

ATTACHMENT 1

2007 Council Approved Original Term Sheet for the First Nations Community Benefits Agreement

Appendix A below is an excerpt from Attachment 1 to the report Conformity with the Conditions of Closing for the Purchase of the Green Lane Landfill dated March 26, 2007.

Appendix "A"

TERM SHEET

FIRST NATIONS COMMUNITY BENEFITS AGREEMENT

in respect of the Green Lane Landfill

This proposal is subject to Toronto closing the purchase-sale agreement for the Green Lane landfill ("landfill") and taking possession of the landfill and buffer lands, and execution and delivery of full and final releases from the Oneida Nation, a settlement agreement, and a community benefits agreement modeled generally on the agreement between Southwold and the City of Toronto (with waste disposal at one rate of \$48.11 per tonne (2006) as adjusted annually by changes in the Consumer Price Index, and with no contribution to royalties). The finalized documents shall be executed and delivered to the City in escrow prior to closing.

1. Community Benefit Payments

- a. 4% of gross revenue from the landfill per annum (pro rated for 2007) to the First Nations for as long as the landfill is operated, to be deposited into a trust fund created by the First Nations Liaison Committee ("FNLC") in accordance with the Community Benefits Agreement.
- b. \$4 per tonne of waste that is diverted from landfill into any waste diversion facilities owned or operated by Toronto sited at the Green Lane landfill site or buffer lands ("waste diversion facilities"), to the First Nations, per annum, adjusted upwards in accordance with annual increases in the Consumer Price Index, to be deposited into a trust.
- c. Toronto shall covenant that if it disposes of its interests in the landfill or any of the waste diversion facilities to any future owner or operator of the landfill, the new owner shall agree to be bound to continue to pay the 4% fee or \$4 per tonne fee as in 1(a) and 1(b) above as applicable, as a condition of purchase and sale.

2. First Nations Liaison Committee

- a. The terms of reference for the FNLC drafted by the MOE and attached hereto shall govern the establishment of the FNLC. These Terms of Reference may, from time to time, be amended upon mutual agreement of the parties.
- b. Until the First Nations and Toronto reach agreement on the terms of reference for the FNLC, the terms of reference drafted by the MOE and attached hereto shall govern the FNLC.
- c. Toronto shall pay \$55,000 for the establishment and operating costs of the FNLC for 2007, and this amount shall be deposited into a bank account established for the sole purpose of operating costs of the FNLC (the "bank account") upon Toronto taking possession of the landfill and the trust having been established by the FNLC.
- d. Toronto shall pay \$45,000 at the beginning of 2008 to the FNLC bank account for the operating costs of the FNLC for 2008, and thereafter shall pay \$45,000 per annum adjusted upwards in accordance with increases in the Consumer Price Index, at the beginning of each subsequent year, to the FNLC bank account for the operating costs of the FNLC for that year.
- e. Within the amounts provided for this purpose in 2(c) and 2(d) above, the FNLC shall determine eligible operating costs for the FNLC which includes administration costs of the trust ("operating costs"), and an annual budget for the operating costs and other expenses as approved by the FNLC.

3. Business Relationships

- a. The City acknowledges that the Oneida Nation of the Thames (and/or in partnership with other First Nations) intends to create a collective business entity for the purpose of engaging in business relationships with Toronto and others in respect of landfill services, waste diversion facilities and related business ventures ("FN business").
- b. Toronto agrees to notify the FNLC and any FN business established and identified to Toronto by the First Nations, of business opportunities to supply goods or services in respect of the landfill and any waste diversion facilities sited on the landfill or the buffer lands owned by the City, when call documents are issued by Toronto for such opportunities.

- c. Toronto will assist any such FN business with information and seminars or other learning opportunities on how to do business within Toronto's competitively-based procurement policies and practices, and will provide information about the City's plans related to waste diversion activities, plans and priorities.
- d. Participation of any such FN business in these competitive proposal/bid processes may lead to service contracts, revenue sharing arrangements, design build arrangements or joint ventures with the City of Toronto.