

SAMPLE
LETTER OF AGREEMENT (MOA)
BETWEEN
<CONTRACTOR NAME>
AND
ALGOMA STEEL INC

Revised July 14, 2020

BACKGROUND: On behalf of the Canadian Coast Guard (CCG), Public Works and Government Services (PWGSC) is undertaking a maintenance dredging project on the Canadian side of St Mary's River in Sault Ste. Marie (Project Reference R.101931.001). Two main areas of dredging include the area off Point Louise (Brush Point, Pointe Louise Channel and Pointe Louise Turn) and a smaller area west of the locks (Vidal Shoal Channel, Canadian Channel and Canadian Channel West Entrance). The dredgeate material is anticipated to be clean based on testing and consists predominantly of sand. Based on preliminary discussions, Algoma Steel Inc. (Algoma) is interested in the St. Mary's River dredgeate material. This MOA identifies obligations for both PWGSC's Contractor <Contractor Name> and Algoma.

OBJECTIVE: PWGSC and Algoma share a common objective in providing a destination for the dredgeate material originating from St. Mary's River, as it represents good value goods and services for each party.

AGREEMENT: To achieve the objective, both PWGSC's Contractor <Contractor Name> and Algoma agree to the following obligations as outlined below:

1. <Contractor Name> has been awarded a Contract to undertake all dredging activities, delivery and placement of the dredgeate material to the west side of Algoma Slip. Dredging quantities are anticipated to be approximately 24,000 cubic metres, representing 35,000 to 40,000 tonnes of material. The project for dredging, delivery and placement will occur over a 7 to 8 week construction schedule between July 27, 2020 to September 15, 2020.
2. All moving and offloading of dredgeate material within the Algoma facility shall be coordinated and approved. <Contractor Name> acknowledges priority given to freighter delivery and offloading at the Algoma slip and agrees to cease any operation impacting Algoma port activities. Financial penalties will be paid by <Contractor Name> to Algoma for activities of delivery and placement of the dredgeate material resulting in delays to freighter activities. Demurrage fees accumulated by Algoma plus administration fee shall be reimbursed back to Algoma by <Contractor Name>. Demurrage fees are in the order of \$1,500 to \$2,000 per hour, depending on the type of activities and freighter delayed.
3. <Contractor Name> shall provide an advanced schedule to Algoma prior to dredging and 72 hours minimum notice of any intent to utilize Algoma facilities. <Contractor Name> shall provide weekly updates to determine remaining dredgeate volumes and use of facilities. <Contractor Name> shall provide final written notice of completion of dredging activities.

4. <Contractor Name> shall hold and save Algoma free from damages due to the use of Algoma facilities and its appurtenances.
5. <Contractor Name> shall repair any damages (beyond fair wear and tear) to Algoma facilities resulting from its operations.
6. <Contractor Name> shall hold safety paramount during operations and ensure the safety of its employees during the use of Algoma facilities, conforming to the Ontario Occupational Health and Safety Act (OH&S) Act and regulations. <Contractor Name> agrees to follow Algoma Procedures for Covid-19.
7. Algoma will accept the dredged material which is predominantly sand off Point Louise, while samples consisting near the Vidal Shoal and Canadian Channels contain a mix of sand, silt, gravel and cobbles. Further to samples and information previously provided to Algoma (reference AECOM Memo of Sediment and Water Sampling and Analysis, June 5 2020).
8. Algoma will commission, manage and decommission an earthen berms on the west slip of the Algoma Slip for dewatering. The anticipated capacity of the bermed area (with piling) is between 2,500 cubic metres and 3,000 cubic metres.
9. Algoma will facilitate dewatering of the dredgeate material. Following a dewatering period, Algoma will screen (as required) and move the material on a location within Algoma property. A maximum time cycle between fillings of the bermed area will be a 5 working days.
10. For compensation of dredgeate dewatering and movement, <Contractor Name> will provide a tipping fee of \$8.00 per cubic metre of material via certified cheque according to the volume calculated in accordance with the dredging Contract with PWGSC, and payable to Algoma within 10 calendar days of receipt of payment from PWGSC.

By the signature below, agreement to comply with all conditions of this Memorandum is provided.

By:

Title:

Representing: <Contractor Name>

Date:

By:

Title:

Representing: Algoma Steel

Date: