

HALIFAX

P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 11.1.4
Halifax Regional Council
September 1, 2020

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original Signed by 
Jacques Dubé, Chief Administrative Officer

DATE: May 20, 2020

SUBJECT: Investing in Canada Amending Agreement: Herring Cove Phase 2B

ORIGIN

A January 15, 2019 motion of Regional Council recommending that Halifax Regional Council submit the following two projects for consideration under the ICIP Environmental Quality funding program:

- Herring Cove water and wastewater servicing Phase 2B; and
- Halifax Peninsula Water Transmission Main Expansion & Upgrade.

July 19, 2019 Federal-Provincial announcement approving ICIP funding for Herring Cove water servicing Phase 2B project.

January 28, 2020 motion of Regional Council authorizing the Mayor and Municipal Clerk to sign the Contribution Agreement with the Minister of Municipal Affairs to receive \$5,778,522.00 in funding for the Herring Cove Water and Wastewater Servicing project, Phase 2B.

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 or amendments to revenue 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 Amending Agreement with the Minister of Municipal Affairs with respect to ICIP funding for the Herring Cove Water and Wastewater Servicing project, Phase 2B.

BACKGROUND

In January 2018, Regional Council designated the Herring Cove water servicing project Phase 2B as HRM's top water and wastewater priority for Phase 2 of the Investing in Canada Infrastructure Program (ICIP). The Herring Cove project has a long history, beginning in 1999 when Council extended water service to the area because of the co-location of a Harbour Solutions Wastewater Treatment Facility. Phases 1A, 1B and 2A were completed by 2008, but the remainder of the project did not proceed due to escalating construction costs and insufficient budgets. In 2014, Phase 2B was submitted for funding consideration to the Building Canada Fund but was not approved. It was submitted again in 2016 under the ICIP Clean Water and Wastewater Fund and was approved, but with a substantially smaller federal and provincial cost share as insufficient funds were available in the Clean Water and Wastewater Fund. Given this significant funding shortfall, HRM withdrew the project with the stipulation it be re-submitted as the top priority water project at a future date.

The new phase of the ICIP federal-provincial bilateral infrastructure agreement was announced in April 2018. On November 22, 2018, the Minister of Municipal Affairs and Housing issued a call for applications for the Environmental Quality funding sub stream of the Green fund. The Environmental Quality funding sub stream of the Green fund is the main source of infrastructure funding for water and wastewater projects. Project eligibility is determined using an outcomes-based approach, rather than asset type as was the practice in the past. Outcomes sought under the Environmental Quality sub stream are:

- 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

Generally, approved projects where a municipality is the ultimate recipient receive 40 per cent federal and 33 per cent provincial cost sharing, with the municipality covering the remaining 27 per cent. Each municipality was directed to submit no more than two applications for projects that can commence in 2019-20 or 2020-21.

As per the motion noted in the 'Origin' section of this report, on January 15, 2019, Regional Council approved two projects to submit for consideration under the ICIP Environmental Quality funding sub stream. Herring Cove Phase 2B, one of the two projects on that list, was approved for funding under the program. Phase 2B involves the instillation of 1,500 metres of water main, 2,200 metres of wastewater pipe, two wastewater pumping stations and all related appurtenances. The completion of Phase 2B would complete the servicing of the core community area, addressing issues of equity and water quality.

In September 2019, HRM received an ICIP Contribution Agreement for the Herring Cove Phase 2B project (Attachment B). The Contribution Agreement formalizes the federal and provincial funding shares for the \$7,880,161 project and establishes all terms and conditions. The combined federal and provincial contribution under the Contribution Agreement is \$5,778,522, or approximately 73.3 per cent of the estimated project costs. The remaining portion is to be funded by HRM through a Local Improvement Charge (LIC) on impacted properties.

On January 28, 2020, Regional Council authorized the Mayor and Municipal Clerk to sign the Contribution Agreement, which was executed on February 5, 2020.

DISCUSSION

COVID-19 Impacts

The Contribution Agreement for the Herring Cove water servicing Phase 2B project was executed shortly before the outbreak of the COVID-19 pandemic. Since then, HRM staff have been working to assess the impacts of the pandemic on current capital projects receiving joint intergovernmental funding. Herring Cove

Phase 2B was identified as a project requiring an extension as a result of the pandemic.

HRM is responsible for the coordination of the water and wastewater sewer extensions for Herring Cove as constructing new water and wastewater infrastructure falls outside of Halifax Water's mandate. A LIC in the amount of \$2,101,639 will be required to fund the costs not covered by the federal and provincial contributions. In January 2018, HRM staff estimated the LIC at approximately \$28,000 per property.

HRM's procedure for establishing a new LIC is to first hold a community consultation with impacted property owners to determine their support for the proposed LIC. The LIC community consultation for the Herring Cove Phase 2B project was originally planned for the spring of 2020. However, with the COVID-19 pandemic and resulting public health restrictions, staff were unable to proceed, and the consultations have been delayed. Determining whether to approve a LIC and setting the specific amount is a necessary first step in the project, as HRM will have to determine its source of financing for the project prior to proceeding. In accordance with past practice, Council may approve a LIC following a community consultation. Alternatively, Council has the option of funding from reserves, general rate, or other means.

As a result of these impacts, HRM staff submitted a request to the Province for an extension to the project end date for Herring Cove Phase 2B.

Amending Agreement

On May 13, 2020, HRM received an Amending Agreement (Attachment A) from the Minister of Municipal Affairs and Housing. The Amending Agreement responds to HRM's request for an extension to the project end date and the final claim due date and adjusts the project cash flow tables accordingly. It also introduces small administrative amendments to the Contribution Agreement as proposed by the Province. The project description remains unchanged, as well as the total federal and provincial contribution of \$5,778,522.

Below is an overview of the changes introduced in the Amending Agreement:

- The project end date, as listed in Schedule B of the Contribution Agreement, is changed from March 31, 2021, to March 31, 2024.
- The final claim due date, as listed on Schedule C of the Contribution Agreement, is changed from September 30, 2021, to September 30, 2024.
- While the federal and provincial total contribution remains unchanged at \$5,778,522, the project cashflow tables, as shown in Schedule C of the Contribution Agreement, are revised to respond to the new project end date and final claim due date. Under the original Contribution Agreement, the forecasted breakdown of the federal and provincial contribution was \$577,852 in 2019/20 and \$5,200,670 in 2020/21. Under the Amending Agreement, the project cashflow table is as follows: \$131,994 in 2019/20, \$2,566,550 in 2020/21, \$2,933,200 in 2021/22, and \$146,778 in 2022/23. The revised cashflow tables are based on a cash flow summary submitted by HRM staff at the time of making the request for an extension.
- At the request of the Province, the Amending Agreement includes new provisions to enable greater administrative efficiencies on the Province's part should there be future requests for amendments to the Contribution Agreement. Under these new provisions, the Director of Grants and Programs of the Department of Municipal Affairs and Housing will be delegated the authority to approve future amendments to the Contribution Agreement, at the request of HRM. Future amendments will still require an amending agreement to be signed by the parties.

FINANCIAL IMPLICATIONS

There are no expected long-term financial implications to HRM for this phase of the Herring Cove project. The cost of the water and wastewater extension project will be covered by the federal and provincial funding and the LIC, should one be approved by Council following a community consultation. HRM costs associated with the development of a new LIC By-law for the Herring Cove project can be accommodated within

approved operating budgets for Finance, Asset Management & ICT and Legal, Municipal Clerk and External Affairs. As noted earlier in this report, project overages would be the responsibility of HRM and may result in a request to increase the LIC.

RISK CONSIDERATION

There are no financial risks associated with the recommendations in this report as the Amending Agreement does not require HRM to expend additional or unbudgeted funds.

COMMUNITY ENGAGEMENT

A public meeting will be held with community residents regarding the LIC once the COVID-19 provincial health orders relating to physical distancing are lifted, and it has been determined that HRM staff are able to proceed with the appropriate precautions in place to ensure the health and safety of all participants.

ENVIRONMENTAL IMPLICATIONS

The completion of Herring Cove Phase 2B would complete the servicing of the core community area, addressing issues of equity and water quality and achieving the ICIP outcomes of increased access to potable water, and increased capacity to treat and manage wastewater and stormwater.

ALTERNATIVES

Council could choose not to approve the Amending Agreement. This is not recommended as staff have determined that, due to the impacts of the COVID-19 pandemic, HRM will be unable to meet the current project end date as listed in the Contribution Agreement. Terminating the Contribution Agreement would necessitate finding funds within the existing budget envelope, or not moving this phase of the Herring Cove project forward at this time.

ATTACHMENTS

Attachment A: Herring Cove Water and Wastewater Servicing Amending Agreement

Attachment B: Herring Cove Water and Wastewater Servicing Contribution 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: David Perusse, Intergovernmental Affairs Advisor, GREA 902.490.7420

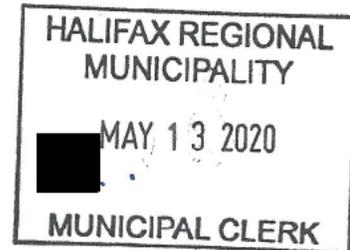


**Municipal Affairs and Housing
Office of the Minister**

PO Box 216, Halifax, Nova Scotia, Canada B3J 2M4 • Telephone 902-424-5550 Fax 902-424-0581 • novascotia.ca

April 21, 2020

Mike Savage
Mayor
Halifax Regional Municipality
P.O. Box 1749, Halifax, NS
B3J 3A5



Dear Mayor Savage:

Re: Investing in Canada Infrastructure Program (ICIP), Project 05-18-0056, Water and Wastewater Servicing Phase 2B

Our office has received your request for an extension to the above noted project. I am writing to confirm the Department of Municipal Affairs and Housing supports the Municipalities request for extension.

In addition to the extension approval above, I'm including a revision to the Agreement which allows for some administrative efficiencies on our end.

Please sign both copies, keeping one copy for your files and return the other to our Department to the attention of Hardy Stuckless.

Should you have any questions, please contact Hardy Stuckless, A/Director of Grants and Programs at (902) 424-2770.

Sincerely,



Chuck Porter
Minister

c: Jacques Dubé, Chief Administrative Officer

INVESTING IN CANADA INFRASTRUCTURE PROGRAM
GREEN (ENVIRONMENTAL QUALITY) - CONTRIBUTION AGREEMENT AMENDMENT
PROJECT 05-18-0056 – WATER AND WASTEWATER SERVICING PHASE 2B

THIS AMENDING AGREEMENT made as of the day of April 21, 2020.

BETWEEN: HER MAJESTY THE QUEEN IN RIGHT OF NOVA SCOTIA, as represented by the Minister of Municipal Affairs and Housing (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 by contribution agreement dated February 5, 2020, (the "Contribution Agreement") the Province and the Recipient agreed to the terms and conditions pursuant to which the Province would make a contribution to the Recipient for the Project;

AND WHEREAS the Parties have agreed to amend the Contribution Agreement;

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

1. Capitalized terms used in this Amending Agreement shall have the meaning attributed to them in the Contribution Agreement, unless otherwise provided in this Amending Agreement.
2. The Contribution Agreement is amended by:
 - (a) Replacing March 31, 2021 as the Project End Date shown on Schedule B with March 31, 2024; and
 - (b) Replacing September 30, 2021 as the Final Claim Date shown on Schedule C with September 30, 2024, and an updated Project Cash Flow with the Schedule C – Statement of Financial Contribution attached to this Amending Agreement.
 - (c) The following clauses have been added under the section of the Agreement labeled 19.9 Amendments.

19.9 (b) For the purposes of this Agreement the Director of Grants and Programs, Department of Municipal Affairs and Housing (the "Director") is hereby delegated the authority on behalf of the Province, in the Director's sole discretion, on the request of the Recipient, to:

(i) grant extensions to the Agreement End Date, the Project End Date, the Final Claim Due Date and to revise the forecast of estimated contribution by Fiscal Year shown in Schedule C as may be required due to such extension; and

(ii) approve changes to the Project Statement of Work shown in Schedule B provided that:

- A. there is no material change to the nature of the Project; and*
- B. any change will not result in a requirement for an increase in a contribution by Canada or Nova Scotia as set out in Schedule C.*

(c) Where a change referred to in clause (b) would result in a reduction in a contribution from Canada or Nova Scotia, the Parties agree to amend the Agreement accordingly.

(d) Where a change referred to in clause (b) would require a change to the Project outcomes reporting provided for in article D.2 of Schedule D, the Parties agree to amend the Agreement accordingly.

(e) Any amendments agreed to under clauses (b), (c) or (d) will be evidenced by a written Amending Agreement, executed by both Parties, which when executed will constitute an

amendment to this Agreement. The Director is hereby authorized by the Province to execute on the Province's behalf any Amending Agreement required under this clause.

3. The Parties acknowledge that the Contribution Agreement as amended by this Amending Agreement continues in full force and effect.
4. This Amending Agreement may be executed in several counterparts, by transmission of PDF or facsimile signatures with original copies delivered by each Party to the other, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF the Parties hereto have executed this Amending Agreement as of the day and year first above written.

SIGNED, SEALED AND DELIVERED

)

HER MAJESTY THE QUEEN IN RIGHT OF NOVA SCOTIA

In the presence of:

)

as represented by the Minister of Municipal Affairs and Housing

)



)



)

Honourable Chuck Porter

Date: April 21, 2020

)

Date: April 21, 2020

In the presence of:

)

HALIFAX REGIONAL MUNICIPALITY

)

)

Authorized Representative

)

Date: _____

)

Date: _____

SCHEDULE B – STATEMENT OF WORK

Applicant: HALIFAX REGIONAL MUNICIPALITY

Project Name: WATER AND WASTEWATER SERVICING PHASE 2B

Project Number: 05-18-0056

Project Description:

The project scope consists of the installation of 1500 metres of watermain and 2200 metres of sanitary sewer into the core area in the community of Herring Cove. The system is a hybrid sewer system augmented with low pressure pumps and common forcemain with one lift station. There will be a conventional gravity sewer with individual sewage pumps along Shore Rd and the west end of Powers Drive, and a smaller capacity duplex pumping station at the John Brackett PS with a dual forcemain system. This project will bring service to 88 properties and complete the servicing of the core community area.

Condition(s) Precedent:

- N/A

Project Approval Date: June 19, 2019

Project End Date: March 31, 2024

SCHEDULE C - STATEMENT OF FINANCIAL CONTRIBUTION

Applicant: HALIFAX REGIONAL MUNICIPALITY

Project Name: WATER AND WASTEWATER SERVICING PHASE 2B

Project Number.: 05-18-0056

Final Claim Due Date: September 30, 2024

Contribution by Canada and Nova Scotia: Canada and Nova Scotia agree to pay a contribution to the Recipient of not more than **73.33%** of the total Eligible Expenditures for the Project but only up to a maximum of **\$5,778,522**.

Project Cash Flow

Total Estimated Costs:	\$7,880,161	Total Shareable Costs:	\$7,880,161
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Estimated Expenditures	Forecast			
Estimated Contribution by Canada and Nova Scotia	Forecast of Estimated Contribution by Fiscal Year*			
	2019/20	2020/21	2021/22	2022/23
\$5,778,522	\$131,994	\$2,566,550	2,933,200	146,778

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

**INVESTING IN CANADA INFRASTRUCTURE PROGRAM
GREEN (ENVIRONMENTAL QUALITY) - CONTRIBUTION AGREEMENT**

BETWEEN: **HER MAJESTY THE QUEEN IN RIGHT OF NOVA SCOTIA**, as represented by the Minister of Municipal Affairs and Housing (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 and Budget 2017 over \$180 billion for the Investing in Canada Plan to support sustainable and inclusive communities, while driving economic growth.

WHEREAS the Minister of Infrastructure, Communities and Intergovernmental Affairs for Canada ("Canada") is responsible for the program entitled the "Investing in Canada Infrastructure Program" (ICIP);

AND WHEREAS Canada has entered into a bilateral agreement with the Province, dated April 10, 2018 (the "ICIP Agreement"), in order to provide financial support to the Province for Projects approved under the ICIP Agreement;

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

AND WHEREAS the Recipient has applied and been approved by Canada and the Province for funding under the ICIP 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 March 31st, 2023.

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

"Asset Disposal Period" means the period ending five (5) years after a Project is Substantially Completed.

"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 under this Agreement.

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

“Contribution” means the amount of funds contributed to the Project by Canada and the Province as set out in Schedule C.

“Declaration of Substantial Completion” means the form of declaration provided for in Schedule F.

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

“Eligible Expenditures” means those costs of the Project eligible for payment by Canada and the Province as set out in Schedule A.1 (Eligible Expenditures).

“Final Claim Due Date” means the date prescribed as such in Schedule C.

“Fiscal Year” means the period beginning on April 1st of a calendar year and ending on March 31st of the following calendar year.

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

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

“Incurred” means an event or transaction has taken place for which an obligation to pay exists, even if an invoice has not been received, such that the underlying evidence indicates there is little or no discretion to avoid the obligation. The value of the obligation is to be calculated in accordance with recognized Canadian accounting standards.

“Ineligible Expenditures” means those costs of the Project ineligible for payment by Canada and the Province as set out in Schedule A.2 (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 and the Province and are not operational in nature.

“Oversight Committee” means the Federal/Provincial committee(s) established under the ICIP Agreement to monitor the delivery of the ICIP.

“Person” means, without limitation, a person, the Province and the Recipient, a Third Party, a corporation, or any other legal entity, and their officers, servants, employees or agents.

“Program” means the ICIP Program as set out in this Agreement.

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

“Project Approval” date means the date prescribed as such in Schedule B.

“Project End Date” means the date prescribed as such in Schedule B.

“Substantial Completion” or “Substantially Completed” means, the date as shown on the executed Declaration of Substantial Completion, as shown in Schedule F (Declaration of Substantial Completion), submitted by the Recipient for the Project, marking the date on which the 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, but not limited to, funding from federal, provincial, territorial, municipal, regional, band council, and Indigenous government 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 Canada or the Province, 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

2. PURPOSE OF THE AGREEMENT

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

3. OBLIGATION OF THE PARTIES

3.1 CONTRIBUTION BY THE PROVINCE

- a) Subject to the other terms and conditions of this Agreement, the Province agrees to pay a contribution to the Recipient for the Project contributed by Canada and the Province in the amounts outlined in Schedule C (Statement of Financial Contribution) in respect of that Project.
- b) A contribution for the 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 funding from all provincial sources to the Project, will not exceed 33.33% of the total approved Eligible Expenditures for the Project unless prior approval in writing is provided by the Province, which for the purposes of this Agreement, must be the Minister of Municipal Affairs and Housing.
- d) The maximum funding from all federal sources to the Project, will not exceed 40% of the total approved Eligible Expenditures for the Project.
- e) The Parties acknowledge that Canada and the Province's role in a Project is limited to making a financial contribution to the Recipient for the Project and that neither Canada nor the Province will have any involvement in the implementation of the Project or its operation. Canada and the Province are neither decision-makers nor administrators to the 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 regard to the scope, timing and location of the Project provided that:

- a) Any federal or provincial funding paid for Eligible Expenditures incurred and paid for the Project will be returned to the Province should the Project be cancelled;

- b) The Recipient agrees that changes to the Project will require the Province's and Canada's approval, which may be subject to the terms and conditions of the ICIP Agreement. When seeking to make a change to the Project, the Recipient will promptly submit updated Project information to the Province's and Canada's satisfaction;
- c) The Recipient will inform the Province promptly of any planned changes to the Project. The Recipient agrees that any changes to the Project will require the Province's written consent;
- d) The Recipient will provide, at the Province's request and to Canada's satisfaction, additional information related to changes to the Project; and,
- e) If, at any time during the term of this Agreement, one of the Parties determines that it will not be possible to complete the 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 both Canada and the Province 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 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 14.3 (Remedies on Default).

3.3 APPROPRIATIONS AND FUNDING LEVELS

Notwithstanding Canada or the Province'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 or the Legislative Assembly of Nova Scotia has not passed an appropriation that is sufficient and constitutes lawful authority for making the payment. Canada or the Province 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 or the Province'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 Recipient 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 will ensure that the Project will be completed by the Project End Date as stated in Schedule B (Statement of Work) and will provide the Province a duly executed Schedule F (Declaration of Substantial Completion) to be submitted with the final claim form.
- d) 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.
- e) The Recipient will inform Canada and the Province immediately of any fact or event that may compromise wholly, or in part, the Project.
- f) 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 7.3 (Insurance).
- g) The Recipient acknowledges that neither Canada nor the Province will be financially responsible for any ineligible expenditures or cost overruns for the Project.
- h) The Recipient will be responsible for any costs associated with the withdrawal or cancellation of the Project and will repay to the Province any and all disallowed costs,

surpluses, unexpended contributions, and overpayments made under and according to the terms and conditions of this Agreement.

- i) If the total estimated Eligible Expenditures for the Project is ten million dollars (\$10,000,000) or more, the Recipient agrees to report on community employment benefits provided to at least three (3) federal target groups (apprentices, Indigenous peoples, women, persons with disabilities, veterans, youth, new Canadians, or small-medium-sized enterprises and social enterprises) in the manner required by the Province.
- j) If the total estimated Eligible Expenditures for the Project is ten million dollars (\$10,000,000) or more, the Recipient agrees that Canada and the Province have no obligation to make payments to the Recipient in respect of a project until the Recipient completes the following climate lens assessments to Canada's and the Province's satisfaction:
 - A greenhouse gas emissions assessment that includes a cost-per-tonne calculation; and,
 - A climate change resilience assessment.
- k) The Province will communicate to the Recipient any deficiencies and/or corrective actions identified by Canada or by the Oversight Committee, in respect of the Project and the Recipient covenants to use its best efforts to correct any deficiency so identified.
- l) If the Recipient intends to make an application for funding from any other provincial source for the Project, the Recipient shall notify the Province, in advance of the submission of the application, requesting approval to do so in accordance with Section 3.1(c) (Contribution by the Province).

4. FEDERAL REQUIREMENTS FOR PROJECTS

The Recipient agrees that the Project must meet or exceed:

- a) any applicable energy efficiency standards for buildings outlined in the Pan-Canadian Framework on Clean Growth and Climate Change; and,
- b) the requirement of the highest published accessibility standard in a jurisdiction in addition to applicable provincial building codes and relevant municipal by-laws.

5. CONDITIONS PRECEDENT

- a) Condition(s)

The Recipient agrees that the Province has no obligation to make payments to the Recipient in respect of the Project unless and until it demonstrates, to the Province's satisfaction, that the conditions precedent with respect to the Project as outlined in Schedule B (Statement of Work) have been satisfied.

- b) Remedy

In the event that the Recipient is unable to meet the conditions precedent set out in Schedule B (Statement of Work) in respect of the Project, Canada and the Province may terminate their obligations under the Agreement as it applies to the Project. Both Canada and Nova Scotia will not 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 the termination of such obligations.

6. FISCAL YEAR BUDGETING

- a) The estimated contribution amounts payable by Canada and the Province 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 by Canada and the Province 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 request in a timely manner that Canada and the Province 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 or provincial Legislative Assembly approvals.

- c) In the event that any requested re-allocation of the Project's funding is not approved, the amount of Canada's and the Province's contribution payable pursuant to subsection 3.1 (Contribution by the Province) in respect of that Project may be reduced by the amount of the requested re-allocation. If the contribution payable by the Province pursuant to subsection 3.1 (Contribution by the Province) is so reduced, the Parties agree to review the effects of such reduction on the overall implementation of the Project and to adjust the terms and conditions of this Agreement as appropriate.

7. CONTRACT PROCEDURES

7.1. 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 will ensure Contracts will be awarded in a way that is fair, competitive, transparent, open, competitive, accountable, and consistent with value-for-money principles 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 or Canada determines that the Recipient has awarded a Contract in a manner that is not in compliance with the foregoing clause 7.1(a), upon notification to the Recipient, the Province and Canada may consider the expenditures associated with the Contract to be ineligible.
- c) Where a Contract is awarded to other than the lowest bidder, to ensure compliance with clause 7.1(a) the Province, at its discretion, may require the Recipient to provide a report including a complete account of the facts, rationale for rejecting the lowest bidder, and a resolution by the Recipient's Council or Board choosing the successful bid.
- d) Any untendered costs may be deemed ineligible for cost-sharing unless approved in writing by Canada and the Province prior to the cost being incurred.
- e) Canada and the Province may in their absolute discretion require a report on any cost or expense incurred by the recipient, whether tendered or not. The Recipient shall provide such details and information as Canada and the Province may reasonably require.

7.2. 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 Canada and the Province has the contractual right to audit such accounts and records;
- b) all applicable labour, environmental, and human rights legislation is respected;
- 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; and,

- d) The Third Party shall be solely responsible for and shall save harmless and indemnify Canada, the Province 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 or 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.

7.3. INSURANCE

The Recipient shall, without limiting the Recipient's obligation or liabilities and at the Recipient's own expense, provide, maintain, and pay for, any and all insurance, including that required under the Workers Compensation Board, which it is required by law to carry, or which it considers necessary.

The Recipient agrees to purchase and maintain Commercial General Liability with a per occurrence limit deemed appropriate in consideration of the scale and scope of the Project, covering bodily injury, personal injury and property damage and including liability assumed under this agreement arising out of all operations of the Recipient or any of its officers, employees, or agents who are involved in completing the Project. This policy must include "Her Majesty the Queen in Right of the Province of Nova Scotia" as an additional insured.

8. CLAIMS AND PAYMENTS

8.1. PAYMENT CONDITIONS

The Province will not:

- a) pay any claims in respect of the Project submitted after the Final Claim due date as stated on Schedule C (Statement of Financial Contribution), unless otherwise agreed to in writing by Canada and 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 Canada's and Nova Scotia's opinion, satisfied to the extent possible at the date the claim is submitted to the Province.

8.2. PROGRESS CLAIMS

- a) After Eligible Expenditures 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 Expenditure is incurred. At the latest, claims must be received by March 31st of the year following the Fiscal Year in which the Eligible Expenditure is incurred and, in all circumstances, no later than the Final Claim Due Date as stated on Schedule C (Statement of Financial Contribution), unless otherwise agreed to in writing by Canada and the Province.
- 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 will provide accurate and timely progress reports on a quarterly basis or as otherwise requested by the Province.

8.3. FINAL CLAIM

The Recipient will submit a final claim to the Province for the Project no later than the Final Claim Due Date as prescribed on Schedule C (Statement of Financial Contribution), unless otherwise agreed to in writing by Canada and the Province. Prior to the release of the final payment by Canada and the Province, all reporting requirements must be met as outlined in Schedule D (Reporting Requirements).

8.4. 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.

8.5. PROJECT DEADLINE

The Project must be Substantially Complete by no later than the Project End Date as prescribed on Schedule B (Statement of Work), and all claims for payment must be submitted to the Province for payment no later than the Final Claim Due Date as stated on Schedule C (Statement of Financial Contribution), unless otherwise agreed to in writing by Canada and the Province.

8.6. 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 Canada and the Province.

8.7. 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 than the Project End Date as stated in Schedule B (Statement of Work).

9. REPORTING

The Recipient will provide regular project progress updates, project cashflow updates, and report on project outcomes achieved, as per Schedule D (Reporting Requirements), to the Province at a timing and frequency determined by the Province. The first progress report under this Agreement must cover the period from the Project Approval Date.

10. AUDIT

- a) Canada and 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 Canada and 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 Canada and 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.

11. EVALUATION

- a) The Recipient agrees to participate in a review of the Project, to be completed by Canada and the Province, to assess Project achievements in relation to the Project goals.
- b) The Recipient agrees to provide all information related to the Project to Canada and the Province during and following the termination or expiry of the Agreement in order for Canada to conduct an evaluation of the ICIP Program.

12. ACCESS

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

13. 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.

14. DEFAULT

14.1. EVENTS OF DEFAULT

Each of the following constitutes 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 Canada or the Province or made a false or misleading representation to Canada or the Province in respect of the Project or in this Agreement, except for an error in good faith, demonstration of which is incumbent on the Recipient, to Canada and the Province’s satisfaction.

14.2. DEFAULT

Canada and the Province will not declare that an Event of Default has occurred unless Canada and the Province has given notice to the Recipient of the event, which in Canada and 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 Canada and the Province, that it has taken such steps as are necessary to remedy the Event of Default, and has notified Canada and the Province of the rectification.

14.3. REMEDIES ON DEFAULT

Should an Event of Default occur under this Agreement, Canada and the Province may exercise one or more of the following remedies, without limiting any other remedy available to Canada and the Province at law:

- a) suspend or terminate any obligation of Canada and the Province 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 Canada and the Province for all or any part of the Contribution paid by Canada and the Province to the Recipient for the Project.

15. 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, claims, demands, losses, costs, damages, suits or other proceedings, whether in contract, tort (including negligence) or otherwise, by whomsoever brought or prosecuted in any manner based upon or occasioned by:

- a) any injury to persons, including, but not limited to, death, economic loss or any infringement of rights;
- b) any damage to or loss or destruction of property of any person;
- c) any obligation of any Person, including, but not limited to, any obligation arising from a loan, capital lease or other long-term obligation in relation to this Agreement or any Project, except to the extent to which such actions, claims, demands, losses, costs, damages, suits or other proceedings are caused by 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.

16. 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, Canada and the Province may require written confirmation from the Recipient, to the satisfaction of Canada and 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 and all funds received from the Province under this Agreement for the Project.

17. ENVIRONMENTAL ASSESSMENT

The Recipient agrees that no site preparation, vegetation removal or construction will occur for the Project and that neither Canada nor the Province will have any obligation to pay any Eligible Expenditures that are capital costs, as determined by Canada, until Canada is satisfied that the federal requirements under the Canadian Environmental Assessment Act, 2012 (CEAA, 2012), other applicable federal environmental assessment legislation that is or may come into force during the term of this Agreement, and other applicable agreements between Canada and Aboriginal groups are met and continue to be met.

18. ABORIGINAL CONSULTATION

The Recipient agrees that no site preparation, vegetation removal or construction will occur for the Project and that neither Canada nor the Province will have any obligation to pay any Eligible Expenditures that are capital costs, as determined by Canada, until Canada is satisfied that any legal duty to consult, and where appropriate, to accommodate Aboriginal groups or other federal consultation requirement has been met and continues to be met.

19. GENERAL

19.1. 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 in effect in Canada.

19.2. SURVIVAL

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

19.3. 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.

19.4. 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 the Province and the Recipient or between the Province 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.

19.5. 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.

19.6. INTEREST ON DEBTS DUE

Debts due to Canada and the Province will accrue interest.

19.7. 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.

19.8. 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.

19.9. 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.

19.10. 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.

19.11. NOTICE

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

For the Province:

Hardy Stuckless
A/Director of Grants and Programs
Department of Municipal Affairs and Housing
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

Jacques Dubé
Chief Administrative Officer
Halifax Regional Municipality
P.O. Box 1749
Halifax, Nova Scotia
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.

19.12. 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.

19.13. 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.

19.14. SUCCESSORS AND ASSIGNS

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

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

SIGNED, SEALED AND DELIVERED

In the presence of:

[Redacted Signature]

Date: August 28, 2019

SIGNED, SEALED AND DELIVERED

In the presence of:

[Redacted Signature]

Date: February 5, 2020

[Redacted Signature]

Date: February 5, 2020

GOVERNMENT OF NOVA SCOTIA

as represented by the Minister of
Municipal Affairs and Housing

[Redacted Signature]

Honourable Chuck Porter

Date: August 28, 2019

HALIFAX REGIONAL MUNICIPALITY

[Redacted Signature]

Authorized Representative
Mike Savage, Mayor

Date: February 5, 2020

[Redacted Signature]

Acting Municipal Clerk
Name:

Date: February 5, 2020

SCHEDULE A – ELIGIBLE AND INELIGIBLE EXPENDITURES

A.1 ELIGIBLE EXPENDITURES

Eligible Expenditures will include only the following:

- a) All costs considered by Nova Scotia and Canada to be direct and necessary for the successful implementation of an eligible Project, excluding those explicitly identified in Schedule A.2 (Ineligible Expenditures), and which may include capital costs, design and planning, and costs related to meeting specific Program requirements, including completing climate lens assessments as outlined in Section 3.4 (j) (Commitments by the Recipient);
- b) The incremental costs of employees of the Recipient may be included as Eligible Expenditures for a Project under the following conditions:
 - i. The Recipient is able to demonstrate that it is not economically feasible to tender a Contract; and,
 - ii. The arrangement is approved in advance and in writing by Nova Scotia.
- c) Costs will only be eligible as of the Project Approval Date, except for costs associated with completing climate lens assessments as outlined in Section 3.4 (j) (Commitments by the Recipient), which are eligible before Project approval, but can only be paid if and when a Project is approved by Nova Scotia and Canada for contribution funding under this Agreement.

A.2 INELIGIBLE EXPENDITURES

The following are expenditures that are not eligible:

- a) Costs incurred before the Project Approval Date and any expenditures related to contracts signed prior to project approval, except for expenditures associated with completing climate lens assessments as required in Section 3.4 (j) (Commitments by the Recipient);
- b) Costs Incurred for cancelled Projects;
- c) Costs incurred after the Project End Date as listed on Schedule B (Statement of Work);
- d) Costs incurred that have not been claimed to the Province by the Final Claim Due Date as listed on Schedule C (Statement of Financial Contribution);
- e) Costs of relocating entire communities;
- f) Land acquisition;
- g) 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;
- h) Any overhead costs, including salaries and other employment benefits of any employees of the Recipient, any direct or indirect operating or administrative costs of Recipients, and more specifically any costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by the Recipient's staff, except in accordance with Schedule A.1 (b) (Eligible Expenditures);
- i) Financing charges, legal fees, and loan interest payments, including those related to easements (e.g. surveys);
- j) Any goods and services costs which are received through donations or in kind;
- k) Provincial sales tax, goods and services tax, or harmonized sales tax for which the Ultimate Recipient is eligible for a rebate, and any other costs eligible for rebates;
- l) Costs associated with operating expenses and regularly scheduled maintenance work;

- m) Costs related to furnishing and non-fixed assets which are not essential for the operation of the Asset/Project; and,
- n) All capital costs, including site preparation and construction costs, until Nova Scotia and Canada have confirmed that environmental assessment and Aboriginal consultation obligations as required under Section 17 (Environmental Assessment) and Section 18 (Aboriginal Consultation) have been met to the extent possible and continue to be met.

SCHEDULE B – STATEMENT OF WORK

Applicant: HALIFAX REGIONAL MUNICIPALITY

Project Name: WATER AND WASTEWATER SERVICING PHASE 2B

Project Number: 05-18-0056

Project Description:

The project scope consists of the installation of 1500 metres of watermain and 2200 metres of sanitary sewer into the core area in the community of Herring Cove. The system is a hybrid sewer system augmented with low pressure pumps and common forcemain with one lift station. There will be a conventional gravity sewer with individual sewage pumps along Shore Rd and the west end of Powers Drive, and a smaller capacity duplex pumping station at the John Brackett PS with a dual forcemain system. This project will bring service to 88 properties and complete the servicing of the core community area.

Condition(s) Precedent:

- N/A

Project Approval Date: June 19, 2019

Project End Date: March 31, 2021

SCHEDULE C - STATEMENT OF FINANCIAL CONTRIBUTION

Applicant: HALIFAX REGIONAL MUNICIPALITY

Project Name: WATER AND WASTEWATER SERVICING PHASE 2B

Project Number.: 05-18-0056

Final Claim Due Date: September 30, 2021

Contribution by Canada and Nova Scotia: Canada and Nova Scotia agree to pay a contribution to the Recipient of not more than **73.33%** of the total Eligible Expenditures for the Project but only up to a maximum of **\$5,778,522**.

Project Cash Flow

Total Estimated Costs:	\$7,880,161	Total Shareable Costs:	\$7,880,161
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Estimated Expenditures	Forecast	
Estimated Contribution by Canada and Nova Scotia	Forecast of Estimated Contribution by Fiscal Year*	
	2019/20	2020/21
\$5,778,522	\$577,852	\$5,200,670

*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 / CASHFLOW REPORTS

The Recipient will provide a progress report on the status of the Project, in a format to be prescribed by the Province. The information to be collected may include, but is not limited to, 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 also be required to provide a completed project cashflow survey form at a timing and frequency as determined by the Province.

D.2 PROJECT OUTCOMES REPORT

The Recipient agrees to report on progress towards achieving the following project outcomes measures as well as confirmation of meeting these measures that were identified in their application to the Province for project funding consideration:

- Increased capacity to treat and manage wastewater and stormwater

D.3 COMMUNITY EMPLOYMENT BENEFITS REPORT

The Recipient agrees to report on community employment benefits provided to federal target groups which may include, but is not limited to, apprentices, Indigenous peoples, women, persons with disabilities, veterans, youth, new Canadians, or small-medium-sized enterprises and social enterprises in a manner to be prescribed by the Province.

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 A (Program Details) 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 C.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, the Province 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 and provincial 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 A (Terms and Conditions) 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 Housing, and the Municipality of _____, the Recipient, dated _____, pursuant to the Investing in Canada Infrastructure Program Agreement (the "Agreement"):

I, _____, hold the position of _____ for the
(Name) (Title)
Municipality of _____, 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 _____, as approved on _____ 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)