

Designated Industrial Property Assessment Review Agreement

This Agreement dated this _____ day of _____, 2025, is made

By and Between:

The County of Vermilion River,

a Municipal Corporation, incorporated pursuant to the laws of the Province of Alberta, whose address is

Box 69, 4912-50 Ave, Kitscoty, AB, T0B 2P0

(referred to as "the County")

AND

Independent Municipal Assessment Corporation (IMAC),

a body corporate duly incorporated under the laws of the Province of Alberta and specializing in

municipal property assessment,

(referred to as the "Contractor")

1. Services

The County hereby retains the Contractor to perform a non-linear designated industrial Properties (DI) assessment review within the County in accordance with the terms and conditions set forth in this Agreement.

2. Contractor Deliverables

Under this Agreement, the Contractor will provide the following:

- a) Field inspections of approximately 50% of non-linear DI accounts (approximately 1600 of the 3200 current active and idle DI accounts)
Note: parcel count is approximate and subject to change
- b) Field inspections of new well drills in 2025 (based on new well drill permits provided by the County, Government of Alberta, Government of Canada and relevant regulatory bodies such as AER, Ministry of energy etc.)
- c) Inventory of all assessable surface lease equipment (Buildings & Structures and Machinery & Equipment), as identified in above in 2(a), at the inspected DI facilities, reconciled with the industrial details provided by the Provincial Assessor's office.
- d) County-wide well production review to determine operational status of all DI accounts, reconciled with the assessment roll provided by the Provincial Assessor. It is agreed and understood that not all of these accounts will be physically inspected however desktop analysis on the whole roll is warranted.
- e) Report all identified changes, additions, and deletions resulting from inspections and production reviews to the Provincial Assessor. In cases where the Provincial Assessor does not accept certain changes, the Contractor shall prepare and submit a report to the County outlining the uncorrected discrepancies. **This report must include supporting evidence and documentation to substantiate the findings** which can be forwarded to the provincial assessor as needed.

It is understood by the both parties that the Contractor is not responsible for preparation of assessments or for decisions made by the Provincial Assessor. Final determination of assessment updates lies with the Provincial Assessor.

3. County Deliverables

The County will provide:

- a) Facilitation of communication between the Contractor, the County, and the Provincial Assessor
- b) Access to County maps, including GIS webmap
- c) An introduction letter identifying the Contractor as an authorized representative of the County for fieldwork

4. Term of Agreement

This Agreement shall commence on July 15, 2025, and conclude on December 30, 2025, to facilitate property inspections in alignment with the legislated condition date for Designated Industrial (DI) assessments.

It is acknowledged and agreed that the Agreement term ends December 30, 2025; however, follow-up tasks directly related to this scope and agreement may continue beyond the term of Agreement.

4.1 Legislated Condition Date for DIP Assessments

In accordance with provincial legislation, the condition date for Designated Industrial Property assessments for the 2026 tax year is October 31, 2025.

5. Subcontractors

The Contractor may engage subcontractors to support the delivery of field inspections, well production reviews, and the identification of changes to Designated Industrial Property (DI) accounts, subject to prior written approval by the County. All subcontractors must be disclosed to the County in advance and shall operate under the direction and responsibility of the Contractor. The use of subcontractors shall not result in any additional cost to the County.

6. Costs

The County will pay the Contractor:

- a) **\$240,000 + GST** for the base scope of 50% wellsite review
- b) **\$200 + GST per new well permit or found well** that results in a new account or roll number creation

7. Invoicing and Payment schedule

The attached Schedule A will provide direction on invoicing, payment and milestone delivery.

Attached Schedule A is an integral part of this agreement.

8. Expenses

All expenses incurred in the provision of services under this Agreement will be the sole responsibility of the Contractor, including but not limited to:

- a) Mileage and vehicle expenses
- b) Meals, accommodation, and living costs
- c) Office equipment, software, and support
- d) Taxes and employment-related remittances
- e) WCB premiums and insurance

9. Legal Representation

The County agrees to provide legal representation for the Contractor and its subcontractors in matters arising directly from the scope of services provided in this agreement, subject to the following:

- a) Legal costs must be **reasonably incurred** and mutually acknowledged
- b) Legal representation must be through qualified professionals licensed in Alberta
- c) The coverage does not extend to cases of negligence, willful misconduct, or unauthorized actions

Any provision of legal representation shall be at the County's sole discretion and does not constitute an admission of liability.

10. Insurance

The Contractor must maintain the following insurance during the term of this Agreement:

- a) **\$2,000,000 General Liability Insurance**
- b) **\$2,000,000 Automobile Liability Insurance**
- c) **\$1,000,000 Errors and Omissions Insurance**

Proof of insurance shall be provided to the County upon request.

11. Contact and Communication

The Contractor shall respond to County inquiries within **48 hours** and shall provide regular updates (monthly) on the progress of the work throughout the term of this Agreement.

12. Signatures

By signing below, both parties agree to the terms and conditions of this Agreement in full.

Signed on behalf of

the County of Vermilion River:

IMAC (Independent Municipal Assessment Corp.)

Name: Marty Baker

Name: _Larry Horne_____

Title: Reeve – County of vermilion River

Title : __President_____

Date: _____

Date: Jul ____, 2025_____

Sign:_____

Name: Alan Parkin

Title: CAO – County of vermilion River

Date: _____

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Reporting-Based Billing

Invoicing Schedule

Invoicing shall be based on the completion and submission of key project deliverables as follows:

- **Project Commencement – July 15, 2025**
Project initiation and preliminary field activities.
- **First Draft Inspection Report – On or around August 15, 2025**
Upon submission of the first draft report outlining initial inspection findings, the County will process payment for **50% of the total contract amount** to reflect upfront inspection and mobilization efforts.
- **Second Report Submission – October 1, 2025**
IMAC may invoice an additional **25% of the contract amount** upon submission of a second report detailing progress to date, including updated findings and interim conclusions.
- **Third Report or follow up findings Submission – November 15, 2025**
IMAC may invoice an additional **10% of the contract amount** upon submission of a third progress report, providing further analysis and continuity of findings.
- **FINAL Project Completion & Provincial Engagement – December 15, 2025**
The remaining 15% of the contract amount may be invoiced upon completion of all final deliverables, including support provided during discussions with the Province and the resolution of any outstanding assessment issues. Included in this project is an additional 100 hours for support regarding DIP assessment follow up beyond the December 31, 2025 completion date.

Note:

Due to the dependency on weather and field conditions, milestone dates are subject to minor adjustments with mutual agreement, with an expectation of the preliminary report being delivered by late July or early August, and the second report by late September or early October.

Payment Terms

The County shall process all approved invoices within thirty (30) days of receipt.

Signed on behalf of

the County of Vermilion River:

IMAC (Independent Municipal Assessment Corp.)

Name:

Name: _Larry Horne_____

Title: Reeve – County of vermillion River

Title : __President_____

Date: _____

Date: July, _____ 2025_____

Sign: _____

Title: CAO – County of vermillion River

Date: _____