



**Request for Proposal**

**Debt Financing – Kemptville Water Pollution Control Plant Expansion**  
RFP #: NG26-FIN-01

**Requested by:**

Municipality of North Grenville  
285 County Road 44  
P.O. Box 130  
Kemptville, Ontario  
K0G 1J0

**Closing Date and Time:**

2:00 PM local time on  
July 3<sup>rd</sup>, 2026  
Issued on:  
June 15<sup>th</sup>, 2026

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## 1.0 Introduction

The Municipality of North Grenville (Municipality) is a small town/rural municipality located adjacent to the southern border of the City of Ottawa. As one of the fastest growing municipalities in Eastern Ontario, North Grenville is committed to providing a broad range of amenities and services to its residents and visitors alike.

The Municipality has a mix of rural and urban communities, with a total 2021 population of approximately 17,964 (Source: Statistics Canada). The urban serviced area (formerly the Town of Kemptville) currently serves a population of approximately 6,000.

## 1.1 Invitation

The Municipality of North Grenville is seeking proposals from qualified financial institutions or lenders to provide debt financing for the expansion of the Kemptville Water Pollution Control Plant. Our goal is to secure competitive and flexible financing that aligns with our strategic objectives.

We invite interested parties to submit comprehensive financing proposals outlining loan structures, terms, and conditions that align with our funding requirements.

Our initial financing requirement totals approximately **\$54,000,000** (fifty-four million), consisting of:

- **\$26,000,000** (twenty-six million) in immediate long-term debt financing; and
- **\$28,000,000** (twenty-eight million) in construction financing, to be advanced through periodic draws over the course of the project.

The targeted funding date for the initial financing is **August 15, 2026**.

Interested Parties are to provide one (1) electronic copy and one (1) physical copy of their proposal with the subject heading NG26-FIN-01 and addressed to:

[finance@northgrenville.on.ca](mailto:finance@northgrenville.on.ca)

**Attention: Carly Wheeler**, Director of Finance/Treasurer  
Municipality of North Grenville  
285 County Road 44  
P.O. Box 130  
Kemptville, Ontario  
K0G 1J0

Proposals must be received at this location **No Later Than 2:00 PM Local Time on: July 3<sup>rd</sup>, 2026.**

Proposals received after the above due date and time **will not** be considered.

## **1.2 Municipal Freedom of Information and Protection of Privacy Act**

In accordance with MFIPPA, this is to advise that any personal information Proponents provide is being collected under the authority of the Municipal Act and will be used exclusively in the selection process. All proposals submitted become the property of the Municipality. Proponents are reminded to identify in their proposal any specific scientific, technical, commercial proprietary, or similar confidential information, the disclosure of which could cause them injury. Complete proposals are not to be identified as confidential. The information contained in this proposal document may be utilized by the proponent solely for the purpose of preparing a proposal for submission to the Municipality. Any other use of the information for any other purpose is not authorized by the Municipality.

## **1.3 Clarification**

All inquiries regarding this RFP are to be directed to the individual identified below. Inquiries must be received by email no later than June 19, 2026.

**David Dancey**  
Deputy Treasurer  
[finance@northgrenville.on.ca](mailto:finance@northgrenville.on.ca)

## 2.0 Scope of Financing

### 2.1 Project Description

The Kemptville Water Pollution Control Plant (WPCP) was commissioned in 1993 to provide wastewater servicing for the urban service area of the Municipality, the former Town of Kemptville. The WPCP uses a conventional activated sludge process with tertiary treatment/polishing and ultraviolet (UV) disinfection. The treatment process includes:

- Preliminary treatment via grit removal and screening
- Primary treatment via primary clarifiers
- Secondary treatment via aeration, secondary clarifiers, and a chemical feed system for the chemical removal of phosphorus via coagulation
- Tertiary treatment via sand filtration
- Disinfection via UV banks
- Biosolid management via anaerobic digesters and off-site seasonal land application.

The treated effluent is pumped from the WPCP through a forcemain to a gravity sewer that discharges via an outfall to the Rideau River. Though the WPCP continues to produce good quality effluent that is compliant with its environmental compliance approval (ECA), the WPCP is reaching its hydraulic capacity due to development pressure.

The Municipality retained a third party engineering consultant, JL Richards & Associates Ltd. (JLR) to complete the design and perform contract administration and on-site inspection services for the Kemptville WPCP expansion. The purpose of the upgrades is to accommodate current peak flow events as well as projected sewage flows associated with future development.

The main components of the upgrade include:

- Two new equalization storage tanks
- New enclosed headworks building
- New primary clarifiers and aeration tanks
- Retrofit the existing aeration tanks into secondary clarifiers
- Retrofit the existing primary clarifiers into new tertiary filter and effluent holding tank.
- Additional primary digester and digester and dewatering control building
- New mechanical dewatering system

The expansion has been broken into multiple phases. The first phase of the expansion of the Kemptville Water Pollution Control Plant started construction in May 2024 and is inclusive of the following main additions:

- New enclosed headworks building,

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- New primary clarifiers and aeration tanks,
  - new Primary Digester and Digester and Dewatering Control Building,
  - New mechanical dewatering system

This phase of the project is expected to be completed in April 2027.

The main components of the Phase 2 upgrade will include:

- Construct two new equalization storage tanks
- Retrofit the existing aeration tanks into secondary clarifiers
- Retrofit the existing primary clarifiers into a new tertiary filter and effluent holding tank.

This Phase of the project is expected to be awarded in January 2027 and construction completed in February 2029

## 2.2 Financing Requirements –

### Immediate Financing Requirement

- **Financing Amount:** Approximately \$26,000,000 (twenty-six million) to refinance expenditures incurred during the 2024 and 2025 fiscal years, which provides immediate long-term financing for project-related costs already advanced through a line of credit facility.
- **Preferred Financing Structure and Repayment Terms:** Proponents are encouraged to include options for prepayment privileges, lump-sum principal reductions, annual accelerated payments, refinancing flexibility, and provisions for early repayment without penalty or with minimal penalties, where available. Amortization may be based over a 30-year term, with either monthly or semi-annual repayment schedules.
- **Interest Rate Preference:** Proposals may include fixed-rate, variable-rate, or blended-rate structures, and should clearly identify the terms, pricing, and advantages associated with each option.

### Construction Financing Requirement

- **Construction Loan Amount:** Approximately \$28,000,000 (twenty-eight million) to fund the remaining project costs from 2026 through estimated project completion in February of 2029.
- **Preferred Financing Structure:** A construction loan facility with advances funded through periodic draws based on project requirements. Proponents are encouraged to provide options for converting all or a portion of the construction financing into long-term debt upon project completion and/or at predetermined milestones during the construction period.

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- **Repayment Terms:** Proposals may include traditional interest-only payments during construction, as well as alternative structures that allow for partial principal repayment or staged conversion to long-term financing throughout the construction period. Following completion, any outstanding balance would be converted to long-term financing with amortization over a projected 30-year term, with either monthly or semi-annual repayment schedules.
  - **Interest Rate Preference:** Proposals may include fixed-rate, variable-rate, or blended-rate structures, and should clearly outline the applicable terms, conditions, flexibility provisions, and an analysis of each option.

Any proposed financing arrangement must comply with the Municipal Act, 2001, Ontario Regulation 403/02, and all applicable municipal borrowing by-laws and Ministry of Municipal Affairs and Housing requirements.

### 3.0 Proposal Requirements

To be considered, proposals must include the following information:

#### Lender Profile

- Overview of your institution's history, expertise, and market presence.
- Examples of clients served in similar industries or financing structures.

#### Proposed Loan Structure

- Loan amount and type.
- Repayment schedule.
- Proposed interest rates and associated fees.
- Details of any financial covenants or other conditions.

Proponents shall clearly identify all security requirements, reserve requirements, reporting obligations, prepayment provisions, breakage costs, rate reset provisions, and any material covenant conditions.

#### Approval Process and Timeline

- Outline the steps and time required for loan approval and disbursement.

#### Cost Breakdown

- Itemize all costs, including origination fees, closing costs, and other associated expenses.

#### References

- Provide references from at least three (3) clients for whom you have arranged similar financing.

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## Indemnity and Insurance

The Proponent agrees to indemnify and hold harmless the Municipality, its officers, employees, and agents from any losses, claims, damages, or expenses arising from:

- (a) any material misrepresentation or omission in its submission;
- (b) any breach of its obligations under the agreement; or
- (c) the negligent or willful acts or omissions of the Proponent in providing financing services.

The Proponent shall maintain, at its own expense, throughout the term of the agreement:

- Professional Liability (Errors and Omissions) insurance with limits of not less than \$10,000,000 per claim; and
- Commercial General Liability insurance with limits of not less than \$10,000,000 per occurrence.
- Proof of coverage shall be provided upon request.

## Ontario/Canadian Content and Economic Benefits

Provide a description of any Ontario or Canadian economic benefits associated with the proposed financing arrangement, including:

- location of primary servicing office;
- location of staff responsible for account management;
- Canadian ownership or operational presence;
- use of Ontario-based resources;
- community investment initiatives; and
- other relevant economic development considerations.

### 3.1 Background Documents Provided

The following documents will be made available electronically:

- Municipality of North Grenville 2024 audited financial statements.
- Project Manager’s schedule of construction and expenses.

### 3.2 Summary of Key Dates for Proposal

Distribution of RFP	June 15 <sup>th</sup> , 2026
Submission of proposal	July 3 <sup>rd</sup> , 2026
Anticipated award of assignment	July 15, 2026

## **4.0 EVALUATION CRITERIA**

The successful firm will possess the requisite technical skills to deal with the complex matters to be addressed in the scope of work and will be required to work directly with Municipal staff, the project manager, the public, agencies and stakeholders in a professional manner.

To achieve this, the Municipality is interested in a firm, which in addition to sound technical qualifications, exhibits such skills as timeliness, diplomacy, tact, strong communication ability (both written and verbal) and an understanding of the municipal culture.

### **4.1 Basis of Selection**

The Municipality intends to recommend acceptance of the funding proposal on the basis of best overall value, based upon a review of the technical and fee proposal, and the lender interview (if necessary). The borrowing contract is subject to approval by the Municipality in accordance with the provisions of the Procurement By-Law.

### **4.2 Selection Criteria**

A total of 100 points will be allocated to each proposal, as follows:

Proposals will be evaluated based on the following:

**(i) Competitive Terms and Rates – 50 points**

Interest rates, repayment terms, and overall cost of financing.

**(ii) Experience and Expertise – 10 points**

Proven track record in providing debt financing to similar organizations.

**(iii) Flexibility and Alignment – 15 points**

Willingness to negotiate terms to meet the specific needs of The Municipality of North Grenville.

**(iv) Efficiency – 10 points**

Speed and clarity of the approval and disbursement process.

**(v) References – 5 points**

Positive feedback from similar clients.

**(vi) Ontario/Canadian Economic Benefit – 10 points**

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Consideration may be given to proponents demonstrating measurable economic benefit to Ontario and Canada, including Ontario-based operations, Canadian account management, support of domestic financial markets, and contribution to local economic resilience, where such consideration is permitted under applicable law and trade agreement obligations.

## 5.0 Special Terms and Conditions

Submission of a proposal constitutes acknowledgement the proponent has read and agrees to be bound by all the terms and conditions of the Request for Proposal.

The Municipality will not make any payments for the preparation of the response to the Request for Proposal. All costs incurred by a proponent will be borne by the proponent.

This is not an offer. The Municipality does not bind itself to accept the lowest cost proposal, or any proposal submitted.

The Municipality has the right to cancel the Request for Proposal at any time and to reissue it for any reason whatsoever, without incurring any liability and no proponent will have any claim against the Municipality as a result of the cancellation or re-issuing of the Request for Proposal.

The Proponent acknowledges that the Municipality shall have the right to reject any, or all, Proposals for any reason, or to accept any Proposal which the Municipality in its sole unfettered discretion deems most advantageous to itself. The lowest, or any, Proposal will not necessarily be accepted, and the Municipality shall have the *unfettered* right to:

- (i) Accept a non-compliant Proposal;
- (ii) Accept a Proposal which is not the lowest Proposal; and
- (iii) Reject a Proposal that is the lowest Proposal even if it is the only Proposal received.

The Municipality reserves the right to consider, during the evaluation of Proposals:

- (i) information provided in the Proposal document itself;
- (ii) information provided in response to enquiries of industry references set out in the Proposal;
- (iii) information received in response to enquiries made by the Municipality of third parties apart from those disclosed in the Proposal in relation to the reputation, reliability, experience and capabilities of the Proponent;
- (iv) the manner in which the Proponent provides services to others;
- (v) the experience and qualification of the Proponent's senior management, and project management;

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- (vi) the compliance of the Proponent with the Municipality's requirements and specifications; and
  - (vii) innovative approaches proposed by the Proponent in the Proposal.

The Proponent acknowledges that the Municipality may rely upon the criteria which the Municipality deems relevant, even though such criteria may not have been disclosed to the Proponent. By submitting a Proposal, the Proponent acknowledges the Municipality's rights under this Section and absolutely waives any right, or cause of action against the Municipality, by reason of the Municipality's failure to accept the Proposal submitted by the Proponent, whether such right or cause of action arises in contract, negligence, or otherwise.

The Municipality reserves the right to apply Ontario or Canadian preference measures only to the extent permitted under applicable trade agreements, procurement legislation, and municipal procurement policies.

If a contract is to be awarded as a result of the Request for Proposal, it will be awarded to the proponent whose proposal, in the Municipality's opinion, provided the best potential value to the Municipality and is capable in all respects to fully perform the contract requirements and the integrity to assure performance of the contract obligations based on the objective assessment outlined above.

If the Municipality decides to award a contract based on a submission received in response to this Request for Proposal, the successful proponent will be notified of the intent to award in writing, and the subsequent execution of a written agreement shall constitute the making of a contract. Proponents will not acquire any legal or equitable rights or privileges whatsoever until the contract is signed by both parties.

In the event of any inconsistency between the RFP and the contract, the contract shall govern.

The Municipality reserves the exclusive right to determine the qualitative aspects of all proposals relative to the evaluation criteria. Unsuccessful proponents will be provided with a verbal debriefing on the evaluation of their submission after the selection process has been completed, if requested.

Proponents may not amend or withdraw their proposals after the closing date and time.

Proposals will be evaluated as soon as practicable after closing.

The proposals and accompanying documentation submitted by the proponent are the property of the Municipality and will not be returned.

Proponents are advised that all communications with the Municipality related to this RFP during the bidding process must be directly and only with the individual named in this document.