

CSMI Master Storm Water Agreement Summary

The Cooperative Storm Water Management Initiative (CSMI) members have developed a Master Storm Water Agreement (MSA) to proactively collaborate as part of a regional storm water management solution. CSMI is comprised of the Western Irrigation District (WID) and five Municipalities; The City of Calgary, Rocky View County, City of Chestermere, Town of Strathmore and Wheatland County. These parties agreed in principle to establish a Cooperative to administer and fund the development and ongoing operations of a regional CSMI storm water system referred to as the Storm Water System.

The MSA sets out the proposed rights and obligations of the Municipalities, the Cooperative and the WID with respect to the development, funding, operation and maintenance of the Storm Water System. The MSA contains principles, conditions and requirements regarding ownership of the Storm Water System, termination of the MSA, Subsequent Agreements and plans, financial capital contributions from each Municipality, principles and conditions for dispute resolution, and Schedules.

The Storm Water System is the regional out-of-canal stormwater system and associated infrastructure located within the CSMI region on lands predominantly owned by the WID which will be developed, maintained and operated by the WID on behalf of the Cooperative through funding from the Municipalities and Provincial and Federal grants.

The MSA contains conditions referred to as Mutual Conditions Precedent which are required to fulfil the obligations set out in the MA: the approval of each Subsequent Agreement, approval of any changes to the Development Pro Shares, securing \$7.6 M through the Alberta Community Resiliency Program (ACRP) Grant or other government grant applications for Development Costs, and the Cooperative obtaining all regulatory approvals on or before the Agreement Approval Date (365 days after the MSA becomes effective).

The MSA also contains Conditions Precedent from Rocky View County, Chestermere and the City of Calgary. A Municipality has the option to leave CSMI if these conditions are not satisfied or waived as stated in the MSA.

Each Municipality will feed its storm water runoff into the Storm Water System in a regulated and monitored manner at designated points of entry, and runoff will be carried through, and ultimately discharged into, a natural water course. The development, construction and management of the Storm Water System will be governed by the following Subsequent Agreements:

- The Municipalities and the WID will enter into a Unanimous Members Agreement (UMA) which will address governance.
- The Development Plan/Development Agreement will be between the WID as the “Development Manager” and the Cooperative with respect to development timelines, budget, detailed engineering, construction drawings and specifications of the Storm Water System.
- The User Agreement is the agreement entered into between the Cooperative and the WID, and the Municipalities with respect to granting each Municipality the right to use the Storm Water System.
- The Management Plan/Agreement will be entered into between the WID as Operations Manager, and the Cooperative with respect to the management, operations, monitoring and maintenance policies for the Storm Water System.

The MSA specifies the conditions for termination of membership in the Cooperative. Each Municipality will need to pay their respective Development Pro Share (respective percentage of Development Costs) of all Development Costs. These are costs incurred to plan, design and construct the Storm Water System. The MSA specifies that no Municipality will be required to contribute capital funds until such time as all the municipalities have collected sufficient development levies or are otherwise able to fund the capital contributions. The capital and operating contributions will be calculated based on each Municipality's Pro Share.

The MSA includes principles and conditions for dispute resolution procedures should a dispute arise and CSMI members are not able to resolve issues. Mechanisms for dispute resolution include mediation and binding arbitration.

The MSA includes the following Schedules (not included here):

Schedule A (Development Pro Share and Estimated Development Costs);

Schedule B (System Maps);

Schedule C (Estimated Development Timeline);

Schedule D (Existing Agreements); and

Schedule E (Monitoring Program Guiding Principles and Objectives).