THE CORPORATION OF THE TOWN OF KAPUSKASING

BY-LAW NO. 3237

Being a by-law to authorize execution of the Kapuskasing Airport Management/Maintenance Agreement.

WHEREAS Section 8 of the Municipal Act, S. O. 2001, C. 25, as amended, confers broad authority upon municipalities and provides that a municipal power shall be exercised by by-law;

AND WHEREAS the Corporation of the Town of Kapuskasing deems it expedient to authorize execution of the Kapuskasing Airport Management/Maintenance agreement with 1232382 Ontario Inc.

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF KAPUSKASING ENACTS AS FOLLOWS:

1. The attached Schedule “A”, being Agreement, shall form part of this by-law.
2. The Mayor and Chief Administrative Officer be and are hereby authorized and directed to execute the attached Schedule “A” and affix the seal of the Corporation.
3. This By-Law come into force and take effect on the date of its final passing.


UNDER THE SEAL OF THE CORPORATION OF THE TOWN OF KAPUSKASING.

[Signatures]

Mayor

Clerk
Town of Kapuskasing

Airport Management / Maintenance Agreement

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<td>2 year agreement with option for 3rd year</td>
<td>$184,722</td>
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This rate includes the wage & benefit of the airport manager
2 equipment operator (40 hrs/week each = 4,160 hrs/year)
& 1 office clerk (24 hrs week = 1,248/year)

| Overtime, Call-outs and Weekend Stand-by | 15,000 | 15,300 | 15,453 |
| Janitorial Services | 10,800 | 11,016 | 11,126 |
| Administration Charges | 10,200 | 10,404 | 10,508 |

$220,722 $225,136 $227,387

| Additional Services - Wages and Benefit | Extra Operator (Nov - April) 880 hours | $26.52 | $27.05 | $27.32 |

$23,338 $23,804 $24,042

| Bearskin Agents- Wages and Benefit (2 employees) | January to December to 2008 (2,151 hours) | $20.40 | $20.81 | $21.02 |

January to December from 2009 (2,360 hours) | $48,144 | $49,112 | $49,603 |

| Aircraft refueling - Wages and Benefits (2,080 hrs) | $22.44 | $22.89 | $23.12 |

46,675 47,611 48,087 |

| Aircraft refueling - Standby rate | $20.00 | $20.00 |

| Total | $338,879 | $345,663 | $349,119 |

Chantal Boyer-Brochu, CGA
GM Corporate and Community Services

1/20/2012
MAINTENANCE AGREEMENT

THIS AGREEMENT made as of the 31st day of January, 2012.

BETWEEN:

THE CORPORATION OF THE TOWN OF KAPUSKASING

(hereinafter called the "Municipality")

- and -

1232382 Ontario Inc.
(c/o ROCK M. ROBITAILLE)

(hereinafter called the "Contractor")

OF THE FIRST PART

OF THE SECOND PART

WHEREAS the Municipality desires to have the Contractor provide airside/groundside maintenance of the Kapuskasing Airport during the term of this Agreement and subject to the provisions of same;

AND WHEREAS the Contractor has consented to same;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises and mutual covenants hereinafter contained the parties hereto covenant and agree as follows:

1. The Contractor will provide airside/groundside maintenance of the Kapuskasing Airport throughout the term of this Agreement and the Contractor hereby agrees to provide same throughout the term of this Agreement in accordance with the provisions outlined.

2. The Municipality agrees to permit the Contractor to use such assets of the Kapuskasing Airport for such purposes. Notwithstanding that the Contractor will have the daily control, and the ultimate control and decision making process shall at all times be that of the Municipality.

3. The Contractor shall perform all of the duties normally performed by an airside/groundside maintenance Contractor and be responsible for the day to day maintenance of the Kapuskasing Airport. The Contractor shall provide adequate staff at all times to cover the hours of operation and to be on call all weekends and holidays and after the regular hours; will undertake janitorial services and administrative responsibilities at no additional cost to the Municipality. The Contractor shall in performing the airside/groundside maintenance of the Kapuskasing Airport, be responsible for all of the duties as set out in Schedule 1 attached to and forming part of this agreement.

4. In return for the services agreed to be provided hereunder by the Contractor, which includes payment by the Contractor for all salaries, wages and benefits of its employees and cellular telephone costs to be made by it hereunder, the Municipality hereby covenants and agrees to pay the Contractor:

   • A 2012 maintenance fee of $227,387 (eleven equal monthly instalments of $18,950 and one payment of $17,937) and payable within 15 days of the last day of the monthly period in which the services were performed and invoiced for.

5. The Municipality agrees to indemnify the Contractor and save it harmless from and against any and all actions, suits, claims, damage, costs, liability and expenses in any manner based upon, connected with or arising out of any breach, violation, or non-performance by the Municipality of any of the terms and conditions of this Agreement.

6. The Contractor hereby waives against the Municipality, its officers, employees, agents or Contractors any claims of any kind whether directly or indirectly arising out of or connected with the existence of this Agreement and for any injury to or death.
of any person or for any loss of or damage to any property belonging to the Contractor or its employees, servants, agents, and Contractors and for any loss or damage of the Contractor with respect to its performance of the contract.

7. The Municipality shall, at its own expense, secure and maintain in effect through the terms of this Agreement, insurance policies covering the Contractor for public liability and property damage.

8. The Contractor shall give the Municipality prompt written notice of any accident occurring at the Kapuskasing Airport.

9. The Contractor will devote adequate time and attention to the performance of the maintenance duties set out in this Agreement.

10. **Term of Agreement**
Subject to earlier termination as a result of default as hereunder provided, this Agreement shall commence on the 1st day of January 2012 (the "commencement date"), and shall continue until December 31st, 2012. The Municipality has the option to renew this Agreement under and subject to the same covenants, provisos and agreements as are herein contained other than this present covenant and the terms pertinent to the maintenance fees which fees shall be mutually agreed upon by both parties within 6 months.

11. This Agreement shall be terminated:
   a) on the 31st day of December 2012 unless extended by notice by the Municipality as set out in Clause 10 above;
   b) by either party, upon written notice to the other, if such party has defaulted in any of its material obligations pursuant to the Agreement and has failed to remedy such default within sixty (60) days after receipt by such party of written notice thereof;
   c) forthwith by the Municipality upon notice in writing after the taking by the Contractor or any creditor of the Contractor of any step or steps by way of suit or otherwise leading to the bankruptcy of the Contractor and the Contractor hereby covenants to give the Municipality proper notice of the taking of any such steps;
   d) this Agreement shall be governed by and interpreted in accordance with the laws of the Province of Ontario.

12. The Contractor hereby covenants and agrees that at no time, whether during the term of this Agreement or at any time thereafter, it shall reveal to any person any information about the operations of the Municipality Airport:
   a) without the prior written consent of the Municipality;
   b) unless such revelation is contemplated by this Agreement;
   c) unless such revelation is required by any legislation of Canada or any Province thereof; or
   d) unless as required by a Court, Commission, Board, or similar agency of competent jurisdiction.

13. This Agreement and any schedules hereto constitutes the entire Agreement between the parties.

14. Any written notice, request, order, demand, statement, communication or payment provided for in this Agreement may be given by a party hereto to any other party hereto by prepaid registered post deposited in a post office or public letter box, by telefax, or by personal service or delivery to a responsible person in charge of the premises of the other party, in the case of a written notice, request order, demand, statement, communication or payment to the parties addressed as follows:

   **In the case of the Municipality:**
   The Corporation of the Town of Kapuskasing
   88 Riverside Drive
   Kapuskasing, Ontario
   P5N 1B3
   Attention: Chief Administrative Officer
In the case of the Contractor:
1232382 Ontario Inc.
Mr. Rock M. Robitaille
17 Abbot Street
Kapuskasing, Ontario
P5N 3B6

IN WITNESS WHEREOF the Municipality has hereunder set its hand and seal as of the 31st day of January, 2012.

WITNESS THE CORPORATE SEAL of the CORPORATION OF THE TOWN OF KAPUSKASING duly executed by the hands of its signing officers

THE CORPORATION OF THE TOWN OF KAPUSKASING

[Signature]

Per: [Signature]

ALAN SPACEK, MAYOR

[Signature]

Per: [Signature]

YVAN BROUSSEAU, C.A.O.

IN WITNESS WHEREOF The Contractor has hereunder set his hand and seal as of the 6th day of February 2012.

SIGNED, SEALED AND DELIVERED in the presence of

WITNESS

1232382 Ontario Inc.

ROCK M. ROBITAILLE
SCHEDULE 1

1. **Scope of work:** The Contractor will provide a clean and safe environment for Airlines/Aircrafts on all aircraft manoeuvring areas and associated areas by performing regular routine maintenance of Airside and Groundside areas at the Kapuskasing Airport based on past and the current level of service provided to airport users.

2. **Description of work:** The Contractor shall provide regular routine maintenance of the Kapuskasing Airport using materials and equipment made available by the Municipality. The Contractor shall perform snow removal and ice control maintenance by using equipment made available by the Municipality.

3. **Winter Airside Maintenance:** The Contractor will utilize appropriate equipment dried screened sand and urea supplied by the Municipality on runway 17/35, taxiway A, Apron, secondary taxiway, and perform other snow removal to airside areas as required; shall install runway light markers on all runway lights in the fall; perform minor repairs to runway, PAPI and ODALS lights as required; adjust PAPI as required due to frost heaving; remove snow by hand around runway lights as required; remove snow from the DME and VHFD roads as required; issue NOTAM for work in progress; issue runway surface condition reports as required; issue brake friction (JBI) reports as condition changes; update snow plan annually.

4. **Winter Groundside Maintenance:** The Contractor shall perform snow removal to access roads leading to all buildings; snow removal of public parking lot; snow removal to car rental and terminal building parking lot; snow removal of sidewalks and pathways to Terminal building and garage.

5. **Summer Airside Maintenance:** The Contractor shall remove runway light markers; repair washouts using materials supplied by the Municipality; undertake minor repairs to runway, taxiway, apron, PAPI, ODALS lights as required; adjust PAPI lights as required; push runway, taxiway and apron lights down to grade; repair runway taxiway and apron shoulders as required; compact shoulders and one hundred feet on both sides of runways using supplied equipment; paint runway, taxiway and apron markings as required using paint supplied by the Municipality; perform brush and weed control where required; cut grass as required; perform minor asphalt repairs using materials supplied by the Municipality; keep airside clean and free of foreign objects; repair rutting caused by heating equipment infield; crack sealing and perform wildlife control as required.

6. **Summer Groundside Maintenance:** The Contractor shall perform minor repairs to asphalt supplied by the Municipality; minor repairs to sidewalks and curbs; grade unpaved roadways; clean paved roadways; paint road markings as required; minor repairs to signage; minor repairs and adjustments to security fence (terminal and garage area); minor repairs and regular maintenance to main security gate; minor repairs and adjustments to all other gates (3); cut grass as required; undertake and supervise minor construction and crack sealing.

7. **Water Distribution System and Fire Hydrant Maintenance:** The Contractor shall perform regular maintenance to diesel engine and supervise/undertake minor construction and major repairs.

8. **Building Maintenance:** The Contractor shall undertake building maintenance which will consist of maintenance garage, sand storage building, storage shed, Quonset hut and field electrical center building. The Contractor shall keep buildings clean; perform minor repairs to the buildings such as minor painting, adjustments of doors, change light bulbs as required; minor repairs to plumbing; supervise and undertake minor construction and major repairs.

9. **Janitorial:** The Contractor shall be responsible and supervise the performance of janitorial services to the terminal building and maintenance garage.

10. **Heating/Cooling and Plumbing System:** The Contractor shall be responsible for repairs and maintenance to the heating/cooling systems in the Terminal building, garage and weather station and where required work will be carried out by qualified local Contractors. The Contractor, subject to prior approval by the Municipality, may perform some minor plumbing repairs with major repairs to be done by licensed local Contractors/suppliers and supervised by the airport maintenance Contractor and the Municipality will be invoiced accordingly.
11. **Electrical Systems Maintenance**: The Municipality may select to perform electrical repairs, otherwise the Contractor, subject to prior approval by the Municipality, shall perform minor repairs to some electrical systems as minor repairs to electrical outlets 110 volts only; change light bulbs as required; trouble shooting of runway lights failure when possible; all other maintenance repairs will be performed by licensed Contractor and will be supervised by the airport Contractor and the Municipality will be invoiced accordingly.

12. **Emergency Generator**: The Contractor shall service the emergency generator located in the field electrical center, for example: annual oil and filter change and monthly runups. Repairs will be performed by the Municipality.

13. **Use and Maintenance of Equipment**: The Contractor shall use the equipment supplied by the Municipality for Airport related purposes only and will utilize the equipment as if it was his own. The Contractor shall be responsible for the regular routine maintenance of the equipment such as daily routine inspection; oil and filter change, lubrication and washing with materials supplied by the Municipality. The Contractor shall maintain a log of hours worked with equipment and a daily log of all repairs and maintenance. The Contractor shall have the use of licensed vehicles supplied by the Municipality for the purposes of getting parts and supplies for the airport maintenance/management contract.

14. **Shop Equipment and Supplies/Tools**: The Contractor shall use materials and supplies provided by the Municipality.

15. **Employee Training and Minimum Requirements**: The Contractor shall supply his own employees for airport maintenance/management operations. The minimum requirements for employee will be a valid class DZ drivers license, must be able to obtain a restricted radio telephone certificate in minimal time if not already in the employee possession; must be able to obtain an airside vehicle operator permit in minimal time if not already in the employee possession; must have a minimum of three years experience in the operation of heavy equipment; and must have no criminal record.

16. **Hours of Operation**:
   a) **Winter hours of operations** will be effective from mid-November to mid-April as follows:
      - Monday to Friday .................. 6 a.m. to 9 p.m. (exception statutory holidays)
      - Weekends and Statutory holidays .................................. On Call
      - After hours weekdays ............................................. On Call
      - An Annual Winter Operation Plan will be provided to the Municipality.
   b) **Summer hours of operations** will be effective from mid-April to mid-November, as follows:
      - Monday to Friday .................. 8 a.m. to 4:30 p.m. (exception statutory holidays)
      - Weekends and Statutory holidays .................................. On Call
      - After hours weekdays ............................................. On Call

17. **Miscellaneous**: The Contractor shall issue NOTAM's as may be required, through the London Flight Information Centre and keep appropriate records thereof and advise the designated personnel as required; conduct daily inspections of all matters related to this Agreement and record the results of same in specially designed daily inspection record forms; obtain, update and at all times ensuring that the Canada Flight Supplement is current; shall ensure that all of the routine maintenance required for communication and telephone systems used by the Contractor are operative at all times provided that the cost of those used by the Contractor are to be its responsibility unless otherwise provided for in this Agreement; provide to the Municipality a list of its telephone numbers together with the name and address of its contact persons; report all incidents of any nature and kind that may give rise to any type of liability whatsoever in a timely manner; arrange for all reporting by the Contractor to be forwarded to the Municipality; assist and provide information to the Municipality for purposes of setting, reviewing and updating policies, procedures and systems at the Kapuskasing Airport in order to ensure the efficient and safe operation of same; provide a pager and/or a cellular telephone at its expense for use by its employees for response to emergencies or any other matters associated with its duties hereunder during weekends, holidays and after normal hours of operation; and will implement and follow the Snow Action Plan for the Kapuskasing Airport.
18. **Regular Annual Staffing Fees:**

**2012**

a) **Regular staffing:**
- 2 full-time positions
- 2 part-time positions
- 1 student (10 weeks during summer)

**Fee:** $190,300

b) **Overtime, Call-outs, Weekends and Standby:**

**Fee:** $15,453

c) **Housekeeping and Janitorial Services (12 hours per week):**

**Fee:** $11,126

d) **Administrative Charges:**
Includes company vehicle, cellular telephone, stationery items, chartered accountant, legal fees, bookkeeping, etc.

**Fee:** $10,508

**TOTAL FEES** $227,387 (2012)

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19. **Additional Services and Fees:**

a) The Contractor shall load, unload aircraft, G.P.U. start for every flight and de-ice at no extra cost, as required by the Municipality and as per airline requirements;

b) The Contractor shall provide an extra operator for Bearskin Airline hours of operation during winter months only, based on 40 hours per week for approximately 26 weeks. This additional service is subject to change should the airline schedule be reduced or discontinued. The 2012 hourly rate is $27.32.

c) The Contractor shall provide airline counter agents for Bearskin Airlines. This additional service is subject to change should the airline schedule be reduced or discontinued. The 2012 hourly rate is $21.02 based on 2,360 hours per year.

d) The Contractor shall provide a person to perform aircraft refuelling at the Kapuskasing Airport based on 40 hours per week Monday to Friday at a 2012 hourly rate of $23.12. The refueller shall be on stand-by for after hours, weekends and statutory holidays at a determined call-out rate that will be recovered at 100% by the Town of Kapuskasing through the requesting aircraft. All training and certification of staff to be provided by the Town of Kapuskasing.