



**THE CORPORATION OF THE
TOWN OF COBALT**

BY-LAW NO. 2025-07

**Being a By-Law to Enter into an Agreement with the Corporation of the Township of Coleman
for the Sale of Potable Water for the Coleman Water Distribution System**

WHEREAS pursuant to Section 8 of the Municipal Act, 2001, S.O. 2001, c. 25 as amended, the powers of a municipality shall be interpreted broadly to enable it to govern its affairs as it considers appropriate and to enhance the municipality's ability to respond to municipal issues;

AND WHEREAS pursuant to Section 8 of the Municipal Act, 2001, S.O. 2001, c. 25 as amended, a municipality has the capacity rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS Section 20(1) of the Municipal Act, 2001, S.O. 2001, c. 25 as amended, a municipality may enter into an agreement with one or more municipalities or local bodies, as defined in Section 19 or a combination of both to jointly provide, for the joint benefit, any matter which all of them have the power to provide within their own boundaries;

AND WHEREAS the Council of the Town of Cobalt deems it desirable to enter into an agreement for the provision of providing the sale of potable water to the Township of Coleman;

NOW THEREFORE BE IT RESOLVED THAT the Council of the Corporation of the Town of Cobalt hereby enacts as follows:

1. **THAT** the Mayor and Clerk are hereby authorized to enter into an Agreement with the Corporation of the Township of Coleman for the sale of potable water for the Coleman Water Distribution System for the period covering January 1, 2025 to December 31, 2027; a copy of which is attached.
2. **THAT** By-Law No. 2020-51 be hereby repealed.

TAKEN AS READ a first, second and third time and passed this 4th day of March, 2025.

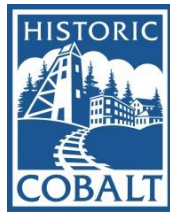
AND FURTHER THAT the said By-Law be signed and sealed by the Mayor and Clerk.



Mayor



Clerk



THE CORPORATION OF THE TOWN OF COBALT

Schedule "A" TO BY-LAW NO. 2025-07

**TO ENTER INTO AN AGREEMENT WITH THE CORPORATION OF THE TOWNSHIP OF
COLEMAN FOR THE SALE OF POTABLE WATER FOR THE COLEMAN WATER
DISTRABUTION SYSTEM**

SERVICE AGREEMENT

THIS AGREEMENT effective as of January 1, 2025

BETWEEN

THE CORPORATION OF THE TOWN OF COBALT

("COBALT")

AND

THE CORPORATION OF THE TOWNSHIP OF COLEMAN

(the "Client")

RECITALS

The Town of COBALT is the owner and the accredited operating authority of the Municipal Drinking Water Treatment Plant, the Water Tower and the COBALT Distribution System that supply potable water (excluding sewer services) to residents living within the Township of Coleman. COBALT has retained Ontario Water Clean Water Agency (OWCA) to provide staff who will act as the overall responsible operator (ORO) pursuant to Section 23 of O. Reg. 128/04 under the *Safe Drinking Water Act, 2002* (the "SDWA") in respect of the services.

The Township of Coleman (the "Client") is the owner of the Coleman Distribution System more particularly described in Schedule A - 1, (the "Facility") pursuant to a transfer under the Municipal Water and Sewage Transfer Act, 1997. Coleman has retained Ontario Clean Water Agency (OCWA) to act as the agent and to provide management, operation and maintenance services for the purposes of Section 449 of the *Municipal Act 2001, S.O. 2001, S.O. 2001, c.25*, as amended.

The Township of Coleman (the "Client") and COBALT (collectively, the "Parties") are entering into an Agreement as outlined in the following Articles:

- Article 1. Responsibilities of COBALT for Performance of Services & Retention
- Article 2. Responsibilities of Coleman (the "Client")
- Article 3. Term, Payment for Services and Other Charges
- Article 4. Capital Expenditures
- Article 5. Dispute Resolution
- Article 6. General

NOW THEREFORE the “Client” and COBALT agree as follows:

ARTICLE 1 – RESPONSIBILITIES OF COBALT FOR PERFORMANCE OF SERVICES

Section 1.1 – Retention of COBALT

The “Client” retains COBALT to perform Services as described in Schedule B attached to this Agreement in respect of the Facility (the “Services”) and to supply Potable Water to those water users connected to the Facility.

Section 1.2 – Retention and Performance of Services

- a) COBALT shall deliver the Services in compliance with the Drinking Water Works Permit No. 206-201 and Drinking Water Works License No. 206-101 except as described in Paragraphs 1.2 b) and 1.2 c) below and in any of the following circumstances.
- b) COBALT may temporarily cease to provide or reduce, the level of provision or services hereunder in the event of an emergency, breakdown or any Uncontrollable Circumstance; provided, however, that COBALT shall, when practicable, endeavor to give the “Client” reasonable advance notice of each such occurrence by contacting the designated representative outlined in the Drinking Water Works Permit and License.
- c) Notwithstanding any other provision of this Agreement, delay in the performance of, or a failure to perform any term of this Agreement by COBALT, shall not constitute default under this Agreement or give rise to any claim for damages suffered by the “Client” if and to the extent caused by occurrences or circumstances beyond the reasonable control of COBALT, the quantity of treated water transmitted to the Facility exceeds the Facility’s design or operating capacity, decrees of government, acts of God (including but not limited to hurricanes, tornadoes, floods and other weather disturbances), sabotage, strikes, lockouts and other industrial disturbances, insurrections, war, civil disturbances, riots, explosions, fire and acts of third parties) any such occurrence or circumstances is referred to as an “Uncontrollable Circumstance”.
- d) COBALT, in its discretion, may take remedial measures that it determines are reasonably necessary to attempt to maintain compliance with Applicable Laws. Within the context of Section 1, such measures may be beyond the services and as such would be subject to extra costs as described in Paragraph 3.5 f). COBALT shall use its best efforts to contact the “Client” and obtain the “Client’s” approval prior to undertaking such remedial measures.
- e) Notwithstanding Paragraph 1.2 (d) above, the “Client” recognizes that such remedial measures taken by COBALT may be as a result of an emergency situation or an Uncontrollable Circumstance and that in such situation COBALT’s primary concern will be making all reasonable efforts to maintain compliance with Applicable Laws.
- f) COBALT shall repair, maintain and keep in a good working state, in accordance with good engineering practices and the standards reasonable applicable to an owner of a like facility, including all applicable legislation and regulations and all distribution works that belong to or are under the control of COBALT and that distribute water to the Facility.

Section 1.3 – Standard of Care

COBALT shall deliver the Services with a level of care, diligence and skill as would an operation authority in like circumstances.

Section 1.4 – COBALT as Independent Contractor

In performing these Services, COBALT shall be acting as an independent contractor and only to the extent and for the specific purposes expressly set forth herein. Neither COBALT nor its employees, agents or subcontractors shall be subject to the direction and control of the “Client”, except as expressly provided in this Agreement.

Section 1.5 – Reporting

In accordance with Ministry regulations, COBALT will provide on or before March 31st, to the “Client” or the “Client’s” Authorized Representative with a Yearly Report describing the Facility’s performance for that period.

COBALT will provide on or before March 31st, to the “Client” with a Yearly Report to include the Monthly Total System Supply Readings broken down by individual Municipality along with the Number of Users for that period.

COBALT will provide on or before the 4th business day of each month, to the “Client” with a Monthly Cubic Meter Measurement Reading from each “Flow Meter” located at Peter Street and West Cobalt Road.

COBALT in conjunction with the “Client” shall monitor the Supply Readings to identify potential water main breaks, leaks or excessive Supply to promote conservation.

If a problem is identified, it should be immediately reported to the Ontario Clean Water Agency (OCWA) to take the appropriate actions outlined in their Services Agreements.

Section 1.6 – Indemnification of the “Client”

COBALT shall exonerate, indemnify and hold harmless the “Client”, it’s councilors, mayor and employees from and against any and all Claims which may be suffered or incurred by, accrue against or be charged to or recoverable from the “Client” that are caused by COBALT’s negligence or willful misconduct when performing the Services, exclusive of any pre-existing condition. Such pre-existing conditions shall be the ongoing responsibility of the “Client”. COBALT, in providing these Services, is not responsible, accountable or liable, in any way, for such pre-existing conditions, either directly or indirectly. The “Client” shall be deemed to hold the provisions of this Section 1.6 that are for the benefit of the “Client’s” councilors, mayor and employees in trust for such parties under this Agreement. Notwithstanding the above clause, Coleman is responsible for their facility as the owner of the system.

Section 1.7 – Insurance

- a) The “Client” shall arrange for insurance coverage of the Facility with its insurance provider (the “Insurance”) and provide proof of insurance to COBALT upon request.
- b) The “Client” specifically recognizes and agrees that COBALT is not responsible for the pre-existing condition of the Facility. As such, COBALT is not required to obtain insurance for this purpose and that the “Client” has or will obtain its own insurance.
- c) The “Client” shall be responsible for securing its own insurance for any operations with which it is involved or which are Excluded Services that are not the subject of this Agreement. The “Client” acknowledges that it will have no recourse under COBALT’s policies of insurance for any such operations.

Section 1.8 – Representations and Warranties of COBALT

COBALT represents and warrants to the “Client” that the following are true and correct:

- a) that it has full power and authority and has taken all necessary steps to enter into and perform its obligations.
- b) COBALT’s staff are trained and qualified in accordance with Applicable Laws and capable of carrying out the terms of this Agreement.

ARTICLE 2 – RESPONSIBILITIES OF COLEMAN “THE CLIENT”

Section 2.1 – Representations and Warranties of the “Client”

The “Client” represents and warrants to COBALT that the following are true and correct:

- a) The “Client” has the full power and authority to enter into and perform obligations under this Agreement (as described in Schedule C to this Agreement)
- b) As owner of the Facility, the “Client” is fully aware of its responsibilities and obligations and, as part of its due diligence in operating the Facilities, and has selected Ontario Clean Water Agency (OCWA) as the agent authorized as the Independent Contractor to provide management, operation and maintenance services in respect of the Facility for the purposes of Section 449 of the *Municipal Act 2001*, S.O. 2001, S.O. 2001, c.25, as amended.
- c) The “Client” warrants that there are no pre-existing conditions at the Facility, which would affect COBALT’s ability to operate the Facility under this Agreement.

Section 2.2 – Covenants of the “Client”

The “Client” hereby covenants for the benefit of COBALT;

- a) The “Client” agrees to promptly provide COBALT with any information relating to the Facility, which could have a bearing on the provisions of Services by COBALT by contacting the designated representative outlined in the Drinking Water Works Permit and License.

- b) The “Client” shall repair, maintain and keep in a good working state, in accordance with good engineering practices and the standards reasonably applicable to an owner of a like facility, including all applicable legislation and regulations all distribution works that belong to or are under the control of the “Client” and that distribute water to the Facility.

Section 2.3 – Exoneration and Indemnification of COBALT

- a) Subject to Paragraph 2.3 c) below, the “Client” shall exonerate, indemnify and hold harmless COBALT, its councilors, mayor and employees and Her Majesty the Queen in Right of Ontario, as represented by the Minister of the Environment and all other officers, employees and agents of the Ministry of the Environment (collectively referred to as the “Indemnified Parties”) from and against any and all Claims which may be suffered or incurred by, accrue against, or be charged to or recoverable from any one or more of the Indemnified Parties that, in any way, either arise from or are connected with the operation of this Agreement.
- b) COBALT shall be deemed to hold the provisions of this Section 2 that are for the benefit of COBALT’s directors, officers, employees and agents and the other Indemnified Parties as defined above, in trust for all such Indemnified Parties as third-party beneficiaries under this Agreement.
- c) Notwithstanding the other provisions of this Section 2, the “Client” shall not be liable in respect of the damages arising out of any Claim:
- (i) Where the Claim is caused by COBALT’s negligence or willful misconduct in providing the Services.

ARTICLE 3 - TERM, PAYMENT FOR SERVICES AND OTHER CHARGES

Section 3.1 – Term of Agreement

The Term Agreement shall commence on January 1, 2025 and shall remain in effect for a term of three years ending December 31, 2027 (the “Term”).

Section 3.2 – Per Cubic Meter Rate

- a) Subject to any adjustments made pursuant to other provisions of this Agreement, the “Client” shall pay COBALT to supply Potable Water and provide the Services January 1, 2025 to December 31, 2027 based upon the Monthly Cubic Meter Supply Measurement Reading from each “Flow meter” located at Peter Street and West Cobalt.
- b) COBALT shall bill the “Client” on a monthly basis for each Cubic Meter as described in 3.2 (a) based on the Methodology described in Schedule D of this Agreement.
- c) The “Client” shall charge the Town of COBALT the “Client’s” monthly delivery, administrative and reserve rates in accordance with ‘Client’s” Water Rate By-Law No. 11-27, as amended, and shall charge the Town of COBALT a metered usage rate equal to the amount per cubic meter billed by the Town of COBALT for services located at the Teck Prospect Park and Keevil Walking Trail.

Section 3.3 – The Per Cubic Meter Rate Annual Reconciliation

The Per Cubic Meter Rate will be as agreed between the “Client” and COBALT on a yearly basis based upon previous year expenses.

COBALT will provide to the “Client” supporting documentation with a breakdown of the Total Operating Expenditures that is used to compile the Client’s Per Cubic Meter Rate for Audit purposes no later than May 15 of each year.

A new Per Cubic Meter Rate shall commence on June 01 of every year, based on the previous year expenses. If the Parties cannot agree on the Monthly Price within six months of the annual reconciliation, this Agreement will be terminated on December 31st of the current year. During this six-month period, the “Client” shall pay the Reconciled Price as determined by COBALT.

Section 3.5 – Items not included in the Per Cubic Meter Rate

The Per Cubic Meter Rate does not include the following:

- a) Capital Expenditures as agreed to by the “Client” and COBALT or resulting from any failure of the “Client” or COBALT to implement reasonably recommended Capital Expenditures;
- b) any charge resulting from changes in Applicable Laws;
- c) unexpected Expenses (as defined in Paragraph 4.3 (a) below);
- d) any charges resulting from COBALT and/or the “Client” having to address an Uncontrollable Circumstance and, without limiting the generality of the foregoing, such charges resulting from those situations addressed in Section 1.2 of this Agreement; and
- e) any charges for repairs in the Facility impacting COBALT and/or the “Client” to the system.

ARTICLE 4 – CAPITAL EXPENDITURES

Capital Expenditures are significant expenditures to acquire, replace, rebuild, construct or improve the Municipal Drinking Water Treatment Plant, the Water Tower and the Distribution Systems for investments in infrastructure (assets) that provide long term benefit. The Capitalization Threshold as agreed upon by both COBALT and the Client” is set at a minimum of \$5,000 with a lifetime of a minimum 3 years to be considered as a Capital Expenditure.

Section 4.1 – “Client” Capital Expenditures for the Coleman Water Distribution System impacting COBALT

- a) The “Client” will provide “COBALT” with a quotation of any “Client” Capital Expenditures for the “Client’s” facility that would impact COBALT that is reasonably required for the operation of the Facility for the following year.
- b) The “Client” will invoice COBALT for the Capital Expenditures together with any additional supporting documentation after it has incurred the Capital Expenditure and COBALT shall pay the invoice within 30 days of receipt.

- c) COBALT agrees to pay a portion of the “Client” Capital Expenditures determined by the formula outlined in Schedule E.

Section 4.2 – COBALT Capital Expenditures for the COBALT Water Treatment Plant impacting the “Client”

- a) COBALT will provide the “Client” with a quotation for all Capital Expenditures items in relation to the Water Treatment Plant serving the Facility including new or replacement equipment, any overhaul or rebuild of equipment, any non-routine repair; maintenance (and excluding routine maintenance); any alterations and any associated installations, commissioning, including labour and re-selection charges, together with COBALT’S Service Fee.
- b) COBALT will invoice the “Client” for the COBALT Capital Expenditures together with any additional supporting documentation after it has incurred the Capital Expenditure and the “Client” shall pay the invoice within 30 days of receipt.
- c) The “Client” agrees to pay a portion of the COBALT Capital Expenditures determined by the formula outlined in Schedule F.

Section 4.3 – Unexpected Expenses

- a) “Unexpected Expenses” means unanticipated expenditures that COBALT and or the “Client” reasonably incurs in order to address equipment failure, acts of third parties, or other circumstances beyond COBALT’s and/or the “Client’s” including but not limited to water main breaks, leaks, valve failures, water meter breaks and or malfunctions, an emergency situation or any situation resulting from an Uncontrollable Circumstance.
- b) In the event that COBALT and/or the “Client” is required to incur Unexpected Expenses, the prior approval of the “Client” and/or COBALT with respect to those Unexpected Expenses will be required only if time permits. Within ten days of incurring the Unexpected Expenses, COBALT and/or the “Client” will provide the “Client” and/or COBALT with a report detailing the reasons the Unexpected Expenses were incurred and the “Client” and/or COBALT shall pay COBALT and or the “Client” for the Unexpected Expenses within thirty (30) days of receipt of an invoice from COBALT and/or the “Client”.

ARTICLE 5 – DISPUTE RESOLUTION

Section 5.0 – Mediation

- a) If a dispute arises between the “Client” and COBALT, which cannot be resolved within a reasonable time, the issue shall be referred to a mediator.
- b) The fees and expenses of the mediator shall be divided equally between the Parties.
- c) Involvement in mediation is on a without prejudice basis and does not preclude and is not a bar to either Party pursuing whatever legal remedies may be available, including litigation.

ARTICLE 6 – GENERAL

Section 6.0 – Amendments and Waivers

No amendment to this Agreement will be valid or binding unless it is in writing and duly executed by both of the parties hereto. All amendments shall be attached to this Agreement as a Schedule. No waiver of any breach of any provision of this Agreement will be effective or binding unless it is in writing and signed by the party purporting to give such waiver and, unless otherwise provided, will be limited to the specific breach waived.

IN WITNESS WHEREOF the parties have dully executed this Agreement.

THE CORPORATION OF THE TOWN OF COBALT

Date of Signing

By: _____
Angela Adshead, Mayor

Date of Signing

By: _____
Steve Dalley, Chief Administrative Officer

THE CORPORATION OF THE TOWNSHIP OF COLEMAN

Date of Signing

By: _____
Dan Cleroux, Mayor

Date of Signing

By: _____
Christopher Oslund, Chief Administrative Officer



**THE CORPORATION OF THE TOWN OF COBALT
SCHEDULE "A-1" TO
COBALT COLEMAN WATER AGREEMENT BY-LAW NO. 2025-07**

The Facility – the "Client's"

Part 1. Description of the Facility

As described in Certificate of Approval # 2826-83GHNZ

For the purposes of this Agreement, the Facility is comprised of the following:

Facility Name – **Coleman Distribution System**

Distribution System

Distribution system consisting of:

- 48 service connections (44 equipped with water meters)
- 2 Flow Water Meters; (Peter St - 22 Connections & West Cobalt Rd 26 Connections)
- 18 fire hydrants
- 21 Valves
- 2 Sampling Stations



**THE CORPORATION OF THE TOWN OF COBALT
SCHEDULE "B" TO
COBALT COLEMAN WATER AGREEMENT BY-LAW NO. 2025-07**

Responsibilities of Cobalt for Performance of Services

1. Performance of Services

- Deliver the Services with a level of care, diligence and skill as outlined in Drinking Water Works Permit No. 272-201 and Drinking Water Works License No. 272-20.
- Routinely analyze, investigate and, where appropriate, implement measures to improve the effectiveness and efficiency of the Facility.
- Will be responsible for ensuring an efficient operation of the process and keep records on a daily basis to meet the compliance issues of the operating authority.
- Will ensure certified operators consistent with operating authority compliance.
- Cobalt will provide on or before the 4th business day of each month to the "Client" with a Total Monthly Cubic Meter Supply Measurement Reading from each "Flow Meter" located at Peter Street and West Cobalt.
- COBALT will provide on or before March 31st, to the "Client" with a Yearly Report to include the Monthly Total System Supply Readings broken down by individual Municipality along with the number of users for that period.
- Cobalt in conjunction with the "Client" shall monitor the Supply Readings to identify potential water main breaks or excessive supply to promote conservation.
- If a problem is identified, it should be immediately reported to the Ontario Clean Water Agency (OCWA) to take the appropriate actions outlined in their Services Agreements.



**THE CORPORATION OF THE TOWN OF COBALT
SCHEDULE "C" TO
COBALT COLEMAN WATER AGREEMENT BY-LAW NO. 2025-07**

Responsibilities of Coleman the "Client"

For the purposes of this Agreement, the following services shall constitute the services to be provided by the "Client". The following list is as complete as possible, but is not intended to be exhaustive.

Operating Duties

The "Client" will carry out regular day-to-day operational duties at the Facilities. Specifically, the "Client" will;

- retain Ontario Clean Water Agency (OCWA) to act as the agent and to provide management, operation and maintenance services for the purposes of Section 449 of the *Municipal Act 2001, S.O. 2001, S.O. 2001, c.25*, as amended.
- The 'Client" in conjunction with COBALT shall monitor the Supply Readings to identify potential water main breaks or excessive supply to promote conservation.
- Will ensure certified operators consistent with operating authority compliance.
- Ensure that the water mains are flushed at least once annually
- Ensure that fire hydrants are cleared of snow and other obstructions
- Monitor routinely for leaks/breaks in the system and report such occurrence immediately to COBALT upon discovery.
- Maintain hydrants so that they are always visible and that they are inspected at a minimum annually for sabotage, foul play, painted, regular maintenance, and repaired.
- Reconcile and provide monthly meter readings for supply reports.



**THE CORPORATION OF THE TOWN OF COBALT
SCHEDULE "D" TO
COBALT COLEMAN WATER AGREEMENT BY-LAW NO. 2025-07**

Per Cubic Meter Rate Methodology

COBALT shall provide on or before May 15 of each year, to the "Client", supporting documentation and breakdown the Total Operating Expenditures related to the Facility that is compiled to develop the Client's Per Cubic Meter Rate for Audit purposes.

COBALT and the "Client" agree that the Operation Costs will exclude the portion of the Facility Costs that is associated with providing the Supply of Water to COBALT only, and those costs will be reviewed and determined on a yearly basis on or before May 15, of each year.

EXAMPLE:

Operating Expenditures	Total		Cobalt & Coleman		Cobalt
Salaries	\$ 120,518.00	76%	\$ 91,593.68	24%	\$ 28,924.32
Supplies	\$ 77,942.00	100%	\$ 77,942.00		
Services & Rents	\$ 109,890.00	100%	\$ 109,890.00		
Sub Total Expenditures			\$ 279,425.68		
Admin based on 4% of Cobalt & Coleman Expenditures		4%	\$ 11,177.03		
Total Operating Expenditures	\$ 308,350.00		\$ 290,602.71 (A)		
Total m3 Supply of Water to Coleman	231,890 (B)		43,644 m3		

Calculation as follows:

$$\frac{A}{B} = C$$

A is Total Operating Expenditures
B is Total Facility Per Cubic Flow Meter
C is Rate Per Cubic Meter

Divided by \$290,602.71
Equals 231,890
\$1.25

If the Total Operating Expenditure is \$290,603.00, and the Total Facility Per Cubic Meter is 231,890, the Per Cubic Meter Rate is \$1.25.

Therefore:

The "Client's" calculated Total Rate Per Cubic Meter is \$1.25.



**THE CORPORATION OF THE TOWN OF COBALT
SCHEDULE "E" TO
COBALT COLEMAN WATER AGREEMENT BY-LAW NO. 2025-07**

Client" Capital Expenditures for the Coleman Water Distribution System impacting COBALT

COBALT agrees to pay a portion of the "Client" Capital Expenditures determined by the formula:

$$\frac{A \times B}{C} = D$$

Whereas:

- A) is the total "Client" Capital Expenditure and,
- B) is the number of connections that COBALT has to the Facility for municipal purpose;
- C) is the total number of connections to the Facility
- D) is COBALT's share of the Capital Expenditure

For Example:

If the "Client" Capital Expenditure was in the amount of \$10,000, COBALT's share would be \$10,000 X 1/46 + \$217.39.



**THE CORPORATION OF THE TOWN OF COBALT
SCHEDULE "F" TO
COBALT COLEMAN WATER AGREEMENT BY-LAW NO. 2025-07**

COBALT Capital Expenditures for the COBALT Water Treatment Plant Impacting the "Client"

The "Client" agrees to pay a portion of the COBALT Capital Expenditures determined by the formula:

$$\frac{A \times B}{C} = D$$

Whereas;

- A is the total COBALT Capital Expenditure
- B is the "Client's" total water supply for the previous calendar year
- C is the "Client's" and COBALT's total water supply for the previous calendar year
- D is the "Client's" share of the Capital Expense

For Example:

If a COBALT Capital Expenditure of \$100,000.00 was incurred and the "Client's" total water supply was 10,918 m³ and the combined water supply for both "Client" and COBALT was 266,665 m³, the "Client's" share would be:

$$\frac{\$100,000.00 \times 10,918 \text{ m}^3}{266,655 \text{ m}^3} = \$4,094.43$$