHER
 EF - EMERGENCY EYE/FACE WASH
 FE - FIRE EXTINGUISHER
 FE - THE EXTINGUISHER CABINET
 FD - FLOOR DRAIN
 FB - FACE OF BLOCK
 FR - FROZE
 FR - FREEZER
 G/B - GYPSUM BOARD
 IS - ISOLE ISB
 HS - HYDRATION STATION
 HW - HOT WATER IN CONTRACT (REFER TO SPEC)
 MC - NOT IN CONTRACT (REFER TO SPEC)
 PH - TELEPHONE
 SN - SINK
 ST - STOVE
 TYP - TYPICAL

FIRE PROTECTION

1 HR FIRE SEPARATION

1.5 HR FIRE SEPARATION



HORIZONTAL AND VERTICAL PENETRATIONS

- ALL THROUGH FLOOR PENETRATIONS TO BE CORED AND FIRE SEALED TO MAINTAIN MINIMUM F.R.R. USED
- ALL HORIZONTAL AND WALL PENETRATIONS TO BE SLEEVED AND FIRE SEALED TO MAINTAIN MINIMUM FIRE RATING AS REQUIRED BY THE ADJACENT WALL SYSTEM.

HORIZ. / VERT. SHAFTS

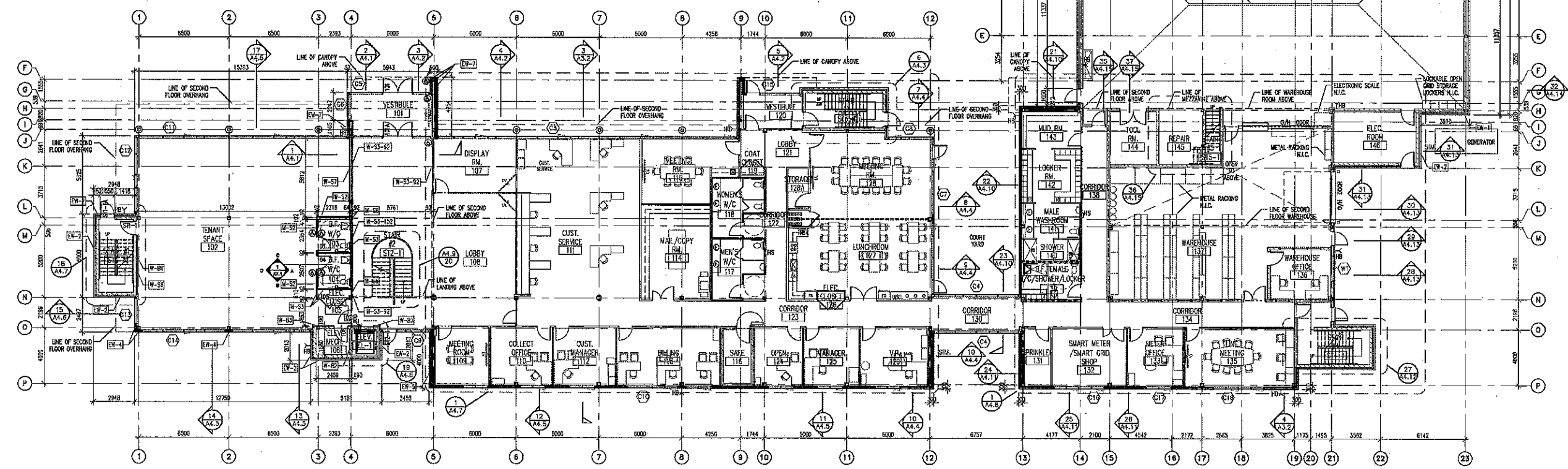
HORIZONTAL & VERTICAL SHAFT CONSTRUCTION:
 VERTICAL AND HORIZONTAL SHAFT WALLS INCLUDING MECHANICAL PRESSURIZATION SHAFTS SHALL BE DESIGNED IN CONFORMANCE WITH ULC M42 - 2HR RATING. HORIZONTAL APPLICATIONS CALLS FOR 3 LAYERS OF GYPSUM PANELS.

GENERAL FIRE PROTECTION REQUIREMENTS

- TEST METHODS USED TO DETERMINE FIRE HAZARD CLASSIFICATION AND FIRE ENDURANCE RATING SHALL BE AS REQUIRED BY THE BUILDING CODE.
- MATERIALS AND COMPONENTS USED TO CONSTRUCT FIRE RATED ASSEMBLIES AND MATERIALS REQUIRING FIRE HAZARD CLASSIFICATION SHALL BE LISTED AND LABELED, OR OTHERWISE APPROVED BY FIRE RATING AUTHORITY. LABELED MATERIALS AND THEIR PACKAGING SHALL CLASS FIRE RATING AUTHORITIES LABEL SHOWING PRODUCT CLASSIFICATION.
- FIRE RATED DOOR ASSEMBLIES SHALL INCLUDE DOORS, FRAMES, ANKERS AND HARDWARE AND SHALL BEAR LABEL OF FIRE RATING AUTHORITY SHOWING OPENING CLASSIFICATION AND RATING.
- MATERIALS HAVING A FIRE HAZARD CLASSIFICATION SHALL BE APPLIED/INSTALLED IN ACCORDANCE WITH MANUFACTURER'S DIRECTIONS.
- FIRE RATED ASSEMBLIES SHALL BE CONSTRUCTED BY STRICT ACCORDANCE WITH APPLICABLE ASSEMBLY DESIGN REPORT.
- DEVIATION WILL NOT BE ALLOWED.
- CONSTRUCT FIRE RATED ASSEMBLIES AS CONTINUOUS, UNINTERRUPTED ELEMENTS EXCEPT FOR PERMITTED OPENINGS. EXTEND FIRE RATED WALLS AND PARTITIONS FROM FLOOR TO UNDERSIDE OF STRUCTURAL DECK ABOVE. IN THE CASE OF FIRE WALLS EXTEND MIN. DISTANCE AS REQUIRED BY THE BUILDING CODE.
- FILL AND PATCH VOIDS AND GAPS AROUND OPENINGS AND PENETRATIONS IN AND AT PERIMETER OF FIRE RATED ASSEMBLIES SO AS TO MAINTAIN CONTINUITY AND INTEGRITY OF FIRE SEPARATION AND SMOKE SEAL TO THE REQUIREMENTS OF JURISDICTIONAL AUTHORITIES.
- PROVIDE ALL REQUIRED FIRE RATED MATERIALS:
 CALSIBO
 INSULATION (BLANKET / BATT)
 MASTIC OR FLEET
 FABRIC AS REQUIRED FOR APPLICATION.
- PROVIDE SUFFICIENT TEMPORARY EXCLUSIONS TO COMPLY WITH THE REQUIREMENTS OF MUNICIPAL, PROVINCIAL AND FEDERAL AUTHORITIES.

FLOOR PLAN NOTES:

- ALL STEEL COLUMNS AND BEAMS SUPPORTING A RATED ASSEMBLY SHALL BE PROTECTED WITH AN ASSEMBLY OR BUILT-UP OF MATERIALS TO MATCH FIRE RESISTANCE RATING OF SUPPORTED ASSEMBLY (MIN. 60min. F.R.R.) IN ACCORDANCE WITH SUPPLEMENT TO NBC 1990, CHAPTER 2, FIRE RESISTANCE RATINGS OR U.L.C. DESIGN.
- WALLS REQUIRING FIRE RESISTANCE RATINGS ARE INDICATED ON THE FLOOR PLANS.
- ALL EXPOSED MAINWATER LEADERS ARE TO BE FURRED IN WITH BLOCK. LOCATE AS INDICATED ON MECHANICAL DRAWINGS AND CONFIRM WITH CONSULTANT ON SITE.
- FIRE EXTINGUISHER CABINETS AND FORCE FLOW HEATER LOCATIONS TO BE CO-ORDINATED WITH MECH. & ELEC. DWGS. BUILT-IN & RECESSED UNITS TO CARRY MIN. 140mm BLOCK ABOVE UNIT TO U/S OF STRUCTURE C/W UNITS TO SUIT. MAINTAIN A MIN. OF 90mm BLOCK FULL HEIGHT BEHIND ALL RECESSED UNITS.
- ALL INTERIOR EXPOSED CONCRETE BLOCK EXT. CORNERS ARE TO BE CONSTRUCTED WITH BULL HOGGED BLOCK UNLESS NOTED OTHERWISE.
- ALL DRYWALL JOINTS IN DRYWALL W/ METAL STUD PARTITIONS (FIRE RATED OR UNRATED) SHALL BE TAPED AND FILLED WITH JOINT COMPOUND FROM FINISHED FLOOR TO U/S OF FLOOR/ROOF DECKS, TYPICAL, UNLESS NOTED OTHERWISE.
- REFER TO ROOM FINISH SCHEDULE AND GENERAL FINISH NOTES FOR CEILING, WALL, FLOOR & BASE FINISHES.



GROUND FLOOR PLAN
 SCALE: 1:150

1	ISSUED FOR TENDER	09/22/13
No.	REVISION	DATE
REVISIONS		
ALL DIMENSIONS TO BE CHECKED & VERIFIED ON SITE. DISCREPANCIES TO BE REPORTED TO THE ARCHITECT. LATEST APPROVED STAMPED DRAWINGS ONLY TO BE USED FOR CONSTRUCTION.		
MCLARCHITECTS MCKNIGHT CHARRON LAURIN		
48 ALLIANCE BLVD, UNIT 110 T 705 722 6730 BARRE, ONTARIO L4M 5K3 F 705 726 5418 WWW.MCLARCHITECTS.CA		
DRAWING NAME: GROUND FLOOR REFLECTED CEILING PLAN		
PROJECT NAME: INNISFIL HYDRO - NEW FACILITY		
PROJECT ADDRESS: 7251 YONGE STREET, INNISFIL, ONTARIO		
DATE: 04/26/13	JOB NO. 11-045	SHEET NO. A2.2
DRAWN BY: JL		
SCALE: 1:150		

EXTERIOR WALL LEGEND

EW-1 ASH BLOCK/CAVITY WALL
 150mm ARCHITECTURAL BLOCK
 25mm AIR SPACE
 75mm RIGID INSUL. (R.S.I. 3.15)
 AIR VAPOR BARRIER
 150mm CONC. BLOCK

EW-2 ASH BLOCK/CAVITY WALL
 150mm ARCHITECTURAL BLOCK
 25mm AIR SPACE
 75mm RIGID INSUL. (R.S.I. 3.15)
 AIR VAPOR BARRIER
 150mm CONC. BLOCK

EW-3 METAL SHEET/STEEL STUD
 70mm PREPA. METAL SHEET ON
 60mm VERTICAL 2-DRTS @ 1000mm O.C.
 MOISTURE BARRIER
 50mm RIGID INSULATION
 100mm STEEL STUD @ 400mm O.C. MAX.
 BATT INSULATION (R.S.I. 2.7)
 6ml POLY VAPOR BARRIER
 15mm GYPSUM BOARD

EW-4 CURTAIN WALL/STEEL STUD
 CURTAIN WALL SPANDREL GLASS C/W
 100mm RIGID INSULATION
 45mm STEEL STUD @ 400mm O.C. MAX.
 6ml VAPOR BARRIER
 15mm GYPSUM BOARD

EW-5 CONCRETE PANEL/STEEL STUD
 80mm CONCRETE PANEL
 25mm VERTICAL FLOORING CHANNELS
 MOISTURE BARRIER
 50mm RIGID INSULATION
 50mm HORIZONTAL 1g 2-DRTS
 15mm DENSGLASS GOLD
 100mm C CHANNEL @ 1800mm O.C.
 STEEL STUD W/FL @ 400mm MAX.
 BATT INSUL. (R.S.I. 2.7)
 6ml POLY VAPOR BARRIER
 15mm GYPSUM BOARD

EW-6 CONCRETE PANEL/STEEL STUD
 80mm CONCRETE PANEL
 25mm VERTICAL FLOORING CHANNELS
 MOISTURE BARRIER
 50mm RIGID INSULATION
 50mm HORIZONTAL 1g 2-DRTS
 15mm DENSGLASS GOLD
 100mm C CHANNEL @ 1800mm O.C.
 STEEL STUD W/FL @ 400mm MAX.
 BATT INSUL. (R.S.I. 2.7)
 6ml POLY VAPOR BARRIER
 15mm GYPSUM BOARD

EW-7 ALUM. PANEL/STEEL STUD
 20mm ALUM. TYPED PANEL PROFILE
 25mm VERTICAL FLOORING CHANNELS
 MOISTURE BARRIER
 50mm RIGID INSULATION
 50mm HORIZONTAL 1g 2-DRTS
 15mm DENSGLASS GOLD
 100mm C CHANNEL @ 1800mm O.C.
 STEEL STUD W/FL @ 400mm MAX.
 BATT INSUL. (R.S.I. 2.7)
 6ml POLY VAPOR BARRIER
 15mm GYPSUM BOARD

INTERIOR WALL LEGEND
STEEL STUD WALL TYPES

W-1
 150mm DRYWALL (FINISH AS PER SCHEDULE)
 400mm STEEL STUD AT 400mm O.C. TO
 U/S OF STRUCTURE
 150mm DRYWALL (FINISH AS PER SCHEDULE)

W-2
 150mm DRYWALL (FINISH AS PER SCHEDULE)
 400mm STEEL STUD AT 400mm O.C. TO
 U/S OF STRUCTURE
 SOUND BATT INSULATION
 150mm DRYWALL (FINISH AS PER SCHEDULE)

W-3
 80mm FR. - U/LC DES W/SS
 15.8MM SHEETROCK FIRECODE C CORE
 OPSUM PANELS (FINISH AS PER SCHEDULE)
 42/150MM STEEL STUD AT 400mm O.C. TO
 U/S OF STRUCTURE
 15.8MM SHEETROCK FIRECODE C CORE
 OPSUM PANELS (FINISH AS PER SCHEDULE)

W-4
 150mm DRYWALL (FINISH AS PER SCHEDULE)
 150mm STEEL STUD AT 400mm O.C. TO
 U/S OF STRUCTURE

W-5
 150mm DRYWALL (FINISH AS PER SCHEDULE)
 150mm STEEL STUD AT 400mm O.C. TO
 U/S OF STRUCTURE
 SOUND BATT INSULATION
 150mm DRYWALL (FINISH AS PER SCHEDULE)

W-6
 150mm DRYWALL (FINISH AS PER SCHEDULE)
 150mm STEEL STUD AT 400mm O.C. TO
 U/S OF STRUCTURE

W-7
 150mm DRYWALL (FINISH AS PER SCHEDULE)
 400mm STEEL STUD AT 400mm O.C. TO
 U/S OF STRUCTURE

CONCRETE BLOCK WALL TYPES

WALL TYPE W-81
 150mm STANDARD CONCRETE BLOCK
 PAINTED EXPOSED SURFACES AS SPECIFIED

WALL TYPE W-82
 200mm STANDARD CONCRETE BLOCK
 PAINTED EXPOSED SURFACES AS SPECIFIED

WALL TYPE W-83
 150mm DRYWALL ON
 400mm METAL STUDS AT 400mm O.C.
 200mm STANDARD CONCRETE BLOCK
 PAINTED EXPOSED SURFACE AS SPECIFIED

FLOOR PLAN LEGEND:

PLAN DETAIL REFERENCE
 (A.1) - PLAN DETAIL REFERENCE

INTERIOR ELEVATION REFERENCE
 (A.1) - INTERIOR ELEVATION REFERENCE

WALL/PAINTING SECTION REFERENCE
 (A.1) - WALL/PAINTING SECTION REFERENCE

CURTAIN WALL TYPE
 (C) - CURTAIN WALL TYPE

WINDOW TYPE
 (W) - WINDOW TYPE

FRAME TYPE
 (F) - FRAME TYPE

WALL TYPE
 (W-S1) - WALL TYPE

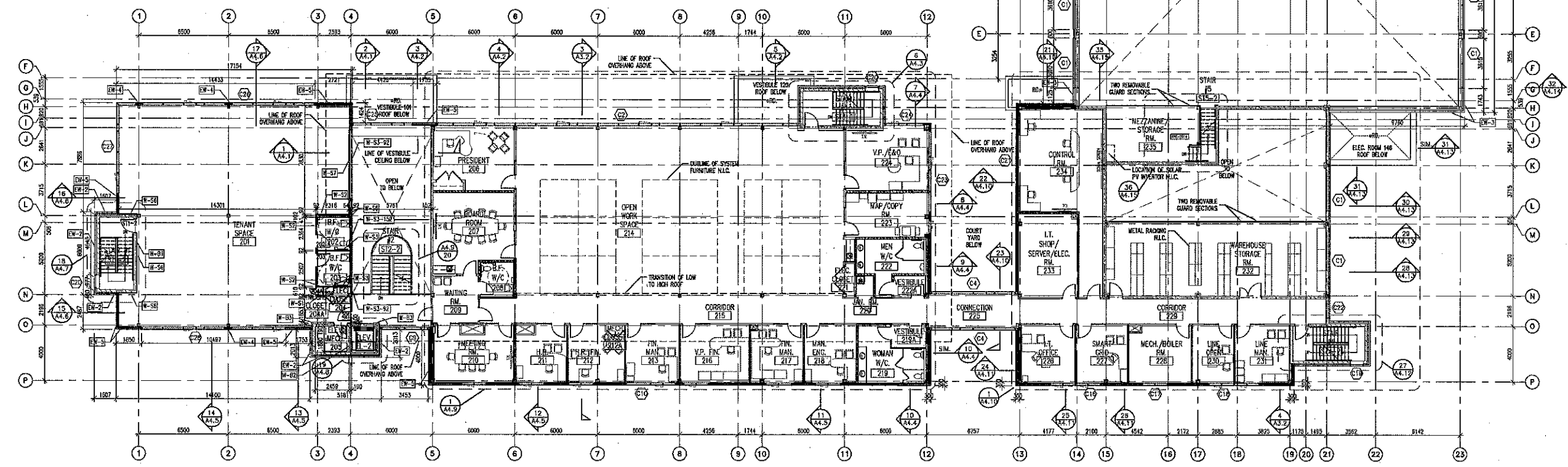
BPB - BARRIER FREE PUSH BUTTON
BN - BULLNOSE BLOCK
C/L - CORNER LINE
CL - CLOSING CONTROL JOINT
CO - CLEAN OUT LINE/STACK
 (REFER TO MECH DWGS)
CP - CONTROL PANEL
DW - DISH WASHER
EW - EMERGENCY EYE/WASH
FE - FIRE EXTINGUISHER
TEC - FIRE EXTINGUISHER CABINET
FD - FLOOR DRAIN
FB - FACE OF BLOCK
FR - FROZE
FR - FREEZER
OWB - OFFICE BOARD
HS - HOSE BID
HS - HYDRATION STATION
NW - NIGHTMARE
ND - ITEM NOT IN CONTRACT (REFER TO SPEC)
PH - TELEPHONE
SM - SINK
ST - STAIR
TYP - TYPICAL

FIRE PROTECTION

1 HR FIRE SEPARATION

1.5 HR FIRE SEPARATION

- FLOOR PLAN NOTES:**
1. ALL STEEL COLUMNS AND BEAMS SUPPORTING A RATED ASSEMBLY SHALL BE PROTECTED WITH AN ASSEMBLY OR BUILT-UP OF MATERIALS TO MATCH FIRE RESISTANCE RATING OF SUPPORTED ASSEMBLY (MIN. 60min. F.R.R.) IN ACCORDANCE WITH SUPPLEMENT TO NBC 1990, CHAPTER 2, FIRE RESISTANCE RATINGS OR U.L.C. DESIGN.
 2. WALLS REQUIRING FIRE RESISTANCE RATINGS ARE INDICATED ON THE FLOOR PLANS.
 3. ALL EXPOSED RAINWATER LEADERS ARE TO BE FURRED IN WITH BLOCK. LOCATE AS INDICATED ON MECHANICAL DRAWINGS AND CORRECT WITH CONSULTANT ON SITE.
 4. FIRE EXTINGUISHER CABINETS AND FORCE FLOW HEATER LOCATIONS TO BE CO-ORDINATED WITH MECH. & ELEC. DWGS. BUILT-IN & RECESSED UNITS TO CARRY MIN. 1400mm BLOCK ABOVE UNIT TO U/S OF STRUCTURE C/W LINTEL TO SUIT. MAINTAIN A MIN. OF 60mm BLOCK FULL HEIGHT BEHIND ALL RECESSED UNITS.
 5. ALL INTERIOR EXPOSED CONCRETE BLOCK EXT. CORNERS ARE TO BE CONSTRUCTED WITH BUILT NOSED BLOCK UNLESS NOTED OTHERWISE.
 6. ALL DRYWALL JOINTS IN DRYWALL W/ METAL STUD PARTITIONS (FIRE RATED OR UNRATED) SHALL BE TAPED AND FILLED WITH JOINT COMPOUND FROM FINISHED FLOOR TO U/S OF FLOOR/ROOF DECKS, TYPICAL UNLESS NOTED OTHERWISE.
 7. REFER TO ROOM FINISH SCHEDULE AND GENERAL FINISH NOTES FOR CEILING, WALL, FLOOR & BASE FINISHES.



SECOND FLOOR PLAN
 SCALE: 1:150

1	ISSUED FOR TENDER	05/22/13
No.	REVISIONS	DATE

ALL DIMENSIONS TO BE CHECKED & VERIFIED ON SITE. DISCREPANCIES TO BE REPORTED TO THE ARCHITECT. LATEST APPROVED STAMPED DRAWINGS ONLY TO BE USED FOR CONSTRUCTION.



MCL ARCHITECTS
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DRAWING NAME:
SECOND FLOOR PLAN

PROJECT NAME:
INNISFIL HYDRO - NEW FACILITY

PROJECT ADDRESS:
 7251 YONGE STREET,
 INNISFIL, ONTARIO

TOWN OF INNISFIL

DATE:	04/25/13	JOB NO.		SHEET NO.
DRAWN BY:	JL	11-045		A2.3
SCALE:	1:150			

Appendix 4 – Government Office Space Standards

Reference:

OEB Staff-IR 6 d)

G O S S

JANUARY 8, 2001

**Government
Office
Space
Standards**

Province of British Columbia

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1.1 Background & Purpose

This document provides standards for the size of government office spaces. The intent of these standards is to ensure equity and consistency in the provision of government office space. Resultant office space should meet users' functional space requirements and be cost-effective. Ministries, with the aid of the BC Buildings Corporation (BCBC), are committed to reduce both capital and operating costs.

The *Government Office Space Standards* (GOSS) were prepared by the Space Standards Subcommittee of the Client Panel. Working groups of this Subcommittee reviewed all of the following information: guiding principles, documentation and process, benchmarking, integrated workplace strategies (IWS), workstations and enclosed office numbers and sizes, support space measurement and markup factors.

Client Panel and Space Standards Subcommittee comprised of:

**Provincial Government Ministries
British Columbia Buildings Corporation**

1.2 Government Office Space Standards Application

These standards are to be applied to the upgrading, changing, or new development of any government office accommodation. Deviations from *Government Office Space Standards* are at the discretion of the deputy minister or designate. These standards do not apply to non-office facilities such as warehouses and institutional properties. Along with *Government Office Space Standards*, BCBC has developed several related standards and guidelines, such as Technical Standards for Offices (refer to Appendix C- Outline of Technical Standards).

1.3 Integrated Workplace Strategies Application

The total space allocated by GOSS is to be considered as a maximum space allowance or envelope. Planning within this envelope can be done in a traditional fashion and/or utilizing *integrated workplace strategies* (IWS). Clients are encouraged to utilize integrated workplace strategies to ensure their functional needs are met in the most effective manner within their allocated space envelope. **Clients who adopt IWS approaches that reduce workstation sizes or number required shall not have their overall space envelope reduced unless they are in agreement.**

1.4 Report Structure

- Section 2 outlines the Core Principles, Operating Principles, Cost Containment Principles, and Planning Principles
- Section 3 outlines Integrated Workplace Strategies (IWS)
- Section 4 outlines the process for Functional Space Requirements, including a sample "workbook" and detailed instructions
- Section 5 outlines People Space Allocations for individual workspaces
- Section 6 outlines Support Space Allocations and Space Planning Principles for government offices
- Section 7 outlines Mark-up Factors

----- end of section 1 -----

The development and application of the *Government Office Space standards* will be guided by Core Principles, Operating Principles, Cost Containment Principles, and Planning Principles as follows.

2.1 Core Principles

<i>Employee Support</i>	Employees will be treated equitably and provided with healthy, safe and accessible office workplaces.
<i>Program Support</i>	Office workplaces will be designed to support effective program delivery.
<i>Value for Money</i>	Maximizing value for money will be a goal of all facilities decisions.
<i>Cost-Containment</i>	Cost-containment strategies, such as re-use of existing tenant improvements, will be applied to all projects.
<i>Responsibility for Conformance</i>	Ministries and BCBC are jointly responsible for applying these standards to all projects.
<i>Clarity & Simplicity</i>	Standards will be clear and concise. Associated processes will be simple and easy to understand and implement.

2.2 Operating Principles

<i>Space Allocation & Entitlement</i>	GOSS does not 'entitle' staff to specific workstation sizes. It is a method of determining the overall requirements of a group and a method for determining how that space is allocated. Actual individual space allocations are determined on the basis of functional space requirements, the priorities of the organization, and the total space and budget available.
<i>Open Workstations</i>	In general, employees of the Province of British Columbia shall be provided with open area accommodation. Enclosed offices will be provided for staff functions requiring a high degree of unscheduled confidentiality, either from other staff within their own group or visiting public within the office. Based on functional justification, these enclosed spaces may be single occupant offices, shared discussion/meeting rooms, interview rooms, wicket space and/or other space types.
<i>Anticipating Change</i>	Space plans will anticipate organizational or workstation pattern changes by having fewer types of workstations and more flexible layouts. Furniture and screen purchases shall support anticipating change and flexibility by incorporating the following features: free standing, mobile, modular, and flexible.
<i>Building Quality / Appearance</i>	Building quality for new construction will be governed by cost containment strategies and BCBC's Technical Standards.

2.3 Cost Containment Principles

- Space Savings Strategies* Space savings can be achieved from the use of efficient layouts, space saving equipment, and recovery of unused space. Implementation of Integrated Workplace Strategies (IWS) also generally results in space savings.
- Collocation* Ministries are encouraged to seek partnerships and co-locations with other ministries and governments with a view to sharing facilities, equipment, furniture and resources.
- Move People, Not Furniture* Staff with similar functional needs will move to a different workstation with similar furniture and functionality, rather than move an entire workstation when occupants or work patterns change. Also known as a “Briefcase Move”.
- Re-Use Existing Tenant Improvements* Existing tenant improvements and assets will be re-used/ re-furnished wherever practical. New tenant improvements will not be permitted in short term leases (three years or less) except for health and safety issues or where they can be cost-justified for operational reasons.
- Expansion Space* Space allocations will be determined based on existing staffing levels. No allowance will be made for projected growth unless ministries have specific approval by the Deputy Minister.

----- **end of section 2** -----

3.1 Introduction to Integrated Workplace Strategies (IWS)

Changing Workplace Generally in North America, the workplace is in transition.

Technology is more powerful, portable, and integrated allowing greater flexibility in work productivity and location.

Increasingly, the workplace is no longer seen as a central office or building but rather as a set of spaces and tools which enable the worker and enhance the work process. The new workplace needs to accommodate teams as well as individuals and support employees who are increasingly mobile, require flexibility and use portable technology.

Integrated Workplace Strategies

Approaches to accommodating work which encompasses more than just how and where people work. Ideally, it should also include work processes, human resources and technology. Management support is critical for the development and implementation of such new concepts and policies.

Benefits of IWS

Management and empowered employees searching for innovative ways to improve their organization's effectiveness are focusing their attention on workplace strategies that support the worker, enhance productivity, and minimize the cost of accommodation.

3.2 The IWS Planning Process

Government is encouraged to move beyond the traditional options of the past when creating a new workplace. The IWS Process Chart (Figure 1) illustrates a typical process when exploring IWS. The four steps include:

1. Assemble Criteria & Define Strategic Objective(s)
2. Evaluate Each Strategy in Terms of Goals & Objectives
3. Determine Solution (may be multi-strategy)
4. Continue to Monitor, Evaluate & Modify

To create an effective new environment, those responsible for the design and planning of space must have a thorough understanding of an organization's structure, strategic goals and changing management practices. Significant knowledge about the individual users and the work process is essential. With this information the planning process can begin to take shape. Planning solutions should reflect this understanding in the provision of a workplace that supports how and where people work.

The implementation of different strategies involves the full participation of the users in developing the concepts with total support by management. An IWS approach requires a willingness to evaluate and question existing work processes, adequate lead-time and resources. The resultant strategies not only enable people to achieve their maximum effectiveness, but often the consequence is increased efficiency, more flexible layouts, and reduced space requirements.

The strategies can be considered as a continuum. The most conservative and commonly applied approach maintains the traditional one-person-one-workspace ratio but reduces the size of individual workspaces to free up space for team meeting areas and project rooms. In the most radical solution, the traditional office is either replaced by full-time telecommuting or by the virtual office in which the workplace can be anywhere. In between these extremes, a number of alternatives exist which allow for long-term flexibility.

This process allows for an opportunity to utilize a wide variety of on and off-site strategies. Solutions typically involve an integrated combination of strategies and need to be customized for each project.

Figure 1: IWS Planning Process

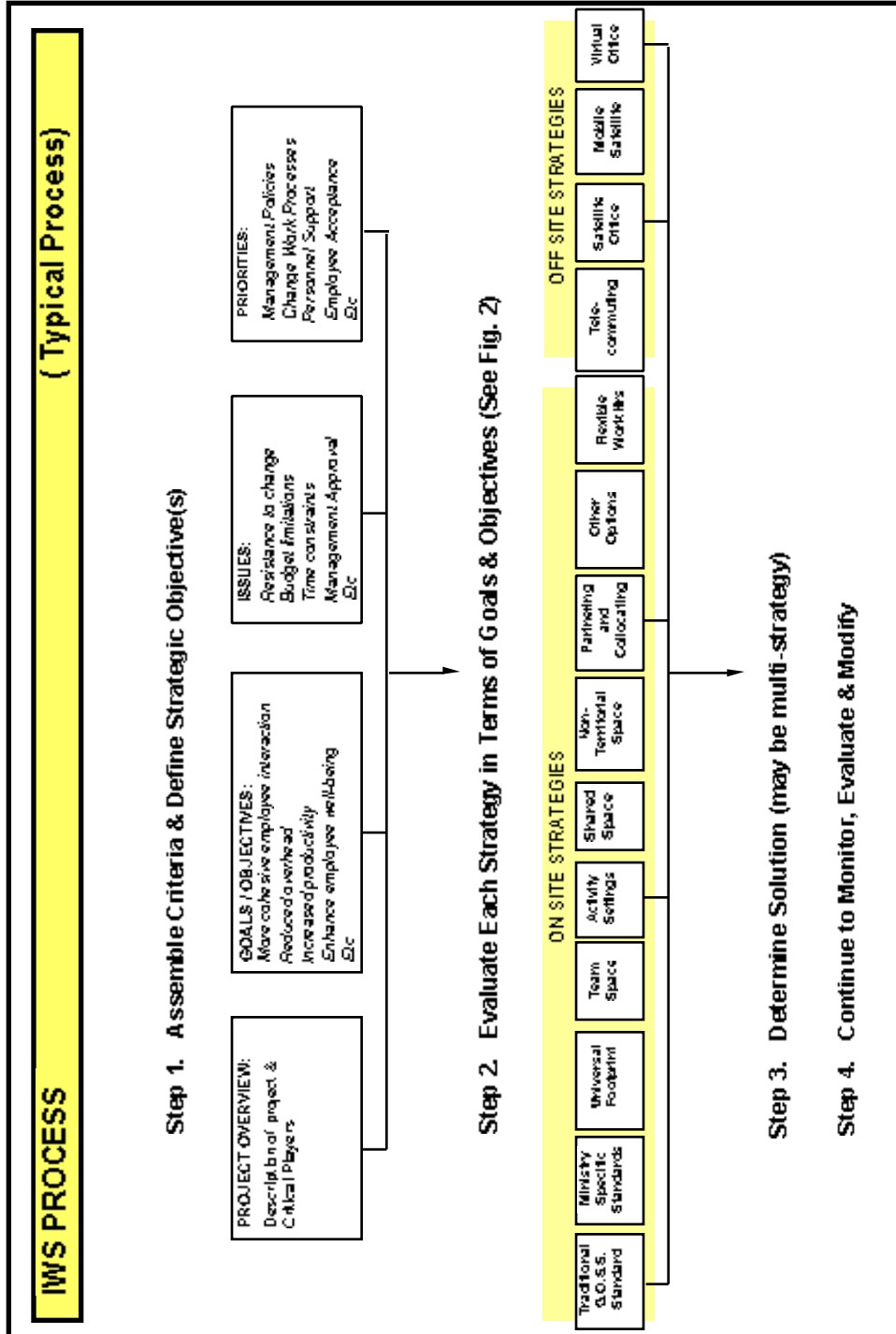


Figure 2: Planning Options Matrix

The following chart is provided as a guide for selecting IWS options that are appropriate to the desired goal or objective. Options marked with “Y” are inherently enhancing to the desired goal noted; options marked with “U” are inherently unlikely to enhance the desired goal noted; options marked with “M” may or may not enhance the desired goal depending upon the application.

Legend:

- Y - Recommended to enhance objective
- M - May enhance objective, however it is dependant on other factors
- U - Unlikely to enhance objectives
- na - Not Applicable

Strategies												
	On-Site								Off-Site			
Ministry Specific Stds.	Simplified Standards	Universal Footprints	Team Space	Activity Settings	Shared Space	Non-Territorial Space	Partnering	Variable Work Hours	Tele-commuting	Satellite Office	Virtual Office	Mobile Equipped

Goals & Objectives

Reducing Costs & Expediency

Reduce cost of accommodation	M	M	Y	M	M	Y	Y	Y	M	M	M	M	M
Reduce cost of tenant improvements	M	M	Y	M	M	Y	Y	Y	M	M	U	M	M
Reduced cost of accommodating churn	M	Y	Y	Y	Y	Y	Y	Y	M	M	U	M	M
Expedience in accommodating change	M	Y	Y	Y	Y	M	Y	U	M	U	U	Y	M
Decreased disruption to accommodate change	M	Y	Y	Y	Y	Y	Y	U	Y	Y	U	Y	Y
Maximize space utilization	M	Y	Y	Y	Y	Y	Y	Y	M	M	U	M	M
Accommodate varying staff complement (GROWTH)	M	U	M	Y	Y	Y	Y	M	Y	M	U	Y	M
Accommodate organizational change	U	Y	Y	Y	Y	M	Y	U	M	M	U	M	M
Increased utilization of facilities or equipment	U	U	Y	Y	Y	Y	Y	Y	Y	M	U	M	M
Reduced furnishings & equipment costs	U	M	Y	Y	M	Y	Y	M	M	U	U	M	M
Expedient to implement (Initially)	U	U	U	U	U	U	U	U	U	M	U	U	U

Productivity, Creativity & Wellbeing

Enhance employee productivity	M	M	M	Y	Y	M	U	na	Y	Y	Y	Y	Y
Reduce non-productive time.	U	U	Y	Y	Y	na	U	na	Y	Y	Y	Y	Y
Support innovation and creativity	U	U	U	Y	Y	U	M	M	U	U	U	U	U
Increase employee interaction & communication	U	U	U	Y	Y	U	Y	M	U	U	U	Y	Y
Enhance employee empowerment	M	M	M	Y	Y	U	U	U	M	Y	Y	Y	Y
Enhanced service delivery	M	U	U	Y	Y	U	M	Y	Y	Y	Y	Y	Y
More functional space utilization	Y	Y	M	Y	Y	U	Y	U	Y	M	U	M	M
Enhanced employee acceptance /ownership	Y	Y	Y	M	M	U	U	U	Y	Y	Y	Y	Y
Technical & administrative support critical	U	U	U	U	U	U	Y	U	Y	U	Y	U	M
Personally non-threatening	Y	M	M	M	U	M	U	Y	M	Y	Y	M	U
Limited application (Job functions)	U	U	U	U	U	U	Y	U	U	Y	U	Y	Y
More effective support space	M	Y	Y	Y	Y	M	Y	Y	U	M	U	M	M
Disruptive to individuals involved	U	U	U	M	M	M	Y	U	U	U	U	M	U

Strategies

	On-Site								Off-Site			
	Ministry Specific Stds.	Simplified Standards	Universal Footprints	Team Space	Activity Settings	Shared Space	Non-Territorial Space	Partnering	Variable Work Hours	Tele- commuting	Satellite Office	Virtual Office

Legend:

- Y - Recommended to enhance objective
- M - May enhance objective, however it is dependant on other factors
- U - Unlikely to enhance objectives
- na - Not Applicable

Goals & Objectives

Employee & Environmental

Promotes equity and equality	M	M	Y	Y	Y	M	Y	na	M	na	na	na	na
Environmentally beneficial (pollution/traffic)	U	U	U	U	U	U	U	U	Y	Y	Y	Y	Y
Personal benefits to employee	Y	M	U	Y	Y	M	U	U	Y	Y	Y	Y	Y
Enhanced recognition of individuality	M	U	U	M	M	U	U	U	Y	Y	M	Y	Y
Security issues are significant	U	U	U	M	M	M	M	M	U	M	M	M	M

3.3 On Site Options

GOSS	Workspaces are now based on functional requirements, with defined maximum workspace sizes by job title (<i>Refer to Section 5</i>). Individual work activities should be assessed to determine the appropriate footprint size.
<i>Ministry Specific Standard</i>	The standards that a client Ministry wishes to use for its accommodation requirements are developed separately, beyond the Space Standards detailed in this manual. (<i>Refer to Appendix B.</i>)
<i>Simplified Standards</i>	An approach to space planning and space allocation that simplifies and adjusts the GOSS standards, to suit a specific client objective, within the overall GOSS envelope.
<i>Universal Footprint</i>	This is a versatile method of space planning in which a minimum number of standard footprint sizes and shapes are used. Typical applications use two or three standard sizes within modules of one another. Footprint sizes are determined by function and adapted to the building site in a generic manner. This method of planning supports “Briefcase moves” (moving people, not walls or furniture).
<i>Team Space</i>	Flexible work areas are required to support project teams as they expand or shrink. Today there are more teams performing a variety of tasks. The layout should reflect the differences. (<i>Refer to team space example plan following Section 3.4</i>)
<i>Activity Settings</i>	Refers to a variety of work settings that accommodate diverse tasks or group activities rather than planning for dedicated workstations. Users move from space to space according to task requirement (e.g. common layout / project space).
<i>Shared Assigned</i>	Two or more employees share a single, assigned workspace including work tools, either simultaneously or on different shifts or schedules.
<i>Non-Territorial</i>	A strategy where workspace is not dedicated to any one individual.
Hotelling:	A system where non-territorial workspace is booked ahead for a specified block of time. Administrative systems and supports are required to schedule and equip the space for the various users.
Motelling:	Similar to “Hotelling” however the workspace is booked upon arrival, not reserved ahead.
Free Address/ Hot Desking:	Workspaces are not reserved and operate on a first-come, first-served basis. They are available to anyone within the organization.
<i>Partnering</i>	Different organizations work out a relationship that is mutually beneficial to both parties. Not necessarily related to space, e.g. Canadian Tire sells fishing licenses for the Ministry of Environment.
<i>Co-location</i>	Different organizations agree to share space or other resources for mutual benefit such as reduced overhead and equipment requirements.

Variable Work Hours Workers choose variable work hours reducing demand on the number of on-site workspaces. More individuals can make use of fewer spaces. This can be achieved with both part-time and full-time staff having flexible schedules.

3.4 Off Site Options

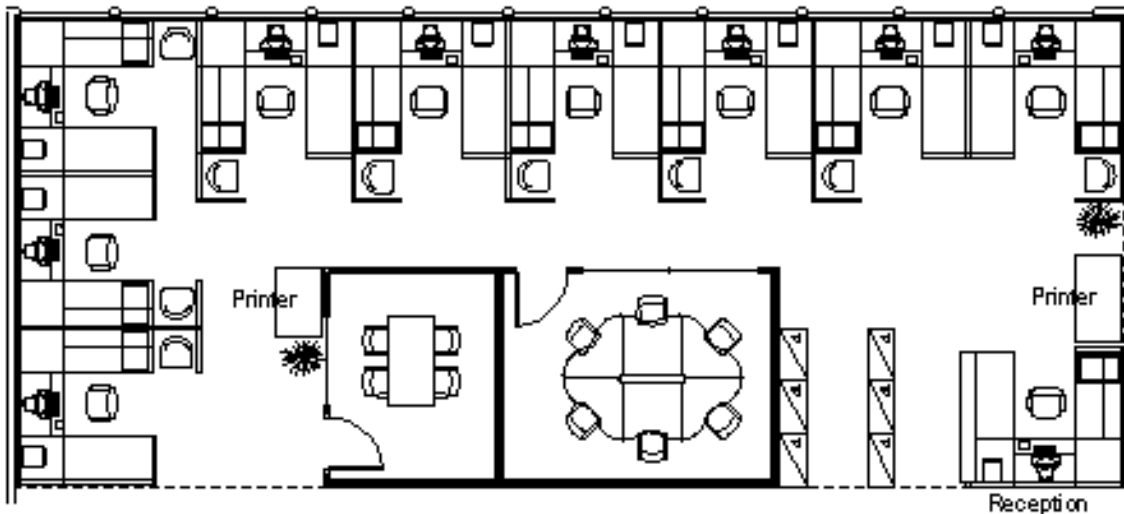
Telecommuting A term used to describe work performed by employees from remote locations, usually their homes. The telecommuter replaces the daily “commute” to a central office with an electronic connection. Typically, 2-3 days a week are spent working at home and the remaining time at the central office. The central office space could be shared (e.g. hotelling).

Satellite Officing Office centres providing technology and administrative support from a location closer to employee’s home or customers. They are staffed by employees dedicated both to that site or split between that location and another.

Mobile Officing Mobile workers spend a large amount of time outside the central office, working from a variety of locations throughout a typical week. Some are provided with specially equipped vehicles. This enables them to perform their work in the field while maintaining contact with central office and other parties.

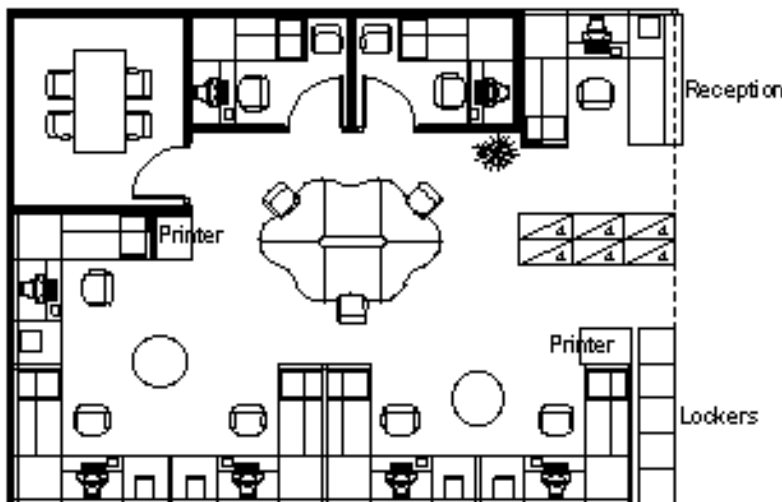
Virtual Office Through the use of portable technology, employees are able to work anywhere (i.e. home, car, ferry, hotel, client’s office, etc).

Sample Comparison



TRADITIONAL OPEN PLANNING
156M² (1675 sq. ft.)

- 10 Dedicated Workstations
- Large Meeting Room
- Small Meeting Room
- 1 File Area
- 2 Printers



TEAM WORKSPACE PLANNING
100m² (1076 sq. ft.)

- fosters team interaction
- provides shared private stations
- 35% space reduction

- 1 Dedicated Station
- 5 Non-territorial Stations
- 2 Privacy Workstations
- 1 Large Team Meeting Area
- 1 Small Meeting/Work Area
- 1 File Area
- 2 Printers
- 10 Storage Lockers

----- end of section 3 -----

4.1 Introduction

The purpose of this section is to outline the process for documenting how functional space requirements are gathered and the approval process.

4.2 Process Flow

4.2.1 Project Identification

A project is identified when the Field Staff, Ministry Head Office, or BCBC indicates that a space change is required. Once identified, the ministry Facilities Manager will begin to develop an Accommodation Requirements Outline (ARO) or direct field personnel to do so. The functional space requirements are a key component of this document.

4.2.2 Data Assembly & Approvals

The functional space requirements data is to be gathered and assembled in an electronic spreadsheet (MS Excel Workbook®) called "**Functional Space Requirements**".

A sample "workbook" page is illustrated in Figure 3; detailed instructions for recording data can be found in Section 4.3; and the instruction "notes" in the "workbook" page are illustrated in Figure 4.

The preliminary functional space requirements "workbook" should then be forwarded electronically to the Customer and Portfolio Services Group of BCBC. Working with the Ministry Facilities staff, BCBC will review the requirements and identify space and cost savings opportunities. All space requests are subject to Treasury Board audit. Once the workbook has been transferred to BCBC, they will be responsible for data management and changes.

Figure 3: Functional Space Requirements – Sample Workbook Page

Ministry of										
Branch & Location										
Section A: People Spaces										
# FTE's	EA	OA	Function	Note	Name	Unit Area/m ²	EA Area/m ²	OA Area/m ²		
0.0	0.0	0.0	Sub-Totals					0.00	0.00	
CHECK! - Total Number of persons to be accommodated including Aux., Coop, etc.									0.0	
			Maximum Meeting Room Allocation in m ²	16.70						
			Maximum Break Room Allocation in m ²	4.60						
Section B: Support Spaces (see Reference Table Sheet for specific area allocations)										
	EA	OA	Space	Note		Unit Area/m ²	EA Area/m ²	OA Area/m ²		
	0.0		Sub-Totals					0.00	0.00	
Section C: Circulation										
Type of Space Calculation	No. of Areas	EA @16%	OA Area/m ²							
Number of (A space) OAs at 3.25m ²	0.0		0.00							
Number of EAs at 2.30m ²	0.0		0.00							
Number & Total of EAs over 16.70 m ²	0.0	21.00	0.00							
			Sub-Totals	0.00						
Section D: Totals										
							EA Area/m ²	OA Area/m ²		
Sub-Total (all sections)							0.00	0.00		
If Enclosed Area is = or > than Open Area add 6% of Enclosed Area								0.00		
Programmable Area								0.00		
Section E: Useable Area										
Building Loss Factor: 5% default (see GOSS Table 8)										
Usable Area								0.00		
Section F: Rentable Area										
Rentable Area Markup: 10% default (see GOSS Table 9)										
Rentable Area								0.00		
Density: Usable Metres / Person										
Density: Rentable Metres / Person										

4.3 Functional Space Requirements – Workbook Instructions

4.3.1 Purpose

These instructions are directed to the person who is charged with collecting the Functional and Program requirements for their group. If at any time the user is not sure, they should be directed to contact their facilities representative.

The data is to be assembled in a preformatted electronic spreadsheet (MS Excel[®] workbook), which is available from the facilities representative. The data may be assembled into one large worksheet, or broken into individual worksheets within the workbook. ***It is generally best to do a separate worksheet for each department or business unit.***

4.3.2 Navigating the Form

The form is colour coded.

- Black Text represents areas that should be overwritten, if required.
- Blue text represents data which is formula based, and may be overwritten due to program requirements.
- Red text represents data which is formula based, and should not be overwritten.

Only the people spaces, and support spaces section of the form require manual input. The Circulation spaces are automatically calculated.

4.3.3 People Spaces

People Spaces are those spaces that are occupied by individual members of the group. The area allocations are determined by function.

This area requires the following information: the number of persons with their function or job title (i.e. File Clerk); and their name (i.e. Smith, L) which is optional.

The description of the space types and detail space types (sorted by job title) can be found in Section 5. Once these parts of the form are filled in, the workbook will automatically determine the amount of space required for the people.

4.3.4 Support Spaces

Support spaces are those spaces that support the people identified in the People Spaces and are not part of their workstation. ***Refer to Section 6.1- Support Space Five Stage Analysis for more detailed direction.***

Space allowances for equipment such as filing cabinets, copiers, printers, etc. are shown in Section 6.1- Table 1. For those items not listed, measure the item and allow for additional space to access the item. The drawing below Table 1 indicates how the space is determined for a typical lateral file cabinet.

The total area allocation for break areas (Section 6.1- Table 2) and meeting rooms / training rooms (Section 6.1- Table 3) is based on the number of staff.

5.1 Space Allocation – Functional Space Requirements for Individual Workspaces

Functional analysis of work indicates that various job functions can be successfully accommodated within the maximum space allocations outlined in the figure below. Refer to Section 5.2 for layout options with traditional or systems furniture.

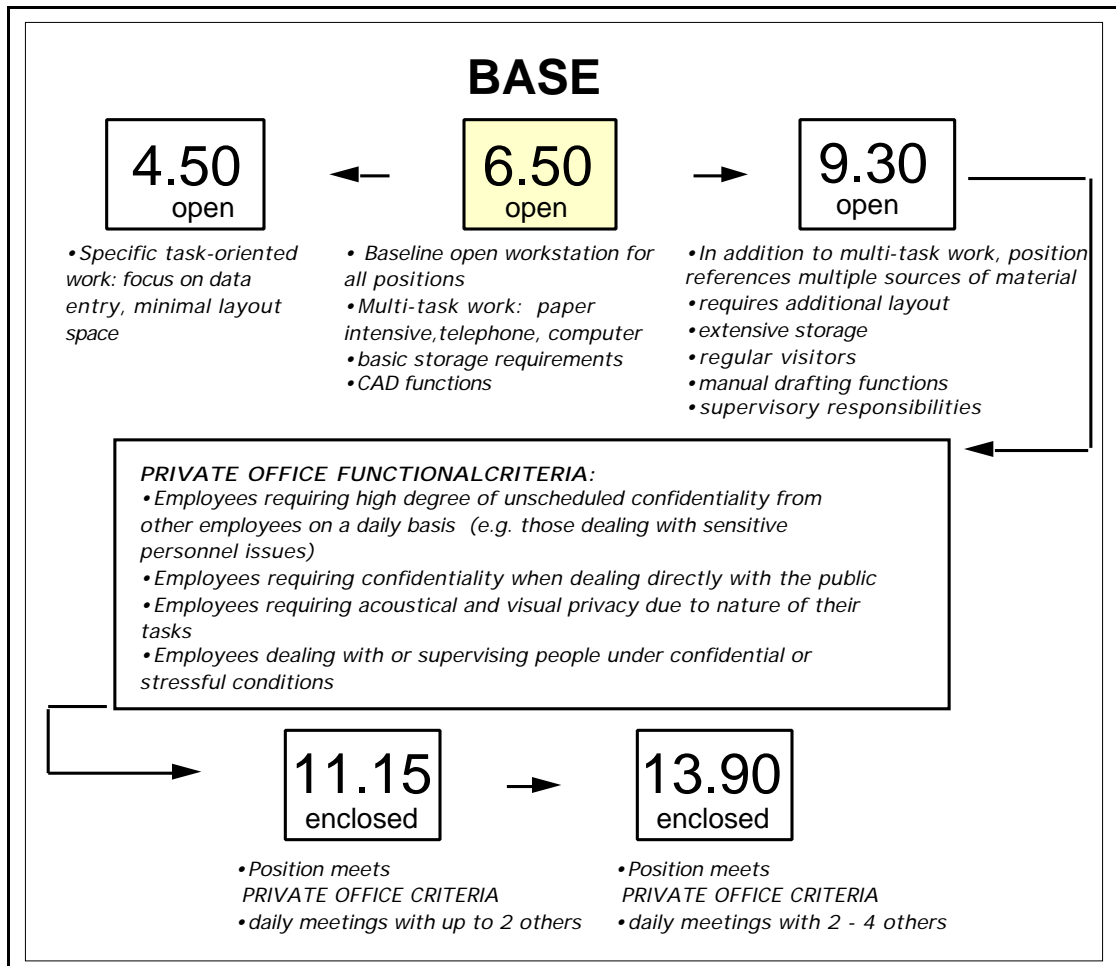
Refer to Section 5.8- Functional Space Requirements Matrix for maximum workspace allocation by specific job classification.

Personal requirements specific to a workstation should be located within the workspace. Additional support requirements, which functionally need to be located near the workstation, should be listed under Support Space Allocations.

Figure 5: Footprint Sizes and Criteria

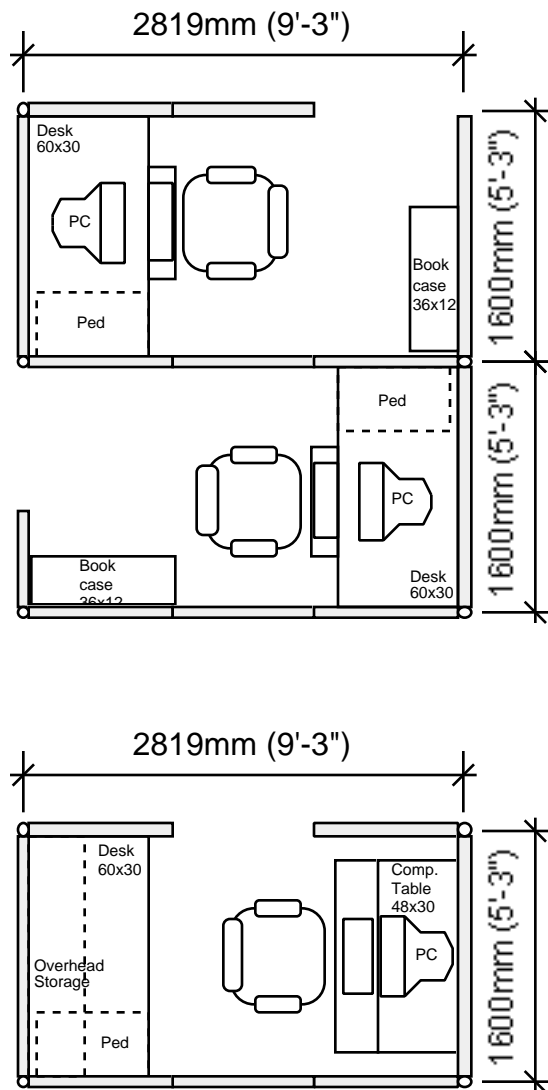
The base allocation for all classifications is 6.50 m² except where the functional requirements require only an area of 4.50 m². The functional criteria is outlined below.

Ministry facility representatives will review and approve the functional justifications. Deviations beyond the functional justification and the private offices (as noted in the matrix) must be approved by the Deputy Minister or designate.



5.2 Space Type A – Open Workstation 4.5m² 50ft²

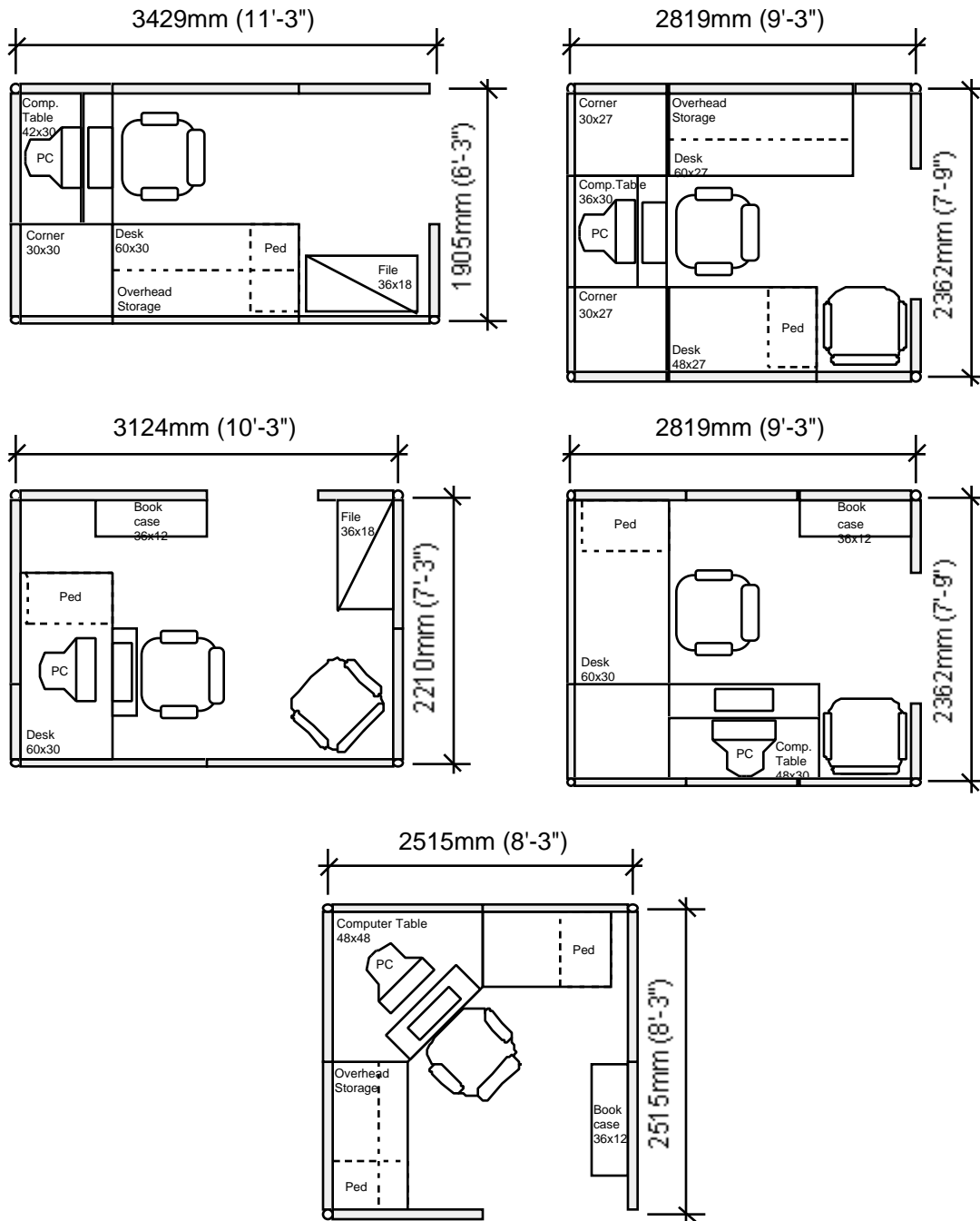
Dimensions are measured centre to centre



* Note: furniture and screens shown are not necessarily an entitlement

5.3 Space Type B – Open Area 6.5m² 70ft²

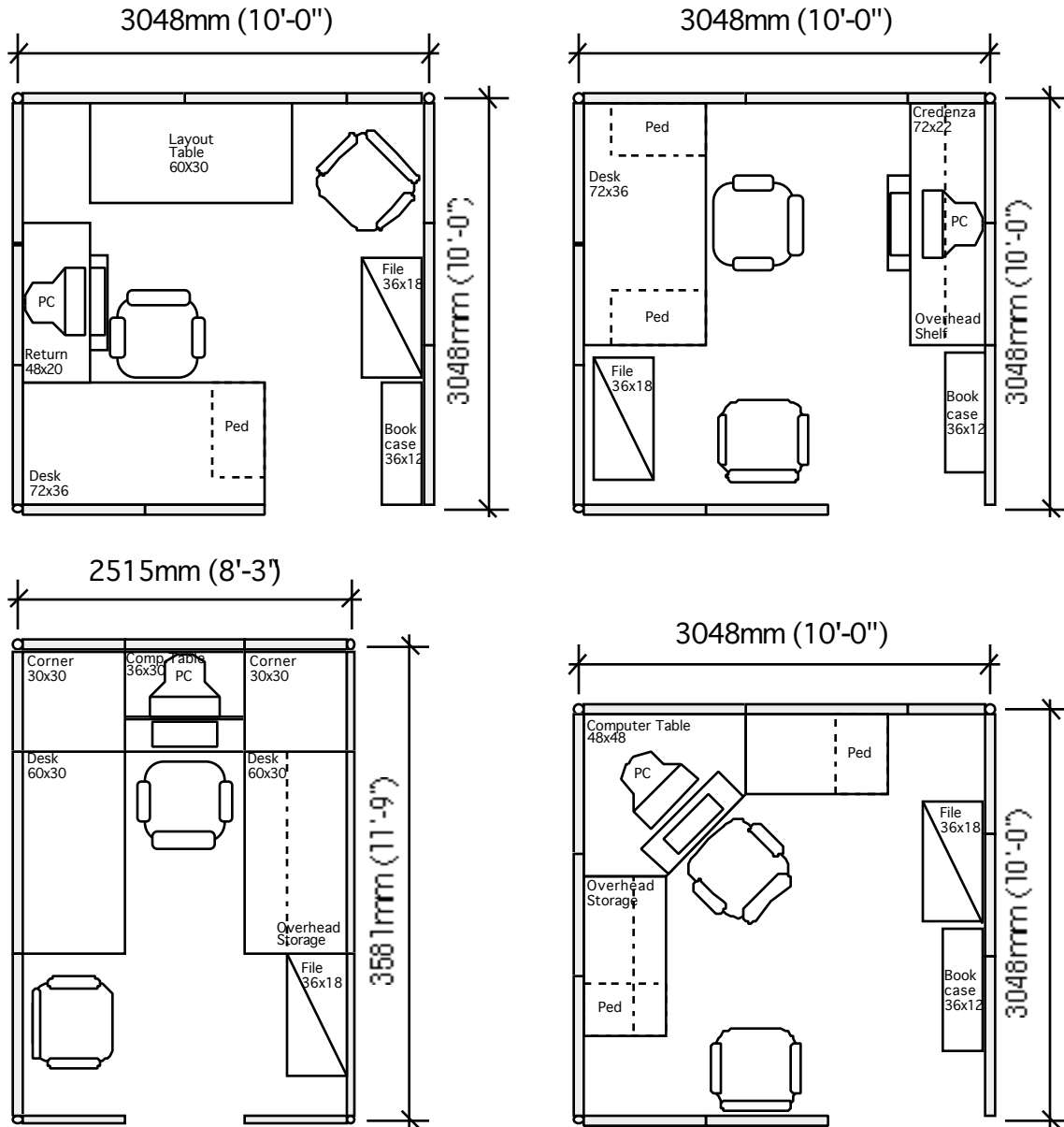
Dimensions are measured centre to centre



* Note: furniture and screens shown are not necessarily an entitlement

5.4 Space Type C – Open 9.3m² 100ft²

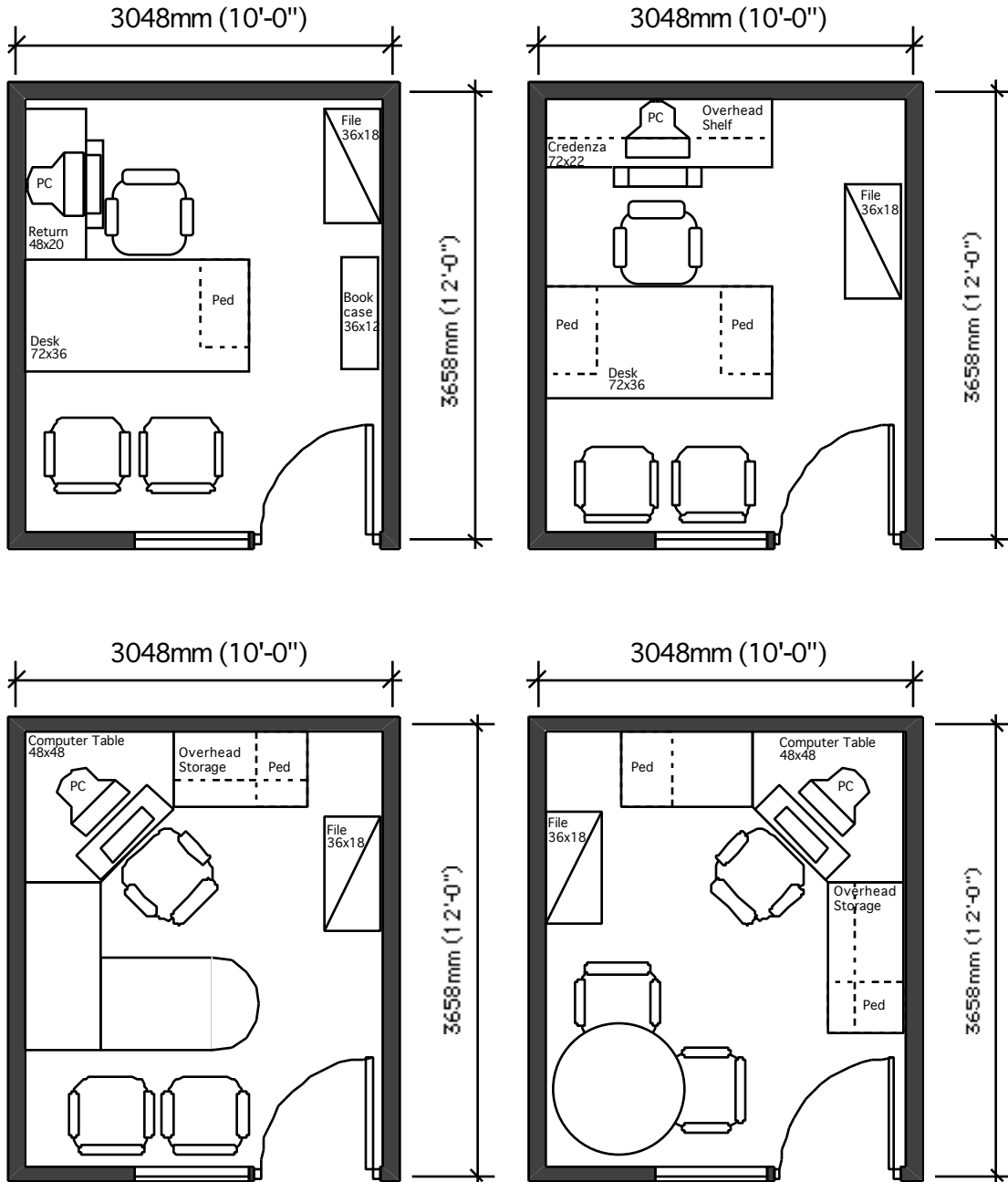
Dimensions are measured centre to centre



* Note: furniture and screens shown are not necessarily an entitlement

5.5 Space Type D – Enclosed Area 11.15m² 120ft²

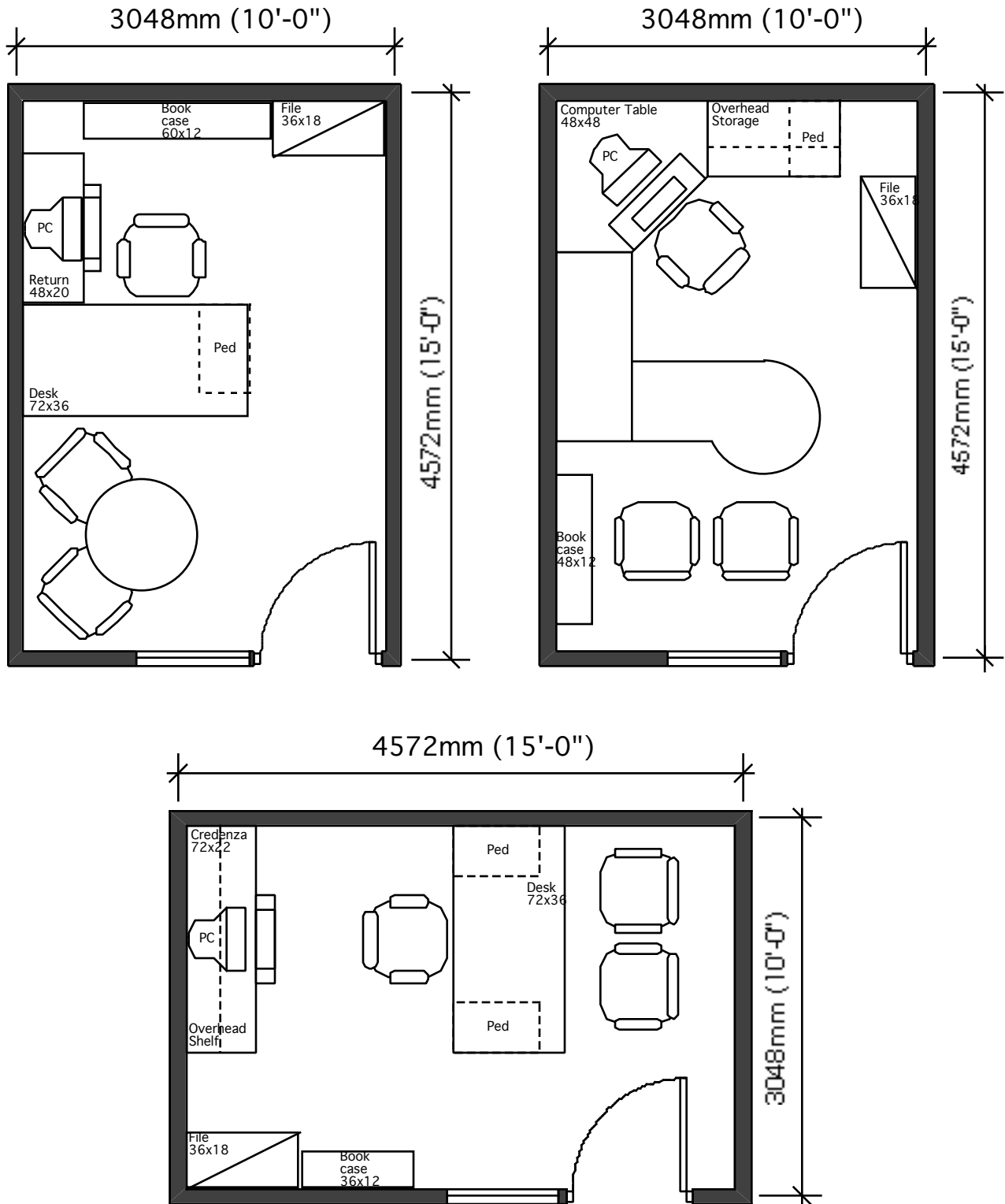
Dimensions are measured centre to centre



* Note: furniture shown is not necessarily an entitlement

5.6 Space Type E – Enclosed Area 13.9m² 150ft²

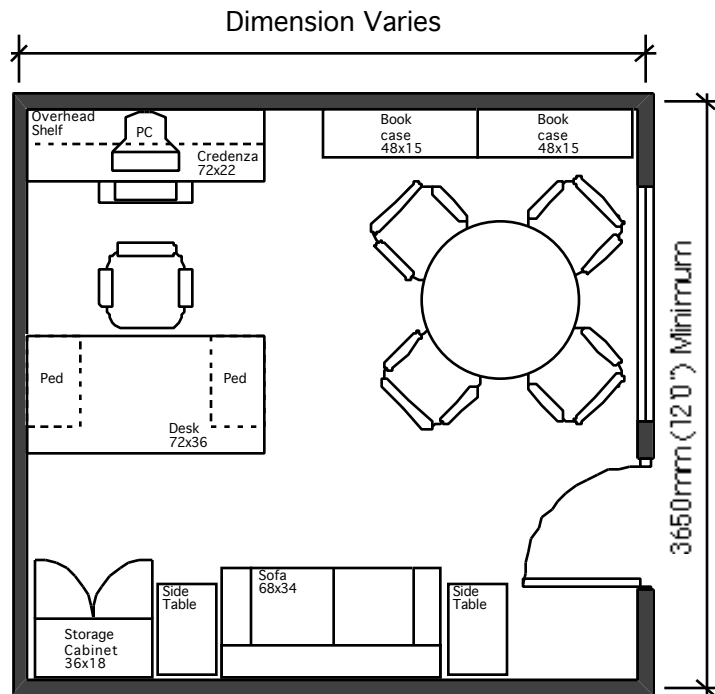
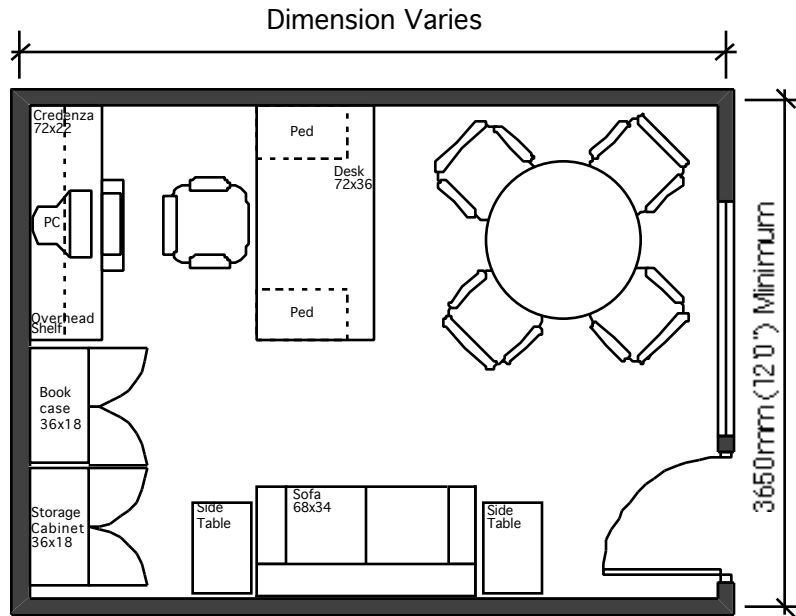
Dimensions are measured centre to centre



* Note: furniture shown is not necessarily an entitlement

5.7 Space Type F – Enclosed Area 22.5m² 240ft²

Dimensions are measured centre to centre



* Note: furniture shown is not necessarily an entitlement

5.8 Functional Space Requirements Matrix

Complete Job Classification	Open Area			Enclosed Area			
	A 4.50 m ² 50 ft ²	B 6.50 m ² 70 ft ²	C 9.30 m ² 100 ft ²	D 11.15 m ² 120 ft ²	E 13.90 m ² 150 ft ²	F 22.50 m ² 240 ft ²	G 28.0 m ² 300 ft ²
Accounting Officer			•				
Administrative Officer		•					
Administrative Officer (with Functional Justification)			•				
Archivist		•					
Archivist (with Functional Justification)			•				
Assistant Deputy Minister						•	
Biologist			•				
Building Security Officer	•						
Clerk		•					
Clerk (with Functional Justification)			•				
Clerk Postal	•						
Clerk Stenographer		•					
Clerk Stenographer (with Functional Justification)			•				
Communications Officer		•					
Communications Officer (with Functional Justification)			•				
Community Nurse		•					
Coop Position	•						
Coop Position (with Functional Justification)		•					
Coop Position (with Functional Justification)			•				
Coop Education Trainer Program	•						
Counselor, Apprentice/Industrial Training			•				
Deputy Minister							•
Director (or Equivalent)					•		
Economist			•				
Education Officer		•					
Executive Coordinator			•				
Executive Secretary		•					
Executive Secretary (with Functional Justification)			•				
Financial Officer		•					
Financial Officer (with Functional Justification)			•				
Government Agent				•			
Government Agent (with Functional Justification)					•		
Heritage Resource Officer		•					

Complete Job Classification	Open Area			Enclosed Area			
	A 4.50 m ² 50 ft ²	B 6.50 m ² 70 ft ²	C 9.30 m ² 100 ft ²	D 11.15 m ² 120 ft ²	E 13.90 m ² 150 ft ²	F 22.50 m ² 240 ft ²	G 28.0 m ² 300 ft ²
Heritage Resource Officer (with Functional Justification)			●				
Information Systems Analyst		●					
Information Systems Analyst (with Functional Justification)			●				
Inspector Boiler		●					
Inspector Elevator		●					
Inspector Electrical		●					
Inspector Fire Commissioner's Office		●					
Inspector Fire Commissioner's Office (with Functional Justification)			●				
Inspector Gas		●					
Labour/Health Services Officer		●					
Labour/Health Services Officer (with Functional Justification)			●				
Legal Counsel					●		
Librarian		●					
Librarian (with Functional Justification)			●				
Licensed Psychologist			●				
Licensed Psychologist (with Deputy Approval)				●			
Licensed Science Officer			●				
Medical Coder		●					
Medical Officer					●		
Medical Records Librarian		●					
Medical Records Technician		●					
Manager			●				
Manager (with Deputy Approval)				●			
Nurse		●					
Nutritionist		●					
Occupational Therapist		●					
Office Assistant		●					
Operator, Data Processing	●						
Operator, Key Punch	●						
Park Assistant		●					
Pharmacist		●					
Pharmacist (with Functional Justification)			●				
Photo Art Technician		●					
Planning Officer			●				
Provincial Fire Control Officer				●			
Public Service Training Program	●						

Complete Job Classification	Open Area			Enclosed Area			
	A 4.50 m ² 50 ft ²	B 6.50 m ² 70 ft ²	C 9.30 m ² 100 ft ²	D 11.15 m ² 120 ft ²	E 13.90 m ² 150 ft ²	F 22.50 m ² 240 ft ²	G 28.0 m ² 300 ft ²
Rehabilitation Consultant			●				
Research Officer		●					
Research Officer (with Functional Justification)			●				
Safety Officer			●				
Science/Technical Officer		●					
Science/Technical Officer (with Functional Justification)			●				
Shipper	●						
Social Program Officer			●				
Social Program Officer (with Deputy Approval)				●			
Stockworker	●						
Systems Analyst		●					
Systems Analyst (with Functional Justification)			●				
Technical Enforcement Officer		●					
Technical Enforcement Officer (with Functional Justification)			●				
Training Consultant			●				
Youth Employment Program	●						

----- end of section 5 -----

Support space is allocated for the provision of such functional areas as: Filing, Printers, Mail area, Copiers, Break Areas, Meeting Rooms, Reception Areas, Main Building Reception, Security Room, Mailroom, etc. Such allocations are expressed in unit areas of space. Allocations may be Open Areas (OA), Semi-Enclosed (SE) or Enclosed Areas (EA).

6.1 Support Space Five Stage Analysis

The support space requirements can be separated into the following five parts:

- .1 *Dedicated Support Space*: A space allowance for files, equipment, storage, etc., that is shared with others and must be located outside but adjacent to the individual's workspace.

May include such items as files, equipment, or storage that are required to perform the specific tasks of the position and that must be functionally located with the position and is in addition to the standard workstation. Individual workstation support shall not be considered as a means of accommodating excess furniture etc.

(Refer to Table 1- Furniture and Equipment to determine the space allocation required.)

- .2 *Group Support Space*: A space allowance for files, equipment, storage, enclosed rooms, meeting areas etc. which is shared by a group of workers.

May include such items as equipment, storage or interaction areas required to perform the specific tasks of the group that must be functionally located within the group area.

In the interests of maximizing space utilization, areas that may be shared with other functional groups shall be allocated as "on floor or off floor" common support space rather than dedicated group support space. (Security or function may dictate otherwise).

(Refer to Table 1- Furniture and Equipment to determine the space allocation required.)

- .3 *Floor Common Support Space*: A space allowance for support facilities that are shared by all groups on the floor. May include such items as meeting rooms, break areas, reception areas, etc. These spaces should ideally be located convenient to the entire floor to minimize having to travel through other working groups' areas.

- .4 *Building Common Support Space*: May include such items as: Main Building Reception, Security Room, Mailroom, large meeting facilities, training rooms and recycling rooms etc. May be located on any floor within a building, not necessarily the main floor or basement.

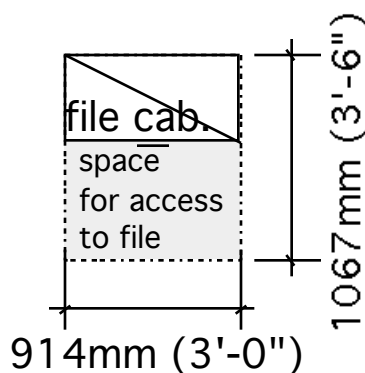
- .5 *Remote Support Space*: Support space located off-site or at a remote location. May include records storage, meeting rooms, training facilities etc. Refer to Table 1- Furniture and Equipment to determine the space allocation allowable and/or required.

Table 1 provides a number of allocations and unit measurements that are intended to assist in calculating Dedicated, Group and Floor Common Support Space Allocations.

The access space required to utilize furnishings and equipment is included in the space allowance calculations for the item.

Table 1: Furniture and Equipment¹

Furniture		Allocation
Filing cabinets (not in People Space)		1.0 m ² each
Visitor's chairs		1.0 m ² each
Bookcases	up to 1.0 m wide over 1.0 m wide	1.0 m ² each 0.9 m ² per m width
Credenza		1.1 m ² per m width
Tables and other working surfaces	0.61 m deep 0.76 m deep 0.91 m deep	1.2 m ² per m width 1.4 m ² per m width 1.5 m ² per m width
Meeting tables		net area of top (if circular, measure square overall) add chairs as above
Drafting tables		2.0 m ² per m width
Layout tables	60" x 30" 72" x 36"	2.6m ² 3.3m ²
VDT. tables (including chair)		1.8 m ² per m width
Cupboards - measure with doors fully opened		net floor area
Equipment		Allocation
Major copy centre		As programmed
Copier - Standard on Floor		2.5 m ²
Printer - Standard Laser Jet Printer on Floor		1.7 m ²
Fax - Standard on Floor		1.0 m ²
Special items		Measure width x (depth + 0.6 m). Add 0.6m to any other face requiring access.



Note: Total space required is 1.0m²

¹ This table is to be used to determine space allocated for items not found in the people space.

Table 2: Break Areas

	m²	ft²
10 staff or less	4.6	50
11 to 20 staff	11.15	120
21 to 30 staff	13.9	150
31 to 40 staff	16.7	180
41 to 50 staff	18.0	194
For every 10 staff over 50 add 1.3 m ² i.e. 100 staff = 18 + (5x1.3) = 24.5 m ²	1.3	14

Table 3: Meeting & Training Room Total Allocation

	m²	ft²
10 staff or less with functional justification	16.7	180.0
Add 1.0 m ² for each additional staff over 10	1.0	10.76
i.e. 100 staff = 16.7 + (90x1.0) = 106.7 m ²	106.7	1148.5
<p><i>Note:</i> The above allocation is based on general office space with normal training facilities. Special requirements that exceed general office requirements, i.e. hearing rooms, project rooms, etc. would be in addition to the above and are programmed specific to the client's requirements. Training Centres may vary from the above allocation depending upon functional requirements.</p>		

Table 3a: Meeting Room Size Guidelines

	m²	ft²
Very small meeting room (3 - 5 people)	11.15	120.0
Small meeting room (6 - 8 persons)	13.9	150.0
Standard meeting room (8 - 10 persons)	16.7	180.0
Medium meeting room (10 - 12 persons)	22.30	240.0
Large meeting room (16 - 18 persons)	29.70	320.0
Very large meeting room (20 - 24 persons)	44.60	480.0
Meeting rooms in excess of 24 persons	1.86 m ² / person	20 ft ² / person

Figure 6: Meeting Area 11.15 m²

Dimensions are measured centre to centre

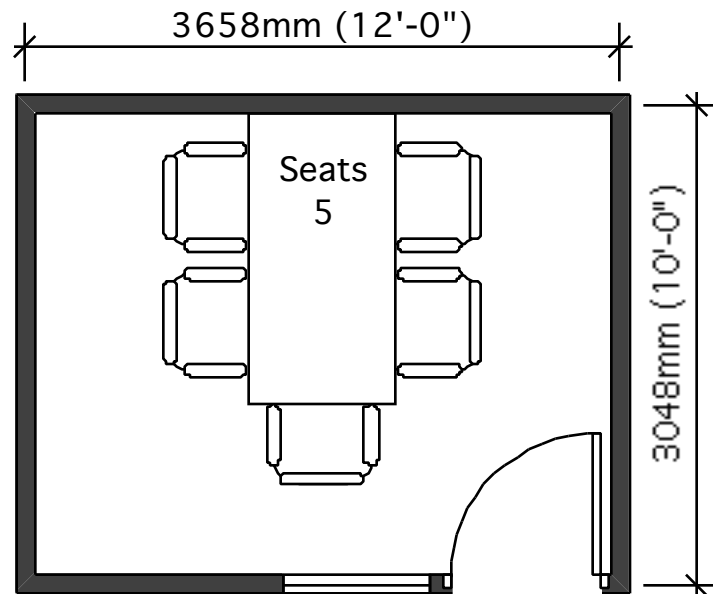


Figure 7: Meeting Area 13.90 m²

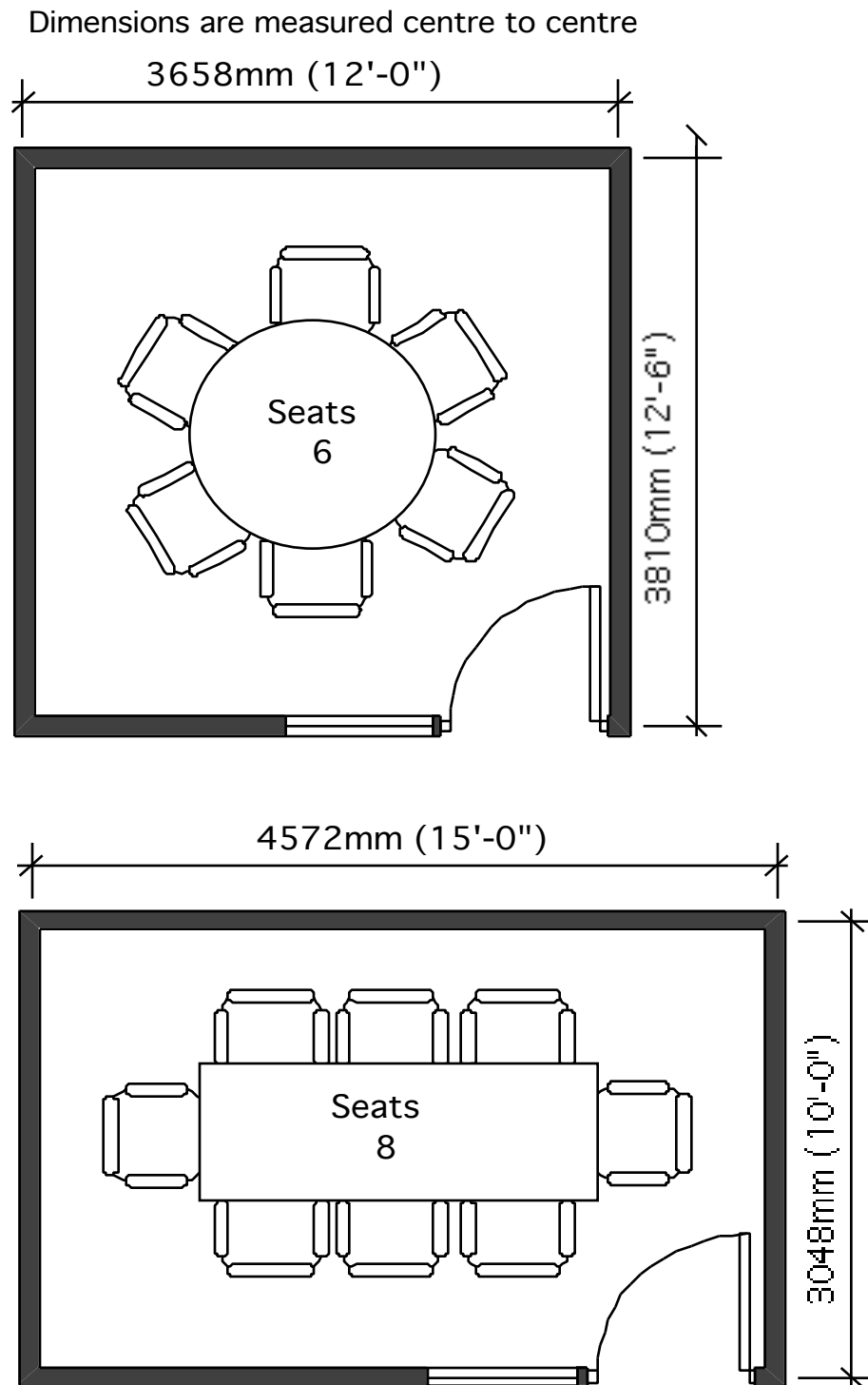


Figure 8: Meeting Area 16.70 m²

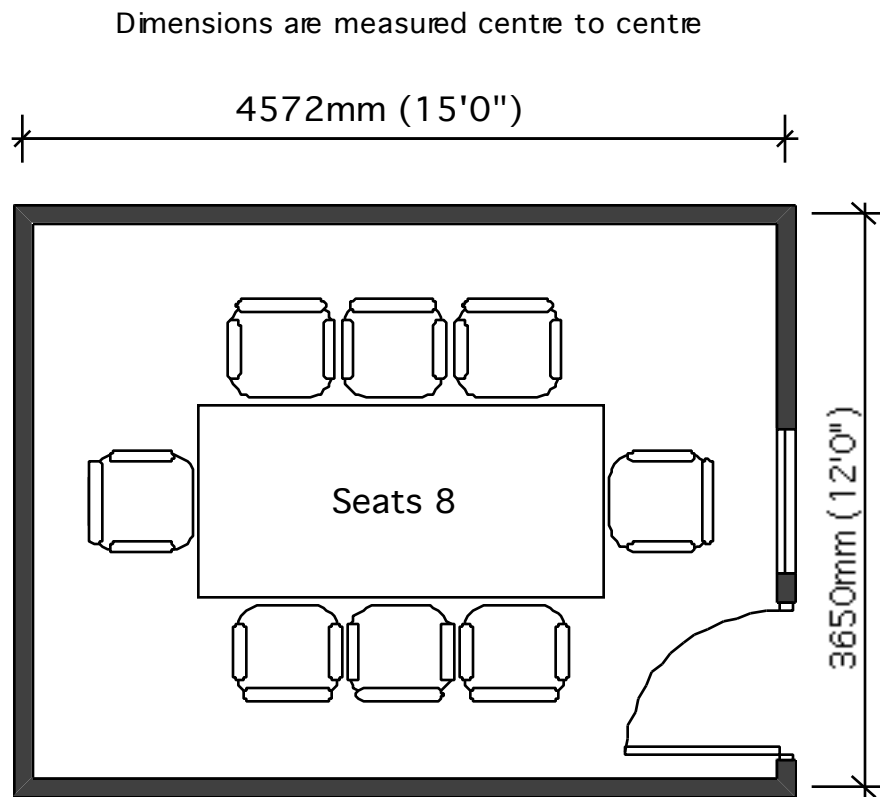


Figure 9: Meeting Area 22.30 m²

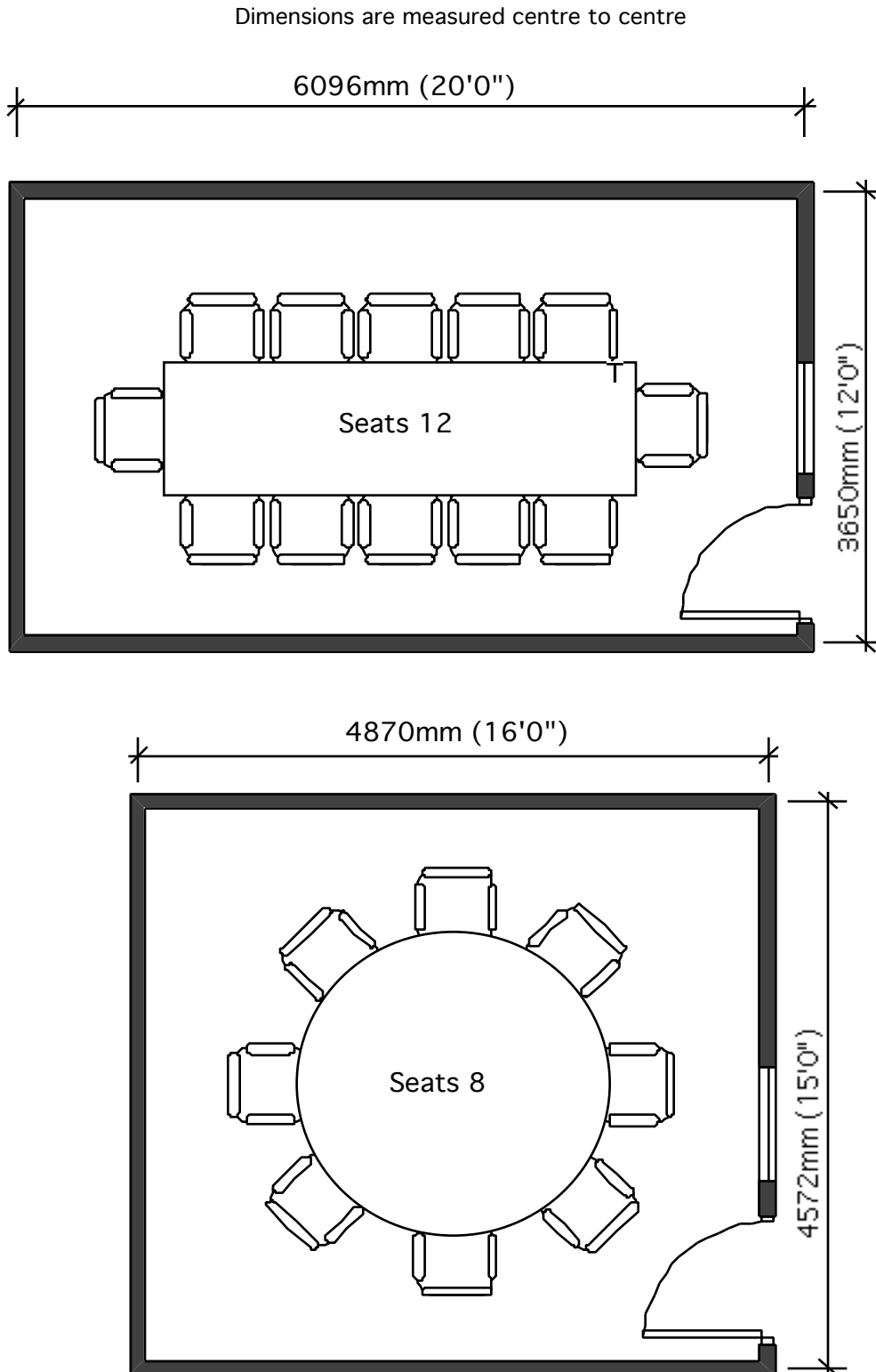


Table 4: Data & Telecommunications

Data Equipment Room	
<p>Contains the servers and network equipment as required by the tenant. Area to be functionally programmed to meet client's needs.</p> <p><i>Defined by the client with assistance from BCBC as required.</i></p>	<p>Part of the programmed area, to be defined in the functional space requirements.</p>
Demarcation Room	
<p>This room is where the service provider installs and terminates the telephone service entrance cable. If all the tenants in the building are government, this could be part of the voice equipment room.</p> <p><i>Defined in BCBC Technical Standards</i></p>	<p>Part of the mark up to rentable area.</p>
Voice Equipment Room(s)	
<p>Contains the PABX and any associated equipment to provide the voice service. (Not required for Centrex)</p> <p><i>Defined in BCBC Technical Standards</i></p>	<p>Part of the mark up to rentable area.</p>
Telecommunication Closet(s)	
<p>All horizontal and riser data/voice cabling for a given floor terminates in this closet. It includes the patch panels and network hubs for that floor.</p> <p><i>Defined in BCBC Technical Standards</i></p>	<p>Part of the mark up to rentable area.</p>
MAN Room (Only applicable in downtown Victoria)	
<p>The MAN room is an optional requirement of ITSD for termination of the Metropolitan Area Network cable. <i>The requirement for a MAN room is at the direction of the ITSD Voice Application Manager (Gordon Higgins) at (250) 387-7932.</i></p> <p>The lease costs and tenant improvement costs are at the expense of ITSD.</p>	<p>When required it is part of the programmed area to be defined in the functional space requirements.</p> <p>Area required: 10m² enclosed</p>
RNC Room (Applicable in remote areas)	
<p>The RNC (Remote Network Centre) room is an optional requirement of ITSD for termination of their cabling in a remote area. <i>The requirement for a RNC room is at the direction of the ITSD Voice Application Manager (Gordon Higgins) at (250) 387-7932.</i></p> <p>The lease costs and tenant improvement costs are at the expense of ITSD.</p> <p>Area Required: Small RNC = 10m² Large RNC = 20m²</p>	<p>When required it is part of the programmed area to be defined in the functional space requirements.</p> <p>Area required: 10m² or 20m² as determined by ITSD</p>

**Table 5: Washroom, Shower and Change Room Facilities
(Program requirement in excess of base building)**

Washrooms	m²	ft²
Minimum area for WC and sink (Room 6'x6'6")	3.7	40
<i>For additional facilities add:</i>		
WC cubicle each	2.0	22
Handicapped WC cubicle each	2.8	30
Urinal each	1.1	12
Sink each	1.1	12
Shower Stall & Change Area	1.7	18
Handicapped Shower Stall & Change Area	2.8	30

Table 6: Building Common Support Spaces

These allocations are normally included as part of the building common support space allocation and are only intended as guidelines. Their functional requirements vary considerably and the preparation of a space or facilities program is normally necessary where a whole building is likely. A "case by case" assessment and analysis of the requirements is therefore necessary for inclusion in an individual program.

First Aid Rooms		
Worker's Compensation Board's requirements. <i>Refer to Part 33- Occupational First Aid, of the Workers' Compensation Board Occupational Health & Safety Regulations.</i> Requirements vary depending upon number of occupants, hazard classification and travel time to the nearest hospital.		
Building Reception	m ²	ft ²
Unless a whole building is being considered, this is not normally provided, based on the number of visitors waiting a guide is: <i>Visitors waiting, per visitor</i> Depending on the size and class of building, additional space may be included for circulation, receptionist, etc.	0.46 - 0.90	5.0 - 10.0
Building Mailroom		
Only at request of Government Postal Branch, who will define size and layout requirements.		
Building Maintenance Workshops/Office	m ²	ft ²
Only in BCBC maintained buildings upon request of the District Office. <i>Example only, as a guide.</i>	11.15 - 20.90	120.0 - 225.0
Information Centres		
Unless a whole building is being considered, this is not normally provided. Client is to provide program requirements.		
Goods Delivery/Dispatch	m ²	ft ²
<i>Example only, as a guide.</i>	13.90	150.0
Building Recycle Room		
<i>(new buildings)</i>	11.15	120.00
On Floor Waste Storage/Recycle Area		
<i>Example only, as a guide.</i>	1.0 per 500 - 700 of office floor space	11 per 5385 - 7535 of office floor space
Telephone and Data Rooms		
<i>Refer to Table 4.</i>		
Janitor Rooms		
Determined in accordance with BCBC Technical Standards. Allocation of space is considered part of the mark up from useable to rentable area.		

6.2 Space Planning Principles

The following principles are to be followed in the design of government office space.

6.2.1 General

<i>Safety & Accessibility</i>	Space shall be planned to meet the requirement of the WCB Occupational Health and Safety Regulations, the BC Building Code, and applicable Municipal Bylaws.
<i>Efficient Space Layouts</i>	Interior layouts, circulation and space use will be efficiently planned.
<i>Flexibility</i>	Maximum flexibility for change with a minimum potential disruption to the occupants, consistent with cost-effectiveness. This may be achieved by minimizing the number of different workstation sizes and number of furniture components.
<i>Natural Light / View for Majority</i>	Natural light and views should be accessible by the majority of users in open office areas. Screen heights should not exceed 1.52m (60"). Enclosed offices should be positioned on the building core and provided with glazing to receive natural light.
<i>HVAC Alterations</i>	Enclosed areas shall be located in Heating, Ventilation and Air Conditioning (HVAC) zones that will reduce the impact on HVAC function.
<i>Precedents</i>	Planning should be done in a way that the setting of precedents affecting a large number of equivalent staff in other client Ministries does not occur.
<i>Preferred Dimensions</i>	<p>The preferred floor area is rectangular in shape with a length to width ratio of about 2:1, and with a minimum dimension of 8400mm/9150 mm (27' 6"/30' 0"). This proportion allows for the most effective layout.</p> <p>The preferred minimum dimension for private offices and enclosed spaces is 3050mm (10' 0") in width or length.</p>
<i>Systems or Modular Furniture</i>	Systems or modular furniture usually affords more efficient use of space. If existing systems furniture meets the functional requirements within a smaller footprint, then the smaller footprint will be used. The ministry has the option of reducing their space requirements accordingly or using the bonus space created for team or support space requirements.
<i>Excess Space</i>	In the event that the space acquired is larger than the functional program envelope, the extra space shall be kept whole (i.e. as a meeting area, team space etc.) rather than being dispersed so that it can be recovered.
<i>Security</i>	The design of government office space should incorporate security concerns with respect to personnel, information, and physical assets as identified in GMOP 10. An analysis of security requirements (threat/risk assessment) should be initiated at the planning stage and incorporated into the design process.

Part Time, Seasonal Staff Space shall be provided on a functional basis for temporary or seasonal staff. IWS strategies shall be encouraged to accommodate these staff.

6.2.2 Specific Rooms & Areas

File/Storage Areas File/Storage areas should be located in the open office area, using shelving and lockable filing cabinets. Where possible, centralized file storage should be considered in either open or enclosed areas. Floor loading must be considered before implementing. Semi or dead file type storage is best located off site. Note that the cost of storing each file cabinet, storage unit or bookcase on the floor equals approximately \$250-\$300 per year in rent.

Break Areas & Rooms Coffee nooks and break areas with plumbing shall be located adjacent to existing building plumbing. Coffee nooks should also be located adjacent to but outside of meeting rooms whenever possible.

Lunch Rooms Lunch rooms (as per WCB definition) are not provided. (*see Break Areas & Rooms*)

Reception Areas Reception areas, typically part of the open office area, are subject to security considerations. The area is to be defined with screens and furniture.

Libraries Technical libraries, where required, are normally part of the open office area. Control of reference material should be arranged through the users' operational procedures. Where only small quantities of reference materials requiring security are involved, lockable cabinets can be used. A lockable enclosed area may be provided where the value, nature and quantity of the materials require greater security.

Central Services Central Office Services, where required: if these involve major functions such as copying, printing, mail handling and communications that are likely to be noisy, lockable enclosed areas may be provided. The area should preferably be located adjacent the building core with adequate ventilation.

Computers Facilities Lockable enclosed areas may be provided for computer equipment where required if the equipment generates noise, poses a security problem, or requires special HVAC.

First Aid Rooms First Aid Rooms are to be provided in accordance with the WCB Occupational First Aid Regulations.

Washrooms Washrooms are to be provided in accordance with the more demanding requirements of either, the current version of the BC Building Code, or the Workplace Act, Occupational Environment Regulations.

If public and/or staff washrooms are required beyond the building standard washrooms, they must be programmed. Programmed washrooms are not considered as part of the mark-up from useable to rentable area.

----- end of section 6 -----

Mark-up factors express the difference between Programmed, Useable and Rentable areas and they are expressed as percentages.

Refer to Appendix F for diagrams.

7.1 Space Area Definitions

The definition of Useable, Rentable and Programmed areas are outlined below. They are fully defined in the BCBC's Space Measurement Standard, February 22, 1993. The standard is a modified Building Owners and Managers Association (BOMA) method of measurement.

Floor or Building Rentable Area

A measure of all internal space on a floor or floors of a building, excluding vertical penetrations. This measure is used in lease agreements. It may be calculated by measuring the actual or proposed space for rent. Alternately, it can be calculated by marking up a required useable area by a percentage factor or multiplier.

In the former case, the measurement will be in accordance with BOMA method of measurement. For a whole building the rentable area is measured to the inside of exterior walls. The factor or multiplier will vary according to the type of building and the type of tenancy, e.g., single tenant floor, multiple tenant floor, whole building, etc. Rentable area remains constant for the life of a building unless additional area is constructed.

BCBC Useable Area

A measurement that comprises the rentable area of a floor less the service rooms (washrooms, mechanical / electrical room, janitor rooms etc.) and floor common area (lobby area, corridors to exits, washrooms and service rooms).

Common area is floor area that is not under the occupants control and not available to house furniture, personnel, or space required by fire code or other restrictions; it is therefore considered non-useable.

BOMA Useable Area

Will generally include the lobby, service and life safety corridor for a single floor tenancy, (In contrast to the BCBC standard). For a multi-floor tenancy, the BOMA and BCBC standards are identical.

Both BOMA & BCBC Useable area definitions include columns, shear walls, heating convectors and window ledges. Useable area varies over the life of a building as the floor configurations vary and the floor common area is reconfigured.

Building Loss Factor

Refers to useable area that is not available for use by the occupant to house furniture or personnel due to significant building impediments and / or floor plate restraints. All floor plates will have some building loss, however the factor is only applicable when the loss can be measured or demonstrated to have a significant impact on the occupants space requirements. Typical building loss factors are excessive column size, curving walls, irregular or constrained floor plates which would require the occupant to require additional useable area in order to accommodate their functionally programmed requirements.

- Occupiable Area* The BCBC Useable area less the building loss factor. This represents the true area available for use by the occupant.
- Programmed Area* The area determined by space allocation standards to accommodate the occupants' functional requirements. The programmed area and occupiable area must be congruous in order to accommodate the occupants' functional requirements.

7.2 Circulation Space Factors

Circulation Space is calculated for all people spaces and enclosed support spaces. Open area support spaces have the area for circulation space included in the area allocation. The circulation space calculation is outlined in the table below.

Table 7: Circulation Allowance Calculations

Circulation Allowances	m²	ft²
Open Area Workstations	3.25 ea	35.0 ea
Enclosed Areas 16.7m ² or less	2.30 ea	25.0 ea
Enclosed Areas more than 16.7m ²	16% of EA	16% of EA
<i>For exit, egress requirements and circulation corridor widths, refer to the "British Columbia Building Code" and the "British Columbia Fire Code".</i>		

7.3 Determining the Building Loss Factor

The building loss factor is the percentage of the useable area that is unavailable for use by the occupant to house furniture or personnel due to significant building impediments and/or floor plate restraints. All floor plates will have some building loss, however the factor is only applicable when the loss can be demonstrated to have a measurable or significant impact on the occupants' space requirements. The Building loss factor can only be determined if the floor plate area is known.

A significant Building Loss Factor requires that the occupant either reduce the space program or acquire additional useable area to compensate for the loss.

Table 8: Determining Building Loss Factors

Determine Loss Areas	
Standard building loss factor to allow for elevator corridor, washroom and exit corridors and entry vestibule etc.	5% or measure the actual area if building is known. <i>Note:</i> <i>If the building has been entered into the BCBC space inventory the space will be listed as a multiple tenant occupancy and as such the major building loss factors shown in the adjacent column will have been deducted from the useable area. In this case the standard 5% factor is to be deleted and the actual useable to rentable factor applied.</i>
Excessive depth from face of wall to glazing due to window ledge or heating convector.	Determine the area lost.
Shear Walls	Determine the area lost.
Excessive column sizes - e.g. over .2 m ²	Determine the area lost.
Curving or significantly irregular walls	Determine the amount of floor area affected: Over 0% to under 20% of the floor affected Add 1% 20% to under 40% of the floor affected Add 2% 40% to under 60% of the floor affected Add 3% over 60% of the floor affected Add 5%
Other building inefficiencies or irregularities which with the approval of the accommodation planner can be demonstrated and measured to illustrate the loss in useable area.	Demonstrate and determine the area lost.
Determine Building Loss Factor	Sum the above losses and divide by the Useable Area to yield the Building Loss Factor.

7.4 Application of Mark-up Factors

The markup factors set out in the table below apply only to office buildings or buildings that are predominantly used as offices.

Table 9: Markup Factors

Programmed Area	Programmed Area to Useable Area Multiplier
Programmed area (standard building loss factor unless otherwise known)	5% default or as measured. <i>Refer to table 8.</i>
Useable Area	Useable Area to Rentable Area Multiplier
Partial floor, full floor or multi floor occupancy	10% default or as measured, or as defined in the BCBC space inventory. <i>Refer to table 8.</i>

----- end of section 7 -----

A.1 Glossary

Accommodation Planning	A department within the Customer & Portfolio Services Group of the BCBC, responsible for maintaining the <i>Government Office Space Standards</i> .
Accommodation Proposal (AP)	A document prepared by BCBC, responding to a Client's request for accommodation, containing an outline of proposed accommodation it is proposing to provide to the Client.
Building Common Support Space	A space allowance for support facilities that are shared by all groups within the facility. These include such areas as Main Building Reception, Security Room, Mailroom, large meeting facilities and training rooms, etc. Building common spaces may be located on any floor of the building. (May be referred to as Building Common Areas)
Building Loss Factor	Useable area that is not available for use by the occupant to house furniture or personnel due to significant building impediments and or floor plate restraints. All floor plates will have some building loss, however the factor is only applicable when the loss can be measured or demonstrated to have a significant impact on the occupants space requirements. Common building loss factors are excessive column size, curving walls, irregular or constrained floor plates which would require the occupant to require additional useable area in order to accommodate their functionally programmed requirements.
Circulation Area	Space allowances for the areas between landscaped office workstations, semi-enclosed areas, enclosed areas, other enclosed spaces, open work areas, and support spaces. This area is a derived from the space requirements.
Client	A Ministry, a designated Ministry branch, or other provincial government organization, which is fiscally responsible for accommodation and related service requirements provided by BCBC. Generally excluded are outside agencies or subtenants of the client.
Dedicated Support Space	A space allowance for files, equipment, storage, etc., that is shared with and/or for the benefit of others and must be located adjacent to the individual's workplace.
Enclosed Area (EA)	Enclosed areas with full height partitions, floor to ceiling (suspended or structural), used for an office, secure file room, meeting room, etc.
Facilities Program	A statement in written and graphic form that defines the criteria for the design of a facility, at a particular point in time.
Floor Common Support Space	A space allowance for support facilities that are shared by all groups on the floor(s).
Floor or Building Rentable Area	A measure of all internal space on a floor or floors of a building, excluding vertical penetrations. It is used in lease agreements. It may be calculated by measuring the actual or proposed space for rent, or, by marking up a required useable area by a percentage factor or multiplier. In the former case the measurement will be in accordance with BOMA

	method of measurement. For a whole building the Rentable Area is measured to the inside of exterior walls. The factor or multiplier will vary according to the type of building and the type of tenancy, e.g., single tenant floor, multiple tenant floor, whole building, etc. Rentable Area remains constant for the life of a building unless additional area is constructed.
Group Support Space	A space allowance for files, equipment, storage, enclosed rooms, meeting areas etc., which is shared by a group of workers.
Integrated Workplace Strategies	An umbrella term that encompasses a holistic approach to accommodating work. This is done by not only looking at how and where people work but also the work process, technology and management policies that are required in order to achieve maximum utilization of personnel, facilities and all other resources to achieve the greatest return on the investment.
Mark-up Factors	Varying percentages that are used to calculate Rentable or Useable Areas from a Programmed Area. These percentages allow for functional areas such as washrooms, utility service rooms, external walls, etc.
Occupiable or Programmable Area	The BCBC Useable Area less the building loss factor that is the true area available for use by the occupant.
Open Area (OA)	Office space in open area, allocations for workstations are expressed in unit areas of space, exclusive of circulation area, group storage areas, other areas on and off floor and mark-up factors. The unit areas are based on the actual space required with furniture for a particular function plus access from the circulation routes.
Program Area	The area determined by <i>Government Office Space Standards (GOSS)</i> required to functionally accommodate the occupants' requirements. The Programmed Area and Occupiable Area should be congruent in order to accommodate the occupants' requirements.
People Spaces	The area determined by <i>Government Office Space Standards</i> required to functionally accommodate people at their individual workspace.
Remote Support Space	Support space located off-site or at a remote location, records, storage meeting rooms, training facilities etc.
Request for Proposals (RFP)	Accommodation procurement document that detail specific requirements for project space, used mainly for the procurement of leased space.
Semi-Enclosed (SA)	Area enclosed with high screen partitions stopping short of the ceiling, thereby providing more privacy than an open area and greater flexibility than an enclosed space. High screen partitions may be used for workstations, meeting room, or other purposes.

Space Allocations	Allocation of floor area to accommodate individual people or groups, or specific furniture and equipment so that a particular function can be performed.
Space Program	A statement in written and graphic form, similar to a Facilities Program, but limited to a definition of required areas and their use.
Special spaces	A specialized support space such as laboratories, libraries, hearing rooms that would not normally be considered as part of office space. May be On-floor or Off-floor space.
Support Space	Allocation of space for functional areas, such as Filing, Printers, Mail area, Copiers, Break Areas, Meeting Rooms, Reception Areas, Main Building Reception, Security Room, Mailroom, etc. Allocations are expressed in unit areas of space similar to the "Open Space Workstations" and allocations may be Open Spaces (OS) or Enclosed Spaces (ES).
Technical Standards (TS)	A document that details acceptable life-cycle cost-based performance, materials and systems for BCBC procured accommodation. The Technical Standards are revised annually.
Technical Standards Steering Committee	A committee, reporting to Client Panel, comprised of ministry and BCBC representatives, that has overall veto or approval for the content of the Technical Standards
Technical Value Department	A department of the Customer & Portfolio Services Group of BCBC responsible for initiating changes to and providing maintenance of the Technical Standards.
Useable Area	<p>As per BCBC standard, is a measurement that comprises the rentable area of a floor less the service rooms and floor common area. Common area is floor area that is not under the occupants' control and available to house furniture, personnel, or space required by fire code and/or other restrictions, and is therefore considered non-useable.</p> <p>As per BOMA standard for a multi-floor tenancy is identical to BCBC Standard. However, for a single floor tenancy the useable area will generally include the lobby and service, life safety corridor.</p> <p>Useable area under both BOMA & BCBC definitions does however include columns, shear walls, heating convectors and generally window ledges. Useable area varies over the life of a building as the floor configurations vary and the floor common area is reconfigured.</p>

----- **end of Appendix A** -----

B.1 Ministry Specific or Program Standards

B.1.1 Contents

If a client Ministry wishes to use standards that vary from the space standards detailed in this manual, Ministry Specific or Program Space Standards can be developed.

B.1.2 Submission Procedures

The following outlines the procedure that should be followed in order to create specific or program standards:

- .1a Preferably, the Client requests the assistance of the Corporation in the development of the special standards, resulting in joint development of the special standard; or;
- .1b The Client submits draft specific or program standards to the Corporation to review for standards conformance.
- .2 In either case, the target is for an agreement to be reached so that the special standard:
 - .2a Either meets the standards set out in this manual; or,
 - .2b Contains variances to the standards set out in this manual. The variances are such that the Corporation and its client Ministry agree that these are functionally necessary for the proper delivery of the Ministry's operational program. In this case the Corporation will endorse the special standard and provide document to the Ministry.

----- *end of Appendix B* -----

C.1 Related Standards & Guidelines

- Technical Standards (Outlined below)
- Project Specific Standards (e.g., Courthouses)
- Handbooks (e.g., Tenant Improvements to Office Accommodation)
- Space Measurement Standards
- Master Request for Proposals

C.2 Relationship of Technical Standards to Space Standards

C.2.1 Purpose

The Technical Standards provide the technical requirements for BCBC owned or leased buildings. To be used by designers, these standards detail the kinds of systems and materials that are acceptable.

C.2.2 Development Process

The Technical Standards were developed through a Value Analysis process, with input from BC Government Ministry representatives, BCBC employees, and representatives from industry. All of the major solutions within the Technical Standards are based on Life Cycle Cost analysis of the alternatives.

C.2.3 Contents

The Technical Standards contain both performance criteria and prescriptive requirements. The Standards refer to appropriate parts of nationally and internationally recognized standards and specifications and required performance criteria.

The Technical Standards cover the following areas:

- Building Structure and Envelope including walls, windows and roofs.
- Interior Architecture including partitions, finishes, ceilings and millwork.
- Mechanical Systems including thermal environmental conditions, ventilation air, acoustic criteria, perimeter heating systems, zoning, controls and others.
- Electrical Systems including capacity, number of receptacles, and dedicated circuits.
- Lighting including illuminance levels, switching and controls, and standard luminaire types.
- Telephone and Data Cabling Systems that details the requirements for a structured cabling system.
- Building Fabric Security Upgrades that lays out choices for enhancements to base building.
- Landscaping including design guidelines, plant and tree selection, and irrigation requirements.
- Energy Standard that lays out how the province's commitment to the Draft National Energy Code for Buildings will be met.

C.2.4 Application

The Technical Standards are edited specifically for each project, based on a number of alternative choices for various systems. These choices depend on climate, location, building size and length of occupancy but they provide the same functionality. The edited Standards are attached to the Request for Proposal (RFP) in the case of leased space or the consultant agreement in the case of Corporate-owned space.

----- *end of Appendix C* -----

D.1 Application for Enclosed Office

The following form is provided as a reference guide and may be used by organizations/ministries to determine the requirement for an enclosed office.

Private offices may be provided for staff with senior management responsibilities (Director and above). All other staff enclosed office requirements must be approved by the Deputy Minister or designated signing authority. Further approval may be required by the Secretary to Treasury Board. ***This form is available in electronic format from BCBC Client and Accommodation Services.*

NAME: _____

POSITION: _____

CLASSIFICATION: _____

DIVISION: _____

GROUP/BRANCH: _____

CITY: _____

For the purpose of answering this questionnaire, do not include the following types of meetings or conversations: telephone calls; meetings that would normally occur away from the workstation (e.g. in meeting rooms, supervisors' or others' offices, field visits).

QUESTIONNAIRE

1. Please give a brief description of your responsibilities. Attach a separate sheet if necessary.

2. How many consultations do you have per week: _____ Duration: _____
3. How much prior notice is generally given to scheduled or random meetings?

	Scheduled	Random
0 - 3 Hours		
3 - 8 Hours		
1 - 2 Days		
3 - 5 Days		
1 Week or More		

4. Do the discussions of a financial or contractual/judicial nature involve any of the following:

	Check	Number / Week	Duration
Negotiations where financial gain or loss of participants could be involved.			
Discussion concerning negotiations where gain or loss to others is possible.			
Exchanges of CONFIDENTIAL information that would impede the privacy of others.			
Potential legal liability of parties to the discussion.			
Potential legal liability of parties external to the discussions.			

PLEASE EXPLAIN:

5. Are your discussions subject to Statutory Obligation of Confidentiality? (e.g. lawyer/client, not Public Service Oath)

YES____ NO____

6. Please indicate approximately percentage of meetings where:

- a. The affairs of the participants are the topic. _____%
- b. The affairs of persons external to the discussion are the topic. _____%

7. Who are potential 'overhearers'? Please explain risk/impact of occurrence.

Signature of Incumbent

APPROVALS:

DIRECTOR'S NAME (please print)

SIGNATURE

DATE

RECOMMENDED / NOT RECOMMENDED

ESTIMATED COST: \$ _____

COMMENTS:

FACILITIES MANAGER (please print)

SIGNATURE

DATE

DEPUTY MINISTER'S NAME (please print)

SIGNATURE

DATE

----- *end of Appendix D* -----

E.1 IWS References & Suggested Readings

- ❖ Carroll Thatcher Planning Group Inc, 1995.
- ❖ Herman Miller, Evolutionary Workplaces, Issues Report.
- ❖ TVA, Office Standards Program, Corporate Design and Development, September 18, 1992.
- ❖ *Toolkit – Reinventing the Workplace*. Becker, F., Cornell University; Joroff, M., MIT; Quinn, K.L., Cornell University.
- ❖ Becker, F., Rappaport, A.J., Quinn, K.L., and Sims, W.R. *Telework Centers: An Evaluation of the North American and Japanese Experience*. Ithaca, N.Y.: Cornell University International Workplace Studies Program, 1993.
- ❖ Joroff, M., and Becker, F. *Innovations in the Workplace: Process To Achieve Change*. Atlanta, Ga.: Industrial Development Research Foundation CRE 2000 Workplace Bulletin, 1994.
- ❖ Becker, F. *The Total Workplace: Facilities Management and the Elastic Organization*. New York: Van Nostrand Reinhold, 1990.
- ❖ Boyett, J.H., and Conn, H.P. *Workplace 2000: The Revolution Reshaping American Business*. New York: Dutton Press, 1991.
- ❖ Duffy, F. *The Changing Workplace*. London: Phaidon Press, 1992.
- ❖ “The New Workplace”. Business Week Cover Story, April 29, 1996.
- ❖ “Design as Organizational Catalyst”. Premises & Facilities, Sept. 1993.
- ❖ “State of the Workplace”. Becker, F., Premises & Facilities Management, March 1994.
- ❖ “How to Make the Most of Less Space”. Vischer, J., Globe and Mail, December 12, 1995.
- ❖ “The Ecology of New Ways of Working: Non-Territorial Offices”. Industrial Development Section, February 1993.
- ❖ “Redefining Work; Rethinking the Workplace”. Canadian Facility Management & Design, October 1995.

----- end of Appendix E -----

Figure 10: Rentable Area

Rentable Area = 2530 m²
BOMA or BCBC Measurement

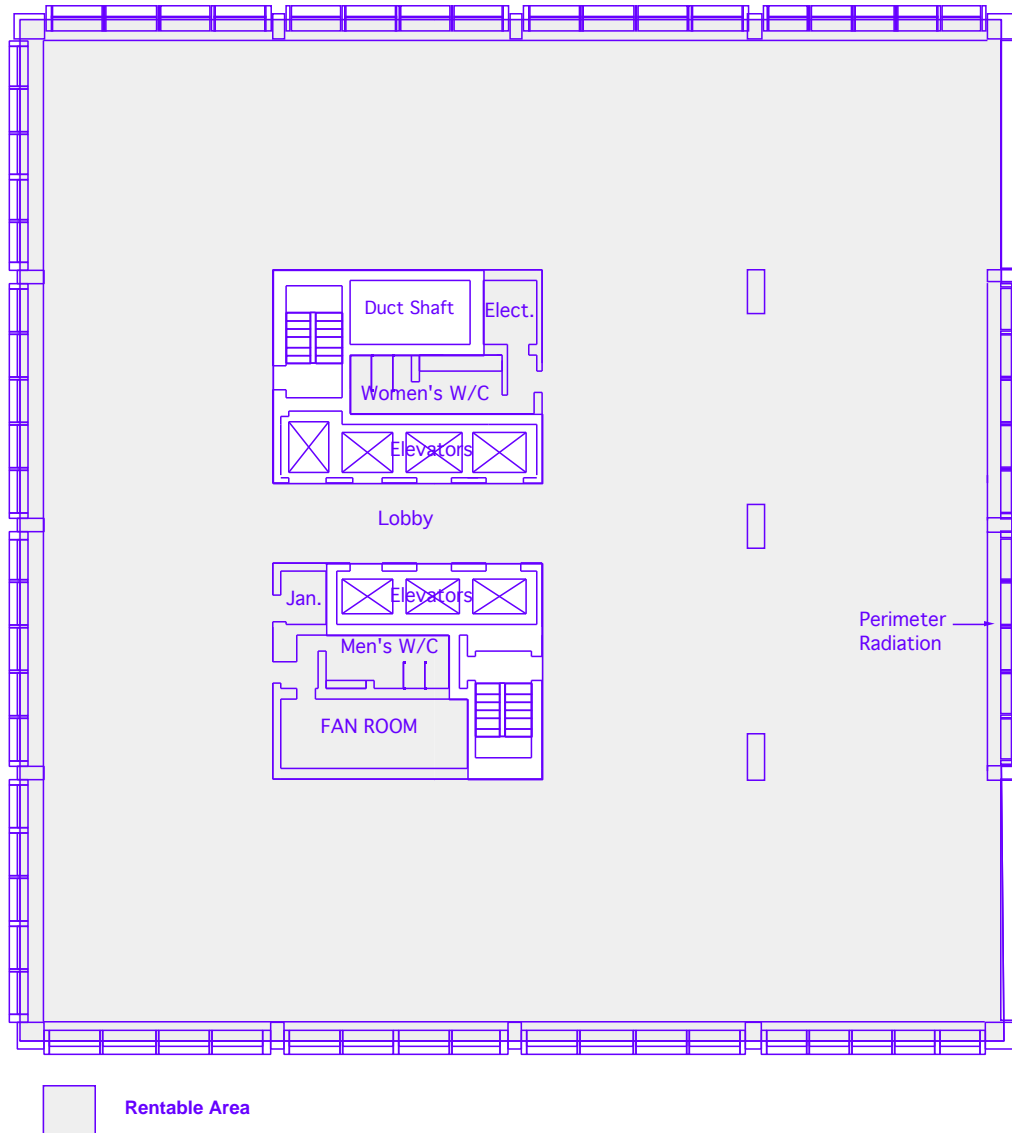


Figure 11: BOMA Useable Area – Single Tenancy

BOMA Useable Area = 2300 m²
Single Tenancy Occupancy

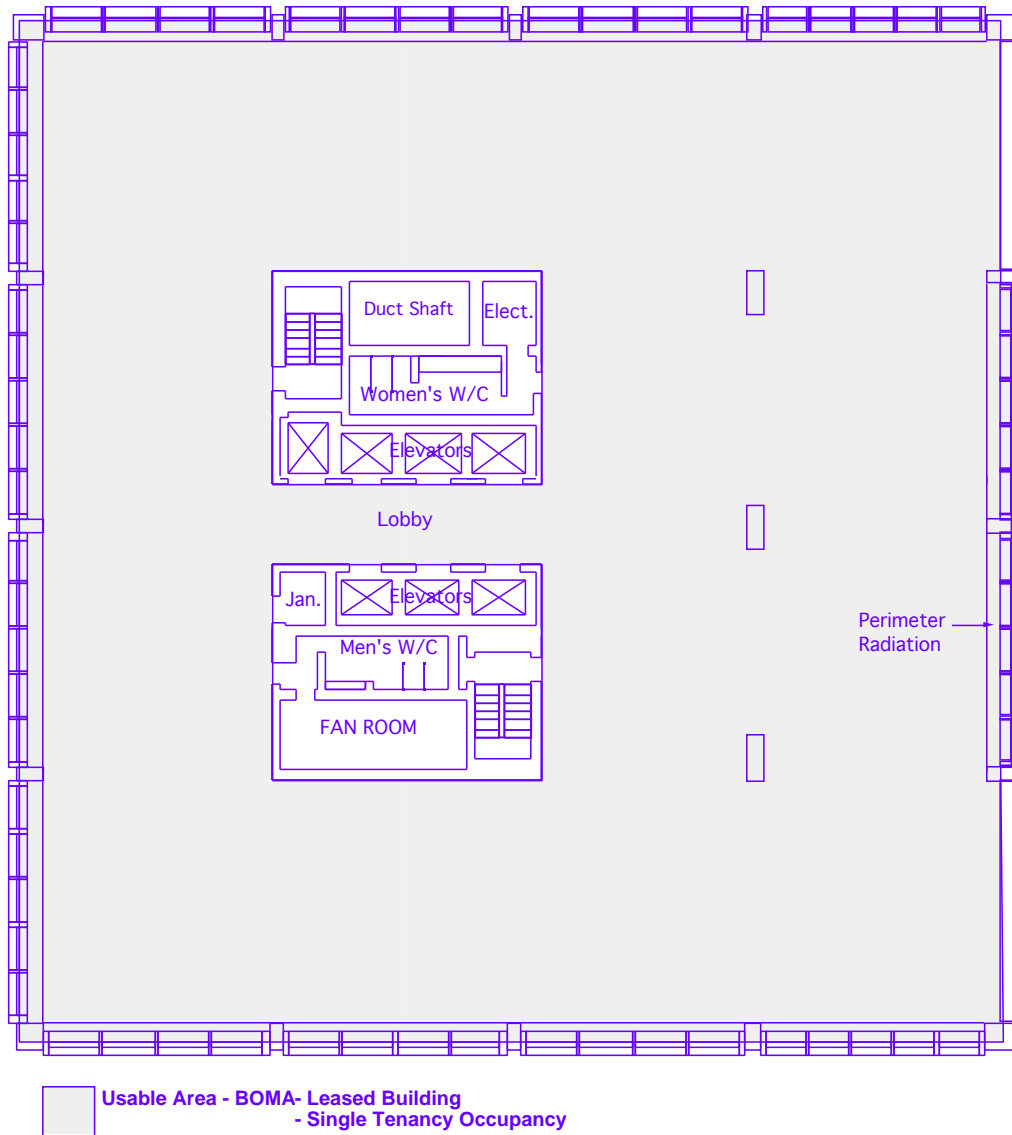


Figure 12: Occupiable

Occupiable Area = 2000 m²

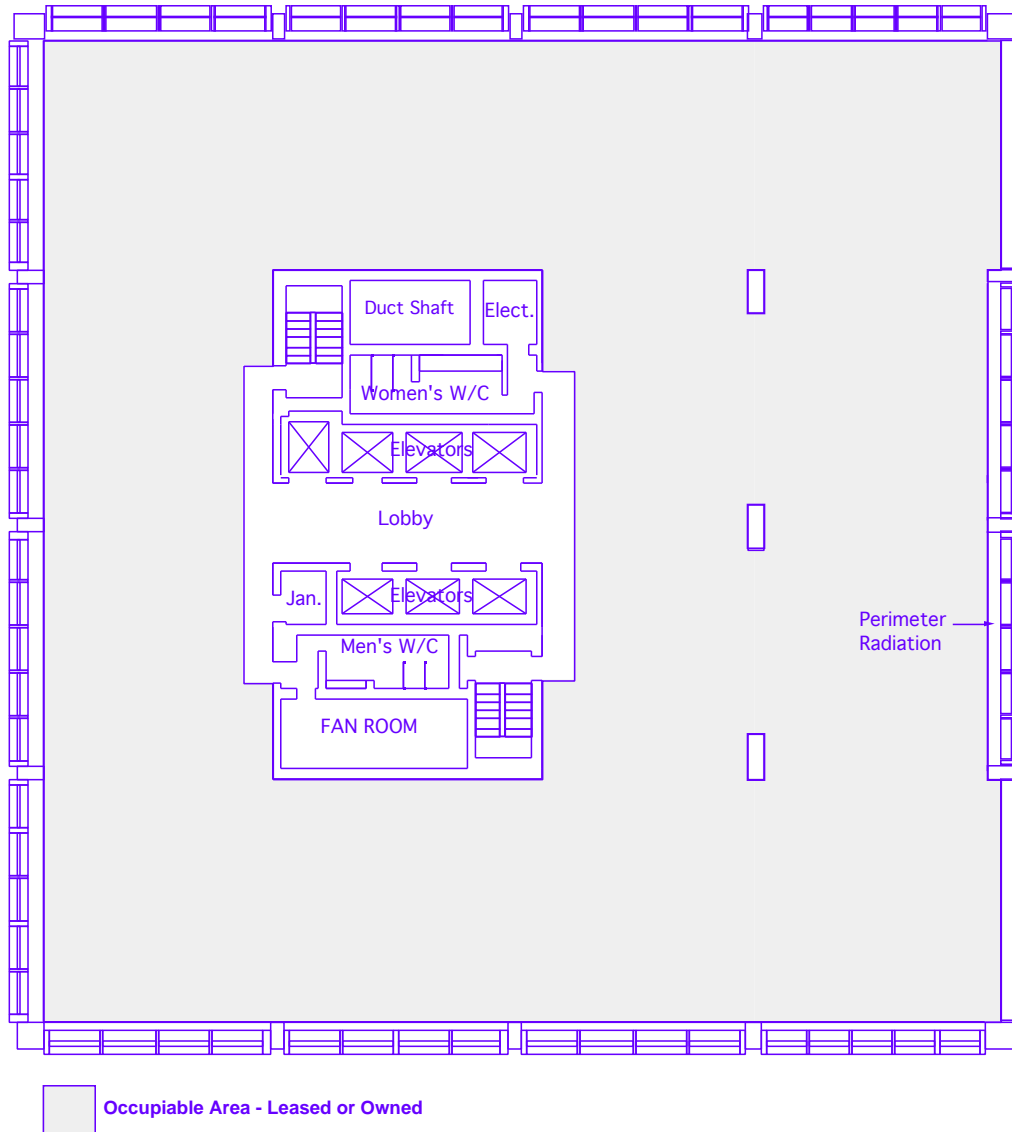
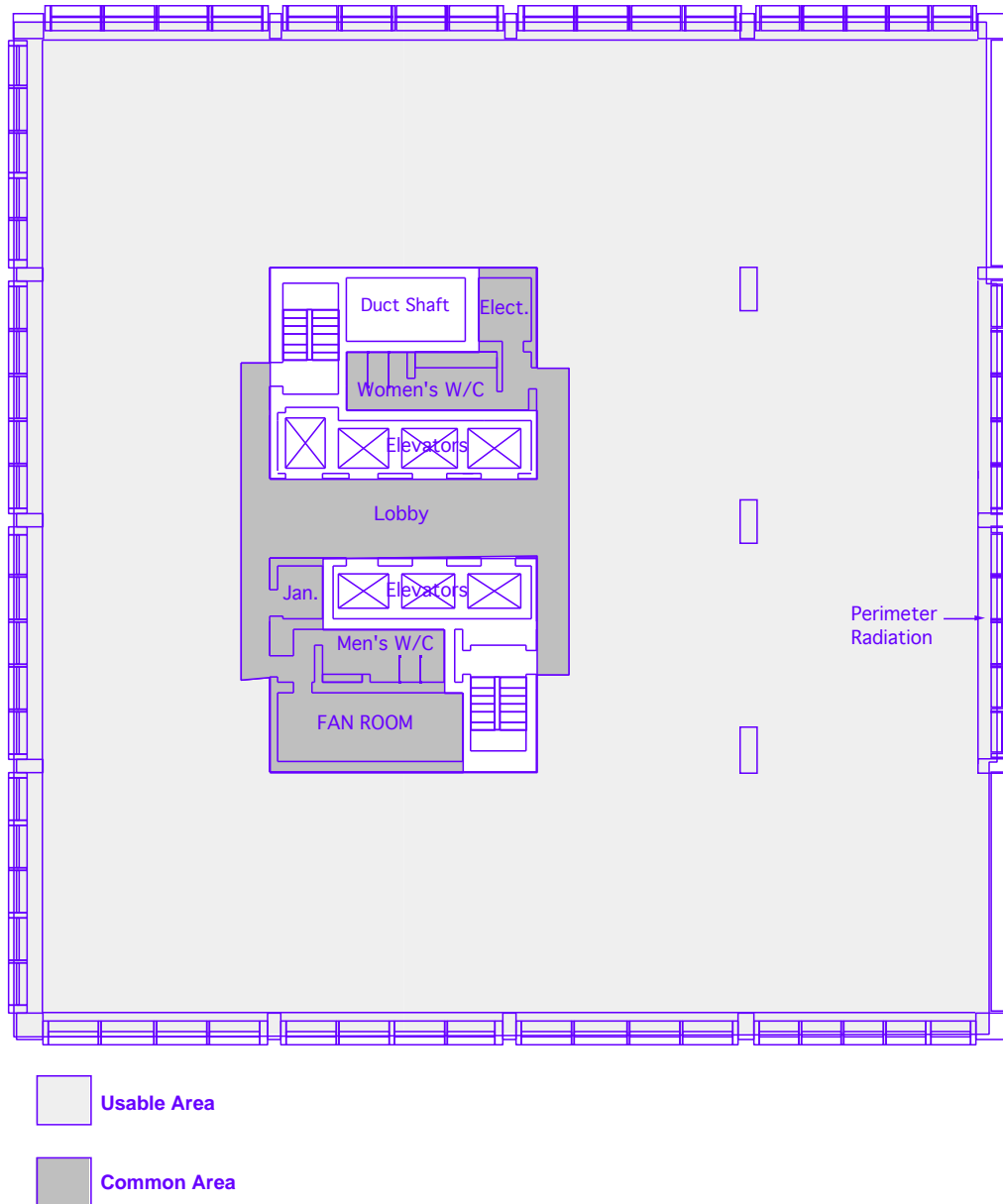


Figure 13: BCBC Useable Area – Multiple or Single Tenancy

BCBC Useable Area = 2200 m²
- Multiple or Single Tenancy

BOMA Useable Area = 2200 m²
- Multiple Tenancy

Common Area = 330 m²
(=Building Services 230 m² & Lobby & Corridor 100 m²)



----- end of Appendix F -----

Appendix 5 – Construction Award

Reference:

OEB Staff-IR 8



48 ALLIANCE BLVD, UNIT 110
BARRIE, ONTARIO L4M 5K3
WWW.MCLARCHITECTS.CA
T 705 722 6739

June 17th, 20123

George Shaparew
President & CEO
Innisfil Hydro Distribution Systems Limited
2073 Commerce Park Dr.
Innisfil, Ontario L9S 4A2

Re: Tender Review
Innisfil Hydro

Dear George,

Tenders for the above noted project were received at the office of MCL Architects on June 14th, 2013. The low base bid was received from B.W.K. Construction Company Ltd. in the amount of \$ 8,670,000.00 (excluding HST). The quotations submitted are as follows:

The following Base bids were received:

1st B.W.K. Construction Company Ltd.	Base Bid of :	\$ 8,670,000
2nd Bertram Construction Company Ltd.	Base Bid of:	\$ 9,148,700
3rd W.S. Morgan Construction Limited	Base Bid of:	\$ 9,293,000
4th Buttcon Limited	Base Bid of:	\$ 9,380,000
5th Monteith Building Group Ltd.	Base Bid of:	\$ 9,697,000

Included in B.W.K. Construction Company Limited tender price was the following:

Masonry: Burling Ranger Company Inc.	\$ 334,000
Mechanical: Bering Mechanical Ltd.	\$ 1,416,800
Electrical: Wallwin Electric	\$ 1,799,673

B.W.K. Construction Company Limited tender documentation is deemed 'formal' including requested bid bond and agreement to bond documents. Tender Form Appendix "A", "B" and "C" have been reviewed and are in order.

B.W.K. Construction Company Limited has had previous successful work experience with our firm and we recommend to Innisfil Hydro that this tender be awarded to them as the lowest bidder.

If there is further discussion required for this award, please contact me at your earliest opportunity.

Regards,

Jessica Lief
McKnight Charron Laurin Inc. Architects

Appendix 6 – Statement of Adjustments

References:

VECC-2 h)

EP-6

STATEMENT OF ADJUSTMENTS

Vendor: THE CORPORATION OF THE TOWN OF INNISFIL

Purchaser: INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

Property: Part of Lot 16, Conc 7, being Pts 1 & 3, Plan 51R-38921,

Adjusted as of: June 14, 2013

	Credit Purchaser	Credit Vendor
<u>SALE PRICE</u>		\$998,250.00
<u>CREDIT FOR THE LAND EXCHANGE</u> Credit Purchaser:	\$837,500.00	
<u>BALANCE DUE ON CLOSING</u> payable to The Corporation of the Town of Innisfil, in trust or as further directed	160,750.00	
	\$998,250.00	\$998,250.00

E.&O.E.

FUNDS SUMMARY

RE: INNISFIL HYDRO DISTRIBUTIONS SYSTEMS LIMITED purchase from
The Corporation of the Town of Innisfil
Part of Lot 16, Conc 7, being Pts 1 & 3, Plan 51R-38921,
Closing Date: June 14, 2013
Our File No.: A4127011

PAID:

To vendor on closing		\$160,750.00
Ontario Land Transfer Tax		13,448.75
To Register Deed		71.30
To File Holdback		200.00
Legal fees on sale file (swap)		1,766.75
Our Fee: Purchase	1,200.00	
Our Fee: Preparation of Agreement	350.00	
Total Legal Fees	\$1,550.00	
HST (13%)	201.50	

DISBURSEMENTS:

Subject to HST

Search of Title	\$85.00
Registry Office Search	45.50
Executions Certificate	11.00
Subsearch on Closing	18.00
Photocopies	12.00
Postage	5.50
Fax transmissions	6.00
Paid to Certify Cheques	10.00
Software Transaction Charge	16.50

209.50

HST (13%)

27.24

Not Subject to HST (Agency)

0.00

Total Legal Fees, Disbursements and HST

1,988.24

RECEIVED:

Client to bring in certified cheque payable to
HGR Graham Partners LLP, in trust in the amount of:

\$178,225.04

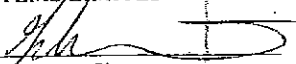
E. & O. E.

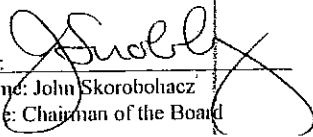
I/We acknowledge and consent to the collection of our personal information by HGR Graham Partners LLP (the "Firm") for the purpose of the Firm representing us as client(s) for this transaction, in addition to retaining this information in the Firm's internal file storage system.

I/WE acknowledge receipt of a copy of this Funds Summary and hereby irrevocably authorizes HGR Graham Partners LLP to make all payouts as shown on this Funds Summary, including payment of all fees, disbursements and HST payable to HGR Graham Partners LLP forthwith.

Dated: _____

**INNISFIL HYDRO DISTRIBUTION
SYSTEMS LIMITED**

Per: 
Name: George Shaperew
Title: President & CEO

Per: 
Name: John Skorobohacz
Title: Chairman of the Board

Appendix 7 – IHDSL & Town of Innisfil Cost Sharing

References:

OEB Staff – IR5

**TOWN OF INNISFIL/INNISFIL HYDRO
SITE SERVICING and EXTERNAL ROAD WORKS**

Updated: 41,507.00

Description	Total Cost	Cost Allocation	
		Town of Innisfil	Innisfil Hydro
SITE SERVICING			
Constructon - Tendered Value	\$1,920,599.85		
Construction - Less Deferred Items	\$0.00		
Construction - Revised Construction Cost	\$1,920,599.85		
Construction Cost Allocation (Shared Cost 50%)	\$685,240.00	\$342,620.00	\$342,620.00
Construction Cost Allocation - Attributed to each project		\$1,310,630.00	\$327,771.00
Sub-total - Construction Cost Allocation		\$1,653,250.00	\$670,391.00
		86%	35%
Engineering - Design and Construction (Allocation based on percentage of construction value)	\$119,719.09	\$103,054.05	\$41,788.30
Engineering - Internal Hydro Site Works	\$0.00		\$0.00
Sub-total Engineering		\$103,054.05	\$41,788.30
Sub-total - Site Servicing Costs		\$1,756,304.05	\$712,179.30
HST (1.76%)		\$30,910.95	\$12,534.36
Total - Site Servicing Costs		\$1,787,215.00	\$724,713.65
COUNTY ROAD 4 IMPROVEMENTS			
Construction	\$652,769.00	\$326,384.50	\$326,384.50
Engineering - Contract Admin and Inspection	\$0.00	\$0.00	\$0.00
Sub-total - County Road 4 Improvments	\$652,769.00	\$326,384.50	\$326,384.50
HST (1.76%)		\$5,744.37	\$5,744.37
Total - County Road 4 Improvments		\$332,128.87	\$332,128.87
TOTAL		\$2,119,343.86	\$1,056,842.52

TOWN OF INNISFIL/INNISFIL HYDRO
 SITE SERVICING AND EXTERNAL ROAD WORKS

Description	Total Cost
Site Servicing	
Design Fees	\$94,108.19
Contract Administration/Inspection	\$21,399.09
Water & Wastewater system Review	\$4,211.81
SUBTOTAL	\$119,719.09
County Road 4 Improvements	
Additonal CA & Inspection fees for County Rd. 4	\$0.00
Hydro Building	
CA & Inspection of new Hydro Building	\$0.00

Innisfil Hydro

\$59,859.54

**TOWN OF INNISFIL
INNISFIL HYDRO/OPERATIONS SITE SERVICING
Tender Summary**

Updated: August 12, 2013

Item	Description	Unit	Maacon Tender Prices		Town of Innisfil			Innisfil Hydro		Shared		Total Amount
			Est. Qty.	Price	Est. Quantity	Amount	Defer	Est. Quantity	Amount	Est. Quantity	Amount	
Site Preparations												
1.	Tree removal, Clearing and Grubbing	L.S.	100%	\$20,000.00	80%	\$16,000.00		-	\$0.00	20%	\$4,000.00	\$20,000.00
2.	Erosion and Siltation Control (Silt Fence & Rock Check Dams)	L.S.	96%	\$45,000.00	72%	\$32,400.00		-	\$0.00	24%	\$10,800.00	\$43,200.00
3.	Remove and Dispose of existing Post & Wire Fence (Outstanding)	m		\$0.00		\$0.00		-	\$0.00		\$0.00	\$0.00
4.	Mud Mat at Main Entrance	L.S.	100%	\$2,500.00	100%	\$2,500.00		-	\$0.00	-	\$0.00	\$2,500.00
Sub-Total Site Preparations						\$50,900	\$0	\$0		\$14,800	\$65,700	
Site Works												
5.	Topsoil Stripping (including SWM Facility) Estimated Volume = 19,500m ³	L.S.	100%	\$98,000.00	75%	\$73,500.00		-	\$0.00	25%	\$24,500.00	\$98,000.00
6.	Earth Excavation and Grading (excluding SWM Facility) Estimated Cut Volume = 45,250 m ³ Estimated Fill Volume = 17,380 m ³	L.S.	99%	\$385,000.00	89%	\$342,650.00		-	\$0.00	10%	\$38,500.00	\$381,150.00
7.	Granular 'B' - 400mm depth											
a.	Phase 2A - Road Areas	m ²	7,008.50	\$11.25	-	\$0.00		-	\$0.00	7,008.50	\$78,845.63	\$78,845.63
b.	Phase 2B - Hydro Works Yard	m ²	9,309.90	\$11.25		\$0.00		9,309.90	\$104,736.38	-	\$0.00	\$104,736.38
c.	Phase 2B - Paved Areas	m ²	18,446.40	\$11.25	18,446.40	\$207,522.00		-	\$0.00	-	\$0.00	\$207,522.00
d.	Phase 2B - Town Storage Area (East of Salt Dome)(Defer)	m ²	-	\$0.00		\$0.00	\$0.00		\$0.00	-	\$0.00	\$0.00
8.	Granular 'A' - 150mm depth											
a.	Phase 2A - Road Areas	m ²	6,315.40	\$5.95	-	\$0.00		-	\$0.00	6,315.40	\$37,576.63	\$37,576.63
b.	Phase 2B - Hydro Works Yard	m ²	9,791.00	\$5.95		\$0.00		9,791.00	\$58,256.45	-	\$0.00	\$58,256.45
c.	Phase 2B - Paved Areas(Defer)	m ²		\$0.00		\$0.00	\$0.00	-	\$0.00	-	\$0.00	\$0.00
d.	Phase 2B - Town Storage Area (East of Salt Dome)(Defer)	m ²		\$0.00		\$0.00	\$0.00		\$0.00	-	\$0.00	\$0.00
9.	100mm diameter Perforated Subdrains	m	675.00	\$16.00	-	\$0.00		-	\$0.00	675.00	\$10,800.00	\$10,800.00
10.	Concrete Barrier Curb	m	736.00	\$45.75	-	\$0.00		-	\$0.00	736.00	\$33,672.00	\$33,672.00
11.	50mm HL3 Surface Asphalt											
a.	Phase 2A - Road Areas (Outstanding)	m ²		\$0.00	-	\$0.00		-	\$0.00		\$0.00	\$0.00
b.	Phase 2B - Paved Areas(Defer)	m ²		\$0.00		\$0.00	\$0.00	-	\$0.00	-	\$0.00	\$0.00
12.	50mm HL8 Base Asphalt											
a.	Phase 2A - Road Areas	m ²	5,683.86	\$7.75	-	\$0.00		-	\$0.00	5,683.86	\$44,049.92	\$44,049.92
b.	Phase 2B - Paved Areas(Defer)	m ²		\$0.00		\$0.00	\$0.00	-	\$0.00	-	\$0.00	\$0.00
13.	150mm depth Topsoil (incl. SWMF) (Outstanding)	m ²		\$0.00		\$0.00		-	\$0.00		\$0.00	\$0.00
14.	Hydro Seed and Mulch (incl. SWMF)(Outstanding)	m ²		\$0.00		\$0.00		-	\$0.00		\$0.00	\$0.00
15.	300mm dia. Rip Rap stone on filter fabric (Outstanding)	m ²		\$0.00		\$0.00		-	\$0.00	-	\$0.00	\$0.00
16.	Vertical Pivot Gate (Double Gate)(Outstanding)	ea.		\$0.00		\$0.00			\$0.00	-	\$0.00	\$0.00
17.	Chain Link Fence including double gate (Outstanding)	m		\$0.00	-	\$0.00			\$0.00	-	\$0.00	\$0.00
18.	Stop Signs including Posts (Outstanding)	ea.		\$0.00	-	\$0.00		-	\$0.00		\$0.00	\$0.00

**TOWN OF INNISFIL
INNISFIL HYDRO/OPERATIONS SITE SERVICING
Tender Summary**

Updated: August 12, 2013

			Town of Innisfil			Innisfil Hydro		Shared				
			Maacon Tender Prices									
Item	Description	Unit	Est. Qty.	Price	Est. Quantity	Amount	Defer	Est. Quantity	Amount	Est. Quantity	Amount	Total Amount
19.	Red Maple Trees at SWM Facility installed as per TOISD 901 (Outstanding)	ea.		\$0.00	-	\$0.00		-	\$0.00		\$0.00	\$0.00
Sub-Total Roadwork						\$623,672	\$0		\$162,993		\$267,944	\$1,054,609

**TOWN OF INNISFIL
INNISFIL HYDRO/OPERATIONS SITE SERVICING
Tender Summary**

Updated: August 12, 2013

			Town of Innisfil			Innisfil Hydro		Shared				
			Maacon Tender Prices									
Item	Description	Unit	Est. Qty.	Price	Est. Quantity	Amount	Defer	Est. Quantity	Amount	Est. Quantity	Amount	Total Amount
Storm Sewers												
20.	300 mm diameter Storm Sewer Pipe	m	561.20	\$148.00	432.12	\$63,953.76			\$0.00	129.08	\$19,103.84	\$83,057.60
21.	375mm diameter Storm Sewer Pipe	m	210.00	\$160.00	210.00	\$33,600.00			\$0.00	-	\$0.00	\$33,600.00
22.	450mm diameter Storm Sewer Pipe	m	108.60	\$200.00	108.60	\$21,720.00			\$0.00	-	\$0.00	\$21,720.00
23.	525mm diameter Storm Sewer Pipe	m	69.40	\$210.00	69.40	\$14,574.00			\$0.00	-	\$0.00	\$14,574.00
24.	600mm diameter Storm Sewer Pipe	m	62.00	\$273.00	62.00	\$16,926.00			\$0.00	-	\$0.00	\$16,926.00
25.	675mm diameter Storm Sewer Pipe	m	20.50	\$355.00	20.50	\$7,277.50			\$0.00	-	\$0.00	\$7,277.50
26.	600mm diameter CSP Culvert (2.0mm Ga.)	m	24.00	\$225.00	-	\$0.00			\$0.00	24.00	\$5,400.00	\$5,400.00
27.	600 x 600mm Catchbasin	ea.	8.00	\$2,500.00	5.00	\$12,500.00			\$0.00	3.00	\$7,500.00	\$20,000.00
28.	600 x 1450mm Twin Inlet Catchbasin	ea.	4.00	\$3,100.00	-	\$0.00			\$0.00	4.00	\$12,400.00	\$12,400.00
29.	600 x 600mm Ditch Inlet Catchbasin	ea.	1.00	\$2,200.00	1.00	\$2,200.00			\$0.00	-	\$0.00	\$2,200.00
30.	1200mm diameter Storm Manhole	ea.	4.00	\$5,200.00	4.00	\$20,800.00			\$0.00	-	\$0.00	\$20,800.00
31.	1500mm diameter Catchbasin Manhole	ea.	10.00	\$5,900.00	9.00	\$53,100.00			\$0.00	1.00	\$5,900.00	\$59,000.00
32.	1500mm diameter Double Catchbasin Manhole	ea.	2.00	\$5,800.00	-	\$0.00			\$0.00	2.00	\$11,600.00	\$11,600.00
33.	Stormwater Treatment Unit	ea.	1.00	\$35,000.00	1.00	\$35,000.00			\$0.00	-	\$0.00	\$35,000.00
34.	Outlet Headwall per OPSD 804.030 including Grate per OPSD 804.050	ea.	2.00	\$8,500.00	1.00	\$8,500.00			\$0.00	1.00	\$8,500.00	\$17,000.00
35.	Connection to existing Storm Sewer or Structure	ea.	2.00	\$2,500.00	-	\$0.00			\$0.00	2.00	\$5,000.00	\$5,000.00
36.	CCTV Inspection of Storm Sewer Pipe	LS	100%	\$9,500.00	100%	\$9,500.00			\$0.00		\$0.00	\$9,500.00
37.	Stormwater Managemen Facility for South Works Yard Estimated Earth Cut = 8,750 m ³ Estimated Earth Fill = 7,800 m ³	LS	55%	\$45,000.00	41.25%	\$18,562.50			\$0.00	13.75%	\$6,187.50	\$24,750.00
Sub-Total Storm Sewer						\$318,214	\$0	\$0	\$81,591	\$399,805		
Sanitary Sewers												
38.	200mm diameter PVC DR35 Sanitary Sewer Pipe	m	775.80	\$140.00	175.34	\$24,547.60		228.08	\$31,931.20	372.38	\$52,133.20	\$108,612.00
39.	1200mm diameter Sanitary Manholes	ea.	9.00	\$5,800.00	2.00	\$11,600.00		3.00	\$17,400.00	4.00	\$23,200.00	\$52,200.00
40.	Connect to existing Sanitary Sewer Manhole	ea.	1.00	\$2,500.00	-	\$0.00		-	\$0.00	1.00	\$2,500.00	\$2,500.00
41.	CCTV Inspection and Deflection Testing of Sanitary Sewer Pipe	LS	100%	\$7,000.00	23%	\$1,610.00		29%	\$2,030.00	48%	\$3,360.00	\$7,000.00
Sub-Total Sanitary Sewer						\$37,758	\$0	\$51,361	\$81,193	\$170,312		
Water Distribution												
42.	200mm diameter PVC DR18 Watermain	m	553.00	\$120.00		\$0.00		94.01	\$11,281.20	458.99	\$55,078.80	\$66,360.00
43.	150mm diameter PVC DR18 Watermain	m	369.00	\$115.00	262.00	\$30,130.00		107.00	\$12,305.00		\$0.00	\$42,435.00
44.	200mm diameter Gate Valve	ea.	1.00	\$1,675.00	-	\$0.00		1.00	\$1,675.00	-	\$0.00	\$1,675.00
45.	150mm diameter Gate Valve	ea.	2.00	\$1,150.00	2.00	\$2,300.00		-	\$0.00	-	\$0.00	\$2,300.00

**TOWN OF INNISFIL
 INNISFIL HYDRO/OPERATIONS SITE SERVICING
 Tender Summary**

Updated: August 12, 2013

			Maacon Tender Prices		Town of Innisfil			Innisfil Hydro		Shared		
Item	Description	Unit	Est. Qty.	Price	Est. Quantity	Amount	Defer	Est. Quantity	Amount	Est. Quantity	Amount	Total Amount
46.	Fire Hydrant and Gate Valve Assembly	ea.	3.00	\$4,100.00	1.00	\$4,100.00		1.00	\$4,100.00	1.00	\$4,100.00	\$12,300.00
47.	200mm diameter Fireline c/w Gate Valve	ea.	2.00	\$4,200.00	1.00	\$4,200.00		1.00	\$4,200.00	-	\$0.00	\$8,400.00
48.	100mm diameter Water Service c/w Gate Valve	ea.	1.00	\$1,850.00	1.00	\$1,850.00		-	\$0.00	-	\$0.00	\$1,850.00
49.	50mm diameter Water Service c/w Curb Stop	ea.	1.00	\$2,000.00	-	\$0.00		1.00	\$2,000.00	-	\$0.00	\$2,000.00
50.	25mm diameter Water Service c/w Curb Stop	ea.	1.00	\$1,300.00	1.00	\$1,300.00		-	\$0.00	-	\$0.00	\$1,300.00
51.	Connection to existing watermain including removal and reinstallation of existing gate valve	LS	100%	\$6,500.00	-	\$0.00		-	\$0.00	1.00	\$6,500.00	\$6,500.00
Sub-Total Water Distribution						\$43,880	\$0	\$35,561		\$65,679		\$145,120

**TOWN OF INNISFIL
INNISFIL HYDRO/OPERATIONS SITE SERVICING
Tender Summary**

Updated: August 12, 2013

			Town of Innisfil			Innisfil Hydro		Shared				
			Maacon Tender Prices									
Item	Description	Unit	Est. Qty.	Price	Est. Quantity	Amount	Defer	Est. Quantity	Amount	Est. Quantity	Amount	Total Amount
Electrical												
52.	Concrete Poles - Direct Buried (10.7m) (Outstanding)	ea.		\$0.00		\$0.00		-	\$0.00		\$0.00	\$0.00
53.	Streetlight Mast Arms and Luminaires (Outstanding)	ea.		\$0.00		\$0.00		-	\$0.00		\$0.00	\$0.00
54.	Streetlighting Ducts and Cables	m	473.00	\$38.75	37.84	\$1,466.30		170.28	\$6,598.35	264.88	\$10,264.10	\$18,328.75
55.	8 x 100mm dia. Hydro Ducts - Concrete Encased	m	37.00	\$235.00	-	\$0.00		-	\$0.00	37.00	\$8,695.00	\$8,695.00
56.	4 x 100mm dia. Hydro Ducts - Concrete Encased	m	135.00	\$178.00	82.35	\$14,658.30		-	\$0.00	52.65	\$9,371.70	\$24,030.00
57.	Communications Duct (2 x 100mm dia.)	m	850.00	\$40.00	314.50	\$12,580.00		93.50	\$3,740.00	442.00	\$17,680.00	\$34,000.00
58.	Communications Vault (Outstanding)	ea.		\$0.00		\$0.00			\$0.00		\$0.00	\$0.00
Sub-Total Electrical						\$28,705	\$0		\$10,338		\$46,011	\$85,054
Provisional Items												
59.	Excavation and Disposal of Unsuitable Subgrade Material	m ³		\$0.00	100.00			-	\$0.00	-	\$0.00	\$0.00
60.	Supply and Place Imported Granular 'B' fill in lieu of unsuitable subgrade	t		\$0.00	50.00			-	\$0.00	-	\$0.00	\$0.00
61.	50mm thick HI-40 Styrofoam Insulation	m		\$0.00	50.00			-	\$0.00	-	\$0.00	\$0.00
62.	Clear Stone Pipe Embedment with Filter Cloth Wrap	m		\$0.00	100.00			-	\$0.00	-	\$0.00	\$0.00
63.	Boulder Removal	m ³		\$0.00	10.00			-	\$0.00	-	\$0.00	\$0.00
Sub-Total Provisional Items						\$0	\$0		\$0		\$0	\$0
Sub-Total Construction Cost						\$1,103,128	\$0		\$260,254		\$557,218	\$1,920,599.85
Contingency Allowance for Construction Items (5%)						\$55,156			\$13,013		\$27,861	\$0
Total Construction Cost						\$1,158,284			\$273,266		\$585,079	\$0
HST (13%)						\$150,577			\$35,525		\$76,060	\$249,677.98
PRELIMINARY CONSTRUCTION ESTIMATE						\$1,308,861			\$308,791		\$661,140	\$2,170,277.82
Costing at 1.76% tax						\$1,122,543.01	\$0.00		\$264,834.04		\$567,025.35	

Town Budget	Shared 50% Hydro	481,285.00
	Town Works	1,307,054.00
		1,788,339.00
Town Cost (at 1.76% HST)	Town	\$1,122,543.01
	Shared 50%	\$283,512.68
	Less Deferred Works	\$0.00
		\$1,406,055.69
Hydro Cost (at 13%HST)	Hydro	\$308,790.87
	Shared 50%	\$330,569.76
	CCO#3 (include H.S.T)	\$34,177.98
	CCO#4(Partial payment)	\$2,265.09
		\$675,803.70

TOWN OF INNISFIL
Schedule of Items
County Rd 4 Innisfil Hydro Complex Entrance

Cost Sharing

Town of
InnisfilInnisfil
Hydro

Item	OPSS SP	Description	Unit	Quantity	Unit Price	Amount		
Removals								
1.	510 SP 5.2	Remove Cable Guiderail	m	396	\$25.00	\$9,900.00	\$4,950.00	\$4,950.00
2.	510 SP 5.3	Remove Guiderail Anchors	ea.	4	\$200.00	\$800.00	\$400.00	\$400.00
3.	510 SP 5.4	Remove, Salvage and reinstall existing Signs	ea	17	\$150.00	\$2,550.00	\$1,275.00	\$1,275.00
4.	510 SP 5.5	Remove and reposition Mailboxes	ea	2	\$250.00	\$500.00	\$250.00	\$250.00
5.	510 SP 5.6	Culvert Removal less than 800 mm dia	m	23	\$30.00	\$690.00	\$345.00	\$345.00
6.	532 SP 5.7	Asphalt removal Partial Depth (50 mm) by milling	m ²	294.0	\$6.00	\$1,764.00	\$882.00	\$882.00
7.	532 SP 5.8	Clearing and Grubbing	L.S.	1.0	\$4,000.00	\$4,000.00	\$2,000.00	\$2,000.00
8.	532 SP 5.9	Remove Ex. Pavement Marking (by abrasion)	m	1906.0	\$4.50	\$8,577.00	\$4,288.50	\$4,288.50
Sub-Total Removals						\$28,781	\$14,391	\$14,391
Roadworks								
9.	SP 5.10	Traffic Control	L.S.	100%	\$15,000.00	\$15,000.00	\$7,500.00	\$7,500.00
10.	615 SP 5.11	Heavy Duty Silt Fence	m	650	\$14.00	\$9,100.00	\$4,550.00	\$4,550.00
11.	615 SP 5.11	Rock Check Dams	ea	8	\$450.00	\$3,600.00	\$1,800.00	\$1,800.00
12.	615 SP 5.11	Straw Bale Filters	ea	4	\$400.00	\$1,600.00	\$800.00	\$800.00
13.	615 SP 5.11	Rip Rap	m ²	18	\$45.00	\$810.00	\$405.00	\$405.00
14.	615 SP 5.11	Earth Excavation	m3	7504	\$12.00	\$90,048.00	\$45,024.00	\$45,024.00
15.	615 SP 5.11	Imported Fill	t	6200	\$12.00	\$74,400.00	\$37,200.00	\$37,200.00
16.	314 SP 5.11	Granular B	t	7700	\$13.00	\$100,100.00	\$50,050.00	\$50,050.00
17.	314 SP 5.12	Granular A	t	2840	\$14.50	\$41,180.00	\$20,590.00	\$20,590.00
18.	314,310 SP 5.12	Hot Mix Base Asphalt Superpave 19mm (Two 50 mm lifts)	t	925	\$70.00	\$64,750.00	\$32,375.00	\$32,375.00
19.	314,310 SP 5.12	Hot Mix Surface Asphalt Superpave 12.5mm (one lift 50 mm)	t	545	\$72.00	\$39,240.00	\$19,620.00	\$19,620.00
20.	314,310 SP 5.12	Install 400 mm Dia CSP Culverts	m	24	\$150.00	\$3,600.00	\$1,800.00	\$1,800.00

TOWN OF INNISFIL
Schedule of Items
County Rd 4 Innisfil Hydro Complex Entrance

Cost Sharing

Town of
InnisfilInnisfil
Hydro

Item	OPSS SP	Description	Unit	Quantity	Unit Price	Amount		
21.	314,310 SP 5.12	Extens Ex 920X1220 CSP Arch Culvert	m	9	\$260.00	\$2,340.00	\$1,170.00	\$1,170.00
22.	314,310 SP 5.12	Install Flex Beam Guide rail	m	368	\$90.00	\$33,120.00	\$16,560.00	\$16,560.00
23.	601/614 SP 5.14	Install Energy Attenuator	ea	2	\$3,500.00	\$7,000.00	\$3,500.00	\$3,500.00
24.	802/803 SP 5.27	Imported Topsoil and Nursery Sod	m ²	1540	\$10.00	\$15,400.00	\$7,700.00	\$7,700.00
25.	802/803 SP 5.27	Imported Topsoil and Seed	m ²	3000	\$7.00	\$21,000.00	\$10,500.00	\$10,500.00
26.	802/803 SP 5.27	Imported Topsoil and Seed Mat	L.S.	5000	\$15.00	\$75,000.00	\$37,500.00	\$37,500.00
Sub-Total Pedestrian Signal Crossing						\$597,288	\$298,644	\$298,644
Pavement Marking								
27.	710 SP 5.29	Line Painting Centreline and lane edge 100mm wide (durable)	m	3600	\$6.50	\$23,400.00	\$11,700.00	\$11,700.00
28.	710 SP 5.29	Pavement Marking Symbols	ea.	4	\$450.00	\$1,800.00	\$900.00	\$900.00
29.	710 SP 5.30	Traffic Signs	ea.	5	\$300.00	\$1,500.00	\$750.00	\$750.00
Sub-Total Civil Works						\$26,700	\$13,350	\$13,350
SUB TOTAL CONSTRUCTION						\$652,769	\$326,385	\$326,385
Town cost (at 1.76% HST)							\$332,129	
Innisfil Hydro cost (at 13% HST)								\$368,814

SUMMARY OF ADDITIONAL ITEMS

Updated: July 8, 2013

Tasks		FEE
1	Water and Wastewater System Review	\$4,245.00
2	Admin Building Drainage and Parking Lot Review	\$10,355.00
3	IRC Drainage and Entrance Review	\$8,950.00
4	CA & Inspection of New Hydro Building Site	\$12,965.00
5	CA & Inspection for Site Servicing and Grading Contract	\$85,950.00
SubTotal (excluding HST)		\$122,465.00

**SITE SERVICING & GRADING
CONTRACT ADMINISTRATION & INSPECTION FEE ESTIMATE**

Updated: July 8, 2013

Tasks	Personnel & Hourly Charge out Rate						FEE	
	Managing Engineer	Senior Technologist	Engineer/Technologist	Inspector	CAD	Support		
	SLF	TFH	CFH/JWB		JDC	PLN/NLB		
	\$135	\$115	\$85	\$85	\$75	\$60		
1	Attend Site Meetings		4.00	30.00			2.00	\$3,130.00
2	CA during Construction		16.00	110.00		10.00	16.00	\$12,900.00
3	Full Time Inspection during Underground Servicing (based on 30 Working Days)				330.00			\$28,050.00
4	Part Time Inspection (Earthworks, Tree Clearing, Parking Lot Grading, etc.)				120.00			\$10,200.00
5	Site Inspections and Reports prior to Final Clearance		3.00	15.00	40.00		2.00	\$5,140.00
6	Preparation of Record Drawings			2.00	6.00	38.00		\$3,530.00
7	Allowance for Geotechnical Inspections and Reporting							\$20,000.00
8	Disbursements							\$3,000.00
SubTotal (excluding HST)								\$85,950.00

COUNTY ROAD 4 ENTRANCE IMPROVEMENTS
CONTRACT ADMINISTRATION & INSPECTION FEE ESTIMATE

Updated: August 15, 2013

Tasks	Personnel & Hourly Charge out Rate						FEE	
	Managing Engineer	Senior Technologist	Engineer/Technologist	Inspector	CAD	Support		
	SLF	TFH	CFH/JWB		JDC	PLN/NLB		
	\$135	\$115	\$85	\$85	\$75	\$60		
1	Attend Site Meetings		4.00	18.00			2.00	\$2,110.00
2	CA during Construction	4.00	22.00	72.00		6.00	2.00	\$9,760.00
3	Site Visits and Inspections During Construction (based on estimated 6 weeks)				300.00			\$25,500.00
4	Site Inspection and Report prior to Final Clearance	2.00	3.00	9.00	35.00		2.00	\$4,475.00
5	Prepare and Submit Record Drawings			2.00	5.00	25.00		\$2,470.00
6	Allowance for Geotechnical Inspections and Reporting							\$15,000.00
7	Disbursements							\$2,500.00
SubTotal (excluding HST)								\$61,815.00