

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Monday, June 1st, 2020

To: **Focus Group Members** (Township of Oro-Medonte)

As per our discussions at the Zone 1 Integration Focus Group sessions dated February 7th, 2020 and March 12th, 2020, the Representatives in the Group presented findings that show the Zone 1 water infrastructure was and continues to be owned by, first the municipalities of Oro and Medonte, and now, Oro-Medonte Township. After an extensive search of all documents available to the public through Freedom of Information Requests and those available online, we are confident that we now have evidence to support this opinion.

We respectfully submit to you the attached report, completed by members of the Zone 1 Integration Focus Group. This report outlines the history of the **water supply system** dating back to 1967. It provides a detailed chronological analysis of the By-Laws, Legal Agreements, Contracts and Leasing agreements.

The story is complex and convoluted but, at the end of the day, we believe that the evidence is exceedingly clear; Zone 1 is and has been a municipally-owned **water supply system** since 1974 (Zone 1 Oro) and 1982 (Zone 1 Medonte).

We respectfully request a written response that includes:

1. A decision to withdraw the plan to charge the residents of Zone 1 a levy of \$9,300.

There are sundry other **concerns and questions** around the following issues:

1. Dedicated Reserve Funds dating back to 1980.
2. Cost of Living Index Increases in water rates since 1980.
3. The use of Provincial Small Water System Grants since 2002.
4. Contractual obligations, rights, and privileges since 1974.
5. Ministry of the Environment water designations since 1990.
6. Leasing Agreements since 1982.
7. Maintenance records of capital components since 1967.
8. Well records related to the Zone 1 **water supply system** since 1967.
9. Clarity around LT185778 and LT185779 (Phase IVA Horseshoe Highlands Plan 51M-456)
10. Data pertaining to the Zone 1 Standpipe since its inception.

While the Report is very lengthy, we would appreciate a written response detailing a decision to withdraw the plan to charge the residents in Zone 1 a levy of \$9300 as soon as possible.

Thank you for your consideration of this very important matter and we look forward to hearing from you as soon as possible.

Respectfully submitted,

Residents of the Focus Group

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Focus Group

By-Laws, Water Agreements, Various Primary & Secondary Documents

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Abstract 1

During a Special Council meeting on Friday, March 13th, 2020, staff members of the Municipality of Oro-Medonte articulated that the Zone 1 **water supply system** in Horseshoe Valley was private and owned by Skyline. Notwithstanding these clarifications and with great respect and deference to the current council and staff of Oro-Medonte, the story of the evolution of a **water supply system** in Horseshoe Valley is very compelling and when one starts peeling back this convoluted onion, the individual layers reveal intriguing nuances and variations, nuances that suggest an entirely different narrative of ownership.

To be sure, many Residents in Zone 1 in Horseshoe Valley think that they belong to a municipally-owned and municipally-operated **water supply system**. This is a really interesting and complicated story that began as early as 1967. As Horseshoe Valley became populated with ski hills, golf courses, condominiums, hotels, roads, homes, and people, there grew a predictable need for complex infrastructure, including road systems, water mains, waste water facilities, and a domestic/potable **water supply system**. The following represents a time-line of key By-Laws, Agreements, letters, and proposals of the settlement area known as Horseshoe Valley.

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Abstract 2

Definitions of key terms and jargon.

Horseshoe Valley Water Supply System

Means all the watermains, pumps, wells, valves, hydrants, storage tanks (standpipes), and treatment equipment associated with the entire distribution of water from wells to domestic taps.

Zone 1

Means all the watermains, pumps, wells, valves, hydrants, storage tanks (standpipes), and treatment equipment associated with the distribution of water from wells to domestic taps on the North side of Horseshoe Valley Road, known as the former Township of Medonte. Zone 1 also includes Plan 1587 (Country Club Lane and Birch Grove) in the former Township of Oro.

Zone 2

Means all the watermains, pumps, wells, valves, hydrants, storage tanks (standpipes), and treatment equipment associated with the distribution of water from wells to domestic taps on the South side of Horseshoe Valley Road, known as the former Township of Oro. The Original Zone 2 (former Township of Oro) was comprised of Plans 51M-391, 51M-447, and 51M-456.

Plan 51M-391 (Phase 1 Highlands)

Means the streets which include Highland Drive East and Fairway Court

Plan 51M-447 (Phase II Highlands)

Means the streets which include Valleycrest Drive and Dale Court

Plan 51M-456 (Phase IVA)

Means the streets which include Highland Drive West, Alpine Way, Pod's Lane, Bridle Path, Bunker Place, Nordic Trail, and Chestnut Lane.

By-Law

Means when Townships assume services like water systems, roads, and wastewater components, they create By-Laws to make them legally binding agreements. By-Laws can be repealed, revoked, and altered by Council.

Assumption

Means when Townships create By-Laws to take over governance of services and works.

Water Rights Guarantee Agreement

Means in 1980 the former Township of Medonte and Horseshoe Resort and their partners entered into a water agreement guaranteeing water to all of Zone 1, including the North side of Horseshoe Valley Road (Medonte) and the Valley subdivision known as Plan 1587 (Oro). The Resort agreed to "operate, repair, and

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maintain” the system on behalf of the “owners”—residents of the Former Township of Medonte and Former Township of Oro.

Water Rights Guarantee Agreement Amendments

Means in 1982 the former Township of Medonte and Horseshoe Resort and their partners fine-tuned the **Water Rights Guarantee Agreement of 1980**. It included the “assumption” of the Zone 1 **water supply system**. The Former Township of Medonte also agreed to “Lease” the water system to Horseshoe Resort and their affiliates for \$1 renewable every 5 years. No further amendments have altered these water agreements.

Former Township of Medonte Subdivision Plans

Means plans 1531, M-10, M-11, M-23, the Pine Ridge Ski Club, the Condominiums, and Plan 1587 are the Plans that make up Zone 1.

Easements

Means a right to cross or otherwise use someone else's land for a specified purpose. These are usually registered as Real Property like any other real-estate transaction.

Aboveground Works/Services

Means those works including roads, curbs, storm drains, signs, grading and the like.

Belowground Works/Services

Means those works including watermains, valves, wells, waste water lines, storm sewer lines and the like.

Municipal

Means owned by a Township or City

Non-Municipal

Means owned by a Private Corporation

Former Township of Medonte

Means before Amalgamation (1994), Medonte was a separate Township in Simcoe County.

Former Township of Oro

Means before Amalgamation (1994), Oro was a separate Township in Simcoe County.

Amalgamation

Means the joining of Townships. In 1994, the Township of Medonte amalgamated with the Township of Oro to form Oro-Medonte.

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Oro Water Agreement (Plan 51M-456)

Means in 1991, the former Township of Oro entered into a water agreement with Horseshoe Resort and its partners. The Agreement was registered with the Ontario Government as LT185779. This Agreement meant to separate the Resort wells and elevated storage tank (Zone 1 Standpipe) from Resort control and ownership. It's unclear exactly what happened to this Agreement, but the "Underground" Works have not yet been assumed. If assumption went as planned, then Zone 1 and Zone 2 would have been a fully-integrated **water supply system** as originally designed. Several events may have impacted this process. Please see extensive notes and summaries.

Standpipe

Means a vertical pipe extending from a water supply. At the top of Country Club Lane on Resort Lands there exists the Zone 1 Standpipe or elevated storage tank.

Elevated Storage Tank

Means a water storage tank in which water is stored at atmospheric pressure and distributed by gravity flow in a down-feed system.

Booster Pump

Means in order to get water to Cathedral Pines subdivision, a booster pumping station was installed.

Zone 2 Supply Wells

Means there are many existing and historical wells near Horseshoe Valley Road and Country Club Lane in the Valley.

Maintenance Period

Means before a Township or Municipality fully assumes a service, a maintenance period is established much like a warranty period of a consumer product. Most are short-lived.

Letters of Credit (LCs)

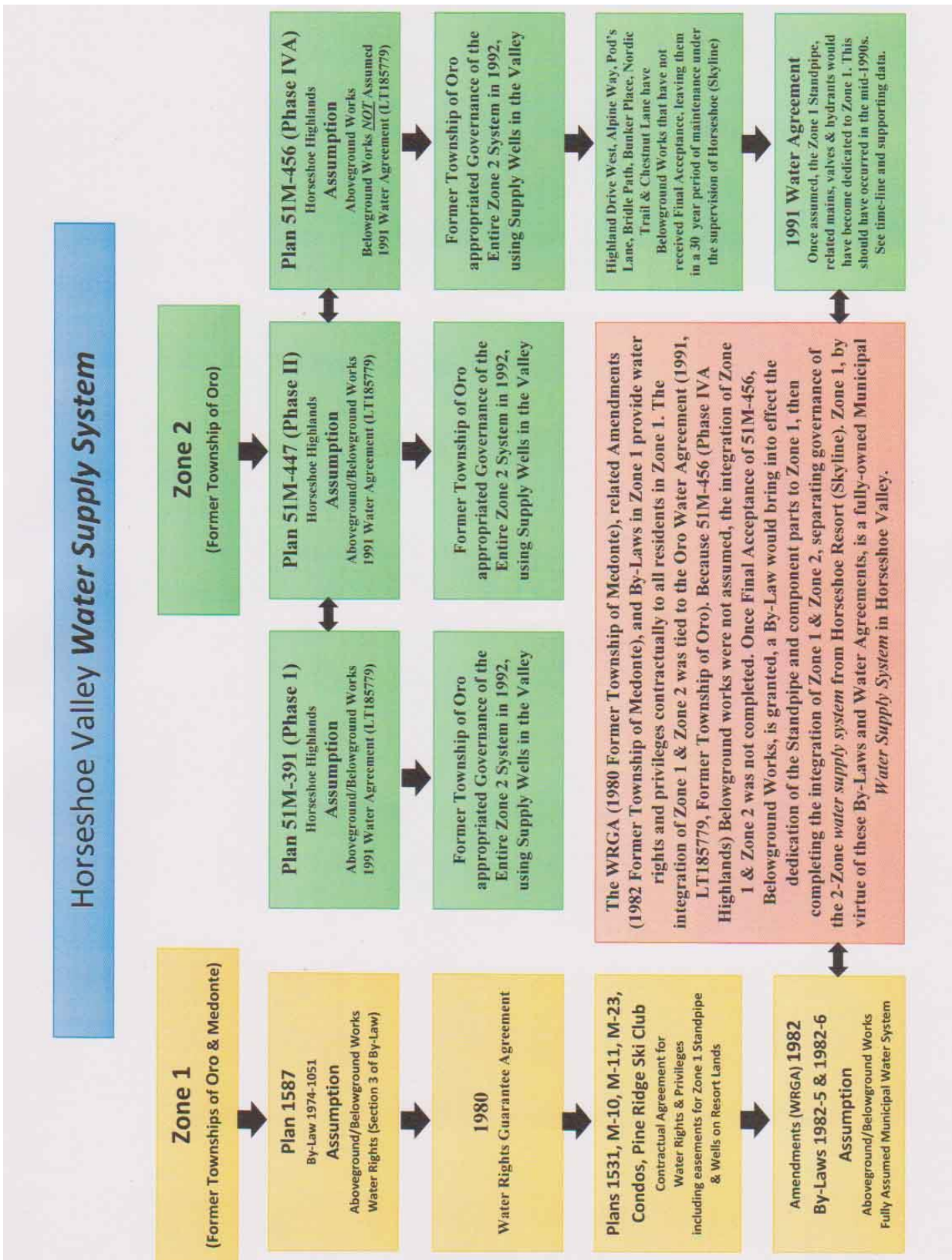
Means before developers start building and constructing infrastructure, Lines of Credit (LCs) are given to the Township or Municipality as security. Many are around \$25000, but 51M-456 was a larger settlement area and required much larger LCs. Once work is finished and accepted by the Township or Municipality, money is returned to the developer.

LT185778 and LT185779

Means that both of these registered instruments are for 51M-456. LT185778 is the original subdivision Plan (See By-Law 1991-11 and 1991-12) and LT185779 is the so-called Water Agreement (1991). Both of these Plans are complementary, meaning they fit together as one.

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Abstract 3



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Abstract 4

Plan 1587, the former Township of Oro, was fully assumed in 1974. By-Law 1974-1051 included the aboveground and belowground works. Water rights and privileges are protected by this By-Law along with the Water Rights Guarantee Agreement of 1980. Communal sewage tile beds beyond the Plan were assumed much later. This plan of subdivision has a municipal **water supply system** that is owned by the former Township of Oro and the current Township of Oro-Medonte. It should have been designated as a Municipal Drinking Water Supply System by the Ministry of the Environment (MOE). It does not have this designation. The streets include **Country Club Lane** and **Birch Grove**.

Plans 1531, M-10, M-11, and M-23, the former Township of Medonte, were fully assumed in 1982. By-Laws 82-5 and 82-6 included the aboveground and belowground works. Water rights and privileges are protected by these By-Laws along with the Water Rights Guarantee Agreement of 1980 and supplementary Amendments in 1982. Communal sewage tile beds beyond these Plans were assumed much later. These Plans of subdivision have a municipal **water supply system** that is owned by the former Township of Medonte and the current Township of Oro-Medonte. It should have been designated as a Municipal Drinking Water Supply System by the Ministry of the Environment (MOE). It does not have this designation. The streets include **Beechwood**, **Maple Crest**, **Pine Ridge Trail**, **Pine Hill**, **Pine Spring**, **Pine Point**, **Cathedral Pines Road**, and **Pine Lane**.

Registered property LT29295, the former Township of Medonte, known as the Simcoe 35 **Condominiums**, has water rights and privileges that are protected by the Water Rights Guarantee Agreement of 1980. This Development belongs to the Zone 1 **water supply system** and should be included in the Municipal Drinking Water Supply System designation by the Ministry of the Environment (MOE). It currently does not have that designation.

The Zone 1 **water supply system** is, by every standard of definition, a municipally-owned drinking **water supply system**. Through Leasing Agreements, the Resort (Horseshoe Resort/Skyline) operate, maintain, and repair the entire system. On occasion the Resort repaired and replaced faulty pumps, valves, generators, and leaking mains at their own cost contractually. They had no contractual obligation to improve the system with new technologies or equipment mandated by the Municipality or Province of Ontario. In the early 1990s there was concern over the Zone 1 Standpipe. Engineers recommended that the reservoir be emptied, cleaned, and lined with stainless steel at an estimated cost of \$40000.00. Stakeholders argued about cost, but it appears that the Township was responsible for the addition of new capital components contractually. In the early 2000s, arguments ensued and the price of replacement of the Zone 1 Standpipe was approximately two million dollars including replacing some existing watermain in the system. Just recently, the price of a new above ground water storage facility is significantly higher. Had the system been fitted properly in 1990, the costs would have been considerably less significant.

In 1990, the former Township of Oro registered Plan 51M-456. LT185778 and LT185779 were registered with Land Titles in 1990 and 1991. LT185779 is a Water Agreement between the former Township of Oro and Horseshoe Resort (and its affiliates). Among other things, the Agreement separates irrigation equipment and snow-making equipment from Well #3 on Resort lands. The Agreement stipulates that the Zone 1 Standpipe be dedicated to the Zone 1 **water supply system**. A series of complications interrupted this assumption process, and Plan 51M-456 (Phase 4A), according to current staff of Oro-Medonte, has not accepted or assumed the belowground works. This is problematic on many levels, for the watermain traversing this Plan are between two fully-assumed Plans in the Highlands. Plans 51M-391 (Phase 1) and 51M-447 flank this unassumed portion of the Zone 2 **water supply system**. The Landscapes subdivision receives water through mains on Highland Drive. The MOE has designated the entire Zone 2 system as a Large Municipal Drinking Water System. This designation is problematic given that Plan 51M-456, including **Highland Drive West** past the Zone 2 Elevated Storage Tank, **Alpine Way**, **Pod's Lane**, **Bridle Path**, **Bunker Place**, **Nordic Drive**, and **Chestnut Lane**, is still in a period of Maintenance, which is technically still under the direct supervision of Horseshoe Resort/Skyline. This maintenance period has lasted 30 years! These Plans have a direct impact on the Zone 1 **water supply system**, since, once assumed, dedicates the remaining components to the entire **water supply system**, making it a completely integrated two-Zone **water supply system** as articulated by the engineers in the early 1990s, Knox, Martin, and Kretch. Please review the KMK Report of 1992 for a more concise summary of the existing municipal **water supply system** as planned, designed, and implemented in the early 1990s.

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An Executive Summary

Residents serviced by the Zone 1 **water supply system** in Horseshoe Valley were recently advised by the Township of Oro-Medonte that certain works would be undertaken that would ultimately lead to the integration of Zones 1 and 2 under complete ownership and control by the Township as a municipal **water supply system**. The current users of the Zone 1 system were considered, by the Township, to be serviced by a “private” (Skyline) system and as such would be charged the same fee as a new development “hook-up” in addition to paying the regular metered rate for water. This “hook-up” fee would add almost \$93 per quarter to their water bill over a 25 year period. Residents of Zone 1 became immediately engaged, through a co-operative arrangement, with the Township’s sanction, to form a Focus Group consisting of residents from each of the communities in the area serviced by the Zone 1 **water supply system**.

The Focus Group then undertook to review the history of the establishment of **water supply systems** in Horseshoe Valley. The review consisted mainly of accessing municipal documents from the former Townships of Oro and Medonte and the current Township of Oro-Medonte. This review also considered documentation from personal files of residents and information gathered from Real-Estate listings.

As is common in most developments, the developer is responsible for building the infrastructure (at their cost) and once the Township is satisfied with the integrity of the system (roads, water supply, sewage, disposal, and the like), the Township assumes ownership. This intent is clearly articulated in the 1991 Agreement and the recommended works to fulfill the agreement were expressed in the Knox, Martin, and Kretch (KMK) Report of 1992.

It appears from the evidence (By-Laws and Agreements) that the rights and privileges of the Zone 1 infrastructure (watermains, hydrants, standpipes, etc.) and supply were guaranteed through a combination of easements, Agreements and, for the most part, outright assumption by the Township(s) over the ensuing years. The one area that is unclear is the source of water supply for Zone 1. The KMK Report recommended that the original well (Resort Well #3) be disconnected from the system and that it be used for the irrigation and snowmaking requirements of Horseshoe Resort. The rest of the Zone 1 system including all private residents and the resort facilities (the Inn, Lodges, etc.) would be serviced with potable water supplied by additional wells to be constructed by the developer and then assumed by the municipality. The existing supply well was sufficient to handle the then existing potable water needs and firefighting capabilities of the day and only would need to be supplemented when additional development came on line (the controversial Timber Ridge Development for instance). The current contemplated works apparently include that provision of additional capacity to service new development. Other Salvil wells near Country Club Lane on Horseshoe Valley Road, also historically provided water to Medonte and the Zone 1 **water supply system**.

From the standpoint of the existing and former residents of Zone 1, it was and is assumed that they are part of a municipal **water supply system**. The evidence of this is overwhelming in that almost all the Real Estate listings refer to the water service as “municipal” and none refer to it as “private”. In addition to that, the billing has always been from the Township and the payment was always made to the Township. The billing, although more recently containing some wording around the fact that some customers are serviced by a private system, never, at any time, is there specific communication that customers in Zone 1 are serviced by a private system owned by Horseshoe Resort (Skyline). To be sure, Horseshoe is the “operator” of the water supply system contractually (WRGA, 1980). Had the Township wished to make this clear it could have been communicated as a separate letter to the homeowner rather than an understated note on a municipal water bill.

The attached research and conclusions are lengthy and fulsome and can only lead to the acknowledgement that Zone 1 has always been and continues to be a municipally-owned **water supply system**, operated, maintained, and repaired by the Horseshoe Resort/Skyline. For a more comprehensive discussion of the evolution of the **water supply system** in Horseshoe Valley, please see the Conclusion on page 203. Key By-Laws, Agreements, and Council Minutes directly related to the chronology of events are bolded in yellow as the reader makes their way through this comprehensive, and at times, arduous time-line. Please also see a copy of the Presentation made for the Focus Group on page 209.

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1967

-Plan 1531. November 9th, 1967 was registered. This Plan of subdivision is protected by water rights and privileges under the **Water Rights Guarantee Agreement of 1980** and the supplemental Amendments and By-Laws of 1982. (By-Laws 82-5 and 82-6)

1974

-**By-Law 1974-1051**, to accept certain roads: Horseshoe Blvd, Birch Grove Dr. & Country Club Lane. Plan 1587 Roads Assumed, By-law also mentions storm sewers and basins.

-**By-Law 1974-1051**, to assume water lines, shut PT. LOT 1, CONC. 4, Registered off valves & hydrants PLAN 1587, Horseshoe Valley. This is the assumption of water supply system components on the Oro side.

-**By-Law 1974-1051**, Section 3; "The Township shall collect the sum of \$72.00 per annum from each property owner within Plan 1587 who is connected to the water line..."

1979

-**Water Works Project**. Contract No. 78386. Ainley and Associates Ltd. Consulting Engineers & Planners. Corporation of the Township of Medonte and Salvil Investments Limited 1979-1980. The development of the **water supply system** in Horseshoe Valley.

1980

-June 27th, 1980. Simcoe Condominium Development. Registration # LT29295. This set of buildings was part of the **Water Rights Guarantee Agreement, May 23rd, 1980.**

-**Water Rights Guarantee Agreement, May 23rd, 1980.**

-This Water Rights Guarantee Agreement became the foundation of the Zone 1 municipal **water supply system** in Horseshoe Valley. Former Township of Medonte.

-Watermain Maintenance and Repair Agreement between the County of Simcoe and Horseshoe Corporation July 22nd, 1980.

-A Flat Annual Water Rate of \$90.00/a was charged to each water connection in Zone 1 from 1980. (WRGA, 1980, p.4) Former Township of Medonte.

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-Easements were to be registered “to permit Medonte access to the water mains, wells and reservoirs...” (WRGA, 1980, p.6 – 7) Former Township of Medonte.

-**By-Law 1392.** A By-Law to authorize construction of water mains and 7 fire hydrants for Plans 1531, M-10, M-11, and M-23. Former Township of Medonte.

-**By-Law 1402.** A Capital Expenditure By-Law for Horseshoe Valley. Former Township of Medonte.

1981

-September 1st, 1981. **Oro Township Council Chambers.** “Presented letter from Horseshoe Valley Resort advising that Horseshoe Valley Ltd. had not informed the Township of the change in water rates for 1981 from \$ 90. 00/a to \$100. 00/a, therefore requesting that the \$ 10.00/a be added to the 1982 rates of which property owners on Plan 1587 have been advised. Horseshoe Valley Ltd will be forwarding a printed notice to the Township to enclose with water bills in 1982.” This original \$90.00/a amount mirrors the rates articulated in the **Water Rights Guarantee Agreement, May 23rd, 1980.** (WRGA, 1980, p.4) It’s not clear if the same increase was applied to Zone 1 Medonte (1531, M-10, M-11, and M-23). It is worth observing, however, that Zone 1 Oro (1587) seemed to be guided by aspects of the WRGA of 1980.

-September 8th, 1981. **By-Law 1418.** “By-Law to authorize the construction of certain water mains, fire hydrants, and booster pump station to service lots 1531, M-10, M-11, and M-23 at an estimated cost of \$149000.00.” Former Township of Medonte.

-September 8th, 1981. **By-Law 1419.** “WHEREAS by By-Law, number 1418 the Council of the Corporation authorized the borrowing of \$203,395. 53 by the issue and sale of debentures to provide for the cost of Horseshoe Valley’s local improvement for the construction of watermains and pumping station.” Former Township of Medonte.

1982

-This Amending Agreement, February 10th, 1982.

-The Amending Agreement (TAA) of 1982 amends aspects of the **Water Rights Guarantee Agreement of 1980.**

- The Corporation of the Township of Medonte assumes most of the **water supply system** components associated with The System. (TAA, 1982, p.1)

-“It is understood and agreed that Horseshoe Valley is prepared to **lease the system**, including the pump house in its “as is” condition, but in the event that the lease is terminated it shall be the responsibility...”

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

(TAA, 1982, p.2) This mutual agreement ad idem shows a mutual intent to take over key aspects of “The System”. (TAA, 1982, pp. 2, 3, and 4)

- Horseshoe Valley becomes the Lessee of The System for \$1 per year for a **5-year period**, during which the Township of Medonte could terminate the terms of the lease at any moment. It appears as though several leasing agreements were signed by the Township and Horseshoe. These leasing agreements continued until at least 1992 and may still be in effect today. A total of 8 agreements may have been effected. (TAA, 1982, p.2)

- Horseshoe agrees to be responsible for **repair, maintenance, and replacement** of all capital components of the water supply system. (TAA, 1982, p.2)

- The Township of Medonte charged each resident \$90.00 per year and \$5.00 was held back by the Township of Medonte for Administrative purposes. While fees were increased on the Oro side (Plan 1587) by \$10.00/a, the \$90.00/a water rate on the Medonte side (Plans 1531, M-10, M-11, and M-23) stayed in place until **By-Law 96-125**. (WRGA, 1980, p.4)

- This may became the second municipally-owned **water supply system** in Horseshoe Valley, despite the System being operated and maintained by Horseshoe Resort, a Private Corporation. The first municipally-owned **water supply system** happened in 1974 in the former Township of Oro known as Plan 1587 (See **By-Law 1974-1051**)

-Within the framework of the Amending Agreement of 1982, A Pro rata share of the cost of a sinking fund was apparently established. “This capital amortization component charge shall be charged at the same time as all other charges for the supply of water and collected and retained by the Township for that purpose.” (WRGA, 1980, pp. 5 and 6)

-February 10th, 1982. **By-Law 82-5**. Assumption of roads in M-10, M-11, and M-23.

- **April 1st, 1982, Reid and Associated Limited Consulting Engineers** in a letter to the Township of Medonte states that “On Wednesday, March 31, 1982, we again looked at the pump-house. We would report that the facilities have been upgraded to substantially what was agreed upon at our January 18th, 1982 meeting. **“We would recommend that the roads and waterworks be assumed.”**”

-July 13th, 1982. **By-Law 82-18**. Re-zoning from Ski Resort (SR) to Environmental Protect (EP) to Residential-First Density (R1)

-October 12th, 1982, Council Meeting of the Township of Medonte. Resolution **82-242** was passed as follows: “That the Reeve and Clerk are authorized to execute a Water Rights Amending Agreement between the Township, Horseshoe Valley Ltd. and Salvil Investments Ltd.”

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

-October 12th, 1982, Council Meeting of the Township of Medonte. Resolution 82-243 was passed as follows: *“That a By-Law to authorize the assumption of certain watermains, valves, hydrants and services, pump house and pumping equipment presently serving the lots of RP 1531, M-10, M-11 and M-23 in the Township of Medonte be considered read a third time and passed this 12th day of October, 1982 and numbered **By-Law 82-6**”*. The Medonte side thus becomes a municipally-owned **water supply system** by virtue of this By-Law.

-**By-Law 82-6** is the birth of a Municipally-Owned **Water Supply System** in the Township of Medonte. The Township “owns” the complete **water supply system** on the Medonte side and may have full access to properties in the form of easements dealing with the main well (Well 3) and standpipe on Horseshoe property within the former Township of Oro. The By-Law includes the supply of domestic water and the entire distribution network known as Zone-1 Medonte. Watermains in the Former Township of Oro were also included in this By-Law and **Water Rights Guarantee Agreement of 1980**. (WRGA, 1980)

1985

-February 12th, 1985. The Corporation of the Township of Medonte. Minutes. “Resolution 85-15 was passed as follows: ***That Council write off as uncollectable accounts with Salvil Investments in the amount of \$1583.42.***” Former Township of Medonte.

1987

-**By-Law 1987-15**. “BEING a By- Law to adopt estimates for the year 1987 and provide for a levy to raise the sums as required to be raised by means of taxation. Administrative Fees-Horseshoe Valley Resorts (Waterworks) \$600.00. Former Township of Medonte.

-August 25th, 1987. The Corporation of the Township of Medonte. Minutes. ***“Resolution 87-242 was passed as follows: That Council increase the amount paid for the collection of water bills from 60 [cents] per bill to 75 [cents] per bill.”***

-March 1997. A Report by R.G. Robinson and Associates (Barrie) Ltd. Horseshoe Highlands Subdivision – Phase IVA. States that Watermain Certificate of Substantial Completion and Acceptance being issued October 26th, 1990. The current staff of Oro-Medonte confirms that there is no By-Law assuming the underground works, including watermains.

1988

-May 24th, 1988. **By-Law 88-16**. Administration Fees for Horseshoe Resorts (Waterworks) for \$745.00 Former Township of Medonte.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

-February 9th, 1988. The Corporation of the Township of Medonte. Minutes. "Resolution 88-22 was passed as follows: That council write off an account with Salvil Investments Ltd. in the amount of \$235.64 as uncollectable." Former Township of Medonte.

-By-Law 1988-089. To create a water inspection, operation and maintenance department. Sets out regulations relating to water systems and the imposition of rates in the former Township of Oro.

1989

-June 1st, 1989. **By-Law 89-11.** Administration Fees for Horseshoe Valley. \$780.00. Former Township of Medonte.

-June 20th, 1989. Registration of LT148430. This is Phase 1 of Zone 2 of the former Township of Oro. The streets include **Highland Drive** from the 4th Concession of Oro to approximately the Zone 2 Elevated Storage or Standpipe. **Fairway Court** is also included in Plan 51M-391. The Toronto-Dominion Bank is listed as the Chargee, the bank that holds a charge over this plan of subdivision.

1990

-April 3rd, 1990. Registration of LT178069. This is Phase 2 of Zone 2 of the former Township of Oro. The streets include **Valleycrest Drive and Dale Court** in Plan 51M-447. The Toronto-Dominion Bank is listed as the Chargee, the bank that holds a charge over this plan of subdivision.

-July 24th, 1990. **By-Law 1990-022. Zoning By-Law 1990-22 Township of Medonte.** This Zoning By-Law impacts the lands around, beside, and within the properties of Horseshoe Resort (Timber Ridge). The Horseshoe Resort Corporation and their partners attempted to Appeal this By-Law which precipitated **1991-30**. Former Township of Medonte.

-June 20th, 1989. Registration of LT185779. (Water Agreement) This is Phase 4A of Zone 2 of the former Township of Oro. The streets include **Highland Drive** from approximately the Elevated Storage or Standpipe Zone to the 3rd Concession of Oro. **Alpine Way, Pod's Lane, Bridle Path, Bunker Place, Nordic Trail, and Chestnut Lane** are included in Plan 51M-456.

-The Agreement encompasses the wells, standpipes, watermains, and other equipment associated with the supply aspect of the Zone 1 and Zone 2 municipally-operated water supply system.

-*October 26th, 1990. Watermain installed and tested with Certificate of Substantial Completion and Acceptance (Underground) being issued. There is no record of a Final Acceptance. The Township of Oro-Medonte confirmed that Plan 51M-456 Underground works have not been assumed by By-Law to this day.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

- October 31st, 1990. Registration of LT185778. (Subdivision Agreement) This is Phase 4A of Zone 2 of the former Township of Oro. The streets include **Highland Drive** from approximately the Elevated Storage or Standpipe Zone to the 3rd Concession of Oro. **Alpine Way, Pod's Lane, Bridle Path, Bunker Place, Nordic Trail, and Chestnut Lane** are included in Plan 51M-456

1991

-This Agreement, January 1st, 1991. (NOA)

- Definitions around a Municipal Water System for Zone 1 and Zone 2 in Horseshoe Valley. (NOA, 1990, p.6)

- The language includes wells, standpipes, pumps, lands with multiple references to a Municipal Water System and an **Existing Municipal Water System**. (NOA, 1990, pp. 5 to 9)

-January 24th, 1991. **By-Law 1991-011**. "Being a By-Law to Authorize the Execution of a Subdivision Agreement (Horseshoe Highlands Phase IVA)

- January 24th, 1991. **By-Law 1991-012**. "Amendment Agreement (Horseshoe Highlands Phase IVA)

-March 4th, 1991, Regular Meeting of Council of the Township of Oro. "Be it resolved that the Corporation of Oro, with the consent of the Corporation of the Township of Medonte, reopen negotiations with Horseshoe Valley for the purpose of entering into a **tri-party Agreement** to replace the present agreement between the Horseshoe Resort Corporation and the Corporation of the Township of Oro and the existing agreement between the Horseshoe Resort Corporation and the Corporation of the Township of Medonte; and further, the **tri-party Agreement** is to provide for the assumption of the Oro System by the Corporation of the Township of Oro and for the maintenance and supply of the Medonte System by the Corporation of the Township of Oro; and further, the Township of Oro's solicitor and Engineering Consultant with the assistance of the Administrator/Clerk from the Corporation of the Township of Oro is instructed to prepare a draft **tri-party Agreement** for the approval of Council and presentation to the Township of Medonte and Horseshoe Valley."

-October 28th, 1991. **By-Law 1991-30**. "A BY- LAW to authorize the execution of a settlement agreement between Horseshoe Resort Corporation and the Corporation of the Township of Medonte. WHEREAS it is seemed expedient to enter into a Settlement Agreement with Horseshoe Resort Corporation with respect to the appeal by Horseshoe Resort Corporation of **By-Law 1990-22** of the Township of Medonte. That the Reeve and Clerk are hereby instructed not to complete the execution of the Settlement Agreement and related documents until there is received from the municipal solicitor a letter confirming that the proposed Settlement Agreement and related documents are completed in accordance with the standards required by the Municipality."

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

1992

-On June 30th, 1992, Knox Martin Kretch Limited presented a Report on Valley Zone 1 Municipal Water System to Horseshoe Resort Corporation. (By permission from Keith Mathieson, Engineering and Environment Services, Oro-Medonte 2003)

-April 22nd, 1992, Regular Committee of the Whole Meeting. "David White, Township Solicitor, R.G. Robinson, Township Engineer, and Fred Haughton, Public Services Administrator, were present to review Horseshoe Valley Water System; Mr. Gary Cunnington, Clerk and Deputy Reeve Norm Dalziel from the Township of Medonte were also present for the Horseshoe Valley discussion.

(1) Mr. White explained that there was currently a registered agreement with Horseshoe to address water supply for future development proposals. The system has not been upgraded and there are no Letters of Credit to guarantee the works. Ideally, **a new tri-party Agreement** between Horseshoe Valley/Oro/Medonte for water supply and ownership, especially in light of a two hundred and fifty (250) unit condominium proposal in Medonte, should be entered into. **R.G.** Robinson could investigate the water systems on both sides of Horseshoe Valley Medonte to look at any deficiencies and requirements for upgrading."

- April 22nd, 1992, Regular Committee of the Whole Meeting. "It is recommended that the Letter from David S. White, Township Solicitor, regarding Horseshoe/Salvil - Easements, be received and referred to R.G. Robinson and Associates to confirm and report back on the request to release the Letter of Credit."

- April 22nd, 1992, Regular Committee of the Whole Meeting. "It is recommended that R. G. Robinson and Associates Limited, be directed to review the present Water Systems in the Horseshoe Valley Developments, both existing and proposed within the Townships of Oro and Medonte, and further, any costs associated with same will be recovered from Horseshoe Valley, failing which the Township of Medonte would absorb the costs, subject to Medonte's confirmation."

-July 3rd, 1992. The Corporation of the Township of Medonte. Minutes. **"Resolution 92-190 was passed as follows: That Council of the Township of Medonte enter into an agreement with the Township of Oro to have them provide a program of inspection and maintenance of the Township's water system."** This Resolution shows that since the Township of Oro owned the supply components and some other components in Plan 1587, that the Township of Medonte wanted Oro to inspect and maintain the system on their behalf. Maintenance, operation, and repair of the Water System was performed by Horseshoe Resort Limited and Salvil Investments Limited under the **Water Rights Guarantee Agreement, May 23rd, 1980 and By-Law 82-6 of 1982** prior to the 1990 Agreement (Oro, Horseshoe, and Salvil). **Former Township of Medonte.**

-**By-Law 1992-50.** "That a By-law to extend an agreement with Horseshoe Resort Corporation be considered read a first and second time, read a third time and passed this 14th day of September, 1992 and numbered By-law 1992- 50". See **Zoning By-Law 1990-22 Township of Medonte.** Former Township of Medonte.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

1993

-February 3rd, 1993. **By-Law 1993-18** "Being a By-Law to Authorize the Issuance of the Certificate of Maintenance and Final Acceptance (Underground Works) for Horseshoe Highlands Subdivision – Phases 1 and II)".

-June 14th, 1993. **By-Law 1993-18**. Former Township of Medonte. Proposed Budgets for Water Works Systems for the Former Township of Medonte. Shows residential and non-residential billing amounts, administration fees, transfer fees to "others", and capital. Former Township of Medonte.

1994

- August 24th, 1994, ***Special Meeting Oro-Medonte**. "It is recommended that the Treasurer advise Horseshoe Resort Corporation and their lenders that the Township will begin the Tax Registration of properties on January 2, 1995."

-Amalgamation Consolidation Process Finalized

1996

-**Water testing in the Province of Ontario was privatized by the Mike Harris government.**

-March 28th, 1996. Ron Robinson, R. G. Robinson & Associates was present to brief Council regarding the Horseshoe Resort Water System.

- March 28th, 1996. Peter Smith, Reid & Associates, was present to give Council an overview of the Horseshoe Resort S. B. R. system.

- *March 28th, 1996. Special Council Meeting, Oro-Medonte. "Be it resolved that Township Solicitor, David White, contact Horseshoe Valley Resort to advise that the **1990 Agreement, Registration No. 185779 is terminated** and further that Draft Plan Condition No. 6 be complied with immediately and further that a Letter of Credit be deposited with the Township to guarantee that Condition # 6 can be complied with and that the Township will not allow Discovery Ridge to proceed until Draft Plan Condition No. 6 is complied with." A recent Land Titles search reveals that LT185779 was perhaps not terminated. In fact, no amendments or notes were added to this agreement.

-December 18th, 1996, Oro-Medonte **By-Law 96-125** changes the fixed rate of tax for the Municipal Water System. The flat rate is increased to \$200.00/a. This new rate is in effect until 2002. This shows that the Water Agreement of 1980 is still in effect and the fixed rate aspect of **By-Law 82-6** and the **WRGA of 1980** is being exercised to reflect increases in rates.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

-By-Law 96-122. “Being a By-Law to Regulate the Distribution and Use of Water and to fix the prices and the time of payment and to amend **By-Law No. 1051** of the former Township of Oro” This was REPEALED and replaced. “That **Section 3 of By- Law 1051** of the former Township of Oro is hereby revoked”

-December 18th, 1996, **By-Law 96- 124.** “That the rate shall be imposed against the ratepayers serviced by the Horseshoe Highlands, Zone 2, waterworks system, including Plans M391, M447, and M456, for the supply of water; AND WHEREAS there may be agreements with respect to waterworks systems.” This last phrase is notable given that the **1990 Agreement** was intended to be “terminated”. This implies that their request may not have been exercised.

1997

-*March 1997. R.G. Robinson and Associates Report. Horseshoe Highlands Subdivision-Phase IVA. 5 lots held as security and listed as surplus lands for sale by Oro-Medonte. Final Acceptance and assumption of belowground works are not granted or assumed. See Appendix and Conclusions. This Report had a significant influence on the Zone 2 water supply system and the integration of the Zone 1 water supply system. The water supply system is designated as a “communal [Municipal] system with well supply”. LT185778 and LT185779 are integrated registered documents that are problematic at this time. See the discussion in the conclusion and summary.

-April 16th, 1997. **By-Law 97-32.** “Being a By-Law to Authorize the Execution of a Letter of Agreement to Establish the Severn Sound Environmental Association (Severn Sound Remedial Action Plan)”

-October 15th, 1997. **By-Law 1997-73.** “AND WHEREAS there may be agreements with respect to waterworks systems; That **By-Law 96-122** of the Township of Oro- Medonte is hereby repealed;” Rate of \$200.00/a. REPEALED

-October 15th, 1997. **By-Law 1997-76.** “AND WHEREAS there may be agreements with respect to waterworks systems; That the rate shall be imposed against the ratepayers serviced by the Horseshoe Valley-Medonte, Zone 1, waterworks system, including Plan 1531, M10, M11 and M23, for the supply of water; That the residential rate for the year, if paid by the due date, shall be \$200.00;”

-October 15th, 1997. **By-Law 1997-77.** “AND WHEREAS there may be agreements with respect to waterworks systems; That the rate shall be imposed against the ratepayers serviced by the Horseshoe Highlands, Zone 2, waterworks system, including Plan M391, M447 and M456, for the supply of water; That the residential rate, per unit, for the year, if paid by the due date, shall be \$200.00;”

-*November 5th, 1997. Oro-Medonte Council Meeting. “Be it resolved that Jennifer Zieleniewski, CAO/Treasurer and Chris Williams, Township Solicitor be authorized to file a Statement of Defence and

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Counter Claim in response to the Statement of Claim served by Horseshoe Resort Corporation as **Court File G21205-97.**"

-*December 17th, 1997. Oro-Medonte Council Meeting. "Be it resolved that the confidential report from Jennifer Zieleniewski, CAO/Treasurer, re: Horseshoe Valley Resort Corporation **Bankruptcy Proposal**, be received and adopted."

1998

-January 7th, 1998. Oro-Medonte Council Meeting. Motion No. 13 Moved by Sommers, seconded by Craig. "Be it resolved that the report from Jennifer Zieleniewski, CAO/Treasurer, re: Update re Notice of Intention to Enforce Security (HRC)/ Horseshoe Valley Resort Corporation Proposal of January 6, 1998, be received and adopted."

-January 7th, 1998. Oro-Medonte Council Meeting. Motion No. 17 Moved by McConnell, seconded by Hough. "Be it resolved that the verbal confidential report from Jennifer Zieleniewski, CAO/Treasurer, **re: Toronto-Dominion Bank, Zurich Indemnity Company of Canada**, Horseshoe Valley Limited Partnership and Horseshoe Resort Corporation vs. The Corporation of the Township of Oro-Medonte be received and further that the CAO/Treasurer be authorized to proceed with the Statement of Defense."

-January 7th, 1998. Oro-Medonte Council Meeting. Motion No. 18 Moved by McConnell, seconded by Bell. "Be it resolved that the confidential report from Jennifer Zieleniewski, CAO/Treasurer re: Personnel, be deferred."

-*February 4th, 1998. **By-Law 98-13**. "BEING A BY -LAW TO ADOPT A STATEMENT OF INVESTMENT POLICIES AND GOALS WITH RESPECT TO THE INVESTMENT OF SURPLUS CASH, RESERVE AND RESERVE FUNDS, AND SINKING FUNDS"

-April 1st, 1998. **By-Law 98-43**. "Being a By-Law to Authorize an Agreement for the purpose of delegating to the Health Unit certain responsibilities with respect to sewage systems (with a capacity of less than 10,000 litres per day). **No inspection needed** for systems with a capacity less than 10,000 litres per day."

-May 6th, 1998. **By-Law 98-48**. "BEING A BY- LAW TO AUTHORIZE BORROWING" AND WHEREAS the total amount of the estimated revenues of the Corporation as set forth in the estimates adopted for the preceding year, not including revenues derivable or derived from (a) borrowings or issues of debentures, (b) surpluses including arrears of levies, and (c) transfers from the capital fund, reserve funds, or reserves is 21,106,706 (8,796,442 + 1,545,426 - 172,932 + 11,293,369 + 1,264,046 - 0 - 310,942 - 1,308,703); AND WHEREAS twenty- five (25) per cent of the total of the estimated revenues of the Corporation as set forth in the estimates adopted for the preceding year is \$ 5,276,676;" How much of these "reserve funds" came from the Zone 1 & Zone 2 **water supply systems** in Horseshoe Valley.

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-November 4th, 1998. **By-Law 98-106**. Horseshoe Highlands - M-391, M-447, M-456 ZONE 2, Minimum Rate \$200.00/Unit; Horseshoe - Oro 1587, \$200.00/Unit; Horseshoe - Medonte 1531, M-IO. M-11, M-23, \$200.00/Unit.

1999

-October 6th, 1999. **By-Law 99-106**. Horseshoe Highlands - M-391, M-447, M-456 ZONE 2, Minimum Rate \$200.00/Unit; Horseshoe - Oro 1587, \$200.00/Unit; Horseshoe - Medonte 1531, M-IO. M-11, M-23, \$200.00/Unit.

-December 15th, 1999. **By-Law 99-130**. Horseshoe Highlands - M-391, M-447, M-456 ZONE 2, Minimum Rate \$200.00/Unit; Horseshoe - Oro 1587, \$200.00/Unit; Horseshoe - Medonte 1531, M-IO. M-11, M-23, \$200.00/Unit.

2000

-October 4th, 2000. **By-Law 2000-76**. "Being a By-Law to Authorize the Issuance of a Certificate of Substantial Completion and Acceptance (Aboveground Works) Horseshoe Highlands - Phase IVA."

- ***Walkerton outbreak of waterborne gastroenteritis.**

2001

January 17th, 2001. **By-Law 2001-05**. "Being a By-Law to Authorize the Issuance of a Certificate of Substantial Completion and Acceptance (Above-Ground Works) Horseshoe Highlands - Phase II." Phase 2 belongs to Plan 51M-447, which includes **Valleycrest Drive** and **Dale Court**.

-June 6th, 2001. **By-Law 2001-58**. Horseshoe Highlands - M-391, M-447, M-456 ZONE 2, Minimum Rate **\$325.00/Unit**; Horseshoe - Oro 1587, \$200.00/Unit; Horseshoe - Medonte 1531, M-IO. M-11, M-23, \$200.00/Unit.

2002

- ***Safe Drinking Water Act**

-January 16th, 2002. **By-Law 2002-002**. "Being a By-Law to Authorize the Issuance of a Certificate of Maintenance and Final Acceptance (Aboveground Services) for Horseshoe Highlands Subdivision-Phase 4A (Horseshoe Resort Corporation)." This is Plan 51M-456. The streets include **Highland Drive** (from approximately the Zone 2 Standpipe to the 3rd Concession of Oro), **Alpine Way**, **Pod's Lane**, **Bridle Path**,

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Bunker Place, Nordic Trail, and Chestnut Lane. Township of Oro-Medonte staff have confirmed that the Underground Services have been given final acceptance. If LT185779 was fully executed and certificates of maintenance and final acceptance for the belowground services were issued, then the Zone 1 Standpipe and other mains, valves, hydrants and other equipment associated with the elevated storage would have been dedicated to the Zone 1 **water supply system** which it apparently was not.

-January 28th, 2002, Horseshoe **letter** from Vice President of Operations and Development to Township of Oro-Medonte CAO, Ms. Jennifer Zieleniewski. The letter states that Horseshoe Resort “owns and operates” a water system that supplies water to Zone 1 Oro and Zone 1 Medonte Residents. The letter asks for water rate increases for Zone 1 residents to match billing for Zone 2 residents. The Resort refers to the 1980 water agreement that provides for “a fixed water rate plus the cost of collection”. (WRGA, 1980, p. 5) It also asks for cost of living allowances and electrical power costs as well. (WRGA, 1980, p. 5) The Resort relies on the Agreement for direction but fails to recognize that the distribution system was assumed in October of 1982 by Medonte Township. At the time, **By-Law 82-6 stated that “AND WHEREAS the Developer is prepared to dedicate the said mains, services, building and equipment to the Corporation at no cost to the Corporation;”** The Township of Medonte “owned” this water distribution system in 1982 and thereafter.

-March 20th, 2002. Township of Oro-Medonte Council Meeting. “e) Horseshoe Valley Resort Ltd., **correspondence** requesting a water rate increase.” This is evidence that the Water Agreement of 1980 is still being exercised. The water rate was increased to \$325.00/a, an increase of \$125.00/a.

-August 14th, 2002. **By-Law 2002-86**. Horseshoe - Oro 1587, \$325.00/Unit; Horseshoe - Medonte 1531, M-IO. M-11, M-23, \$325.00/Unit.

-**Report**. Horseshoe Valley Zone 1-Request for Water Rate Increase. By Keith Mathieson. The WRGA of 1980 is again used as a reference point for this Report which clearly shows the relevance of the Water Rights Guarantee Agreement on rates imposed on Zone 1 residents in Horseshoe Valley.

-December 11th, 2002. **By-Law 2002-131**. A By-law to Rezone Concession 4, Plan M-447, Lot 18, Township of Oro-Medonte (formerly Township of Oro), County of Simcoe (Horseshoe/Salvil (Oro) Ltd.)

-December 18th, 2002. **By-Law 2002-133**. “Being a By- Law to Authorize the Issuance of a Certificate of Maintenance and Final Acceptance (**Aboveground Works**) for Horseshoe Highlands Subdivision, Phase 11- 51M-447 (Horseshoe/Salvil (Oro) Limited)”.

2003

-From the period of 1997 to approximately 2008, the water bills in Oro-Medonte did not provide information explaining that residents were “served” by a private system. These bills indicate to anyone paying them that they were paying a municipal bill for water. In 2003, as part of the actual bill, a supplement was attached

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forwarding information by the Director of Engineering and Environmental Services, Keith Mathieson (Oro-Medonte). It clearly refers to our **water supply system** as a Municipally-Operated Water System.

-March 11th, 2003 **Letter** from Martin Kimble, Vice President, Operations & Development, Horseshoe Resort. The letter asks for a rate increase of \$575.00, to cover the increased operating costs. This increase is in effect until 2005.

-April 16th, 2003. **By-Law 2003-24**. Horseshoe Highlands - M-391, M-447, M-456 ZONE 2, Minimum Rate \$575.00/Unit; Horseshoe - Oro 1587, \$575.00/Unit; Horseshoe - Medonte 1531, M-IO. M-11, M-23, \$575.00/Unit.

-Township of Oro-Medonte **Report**. Horseshoe Valley Zone-1 Request for Water Rate Increase. By Keith Mathieson. Once again, the WRGA of 1980 is used as a municipal vehicle to drive these water rate increases.

2004

-March 17th, 2004. **By-Law 2004-024**. "Being a By-law to Amend By-law No. 2003-025, a By-law to Regulate Municipal Water Systems within the Township of Oro-Medonte"

-May 14th, 2014. **Water Taking As a Land Use: Options for Municipalities**. Prepared for the Township of Oro-Medonte by Meridian Planning Consultants Inc.

2005

- May 4th, 2003. **By-Law 2005-43**. Horseshoe Highlands - M-391, M-447, M-456 ZONE 2, Minimum Rate \$575.00/Unit; Horseshoe - Oro 1587, \$575.00/Unit; Horseshoe - Medonte 1531, M-IO. M-11, M-23, \$575.00/Unit.

2006

-Horseshoe Resort Letter Water Rate Increase. Martin Kimble, Vice President, Operations & Development, Horseshoe Resort. This is yet another example in a string of events linking the WRGA to the imposition of rates in Zone 1, Horseshoe Valley.

-May 17th, 2006. **By-Law 2006-044**. Horseshoe Highlands - M-391, M-447, M-456 ZONE 2, Minimum Rate \$600.00/Unit; Horseshoe - Oro 1587, \$600.00/Unit; Horseshoe - Medonte 1531, M-IO. M-11, M-23, \$600.00/Unit.

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2009

-September 9th, 2009. **By-Law 2009-115**. "AND WHEREAS Council of the Township of Oro-Medonte did, on the 13th day of May, 2009, enact **By-Law 2009-056** to provide for the imposition of fees or charges; AND WHEREAS Council deems it necessary to amend Schedule "J" of **By-Law 2009-056**; 3.6 Where no quarterly water meter reading can be obtained, the unit shall be automatically charged a consumption charge of \$100.00, per quarter, until the meter reading is obtained or the requirements under Section 3.3 have been completed by the municipality."

-March 25th, 2009. By-Law 2009-039. Being a By-Law to Authorize the Execution of the **Ontario Small Waterworks Assistance Program**. Received \$25000 each year for 4 years. Total assistance of \$100000, \$25000 each year for 4 consecutive years. It's not clear how much of these funds went to the Zone 1 and Zone 2 **water supply system** in Horseshoe Valley.

2010

-June 23rd, 2010. **By-Law 2010-093**. Horseshoe - Oro 1587, \$600.00/Unit; Horseshoe - Medonte 1531, M-IO. M-11, M-23, \$600.00/Unit.

2011

-April 27th, 2011. **By-Law 2011-064**. "AND WHEREAS Council of the Township of Oro-Medonte did, on the 23rd day of June, 2010, enact **By-Law 2010-093** to provide for the imposition of fees or charges; AND WHEREAS pursuant to Motion No. C110406-15 Council has deemed it necessary to amend Schedule "J", Water, of **By-Law 2010-093**. Consumption Charge Each unit shall be assessed a consumption charge at the rate of \$1.90 per cubic meter (m³). Effective July 1, 2011, each unit shall be assessed a consumption charge at the rate of \$2.02 per cubic meter (m³)."

-Along with quarterly water bills, the Township of Oro-Medonte often attached supplemental documents about the municipally-operated water system. While the Township has several separate **water supply systems**, none of these accompanying information supplements differentiates these systems as municipal or non-municipal (PVT), so naturally most residents think that they belong to a municipally-operated **water supply system**. The 2011 letter/supplement was about proposed maintenance flushing of water systems.

2012

-April 4th, 2012. **By-Law 2012-062**. "SCHEDULE `J' TO **By-Law 2012-062** WATER; Horseshoe - Oro 1587, \$600.00/Unit; Horseshoe - Medonte 1531, M-IO. M-11, M-23, \$600.00/Unit; "Municipal Water Systems" shall include all water works established within the present Township of Oro-Medonte, and shall further include any present or future extensions to the water works under any Act or under an agreement between the

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Township or its predecessors, but shall not include any private water works which have not been acquired, established, maintained or operated by the Township or its predecessors.” This definition of “Municipal Water Systems” is notable because it includes, by definition, both Zone 1 Oro Plan 1587 (**By-Law 1974-1051**) and Zone 1 Medonte Plans 1531, M-10, M-11, and M-23 (**By-Law 1982-6**). Both By-Laws falls within an Agreement between the Township or its predecessors, namely the former Townships of Oro and Medonte.

- Along with quarterly water bills, the Township of Oro-Medonte often attached supplemental documents about the municipally-operated water system. While the Township has several separate water systems, none of these accompanying information supplements differentiates these systems as municipal or non-municipal (PVT), so naturally most residents think that they belong to a municipally operated water system. The 2012 letter/supplement was about **By-law No. 2009-082** watering regulations.

2013

-November 27th, 2013. **By-Law 2013-214**. Amending Water Meter Package by deleting \$394.50 and replacing with \$430.00.

2014

-February 5th, 2014. **By-Law 2014-012**. “Each unit shall be assessed a consumption charge at the rate of \$ 2.02 per cubic meter (m³); Horseshoe - Oro 1587, \$600.00/Unit; Horseshoe - Medonte 1531, M-IO. M-11, M-23, \$600.00/Unit.

-November 12th, 2014. **By-Law No.2014-127** Horseshoe Craighurst Corridor Master Plan Funding Agreement By-Law.

2015

-June 25th, 2015. **By-Law 2015-115**. “Each unit shall be assessed a consumption charge at the rate of \$2.22 per cubic meter (m³); Horseshoe - Oro 1587, \$600.00/Unit; Horseshoe - Medonte 1531, M-IO. M-11, M-23, \$600.00/Unit.

-Cole Engineering Group Ltd., Progress Report 1 available to Oro-Medonte

- The Zone 1 Oro-Medonte Water Bill from 2015 displays a header that indicates a Municipal Water Bill in 2015. It looks like any other Municipally-Operated Water Bill in Ontario. There is a statement about Zone 1 and Zone 2 being supplied by two ground water sources. There is no mention that either Zone belongs to a Private Water System. Between the period of 2008 and 2018, all of the water bills displayed this message in Zone 1 Horseshoe Valley.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

2016

-July 13th, 2016. **By-Law 2016-110**. "Each unit shall be assessed a consumption charge at the rate of \$2.44 per cubic meter (m³); Horseshoe - Oro 1587, \$800.00/Unit; Horseshoe - Medonte 1531, M-IO. M-11, M-23, \$800.00/Unit.

-December 8th, 2016. Skyline Utilities Services Inc. Engineering Evaluation **Report**. Horseshoe Valley Resort Water System, Town of Oro-Medonte, Project No.: WM16-0466

2017

-July 1st, 2017. **By-Law 2017-053**. That Sections 3. 1 and 3. 2 of Schedule "J" to **By-Law 2016-110**-Water be deleted in their entirety and replaced with; Operating Charges-Municipal Water Systems."

-May 10th, 2017. **By-Law 2017-061**. "And Whereas Council of the Township of Oro- Medonte did, on the 13th day of July, 2016, enact **By-Law 2016-110** to provide for the imposition of fees or charges; And Whereas Council deems it necessary to Sections 3.3 and 3.4 of Schedule "J" to **By-Law 2016-110** -Water; That Section 3.3 of Schedule "J" to **By-law No. 2016- 110**-Water be deleted in its entirety and replaced with: Municipal Water Systems-Non-Metered Units-Flat Rate; Owners on municipal water systems who do not allow access to their homes for the purpose of the installation or repair of water meters will, after three notices, be charged \$ 300.00 per quarter (\$1,200.00 annually); That Sections 3.4 of Schedule "J" to **By-Law 2016-110**-Water be deleted in its entirety and replaced with: Water Services provided by Skyline (a private (PVT) utility) - Flat Rate." It is noteworthy that this is the first time that the Flat Rate Zone 1 utility is given a private (PVT) designation since 1974 when the first Zone 1 municipally-operated **water supply system** was assumed, and the second occurring in 1982.

-October 3rd, 2017. Letter from Horseshoe Skyline regarding water rates for the Horseshoe System. Due to increased cost, Horseshoe is asking to set the rate to \$880/a. This is further evidence that the **Water Rights Guarantee Agreement of 1980** is still in effect given the Resort's contractual obligation to inform the Township of rate increases before the mailing of new bills to customers in Zone 1.

-November 22nd, 2017. **By-Law 2017-145**. "And Whereas **By-Law 2017-053** contained a typographic error; Council deems it appropriate to pass an amending By-Law in accordance with Motion No. SC170503-7 per the May 3, 2017 Special Council Meeting; That in Sections 3. 1 of Schedule "J" to **By-Law 2017-053**-references to effective dates of July 1, 2018 and July 1, 2019 be deleted and replaced with January 1, 2018 and January 1, 2019 respectively."

-December 13th, 2017. **By-Law 2016-166**. Water Services provided by Skyline (a private (PVT) utility) - Flat Rate; Horseshoe - Oro 1587, \$880.00/Unit; Horseshoe - Medonte 1531, M-IO. M-11, M-23, \$880.00/Unit.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

2018

-Cole Engineering Group Ltd., Progress Report 2 available to Oro-Medonte

- The Zone 1 Oro-Medonte Water Bill from 2018 displays a header that indicates a Municipal Water Bill in 2018. It looks like any other Municipally-Operated Water Bill in Ontario. For the first time in Zone 1 in Horseshoe Valley, the water bills between 2018 and 2020 state that some customers belong to a private water system, although it does not actually disclose that any particular customer belongs to the private system. Customers in Zone 1, who are presumably part of the so-called private system as articulated by the Township of Oro-Medonte, have been provided water bills that do not provide this important information.

-While the message on the water bills changed considerably during the 2018 calendar year, OREA Sales Documents show overwhelmingly that the water utility designation was consistently “Municipal”. It’s apparent from these documents that most people in Zone 1 who purchased homes since the early 1990s, bought them with the understanding that the water system in Zone 1 in Horseshoe Valley was a municipal one. Since OREA data was locked prior to 1990, information is not available since the inception of the water system in the 1970s.

-April 25th, 2018. **By-Law 2018-044**. Amended. “And Whereas the Corporation of the Township of Oro-Medonte operates and maintains municipal water systems; Water Services provided by Skyline (a private (PVT) utility) - Flat Rate; Horseshoe - Oro 1587, \$880.00/Unit; Horseshoe - Medonte 1531, M-IO. M-11, M-23, \$880.00/Unit.

2019

-October 28th, 2019. CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE. **Water Financial Plan**.

-November 6th, 2019. Special Council Meeting. **Municipal Drinking Water Financial Plan**.

- Cole Engineering Group Ltd., Draft Master Plan Report available to Oro-Medonte

- Cole Engineering Group Ltd., Final Draft Master Plan Report available to Oro-Medonte

- Cole Engineering Group Ltd., Final Master Plan Report available to Oro-Medonte

- Zone 1 Integration Water Plan

-Horseshoe Valley-Zone 1 Water Integration Staging

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

2020

-Focus Group Established to address possible fee structure of Zone 1 Integration Water Plan. Definitions of “Ownership” of the Water System were also discussed.

-Proposed 10% credit for Horseshoe Medonte Reserve Contribution

-Proposed 25% credit for Horseshoe Medonte Reserve Contribution

-Focus Group comprises of various Oro-Medonte staff, Zone 1 Oro Residents, Zone 1 Medonte Residents, Council Members from Ward 1 and Ward 3, and the Mayor of Oro-Medonte.

-March 12th, 2020. All stakeholders worked hard to reduce potential costs to the Residents of Zone 1 in Horseshoe Valley.

-There was debate about whether The System was a Private or Municipal System.

-March 13th, 2020. Special Council Meeting Regarding Zone 1 Water Rates.

-Decisions about Water Rates were deferred until the Focus Group had a chance to discuss further reductions in costs with Township staff members.

-The COVID-19 crises has caused a cancellation of the proposed March 25th meeting.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix A1

The Township of Medonte set up so-called Sinking Funds or Reserve Funds for the domestic water supply that included a pro rata share to provide for the replacement of the water system, based upon Ontario Ministry of the Environment guidelines and estimated costs. (TAA, 1982, p. 5) The following is a note from the Treasurer's Office billing the Pine Ridge Ski Club for amortization of Capital in the Horseshoe Valley Water System for periods 1985, 1986, 1987, 1988, 1989, and 1990 pertaining to water used for snowmaking. (See Appendix A2)

<p style="text-align: center;">TREASURER'S OFFICE MOONSTONE, ONTARIO LOK 1N0</p> <p style="text-align: right;">November 12, 1990</p> <p>M Pine Ridge Ski Club P.O. Box 94 R.R. #1 Barrie, Ontario L4M 4Y8</p> <p style="text-align: right;">Attention: Mr. D. Barbour</p> <p style="text-align: center;">IN ACCOUNT WITH TOWNSHIP OF MEDONTE</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">For amortization of Capital in the Horseshoe Valley Water System for periods 1985, 1986, 1987, 1988 and 1989 pertaining to water used for snowmaking</td> <td style="width: 20%; text-align: right;">\$1,500.00</td> </tr> <tr> <td colspan="2">Payable by Wed. Dec. 12, 1990</td> </tr> <tr> <td colspan="2">Overdue accounts are charged 1 1/4% per month or any portion thereof.</td> </tr> </table>	For amortization of Capital in the Horseshoe Valley Water System for periods 1985, 1986, 1987, 1988 and 1989 pertaining to water used for snowmaking	\$1,500.00	Payable by Wed. Dec. 12, 1990		Overdue accounts are charged 1 1/4% per month or any portion thereof.		<p style="text-align: center;">TREASURER'S OFFICE MOONSTONE, ONTARIO LOK 1N0</p> <p style="text-align: right;">November 12, 1990</p> <p>M Pine Ridge Ski Club P.O. Box 94 R.R. #1 Barrie, Ontario L4M 4Y8</p> <p style="text-align: right;">Attention: Mr. D. Barbour</p> <p style="text-align: center;">IN ACCOUNT WITH TOWNSHIP OF MEDONTE</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">For amortization of Capital in the Horseshoe Valley Water System for period Dec. 89 - Mar. 90 pertaining to water used for snowmaking</td> <td style="width: 20%; text-align: right;">\$791.00</td> </tr> <tr> <td colspan="2">Payable by Wed. Dec. 12, 1990</td> </tr> <tr> <td colspan="2">Overdue accounts are charged 1 1/4% per month or any portion thereof.</td> </tr> </table>	For amortization of Capital in the Horseshoe Valley Water System for period Dec. 89 - Mar. 90 pertaining to water used for snowmaking	\$791.00	Payable by Wed. Dec. 12, 1990		Overdue accounts are charged 1 1/4% per month or any portion thereof.	
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Payable by Wed. Dec. 12, 1990													
Overdue accounts are charged 1 1/4% per month or any portion thereof.													

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix A2

As the Owners of the **water supply system**, the Township of Oro-Medonte likely had a responsibility to establish a **Capital Cost Replacement Fund** initially at the recommendation of the Province of Ontario, and later the Province of Ontario mandated that Municipalities had a legal obligation to establish Reserve Funds. The Residents of Zone 1 Horseshoe Valley have unresolved questions about these Reserves: Q1. When did the Township of Oro-Medonte (and former Townships of Oro and Medonte) establish Capital Cost Replacement Funds and when did they establish a **Dedicated Reserve Fund**? Q2. As the collector of the fees charged to the Residents of Zone 1 and Zone 2, the Township of Oro-Medonte (and former Townships of Oro and Medonte) received a 5% administration fee, so did the Township of Oro-Medonte also take the provincially mandated Capital Cost Replacement amount and place it in the so-called Dedicated Reserve Fund? If not why not? Q3. If the Township of Oro-Medonte did not “reserve” the money from the water taxes paid by the Residents in Zone 1 and Zone 2 Horseshoe Valley, did the Township of Oro-Medonte **instruct** the Operator (the Resort) to create a Capital Cost Replacement Fund? If not why not? Since the Township of Oro-Medonte is responsible for these Funds and if they “instructed” the Resort to establish Funds, then the Operator (the Resort) should have that Fund in place and consequently any upgrades to the **water supply system** should have been paid directly from those Funds and/or by the Resort.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix B1

This data represents a simple random sample of Zone 1 Horseshoe Valley home sales from 1990 to 2006. This data was provided by a prominent broker who is governed by the Ontario Real Estate Association. Some samples had no inputs for Municipal Utilities. 1 sample showed a Lake/River designation which is an inaccurate Municipal Utility in this area. The majority of sales between 1990 and 2006 designated water as a Municipal Utility in Zone 1. Since approximately 17% of homes did not have the Utility section filled out, one could argue that the majority of homes would have the Municipal Utility designation based on the overwhelming data. Not a single sample had Private as a Water Utility designation. This is a significant data point.

	Sale Date	Address in Zone 1	Water Designation
1.	05/07/1991	25 Cathedral Pines	Municipal
2.	07/21/1994	44 Cathedral Pines	Municipal
3.	10/29/1995	18 Cathedral Pine	Municipal
4.	07/04/1994	37 Maplecrest Court	Municipal
5.	06/20/1992	15 Pine Ridge Trail	Municipal
6.	10/28/1994	40 Pine Ridge Trail	Municipal
7.	07/05/1994	10 Country Club Lane	Municipal
8.	10/06/1994	12 Pine Point	Municipal
9.	04/26/1995	23 Maplecrest Court	Municipal
10.	02/13/1991	26 Pine Ridge Trail	Municipal
11.	11/26/1992	4 Cathedral Pines Road	Municipal
12.	04/25/1995	52 Cathedral Pines Road	Municipal
13.	07/25/1995	19 Country Club Lane	Municipal
14.	03/29/1995	23 Pine Ridge Trail	Municipal
15.	11/27/1992	27 Cathedral Pines Road	Not Identified
16.	04/24/1995	27 Cathedral Pine Road	Municipal
17.	10/07/1995	21 Country Club Lane	Municipal
18.	11/08/1993	14 Birch Grove Drive	Municipal
19.	03/09/1993	34 Birch Grove Drive	Municipal
20.	03/20/1995	7 Pine Ridge Trail	Municipal
21.	04/09/1991	1120 HORSESHOE VALLEY Road W #307	Not Identified
22.	07/18/1994	7 Country Club Lane	Municipal
23.	01/02/1991	2 Country Club Lane	Not Identified
24.	10/15/1993	7 Pine Ridge Trail	Municipal
25.	02/24/1995	3 Pine Spring	Municipal
26.	12/23/1992	1102 HORSESHOE VALLEY Road W #310	Not Identified
27.	09/29/1994	6 Pine Ridge Trail	Municipal
28.	03/14/1992	1120 HORSESHOE VALLEY Road W #220	Not Identified
29.	01/31/1994	1120 HORSESHOE VALLEY Road W #218	Municipal
30.	12/20/1993	1120 HORSESHOE VALLEY Road W #207	Municipal
31.	04/13/1994	1120 HORSESHOE VALLEY Road W #118	Municipal
32.	08/18/1993	1120 HORSESHOE VALLEY Road W #222	Municipal
33.	12/10/1996	1120 HORSESHOE VALLEY Road W #22	Municipal
34.	01/18/1995	1120 HORSESHOE VALLEY Road W #106	Lake/River
35.	07/28/1995	1120 HORSESHOE VALLEY Road W #112	Municipal

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix B2

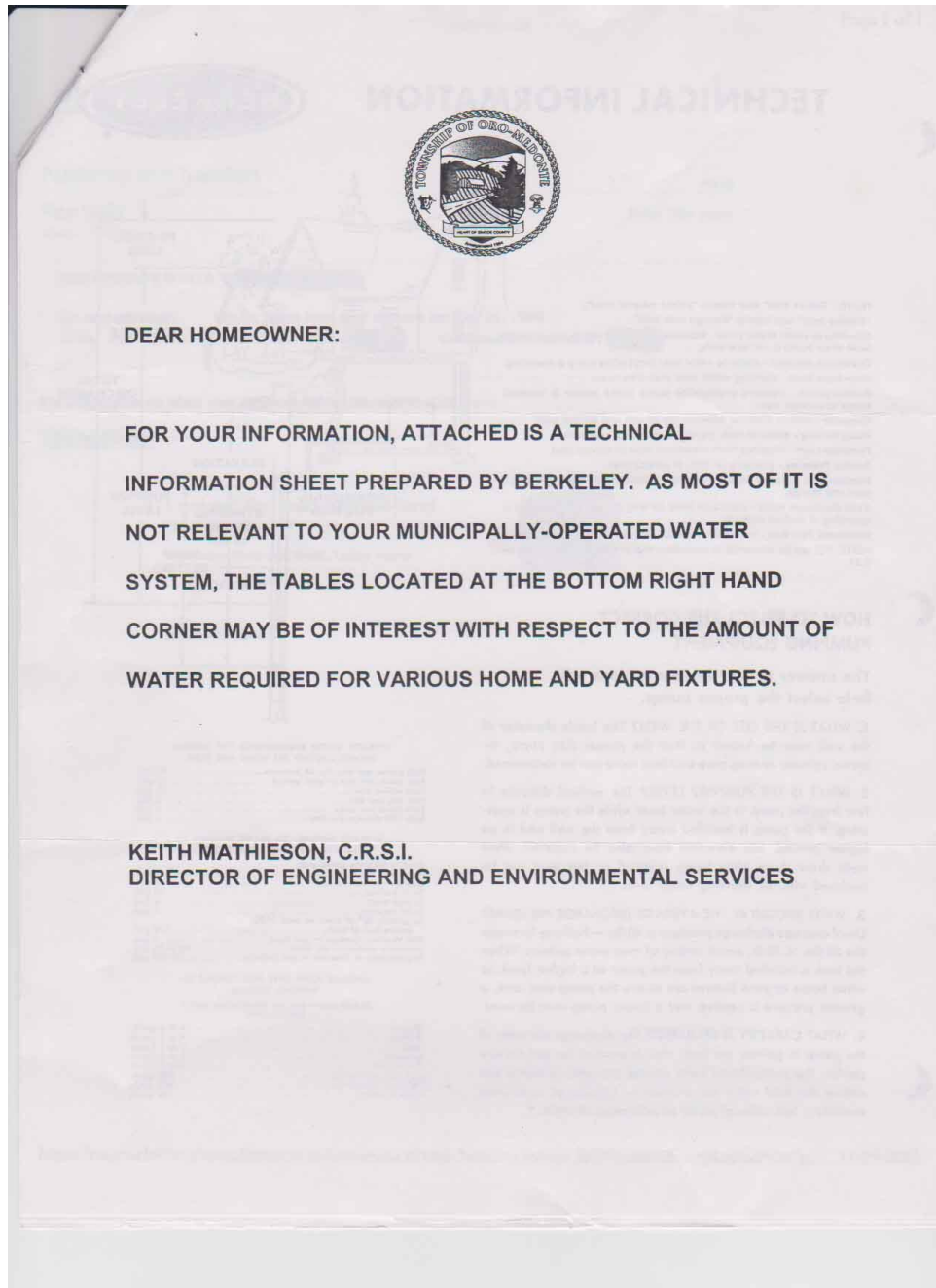
This data represents a simple random sample of Zone 1 Horseshoe Valley home sales from January 1st, 2007 to March 28th, 2020. This data was provided by a prominent broker who is governed by the Ontario Real Estate Association. 1 sample showed a Co-Operative designation which is an inaccurate Municipal Utility in this area. 4 samples showed a Community/Shared Well designation. The majority of sales between 2007 and 2020 designated water as a Municipal Utility in Zone 1. Over 86% of the sold households in Zone 1 in Horseshoe Valley show their Water Source as Municipal. Community/Shared Well is an ambiguous designation, for it could imply a Municipal System. Not a single sample had Private as a Water Utility designation. This is a significant data point.

	Sale Date	Address in Zone 1	Water Designation
1.	02/20/2020	33 Birch Grove Drive	Municipal
2.	02/25/2020	14 Pine Lane	Municipal
3.	06/27/2019	9 Pine Point	Municipal
4.	06/13/2019	18 Pine Ridge Trail	Municipal
5.	09/27/2018	11 Pine Ridge Trail	Municipal
6.	08/26/2019	11 Pine Ridge Trail	Municipal
7.	05/25/2018	37 Pine Ridge Trail	Municipal
8.	10/10/2019	31 Birch Grove Drive	Community Well
9.	12/13/2018	4 Pine Ridge Trail	Municipal
10.	02/07/2019	6 Pine Lane	Municipal
11.	11/06/2017	49 Cathedral Pines Road	Municipal
12.	09/29/2017	30 Maplecrest Court	Municipal
13.	11/27/2017	7 Pine Ridge Trail	Municipal
14.	07/06/2019	24 Birch Grove Drive	Community Well
15.	04/01/2019	23 Pine Ridge Trail	Municipal
16.	06/19/2018	43 Pine Ridge Trail	Municipal
17.	06/02/2017	1 Pine Spring Drive	Municipal
18.	11/14/2019	45 Cathedral Pines Road	Municipal
19.	10/24/2019	79 Cathedral Pines Road	Municipal
20.	06/12/2017	32 Cathedral Pines Road	Municipal
21.	05/31/2019	10 Country Club Lane	Municipal
22.	06/08/2018	3 Beech Wood Road	Co-Operative
23.	08/22/2018	17 High Vista Drive	Municipal
24.	02/19/2019	15 Birch Grove Drive	Municipal
25.	10/22/2017	50 Pine Ridge Trail	Municipal
26.	10/01/2018	5 Country Club Lane	Municipal
27.	06/07/2017	4 Pine Springs Road	Municipal
28.	10/24/2019	40 Horseshoe Boulevard #401	Municipal
29.	02/09/2007	39 Pine Ridge Trail	Municipal
30.	09/14/2007	25 Cathedral Pines Road	Municipal
31.	04/23/2019	40 HORSESHOE Boulevard #302	Municipal
32.	10/28/2019	40 HORSESHOE Boulevard #403	Municipal
33.	05/02/2019	40 HORSESHOE Boulevard #411	Municipal
34.	11/01/2017	1102 HORSESHOE VALLEY Road W #106	Shared Well
35.	08/07/2017	1102 HORSESHOE VALLEY Road W #124	Municipal
36.	11/01/2017	1102 HORSESHOE VALLEY Road W #109	Shared Well

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix C1

Along with quarterly water bills, the Township of Oro-Medonte often attached supplemental documents about the municipally-operated **water supply system**. While the Township has several separate **water supply systems**, none of these accompanying information supplements differentiates these systems as municipal or non-municipal (PVT), so naturally most residents think that they belong to a municipally-owned & operated **water supply system**. This is a Technical Information Sheet Prepared by Berkeley in 2003.

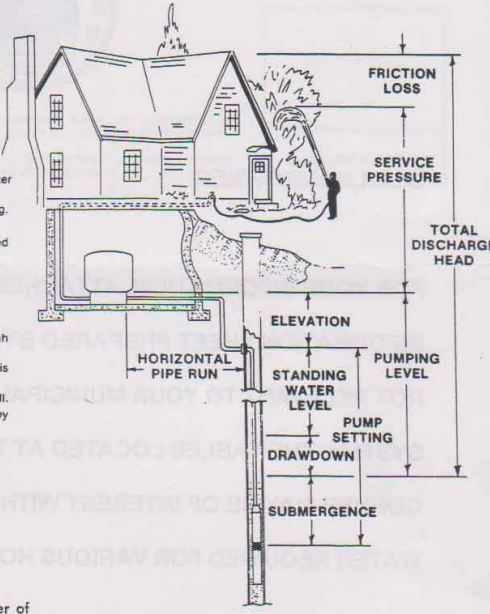



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix C2

This is the reverse side of the Technical Information Prepared by Berkeley in 2003. (See Appendix C1)

TECHNICAL INFORMATION



NOTE: "Top of Well" also means "pitless adapter level".
"Service Inlet" also means "storage tank inlet".
Standing or Static Water Level - distance from top of well to natural water level when pump is not operating.
Drawdown distance - distance water level drops while pump is operating.
Drawdown level - standing water level plus drawdown.
Submergence - distance submersible pump intake screen is installed below drawdown level.
Elevation - vertical distance between top of well and service inlet.
Pump Setting - distance from top of well to pump inlet screen.
Pumping Level - distance from drawdown level to service inlet.
Service Pressure - pressure (in PSI) at service inlet.
Friction Loss - loss of pressure due to friction of water flowing through pipe and fittings.
Total Discharge Head - discharge head (in feet) delivered when pump is operating at desired capacity.
Horizontal Pipe Run - horizontal distance between service inlet and well.
NOTE: PSI can be converted to equivalent feet of head by multiplying by 2.31.

HOW TO SELECT THE CORRECT PUMPING EQUIPMENT

The answer to four basic questions will help select the proper pump.

- 1. WHAT IS THE SIZE OF THE WELL?** The inside diameter of the well must be known so that the proper size pump, injector, cylinder or drop pipe and foot valve can be determined.
- 2. WHAT IS THE PUMPING LEVEL?** The vertical distance in feet from the pump to the water level while the pump is operating. If the pump is installed away from the well and is on higher ground, this elevation must also be included. Most wells draw down while being pumped so this must not be confused with the standing water level.
- 3. WHAT SHOULD BE THE AVERAGE DISCHARGE PRESSURE?** Usual average discharge pressure is 40 lbs.—halfway between the 30 lbs. to 50 lb. switch setting of most water systems. When the tank is installed away from the pump at a higher level, or when house or yard fixtures are above the pump and tank, a greater pressure is needed and a larger pump must be used.
- 4. WHAT CAPACITY IS REQUIRED?** The discharge capacity of the pump in gallons per hour that is needed for satisfactory service. The pump should have enough capacity so that it can deliver the total water requirement in 2 hours of continuous operation. See table of water requirements at right. *

AVERAGE WATER REQUIREMENTS FOR GENERAL SERVICE AROUND THE HOME AND FARM

Each person per day, for all purposes.....	50 gal.
Each horse, dry cow or beef animal.....	12 gal.
Each milking cow.....	35 gal.
Each hog per day.....	4 gal.
Each sheep per day.....	2 gal.
Each 100 chickens per day.....	4 gal.

AVERAGE AMOUNT OF WATER REQUIRED BY VARIOUS HOME AND YARD FIXTURES

Drinking fountain, continuously flowing.....	50 to 100 gal. per day
Each shower bath.....	Up to 60 gal.
To fill bathtub.....	30 gal.
To flush toilet.....	6 gal.
To fill lavatory.....	2 gal.
To sprinkle 1/4" of water on each 1000 square feet of lawn.....	160 gal.
Dish Washing Machine — per load.....	3 gal.
Automatic washer — per load.....	Up to 50 gal.
Regeneration of Domestic Water Softener.....	50-100 gal.

AVERAGE FLOW RATE REQUIREMENTS BY VARIOUS FIXTURES

(g.p.m. equals gal. per minute; g.p.h. equals gal. per hour)

Shower.....	4 to 6 g.p.m.
Bathtub.....	4 to 8 g.p.m.
Toilet.....	4 to 5 g.p.m.
Lavatory.....	1 to 3 g.p.m.
Kitchen sink.....	2 to 3 g.p.m.
1/2" hose and nozzle.....	200 g.p.h.
1/2" hose and nozzle.....	300 g.p.h.
Lawn sprinkler.....	120 g.p.h.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix D1


This is a Zone 1 Oro-Medonte Water Bill from 2003. The Headers show a Municipal Water Bill in 2003. It looks like any other Municipally-Operated Water Bill in Ontario. There are no statements about Zone 1 being a Private Water System (PVT). Prior to 2008, all of the water bills look like this bill. The Oro-Medonte Water Bills for Zone 1 start in 1994, the year of amalgamation of Oro and Medonte.

THE CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE		2003 Water Bill	
P.O. BOX 100, Oro, Ontario L0L 2X0 (705) 487-2171 www.oro-medonte.ca			
Roll		Billing Date	2003/10/31
		Due Date	2003/12/03
Location	PINE LANE	Period	July 01 - Sept 30
Legal Desc			3rd Quarter
PINE LANE RR 1 BARRIE ON L4M 4Y8			
Charge	Type	Units	Used
Horseshoe - Medonte	Flat	1	
		Rate	Per
		143.75	
			Total
			\$143.75
		3rd Quarter Due	\$143.75
		Total Due	\$143.75
		After Due Date	\$158.13
THE CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE		PLEASE RETURN THIS STUB WITH YOUR PAYMENT	
P.O. BOX 100, Oro, Ontario L0L 2X0 (705) 487-2171 www.oro-medonte.ca		CHEQUES SHOULD BE MADE PAYABLE TO:	
Roll #		TOWNSHIP OF ORO-MEDONTE	
Location	PINE LANE	PAYABLE AT MOST FINANCIAL INSTITUTIONS	
Due Date	Wednesday, December 03, 2003	AMOUNT PAID	
Amount	\$143.75		

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix D2

This is a Zone 1 Oro-Medonte Water Bill from 2015. The Headers show a Municipal Water Bill in 2015. It looks like any other Municipally-Operated Water Bill in Ontario. There is a statement about Zone 1 and Zone 2 being supplied by two ground water sources. There is no mention that either Zone belongs to a Private Water System (PVT). Between the period of 2008 and 2018, all of the water bills look like this bill.

 **The Corporation of the Township of Oro-Medonte**
148 Line 7 South, Oro-Medonte, Ontario L0L 2E0
(705) 487-2171 www.oro-medonte.ca

2015 Water Bill

Roll [Redacted]
Location PINE LANE
Legal Desc


Billing Date 2015/07/24
Due Date 2015/08/28
Period Apr 01 - Jun 30
Second Quarter

PINE LANE
RR 1
BARRIE ON L4M 4Y8

Charge	Type	Units	Used	Rate	Per	Total
Horseshoe/Medonte	Flat	1		150.00		\$150.00

The Horseshoe Residential node is supplied water from two (2) ground water sources, Zone 1 & Zone 2. Any water concerns in Zone 1 consisting of all the developments on the north side of Horseshoe Valley Road, Birch Grove Drive and Country Club Lane on the south side of Horseshoe Valley Road should be directed to Horseshoe Valley Resort at 1-705-835-2790.

2nd Quarter Due	\$150.00
Total Due	\$150.00
After Due Date	\$157.50

 **The Corporation of the Township of Oro-Medonte**
148 Line 7 South, Oro-Medonte, Ontario L0L 2E0
(705) 487-2171 www.oro-medonte.ca

Roll # [Redacted]
Location PINE LANE
Due Date Friday, August 28, 2015
Amount \$150.00

Please return this stub with your payment


Cheques should be made payable to:
Township of Oro-Medonte
Payable at most financial institutions

Amount Paid
[Redacted]

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix D3

This is a Zone 1 Oro-Medonte Water Bill from 2018. The Headers show a Municipal Water Bill in 2018. It looks like any other Municipally-Operated Water Bill in Ontario. For the first time, the water bills between 2017 and 2020 state that some customers are served by a private (PVT) for water and waste water system. This customer on Pine Lane lives in Zone 1, which is presumably part of the so-called private service provided by the Resort. (See Appendix D4)

 **The Corporation of the Township of Oro-Medonte**
148 Line 7 South, Oro-Medonte, Ontario L0L 2E0
(705) 487-2171 www.oro-medonte.ca

2018 Water Bill

Roll [Redacted] **Billing Date** 2018/04/19
Location PINE LANE **Due Date** 2018/05/31
Legal Desc **Period** Jan 01 - Mar 31
First Quarter


PINE LANE
RR 1
BARRIE ON L4M 4Y8

Charge	Type	Units	Used	Rate	Per	Total
Skyline(PVT) Water-HS/Medonte*	Flat	1		220.00		\$220.00

* Some customers in the Horseshoe Valley region are served by a private (PVT) service (Skyline) for water and/or waste water. If this applies to you, inquiries regarding these items should be directed to Horseshoe Valley (Skyline) Resort at 705-835-2790

For customers on Municipal water, visit www.oro-medonte.ca/water for more information or contact Environmental Services at 705-487-2171 / email: waterrates@oro-medonte.ca

1st Quarter Due	\$220.00
Total Due	\$220.00
After Due Date	\$231.00

 **The Corporation of the Township of Oro-Medonte**
148 Line 7 South, Oro-Medonte, Ontario L0L 2E0
(705) 487-2171 www.oro-medonte.ca

Please return this stub with your payment

Roll # [Redacted] **Cheques should be made payable to:**
Location PINE LANE **Township of Oro-Medonte**
Due Date Thursday, May 31, 2018 **Payable at most financial institutions**
Amount \$220.00

Amount Paid [Redacted]

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix D4


This is a Zone 1 Oro-Medonte Water Bill from 2018. The Headers show a Municipal Water Bill in late 2018. It looks like any other Municipally-Operated Water Bill in Ontario. There is a subtle difference between this Water Bill and the others in 2017 and 2018. **"Customers receiving private (PVT) water or wastewater service from Skyline should direct all service inquiries to the front desk at Horseshoe Resort..."** This customer on Cathedral Pines lives in Zone 1, which is presumably part of the so-called privately serviced water system (PVT), but the language of this particular bill only refers to "service" not "ownership". As we know, the former Township of Medonte formed leasing agreements with the Resort for operation, maintenance, and repair. "Service" implies that Skyline is providing a service for which they are obliged to provide under the contractual agreement of 1980, the **Water Rights Guarantee Agreement of May 23rd** and the By-Laws that hold governance over Plans 1587, 1531, M-10, M-11, M-23, and the Condominiums on the former Medonte side.

The Corporation of the Township of Oro-Medonte		2018 Water Bill	
148 Line 7 South, Oro-Medonte, Ontario L0L 2E0 (705) 487-2171 www.oro-medonte.ca			
Roll		Billing Date	2018/10/22
		Due Date	2018/11/30
Location	CATHEDRAL PINES	Period	Jul 01 - Sep 30
Legal Desc	PLAN M11		Third Quarter
CATHEDRAL PINES RR 1 BARRIE ON L4M 4Y8			
Charge	Type	Units	Used
Skyline(PVT) Water-HS/Medonte*	Flat	1	
			Rate
			Per
			Total
			\$220.00
**CUSTOMERS RECEIVING PRIVATE (PVT) WATER OR WASTEWATER SERVICE FROM SKYLINE SHOULD DIRECT ALL SERVICE INQUIRES 24/7 TO THE FRONT DESK AT HORSESHOE RESORT 705-835-2790 EXTENSION 1348			
For customers on Municipal water, visit www.oro-medonte.ca/water for more information or contact Environmental Services at 705-487-2171 / email: waterrates@oro-medonte.ca		3rd Quarter Due	\$220.00
		Credit on Account	-\$580.00
		Credit Balance	(\$360.00)
The Corporation of the Township of Oro-Medonte 148 Line 7 South, Oro-Medonte, Ontario L0L 2E0 (705) 487-2171 www.oro-medonte.ca		Please return this stub with your payment	
		Cheques should be made payable to:	
		Township of Oro-Medonte	
		Payable at most financial institutions	
		Amount Paid	

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix E1

Along with quarterly water bills, the Township of Oro-Medonte often attached supplemental documents about the municipally-operated **water supply system**. While the Township has several separate water systems, none of these accompanying information supplements differentiates these systems as municipal or non-municipal (PVT), so naturally most residents think that they belong to a municipally-owned and operated water system. This 2011 letter was about proposed maintenance flushing of water systems.



Township of
Oro-Medonte
Proud Heritage, Exciting Future

October, 2011

ATTENTION

HOMEOWNERS ON MUNICIPAL WATER SYSTEMS

The Annual Report and Summary Report, prepared in accordance with Ministry of the Environment requirements, are available for all municipally-owned and operated water systems. These Reports are free of charge and a copy can be received from the Township office located at 148 Line 7 South, or by calling (705) 487-2171. These Reports are also available on the Township's website at www.oro-medonte.ca.

During the fall, Township staff will be conducting maintenance flushing of your water system. Signs will be posted at the entrances to your subdivision twenty-four (24) hours prior to **planned** maintenance flushing. You may notice brown water in your home for a short period after flushing. In the event you notice discoloured tap water, run the cold water tap (laundry tub or bath tub) until the water clears. If the water has not cleared after five minutes, wait 30 minutes and try again. **It is recommended that you refrain from doing laundry during scheduled flushing operations to alleviate discolouration of your laundry. Unless you are notified otherwise by the Township, your water is safe to drink.**


Water Conservation Tips:

Watering your lawn can account for up to 50% of your homes water use. Generally, 2-3 cm. of water per week is adequate for a healthy lawn.

Use an automatic shutoff nozzle on your outdoor hose to ensure water is not wasted when the hose is left unattended.


When you use a running hose to wash your car, it can waste about 400 litres of water. Try using a bucket and a sponge with a trigger nozzle on the hose. It will save you about 300 of those litres.

If the toilet flush handle frequently sticks in the flush position, letting water run constantly, replace or adjust it. Leaks can be costly – see the information below....



Leaks cost you money: (* waste per month at 60 psi water pressure)

- 1/16" A continuous leak, creating a stream of water this size, would waste 93 m³ of water. This would increase your bill by \$188.00 per month.
- 1/8" A continuous leak, creating a stream of water this size, would waste 372 m³ of water. This would increase your bill by \$752.00 per month.
- 1/4" A continuous leak, creating a stream of water this size, would waste 1,491 m³ of water. This would increase your bill by \$3,012 per month.



(please turn over for more important information)

148 Line 7 South, Box 100
Oro, Ontario L0L 2X0

P: (705) 487-2171
F: (705) 487-0133

www.oro-medonte.ca

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix E2

This is the reverse side of the 2011 Supplement (See Appendix E1)

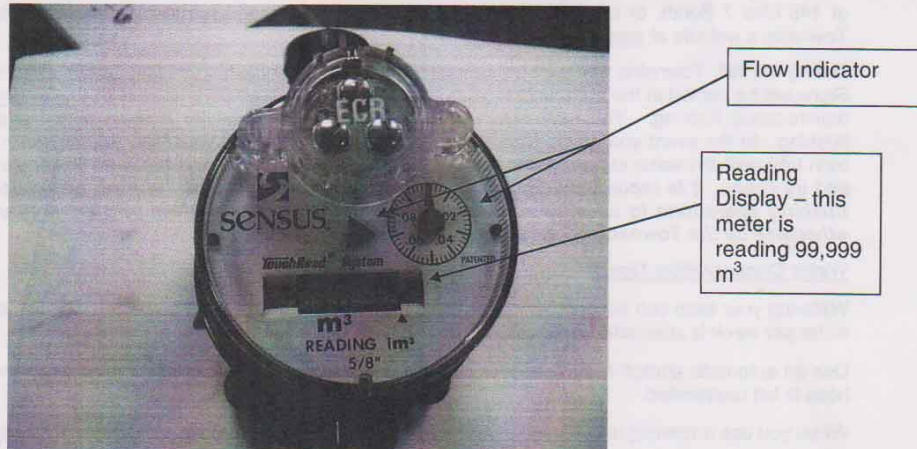
Water Consumption:

Information you should be aware of:

- ✓ A $\frac{3}{4}$ inch hose or irrigation line will produce 1.4 cubic meters of water per hour.
- ✓ A regular shower head, or a bathtub tap running continuously, will use 1.4 cubic meters of water per hour.

NOTE: 1 Cubic Meter = 220 Imperial Gallons = 1000L

With the new consumption billing in place, homeowners on municipal water systems are encouraged to monitor their consumption. Below is a picture of a water meter:



The last digit on the right reading display is a decimal place (1/10 of a cubic meter) and will not be part of the reading that you see printed on your bill.

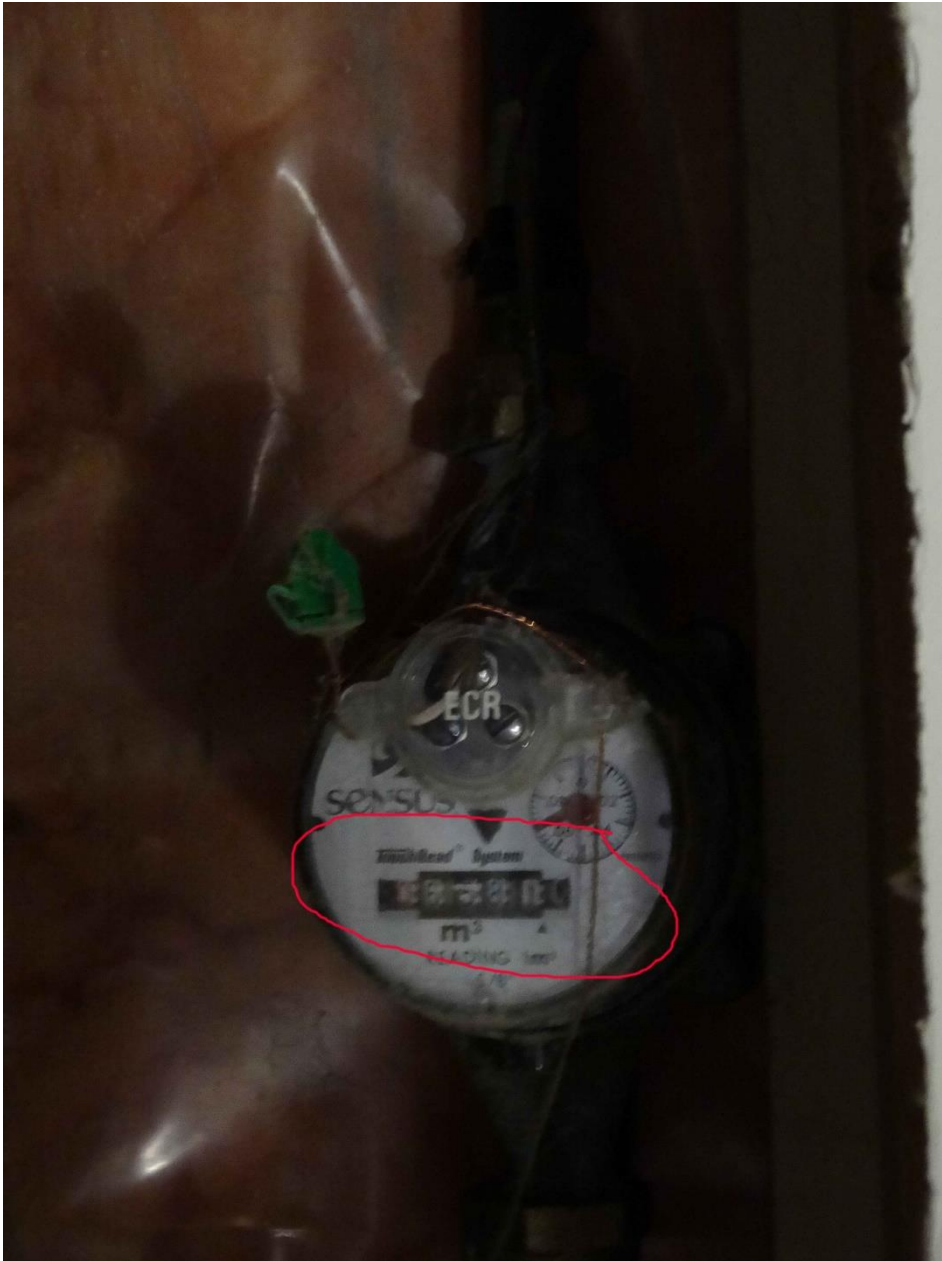
If the flow indicators are spinning and you know that no one is using water in the house, you have a leak.

**Transportation and Environmental
Services Department**

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix F

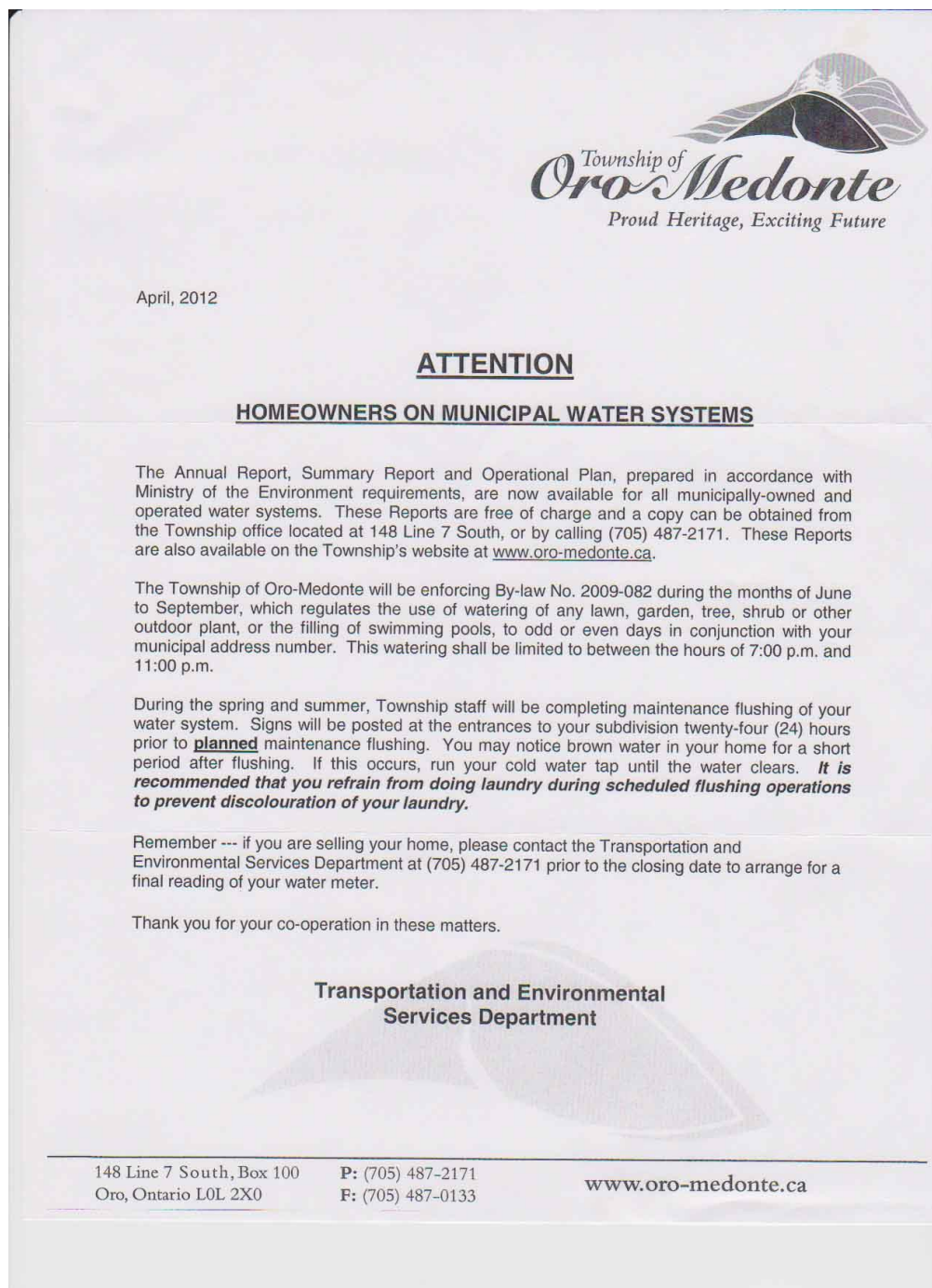
While all Residents in Zone 1 are charged a Flat Rate for their Municipally-Owned and Operated **Water Supply System**, some homes were already equipped with meters and accompanying electronic equipment. This Meter was installed in 1997 as a building requirement in Oro-Medonte. According to a Wamco Meter Installer, a sub-contractor for Oro-Medonte, many homes in Zone 1 have existing meters. This meter is still operating on Pine Lane in Cathedral Pines, Zone 1 despite being charged a flat rate for water service.



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix G

Along with quarterly water bills, the Township of Oro-Medonte often attached supplemental documents about the municipally-operated **water supply system**. While the Township has several separate **water supply systems**, none of these accompanying information supplements differentiates these systems as municipal or non-municipal (PVT), so naturally most residents think that they belong to a municipally-owned and operated **water supply system**. This 2012 letter was about By-law No. 2009-082 watering regulations.



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix H

This Skyline Horseshoe Zone 1 Integration Table shows a 10% credit for Horseshoe Medonte Reserve Contribution collected through Skyline Flat User Rate. Does this show Reserve Funds dating back to 1980, 1982, and 1991? See By-Law 98-48. Could this 10% credit be a fair representation of the reserve funds since the inception of this **water supply system**? (See Appendix A2)

Skyline Horseshoe Zone 1 Integration

Description of Cost	Cost
Horseshoe Highlands Water Upgrades ¹	\$9,802.00
10% credit for Horseshoe Medonte Reserve Contribution collected through Skyline Flat User Rate	(\$980.20)
Credit for Water Meter Package Cost ²	\$485.90
Total	\$9,307.70
Annual Fee	\$372.31
Quarterly Fee	\$93.08

Notes:

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix I1

This Table shows Zone 1 Medonte Municipal Water Rates from 1980 to 2020. Zone 1 in Horseshoe Valley had two designations based on the Township: Zone 1 Oro and Zone 1 Medonte. Zone 1 Oro mirrored all of the same rates for the same period of time despite being attached to Oro from 1980 to 1994. Oro did receive an increase in water rates in 1982 from \$90.00/a to \$100.00/a. While Zone 1 Water Rates were governed by the **Water Rights Guarantee Agreement, May 23rd, 1980**, Zone 1 Oro Residents seemed to be governed by the same aspects of the WRGA (WRGA, 1980, p. 5A).

Zone 1 (Medonte) Municipal Water Rates from 1980 to 2020

Municipality	Year	Per Annum Rate
Medonte	1980	\$90/a
Medonte	1981	\$90/a
Medonte	1982	\$100/a
Medonte	1983	\$100/a
Medonte	1984	\$7/a
Medonte	1985	\$7/a
Medonte	1986	\$7/a
Medonte	1987	\$7/a
Medonte	1988	\$7/a
Medonte	1989	\$7/a
Medonte	1990	\$7/a
Medonte	1991	\$7/a
Medonte	1992	\$180/a
Medonte	1993	\$180/a
Medonte	1994	\$180/a
Medonte	1995	\$180/a
Oro-Medonte	1996	\$200/a
Oro-Medonte	1997	\$200/a
Oro-Medonte	1998	\$200/a
Oro-Medonte	1999	\$200/a
Oro-Medonte	2000	\$200/a
Oro-Medonte	2001	\$200/a
Oro-Medonte	2002	\$325/a
Oro-Medonte	2003	\$575/a
Oro-Medonte	2004	\$575/a
Oro-Medonte	2005	\$575/a
Oro-Medonte	2006	\$600/a
Oro-Medonte	2007	\$600/a
Oro-Medonte	2008	\$600/a
Oro-Medonte	2009	\$600/a
Oro-Medonte	2010	\$600/a
Oro-Medonte	2011	\$600/a
Oro-Medonte	2012	\$600/a
Oro-Medonte	2013	\$600/a
Oro-Medonte	2014	\$600/a
Oro-Medonte	2015	\$600/a
Oro-Medonte	2016	\$800/a
Oro-Medonte	2017	\$800/a
Oro-Medonte	2018	\$880/a
Oro-Medonte	2019	\$880/a
Oro-Medonte	2020	\$880/a

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix I2 Statistic Canada Cost of Living Index from 1974 to 2020. See Calculator (Appendix I3)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVE.
2020	257.971	258.678	258.115	256.389									
2019	251.712	252.776	254.202	255.548	256.092	256.143	256.571	256.558	256.759	257.346	257.208	256.974	255.657
2018	247.867	248.991	249.554	250.546	251.588	251.989	252.006	252.146	252.439	252.885	252.038	251.233	251.107
2017	242.839	243.603	243.801	244.524	244.733	244.955	244.786	245.519	246.819	246.663	246.669	246.524	245.120
2016	236.916	237.111	238.132	239.261	240.229	241.018	240.628	240.849	241.428	241.729	241.353	241.432	240.008
2015	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316	237.945	237.838	237.336	236.525	237.017
2014	233.916	234.781	236.293	237.072	237.900	238.343	238.250	237.852	238.031	237.433	236.151	234.812	236.736
2013	230.280	232.166	232.773	232.531	232.945	233.504	233.596	233.877	234.149	233.546	233.069	233.049	232.957
2012	226.665	227.663	229.392	230.085	229.815	229.478	229.104	230.379	231.407	231.317	230.221	229.601	229.594
2011	220.223	221.309	223.467	224.906	225.964	225.722	225.922	226.545	226.889	226.421	226.230	225.672	224.939
2010	216.687	216.741	217.631	218.009	218.178	217.965	218.011	218.312	218.439	218.711	218.803	219.179	218.056
2009	211.143	212.193	212.709	213.240	213.856	215.693	215.351	215.834	215.969	216.177	216.330	215.949	214.537
2008	211.080	211.693	213.528	214.823	216.632	218.815	219.964	219.086	218.783	216.573	212.425	210.228	215.303
2007	202.416	203.499	205.352	206.686	207.949	208.352	208.299	207.917	208.490	208.936	210.177	210.036	207.342
2006	198.300	198.700	199.800	201.500	202.500	202.900	203.500	203.900	202.900	201.800	201.500	201.800	201.600
2005	190.700	191.800	193.300	194.600	194.400	194.500	195.400	196.400	198.800	199.200	197.600	196.800	195.300
2004	185.200	186.200	187.400	188.000	189.100	189.700	189.400	189.500	189.900	190.900	191.000	190.300	188.900
2003	181.700	183.100	184.200	183.800	183.500	183.700	183.900	184.600	185.200	185.000	184.500	184.300	183.960
2002	177.100	177.800	178.800	179.800	179.800	179.900	180.100	180.700	181.000	181.300	181.300	180.900	179.880
2001	175.100	175.800	176.200	176.900	177.700	178.000	177.500	177.500	178.300	177.700	177.400	176.700	177.100
2000	168.800	169.800	171.200	171.300	171.500	172.400	172.800	172.800	173.700	174.000	174.100	174.000	172.200
1999	164.300	164.500	165.000	166.200	166.200	166.200	166.700	167.100	167.900	168.200	168.300	168.300	166.600
1998	161.600	161.900	162.200	162.500	162.800	163.000	163.200	163.400	163.600	164.000	164.000	163.900	163.000
1997	159.100	159.600	160.000	160.200	160.100	160.300	160.500	160.800	161.200	161.600	161.500	161.300	160.500
1996	154.400	154.900	155.700	156.300	156.600	156.700	157.000	157.300	157.800	158.300	158.600	158.600	156.900
1995	150.300	150.900	151.400	151.900	152.200	152.500	152.500	152.900	153.200	153.700	153.600	153.500	152.400
1994	146.200	146.700	147.200	147.400	147.500	148.000	148.400	149.000	149.400	149.500	149.700	149.700	148.200
1993	142.600	143.100	143.600	144.000	144.200	144.400	144.400	144.800	145.100	145.700	145.800	145.800	144.500
1992	138.100	138.600	139.300	139.500	139.700	140.200	140.500	140.900	141.300	141.800	142.000	141.900	140.300
1991	134.600	134.800	135.000	135.200	135.600	136.000	136.200	136.600	137.200	137.400	137.800	137.900	136.200
1990	127.400	128.000	128.700	128.900	129.200	129.900	130.400	131.600	132.700	133.500	133.800	133.800	130.700
1989	121.100	121.600	122.300	123.100	123.800	124.100	124.400	124.600	125.000	125.600	125.900	126.100	124.000
1988	115.700	116.000	116.500	117.100	117.500	118.000	118.500	119.000	119.800	120.200	120.300	120.500	118.300
1987	111.200	111.600	112.100	112.700	113.100	113.500	113.800	114.400	115.000	115.300	115.400	115.400	113.600
1986	109.600	109.300	108.800	108.600	108.900	109.500	109.500	109.700	110.200	110.300	110.400	110.500	109.600
1985	105.500	106.000	106.400	106.900	107.300	107.600	107.800	108.000	108.300	108.700	109.000	109.300	107.600
1984	101.900	102.400	102.600	103.100	103.400	103.700	104.100	104.500	105.000	105.300	105.300	105.300	103.900
1983	97.800	97.900	97.900	98.600	99.200	99.500	99.900	100.200	100.700	101.000	101.200	101.300	99.600
1982	94.300	94.600	94.500	94.900	95.800	97.000	97.500	97.700	97.900	98.200	98.000	97.600	96.500
1981	87.000	87.900	88.500	89.100	89.800	90.600	91.600	92.300	93.200	93.400	93.700	94.000	90.900
1980	77.800	78.900	80.100	81.000	81.800	82.700	82.700	83.300	84.000	84.800	85.500	86.300	82.400
1979	68.300	69.100	69.800	70.600	71.500	72.300	73.100	73.800	74.600	75.200	75.900	76.700	72.600
1978	62.500	62.900	63.400	63.900	64.500	65.200	65.700	66.000	66.500	67.100	67.400	67.700	65.200
1977	58.500	59.100	59.500	60.000	60.300	60.700	61.000	61.200	61.400	61.600	61.900	62.100	60.600
1976	55.600	55.800	55.900	56.100	56.500	56.800	57.100	57.400	57.600	57.900	58.000	58.200	56.900
1975	52.100	52.500	52.700	52.900	53.200	53.600	54.200	54.300	54.600	54.900	55.300	55.500	53.800
1974	46.600	47.200	47.800	48.000	48.600	49.000	49.400	50.000	50.600	51.100	51.500	51.900	49.300

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix I3

This is a Statistics Canada Cost of Living Calculator. The first water rates imposed on Zone 1 residents occurred in 1974. The rate was set at \$74.00/a (By-Law 1974-1051). The **Water Rights Guarantee Agreement of 1980** stipulates that the rates can be adjusted for Cost of Living as indexed by Statistics Canada including the cost of hydroelectric power or other sources of power to supply water. (WRGA, 1980, p. 5) The calculator reveals that our current rates after cost of living should be \$401.13/a instead of the current rate of \$880.00/a. It seems evident that the **Water Rights Guarantee Agreement of 1980** has not been adhered to over the history of this contractual Agreement. A forensic audit of the rates imposed on Zone 1 and Zone 2 residents ought to be granted to establish if Zone 1 customers have been over-charged for water services given the covenants of the **Water Rights Guarantee Agreement of 1980**. Combined with Surplus Reserve Funds and Provincial Water Grants, Horseshoe Valley customers may have not have enjoyed the benefits of these funds and grants to adequately operate, maintain, repair, and enhance the entire **water supply system**, including current expenditures on new capital components. **Is this a contractual estoppel and was there a duty to advise the customers of Zone 1 over the past 40 years?**

[ABOUT THE BANK](#) [CORE FUNCTIONS](#) [MARKETS](#) [BANK NOTES](#) [PUBLICATIONS](#) [RESEARCH](#) [PRESS](#) [STATISTICS](#)

How to Use the Calculator

Enter any dollar amount, and the years you wish to compare, then click the **Calculate** button.

YEARS MUST BE IN THE RANGE 1914 - 2020. COMMAS AND SPACES CAN BE USED IN THE DOLLAR AMOUNT.

A "basket" of goods and services

...that cost:	\$	74.00	in	1974
...would cost:	\$	401.13	in	2020
		<input type="button" value="Clear"/>		<input type="button" value="Calculate"/>
Per cent change:	442.06			
Number of Years:	46			
Average Annual Rate of Inflation (%) / Decline in the Value of Money:	3.74			
CPI for first year:	(Mar 1974) 25.2			
CPI for second year:	(Mar 2020) 136.6			

2002 CPI = 100.0

Data Source: [Statistics Canada](#), CONSUMER PRICE INDEXES FOR CANADA, MONTHLY (V41690973 series.)

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix I4

Zone 1 (Former Township of Medonte) Historical Water Rates Charts

Given the *Water Rights Guarantee Agreement of 1980*, this chart indicates that water rates rose significantly beyond the contractual rates established in 1980. (WRGA, 1980, p.5) This chart shows more than a doubling of the prescribed obligations of the Resort over the history of this *water supply system*. (WRGA, 1980, p.5)


Year	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
Annual Water Charge	\$74	\$74	\$74	\$74	\$74	\$74	\$90	\$90	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$180	\$180	\$180	\$180	\$200
Year over Year % Increase	0	0	0	0	0	0	21.6	0	11.1	0	0	0	0	0	0	0	0	0	80	0	0	0	11.1
Cumulative % Increase								0	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1	100	100	100	100	111

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Annual Water Charge	\$200	\$200	\$200	\$200	\$200	\$325	\$575	\$575	\$575	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$800	\$800	\$880	880
Year over Year % Increase	0	0	0	0	0	62.5	76.9	0	0	4.3	0	0	0	0	0	0	0	0	33.3	0	0	10	0
Cumulative % Increase	111	111	111	111	111	261	539	539	539	567	567	567	567	567	567	567	567	567	789	789	789	978	978

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix J

April 1st, 1982. Reid and Associates Limited Consulting Engineers. This letter recommends that the Township of Medonte assumes the roads and waterworks in Zone 1 in Horseshoe Valley.



143 FERNDAL DRIVE
R.R. No. 2
BARRIE, ONTARIO
L4M 4S4

REID AND ASSOCIATES LIMITED
CONSULTING ENGINEERS

TELEPHONE
AREA CODE (705) 728-0141

April 1, 1982.

Township of Medonte,
Municipal Offices,
Moonstone, Ontario.
LOK 1N0

Attention: Mr. G. Cunningham,
Clerk-Treasurer.

Dear Sir:

Re: Township of Medonte,
Pine Ridge Subdivision,
Project No. 757.

On Wednesday, March 31, 1982, we again looked at the pump-house.

We would report that the facilities have been upgraded to substantially what was agreed upon at our January 18, 1982 meeting.

We would recommend that the roads and waterworks be assumed.


Yours very truly,
REID AND ASSOCIATES LIMITED


Peter G. Smith
Peter G. Smith, P. Eng.

PGS:avd

(3)

PRESENTED TO	C. L.
DATE	April 13/82
ACTION	May 15/82 June 15/82 No Action
82-243	





The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix K1

October 12th, 1982. Minutes of Council of the Township of Medonte.

		OCTOBER 12, 1982				
THE CORPORATION OF THE TOWNSHIP OF MEDONTE						
<p>Minutes of a Regular Meeting of Council of the Township of Medonte held on Tuesday, October 12, 1982 at 1:00 P.M. in Council Chambers, Moonstone</p>						
Present	Reeve - I. Amos Deputy Reeve - L. Johnstone Councillors - H. Vasey - J. Patterson - I. Beard					
<p><u>ADOPTION OF MINUTES</u> Resolution 82-233 was passed as follows: " That the minutes of a Regular Meeting of Medonte council held on September 8, 1982 and the minutes of special meetings of Council held on September 29, 1982 be adopted".</p> <p><u>Clerk presented</u> a request by Mr. R. Miller for a culvert at the Old Gloucester Road off of the 7th concession. As this road is used as a private entrance Council directed the Clerk inform Mr. Miller he is responsible for the entrance culvert.</p> <p><u>Resolution 82-234</u> was passed as follows: " That this Council agrees to pay \$2.00 per gallon for warble fly control".</p> <p><u>Council discussed</u> moving into the new office. It was decided to wait and see if a Municipal Election would be held. The Clerk noted that some supplies would have to be obtained before the move.</p> <p><u>Council discussed</u> repayment of the train derailment invoices. Resolution 82-235 was passed as follows: " That the Clerk contact the Ministry of the Solicitor General and request a date as to when the Township will be reimbursed for its expenses regarding the C.P.R. train derailment".</p> <p><u>Council then met</u> with Mr. E. Robertson, Roads Superintendent and opened the Tenders for sand and salt.</p> <p><u>There were two tenders</u> received</p> <table border="0"><tr><td>1) Stewart Construction Co. Ltd.</td><td>- \$10,325.00</td></tr><tr><td>2) Ken Truax Construction Ltd.</td><td>- \$ 9,975.00</td></tr></table> <p><u>Resolution 82-236</u> was passed as follows: " That Council accepts the Tender of Ken Truax Construction Ltd. in the amount of \$2.85 per cu. yd. for the screening, delivering from screen belt, stockpiling and mixing 3,500 cu. yds. of sand".</p> <p><u>Resolution 82-237</u> was passed as follows: " That Council accepts the price of Dantat Salt at a price of \$27.75 per bulk tonne for the supply of winter salt".</p> <p><u>Resolution 82-238</u> was passed as follows: " That Council agrees to sell Stewart Construction Co. Ltd. 4,000 cu. yds. of sand from the Township Pit, Lot 6, Con. 4, at a price of \$1.75 per cubic yard; Sand to be taken from the pit under the supervision of the Township Road's Superintendent".</p> <p><u>Reeve Amos reported</u> that he and the Roads Superintendent had attended a meeting held at the County regarding roadside maintenance. The outcome was that both spraying and cutting should be employed to control weeds.</p> <p><u>DELEGATIONS</u></p> <p>1) <u>Mr. R. Seyffer</u> approached Council with his request to use a piece of land at the intersection of the Mt. St. Louis Road and the 9th concession for a private Glider Club.</p>			1) Stewart Construction Co. Ltd.	- \$10,325.00	2) Ken Truax Construction Ltd.	- \$ 9,975.00
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2) Ken Truax Construction Ltd.	- \$ 9,975.00					

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix K2

October 12th, 1982. Minutes of Council of the Township of Medonte. Passing of Resolution 82-242. Passing of **By-Law 82-6**. This By-Law assumes most of the distribution equipment associated with the Zone 1 Water System. Some of this equipment resides on Horseshoe Property in the Township of Oro.

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THE CORPORATION OF THE TOWNSHIP OF MEDONTE

The Clerk advised Council that Mr. Seyffer would need an Official Plan Amendment but that there would have to be a rezoning of the property to private open space. This can be done as an amendment to By-Law 1337, as a freestanding By-Law or as an amendment to the new Township Zoning By-Law.

Mr. Seyffer explained that the Club would consist of 10 or 12 members. Their plans are to leave the land as it is except for a 2000 foot airstrip about 200 or 300 feet wide. He stated that the Club would use the land on weekends only and between the hours of 10:30 A.M. to 5:00 P.M.. He said he has checked his records and the club averages about 8 takeoffs per flying day. Mr. Seyffer noted that the strip would be a grass surface and would be privately owned and operated. Mr. Seyffer also stated that if he applied for the rezoning and there were objections that he probably would not take the matter to the Ontario Municipal Board. Council decided to defer the matter for study and advised Mr. Seyffer they would deal with the matter at their next meeting.

2) Mrs. Zinn and Mrs. Faris approached Council regarding reducing the speed limit on the 4th Concession. Reeve Amos noted that the O.P.P. had patrolled the area and had reported to Council that no speeders had been caught. He felt that reducing the speed limit on one concession could lead to many similar requests. It was decided to place a "Caution Children Crossing Road" sign on the road.

3) Mr. W. Lohuau approached Council with Horseshoe Valley Resorts Ltd. plans for expansion on the Medonte side. The Clerk noted that such plans would require an Official Plan Amendment as well as a rezoning. Mr. Lohuau asked that Council notify him what was required.

PASSING OF ACCOUNTS

1) Resolution 82-239 was passed as follows:

" That Roads Voucher # 10 in the amount of \$19,595.56 is hereby approved for payment"

2) Resolution 82-240 was passed as follows:

" That General Voucher #10 in the amount of \$274,331.56 is hereby approved for payment".

BUSINESS

1) Resolution 82-241 was passed as follows:

" That Council requests that the Canadian Imperial Bank of Commerce reverse its decision to close the Hillsdale Branch".

2) Resolution 82-242 was passed as follows:

" That the Reeve and Clerk are authorized to execute a Water Rights Amending Agreement between the Township, Horseshoe Valley Ltd. and Salvil Investments Ltd."

PASSING OF BY-LAWS

1) Resolution 82-243 was passed as follows:

" That a By-Law to authorize the assumption of certain watermains, valves, hydrants and services, pump house and pumping equipment presently serving the lots of RP 1531, M-10, M-11 and M-23 in the Township of Medonte be considered read a third time and passed this 12th day of October , 1982 and numbered By-Law 82-6".

2) Resolution 82-244 was passed as follows:

" That a By-Law to regulate the use of land and the erection and use of buildings as structures in the Township of Medonte be considered read a first and second time".

Resolution 82-245 was passed as follows:

" That a By-Law to regulate the use of land and the erection of buildings or structures in the Township of Medonte be considered read a third time and passed this 12th day of October, 1982 and numbered By-Law 82-25".

3) A By-Law to provide for Stop Signs on certain Township Roads was deferred.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix K3

October 12th, 1982. Minutes of Council of the Township of Medonte. Passing of Resolution 82-242. Passing of **By-Law 82-6**. This By-Law assumes most of the distribution equipment associated with the Zone 1 Water Supply System. Some of this equipment resides on Horseshoe Property in the Township of Oro.

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THE CORPORATION OF THE TOWNSHIP OF MEDONTE

4) Resolution 82-246 was passed as follows:

" That a By-Law to authorize the execution of tax arrears agreement pursuant to the Municipal Affairs Act be considered read a first & second time, read a third time and passed this 12th day of October, 1982 and numbered By-Law 82-27".

5) Resolution 82-247 was passed as follows:

" That a By-Law imposing special annual drainage rates upon land in respect of which money is borrowed under the Tile Drainage Act, 1971 be considered read a first and second time, read a third time and passed this 12th day of October, and numbered By-Law 82-28".

OTHER BUSINESS

1) Council agreed to meet with Mr. C. Archibald on Monday, October 18, 1982 at 11:00 A.M.

2) Council directed the Clerk contact the M.T.C. to see if a final inspection of the Highway 400 work should be done by Council.

3) Council decided to have a special meeting on October 19, 1982 at 7:30 P.M. to finish the work not completed at the regular meeting.

4) Two members of Council, the Clerk and the Treasurer were authorized to attend a meeting at Tiny Township Council Chambers on October 26, 1982 at 9:30 A.M. regarding the new M.T.C. subsidy structure.

ADJOURNMENT

Resolution 82-248 was passed as follows:

" That this meeting be adjourned to meet again on November 9, 1982 at 1:00 P.M.".

Ingram, David
Reeve

Hayling, Jennifer
Clerk

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix L1

October 12th, 1982. **By-Law 82-6**. This By-Law assumes most of the distribution equipment associated with the Zone 1 **Water Supply System**. Some of this equipment resides on Horseshoe Property in the Township of Oro.

BY-LAW 82-6

OF

THE CORPORATION OF THE TOWNSHIP OF MEDONTE

Being a By-Law to authorize the assumption of certain watermains, valves, hydrants and services, pump house and pumping equipment presently serving the lots of RP 1531, M-10, M-11 and M-23 in the Township of Medonte

WHEREAS certain watermains, water services, pumphouse and pumping equipment has been installed by Salvil Investments Limited, hereinafter referred to as the "Developer", the Developer of RP No. 1531, M-10, M-11, and M-23, hereinafter referred to as the "Subdivisions";

AND WHEREAS the Developer is prepared to dedicate the said mains, services, building and equipment to the Corporation at no cost to the Corporation;

AND WHEREAS by agreement made between the Corporation, the Developer and Horseshoe Valley Resorts Limited dated the 23rd day of May, 1980 (Water Rights Guarantee Agreement) as amended by the amending Agreement approved by this by-law, the Corporation has ensured that the system defined in paragraph 1 hereof has an adequate supply of water to supply the domestic water users residing in the Subdivisions;

AND WHEREAS by By-Law 1392 duly enacted pursuant to Petition of the owners and certified, the Corporation authorized the construction of certain watermains, hydrants and pumping equipment as a Local Improvement.

AND WHEREAS by the Water Rights Guarantee Agreement the Subdivider agreed to dedicate and the Corporation undertook to accept and assume the system subject to completion of the local improvement works and subject to the certification of completion by the Corporation's engineers.

AND WHEREAS such completion certificate has been received.

AND WHEREAS it is desirable and expedient to amend the Water Rights Guarantee Agreement and to assume the expanded system.

AND WHEREAS the title to the lands in which the pipes have been installed has been transferred to the Corporation.

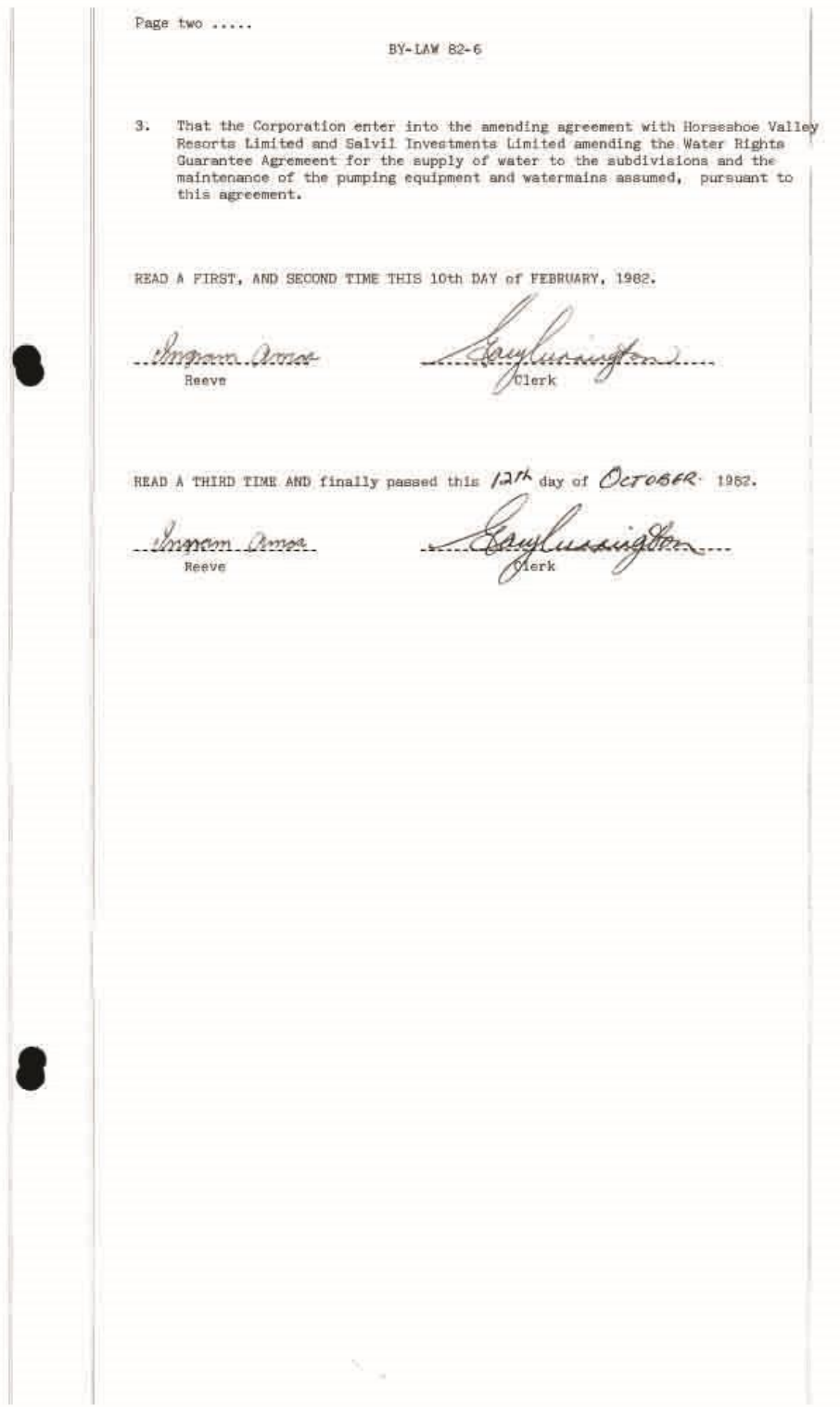
NOW THEREFORE THE MUNICIPAL COUNCIL OF THE CORPORATION OF THE TOWNSHIP OF MEDONTE ENACTS AS FOLLOWS:

1. That the Council hereby assumes the ownership of all the water mains, valves, hydrants and services including the booster pumping station and all the related mechanical and electrical equipment serving residential lots in the subdivisions, being the existing watermains shown outlined in red on Plan of Ainley and Associates, No 78386-0 dated April 10, 1980 and entitled Horseshoe Valley Water Supply System appended to this by-law.
2. That the two inch pipe and installed hydrant in Parts 1, 2 and/or 3, Plan 51R-2909 being the lands registered the 3rd of March, 1974 as instrument 472627 are specifically excluded from this enactment until the same shall be brought up to approved specifications and so certified by the Township Engineer.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix L2

October 12th, 1982. **By-Law 82-6.** This By-Law assumes most of the distribution equipment associated with the Zone 1 **Water Supply System.** Some of this equipment resides on Horseshoe Property in the Township of Oro.



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix M

March 4th, 1991. Council Meeting of the Township of Oro. Oro seeks to form a new **Tri-Party Agreement** (Motion 25) with Horseshoe Valley and the Township of Medonte. The intent is to fashion a new water deal replacing the Medonte WGRA of 1980. There is no evidence that this deal was ever realized. The Amalgamation process probably interrupted the possibility of finalizing this Tri-Party Agreement.

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MOTION NO. 22

Moved by Burton, seconded by Johnson

Be it resolved that the Newspaper Article dated Wednesday, February 27, 1991, entitled Oro's Letter Infuriates Vespra, be received, and further, a copy of the Letter from Township's Oro and Medonte dated February 18, 1991, be given to the Press along with comments by the Township Planner on the inaccuracy contained in Vespra's submission to the County.

Carried.

MOTION NO. 23

Moved by Burton, seconded by Johnson

Be it resolved that Report No. 91-08 of the Special Committee of the Whole Meeting held Wednesday, February 20, 1991, and the recommendations contained therein, be adopted as printed and circulated.

Carried.

MOTION NO. 24

Moved by Burton, seconded by Johnson

Be it resolved that the minutes of the Oro Community Centres Parks and Recreation Committee Meeting held Thursday, February 14, 1991, be adopted as printed and circulated.

Carried.

MOTION NO. 25

Moved by Crawford, seconded by Burton

Be it resolved that the Corporation of the Township of Oro, with the consent of the Corporation of the Township of Medonte, reopen negotiations with Horseshoe Valley for the purpose of entering into a tri-party Agreement to replace the present agreement between the Horseshoe Resort Corporation and the Corporation of the Township of Oro and the existing agreement between the Horseshoe Resort Corporation and the Corporation of the Township of Medonte;

and further, the tri-part Agreement is to provide for the assumption of the Oro System by the Corporation of the Township of Oro and for the maintenance and supply of the Medonte System by the Corporation of the Township of Oro;

and further, the Township of Oro's solicitor and Engineering Consultant with the assistance of the Administrator/Clerk from the Corporation of the Township of Oro is instructed to prepare a draft tri-party Agreement for the approval of Council and presentation to the Township of Medonte and Horseshoe Valley.

Carried.

MOTION NO. 27

Moved by Burton, seconded by Crawford

Be it resolved that the following member of Council be appointed to the Nottawasaga Valley Conservation Authority for the year 1991:

Reeve Robert Drury

Carried.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix N1

April 22nd, 1992. Council Meeting of the Township of Oro. R.G. Robinson and Associates Limited are tasked to review the **Water Supply System**. All costs of the review will be remitted by Horseshoe or the Township of Medonte subject to their confirmation.

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MOTION NO. 4

Moved by Crawford, seconded by Mortson

It is recommended that the Letter from David S. White, Township Solicitor, regarding Horseshoe/Salvil - Easements, be received and referred to R.G. Robinson and Associates to confirm and report back on the request to release the Letter of Credit.

Carried.

MOTION NO. 5

Moved by Mortson, seconded by Crawford

It is recommended that the correspondence from R. G. Robinson and Associates Limited, regarding Sugarbush, Phase III, Letter of Credit, be received and the Township not grant a reduction in the status of the Letter of Credit as requested by G.M. Sernas and Associates.

Carried.

MOTION NO. 6

Moved by Mortson, seconded by Crawford

It is recommended that the correspondence from R.G. Robinson and Associates Limited, regarding Harbourwood Water System be received and the Township Engineer be directed to proceed with necessary documentation and plans in order for the upgrading to commence, subject to an Environmental Assessment Process.

Carried.

MOTION NO. 7

Moved by Mortson, seconded by Crawford

It is recommended that R. G. Robinson and Associates Limited, be directed to review the present Water Systems in the Horseshoe Valley Developments, both existing and proposed within the Township's of Oro and Medonte, and further, any costs associated with same will be recovered from Horseshoe Valley, failing which the Township of Medonte would absorb the costs, subject to Medonte's confirmation.

Carried.

MOTION NO. 8

Moved by Crawford, seconded by Mortson

It is recommended that the correspondence from the City of Barrie regarding Hazardous Household Waste Collection Days, be received and the Township of Oro does not wish to participate for the year 1992 unless initiated by the County of Simcoe.

Carried.

MOTION NO. 9

Moved by Crawford, seconded by Mortson

It is recommended that the confidential report from Darlene Shoebridge, Clerk, re: 1992 Wages, be received and adopted.

Carried.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix N2

"Resolution 92-190 was passed as follows: That Council of the Township of Medonte enter into an agreement with the Township of Oro to have them provide a program of **inspection and maintenance** of the Township's water system."

Monday July 13, 1992

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THE CORPORATION OF THE TOWNSHIP OF MEDONTE

- 3) Council discussed the Protection to Persons and Property minutes of June 24, 1992. Council deferred any decision on further capital funding until the Budget meeting of July 23/92.

Resolution 92-188 was passed as follows:

" That Council approves of a Grant to the Medonte Emergency Rescue Team in the amount of \$3,000.00 towards the purchase of the "Jaws of Life" to be paid from the Fire Reserve Fund".

- 4) Resolution 92-189 was passed as follows:

" That Medonte Council requests the Ministry of Environment advise the Township when properties are approved or licenced to receive sewage sludge".

- 5) Resolution 92-190 was passed as follows:

" That Council of the Township of Medonte enter into an agreement with the Township of Oro to have them provide a program of inspection and maintenance of the Township's water systems".

PASSING OF ACCOUNTS

- 1) Resolution 92-191 was passed as follows:

" That Roads Voucher #6 in the amount of \$152,081.07 be authorized for payment".

- 2) Resolution 92-192 was passed as follows:

" That General Voucher #7 in the amount of \$1,036,777.60 be authorized for payment".

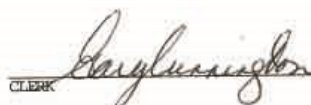
Various other pieces of correspondence and reports were presented, discussed, and filed as informational.

ADJOURNMENT

Resolution 92-193 was passed as follows:

" That this meeting be adjourned to meet again on Monday August 17, 1992 at 7:00 p.m."


REEVE


CLERK

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix O

August 24th, 1994. Council Meeting of the Township of Oro-Medonte. The Township of Oro-Medonte sends a notice to Horseshoe Resort Corporation and their lenders that they will begin the Tax Registration of properties in early 1995. (Motion # 25) Notice the importance of a recorded vote.

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MOTION NO. 23

Moved by Crokam, seconded by Martin

It is recommended that we go In Camera @ 1:24 p.m.

Carried.

MOTION NO. 24

Moved by Dickie, seconded by Crokam

It is recommended that we arise from In Camera @ 1:45 p.m.

Carried.

MOTION NO. 25

Moved by Dalziel, seconded by Crokam

It is recommended that the Treasurer advise Horseshoe Resort Corporation and their lenders that the Township will begin the Tax Registration of properties on January 2, 1995.

Recorded vote requested by Mayor Drury

Deputy Mayor Beard	Yea
Councillor Bell	Yea
Councillor Crawford	Yea
Councillor Crokam	Yea
Deputy Reeve Dalziel	Yea
Councillor Dickie	Yea
Councillor Martin	Yea
Mayor Drury	Yea

Carried.

MOTION NO. 26

Moved by Dalziel, seconded by Bell

It is recommended that the report from Paul Eenhoorn, Fire Chief, regarding the purchase of a new rescue van, be received and the quotation from Thor Motors, Orillia be accepted to supply a 1995 Ford E350 R.V. Cutaway as specified in the amount of \$28,210.55.

Carried.

MOTION NO. 27

Moved by Martin, seconded by Crokam

It is recommended that the report from Paul Eenhoorn, Fire Chief, regarding 911, be received and adopted and the Township of Oro-Medonte implement the Provincially enhanced 911 System with the City of Orillia and area municipalities.

Carried.

MOTION NO. 28

Moved by Dalziel, seconded by Crokam

It is recommended that the report from Paul Eenhoorn, Fire Chief, regarding the heating system at Station #5, be received.

Carried.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix P

August 25th, 1995. Council Meeting of the Township of Oro-Medonte. Motion No. 24. The assumption of Communal Sewage System in Zone 1 Medonte.

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MOTION NO. 24

Moved by Craig, seconded by Dickie

It is recommended that the memo from Gary Cunningham, CAO, re: Assumption of Communal Sewage System, Medonte Side Horseshoe Valley, be received and the appropriate by-laws to assume ownership and maintenance of the system serving residents on Plans 1531, M-10 & M-11 as well as the imposition of sewer service annual rates be prepared and presented to Council, and further negotiations continue for the acquiring of additional lands for easement purposes from Horseshoe Resort Corporation.

Carried.

MOTION NO. 25

Moved by Bell, seconded by Sommers

It is recommended that Council go In-camera (private session) @ 3:08 p.m. to discuss with the Township solicitor a legal opinion on Gold Mountain Springs as well as Agenda item 4. (h) with respect to a personnel matter, all in accordance with the Township Procedural By-law.

Carried.

MOTION NO. 26

Moved by Craig, seconded by Dickie

It is recommended that Council rise and report from In-camera @ 4:43 p.m.

Carried.

MOTION NO. 27

Moved by Bell, seconded by Sommers

It is recommended that we suspend Rule 21(d) of the Township's procedural by-law in order to allow the meeting to proceed past the normal adjournment hour of 4:00 p.m.

Carried.

MOTION NO. 28

Moved by Craig, seconded by Dickie

It is recommended that the confidential correspondence from Russell, Christie, Miller, Koughan, Twp. Solicitors, re: Gold Mountain Springs Inc., Pt. Lot 3, Conc. 10 (Oro), be received.

Carried.

MOTION NO. 29

Moved by Dickie, seconded by Craig

It is recommended that Council not approve of the reimbursement of education and training costs incurred by the member of staff who has commenced with the Arena Manager's course.

Recorded vote requested by: Councillor Sommers

Councillor Bell	Yea
Councillor Craig	Yea
Councillor Dickie	Yea
Councillor Sommers	Yea
Mayor Beard	Yea

Carried.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix Q1

March 28th, 1996. Special Council Meeting. Motion No. 2. David White is instructed to contact Horseshoe Valley Resort to advise that the 1990 Agreement is terminated. This effectively removes governance over the supply equipment of Zone 1 in Horseshoe Valley. If this termination took place, Horseshoe Valley Resort became sole owners of the supply components of the Zone 1 Water System. Those components included the main well, standpipe, and associated equipment. The WRGA of 1980 and accompanying By-Law in Medonte in 1982 was still in place and the newly formed Township of Oro-Medonte used those Agreements to continue the relationship with Horseshoe Valley Resort. LT185779 does not appear to have been terminated or revoked. But, the belowground works of Plan 51M-456, according to current Oro-Medonte staff, were not assumed.

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MOTION NO. 1

Moved by Martin, seconded by Craig

Be it resolved that the Agenda for the Special Meeting of Council, March 28, 1996, be adopted as printed and circulated.

Carried.

MOTION NO. 2

Moved by Dickie, seconded by Craig

Be it resolved that Township Solicitor, David White, contact Horseshoe Valley Resort to advise that the 1990 Agreement, Registration No. 185779 is terminated and further that Draft Plan Condition No. 6 be complied with immediately and further that a Letter of Credit be deposited with the Township to guarantee that Condition #6 can be complied with and that the Township will not allow Discovery Ridge to proceed until Draft Plan Condition No. 6 is complied with.

Recorded vote requested by: Councillor Craig

Councillor Bell	Yea
Councillor Craig	Yea
Councillor Dickie	Yea
Deputy Mayor Martin	Yea
Councillor Sommers	Yea
Mayor Beard	Yea

Carried.

MOTION NO. 3

Moved by Bell, seconded by Sommers

Be it resolved that Notwithstanding Motion No. 16 of the Regular Meeting of Council held April 6, 1994, Township Solicitor, William Koughan advise Horseshoe Resort Corp. that the Township will not accept the Sewage Treatment Plant, Certificate of Approval No. 3-0845-95-966 unless the Township Engineering Consultants are involved in the pre-design, design and final design of same and further that the Township Engineering Consultants report back to Council for endorsement.

Recorded vote requested by: Mayor Beard

Councillor Sommers	Yea
Deputy Mayor Martin	Yea
Councillor Dickie	Yea
Councillor Craig	Yea
Councillor Bell	Yea
Mayor Beard	Yea

Carried.

MOTION NO. 4

Moved by Bell, seconded by Sommers

Be it resolved that a By-law to Confirm the Proceedings of the Special Meeting of Council held Thursday, March 28, 1996 be read a first and second time and numbered By-law 96-27.

Carried.

That By-law 96-27 be read a third time and finally passed, be engrossed by the Deputy Clerk, signed and sealed by the Mayor.

Carried.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix Q2

*March 1997. R.G. Robinson and Associates Report. Horseshoe Highlands Subdivision-Phase IVA. 5 lots held as security and listed as surplus lands for sale by Oro-Medonte. Final Acceptance and assumption of belowground works are not granted or assumed. This Report had a significant influence on the Zone 2 water supply system and the integration of the Zone 1 water supply system. The water supply system is designated as a "communal [Municipal] system with well supply". LT185778 and LT185779 are integrated registered documents that are problematic at this time. See the discussion in the conclusion and summary.

A report by R.G. Robinson and Associates (Barrie) Ltd.

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TOWNSHIP OF ORO-MEDONTE

HORSESHOE HIGHLANDS SUBDIVISION - PHASE IVA

<u>TOWNSHIP NO.:</u>	P-05/89
<u>MMA NUMBER:</u>	43T-89022
<u>REGISTERED PLAN:</u>	51M-456
<u>LOCATION:</u>	Part of Lots 1, 2 and 3, Conc. 4, Oro Township
<u>OWNER:</u>	Horseshoe Resort Corporation
<u>PLANNER:</u>	KMK Consultants renamed from Knox Martin Kretch Ltd.
<u>ENGINEER:</u>	KMK Consultants renamed from Knox Martin Kretch Ltd.
<u>ZONING:</u>	90-25 (General Residential)
<u>OFFICIAL PLAN:</u>	OPA 29
<u>DRAFT PLAN APPROVAL:</u>	October 4, 1989
<u>NUMBER OF LOTS:</u>	192
<u>WATER SUPPLY:</u>	Communal system with well supply.
<u>FIRE PROTECTION:</u>	Fire hydrants supplied by 281,300 gallon elevated storage tank.
<u>PARKLAND:</u>	Yes
<u>SUBDIVISION AGREEMENT:</u>	Executed September 26, 1990
<u>ESTIMATED COST OF SERVICES:</u>	\$2,251,000.00
<u>SECURITIES:</u>	\$633,833.54 - reduced June 21, 1993 to cover Wimpey Lien - from Zurich Indemnity Company of Canada
	Title to lots 15, 19, 105, 108 and 144 of Plan 51M-456 held for 4th Line Reconstruction Security.
<u>LOT LEVY OR DCA:</u>	\$3,000.00 lot levy per lot
<u>ROADS ASSUMED:</u>	No
<u>STATUS:</u>	<ul style="list-style-type: none">- Roads have been constructed to base course asphalt.- Watermain installed & tested with Certificate of Substantial Completion and Acceptance (Underground) being issued October 26, 1990.- Street lights are energized.- Infiltration system to be installed at outlet.- Letter of Credit not to be reduced below \$596,000.00 unless conditions in Developer's confidential correspondence of July 26, 1990 are fulfilled (Council Resolution of Dec. 13, 1990).
R. G. ROBINSON AND ASSOCIATES (BARRIE) LTD.	March, 1997
FILE #12-8837-54	

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix Q3

The Trouble with 456:

Plan 51M-456 Phase IVA Horseshoe Highlands Zone 2—a summary of key events.

For a more detailed account of each entry, review the Time-line, Appendices, Charts, Tables, discussion, and the public record.

- July 24th, 1990. By-Law 1990-022. Zoning By-Law in Medonte impacting the development of Timber Ridge and other Horseshoe Lands. See 1996 Council minutes for connection.
- June 20th, 1989. Registration of LT185779. (Oro Water Agreement) Alpine Way, Pod's Lane, Bridle Path, Bunker Place, Nordic Trail, and Chestnut Lane are included in 456.
- October 31st, 1990. Registration of LT185778. This is the Oro subdivision agreement for 456.
- January 24th, 1991. By-Law 1991-011. Subdivision Agreement (456)
- January 24th, 1991. By-Law 1991-012. Oro Amendment Agreement for 456. Title to lots 15, 19, 105, 108, and 144 of Plan 51M-456 held for 4th Line Reconstruction Security.
- March 4th, 1991, Oro. Tri-party Agreement is attempted.
- October 28th, 1991. By-Law 1991-30. Settlement agreement between Horseshoe Resort Corporation and the Corporation of the Township of Medonte. Over Horseshoe Lands and Timber Ridge.
- April 22nd, 1992, Horseshoe/Salvil – Oro Easements (456) report by R.G. Robinson and Associates to confirm and report back on the request to release the Letter of Credit.
- July 3rd, 1992. Medonte asks Oro. "Resolution 92-190 was passed as follows: ...a program of inspection and maintenance of the Township's water system by Oro.
- By-Law 1992-50. To extend an agreement with Horseshoe Resort Corporation for development.
- August 24th, 1994, Oro "It is recommended that the Treasurer advise Horseshoe Resort Corporation and their lenders that the Township will begin the Tax Registration of properties on January 2, 1995."
- 1994, Amalgamation Consolidation Process Finalized
- March 28th, 1996. Intent to terminate 1990 Agreement, Registration No. 185779.
- March 28th, 1996. Draft Plan Condition No. 6 be complied with an immediate Letter of Credit deposited.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

-March 28th, 1996. "Discovery Ridge" not allowed to go ahead without compliance with Condition No 6. Did they mean Timber Ridge?

-March 5th, 1997. The lands deemed to be surplus to the needs of the Municipality: a) Plan M-456, Lot 105, b) Plan M-456, Lot 144, c) Plan M-456, Lot 145, d) Plan M-456, Lot 15, and e) Plan M-456, Lot 19. Notice that a lot has been added and a lot subtracted from By-Law 1991-012, namely the addition of Lot 145 and the subtraction of Lot 108. When listed by the Township, these lots sold for less than \$50000 per lot. They were to cover \$371,000.00 taken for security. See By-Law 1991-12 Oro.

-March 1997. R.G. Robinson and Associates Report. (See Appendix Q2)

July 2nd, 1997. Tenders for listing agreements for surplus Municipal Lands for Sale. Notice that a lot has been added and a lot subtract from By-Law 1991-012, namely the addition of Lot 145 and the subtraction of Lot 108.

-November 5th, 1997. Filed a Statement of Defence and Counter Claim in response to the Statement of Claim served by Horseshoe Resort Corporation as Court File G21205-97.

-November 19th, 1997. Aird & Berlis (Chris Williams) Confidential Correspondence about the Zone 2 Water System.

-December 17th, 1997. Re: Horseshoe Valley Resort Corporation Bankruptcy Proposal received and adopted.

-January 7th, 1998. Re: Notice of Intention to Enforce Security (HRC)/ Horseshoe Valley Resort Corporation Proposal of January 6, 1998, be received and adopted.

-January 7th, 1998. Re: Toronto- Dominion Bank, Zurich Indemnity Company of Canada, Horseshoe Valley Limited Partnership and Horseshoe Resort Corporation vs. The Corporation of the Township of Oro-Medonte be received and further that the CAO/Treasurer be authorized to proceed with the Statement of Defense."

-January 16th, 2002. By-Law 2002-002. Issuance of a Certificate of Maintenance and Final Acceptance (Aboveground Services) for Horseshoe Highlands Subdivision-Phase 4A (Horseshoe Resort Corporation).

-May 19th, 2020. Director of Development Services Confirms that a By-Law assuming the Underground Works for 456 does not exist "unfortunately".

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix R

On December 18th, 1996, The Corporation of the Township of Oro-Medonte passed a By-Law to impose against the ratepayers serviced by Zone 1 Horseshoe Valley-Medonte, a new annual rate for the supply of water. **This is the first time that *Water Rights Guarantee Agreement of May 23rd, 1980* was amended to reflect changes in rates.** The original rate of \$90.00/a is adjusted to \$200.00/a. This same fee structure is also imposed on Zone 1 Horseshoe Valley-Oro ratepayers. This By-Law confirms that the original ***Water Rights Guarantee Agreement of May 23rd, 1980*** is still in effect for 1996. It also shows governance over the supply works for both Zone 1 Oro and Zone 1 Medonte. The idea of "ownership" over the supply aspects of the system is at least shared under the 1990 Agreement. (See Appendix I)

THE CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

BY-LAW NUMBER 96- 125

WHEREAS Section 8 of the Public Utilities Act, Chapter P.52, R.S.O. 1990, authorizes Council to regulate the distribution and use of water in all places where and for all purposes for which it may be required and fix the prices for the use thereof and the time of payment;

AND WHEREAS there may be agreements with respect to waterworks systems;

AND WHEREAS Council of the Township of Oro-Medonte has adopted the current year estimates;


NOW THEREFORE, Council of The Corporation of the Township of Oro-Medonte enacts as follows:


1. That the rate shall be imposed against the ratepayers serviced by the Horseshoe Valley - Medonte, Zone 1, waterworks system, including Plans 1531, M10, M11, and M23, for the supply of water;
2. That the rate shall be an annual flat rate for the calendar year and shall be billed annually. The rate shall be pro-rated for new units, based on assessment information;
3. That the residential rate for the year, if paid by the due date, shall be \$ 200.00;
4. That the residential rate for the year, if not paid by the due date, shall be \$ 220.00;
5. That the rate for Pine Ridge Ski Club shall be based on six times the residential rate and the commercial rate for the year shall be based on an equivalent number of residential users;
6. That the due date for 1996 shall be October 28, 1996;
7. That the rate section of any By-Law of the former Township of Medonte that is in effect for this waterworks system is hereby repealed; and,
8. That this By-Law shall take effect as of January 1, 1996.

READ a first and second time this 18th day of December, 1996.

READ a third time and finally passed this 18th day of December, 1996.

THE CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

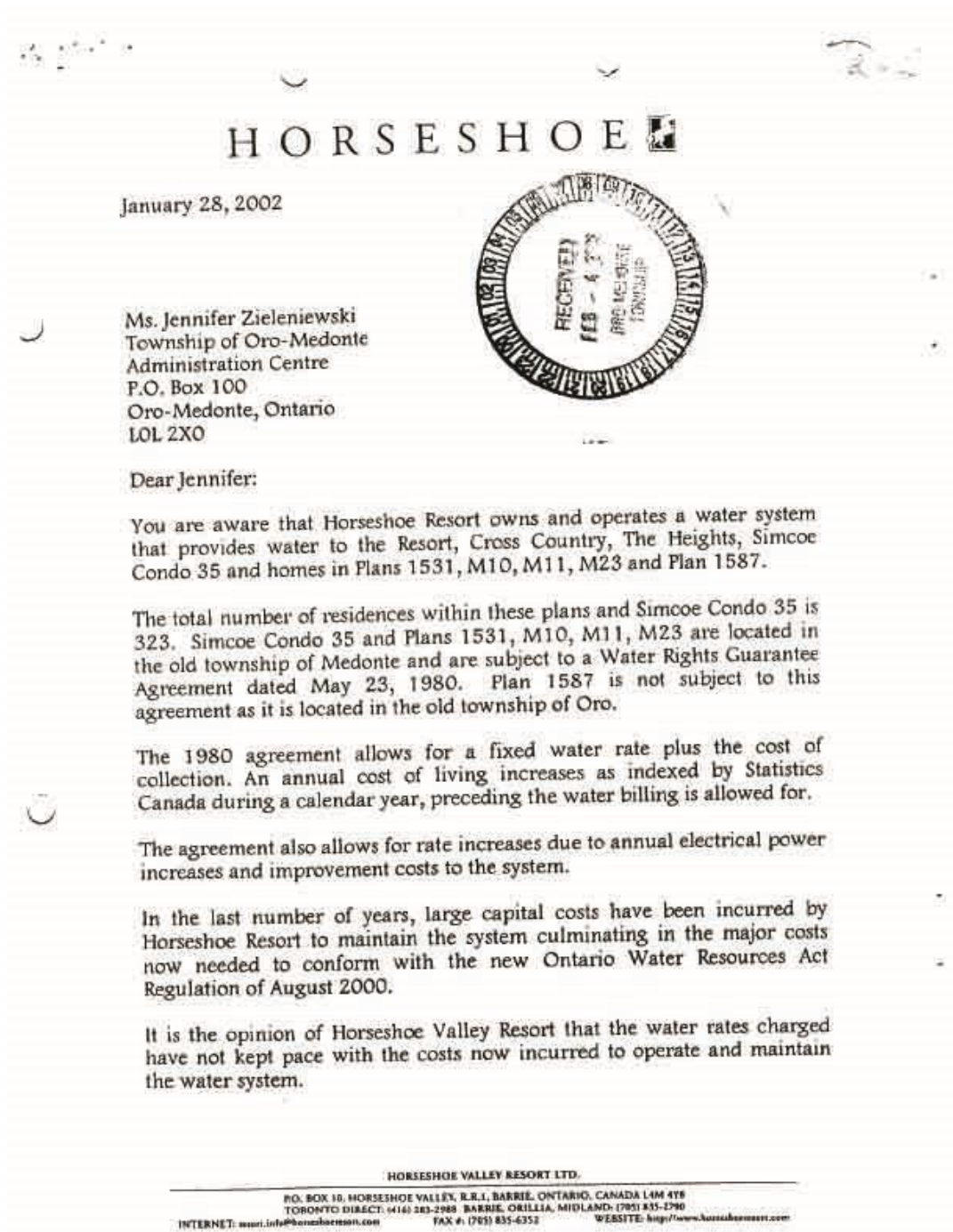

MAYOR IAN BEARD


CLERK LYNDA AIKEN

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix S1

On January 28th, 2002, Horseshoe Resort asked to impose new rates for the Zone 1 Oro and Zone 1 Medonte **water supply system** to ratepayers. Due to increased costs related to the Ontario Water Resources Act Regulation of August 2000, it's suggested to increase the annual rate to mirror Zone 2 rates of \$325.00/a. This also satisfies the WRGA of 1980. (WRGA, 1980, p. 5A) (See Appendix I)



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

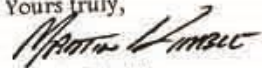
Appendix S2

On January 28th, 2002, Horseshoe Resort asked to impose new rates for the Zone 1 Oro and Zone 1 Medonte **water supply system** to ratepayers. Due to increased costs related to the Ontario Water Resources Act Regulation of August 2000, it's suggested to increase the annual rate to mirror Zone 2 rates of \$325.00/a. (WRGA, 1980, p. 5A) (See Appendix I)

Horseshoe is requesting a water rate increase to those it services that is equivalent to the water rate charged with the similar Zone 2 Horseshoe water system operated by the Township of Oro-Medonte.

I look forward to your reply and am available for any questions you may have.

Yours truly,



Martin Kimble
Vice President of Operations and Development

cc: Keith Mathieson, Director of Engineering and Environmental Services
Walter Dickie, Councillor

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix S3

On July 16, 2002, Keith Mathieson filed a Report entitled "Horseshoe Valley Zone 1-Request for Water Rate Increase. This Report confirms that the original **Water Rights Guarantee Agreement of May 23rd, 1980** is still in effect for 2002. (WRGA, 1980, p. 5A) (See Appendix I)

REPORT

DEPT. REPORT #ES2002-42	TO: COMMITTEE OF THE WHOLE	PREPARED BY: Keith Mathieson
COUNCIL: _____	SUBJECT & FILE #: Horseshoe Valley Zone I – Request for Water Rate Increase	DEPARTMENT: Public Works
C. OF W.: _____		DATE: July 16, 2002
MOTION #: _____		R. M. FILE #: E08-5457
DATE: _____		

BACKGROUND:

In 1980, the former Township of Medonte, Horseshoe Valley Ltd., and Salvil Investments Ltd. entered into a Water Rights Guarantee Agreement where Horseshoe Valley Ltd. agreed to maintain and operate the water system supplying water to the residents of Plans 1531, M-10, M-11, M-23 and Pine Ridge Chalet, and Plan 1587, former Oro Township (Zone I).

Over the past number of years, the water rate for Zone I has increased by the Cost of Living Index to the present rate of \$200.00 per unit.

SUMMARY:

Attached for Council's perusal is a request for Horseshoe Valley Resort Ltd. to increase the water rate for Zone I to \$325.00 per year. As mentioned in Mr. Kimble's letter, the operating and capital costs to operate a municipal water system have increased greatly since Bill #459/00 was passed.

If Council approves this rate increase, the water rate for Zone I and Zone II in Horseshoe will be the same.

RECOMMENDATIONS:

1. **THAT** Council receives and adopts this report.
2. **THAT** the water rate for Horseshoe Valley, Zone I, operated by Horseshoe Valley Resort, be increased to \$325.00 per year beginning in 2002.
3. **THAT** the Clerk prepares a By-law for Council's consideration to set the water rate for Horseshoe Valley, Zone I.

Respectfully submitted,
Keith Mathieson

Concur
CAG
July 15/02

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix S4

On August 14th, 2002 By-Law No.2002-86 was in effect increases rates for all Zone 1 ratepayers, including Horseshoe-Oro 1587, Horseshoe-Medonte 1531, M-10, M-11, M-23, and Pine Ridge Ski Club. (See Appendix I)

14D-4

BY-LAW NO. 2002-86 (cont'd.)	
SURCHARGE BASED ON TWELVE (12) MONTH PERIOD FOR ALL METERED SYSTEMS	
366-545 Cubic Meters	\$0.75/Cubic Meter
546 + Cubic Meters	\$1.00/Cubic Meter
FLAT RATE: RESIDENTIAL	
MEDONTE HILLS - 1650, M-29, M-174	
Based on twelve (12) month period	
Flat Rate	\$345.00/Unit for twelve (12) Months
Based on three (3) month period	
Flat Rate	\$ 86.25/Unit for three (3) Month Period
ROBINCREST - M-123, M-101, BACHLY	
Based on twelve (12) month period	
Flat Rate	\$365.00/Unit for twelve (12) Months
Based on three (3) month period	
Flat Rate	\$ 91.25/Unit for three (3) Month Period
SCHOOLS	
Flat Rate	\$ 15.00/Classroom/Month for twelve (12) Months
HORSESHOE - ORO 1587	
Based on twelve (12) month period	
Flat Rate	\$325.00/Unit for twelve (12) Months
Based on three (3) month period	
Flat Rate	\$ 81.25/Unit for three (3) Month Period
HORSESHOE - Medonte 1531, M-10, M-11, M-23	
Flat Rate	\$325.00/Unit for twelve (12) Months
Based on three (3) month period	
Flat Rate	\$ 81.25/Unit for three (3) Month Period
PINE RIDGE SKI CLUB	
Flat Rate	\$1,200.00 for twelve (12) Months
Flat Rate Commercial	\$ 300.00 for three (3) Month Period
MISCELLANEOUS FEES:	
CONNECTION FEE INSPECTION	\$200.00
DISCONNECTION AND RECONNECTION CHARGE	\$ 50.00 Each
<small>Public Works/2002 By-Law/By-Law 2002-86 Amended By-Law 98-100</small>	
<small>3</small>	

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix T1

On March 11th, 2003, Martin Kimble, Vice President, Operations & Development wrote a letter to Keith Mathieson of Oro-Medonte asking for an increase in the water rate for Zone 1 ratepayers. To cover increased operating costs, an increase of \$575.00 was requested. **This further shows the importance of the WRGA of 1980.** (WRGA, 1980, p. 5A) (See Appendix I)

SENT BY: HORSESHOE RESORT

: 3-11-3 : 10:15 :

17058356354~

1 705 487 0133: # 2/ 2

HORSESHOE 
RESORT

9a-3

March 11, 2003

Keith Mathieson
Director of Engineering
& Environmental Services
Oro-Medonte
Box 100
Oro, Ontario
L0L 2X0

Dear Keith:

It has come to my attention that the Township of Oro-Medonte will be seeking a water rate increase beginning in the coming budget year based on increased operating costs.

The costs experienced with the Horseshoe zone system are similar to the Municipal systems operated by the township.

Horseshoe is asking that its zone one water system be included in the rate increase to \$575.00, to cover the increased operating costs.

Please call me with any questions.

Sincerely,



Martin Kimble
Vice President, Operations & Development

HORSESHOE VALLEY RESORT LTD.

BOX 100, HORSESHOE VALLEY, R.R. 1, BARRIE, ONTARIO, CANADA L4M 4Y8
TORONTO DIRECT: (416) 303-2988 BARRIE: (705) 487-0133 (TOLL FREE) (705) 835-2799
INTERNET: <http://www.horseshoeresort.com> FAX: (705) 835-6312 WEBSITE: <http://www.horseshoeresort.com>

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix T2

March 13th, 2003 Report: Horseshoe Valley Zone 1-Request for Water Rate Increase. Once again, the **Water Rights Guarantee Agreement of May 23rd, 1980** is still in effect for 2003. (WRGA, 1980, p. 5A) (See Appendix I)



TOWNSHIP OF ORO-MEDONTE REPORT

DEPT. REPORT NO.: EES2003-25	TO: COMMITTEE OF THE WHOLE	PREPARED BY: Keith Mathieson
COUNCIL: _____	SUBJECT: Horseshoe Valley Zone I – Request for Water Rate Increase	DEPARTMENT: Engineering and Environmental Services
C. OF W.: _____		DATE: March 13, 2003
MOTION #: _____		R. M. FILE NO.: E08-320
DATE: _____		

BACKGROUND:

In 1980, the former Township of Medonte, Horseshoe Valley Ltd., and Salvil Investments Ltd. entered into a Water Rights Guarantee Agreement, wherein Horseshoe Valley Ltd. agreed to operate and maintain the water system supplying water to the residents of Plans 1531, M-10, M-11, M-23, Pine Ridge Chalet, and Plan 1587, former Oro Township (Zone 1).

ANALYSIS:

In July of 2002, Council passed a By-law to increase the water rates in Zone I to \$325.00 per year, which was consistent with the rate for Zone II.

By way of the attached correspondence from Mr. Martin Kimble, Horseshoe Valley Ltd. is requesting that the water rate for Zone I be increased to \$575.00 per unit for 2003.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges


Appendix T3

March 13th, 2003 Report: Horseshoe Valley Zone 1-Request for Water Rate Increase. Once again, the **Water Rights Guarantee Agreement of May 23rd, 1980** is still in effect for 2003. (WRGA, 1980, p. 5A) (See Appendix I)

RECOMMENDATION(S):

1. **THAT** this report be received and adopted.
2. **THAT** the water rate for Horseshoe Valley Zone I, operated by Horseshoe Valley Ltd., be increased to \$575.00 per unit for 2003, and be incorporated into the Water Rates and Fee Schedule By-law for 2003.

Respectfully submitted,


Keith Mathieson

C.A.O. COMMENTS:

DATE:

March 21/03

Concur

C.A.O.:

J

DEPT. HEAD:

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix U1

On April 5th, 2006, Horseshoe Resort asked for a twenty-five dollar increase in the annual rate for the Horseshoe Zone One water system. Once again, the **Water Rights Guarantee Agreement of May 23rd, 1980** is still in effect for 2006. (WRGA, 1980, p. 5A) (See Appendix I)

APR-05-2006 03:55PM FROM:Horseshoe Resort Operations 7056352140 T-700 P.002/002 E-045

8a-2

HORSESHOE RESORT

April 05, 2006

Keith Mathleson
Director of Engineering
& Environmental Services
Township of Oro-Medonte
148 Line 7 South
Box 100
Oro, Ontario
L0L 2X0

ORO-MEDONTE TOWNSHIP
MOTION# CW 060412-2
APR 12 2006
MEETING: COUNCIL ☐
C. OF W. ☒

Dear Keith:

Re: Water Rates

Please accept this request for a twenty-five dollar increase in the annual rate for the Horseshoe Zone One water system.

The request for this increase is due to under funded capital and upgrade requirements for the water system.

If you have any questions or concerns regarding this matter, please contact the undersigned.

Sincerely,

Martin Kimble

Martin Kimble
Vice President, Operations & Development
Horseshoe Resort
705-835-5578 ext. 1164

HORSESHOE VALLEY RESORT LTD.

1101 HORSESHOE VALLEY ROAD - COMP 10, RR#1, BARRIE, ONTARIO, CANADA L4M 4Y8
TORONTO DIRECT: (416) 283-3988 BARRIE, ORILLIA, MIDLAND: (705) 835-2790
EMAIL: info@HorseshoeResort.com FAX #: (705) 835-6352 WEBSITE: www.HorseshoeResort.com

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix U2

On May 17th, 2006, The Township of Oro-Medonte posted a Notice to Water Users of proposed rate increases to be effective on January 1st, 2006. The proposed rate increase for 2006 was \$600.00/a. (See Appendix I)

8a-1

**TOWNSHIP OF ORO-MEDONTE
NOTICE TO WATER USERS**

TAKE NOTICE that the Council of THE Corporation of the Township of Oro-Medonte, at its meeting of May 17, 2006 at 7:00 p.m., will consider a proposed water rate increase for all water systems (other than the Canterbury and Cedarbrook systems) from \$575 to \$600, being an increase of \$25 or 4.3%. The proposed increase would be effective January 1, 2006.

Water surcharge rates would increase by 4.3% to the following:

366-545 cubic meters	\$1.89/cubic meter
546+ cubic meters	\$2.05/cubic meter

The water rate for the Canterbury and Cedarbrook systems would remain at the present rate of \$600.

A public meeting will be held at the said date and time to allow any person who attends an opportunity to make representation with respect to the proposed rates.

An information package detailing the proposed charges and an estimate of the costs of providing water in respect of which the charges are being imposed will be available after April 19, 2006 at no cost to any member of the public upon request at the Township Municipal Office, 148 Line 7 South, Oro ON or at the Township website, being www.oro-medonte.ca.

If the proposed increase is approved by Council, quarterly billings in 2006 will be as follows:

1 st Quarter	\$143.75
2 nd Quarter	\$156.25
3 rd Quarter	\$150.00
4 th Quarter	\$150.00
TOTAL	\$600.00

If a surcharge is applicable, it will be added to the third quarter billing as per past practice.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix U3

On May 17th, 2006, By-Law No. 2006-042 was passed allowing for rate changes in 2006. (See Appendix I)

166-5

Schedule 'J' – Water (cont'd)	
MEDONTE HILLS - 1650, M-28, M-174	
Based on twelve (12) month period	
Flat Rate	\$600.00/Unit for twelve (12) Months
Based on three (3) month period	
Flat Rate	\$150.00/Unit for three (3) Month Period
ROBINCREST - M-123, M-101, BACHLY, MOONSTONE PER SCHEDULE "A" BY-LAW 2002-132	
Based on twelve (12) month period	
Flat Rate	\$600.00/Unit for twelve (12) Months
Based on three (3) month period	
Flat Rate	\$150.00/Unit for three (3) Month Period
SURCHARGE BASED ON TWELVE (12) MONTH PERIOD FOR ALL METERED SYSTEMS	
366-545 Cubic Meters	\$1.89/Cubic Meter
546 + Cubic Meters	\$2.05/Cubic Meter
<u>FLAT RATE: RESIDENTIAL</u>	
HORSESHOE - ORO 1587	
Based on twelve (12) month period	
Flat Rate	\$600.00/Unit for twelve (12) Months
Based on three (3) month period	
Flat Rate	\$150.00/Unit for three (3) Month Period
HORSESHOE - Medonte 1531, M-10, M-11, M-23	
Flat Rate	\$600.00/Unit for twelve (12) Months
Based on three (3) month period	
Flat Rate	\$150.00/Unit for three (3) Month Period
PINE RIDGE SKI CLUB	
Flat Rate (6 units)	\$3,600.00 for twelve (12) Months
Flat Rate Commercial	\$ 900.00 for three (3) Month Period
SCHOOLS	
Flat Rate	\$ 18.00/Classroom/Month for twelve (12) Months

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix U4

On May 17th, 2006, By-Law No. 2006-046 was passed allowing for rate changes in 2006. (See Appendix I)

16c-2 By-law No. 2006-046

3. That the Mayor and Clerk are hereby authorized to sign all documents to carry out the intent of this By-law.

4. That this By-Law shall come into force and take effect on the final passing thereof.

BY-LAW READ A FIRST AND SECOND TIME THIS 17th DAY OF MAY, 2006.

BY-LAW READ A THIRD TIME AND FINALLY PASSED THIS DAY OF 2006.

THE CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

Mayor, J. Neil Craig

Clerk, Marilyn Pennycook

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix V1

On July 13th, 2016, By-Law No. 2016-110 was passed allowing for rate changes in 2016. (See Appendix I)

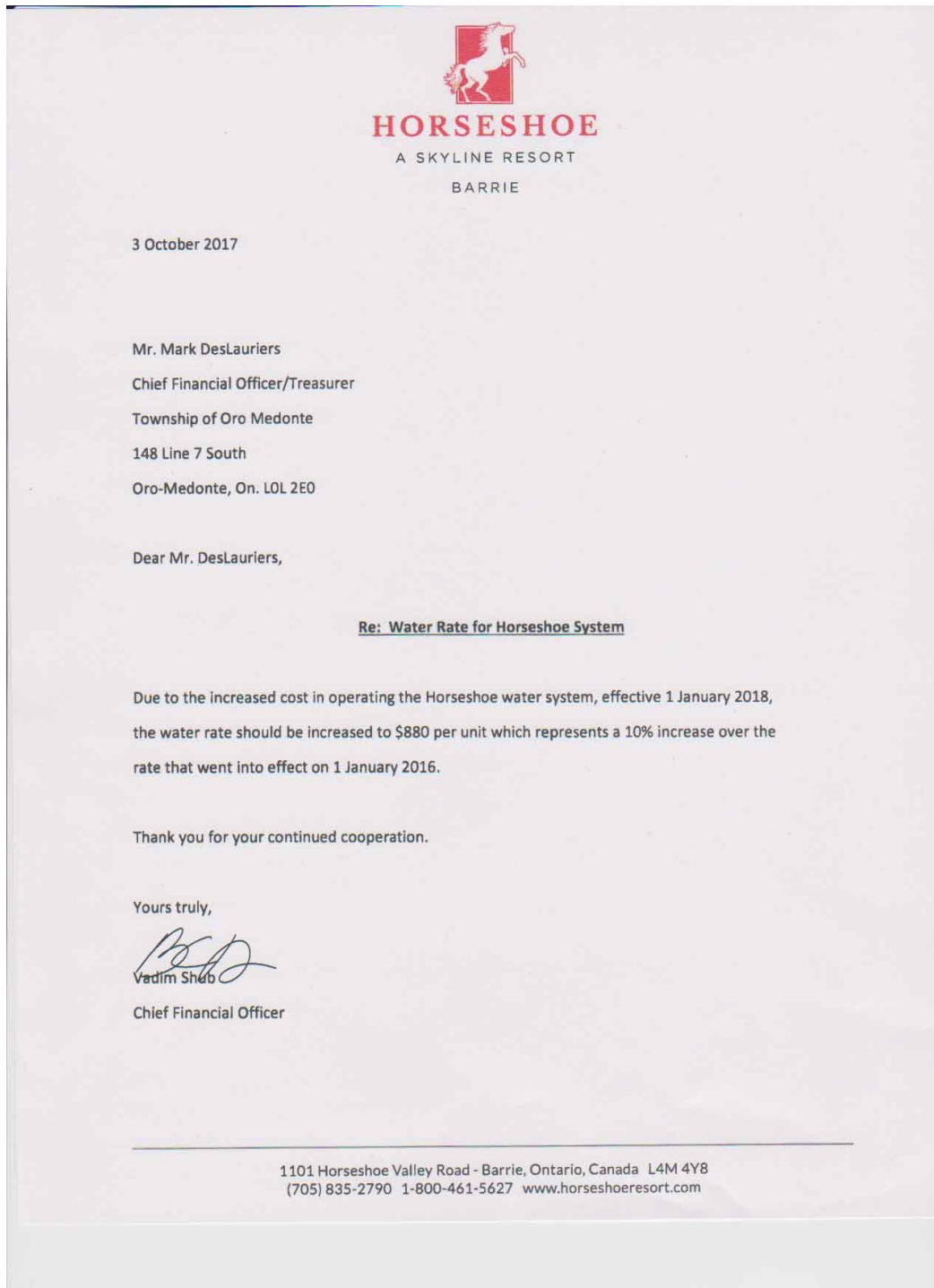
Schedule "J" to By-Law No. 2016-110– Water continued...

- 2.6 The Treasurer shall impose a five (5) percent late charge on all unpaid accounts on the day after the due date.
- 2.7 If an account remains unpaid, the Township may collect amounts payable pursuant to Section 398(2) of the *Municipal Act, 2001, c. 25, as amended*.
- 3. Water Rates and Charges**
- 3.1 Consumption Charge
- Each unit shall be assessed a consumption charge at the rate of \$2.44 per cubic meter (m³).
- 3.2 Infrastructure Renewal Charge
- Effective January 1, 2016, each unit and vacant lot shall be assessed on infrastructure renewal charge of \$59.00 per quarter (\$236 annually).
- The Infrastructure Renewal Charge shall increase by \$6.00 annually on January 1st of each subsequent year.
- 3.3 Flat Rate – Non-Metered Units
- Owners on municipal water systems who do not allow access to their homes for the purpose of the installation or repair of water meters will, after three notices, be charged \$300 per quarter (\$1,200 annually).
- 3.4 Flat Rate
- | | |
|--|--------------------------------------|
| a) Horseshoe - Oro Plan 1587 | \$ 200 per quarter (\$ 800 annually) |
| b) Horseshoe - Medonte Plan 1531, M-10, M-11, M-23 | \$ 200 per quarter (\$ 800 annually) |
- 3.5 Other Charges
- | | |
|--|------------|
| a) Connection Fee Inspection | \$ 200 |
| b) Disconnection and Reconnection Charge | \$ 50 each |
- 3.6 Where no quarterly water meter reading can be obtained, the unit shall be automatically charged a consumption charge of \$100.00, per quarter, until the meter reading is obtained or the requirements under Section 3.3 have been completed by the municipality.
- 4. Water Meter Package**
- 4.2 Includes meter, back flow preventer, angle meter valve, expansion tank, wire and MXU - \$430.00 plus applicable taxes.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix V2

October 3rd, 2017. Letter from Horseshoe Skyline regarding water rates for the Horseshoe System. Due to increased cost, Horseshoe is asking to set the rate to \$880/a. This is further evidence that the **Water Rights Guarantee Agreement of 1980** is still in effect given the Resort's contractual obligation to inform the Township of rate increases before the mailing of new bills to customers in Zone 1. (WRGA, 1980, p. 5A)



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix V3

On April 25th, 2018, By-Law No. 2018-044 was passed allowing for rate changes in 2018. (See Appendix I)

2.6 The Treasurer shall impose a five (5) percent late charge on all unpaid accounts on the day after the due date.

2.7 If an account remains unpaid, the Township may collect amounts payable pursuant to Section 398(2) of the *Municipal Act, 2001, c. 25, as amended*.

3. Water Rates and Charges

3.1 Operating Charges – Municipal Water Systems

Effective January 1, 2018, each unit shall be assessed a fixed operating charge and a per cubic meter consumption charge, as noted below:

a) Fixed Operating Charge	\$ 70.34 per quarter (\$ 281.36 annually)
b) Consumption Rate	
0-75 cubic meters per quarter	\$ 1.90 per cubic meter (m ³)
Over 75 cubic meters per quarter	\$ 2.20 per cubic meter (m ³)

Effective January 1, 2019, each unit shall be assessed a fixed operating charge and a per cubic meter consumption charge, as noted below:

a) Fixed Operating Charge	\$ 85.96 per quarter (\$ 343.84 annually)
b) Consumption Rate	
0-75 cubic meters per quarter	\$ 1.45 per cubic meter (m ³)
Over 75 cubic meters per quarter	\$ 2.20 per cubic meter (m ³)

3.2 Infrastructure Charge – Municipal Water Systems

Effective July 1, 2017, each unit and vacant lot shall be assessed a fixed infrastructure charge as outlined below:

a) Fixed Infrastructure Charge	\$ 66.00 per quarter (\$264.00 annually)
--------------------------------	---

The Fixed Infrastructure Charge shall increase by \$28.00 annually in each year, commencing January 1, 2018.

3.3 Municipal Water Systems – No Access – Flat Rate

Owners on municipal water systems who do not allow access to their homes for the purpose of the installation or repair of water meters will, after three notices, be charged \$300.00 per quarter (\$1,200.00 annually).

3.4 Municipal Water Systems – Non-Metered Units – Flat Rate

Where no quarterly water meter reading can be obtained, the unit shall be automatically charged a consumption charge of \$200.00, per quarter (\$800.00 annually), until a meter is installed and a reading is obtained.

3.5 Water Services provided by Skyline (a private (PVT) utility) - Flat Rate

a) Skyline (PVT) Water (Horseshoe - Oro Plan 1587)	\$ 220.00 per quarter (\$ 880.00 annually)
b) Skyline (PVT) Water (Horseshoe - Medonte Plan 1531, M-10, M-11, M-23)	\$ 220.00 per quarter (\$ 880.00 annually)

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix W

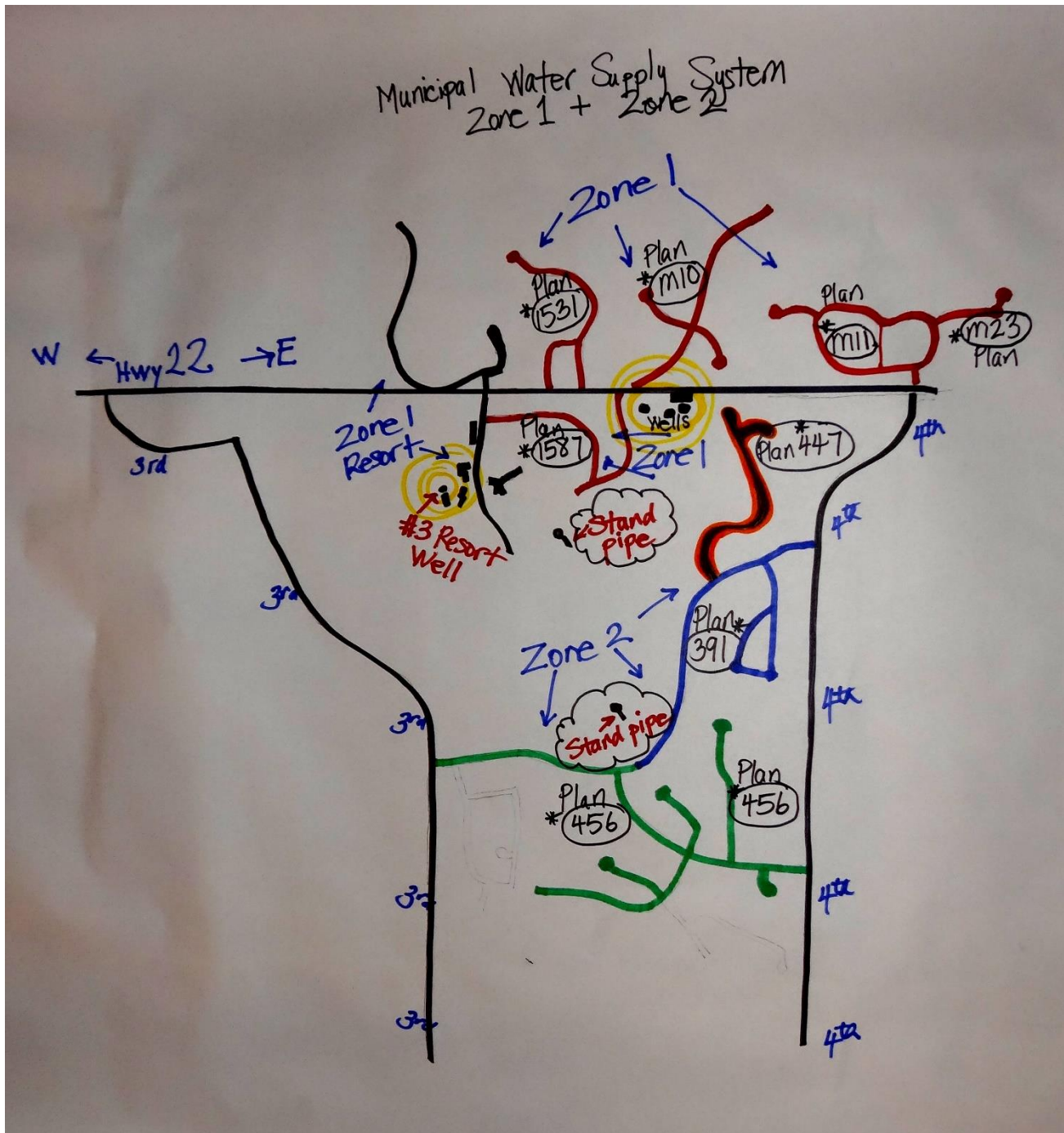
June 14th, 1993. **By-Law 1993-18**. Proposed Budgets for Water Works Systems for the Former Township of Medonte. Shows residential and non-residential billing amounts, administration fees, transfer fees to "others", and capital. (See Appendix A2)

1993 Proposed Budgets Water Works Systems						
	1	2	3	4	5	6
		Wainwright	Hillsdale	RobinCrest	Medonte Hills Seasonal	Horseshoe Valley
						Total
Balance Beginning		1184595	5748285	0	556160	0
Revenues						
Billings		N/C	N/C	NEW	+ 33 1/3%	PEARLING NOTIFICATION
Residential		200 @ 9 x 12 21600 -	210 @ 10 x 12 25200 -	80 @ 15 x 12 14400 -	111 @ 100 x 1 11100 -	165 @ 180.00 29700 -
Non-Residential		12 @ 9 x 12 1296 -	20 @ 10 x 12 2400 -	0	0	6 @ 180.00 1080 -
Fees & Service Charges			2500 -			
Transfers from Reserves & Reserve Funds			4412 -			
Expenditures						
Material & Supplies		1500 -	3000 -	160 -	100 -	
Hydro		8000 -	8000 -	2000 -	3000 -	
Services & Rents		11000 -	15000 -	3000 -	1750 -	
Testing		2000 -	2000 -	2000 -	2000 -	
Administration Fees		212 @ 12.50 2650 -	230 @ 10.00 2300 -	80 @ 10.00 800 -	111 @ 10.00 1110 -	171 @ 10.00 1710 -
Transfer to Others		35 x 20 x 52 3640 -	3640 -	3640 -	3640 -	24077.50
Transfer to Reserves				80 @ 25 2000 -		171 @ 17.50
Capital		645195	4350485	2800 -	56116	299250
Balance Ending		0	14550 -	0	0	14550 -

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix X1

A drawing showing Zone 1 and Zone 2 Plans, Phases, Zones, and Streets in Horseshoe Valley. Plan 1587 **Country Club Lane and Birch Grove**. Plan 1531 **Beechwood and Maple Crest**. Plan M-10 **Pine Ridge Trail, Pine Hill, and Pine Spring**. Plan M-11 **Pine Point and Cathedral Pines Road**. Plan M-23 **Pine Lane**. Plan 51M-391 **Highland Drive** (4th Concession to Zone 2 Standpipe) and **Fairway Court**. Plan 51M-447 **Valleycrest Drive and Dale Court**. Plan 51M-456 **Highland Drive** (Beyond Zone 2 Standpipe to 3rd Concession), **Alpine Way, Pod's Lane, Bridle Path, Bunker Place, Nordic Trail, and Chestnut Lane**. (By permission from Keith Mathieson, Engineering and Environment Services, Oro-Medonte 2003)



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix X2

A document showing Zone 1 and Zone 2 Plans, Phases, Zones, and Streets in Horseshoe Valley. Plan 1587 **Country Club Lane and Birch Grove**. Plan 1531 **Beechwood and Maple Crest**. Plan M-10 **Pine Ridge Trail, Pine Hill, and Pine Spring**. Plan M-11 **Pine Point and Cathedral Pines Road**. Plan M-23 **Pine Lane**. Plan 51M-391 **Highland Drive** (4th Concession to Zone 2 Standpipe) and **Fairway Court**. Plan 51M-447 **Valleycrest Drive and Dale Court**. Plan 51M-456 **Highland Drive** (Beyond Zone 2 Standpipe to 3rd Concession), **Alpine Way, Pod's Lane, Bridle Path, Bunker Place, Nordic Trail, and Chestnut Lane**. (By permission from Keith Mathieson, Engineering and Environment Services, Oro-Medonte 2003)

Zone 1 & Zone 2 Horseshoe Water Supply System by Phase, Plan, & Street.

Plan 1587 (Zone 1, Former Township of Oro) **Country Club Lane, Birch Grove** (Assumption By-Law of Aboveground & Belowground Works/Services By-Law 1974-1051)

Plans 1531, M-10, M-11, & M-23 (Zone 1, Former Township of Medonte, Assumption By-Law of Aboveground & Belowground Works/Services By-Law 1982-6. Tile beds for the septic/wastewater system assumed after 2000)

Plan 1531 (Zone 1, Former Township of Medonte) **Beechwood, Maple Crest**

Plan M-10 (Zone 1, Former Township of Medonte) **Pine Ridge Trail, Pine Hill, Pine Spring**

Plan M-11 (Zone 1, Former Township of Medonte) **Pine Point & Cathedral Pines Road** (over half of Cathedral Pines Road, comprising the easterly part of this Plan have private septic systems)

Plan M-23 (Zone 1, Former Township of Medonte) **Pine Lane** (All private septic systems)

Plan 51M-391 (Phase 1, Zone 2, Former Township of Oro) **Highland Drive** (4th Concession to Zone 2 Standpipe), **Fairway Court** (Data shows that the aboveground works were certified but perhaps not the underground works.)

Plan 51M-447 (Phase 2, Zone 2, Former Township of Oro) **Valleycrest Drive, Dale Court** (Data shows that the aboveground works were certified but perhaps not the underground works.)

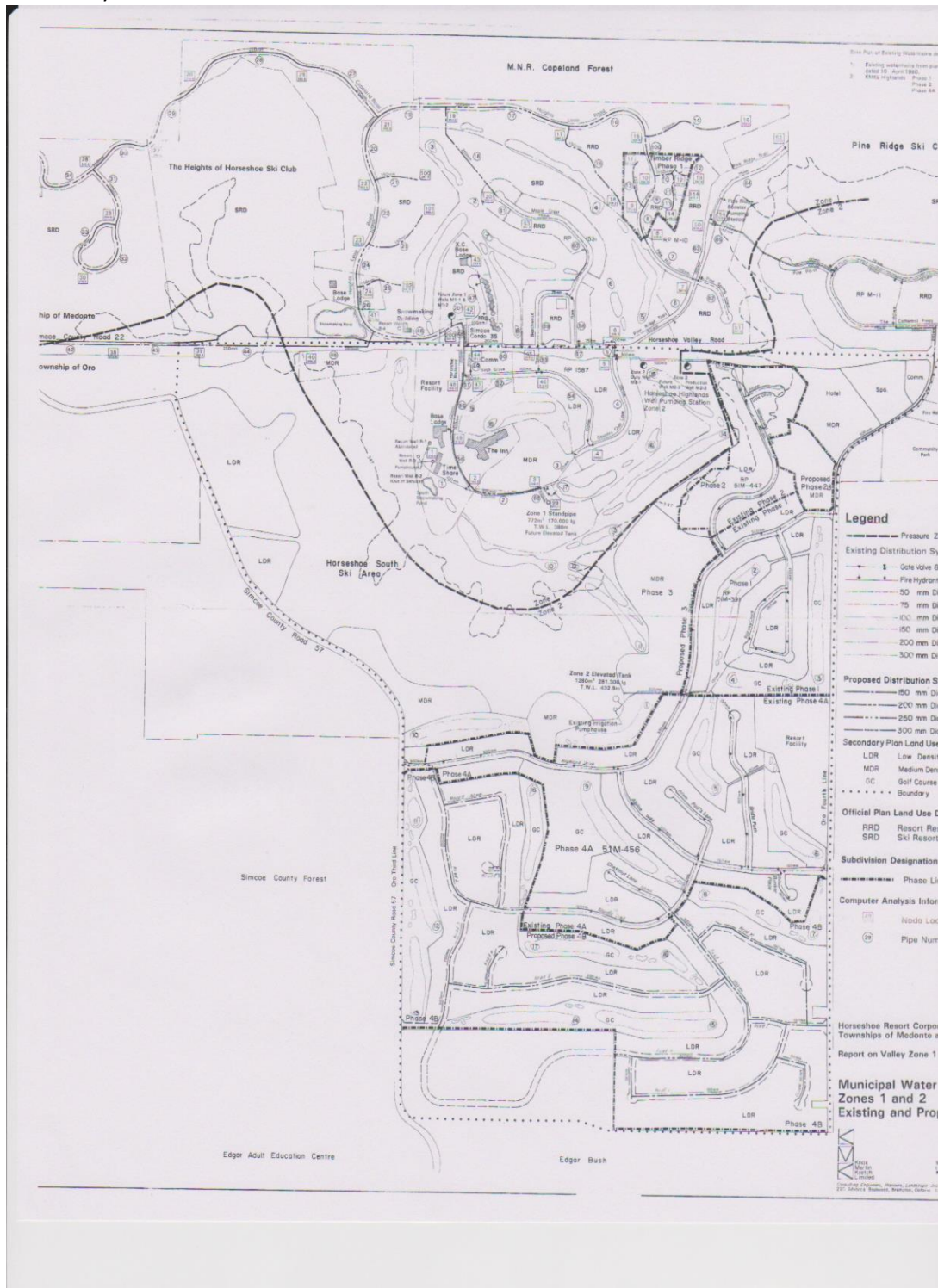
Plan 51M-456 (*LT1857790 – Phase 4A, Zone 2, Former Township of Oro) **Highland Drive** (Beyond Zone 2 Standpipe to 3rd Concession), **Alpine Way, Pod's Lane, Bridle Path, Bunker Place, Nordic Trail, Chestnut Lane** (This is the Plan that involves the standpipe and connective water mains, valves, and hydrants supplying the Zone 1 system. Well #3 was to become the well to supply water to the Resort, ski hills, golf courses, and various resort buildings. This plan was never “terminated” nor fully granted the issuance of acceptance of the underground works/services. The “maintenance period” may be in its 30th year, making the Zone 2 water supply system not assumed. Zone 1 Medonte & Oro was fully assumed including covenants protecting water rights.)

Copeland House, High Vista Drive Homes, and the Condominiums, while connected to the Zone 1 **water supply system**, belong to the former Horseshoe Resort water network.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix X3

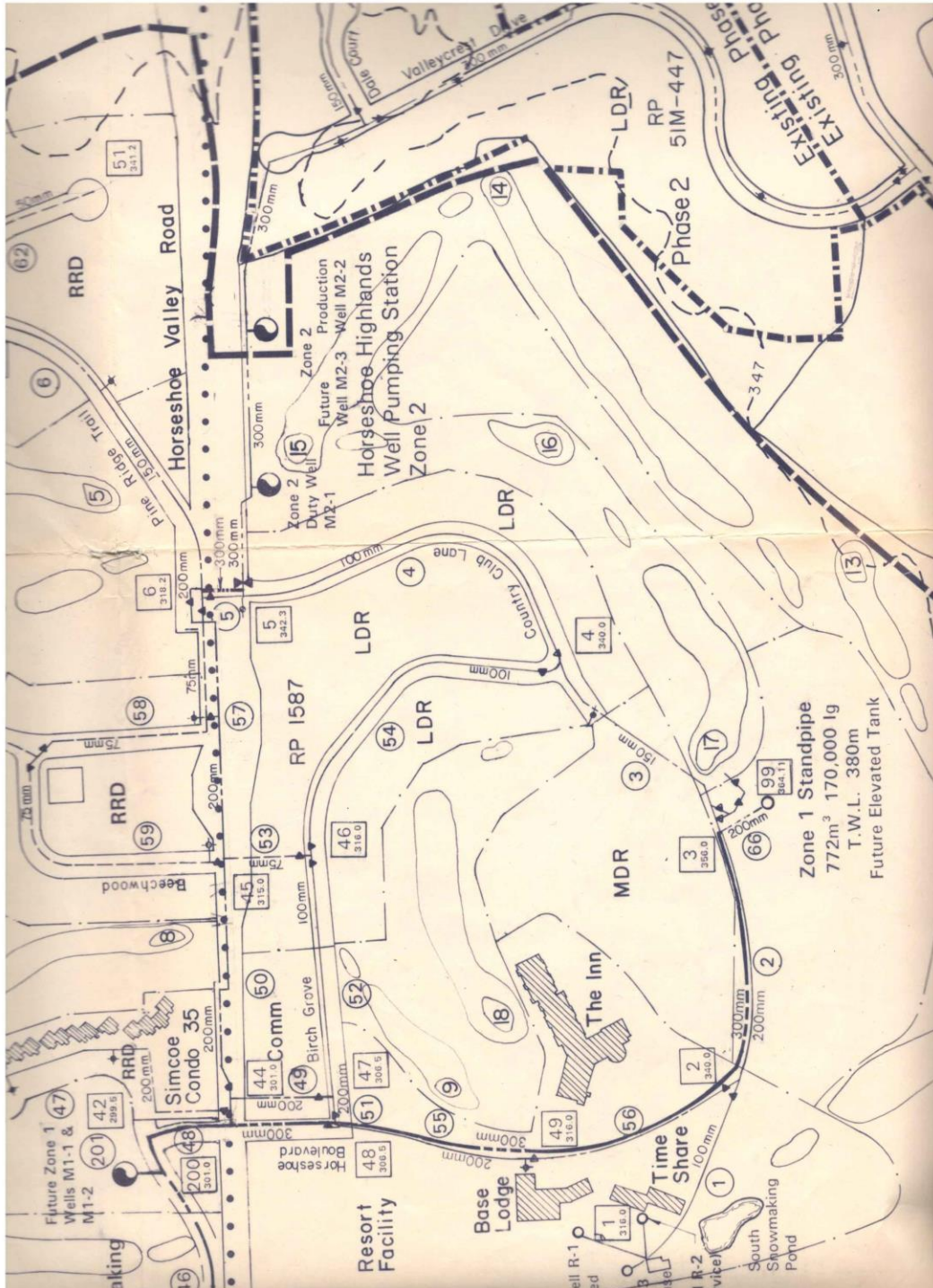
On June 30th, 1992, Knox Martin Kretch Limited presented a Report on Valley Zone 1 Municipal Water System to Horseshoe Resort Corporation. A Drawing of the entire **water supply system** in Zone 1 and Zone 2 in Horseshoe Valley in 1992. (By permission from Keith Mathieson, Engineering and Environment Services, Oro-Medonte 2003)



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix X4

On June 30th, 1992, Knox Martin Kretch Limited presented a Report on Valley Zone 1 Municipal Water System to Horseshoe Resort Corporation. A Drawing of the **water supply system** in Zone 1 and Zone 2 in Horseshoe Valley in 1992. This is a specific view of the Zone 1 Standpipe and Resort Well #3. (By permission from Keith Mathieson, Engineering and Environment Services, Oro-Medonte 2003)



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix X5

Report On Valley Zone 1 Municipal Water System, Knox, Martin, Kretch Limited, June 30th, 1992 p. 1 June 20th, 1989. Registration of LT185779. This is Phase 4A of Zone 2 of the former Township of Oro. The streets include **Highland Drive** from approximately the Elevated Storage or Standpipe Zone to the 3rd Concession of Oro. **Alpine Way, Pod's Lane, Bridle Path, Bunker Place, Nordic Trail, and Chestnut Lane** are included in Plan 51M-456. This Report was required by this Plan of Subdivision. **Notice the reference to a two-zone Municipal water system.** (By permission from Keith Mathieson, Engineering and Environment Services, Oro-Medonte 2003)

HORSESHOE RESORT CORPORATION REPORT ON HORSESHOE RESORT VALLEY WATER SYSTEM

1. INTRODUCTION

1.1 BACKGROUND

The Horseshoe Resort Community in the Townships of Medonte and Oro is served by an interconnected two-zone Municipal water system providing potable water primarily for domestic consumption and fire fighting purposes. The system also currently provides some golf course irrigation and snowmaking water to supplement the Resort snowmaking system near the Heights which was established in 1990.

The Valley component of the Municipal water system is referred to as Zone 1 and the Highlands component as Zone 2 as shown on Plan 2.

In due course Horseshoe Resort Corporation will completely separate the Resort water system supplying snowmaking water for all the ski slopes and cross country trails and irrigation water for both the Valley and Highlands Golf Courses.

The Horseshoe Municipal water system has evolved in recent years from a number of studies and Reports listed in the following section and is the subject of the 23 May 1980 Water Rights Guarantee Agreement and 10 February 1982 Amendment between the Corporation of the Township of Medonte and Horseshoe Resort Corporation, the 1 January 1991 Water Agreement between the Corporation of the Township of Oro and Horseshoe Resort Corporation and the 22 July 1980 Watermain Maintenance and Repair Agreement between the County of Simcoe and Horseshoe Resort Corporation.

Horseshoe Resort plan to continue phased residential and other development of the Resort in both Medonte and Oro.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix Y

How much was borrowed against the "reserve funds" from the Zone 1 & Zone 2 **water supply systems** in Horseshoe Valley? Were these funds returned to the Dedicated Reserve Funds of the Zone 1 **water supply system**?

THE CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

BY-LAW NO. 98- 48

BEING A BY-LAW TO AUTHORIZE BORROWING

WHEREAS pursuant to The Municipal Act, R.S.O., 1990, Chapter M.45, Section 187, as amended, the Council of the Corporation deems it necessary to borrow monies from time to time such sums to meet, until the taxes are collected and other revenues are received, the current expenditures of the Corporation for the year;

AND WHEREAS pursuant to The Municipal Act, R.S.O., 1990, Chapter M.45, Section 163, as amended, the monies raised for a reserve fund may be invested in such securities as set out in The Trustee Act;

AND WHEREAS pursuant to The Trustee Act, R.S.O., 1990, Chapter T.23, Section 26, as amended, money may be held in bonds, debentures or other evidences of indebtedness of any municipal corporation;

AND WHEREAS the amount that may be borrowed at any one time for the above purposes, together with the total of any similar borrowings that have not been repaid, shall not exceed from January 1st to September 30th of the year, fifty (50) per cent of the total, and from October 1st to December 31st, twenty-five (25) per cent of the total of the estimated revenues of the Corporation;

AND WHEREAS the total amount of the estimated revenues of the Corporation as set forth in the estimates adopted for the preceding year, not including revenues derivable or derived from (a) borrowings or issues of debentures, (b) surpluses including arrears of levies, and (c) transfers from the capital fund, reserve funds, or reserves is \$21,106,706 (8,796,442 + 1,545,426 – 172,932 + 11,293,369 + 1,264,046 – 0 – 310,942 – 1,308,703);

AND WHEREAS twenty-five (25) per cent of the total of the estimated revenues of the Corporation as set forth in the estimates adopted for the preceding year is \$5,276,676;

NOW THEREFORE the Council of The Corporation of the Township of Oro-Medonte hereby enacts as follows:

1. That the Mayor and Treasurer are hereby authorized on behalf of the Corporation to borrow monies from time to time, by way of promissory note or bankers' acceptance, from the Toronto Dominion Bank and the Reserve Funds of the Corporation of the Township of Oro-Medonte such sums as the Council considers necessary to meet, until the taxes are collected and other revenues are received, the current expenditures of the Corporation for the year, including the amounts required for school purposes and county purposes;
2. That the amount that may be borrowed at any one time for the above purposes, together with the total of any similar borrowings that have not been repaid, shall not exceed from January 1st to September 30th of the year, \$2,000,000 and from October 1st to December 31st of the year, \$1,000,000; and,
3. That this by-law shall come into full force and take effect on its final passing thereof.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix Z

Jack Haggerty, representing the ratepayers in Zone 1 and Zone 2 in Horseshoe Valley, tried to unravel the **water supply system** story in the summer of 2003. The confusion around this story has been around for decades.

Our most precious resource!

By now, all residents of Horseshoe Valley will have seen their domestic water price structure for 2003 and the news is not pretty. Valley streets and Cathedral Pines prices were steady at \$200.00 for several years, then up to \$325.00 per home in 2002, and on up to \$575.00 for 2003. And they are still the lucky ones...this is a flat rate cost, no meters, no surcharges. Costs for Highlands residents have always been somewhat higher, but are now at the same \$575.00 level, except that all residents there have meters and are subject to surcharges. The new base rate of \$575.00 pays for one cubic meter per day (approximately 220 Imperial gallons). There is a punitive surcharge for all consumption over this level.

So what is going on? Why are costs increasing? What does the future hold? Here is the story as I understand it. First a brief review of where our water comes from. Horseshoe Valley has two water systems...referred to by the township as Zone One and Zone Two.

Zone One is the old system, handling the original lower valley streets and Cathedral Pines, plus the Horseshoe resort requirements. The system ownership is complicated and suffice to say that the major part, including the well and treating system is owned by Horseshoe. Horseshoe operates the system, and is subject to the same provincial regulations as the township. The township performs the billing service, retains a handling charge and a reserve fund contribution, and rebates the balance to Horseshoe. The price Horseshoe can charge was governed by an old agreement with Medonte, but over the past couple years Horseshoe has asked for cost relief in view of the new provincial quality monitoring and assurance requirements, and the township has allowed them to move to the new township wide minimum charge price structure.

Zone Two is the "new" Highlands system, with the well, pumping and chlorinating system on the pump house road (aka Haggerty Lane), the water tower "up top" and so on. It is owned and operated by the township.

Now let's look briefly at the overall township water picture. Eleven individual township owned and operated systems, with the number of customers on each varying greatly: e.g. 17, 24, 45, 55 and on up to three in the 200 plus customer range. The Zone Two Highlands system is one of the largest, with approximately 200 homes plus the timeshare units, and with Laurel View's Landscapes subdivision coming along it will soon be the largest in the township. The total of all eleven township operated systems is approximately 1300 homes (plus timeshare units, which pay a flat rate). All but two of the systems have water meters and are subject to surcharges. Up until 2002 all systems had

new provincial legislation for improved water quality Council voted in 2001 to have uniform water prices for all systems (except two small ones that are higher), and to combine all reserve funds into one township wide fund.

Why are costs going up? Keith Mathieson, Director of Engineering and Environmental Services for the township blames part of the reason on the requirements of Provincial Bill 175 of 2002... the Sustainable Water and Sewage Systems Act. This act states that the full costs of running a water system must be recovered from users...operating costs, quality requirements, monitoring, maintenance, improvements, renewal, finance, etc. Apparently in the past some of these costs have been covered in other accounting categories. Added to this are the ever increasing provincially mandated requirements for water treatment, monitoring, recording, testing, analysis, reporting and so on. Keith gave me a pile of budget data from 2000 forward, and it presents a sad picture of higher costs and decreasing reserve funds. At the start of 2003 the total township water reserve fund was \$860,000 and despite the new water rates the capital expenditure requirements will reduce this amount to \$375,000 by year end.

Looking at the Highlands, the work just completed on the new "chlorine contact" main, plus a new pump will together cost \$165,000, totally wiping out the old reserve fund of \$147,000. The longer term scenario might be that the planned growth of Laurel View Homes and time shares may well result in Highlands residents contributing more to the township reserve fund than other communities but I guess that is democracy (or socialism?) at work.

Will water costs go down in future?

Keith says not likely. The requirements that a township must meet, and the need to build reserve funds to replacement levels over time may mean still higher rates to residents. In my view one obvious reason for high costs is that the township has too many systems, and too few customers! If they had fewer systems, and more users on each one, individual home costs would be much lower than they are now. But that is not the Oro-Medonte reality, nor the life style we all chase.

What will happen to the Zone One system?

I have heard for five years now that the township and Horseshoe are "in dialogue" about the township taking over this old system. Talks are apparently going slowly, and I got the impression that neither side is in any hurry to get the job done and I am not sure why not. Speculation is beyond the scope of this article. Yes, meters will be installed in Zone one someday, but no date has been set.

That's all for now...any questions, give me a call.
-Jack Haggerty, 835-2262

The Valley Voice - 5 - Summer 2003

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix AA1

By-Law 1974-1051. This By-Law by the former Township of Oro assumes the aboveground and belowground works of Plan 1587, encompassing Country Club Lane and Birch Grove. The water rights are guaranteed by a contractual agreement between the former Township of Oro and Horseshoe Valley Limited. This becomes a municipally-owned and operated **water distribution system** for Plan 1587.

99

CORPORATION OF THE TOWNSHIP OF ORO
BY-LAW NO. 1051

A BY-LAW to accept certain water lines and shut off valves and two fire hydrants on lands on a Plan of Subdivision in part of lot 1, Concession 4, known as Registered Plan No. 1587.

WHEREAS certain water lines have been constructed on a Subdivision known as "Horseshoe Valley" in part of lot 1, Concession 4, in the Township of Oro, as shown on Registered Plan No. 1587, registered in the Registry Division of the County of Simcoe on the 15th day of September, 1970.

AND WHEREAS The Corporation of The Township of Oro has agreed with the Subdivider to take over the water lines, shut off valves and fire hydrants constructed on the road allowances within the limits of the said Subdivision known as "Horseshoe Valley" and registered as Registered Plan No. 1587, when they have met the standards and approval of The Ontario Water Resources Commission of The Ministry of the Environment.

AND WHEREAS such water lines, shut off valves and fire hydrants are now available to be assumed for future maintenance.

NOW THEREFORE The Council of The Township of Oro enacts as follows:

1. The water lines, shut off valves and fire hydrants as constructed and located on the Road allowance within the limits of Registered Plan No. 1587, known as Horseshoe Valley as shown in blue on Schedule "A" attached hereto are hereby assumed by The Corporation of The Township of Oro for all future maintenance.
2. That the Sanitary Sewer lines leading to a Community septic system tile field as approved by the Public Health Inspector of the Simcoe County District Health Unit for 18 lots on Registered Plan No. 1587, being lots 14 to 31 inclusive, are hereby assumed by the Corporation of The Township of Oro for all future maintenance. The sewer lines are shown in brown on schedule "A" attached hereto. Firstly commencing at the north easterly corner of lot 30, thence in a north easterly direction to the south west corner of lot 26 and north west corner of lot 27, thence easterly a distance of approximately 150 feet on the boundary between lots 26 and 27. Secondly commencing at the south east corner of lot 19, on the west side of Country Club Lane, thence in a north easterly direction to the north west corner of lot 22, thence easterly along the northerly boundary of lot 22 a distance of approximately 151 feet, according to easement along lots 22 & 27.
3. The Township shall collect the sum of \$72.00 per annum from each property owner within Plan 1587 who is connected to the water line or such rate as the owner and supplier, Horseshoe Valley Limited may find it necessary to increase to, provided the increase shall only cover the Company's direct increase in costs of supplying the said water. And further that if such rates, after having been billed to the property are not paid to The Township of Oro by the 15th day of May in each year may be added to the Collector's Roll and collected in the same manner as taxes (The Municipal Act R.S.O. 1970 c. 284 s. 352(4)). The said charges to be made annually provided that the owner Horseshoe Valley Limited or its Heir or Successors supply good, wholesome and pure water of sufficient quantity to service the entire subdivision for domestic use pursuant to the Agreement which will be entered into with the purchaser.

By - Laws ORO Twp. 1974
VOLUME 6 1972 - 1976

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix AA2

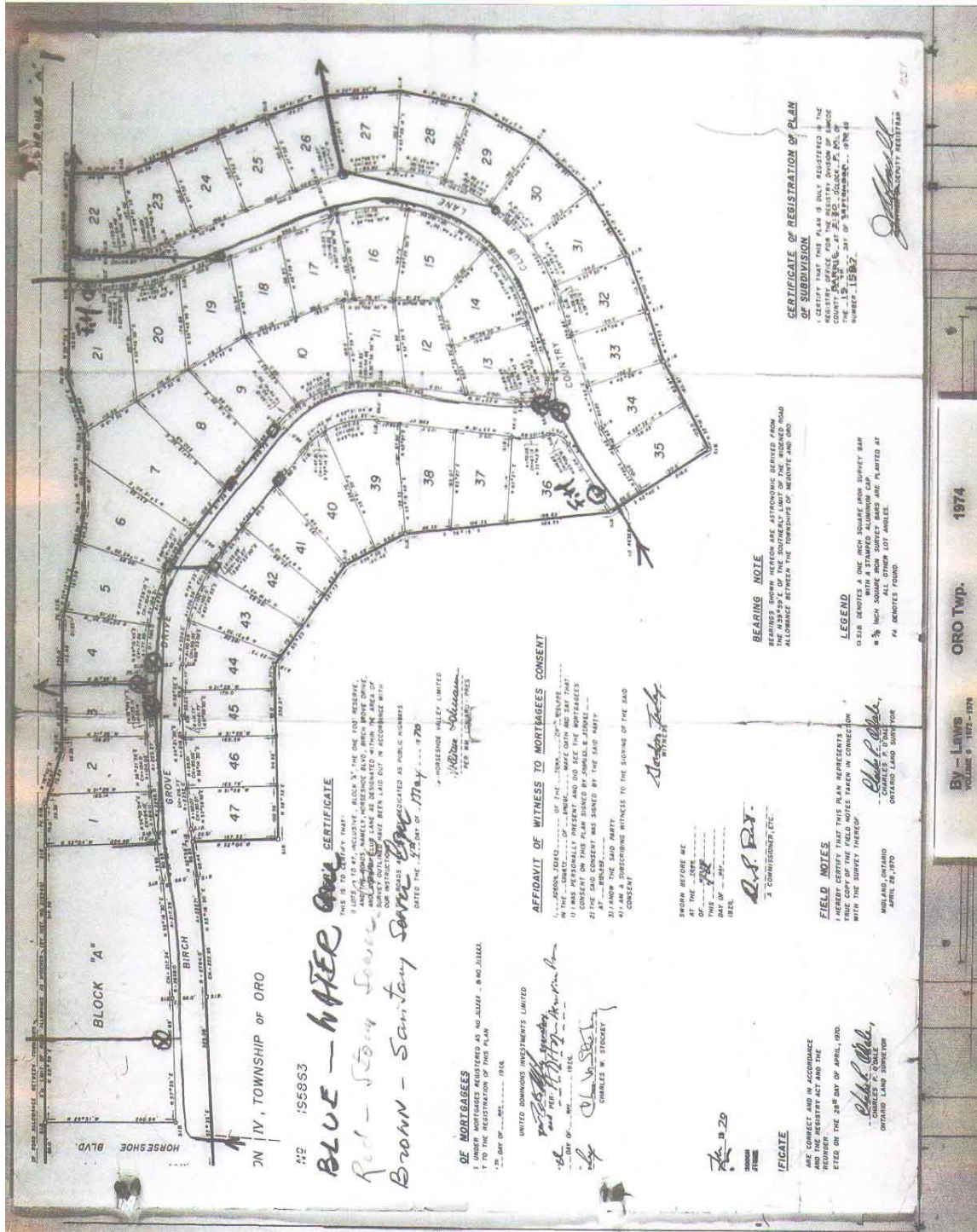
See Appendix X1 for a full description. This is page 2 of By-Law 1974-1051

	100
* 1051	
Page 2 (Con't.)	
<p>This By-law shall come into force and have effect upon the passing thereof.</p> <p>Read a first, second and third time, and finally passed this 12th day of December 1974.</p>	
<p><u>C. Wallace Key</u> Reeve, C. Wallace Key</p> <p><u>H. Newfield</u> Clerk, H. Newfield</p>	
<p>By - Laws ORO Twp. 1974 VOLUME 6 1972 - 1976</p>	

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix AA3

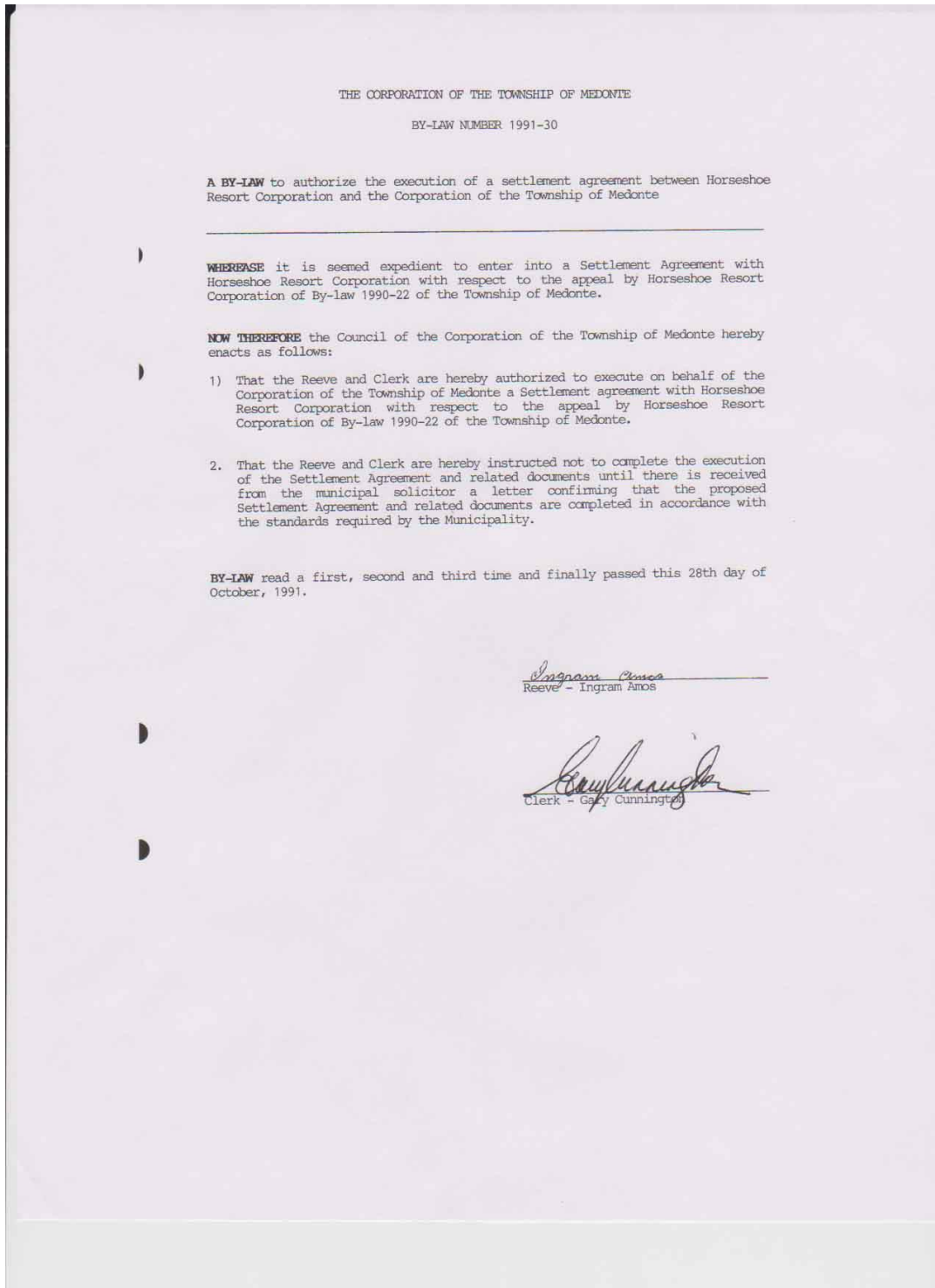
Subdivision Plan for Plan 1587. It also demarcates water lines, sanitary sewer lines, and storm sewer lines.



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix BB1

By-Law 1991-30. "This is to authorize the execution of a settlement agreement between Horseshoe Resort Corporation and the Corporation of the Township of Medonte."



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix CC1

By-Law 1992-50. This is an Amendment to By-Law 1991-30, to authorize an amendment to a settlement agreement between Horseshoe Resort Corporation and the Corporation of the Township of Medonte. Notice the note to "Attach to By-Law Bankruptcy Proposal". During the 1990s, two Bankruptcy Proposals were likely tabled, one in the former Township of Medonte and one in the former Township of Oro-Medonte. **These events may have interrupted the assumption process of the underground works of Plan 51M-456 and the integration of Zone 1 and Zone 2 water supply systems.** Information reveals that Horseshoe Resort was in Bankruptcy Protection for a period of two years, from approximately 1993 to 1995.

105

THIS AMENDING AGREEMENT made as of the 23rd day of July, 1992

BETWEEN:

HORSESHOE RESORT CORPORATION
hereinafter called 'Horseshoe'

OF THE FIRST PART:

- and -

THE CORPORATION OF THE TOWNSHIP OF MEDONTE
hereinafter called 'Township'

OF THE SECOND PART:

WHEREAS the parties hereto entered into an agreement made as of the 28th day of October, 1991 (the 'Agreement');

AND WHEREAS the parties wish to amend the Agreement:

NOW THEREFORE THIS AMENDING AGREEMENT WITNESSETH that in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficient of which is hereby acknowledged, the parties hereby agree with each other as follows:

- Paragraph 3.2 of the Agreement is hereby deleted and the following is substituted therefore:
"In the event that Horseshoe fails to enter into a Site Development Agreement with the Township upon the terms as set out above on or before November 15, 1993, or in the event that Horseshoe fails to make further deposit payments as contemplated under paragraph 1.2 above within 30 days of demand therefore by the Township, the Township shall be entitled to rezone the subject lands as it sees fit, in its absolute discretion, and Horseshoe covenants and agrees that it shall not call into question directly or indirectly in any proceeding whatsoever, in law or in equity, or before any administrative tribunal, the right of the Township to rezone the said lands".
- In all other respects the Agreement remains in full force and effect, unamended.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the following dates:

By Horseshoe on the day of 1992,

ATTACH
TO BY-LAW
BANKRUPTCY
PROPOSAL

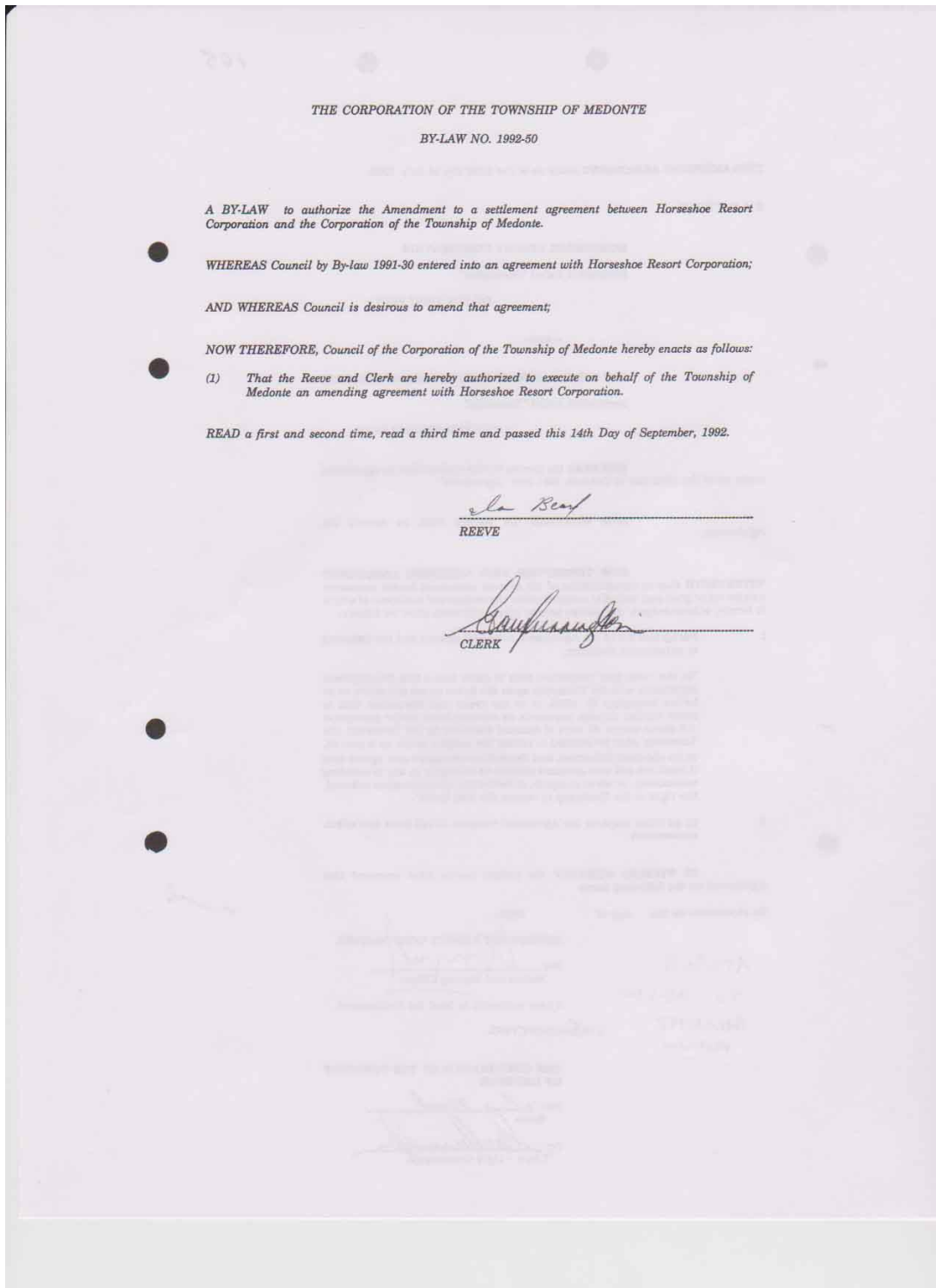
HORSESHOE RESORT CORPORATION
Per: [Signature]
Authorized Signing Officer
I have authority to bind the Corporation
y of SEPTEMBER 1992.

THE CORPORATION OF THE TOWNSHIP OF MEDONTE
Per: [Signature]
Reeve
Per: [Signature]
Clerk - Gary Cunningham

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix CC2

See Appendix Z1 for a full description of By-Law 1992-50. This is page 2 of that By-Law.



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix DD1

On May 26th, 1987 this well was likely drilled for Plan 1587, linking this well to the Zone 1 Municipal **Water Supply System**. The Primary purpose is identified as "Water Supply" and the Secondary Purpose is identified as "Municipal Supply". This is a Ministry of the Environment Document which confirms that Municipal Wells were drilled to likely supply a municipal **water supply system**.

Ministry of the Environment
Ontario

The Ontario Water Resources Act
WATER WELL RECORD

1. PRINT ONLY IN SPACES PROVIDED
2. CHECK OR CORRECT BOX WHERE APPLICABLE

5721850

COUNTY OR DISTRICT: [REDACTED] TOWNSHIP: [REDACTED] CITY, TOWN, VILLAGE: [REDACTED] CON. BLOCK, TRACT, SURVEY ETC.: [REDACTED] LOT: [REDACTED]

DATE COMPLETED: MAY 26 1987

LOCATION: Horseshoe Valley

LOG OF OVERBURDEN AND BEDROCK MATERIALS (SEE INSTRUCTIONS)

GENERAL COLOUR	MOST COMMON MATERIAL	OTHER MATERIALS	GENERAL DESCRIPTION	DEPTH: FEET
BROWN	SAND			0 40
BROWN	CLAY			40 55
	SAND	SILT	FINE	55 90
GRAY	CLAY		HARD	90 166
BROWN	SAND		FINE	166 210
BROWN	SAND		MED. COARSE	210 275
BROWN	SAND		FINE	275 301
GRAY	CLAY			301 301

PLAN 1587?

4. WATER RECORD

WATER FOUND AT: FEET: 26.5

KIND OF WATER: ☒ FRESH ☐ SALT ☐ SULPHUR ☐ MINERAL

5. CASING & OPEN HOLE RECORD

WELL: 164

MATERIAL: STEEL

THICKNESS: 1.88

DEPTH: 0 240

6. PLUGGING & SEALING RECORD

DEPTH SET AT: 30

MATERIAL AND TYPE: HOLE PLUG

7. PUMPING TEST METHOD

PUMPING RATE: 215

QUANTITY OF PUMPING: 24

8. PUMPING TEST RESULTS

STATIC LEVEL: 185.40

WATER LEVEL DURING PUMPING: 133.58

WATER LEVELS DURING PUMPING: 133.58

WATER AT END OF TEST: 133.58

9. LOCATION OF WELL

IN DIAGRAM BELOW SHOW DISTANCES OF WELL FROM ROAD AND LOT LINE. INDICATE NORTH BY ARROW.

North

Horseshoe Valley Rd

07319

10. FINAL STATUS OF WELL

☒ WATER SUPPLY ☐ OBSERVATION WELL ☐ TEST WELLS ☐ RECHARGE WELL

11. WATER USE

☒ DOMESTIC ☐ STOCK ☐ IRRIGATION ☐ INDUSTRIAL ☐ OTHER

12. METHOD OF DRILLING

☒ CABLE TOOL ☐ ROTARY (CONVENTIONAL) ☐ ROTARY (REVERSE) ☐ ROTARY (AIR) ☐ AIR PERCUSSION

13. NAME OF WELL CONTRACTOR: CLEARWATER DRILL 1583

14. ADDRESS: R-1 BARRIE

15. NAME OF OWNER OR OWNER'S AGENT: ALAN WRIGHT

16. SIGNATURE OF CONTRACTOR: [Signature]

17. SIGNATURE OF OWNER OR OWNER'S AGENT: [Signature]

18. DATE: JUL 16 1987

19. MINISTRY OF THE ENVIRONMENT COPY

I want to...

Well or Borehole

NORTHING: 4934353

STATUS: Active

PRIMARY PURPOSE: Water Supply

SECONDARY PURPOSE: Municipal Supply

DATE DRILLED (MDY): 05/26/1987

WELL DEPTH (m): 91.7448 m

DRILL METHOD: Rotary (conventional)

BEDROCK ELEVATION:

WATER LEVELS: 6

WATER LEVELS (Start Date): 05/26/1987

WATER LEVELS (End Name): 05/27/1987

WATER QUALITY: 0

WATER QUALITY (Start Date): NA

WATER QUALITY (End Date): NA

[View Additional Details](#)

Appendix DD2

Ministry
of the
Environment

The Ontario Water Resources Act
WATER WELL RECORD

23788

MUNICIP
1570.

CD4

and

1

COUNTY OR DISTRICT: **SINCE**

OWNER (COMPLETE FIRST): **SALUK INVESTMENT LTD**

DATE: **27-7-88**

TOWNSHIP: **ORO**

CONVEYOR: **NORSENA VALLEY R.R. BARRE**

LOT BLOCK TRACT: **7 X 8 X 9 X 4**

DATE OF SURVEY: **27-7-88**

LOG OF OVERBURDEN AND BEDROCK MATERIALS (SEE INSTRUCTIONS)

GENERAL COLOUR	COMMON MATERIAL	OTHER MATERIALS	GENERAL DESCRIPTION	DEPTH, FEET	
				FROM	TO
BROWN	SAND			0	48
BROWN	CLAY			48	53
BROWN	SAND		FINE	53	63
BROWN	CLAY			63	66
BROWN	SAND	SILT	FINE	66	134
				134	192
BODY	CLAY		FINE	192	235
GRAY	SAND		MED	235	260
BROWN	SAND		COARSE	260	275
BROWN	SAND		MED	275	322
	CLAY			322	325
GRAY	CLAY		Probably Plain # 1587	325	330

[41] WATER RECORD

DATE TEST: **285**

KIND OF WATER: **FRESH**

TEMPERATURE: **12**

WATER LEVEL: **10'**

[51] CASING & OPEN HOLE RECORD

DATE TEST: **285**

MATERIAL: **WATER**

WELL: **375**

DEPTH: **0**

TO: **20'**

[61] SCREEN

DATE TEST: **285**

WELL: **375**

DEPTH: **0**

TO: **20'**

[71] PUMPING TEST METHOD

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[81] LOCATION OF WELL

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[91] PUMPING TEST METHOD

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[101] FINAL STATUS OF WELL

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[111] WATER USE

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[121] METHOD OF CONSTRUCTION

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[131] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[141] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[151] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[161] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[171] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[181] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[191] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[201] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[211] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[221] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[231] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[241] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[251] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[261] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[271] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[281] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[291] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[301] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[311] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[321] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[331] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[341] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'**

[351] NAME OF WELL CONTRACTOR

DATE TEST: **150**

WELL: **18713**

WATER LEVEL: **160'</**

Well or Borehole

[Open MOECC-WWIS Well Record](#)

LOC ID: 84389

NAME: HORSESHOE HIGHLANDS PW 1

STUDY: Simcoe - Horseshoe HL (Oro-Medonte) - Water Supply

EASTING: 605950

NORTHING: 4934348

STATUS: Active

PRIMARY PURPOSE: Water Supply

SECONDARY PURPOSE: Municipal Supply

DATE DRILLED (MDY): 07/27/1968

WELL DEPTH (m): 100.584 m

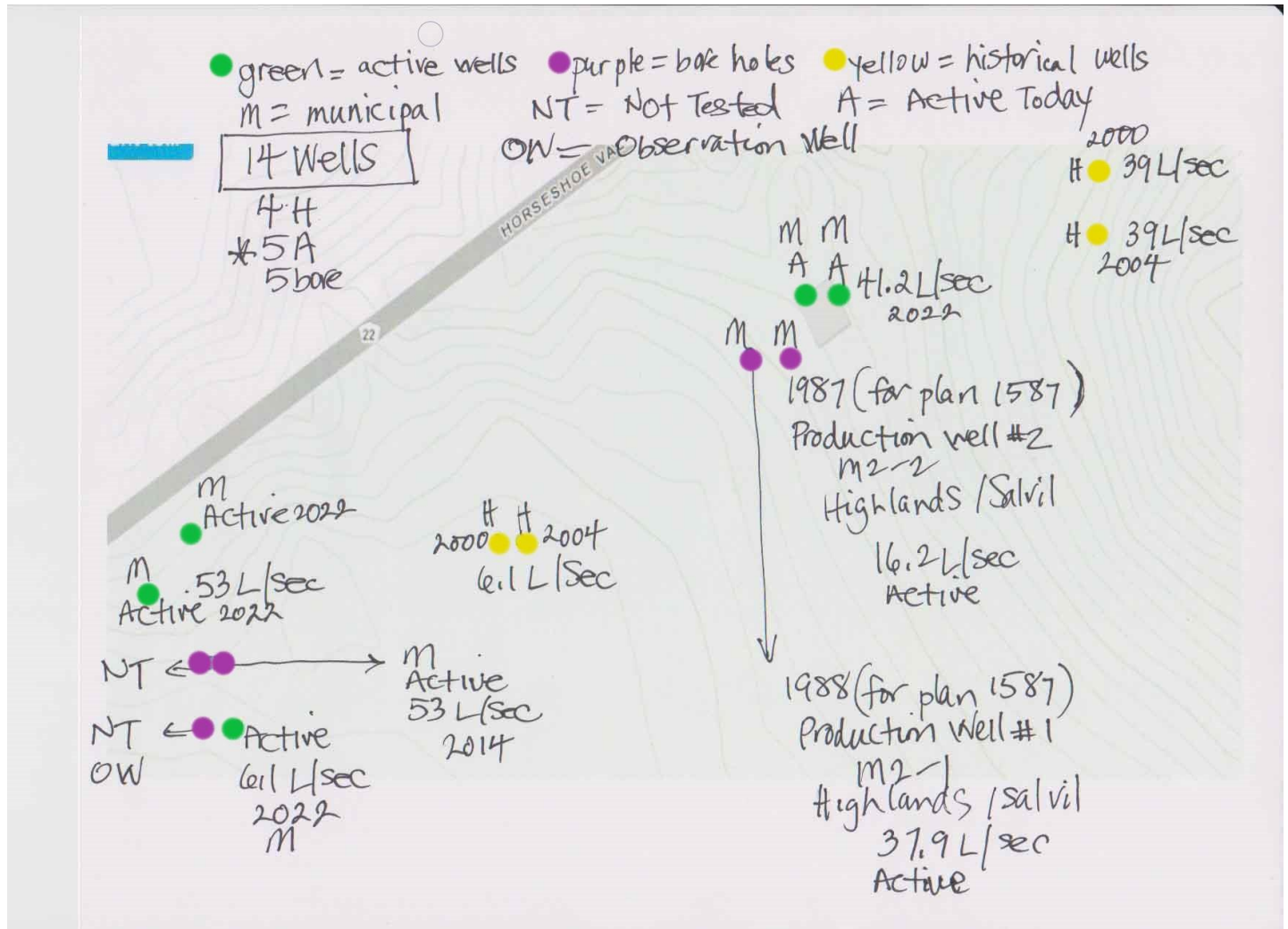
DRILL METHOD: Rotary (conventional)

BEDROCK ELEVATION:

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix DD3

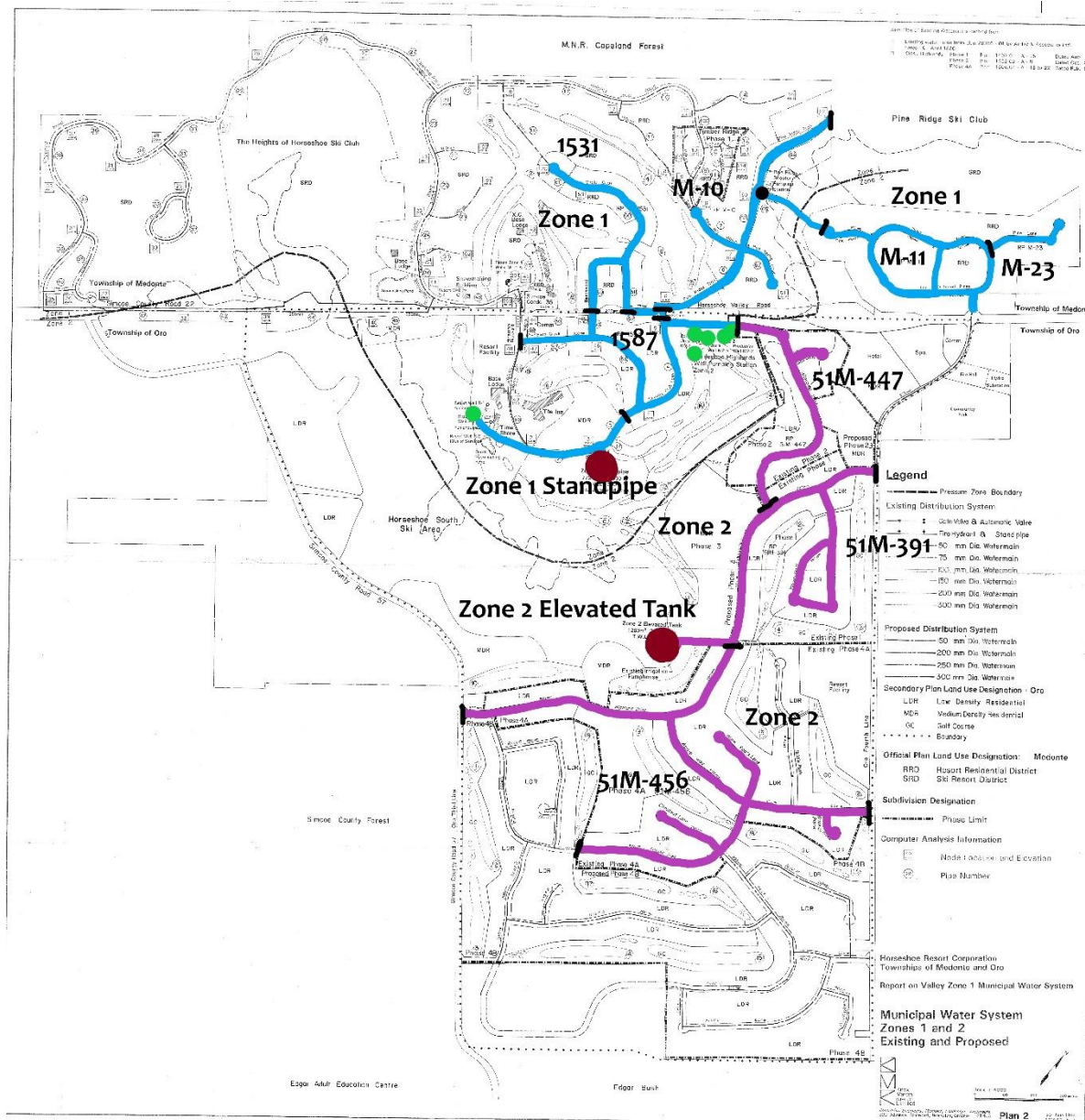
There are 14 wells near Country Club Lane. There are 5 operational wells today, 4 historic wells, and 5 other bore holes. The two historic Production Wells are significant because they were to be dedicated to Zone 1 according to historical data. Production Well #1 has a significant rate of production of 37.9 L/sec. This well, along with other wells, could have easily filled the Zone 1 Standpipe and reportedly supplied water to the Medonte side along with other wells.



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix EE1

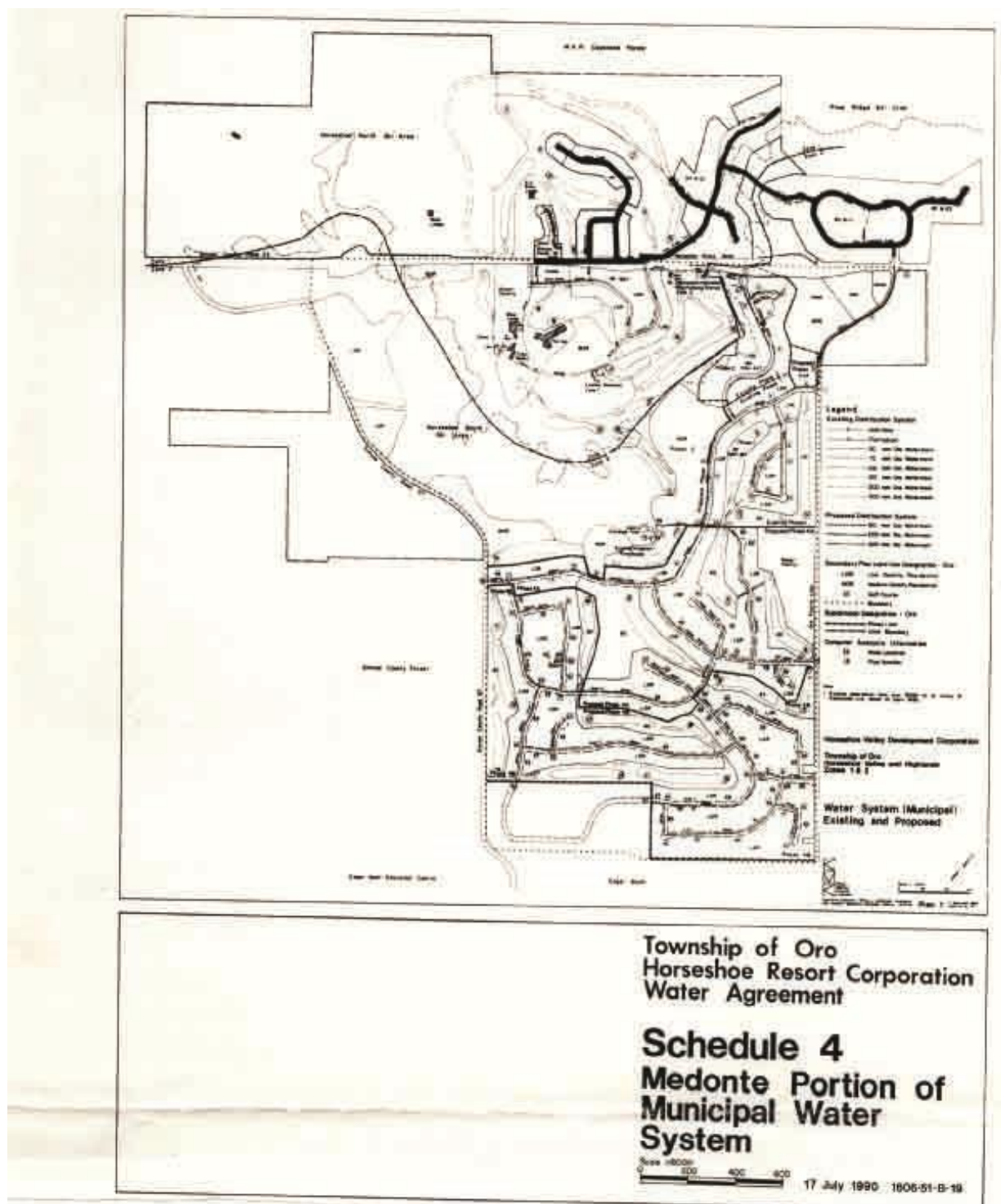
Plans 1531, M-10, M-11, M-23, and 1587 form a peripheral **water supply system** that links with the Zone 1 Standpipe and Well #3 on the Resort property and possibly with the “Active” and “Historical” wells on Horseshoe Valley Road near Country Club Lane. Zone 1 watermains then link into the mains that flow into Zone 2. The mains move through Plan 51M-447 where they merge with Plan 51M-391. The mains flow east to the 4th Concession and westerly toward the Zone 2 Elevated Tank. At this point the watermains move into Plan 51M-456. This Plan of Subdivision (Registered as LT185779), once assumed, dedicates the Zone 1 Standpipe to the Zone 1 Plans, completing the municipally-owned and operated **water supply system** in Horseshoe Valley. With some valve adjustments, both Zone 1 and Zone 2 **water supply systems** work as one fully-integrated system. This has reportedly happened on a few occasions. (By permission from Keith Mathieson, Engineering and Environment Services, Oro-Medonte 2003)



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix EE2

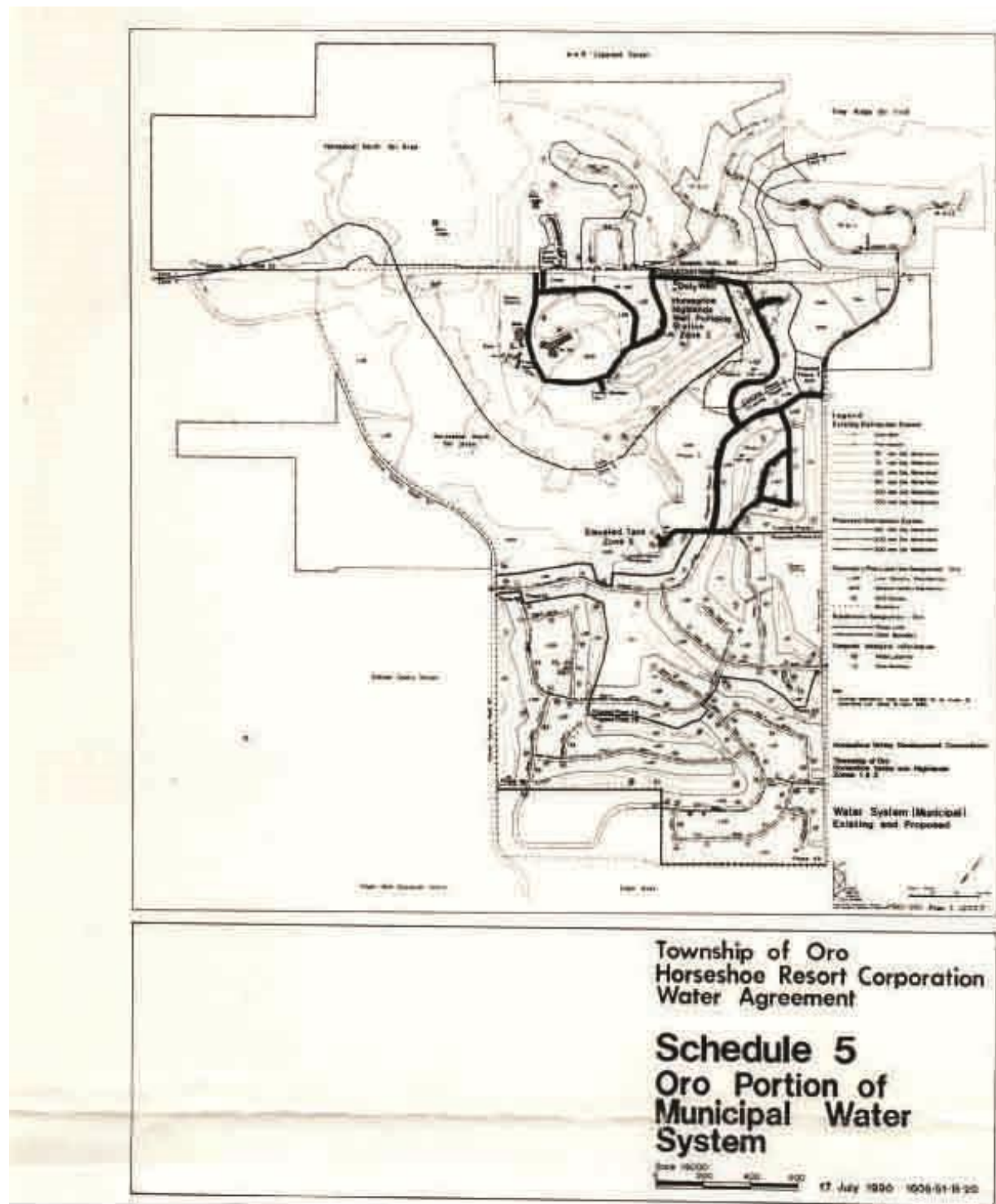
This is Schedule 4 showing the existing Medonte Portion of the Municipal **Water [Supply] System**.



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix EE3

This is Schedule 5 showing the existing Oro Portion of the Municipal **Water [Supply] System**. Notice that it also encompasses portions of the Resort.




The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix FF1

How much of this program was allocated to Zone 1 and Zone 2 Horseshoe Valley? This was Part 1 (OSWAP-1) of the Program. How much money was allocated to Zone 1 and Zone 2 in Part 1 (OSWAP-1)?

9a



TOWNSHIP OF ORO-MEDONTE REPORT

DEPT. REPORT NO.: EES2003-08	TO: COMMITTEE OF THE WHOLE	PREPARED BY: Keith Mathieson
COUNCIL: _____	SUBJECT: Ontario Small Town and Rural Development (OSTAR) Round 1 Funding Agreement	DEPARTMENT: Engineering and Environmental Services
C. OF W.: _____		DATE: February 7, 2003
MOTION #: _____		R. M. FILE NO.: L04-11290
DATE: _____		

BACKGROUND:

Under Round 1 of the OSTAR Funding Program, the Township of Oro-Medonte applied for funding to upgrade the eleven (11) municipal water systems, as well as the Lake Simcoe Regional Airport.

ANALYSIS:

The present agreement is for the original approved amount of \$913,699.00, with a maximum financial assistance of \$609,163.12.

The Township has submitted revised cost estimates in the amount of \$2,074,312.00 for consideration by OSTAR.

RECOMMENDATION(S):

1. **THAT** this report be received and adopted.
2. **THAT** the Mayor and Clerk be authorized to sign the Ontario Small Town and Rural Development Funding Agreement.
3. **THAT** the Clerk prepares a By-law for Council's consideration to enter into the OSTAR Funding Agreement.

Respectfully submitted,

Keith Mathieson

Concur Feb 7/03
93

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix FF2

How much of this program was allocated to Zone 1 and Zone 2 Horseshoe Valley? This was Part 2 (OSWAP-2) of the Program. How much money was allocated to Zone 1 and Zone 2 in Part 2 (OSWAP-2)?

OSWAP-2 Contribution Agreement

SCHEDULE "B"
OSWAP-2
RECIPIENT'S OPERATIONAL PRIORITY

DESCRIPTION OF OPERATIONAL PRIORITY:

The Township of Oro - Medonte will incur expenditures in the operation of their Drinking Water System related to direct costs, regulatory compliance, undertaking a leakage audit/maintenance to reduce leakage, improving energy efficiency of water facilities, a water meter program, operator training, integrating administration with other municipal departments/local utilities, implementing shared service agreements with neighbouring communities, and/or preparing an asset management plan/implementing broader asset management practices.

FINANCIAL ASSISTANCE

Ontario's Maximum Financial Assistance: \$100,000.00

Proposed Payment Schedule

Calendar Year	Financial Assistance
2009	\$25,000.00
2010	\$25,000.00
2011	\$25,000.00
2012	\$25,000.00
Total	\$100,000.00

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix FF3

How much of this program was allocated to Zone 1 and Zone 2 Horseshoe Valley? This was Part 3 (OSWAP-3) of the Program. How much money was allocated to Zone 1 and Zone 2 in Part 3 (OSWAP-3)? There was 50 million available to 200 Townships in Ontario. If distributed evenly, Oro-Medonte would have received a minimum of \$250000 dollars. The records show that they may have received 1.2 million or more.

4a) - Robin Dunn, CAO, re: Executed Agreem...

BETWEEN	Her Majesty the Queen in right of Canada, as represented by the Minister of Public Works and Government Services acting through the Canadian General Standards Board (hereinafter referred to as "Canada")
AND	The Township of Oro-Medonte, a Municipality incorporated under the laws of the Province of Ontario, Canada, and having its head office in Oro, Ontario (hereinafter "the Operating Authority")
AGREEMENT FOR THE ACCREDITATION OF THE OPERATING AUTHORITY OF MUNICIPAL DRINKING WATER SYSTEMS	
WHEREAS Canada, as represented by the Minister of Public Works and Government Services, has made the Canadian General Standards Board (hereinafter "the CGSB") responsible for the administration of certain accreditation programs;	
AND WHEREAS the CGSB has further to its mandate established an accreditation program for the purpose of ascertaining whether a party is capable of meeting the requirements under the Accreditation Program for Operating Authorities of Municipal Drinking Water Systems (hereinafter "the Accreditation Program");	
AND WHEREAS the Operating Authority wishes to participate in and be listed under the Accreditation Program with respect to those of its Drinking Water Systems that are listed in the attached Schedule "B";	
AND WHEREAS the Operating Authority has made an Application to Canada representing that its services meet the requirements of Ontario's Drinking Water Quality Management Standard (hereinafter "the Standard") as well as the Program Handbook for the Accreditation of Operating Authorities — Municipal Drinking Water Systems (hereinafter "the Handbook");	
AND WHEREAS Canada is prepared to list the Operating Authority under the Accreditation Program upon the terms and conditions and for the consideration set out herein;	
NOW THEREFORE , in consideration of the premises and of the mutual covenants and agreements hereinafter set forth, Canada and the Operating Authority (hereinafter collectively "the Parties") agree as follows:	
1.	This non-exclusive Accreditation shall be for a term of three (3) years commencing the 30th day of September 2010 and expiring on the 30th day of September 2013.
2.	The following listed documents form part of and are incorporated into this Agreement as fully and effectively as if they were set forth at length in this Agreement:
a.	These articles of Agreement;
b.	Schedule "A" — "Operating Authority's Application for Accreditation";
c.	The Handbook
d.	Schedule "B" — "Operating Authority's Drinking Water Systems and Facilities";

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix GG1

1980 Water Rights Guarantee Agreement. (15 Pages)

WATER RIGHTS GUARANTEE AGREEMENT

AGREEMENT made this 23rd day of May, 1980.

B E T W E E N:

HORSESHOE VALLEY LIMITED, an Ontario Corporation duly incorporated under the laws of the Province of Ontario,

hereinafter referred to as "Horseshoe Valley"

-and-

THE CORPORATION OF THE TOWNSHIP OF MEDONTE

hereinafter referred to as "Medonte"

-and-

SALVIL INVESTMENTS LIMITED,

hereinafter referred to as "Salvil"

WHEREAS Horseshoe Valley Limited is the owner of certain wells located on the lands described in Schedule "A" to this Agreement, having a flow of water certified to the said Horseshoe Valley by Ian D. Wilson and Associates Limited of 850 Imperial gallons per minute.

AND WHEREAS the water from such wells constitutes the water supply to the Cross Country Lodge and principal lodge of Horseshoe Valley, its subsidiary buildings, the Cedar Hills Road condominiums, and all houses, condominiums, inns, hotels and facilities heretofore constructed or to be constructed on any lands of Horseshoe Valley and for the single family domestic use of the houses now constructed or hereafter to be constructed on Plan 1587 in the Township of Oro and Plans 1531, M-10, M-11, and M-23 located in the Township of Medonte, as well as the water supply for the snow making and grass watering equipment on Horseshoe Valley Ski Hills and Golf Course, and all other projects and undertakings of Horseshoe Valley.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

- 2 -

AND WHEREAS there has been installed by Horseshoe Valley and Salvil, an in-ground water system as shown outlined in red on Schedule "B" herein, to service the said Plans in the Township of Medonte and the said Plan in the Township of Oro, inter alia.

AND WHEREAS Horseshoe Valley and Salvil are desirous of Medonte assuming certain water mains, pumps, connections and services (the system) now owned by Salvil and Horseshoe Valley and operated by Horseshoe Valley, being that part of the system better shown and described in red ink on Schedule "B" attached hereto.

AND WHEREAS the owners of the lands in Registered Plans 1531, M-10, M-11 and M-23 (the owners) serviced by such water mains, pumps, connections and services now operated by Horseshoe Valley have petitioned the Corporation of the Township of Medonte (Medonte) that certain improvement work be undertaken by Medonte as a Local Improvement under the provisions of the Local Improvement Act, Chapter 255, R.S.O. 1970, Section 11 (the Act) and Medonte deems it expedient that such system as shown on Schedule "B" outlined in red and as improved under the Local Improvement petition, be dedicated to Medonte and title thereto transferred as hereinafter provided and the local improvements petitioned be constructed.

AND WHEREAS such works form but part of the total water works system operated by Horseshoe Valley as described above.

AND WHEREAS Medonte has requested and Horseshoe Valley has agreed to give security by this Agreement for the supply of water into the system and for the due operation and performance of

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

- 3 -

those portions of the system upon which the dedicated and assumed mains, pumps and connections and the local improvements contemplated rely or will hereinafter rely.

NOW THEREFORE THIS AGREEMENT WITNESSETH:

1. (a) Horseshoe Valley and Salvil hereby dedicate and the Township of Medonte hereby, subject to the completion of the local improvement works shown outlined in yellow on Schedule "B", hereby accepts and assumes, subject to the provisions of this Agreement, the water system as shown outlined in red on Schedule "B" attached hereto, as improved and added to by local improvements.

Notwithstanding this dedication and assumption, it is clearly understood that it shall continue to be the responsibility of Horseshoe Valley to operate the entire system without remuneration other than payment by owners for water supplied to the system as hereinafter provided. Horseshoe Valley and Salvil shall be responsible to repair, maintain and replace all capital components of the system as required.

The words "system" and "entire system" used in this Agreement and particularly in this paragraph, refer to the existing water system shown outlined in red on Schedule "B" attached, as constructed and installed, and the local improvement work outlined in yellow on Schedule "B", to be installed and constructed in accordance with the Plans and Specifications approved by the Township and its Engineer. The responsibility of repair and replacement herein shall not extend to improving, adding to or changing the said "system" to meet the requirements of any changed municipal or governmental regulations or standards arising out of changes in technology or otherwise.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

- 3A -

(b) Horseshoe Valley hereby grants to the Corporation of the Township of Medonte all such water rights and privileges of every kind and description which it now has, as shall be required to adequately meet the domestic needs of the single family homes now or hereafter constructed upon Plans 1531, M-10, M-11, and M-23 and covenants and agrees with Medonte that the same shall, from this date, be dedicated to the supply of water equally to the existing operation now carried on by Horseshoe Valley and the said single family residential premises, and Cedar Hills Road ^{4 PINE RIDGE SKI RESORT} condominium development, all in the Township of Medonte and Plan 1587, Township of Oro, and, provided such supply shall be certified by a competent Hydrologist to be sufficient from time

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

- 4 -

to time for maintaining the domestic requirements to which it is hereby dedicated, then such surplus flow as may be certified to remain may be dedicated to such additions and expansions as such water supply shall be sufficient to supply, upon filing with Medonte a copy of the certificate of said competent Hydrologist so certifying

Horseshoe Valley reserving unto itself both the right to all such surplus flow and the operation of the total water system.

2. The installation of the works shown in Schedule "B" outlined in yellow, which Schedule is hereby incorporated into and forms part of this Agreement, as a local improvement under the Act shall be accomplished in the manner and for such cost as may be agreed between Medonte and Salvil upon tender and shall be charged to the owners as provided in the Act and shall not be included in the cost base of Horseshoe Valley for purposes of setting any rate applicable to water purchased by the owners.

3. The rate for domestic water supply, hereinafter to be charged by Horseshoe Valley to the owners of lands serviced in the Township of Medonte as above, shall be the rate charged in the base year 1980 adjusted as hereinafter provided.

It is agreed that the charge for 1980 per dwelling unit collected by Medonte is \$90.00 per year, of which, \$5.00 is retained by Medonte to cover its collection costs and \$85.00 per dwelling unit is paid to Horseshoe Valley.

It is agreed that Medonte shall continue to collect Horseshoe Valley's charges for water with its tax levy and shall remit not less frequently than annually, the monies so collected, to Horseshoe Valley.

It is agreed that the Township may adjust its collection charge as it shall be required by administrative cost fluctuations.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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It is further agreed that the monies to be received by Horseshoe Valley for the supply of water shall be adjusted annually to increase or decrease by that proportion by which the hydro electric power rates (or other source of power which may be used to provide water pumping services) change from those costs incurred by Horseshoe Valley for such pumping in the calendar year 1980.

Notwithstanding the foregoing, the percentage increase shall not be higher than the percentage increase in the cost of living as indexed by Statistics Canada during the calendar year preceding such water billing, i.e., for the year 1981, the increase in water charges will be the lesser of the percentage increase in hydro rates in 1980 over rates in 1979 or the increase in the cost of living as indexed by Statistics Canada, over the calendar year 1980 expressed as percentage.

REPAIR DUE TO ACTS OF GOD AND QUEEN'S ENEMIES, ETC.

Further, notwithstanding the foregoing, in the event that Horseshoe and Salvil shall be required to repair or replace the system or any part thereof by reason of damage caused by war, Acts of God or Queen's enemies, civil commotion, riot, explosion, insurrection or acts of vandalism or other casualty, then in every such event, the cost of such repair, amortized over the appropriate period, shall be added to the water charges in addition to the adjustment for the charges of the supply of water referred to above and notwithstanding any limitations placed on such adjustment above.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

- 5A -

4. Medonte shall be advised by Horseshoe Valley of any adjustment in water rates to be charged by Horseshoe Valley prior to the Township preparing and mailing its water bills in any year. In the event that there is a dispute as to the proper adjustment of water charges, the chartered accountants from time to time appointed by Horseshoe Valley and Medonte respectively, shall agree between them the proper adjustment of charges to the owners provided that if such accountants cannot agree, they shall together, within ten(10) days of demand by either party, appoint a third chartered accountant whose decision shall be final. Provided further that upon the failure of either party to act, the party demanding may, ten(10) days after notice of intention so to do, appoint such third accountant.

5. There shall be no charge made to Medonte for water supplied for fire fighting, road cleaning or cleaning or testing of the system or like operations as may from time to time be required of the Municipality.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

- 6 -

6. Horseshoe Valley and Salvil Investments Limited shall protect and hold Medonte harmless from and against all claims, liens, charges, suits or damages made, brought or claimed against Medonte directly or indirectly arising out of its ownership of the system including local improvements or the conduct of the operation for water supply by Horseshoe Valley, including any legal costs to which Medonte may be put to defend against any such claims, liens, charges, suits or damages, provided such claims do not arise from the default of Medonte in the maintenance and/or operation of any part of the system as it shall have elected to maintain and operate or from the Township having prevented Horseshoe Valley by its act or omission from properly maintaining or operating the system or any part thereof.

7. Horseshoe Valley, by this Agreement hereby covenants and agrees, on the terms herein provided, to supply water to the Medonte portion of the water supply system operated by Horseshoe Valley, which portion is shown outlined in red and yellow on Schedule "B" hereto attached.

It is acknowledged that the wells to provide such system and the mains from the wells, pumps and storage reservoir traverse land owned by Horseshoe Valley in the Township of Oro. Medonte shall be entitled to register a notice on Horseshoe Valley lands, that it has an interest in the water supply emanating from such lands under the provisions of this Agreement. Further, should a bona fide question arise as to the title of Horseshoe Valley to the water supply, Medonte shall be

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

- 7 -

entitled to demand and Horseshoe Valley shall forthwith deliver, easements to a width of five(5) feet on one side and fifteen(15) feet on the other side of the relevant water mains shown outlined in green on the sketch attached as Schedule "B", in the form attached hereto, which Medonte shall be entitled to cause to be registered and which would permit Medonte access to the water mains, wells and reservoirs over those areas approximately as shown in green on Schedule "B", for the purpose of maintaining, repairing or otherwise securing a continued supply of water to the Medonte section of the sytem as is dedicated hereunder and constructed by local improvement as per Schedule "B" attached.

It is further understood and agreed that in the event such easements shall reserve the privilege to Horseshoe Valley at any time and from time to time, to relocate water mains, pumping facilities, and/or water storage reservoirs, at its own expense, provided that such relocated facilities shall serve the Medonte system as well as those facilities now constructed and easements covering all such relocations shall be delivered to the Township, which it shall be entitled to cause to be registered, whereupon it shall release the easements or sections of the easements being so replaced.

8. NOTWITHSTANDING anything contained in this Agreement, Medonte shall not be obliged to retain title to the system and to the easement on which it is or shall be installed, until completion of the local improvement work outlined in yellow in Schedule "B", the Agreement continuing an executory contract until such local improvement as is contemplated hereunder is completed to the satisfaction of the Medonte Township Engineer and such Engineer has so certified to Medonte.

9. IT IS distinctly declared that nothing in this Agreement

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

- 8 -

shall be taken as constituting Horseshoe Valley, the agent of Medonte, for any purpose by implication or otherwise or from any position or situation of the parties at any time, it being clearly understood and agreed that the express contracts, covenants and agreements contained herein and made by Medonte with Horseshoe Valley are and shall be the only contracts, covenants and agreements upon which any rights against Medonte or Horseshoe Valley may be founded and any other rights or obligations are to be and shall be contained in corporate written contracts under seal, to the extent that such be required or intended.

10. No waiver of exercise of its rights by Medonte and no condoning, excusing or overlooking, whether by the Council of the Corporation of the Township of Medonte or any agent acting on its authority from time to time, of any breach, default or omission or commission of a material obligation hereunder shall be taken to operate as a waiver of any provision of this Agreement nor to defeat or prejudice in any way the right of Medonte to rectify, implement or enforce its rights hereunder, it being the intention of this Agreement that Horseshoe Valley be afforded the widest latitude in the operation of the total system consistent with the protection of Medonte and of the owners.

11. Horseshoe Valley, its employees and representatives, shall at all times comply with any applicable laws, ordinances, statutes, rules and regulations, federal, provincial and municipal, relating in any way to the operation and maintenance of the water system, procuring at its own expense all inspections, licenses, permits and certifications required from time to time, including deposits if any, required to permit the performance of any work or the operation of any vessel, pump or storage

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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facility in and about the water system.

12. ANY NOTICE or communication required or intended to be given hereunder may be served personally on Horseshoe Valley

at: Box 10,
Horseshoe Valley,
R.R.#1,
Barrie, Ontario.
L4M 4Y8.

by service on its Area Manager, or forwarded by prepaid mail addressed to it:

c/o Mr. Lloyd Lawrence,
A. F. MacLaren & Co.,
43 Collier Street,
Barrie, Ontario. L4M 1G5.

and on Salvil Investments Limited by personal service on:

Mr. William Lohuaru or Mrs. Salme Lohuaru,
Box 28,
Horseshoe Valley,
R.R.#1,
Barrie, Ontario.
L4M 4Y8.

or by prepaid mail addressed to it at:

Box 28, Horseshoe Valley,
R.R. #1,
Barrie, Ontario. L4M 4Y8.

and on Medonte at the Township office in Moonstone during business hours or forwarded by prepaid mail addressed to:

Clerk,
Township of Medonte,
Moonstone, Ontario.

and any notice so mailed shall be deemed to be delivered upon the third day following such mailing.

13. NEITHER Horseshoe Valley nor Medonte shall assign or transfer any water rights passing or herein agreed to be conveyed, to any other person without the prior written approval of the party against whom such right is intended to

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

- 10 -

be enforced and the failure to obtain such prior right shall constitute any purported transfer or assignment a nullity.

Notwithstanding the foregoing, it is clearly understood and agreed that nothing in this Agreement or this provision thereof is intended to in any way restrict or require the consent of the Township of Medonte to the sale of any of the physical assets of Horseshoe Valley and this Agreement relates solely to Horseshoe Valley water rights under this Agreement, it being contemplated that in the event of a sale of any assets of Horseshoe Valley which shall affect its wells or water system, any purchaser will be required to covenant to continue to carry out Horseshoe Valley's obligations under the provisions of this Agreement including the provision of easements as required hereunder.

14. Horseshoe Valley shall report to Medonte promptly any unsafe condition of the works or relating to the water supply disclosed by any inspection or otherwise reported to it or brought to its attention and shall so long as it continues operation of the system be responsible for the security of the system including any leakage therefrom or damage thereto caused by natural causes.

15. IT IS UNDERSTOOD AND AGREED that in the event that the Township of Oro takes over the Horseshoe Valley water system and/or such part of the system as shall provide the source for the Medonte water service, Medonte shall enter into such agreement with the Township of Oro as shall be reasonably required to maintain the spirit of this Agreement and the supply of water dedicated hereby, and shall thereupon release Horseshoe Valley and Salvil from any further obligations hereunder.

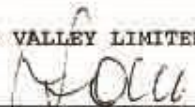
The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

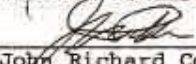
- 11 -

This Agreement shall be interpreted and governed
by the laws of the Province of Ontario.

IN WITNESS WHEREOF the proper officers of the Parties
hereto have hereunto set their hands and affixed their corporate
seals by the hands of their proper officers duly authorized in
that behalf as of the day and year first above written.

HORSESHOE VALLEY LIMITED

Per: 
William Lohuaru, President

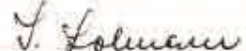

John Richard Cockburn,
Vice-President

THE CORPORATION OF THE TOWNSHIP
OF MEDONTE

Per: 
Reeve


Clerk

SALVIL INVESTMENTS LIMITED

Per: 

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

SCHEDULE "A"

Those parts of Lots 1 and 2, Concession 3 and
Lots 1 and 2, Concession 4, in the Township of Oro, known
and described as Part 1, Plan 51R-8162.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

DATED: May 23, 1980

HORSESHOE VALLEY LIMITED

and

THE CORPORATION OF THE
TOWNSHIP OF MEDONTE

and

SALVIL INVESTMENTS LIMITED

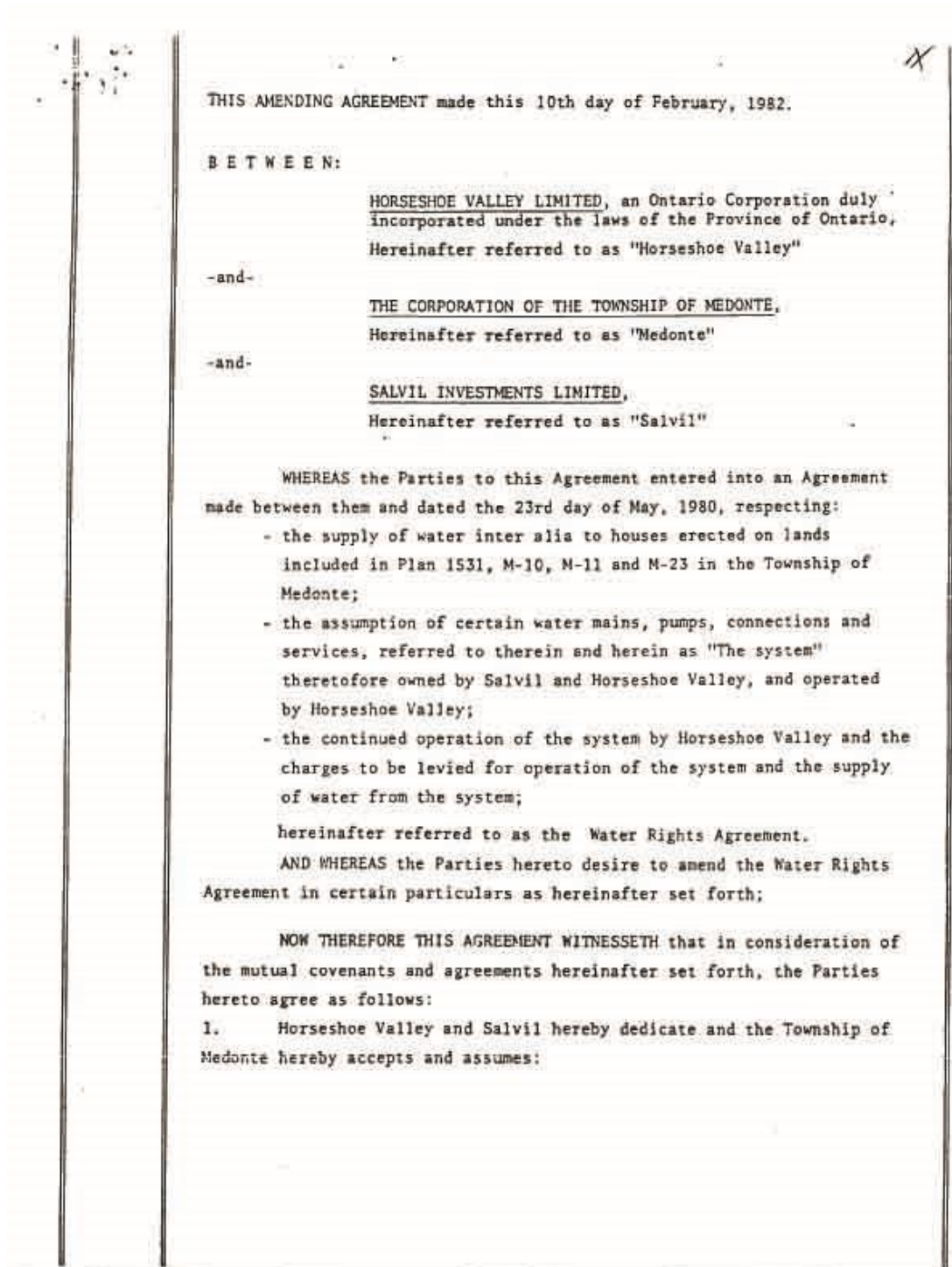
WATER RIGHTS
GUARANTEE AGREEMENT

Livingston, Myers & Cockburn
Barristers and Solicitors
89 Collier Street,
Barrie, Ontario
L4M 4Y5

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix HH1

1982 Water Rights Guarantee Agreement. (8 Pages)



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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(i) the approximately 1,100 feet of 8 inch pipe installed along the shoulder of Horseshoe Valley Road (County Road 22), subject to the consent of the County of Simcoe, thereto, including:

(a) the water pipe line crossing under such county road between Lot 3, Plan 1587 in the Township of Oro, and Lot 17, Plan 1531 in the Township of Medonte, and;

(b) the water pipe line crossing under such county road between Lot 21, Plan 1587 aforesaid and the entrance to Pine Point Road, and;

(ii) the approximately 300 feet of 2 inch pipe installed in front of Lots eight(8), nine(9), ten(10) and eleven(11) Plan M-10.

ANY STRUCTURE, including without limiting the generality of the foregoing, the pump house located in the right-of-way in front of Lots 40 & 41, Plan M-10, shall be included herein as part of the system dedicated, assumed and operated under the provisions of the Water Rights Guarantee Agreement, as amended by this Amending Agreement.

2.A. Notwithstanding this dedication and assumption it is clearly understood that it shall continue to be the responsibility of Horseshoe Valley to operated the entire system including the pipe assumed hereunder, under the terms of the Water Rights Guarantee Agreement;

2.B. Horseshoe Valley is hereby deemed to be the Lessee of the system for a term of five (5) years for the sum of ONE DOLLAR (\$1.00) per year renewable automatically without further notice unless terminated by Medonte by notice in writing, effective at the expiry of the initial or any subsequent five (5) year term or prior thereto;

Notwithstanding any other provision herein, it is clearly understood and agreed that Medonte is entitled at any time to terminate such lease in the event that it is not satisfied with the manner of operation of the system, upon the giving of one weeks written notice to Horseshoe Valley.

2.C. The obligation of Horseshoe Valley and Salvil to repair, maintain and replace all capital components of the system as required, as provided in paragraph 1. (a) of the Water Rights Agreement as amended by this Agreement, shall include:

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The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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- (i) the obligation to pay in relation to the operation of the components of the system located in County Road 22 and that road allowance:
 - (a) The obligation of Salvil only to pay any and all expenses in relocating this waterline in the event that a future road widening or improvement shall necessitate such relocation, and;
 - (b) The obligation of Salvil and Horseshoe to pay the expense of maintenance or repair of the right-of-way resulting from the placing of any waterline forming part of this system, erosion from surface run off occurring from time to time, as well as that resulting from any break or leak occurring from time to time in the water line proper;
- (ii) The cost of routine maintenance which shall be sufficiently performed upon the carryout of the following:
 - (a) checking all valves on the distribution system for proper operation and to ensure that they are fully open twice per year;
 - (b) checking all hydrants for proper operation twice per year;
 - (c) reporting to Medonte the performance of the checks in (a) and (b) within two (2) weeks of completion thereof. (Failure to perform or report would give Medonte reason to believe that any repairs on those items which may become necessary are occasioned by neglect of routine maintenance and therefore not the responsibility of Medonte);
 - (d) keeping access to hydrants reasonably clear of brush in summer and snow in winter. Making sure hydrant markers are in place in the fall;
 - (e) inspecting the pump house equipment regularly to ensure everything is operational;
 - (f) running reserve diesel engine at least once every two months and keeping it fueled up and properly lubricated. Dates and durations of runs should be logged on a suitable card located near the equipment;
 - (g) providing routine maintenance on the reserve diesel engine by a licenced mechanic at least once per year and reporting to Medonte as set out in (e) above;

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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(iii) the expense of painting exposed fixtures i.e., hydrants, pump house, etc. supplying light bulbs, fuses, oiling, greasing, cleaning, grass cutting and providing such watermain and service location layout as may be requested by telephone, hydro electric or owners, etc., as required from time to time.

Any costs beyond those incurred by the above operations whether relating to the said paragraph 1.(a) of the Water Rights Agreement or otherwise, shall, to the extent that they exceed a deductible amount of Fifty (\$50.00) Dollars per year be the responsibility of Medonte. Provided that any such costs incurred during the first five years of the operation of the system under this Agreement shall to the extent that they exceed:

(a) applicable insurance, or

(b) the aggregate of the sinking fund reserve,

be paid by Salvil and Horseshoe Valley as may be agreed between them.

(iv) It is understood and agreed that Horseshoe Valley is prepared to lease the system, including the pump house in its "as is" condition, but in the event that the lease is terminated it shall be the responsibility

(a) of Horseshoe Valley and Salvil to ensure that the Cable T.V. equipment presently in the pump house will be removed and placed in an appropriate shelter which may be constructed on the external wall of the pump house or as near by as is possible on the Township Road Allowance - the usual Township encroachment licence and by-law to be executed and prepared at the expense of Horseshoe to enable the locating of such T.V. shelter.

(b) of Salvil to make such changes in the wiring in the pump house as would meet municipal standards as at January 20, 1982.

2.D. The provisions of Section 3. of the Water Rights Guarantee Agreement dated May 23, 1980 are hereby deleted in their entirety and replaced by the following provision:

The charges to be made for the domestic water supply, hereinafter to be charged by Medonte, to the owners of the lands serviced by the system as above, and paid to Horseshoe Valley to cover the cost of operation, shall be comprised of two components, calculated as follows:

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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(i) WATER CHARGE AND TOWNSHIP ADMINISTRATION COMPONENT

It is agreed that the per year charge collected by the Township of Medonte for the year 1980 per dwelling unit for supply of water is \$90.00, of which, \$5.00 is retained by Medonte to cover its collection and administration costs and \$85.00 per dwelling unit is paid to Horseshoe Valley Limited to cover its costs in providing water and operating the water system.

The amount to be received by Horseshoe Valley for such operation and the supply of water shall be based on the 1980 charge and shall be adjusted annually to increase or decrease each year by the percentage increase or decrease in the cost of living as indexed by Statistics Canada during the calendar year next preceding such water billing, i.e., for the year 1981, the increase in water charges shall be the percentage increase in the cost of living as indexed by the percentage increase in the cost of living as indexed by Statistics Canada over the calendar year 1980. Such increased or decreased charge shall continue to be collected by Medonte and shall be remitted to Horseshoe not less frequently than annually.

The collection charge by Medonte will be adjusted also as may be required by administrative cost fluctuations.

PINE RIDGE WATER CHARGES

A charge to Pine Ridge Ski Club based upon twenty-eight (28) days club house use per year shall be the equivalent to the charge made for four (4) dwelling units per annum, to increase proportionately if the club house days of use increase. The Township's collection and administration costs are to be levied on the same basis as for four (4) dwelling units. Horseshoe shall notify the Township in writing of any increased club house use which is to affect the Pine Ridge water bill.

(ii) AMORTIZATION OF CAPITAL COMPONENT

The rate for domestic water supply shall also include a pro rata share of the cost of a sinking fund to provide for the replacement of the system, based upon current Ontario Ministry of the Environment guidelines and estimated replacement costs of \$85,000.00 for the pump house and contents and replacement cost of the mains estimated at approximately \$325,000.00, amortized over the expected life of the components of the system in accordance with the schedule appended hereto as Schedule "A" which schedule forms part of this Amending Agreement, being a maximum annual credit to the sinking

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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fund of approximately \$2,500.00. A special rate shall be charged for each of the years 1981 through 1985 and shall include an amount equal to the sinking fund component, now \$2,500.00, divided by the number of Lots in the subdivisions served by the system plus four (4) (Pine Ridge) and multiplied by the number of users of the system. (Pine Ridge included as four (4) users).

The replacement cost of improvements made from time to time as required by public authority having jurisdiction to require the same, shall be added to the unamortized base in Schedule "A" and thereafter included in the computation of the "amortization of capital components" together with the replacement cost of substitutions or additions required by breakdown, wear and tear or damage suffered, not covered by insurance, hereinbelow referred to, but not including the cost of any local improvement or addition to the system, or any enlargement occasioned thereby, unless specifically approved by Medonte and by the Ontario Municipal Board prior to construction thereof. This capital amortization component charge shall be charged at the same time as all other charges for the supply of water and collected and retained by the Township for that purpose.

This Amending Agreement further confirms the responsibility of Horseshoe to repair or replace the system or any part by reason of damage by war, Acts of God, Queen's enemies, civil commotion, riot, explosion, insurrection, acts of vandalism or other casualty and Horseshoe hereby covenants and agrees to maintain appropriate insurance coverage to provide for such repairs. The cost of the insurance coverage to protect against such risks shall be paid by Horseshoe and included in the cost of operation covered by the Water charges. It is clearly understood between the Parties that in executing this Agreement, no insurable interest remains to Salvil, and Medonte is relieved of any obligation to insure, all risks being assumed by Horseshoe without right of subrogation against Medonte.

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3. Salvil, by signing this Agreement, joins herein to grant whatever rights it may have to Medonte, retaining no ongoing right or responsibility for the maintenance or operation of the system nor any ownership or reversion therein.

4. The Water Rights Guarantee Agreement, as specifically and necessarily amended by the words of this Amending Agreement, continues in full force and effect, the provisions thereof as to notice, interpretation and limitation shall govern the Amending Agreement and the two shall be read together and interpreted as one agreement.

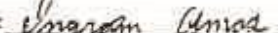
WITNESS the corporate seals of the Parties hereto, duly affixed by the proper signing officers in that behalf, the day and year above written.

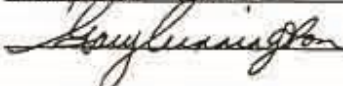
HORSESHOE VALLEY LIMITED

Per: 

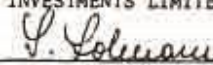


THE CORPORATION OF THE
TOWNSHIP OF MEDONTE

Per: 



SALVIL INVESTMENTS LIMITED

Per: 

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

SCHEDULE "A"

TO AMENDING AGREEMENT MADE FEBRUARY 10th, 1982, AMENDING WATER RIGHTS
GUARANTEE AGREEMENT DATED MAY 23rd, 1980, AND MADE BETWEEN HORSESHOE
VALLEY LIMITED, THE CORPORATION OF THE TOWNSHIP OF MEDONTE AND SALVIL
INVESTMENTS LIMITED

SINKING FUND CALCULATION

Based upon the aggregate cost of construction as follows:

Distribution System	\$325,000.00 @ 0.50%	\$1,625.00
Mechanical and Electrical	85,000.00 @ 1.00%	\$ 850.00
Maximum Sinking Fund		<u>\$2,475.00</u>

Maximum Sinking Fund (rounded off)
No. of units in Subdivision served by system x Unit amortization of capital component

$$\frac{2,500}{261} \times 9.60\% = \text{Sinking Fund Component} = .9195$$

1982 Sinking Fund Credit = No units served x 9.60%
(example: 200 x 9.60% = \$1,920.00)

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix II1

1991 LT185779, Phase IVA, Plan 51M-456 Water Agreement. (13 Pages)

<div> <div>185779</div> <div>CERTIFICATE OF RECEIPT REC-185779 SIMCOE (S) BARRIE</div> <div>'90 10 31 15 37</div> </div> <div> <div>FOR OFFICE USE ONLY</div> <div>12/04</div> </div>		<div> <div>51</div> <div>Document General</div> <div>Form 4 - Land Registration Reform Act, 1984</div> </div> <div> <div>DYE & DURHAM CO., LIMITED</div> <div>Form No. 965</div> </div>	
		(1) Registry <input type="checkbox"/> Land Titles <input checked="" type="checkbox"/>	(2) Page 1 of 19 pages
		(3) Property Identifier(s) Block <input type="checkbox"/> Property <input type="checkbox"/>	Additional: See Schedule <input type="checkbox"/>
		(4) Nature of Document NOTICE OF AGREEMENT - SECTION 74 LAND TITLES ACT	
		(5) Consideration N/A Dollars \$	
		(6) Description Part of Parcel Plan -1, Section 51M-456 Township of Oro, County of Simcoe Lots 1 to 192 both inclusive Blocks 193 to 202 both inclusive, Plan 51M-456	
		(7) This Document Contains: (a) Redescription New Easement Plan/Sketch <input type="checkbox"/> (b) Schedule for: Description <input type="checkbox"/> Additional Parties <input type="checkbox"/> Other <input type="checkbox"/>	
(8) This Document provides as follows: Copy of Agreement attached. The Corporation Of The Township of Oro has an unregistered estate right equity or interest in: The land registered in the name of HORSESHOE RESORT CORPORATION as Part of Parcel Plan-1 Section 51M-456 Township of Oro County of Simcoe being lots 1 to 192 both inclusive and Blocks 193 to 202 both inclusive Plan 51M-456 and hereby apply under Section 74 of The Land Titles Act for entry of an Agreement in the register for the said parcel. <i>HH</i>			
(9) This Document relates to instrument number(s)			
(10) Party(ies) (Set out Status or Interest) Name(s)		Signature(s)	Date of Signature Y M D
THE CORPORATION OF THE TOWNSHIP OF ORO		<i>[Signature]</i>	1990 10 31
by its Solicitor - David Stevenson White		David Stevenson White	
(11) Address for Service Box 100, Oro Station, Ontario, L0L 2E0			
(12) Party(ies) (Set out Status or Interest) Name(s)		Signature(s)	Date of Signature Y M D
(13) Address for Service			
(14) Municipal Address of Property Not assigned		(15) Document Prepared by: DAVID STEVENSON WHITE Barrister and Solicitor Suite 201, 89 Dunlop Street East Barrie, Ontario L4M 1A7	
		<div>FOR OFFICE USE ONLY</div> <div> <div>Fees and Tax</div> <div>Registration Fee 25.00</div> <div>Total 25.00</div> </div>	

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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THIS AGREEMENT made as of the 1st day of ^{OCT.} ~~January~~, 1990

BETWEEN:

THE CORPORATION OF THE TOWNSHIP OF ORO

(hereinafter referred to as "Oro")

- and -

HORSESHOE/SALVIL (ORO) LIMITED, a corporation
incorporated under the laws of the Province
of Ontario

(hereinafter referred to as "HSO")

- and -

HORSESHOE RESORT CORPORATION, a corporation
incorporated under the laws of the Province
of Ontario

(hereinafter referred to as "HRC")

- and -

SALVIL INVESTMENTS LIMITED, a corporation
incorporated under the laws of the Province
of Ontario

(hereinafter referred to as "Salvil")

1.00 DEFINITIONS

1.01 "Amending Agreement" means that certain agreement made as of the 10th day of February 1982 between the predecessors to HRC, Medonte, and Salvil which amends the terms of the Water Rights Guarantee Agreement;

1.02 "HRC" means Horseshoe Resort Corporation, the successor to Horseshoe Valley Limited and Horseshoe Valley Development Corporation, its successors and assigns.

1.03 "HRC Lands" means those lands in both Oro and Medonte upon which HRC intends to develop its residential plans of subdivision (being condominium development and/or both low density and medium density residential) and certain commercial components of its lands, to be registered by HRC from time to time, and which include without limitation those lands as further defined in the Horseshoe Resort Secondary Plan or the Medonte Official Plan as the case may be.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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1.04 "HSO" means Horseshoe/Salvil/(Oro) Limited, its successors and assigns.

1.05 "HSO Lands" means the lands contained within plan number 51M-391, those lands upon which there will be registered a residential plan of subdivision, being commonly described as Horseshoe Highlands Phase II, Oro and those lands in Medonte as more particularly described in Schedule 1.

1.06 "Horseshoe Highland Golf Course" means the proposed 18 hole golf course to be constructed on the Highlands portion of the lands within the Horseshoe Resort Secondary Plan.

1.07 "Horseshoe North Ski Facilities" means those alpine and cross country ski facilities located in Medonte owned by HRC.

1.08 "Horseshoe Resort Secondary Plan" means that plan dated March 2nd, 1987 prepared by Knox Martin Kretch Limited and approved by the Ontario Ministry of Municipal Affairs as Amendment No. 29 to the Official Plan of the Township of Oro (and as particularly described in Schedule "F" Land Use Plan").

1.09 "Horseshoe Resort Water System" means that part of the water system developed in Horseshoe Valley and owned and operated by HRC to be utilized for the purpose of providing snowmaking water for the Horseshoe South and North skiing facilities and irrigation water for the Horseshoe Valley Golf Course and the Highland Golf Course.

1.10 "Horseshoe South Ski Facilities" means those alpine and cross country ski facilities located on HRC's Lands in Oro.

1.11 "Horseshoe Valley Golf Course" means the existing 18 hole golf course located partly within the Valley portion of the Horseshoe Resort Secondary Plan and partly in Medonte.

1.12 "Medonte" means the Corporation of the Township of Medonte, a township formed pursuant to the laws of the Province of Ontario.

1.13 "Municipal Water System" means that part of the Original Water System assumed or intended to be assumed by Oro or Medonte as the case may be, as same may be expended, altered or changed from time to time.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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1.14 "Original Water System" means that part of the Water System constructed by HRC (or its predecessors) which services the needs for both potable and fire protection water, and which was constructed prior to 1988 (for greater certainty the "Original Water System" includes the Horseshoe Resort Water System and the Municipal Water System with the exception of the Zone 2 Water System located in Oro).

1.15 "Oro" means the Corporation of the Township of Oro, a township formed pursuant to the laws of the Province of Ontario.

1.16 "Residential Plan" means the residential plans of subdivision which have previously been created and which are more particularly described in Schedule 3 attached hereto, and which plans have had and continue to have as their source of supply of water the Municipal Water System.

1.17 "Water Rights Guarantee Agreement" means that certain agreement dated May 23rd, 1980 and made between HRC, Medonte and Salvil.

1.18 "Water System" means the Original Water System, the Municipal Water System, the Horseshoe Resort Water System, and including the Zone 1 and Zone 2 Systems.

1.19 "Zone 1 System" means that part of the Municipal Water System comprising of wells, controls and watermain distribution systems with on line storage in a standpipe located primarily in the valley lands forming part of HRC's Lands which are utilized for the purpose of supplying water to the Zone 1 area in Oro and Medonte.

1.20 "Zone 2 System" means that part of the Municipal Water System comprising of wells, control system and watermain distribution system mainly located in what is commonly known as the Highlands component of the Horseshoe Resort Secondary Plan in Oro.

2.00 RECITALS

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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2.01 WHEREAS HRC is the owner and developer of certain lands and premises located in Oro which are described in Amendment No. 29 to the Official Plan of the Township of Oro, more particularly known as the Horseshoe Resort Secondary Plan, and of certain lands contained in Medonte as more particularly described in Schedule 2;

2.02 WHEREAS HSO is the developer of certain residential building lands which may commonly be described as those lands contained within plan 51M-391 and Highlands Phase 2 adjacent to the HRC Lands of Oro and certain other lands in Medonte as more particularly described in Schedule 1; and

2.03 WHEREAS HRC and Salvil have, in the course of the development and construction of the component parts contemplated by the Horseshoe Resort Secondary Plan, been required to construct certain wells, controls, watermains, and distribution systems to be utilized for the purposes of the resort facility, including without limitation, the irrigation of the existing Horseshoe Valley Golf Course and the Highlands Golf Course; snowmaking equipment and facilities on the ski hills commonly known as Horseshoe South and Horseshoe North; the HSO Lands and the HRC Lands (as expanded from time to time); and

2.04 WHEREAS HSO AND HRC have, in the course of the development of their residential plans of subdivision, been required to construct certain watermains and distribution systems for the purpose of supplying water to the Residential Plans; and

2.05 WHEREAS the parties to this Agreement wish to define their respective rights and obligations with respect to the transfer of ownership of the Municipal Water System, to Oro and the delineation of that part of the Original Water System which is to be used only by HRC as the Horseshoe Resort Water System.

3.00 STATED INTENTION AND PRINCIPLES OF THIS AGREEMENT

3.01 The parties agree to adopt and implement the following statement of intention in the course of their interpretation and implementation of the within Agreement.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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- 3.01 (a) That HRC and HSO (to the extent applicable) develop the Municipal Water System to provide potable and fire fighting water to all dwellings and establishments located on the HRC Lands and the HSO Lands in Oro and on the Residential Plans, and Oro does hereby assume the Municipal Water System.
- (b) That HRC retain the Horseshoe Resort Water System to provide snowmaking water for the Horseshoe South Skiing Facilities and North Skiing Facilities and irrigation water for the Horseshoe Valley Golf Course and Horseshoe Highland Golf Course.

4.00 CONVEYANCE OF WATER SYSTEM

4.01 HRC and HSO hereby transfer to Oro the Municipal Water System comprising the Zone 1 and connection to Zone 2 Systems. Schedule 5 to this Agreement describes that part of the Water System to be constructed and conveyed to Oro and that part of the Water System that has already been assumed by Oro. Schedule 6 to this Agreement describes that part of the Original Water System designated to provide snowmaking water for the Horseshoe South Skiing Facilities and Horseshoe North Skiing Facilities and irrigation water for the Horseshoe Valley Golf Course and Horseshoe Highland Golf Course, which shall remain the property of HRC.

4.02 HRC and HSO hereby covenant and agree that the Municipal Water System has been constructed in accordance with previously submitted engineering drawings. HRC and HSO acknowledge that Oro shall require a Report to be prepared by the Township Engineers following a complete inventory of the works to be assumed by the Township. The Report will follow an investigation of the condition of the components and recommendations for improvements if need be, such improvements to be considered from an operational standpoint as opposed to revised Township standards and further that the costs of such improvements shall be borne by HRC and HSO prior to assumption. The Report shall also detail a replacement cost such that the Township can arrive at a Letter of Credit not to exceed \$25,000.00 to cover breakdowns in the system during a 2 year maintenance period which shall extend to January 1, 1993. HRC and HSO shall be responsible for the reasonable costs of said Report. The parties to this agreement acknowledge receipt of the Report prepared by R.G. Robinson and Associates Ltd. dated June, 1990 file # 12-8837-10.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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4.03 HRC and HSO hereby covenant and agree that, the Municipal Water System is operating properly and efficiently and they are not aware of any deficiencies in said Water System as it presently exists.

4.04 It is contemplated that the Water System will be expanded from time to time as, if, and when further developments occur within the HRC Lands. It is the intention of this Agreement that this Agreement apply to and the dedication hereby created affect both the existing Municipal Water System as it is presently constituted and that any expansion, alteration or amendment to the Municipal Water System would be dedicated to Oro save and except for the Horseshoe Resort Water System.

4.05 Without limiting the generality of the foregoing, HRC hereby further covenants and agrees to perform the works for the expansion of the Municipal Water System in accordance on the following understanding:

- (a) It shall construct a new Zone 1 municipal Production Well 1 and connect the same to the existing Municipal Water System, and further that such wells will be constructed to supply water of quantity and quality to satisfy the Ministry of the Environment and be substantiated by a Hydrogeologist Report confirming the supply and confirmation that it will not significantly interfere with the other wells in the area. This well will be constructed, test pumped, and a Permit to Take Water received prior to registration of any plan of subdivision of lands beyond Phase I, IIA, IIB and IV of Horseshoe Highlands.
- (b) The existing Zone 1 Standpipe shall be part of the Municipal Water System and HRC hereby transfer the standpipe and a suitable site and easement for access to same to Oro;

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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- 4.05 (c) Upon the completion of the new Zone 1 municipal Production Well 1 as referred to in paragraph (a) above, it is agreed that the existing Resort Well 3 would supply the Horseshoe Resort Water System irrigation and snowmaking facilities and that after this was completed that HRC would disconnect the Horseshoe Resort Water System from the Municipal Water System, Zone 1. It is understood and agreed that HRC would not be required to construct the Zone 1 Municipal production well #1 to service the Municipal Water System until one year after the expiry of the maintenance period of the construction of that portion of the Water System which services Phase I and II of HSO's development.
- (d) HRC or HSO as the case may be, shall be responsible for the maintenance and operation to Ministry of the Environment standards, of any part of the Municipal Water System for a period of two (2) years after any part of the works have been completed and accepted by Oro (the "maintenance period"). Upon preliminary acceptance of the works (or any part) by Oro, HRC or HSO as the case may be shall deposit with Oro a letter of credit drawn on a Canadian Chartered Bank, in an amount as may be mutually agreed upon by the respective parties to guarantee the obligations of HRC or HSO (as the case may be) for the maintenance of the applicable portion of the works constructed and to be assumed by Oro. In consideration for HRC or HSO constructing the expansion of the Municipal Water System and agreeing to maintain same as herein set out, it is agreed by Oro that it shall not levy any charge to HRC or HSO for use of water supplied by the Municipal Water System as presently constituted, or expanded.

4.06 HRC and HSO hereby covenant and agree to grant to and in favour of Oro all easements that may be necessary in order to permit Oro to enter upon the Lands owned by HRC and HSO (as the case may be) on which the distribution mains are located for the purpose of repairing, replacing or in any way dealing with said distribution system mains or with the Municipal Water System.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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4.07 HRC hereby covenants and agrees to construct in a good and workmanlike manner the Zone 2 System which relates to HRC's lands and which will initially provide the Horseshoe Highland Golf Course with the source for an irrigation system.

4.08 HSO hereby covenants and agrees to construct in a good and workmanlike manner the Zone 2 System which relates to HSO's lands.

4.09 HRC hereby covenants and agrees to construct the Zone 2 System elevated tank in accordance with plans approved by Oro.

4.10 HRC and HSO respectively consent to notice of the within Agreement being registered against the title to their respective lands in form and content reasonably satisfactory to the respective counsel for the parties. Oro covenants and agrees that it shall, without a fee, confirm in writing, the good standing of the obligations of HRC and HSO under the terms of this Agreement from time to time. HRC and HSO to the extent required further covenant and agree that they shall cause their lenders to subordinate, postpone and partially discharge any and all mortgages which may be registered against their respective lands to give priority to this Agreement.

4.11 HRC hereby covenants and agrees, following construction of the Zone 2 System elevated tank and upon further development occurring in Zone 2, to construct a Zone 2 production well #2 at a time deemed necessary by the Ministry of Environment, of quantity and quality to satisfy the Ministry of Environment and be substantiated by a Hydrogeologist Report confirming the supply of water and that it will not significantly interfere with other wells in the area and transfer the existing Duty Well to supply Zone 1. This well will be constructed, test pumped, and a Permit to Take Water received prior to registration of a plan of subdivision of lands beyond Phase I, IIA, IIB, and IV of Horseshoe Highlands.

4.12 HRC hereby covenants and agrees to construct the Zone 1 Municipal Production Well # 2 when deemed necessary by the Ministry of the Environment to accommodate future development on HRC's lands and agrees to connect same to the distribution system. This well will be constructed, test pumped, and a Permit to Take Water received prior to registration of lands beyond Phases I, IIA, IIB and IV of Horseshoe Highlands.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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4.13 Oro hereby agrees to assume and accept the transfer of any part of the Municipal Water System (save and except for the Horseshoe Resort Water System) that either HRC or HSO has completed the construction of to the extent that said system or any part thereof is within the boundaries of the municipality. Without limiting the generality of the foregoing, it is understood and agreed that, upon the execution of this Agreement, Oro shall no longer be required to remit to HRC or HSO as the case may be any monies that it receives from any resident of Oro which utilizes the Municipal Water System. Oro shall be obligated to maintain, repair and insure that part or parts of the Municipal Water System which it has assumed or intends to assume pursuant to this Agreement and to be responsible for all costs associated with the operation and maintenance of said Municipal Water System, subject to the obligation of HRC and/or HSO during the maintenance period as described in section 4.05(d) hereof.

4.14 Oro covenants and agrees to provide HRC, HSO and Salvil with at least 12 months prior written notice from the effective date of this Agreement of its intention to terminate the supply of water to Medonte.

5.00 GENERAL PROVISIONS

5.01 Notwithstanding any provision of this Agreement nothing hereby shall be construed or operate so as to limit or fetter in any way the exercise by the Council of the Township of any legislative, quasi judicial or administrative function which it or any of its successors has under the Planning Act, 1983, the Municipal Act, or any other enabling statute and all revisions of this Agreement shall be construed consistent with this provision.

5.02 Notice

All notices and communications which may be or are required to be given by any party to any other party shall (in the absence of any specific provision to the contrary) be in writing and delivered or sent by mail, telecopy or facsimile to the party at the following respective addresses:

HRC: c/o Box 10, Horseshoe Valley
R.R. #1,
Barrie, Ontario
L4M 4Y8

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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HSO: c/o Box 10, Horseshoe Valley
R.R. #1
Barrie, Ontario
L4M 4Y8

Oro: c/o R.R. #1
Oro Station, Ontario
L0L 2E0

Salvil: Box 28
Horseshoe Valley R.R. #1
Barrie, Ontario
L4M 4Y8

and shall be deemed to be received four (4) days following the date of mailing or, in all other cases, on the day following transmission.

5.03 Captions For Convenience Only

The captions, section numbers and article numbers appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections or articles of this Agreement.

5.04 Severability

If any provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and each provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

5.05 Gender

Words importing the singular number shall include the plural and vice versa; words importing the neuter gender shall include the masculine and feminine genders and words importing persons shall include firms and corporations and vice versa.

5.06 Successors and Assigns

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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5.07 Governing Law

This Agreement shall be governed and construed in accordance with the laws of the Province of Ontario.

5.08 Further Assurances

The parties hereto shall sign such further and other documents and do and perform and cause to be done and performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part hereof.

5.09 Reasonable Conduct

In doing any act, matter or thing hereunder, including exercising any discretion granted hereby, each party shall conduct itself in a commercially reasonable manner.

5.10 Cost Recovery

Oro agrees that in the event that any Owner, not a party to this Agreement, utilizes any part of the Water System as part of their own development of adjacent lands, that Oro shall impose as a condition of subdivision and/or condominium approval (including land division) the requirement that said owner contribute to HRC an amount of money as determined by HRC's consulting engineer, to compensate HRC for installing the Water System proportionate to the intended use said owner will make of the Water System, and to use its best efforts to collect said contribution from any owner who utilizes any part of the Water System.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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5.11 Schedules

The schedules attached hereto shall form part of this Agreement and shall enure to the benefit of and be binding upon the parties hereto and the respective successors and assigns.

DATED at Toronto this 1st day of OCT 1998.

THE CORPORATION OF THE TOWNSHIP OF ORO

Per: [Signature] c/s

Per: [Signature] c/s

HORSESHOE/SALVIL (ORO) LIMITED

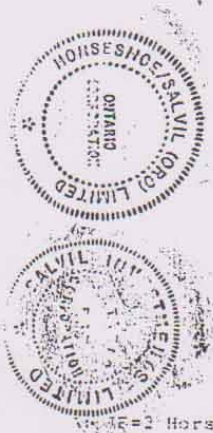
Per: [Signature] c/s

HORSESHOE RESORT CORPORATION

Per: [Signature] c/s

SALVIL INVESTMENTS LIMITED

Per: [Signature] c/s




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The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix JJ1

1992 Knox, Martin, and Kretch Report (KMK) (27 Pages)

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The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

HORSESHOE RESORT CORPORATION

REPORT ON HORSESHOE RESORT VALLEY WATER SYSTEM

1. INTRODUCTION

1.1 BACKGROUND

The Horseshoe Resort Community in the Townships of Medonte and Oro is served by an interconnected two-zone Municipal water system providing potable water primarily for domestic consumption and fire fighting purposes. The system also currently provides some golf course irrigation and snowmaking water to supplement the Resort snowmaking system near the Heights which was established in 1990.

The Valley component of the Municipal water system is referred to as Zone 1 and the Highlands component as Zone 2 as shown on Plan 2.

In due course Horseshoe Resort Corporation will completely separate the Resort water system supplying snowmaking water for all the ski slopes and cross country trails and irrigation water for both the Valley and Highlands Golf Courses.

The Horseshoe Municipal water system has evolved in recent years from a number of studies and Reports listed in the following section and is the subject of the 23 May 1980 Water Rights Guarantee Agreement and 10 February 1982 Amendment between the Corporation of the Township of Medonte and Horseshoe Resort Corporation, the 1 January 1991 Water Agreement between the Corporation of the Township of Oro and Horseshoe Resort Corporation and the 22 July 1980 Watermain Maintenance and Repair Agreement between the County of Simcoe and Horseshoe Resort Corporation.

Horseshoe Resort plan to continue phased residential and other development of the Resort in both Medonte and Oro.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

1.2 BIBLIOGRAPHY

1. Ian D. Wilson Associates Limited
Aquifer Evaluation Horseshoe Valley Limited
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2. Ian D. Wilson Associates Limited (Letter)
Horseshoe Valley Resort: Water Supply 19 Dec 85
3. Ian D. Wilson Associates Limited
Water Needs and Supply Potential
Horseshoe Valley Community
Townships of Oro and Medonte 2 Oct 86
4. Ian D. Wilson Associates Limited
Horseshoe Valley Resort
Testing of Well 3
Township of Oro 17 Nov 86
5. Ian D. Wilson Associates Limited
Evaluation of Existing Production Wells
Horseshoe Valley Resort
Township of Oro 6 Jul 87
6. Ian D. Wilson Associates Limited
Test Drilling
Salvil Horseshoe Highlands Development
Township of Oro 7 Jul 87
7. Knox Martin Kretch Limited
Salvil Investments Limited
Horseshoe Resort Report on Water Supply, Storage
and Distribution 1 Mar 88
8. Ian D. Wilson Associates Limited
Well Evaluation: Well 1
Salvil Investments Limited 12 Sep 88

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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|-----|--|-----------|
| 9. | Knox Martin Kretch Limited
Salvil Investments Limited and Horseshoe Resort
Water Supply, Storage and Distribution
Phase 1: Design Brief | 30 Sep 88 |
| 10. | Knox Martin Kretch Limited
Horseshoe Development Corporation
Township of Oro: Horseshoe Highlands Water Supply
Elevated Water Storage Tank Design Brief | 15 Nov 89 |
| 11. | R.G. Robinson & Associates Limited
Horseshoe Valley Water System
Township of Oro
System Inventory Report | June 90 |
| 12. | Ian D. Wilson Associates Limited
Test Well Evaluation
Horseshoe Valley Development Corporation
Horseshoe Valley North Township of Medonte | 27 Jun 90 |
| 13. | Ian D. Wilson Associates Limited
Production Well Evaluation
Horseshoe Valley Development Corporation
Horseshoe North
Township of Medonte | 7 Oct 91 |

1.3 PURPOSE AND SCOPE

The purpose of this Study and Report is to establish an optimum Zone 1 Water System for the full projected development in Zone 1 in both Medonte and Oro and a programme for phased implementation including particularly Phase 1 of the Timber Ridge Condominium Project.

The Study examines the Existing and Committed Development condition, an Ultimate Development condition without the Inn Area Expansion and the Ultimate development condition as proposed by Horseshoe Resort Corporation in their 1992 Business Plan.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

2. EXISTING SYSTEMS

2.1 MUNICIPAL SYSTEM

2.1.1 Valley Zone 1

Water supply for the Valley Zone 1 component is provided by one of three original wells pumping directly to the distribution system and controlled by the level in the 773m³ (170,000 Imperial Gallon) standpipe and an interconnection with Zone 2 allowing manual operation for supply from Zone 2 to Zone 1. The location of these facilities and the existing distribution system is shown on Plan 2.

Of the original supply facilities Well 1 is abandoned; the capacity of Well 2 is 3.4 L/s (45 lpgm) but is not in use as the pump is removed; and the current capacity of Well 3 is 37.8 L/s (500 lpgm) which has been tested by Ian Wilson Associates, Bibliography Item 5, and could be readily upgraded to 64.4 L/s (850 lpgm). Horseshoe Resort Corporation has applied for a Permit to Take Water at this capacity.

The existing distribution system comprises a network of watermains, 50mm to 200mm (2" to 8") diameter with fire standpipes and hydrants. Snowmaking is no longer connected to the system and the Valley Golf Course irrigation system will be removed in 1992.

The Cathedral Pines area is situated on higher ground at essentially the Zone 2 elevation and is served by the Pine Ridge Booster Pumping Station supplied directly from the distribution system.

2.1.2 Highlands Zone 2

The water supply for the Highlands Zone 2 is provided by two deep wells located near Horseshoe Valley Road east of Country Club Lane pumping directly to the distribution system and controlled by the level in the 1280m³ (281,300 Imperial Gallon) elevated tank. The location of these facilities and the existing distribution system is shown on Plan 2.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

The low capacity Duty Well is rated and equipped at 6.1 L/s (80 lgpm) and the high capacity Production Well 1 is rated at 39 L/s (515 lgpm) and equipped at 47 L/s (620 lgpm) which, subject to test pumping, will become the rating. Provision is made in the well pumphouse for nearby construction of a second Production Well of the same capacity at which time the Duty Well could be modified and transferred to discharge to Zone 1.

The distribution system consists of a 300mm (12") feedermain between the wells and elevated tank and for the full length of Highland Drive and 200mm (8") and 150mm (6") distribution mains all with hydrants and valves.

2.2 RESORT SYSTEM

The current June 1992 Resort System comprises Well R-4 constructed in 1990 discharging to the Heights pond which is the source for pumps supplying the Heights and Horseshoe South Ski Area snowmaking and the Valley Golf Course irrigation which will be implemented in 1992.

The previous system comprising the South Snowmaking Pond and pumping system in the nearby Pumphouse also can supply the Horseshoe South Ski Area snowmaking and part of the Valley Golf Course irrigation. The pond can be supplied from the surplus capacity of Well R-3 in addition to surface drainage.

In due course the Resort System will connect to the Highlands Golf Course pumphouse supplying the Highlands Golf Course irrigation system.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

2.3 PERMITS AND CERTIFICATES

The following summarizes the Permits to Take Water and Certificates of Approval for the Municipal water system issued by the Ontario Ministry of the Environment.

Permits to Take Water

Zone 1	89 p 3002	Expires 31 March 1999	3560.32m ³ /d
Valley Wells 2 & 3 (R-2 and R-3)			
Zone 2	90 p 3024	Expires 31 August 2000	3898.04m ³ /d
Highland Wells 1 & 2 (M2-1 and M2-2)			
Resort			
Heights Well R-4		Application 4 June 1991	
		HRC Letter and data 17 October 1991	

Certificates of Approval

Zone 2

Highlands Ph 1 & 2 Watermain (Preliminary)	7-1852-88-006	22 Dec 88	
Highlands Ph 1 & 2	7-1172-88-896	3 March 89	
•Watermains			
•Duty Well M2-1			527.0m ³ /d
•Production Well M2-2			3369.6m ³ /d
Highlands Elevated Water Tank Watermain connection	7-1159-89-006	9 August 89	
Highlands Elevated Water Tank	7-1840-89-006	29 Dec 89	1280m ³
Highlands Phase 4A Watermains	7-0661-90-006	6 June 90	

Interconnection Zone 2 to Zone 1

Interconnection	7-1222-89-006	29 August 1989
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The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

3. POPULATION AND WATER DEMAND

3.1 DEVELOPMENT CONCEPT ZONE 1

The concept for future development of Zone 1 in Oro is embodied in the Horseshoe Resort Secondary Plan, Oro Township Official Plan Amendment 29, approved by the Ministry of Municipal Affairs on 13 October 1987. Population implications are included in Appendix A-5. In addition Horseshoe Resort Corporation contemplates future expansion of the Inn with an accompanying Conference Centre.

The Official Plan for the Township of Medonte including Amendment 7 in the form of the Official Plan Update approved 21 September 1988, designates the Horseshoe Resort lands "Resort Residential District", and "Ski Resort District". The 24 hectare (59.3 acre) block adjacent to the Copeland Forest north of Maple Crest and Pine Ridge Trail is zoned for 250 condominium units now named Timber Ridge. Phase 1 of Timber Ridge comprises 50 units on 4.9 hectares (12.1 acres).

Plan 1 "Land Use Zone 1" illustrates the existing, committed and proposed development in Zone 1 in both Medonte and Oro.

3.2 PROJECTED POPULATION

The Unit and Population yield from the existing, committed and proposed future Zone 1 Land Uses in both Medonte and Oro are shown in Table 1 "Unit Yield and Population". The population yield per unit is based on the following parameters adopted by the Ministry of the Environment for this location.

Single Family Unit	3.5 persons per unit
Apartment Unit	2.5 persons per unit
Motel/Hotel Unit	2.0 persons per unit

The Ultimate Equivalent Population for Zone 1 from Table 1 and for Zone 2 from the 1989 Elevated tank Design Brief are:

Zone 1	4560 persons
Zone 2	<u>4288 persons</u>
Total	8848 persons

By comparison the Design Populations in the approved 1989 Design Brief based on parameters with fewer persons per unit were:

Zone 1	2175 persons
Zone 2	<u>4288 persons</u>
Total	6463 persons

$$\frac{4288}{3.5} = 1225.142857$$

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

3.3 WATER DEMAND

The domestic or potable per capita water use prescribed by the Ministry of the Environment (MOE) is 450 litres per capita per day. Thus the Existing and Committed average daily demand for the 413 units plus 102 hotel rooms and 820 lodge seats including the 50 unit Timber Ridge Phase 1 yielding 1906 equivalent population will be 857.7m³/d.

The Ultimate average daily demand from the 1077 units plus 462 hotel rooms and 1216 lodge seats yielding 4560 equivalent population will be 2052.0m³/d.

The Ultimate development without the Inn Area expansion average daily demand from the 903 units plus 360 hotel rooms yielding 3740 equivalent population will be 1683m³/d.

Adopting the MOE Guideline Peaking Factors for the Maximum Day and Peak Hour domestic flow rates for the appropriate populations the following summarizes the water demands. The factors for the Existing and Committed condition are considered at the 2001 population level.

Peaking Factor	Demand			
	m ³ /d	L/s	l/gpm	
<u>Existing and Committed</u>				
Average Day	1.0	857.7	9.93	131.0
Maximum Day	2.25	1929.8	22.34	294.8
Peak Hour	3.38	2899.0	33.55	442.9
<u>Ultimate without Inn Area Expansion</u>				
Average Day	1.0	1683	19.48	257.1
Maximum Day	2.0	3366	38.96	514.2
Peak Hour	3.0	5049	58.44	771.3
<u>Ultimate</u>				
Average Day	1.0	2052.0	23.7	313.5
Maximum Day	2.0	4104.0	47.5	627.0
Peak Hour	3.0	6156.0	71.2	940.5

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

The KMKL Elevated Water Storage Tank Design Brief dated 15 November 89 summarizes the Zone 2 Highland Water System demands including irrigation flows for the Highland Golf Course for a total population of 4288 persons based on fewer persons per unit and lower per capita consumption as follows:

	Demand		
	m ³ /d	L/s	lgpm
Average Day	3009	35	462
Maximum Day	4380	51	673
Peak Hour	7389	86	1134

In the future when the Highland Golf Course irrigation system is supplied from the Resort System the Zone 2 demands for a total population of 4288 persons at 450 Lpcd will be:

Average Day	2135	24.7	326
Maximum Day	4270	49.4	652
Peak Hour	6405	74.1	978

The Zone 2 Elevated Tank total capacity is 1280m³ (281,300 lg).

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

4. FIRE PROTECTION AND STORAGE

4.1 FIRE DEMANDS

The KMKL report on Water Supply, Storage and Distribution dated 1 March 88, the Highlands Zone 2 Phase 1 Design Brief dated 30 September 88, and the Elevated Water Storage Tank Design Brief dated 15 November 89 established that the Zone 2 system provides fire protection flows for the highest value, community centre, district of the Horseshoe Resort Community combining the Valley Zone 1 and Highland Zone 2 with an equivalent population of 6463 persons.

The total Ultimate Equivalent population estimated for the combined Valley and Highland Communities as shown on Table 1 and stated in the noted reports is 4560 plus 4288 = 8848 persons. Based on the MOE Guidelines for Fire Flows this population will require a fire flow of 180 L/s (2376 lgpm) for 3 hours. This compares to a fire flow of 136 L/s (1795 lgpm) for 2 hours for the Valley Zone 1 alone or 131 L/s (1729 lgpm) for 2 hours for the Highlands Zone 2 alone.

For the Existing and Committed Valley Zone 1 population of 1906 persons including Timber Ridge Phase 1 and Cathedral Pines Temporary Zone 1A the required fire flow to the highest value district is 92 L/s (1214 lgpm) for 2 hours.

The fire flow for the Valley Zone 1 Ultimate development without the Inn Area Expansion with a 3740 equivalent population is 121 L/s (1597 lgpm) for 2 hours.

The MOE Guidelines for Fire Protection are adopted for the Horseshoe Municipal Water Supply System because they are the generally accepted Municipal Standards in Ontario for small communities. It is noted that MOE Guidelines for Fire Protection are frequently less than those recommended by the Insurers Advisory Organization Fire Underwriters Survey for the best insurance premiums.

4.2 PUMP CAPACITY AND STORAGE VOLUME

Well pump capacity and storage volume requirements are closely inter-related as surplus well pump capacity from a proven underground aquifer storage can reduce visible surface and elevated storage requirements.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

The required storage volume comprises the total of three elements:

A. Fire Storage

- fire flow rate and duration increases with the population served which reflects the value and density of the property protected.
- Storage for a Zone 1 population of 2175 persons is provided in the Zone 2 elevated tank.

B. Equalization Storage

- supplies the difference between the Maximum Day and Peak Hour demands and is considered by the MOE Guidelines to be 25% of the Maximum Day unless this is available from other sources such as surplus capacity of wells.

C. Emergency Storage

- accommodates emergencies such as power outages and pumping equipment failures and is considered by the MOE Guidelines to be 25% of Fire Storage plus Equalization Storage.

4.2.1 Existing Condition with Timber Ridge Phase 1

Fire and Emergency flows for the Zone 1 Existing and Committed population of 1906 persons are provided from the two existing Zone 2 wells and elevated tank.

The supply from Well R-3 is 37.8 L/s (500 lgpm) which exceeds the Peak Hour demand of 33.55 L/s (442.9 lgpm) for the Existing and Committed development including Timber Ridge Phase 1 by 4.25 L/s (57.1 lgpm) so equalization storage is not required in the standpipe. However a sufficient standpipe working head of about 1.5m should be provided to reduce the pump running time during periods of low demand and to reduce ice problems during winter operation of the standpipe.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

4.2.2 Ultimate Condition with Full Development

Recognizing the ample aquifer storage underlying the Horseshoe Resort Community a secure municipal well supply should be provided to equal or exceed the Ultimate Peak Hour rate of 940.5 lgpm using the 1.5m operating capacity of the existing standpipe thus providing Equalization Storage for the difference between Maximum Day and Peak Hour demands within Zone 1 as Fire and Emergency Storage for a Zone 1 population of 2175 persons is provided from Zone 2.

When the Zone 2 Production Well M2-2 is constructed the existing Zone 2 Duty Well M2-1 capacity 6.1 L/s (80 lgpm) will be transferred to Zone 1 as Municipal Well M1-3.

Anticipating satisfactory test drilling results it is proposed that the new municipal Zone 1 wells M1-1 and M1-2 be constructed to serve the Ultimate Zone 1 population of 4560 persons each with a capacity of at least 41.7 L/s (550 lgpm) or up to 47.7 L/s (630 lgpm). At the lower well capacity the ultimate supply system would comprise:

Well M1-1	550 lgpm	550 lgpm
Well M2-2	550 lgpm	550 lgpm
Well M1-3	<u>80 lgpm</u>	
Total Supply	1180 lgpm	1100 lgpm

These both exceed the Peak Hour Demand of 940.5 lgpm.

The Maximum Day demand of 627.0 lgpm is accommodated with the largest pump out of operation without recourse to Zone 2

Well M1-3	80 lgpm
Well M1-1 or M1-2	<u>550 lgpm</u>
	630 lgpm

When future development plans become firmer, particularly for Inn Expansion and related facilities, a further study will be required to determine the optimum system facilities to meet these requirements. By that time the existing Zone 1 Standpipe may require substantial rehabilitation or replacement and it is proposed that the new elevated storage facility, if required, be in the same location. Should the standpipe be in good condition with an extended life then additional well pump capacity may provide a more cost effective solution.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

4.3 DISTRIBUTION SYSTEM PRESSURES

Standard practice would be to provide a minimum pressure for domestic flows of 40 psi (28m) in all areas and not exceed about 100 psi (70m) in the lower areas. The MOE Guidelines recommend that the residual pressures not fall below 20 psi (35m) under simultaneous maximum day plus fire flow demand or fall below 40 psi (28m) under peak hour consumption.

Through the existing and proposed development areas of the Valley Zone 1 which excludes the Heights Ski Slopes, the ground elevation varies generally between 280m at the north boundary adjacent to the Copeland Forest to 350m close to the standpipe south of the Inn. As the top water level in the existing standpipe is 380m buildings below elevation 310m will experience static pressures greater than 100 psi. It is noted however that existing dwellings on Maple Crest and the Simcoe Condominium 35 are constructed at about elevation 300. Accordingly special provision must be made to reduce water pressures at buildings located below elevation 300m through pressure reducing devices on local watermains or at individual buildings.

The proposed Ultimate Zone 1 supply, storage and distribution system including the noted proposed system modifications and improvements is shown on Plan 2. The salient elements of the proposed ultimate system include:

- Construct new Municipal Wells M1-1 and M1-2 at a suggested location on the north side of Horseshoe Valley Road west of Simcoe Condo 35.
- Retain or replace the existing standpipe at the location which is close to the future highest value district close to the Inn.
- Replace certain distribution mains in key locations.
- Construct larger diameter loop mains to transmit fire flows with low pressure losses.

The proposed supply, storage and distribution system was analyzed using the computer program "WATER" developed at the University of Waterloo, Ontario which is based on the Hazen-Williams pipe loss equation using Imperial units. Results of the analyses are provided as a separate Appendix 1 to this Report.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

The following Hazen-William Factors (C) were used in the analyses and are based on the MOE Recommended Values for the long-term pipe condition for the now existing and future proposed distribution mains. At an appropriate time flow tests should be conducted to confirm or modify the C factors.

Pipe dia mm	50	75	100	150	200	250	300
C Value	60	75	90	100	110	110	120

The analyses consider domestic flows in proportion to the population served at each node at 450 L pcd and residential area fire flows of 500 lgpm. Fire flows applied for the high value non-residential districts are:

Existing & Committed Zone 1	1214 lgpm
Ultimate Zone 1 without Inn Expansion	1579 lgpm
Ultimate Zone 1	1795 lgpm
Ultimate Zone 2	1729 lgpm

The results of the System Analyses are summarized in Table 2 "System Pressures with Domestic Demands" and Table 3 "System Pressures with Domestic and Fire Flows". Each Table is subdivided with the noted development conditions.

The Domestic Flow analyses summarized in Table 2-1 indicate that, in Timber Ridge Phase 1 at Node 14 without the Well pump operating, the existing distribution system with a 300mm watermain extension of the Pine Hill watermain will provide 39.06 psi pressure under Maximum Day flow conditions and 34.58 psi under Peak Hour conditions for the highest unit and over 40 psi under all conditions with one pump running during the Peak Hour demand for all but the eleven highest units between Nodes 114 and 14. Although slightly below the desired 40 psi minimum pressure this is considered satisfactory on a short term basis until the loop main is constructed as summarized in Tables 2-2 and 2-3.

The Fire Flow analyses summarized in Tables 3-2, 3-3 and 3-4 indicate that, after construction of the Heights Loop Road Main, fire flow pressures all will significantly exceed the minimum 20 psi. Prior to construction of the Heights Loop Road main fire flows at 20 psi will be below the preferred rates at hydrant Nodes 10, 13 and 114 in Timber Ridge Road and at Node 50 in the existing systems as indicated in Table 3-1. Although below the desired 500 lgpm fire flow rates these are considered adequate on a short term basis until the loop main is constructed as summarized in Tables 3-2, 3-3 and 3-4.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

5. CONCLUSIONS AND RECOMMENDATIONS

5.1 CONCLUSIONS

The currently proposed development of the Horseshoe Resort Community could result in a total population equivalent of 8848 persons with the Valley Zone 1 component 4560 persons. The hydrogeological studies carried out by Ian D. Wilson Associates has indicated through test drilling in the established underlying aquifer that there is ample water to support this population and also the requirements of winter snowmaking and summer golf course irrigation.

The interconnected 2-zone Municipal System serves the Community very effectively although both zones extend across the boundary between the Townships of Medonte and Oro and certain areas with relatively few units will require water pressure reduction prior to use.

With the current 1992 Existing and Committed Zone 1 development the 50 unit Timber Ridge Phase 1 project can be served with domestic water in appropriate quantities at adequate pressures by a 300mm diameter extension of the Pine Hill watermain and a 300mm watermain connection across Horseshoe Valley Road at Country Club Lane. Fire flows under these conditions will be below 500 lpm at some locations as shown on Table 3-1 but will be satisfactory throughout when the Heights Loop Road main is in place as shown on Table 3-2.

As noted in the Robinson & Associates System Inventory Report three new hydrants should be installed near the Horseshoe Boulevard and Birch Grove intersection and to replace the fire standpipes on Country Club Lane at Birch Grove and at Horseshoe Valley Road. Also the water storage standpipe should be drained, inspected and cleaned and the determined improvements implemented.

The distribution system can be strengthened most cost effectively by constructing larger diameter loop mains on the proposed loop roads in Medonte.

Horseshoe Resort Corporation has essentially separated the Resort snowmaking and Valley Golf Course Irrigation System from the Municipal system and in due course will also separate the Highland Golf Course Irrigation System.

To complete the separation of the Zone 1 Municipal System from the Resort System requires the testing, development and construction of Zone 1 Municipal Well M1-1 following which Resort Well R-3 should be disconnected from the Municipal System.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

5.2 RECOMMENDATIONS

The Valley Zone 1 Municipal Water System should be modified, strengthened and extended in stages to accommodate the proposed development as follows:

A. STAGE 1

- A1 Construct 300mm watermain on extension of Pine Hill through Timber Ridge Phase 1.
- A2 Construct 300mm watermain across Horseshoe Valley Road from the existing 300mm interconnecting main at Country Club Lane to the existing 200mm main at Pine Ridge Trail.

B. STAGE 2

- B1 Construct 300mm loop main on Heights Loop Road from Pine Hill extension in Timber Ridge Phase 1 past the Heights and Simcoe Condominium 35 to connect to the two 200mm mains at Horseshoe Valley Road.
- B2 Install a new hydrant near the Horseshoe Boulevard and Birch Grove intersection and replace the fire standpipe on Country Club Lane at Birch Grove and at Horseshoe Valley Road with hydrants.
- B3 Carry out a full inspection of the standpipe and implement the improvements recommended.
- B4 When buildings will be located below about elevation 300m provide pressure reducing devices either on local watermain or at individual buildings.

C. STAGE 3

- C1 Carry out test drilling, develop and construct Zone 1 Municipal Well M1-1 at a suitable location such as on the north side of Horseshoe Valley Road west of Simcoe Condo 35 with control system connected to existing standpipe.
- C2 Remove Resort Well R-3 from the Municipal System.

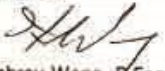
The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

- C3 Construct 200mm connection from Maple Crest to the loop main and provide a hydrant at Maple Crest with pressure reducing facilities if required.

D. FUTURE STAGES

- D1 Construct Zone 1 Municipal Well M1-2.
- D2 After construction of Zone 2 Municipal Well M2-3 re-equip Well M2-1 and transfer to Zone 1 as Well M1-3.
- D3 After Cathedral Pines is connected to Zone 2 by a main on Oro Fourth Line the Pine Ridge Booster Pumping Station will become an emergency pumped connection from Zone 1 to Zone 2 and a Zone 2 to Zone 1 emergency gravity connection could be made with an automatic valve in case of low pressures in Zone 1.
- D4 Construct the west loop main on Copeland Road in Medonte and other municipal main connections to both loop mains as required.
- D5 When development plans for expansion of the Inn area become firmer carry out a study to determine the optimum system facilities comprising elevated storage, wells or larger mains and initiate construction when required.

Prepared by:


Humphrey Wong, P.Eng.
Design Engineer



Approved by:


J. A. J. Knox, O.A.L.A., P.Eng.
President



KNOX MARTIN KRETCH LIMITED

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

UNIT YIELD AND POPULATION

TABLE 1

REF.	DESCRIPTION	OP DESIGNATION	UNITS	POP/ UNIT	POPULATION EQUIVALENT
------	-------------	----------------	-------	-----------	-----------------------

MEDONTE TOWNSHIP

EXISTING AND COMMITTED

M-1-1	XC Base Lodge	Ski Resort	200 seats	0.5/s	100
M-1-3	Snowmaking Pond	Ski Resort	-	-	-
M-2-1	Maple Crest RP1531	Resort Res	50	3.5	175
M-2-2	Pine Ridge RP M-10	Resort Res	65	3.5	228
M-3-1	Simcoe Condo 35	Resort Res	65	2.5	163
M-3-2	Timber Ridge Ph 1	Resort Res	50	2.5	125
M-5-1	Golf Course	Ski Resort	-	-	-
			230 units		791
			200 seats		

EXISTING TEMPORARY ZONE 1A

M-2-3	Cathedral Pines M-11	Resort Res	78	3.5	273
M-2-4	Cathedral Pines M-23	Resort Res	18	3.5	63
			96 units		336

FUTURE

M-1-2	Heights Lodge	Ski Resort	396 seats	0.5/s	198
M-2-5	Copeland Estates	Ski Resort	76	3.5	266
M-3-3	Timber Ridge Ph 2	Resort Res	200	2.5	500
M-3-4	Heights Mixed Use	Ski Resort	66	2.5	165
M-3-5	Heights Condos Ph 1	Ski Resort	20	2.5	50
M-3-6	Heights Condos Ph 2	Ski Resort	32	2.5	80
			384 units		1259
			386 seats		

TOTAL MEDONTE

720 units	2386
586 seats	

ORO TOWNSHIP

EXISTING AND COMMITTED

O-1-1	Base Lodge	Resort Facil	620 seats	0.5	310
	Time Share	Resort Facil	40	2.5	100
	The Inn	Resort Facil	102 rooms	2.0	204
O-2-1	Birch Grove RP 1587	LDR	47	3.5	165
O-4-1	Village Commercial	Resort Comm	-	-	-
O-5-1	Golf Course	Recreation	-	-	-
			87 units		779
			102 rooms		
			620 seats		

FUTURE

O-1-1	Inn Expansion	Resort Facil	360 rooms	2.0	720
	Base Lodge Condos	Resort Facil	40	2.5	100
	Conference Centre	Resort Facil	-	-	-
O-3-1	Inn Condos	MOR	134	2.5	335
O-3-2	Slopeside Condos	MOR	36	2.5	90
O-5-1	Village Condos	Not Desig	60	2.5	150
			270 units		1395
			360 rooms		

TOTAL ORO

357 units	2174
462 rooms	
620 seats	

ZONE 1

TOTAL EXISTING & COMMITTED 413 units 102 rooms, 820 seats 1906 persons

TOTAL ZONE 1 1077 Units 462 Rooms 1216 seats 4550 persons

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

ZONE 1 SYSTEM PRESSURES WITH DOMESTIC FLOWS

TABLE 2-1

EXISTING AND COMMITTED DEVELOPMENT

- Supply
- Existing Standpipe and Well R-3 at 500 lpgm
- Distribution System
- Existing mains
 - New 300mm connection across Horseshoe Valley Road at Zone 2 - 1 Interconnection
 - New Timber Ridge Phase I 300mm and 200mm mains

NODE	LOCATION	SUPPLY CONDITION lpgm	SYSTEM PRESSURES psi			
			Static	Avg Day	Max Day	Peak Hour
4	Country Club Lane at Birch Grove Existing Residential	Standpipe	57	56.85	56.26	55.40
		Well R-3				
		Standpipe		57.51	56.96	56.32
5	Horseshoe Valley Road at Country Club Lane Existing Residential	Standpipe	88	87.63	85.90	83.40
		Well R-3				
		Standpipe		89.16	87.49	85.40
10	Pine Hill Extension at Timber Ridge Phase I Condos Committed Residential	Standpipe	71	69.88	66.88	62.41
		Well R-3				
		Standpipe		71.51	68.46	64.41
13	Timber Ridge Phase I Condos Other High End Units	Standpipe	55	53.85	50.76	46.28
		Well R-3				
		Standpipe		55.38	52.35	48.28
14	Timber Ridge Phase I Condos Highest End Unit	Standpipe	43	42.15	39.06	34.58
		Well R-3				
		Standpipe		43.69	40.65	36.59
19	Heights Loop Road at Maple Crest Extension Future Residential	Standpipe	143			
		Well R-3				
		Standpipe				
24	Heights Loop Road at future Heights Lodge Future Resort	Standpipe	100			
		Well R-3				
		Standpipe				
44	Horseshoe Valley Road at Simcoe Condo 35 Existing Residential at Resort	Standpipe	113	112.23	110.71	108.51
		Well R-3				
		Standpipe		113.93	112.39	110.81
49	The Inn & Base Lodge Existing Resort	Standpipe	91	90.81	89.66	87.85
		Well R-3				
		Standpipe		92.84	91.49	90.09
114	Timber Ridge Phase I Condos Middle Unit on high road	Standpipe	46	47.82	44.72	40.25
		Well R-3				
		Standpipe		49.35	46.32	42.25

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The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

ZONE 1 SYSTEM PRESSURES WITH DOMESTIC FLOWS

TABLE 2-2

EXISTING AND COMMITTED DEVELOPMENT WITH LOOP MAIN

- Supply
- Existing Standpipe and Well R-3
- Distribution System
- Existing mains
 - New 300mm connection across Horseshoe Valley Road at Zone 2 - 1 Interconnection
 - New Timber Ridge Phase I 300mm and 200mm mains
 - New 300mm on all Heights Loop Road

NODE	LOCATION	SUPPLY CONDITION l/gpm	SYSTEM PRESSURES psi			
			Static	Avg Day	Max Day	Peak Hour
4	Country Club Lane at Birch Grove Existing Residential	Standpipe	57	56.85	56.27	55.44
		Well R-3				
		Standpipe				
5	Horseshoe Valley Road at Country Club Lane Existing Residential	Well R-3	88	87.66	86.07	83.75
		Standpipe				
		Well R-3				
10	Pine Hill Extension at Timber Ridge Phase I Condos Committed Residential	Standpipe	71	70.40	68.80	66.48
		Well R-3				
		Standpipe				
13	Timber Ridge Phase I Condos Other High End Unit	Well R-3	55	54.28	52.67	50.35
		Standpipe				
		Well R-3				
14	Timber Ridge Phase I Condos Highest End Unit	Standpipe	43	42.58	40.98	38.66
		Well R-3				
		Standpipe				
19	Heights Loop Road at Maple Crest Extension Future Residential	Well R-3	143	142.17	140.58	138.29
		Standpipe				
		Well R-3				
24	Heights Loop Road at future Heights Lodge Future Resort	Standpipe	100	99.37	97.80	95.52
		Well R-3				
		Standpipe				
44	Horseshoe Valley Road at Simcoe Condo 35 Existing Residential at Resort	Well R-3	113	112.22	110.68	108.45
		Standpipe				
		Well R-3				
49	The Inn & Bee Lodge Existing Resort	Standpipe	91	90.90	89.64	87.81
		Well R-3				
		Standpipe				
114	Timber Ridge Phase I Condos Middle Unit on high road	Well R-3	46	48.24	46.64	44.32
		Standpipe				
		Well R-3				

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The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

ZONE 1 SYSTEM PRESSURES WITH DOMESTIC FLOWS

TABLE 2-3

ULTIMATE DEVELOPMENT

- Supply • Existing Standpipe, New Wells M1-2 and M1-3 each 550 lpgm.
 Distribution System • Existing mains
 • New 300mm connection across Horseshoe Valley Road at Zone 2 - 1 Interconnection
 • New 300mm main on Heights Loop Road and 250mm main on Copeland Road and Horseshoe Valley Road
 • New 300mm main on Horseshoe Boulevard from Horseshoe Valley Road to new elevated tank

NODE	LOCATION	SUPPLY CONDITION lpgm	SYSTEM PRESSURES psi			
			Static	Avg Day	Max Day	Peak Hour
4	Country Club Lane at Birch Grove Existing Residential	Standpipe Well M1-2 or 3 0	57	56.90	56.59	56.11
		Standpipe Well M1-2 or 3 550		57.08	56.99	56.78
		Standpipe Well M1-2 550 Well M1-3 550		57.64	57.25	57.04
5	Horseshoe Valley Road at Country Club Lane Existing Residential	Standpipe Well M1-2 or 3 0	88	87.79	86.92	85.58
		Standpipe Well M1-2 or 3 550		88.53	88.07	87.58
		Standpipe Well M1-2 550 Well M1-3 550		91.11	89.58	88.50
10	Pine Hill Extension at Timber Ridge Phase I Condos Committed Residential	Standpipe Well M1-2 or 3 0	71	70.44	69.35	67.67
		Standpipe Well M1-2 or 3 550		71.39	70.69	69.90
		Standpipe Well M1-2 550 Well M1-3 550		74.54	72.76	71.32
13	Timber Ridge Phase I Condos Other High End Unit	Standpipe Well M1-2 or 3 0	55	54.32	53.23	51.54
		Standpipe Well M1-2 or 3 550		55.26	54.57	53.77
		Standpipe Well M1-2 550 Well M1-3 550		58.41	56.63	55.19
14	Timber Ridge Phase I Condos Highest End Unit	Standpipe Well M1-2 or 3 0	43	42.62	41.53	39.84
		Standpipe Well M1-2 or 3 550		43.56	42.87	42.07
		Standpipe Well M1-2 550 Well M1-3 550		46.71	44.94	43.50

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The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

TABLE 2-3 (CONT'D)

19	Heights Loop Road at Maple Creek Extension Future Residential	Standpipe					
		Well M1-2 or 3	0	143	144.22	141.18	139.51
		Standpipe					
		Well M1-2 or 3	550		143.17	142.50	141.75
24	Heights Loop Road at future Heights Lodge Future Resort	Standpipe					
		Well M1-2 or 3	0	100	89.45	88.48	88.97
		Standpipe					
		Well M1-2 or 3	550		100.41	99.83	99.22
44	Horseshoe Valley Road at Simcoe Condo 35 Existing Residential at Resort	Standpipe					
		Well M1-2 or 3	0	113	112.35	111.54	110.28
		Standpipe					
		Well M1-2 or 3	550		113.15	112.76	112.38
49	The Inn & Base Lodge Existing Resort	Standpipe					
		Well M1-2 or 3	0	81	91.01	90.38	89.35
		Standpipe					
		Well M1-2 or 3	550		91.47	91.26	90.87
114	Timber Ridge Phase I Condos Middle Unit on high road	Standpipe					
		Well M1-2 or 3	0	45	48.28	47.19	45.51
		Standpipe					
		Well M1-2 or 3	550		49.23	48.53	47.74
		Standpipe					
		Well M1-2	550		52.38	50.60	49.16
		Standpipe					
		Well M1-3	550				

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The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

ZONE 1 SYSTEM PRESSURES WITH DOMESTIC AND FIRE FLOWS **TABLE 3-1**

EXISTING AND COMMITTED DEVELOPMENT

- Supply**
- Existing Standpipe and Well R-3 at 500 lpgm
 - Zone 2 to Zone 1 Interconnection with automatic valve set to permit max. 380m pressure at Node 5 and essentially unlimited flow rate from Zone 2 wells and elevated tank
- Distribution System**
- Existing mains
 - New 300mm connection across Horseshoe Valley Road at Zone 2 Interconnection
 - New Timber Ridge Phase I 300mm and 200mm mains

FIRE LOCATION HYDRANT NODE	LOCATION	FLOW RATES lpgm		PRESSURES			
		Domestic MaxDay	Fire	Static psi	At Fire Node	LOWEST SYSTEM PRESSURE	
					Fire + MaxDay psi	Critical Node	Press. psi
4	Country Club Lane at Birch Grove Existing Residential	294.8	500	57	48.81	3	34.17
5	Horseshoe Valley Road at Country Club Lane Existing Residential	294.8	500	88	88.14	3	34.38
7	Intersection of Pine Ridge Trail and Pine Hill Existing Residential	294.8	1 370	75	52.53	14	20.38
10	Pine Hill Extension at Timber Ridge Phase I Condos Committed Residential	294.8	1 140	71	48.75	14	20.94
13	Timber Ridge Phase I Condos Second Highest End Unit Committed Residential	294.8	1 140	55	32.14	14	20.85
114	Timber Ridge Phase I Condos Middle Unit on High road Committed Residential	294.8	1 140	46	26.40	14	20.74
44	Horseshoe Valley Road at Simcoe Condo 35 Existing Residential & Resort	294.8	500	113	110.37	3	34.24
48	The Inn & Base Lodge Existing Resort	294.8	1 214	91	81.59	3	33.75
50	Intersection of Pine Ridge Trail & Pine Point extension Existing Residential	294.8	1 335	50	21.74	54	20.58

Note 1: Fire Flow Rate at Fire Location Hydrant Node is determined by maintaining minimum 20 psi in the system at the Critical Node identified.

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The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

ZONE 1 SYSTEM PRESSURES WITH DOMESTIC AND FIRE FLOWS **TABLE 3-2**

EXISTING AND COMMITTED DEVELOPMENT WITH LOOP MAIN

- Supply**
- Existing Standpipe and Well R-3 at 500 l/gpm
 - Zone 2 to Zone 1 Interconnection with automatic valve set to permit max. 380m pressure at Node 5 and essentially unlimited flow rate from Zone 2 wells and elevated tank
- Distribution System**
- Existing mains
 - New 300mm connection across Horseshoe Valley Road at Zone 2 Interconnection
 - New Timber Ridge Phase I 300mm and 200mm mains
 - New 300mm main on all Heights Loop Road

HYDRANT NODE	LOCATION	FLOW RATES l/gpm		HYDRANT PRESSURES psi	
		Domestic Max. Day	Fire	Static	Fire & Max. Day
4	Country Club Lane at Birch Grove Existing Residential	294.8	500	57	48.90
5	Horseshoe Valley Road at Country Club Lane Existing Residential	294.8	500	88	89.14
13	Timber Ridge Phase I Condos Second Highest End Unit Committed Residential	294.8	500	55	43.98
114	Timber Ridge Phase I Condos Middle Unit on High road Committed Residential	294.8	500	46	40.83
10	Pine Hill Extension at Timber Ridge Phase I Condos Committed Residential	294.8	500	71	64.96
19	Heights Loop Road at Maple Crest Extension Future Residential	294.8	500	143	137.75
24	Heights Loop Road at future Heights Lodge Future Resort	294.8	500	100	95.97
44	Horseshoe Valley Road at Simcoe Condo 35 Existing Residential & Resort	294.8	500	113	110.45
49	The Inn & Base Lodge Existing Resort	294.8	1214	91	81.96

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The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

ZONE 1 SYSTEM PRESSURES WITH DOMESTIC AND FIRE FLOWS **TABLE 3-3**

ULTIMATE DEVELOPMENT WITHOUT INN AREA EXPANSION

- Supply**
- Existing Standpipe
 - New Well M1-2 or M1-3 at 550 lpgm each
 - Zone 2 to Zone 1 Interconnection with automatic valve set to permit max. 390m pressure at Node 5 and essentially unlimited flow rate from Zone 2 wells and elevated tank
- Distribution System**
- Existing mains
 - New 300mm connection across Horseshoe Valley Road at Zone 2 Interconnection
 - New Timber Ridge Phase I 300mm and 200mm mains
 - New 300mm main on Heights Loop Road and 250mm main on Copeland Road

HYDRANT NODE	LOCATION	FLOW RATES lpgm		HYDRANT PRESSURES psi	
		Domestic Max. Day	Fire	Static	Fire & Max. Day
4	Country Club Lane at Birch Grove Existing Residential	514.2	500	57	48.71
5	Horseshoe Valley Road at Country Club Lane Existing Residential	514.2	500	88	88.15
13	Timber Ridge Phase I Condo's Second Highest End Unit Committed Residential	514.2	500	55	45.08
114	Timber Ridge Phase I Condo's Middle Unit on high road Committed Residential	514.2	500	46	42.05
10	Pine Hill Extension at Timber Ridge Phase I Condo's Committed Residential	514.2	500	71	66.17
19	Heights Loop Road at Maple Crest Extension Future Residential	514.2	500	143	139.16
24	Heights Loop Road at future Heights Lodge Future Resort	514.2	500	100	97.86
44	Horseshoe Valley Road at Simcoe Condo 35 Existing Residential & Resort	514.2	500	113	111.80
49	The Inn & Bess Lodge Existing Resort	514.2	1597	91	73.62

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The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

ZONE 1 SYSTEM PRESSURES WITH DOMESTIC AND FIRE FLOWS

TABLE 3-4

ULTIMATE DEVELOPMENT

- Supply**
- New Elevated Tank
 - New Well M1-2 and M1-3 at 550 lpgm each
 - Zone 2 to Zone 1 Interconnection, with automatic valve set to permit max. 380m pressure at Node 5 and essentially unlimited flow rate from Zone 2 wells and elevated tank
- Distribution System**
- Existing mains
 - New 300mm connection across Horseshoe Valley Road at Zone 2 Interconnection
 - New Timber Ridge Phase I 300mm and 200mm mains
 - New 300mm main on all Heights Loop Road and 250mm main on Copeland Road
 - New 300 main on Horseshoe Boulevard from Horseshoe Valley Road to new elevated tank

HYDRANT NODE	LOCATION	FLOW RATES lpgm		HYDRANT PRESSURES psi	
		Domestic Max. Day	Fire	Static	Fire & Max. Day
4	Country Club Lane at Birch Grove Existing Residential	627.0	500	57	49.07
5	Horseshoe Valley Road at Country Club Lane Existing Residential	627.0	500	88	88.16
13	Timber Ridge Phase I Condos Second Highest End Unit Committed Residential	627.0	500	55	45.93
114	Timber Ridge Phase I Condos Middle Unit on high road Committed Residential	627.0	500	46	42.89
10	Pine Hill Extension at Timber Ridge Phase I Condos Committed Residential	627.0	500	71	67.02
19	Heights Loop Road at Maple Crest Extension Future Residential	627.0	500	143	140.06
24	Heights Loop Road at future Heights Lodge Future Resort	627.0	500	100	98.88
44	Horseshoe Valley Road at Simcoe Condo 35 Existing Residential & Resort	627.0	500	113	112.82
49	The Inn & Base Lodge Existing Resort	627.0	1795	91	88.39

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The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix KK1

1990 LT185778, Phase IVA, Plan 51M-456 Subdivision Agreement. (35 Pages)

PROPERTY OF 180 51 LAND TITLES		Document General		D	
Province of Ontario		Land Registration Reform Act, 1984		Form No. 285	
<p>FOR OFFICE USE ONLY</p> <p>185778</p> <p>COMMITTEE OF ADJUTANT REGISTRATION SINCE 1901 BARRIE</p> <p>190 10 31 15 36</p> <p>Additional: See Schedule <input type="checkbox"/></p> <p>Executions</p> <p>Additional: See Schedule <input type="checkbox"/></p>		(1) Registry <input type="checkbox"/> Land Titles <input checked="" type="checkbox"/>	(2) Page 1 of 34 pages <i>na</i>		
		(3) Property Identifier(s)		Block Property	
		(4) Nature of Document			
		NOTICE OF AGREEMENT - Section 74 Land Titles Act			
(5) Consideration		N/A Dollars \$			
(6) Description		<p>Part of Parcel Plan -1, Section 51M-456</p> <p>Township of Oro, County of Simcoe</p> <p>Lots 1 to 192 both inclusive</p> <p>Blocks 193 to 202 both inclusive, Plan 51M-456</p>			
(7) This Document Contains:		<p>(a) Redescription New Easement Plan/Sketch <input type="checkbox"/></p> <p>(b) Schedule for: Description <input type="checkbox"/> Additional Parties <input type="checkbox"/> Other <input type="checkbox"/></p>			
(8) This Document provides as follows:					
Copy of Subdivision Agreement attached.					
Continued on Schedule <input type="checkbox"/>					
(9) This Document relates to instrument number(s)					
(10) Party(ies) (Set out Status or Interest)					
Name(s)		Signature(s)		Date of Signature Y M D	
THE CORPORATION OF THE TOWNSHIP OF ORO		<i>[Signature]</i>		1990 10 31	
by its Solicitor - David Stevenson White		David Stevenson White			
(11) Address for Service					
Box 100, Oro Station, Ontario, L0L 2B0					
(12) Party(ies) (Set out Status or Interest)					
Name(s)		Signature(s)		Date of Signature Y M D	
(13) Address for Service					
(14) Municipal Address of Property		(15) Document Prepared by:		Fees and Tax	
Not Assigned		DAVID STEVENSON WHITE		Registration Fee 25.0	
		Barrister and Solicitor			
		89 Dunlop Street East, Suite 201			
		Barrie, Ontario			
		L4M 1A7		Total 2	

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

page 2

FORM 16

APPLICATION TO REGISTER NOTICE OF
AN UNREGISTERED ESTATE, RIGHT, INTEREST OR EQUITY

(Section 74 of the Act)


TO: THE LAND REGISTRAR for the Land Titles Division of the County
of Simcoe (No. 51)

THE CORPORATION OF THE TOWNSHIP OF ORO has an unregistered estate,
right, interest or equity in:

1. The land registered in the name of ~~HORSESHOE VALLEY (ORO) LIMITED~~ ^{HORSESHOE RESORT CORPORATION} as Part of Parcel Plan -1, Section 51M-456, Township of Oro, County of Simcoe, being Lots 1 to 192, both inclusive, and Blocks 193 to 202, both inclusive, Plan 51M-456, and hereby apply under Section 74 of The Land Titles Act for entry of a Notice of Subdivision Agreement in the register for the said parcel.

DATED at Barrie this 31st day of October, 1990.

THE CORPORATION OF THE TOWNSHIP
OF ORO, by its solicitor


David S. White

The address of the applicant for service is:

The Corporation of the Township of Oro
Box 100
Oro Station, Ontario
L0L 2E0

SUBDIVISION AGREEMENT

- between -

HORSESHOE RESORT CORPORATION

- and -

THE CORPORATION OF THE TOWNSHIP OF ORO

- and -

ROYAL BANK OF CANADA

- and -

STANDARD TRUST COMPANY

DESCRIPTION OF LANDS

TOWNSHIP OF ORO

COUNTY OF SIMCOE

PHASE IV A

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

TOWNSHIP OF ORO SUBDIVISION AGREEMENT

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18. Contractor	48. Release of Lands
19. Inspection and Acceptance of Works	49. Lot Levies and Drainage & Local Improvement Charges
20. Prior Inspection and Acceptance	50. Drainage-Responsibility of Owner
21. Statutory Declaration of Accounts Paid	51. Fencing of Public Walkways
22. Maintenance of Works	52. Preservation and Planting of Trees
23. Final Acceptance of Works (Underground)	53. Pledge of Title to Lands
24. Use of Works by Township	54. Hydro Electric
25. Winter Road Maintenance	55. Erosion and Silting Control
26. Emergency Repairs	56. Signs
27. Developer's Liability	57. Health Unit Approval
28. Insurance	58. House Numbering
29. Utility Costs and Charges	59. Default Provision
30. Blasting	

SCHEDULES

Schedule "A" - Description of Lands Being Subdivided
Schedule "B" - Plan of Subdivision
Schedule "C" - Works to be Constructed
Schedule "D" - Itemized Estimate of Cost of Construction of Each Part of the Works
Schedule "E" - List of Lots Unsuitable for Building Purposes and/or Requiring Special Attention
Schedule "F" - List of Lot Levies, Drainage, and Local Improvement Charges to be Commuted by the Developer
Schedule "G" - List of Lands to be Deeded and Easements to be Granted to the Township
Schedule "H" - Parkland
Schedule "I" - Declaration of Progress and Completion

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

TOWNSHIP OF ORO
SUBDIVISION AGREEMENT

THIS AGREEMENT made in quadruplicate this the day of
1990.

BETWEEN:

HORSESHOE RESORT CORPORATION
hereinafter called the "Developer"

OF THE FIRST PART

- and -

THE CORPORATION OF THE TOWNSHIP OF ORO
hereinafter call the "Municipality"

OF THE SECOND PART

- and -

ROYAL BANK OF CANADA and STANDARD TRUST COMPANY
hereinafter called the "Mortgagee"

OF THE THIRD PART

WHEREAS the Developer is the owner of the land described in Schedule "A" to this Agreement and proposed to subdivide it for purposes of selling, conveying, or leasing into lots, by reference to a registered plan of subdivision:

AND WHEREAS the Developer warrants that it is the registered owner of the lands and has applied to the Ministry of Municipal Affairs and Housing, hereinafter called the Minister, for approval of a plan of subdivision, hereinafter call the Plan, which is annexed hereto as Schedule "B" to the Agreement;

AND WHEREAS the Township has been authorized by the Minister to require the Developer to agree to construct and install certain watermains and water services, roadways, structures, drainage works, landscaping, conservation works and any other requirements as hereinafter provided and herein referred to as the "Works" set out in Schedule "C" and to make financial arrangements with the Township for the installation or construction of required services before final approval of the Plan by the Minister;

AND WHEREAS the Developer is required to dedicate for public purposes certain portions of the lands or to make a cash payment to the Township in lieu of dedicating such land;

AND WHEREAS the word "Developer" where used in the Agreement includes an individual, an Association, a Partnership, or a Corporation and wherever the singular is used herein it shall be construed as including the plural;

AND WHEREAS the Developer has complied with the Township's Order of Procedure Policy the matters to be dealt with prior to the signing of the Subdivision Agreement and has:

- a) Deposited with the Township the sum of \$5,000.00 to cover the initial cost of the Township.
- b) Submitted a general plan outlining the services to be installed.
- c) Submitted proof of either the Health Unit approval to dispose of the sewage effluent by tile drainage or the Ministry of the Environment approval to dispose of the sewage effluent by other means.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

- d) Deposited with the Township securities and insurance as outlined in the Agreement.
- e) Paid in full outstanding taxes and drainage and local improvement charges.
- f) Mutually agreed with the Township on the parcel of land to be deeded to the Township for Parkland or the amount of cash to be given to the Township in lieu of Parkland.
- g) Deposited with the Township's Solicitors all necessary transfers of land and rights of way needed for municipal purposes including 0.3 metre reserves.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of other good and valuable consideration and the sum of Two Dollars (\$2.00) of lawful money of Canada, now paid by each of the parties hereto to each of the other parties hereto, (the receipt whereof is hereby acknowledged) the parties hereto hereby covenant, promise and agree with each other as follows:

1. ORDER OF PROCEDURE

- A. Prior to Starting Construction and Prior to the Issuance of Building Permits, the Developer shall:
 - a) Obtain final approval of the Plan from the Ministry of Municipal Affairs and obtain registration of the Plan;
 - b) Submit and obtain the Township Engineer's approval of the following, all to be in accordance with the Township's approved Engineering standards;
 - i) the drainage plan
 - ii) the lot grading plan
 - iii) the service layout plan for Hydro, Telephone and Gas
 - iv) the road, sewer and watermain plans and profiles.
 - c) Submit to the Township, the Ministry of the Environment's Certificate of Approval for Water Supply and Distribution System and Storm Sewer System;
 - d) Erect signs in accordance with Clause 56.
- B. Prior to the Sale, Mortgaging or other disposition of the Lot and/or the Issuance of Building Permits the Developer shall:
 - a) Deposit with the Township the lot levy.
 - b) Deposit with the Township the deed for parkland or the amount of cash in lieu of parkland.
 - c) Have obtained the Township Engineer's Certificate of Substantial Completion and Acceptance (Underground Works) for the complete water supply and distribution system and drainage works.
 - d) Have complied with all the remaining requirements of Clause 42.
 - e) Install the driveway culverts or deposit with the Township sufficient monies to cover the cost of the supply and installation of the culvert by the Township at a later date.

- C. Prior to any person occupying a building within the Subdivision, the Developer shall:

- a) Comply with all the requirements of Clause 43 of the Agreement.

2. ATTACHED SCHEDULES

The following Schedules are attached to and form part of this Subdivision Agreement:

1. Schedule "A" - Description of Lands Affected by this Agreement
2. Schedule "B" - Plan of Subdivision
3. Schedule "C" - Works to be Constructed
4. Schedule "D" - Estimated Costs
5. Schedule "E" - List of Lots Requiring Special Attention
6. Schedule "F" - Charges against Lands
7. Schedule "G" - Lands to be Deeded and Easements to be granted to the Township
8. Schedule "H" - Parkland
9. Schedule "I" - Declaration of Progress and Completion

3. TOWNSHIP'S LEGAL, PLANNING AND ENGINEERING COSTS

The Developer agrees to pay to the Township, the cost of the Township's lawyer and planner for all costs involved in processing the subdivision and of the Township's Engineer for checking of plans and specifications and inspection on behalf of the Township. The inspection by the Township will depend on the type of construction and the amount provided will be that deemed necessary by the Township. In this regard the Developer agrees to pay to the Township, the sum of Five Thousand Dollars (\$5,000.00) upon submitting a Plan to the Township for consideration to be applied to account of such costs. As accounts are received from the Township planner, lawyer, and engineer, they will be paid by the Township and then submitted to the Developer for reimbursement within thirty (30) days so that the \$5,000.00 initial deposit will again be built up to enable the Township to pay the next accounts as they are received. The charges for the Township Engineer will be based on payroll costs times a factor of two, plus properly incurred expenses. In the event that the Developer does not pay the accounts within 30 days, it is hereby understood and agreed that the Developer would be in default of this Agreement and the Township may, without notice, invoke default provisions as set out in this Agreement.

4. DEVELOPER'S CONSULTING ENGINEERS

1. The Developer shall employ engineers registered and in good standing with the Association of Professional Engineers of Ontario:
 - a) to prepare designs;
 - b) to prepare and furnish all required drawings and specifications;
 - c) to prepare the necessary contract(s) and provide contract administration;
 - d) to obtain the necessary approvals in conjunction with the Township, from the Ministry of the Environment, the Ministry of Natural Resources, the Simcoe County District Health Unit, and utility companies;

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

See Condition No. 6

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- e) to act as the Developer's representative in all matters pertaining to the subdivision;
 - f) to provide co-ordination in scheduling to comply with the timing provisions of this Agreement and the requirements of the Township Engineer, for all the work specified in this Agreement;
 - g) to provide supervision during construction of all the services;
 - h) to ensure that the work involved in construction of the services is carried out by construction methods conforming to acceptable engineering practice;
 - i) to maintain records of construction which shall be available for inspection or copy by the Township;
 - j) to prepare final "as constructed" mylar drawings;
 - k) to furnish the Township with a certificate with respect to each lot or building block for which a Building Permit application is made, certifying that the proposed construction is in conformity with the overall grading plan or with an approved variation;
 - l) to prepare and provide the Township, for each lot or block within the plan, a certificate of final grade elevation, indicating that the property has been developed in conformity with the overall grading plan or with an approved variation;

NOTE: In the case of lots built on at a later date, the Township reserves the right to request a similar certificate as required under (k) and (l), but it may be provided by a Professional Engineer, other than the Developer's Consulting Engineer or an Ontario Land Surveyor. If the Township has their Engineer prepare the certificate, the cost of the work will be added to the cost of the Building Permit.

5. WORKS TO BE INSTALLED

The works to be installed are set out in Schedule "C" to this Agreement. This schedule is to set out the works in general terms only and shall not be construed as covering all items in detail. The works are to be designed and constructed in accordance with the current Engineering standards adopted by By-law by the Township at the time of signing of the subdivision agreement. A copy of these standards is available at the Municipal Office.

If at any time and from time to time during the development of the subdivision, the Township Engineer is of the opinion that additional works are necessary to provide adequately any of the public services required by the Plan, the Developer shall construct, install or perform such additional works at the request of the Township Engineer.

6. APPROVAL OF PLANS

The Developer and the Engineers employed by him shall have the plans and specifications for the works approved by the Township Engineer prior to construction and the originals must be stamped as accepted by the Township Engineer.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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7. NOTIFICATION OF COMMENCEMENT AND COMPLETION

The Developer shall not commence the construction of any of the works until the Developer has provided 48 hours written notice to the Township Engineer of his intent to commence work.

The Developer shall complete the works expeditiously and continuously, and all underground services shall be installed within one year of the day of registration of this Agreement, and all above-ground services shall be installed in accordance with the Declaration of Progress and Completion as required under Clause 8 of this Agreement, but no longer than two years from the date of registration of this Agreement, unless extended by the Township Engineer. Should for any reason there be a cessation or interruption of construction, the Developer shall provide 48 hours written notice to the Township Engineer before work is resumed.

8. DECLARATION OF PROGRESS AND COMPLETION

a) Prior to the approval of the underground services for the Plan or stage at hand. The Developer shall provide the Township Engineer with an undertaking for the completion dates of all remaining works required by this Agreement and in a form similar to that attached to this Agreement as Schedule "I", the Declaration of Progress and Completion for approval of the Township Engineer. The Township reserves the right to alter the completion dates as it sees fit and the Developer agrees to complete the services.

b) It is understood and agreed that should the Developer fail to construct the remaining services, as stipulated, and by such dates as provided in the Declaration, the Developer shall pay to the Township as predetermined liquidated damages, the sum of Fifty Dollars (\$50.00) for each and every day the said services are behind schedule of construction, and no further building permits shall be issued.

NOTE: If underground services are not required to service the Plan, the Declaration is not required. In such case construction of the required works shall conform to Clauses 7 and 16 with regard to completion times.

9. CONSTRUCTION OF WORKS

Following the registration of this Agreement, the Developer shall cause to be constructed all requisite works, in order to provide services to the lots and buildings blocks.

10. INSPECTION OF CONSTRUCTION OF SERVICES

During construction of the services the Township may inspect the work in hand at such times and with such duration and frequency as the nature of the type of construction may dictate. Subject to the obligations of the Township Engineer to protect the interests of the Township through such inspections, every effort will be made to keep duplication of engineering services on site to a minimum. If during such inspections the Township Engineer perceives that construction, whether by method or otherwise, constitutes an immediate danger to life or property, or construction does not conform to acceptable practice in order to meet the requirements for services, he will have the authority to cease construction operations by verbal

notice to the contractor and/or the Developer's Engineer, such notice to be confirmed in writing as soon as possible thereafter. A copy of this Clause shall be delivered by the Developer to each and every contractor engaged in construction of services for the Subdivision.

11. VOIDING AGREEMENT

In the event that the Plan is not registered within one year from the date of signing this Agreement the Township may as its option, declare this Agreement to be null and void.

12. DEVELOPER'S EXPENSE

Every provision of this Agreement by which the Developer is obligated in any way shall be deemed to include the words "at the expense of the Developer" unless specifically stated otherwise.

13. SECURITIES

Prior to signing the subdivision agreement the Developer will deposit with the Treasurer of the Township to cover the faithful performance of the contract for the installation of the said services and the payment of all obligations arising thereunder the following securities:

- a) Cash in the amount of one-hundred percent (100%) of the estimated cost of the said work as approved by the Township Engineer and Township Council, or
- b) An irrevocable Letter of Credit from a chartered Bank, issued in accordance with the requirements of the Township Solicitor with an automatic renewal clause, in the amount of ninety percent (90%) of the estimated costs of the said works as set out in Schedule "D" and as approved by the Township Engineer. The Letter of Credit shall be for a minimum guaranteed period of one (1) year or such time as the Township decides and shall be renewed automatically as necessary three (3) months prior to expiration. Unless the Letter of Credit is renewed as noted above, the Township shall have the absolute right to refuse to issue building permits and to prohibit occupancy of homes, whether partially or fully completed, from the said date three (3) months prior to the expiration of the Letter of Credit, or the Township may cash the Letter of Credit until a satisfactory Letter(s) of Credit is received by the Township.

In addition to the above noted Letter of Credit which is intended to guarantee the completion of the works, the Developer shall provide a further Letter of Credit in the amount of ten percent (10%) of the estimated cost of the said work. This Letter of Credit for ten percent (10%) is intended to guarantee maintenance of the works and shall be issued at the same time as the ninety percent (90%) Letter of Credit and shall be for a guaranteed period of one (1) year or such longer time as the Township decides, and shall be renewed automatically as necessary three (3) month prior to expiration.

execute a servicing contract for the reconstruction of Oro Fourth Line and County Road 57 (in accordance with the overall approved engineering plans), either as part of its contract to service the Lands or by way of a separate contract entered into contemporaneously with the execution of the servicing contract for the Lands, provided, however, that it shall not be necessary for the Developer to complete its work with respect to the reconstruction of Oro Fourth Line or of County Road 57 as a requirement for obtaining building permits for any lot on the Registered Plan. Securities will be deposited with the Township for all three components upon execution of this Agreement.

- (c) Provided further, that it is acknowledged and agreed that the Developer may, subject to the approval of the Township Engineer as to those technical matters which are reviewed by the Township Engineer, service its lands in four specific stages (the "stage"), all as indicated on a plan of these stages which has been submitted to the Township Engineer. Accordingly, notwithstanding the provisions of Clause 42 of this Agreement, it is understood and agreed that Building Permits for proposed construction on any lot within a specific stage shall be released by the Township, upon the Developer complying with those requirements set out in Clause 42 on a stage by stage basis, and that the Township will, upon compliance with these requirements, release building permits for lots within each stage as servicing construction has progressed.

15. DISCHARGE OF SECURITIES

After the completion of thirty percent (30%) of the services in the subdivision or in an approved stage of the subdivision the Developer shall, as the work further proceeds to completion, have the privilege, on application to the Township and upon Certification of the Township Engineer, of obtaining discharges of the cash or Letter of Credit deposited for the installation of the services, in increments of not less than ten percent (10%). Upon application for release of securities the Developer's Engineer shall provide an estimate of the cost to complete the work. This amount when approved by the Township Engineer shall be retained along with twenty percent (20%) of the original estimate and the remainder released. A further 10 percent (10%) of the original estimate will be released upon satisfactory assurance to the Township that there are no liens against the Plan or the Township.

Upon the issuance of the Certificate of Substantial Completion and Acceptance all faithful performance securities will be released except for the ten percent (10%) cash or 10 percent (10%) Letter of Credit retained during the Maintenance Period plus the cost of outstanding work.

16. SCHEDULING OF WORKS

Prior to the start of construction the Developer shall supply, for the Township Engineer's approval, a Schedule of Works setting out the order in which he considers the various sections of the works within the Plan will be built. The Township Engineer may amend this Schedule and the Developer shall construct, install or perform the works as the Township Engineer from time to time may direct. In any event the Schedule, or amended Schedule as the case may be, shall conform to the requirements of Clause 7.

17. PROGRESS OF WORKS

After the completion of the underground services the Developer shall complete the Declaration of Progress and Completion for the approval of the Township Engineer and from that date the said Declaration shall apply and take precedence over Clause 16. Prior to signing the Declaration of Progress and Completion the Developer shall install all works in accordance with the Schedule of Works or as directed by the Township Engineer. If he fails to adhere to the scheduling provisions outlined in the Schedule of Works or the Declaration, or, having commenced to install the aforesaid works, fails or neglects to proceed with reasonable speed, or in the event that the aforesaid works are not being installed in the manner required by the Township Engineer, then upon the Township Engineer giving seven (7) days written notice by prepaid registered mail to the Developer, the Township Engineer may without further notice enter upon the said land and proceed to supply all materials and to do all necessary works in connection with the installation of the said works, including the repair or reconstruction of faulty work and the replacement of materials not in accordance with the specifications, and to charge the costs thereof together with an engineering fee of ten percent (10%) of the cost of such materials and works to the Developer who shall forthwith pay the same upon demand. If the Developer fails to pay the Township within thirty (30) days of the date on the bill, the money owing may be deducted from the cash deposit or Letters of Credit. It is understood and agreed between the parties hereto that such entry upon the land shall be as agent for the Developer, and shall not be deemed for any purpose whatsoever, as an acceptance or assumption of the said works by the Township. The Township, in addition to all other remedies it may have, may refuse to issue building permits until such works are completely installed in accordance with the requirements of the Township Engineer. It is agreed that a copy of this clause be delivered by the Developer to each and every builder obtaining a building permit for any lot or part of a lot on the said plan.

If underground services are not required to service the Plan, the Declaration is not required. In such case construction of the required works shall conform to Clauses 7 and 16 with regard to completion times.

18. CONTRACTOR

The said services shall be installed by a contractor or contractors retained by the Developer and approved in writing by the Township Engineer.

19. INSPECTION AND ACCEPTANCE OF WORKS

When all of the services have been completed in accordance with this Agreement or in a particular stage, the Township Engineer and Road Superintendent shall make an inspection and arrange for an inspection by the Ministry of Transportation to ensure that the Ministry will accept the road system for subsidy purposes. The Township Engineer shall issue a Certificate of Substantial Completion and Acceptance (Aboveground Services) when the Works are accepted by the Township. This Certificate may contain a list of minor deficiencies which have to be corrected by the Developer but which are not considered of sufficient importance to delay the issuance of the Certificate and the acceptance of the services by the Township. The two (2) year maintenance period will commence when this Certificate is issued.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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20. PRIOR INSPECTION AND ACCEPTANCE OF UNDERGROUND SERVICES

It is intended that the water supply and distribution system, hydro and street lighting and sewer systems will be constructed, inspected and approved prior to the completion of the other Works.

Building permits will not be issued until the Township Engineer has given the Certificate of Substantial Completion and Acceptance (Underground Services).

The two (2) year maintenance period for the underground services will commence when this Certificate is issued. During the maintenance period, the Developer shall be responsible for the normal operation and all repairs for the system noted in the Certificate.

If, during the two year maintenance period, the Developer fails to carry out rectification and/or repair work as requested by the Township, then the Township may carry out the work and be reimbursed the cost of the work from the Developer's securities as set out under Clause 22.

21. STATUTORY DECLARATION OF ACCOUNTS PAID

The Developer agrees that upon applying for a Discharge of Securities or for a Certificate of Substantial Completion and Acceptance for the services within the subdivision or upon applying for prior acceptance of the underground services, he shall supply the Township with a Statutory Declaration that all accounts for work and materials for said services have been paid and that the construction Lien Act has been complied with and that no liens thereunder have or can be registered except normal guarantee holdbacks and that there are or will be no claims for liens or otherwise in connection with such work done or materials supplied for or on behalf of the Developer in connection with the subdivision.

22. MAINTENANCE OF WORKS

The Developer will be responsible for the repair and maintenance of all the subdivision services for a period of two (2) years from the date of the Certificate of Substantial Completion and Acceptance. This shall be called the Maintenance Period. If during this period the Developer fails to carry out maintenance work within 48 hours after receipt of a request from the Township, then the Township Engineer may, without further notice, undertake such maintenance work and the total cost of such work including engineering fees shall be borne by the Developer. If the Developer fails to pay the Township within thirty (30) days of the date of billing then the money owing may be deducted from the cash deposit or letter of credit. During the maintenance period ten percent (10%) of the original estimated cost of the works shall be retained by the Township. Towards the end of the maintenance period the Developer shall make written request to the Township for a final inspection to be made and notwithstanding the two (2) year period noted above, the maintenance period will continue for the original two (2) years or for thirty (30) days after the receipt of the Developer's written request for a final inspection, whichever period of time is the greater.

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23. FINAL ACCEPTANCE OF WORKS

On receipt of the Developer's request for a final inspection the Township Engineer will again inspect the work and if satisfied will recommend to the Township that the Certificate of Maintenance and Final Acceptance be issued. It should be noted that the Certificate of Maintenance and Final Acceptance (Underground Services) can be applied for by the Developer two (2) years after the receipt of the Certificate of Substantial Completion and Acceptance (Underground Services).

24. USE OF WORKS BY TOWNSHIP:

The Developer agrees that:

- a) The works may be used prior to acceptance, by the Township or other authorized persons for the purpose for which such works are designed.
- b) Such use shall not be deemed an acceptance of the works by the Township, and
- c) Such use shall not in any way relieve the Developer of his obligations in respect of the construction and maintenance of the works so used.

25. WINTER ROAD MAINTENANCE

An exception to the liability of the Developer for all maintenance and repair of the services during the two (2) year maintenance period will be snow plowing which operation will be the Township's responsibility after the issuance of the Certificate of Substantial Completion and Acceptance. It is agreed by the Developer that the snow plowing operation shall not prejudice the Township's rights to enforce the maintenance provisions. Prior to the issuance of the Certificate of Substantial Completion and Acceptance, however, the Developer shall be responsible for the snow plowing also. In the event that proper vehicular access or snow removal is not provided by the Developer, the Township through its servants, contractors, or agents may provide access and remove snow without notice to the Developer. Such removal of snow shall be only carried out at times deemed to be an emergency by the Township Road Superintendent. All costs of such work shall be paid by the Developer within thirty (30) days of the date of billing or otherwise may be deducted from the cash deposit or Letter of Credit. The Developer further agrees that any work done by the Township pursuant to this Agreement before the roads are accepted by the Township shall not be deemed in anyway to be an acceptance by the Township of the roads in the said subdivision upon which such work is done. The Developer acknowledges that the Township whilst providing access by removing snow may damage or interfere with the works of the Developer and covenants that he will make no claims against the Township for such interference or damage, providing the work is carried out in a normal and reasonable manner.

26. EMERGENCY REPAIRS

Employees or agents of the Township may enter onto the Lands at any time or from time to time for the purpose of making emergency repairs to any of the works. Such entry and repairing shall not be deemed an acceptance of the works by the Township or any assumption by the Township of any liability in connection therewith or a release of the Developer from any of his obligations under this Agreement.

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27. DEVELOPER'S LIABILITIES

Until the Township has issued the Certificate of Maintenance and Final Acceptance for the works, the Developer shall indemnify the Township against all actions, causes of action, suits, claims and demands whatsoever which may arise either directly or indirectly by reason of the Developer undertaking the Plan and the Township shall not be deemed to be the owner.

28. INSURANCE

The Developer shall insure against all damages or claims for damage in an Insurance Company satisfactory to the Township Clerk. Such policy or policies shall be issued in the joint names of the Developer and the Township and the form and content shall be subject to the approval of the Township. The policy shall remain in the custody of the Township until the Certificate of Maintenance and Final Acceptance is issued. The minimum limits of such policies shall be \$2,000,000.00 all inclusive but the Township shall have the right to set higher amounts.

The policy shall be in effect for the period of this Agreement including the period of guaranteed maintenance. The premiums for this policy shall be paid initially for a period of three (3) years. The issuance of such a policy of insurance shall not be construed as relieving the Developer from responsibility for other or larger claims, if any, for which he may be held responsible.

29. UTILITY COSTS AND CHARGES

The Developer shall deal directly with the Hydro Commission and all other Utility commissions and companies. He or his consulting Engineer, shall obtain all approvals and permits and pay all fees and charges directly to the Utility until the Certificate of Maintenance and Final Acceptance is issued.

30. BLASTING

Before any blasting is proceeded with by the Developer, the Developer shall obtain from the Township Engineer or Road Superintendent written permission for carrying out the blasting operation, and shall obtain the blasting permit and show proof of insurance for all damage or claims for damage resulting from the blasting operation. The Developer in any event shall be responsible for any such claims.

31. ACCESS ROADS

All access roads must be maintained by the Developer in good repair acceptable to the Township Engineer and Road Superintendent during the time of construction, including dust control and the removal of any mud or debris tracked from the subdivision, and no roadway outside the limits of the proposed subdivision may be closed without the written consent of the Road Superintendent. For the purpose of getting such consent, the Developer shall advise the Township Road Superintendent and the Township Clerk of the date and time they wish to close a roadway. The Township reserves the right to limit or prohibit the use of any existing access road by the Developer.

32. DAMAGE TO EXISTING PLANT

The Developer shall repair any damages caused to an existing road, Road Allowance or existing structure or plant located on the Road Allowance as a result of the subdivision development and shall pay for any costs involved in the relocation of existing services, such as hydrants, telephone poles, etc., which may become necessary because of the development of the subdivision. In this regard the Developer's Engineer shall arrange for an inspection with the Township Road Superintendent and Township Engineer for the purpose of compiling an inventory of existing conditions prior to work on the subdivision. Otherwise the Township Road Superintendent's assessment of conditions prior to construction will be final.

33. DUST CONTROL

Prior to the acceptance of the roads, the Developer shall apply oil or calcium to the roads in quantities sufficient to prevent any dust problem to traffic or home occupants.

34. DRAINAGE AND LOT GRADING

All lots and blocks within the Plan and all lands abutting the Plan shall be graded to drain in accordance with an overall drainage and grading plan for approval by the Township Engineer, the Simcoe County Engineer and the Simcoe County Health Unit. Some fill and regrading of lots may be necessary during or after building construction. Drainage shall not be directed into the County's ditch drainage system.

It is understood and agreed by the parties hereto that drainage of surface water on the lots and blocks on the plan is the sole responsibility of the respective owners once the required drainage works have been constructed by the Developer.

The Developer agrees to deliver a copy of this Clause to each and every prospective purchaser and/or builder obtaining a building permit for any lot or part of a lot on the said plan of subdivision.

The Developer's Engineer shall prepare a drainage report for the site for the approval of the Township Engineer, the Simcoe County Health Unit, and the Ministry of Natural Resources. Generally, the drainage facilities will consist of open ditches within the subdivision or storm sewers in certain locations to provide a satisfactory drainage outlet(s). The Report shall include an erosion control plan demonstrating how erosion and siltation and their effects will be minimized both during and after construction. Engineering drawings for these works will be subject to the approval of the Township Engineer. The Developer agrees to construct the works as recommended in the approved Report.

35. LANDS FOR MUNICIPAL PURPOSES

The Developer agrees to grant in fee simple unto the Township, lands for municipal purposes other than roads, which shall be mutually agreed upon by the Developer and the Township or to make a cash payment in lieu thereof as provided by the Planning Act and also convey to the Township in fee simple, the 0.3 metre reserves required by the Ministry of Municipal Affairs. The deeds for the said lands are to be approved by the Township's Solicitor and thereafter, forthwith registered and deposited with the Clerk of the Township. The cost for preparation and registration of the said deeds shall be paid by the Developer.

36. CONSTRUCTION REFUSE

All construction refuse, garbage and debris from the subdivision must be disposed of in an orderly and sanitary fashion in a dumping area provided by the Developer off the site of the subdivision. The Township is not responsible for the removal or disposal of refuse, garbage and debris. The Developer agrees to deliver a copy of this Clause to each and every builder obtaining a building permit for any lot or part of a lot on the said plan of subdivision.

37. REPLACEMENT OF SURVEY BARS

Prior to the acceptance of the subdivision by the Township, the Developer agrees to supply a statement from an Ontario Land Surveyor approved by the Township that after the completion of the subdivision work, he has found or replaced the survey monuments and standard iron bars shown on the registered plan.

38. LEGAL NOTICE TO DEVELOPER

Any notice required to be given hereunder may be given by registered mail addressed to the Developer at his principal place of business and shall be effective as of the date of the deposit thereof in the post office, as follows:

Horseshoe Resort Corporation, Box 10, R.R. #1,

Barrie, Ontario. L4M 4Y8

The Developer shall be responsible for notifying the Township Clerk in writing of any change(s) in his principle place of business.

39. REGISTRATION

The Developer consents to the registration of the Subdivision agreement by the Township and at the sole discretion of the Township upon the title of the lands.

40. MORTGAGEE BECOMING OWNER

The mortgagee hereby agrees that in the event of him becoming the owner of the lands under his mortgage by way of foreclosure, purchase or otherwise, either beneficially or in trust, then his mortgage shall be deemed to be postponed to this Agreement and any lands registered in the name of the Township shall be free of the mortgage, and the mortgagee agrees to register a discharge of the mortgage on those lands if called upon by the Township to do so, and he shall be subject to the terms of the Agreement as though he had executed this Agreement in the capacity of the Developer.

41. ASSIGNMENT OR TRANSFER OF MORTGAGE

The mortgagee agrees that in the event of him assigning or transferring the mortgage on the lands the assignment or transfer shall be subject to the terms hereof in the same manner as if the assignee or transferer has executed this Agreement.

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42. REQUIREMENTS FOR BUILDING PERMITS

The approval of the plan by the Township or the acceptance by the Township of the works shall not be deemed to give any assurance that the municipal building permits, when applied for, will be issued in respect of the lots or blocks shown on the plan.

Notwithstanding the foregoing, no building permits will be given and the Township may refuse any application until:

- a) All Health Unit and Ministry of the Environment approvals have been obtained and submitted to the Township. Health Unit requirements are set out in Clauses 34 and 57.
- b) The complete water supply and distribution system for the Plan or stage at hand has been tested and chlorinated and the Township Engineer has given his Certificate of Substantial Completion and Acceptance (Underground Services) including drainage works.
- c) The sewer systems for the Plan or stage at hand have been installed, tested and approved by the Township Engineer and he has given his Certificate of Substantial Completion and Acceptance (Underground Services).
- d) Plans for remaining underground services such as Bell Telephone, Hydro or Consumer's Gas have been approved.
- e) A "Builders" road for the Plan or stage at hand, consisting of the grading, curb and gutter or ditch shaping and full depth of Granular "B" sub-base has been constructed.
- f) Approval of the Township Engineer has been obtained for the construction of any buildings to be erected on lots or blocks listed in Schedule "E" hereto.
- g) Signs denoting "Unassumed Roads" have been installed at the entrances to the subdivision in a location acceptable to the Township.
- h) A Certificate has been given by the Developer's Consulting Engineer that the building to be erected on any lot or block within the plan, for which a building permit has been applied for, is in conformity with the overall grading plan or has received the approval of the Township Engineer with respect to any variance to the grading plan.
- i) All dead trees within the limit of the plan or the stage at hand have been removed.
- j) Arrangements have been made and approved by the Township for house numbering as set out in Clause 58.

43. REQUIREMENTS FOR OCCUPANCY

No buildings erected on the lots or blocks within the plan or stage at hand shall be occupied until a Certificate of Occupancy has been issued by the Township and this certificate will not be issued until:

- a) The roadway has received the granular roadbase materials full depth and the base course of asphalt provided asphalt is commercially available.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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- b) The underground hydro, telephone lines, gas mains and street lights have been installed and approved by the Township Engineer.
- c) The traffic and street signs have been installed and approved by the Township Engineer.
- d) A certificate has been given by the Developer's consulting Engineer that the building constructed and the final grading of the lot or block is in conformity with the overall grading plan or such variance therefrom as has been approved by the Township Engineer.
- e) Driveway culvert and end protection have been provided to the satisfaction of the Township.

It is agreed that a copy of Clauses 42 and 43 shall be delivered by the Developer to each and every builder obtaining a builder's permit or any prospective purchaser of the dwelling for any lot or part of a lot on the said plan.

44. MOVEMENT OF FILL

The Developer covenants and agrees that he shall not dump nor permit to be dumped any fill or debris on, nor shall he remove or permit to be removed any fill, topsoil, trees or shrubs from any public lands, other than roads, without the written consent of the Township Engineer.

45. OCCUPANCY LIQUIDATED DAMAGES

Notwithstanding the above, if for any reason whatsoever, occupancy of any building occurs before the vital services listed in Clause 43 are installed to the home occupied to the satisfaction of the Township Engineer then the Developer agrees to pay to the Township, liquidated damages in the amount of \$100.00 per dwelling under per day to cover the additional costs of administration, inspection and fire protection, etc. The liquidated damages to commence at and include the date of occupancy and end when the Developer obtains a certificate from the Township Engineer that the vital services are satisfactorily installed. If the Developer fails to pay to the Township monies owing under this clause within thirty (30) days of the date of the bill the money may be deducted from the cash deposit of Letter of Credit or other deposited security.

46. EASEMENTS

The Developer agrees to grant at his expense all such easements and rights-of-ways as may be required for the installation and supply of services to the subdivision and to deed lands as set out in Schedule "G". Prior to executing this agreement all known easements shall be filed with the Township in a form approved by the Township's Solicitor.

A list of easements and rights-of-way shall be set out in Schedule "G" of this Agreement.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

47. LOTS UNSUITABLE FOR BUILDING OR LOTS REQUIRING SPECIAL ATTENTION

Any lot which will require attention in order to be serviced will be listed on Schedule "E" of this Agreement. Prior to the issuance of a building permit for a specific lot, the Developer's Engineer, or a Professional Engineer registered with the Association of Professional Engineers of Ontario, must submit a site plan to the Township Engineer for approval. The site plan shall set out the location of the house and other structures with details on driveway access to ensure proper access to the house.

48. RELEASE OF LAND

The Developer, when not in default of the subdivision agreement to provide the requisite public services to the lands, shall be entitled to an effective release in a form suitable for registration in the County Registry Office for each lot or block which is in conformity with the overall grading plan for the lands or such variance therefrom as has been approved by the Township Engineer.

Every such release shall operate as a discharge of all levies hereunder by the Township in respect to each lot or block described in the release with the exception of the responsibility for drainage as outlined in Clause 50 and the completion and maintenance of the services.

49. LOT LEVIES AND DRAINAGE AND LOCAL IMPROVEMENT CHARGES

- a) The Developer, as a capital contribution towards other Township services, except for those contemplated in Section 359 and 362 of the Municipal Act RSO 1970 Chapter 283, will pay, in addition to all other monies required to be paid by the Developer under this agreement, to the Township, a Lot Levy of \$3,000.00 per dwelling unit. The total amount of the levies shall be paid not later than the date of the sale of such lot or prior to the issuance of building permits whichever occurs first, in accordance with Clause 1.
- b) The Developer agrees to pay for all arrears of taxes or other municipal or provincial charges, taxes or levies outstanding against the property herein described before the approval of the said plan is obtained. The Developer further undertakes and agrees to pay taxes levied on the said lands on the basis and in accordance with assessment and collector's roll entries until such time as the lands herein being subdivided have been assessed and entered on the Collector's Roll according to the Registered Plan.
- c) Before the plan is approved the Developer agrees to commute and pay the Township's share of any charges made under the Drainage Act 1975 and Local Improvements at present serving this property and assessed against it.

These charges are set out in Schedule "F" of this Agreement.

50. DRAINAGE - RESPONSIBILITY OF OWNER

It is understood and agreed by the parties hereto that the drainage of surface waters on the lots and blocks in the Plan, after the release provided for in Clause 48 hereof has been issued by the Township, is the sole responsibility of the owner and subsequent purchasers, and he is to provide and maintain adequate drainage of such surface waters.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

51. FENCING OF PUBLIC WALKWAYS

The Developer agrees to construct and fence with standard five feet high chain link fence of a design approved by the Township Engineer all public walkways on the plan prior to the sale of abutting residential lots.

52. PRESERVATION AND PLANTING OF TREES

The Developer must preserve all healthy trees within the limits of the subdivision where possible. If, in the opinion of the Township Engineer, indiscriminate removal of trees takes place within the limits of the Plan of Subdivision including road allowances, parkland, and individual lots, the Township shall have the option of having a stop work order on construction of the services and/or building on a particular lot where the removal is taking place. Work will not be allowed to proceed until the Township is satisfied that the practice will not continue and the Developer/Builder agrees to carry out remedial work requested by the Township. The Developer agrees to provide a copy of this clause to each and every prospective builder/prospective purchaser.

If required the Developer shall plant one eight-foot or taller hardwood tree of a minimum of 50mm caliper on each lot having less than three trees in the front yard(s). The existing trees must be satisfactory to the Township.

53. PLEDGE OF TITLE TO LANDS

The Developer hereby charges and pledges as security for such levy payments and service charges all his right, title and interest in those parts of the lands shown as numbered and/or lettered lots and/or blocks on the plan and agrees that this Agreement may be registered against the lands and it is agreed that such payments and costs shall be a lien against the lands. Upon payment of the lot levy attributable to any specific lot, the lien and charge hereby created shall be deemed to have been discharged.

54. HYDRO ELECTRIC

Prior to the Township releasing this proposed Plan for registration the Developer shall provide the Township with a letter from the Hydro Electric authority having jurisdiction in the Township stating that the Developer has entered into a satisfactory agreement with them with respect to the costs of installing underground wiring and financial contributions in this regard.

55. EROSION AND SILTING CONTROL

The Developer must take all necessary precautions to prevent erosion and sedimentation of sewers, ditches, culverts, slopes, etc. both within the Development and downstream during construction and upon completion of servicing of the Subdivision. Failing adequate precautions being taken the Developer shall be responsible for correcting any damage and paying all maintenance costs resulting therefrom. The drainage report under Clause 34 will describe the means by which this requirement will be met.

56. SIGNS

Signs at least four feet (4') by six feet (6') shall be provided and erected by the Developer at each entrance to the subdivision at a location approved by the Township Engineer and the signs shall read as follows:

"Roads Not Assumed by Municipality - Use at Your Own Risk".

These signs shall be installed prior to the commencement of construction and be removed after the issuance of the Certificate Substantial Completion and Acceptance for the roadways.

57. HEALTH UNIT APPROVAL

The Developer further agrees that he or any person, persons, or Corporation claiming title through the Developer, will not apply for a Building Permit for any part or portion of the said lands or on any lot therein, and no Building Permit shall be issued until Health Unit Approval has been received for the land in question.

58. HOUSE NUMBERING

The Developer shall be responsible for obtaining the designated house numbers for each and every lot from the Municipal Office. As a further requirement in order to obtain an occupancy permit the Developer and/or builder or lot owner shall install the designated house number on the house at a location approved by the Township. The size and material type must also be approved by the Township. The Developer agrees to provide a copy of this clause to each and every builder or lot owner in advance of the sale of such lot(s).

59. DEFAULT PROVISIONS

Notwithstanding anything hereinbefore contained in this Agreement, when the Developer is deemed by the Township to be in default of this Agreement, the Township reserves the right to use securities to recover costs incurred by the Township, and/or to restrict building and/or occupancy permits, and/or apply liquidated damages.

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

IN WITNESS WHEREOF the parties hereto have executed this Agreement and have hereunto caused to be affixed the corporate seals, duly attested to by the proper signing officers.

SIGNED, SEALED AND DELIVERED this 26th day of September

A.D. 1990.

THE CORPORATION OF THE TOWNSHIP OF ORG

Per [Signature]

Title Reeve

Per [Signature]

Title Robert Small
Administrator/Clerk



DEVELOPER
HORSESHOE RESORT CORPORATION

Per [Signature]

Title Richard H. Hurler
President

Per [Signature]

Title Garth Dean
Chief Financial Officer



MORTGAGEE
ROYAL BANK OF CANADA

Per [Signature]

Title B.E. Doyle, Sr. Account Mgr.

Per [Signature]

Title L.H. Tori, Sr. Account Mgr.

WE HAVE AUTHORITY TO BIND THE CORPORATION

MORTGAGEE
STANDARD TRUST COMPANY

Per [Signature]

Title JIM YOUNG, ASSISTANT V.P. MORTGAGE PRODUCTION

Per [Signature]

Title Robert A. Sturt
Commercial Mortgage Manager



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

SCHEDULE "A"

NOTE: It is understood and agreed that this Schedule forms part of the Subdivision Agreement between the Township of Oro and Horseshoe Resort Corporation.

DESCRIPTION OF LANDS AFFECTED BY THIS AGREEMENT

ALL AND SINGULAR that certain parcel or tract of premises situate, lying and being in the Township of Oro in the County of Simcoe and being composed of the whole of the lands described as follows:

The North Half and South Half of Lot 3, Concession 4 and part of Lot 4, Concession 4, all in the Township of Oro in the County of Simcoe all as more particularly described as Parts 2 and 3 on a Plan of Reference deposited in the Land Titles division of Simcoe (51) as 51R20113 and Block 40 on Plan 51M447.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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SCHEDULE "B"

NOTE:

It is understood and agreed that this Schedule forms part of the Subdivision Agreement between the Township of Oro and Horseshoe Resort Corporation.

Plan 51M-

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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SCHEDULE "C"

NOTE: It is understood and agreed that this Schedule forms part of the Subdivision Agreement between the Township of Oro and Horseshoe Resort Corporation.

WORKS TO BE CONSTRUCTED

Complete roadway construction including excavation, ditching, granular roadbed materials, two lifts of asphalt, topsoil and seeded boulevards with erosion control measured as required;

A water distribution system in part consisting of watermains, hydrants, and single water service connections as well as water meters in homes;

Storm sewers and curb and gutter as required;
(Street and traffic signs);

Underground hydro and street lighting;

All of the above works are incorporated on to the following engineering drawings prepared by Knox, Martin & Kretch Limited, Project No. , Housing File :

<u>Drawing Numbers</u>		<u>Description</u>
1	(General Plan)	West Section
2		North Section
3		North East Section
4		South East Section
5		South Central Section
6	(Grading Plans)	Lots 101 to 109
7		Lots 94 to 100 & 110 to 115
8		Lots 87 to 93 & 116 to 119
9		Lots 70 to 86
10		Lots 14 to 28
11		Lots 45 to 53, 53 to 69, 120 to 122
12		Lots 7 to 13, 29 to 35, 40 to 45 & 54 to 55
13		Lots 123 to 126, 132, to 142
14		Lots 36 to 39, 56 to 58, 127 to 129 & 177 to 182
15		Lots 1 to 6 & 183 to 192
16		Lots 130 to 131, 143 to 150 & 171 to 176
17		Lots 151 to 159 & 163 to 170
18		Lots 160 to 162
19	(Plans & Profiles)	Highland Dr. sta 0 + 000 to 0 + 250
20		Highland Dr. sta 0 + 250 to 0 + 525
21		Highland Dr. sta 0 + 525 to 0 + 800
22		Highland Dr. sta 0 + 800 to 1 + 049.21
23		Alpine Way, sta 0 + 0 + 0 + 225

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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24	Alpine Way, sta 0 + 225 to 0 + 475
25	Alpine Way, sta 0 + 475 to 0 + 725
26	Alpine Way, sta 0 + 725 to 0 + 833.01
27	Bridle Path, sta 0 + 000 to 0 + 225
28	Bridle Path, sta 0 + 225 to 0 + 450
29	Bridle Path, sta 0 + 450 to 0 + 523.35
30	Nordic Trail, sta 0 + 000 to 0 + 225
31	Nordic Trail, sta 0 + 225 to 0 + 475
32	Nordic Trail, sta 0 + 475 to 0 + 704.40
33	Chestnut Lane, sta 0 + 000 to 0 + 250.32
34	Pod's Lane, sta 0 + 000 to 0 + 225
35	Pod's Lane, sta 0 + 225 to 0 + 295
	Bunkers Place, sta 0 + 000 to 0 + 099.25
36	Oro Fourth Line, sta 0 + 825 to 1 + 125
37	Oro Fourth Line, sta 1 + 125 to 1 + 400
38	Oro Fourth Line, sta 1 + 400 to 1 + 675
39	Oro Fourth Line, sta 1 + 675 to 1 + 950
40	Oro Fourth Line, sta 1 + 950 to 2 + 250
41	Simcoe County Road 57, sta. -0 + 250 to -0 + 025
42	Simcoe County Road 57, sta. -0 + 025 to 0 + 250
43	Simcoe County Road 57, sta. 0 + 250 to 0 + 500
44	Detention Pond & Driveway
45	(Construction Details) Construction Standards, Township of Oro
46	Construction Standards, OPSD
47	Construction Standards, Watermain
48	(Supplementary Drawings) Storm Drainage Plan, West Section
49	Storm Drainage Plan, North Central Section
50	Storm Drainage Plan, North East Section
51	Storm Drainage Plan, South East Section
52	Storm Drainage Plan, South Central Section

Prior to construction the above referenced drawings must be stamped as accepted by the Township Engineers, R.G. Robinson and Associates Ltd.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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SCHEDULE "D"

NOTE: It is understood and agreed that this Schedule forms part of the Subdivision Agreement between the Township of Oro and Horseshoe Resort Corporation.

ITEMIZED ESTIMATE OF COST OF CONSTRUCTION OF EACH PART OF THE WORKS

The following list summarizes the cost estimate of the major works but is not necessarily all inclusive:

1.	Watermain construction complete with hydrants, valves, and single service connections.....	\$453,000.00
2.	Roadway construction complete including excavation, granular roadbase materials, two lifts of asphalt, drainage culverts, ditching, topsoil and seeding.....	\$1,161,000.00
3.	Miscellaneous items such as street name and traffic signs.....	\$5,000.00
4.	Reconstruction of part of Fourth Line.....	\$371,000.00
5.	Reconstruction of part of Simcoe County Road 57.....	\$161,000.00
6.	Allowance for engineering supervision.....	\$100,000.00
TOTAL ESTIMATED COSTS		\$2,251,000.00

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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SCHEDULE "E"

NOTE: It is understood and agreed that this schedule forms part of the Subdivision Agreement between the Township of Oro and Horseshoe Resort Corporation.

LIST OF LOTS UNSUITABLE FOR BUILDING PURPOSES

NIL

LIST OF LOTS REQUIRING SPECIAL ATTENTION

- Lots 5, 6, 14, 15, 16, 26, 36, 146, 147, 148, 149, 159, 160, 161, 162, 163, 164, and 165.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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SCHEDULE "F"

NOTE: It is understood and agreed that this Schedule forms part of the Subdivision Agreement between the Township of Oro and Horseshoe Resort Corporation.

LIST OF LOT LEVIES, DRAINAGE AND LOCAL IMPROVEMENT CHARGES TO BE COMMUTED BY THE DEVELOPER

Lot levy is \$3,000.00 per lot.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

SCHEDULE "G"

NOTE: It is understood and agreed that this Schedule forms part of the Subdivision Agreement between the Township of Oro and Horseshoe Resort Corporation.

LIST OF EASEMENTS TO BE GRANTED TO THE TOWNSHIP

- (1) 5-metre drainage easement as follows:
 - between Lots 89 & 90.
- (2) 6-metre drainage easements as follows:
 - between Lots 36 and 37 and 36 and 38;
 - between Lots 5 and 6;
 - between Lots 127 and 128;
 - between Lots 162 and 163.
- (3) 6-metre watermain easement as follows:
 - between Lots 21 and 22;
- (4) 7-metre watermain and drainage easement as follows:
 - between Lots 13 and 14 and across Block 200.
- (5) Easement for stormwater detention facility on Block 200.
- (6) Areas adjacent to Road Allowances to be filled for roadway construction and drainage require easements as set out in the engineering drawings and more specifically: Front of Lots 35, 36, 4, 5, 6, and 159 to 165 inclusive, and side of Lot 37.
- (7) 4 metre by 4 metre triangles at the following locations to accommodate ditch construction:
 - NE Corner Lot 116
 - NW Corner Lot 66
 - SE Corner of Lot 56
 - SW Corner of Block 194
 - NE Corner of Lot 129
 - NW Corner of Lot 177
 - SE Corner of Lot 37
 - SW Corner of Lot 4
 - NE Corner of Lot 184
 - NW Corner of Lot 190
 - NE Corner of Lot 146
 - SE Corner of Lot 176
 - NE Corner of Lot 130
- (8) 0.30 m Reserves on dead-ends and on open sides of Road Allowances.

LANDS TO BE DEEDED TO THE TOWNSHIP

- (1) 21-metre radius for temporary cul-de-sac west of Lots 160 and 161.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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SCHEDULE "H"

NOTE:

It is understood and agreed that this Schedule forms part of the Subdivision Agreement between the Township of Oro and Horseshoe Resort Corporation.

PARKLAND

Block 194

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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SCHEDULE "I"

TOWNSHIP OF ORO

DECLARATION OF PROGRESS AND COMPLETION

SUBDIVISION Phase IV A

DEVELOPER Horseshoe Resort Corporation

CONSULTING ENGINEER Knox Martin Kretsch Limited

As required by the Agreement between the Corporation of the Township of Oro and Horseshoe Resort Corporation

The Developer(s) dated July 13, 1990

1. The Developer hereby agrees and undertakes to complete the construction of the Works as required by the above-mentioned agreement in accordance with the time schedule for the completion of services as approved by the Township Engineer and more specifically in accordance with the following schedule and conditions:
 - a) Before any building erected on the lots or blocks in the Plan are occupied all the Requirements for Occupancy as set out in Section 43 shall be complied with.
 - b) Granular "B" and Granular "A" on or before September 21, 1990
 - c) Grading, topsoiling and seeding of private blocks and parks on or before N/A
 - d) Boulevard sodding and hydro seeding in all roads on or before October 13, 1990
 - e) Hot asphalt on or before October 13, 1990
 - f) Planting of trees on or before N/A
2. The Developer further agrees that the Township is hereby authorized to carry out, at his expense, any of the work set out in this Declaration not finished on or before the completion dates, to be commenced not sooner than one week following such completion date, it being understood and agreed that the Township's authorization is limited only to that work required under the Declaration.
3. The Developer undertakes to properly maintain the gravel road base at all times and to keep all roads in a mud-free and dust-free condition until such times as the roads, including boulevards, have been completed.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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4. The Developer further agrees and the Township is hereby authorized to undertake any of the maintenance work as set out under Clause 3 hereof, not completed by him within 24 hours after receipt of such request for maintenance, at his expense, and without limiting the generality of the foregoing, the Township's cost shall be the cost of materials, equipment rental, labour, payroll burden, plus 20% for overhead.
5. It is understood and agreed that should the Developer fail to construct the remaining services to carry out the requirements of Section 3 as stipulated, and by such dates and within such time limits as provided by this undertaking the Developer notwithstanding the costs noted in Section 4, shall pay to the Township, as predetermined liquidated damages, the sum of fifty Dollars (\$50.00) for each and every calendar day the said services are behind schedule of construction provided such delay is not caused by strikes or acts of God or additional work being required by the Township.

Signed 
Developer


Seal or Witness

Date Sept 19, 1990

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Appendix LL1

1991 By-Law 1991-12, Phase IVA, Plan 51M-456 Subdivision Agreement Amendment. (3 Pages)

THE CORPORATION OF THE TOWNSHIP OF ORO

BY-LAW NO. 91-12

Being a By-law to Amend the Subdivision Agreement for Horseshoe Highlands Phase IVA

WHEREAS the Corporation of the Township of Oro entered into a Subdivision Agreement with Horseshoe Resort Corporation and Standard Trust and Counsel Trust Company as authorized by Council Resolution of September 24, 1990;

AND WHEREAS this Subdivision Agreement has been registered in the Land Titles Office for Simcoe on lands described as the North Half and South Half of Lot 3, Concession 4 and part of Lot 4, Concession 4, all in the Township of Oro in the County of Simcoe all as more particularly described as Parts 2 and 3 on a Plan of Reference deposited in the Land Titles division of Simcoe as 51R20113 and Block 40 on Plan 51M-447;

AND WHEREAS Council for the Corporation of the Township of Oro deems it desirable and expedient to amend this Subdivider's Agreement with regard to Security held for the Reconstruction of Part of the 4th Line;

NOW THEREFORE Council for the Corporation hereby enacts as follows:

1. That the Amendment to the Subdivision Agreement between Horseshoe Resort Corporation, the Corporation of the Township of Oro and Standard Trust Company and Counsel Trust Company, attached hereto as Schedule "A" form part of this By-law.
2. That the Reeve and Administrator/Clerk be authorized to sign the attached Schedule "A" on behalf of the Corporation.
3. This By-Law shall come into force and take effect upon passage hereof.

READ a first and second time this 24th day of January, 1991.

READ a third time and finally passed this 24th day of January, 1991.

THE CORPORATION OF THE TOWNSHIP OF ORO


Reeve, Robert E. Drury


Administrator/Clerk, Robert W. Small

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

THIS AGREEMENT made this 21st day of January, 1991.

B E T W E E N :

THE CORPORATION OF THE TOWNSHIP OF ORO

(hereinafter called the "Municipality")

-and-

HORSESHOE RESORT CORPORATION

(hereinafter called the "Developer")

WHEREAS the Municipality and the Developer entered into a Subdivision Agreement (the "Agreement") on the 26th day of September, 1990 which Agreement was registered on the 31st day of October, 1990 as instrument number 185778;

AND WHEREAS Item 4 on Schedule "D" to the Agreement estimated the cost of the reconstruction of part of the Fourth Line as the sum of \$371,000.00 (the "road construction");

AND WHEREAS in lieu of posting a letter of credit for said sum the Developer and the Municipality have agreed that the title to Lots 15, 19, 105, 108 and 144, Plan 51M-456, (the "Lots") be conveyed to the Municipality;

AND WHEREAS the parties have entered into this Agreement for the purpose of evidencing their Agreement for the manner in which the Lots may be sold by the Municipality or conveyed back to the Developer;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants herein contained and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged) the parties agree as follows:

1. The Developer agrees to convey Lots 15, 19 105, 108 and 144, Plan 51M-456 to the Municipality.
2. The Developer agrees to reconstruct the Fourth Line in accordance with the requirements of the Agreement on or before the earlier of:
 - (a) September 26, 1995; or
 - (b) nine months after the date on which the 125th building permit is issued for Registered Plan 51M-456.
3. The Developer agrees that in the event that it defaults under the terms of the Agreement as same relates to the road construction, and said default continues for thirty (30) days after written notice from the Municipality then in that event the Municipality shall be free to sell, transfer and convey the Lots or any one or more of the Lots, on such terms as the Municipality in its discretion, acting reasonably, may deem appropriate.
4. The Municipality agrees that upon the completion of the road construction pursuant to the terms of the Agreement, that the Developer shall be entitled, subject to confirmation from the Municipality's engineer as to the status and adequacy of completion of the road construction, to a reconveyance of the

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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Lots, or so many of the Lots as the Township Engineer may determine, acting reasonably, the intention being that the Municipality shall always be the registered owner of the Lots or so many of the Lots as are necessary to ensure that they may realize sufficient net proceeds on the potential sale of the Lots to complete any of the obligations of the Developer pursuant to the Agreement, as same relates to the road construction.

5. The Developer shall have the option of lodging with the Municipality a letter of credit in the amount of \$371,000.00 (or such lesser amount as may be approved by the Township Engineer, acting reasonably), as security for the road construction and upon lodging said security with the Municipality, the Developer shall be entitled to a reconveyance of the Lots from the Municipality.

6. The Municipality and the Developer agree that the intersection of Alpine Way and the Fourth Line will not be opened to motor vehicle traffic until the Fourth Line has been reconstructed.

7. The Developer agrees to construct a suitable barrier, to the satisfaction of the Municipality, blocking motor vehicle traffic on Alpine Way at the intersection of Alpine Way and the Fourth Line.

8. The Developer agrees to provide signs at the intersection of Alpine Way and Highland Drive, to the satisfaction of the Municipality, indicating that it is a dead end with no other exit.

9. The Developer agrees to indemnify and save harmless the Municipality from all costs, claims, actions, liabilities and demands arising or resulting from the Township accepting the five Lots in lieu of a Letter of Credit for security or, arising from or the result of the barrier across Alpine Way at the Fourth Line intersection and the fact that there is only one exit from the area serviced by Alpine Way, Nordic Trail, Bridle Path and Pod's Lane.

IN WITNESS WHEREOF the parties have hereunto executed this Agreement as of the date first above written.

THE CORPORATION OF THE TOWNSHIP OF ORO

Per: *Robert E. Drury*
Reeve, Robert E. Drury

Per: *Robert W. Small*
Clerk, Robert W. Small

HORSESHOE RESORT CORPORATION

Per: _____
Wayne Patterson, Secretary

I HAVE THE AUTHORITY TO BIND THE CORPORATION

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Conclusion

The story of the evolution of the Horseshoe Valley **water supply system** is very complex given that aspects of the story have been lingering aimlessly for the better part of 46 years. Not to trivialize the importance and scope of the current ownership narrative, planners plan, developers develop, builders build, and municipalities work to regulate and govern the entire process with the view of future assumption in mind. Sometimes this process is punctuated by practices and actions that interrupt the normal course of events leading to assumption. This particular story about the Horseshoe Valley **water supply system** is just that, a story that ebbs and flows. It's a story much like a "push-me-pull-you" where the stakeholders move one step forward and two steps back.

Horseshoe Resort Corporation, its affiliates, and the former Townships of Oro and Medonte began engineering, developing, and building the **water supply system** in earnest in 1974. The system in Zone 1, crisscrossing both the former Township of Medonte and the former Township of Oro, is largely the same system today as it was when it was designed and built in the mid-1970s. Of course, some aspects of the system have been repaired and replaced over the years, but, for all intents and practical purposes, the Zone 1 **water supply system** is pretty much the same.

The bulk of this Zone 1 **water supply system** was assumed by the former Township of Medonte on October 12th, 1982. By-Law (82-6) assumed the watermains, valves, pump house, and related equipment on both sides of Horseshoe Valley Road. Today, townships would "**Authorize the Issuance of a Certificate of Maintenance and Final Acceptance of Aboveground Services or Belowground Services**" and then they would create a By-Law to assume the works and services. With the exception of the sewage tile beds, the former Township of Medonte did exactly this, assumed the above and belowground services making it their own. It's not clear to the Focus Group if some of the infrastructure was assumed leading to the standpipe and original well (Well #3) on the resort property, but it was clearly part of the Agreement of Assumption and the resulting By-Law (82-6) and a key part of the Water Rights Guarantee Agreement of 1980. Unmistakably, all of the Zone 1 **water supply system** (Plans 1531, M-10, M-11, and M-23) was assumed by the Township of Medonte on the north side of Horseshoe Valley Road. Medonte Township may have had the opportunity to assume the standpipe and wells on the Resort property, but there may have been mitigating factors precluding this assumption. One factor may have been related to the fact the former Township of Oro intended to assume those components along with the so-called Zone 2 **water supply system**, components known as the Highlands.

Plan 1587, which is the subdivision on the south side of the valley, assumed the water lines, shut-off valves, and hydrants in 1974 (By-Law 1974-1051). Accordingly, in 1974, the former Township of Oro accomplished the same thing on the south side in Plan 1587: the below and aboveground works were assumed, but the wastewater works leaving the Plan didn't get assumed until 2003. The water guarantees were looked after in By-Law 1974-1051 (and the Water Rights Guarantee Agreement of 1980). Another difficult aspect with Medonte's possible assumption of the standpipe and wells is that it was not only on private Resort property but that it was in an entirely different Township. While there is precedence for this kind of multi-agreement assumption in Simcoe County, it was likely easier at the time waiting for Oro to finish the job of assumption.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

The unusual thing about the assumption of the water works was that the Township of Medonte leased the system back to Horseshoe Resort and its partners. Horseshoe agreed to operate, maintain, repair, and insure the works for a meager amount. On the surface, it seems odd that all parties would agree to such an awkward contract, but Horseshoe Resort retained its rights to surplus water and received fees from ratepayers for their service. The Township of Medonte happily relinquished these duties to a private sector company saving them the burden of operating yet another utility in their geographically expansive township.

Consequently, the **water supply system** was providing domestic water for Zone 1 (both Oro and Medonte) ratepayers right up until amalgamation in 1994 and beyond. There's no evidence that these original agreements, proposals, and by-laws were amended in any way in the Townships of Medonte, Oro, and Oro-Medonte. Future By-Laws allude to these early Agreements and By-Laws but do not revoke them.

During a Special Meeting of Council on March 13th, 2020, Oro-Medonte Township staff reported that no other amending agreements were made. While no amendments were made adjusting these key guiding templates of the **water supply system** in Horseshoe Valley, By-Laws were created adjusting the rates imposed on ratepayers in Zone 1 on the Medonte side, Zone 1 on the Oro side, and Zone 2 on the Oro side. These By-Laws worked to supersede a key covenant of the **Water Rights Guarantee Agreement of May 23rd**, 1980 and By-Law 1974-1051. (WRGA, 1980, p. 5A) This will be addressed later in this discussion.

Concurrently, development was taking place in the former Township of Oro as well. As the natural course of development moves along, the Township of Oro strikes an Agreement in 1990 with Horseshoe Resort and its associates. The Agreement outlines the remaining aspects of the Horseshoe **water supply system** known as Zone 2. For the first time, the entire **water supply system** is seemingly owned and operated by two municipalities along with a contractual relationship with a private sector company. While the Township of Oro did not likely assume the over-lapping water works of Zone 2 in the early 1990s, they did work towards that end. In fact, on July 13th, 1992, the former Township of Medonte sought to make an agreement to have Oro "maintain and inspect" the entire **water supply system**, including the components on the Medonte side, those components that supplied water to Plan 1531, M-10, M-11, and M-23 along with Plan 1587 on the Oro side. These are the streets and subdivisions that lead to the top of the hill at Cathedral Pines as you head east to Coulson.

In March of the same year, the Township of Oro reaches out and asks for a Tri-Party Agreement with all the stakeholders to consolidate the entire works under the banner of Oro, and soon to be Oro-Medonte.

This is where the water story gets murky, for several events interrupt the assumption of the water works in Zone 2 which impacts the **water supply system** in Zone 1. In the early 1990s, the County of Simcoe was busy making plans to restructure parts of its County. This process euphemistically was called Amalgamation. The Mike Harris government was busy re-jigging the province's municipal boundaries and Oro-Medonte was a natural progression of events. This process likely interrupted the local negotiations among the **water supply system** stakeholders. What's more, there is evidence that Horseshoe's financial situation may have been problematic for Medonte, Oro and later Oro-Medonte. Several Council sessions illuminate difficulties between and among all parties in those early years of the newly formed Township of Oro-Medonte.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Unfortunately for the ratepayers of this **water supply system**, assumption of certain components may have become a fleeting dream, for in 2000 in the community of Walkerton a deadly outbreak of waterborne gastroenteritis changed the drinking water landscape irreversibly in Ontario. The Safe Drinking Water Act among other Provincial mandates changed the way Municipalities in Ontario managed their **water supply systems**. New regulations around water procurement, water treatment, water storage, and water distribution changed commensurately with the times.

Horseshoe Resort and its partners had to make adjustments to their physical plant. It's unclear if they used taxpayer (Reserve Funds or Sinking Funds) money to address these immediate concerns, but "Sinking Fund" accounts were collecting fees for years to look after the needs of the **water supply system**. All three Townships apparently collected money to this end. In fact, Oro-Medonte may have borrowed against these "surplus" reserve funds. It's not clear if these Funds were returned to their dedicated accounts.

Taken altogether, the assumption of the entire works is confusing. Added to this set of events over the decade (1990s), relationships between the Township of Oro-Medonte and Horseshoe Resort seemed strained. Council records of minutes reveal shaky ground between the two stakeholders during the mid to late-1990s.

On March 28th, 1996, Oro-Medonte instructed its solicitor to advise Horseshoe that they were "Terminating" their 1990 Agreement. LT185779 may not have been altered or terminated at that time. A recent search of that document reveals that it is still in effect. Curiously, late in that same year, the Council of Oro-Medonte fashions a new By-Law to change the rate imposed against ratepayers in Zone 1 (the Medonte side) in Horseshoe Valley. What's interesting about this new By-Law that was passed on December 18th, 1996, is that it alludes to the existence of historical By-Laws (By-Law 82-6) and Water Agreements (1980 Water Rights Guarantee Agreement and the Water Agreement of January 1st, 1980, p.5A). Remember that this By-Law 82-6 is the one that assumes the **water supply system** in Horseshoe Valley on the Medonte side. The new By-Law 96-125 adjusts the rate of \$180.00/a imposed on 1531, M-10, M-11, and M-23, those plans on the north side of Horseshoe Valley road. The records appear to now say Zone 1 Oro and Zone 1 Medonte. This is evidence that the original **Water Rights Guarantee Agreement of May 23rd, 1980** is alive and well (WRGA, 1980, p. 5A). The new rates imposed on both groups in Zone 1 is set at \$200.00/a. By-Law 96-122 Revokes Section 3 of By-Law 1974-1051, eliminating the original fee of \$74.00/a and the "ownership" of the water supply. This By-Law is Repealed and replaced by By-Law 97-73, undoing the so-called cancelation or revocation of Section 3 of 1974-1051, keeping this By-Law intact.

To be sure, most residents in Zone 1 proper believe that they belong to a municipally-owned and municipally-operated **water supply system** in Horseshoe Valley. All real-estate documents, with few exceptions, indicate that the water utility is "Municipal". Communications from the Township do not indicate otherwise. Even the Oro-Medonte Water Bills are devoid of any private ownership definitions until 2017. Even then, individual bills do not explain concisely to the ratepayers in Zone 1 Oro or Zone 1 Medonte that they belong to a Private **water supply system** in Horseshoe Valley, just that Customers are serviced by a PVT. The Township of Oro-Medonte never outwardly says explicitly what it may understand implicitly.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Not until 2002, does the water story bubble up again. On January 28th, 2002, the Vice President of Operations and Development of Horseshoe Resort Corporation sends a letter to the Township asking for a water rate increase. (WRGA, 1980, p. 5A) This seems to match the language provided in the WRGA of 1980. (WRGA, 1980, p. 5A) Unsurprisingly, the letter refers to the **Water Rights Guarantee Agreement of May 23rd, 1980**. (WRGA, 1980, p. 5A) The letter goes on to remind everyone of that original agreement and that the Resort has the implied right to ask for fees to compensate for operational expenses, cost of living allowances, and increases in hydro electric rates. This is quite a revelation to the Focus Group members. These rights and privileges were clearly articulated in the WRGA of 1980. (WRGA, 1980, p. 5A) Even more interesting is the response back from the Township. Sure, that seems reasonable. Let's change the rate to reflect this reality, so the ratepayers were imposed with a new bill of \$325.00/a. (WRGA, 1980, p. 5A) The **water supply system** in Horseshoe Valley is still guided by the original assumption By-Laws and Agreements of 1980, 1982, and 1991.

On March 11th, 2003, just months after the last increase, Zone 1 residents are presented with yet another increase, this time to \$575.00/a. The rationale behind this sudden change was due to increased operating costs associated with Provincial policies. More to the point, Zone 2 ratepayers were already paying \$575.00/a, so, naturally, Horseshoe wanted to mirror what was going on in the Highlands. This again references the WRGA of 1980.

In 2006, the whole process started again and the water rate was increased by \$25.00/a to \$600.00/a. That's a significant amount of increases in a short span of time. There was relative status quo until the next increase in 2016 and again in 2018. In 2017, prior to the increase in fees, Skyline submitted a letter outlining fee increases for 2018. Again, this matches the original language of the WRGA of 1980. (WRGA, 1980, p. 5A) Zone 1 ratepayers on both sides of Horseshoe Valley now pay a Flat Rate of \$880.00/a.

Without spending lots of time and money on Freedom of Information Requests and unravelling specific documents relevant to this story, Zone 1 Residents are now facing a massive bill that will follow them for another 25 years, making this assumption story a legacy spanning 71 years. Don't forget that Zone 1 Oro (Birch Grove Drive and Country Club Lane) were assumed under Oro By-Law 1051 on December 12, 1974, and all subdivisions on the Medonte side of Horseshoe Valley Road were assumed by Medonte under By-Law 82-6 (watermains) on October 12, 1982 and By-Law 82-5 (roads)!

Without doubt, Zone 1 Residents on the Medonte side have belonged to a municipally-owned **water supply system** for the past 40 years. The **Water Rights Guarantee Agreement of May 23rd, 1980** keeps surfacing in By-Laws every now and again. The same thing seems to occur in Zone 1 on the Oro side. But, suffice to say, those residents also strongly believe, and for good reason, that they too belong to a municipally-owned **water supply system** in Horseshoe Valley.

Another nuance in this long story is the role of the Ministry of the Environment, for they have designated the Horseshoe Resort Well, Treatment facilities, and Distribution system as a Non-Municipal Drinking Water System in Zone 1. This designation stuck after 2002. Is this an accurate and fair representation of the entire **water supply system**, or is it just a specific designation for well number 3 on the Resort property? The MOE could best resolve this confusion. Does it change how the Township of Oro-Medonte view the ratepayers of both sections of Zone 1—absolutely? Current administration believes that a large amount of the new

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

infrastructure charges should be imposed on Zone 1 residents in Horseshoe Valley and they are using this designation to justify their costs and so we have the so-called **Water Integration Plan** and a massive bill for Zone 1 residents. They believe what the Province believes, that ratepayers who “join” a municipal **water supply system** should pay the bill (User Pay Policies). In recent correspondence with the MOE, they refer to the Zone 1 **water supply system** as Non-Municipal Year Round Residential Drinking Water System which is owned by Skyline not the municipality. They went on to explain that the Township of Oro-Medonte was in the process of connecting Skyline (Horseshoe Resort) customers to the adjacent Horseshoe Highlands Large Municipal Residential Drinking Water System as explained on the Township’s website. They further explained that these parts of Non-Municipal Distribution System would be connected to the municipal system, and would be assumed by the municipality.

Zone 2 is comprised of Plan 51M-391 (Phase 1), Plan 51M-447 (Phase 2), and Plan 51M-456 (Phase IVA). It appears as though Plan 51M-456 (LT185778 and LT185779) is still governed by the 1990 Agreement, which is ostensibly the longest Maintenance Agreement on record in Oro-Medonte. The Aboveground Works of each of these plans has been approved, along with the Underground Works of Plans 51M-391 and 51M-447. Strangely, Zone 1 Oro and Medonte were assumed, but the Zone 2 Waterworks in Phase IVA has not been assumed, yet this system is given the Large Municipal Residential Drinking Water System designation. To be sure, potable water was a “guaranteed” commodity in each By-Law and Agreement in Zone 1. These revelations have been corroborated by the current Township of Oro-Medonte.

Many ratepayers believe that they’ve been “hooked-up” to a municipally-owned **water supply system** since the inception of this system in Zone 1 1974 (Oro), in Zone 1 1980 (Medonte), and Zone 2 1990 (Oro). They consider the new policies to be unfair and draconian in nature. **They have many unresolved concerns and questions.**

Hopefully, the current administration in Oro-Medonte will listen carefully to these concerns and questions and adjust this current plan to reflect fairness, integrity, and the facts—that all Zone 1 residents in Plans 1531, M-10, M-11, and M-23 already belong to a municipally-owned and operated **water supply system** in Horseshoe Valley.

According to water system analyst, expert and author, Oyedele O. Adeosun, “Today, a water supply system consists of infrastructure that collects, treats, stores, and distributes water between water sources and consumers.” (Adeosun, Water Online, 2014, p. 1) He states further that, “The purpose of [a] distribution system is to deliver water to consumers with appropriate quality, quantity and pressure. Distribution system is used to describe collectively the facilities used to supply water from its source to the point of usage.” (Adeosun, Water Online, 2014, p.1) This reinforces the idea that the **water supply system** in Horseshoe Valley is a complex network of components, many or all of which are owned and governed by the Township of Oro-Medonte under the rubric of **Water Rights Guarantee Agreement of May 23rd, 1980** and a variety of By-Laws.

The ownership narrative is complex given that the Township of Medonte leased the **water supply system** to Horseshoe Resort Corporation and their partners for a meager \$1.00, renewable every 5 years. This agreement began in 1982 and was renewed every fifth year perhaps until as recently as 2017. So the question

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

remains, how do you lease something that you don't own? If the Township of Medonte leased the system back to a private corporation, then they must have owned it to complete the transaction. If you review By-Law 82-6, it lists all of the components and there is a specific clause for the supply of domestic water to the system. It is a complete, all-encompassing contract of water procurement, water treatment, water storage, and water distribution. Now, when the newly formed Township of Oro-Medonte inherited the **water supply system** from the former Township of Medonte, they also inherited the By-Laws and the ubiquitous **Water Rights Guarantee Agreement of May 23rd, 1980**.

Remember earlier in the conversation that the Township of Oro instructed their solicitors to advise Horseshoe that their 1990 Agreement (LT185779) was to be terminated? It seems that it was never executed as such, so the Zone 1 and Zone 2 **water supply system** components, including the Resort's well and standpipe (elevated storage) are integral to the completion of the 2-Zone Municipal **water supply system**. The assumption By-Laws and Agreements of the components in Zone 1 on both sides of Horseshoe Valley Road protect the rights and privileges of the capital components for all Zone 1 residents. If there is not an integration of the two systems (Zone 1 and Zone 2), then how is water delivered to Zone 1 residents on the North side of Horseshoe Valley Road contractually? Since there are no amendments to any of the original water agreements, then it stands to reason that the **Water Rights Guarantee Agreement of May 23rd, 1980** is legally binding and in effect along with the Amendments, Agreements, and By-Laws. If it is in effect, then all aspects of the Agreement are still relevant, including the leasing aspects of the contract. To be sure, the Township of Oro-Medonte is still operating as though it "owns" the **water supply system** by virtue of covenants outlined in 1982. Oro-Medonte only changed the fee aspect of that original Agreement. In 1996, By-Law 96-125 changed "the rate section of any By-Law of the former Township of Medonte that is in effect for this waterworks system is hereby repealed." By-Law, 96-122 changed the fees imposed on residents in 1587 (Zone 1 Oro). Voila, we have a complete **water supply system** owned by Oro-Medonte and operated, maintained, and repaired by Horseshoe Resort (now Skyline). By-Laws adjusting rates imposed on rate payers were renewed several times straight through to 2018. (WRGA, 1980, p. 5A) Was this an example of a contractual estoppel and was there a duty to advise the customers of Zone 1 by all stakeholders?

Looking broadly at the entire story of the **water supply system** in Horseshoe Valley, the Focus Group is perplexed by the complex narrative of this very convoluted ownership story. There are so many peculiar nuances to this narrative that need clarification. To be sure, all stakeholders had opportunities over the course of 50 years to achieve continuity of the **water supply system**, but it seems that certain key events interrupted the normal course of assumption. **Given that all of the stakeholders are now co-proponents of the so-called Horseshoe Craighurst Corridor Water, Wastewater and Transportation Master Servicing Plan, the need to finally consolidate this Horseshoe water supply system is not only necessary but crucial if these settlement areas are to be developed over the upcoming decades.** The Focus Group, given their over 500 hours of desktop research, interviews of key participants related to the Horseshoe **water supply system**, correspondence with Provincial representatives, and various other data, are asking for clarification and time to address a plethora of **concerns and questions** dating back to the mid-1970s. It is our profoundest hope that the Township of Oro-Medonte with the help of the Ministry of the Environment will help to address these concerns and questions before unfair rates and charges are imposed on a select few ratepayers in Zone 1, Horseshoe Valley.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

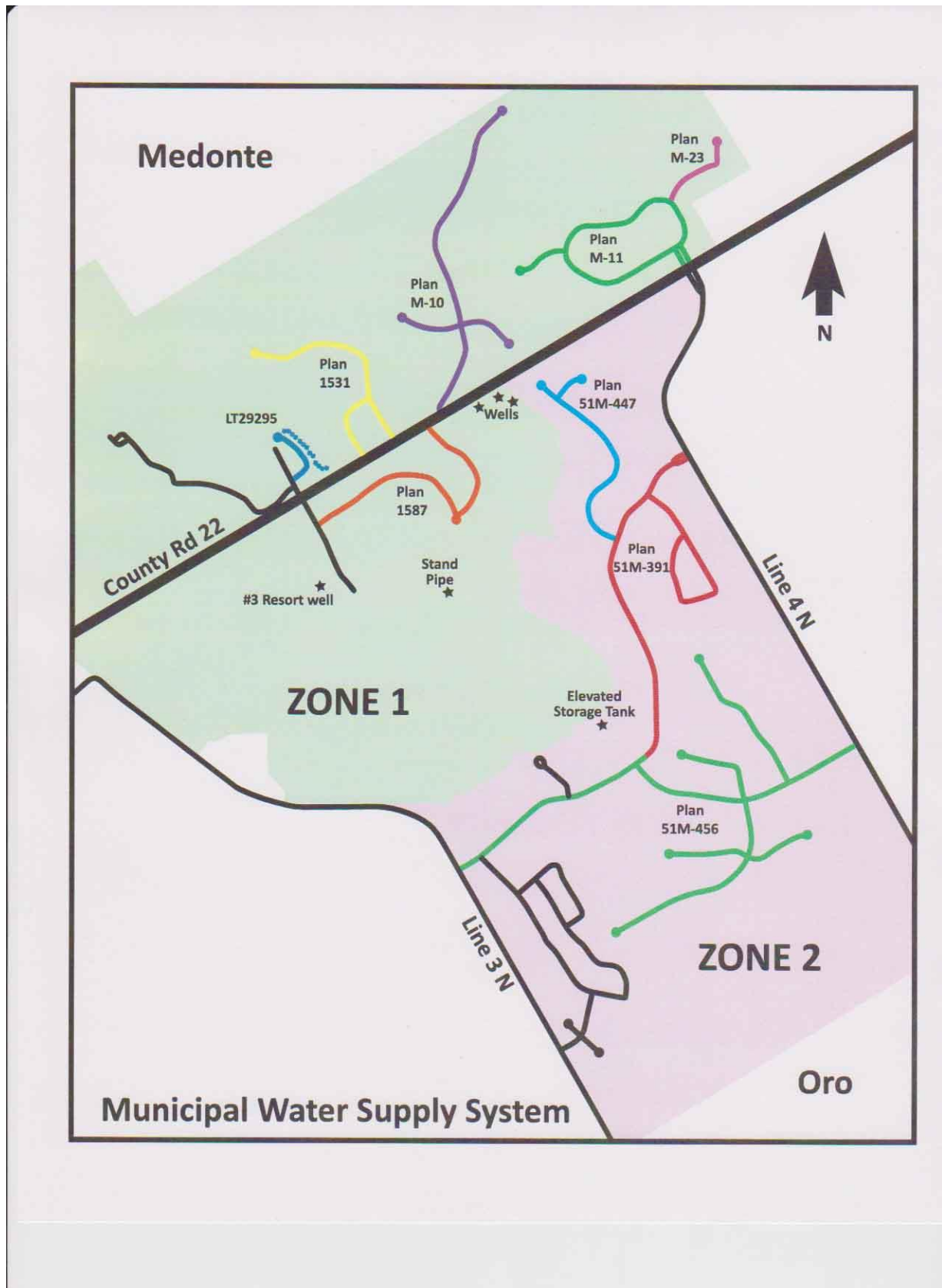
In summary, the traditional creation of a municipal domestic **water supply system** for new development involves, first of all, a development agreement whereby the developer agrees to construct the works. Secondly, the developer constructs the works and, after an agreed upon maintenance period, the municipality assumes the works and is then responsible for the operation, maintenance and repair of the system going forward. In this instance, this is essentially what happened except that the municipality contracted out its' obligation to operate, maintain and repair through renewable lease agreements. Those lease agreements were with the original developer. All of this is clear through the only 3 legal agreements that exist and the subsequent lease agreements that were renewed on a 5 year basis. There are a few twists and turns through this process (e.g. Horseshoe wanting to retain supply for snow making and irrigation) but, basically the traditional process was followed and we now have a **water supply system** that, either by direct ownership and operation or by contracted out operation, can truly be described as a municipally-owned **water supply system** from a legal, contractual, philosophical, mechanical, and moral perspective.

Focus Group Presentation

The following series of Slides and Text will be presented to the entire Focus Group, including members from the Township of Oro-Medonte. The hope of the presentation is to convince members that the current ownership narrative proposed by the Township has precipitated an array of concerns and questions, concerns and questions that have a deep historical context. Coupled with the extensive time-line entries of By-Laws, various Water Agreements, and Primary and Secondary Documents, the slide presentation is a way to provide an abbreviated overview and give some context to the evolution of a **water supply system** in Horseshoe Valley. Members of the Focus Group (residents/customers of the impacted Zone 1 subdivisions) will present their findings with the view of removing fees associated with the Water Integration Plan proposed by the Township of Oro-Medonte.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Overview



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

During a Special Council meeting on Friday, March 13th, 2020, staff members of the Municipality of Oro-Medonte articulated that the Zone 1 **water supply system** in Horseshoe Valley was private and serviced by Skyline (Horseshoe Resort). Notwithstanding these clarifications and with great respect and deference to the current council and staff of Oro-Medonte, the story of the evolution of a **water supply system** in Horseshoe Valley is very compelling and when one starts peeling back this convoluted onion, the individual layers reveal intriguing nuances and variations, nuances that suggest an entirely different narrative of ownership.

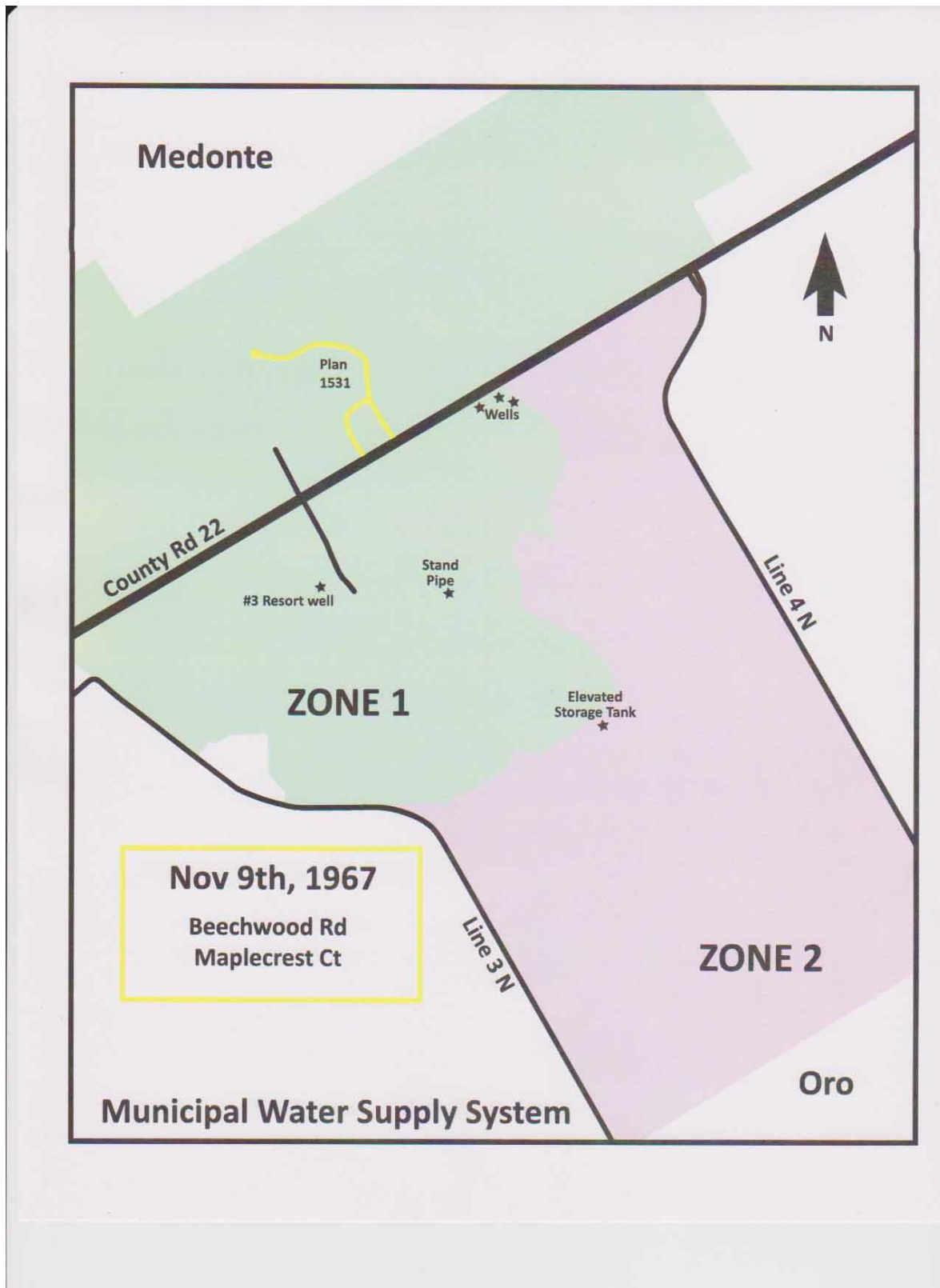
To be sure, many Residents in Zone 1 in Horseshoe Valley think that they belong to a municipally-owned and municipally-operated **water supply system**. This is a really interesting and complicated story that began as early as 1967. As Horseshoe Valley became populated with ski hills, golf courses, condominiums, hotels, roads, homes, and people, there grew a predictable need for complex infrastructure, including road systems, water mains, waste water facilities, and a domestic/potable **water supply system**.

The following is the result of over 400 hours of desk-top research, review of key historical by-laws, reports, letters, and council minutes of the former Townships of Medonte and Oro and the current Township of Oro-Medonte. As well as this short slide presentation, the Focus Group, a vetted group through the Township of Oro-Medonte, has created a multi-page Report showing a time-line of these historical documents and a summary of events representing the data accumulated.

This document only represents certain data points and no particular personal opinion or bias has been expressed. It's just a representation of historical data which advances an array of concerns and questions related to the **Water Integration Plan** for Zone 1 residents in Horseshoe Valley.

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Slide 1



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Slide 1

Plan **1531** (Former Township of Medonte)

This represents the 1st subdivision plan registered in Horseshoe Valley

This Plan was registered on November 9th, 1967

Assumption By-Law 82-6 (October 12th, 1982)

By-Laws assuming aboveground and belowground works including water mains, valves, hydrants, waste water sewer lines, and storm sewer lines. Tile beds related to all Plans on the Medonte side assumed at a later date.

Water Rights Guarantee Agreement (May 23rd, 1980)

-Horseshoe Resort responsible to operate, maintain, and repair all capital components of the entire system without remuneration, except for payment by “owners” for water supplied.

-Horseshoe Resort does not have to “improve” components. Changes due to the Walkerton Crisis in 2000 were paid by the Township through Reserves.

Zone 1 Municipal Water Supply System

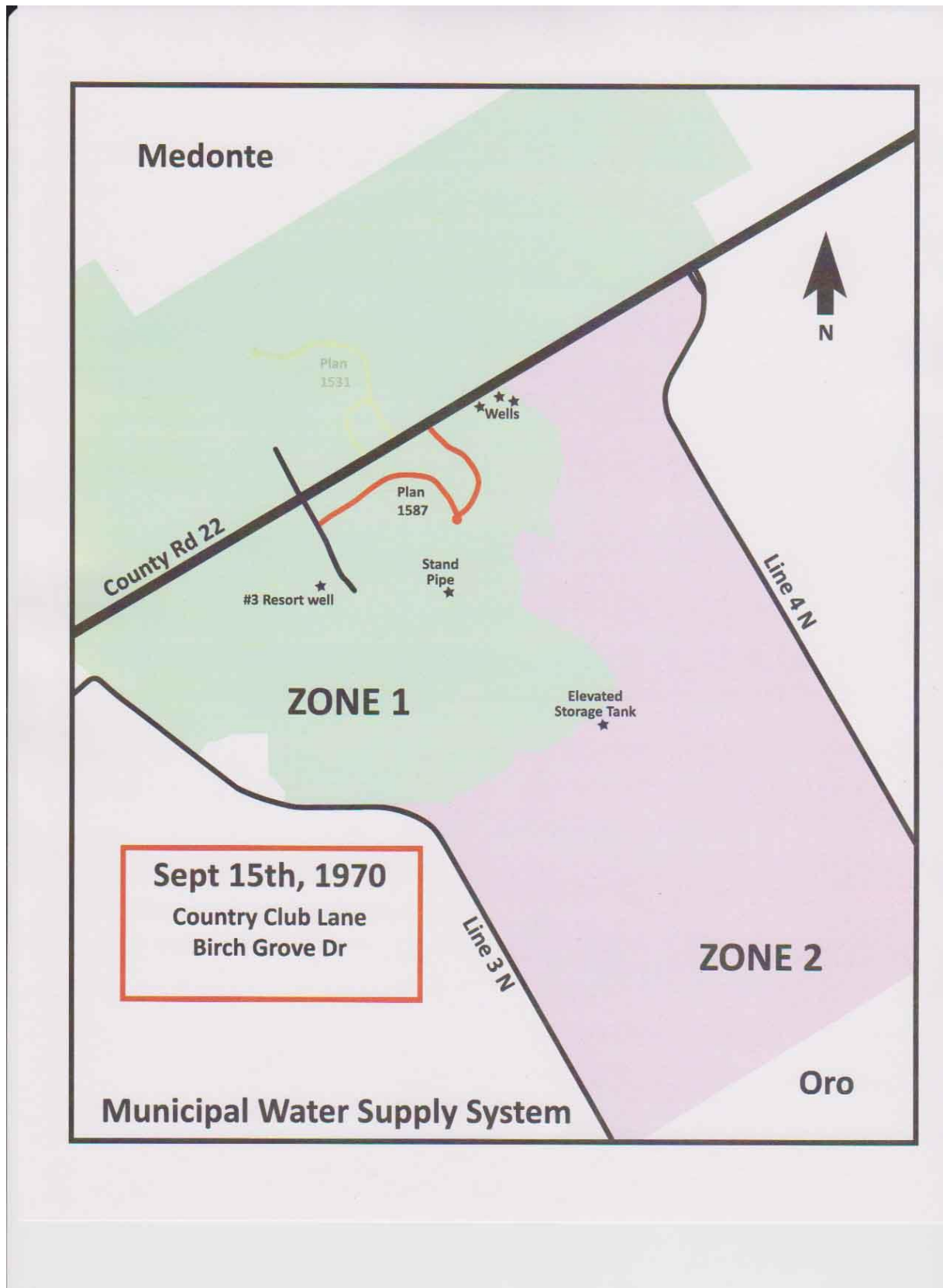
The Streets include:

Beechwood

Maple Crest

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Slide 2



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Slide 2

Plan 1587 (Former Township of Oro)

This represents the 2nd subdivision plan registered in Horseshoe Valley

This Plan was registered on September 15th, 1970

Assumption By-Law 1974-1051 (December 12th, 1974)

Water Rights Guarantee Agreement (May 23rd, 1980)

-Horseshoe Resort grants all water rights and privileges of every kind and description to residential homes, Cedar Hills Road Condominiums, Pine Ridge Ski Resort, and Plan 1587.

-Horseshoe Resort was able to maintain surplus water and the “operation” of the total water system.

Zone 1 Municipal Water Supply System

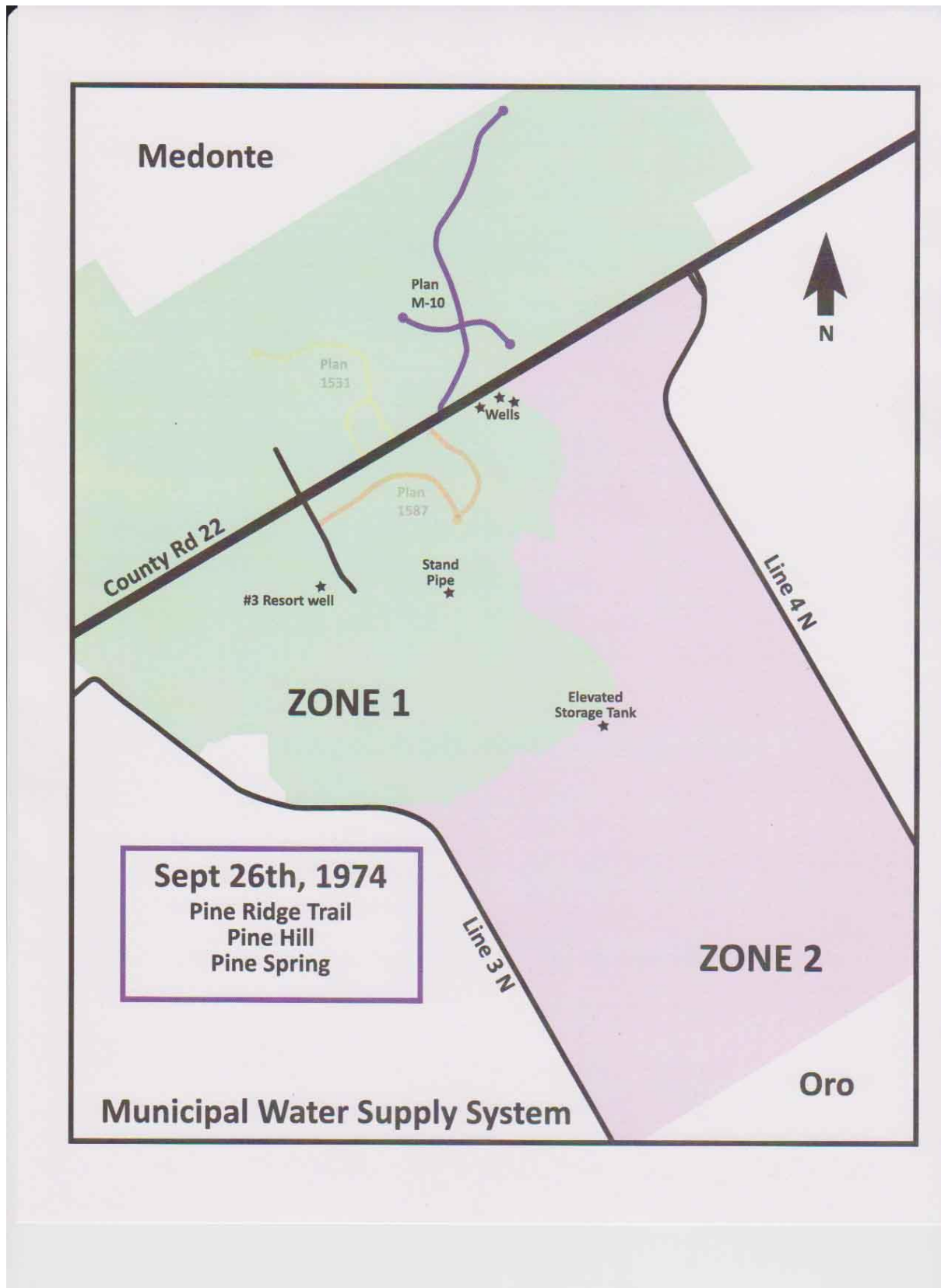
The Streets include:

Country Club Lane

Birch Grove

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Slide 3



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Slide 3

Plan M-10 (Former Township of Medonte)

This represents the 3rd subdivision plan registered in Horseshoe Valley

This Plan was registered on September 26th, 1974

Assumption By-Law 82-6 (October 12th, 1982)

Assumption By-Law 82-5 (February 10th, 1982)

Water Rights Guarantee Agreement (May 23rd, 1980)

-Horseshoe Resort set rates and the Township retains administration fees.

-Rates are adjusted annually for cost of living allowances and power fees.

-Horseshoe Resort responsible to insure the entire system.

Zone 1 Municipal Water Supply System

The Streets include:

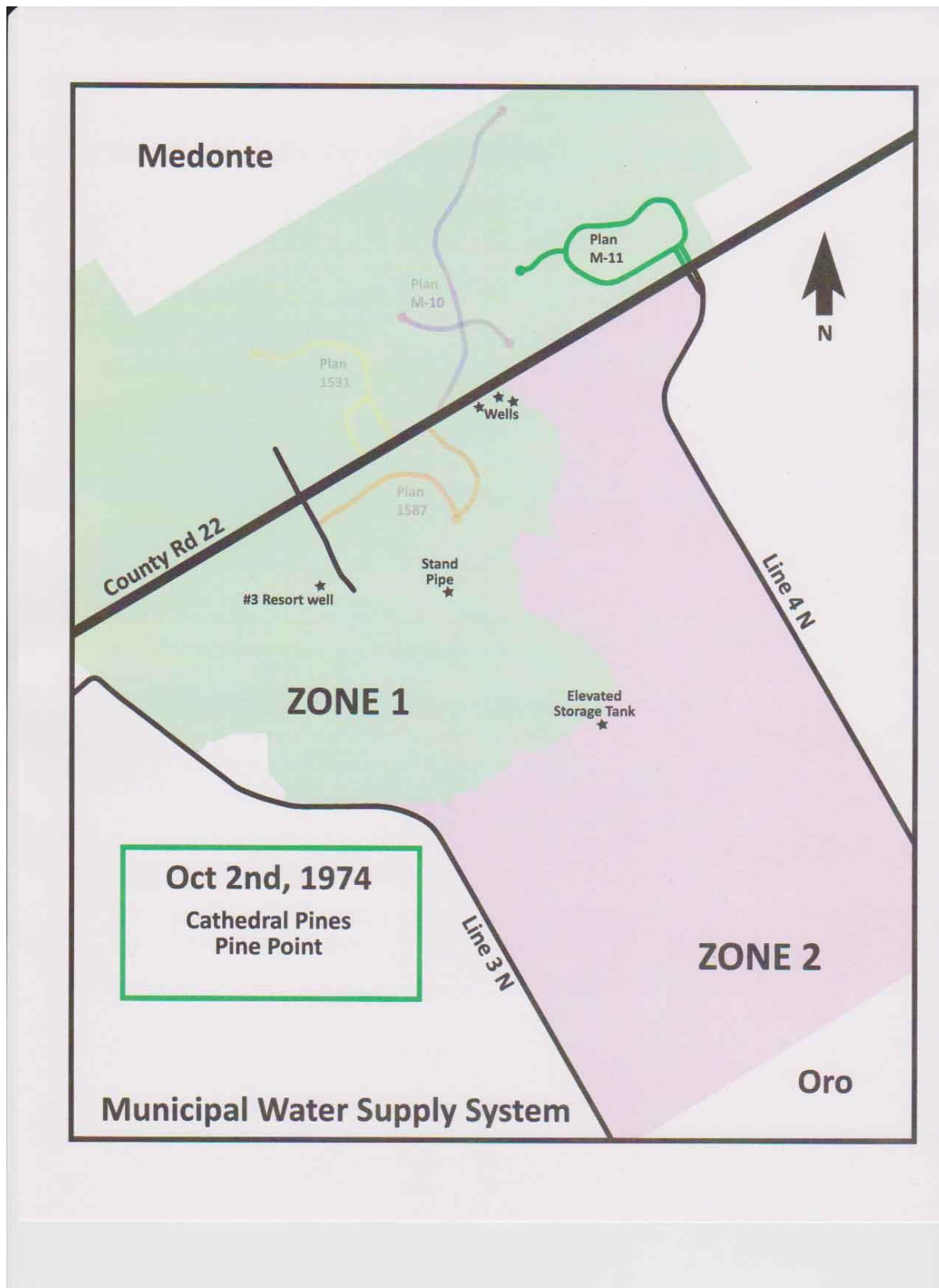
Pine Ridge Trail

Pine Hill

Pine Spring

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Slide 4



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Slide 4

Plan M-11 (Former Township of Medonte)

This represents the 4th subdivision plan registered in Horseshoe Valley

This Plan was registered on October 2nd, 1974

Assumption By-Law 82-6 (October 12th, 1982)

Assumption By-Law 82-5 (February 10th, 1982)

Water Rights Guarantee Agreement (May 23rd, 1980)

-Township be advised by Horseshoe Resort of any adjustments in water rates prior to the Township preparing and mailing its water bills in any year.

-Should a bona fide question arise as to the title of Horseshoe Valley to the Water Supply, the Township shall demand easements registered as real property, even if water mains, pumping facilities, and/or water reservoirs needed to be moved from time to time. This would be done at the Resorts expense.

-No transfers without prior written notice.

Zone 1 Municipal Water Supply System

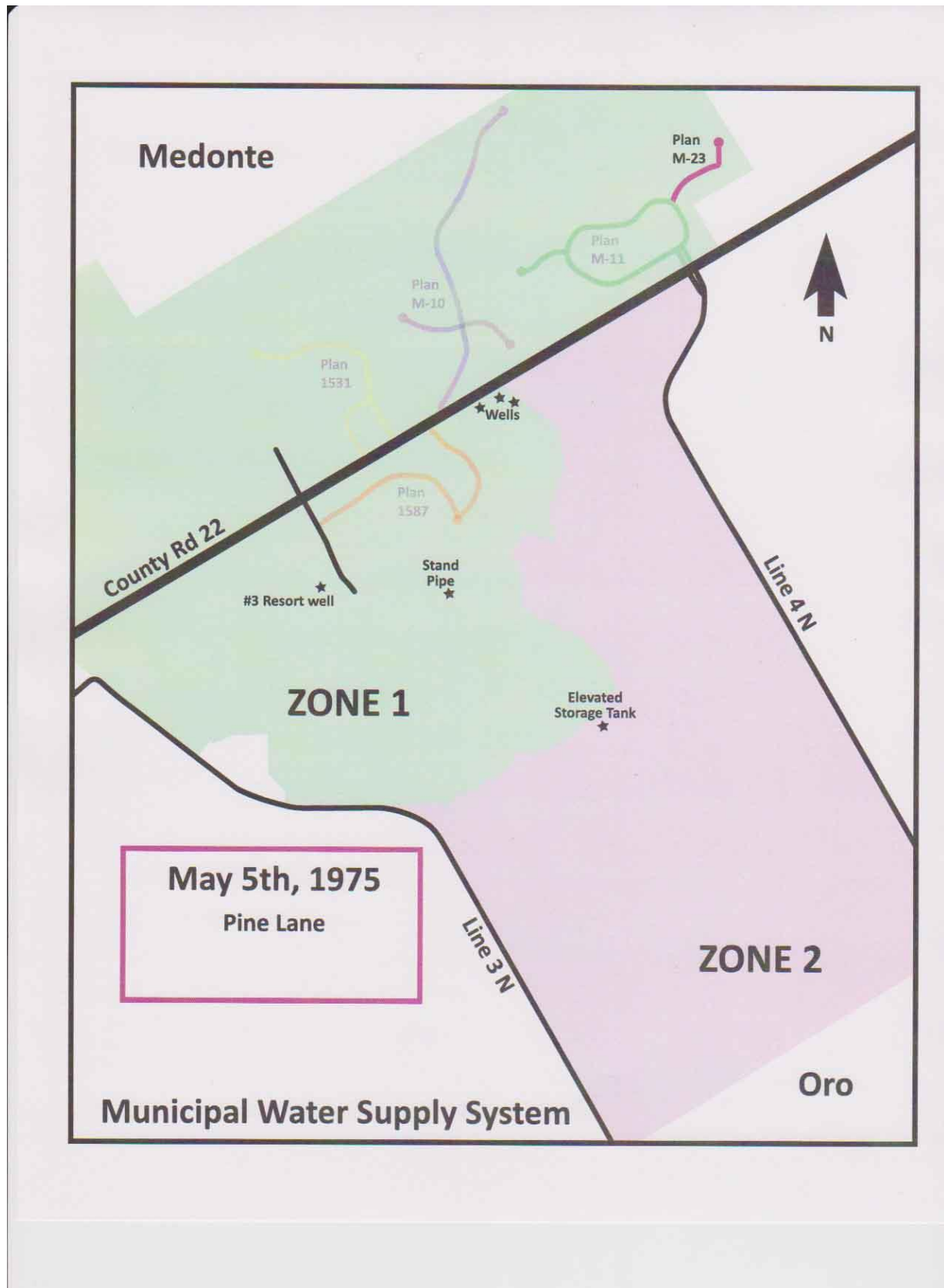
The Streets include:

Pine Point

Cathedral Pines

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Slide 5



Slide 5

Plan M-23 (Former Township of Medonte)

This represents the 5th subdivision plan registered in Horseshoe Valley

This Plan was registered on May 5th, 1975

Assumption By-Law 82-6 (October 12th, 1982)

Assumption By-Law 82-5 (February 10th, 1982)

Water Rights Guarantee Agreement

-If Oro takes over the system, they are to maintain the spirit of the Agreement and release Horseshoe Valley Resort and Salvil of further obligations. The 1990 Agreement and later Amalgamation satisfied this covenant.

-No charge for firefighting, road cleaning, flushing, and testing.

-Establish dedicated sinking funds or reserve funds for capital components.

-Leasing Agreements with Horseshoe Resort. Horseshoe Resort becomes the Lessee starting in 1982, renewable every 5 years. The last Agreement may have been executed in 2017, making this the 8th Agreement of this kind.

-The Leasing Agreement was for \$1.00 every 5 years.

-"You can't lease something that you don't own!"

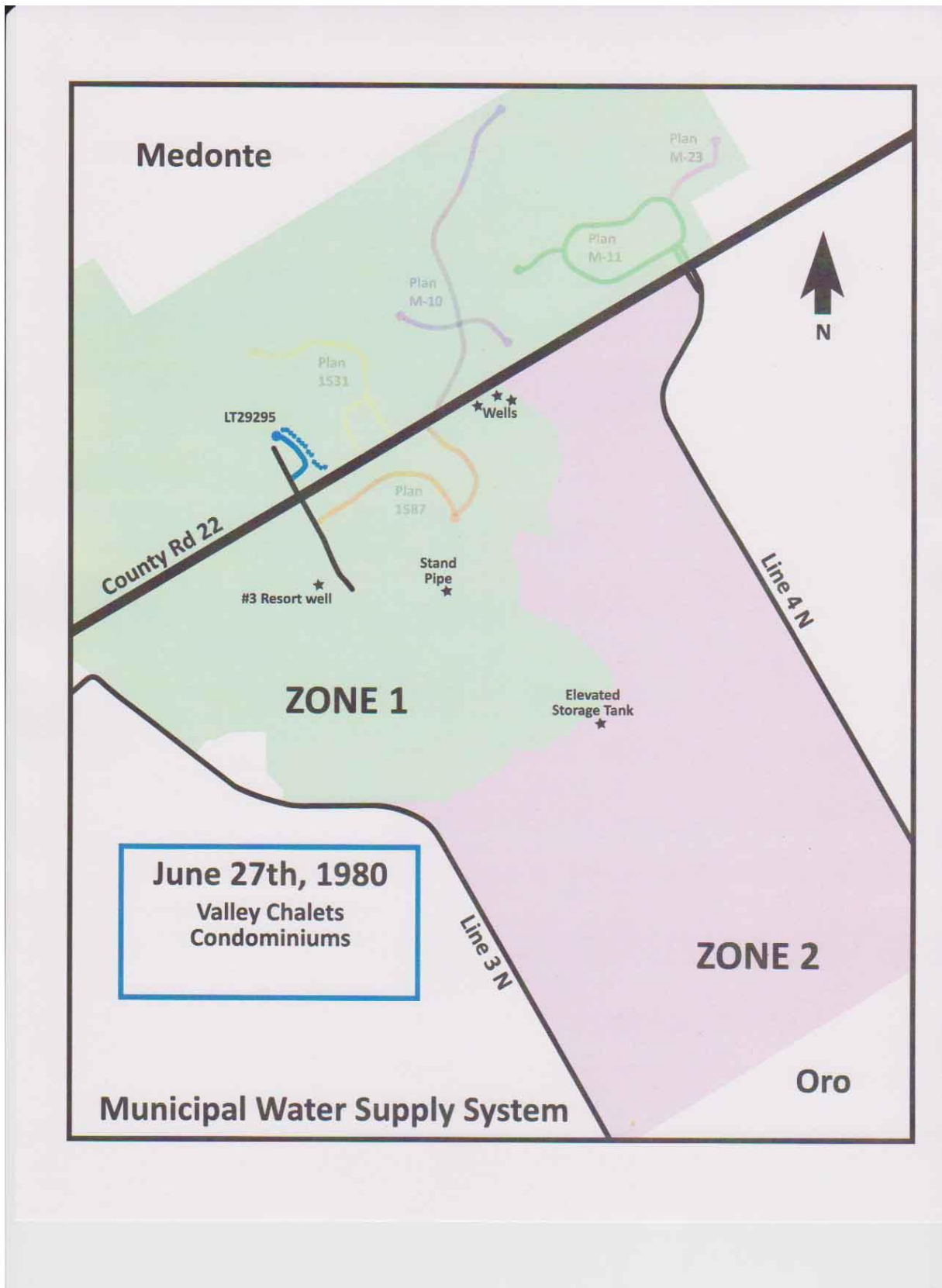
-Zone 1 Municipal Water Supply System

The Streets include:

Pine Lane

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Slide 6



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Slide 6

LT29295 (Former Township of Medonte)

This represents the 6th subdivision plan registered in Horseshoe Valley

Condominiums

This Plan was registered on June 27th, 1980

Water Rights Guarantee Agreement

-Leasing Agreements with Horseshoe Resort. Horseshoe Resort becomes the Lessee starting in 1982, renewable every 5 years. The last Agreement may have been executed in 2017, making this the 8th Agreement of this kind.

-The Leasing Agreement was for \$1.00 every 5 years.

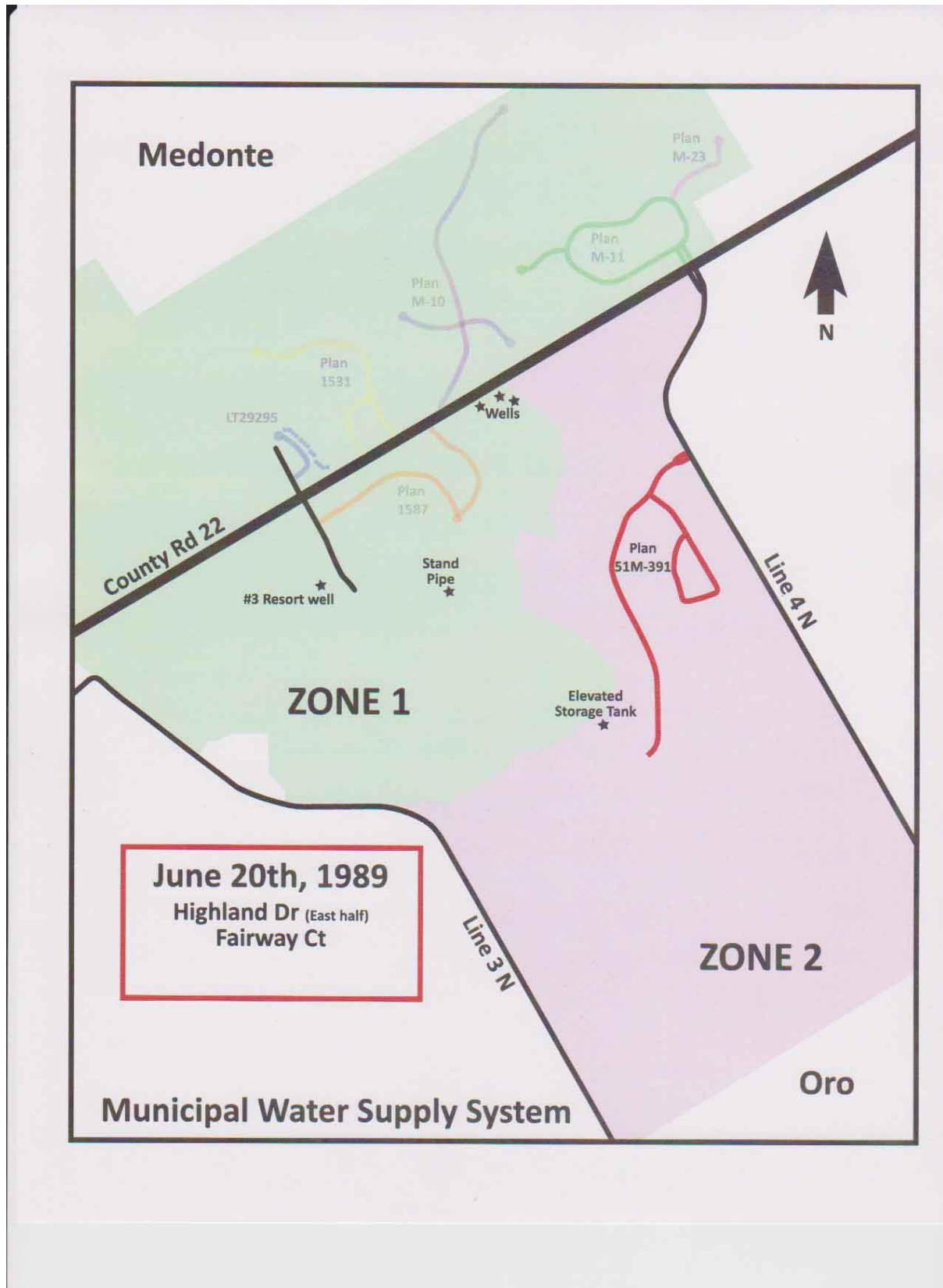
-"You can't lease something that you don't own!"

-Zone 1 Municipal Water Supply System

Zone 1 Water Supply System

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Slide 7



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

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Plan 51M-391

This represents the 7th subdivision plan registered in Horseshoe Valley

LT148430 (Former Township of Oro)

This Plan was registered on June 20th, 1989

1990 Water Agreement (51M-456)

-Integration of Zone 1 and Zone 2 Water Supply Systems

-Transfer certain watermains, hydrants, valves, and standpipe to Zone 1 Water Supply System.

Zone 2 Water Supply System

The Streets include:

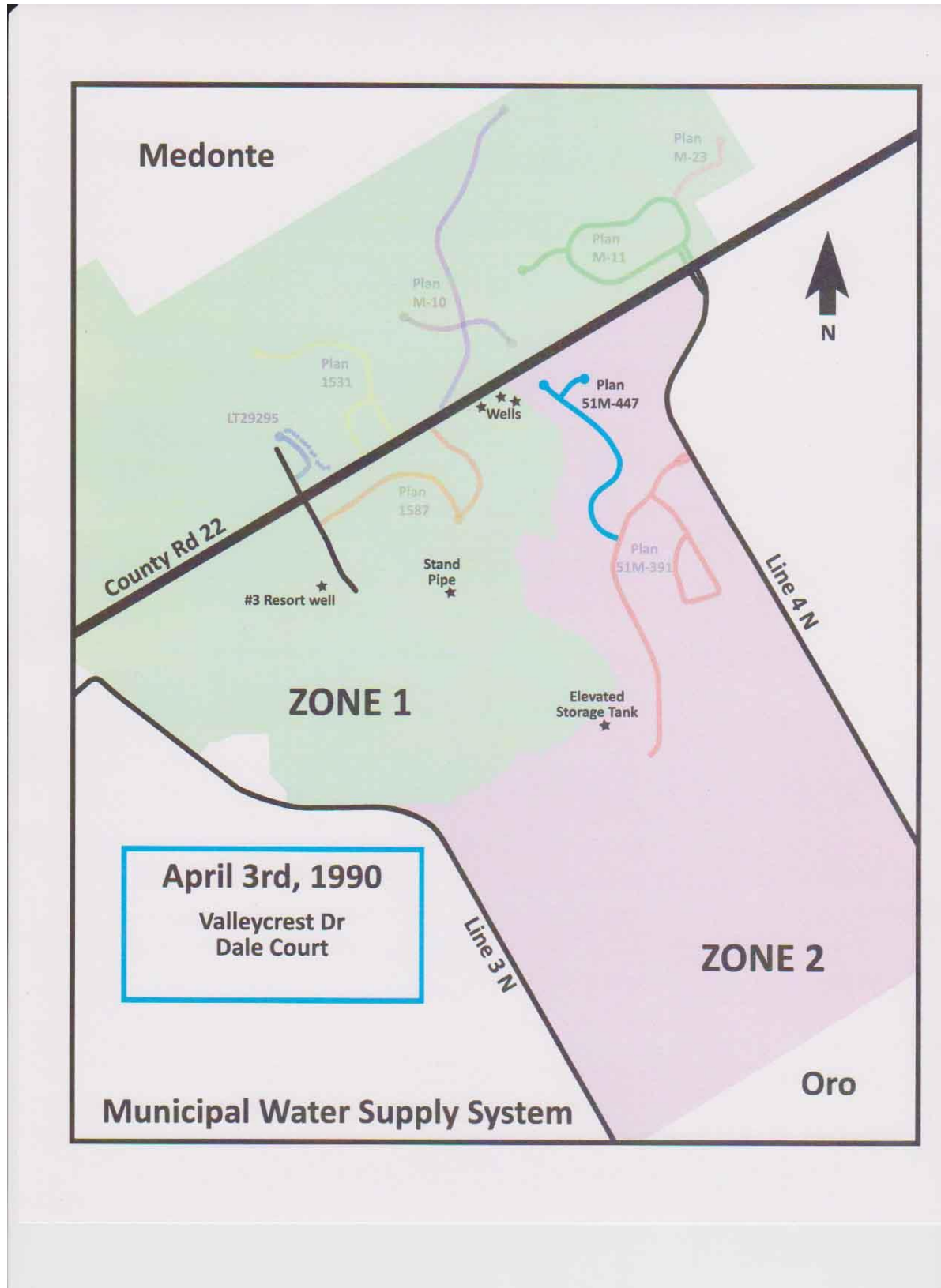
Highland Drive

(4th Concession to Zone 2 Elevated Storage Tank)

Fairway Court

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Slide 8



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Slide 8

Plan 51M-447

This represents the 8th subdivision plan registered in Horseshoe Valley

LT178069 (Former Township of Oro)

This Plan was registered on April 3rd, 1990

1990 Water Agreement (51M-456)

-Horseshoe separated snow-making equipment and irrigation equipment for golf courses from the Zone 1 Water Supply System

-Oro-Medonte later inherits the water supply systems and all the complementary By-Laws, Water Agreements, and Policies.

Zone 2 Water Supply System

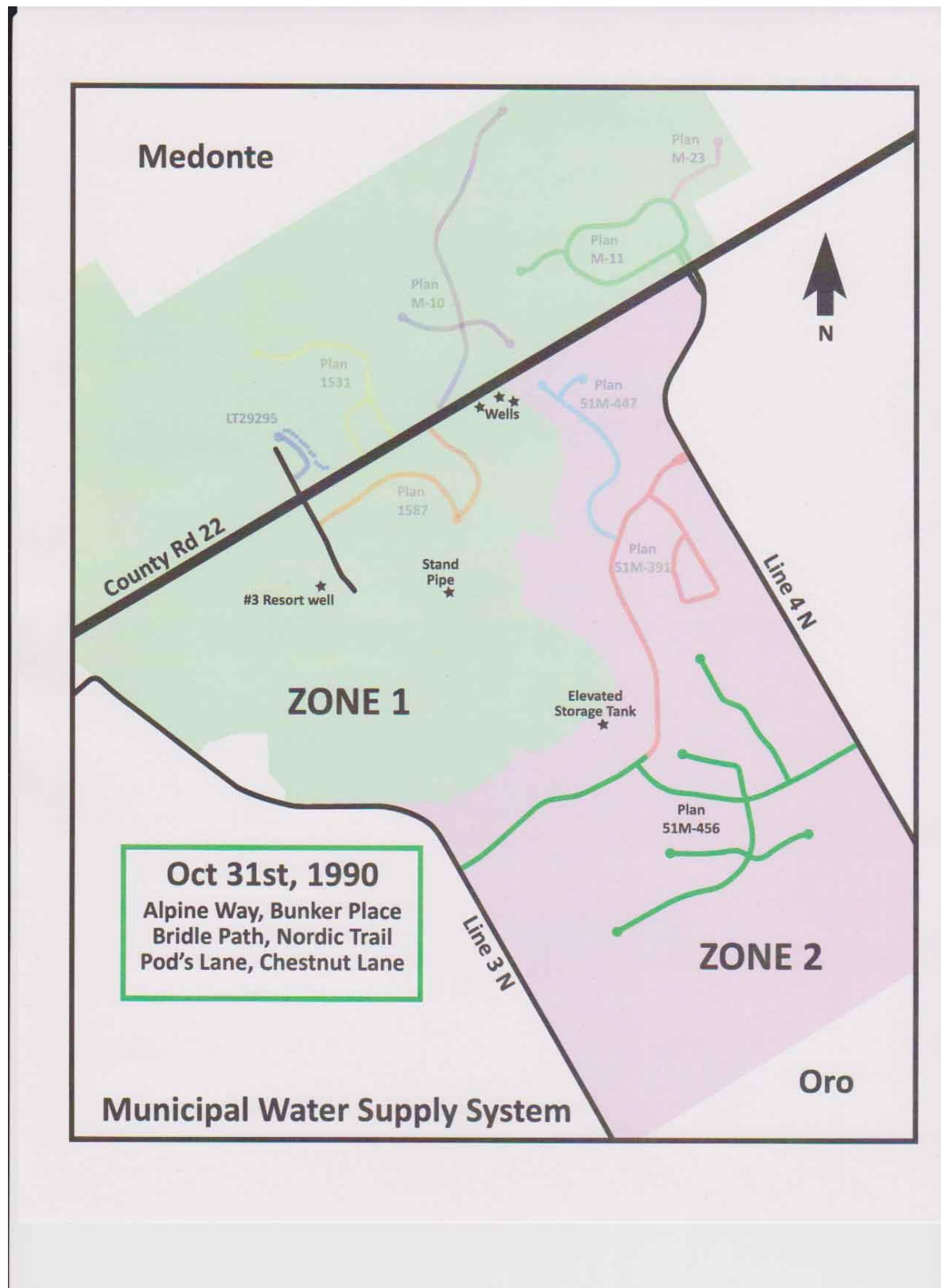
The Streets include:

Valleycrest Drive

Dale Court

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Slide 9



The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Slide 9

*Plan 51M-456

This represents the 9th subdivision plan registered in Horseshoe Valley

LT185779 (Water Services Agreement-Former Township of Oro)

LT185778 (Subdivision Agreement-Former Township of Oro)

This Plan was registered on October 31st, 1990

1990 Water Agreement (51M-456)

**-Plans 391 and 447 hinge on the complicated water agreement expressed in
LT185779.**

**-Once executed, 456 dedicates the watermain, valve, and hydrants associated
with the Zone 1 Standpipe which makes Zone 1 and Zone 2 integrated
municipally-owned water supply systems.**

***The Belowground Works were not assumed by Oro-Medonte.**

Zone 2 Water Supply System

The Streets include:

Highland Drive

(Zone 2 Elevated Water Tank to 3rd Concession)

Alpine Way

Pod's Lane

Bridle Path

Bunker Place

Nordic Trail

Chestnut Lane

The Horseshoe Valley Zone 1 Municipally-Owned Water Supply System: Rights & Privileges

Denouement

The evolution of a **water supply system** in Horseshoe Valley is very complicated and involves several layers or nuances. The following represents a list of events that may have significantly impacted this story:

-Assumption By-Laws

-Bankruptcy Proposals

-Water Rights Guarantee Agreement, 1980

-1982 Water Rights Guarantee Agreement Amendment.

-Leasing Agreements

-1990 Water Agreement

- LT185779 controversy—Plan 51M-456 not fully assumed.

-Amalgamation

-Walkerton outbreak

-Surplus of Reserve Funds.

- History of Borrowing against “surplus” funds and reserves

-3 Ontario Small Waterworks Assistance Programs

-Sparse communication of key information

-Real estate contracts showing “Municipal” as a water utility

-Water bills with vague or no information about water services

-Proposed Tri-Party Agreement before Amalgamation (1991-1993)

-Historical Wells dedicated to Zone 1 Medonte and Plan 1587

-Capacity of Zone 1 Standpipe 4500 (Knox, Martin, Kretch, 1992)

-The Rational behind the Water Integration Plan was two-fold: to join a non-municipal or private water supply system (PVT) to a municipal **water supply system** and to up-grade the fire hydrants in Zone 1.

-Fire Protection in Zone 1 is up to code along with Tanker Trucks (2017)