

CORPORATE REPORT

NO: R097 COUNCIL DATE: **JUNE 9, 2014**

REGULAR COUNCIL

TO: Mayor & Council DATE: May 28, 2014

FROM: Acting General Manager, Engineering FILE: 5600-30(TOL)

SUBJECT: Opportunities to Provide Water Service and Sanitary Sewer Service

to 8425-196 Street from Langley

RECOMMENDATION

The Engineering Department recommends that Council:

- Authorize the execution of an agreement with the Township of Langley (the "Agreement") and the owner of the property to provide water service to the property known as 8425 - 196 Street (the "Property");
- 2. Subject to the execution of the Agreement authorize the City Clerk to bring forward for the required readings the necessary enabling By-law; and
- 3. Approve the course of action identified as Option 1 in this report, which is to not support the Property receiving sanitary service at this time.

INTENT

The purpose of this report is to advise on the opportunities to provide water service and sanitary sewer service to the property known as 8425 – 196 Street.

BACKGROUND

The Property is owned by Tong Do Sa Buddhist Temple, Chogye Order, Korea, (the "Owner") and has an existing temple.

In 2001, there was an application on the Property to rezone the Property to CD in order to:

- permit the construction of 2 buildings of approx. 300 square metres each to be used as residences for 10 monks; and
- allow the zoning to correctly reflect the use by the members of the cooperative of the site as a place where they work, share meals and worship.

This application was not completed and was subsequently concluded following comments from the Agricultural Advisory Committee that the Committee "...strongly deny the Development Application 7901-0183-00 as the property use would contravene the A.1 zoning within the land designation of the Agricultural Land Reserve". The Agricultural Advisory Committee also raised concern that some of the current uses on the property are non-conforming.

The Property currently relies on groundwater well for its water supply; however, the well has an inadequate and unreliable year round source of water. The Property currently relies on a septic field system for its primary sanitary sewer service and utilizes temporary pump out facilities when their onsite septic field system does not have the ability to support all of the demands on the system during special events. As a result, the Owner of the property is seeking to have municipal water service and sanitary sewer to the Property.

DISCUSSION

The property is approximately 15.7 hectares (38.8 acres). The location and general characteristics of the Property are illustrated on the aerial photograph that is attached as Appendix I to this report. The Property is located in the City but has its access off 196 Street from the Township of Langley. The Property is currently zoned Agricultural (A-1 Zone) is within the Agricultural Land Reserve and is within Metro Vancouver's Fraser Sewerage Area; however it is outside of Metro Vancouver's Urban Containment Boundary.

Opportunities to Provide Water Service

The City has no water main in the vicinity of the Property and an extension of the water supply system to service the Property would be difficult and very expensive. The Township of Langley has a water main along the entire frontage of the Property.

In an effort to provide water supply to the Property to address their poor water quality and provide a reliable supply of water in a cost effective manner it is recommended that the City and the Owner request that the Township of Langley to supply water to the Property through an inter-municipal agreement.

The proposed Agreement, which is attached as Appendix II to this report, provides that the Owner of the Property is responsible for all costs associated with the design and installation of the water service connection to the Property including the supply and installation of a water meter. The Agreement stipulates that the Township of Langley will invoice the City at normal billing intervals and at the Township's then current water rates for the water consumed by the Property and that the City will be responsible for paying such invoices and for recovering such costs from the Owner of the Property. The Agreement further provides that the Property must connect to the City water system when such a system is available and pay all associated charges and fees.

The proposed Agreement is similar to an agreement that the City has executed with the Township of Langley, under which the City provides water service to a property located in Township of Langley.

Opportunities to Provide Sanitary Sewer Service

In addition to the request for water service, the Owner has also requested municipal sanitary sewer service to the Property from the Township of Langley as their onsite septic field system does not have the ability to support all of the demands on the system during special events.

The City has no sewer main in the vicinity of the Property. The Township of Langley has a sewer main along the entire frontage of the property.

Unlike providing water service to a property, there are a number of considerations when providing sanitary sewer. These include:

- the property is within the Agricultural Land Reserve. Thereby any extension of the City's sanitary sewer infrastructure would require consideration by the Agricultural Land Commission. However, consideration by the Agricultural Land Commission would not be required if serviced from the Township of Langley as the Agricultural Land Reserve boundary ends at 196 Street;
- the property is outside Metro Vancouver's Urban Containment Boundary as established under their Regional Growth Strategy Plan. This plan requests that sewer connections not be provided outside of the Urban Containment Boundary;
- the provision of sanitary sewer to the property could support existing or future nonconforming uses; and
- the Owner has the ability to meet their sanitary sewer requirements by either extending
 the size of the existing septic field or continuing to use temporary pump out facilities as
 necessary.

Alternative Courses of Action

Option 1 Advise the Owner that their request for sanitary sewer service is not supported at this time as it is not consistent with Metro Vancouver's Urban Containment Boundary and given that there is both onsite and temporary actions they can use to meet their sanitary sewer needs.

Option 2 Instruct:

- a) staff prepare an agreement for sanitary sewer service to the Property from the Township of Langley based on similar terms as the proposed water service agreement; and
- b) subject to the execution of the Agreement for sanitary sewer service, authorize the City Clerk to bring forward for the required readings the necessary enabling By-law; and

Legal Services Review

Legal Services has reviewed this report and the Agreement and has no concerns.

SUSTAINABILITY CONSIDERATIONS

The proposed agreement with Township of Langley will provide domestic water service to the property, eliminate the need to extend long length of water main, and maintain the existing natural environment. The water supply to the property will assist in achieving the objectives of the City's Sustainability Charter; more particularly, the following action items:

EC3: Sustainable Infrastructure Maintenance and Replacement; and EN8: Sustainable Engineering Standards and Practices.

CONCLUSION

Based on the above discussion, it is recommended that Council:

- Authorize the execution of the Agreement with the Township of Langley (the "Agreement") and the Owner of the Property to request the Township of Langley to supply water to the Property;
- Subject to the execution of the Agreement, authorize the City Clerk to bring forward for the required readings the necessary enabling By-law; and
- Approve the course of action identified as Option 1 in this report, which is to not support the Property receiving service sanitary at this time.

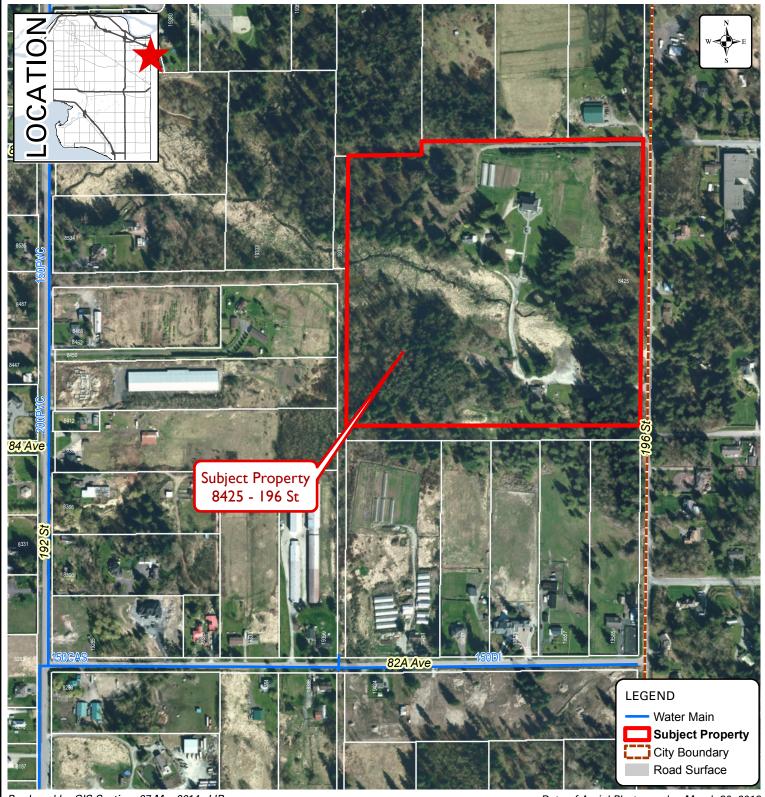
Gerry McKinnon Acting General Manager, Engineering

JA/KKL/ras

Appendix I - Aerial Photograph of Site at 8425 – 196 Street
 Appendix II - Draft Agreement to Request Township of Langley to Supply Water to 8425 196 St in City of Surrey

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APPENDIX I AERIAL PHOTOGRAPH OF SITE



Produced by GIS Section: 27-Mar-2014, JJR

Date of Aerial Photography: March 30, 2013



TEMPORARY WATER CONNECTION: 8425 - 196 ST

ENGINEERING DEPARTMENT

The data provided is compiled from various sources and IS NOT warranted as to its accuracy or sufficiency by the City of Surrey. This information is provided for information and convenience purposes only.

Source:

THIS AGREEMENT made the

day of

2014.

BETWEEN:

- (1) THE CORPORATION OF THE TOWNSHIP OF LANGLEY, having its offices at 20338-65 Avenue, Langley, BC, V2Y 3J1 ("*Langley*"); and
- (2) CITY OF SURREY, having its offices at 13450 104 Avenue, Surrey, BC V3T 1V8 ("Surrey"); and
- (3) TONG DO SA BUDDHIST TEMPLE, CHOGYE ORDER, KOREA at suite 206, 15957 84th Avenue, Surrey, BC V3S 2N8 (the "*Property Owner*")

WHEREAS:

A. Surrey and the Property Owner wish to engage and Langley agrees to supply an interim water service connection to the property in the City of Surrey having a civic address of 8425 196 St, Surrey, BC V4N 6B3 and more particularly known and described as:

> PID: 004-586-069; Lot 15 Section 27 Township 8 New Westminster District Plan 33498 (the "*Property*").

B. The parties wish to enter into this Agreement to govern the terms and conditions under which the interim water service connection shall be provided by Langley to the Property.

NOW THEREFORE THIS AGREEMENT WITHNESSETH THAT, in consideration of the premises and other good and valuable consideration and the mutual covenants hereinafter set out (the sufficiency of which is hereby acknowledged), the parties covenant and agree each with the other as follows:

1. Effective Date

1.1.	This Agreement shall remain in force for a period commencing on the day	y of
	, 2014 until such time as the Property attains frontage to the S	urrey
	water distribution system and the water service connection to the Property can be	ре
	transferred to Surrey.	

2. Purpose of the Interim Water Service

- 2.1. Langley shall provide the Service to the Property on an ongoing basis.
- 2.2. The Property Owner and Surrey acknowledge and agree that the water supplied to the Property by Langley under this Agreement is for normal use in accordance with the Water Bylaw for the existing temple and existing residences on the Property only. Langley may, at the sole discretion of the General Manager, Engineering, discontinue the Service if and when the property Owner subdivides or rezones the Property.
- 2.3. Subject to the availability of water in excess of normal use, water may also be used for other less essential, aesthetic-enhancing purposes on the Property such as lawn and garden irrigation, car washing and other cleaning processes.

2.4. Langley may reduce the quantity of water supplied to, or entirely discontinue the Service to, the Property if the Property Owner has violated any of the provisions of this Agreement, or when, in the opinion of Council, the public interest requires such action.

3. Water Rates and Water Meter

- 3.1. Langley shall charge Surrey for the Service to the Property at the same water rates, rents and/or fees applicable for metered water service for its customers in the Township of Langley as established under the Water By-Law.
- 3.2. Surrey shall pay for the full amount of the water as registered by the meter at the Property according to the rate (including without limitation any minimum charge for metered water customers) applicable to the Service under the Water By-Law.
- 3.3. The provisions of the Water By-Law dealing with water meter rates and credits and the testing of water meters shall apply to the Property.

4. Water Meter Reading and Billing

- 4.1. Langley will read the water at the Property and invoice Surrey for the applicable rates in accordance with the Water By-law and Surrey will pay the amount owning to Langley.
- 4.2. The Property Owner will pay the amount owing to Surrey.

5. Termination of Interim Water Service

- 5.1. Langley, upon being served notice by Surrey to terminate the Service, shall not be entitled to any reimbursement or compensation from Surrey, including without limitation, loss of revenue, the service connection, the water meter, the curb stop or the meter chamber on the Service.
- 5.2. Langley, upon being served notice by Surrey to terminate the Service, shall have no obligation to provide the Service to the Property Owner.

6. Responsibilities of the Parties

- 6.1. Surrey and the Property Owner hereby release, indemnify and save harmless Langley, its elected and appointed officials, employees and agents from and against any and all liability, actions, causes of actions, claims, damages, expenses, costs, debts, demands or losses suffered or incurred by Langley arising from the granting or existence of this Agreement, from the performance by Langley of this Agreement or any default of Langley under or respect of this Agreement.
- 6.2. Langley shall not be liable for the failure of the water supply in consequence of any accident or damage to the works, or for excessive pressure or lack of pressure, or any temporary stoppage on account of alterations, extensions, repairs or improvements, whether the failure arises from the negligence of any person in the employ of Langley or any other person or through natural deterioration or obsolescence of Langley's waterworks system, or otherwise.
- 6.3. Langley does not guarantee pressure or continuous supply of water to the Property, and it does not accept responsibility at any time for the maintenance of pressure on its lines or for increases or decreases in pressure. Langley reserves the right at any and all

times, without notice, to change operating conditions for the purposes of making repairs, extensions, alterations or improvements, or for any other reason, and to increase or reduce pressure at any time, Neither Langley, nor its officers, employees or agents, shall incur any liability of any kind whatsoever by reason of the cessation in whole or in part of water pressure or water supply, or changes in operating pressure, or by reason of the water containing sediments, deposits, or other foreign matter.

- 6.4. Should the Property Owner depend on a continuous and uninterrupted supply of water or having processes or equipment that require particularly clear or pure water shall provide on the parcel and at their cost, such emergency storage, over-size piping, pumps, tanks, filters, means of water treatment, pressure regulators, check valves, additional service pipes, or other means for a continuous and adequate supply of water suitable to their requirements.
- 6.5. Where steam or hot water boilers or other equipment is fed water by pressure direct from Langley water mains Langley shall not be liable for any injury or damage which may result from such pressure or from lack of such pressure.

7. Responsibility of the Property Owner

Responsibility for Construction of Interim Service Connection

- 7.1. The Property Owner shall procure, at its own expense and in compliance with the Subdivision and Development Bylaw, the Water Bylaw and all other applicable laws, the construction, maintenance and abandonment of the pipe from the point of connection to the Langley water main at its current location at 19639 86 Avenue, complete to the Property.
- 7.2. The Property Owner shall at the Property Owner's expense, install a water meter and an underground chamber in a manner and of such make and design as approved by Langley and otherwise in compliance with the Subdivision and Development Bylaw and the Water Bylaw.
- 7.3. The Property Owner shall submit engineering drawings of the water pipe installation to Langley prior to construction, and upon completion, submit as-built drawings for Langley's records.

Maintenance by Property Owner

7.4. The Property Owner must maintain the pipes, fittings, meter chambers, meter supports, fixtures, and all other private service piping and appurtenances located on the Property, in proper working order and free from leakage or wastage.

Disconnect from Well Water Source

7.5. The Property Owner shall, in compliance with the Water Bylaw and all other applicable laws, disconnect and abandon any connection between the Property's well water source and the water distribution system within the Property that are connected to Langley's waterworks system.

Responsibility for Maintenance of Water Meter

7.6. The meter shall be owned and maintained by Langley. The meter chamber, lid, fixtures and appurtenances other than the meter shall be owned and maintained by the Property Owner.

- 7.7. Langley shall maintain and repair or replace all meters, regardless of size, when rendered unserviceable through fair wear and tear. Where replacement or repair of the meter is rendered necessary by the act, neglect, or carelessness of the Property Owner or occupant of the Property, any expense caused to Langley shall be charged against and collected from the Property Owner or occupant of the Property.
- 7.8. The Property Owner shall maintain full and unobstructed access to the meter and meter chamber to allow Langley to read and maintain the meter.
- 7.9. No person shall in any manner interfere with the service connection to the Property or make any addition or alteration in or about or turn on or off any Langley curb stop valve or meter without permission in writing from Langley's General Manager, Engineering.

Obstruction or Destruction of the Waterworks

- 7.10. No person shall destroy, or damage in any manner any meter, valve or other fixture or any property of the works.
- 7.11. No person shall obstruct, at any time, or in any manner, the access to any valve, meter or other fixture connected with the waterworks system, by placing thereon or in the vicinity thereof, any lumber, timber, wood brick, stone, gravel, and or other material or thing and the General Manager, Engineering or any other employee or agent of Langley may remove the obstruction and the expense of rendered bill caused to Langley shall be charged against and collected from the offending person, Property Owner or occupant of the Property in addition to any other penalty imposed by the Water By-Law.
- 7.12. No person shall bury, cover or obstruct the water shut-off and/or meter. Langley will take reasonable efforts to locate the shut-off and/or meter. The General Manager, Engineering may remove the obstruction and the costs associated with the removal and reinstatement of the water shut off and meter shall be charged to and paid by the Property Owner.

Private Disposition or Sale of Water

7.13. No person shall sell or dispose of any water or permit water to be carried or taken away, or used, or apply it for the benefit or use of a third party or to a supplier other than the Property Owner's own use and benefit without prior written approval of Langley.

Contamination, Cross Connection and Backflow Prevention

7.14. No person shall allow water, waste water, or any harmful liquid or substance, to enter any part of the waterworks system, including any water service or any fire hydrant or standpipe.

8. Water Service from Surrey

- 8.1. At the time Surrey is able to supply water to the Property, the Property Owner shall establish service from Surrey and shall be responsible for all costs related to connecting to Surrey's water distribution system. All work must be done in accordance with the requirements of Surrey.
- 8.2. At the time the Property is connected to Surrey's water distribution system, the Property Owner shall apply to Langley to have the service from Langley disconnected. All costs related to the disconnection shall be the responsibility of the Property Owner.

9. Restrictive Covenant

9.1. The Property Owner shall file a Restrictive Covenant in the form attached hereto as Schedule A reflecting the terms of this Agreement against title to the Property. The terms of this Agreement will transfer with change of ownership until such time that the Service from Langley's water distribution system is no longer required and is disconnected.

10. Notices

10.1. Any notice which may be or is required under this Agreement shall be in writing and delivered or set by facsimile transmission, addressed to:

To Langley:

Township of Langley 20338 - 65 Avenue Langley, BC, V2Y 311

Attention: General Manager, Engineering

Phone No: (604) 533-6006 Fax No: (604) 533-6098

To Surrey:

City of Surrey 13450-104 Avenue Surrey, BC V3T 1V8

Attention: General Manager, Engineering

Phone No: (604) 591-4113 Fax No: (604) 591-8731

To Property Owner:

TONG DO SA BUDDHIST TEMPLE 8425 196 St Surrey BC V4N 6B3

Phone No: (604) 888-4647

or such other address as either party may in writing specify to the other.

11. Definitions

11.1. The following definitions apply throughout this Agreement:

"Council" means the Council of the Township of Langley;

"General Manager, Engineering" means the General Manager Engineering of the Township of Langley and shall include his or her duly appointed assistants and representatives;

"Normal use" means water used for essential purpose including household sanitation,

human consumption and food preparation;

"Person" shall, when necessary, mean and include the Property Owner, natural persons of either sex, associations, corporations, bodies politic, co- partnership whether acting by themselves or by a servant, agent or employee and the heirs, executors, administrators and assigns or other legal representatives of such person to whom the context can apply according to law;

"Rate" means the price or sum of money to be paid by Surrey for any water supplied to or made available from the Works to the Property;

"Service" means the supply of water from the Works to the Property, including all pipes, taps, valves, connections, meters, backflow preventer and protection of the supply; "Subdivision and Development Bylaw" means The Corporation of the Township of Langley's Subdivision and Development Servicing Bylaw 2011 No. 4861 as may be amended, superseded and/or replaced from time to time;

"Water" means water supplied by Langley;

"Water Bylaw" means The Corporation of the Township of Langley Waterworks Regulation Bylaw 2008 No. 4697 as may be amended, superseded and/or replaced from time to time;

"waterworks" or "works" means the waterworks system of Langley; and

"waterworks system" means all waterworks and all appurtenance thereto and owned, controlled, maintained and operated by Langley or by agreement between Langley and others.

IN WITNESS WHEREOF the parties have executed the Agreement as of the day and year first above written.

THE CORPORATION OF THE TOWNSHIP OF LANGLEY

By its authorized signatory:	
Name:	
CITY OF SURREY	
By its authorized signatories:	
Name:	_
Name:	_
TONG DO SA BUDDHIST TEN	PLE, CHOGYE ORDER, KOREA
By its authorized signatory:	
	_
Name:	_

SCHEDULE A FORM OF RESTRICTIVE COVENANT

TERMS OF INSTRUMENT - PART II

COVENANT - SECTION 219 OF THE LAND TITLE ACT

WITH PRIORITY OVER

THIS AGREEMENT made the day of , 2014

BETWEEN: TONG DO SA BUDDHIST TEMPLE, CHOGYE ORDER, KOREA

Suite 206, 15957 84th Avenue, Surrey, BC V3S 2N8

(the "Covenantor")

OF THE FIRST PART

AND:

THE CORPORATION OF THE TOWNSHIP OF LANGLEY, 20338 – 65th Avenue, Langley, BC V2Y 3J1

(the "Municipality")

OF THE SECOND PART

AND:

INSERT NAME AND ADDRESS OF MORTGAGE HOLDER

(the "Mortgage Company")

OF THE THIRD PART

WHEREAS:

A. The Covenantor is the registered owner of ALL AND SINGULAR that certain parcel or tract of land and premises situate, lying and being in the Municipality of Langley, in the Province of British Columbia, having a civic address of 8425 196 St, Surrey, BC V4N 6B3 and more particularly known and described as follows:

PID: 004-586-069;

Lot 15 Section 27 Township 8 New Westminster District Plan 33498

(the "Lands")

B. Section 219 of the *Land Title Act* provides, inter alia, that a covenant, whether of a negative or positive nature, may be registered as a charge against the title to the land, in favour of the

municipality or the Crown, and that the covenant is enforceable against the Covenantor and the successors in title of the Covenantor.

- C. A covenant under Section 219 of the Land Title Act may include provisions in respect of the use of land, the use of a building on or to be erected on lands; that land is to be built on in accordance with the covenant, is not to be built on except in accordance with that covenant or is not to be built on; that land is not to be subdivided unless in accordance with the covenant or is not to be subdivided.
- D. The Covenantor has applied to the Municipality to install a temporary water connection from the Lands to the Municipality's water distribution system including the entire pipe length from the point of connection to the Municipality's water main in Langley at 19639 86 Avenue to the Lands (the "Works") until such time as the Lands attain frontage to the City of Surrey's water distribution system and the water service connection to the Lands can be transferred over to the City of Surrey ("Surrey").
- E. Surrey has agreed to the terms and conditions of the temporary connection of the Lands to the Municipality's water distribution system.
- F. The Municipality requires an indemnity pursuant to Section 219 of the Land Title Act.

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT pursuant to Section 219 of the Land Title Act, and in consideration of the premises, the mutual covenants and agreements contained herein and other good and valuable consideration and the sum of One Dollar (\$1.00) now paid by the Municipality to the Covenantor (the receipt and sufficiency whereof is hereby acknowledged), the parties hereto covenant and agree that the Lands shall not be used or built on except in accordance with this Covenant as follows:

- 1. The Works upon completion will remain in the ownership of the Covenantor, to be perpetually operated, maintained, repaired and replaced when necessary by the Covenantor at no cost to the Municipality or Surrey and shall include any required surface and sub-surface restoration costs. In addition the Covenantor must obtain all applicable permits and licenses before conducting any works within a road allowance or Municipality right of way.
- 2. The Covenantor shall not use the Lands or the building on it unless the Works are constructed in accordance with the British Columbia Plumbing Code and as required by the Municipality and Surrey and are operated and maintained for supplying water to the Lands.
- 3. The Covenantor shall not be entitled to subdivision or annexation of the Lands, change in the lane use or increment of density, or to significant reconstruction for further improvements on the Lands without first providing a permanent water connection which is acceptable to Surrey and which is capable of providing the appropriate level of service in accordance with Surrey's requirements applicable at the time and the Municipality may, at its sole discretion of its General Manager, Engineering, discontinue the water service to the Lands when the Covenantor subdivides or rezones the Lands.
- 4. The Covenantor agrees that the Works shall serve only the Lands and premises identified herein, and further agrees to bear the entire costs of the connection and pay the applicable rates and taxes as soon as the temporary connection is completed.

- 5. The Municipality may disconnect the temporary connection at its option upon providing three months' written notice to the Covenantor. Such disconnection will not obligate Surrey to provide a connection from Surrey's municipal water system.
- 6. The Covenantor shall have sole responsibility, at its own expense, to carry out or cause to be carried out, the operation, maintenance, repair, renewal, replacement, removal and otherwise servicing of the Works.
- 7. The meter is owned and maintained by the Municipality. The meter chamber, lid, fixtures and appurtenances other than the meter are owned and maintained by the Covenantor. The Covenantor shall maintain full and unobstructed access to the meter and meter chamber to allow the Municipality to read and maintain the meter.
- 8. The Municipality shall maintain and repair or replace all meters when rendered unserviceable through wear and tear. Where replacement or repair of any meter is rendered necessary by the act, neglect, or carelessness of the Covenantor, any expense caused to the Municipality shall be charged against and collected from the Covenantor.
- 9. In consideration of the Municipality allowing the Works to be installed the Covenantor covenants and agrees to support any application or petition by other owners for extension of a water main which will provide service directly to the Lands. The Covenantor authorizes Surrey to use this covenant as written confirmation of its support in the future.
- 10. The Covenantor shall, at its own cost and expense, immediately connect permanently to Surrey's water distribution system when the Lands legally front the permanent water main, and shall immediately pay the corresponding connection charge, latecomer charge, specified charge and or local improvement levies, as may be applicable at that time.
- 11. The Covenantor shall not use the Lands or the building(s) on it for any other use except as permitted by the Municipality and Surrey at the time of entering into this agreement unless otherwise approved in writing by the Municipality or Surrey.
- 12. The water to be supplied by the Municipality to the Lands is for normal use. Subject to the availability of water in excess of normal use, water may also be used for other less essential, aesthetic-enhancing purposes such as lawn and garden irrigation, car washing and other cleaning processes. Normal use means water used for essential purposes including household sanitation, human consumption and flood preparation.
- 13. The Municipality may reduce the quantity of water supplied or entirely discontinue the provision of water to the Lands if the Covenantor has violated any of the provisions of this covenant or when, in the opinion of the Municipality's Council, the public interest requires such action.
- 14. The Municipality shall charge Surrey for the water service to Lands at the same water rates and meter base charge and at the same duration as its other customers in the Township of Langley as may be in place from time to time and the Covenantor shall pay to the Municipality the amount of the charges as may be billed by the Municipality to Surrey.

- 15. The Covenantor hereby covenants and agrees with the Municipality that the Municipality is not required or is under no obligation in law or equity to prosecute or enforce this Agreement in any way.
- 16. IT IS MUTUALLY UNDERSTOOD, agreed and declared by and between the parties hereto that:
 - a) nothing contained or implied herein shall in any way restrict or abrogate and shall not be deemed to restrict or abrogate, the rights and powers of the Municipality or Surrey in the exercise of its functions under any public and private statutes, by-laws, orders and regulations, in its absolute discretion, and in accordance with its lawful powers and duties:
 - the burden of the covenants herein provided for shall run with the Lands and will be personal and binding upon the Covenantor during the Covenantor's seisen of or ownership of any interest in the Lands;
 - c) notwithstanding anything to the contrary, the Covenantor shall not be liable under any breach of any covenants and agreements contained herein after the Covenantor ceases to have any further interest in the Lands;
 - d) the Covenantor will deliver, after execution hereof, this Agreement to the Municipality in a form acceptable as a Section 219 Covenant and concurrently such instruments of priority as may be necessary to give this Agreement priority over all financial charges and encumbrances which may have been registered against the title to the Lands at the time of submitting this Agreement for registration in the applicable Land Title Office, save and except those specifically approved in writing by the Municipality or in favour of the Municipality;
 - e) the fee simple estate in and to the Lands will not pass or vest in the Municipality under or by virtue of these presents and the Covenantor may fully use and enjoy the Lands except only for the requirements provided for in this Agreement;
 - f) the Covenantor and its successors and assigns hereby releases, indemnifies and saves harmless the Municipality and Surrey, their elected and appointed officials, employees and agents from and against any and all liability, actions, causes of actions, claims, demands, expenses, costs, debts, demands or losses suffered or incurred by the Municipality or Surrey arising from the granting or existence of this Agreement from the performance by the Covenantor of this Agreement or any default of the Covenantor under or in respect of this Agreement;
 - g) the Municipality does not guarantee pressure or continuous supply of water to the Lands, nor does it accept responsibility at any time for the maintenance of pressure on its lines or for increases or decreases in pressure. The Municipality reserves the right at any and all times, without notice, to change operating conditions for the purposes of making repairs, extensions, alterations or improvements or for any other reasons and to increase or reduce pressure at any time. Neither the Municipality, nor its officers, employees or agents shall incur any liability or any kind whatsoever by reason of the cessation in whole or in part of water pressure or water supply or changes in operating pressures or by reason of the water containing sediments, deposits or other foreign matter;

- h) the Covenantor shall submit engineering drawings of the water pipe installation to the Municipality prior to construction and upon its completion, submit as-built drawings for the Municipality's records;
- the covenants and agreements on the part of the Covenantor and herein provided for have been made by the Covenantor as contractual obligations as well as having been made pursuant to Section 219 and as such will be binding on the Covenantor;
- j) nothing herein provided for shall be deemed to constitute waivers of any lawful requirements with which the Covenantor would otherwise be obligated to comply with;
- k) no amendment of, addition to, or discharge of this Agreement shall be binding upon the parties hereto unless it is in writing and executed by the parties hereto;
- if any provision provided for in this Agreement is for any reason held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other provision of this Agreement which shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained therein and such other provisions shall be enforceable to the fullest extent permitted by law;
- m) the Municipality and Surrey, in addition to their rights under this Agreement or at law, will be entitled to all equitable remedies, including specific performance, injunction and/or declaratory relief, to enforce its rights under this Agreement;
- n) the Covenantor shall pay for the preparation and registration, if applicable, of this Agreement together with any concurrent instruments of priority as herein provided for and any amendment, addition or discharge thereof;
- o) wherever the singular, masculine or neuter is used herein, the same shall be construed as meaning the plural, feminine or the body corporate or politic according to the context in which it is used:
- p) the parties hereto shall do and cause to be done all things and execute and cause to be executed all documents which may be necessary to give proper effect to the intention of this Agreement;
- q) this Agreement shall enure to the benefit of and be binding upon the Covenantor, the Municipality, Surrey and their respective successors and assigns.
- 17. The Mortgage Company in consideration of the payment of ONE DOLLAR (\$1.00) and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged) hereby agrees and consents to the registration of the Covenant herein granted under Section 219 of the *Land Title Act*, running with the Lands and against the Lands in priority to the said Mortgage Company Document(s) registered under No(s). in the same manner and to the same effect as if it/they had been dated, granted and registered prior to the Mortgage Document(s).

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day, month and year first above written.