

MEMORANDUM OF UNDERSTANDING

This Agreement is made effective this 3rd day of May, 2018 (the “**Effective Date**”).

Between

THE CORPORATION OF THE COUNTY OF BRUCE, represented by the Office of the Chief Administrative Officer its principal place of business at P.O. Box 70, 30 Park Street, Walkerton, ON N0G 2V0 (the “**County**”)

- and –

Bruce Power represented by **James Scongack**
and having its principal
place of business at 177 Tie Road, Bruce County Road 20, Tiverton, ON N0G 2T0,
 (“**Bruce Power**”)

WHEREAS in December of 2015, Bruce Power and the Province of Ontario announced the largest investment in Ontario history for the refurbishment of the Bruce Power Facility;

AND WHEREAS this announcement created an opportunity for a partnership between Bruce Power and Bruce County;

AND WHEREAS it was agreed that the County of Bruce would maintain a contract Business Investment Specialist, known as a Contractor who would report directly the County CAO and the Bruce Power Vice President of Corporate Affairs;

AND WHEREAS the County desires to enter into an additional Memorandum of Understanding with Bruce Power to establish cost-sharing arrangements for the Business Investment Specialist and a Business Manager for the Applied Research Centre;

WHEREAS the County desires to renew the Memorandum of Understanding dated on June 2, 2016 to continue to provide Nuclear Energy Consulting Services as outlined in the scope of agreement between Bruce Power and Bruce County.

AND WHEREAS the Contractor desires to provide services upon the terms of this Agreement;

THEREFORE, in consideration of the covenants contained in this Agreement and other goods and services under consideration, the receipt and sufficiency of which the parties acknowledge the parties agree as follows:

1. Definitions

The following words will have the following meanings in this Agreement:

(a) “**Fee**” means the fee agreed upon by the County and the Contractor exclusive of the Harmonized Sales Tax (HST), to be payable by the County to the Contractor in consideration for the performance of the Services.

(b) “**Services**” means the scope of services outlined in the Bruce Power and Bruce County Memorandum of Understanding dated June 2, 2016 and the additional resource requirements for the operations of the Applied Research Centre.

(c) “**Taxes**” means Harmonized Sales Tax (HST).

2. Services

Business Investment Consultant

The Contractor will provide **Business Investment Consulting Services in relation to Nuclear Energy and future developments such as an Applied Research Centre** and will use the Contractor’s best efforts in performing the Services with due and reasonable care in accordance with generally accepted standards and practices.

(a) **Independent Contractor.** It is understood and agreed that in giving effect to the Contract, neither party shall be or be deemed a partner, agent or employee of the other party for any purpose and that their relationship to each other shall be that of independent contractor. Nothing in the contract shall constitute a partnership or a joint venture between the parties. Neither party shall have the right to enter into contracts or pledge the credit of or incur expenses or liabilities on behalf of the other party. Nothing in the contract shall be construed as to create the relationship of employer and employee between the County and the Contractor and its employees. The Contractor shall remain solely responsible for all statutory obligations imposed on an employer with respect to any individual providing services pursuant to the Contract.

Administrative Support for Business Investment Consultant

The County of Bruce will hire an administrative support to facilitate the advancement of the Business Investment Consultant. The position will be fully funded by Bruce Power.

Both parties agree that specific details surrounding the Applied Research Centre will evolve by December 31, 2018 and an opportunity for human resource conversion may occur. With a human resource model shift, an addendum to the agreement will be agreed to.

3. Fees and Expenses of the Contractor (Business Investment Specialist position)

(a) **Monthly Fee \$10,833.** The total Fee payable by the County to the Contractor shall not exceed the sum of **\$130,000** for the initial 12-month term of the agreement, defined as **1,820 hours per annum or 35 hours per calendar week**. With the exclusion of applicable taxes, no amount in addition to the Fee will be payable by the County to the Contractor.

(b) **Fee All Inclusive.** The Contractor represent that it has fully considered all of the elements required to provide the Service and that the fee above bears all such considerations including all related disbursements.

(c) **Surcharges.** The County shall not consider any surcharge, fuel, interest, or otherwise, in addition to the Fee for the term of the contract. Any charges ancillary items such as accommodation, registrations will be addressed and funded directly by the County. Mileage outside of the normal transportation to and from Bruce County Administration Center and Bruce Power shall be reimbursed at the going County rate. (2018 .55/km)

- (a) All costs for the role and supporting needs is capped at \$135,000.
- (b) The cost sharing arrangement proposed is Bruce Power/Bruce County (50/50).
- (c) The cost for each party would be \$65,000 per annum in 2018/19.
- (d) The Administrative Support role will be as follows Bruce Power/Bruce County (100/0).

4. Payments

(a) Electronic Fund Transfer (ETF) must first be provided prior to initial invoicing. Invoicing shall occur on the first business day of the month following procurement of the services. Invoices shall be emailed to Darlene Batte, Executive Assistant to the Chief Administrative Office dbatte@brucecounty.on.ca.

(b) The Contractor shall include on the face of every invoice their business identification, the full dollar value with the HST # and HST value clearly demarcated. Following receipt of the invoice, the County shall pay the Contractor net ten (10) days.

(c) Payment will be made based on the unit rate as set out in paragraph 3(a) of this Agreement.

(d) All payments shall be processed using electronic funds transfer which shall be deposited directly to the Contractors bank account. If any deviation from the accepted method of payment is necessary, such deviation shall be mutually agreed upon and confirmed in writing by both the Contractor and the County.

(e) New vendors to the County will be provided with the necessary documents to facilitate EFT payment.

(f) All costs incurred by the Contractor must be billed within thirty (30) days after termination of this Agreement. Notwithstanding anything contained herein, any costs not billed within thirty (30) days of termination will not be payable under this Agreement.

5. Confidential Information

The County may disclose Confidential Information to the Contractor. The Contractor acknowledges that Confidential Information is the property of the County, the disclosure of which will not be adequately compensated by monetary damages. The Contractor agrees (i) to safeguard and not disclose Confidential Information to third parties, and (ii) not to use Confidential Information for purposes other than in performance of its obligations under this Agreement.

6. Term

This Agreement will enter into force as the Effective Date and shall be remain in effect for a period of time **estimated at 42 months or from July 1, 2018 to approximately December 31st, 2021**. The term of this Agreement may be extended upon mutual written agreement of the parties. The continuance of the contract beyond December 31, 2021 is dependent upon both parties.

7. Limitation of Liability and Indemnity

(a) The County will not be liable for any injury or damage, including death, to the Contractor or any of the Contractor's officers, employees or agents, or for the loss of or damage to the property of the Contractor or any of the Contractor's officers, employees or agents, in any manner based upon, occasioned by or in any way attributable to the Contractor's provision of services under this Agreement, unless the injury, loss or damage is caused by the willful or negligent act or omission of the County or any its officers, employees or agents.

(b) The Contractor shall agree to at all times indemnify and save harmless the County and its municipalities and their respective Councillors, officers, employees, agents, contractors and other users from and against all claims, demands, losses, costs, damages, actions, suits or other proceedings by whomsoever made, sustained, brought or prosecuted in any manner based upon, occasioned by or attributable to anything done or omitted to be done by the Contractor, the Contractors permitted subcontractors (if any), or their officers, employees, or agents in connection with the provision of the Service.

8. Compliance with Laws and Permits

The Contractor shall comply with all federal, provincial and municipal law and regulations in the performance of and fulfillment of its obligations under the Agreement.

9. Subcontracting

The Contractor shall not perform any of its obligations through the use of subcontractors without prior written approval by the County in writing, and shall not be relieved of any of its obligations under this Agreement by use of such subcontractors. The Contractor shall be responsible for any acts or omissions by such subcontractors in the course of providing any portion of the Services and shall be solely responsible for managing and communicating with such subcontractors.

10. Force Majeure

Dates and times by which a party is required to render performance under the Contract shall be postponed automatically to the extent and for the period of time that such party is prevented from meeting them by reason of any cause beyond its reasonable control, provided the party prevented from rendering performance notifies the other party immediately and in detail of the commencement and nature of such cause and the probable consequences thereof, and provided further that such party uses its reasonable efforts to render performance in a timely manner utilizing to such end all resources reasonably required in the circumstances, including obtaining supplies or services from other sources if same are reasonably available. The benefit of this provision shall not apply to the performance of an obligation which is thirty (30) or more days in default.

11. Termination for Cause

The County may terminate this Agreement at any time upon written notice to the Contractor if: any conflict of interest (actual or potential, in the sole opinion of the County) or any fraud or dishonesty on the part of the Contractor, its permitted subcontractors (if any) and any of their respective advisors, partners, directors, officers, employees, agents and volunteers; or the Services, in the sole opinion of the County, having ongoing and/or repeated failures to meet the specifications, or reasonable levels of service or constitutes a threat to public and/or user safety; subject to Subsections (a) and (b), the Contractor being in breach of any other material term of the Agreement which, in the case of a breach that is remediable, has continued for a period of fifteen (15) days after written notice of such failure has been given to the Contractor; or the decision to recycle mattresses is terminated for any reason whatsoever.

12. Termination without Cause

The County reserves the right to terminate the Contract, at any time, without cause and without liability, upon a minimum of THIRTY (30) days written notice to the Contractor.

13. Workplace Safety and Insurance Board

The Contractor shall, within ten (10) days of execution of a written Contract with the County of Simcoe, provide the County with a current WSIB Clearance Certificate. It is the Contractor's responsibility to remain in good standing with WSIB and provide current clearance certificates to the County for the duration of the Contract term.

14. General Liability & Automobile Insurance

Prior to the commencement of any Work the Contractor shall provide, maintain and pay for, and provide the County with (jasmith@Brucecounty.on.ca) a certified copy of the policy or certificate of a general liability insurance of not less than TWO MILLION DOLLARS (\$2,000,000.00) inclusive per claim or occurrence to indemnify and hold harmless the County, covering any liability for property damage or personal injury, including death, which may arise from the Contractor's performance of the Contract. In addition to the general liability insurance policy noted above, and prior to the commencement of any Work the Contractor shall also provide, maintain and pay for and

provide the County with (jasmith@brucecounty.on.ca) a certified copy of the policy or certificate of an automobile liability policy with limits of not less than TWO MILLION DOLLARS (\$2,000,000.00) inclusive per claim or occurrence, and covering for bodily injury, death and damage to property with respect to all vehicles owned or leased by the Contractor. Except to the extent that the insurance policies required above relate to an automobile policy, the insurance policy shall provide that the County is added as an ADDITIONAL insured with respect to the completion of the Work as described in the Contract. The insurance policies set out above shall be maintained in force throughout the term of this Contract. At the time of obtaining the insurance coverage, the Contractor shall instruct the insurance company to provide the County with 30 days prior written notice of any material changes or policy cancellation and/or of any lapses in the policies. The Contractor shall be responsible for the payment of any insurance deductible amount.

The County agrees to fund the costs for personal short term and long term disability coverage up based on annual compensation value of the annual fee outlined in section 3(a).

15. Disputes

Any disputes that arise as a result of this Agreement shall be resolved through the County's Alternate Dispute Resolution process.

16. Notice

Any notice, payment or other communication required or permitted to be given under this Agreement must be in writing and will be given by mail, by facsimile or other means of electronic delivery as permitted below. Any such notice or communication, if sent by mail, will be deemed to have been received on the fourth business day after the date of mailing, or if sent by facsimile or other means of electronic delivery, will be deemed to have been received on the business day following its transmittal. Notices, payments or other communications will be sent to the parties as follows:

i. to the **County** (for legal or administrative matters):

Bruce County
P.O. Box 70
30 Park Street
Walkerton, Ontario
N0G 2V0
(519) 881-1291

ii. to **Bruce Power**:

177 Tie Road,
Bruce County Road 20,
Tiverton, Ontario
N0G 2T0

(519) 361-7482

17. Miscellaneous

(a) **Use of Name.** The Contractor will not use the name of the County, or of any officer or employee of the County, in any advertising or publicity without the County’s prior written approval.

(b) **Media Communication.** The Contractor may not at any time directly or indirectly communicate with the media in relation to this Agreement without first obtaining the written permission of the County of Bruce.

(c) **No Assignment.** The Contractor may not sell, assign, encumber, license or otherwise transfer any of its rights, duties or obligations under this Agreement without the prior written consent of the County.

(d) **Successors.** This Agreement will bind and ensure to the benefit of the parties and their respective heirs, successors and permitted assigns.

(e) **Entire Agreement.** This Agreement represents the entire agreement between the parties and supersedes any and all other agreements. Changes or modifications will not be valid unless in it is writing and signed by both parties.

18. Governing Law

This Agreement will be governed by and construed in accordance with the laws of Canada and the laws of the Province of Ontario applicable therein. The provisions of this Agreement are severable, and if any are determined to be invalid or unenforceable at law, such invalidity or unenforceability will not affect the validity or enforceability of the remaining provisions.

IN WITNESS WHEREOF the parties have executed this Agreement as of the Date(s) below:

Bruce Power

Signature: _____

James Scongack, Vice President Corporate Affairs – Bruce Power

Dated: _____

Print Name and Title:

THE CORPORATION OF THE COUNTY OF BRUCE

Signature: _____

Kelley Coulter, Chief Administrative Officer

Dated: _____

Memorandum of Understanding (MOU)

Between

Bruce Power

And

Corporation of the County of Bruce

with respect to

Establishing an Applied Nuclear Research and Training Centre

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Effective Date: May 2018

This Memorandum of Understanding (MOU) outlines the initial terms and understanding between Bruce Power and the Corporation of the County of Bruce to establish an Applied Nuclear Research and Training Centre in Bruce County (the 'Centre').

By progressing through a project development process over the next 18-months, the shared goal is to have the Centre operating in 2020. This MOU is intended to outline a road-map by which this opportunity will be advanced along with the roles and responsibilities of Bruce Power and the County of Bruce to bring all of the key elements and partners necessary for this project together to realize this opportunity.

Through the development process, which has been projected to be between June, 2018 and December, 2019 the Centre will be established in a manner that augments and enhances a series of regional and broader initiatives underway.

Additional participants will be added as the project development process progresses.

Background

Bruce Power and the County of Bruce have had a collaborative working relationship since the company was formed in 2001. This has included investments in key community initiatives; regular and ongoing communications; emergency preparedness initiatives; engagement on regulatory items, physician recruitment partnerships and most recently on Economic Development and Innovation.

Similar to previous partnerships formed between Bruce County and Bruce Power, the current MOU recognizes Grey County and Huron County as interested parties given the collaborative approach taken with the tri-County approach to regional economic development. The MOU recognizes that these activities will also seek to include Indigenous Communities, including investment and sponsorship.

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In 2014, Bruce County completed a Corporate Strategic Plan that outlined Economic Development and Innovation as areas of core focus and energy in particular. Nuclear is a key element to this broader energy strategy. The desired outcome of this MOU is to continue to diversify the County economy and to instill a focus on innovation. In 2017, Bruce County adopted a three pillar economic development strategy on Energy, Tourism and Agriculture.

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In 2015, Bruce Power signed a \$13 billion, multi-year investment agreement with the Independent Electricity Systems Operator (IESO). The agreement establishes a commercial framework for Bruce Power to continue operations and engage in a long term investment program to refurbish its nuclear fleet and help secure the site's operations until 2064.

The long-term power supply contract with the IESO provides stability for the company while guaranteeing Ontario ratepayers a competitively priced source of carbon-free electricity for decades.

Given this long-term contract, in 2016, Bruce Power and Bruce County jointly funded a partnership to establish the Nuclear Economic Development and Innovation Initiative. The partnership is designed to leverage economic opportunities in communities across Bruce, Grey and Huron Counties. The transformation across the region from this investment has been significant and impactful.

The Initiative's focus is on the nuclear industry – expanding nuclear supply chain businesses into the region while building the regional network and community capacity to support and sustain this long term growth opportunity. Since the launch of the Initiative, the region has seen an increase in its permanent local nuclear supply chain presence – with over 20 suppliers located in the region with job creation targets of over 300 in the next few years. Many are world leaders in the nuclear industry, relocating top-talent and key executives into the area.

With an increased presence of the local supply chain and a concentration of world leaders in the nuclear industry located in the region – we have established a nuclear energy economic hub. As a result, there is significant opportunity to harness the talent, experience and expertise and innovation in the region.

Purpose of the Centre

The purpose of the Centre will be to consolidate many existing activities that will advance the work of each partner. For Bruce Power the main focus is to develop future innovations and partnerships to enhance key areas of Bruce Power's operations including safety, reliability, efficiency, productivity and project execution. It will also serve as a foundation for nuclear excellence that can be utilized and leveraged domestically and internationally. For Bruce County, the centre will serve as physical space to support and enhance innovation and industrial application involving in-career skilled trades development.

The Centre will also establish a foundation for further training opportunities to fully leverage and utilize all of the benefits being introduced by the Centre.

The Centre will consist of the following key elements:

- Centre for Medical and Industrial Isotopes
- Centre for Health & Environmental Excellence in the Lake Huron and Georgian Bay area
- **Centre for Indigenous Advancement & Economic Development**
- Centre for Artificial Intelligence & Cyber Security
- Centre for **Nuclear Sector**, Operational Excellence
- Skilled Trades & Training Secretariat

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The Centre will be operated by a stand-alone entity to be established with an established Governance structure, business plan and appropriate partnerships. For clarity, this will include a separate legal operating entity with dedicated human resources for ongoing operations and a Board of Directors to oversee its function, separate and distinct from Bruce Power and Bruce County

Bruce Power will serve as the initial founding partner of the facility to progress its development **and provide leadership and direction to the Centre based on its needs for innovation.** The County of Bruce, in addition to being a founding Partner, will also serve as the landlord of the facility itself subject to appropriate arrangements being put in place with the Centre. Additional founding Partners will be added as the project advances.

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Following a review of opportunities throughout the region, Bruce Power has indicated the facility will be located in the Municipality of Saugeen Shores in Southampton, with other physical locations will be considered as part of the business case analysis.

Key Project Development Phase Activities

- A Project Manager for the development phase will be hired to oversee and manage the Centre's development as it is transitioned to a stand-alone entity. Bruce Power will fund the cost of the position and it will operate under a similar structure as the position established to deliver on the Nuclear Economic Development and Innovation partnership. The position will report into a Development Committee with a mandate to advance these key development phase activities.
- Bruce Power will fund a Project Manager position of up to \$12,000 per month during the development period. The candidate for the position or a combination of human resources support to meet the need will be agreed between Bruce Power and the County, along with other priorities in parallel such as the regional economic development initiative. The County will invoice Bruce Power quarterly.
- A Development Committee of Bruce Power and County of Bruce representatives will be established to over-see day-to-day elements moving forward the key deliverables in this project development phase. This development committee will report into a broader Steering Committee and will be disbanded at the end of the development phase.

- A Steering Committee of key leaders appointed by the County and Bruce Power will be established to assist in developing the Centre's concept, structure, function and management. The process will include stakeholder consultation sessions, meetings with industry leaders and engagement of municipal, provincial and federal governments. The Steering Committee will establish sub-working teams as necessary for key areas of the development phase that could include business plan development, construction of the Centre, partnerships etc... The Development Committee will be considered a sub-committee of the Steering Committee for the initial development phase.
- Bruce Power will lead the development of a recommended model for the operation of the **Centre** in collaboration with the County of Bruce and other Partners.
- Bruce County **will lead the advancement of the Skilled Trades Secretariat** function and operational requirements. Bruce County ~~will~~ work with Bruce Power, and other partners, to determine the structure, functions, and membership for a Skilled Trades Secretariat that will operate out of the Centre, including any resource requirements.
- Bruce Power and the County of Bruce will seek key partners and seek funding opportunities from the public and private sector to focus on the following:
 - Medical and Industrial Isotopes
 - Health & Environmental Excellence
 - **Indigenous Advancement & Economic Development**
 - Artificial Intelligence & Cyber Security
 - **Nuclear** Sector, Operational Excellence
 - Skilled Trades & Training Secretariat
- Bruce Power and Bruce County will advance a capital campaign and/or lease arrangements to secure public and private investment to fund the construction of the Centre. The estimated Capital cost of the Project to establish a Centre is between \$13-15 million although this will be further refined in the project development process.
- Bruce County will manage the design, development and physical management of the facility (capital infrastructure, facility management). The County of Bruce will only be able to play such a role with a multi-year agreement to lease the Centre that may include some space for County purposes.
- A separate legal entity to manage and operate the facility by employing key managerial roles as part of the Centre's organizational structure (e.g. core team positions and Board of Directors). All of these roles will be subject to joint approval between both parties.
- An RFP will be issued to seek post-secondary partner(s) for the Centre and key Bruce Power suppliers will be approached directly to provide them an opportunity to express their interests in joining as a Partner.

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- Bruce Power will determine what existing work it has underway that could be more appropriately included going forward in the Centre.

Key Milestones – Development Phase – May, 2018-December, 2019

- May, 2018 – Kick-off & Announcement of MOU & Project
- June, 2018 – Project Manager & Steering Committee Established
- Q3, 2018 –, Completion of Supplier Expressions of Interest, Launch Capital Campaign
- Q4-2018 - Legal Entity Established, Partnership Agreements Executed, 5-year Business Plan Approved, Construction plan for facility Approved
- 2019 –Finalize the design and operational structure and financing of the Centre
- January, 2020 – new entity operational (working out of local Office) release Post Secondary Partner RFP
- Q3-2019 – Construction of new Centre Commences

Engagement and Reporting

The Project Manager, to be based at the County of Bruce Administration Centre and the Bruce Power Site, will facilitate the development phase of the project as directed by the Steering Committee.

The Nuclear Industry Regional Advisory Committee, established under the Economic Development and Innovation Initiative, will be used as one forum for ongoing public sector engagement in the Centre's establishment.

Bruce Power and Bruce County will mutually agree on appropriate levels of funding to advance the Project Development phase through in-kind, grants and funding as mutually agreed.

Duration

This MOU is at-will and may be modified by mutual consent of authorized officials from Bruce Power and Bruce County. This MOU shall become effective upon signature by the authorized officials and will remain in effect until modified or terminated by any one of the parties by mutual consent.

Single Point of Contacts

For the purpose of facilitating the implementation of this memorandum, the single points of contact are:

Bruce County Office
Kelley Coulter
Chief Administrative Officer
30 Park Street
Walkerton, Ontario
N0G 2V0
KCoulter@brucecounty.on.ca

Bruce Power

James Scongack
Vice President, Corporate Affairs & Environment
P.O. Box 1540
177 Tie Rd.,
Tiverton, ON
N0G 2T0
(519) 361-3900
James.scongack@brucepower.com

Notices [to be populated by law]

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