

HALIFAX

P.O. Box 1749
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Item No. 14.1.12
Halifax Regional Council
July 17, 2018

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed by 

SUBMITTED BY: Jacques Dubé, Chief Administrative Officer

DATE: May 28, 2018

SUBJECT: PTIF Contribution Agreements: Pontoon Refurbishments and Bus Purchases

ORIGIN

December 14, 2016 - Halifax Regional Council approval of Federal Infrastructure Funding application for the replacement of the Alderney Ferry Terminal Pontoon, with a total project cost of \$3.2 million.

December 12, 2017 – Halifax Regional Council motion to

- Modify existing PTIF project applications including: withdrawing the Ferry Terminal Generator Project, reducing the scope of Alderney Pontoon Replacement to allow for refurbishment of both the Alderney and Halifax pontoons, redistributing residual funds from the Transit Security project, and applying for a new project to allow for the purchase of conventional expansion buses;
- Approve a budget transfer from capital accounts CM000013 – Ferry Terminal Generators in the amount of \$575K, CBX01171 – Ferry Terminal Pontoon Rehabilitation in the amount of \$2.61M, and CMU00982 – Transit Security in the amount of \$800K for a total transfer of \$3.985M to capital account CV020003 – Conventional Bus Expansion; and,
- Approve advanced 18/19 funding in the amount of \$900K to account CV020003 – Conventional Bus Expansion.

LEGISLATIVE AUTHORITY

HRM Charter Section 74 – permits HRM to enter into agreements with the Province or Government of Canada to provide or administer municipal services.

Administrative Order #58, section 16(1) provides that revenue generating agreements for the municipality must be approved by Council when HRM is receiving more than \$500,000.

RECOMMENDATION

It is recommended that Halifax Regional Council authorize the Mayor and Municipal Clerk to sign the attached Contribution Agreements with the Minister of Municipal Affairs, to receive \$350,000 in funding for the Alderney and Halifax pontoon replacements (CBX01171), and \$1,769,196 in funding for conventional bus expansion purchases (CM180008).

BACKGROUND

On June 21, 2016, Council approved a list of projects to submit to the Public Transit Infrastructure Fund (PTIF) for funding consideration. Fifteen projects, totaling \$58.2 million were submitted. There were some remaining funds left for HRM to access, so in December 2016 Council approved two more project applications: the purchase of 15 Access-A-Buses (total project cost \$1.8M), and a replacement for the Alderney Ferry Terminal pontoon (total project cost \$3.2M).

One of the seventeen projects approved under PTIF came in under budget by \$400,000 (Transit Security Measures). On December 12, 2017, Council reviewed a proposal to use these freed-up funds and also change the scope of the Alderney pontoon project. Only one bid was received to replace the Alderney pontoon, and it was 38% over budget. Due to the higher than anticipated cost, conditioning surveys were then completed on both the Alderney and Halifax Ferry Terminal pontoons to determine if they could be maintained for less than the replacement cost. These surveys found both pontoons to be in good condition with some maintenance and upgrades recommended. Both surveys concluded that by completing the recommendations, both pontoons could have significantly longer lifespans. The cost to complete all the recommendations for both pontoons is \$700,000. Therefore, Council withdrew the \$3.2 million Alderney pontoon replacement, and in its place submitted an application for a \$700,000 project to refurbish the Alderney and Halifax pontoons.

A third project, to install generators at all three ferry terminals, was also withdrawn due to higher-than-expected cost estimates, thereby freeing up an additional \$300,000. Combined these residual funds totaled \$1.8 million. Council submitted an application to purchase eight conventional buses using the newly-available funds.

DISCUSSION

The attached Contribution Agreements (Appendices I and II) formalize the Federal funding share for the pontoon and establishes all terms and conditions. The Government of Canada and the Province of Nova Scotia have arranged for the Province to be the contracting party to provide funds to PTIF recipients. Under these agreements HRM will receive \$350,000 for the Alderney and Halifax pontoon rehabilitation project (total cost \$700,000), and \$1,769,196 for the purchase of eight conventional buses (total project cost \$4,900,000). The pontoon projects must be complete by March 31, 2019, and the conventional bus purchases by September 30, 2018.

The Federal and Provincial governments have signed the bilateral agreement for Phase 2 of the infrastructure funding program. Details are in the attached briefing note (Appendix III). HRM staff are developing a list of projects to submit for funding, for Council's consideration.

FINANCIAL IMPLICATIONS

The December 12, 2017 report estimated the PTIF funds in the amount of \$2,120,000 would be available for these projects. Based upon the attached agreements, the total is \$2,119,196, resulting in a net budget reduction of \$2,804 to project account CM180008 Conventional Bus Expansion.

RISK CONSIDERATION

There are no significant risks associated with the recommendations in this report as the noted funding does not require HRM to expend additional or unbudgeted funds related to this agreement.

COMMUNITY ENGAGEMENT

N/A

ENVIRONMENTAL IMPLICATIONS

N/A

ALTERNATIVES

Council could choose not to approve the Contribution Agreements. This is not recommended as the funds will support an expanded capital project for Halifax Transit, helping to improve service and reduce operational costs. As the buses are already arriving, declining the agreement would necessitate finding funds within the existing budget envelope.

ATTACHMENTS

Appendix I: Pontoon Contribution Agreement
Appendix II: Conventional Bus Purchase Agreement
Appendix III: Bilateral Infrastructure Agreement

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Anne Totten, Intergovernmental Affairs Advisor, 902.490.5623

**PUBLIC TRANSIT INFRASTRUCTURE FUND (PTIF)
CONTRIBUTION AGREEMENT
2016-17 to 2020-21**

BETWEEN: **HER MAJESTY THE QUEEN IN RIGHT OF NOVA SCOTIA**, as represented by the Minister of Municipal Affairs (the "Province")

AND: **HALIFAX REGIONAL MUNICIPALITY**, in the Province of Nova Scotia (the "Recipient"),

individually referred to as a "Party" and collectively referred to as the "Parties".

WHEREAS the Government of Canada announced in Budget 2016 an investment of \$120 billion in infrastructure over 10 years, including \$60 billion in new funding for public transit, green infrastructure, and social infrastructure, to better meet the needs of Canadians and to better position Canada's economy for the future;

WHEREAS the Government of Canada proposes to provide to all Provinces and Territories \$11.9 billion from this plan of which \$3.4 billion will be used to upgrade and improve public transit systems;

WHEREAS the Minister of Infrastructure, Communities and Intergovernmental Affairs for Canada ("Canada") is responsible for the program entitled the "Public Transit Infrastructure Fund ("PTIF") and has entered into a bi-lateral agreement with the Province, dated August 16, 2016 (the "PTIF Agreement"), in order to provide financial support to the Province for Projects approved under the PTIF;

AND WHEREAS pursuant to the PTIF Agreement, Canada and Nova Scotia have arranged that Nova Scotia shall be the contracting party to provide funds originating from Canada to Recipients;

WHEREAS the Recipient has applied and been approved by Canada and the Province for funding under the PTIF program for the Project as more particularly described in Schedule B (Statement of Work);

AND WHEREAS the Parties are desirous of entering into this Agreement in order to set out the terms and conditions of the Project funding;

NOW THEREFORE, in accordance with the mutual covenants and agreements herein, the Parties hereby agree as follows:

1. INTERPRETATION

1.1 DEFINITIONS

In addition to the terms and conditions defined in the Recitals and elsewhere in this Agreement, a capitalized term has the meaning given to it in this Section.

"Agreement" means this agreement and all its schedules, as may be amended from time to time.

"Agreement End Date" means October 31, 2020.

"Asset" means any real or personal property or immovable or movable asset, acquired, constructed, rehabilitated or improved, in whole or in part, with funds provided by Canada and the Province under the terms and conditions of this Agreement.

"Communications Activities" include, but are not limited to, public or media events or

ceremonies including key milestone events, news releases, reports, web and social media products or postings, blogs, news conferences, public notices, physical and digital signs, publications, success stories and vignettes, photos, videos, multi-media content, advertising campaigns, awareness campaigns, editorials, multi-media products and all related communication materials.

“Contract” means an agreement between the Recipient and a Third Party whereby the Third Party agrees to supply a product or service to a Project in return for financial consideration.

“Effective Date” means the date of last signature of this Agreement.

“Eligible Expenditures” means those costs of a Project incurred and eligible for payments set out in Schedule A (Eligible and Ineligible Expenditures).

“Fiscal Year” means from April 1st of a calendar year to March 31st of the next calendar year.

“Ineligible Expenditures” means those costs of a Project incurred and ineligible for payment by Canada and the Province as set out in Schedule A (Eligible and Ineligible Expenditures).

“Joint Communications” are events, news releases, and signage that relate to the promotion of the Program and/or Projects and are collaboratively developed and approved by Canada, the Province and the Recipient, and are not operational in nature.

“Oversight Committee” means the committee established under the PTIF Agreement to monitor the delivery of the PTIF.

“PTIF” has the meaning as assigned in the preamble of this Agreement.

“PTIF Agreement” has the meaning as assigned in the preamble of this Agreement.

“Program” means the Public Transit Infrastructure Fund.

“Project” means the project as set out in Schedule B (Statement of Work) and as approved by Canada and the Province.

“Project Approval Date” is March 22, 2018

“Project Incrementality” means the condition set out in Section 3.1(e) which the Project must comply with in order to be approved for and receive funding under the PTIF and this Agreement.

“Project End Date” means the date by which the Project is due to be completed as described in Schedule B (Statement of Work).

“Recipient” has the meaning as assigned in the preamble of this Agreement.

“Substantial Completion Date” means the date as shown on an executed Declaration of Substantial Completion, as shown in Schedule F (Declaration of Substantial Completion), submitted by the recipient for a project, marking the date on which that project can be used for the purpose for which it was intended as described in Schedule B (Statement of Work).

“Third Party” means a party which enters into a Contract with the Recipient in relation to the Project.

“Total Financial Assistance” means total Project funding from all sources, including funding from federal, provincial, territorial, and municipal sources, private sources and in-kind contributions.

1.2 ENTIRE AGREEMENT

This Agreement comprises the entire agreement between the Parties in relation to the subject of the Agreement. No prior document, negotiation, provision, undertaking or agreement has legal effect, unless incorporated by reference into this Agreement. No representation or warranty express, implied or otherwise, is made by the Province to the Recipient except as expressly set out in this Agreement.

1.3 DURATION OF AGREEMENT

This Agreement will be effective as of the Effective Date and will terminate on the Agreement End Date, subject to early termination in accordance with this Agreement.

1.4 SCHEDULES

The following schedules are attached to, and form part of this Agreement:

Schedule A – Eligible and Ineligible Expenditures

Schedule B – Statement of Work

Schedule C – Statement of Financial Contribution

Schedule D – Reporting Requirements

Schedule E – Communications Protocol

Schedule F – Declaration of Substantial Completion

Schedule G – Attestation for Project Incrementality

2. PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to establish the terms and conditions whereby the Province will provide funding to the Recipient for the Project.

3. OBLIGATION OF THE PARTIES

3.1 CONTRIBUTION BY CANADA

- a) The Province agrees to pay a contribution on behalf of Canada to the Recipient for the Project in an amount outlined in Schedule C (Statement of Financial Contribution) in respect of that Project.
- b) A contribution for a Project will be payable in accordance with the terms and conditions of this Agreement and the Fiscal Year breakdown in Schedule C (Statement of Financial Contribution).
- c) The maximum federal funding to the Project, will not exceed fifty percent (50%) of the total Eligible Expenditures for the Project. Funding from all federal sources will not exceed 50% of the total approved Eligible Expenditures for the project.
- d) Payments made during the Project will not exceed 90% of the Contribution. All projects are subject to a financial holdback of 10% until the Project is completed to the satisfaction of both Canada and the Province.
- e) The Province will request all funding paid out to a Recipient be repaid if the Project is deemed by Canada to not meet the Project Incrementality condition.
- f) The Parties acknowledge that Canada's role in a Project is limited to making a financial contribution to the Recipient for that Project and that neither Canada nor the Province will have any involvement in the implementation of that Project or its operation. Canada and the Province are neither decision-makers nor administrators to a Project.

3.2 CHANGES IN PROJECT COSTS AND FUNDING

The Province will be responsible to oversee and administer any Project amendments submitted by the Recipient in regards to the scope, timing and location of a Project provided that:

- a) Any federal funding paid for Eligible Expenditures incurred and paid for a Project will be returned to Nova Scotia should the Project be cancelled;
- b) The Recipient will inform the Province promptly of any planned changes to a Project. The Recipient agrees that any changes to that Project will require the Province's written consent; and,
- c) If, at any time during the term of this Agreement, one or all of the Parties determines that it will not be possible to complete a Project unless the Recipient expends amounts in excess of the funding available to it, the Party will immediately notify the other Party of that determination and Canada may suspend its funding obligation. The Recipient will, within thirty (30) business days of a request from the Province, provide a summary of the measures that it proposes to remedy the shortfall. If Canada or the Province is not satisfied that the measures proposed will be adequate to remedy the shortfall, then the Province may exercise one of the remedies listed at section 12.3 (Remedies of Default).

3.3 APPROPRIATIONS AND FUNDING LEVELS

Notwithstanding the Canada's obligation to make any payment under this Agreement, this obligation does not arise if, at the time when a payment under this Agreement becomes due, the Parliament of Canada has not passed an appropriation that is sufficient and constitutes lawful authority for making the payment. Canada may reduce or terminate any payment under this Agreement in response to the reduction of appropriations or departmental funding levels in respect of transfer payments, the program under which this Agreement was made or otherwise, as evidenced by any appropriation act or Canada's main or supplementary estimates expenditures. Neither Canada nor the Province will be liable for any direct, indirect, consequential, exemplary or punitive damages, regardless of the form of action, whether in contract, tort or otherwise, arising from any such reduction or termination of funding.

3.4 COMMITMENTS BY THE RECIPIENT

- a) The Recipient will complete the Project in a diligent and timely manner, within the costs and deadlines specified in this Agreement and in accordance with the terms and conditions of this Agreement. The Recipient will be responsible for all costs of the Project including cost over runs, if any.
- b) The Applicant shall use or engage qualified project management for the duration of the Project. Only with the written approval of the Province may an Applicant manage the Project with its own staff.
- c) The Recipient acknowledges that funding that may be received for the Project is not intended to replace or displace existing sources of funding for Recipient expenditures on the Project. As such, over the term of this Agreement, the Recipient will ensure that the Eligible Expenditures on the Project complies with the condition of Project Incrementality.
- d) The Recipient will ensure that it has provided proof, in a manner acceptable to Canada and the Province, that the Project complies with the condition of Project Incrementality and the Recipient shall sign a Schedule G (Attestation for Project Incrementality) to be submitted with the final claim form.
- e) The Recipient will ensure that the Project will be completed by March 31, 2019 and will provide to the Province a duly executed Schedule F (Declaration of Substantial Completion) to be submitted with the final claim form.
- f) The Recipient will be responsible for any costs associated with a Project that are found to be in non-compliance with the definition of Project Incrementality, as well as any costs of a withdrawn or cancelled Project and agrees to repay the Province any and all such disallowed costs, surpluses, unexpended contributions, and overpayments made under and according to the terms and conditions of this Agreement.
- g) The Recipient will be responsible for ensuring the implementation, operation, maintenance, and repair of the Assets and infrastructure investment that is the subject of this Agreement, in accordance with appropriate standards, for its full lifecycle.
- h) The Recipient will inform the Province immediately of any fact or event that may compromise wholly, or in part, a Project.

- i) The Recipient will ensure that prior to the commencement of the Project and throughout the term of this Agreement, it shall have in place the insurance policies set out in Section 5.3 (Insurance).

4. FISCAL YEAR BUDGETING

- a) The estimated contribution amounts payable to the Recipient for each Fiscal Year of the Project are set out in Schedule C (Statement of Financial Contribution).
- b) If the actual amount payable in respect of any Fiscal Year of a Project differs from the estimated amount in Schedule C (Statement of Financial Contribution) of that Project, the Recipient shall submit a request in a timely manner to the Province to re-allocate the difference between the two amounts to a subsequent Fiscal Year of that Project. Subject to subsection 3.3 (Appropriations and Funding Levels) and provided the Recipient has made the request, the Province agrees to make reasonable efforts to accommodate the Recipient's request. The Recipient acknowledges that requests for re-allocation of a Project's funding will require appropriation adjustments.
- c) In the event that any requested re-allocation of a Project's funding is not approved, the amount of Canada's contribution payable pursuant to subsection 3.1 (Contribution by Canada) in respect of that Project may be reduced by the amount of the requested re-allocation. If the contribution payable by Canada pursuant to subsection 3.1 (Contribution by Canada) is so reduced, the Parties agree to review the effects of such reduction on the overall implementation of that Project and to adjust the terms and conditions of this Agreement as appropriate.

5. CONTRACT PROCEDURES

5.1 AWARDING OF CONTRACTS

- a) The Recipient agrees that an appropriate tendering process will be followed in all circumstances where more than one supplier of goods and services is available. The Recipient shall ensure that all tendering practices and transactions represent fair market value and are transparent, open, competitive, accountable, and meet the intent of the Province's procurement policy, including compliance with the Agreement on Internal Trade between the Federal, Provincial and Territorial governments.
- b) If the Province determines that the Recipient has awarded a Contract in a manner that is not in compliance with the foregoing, upon notification to the Recipients, the Province may consider the expenditures associated with the Contract to be ineligible.
- c) Any untendered costs may be deemed ineligible for cost-sharing unless approved in writing by the Province prior to the cost being incurred.
- d) Canada or the Province may in its absolute discretion require a report on any cost or expense incurred by the applicant, whether tendered or not. The Recipient shall provide such details and information as the Province may reasonably require.

5.2 CONTRACT PROVISIONS

All contracts entered into by the Recipient with a Third Party for the implementation of the Project shall include the following provisions:

- a) the Third Party will keep proper and accurate financial accounts and records, including but not limited to its contracts, invoices, statements, receipts, and vouchers, in respect of each Project it participates in for at least six (6) years after the respective Substantial Completion Date and that the Province has the contractual right to audit such accounts and records;
- b) all applicable labour, environmental, and human rights legislation is respected; and
- c) the Province, Canada, the Auditor General of Canada, and their designated representatives, to the extent permitted by law, will at all times be permitted to inspect the terms and conditions of a Contract and any records and accounts respecting each Project and will have free access to each Project site and to any documentation relevant for the purpose of audit.
- d) The Third Party shall be solely responsible for and shall save harmless and indemnify Canada, Nova Scotia and their Ministers, officers, employees and agents from and against all claims, liabilities and demands of any kind with respect to any

injury to persons (including, without limitation, death), damage to or loss or destruction of property, economic loss or infringement of rights caused by or arising directly or indirectly from (i) the Project; (ii) the performance of the contract or the breach of any term or condition of the contract by the Third Party or its officers, employees or agents; (iii) the on-going operation, maintenance and contract or the breach of any term of condition of the contract by the Third Party or its officers, employees or agents; and/or (iv) any omission or any willful or negligent act of the Third Party or its officers, employees or agents.

5.3 INSURANCE

The Recipient shall maintain adequate all-risk insurance coverage on all buildings, structures, machinery and equipment and public liability insurance of not less than two million dollars (\$2,000,000) during the term of construction and not less than eighteen (18) months thereafter. Upon request by the Province, the Recipient shall provide proof of such insurance in a form acceptable to the Province.

6. CLAIMS AND PAYMENTS

6.1 PAYMENT CONDITIONS

The Province will not:

- a) pay any claims in respect of the Project submitted after June 30, 2019, unless otherwise accepted in writing by the Province;
- b) pay interest for failing to make a payment under this Agreement; and,
- c) pay any claims for the Project until the requirements regarding the *Canadian Environmental Assessment Act*, 2012 and aboriginal consultation, if identified in respect of the Project are, in Nova Scotia's opinion, satisfied to the extent possible at the date the claim is submitted to the Province.

6.2 PROGRESS CLAIM

- a) After eligible costs have been incurred and paid by the Recipient, payments from the program, if any, will be disbursed upon satisfactory receipt of a completed interim claim in a format as prescribed by the Province. Each progress claim must include an attestation by the Project Manager and Senior Municipal Official designated in writing by the recipient as to the accuracy of the information submitted in support of the claim.
- b) An interim claim must be accompanied by a claim details form, including cheque date and number, supplier name and invoice number, particulars and cheque amount.
- c) Where reasonable, claims should be submitted as soon as possible after the eligible cost is incurred. At the latest, claims must be received by March 31st of the year following the fiscal year in which the eligible cost is incurred and, in all circumstances, no later than June 30, 2019.
- d) The Recipient shall comply with Generally Accepted Accounting Principles (GAAP), in effect and applied in Nova Scotia, for the purpose of financial reporting on this project and to provide accurate and timely progress reports on a quarterly basis or as otherwise requested by the Province.

6.3 FINAL CLAIM

The Recipient will submit a final claim to the Province for the project no later than June 30, 2019. Prior to the release of the final payment, all reporting requirements must be met as outlined in Schedule D (Reporting Requirements).

6.4 FINAL ADJUSTMENTS

Upon receipt of the final claim for the Project, but before issuing the final payment for the Project, the Parties will jointly carry out a final reconciliation of all claims and payments in respect of the Project and make any adjustments required in the circumstances.

6.5 PROJECT DEADLINE

The Project must be Substantially Complete by no later than March 31, 2019, and all claims for payment must be submitted to the Province for payment no later than June 30, 2019.

6.6 RETENTION OF CONTRIBUTION

Payments made during the Project will not exceed 90% of the Contribution. The Project is subject to a financial holdback of 10% until the Project is completed to the satisfaction of the Province.

6.7 DECLARATION OF SUBSTANTIAL COMPLETION

- a) The Declaration of Substantial Completion must be signed by an authorized official as deemed acceptable by the Province.
- b) The Declaration of Substantial Completion must be submitted to the Province when the Project can be used for the purpose for which it was intended but no later than June 30, 2019.

7. REPORTING

- a) The Recipient will provide regular progress updates and an outcomes progress report, as per Schedule D (Reporting Requirements), to the Province at a timing and frequency determined by the Province and at minimum on a semi-annual basis. The first progress report under this Agreement must cover the period from the Project Approval Date.
- b) The Recipient will submit, in a format acceptable to the Province, no later than June 30, 2019:
 - i. a final project report in accordance with Schedule D (Reporting Requirements); and
 - ii. a final outcomes report on the completed Project in accordance with Schedule D (Reporting Requirements).

8. AUDIT

- a) The Province may require additional assurances in the form of an independent audit opinion, carried out at the Recipient's expense and conducted by an accredited and independent auditor in accordance with the Canadian Auditing Standards to confirm that expenditures claimed to the Province for reimbursement were Eligible Expenditures.
- b) Canada and the Province reserves the right to undertake, at any time, any other audit in relation to a Project at its expense. Canada and the Province will conduct a program compliance audit which will include a financial component and the Recipient agrees to comply with requests for project information in an open and timely manner.
- c) The Recipient agrees to ensure that prompt and timely corrective action is taken in response to any audit findings and recommendations conducted in accordance with this Agreement. A report on follow-up actions taken to address recommendations and results of the audits will be submitted to the Province by the Recipient in a timely manner.
- d) The Recipient will keep proper and accurate financial accounts and records, including but not limited to its Contracts, invoices, statements, receipts, and vouchers, in respect of a Project for at least six (6) years after its Substantial Completion Date.

9. EVALUATION

The Recipient agrees to provide all information related to the Project to the Province during and following the termination or expiry of the Agreement in order for Canada to conduct an evaluation of the performance of the PTIF.

10. ACCESS

The Recipient will provide Canada and the Province and its designated representatives with reasonable and timely access to each Project sites, facilities, and any documentation for the purposes of audit, inspection, monitoring, evaluation, and ensuring compliance with this Agreement.

11. COMMUNICATION

- a) The Parties will comply with Schedule E (Communications Protocol).
- b) The Province and Recipient acknowledge that the following may be made publicly available by Canada:
 - i. the name of the Parties, the amount awarded by Canada, and the general nature of the Project; and,
 - ii. any evaluation or audit report and other reviews related to this Agreement.

12. DEFAULT

12.1 EVENTS OF DEFAULT

The following each constitute an “Event of Default” under this Agreement:

- a) The Recipient has not complied with one or more of the terms and conditions of this Agreement;
- b) The Recipient has submitted false or misleading information to the Province or made a false or misleading representation to the Province in respect of a Project or in this Agreement, except for an error in good faith, demonstration of which is incumbent on the Recipient, to the Province’s satisfaction.

12.2 DEFAULT

The Province will not declare that an Event of Default has occurred unless the Province has given notice to the Recipient of the event which in the Province’s opinion constitutes an Event of Default and the Recipient has failed, within thirty (30) business days of receipt of the notice, either to remedy the Event of Default or to demonstrate, to the satisfaction of the Province, that it has taken such steps as are necessary to remedy the Event of Default, and has notified the Province of the rectification.

12.3 REMEDIES ON DEFAULT

On the occurrence of an Event of Default under this Agreement, the Province may exercise one or more of the following remedies, without limiting any other remedy available to it at law:

- a) suspend or terminate any obligation of Canada to contribute or continue to contribute funding to a Project to which the Event of Default relates, including any obligation to pay any amount owing prior to the date of such suspension or termination;
- b) require the Recipient to reimburse the Province all or part of the contribution paid by the Province on behalf of Canada to the Recipient for the respective Project.

13. INDEMNIFICATION

The Recipient will at all times indemnify and save harmless Canada and the Province, its officers, servants, employees or agents, from and against all actions, whether in

contract, tort or otherwise, claims and demands, losses, costs, damages, suits or other proceedings by whomsoever brought or prosecuted in any manner based upon or occasioned by any injury to persons, damage to or loss or destruction of property, economic loss or infringement of rights caused by, in connection with or arising directly or indirectly from this Agreement, or a Project, except to the extent to which such actions, claims, demands, losses, costs, damages, suits or other proceedings relate to the negligence or breach of the Agreement by an officer, servant, employee or agent of Canada and the Province in the performance of his or her duties.

14. DISPOSAL OF ASSETS

- a) Unless otherwise agreed to by Canada and the Province, the Recipient shall retain title to and ownership of an Asset for five (5) years after the Agreement End Date. At any time or times during this five (5) year period, the Province may require written confirmation from the Recipient, to the satisfaction of the Province, that the Asset is and continues to be retained by the Recipient.
- b) If at any time within five (5) years from the Agreement End Date, the Recipient sells, leases, or otherwise disposes of, directly or indirectly, any Asset purchased, acquired, constructed, rehabilitated or renovated, in whole or in part, under this Agreement, other than to Canada, the Province, a local government, or with Canada's and the Province's consent, the Recipient may be required to reimburse Canada, via the Province, and the Province any funds received from the Province under this Agreement for the Project.

15. ENVIRONMENTAL ASSESSMENT

Canada's funding for a Project is conditional upon Canada and the Province being satisfied that the responsibility of the federal authority or the responsible authority under the *Canadian Environmental Assessment Act, 2012 (CEAA, 2012)*.

16. ABORIGINAL CONSULTATION

Canada's funding for a Project is conditional upon Canada and the Province being satisfied that its obligations with respect to the legal duty to consult, and if applicable, accommodate Aboriginal groups are met.

17. GENERAL

17.1 ACCOUNTING PRINCIPLES

All accounting terms will have the meanings assigned to them, all calculations will be made and all financial data to be submitted will be prepared, in accordance with the Public Sector Accounting Standards (GAAP) in effect in Canada.

17.2 SURVIVAL

The Parties' rights and obligations, which by their nature, extend beyond the termination of this Agreement, will survive any termination of this Agreement.

17.3 CONFLICT OF INTEREST

No current or former public servant or public office holder to whom any post-employment, ethics and conflict of interest legislation, guidelines, codes or policies of either Canada or the Province applies will derive direct benefit from this Agreement unless the provision or receipt of such benefits is in compliance with such legislation, guidelines, policies or codes. The Recipient will promptly inform the Province should it become aware of the existence of any such situation.

17.4 NO AGENCY, PARTNERSHIP, JOINT VENTURE

- a) No provision of this Agreement and no action by the Parties will establish or be deemed to establish a partnership, joint venture, principal-agent relationship or employer-employee relationship in any way or for any purpose whatsoever between Canada and the Recipient or between Canada and a Third Party.
- b) The Recipient will not represent itself, including in any Contract, as a partner, employee or agent of Canada or the Province.

17.5 NO AUTHORITY TO REPRESENT

Nothing in this Agreement is to be construed as authorizing any person, including a Third Party, to contract for or to incur any obligation on behalf of a Party or to act as an agent for a Party. The Recipient will take the necessary action to ensure that any Contract contains a provision to that effect.

17.6 INTEREST ON DEBTS DUE

Debts due to Canada and the Province will accrue interest.

17.7 SEVERABILITY

If for any reason a provision of this Agreement that is not a fundamental term of this Agreement between the Parties is found to be or becomes invalid or unenforceable, in whole or in part, and if both Parties agree, it will be deemed to be severable and will be deleted from this Agreement, but all the other terms and conditions of this Agreement will continue to be valid and enforceable.

17.8 ASSIGNMENT

The Recipient will not transfer or assign its rights or obligations under this Agreement without the prior written consent of Canada and the Province. Any attempt by the Recipient to assign any of the rights, duties or obligations of this Agreement without Canada's and the Province's express written consent is void.

17.9 AMENDMENTS

This Agreement may only be amended by the execution of a written amending Agreement between the Parties, in a form satisfactory to the Province.

17.10 WAIVER

Either Party may waive any of its rights under this Agreement only in writing. Any tolerance or indulgence demonstrated by the Party will not constitute a waiver.

17.11 NOTICE

Any notice provided under this Agreement may be delivered in person, sent by mail or facsimile, addressed to:
for the Province:

Aileen Waller-Hebb, Director of Grants and Programs
Department of Municipal Affairs
Maritime Centre, 14 North
1505 Barrington Street
PO Box 216
Halifax, Nova Scotia
B3J 2M4

or to such other address or facsimile number or addressed to such other person as the Province may, from time to time, designate in writing to the Recipient; and

Mr. Jacques Dubé, Chief Administrative Officer
Halifax Regional Municipality
PO Box 1749, 1841 Argyle St.
Halifax, NS B3J 3A5

Such notice will be deemed to have been received, if sent by mail, when receipt is acknowledged by the other Party; by facsimile, when transmitted and receipt is confirmed; and in person, when delivered.

17.12 COMPLIANCE WITH LAWS

The Recipient will comply with all applicable laws, regulations and all requirements of regulatory bodies having jurisdiction over the subject matter of the Project.

17.13 GOVERNING LAW

This Agreement shall be interpreted and applied exclusively in accordance with the laws of Nova Scotia and the applicable federal laws of Canada. The Courts of Nova Scotia shall have exclusive jurisdiction.

17.14 SUCCESSORS AND ASSIGNS

This Agreement is binding upon the Parties and their respective successors and assigns.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the Effective Date.

SIGNED, SEALED AND DELIVERED

In the presence of:

Date: _____

SIGNED, SEALED AND DELIVERED

In the presence of:

Date: _____

) **GOVERNMENT OF NOVA SCOTIA**

) as represented by the Minister of
) Municipal Affairs

) _____

) Honourable Derek Mombourquette

) Date: _____

) **HALIFAX REGIONAL MUNICIPALITY**

) _____
) Authorized Representative

) Date: _____

SCHEDULE A – ELIGIBLE AND INELIGIBLE EXPENDITURES

A.1 ELIGIBLE EXPENDITURES

Eligible Expenditures will include only the following:

- a) All costs considered by Canada and Nova Scotia to be direct and necessary for the successful implementation of an eligible Project, excluding those identified under Schedule A.1(g), Ineligible Expenditures;
- b) The incremental costs of the Recipient's employees may be included as Eligible Expenditures under the following conditions:
 - i) the Recipient is able to demonstrate that it is not economically feasible to tender a Contract and clearly demonstrate that there is value for money in using internal employees.
 - ii) the employee or equipment is engaged directly in respect of the work that would have been the subject of the Contract; and
 - iii) the arrangement is approved in advance and in writing by Nova Scotia
- c) Costs of Aboriginal consultation, and where appropriate, accommodation; and
- d) Costs incurred between April 1, 2016 and the Project End Date;

A.2 INELIGIBLE EXPENDITURES

Ineligible costs include the following:

- a) Costs incurred prior to April 1, 2016 and costs incurred after the Project End Date;
- b) Costs incurred for cancelled projects;
- c) Any overhead expenditures, including salaries and other employment benefits of any employees of the Recipient, direct or indirect operating or administrative expenditures of Recipients, and more specifically expenditures related to planning, engineering, architecture, supervision, management and other activities normally carried out by staff except in accordance with subsection A.1(b) above;
- d) Land acquisition; leasing land, buildings and other facilities; leasing equipment other than equipment directly related to the construction of the project; real estate fees and related costs;
- e) financing charges, legal fees and loan interest payments, including those related to easements (e.g. surveys);
- f) any goods and services costs which are received through donations or in kind;
- g) Provincial sales tax and Goods and Services tax/Harmonized Sale tax, for which the Ultimate Recipient is eligible for a rebate, and any other costs eligible for rebates, and;
- h) Costs associated with regularly scheduled maintenance work.

SCHEDULE B – STATEMENT OF WORK

Recipient: Halifax Regional Municipality

Project Name: Halifax & Alderney Ferry Terminal Pontoon Replacement

Project Number: 05-17-0025

Project Description:

Refurbishment of the pontoons at both the Halifax and Alderney Ferry Terminals. This work will extend the useful lives of both pontoons.

Project Approval Date: March 22, 2018

Project End Date: March 31, 2019

SCHEDULE C - STATEMENT OF FINANCIAL CONTRIBUTION

Recipient: Halifax Regional Municipality

Project Name: Halifax & Alderney Ferry Terminal Pontoon Replacement

Project Number: 05-17-0025

Contribution by Canada:

Canada agrees to pay a contribution to the Recipient of not more than fifty percent (50%) of the total Eligible Expenditures for the Project up to a maximum of **\$350,000**.

Project Cash Flow

Total Estimated Costs:	\$700,000	Total Shareable Costs:	\$700,000
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Estimated Expenditures	Forecast	
Estimated Contribution by Canada	Forecast of Estimated Contribution by Canada by Fiscal Year*	
	2017/18	2018/19
\$350,000	\$-	\$350,000

*Note: Unexpended commitments may carry forward to the subsequent fiscal year(s) subject to the other terms and conditions of the Contribution Agreement.

SCHEDULE D – REPORTING REQUIREMENTS

D.1 PROJECT PROGRESS REPORT

The Recipient will provide a progress report on the status of the Project, in a form as provided by the Province. The information to be collected will include the dates around design, tender, award, construction start, anticipated completion date, any identified risks, financial information on claimed amount and anticipated claim amount. The Recipient will provide regular progress updates and an outcomes progress report to the Province at a timing and frequency determined by the Province and at minimum on a semi-annual basis.

D.2 OUTCOMES PROGRESS REPORT

- a) The Recipient will provide relevant baseline data for the performance indicators identified below within three (3) months of the date of signature on this Agreement by the Minister of Municipal Affairs.
- b) The Recipient will be required to provide aggregated results on progress on outcomes based on relevant performance indicators identified and chosen from the lists below, D.2 c), and from the application submitted.
- c) The performance indicators for PTIF are as follows:

Outcome	PTIF Performance Indicator
Projects that support modernization	Number of funded transit system projects that have incorporated modern, innovative technology
Funded plans are being implemented	Number of funded plans or studies that have resulted in identified capital projects that are either included in capital planning documents with associated funding or that are in the process of being implemented
Improved rehabilitation	Average number of years of useful life remaining on applicable transit assets, extended as a result of funded investments
	Percentage of assets that have increased their physical condition rating (as per reporting guideline) as a result of funding
	Average percentage decrease in unplanned service interruptions per month (not related to weather) that can be attributed to funded investments
Increased safety	Number of funded transit system projects that have added safety features or equipment
	Estimated percentage decrease in incidents (collision and non-collision) that can be attributed to funded investments
Increased accessibility	Average increase in percentage of transit system fleets that are low-floor accessible as a result of funding
Improved efficiency	Average Life Cycle Cost of applicable transit system assets after completion of funded investments
	Average litres of fuel per passenger-kilometre after completion of funded investments
	Total estimated cubic-meters of natural gas saved as a result of funded investments
	Total estimated kilowatt-hours saved as a result of funded investments
Transit systems are expanding	Total of new passenger-kilometres travelled as a result of funded system expansion projects
Projects are incremental	Total value of capital expenditures for transit projects for year 2016 (to be reported on at final report)
	Total value of capital expenditures for transit projects for year 2017 (to be reported on at final report)

D.3 FINAL PROJECT REPORT

The Recipient will provide a final project report to the Province no later than June 30, 2019. The final project report will include the following:

- a) All information required under section D.1 (Project Progress Report) of this Schedule;
- b) An executed Schedule F (Declaration of Substantial Completion) of the Agreement, and an executed Schedule G (Attestation for Project Incrementality)

D.4 FINAL OUTCOMES REPORT

The Recipient will provide a final outcomes report to the Province no later than June 30, 2019. The final outcomes report will include aggregated results on outcomes based on performance indicators identified in section D.2 c) of this Schedule against the baseline data provided in section D.2 a) of this Schedule.

SCHEDULE E – COMMUNICATIONS PROTOCOL

E.1 Purpose

- a) This Communications Protocol outlines the roles and responsibilities of each of Canada and the Province, as well as those of the Recipient, with respect to Communications Activities related to Projects.
- b) This Communications Protocol will guide all Communications Activity planning, development and implementation with a view to ensuring efficient, structured, continuous, consistent and coordinated communications to the Canadian public.
- c) The provisions of this Communications Protocol apply to all Communications Activities related to this Agreement.

E.2 Guiding Principles

- a) Communications Activities undertaken through this Communications Protocol should ensure that Canadians are informed of infrastructure investments made to help improve their quality of life and that they receive consistent information about funded Projects and their benefits.
- b) The Communications Activities undertaken to recognize federal funding will take into account the financial value and duration of the Project(s) and the feasibility of mounting joint Communications Activities.
- c) The Province is responsible for communicating the requirements and responsibilities outlined in this Communications Protocol to Recipients and for ensuring their compliance.
- d) The Province will communicate to Recipients any deficiencies and/or corrective actions identified by Canada, the Province or by the Oversight Committee.

E.3 Joint Communications

- a) Canada, the Province and the Recipient will have Joint Communications about the funding and status of the Project(s).
- b) Joint Communications related to Projects funded under this Agreement should not occur without the prior knowledge and agreement of Canada, the Province and the Recipient.
- c) All Joint Communications material will be approved by Canada and will recognize Canada's contribution under Schedule C (Statement of Financial Contribution) and/or the Total Financial Assistance received for the Project(s).
- d) Canada, the Province or the Recipient may request Joint Communications. The requestor will provide at least 15 business days' notice to Canada, the Province or the Recipient. If the Communications Activity is an event, it will take place at a mutually agreed date and location.
- e) The requestor of the Joint Communications will provide the opportunity for Canada, the Province or the Recipient to choose to participate and choose their own designated representative (in the case of an event).
- f) Canada has an obligation to communicate in English and French. Communications products related to events must be bilingual and include the Canada word mark and other Parties' logos. In such cases, Canada will provide the translation services and final approval on products.
- g) The conduct of all Joint Communications will follow the *Table of Precedence for Canada* as applicable.

E.4 Individual Communications

- a) Notwithstanding Section E.3 of this Communications Protocol (Joint Communications), Canada retains the right to meet its obligations to communicate information to Canadians about the Agreement and the use of funds through its own Communications Activities.
- b) Canada and the Province may include general Program messaging and Project examples in their own Communications Activities. Canada, Nova Scotia and the Recipient will not unreasonably restrict the use of, for their own purposes, Communications Activities related to Projects funded through the Agreement and if web- or social-media based, from linking to it.

E.5 Operational Communications

The Province and the Recipient are solely responsible for operational communications with respect to Projects, including but not limited to: calls for tender, contract awards, and construction and public safety notices. Operational communications as described above are not subject to the *Official Languages Act* of Canada.

E.6 Media Relations

Canada and the Province will share information promptly with the other Party should significant media inquiries be received or emerging media or stakeholder issues arise to a Project or the overall fund.

E.7 Signage

- a) Canada and the Recipient may each have signage recognizing their funding contribution to the Projects.
- b) Unless otherwise agreed by Canada and the Province, the Recipient will produce and install a sign to recognize federal funding at each Project site in accordance with current federal signage guidelines. The federal sign design, content, and installation guidelines will be provided by Canada.
- c) Where the Recipient decides to install a permanent plaque or other suitable marker with respect to the Projects, it will recognize the federal and provincial contribution and be approved by Canada.
- d) The Province agrees to inform Canada of sign installations.
- e) If erected, signage recognizing the federal and provincial contribution will be installed at the Project site(s) thirty (30) days prior to the start of construction, be visible for the duration of the Project, and remain in place until thirty (30) days after construction is completed and the infrastructure is fully operational or opened for public use.
- f) If erected, signage recognizing the federal and provincial contribution will be at least equivalent in size and prominence to Project signage for contributions by other orders of government and be installed in a prominent and visible location that takes into consideration pedestrian and traffic safety and visibility.
- g) The Recipient is responsible for the production and installation of Project signage, including costs, or as otherwise agreed upon.
- h) In the case of Projects where the deliverable is a document, such as but not limited to plans, reports, studies, strategies, training material, webinars, and workshops, it will clearly recognize Canada's contribution under Schedule C (Statement of Financial Contribution) and/or the Total Financial Assistance received for the Project(s).

E.8 Communicating With Recipients

The Province agrees to facilitate, as required, communications between Canada and the Recipient for Communications Activities.

E.9 Advertising Campaigns

Recognizing that advertising can be an effective means of communicating with the public, Canada and the Province may, at their own cost, organize an advertising or public information campaign related to this Agreement or eligible Projects. However, such a campaign will respect the provisions of this Agreement. In the event of such a campaign, Canada, the Province or the Recipient will inform the other of its intention no less than twenty-one (21) working days prior to the campaign launch.

SCHEDULE F - DECLARATION OF SUBSTANTIAL COMPLETION

In the matter of the Agreement between the Government of Nova Scotia, as represented by the Minister of Municipal Affairs, and the **Halifax Regional Municipality**, the Recipient, dated _____, pursuant to the Public Transit Infrastructure Fund Agreement (the "Agreement"):

I, _____, hold the position of _____ for the
(Name) (Title)

Halifax Regional Municipality, in the Province of Nova Scotia and, as such, have knowledge of the matters set forth in this declaration and believe this declaration to be true and correct.

I declare to the best of my knowledge and belief that the Project identified as **05-17-0025 Halifax and Alderney Ferry Terminal Pontoon Replacement**, as approved on March 22, 2018 has reached Substantial Completion as defined in the Agreement on the _____ day of _____, 20____ (the "Substantial Completion Date").

All terms and conditions of the Agreement that are required to be met as of the date of this declaration have been met.

Declared at _____, in Nova Scotia

this _____ day of _____, 20_____.

(Signature)

(Please Print Name)

SCHEDULE G - ATTESTATION FOR PROJECT INCREMENTALITY

In the matter of the Agreement between the Government of Nova Scotia, as represented by the Minister of Municipal Affairs, and the **Halifax Regional Municipality**, the Recipient, dated _____, pursuant to the Public Transit Infrastructure Fund Agreement (the "Agreement"):

I, _____, hold the position of _____ for the
(Name) (Title)

Halifax Regional Municipality, in the Province of Nova Scotia, and as such, have knowledge of the matters set forth in this declaration and believe this declaration to be true and correct.

The Project identified as **05-17-0025**, titled **Halifax and Alderney Ferry Terminal Pontoon Replacement** meets the Federal Government's requirement of Project Incrementality under the Public Transit Infrastructure Fund (PTIF).

I solemnly swear that (select all that apply):

the Project would not otherwise have been undertaken in 2016-17 or 2017-18, or

the Project would not have been undertaken without federal funding.

This condition has been met as of the date of this declaration.

Declared at _____, in Nova Scotia
(Municipality)

this _____ day of _____, 20__.

(Signature)

(Print Name)

**PUBLIC TRANSIT INFRASTRUCTURE FUND (PTIF)
CONTRIBUTION AGREEMENT
2016-17 to 2020-21**

BETWEEN: **HER MAJESTY THE QUEEN IN RIGHT OF NOVA SCOTIA**, as represented by the Minister of Municipal Affairs (the "Province")

AND: **HALIFAX REGIONAL MUNICIPALITY**, in the Province of Nova Scotia (the "Recipient"),

individually referred to as a "Party" and collectively referred to as the "Parties".

WHEREAS the Government of Canada announced in Budget 2016 an investment of \$120 billion in infrastructure over 10 years, including \$60 billion in new funding for public transit, green infrastructure, and social infrastructure, to better meet the needs of Canadians and to better position Canada's economy for the future;

WHEREAS the Government of Canada proposes to provide to all Provinces and Territories \$11.9 billion from this plan of which \$3.4 billion will be used to upgrade and improve public transit systems;

WHEREAS the Minister of Infrastructure, Communities and Intergovernmental Affairs for Canada ("Canada") is responsible for the program entitled the "Public Transit Infrastructure Fund ("PTIF") and has entered into a bi-lateral agreement with the Province, dated August 16, 2016 (the "PTIF Agreement"), in order to provide financial support to the Province for Projects approved under the PTIF;

AND WHEREAS pursuant to the PTIF Agreement, Canada and Nova Scotia have arranged that Nova Scotia shall be the contracting party to provide funds originating from Canada to Recipients;

WHEREAS the Recipient has applied and been approved by Canada and the Province for funding under the PTIF program for the Project as more particularly described in Schedule B (Statement of Work);

AND WHEREAS the Parties are desirous of entering into this Agreement in order to set out the terms and conditions of the Project funding;

NOW THEREFORE, in accordance with the mutual covenants and agreements herein, the Parties hereby agree as follows:

1. INTERPRETATION

1.1 DEFINITIONS

In addition to the terms and conditions defined in the Recitals and elsewhere in this Agreement, a capitalized term has the meaning given to it in this Section.

"Agreement" means this agreement and all its schedules, as may be amended from time to time.

"Agreement End Date" means October 31, 2020.

"Asset" means any real or personal property or immovable or movable asset, acquired, constructed, rehabilitated or improved, in whole or in part, with funds provided by Canada and the Province under the terms and conditions of this Agreement.

"Communications Activities" include, but are not limited to, public or media events or

ceremonies including key milestone events, news releases, reports, web and social media products or postings, blogs, news conferences, public notices, physical and digital signs, publications, success stories and vignettes, photos, videos, multi-media content, advertising campaigns, awareness campaigns, editorials, multi-media products and all related communication materials.

“Contract” means an agreement between the Recipient and a Third Party whereby the Third Party agrees to supply a product or service to a Project in return for financial consideration.

“Effective Date” means the date of last signature of this Agreement.

“Eligible Expenditures” means those costs of a Project incurred and eligible for payments set out in Schedule A (Eligible and Ineligible Expenditures).

“Fiscal Year” means from April 1st of a calendar year to March 31st of the next calendar year.

“Ineligible Expenditures” means those costs of a Project incurred and ineligible for payment by Canada and the Province as set out in Schedule A (Eligible and Ineligible Expenditures).

“Joint Communications” are events, news releases, and signage that relate to the promotion of the Program and/or Projects and are collaboratively developed and approved by Canada, the Province and the Recipient, and are not operational in nature.

“Oversight Committee” means the committee established under the PTIF Agreement to monitor the delivery of the PTIF.

“PTIF” has the meaning as assigned in the preamble of this Agreement.

“PTIF Agreement” has the meaning as assigned in the preamble of this Agreement.

“Program” means the Public Transit Infrastructure Fund.

“Project” means the project as set out in Schedule B (Statement of Work) and as approved by Canada and the Province.

“Project Approval Date” is March 22, 2018

“Project Incrementality” means the condition set out in Section 3.1(e) which the Project must comply with in order to be approved for and receive funding under the PTIF and this Agreement.

“Project End Date” means the date by which the Project is due to be completed as described in Schedule B (Statement of Work).

“Recipient” has the meaning as assigned in the preamble of this Agreement.

“Substantial Completion Date” means the date as shown on an executed Declaration of Substantial Completion, as shown in Schedule F (Declaration of Substantial Completion), submitted by the recipient for a project, marking the date on which that project can be used for the purpose for which it was intended as described in Schedule B (Statement of Work).

“Third Party” means a party which enters into a Contract with the Recipient in relation to the Project.

“Total Financial Assistance” means total Project funding from all sources, including funding from federal, provincial, territorial, and municipal sources, private sources and in-kind contributions.

1.2 ENTIRE AGREEMENT

This Agreement comprises the entire agreement between the Parties in relation to the subject of the Agreement. No prior document, negotiation, provision, undertaking or agreement has legal effect, unless incorporated by reference into this Agreement. No representation or warranty express, implied or otherwise, is made by the Province to the Recipient except as expressly set out in this Agreement.

1.3 DURATION OF AGREEMENT

This Agreement will be effective as of the Effective Date and will terminate on the Agreement End Date, subject to early termination in accordance with this Agreement.

1.4 SCHEDULES

The following schedules are attached to, and form part of this Agreement:

Schedule A – Eligible and Ineligible Expenditures

Schedule B – Statement of Work

Schedule C – Statement of Financial Contribution

Schedule D – Reporting Requirements

Schedule E – Communications Protocol

Schedule F – Declaration of Substantial Completion

Schedule G – Attestation for Project Incrementality

2. PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to establish the terms and conditions whereby the Province will provide funding to the Recipient for the Project.

3. OBLIGATION OF THE PARTIES

3.1 CONTRIBUTION BY CANADA

- a) The Province agrees to pay a contribution on behalf of Canada to the Recipient for the Project in an amount outlined in Schedule C (Statement of Financial Contribution) in respect of that Project.
- b) A contribution for a Project will be payable in accordance with the terms and conditions of this Agreement and the Fiscal Year breakdown in Schedule C (Statement of Financial Contribution).
- c) The maximum federal funding to the Project, will not exceed fifty percent (50%) of the total Eligible Expenditures for the Project. Funding from all federal sources will not exceed 50% of the total approved Eligible Expenditures for the project.
- d) Payments made during the Project will not exceed 90% of the Contribution. All projects are subject to a financial holdback of 10% until the Project is completed to the satisfaction of both Canada and the Province.
- e) The Province will request all funding paid out to a Recipient be repaid if the Project is deemed by Canada to not meet the Project Incrementality condition.
- f) The Parties acknowledge that Canada's role in a Project is limited to making a financial contribution to the Recipient for that Project and that neither Canada nor the Province will have any involvement in the implementation of that Project or its operation. Canada and the Province are neither decision-makers nor administrators to a Project.

3.2 CHANGES IN PROJECT COSTS AND FUNDING

The Province will be responsible to oversee and administer any Project amendments submitted by the Recipient in regards to the scope, timing and location of a Project provided that:

- a) Any federal funding paid for Eligible Expenditures incurred and paid for a Project will be returned to Nova Scotia should the Project be cancelled;
- b) The Recipient will inform the Province promptly of any planned changes to a Project. The Recipient agrees that any changes to that Project will require the Province's written consent; and,
- c) If, at any time during the term of this Agreement, one or all of the Parties determines that it will not be possible to complete a Project unless the Recipient expends amounts in excess of the funding available to it, the Party will immediately notify the other Party of that determination and Canada may suspend its funding obligation. The Recipient will, within thirty (30) business days of a request from the Province, provide a summary of the measures that it proposes to remedy the shortfall. If Canada or the Province is not satisfied that the measures proposed will be adequate to remedy the shortfall, then the Province may exercise one of the remedies listed at section 12.3 (Remedies of Default).

3.3 APPROPRIATIONS AND FUNDING LEVELS

Notwithstanding the Canada's obligation to make any payment under this Agreement, this obligation does not arise if, at the time when a payment under this Agreement becomes due, the Parliament of Canada has not passed an appropriation that is sufficient and constitutes lawful authority for making the payment. Canada may reduce or terminate any payment under this Agreement in response to the reduction of appropriations or departmental funding levels in respect of transfer payments, the program under which this Agreement was made or otherwise, as evidenced by any appropriation act or Canada's main or supplementary estimates expenditures. Neither Canada nor the Province will be liable for any direct, indirect, consequential, exemplary or punitive damages, regardless of the form of action, whether in contract, tort or otherwise, arising from any such reduction or termination of funding.

3.4 COMMITMENTS BY THE RECIPIENT

- a) The Recipient will complete the Project in a diligent and timely manner, within the costs and deadlines specified in this Agreement and in accordance with the terms and conditions of this Agreement. The Recipient will be responsible for all costs of the Project including cost over runs, if any.
- b) The Applicant shall use or engage qualified project management for the duration of the Project. Only with the written approval of the Province may an Applicant manage the Project with its own staff.
- c) The Recipient acknowledges that funding that may be received for the Project is not intended to replace or displace existing sources of funding for Recipient expenditures on the Project. As such, over the term of this Agreement, the Recipient will ensure that the Eligible Expenditures on the Project complies with the condition of Project Incrementality.
- d) The Recipient will ensure that it has provided proof, in a manner acceptable to Canada and the Province, that the Project complies with the condition of Project Incrementality and the Recipient shall sign a Schedule G (Attestation for Project Incrementality) to be submitted with the final claim form.
- e) The Recipient will ensure that the Project will be completed by September 30, 2018 and will provide to the Province a duly executed Schedule F (Declaration of Substantial Completion) to be submitted with the final claim form.
- f) The Recipient will be responsible for any costs associated with a Project that are found to be in non-compliance with the definition of Project Incrementality, as well as any costs of a withdrawn or cancelled Project and agrees to repay the Province any and all such disallowed costs, surpluses, unexpended contributions, and overpayments made under and according to the terms and conditions of this Agreement.
- g) The Recipient will be responsible for ensuring the implementation, operation, maintenance, and repair of the Assets and infrastructure investment that is the subject of this Agreement, in accordance with appropriate standards, for its full lifecycle.
- h) The Recipient will inform the Province immediately of any fact or event that may compromise wholly, or in part, a Project.

- i) The Recipient will ensure that prior to the commencement of the Project and throughout the term of this Agreement, it shall have in place the insurance policies set out in Section 5.3 (Insurance).

4. FISCAL YEAR BUDGETING

- a) The estimated contribution amounts payable to the Recipient for each Fiscal Year of the Project are set out in Schedule C (Statement of Financial Contribution).
- b) If the actual amount payable in respect of any Fiscal Year of a Project differs from the estimated amount in Schedule C (Statement of Financial Contribution) of that Project, the Recipient shall submit a request in a timely manner to the Province to re-allocate the difference between the two amounts to a subsequent Fiscal Year of that Project. Subject to subsection 3.3 (Appropriations and Funding Levels) and provided the Recipient has made the request, the Province agrees to make reasonable efforts to accommodate the Recipient's request. The Recipient acknowledges that requests for re-allocation of a Project's funding will require appropriation adjustments.
- c) In the event that any requested re-allocation of a Project's funding is not approved, the amount of Canada's contribution payable pursuant to subsection 3.1 (Contribution by Canada) in respect of that Project may be reduced by the amount of the requested re-allocation. If the contribution payable by Canada pursuant to subsection 3.1 (Contribution by Canada) is so reduced, the Parties agree to review the effects of such reduction on the overall implementation of that Project and to adjust the terms and conditions of this Agreement as appropriate.

5. CONTRACT PROCEDURES

5.1 AWARDING OF CONTRACTS

- a) The Recipient agrees that an appropriate tendering process will be followed in all circumstances where more than one supplier of goods and services is available. The Recipient shall ensure that all tendering practices and transactions represent fair market value and are transparent, open, competitive, accountable, and meet the intent of the Province's procurement policy, including compliance with the Agreement on Internal Trade between the Federal, Provincial and Territorial governments.
- b) If the Province determines that the Recipient has awarded a Contract in a manner that is not in compliance with the foregoing, upon notification to the Recipients, the Province may consider the expenditures associated with the Contract to be ineligible.
- c) Any untendered costs may be deemed ineligible for cost-sharing unless approved in writing by the Province prior to the cost being incurred.
- d) Canada or the Province may in its absolute discretion require a report on any cost or expense incurred by the applicant, whether tendered or not. The Recipient shall provide such details and information as the Province may reasonably require.

5.2 CONTRACT PROVISIONS

All contracts entered into by the Recipient with a Third Party for the implementation of the Project shall include the following provisions:

- a) the Third Party will keep proper and accurate financial accounts and records, including but not limited to its contracts, invoices, statements, receipts, and vouchers, in respect of each Project it participates in for at least six (6) years after the respective Substantial Completion Date and that the Province has the contractual right to audit such accounts and records;
- b) all applicable labour, environmental, and human rights legislation is respected; and
- c) the Province, Canada, the Auditor General of Canada, and their designated representatives, to the extent permitted by law, will at all times be permitted to inspect the terms and conditions of a Contract and any records and accounts respecting each Project and will have free access to each Project site and to any documentation relevant for the purpose of audit.
- d) The Third Party shall be solely responsible for and shall save harmless and indemnify Canada, Nova Scotia and their Ministers, officers, employees and agents from and against all claims, liabilities and demands of any kind with respect to any

injury to persons (including, without limitation, death), damage to or loss or destruction of property, economic loss or infringement of rights caused by or arising directly or indirectly from (i) the Project; (ii) the performance of the contract or the breach of any term or condition of the contract by the Third Party or its officers, employees or agents; (iii) the on-going operation, maintenance and contract or the breach of any term of condition of the contract by the Third Party or its officers, employees or agents; and/or (iv) any omission or any willful or negligent act of the Third Party or its officers, employees or agents.

5.3 INSURANCE

The Recipient shall maintain adequate all-risk insurance coverage on all buildings, structures, machinery and equipment and public liability insurance of not less than two million dollars (\$2,000,000) during the term of construction and not less than eighteen (18) months thereafter. Upon request by the Province, the Recipient shall provide proof of such insurance in a form acceptable to the Province.

6. CLAIMS AND PAYMENTS

6.1 PAYMENT CONDITIONS

The Province will not:

- a) pay any claims in respect of the Project submitted after December 31, 2018, unless otherwise accepted in writing by the Province;
- b) pay interest for failing to make a payment under this Agreement; and,
- c) pay any claims for the Project until the requirements regarding the *Canadian Environmental Assessment Act*, 2012 and aboriginal consultation, if identified in respect of the Project are, in Nova Scotia's opinion, satisfied to the extent possible at the date the claim is submitted to the Province.

6.2 PROGRESS CLAIM

- a) After eligible costs have been incurred and paid by the Recipient, payments from the program, if any, will be disbursed upon satisfactory receipt of a completed interim claim in a format as prescribed by the Province. Each progress claim must include an attestation by the Project Manager and Senior Municipal Official designated in writing by the recipient as to the accuracy of the information submitted in support of the claim.
- b) An interim claim must be accompanied by a claim details form, including cheque date and number, supplier name and invoice number, particulars and cheque amount.
- c) Where reasonable, claims should be submitted as soon as possible after the eligible cost is incurred. At the latest, claims must be received by March 31st of the year following the fiscal year in which the eligible cost is incurred and, in all circumstances, no later than December 31, 2018.
- d) The Recipient shall comply with Generally Accepted Accounting Principles (GAAP), in effect and applied in Nova Scotia, for the purpose of financial reporting on this project and to provide accurate and timely progress reports on a quarterly basis or as otherwise requested by the Province.

6.3 FINAL CLAIM

The Recipient will submit a final claim to the Province for the project no later than December 31, 2018. Prior to the release of the final payment, all reporting requirements must be met as outlined in Schedule D (Reporting Requirements).

6.4 FINAL ADJUSTMENTS

Upon receipt of the final claim for the Project, but before issuing the final payment for the Project, the Parties will jointly carry out a final reconciliation of all claims and payments in respect of the Project and make any adjustments required in the circumstances.

6.5 PROJECT DEADLINE

The Project must be Substantially Complete by no later than September 30, 2018, and all claims for payment must be submitted to the Province for payment no later than December 31, 2018.

6.6 RETENTION OF CONTRIBUTION

Payments made during the Project will not exceed 90% of the Contribution. The Project is subject to a financial holdback of 10% until the Project is completed to the satisfaction of the Province.

6.7 DECLARATION OF SUBSTANTIAL COMPLETION

- a) The Declaration of Substantial Completion must be signed by an authorized official as deemed acceptable by the Province.
- b) The Declaration of Substantial Completion must be submitted to the Province when the Project can be used for the purpose for which it was intended but no later than December 31, 2018.

7. REPORTING

- a) The Recipient will provide regular progress updates and an outcomes progress report, as per Schedule D (Reporting Requirements), to the Province at a timing and frequency determined by the Province and at minimum on a semi-annual basis. The first progress report under this Agreement must cover the period from the Project Approval Date.
- b) The Recipient will submit, in a format acceptable to the Province, no later than December 31, 2018:
 - i. a final project report in accordance with Schedule D (Reporting Requirements); and
 - ii. a final outcomes report on the completed Project in accordance with Schedule D (Reporting Requirements).

8. AUDIT

- a) The Province may require additional assurances in the form of an independent audit opinion, carried out at the Recipient's expense and conducted by an accredited and independent auditor in accordance with the Canadian Auditing Standards to confirm that expenditures claimed to the Province for reimbursement were Eligible Expenditures.
- b) Canada and the Province reserves the right to undertake, at any time, any other audit in relation to a Project at its expense. Canada and the Province will conduct a program compliance audit which will include a financial component and the Recipient agrees to comply with requests for project information in an open and timely manner.
- c) The Recipient agrees to ensure that prompt and timely corrective action is taken in response to any audit findings and recommendations conducted in accordance with this Agreement. A report on follow-up actions taken to address recommendations and results of the audits will be submitted to the Province by the Recipient in a timely manner.
- d) The Recipient will keep proper and accurate financial accounts and records, including but not limited to its Contracts, invoices, statements, receipts, and vouchers, in respect of a Project for at least six (6) years after its Substantial Completion Date.

9. EVALUATION

The Recipient agrees to provide all information related to the Project to the Province during and following the termination or expiry of the Agreement in order for Canada to conduct an evaluation of the performance of the PTIF.

10. ACCESS

The Recipient will provide Canada and the Province and its designated representatives with reasonable and timely access to each Project sites, facilities, and any documentation for the purposes of audit, inspection, monitoring, evaluation, and ensuring compliance with this Agreement.

11. COMMUNICATION

- a) The Parties will comply with Schedule E (Communications Protocol).
- b) The Province and Recipient acknowledge that the following may be made publicly available by Canada:
 - i. the name of the Parties, the amount awarded by Canada, and the general nature of the Project; and,
 - ii. any evaluation or audit report and other reviews related to this Agreement.

12. DEFAULT

12.1 EVENTS OF DEFAULT

The following each constitute an “Event of Default” under this Agreement:

- a) The Recipient has not complied with one or more of the terms and conditions of this Agreement;
- b) The Recipient has submitted false or misleading information to the Province or made a false or misleading representation to the Province in respect of a Project or in this Agreement, except for an error in good faith, demonstration of which is incumbent on the Recipient, to the Province’s satisfaction.

12.2 DEFAULT

The Province will not declare that an Event of Default has occurred unless the Province has given notice to the Recipient of the event which in the Province’s opinion constitutes an Event of Default and the Recipient has failed, within thirty (30) business days of receipt of the notice, either to remedy the Event of Default or to demonstrate, to the satisfaction of the Province, that it has taken such steps as are necessary to remedy the Event of Default, and has notified the Province of the rectification.

12.3 REMEDIES ON DEFAULT

On the occurrence of an Event of Default under this Agreement, the Province may exercise one or more of the following remedies, without limiting any other remedy available to it at law:

- a) suspend or terminate any obligation of Canada to contribute or continue to contribute funding to a Project to which the Event of Default relates, including any obligation to pay any amount owing prior to the date of such suspension or termination;
- b) require the Recipient to reimburse the Province all or part of the contribution paid by the Province on behalf of Canada to the Recipient for the respective Project.

13. INDEMNIFICATION

The Recipient will at all times indemnify and save harmless Canada and the Province, its officers, servants, employees or agents, from and against all actions, whether in contract, tort or otherwise, claims and demands, losses, costs, damages, suits or other proceedings by whomsoever brought or prosecuted in any manner based upon or

occasioned by any injury to persons, damage to or loss or destruction of property, economic loss or infringement of rights caused by, in connection with or arising directly or indirectly from this Agreement, or a Project, except to the extent to which such actions, claims, demands, losses, costs, damages, suits or other proceedings relate to the negligence or breach of the Agreement by an officer, servant, employee or agent of Canada and the Province in the performance of his or her duties.

14. DISPOSAL OF ASSETS

- a) Unless otherwise agreed to by Canada and the Province, the Recipient shall retain title to and ownership of an Asset for five (5) years after the Agreement End Date. At any time or times during this five (5) year period, the Province may require written confirmation from the Recipient, to the satisfaction of the Province, that the Asset is and continues to be retained by the Recipient.
- b) If at any time within five (5) years from the Agreement End Date, the Recipient sells, leases, or otherwise disposes of, directly or indirectly, any Asset purchased, acquired, constructed, rehabilitated or renovated, in whole or in part, under this Agreement, other than to Canada, the Province, a local government, or with Canada's and the Province's consent, the Recipient may be required to reimburse Canada, via the Province, and the Province any funds received from the Province under this Agreement for the Project.

15. ENVIRONMENTAL ASSESSMENT

Canada's funding for a Project is conditional upon Canada and the Province being satisfied that the responsibility of the federal authority or the responsible authority under the *Canadian Environmental Assessment Act, 2012 (CEAA, 2012)*.

16. ABORIGINAL CONSULTATION

Canada's funding for a Project is conditional upon Canada and the Province being satisfied that its obligations with respect to the legal duty to consult, and if applicable, accommodate Aboriginal groups are met.

17. GENERAL

17.1 ACCOUNTING PRINCIPLES

All accounting terms will have the meanings assigned to them, all calculations will be made and all financial data to be submitted will be prepared, in accordance with the Public Sector Accounting Standards (GAAP) in effect in Canada.

17.2 SURVIVAL

The Parties' rights and obligations, which by their nature, extend beyond the termination of this Agreement, will survive any termination of this Agreement.

17.3 CONFLICT OF INTEREST

No current or former public servant or public office holder to whom any post-employment, ethics and conflict of interest legislation, guidelines, codes or policies of either Canada or the Province applies will derive direct benefit from this Agreement unless the provision or receipt of such benefits is in compliance with such legislation, guidelines, policies or codes. The Recipient will promptly inform the Province should it become aware of the existence of any such situation.

17.4 NO AGENCY, PARTNERSHIP, JOINT VENTURE

- a) No provision of this Agreement and no action by the Parties will establish or be deemed to establish a partnership, joint venture, principal-agent relationship or

employer-employee relationship in any way or for any purpose whatsoever between Canada and the Recipient or between Canada and a Third Party.

- b) The Recipient will not represent itself, including in any Contract, as a partner, employee or agent of Canada or the Province.

17.5 NO AUTHORITY TO REPRESENT

Nothing in this Agreement is to be construed as authorizing any person, including a Third Party, to contract for or to incur any obligation on behalf of a Party or to act as an agent for a Party. The Recipient will take the necessary action to ensure that any Contract contains a provision to that effect.

17.6 INTEREST ON DEBTS DUE

Debts due to Canada and the Province will accrue interest.

17.7 SEVERABILITY

If for any reason a provision of this Agreement that is not a fundamental term of this Agreement between the Parties is found to be or becomes invalid or unenforceable, in whole or in part, and if both Parties agree, it will be deemed to be severable and will be deleted from this Agreement, but all the other terms and conditions of this Agreement will continue to be valid and enforceable.

17.8 ASSIGNMENT

The Recipient will not transfer or assign its rights or obligations under this Agreement without the prior written consent of Canada and the Province. Any attempt by the Recipient to assign any of the rights, duties or obligations of this Agreement without Canada's and the Province's express written consent is void.

17.9 AMENDMENTS

This Agreement may only be amended by the execution of a written amending Agreement between the Parties, in a form satisfactory to the Province.

17.10 WAIVER

Either Party may waive any of its rights under this Agreement only in writing. Any tolerance or indulgence demonstrated by the Party will not constitute a waiver.

17.11 NOTICE

Any notice provided under this Agreement may be delivered in person, sent by mail or facsimile, addressed to:
for the Province:

Aileen Waller-Hebb, Director of Grants and Programs
Department of Municipal Affairs
Maritime Centre, 14 North
1505 Barrington Street
PO Box 216
Halifax, Nova Scotia
B3J 2M4

or to such other address or facsimile number or addressed to such other person as the Province may, from time to time, designate in writing to the Recipient; and
for the Recipient:

Mr. Jacques Dubé, Chief Administrative Officer
Halifax Regional Municipality
PO Box 1749, 1841 Argyle St.
Halifax, NS B3J 3A5

Such notice will be deemed to have been received, if sent by mail, when receipt is acknowledged by the other Party; by facsimile, when transmitted and receipt is confirmed; and in person, when delivered.

17.12 COMPLIANCE WITH LAWS

The Recipient will comply with all applicable laws, regulations and all requirements of regulatory bodies having jurisdiction over the subject matter of the Project.

17.13 GOVERNING LAW

This Agreement shall be interpreted and applied exclusively in accordance with the laws of Nova Scotia and the applicable federal laws of Canada. The Courts of Nova Scotia shall have exclusive jurisdiction.

17.14 SUCCESSORS AND ASSIGNS

This Agreement is binding upon the Parties and their respective successors and assigns.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the Effective Date.

SIGNED, SEALED AND DELIVERED

In the presence of:

Date: _____

SIGNED, SEALED AND DELIVERED

In the presence of:

Date: _____

) **GOVERNMENT OF NOVA SCOTIA**

) as represented by the Minister of
) Municipal Affairs

) _____

) Honourable Derek Mombourquette

) Date: _____

) **HALIFAX REGIONAL MUNICIPALITY**

) _____
) Authorized Representative

) Date: _____

SCHEDULE A – ELIGIBLE AND INELIGIBLE EXPENDITURES

A.1 ELIGIBLE EXPENDITURES

Eligible Expenditures will include only the following:

- a) All costs considered by Canada and Nova Scotia to be direct and necessary for the successful implementation of an eligible Project, excluding those identified under Schedule A.1(g), Ineligible Expenditures;
- b) The incremental costs of the Recipient's employees may be included as Eligible Expenditures under the following conditions;
 - i) the Recipient is able to demonstrate that it is not economically feasible to tender a Contract and clearly demonstrate that there is value for money in using internal employees.
 - ii) the employee or equipment is engaged directly in respect of the work that would have been the subject of the Contract; and
 - iii) the arrangement is approved in advance and in writing by Nova Scotia
- c) Costs of Aboriginal consultation, and where appropriate, accommodation; and
- d) Costs incurred between April 1, 2016 and the Project End Date;

A.2 INELIGIBLE EXPENDITURES

Ineligible costs include the following:

- a) Costs incurred prior to April 1, 2016 and costs incurred after the Project End Date;
- b) Costs incurred for cancelled projects;
- c) Any overhead expenditures, including salaries and other employment benefits of any employees of the Recipient, direct or indirect operating or administrative expenditures of Recipients, and more specifically expenditures related to planning, engineering, architecture, supervision, management and other activities normally carried out by staff except in accordance with subsection A.1(b) above;
- d) Land acquisition; leasing land, buildings and other facilities; leasing equipment other than equipment directly related to the construction of the project; real estate fees and related costs;
- e) financing charges, legal fees and loan interest payments, including those related to easements (e.g. surveys);
- f) any goods and services costs which are received through donations or in kind;
- g) Provincial sales tax and Goods and Services tax/Harmonized Sale tax, for which the Ultimate Recipient is eligible for a rebate, and any other costs eligible for rebates, and;
- h) Costs associated with regularly scheduled maintenance work.

SCHEDULE B – STATEMENT OF WORK

Recipient: Halifax Regional Municipality

Project Name: Conventional Bus Expansion 2018/19

Project Number: 05-17-0024

Project Description:

For the purchase of 8 conventional buses.

Project Approval Date: March 22, 2018

Project End Date: September 30, 2018

SCHEDULE C - STATEMENT OF FINANCIAL CONTRIBUTION

Recipient: Halifax Regional Municipality

Project Name: Conventional Bus Expansion 2018/19

Project Number: 05-17-0024

Contribution by Canada:

Canada agrees to pay a contribution to the Recipient of not more than fifty percent (50%) of the total Shareable Cost of the Project up to a maximum of **\$1,769,196**.

Project Cash Flow

Total Estimated Costs:	\$4,900,000	Total Shareable Costs:	\$3,538,392
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Estimated Expenditures	Forecast	
Estimated Contribution by Canada	Forecast of Estimated Contribution by Canada by Fiscal Year*	
	2017/18	2018/19
\$1,769,196	\$-	\$1,769,196

*Note: Unexpended commitments may carry forward to the subsequent fiscal year(s) subject to the other terms and conditions of the Contribution Agreement.

SCHEDULE D – REPORTING REQUIREMENTS

D.1 PROJECT PROGRESS REPORT

The Recipient will provide a progress report on the status of the Project, in a form as provided by the Province. The information to be collected will include the dates around design, tender, award, construction start, anticipated completion date, any identified risks, financial information on claimed amount and anticipated claim amount. The Recipient will provide regular progress updates and an outcomes progress report to the Province at a timing and frequency determined by the Province and at minimum on a semi-annual basis.

D.2 OUTCOMES PROGRESS REPORT

- a) The Recipient will provide relevant baseline data for the performance indicators identified below within three (3) months of the date of signature on this Agreement by the Minister of Municipal Affairs.
- b) The Recipient will be required to provide aggregated results on progress on outcomes based on relevant performance indicators identified and chosen from the lists below, D.2 c), and from the application submitted.
- c) The performance indicators for PTIF are as follows:

Outcome	PTIF Performance Indicator
Projects that support modernization	Number of funded transit system projects that have incorporated modern, innovative technology
Funded plans are being implemented	Number of funded plans or studies that have resulted in identified capital projects that are either included in capital planning documents with associated funding or that are in the process of being implemented
Improved rehabilitation	Average number of years of useful life remaining on applicable transit assets, extended as a result of funded investments
	Percentage of assets that have increased their physical condition rating (as per reporting guideline) as a result of funding
	Average percentage decrease in unplanned service interruptions per month (not related to weather) that can be attributed to funded investments
Increased safety	Number of funded transit system projects that have added safety features or equipment
	Estimated percentage decrease in incidents (collision and non-collision) that can be attributed to funded investments
Increased accessibility	Average increase in percentage of transit system fleets that are low-floor accessible as a result of funding
Improved efficiency	Average Life Cycle Cost of applicable transit system assets after completion of funded investments
	Average litres of fuel per passenger-kilometre after completion of funded investments
	Total estimated cubic-meters of natural gas saved as a result of funded investments
	Total estimated kilowatt-hours saved as a result of funded investments
Transit systems are expanding	Total of new passenger-kilometres travelled as a result of funded system expansion projects
Projects are incremental	Total value of capital expenditures for transit projects for year 2016 (to be reported on at final report)
	Total value of capital expenditures for transit projects for year 2017 (to be reported on at final report)

D.3 FINAL PROJECT REPORT

The Recipient will provide a final project report to the Province no later than December 31, 2018. The final project report will include the following:

- a) All information required under section D.1 (Project Progress Report) of this Schedule;
- b) An executed Schedule F (Declaration of Substantial Completion) of the Agreement, and an executed Schedule G (Attestation for Project Incrementality)

D.4 FINAL OUTCOMES REPORT

The Recipient will provide a final outcomes report to the Province no later than December 31, 2018. The final outcomes report will include aggregated results on outcomes based on performance indicators identified in section D.2 c) of this Schedule against the baseline data provided in section D.2 a) of this Schedule.

SCHEDULE E – COMMUNICATIONS PROTOCOL

E.1 Purpose

- a) This Communications Protocol outlines the roles and responsibilities of each of Canada and the Province, as well as those of the Recipient, with respect to Communications Activities related to Projects.
- b) This Communications Protocol will guide all Communications Activity planning, development and implementation with a view to ensuring efficient, structured, continuous, consistent and coordinated communications to the Canadian public.
- c) The provisions of this Communications Protocol apply to all Communications Activities related to this Agreement.

E.2 Guiding Principles

- a) Communications Activities undertaken through this Communications Protocol should ensure that Canadians are informed of infrastructure investments made to help improve their quality of life and that they receive consistent information about funded Projects and their benefits.
- b) The Communications Activities undertaken to recognize federal funding will take into account the financial value and duration of the Project(s) and the feasibility of mounting joint Communications Activities.
- c) The Province is responsible for communicating the requirements and responsibilities outlined in this Communications Protocol to Recipients and for ensuring their compliance.
- d) The Province will communicate to Recipients any deficiencies and/or corrective actions identified by Canada, the Province or by the Oversight Committee.

E.3 Joint Communications

- a) Canada, the Province and the Recipient will have Joint Communications about the funding and status of the Project(s).
- b) Joint Communications related to Projects funded under this Agreement should not occur without the prior knowledge and agreement of Canada, the Province and the Recipient.
- c) All Joint Communications material will be approved by Canada and will recognize Canada's contribution under Schedule C (Statement of Financial Contribution) and/or the Total Financial Assistance received for the Project(s).
- d) Canada, the Province or the Recipient may request Joint Communications. The requestor will provide at least 15 business days' notice to Canada, the Province or the Recipient. If the Communications Activity is an event, it will take place at a mutually agreed date and location.
- e) The requestor of the Joint Communications will provide the opportunity for Canada, the Province or the Recipient to choose to participate and choose their own designated representative (in the case of an event).
- f) Canada has an obligation to communicate in English and French. Communications products related to events must be bilingual and include the Canada word mark and other Parties' logos. In such cases, Canada will provide the translation services and final approval on products.
- g) The conduct of all Joint Communications will follow the *Table of Precedence for Canada* as applicable.

E.4 Individual Communications

- a) Notwithstanding Section E.3 of this Communications Protocol (Joint Communications), Canada retains the right to meet its obligations to communicate information to Canadians about the Agreement and the use of funds through its own Communications Activities.
- b) Canada and the Province may include general Program messaging and Project examples in their own Communications Activities. Canada, Nova Scotia and the Recipient will not unreasonably restrict the use of, for their own purposes, Communications Activities related to Projects funded through the Agreement and if web- or social-media based, from linking to it.

E.5 Operational Communications

The Province and the Recipient are solely responsible for operational communications with respect to Projects, including but not limited to: calls for tender, contract awards, and construction and public safety notices. Operational communications as described above are not subject to the *Official Languages Act* of Canada.

E.6 Media Relations

Canada and the Province will share information promptly with the other Party should significant media inquiries be received or emerging media or stakeholder issues arise to a Project or the overall fund.

E.7 Signage

- a) Canada and the Recipient may each have signage recognizing their funding contribution to the Projects.
- b) Unless otherwise agreed by Canada and the Province, the Recipient will produce and install a sign to recognize federal funding at each Project site in accordance with current federal signage guidelines. The federal sign design, content, and installation guidelines will be provided by Canada.
- c) Where the Recipient decides to install a permanent plaque or other suitable marker with respect to the Projects, it will recognize the federal and provincial contribution and be approved by Canada.
- d) The Province agrees to inform Canada of sign installations.
- e) If erected, signage recognizing the federal and provincial contribution will be installed at the Project site(s) thirty (30) days prior to the start of construction, be visible for the duration of the Project, and remain in place until thirty (30) days after construction is completed and the infrastructure is fully operational or opened for public use.
- f) If erected, signage recognizing the federal and provincial contribution will be at least equivalent in size and prominence to Project signage for contributions by other orders of government and be installed in a prominent and visible location that takes into consideration pedestrian and traffic safety and visibility.
- g) The Recipient is responsible for the production and installation of Project signage, including costs, or as otherwise agreed upon.
- h) In the case of Projects where the deliverable is a document, such as but not limited to plans, reports, studies, strategies, training material, webinars, and workshops, it will clearly recognize Canada's contribution under Schedule C (Statement of Financial Contribution) and/or the Total Financial Assistance received for the Project(s).

E.8 Communicating With Recipients

The Province agrees to facilitate, as required, communications between Canada and the Recipient for Communications Activities.

E.9 Advertising Campaigns

Recognizing that advertising can be an effective means of communicating with the public, Canada and the Province may, at their own cost, organize an advertising or public information campaign related to this Agreement or eligible Projects. However, such a campaign will respect the provisions of this Agreement. In the event of such a campaign, Canada, the Province or the Recipient will inform the other of its intention no less than twenty-one (21) working days prior to the campaign launch.

SCHEDULE F - DECLARATION OF SUBSTANTIAL COMPLETION

In the matter of the Agreement between the Government of Nova Scotia, as represented by the Minister of Municipal Affairs, and the **Halifax Regional Municipality**, the Recipient, dated _____, pursuant to the Public Transit Infrastructure Fund Agreement (the “Agreement”):

I, _____, hold the position of _____ for the
(Name) (Title)

Halifax Regional Municipality, in the Province of Nova Scotia and, as such, have knowledge of the matters set forth in this declaration and believe this declaration to be true and correct.

I declare to the best of my knowledge and belief that the Project identified as **05-17-0024 Conventional Bus Expansion 18-19**, as approved on March 22, 2018 has reached Substantial Completion as defined in the Agreement on the _____ day of _____, 20____ (the “Substantial Completion Date”).

All terms and conditions of the Agreement that are required to be met as of the date of this declaration have been met.

Declared at _____, in Nova Scotia

this _____ day of _____, 20_____.

(Signature)

(Please Print Name)

SCHEDULE G - ATTESTATION FOR PROJECT INCREMENTALITY

In the matter of the Agreement between the Government of Nova Scotia, as represented by the Minister of Municipal Affairs, and the **Halifax Regional Municipality**, the Recipient, dated _____, pursuant to the Public Transit Infrastructure Fund Agreement (the "Agreement"):

I, _____, hold the position of _____ for the
(Name) (Title)

Halifax Regional Municipality, in the Province of Nova Scotia, and as such, have knowledge of the matters set forth in this declaration and believe this declaration to be true and correct.

The Project identified as **05-17-0024**, titled **Conventional Bus Expansion 18-19** meets the Federal Government's requirement of Project Incrementality under the Public Transit Infrastructure Fund (PTIF).

I solemnly swear that (select all that apply):

the Project would not otherwise have been undertaken in 2016-17 or 2017-18, or

the Project would not have been undertaken without federal funding.

This condition has been met as of the date of this declaration.

Declared at _____, in Nova Scotia
(Municipality)

this _____ day of _____, 20__.

(Signature)

(Print Name)

Briefing Note – For Information

Date: April 16, 2018

Project/Strategy: Bilateral Infrastructure Agreement

ISSUE

The federal-provincial bilateral infrastructure agreement was announced on Tuesday, April 10, 2018, and the details have since been released. These are outlined below.

PUBLIC TRANSIT INFRASTRUCTURE FUND (PTIF)

Canada will provide Nova Scotia \$289,589,324 over 10 years (to March 31, 2028) in public transit infrastructure funding.

Canada will consider requests from Nova Scotia to transfer contribution funding under the public transit stream to the green infrastructure stream, specifically the climate change mitigation sub-stream, after March 31st, 2021.

Nova Scotia will ensure that that contribution funding received under this Agreement does not displace municipal spending on public transit.

The fund's Objective will primarily build new urban transit networks and service extensions that will transform the way that Canadians live, move and work.

Public Transit Fiscal Year Breakdown Table

Year	Canada (\$M)
2018 – 2019	\$6.6
2019 – 2020	\$10.2
2020 – 2021	\$11.8
2021 – 2022	\$17.0
2022 – 2023	\$20.5
2023 – 2024	\$27.7
2024 – 2025	\$33.6

Year	Canada (\$M)
2025 – 2026	\$49.7
2026 – 2027	\$50.9
2027 – 2028	\$61.6
TOTAL	\$289.6

Allocation within Nova Scotia is based solely on ridership as set out in the Public Transit Sub-Allocation Table:

Ultimate Recipient	Ridership	Funding %
Halifax	19,573,412	96.43
King's Transit (Kentville)	338,716	1.67
Transit Cape Breton - Sydney	373,955	1.84
Yarmouth	11,908	0.06

A maximum of 15% of Canada's public transit allocation amount may be paid to public transit rehabilitation projects.

Reporting Targets: Nova Scotia will report to Canada on the targets set out below:

- Increase to between 15.2 and 17.2% the modal share for public transit and active transportation.
- Increase to eighty percent (80%) the percentage of people in a municipality with a transit system that live in the service area of their transit system.

Projects are not eligible for contribution funding under this Agreement if they involve inter-city bus, rail, port or ferry infrastructure that is not part of a public transit system. Public transit is considered to be a distinct mode of transportation conveyance that generally refers to the movement of passengers only within an urban or municipal setting.

Federal cost sharing is:

- 40% of Eligible Expenditures in Nova Scotia for new construction and expansion of public transit and active transportation that connects citizens to their public transit systems;
- 50% of Eligible Expenditures in Nova Scotia for public transit rehabilitation Projects; or
- 25% of Eligible Expenditures for any for-profit private sector Ultimate Recipients

GREEN INFRASTRUCTURE FUND

Canada will provide Nova Scotia \$381,914,606 over 10 years (to March 31, 2028) in green infrastructure funding.

Objective: The green infrastructure stream will support greenhouse gas emission (GHG) reductions, enable greater adaptation and resilience to the impacts of climate change and climate-related disaster mitigation, and ensure that more communities can provide clean air and safe drinking water for their citizens.

This stream includes the following three sub-streams:

- climate change mitigation;
- adaptation, resilience, disaster mitigation; and
- environmental quality.

Green Infrastructure Fiscal Year Breakdown Table

Year	Canada (\$M)
2018 – 2019	\$6.5
2019 – 2020	\$5.9
2020 – 2021	\$23.1
2021 – 2022	\$19.7
2022 – 2023	\$31.1
2023 – 2024	\$38.9
2024 – 2025	\$47.0
2025 – 2026	\$61.7
2026 – 2027	\$67.5
2027 – 2028	\$80.5
TOTAL	\$381.9

Nova Scotia agrees to allocate a minimum of \$171,861,573 of Canada's allocation amount to the climate change mitigation sub-stream (ie, 45% of the total Green Infrastructure Fund).

Eligibility Criteria - Projects must meet at least one of the outcomes in the Green Infrastructure Outcomes Table:

Climate Change Mitigation Outcomes: (45% of total Green Infrastructure funds)
Increased capacity to manage more renewable energy
Increased access to clean energy transportation
Increased energy efficiency of buildings
Increased generation of clean energy
Adaptation, Resilience and Disaster Mitigation Outcomes:
Increased structural capacity and/or increased natural capacity to adapt to climate change impacts, natural disasters and/or extreme weather events

Environmental Quality Outcomes:
Increased capacity to treat and/or manage wastewater and stormwater
Increased access to potable water
Increased capacity to reduce and/or remediate soil and/or air pollutants

Ineligible projects are those that:

- involve inter-city bus, rail, port and ferry infrastructure that is not part of a public transit system;
- are eligible under the Low Carbon Economy Leadership Fund's priority areas, unless and until the relevant provincial allocation under the Low Carbon Economy Leadership Fund envelope has been fully committed;
- are energy retrofit projects, unless the energy retrofit project is on an asset that would be considered eligible for funding under this Agreement or under the National Housing Strategy; or
- involve emergency services infrastructure.

Reporting Targets: Nova Scotia will report to Canada on the targets set out below:

- Contribute to a national ten mega-tonne reduction of greenhouse gas emissions.
- Eliminate long-term drinking water advisories in non-reserve communities.
- Increase the number of wastewater systems achieving compliance with federal effluent regulations: from 98% to 100% for high-risk wastewater systems, and from 85% to 95% for medium-risk wastewater systems.

Federal cost sharing is:

- 50% of Eligible Expenditures for Nova Scotia;
- 40% of Eligible Expenditures for municipalities, regional governments and not-for-profit organizations;
- 75% of Eligible Expenditures for Indigenous Ultimate Recipients; or
- 25% of Eligible Expenditures for any for-profit, private sector Ultimate Recipients

COMMUNITIES, CULTURE AND RECREATION FUND

Canada will provide Nova Scotia \$51,245,475 over 10 years (to March 31, 2028) in green infrastructure funding.

Objective: The community, culture and recreation infrastructure stream will build stronger communities and improve social inclusion

Community, Culture and Recreation Infrastructure Fiscal Year Breakdown Table

Year	Canada (\$M)
2018 – 2019	\$0.3
2019 – 2020	\$0.6
2020 – 2021	\$1.6

Year	Canada (\$M)
2021 – 2022	\$2.5
2022 – 2023	\$3.5
2023 – 2024	\$5.0
2024 – 2025	\$6.1
2025 – 2026	\$10.9
2026 – 2027	\$8.9
2027 – 2028	\$11.8
TOTAL	\$51.2

Nova Scotia will allocate a minimum of \$4,996,245 for the benefit of Indigenous peoples not living on reserve (ie, 9.7% of the total Communities Culture and Recreation Fund).

Eligibility criteria: Improved access to and/or increased quality of cultural, recreational and/or community infrastructure for Canadians, including Indigenous peoples and vulnerable populations.

All Projects must meet the following requirements:

- Community, culture and recreation Projects must be community-oriented, non-commercial in nature and open for use to the public and not limited to a private membership.
- Nova Scotia will prioritize assets that serve vulnerable populations.
- "Community Infrastructure" is defined as community hubs and community centres. These are publicly accessible, multi-purpose spaces that bring together a variety of different services, programs and/or social and cultural activities to reflect local community needs.
- Nova Scotia must confirm that the primary rationale for undertaking a sport infrastructure Project is not to serve as a home facility for professional or semi-professional sports teams.

Ineligible projects include those with a private sector, for-profit Ultimate Recipient; and those for a professional or semi-professional sport facility that is primarily a commercial operation, such as those that serve major junior hockey leagues

Federal cost sharing is:

- 50% of Eligible Expenditures for Nova Scotia,
- 40% of Eligible Expenditures for municipalities, regional governments and not-for-profit organizations, or
- 75% of Eligible Expenditures for Indigenous Ultimate Recipients

RURAL AND NORTHERN COMMUNITIES

Canada will provide Nova Scotia \$105,743,756 over 10 years (to March 31, 2028) in green infrastructure funding.

Objective: The rural and northern communities infrastructure stream will support Projects that improve the quality of life in rural and northern communities by responding to rural- and northern-specific needs.

Projects will be restricted to those situated within, and that are for the direct benefit of, rural and northern communities with a population of 100,000 or less based on 2016 Statistics Canada Census data.

Rural and Northern Communities Infrastructure Fiscal Year Breakdown Table

Year	Canada (\$M)
2018 – 2019	\$0.8
2019 – 2020	\$1.2
2020 – 2021	\$3.2
2021 – 2022	\$5.2
2022 – 2023	\$7.3
2023 – 2024	\$10.4
2024 – 2025	\$12.6
2025 – 2026	\$23.3
2026 – 2027	\$18.3
2027 – 2028	\$23.4
TOTAL	\$105.7

Eligibility Criteria:

- a) Projects must meet at least one of the outcomes in the Rural and Northern Communities Infrastructure Outcomes Table; or

Rural and Northern Communities Infrastructure Outcomes Table

Improved food security
Improved and/or more reliable road, air and/or marine infrastructure
Improved broadband connectivity
More efficient and/or reliable energy
Improved education and/or health facilities (specific to Truth and Reconciliation Commission's <i>Calls to Action</i>)

- b) may, subject to approval by Canada, meet at least one of the project outcomes in the Public Transit Outcome Table, the Green Infrastructure Outcomes Table or the Community, Culture and Recreation Infrastructure Outcomes Table.

Federal cost sharing is:

- 50% of Eligible Expenditures for Nova Scotia, municipalities and regional governments with a population of 5,000 or more and not-for-profit Ultimate Recipients;
- 60% of Eligible Expenditures for municipalities and regional governments with a population of less than 5,000;
- 75% of Eligible Expenditures for Indigenous Ultimate Recipients

Reporting Targets: Nova Scotia will report to Canada on the targets set out below:

- Increase by 5 to 7% the number of Rural Households that have access to the highest broadband speed range available in Nova Scotia based on 2015 Canadian Radio-Television and Telecommunications Commission data.

PERFORMANCE MEASUREMENT

Climate Change:

Nova Scotia will ensure that the following climate lens assessments are completed prior to Canada's approval of a Project:

- A greenhouse gas emissions assessment that includes a cost-per-tonne calculation as required by Canada:
 - for all projects that seek funding under the climate change mitigation sub-stream in the Green Infrastructure Fund; and
 - for all other projects with total estimated Eligible Expenditures of \$10,000,000 or more.
- A climate change resilience assessment:
 - for all projects that seek funding under the adaptation, resilience, and disaster mitigation sub-stream in the Green Infrastructure Fund; and
 - for all other projects with total estimated Eligible Expenditures of \$10,000,000 or more.

If a project is approved, the funds to conduct the GHG and resilience screens will be eligible for cost sharing retroactively. Screening costs for projects not approved for funding are ineligible.

Employment:

Nova Scotia will ensure that all Projects with total estimated Eligible Expenditures of \$10,000,000 or more, will report on community employment benefits provided to at least three federal target groups:

- apprentices, Indigenous peoples, women, persons with disabilities, veterans, youth, new Canadians, or small-medium-sized enterprises and social enterprises).

Canada will waive the community employment benefits reporting requirement at the discretion of Nova Scotia. Nova Scotia will provide Canada a rationale for not reporting on community employment benefits as described in this section, which will be made public by Canada.

GENERAL

Nova Scotia agrees to provide 33.33% of total project contributions where the Ultimate Recipient is a municipal or regional government.

Nova Scotia will ensure that projects submitted for Canada's approval represent a fair balance of municipal and provincial projects.

Nova Scotia will submit for Canada's review and approval all projects to be considered for contribution funding under this Agreement by March 31st, 2025.

Nova Scotia will ensure that all Projects are Substantially Completed by October 31st, 2027.

Nova Scotia will submit an infrastructure plan to Canada by September 30th, 2018 that includes:

- Nova Scotia's plans for achieving the targets,
- Nova Scotia's approach to ensure that a fair balance of municipal and provincial projects and projects supporting Indigenous peoples,
- Nova Scotia's aspirational targets for community employment benefits provided to federal target groups, and
- A section identifying projects that Nova Scotia intends to submit for approval, including projects that are ready to be submitted to Canada or that Nova Scotia may submit to Canada in the future

This plan will be updated annually and resubmitted by May 31 each year. Nova Scotia may update the information required under paragraph a) ii) in this section at any time.

Prepared by:

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