

# CANADA-ALBERTA



## **AGREEMENT ON THE TRANSFER OF FEDERAL GAS TAX REVENUES UNDER THE NEW DEAL FOR CITIES AND COMMUNITIES 2005 – 2015**

This Agreement made as of May 14, 2005,

**BETWEEN:** **HER MAJESTY IN RIGHT OF CANADA**, (“Canada”) represented by the Minister of State (Infrastructure and Communities) (“Federal Minister”) and the Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness.

**AND:** **HER MAJESTY IN RIGHT OF THE PROVINCE OF ALBERTA** (“Province”) represented by the Minister of Infrastructure and Transportation (“Provincial Minister”), the Minister of International and Intergovernmental Relations and the Minister of Municipal Affairs.

## PREAMBLE

**WHEREAS** the New Deal for Cities and Communities will engage governments and stakeholders in purposeful partnerships, foster sustainable cities and communities across Canada and enable all Canadians to achieve a higher quality of life and standard of living.

**WHEREAS** Canada and Alberta have agreed to cooperate under the New Deal for Cities and Communities to enhance the sustainability of Alberta's municipalities.

**WHEREAS** Canada and Alberta recognize the need for Alberta's municipalities to develop sustainable infrastructure, and enhance existing infrastructure to aid in their economic, social, environmental and cultural development.

**WHEREAS** Canada and Alberta wish, in partnership, to address the need for stable, predictable, long-term funding for Environmentally Sustainable Municipal Infrastructure.

**WHEREAS** the purpose of federal gas tax funding is to help improve the quality, efficiency, effectiveness and sustainability of environmental municipal infrastructure and to assist in achieving the desired outcomes of cleaner air, cleaner water and the reduction of green house gas emissions.

**WHEREAS** this Agreement includes the provision of Government of Canada gas tax funding to Alberta's communities through the province of Alberta.

**WHEREAS** Alberta wishes to facilitate the transfer of gas tax revenues from Canada to Alberta's municipalities.

**AND WHEREAS** Alberta provides financial assistance to municipalities, through both annual allocation based grants and one-time special grants, for capital and rehabilitation of municipal infrastructure.

## PRINCIPLES

Canada and Alberta agree to the following principles as governing their actions with respect to this Agreement:

**Respect for Jurisdiction:** Canada recognizes Alberta's jurisdictional responsibility for municipalities. Furthermore, the Parties recognize the opportunities created through stable and predictable federal and provincial funding for municipal infrastructure as well as the merits of partnerships across all orders of government to support municipal infrastructure.

**A Flexible Approach:** Given that needs, challenges and priorities often vary according to the size of a municipality, Canada and Alberta understand the need to adopt a flexible approach regarding both the allocation of gas tax revenues to municipalities and the scope of investments.

**Funding Equity:** The Government of Canada is committed to treating provinces and territories equitably and the Government of Alberta commits to ensuring equity among communities, recognizing the different capacities of local governments.

**Long-Term Solutions:** Canada is committed to assist Alberta in implementing its long-term vision for Alberta cities and communities. Further, the two governments recognize the importance of this Agreement to achieving this vision and that a portion of federal gas tax revenues provides long term, stable and predictable funding for Environmentally Sustainable Municipal Infrastructure that supports community and regionally driven projects.

**Transparency:** Canada and Alberta will put in place an open and transparent process for the purposes of implementing this Agreement. Further, Canada and Alberta will work together to develop indicators to enable effective reporting to Albertans and all Canadians on the outcomes of gas tax investment in Alberta.

**Regular Reporting to Albertans and All Canadians:** Canada and Alberta will use the appropriate mechanisms to report regularly to the public on the expenditures and outcomes of gas tax investment.

**NOW THEREFORE,** in accordance with the principles set out above, Canada and Alberta hereby agree as follows.

## 1 INTERPRETATION

### 1.1 Definitions

A capitalized term has the meaning given to it in this section unless the context clearly dictates otherwise.

“**Agreement**” means this Canada – Alberta gas tax agreement on the transfer of Funds.

“**Annual Expenditure Report**” means the annual report to be prepared and delivered by Alberta to Canada, more particularly described in Schedule 4.

“**Audit Report**” means an attestation prepared, at Alberta’s cost, by the Alberta auditor general or other Alberta licensed auditor, more particularly described in Schedule 4.

“**Base Amount**” means the average of spending by Alberta and Municipalities on Municipal Infrastructure for the five years preceding the Agreement (March 1999 - April 2004).

“**Capacity Building Projects**” means projects and activities that strengthen the ability of a Municipality to develop and implement an Integrated Community Sustainability Plan, as more particularly described in Schedule 2.

**“Eligible Costs”** means those costs described in Schedule 3 incurred in respect of Eligible Projects.

**“Eligible Project”** means Environmentally Sustainable Municipal Infrastructure and Capacity Building Projects as described in Schedule 2.

**“Environmentally Sustainable Municipal Infrastructure”** means Municipal Infrastructure projects that: improve the quality of the environment and contribute to reduced green house gas emissions, clean water, or clean air; and fall within the category of projects described in Schedule 2.

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

**“Funds”** means funds made available pursuant to this Agreement.

**“GTF”** means the Gas Tax Fund Transfer Payment Program, pursuant to which this Agreement is entered into.

**“Infrastructure Programs”** means Canada’s infrastructure programs in existence at the time of the execution of this Agreement including: the Canada Strategic Infrastructure Fund; the Border Infrastructure Fund; the Municipal Rural Infrastructure Fund; and, the Infrastructure Canada Alberta Program.

**“Integrated Community Sustainability Plan”** means any existing or new long-term plan, developed in consultation with community members, for the community to realize sustainability objectives it has for the environmental, cultural, social and economic dimensions of its identity.

**“Memorandum of Agreement”** means an agreement between Alberta and each of its Municipalities that allows the transfer and expenditure of Funds, within an agreed framework and ensures that the terms and conditions of this Agreement are met, in the form set out in Schedule 6.

**“Ministers”** means the federal Minister and the provincial Minister.

**“Multi-Year Capital Infrastructure Plan”** means a document created through a public process, with approval from locally elected officials of the Municipality, providing a detailed understanding of anticipated investments into tangible capital assets, including environmentally sustainable infrastructure, that are considered “priorities”.

**“Municipal Infrastructure”** means tangible capital assets in Canada for public use or benefit owned by a Municipality.

**“Municipality”** means those municipalities identified in Schedule 1. First Nations communities do not fall within this agreement.

**“New Deal”** and **“New Deal for Cities and Communities”** refers to the federal initiative to enhance Government of Canada commitments to advancing local sustainability on four major themes: economic, environmental, social and cultural.

**“Outcomes Report”** means the report to be delivered by Alberta to Canada and made available to the public, that reports on the outputs and outcomes of the use of the Funds.

**“Parties”** means Canada and Alberta.

**“Third Party”** means any person, other than a Party to this Agreement, that participates in the implementation of an Eligible Project.

## **1.2 Entire Agreement**

This Agreement supersedes and invalidates all other commitments, representations and warranties relating to the subject matter hereof which the Parties may have made either orally or in writing prior to the date hereof, and all of which will become null and void from the date this Agreement is signed.

## **1.3 Schedules**

The following Canada-Alberta schedules are attached to form part of this Agreement:

- 1.3.1 Schedule 1 – Allocations to Municipalities
- 1.3.2 Schedule 2 – Environmentally Sustainable Municipal Infrastructure – Eligible Project Categories
- 1.3.3 Schedule 3 – Eligible Costs
- 1.3.4 Schedule 4 – Annual Expenditure Report
- 1.3.5 Schedule 5 – Communications Protocol
- 1.3.6 Schedule 6 – Memorandum of Agreement

## **1.4 Precedence**

In the event of a conflict, the part of this Agreement that precedes the signatures of the Parties will take precedence over the Schedules.

## **1.5 Accounting Principles**

All accounting terms not otherwise defined herein 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 generally accepted accounting principles (GAAP) in effect in Canada and in Alberta. GAAP will include, without limitation, those principles approved or recommended from time to time by the Canadian Institute of Chartered Accountants, or any successor institute, applied on a consistent basis.

## 2 PURPOSE

- 2.1 To provide a framework for the transfer, from Canada to Alberta, of \$476.9 million, representing a portion of federal gas tax revenues.
- 2.2 To build on Alberta's leadership on matters related to climate change by assisting its Municipalities to develop Environmentally Sustainable Municipal Infrastructure.
- 2.3 To support Eligible Projects in Alberta's Municipalities that will lead to the desired outcomes of cleaner air, cleaner water and lower green house gas emissions.
- 2.4 To confirm that the Parties will continue working together for the purpose of addressing, in partnership, many of the other challenges facing Alberta's Municipalities. The Ministers will ensure their officials, consulting with the Municipalities, develop and agree on an appropriate mechanism, such as a trilateral partnership committee, through which will be identified, priorities for ongoing collaboration in support of Alberta's Municipalities. Potential areas for future collaboration include urban aboriginal issues, immigration, homelessness and affordable housing. This may result in other bilateral or trilateral agreements or arrangements to support the sustainability of communities.

## 3 RESPONSIBILITIES

### 3.1 Federal Responsibilities

The Government of Canada will:

- 3.1.1 contribute \$476.9 million, representing a portion of federal gas tax revenues, to Alberta, over the term of this Agreement as follows:

In Fiscal-Year 2005-06	- \$57.2 million
In Fiscal-Year 2006-07	- \$57.2 million
In Fiscal-Year 2007-08	- \$76.3 million
In Fiscal-Year 2008-09	- \$95.4 million
In Fiscal-Year 2009-10	- <u>\$190.8 million</u>
Total	\$476.9 million

- 3.1.2 provided there is no default under subsection 6.3 of this Agreement, Canada's contribution will be paid in equal semi-annual payments as follows:
  - 3.1.2.1 the first payment will be made not later than July 1 of each Fiscal Year as set out in 3.1.1;
  - 3.1.2.2 the second semi annual payment will be made not later than November 1 of each Fiscal Year.
- 3.1.3 ensure that the funding under this Agreement provides additional revenues for Municipalities rather than displacing other federal infrastructure funding; and confirms that it intends to renew and extend the Canada Strategic

Infrastructure Fund, the Border Infrastructure Fund and the Municipal Rural Infrastructure Fund, as they expire.

- 3.1.4 discuss with Alberta other proposals from Alberta regarding the New Deal.
- 3.1.5 invest gas tax funding in First Nations On Reserve communities in Alberta to address their infrastructure needs.

### **3.2 Appropriations**

A payment due by Canada is conditional on a legislated appropriation for the GTF for the Fiscal Year in which the payment is due, and in the case of payments due in the first Fiscal Year under this Agreement, legislated appropriation pursuant to the *Budget Implementation Act, 2005*.

### **3.3 Disposal of Eligible Projects**

To the extent that Alberta receives a repayment of all or a portion of a contribution pursuant to the operation of the Memorandum of Agreement contained in Schedule 6, Alberta shall immediately pay, on demand, the said amount to Canada.

### **3.4 Provincial Responsibilities**

The Government of Alberta will:

- 3.4.1 accept the transfer of gas tax funds from Canada into its General Revenues.
- 3.4.2 allocate Funds to Municipalities through Alberta's Ministry of Infrastructure and Transportation.
- 3.4.3 carry out its administrative responsibility utilizing existing resources with no administrative or overhead charges against the Funds contribution transferred to Alberta under this Agreement.
- 3.4.4 sign a Memorandum of Agreement with each Municipality prior to the transfer of funds from Alberta to a Municipality. The template for the Memorandum of Agreement is included in Schedule 6. Alberta agrees to enforce all terms and conditions of the Memorandum of Agreement.
- 3.4.5 will ensure each Municipality completes a Multi-Year Capital Infrastructure Plan prior to the fourth year of this Agreement.
- 3.4.6 transfer the funds listed in Schedule 1 to Municipalities in a timely manner and within a Memorandum of Agreement between Alberta and each Municipality. A signed Memorandum of Agreement between Alberta and a Municipality will act as the trigger for the Province to transfer to the Municipality, its share of the gas tax revenue.

- 3.4.7 ensure that over the period April 1, 2005 to March 31, 2010 its average annual capital spending on Municipal Infrastructure and that of Municipalities within Alberta will not be less than the Base Amount, before the creation of Alberta's \$3 billion Infrastructure Program. The Government of Alberta and the Municipalities will not reduce, eliminate or clawback any funding which is currently being made available for Municipal Infrastructure. Funding for provincial programs is subject to legislated appropriations.
- 3.4.8 enforce penalties if a Municipality is non-compliant with the Agreement's terms and conditions. Penalties may include withholding of payment, reduction of payment, return of payment and/or non-renewal of the Memorandum of Agreement.
- 3.4.9 will ensure, within the term of this Agreement, that each Municipality develops an Integrated Community Sustainability Plan as the basis upon which they will determine plans and priorities to aid in their achieving sustainability. The Parties, in collaboration with Alberta's Municipalities, will agree to the form and content of the Integrated Community Sustainability Plan before March 31, 2006.
- 3.4.10 will continue to support Municipalities including: Alberta's commitment to a five year \$3 billion Municipal Infrastructure Program; creating enhanced partnerships with Municipalities; and, assist in building the capacity of Municipalities to plan for sustainability and preparing Integrated Community Sustainability Plans.
- 3.4.11 ensure that prior to March 31, 2010, all Municipalities use the generally accepted accounting principles, GAAP.

### **3.5 Limit on Canada's Financial Commitments**

- (i) Municipalities may use Funds to pay up to 100% of Eligible Costs of an Eligible Project. However, to the extent a Municipality is receiving money under an Infrastructure Program in respect of an Eligible Project to which the Municipality wishes to apply Funds, the maximum federal contribution limitation set out in any Infrastructure Program contribution agreement made in respect of that Eligible Project shall continue to apply.
- (ii) Without prior written approval of Canada, Alberta may not use the payment of Funds to a Municipality as Alberta's contribution under contribution agreements under existing Infrastructure Programs.

## **4 ALLOCATION OF FUNDS IN ALBERTA**

- 4.1** The Parties agree that Alberta, in consultation with the Municipalities, will allocate the Funds on essentially a per-capita, entitlement basis. Allocations to each Municipality are found in Schedule 1.

## **5 USE OF FUNDS**

- 5.1** Funds must be used for Environmentally Sustainable Municipal Infrastructure in support of the desired outcomes of cleaner air, cleaner water and the reduction of green house gas emissions. Eligible Project Categories include public transit, water, wastewater, solid waste, community energy systems and community capacity building. For communities of a population less than 500,000, Funds may be used for local roads, bridges and tunnels that enhance sustainability outcomes. Schedule 2 lists the specific areas within which Eligible Projects can be undertaken and Schedule 3 outlines the Eligible Costs that Funds may be applied against by a Municipality. Funds may only be used by Municipalities for Eligible Projects.
- 5.2 Regional Opportunities**
- The Parties will work with Municipalities and municipal associations to identify regional projects and initiatives that could be undertaken through the pooling of allocations of Funds for the purpose of supporting regional projects.
- 5.3** Alberta will ensure that the Memorandum of Agreement requires Municipalities to deposit Canada's contribution into a separate and distinct account.
- 5.4** Alberta agrees to pay Funds to Municipalities solely for Eligible Projects identified in Schedule 2 and solely in respect of Eligible Costs identified in Schedule 3.

## **6 GOVERNANCE**

### **6.1 Oversight**

Upon execution of this Agreement, the Ministers shall each appoint one official who, together, will be responsible for oversight in the implementation of this Agreement as well as for day-to-day administrative matters. In addition, the appointed officials will be responsible for the overall strategic implementation of the Agreement. As appropriate, representatives of the municipal associations and/or the Municipalities will be requested by the appointed officials to collaborate on matters related to the oversight function.

### **6.2 Dispute Resolution**

- 6.2.1** For any matter relative to this agreement requiring formal communication between Canada and Alberta, such communication shall be between Ministers.
- 6.2.2** Canada and Alberta will communicate contentious issues, disagreements or failure to comply with the terms and understandings of this Agreement through the appointed officials who will attempt to resolve such issues in the cooperative spirit of this Agreement.

- 6.2.3 Where an issue cannot be resolved to the satisfaction of the designated contacts, Ministers will be requested to resolve the issue.

### **6.3 Default**

- 6.3.1 Canada may declare an event of default has occurred if Alberta has:

- 6.3.1.1 not complied with any condition, undertaking or material term in the Agreement; or
- 6.3.1.2 failed to deliver an Annual Expenditure Report, Audit Report or the Outcomes Report as specified in this Agreement; or
- 6.3.1.3 delivered an Annual Expenditure Report or Audit Report that disclosed non-compliance by either Alberta or a Municipality.

Canada will not declare that an event of default has occurred unless it has consulted with Alberta and given notice to Alberta of the occurrence, which in Canada's opinion constitutes an event of default. Alberta will, within 30 days of receipt of the notice, either correct the condition or event or demonstrate, to the satisfaction of Canada, that it has taken such steps as are necessary to correct the situation.

- 6.3.2 Alberta may declare an event of default has occurred if Canada has:

- 6.3.2.1 not complied with any condition, undertaking or material term in the Agreement; or
- 6.3.2.2 failed to deliver to Alberta, federal gas tax revenues, as specified in section 3.1.1 of this Agreement.

Alberta will not declare that an event of default has occurred unless it has consulted with Canada and given notice to Canada of the occurrence, which in Alberta's opinion constitutes an event of default. Canada will, within 30 days of receipt of the notice, either correct the condition or event or demonstrate, to the satisfaction of Alberta, that it has taken such steps as are necessary to correct the situation.

### **6.4 Remedies**

If Canada declares that an event of default has occurred, after 30 days of declaration, it may immediately exercise one or more of the following remedies:

- 6.4.1 in the case of default under subsection 6.3.1.1 above, suspend or terminate its obligation to pay Funds. If payment has been suspended, Canada may pay when satisfied the default has been cured.
- 6.4.2 in the case of any other default, suspend its obligation to pay Funds pending Canada's satisfaction that the default has been cured.

If Alberta declares that an event of default has occurred, after 30 days of declaration it may suspend or terminate its obligations under the terms of this Agreement, and if suspended, Alberta may resume its obligations when satisfied the default has been cured.

## **6.5 Indemnity**

Alberta agrees at all times to indemnify and save harmless Canada, its officers, servants, employees or agents, from and against all claims and demands, loss, costs, damages, actions, 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 or arising directly or indirectly from:

- a) all Eligible Projects;
- b) the performance of this Agreement or the breach of any term or condition of this Agreement by Alberta, its officers, employees and agents, or by a third party, its officers, employees, or agents;
- c) the performance of a Funding Agreement or the breach of any term or condition of a Funding Agreement by a Municipality, its officers, employees and agents, or by a third party, its officers, employees, or agents;
- d) the design, construction, operation, maintenance and repair of any part of an Eligible Project; and
- e) any omission or other wilful or negligent act of Alberta or a Municipality or third party and their respective employees, officers, or agents;

except to the extent to which such claims and demands, losses, costs, damages, actions, suits, or other proceedings relate to the act or negligence of an officer, employee, or agent of Canada in the performance of his or her duties.

## **7 REPORTING, AUDITS AND EVALUATION**

### **7.1 Reporting**

Alberta will:

- 7.1.1 prepare and deliver to Canada no later than September 30 of each year, in respect of the prior Fiscal Year, an Annual Expenditure Report.
- 7.1.2 deliver to Canada and make available to Albertans no later than September 30, 2009, an Outcomes Report. The Parties, in collaboration with Alberta's Municipalities, will agree to the form and content of this report, including indicators to measure results and outcomes, before December 31, 2005 but will include, in any event, information on the degree to which these investments

have actually contributed to the achievement of the objectives of cleaner air, cleaner water and reduced GHG emissions.

- 7.1.3 Canada may incorporate all or any parts of the said reports into any report that Canada may prepare for its own purposes, including any reports that may be made public.

## **7.2 Audits**

- 7.2.1 Alberta agrees to require that proper records, including invoices, statements, receipts and vouchers in respect of all Projects that receive Funds, are kept by Municipalities for at least three (3) years after completion of each project and will, upon reasonable notice, make them available or cause the Municipality to make them available to Canada for inspection or audit.
- 7.2.2 Canada may request and Alberta agrees to complete, at its cost, and provide to Canada an audit of any one or more individual Eligible Projects.
- 7.2.3 Alberta will undertake to ensure that all Project sites, equipment, and records to be funded under this Agreement shall be open to inspection at any time by Alberta or a designated representative of Alberta.
- 7.2.4 Alberta will share with Canada the results of any compliance or performance audit that they may carry out beyond the Audit Report, that examines the use of Funds to a significant extent.
- 7.2.5 Annual Expenditure Reports will be accompanied by an Audit Report.

## **7.3 Evaluation**

- 7.3.1 No later than March 31, 2009, Canada and Alberta shall complete a joint evaluation of the program set out in this Agreement that will be made public. The Parties shall seek the input of Municipalities as the parties deem appropriate.
- 7.3.2 At a minimum, the evaluation will address the issues related to achievement of the objectives of this Agreement, the use of funding, the effectiveness of the funding approach and the effectiveness of the communications protocol. The Parties will cooperate and agree on the design of the evaluation framework.
- 7.3.3 Alberta will provide, in consultation with the Municipalities, appropriate information to undertake the evaluation.
- 7.3.4 The Parties will share the costs of the evaluation.
- 7.3.5 No later than June 30, 2009, Canada will, at its cost, complete a national evaluation, incorporating the results of the joint bilateral evaluations described above. Canada will share the results of this evaluation with Alberta prior to its completion and being made public.

## **8 TERM OF AGREEMENT AND RENEWAL**

### **8.1 Term**

This Agreement shall commence on May 14, 2005 and shall expire on March 31, 2015.

### **8.2 Renewal**

8.2.1 The Parties agree to a review of the terms and conditions of this Agreement within four (4) years of the signing of this Agreement.

8.2.2 Termination of the Agreement unilaterally by either of the Parties will require a minimum notice of two (2) years.

## **9 COMMUNICATIONS**

9.1 With respect to the communication to the public of any decision or matter related to a project, report or outcome as the result of this Agreement, the Parties agree to collaborate as outlined in Schedule 5, Communications Protocol.

## **10 MISCELLANEOUS**

### **10.1 Binding Obligations**

Each Party declares to the other that the signing and execution of this Agreement was duly and validly authorized, and that each has incurred a legal and valid obligation in accordance with the terms and conditions of the Agreement.

### **10.2 Survival**

The Parties' rights and obligations set out in Sections 2, 3.3, 3.5, 6.4, 6.5, 7, 9, and 10.4 will survive the expiry or early termination of this agreement.

### **10.3 Governing Law**

This Agreement is governed by the laws applicable in Alberta.

### **10.4 Debts Due To Canada**

Any amount owed to Canada under this Agreement will constitute a debt due to Canada, which Alberta will reimburse forthwith, on demand, to Canada.

**10.5 No Benefit**

No member of the House of Commons or of the Senate of Canada will be admitted to any share or part of any Contract made pursuant to this Agreement or to any benefit arising therefrom.

**10.6 No Agency**

It is understood, recognized and agreed that 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 Alberta or between Canada, Alberta and a Third Party.

**10.7 No Authority To Represent**

Nothing in this Agreement is to be construed as authorizing one Party to contract for or to incur any obligation on behalf of the other Party or to act as agent for the other. Nothing in this Agreement is to be construed as authorizing any recipient or any Third Party to contract for or to incur any obligation on behalf of either Party or to act as agent for either Party and Alberta ensure that all Memorandums of Agreement contain provisions to that effect.

**10.8 Counterpart Signature**

This Agreement may be signed in counterpart, and the signed copies will, when attached, constitute an original Agreement.

**10.9 Values and Ethics Code**

No person governed by the post-employment, ethics and conflict of interest guidelines of Canada will derive a direct benefit from this Agreement unless that person complies with the applicable provisions.

**10.10 Severability**

If for any reason a provision of this Agreement that is not a fundamental term is found to be or becomes invalid or unenforceable, in whole or in part, 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.

**10.11 Waiver**

A Party may waive any right under this Agreement only in writing; and any tolerance or indulgence demonstrated by that Party will not constitute waiver of such right. Unless a waiver is executed in writing, that Party will be entitled to seek any remedy that it may have under this Agreement or under the law.

### **10.12 Amendments to the Agreement**

If Canada concludes an agreement for similar purposes with any other province or territory of Canada, and that agreement taken as a whole is materially different from this Agreement, Alberta may ask Canada to agree to amend this Agreement so that, taken as a whole, it affords similar treatment to Alberta as the other agreement affords to the other province or territory.

Additionally, this Agreement may be amended from time to time on written agreement of the Ministers.

### **10.13 Contracting**

Contracts for the supply of services or materials to an Eligible Project will be awarded in a way consistent with a Municipality's contracting policy and the Memorandums of Agreement shall, in any event, ensure the contracting process is transparent, competitive, and consistent with value for money principles.

### **10.14 Lobbyists and Agent Fees**

Alberta warrants that any person who lobbies or has lobbied on Alberta's behalf to obtain funding, or any benefit under this Agreement, and who is subject to the *Lobbyists Registration Act (Canada)*, is registered accordingly. Furthermore Alberta warrants that no remuneration based on a percentage of Canada's contribution will be paid to a lobbyist.

### **10.15 Notice**

Any notice, information or document provided for under this Agreement will be effectively given if delivered or sent by letter, postage or other charges prepaid. Any notice that is delivered will have been received on delivery; and any notice mailed will be deemed to have been received eight (8) calendar days after being mailed.

Any notice to Canada must be sent to:

Assistant Deputy Minister  
Cities Secretariat  
Infrastructure Canada  
90 Sparks Street  
Ottawa, Ontario  
K1P 5B4

Any notice to Alberta will be addressed to:

Deputy Minister  
Alberta Infrastructure and Transportation  
2nd Floor, Twin Atria Building  
4999-98<sup>th</sup> Avenue  
Edmonton, Alberta  
T6B 2X3

Each Party may change the address that it has stipulated by notifying in writing the other Party of the new address.

**SIGNATURES**

This Agreement has been executed on behalf of Canada by the Minister of State (Infrastructure and Communities), and the Minister of Public Safety and Security, and on behalf of Alberta, by the Minister of Infrastructure and Transportation, the Minister of International and Intergovernmental Relations and the Minister of Municipal Affairs.

GOVERNMENT OF CANADA  
Original Signed by:

GOVERNMENT OF ALBERTA  
Original Signed by:

\_\_\_\_\_  
Minister of State (Infrastructure  
and Communities)

\_\_\_\_\_  
Minister of Infrastructure and  
Transportation

\_\_\_\_\_  
Deputy Prime Minister and  
Minister of Public Safety and  
Emergency Preparedness

\_\_\_\_\_  
Minister of International and  
Intergovernmental Relations

\_\_\_\_\_  
Minister of Municipal Affairs

**WITNESSED BY:**

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Mayor Stephen Mandel  
City of Edmonton

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Mayor David Bronconnier  
City of Calgary

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Bob Hawkesworth  
President  
Alberta Urban Municipalities  
Association

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Don Johnson  
President  
Alberta Association of  
Municipal Districts and  
Counties

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Alden Armstrong  
President  
Metis Settlements General Council

# SCHEDULE 1

## ALLOCATIONS TO MUNICIPALITIES

Under this Agreement, each Municipality in Alberta will receive a portion of the gas tax revenues transferred to Alberta from Canada. The portion each Municipality receives is based on its share of the estimated 2006 population. Some minor adjustments have been made to ensure that the smaller communities receive a base amount of funding under this Agreement.

Modifications to the municipal allocations will be made subsequent to receiving the 2007 Alberta Official Population List.

Municipality	Estimated 2006 Population	Funding in 1st year	Funding in 2nd year	Funding in 3rd year	Funding in 4th year	Funding in 5th year	Municipal Allocation 5 Year Total
ACADIA, M.D. OF	538	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
ACME	680	\$11,733	\$11,733	\$15,651	\$19,569	\$39,137	\$97,823
AIRDRIE	26,886	\$463,634	\$463,634	\$618,449	\$773,263	\$1,546,527	\$3,865,506
ALBERTA BEACH	800	\$13,797	\$13,797	\$18,404	\$23,011	\$46,023	\$115,032
ALIX	866	\$14,938	\$14,938	\$19,926	\$24,914	\$49,828	\$124,543
ALLIANCE	180	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
AMISK	190	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
ANDREW	509	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
ARGENTIA BEACH	25	\$1,388	\$1,388	\$1,851	\$2,315	\$4,630	\$11,571
ARROWWOOD	198	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
ATHABASCA, TOWN OF	2,536	\$43,727	\$43,727	\$58,328	\$72,929	\$145,859	\$364,571
ATHABASCA, COUNTY OF	7,897	\$136,179	\$136,179	\$181,651	\$227,123	\$454,246	\$1,135,377
BANFF	8,696	\$149,958	\$149,958	\$200,031	\$250,104	\$500,208	\$1,250,259
BARNWELL	575	\$9,922	\$9,922	\$13,236	\$16,549	\$33,098	\$82,727
BARONS	308	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
BARRHEAD, TOWN OF	4,424	\$76,282	\$76,282	\$101,754	\$127,226	\$254,453	\$635,998
BARRHEAD, COUNTY OF	6,056	\$104,438	\$104,438	\$139,312	\$174,185	\$348,370	\$870,743
BASHAW	866	\$14,938	\$14,938	\$19,926	\$24,914	\$49,828	\$124,543
BASSANO	1,386	\$23,901	\$23,901	\$31,881	\$39,862	\$79,724	\$199,268
BAWLF	380	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
BEAUMONT	8,197	\$141,357	\$141,357	\$188,558	\$235,760	\$471,520	\$1,178,552
BEAVER COUNTY	5,926	\$102,193	\$102,193	\$136,317	\$170,440	\$340,881	\$852,024
BEAVERLODGE	2,216	\$38,205	\$38,205	\$50,962	\$63,719	\$127,438	\$318,528
BEISEKER	892	\$15,386	\$15,386	\$20,524	\$25,662	\$51,323	\$128,281
BENTLEY	1,116	\$19,243	\$19,243	\$25,668	\$32,093	\$64,187	\$160,433
BERWYN	573	\$9,886	\$9,886	\$13,187	\$16,488	\$32,977	\$82,425
BETULA BEACH	11	\$1,147	\$1,147	\$1,530	\$1,914	\$3,827	\$9,566
BIG LAKES, M.D. OF	4,348	\$74,982	\$74,982	\$100,020	\$125,058	\$250,115	\$625,157
BIG VALLEY	357	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484

BIGHORN, M.D. OF	1,363	\$23,502	\$23,502	\$31,350	\$39,198	\$78,395	\$195,947
BIRCH COVE	19	\$1,288	\$1,288	\$1,717	\$2,147	\$4,295	\$10,735
BIRCH HILLS COUNTY	1,726	\$29,767	\$29,767	\$39,707	\$49,646	\$99,293	\$248,180
BIRCHCLIFF	110	\$2,855	\$2,855	\$3,808	\$4,761	\$9,522	\$23,799
BITTERN LAKE	232	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
BLACK DIAMOND	1,959	\$33,787	\$33,787	\$45,069	\$56,350	\$112,701	\$281,693
BLACKFALDS	4,034	\$69,565	\$69,565	\$92,794	\$116,023	\$232,045	\$579,992
BON ACCORD	1,724	\$29,720	\$29,720	\$39,645	\$49,569	\$99,137	\$247,792
BONDISS	109	\$2,836	\$2,836	\$3,784	\$4,731	\$9,461	\$23,648
BONNYVILLE, TOWN OF	5,994	\$103,370	\$103,370	\$137,887	\$172,403	\$344,807	\$861,836
BONNYVILLE BEACH	78	\$2,293	\$2,293	\$3,059	\$3,825	\$7,649	\$19,120
BONNYVILLE, M.D. OF	8,819	\$152,076	\$152,076	\$202,857	\$253,637	\$507,275	\$1,267,921
BOTHA	195	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
BOW ISLAND	1,789	\$30,853	\$30,853	\$41,156	\$51,458	\$102,917	\$257,237
BOWDEN	1,233	\$21,257	\$21,257	\$28,355	\$35,453	\$70,906	\$177,228
BOYLE	874	\$15,065	\$15,065	\$20,095	\$25,125	\$50,250	\$125,600
BRAZEAU COUNTY	7,240	\$124,844	\$124,844	\$166,531	\$208,219	\$416,438	\$1,040,876
BRETON	602	\$10,375	\$10,375	\$13,839	\$17,304	\$34,608	\$86,501
BROOKS	12,764	\$220,112	\$220,112	\$293,611	\$367,110	\$734,221	\$1,835,167
BRUDERHEIM	1,352	\$23,319	\$23,319	\$31,105	\$38,891	\$77,783	\$194,416
BUFFALO LAKE METIS	758	\$13,073	\$13,073	\$17,438	\$21,803	\$43,607	\$108,994
BURNSTICK LAKE	11	\$1,134	\$1,134	\$1,513	\$1,892	\$3,784	\$9,458
CALGARY	980,170	\$16,902,281	\$16,902,281	\$22,546,224	\$28,190,167	\$56,380,334	\$140,921,286
CALMAR	2,140	\$36,898	\$36,898	\$49,219	\$61,540	\$123,081	\$307,637
CAMROSE, CITY OF	16,609	\$286,412	\$286,412	\$382,050	\$477,687	\$955,374	\$2,387,935
CAMROSE, COUNTY OF	7,659	\$132,068	\$132,068	\$176,168	\$220,268	\$440,536	\$1,101,109
CANMORE	12,145	\$209,440	\$209,440	\$279,375	\$349,310	\$698,620	\$1,746,184
CARBON	557	\$9,596	\$9,596	\$12,801	\$16,005	\$32,010	\$80,009
CARDSTON, TOWN OF	3,649	\$62,920	\$62,920	\$83,930	\$104,940	\$209,880	\$524,589
CARDSTON COUNTY	4,541	\$78,310	\$78,310	\$104,459	\$130,609	\$261,217	\$652,906
CARMANGAY	271	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
CAROLINE	584	\$10,067	\$10,067	\$13,429	\$16,790	\$33,581	\$83,934
CARSTAIRS	2,367	\$40,812	\$40,812	\$54,440	\$68,067	\$136,135	\$340,266
CASTLE ISLAND	11	\$1,134	\$1,134	\$1,513	\$1,892	\$3,784	\$9,458
CASTOR	982	\$16,930	\$16,930	\$22,583	\$28,236	\$56,471	\$141,148
CEREAL	165	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
CHAMPION	373	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
CHAUVIN	397	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
CHESTERMERE	7,204	\$124,228	\$124,228	\$165,710	\$207,192	\$414,384	\$1,035,743
CHIPMAN	273	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
CLARESHOLM	3,803	\$65,582	\$65,582	\$87,480	\$109,379	\$218,758	\$546,781
CLEAR HILLS, M.D. OF	2,911	\$50,191	\$50,191	\$66,951	\$83,710	\$167,421	\$418,464

CLEARWATER COUNTY	12,656	\$218,234	\$218,234	\$291,106	\$363,978	\$727,957	\$1,819,511
CLIVE	621	\$10,701	\$10,701	\$14,274	\$17,847	\$35,695	\$89,218
CLYDE	516	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
COALDALE	6,308	\$108,784	\$108,784	\$145,108	\$181,433	\$362,865	\$906,973
COALHURST	1,523	\$26,261	\$26,261	\$35,029	\$43,798	\$87,596	\$218,945
COCHRANE	13,322	\$229,735	\$229,735	\$306,447	\$383,159	\$766,318	\$1,915,392
COLD LAKE	12,523	\$215,943	\$215,943	\$288,049	\$360,156	\$720,312	\$1,800,403
CONSORT	666	\$11,479	\$11,479	\$15,313	\$19,146	\$38,292	\$95,709
CORONATION	1,117	\$19,261	\$19,261	\$25,693	\$32,124	\$64,249	\$160,588
COUTTS	382	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
COWLEY	236	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
CREMONA	436	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
CROSSFIELD	2,517	\$43,400	\$43,400	\$57,892	\$72,384	\$144,769	\$361,846
CROWSNEST PASS	6,575	\$113,383	\$113,383	\$151,243	\$189,103	\$378,206	\$945,317
CRYSTAL SPRINGS	76	\$2,257	\$2,257	\$3,011	\$3,764	\$7,529	\$18,818
CYPRESS COUNTY	6,420	\$110,703	\$110,703	\$147,668	\$184,634	\$369,267	\$922,975
CZAR	215	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
DAYSLAND	818	\$14,105	\$14,105	\$18,815	\$23,525	\$47,049	\$117,599
DELBURNE	755	\$13,019	\$13,019	\$17,366	\$21,713	\$43,425	\$108,541
DELIA	226	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
DERWENT	117	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
DEVON	5,714	\$98,527	\$98,527	\$131,427	\$164,327	\$328,653	\$821,461
DEWBERRY	210	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
DIDSBURY	4,129	\$71,195	\$71,195	\$94,968	\$118,741	\$237,481	\$593,578
DONALDA	239	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
DONNELLY	396	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
DRAYTON VALLEY	6,396	\$110,299	\$110,299	\$147,130	\$183,961	\$367,922	\$919,611
DRUMHELLER	8,174	\$140,959	\$140,959	\$188,027	\$235,095	\$470,191	\$1,175,231
DUCHESS	878	\$15,137	\$15,137	\$20,191	\$25,246	\$50,492	\$126,203
EAST PRAIRIE METIS	441	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
ECKVILLE	1,070	\$18,450	\$18,450	\$24,611	\$30,772	\$61,545	\$153,829
EDBERG	158	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
EDGERTON	423	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
EDMONTON	749,367	\$12,922,263	\$12,922,263	\$17,237,214	\$21,552,166	\$43,104,332	\$107,738,238
EDSON	8,206	\$141,502	\$141,502	\$188,752	\$236,001	\$472,003	\$1,179,760
ELIZABETH METIS	626	\$10,791	\$10,791	\$14,395	\$17,998	\$35,997	\$89,973
ELK POINT	1,512	\$26,073	\$26,073	\$34,780	\$43,486	\$86,972	\$217,384
ELNORA	278	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
EMPRESS	180	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
FAIRVIEW, TOWN OF	3,308	\$57,035	\$57,035	\$76,080	\$95,125	\$190,251	\$475,527
FAIRVIEW, M.D. OF	1,896	\$32,700	\$32,700	\$43,619	\$54,539	\$109,077	\$272,635
FALHER	1,164	\$20,080	\$20,080	\$26,785	\$33,490	\$66,980	\$167,416
FERINTOSH	180	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
FISHING LAKE METIS	502	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
FLAGSTAFF COUNTY	3,882	\$66,940	\$66,940	\$89,292	\$111,644	\$223,288	\$558,103
FOOTHILLS, M.D. OF	18,743	\$323,207	\$323,207	\$431,132	\$539,056	\$1,078,111	\$2,694,713
FOREMOST	558	\$9,615	\$9,615	\$12,825	\$16,035	\$32,071	\$80,160

FORESTBURG	880	\$15,179	\$15,179	\$20,248	\$25,317	\$50,633	\$126,557
FORT MACLEOD	3,140	\$54,138	\$54,138	\$72,216	\$90,294	\$180,587	\$451,373
FORT SASKATCHEWAN	14,861	\$256,263	\$256,263	\$341,834	\$427,404	\$854,808	\$2,136,572
FORTY MILE, COUNTY OF	3,604	\$62,141	\$62,141	\$82,891	\$103,641	\$207,283	\$518,098
FOX CREEK	2,454	\$42,315	\$42,315	\$56,444	\$70,574	\$141,148	\$352,796
GADSBY	42	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
GALAHAD	169	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
GHOST LAKE	72	\$2,203	\$2,203	\$2,938	\$3,674	\$7,347	\$18,365
GIBBONS	3,003	\$51,784	\$51,784	\$69,076	\$86,368	\$172,736	\$431,748
GIFT LAKE METIS	849	\$14,648	\$14,648	\$19,539	\$24,431	\$48,861	\$122,127
GIROUXVILLE	321	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
GLENDON	482	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
GLENWOOD	271	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
GOLDEN DAYS	141	\$3,378	\$3,378	\$4,506	\$5,634	\$11,269	\$28,166
GRANDE CACHE	4,019	\$69,311	\$69,311	\$92,456	\$115,600	\$231,200	\$577,878
GRANDE PRAIRIE, CITY OF	42,640	\$735,287	\$735,287	\$980,811	\$1,226,335	\$2,452,670	\$6,130,389
GRANDE PRAIRIE, COUNTY OF	17,202	\$296,632	\$296,632	\$395,682	\$494,732	\$989,465	\$2,473,143
GRANDVIEW	89	\$2,492	\$2,492	\$3,325	\$4,157	\$8,314	\$20,780
GRANUM	428	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
GREENVIEW, M.D. OF	5,711	\$98,481	\$98,481	\$131,365	\$164,250	\$328,499	\$821,077
GRIMSHAW	2,557	\$44,089	\$44,089	\$58,811	\$73,533	\$147,067	\$367,590
GULL LAKE	150	\$3,543	\$3,543	\$4,725	\$5,908	\$11,817	\$29,536
HALF MOON BAY	39	\$1,623	\$1,623	\$2,165	\$2,707	\$5,415	\$13,534
HALKIRK	123	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
HANNA	3,135	\$54,066	\$54,066	\$72,119	\$90,173	\$180,346	\$450,769
HARDISTY	780	\$13,453	\$13,453	\$17,945	\$22,438	\$44,875	\$112,164
HAY LAKES	363	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
HEISLER	192	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
HIGH LEVEL	3,926	\$67,701	\$67,701	\$90,307	\$112,913	\$225,826	\$564,447
HIGH PRAIRIE	2,933	\$50,574	\$50,574	\$67,461	\$84,349	\$168,698	\$421,655
HIGH RIVER	9,903	\$170,768	\$170,768	\$227,790	\$284,812	\$569,623	\$1,423,760
HILL SPRING	227	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
HINES CREEK	459	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
HINTON	10,346	\$178,400	\$178,400	\$237,971	\$297,542	\$595,083	\$1,487,397
HOLDEN	393	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
HORSESHOE BAY	55	\$1,895	\$1,895	\$2,528	\$3,160	\$6,321	\$15,798
HUGHENDEN	247	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
HUSSAR	190	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
HYTHE	743	\$12,805	\$12,805	\$17,081	\$21,356	\$42,713	\$106,760
I.D. NO. 12 JASPER PARK	51	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
I.D. NO. 13 ELK ISLAND	28	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
I.D. NO. 24 WOOD BUFFALO	387	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484

I.D. NO. 4 WATERTON	163	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
I.D. NO. 9 BANFF	1,572	\$27,105	\$27,105	\$36,156	\$45,207	\$90,414	\$225,989
INNISFAIL	7,232	\$124,707	\$124,707	\$166,349	\$207,990	\$415,980	\$1,039,733
INNISFREE	230	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
IRMA	457	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
IRRICANA	1,147	\$19,784	\$19,784	\$26,391	\$32,997	\$65,994	\$164,950
ISLAND LAKE	222	\$4,790	\$4,790	\$6,389	\$7,989	\$15,977	\$39,935
ISLAND LAKE SOUTH	75	\$2,239	\$2,239	\$2,987	\$3,734	\$7,468	\$18,667
ITASKA BEACH	11	\$1,147	\$1,147	\$1,530	\$1,914	\$3,827	\$9,566
JARVIS BAY	130	\$3,199	\$3,199	\$4,267	\$5,335	\$10,669	\$26,668
JASPER, TOWN OF	4,601	\$79,345	\$79,345	\$105,839	\$132,333	\$264,667	\$661,528
KANANASKIS IMPROVEMENT DISTRICT	485	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
KAPASIWIN	15	\$1,213	\$1,213	\$1,618	\$2,023	\$4,046	\$10,112
KIKINO METIS	968	\$16,694	\$16,694	\$22,269	\$27,843	\$55,686	\$139,186
KILLAM	1,054	\$18,179	\$18,179	\$24,249	\$30,319	\$60,639	\$151,565
KINUSO	243	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
KITSCOTY	712	\$12,277	\$12,277	\$16,377	\$20,476	\$40,953	\$102,360
KNEEHILL COUNTY	5,585	\$96,308	\$96,308	\$128,467	\$160,626	\$321,252	\$802,961
LAC LA BICHE	2,915	\$50,264	\$50,264	\$67,047	\$83,831	\$167,662	\$419,068
LAC STE. ANNE COUNTY	9,395	\$162,017	\$162,017	\$216,116	\$270,216	\$540,433	\$1,350,799
LACOMBE, TOWN OF	10,644	\$183,555	\$183,555	\$244,846	\$306,138	\$612,276	\$1,530,370
LACOMBE COUNTY	11,716	\$202,035	\$202,035	\$269,498	\$336,961	\$673,922	\$1,684,451
LAKELAND COUNTY	5,566	\$95,982	\$95,982	\$128,032	\$160,082	\$320,165	\$800,244
LAKEVIEW	17	\$1,244	\$1,244	\$1,660	\$2,075	\$4,151	\$10,375
LAMONT, TOWN OF	1,777	\$30,636	\$30,636	\$40,866	\$51,096	\$102,192	\$255,426
LAMONT COUNTY	4,375	\$75,450	\$75,450	\$100,643	\$125,837	\$251,674	\$629,054
LARKSPUR	22	\$1,334	\$1,334	\$1,779	\$2,224	\$4,448	\$11,119
LEDUC, CITY OF	16,802	\$289,742	\$289,742	\$386,492	\$483,241	\$966,482	\$2,415,699
LEDUC COUNTY	14,094	\$243,040	\$243,040	\$324,195	\$405,350	\$810,701	\$2,026,327
LEGAL	1,190	\$20,525	\$20,525	\$27,379	\$34,232	\$68,464	\$171,125
LESSER SLAVE RIVER, M.D. OF	2,925	\$50,443	\$50,443	\$67,287	\$84,130	\$168,260	\$420,563
LETHBRIDGE, CITY OF	78,534	\$1,354,265	\$1,354,265	\$1,806,476	\$2,258,687	\$4,517,374	\$11,291,068
LETHBRIDGE, COUNTY OF	10,923	\$188,359	\$188,359	\$251,255	\$314,151	\$628,302	\$1,570,425
LINDEN	662	\$11,415	\$11,415	\$15,227	\$19,039	\$38,078	\$95,174
LLOYDMINSTER	14,463	\$249,400	\$249,400	\$332,679	\$415,957	\$831,915	\$2,079,350
LOMOND	180	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
LONGVIEW	313	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
LOUGHEED	239	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
MACKENZIE, M.D. OF	10,268	\$177,068	\$177,068	\$236,193	\$295,319	\$590,638	\$1,476,286
MAGRATH	2,093	\$36,086	\$36,086	\$48,136	\$60,186	\$120,371	\$300,865
MA-ME-O BEACH	85	\$2,420	\$2,420	\$3,228	\$4,036	\$8,072	\$20,176

MANNING	1,358	\$23,412	\$23,412	\$31,229	\$39,047	\$78,093	\$195,193
MANNVILLE	758	\$13,073	\$13,073	\$17,438	\$21,803	\$43,607	\$108,994
MARWAYNE	520	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
MAYERTHORPE	1,649	\$28,427	\$28,427	\$37,919	\$47,412	\$94,823	\$237,009
MCLENNAN	844	\$14,558	\$14,558	\$19,419	\$24,280	\$48,559	\$121,373
MEDICINE HAT	56,374	\$972,125	\$972,125	\$1,296,733	\$1,621,341	\$3,242,683	\$8,105,007
MEWATHA BEACH	106	\$2,782	\$2,782	\$3,711	\$4,640	\$9,280	\$23,195
MILK RIVER	923	\$15,916	\$15,916	\$21,230	\$26,544	\$53,089	\$132,695
MILLET	2,139	\$36,883	\$36,883	\$49,199	\$61,514	\$123,029	\$307,507
MILO	121	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
MINBURN, VILLAGE OF	92	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
MINBURN, COUNTY OF	3,608	\$62,214	\$62,214	\$82,988	\$103,762	\$207,524	\$518,702
MORINVILLE	7,358	\$126,874	\$126,874	\$169,240	\$211,605	\$423,211	\$1,057,805
MORRIN	265	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
MOUNTAIN VIEW COUNTY	13,347	\$230,166	\$230,166	\$307,022	\$383,878	\$767,756	\$1,918,987
MUNDARE	729	\$12,576	\$12,576	\$16,776	\$20,975	\$41,950	\$104,853
MUNSON	233	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
MYRNAM	338	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
NAKAMUN PARK	33	\$1,515	\$1,515	\$2,020	\$2,526	\$5,052	\$12,628
NAMPA	391	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
NANTON	1,933	\$33,334	\$33,334	\$44,465	\$55,595	\$111,191	\$277,919
NEW NORWAY	307	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
NEW SAREPTA	430	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
NEWELL, COUNTY OF	7,494	\$129,226	\$129,226	\$172,376	\$215,527	\$431,054	\$1,077,408
NOBLEFORD	646	\$11,135	\$11,135	\$14,854	\$18,572	\$37,144	\$92,841
NORGLNWOLD	280	\$5,788	\$5,788	\$7,720	\$9,653	\$19,306	\$48,255
NORRIS BEACH	30	\$1,478	\$1,478	\$1,972	\$2,466	\$4,932	\$12,326
NORTHERN LIGHTS, M.D. OF	3,818	\$65,835	\$65,835	\$87,818	\$109,802	\$219,604	\$548,894
NORTHERN SUNRISE COUNTY	2,440	\$42,079	\$42,079	\$56,130	\$70,181	\$140,363	\$350,833
OKOTOKS	12,830	\$221,250	\$221,250	\$295,130	\$369,009	\$738,017	\$1,844,656
OLDS	6,937	\$119,629	\$119,629	\$159,575	\$199,522	\$399,043	\$997,399
ONOWAY	889	\$15,336	\$15,336	\$20,457	\$25,578	\$51,156	\$127,864
OPPORTUNITY, M.D. OF	3,677	\$63,409	\$63,409	\$84,582	\$105,755	\$211,510	\$528,665
OYEN	1,121	\$19,330	\$19,330	\$25,785	\$32,240	\$64,480	\$161,166
PADDLE PRAIRIE METIS	610	\$10,520	\$10,520	\$14,033	\$17,545	\$35,091	\$87,708
PAINT EARTH, COUNTY OF	2,302	\$39,689	\$39,689	\$52,942	\$66,195	\$132,390	\$330,906
PARADISE VALLEY	160	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
PARKLAND BEACH	102	\$2,710	\$2,710	\$3,614	\$4,519	\$9,039	\$22,592
PARKLAND COUNTY	30,659	\$528,682	\$528,682	\$705,218	\$881,754	\$1,763,507	\$4,407,844
PEACE RIVER	6,552	\$112,984	\$112,984	\$150,712	\$188,439	\$376,878	\$941,996
PEACE, M.D. OF	1,571	\$27,087	\$27,087	\$36,132	\$45,177	\$90,354	\$225,838
PEAVINE METIS	649	\$11,190	\$11,190	\$14,926	\$18,663	\$37,325	\$93,294

PELICAN NARROWS	118	\$2,981	\$2,981	\$3,977	\$4,972	\$9,944	\$24,856
PENHOLD	1,785	\$30,781	\$30,781	\$41,059	\$51,337	\$102,675	\$256,634
PICTURE BUTTE	1,786	\$30,799	\$30,799	\$41,083	\$51,368	\$102,735	\$256,785
PINCHER CREEK, TOWN OF	3,849	\$66,378	\$66,378	\$88,543	\$110,708	\$221,416	\$553,423
PINCHER CREEK, M.D. OF	3,357	\$57,886	\$57,886	\$77,215	\$96,545	\$193,089	\$482,622
POINT ALISON	11	\$1,147	\$1,147	\$1,530	\$1,914	\$3,827	\$9,566
PONOKA, TOWN OF	6,647	\$114,614	\$114,614	\$152,885	\$191,157	\$382,313	\$955,583
PONOKA COUNTY	9,251	\$159,518	\$159,518	\$212,783	\$266,049	\$532,098	\$1,329,966
POPLAR BAY	88	\$2,474	\$2,474	\$3,300	\$4,127	\$8,253	\$20,629
PROVOST, TOWN OF	2,079	\$35,851	\$35,851	\$47,822	\$59,793	\$119,586	\$298,903
PROVOST, M.D. OF	2,767	\$47,710	\$47,710	\$63,642	\$79,573	\$159,146	\$397,782
RAINBOW LAKE	1,233	\$21,270	\$21,270	\$28,372	\$35,474	\$70,949	\$177,335
RANCLAND, M.D. OF	101	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
RAYMOND	3,360	\$57,941	\$57,941	\$77,288	\$96,635	\$193,271	\$483,075
RED DEER, CITY OF	78,960	\$1,361,604	\$1,361,604	\$1,816,265	\$2,270,926	\$4,541,853	\$11,352,251
RED DEER COUNTY	20,503	\$353,557	\$353,557	\$471,615	\$589,674	\$1,179,347	\$2,947,750
REDCLIFF	4,591	\$79,161	\$79,161	\$105,595	\$132,028	\$264,056	\$660,001
REDWATER	2,444	\$42,136	\$42,136	\$56,206	\$70,276	\$140,553	\$351,308
RIMBEY	2,268	\$39,110	\$39,110	\$52,169	\$65,229	\$130,458	\$326,076
ROCHON SANDS	61	\$2,004	\$2,004	\$2,673	\$3,342	\$6,683	\$16,704
ROCKY MOUNTAIN HOUSE	6,716	\$115,807	\$115,807	\$154,477	\$193,146	\$386,293	\$965,529
ROCKY VIEW, M.D. OF	34,220	\$590,102	\$590,102	\$787,147	\$984,191	\$1,968,383	\$4,919,925
ROCKYFORD	394	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
ROSALIND	206	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
ROSEMARY	384	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
ROSS HAVEN	114	\$2,927	\$2,927	\$3,904	\$4,882	\$9,763	\$24,403
RYCROFT	639	\$11,027	\$11,027	\$14,709	\$18,391	\$36,782	\$91,935
RYLEY	459	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
SADDLE HILLS COUNTY	2,694	\$46,461	\$46,461	\$61,975	\$77,489	\$154,979	\$387,366
SANDY BEACH	211	\$4,593	\$4,593	\$6,126	\$7,660	\$15,320	\$38,292
SANGUDO	414	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
SEBA BEACH	151	\$3,552	\$3,552	\$4,738	\$5,924	\$11,848	\$29,615
SEDGEWICK	908	\$15,662	\$15,662	\$20,892	\$26,122	\$52,243	\$130,581
SEXSMITH	1,973	\$34,017	\$34,017	\$45,376	\$56,735	\$113,471	\$283,617
SILVER BEACH	41	\$1,659	\$1,659	\$2,214	\$2,768	\$5,536	\$13,836
SILVER SANDS	132	\$3,235	\$3,235	\$4,315	\$5,395	\$10,790	\$26,969
SLAVE LAKE	6,930	\$119,503	\$119,503	\$159,406	\$199,310	\$398,620	\$996,342
SMOKY LAKE, TOWN OF	1,062	\$18,306	\$18,306	\$24,418	\$30,531	\$61,061	\$152,622
SMOKY LAKE COUNTY	2,912	\$50,209	\$50,209	\$66,975	\$83,740	\$167,481	\$418,615
SMOKY RIVER, M.D. OF	2,498	\$43,075	\$43,075	\$57,459	\$71,842	\$143,685	\$359,136
SOUTH BAPTISTE	46	\$1,750	\$1,750	\$2,334	\$2,919	\$5,837	\$14,591
SOUTH VIEW	91	\$2,529	\$2,529	\$3,373	\$4,217	\$8,435	\$21,082

SPECIAL AREAS (2, 3 AND 4)	5,580	\$96,218	\$96,218	\$128,346	\$160,475	\$320,950	\$802,206
SPIRIT RIVER, TOWN OF	1,155	\$19,917	\$19,917	\$26,568	\$33,218	\$66,437	\$166,057
SPIRIT RIVER, M.D. OF	865	\$14,920	\$14,920	\$19,902	\$24,884	\$49,767	\$124,392
SPRING LAKE	480	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
SPRUCE GROVE	18,363	\$316,659	\$316,659	\$422,396	\$528,133	\$1,056,267	\$2,640,113
ST. ALBERT	58,682	\$1,011,928	\$1,011,928	\$1,349,827	\$1,687,726	\$3,375,452	\$8,436,862
ST. PAUL, TOWN OF	5,247	\$90,478	\$90,478	\$120,691	\$150,903	\$301,806	\$754,356
ST. PAUL, COUNTY OF	6,452	\$111,264	\$111,264	\$148,417	\$185,570	\$371,140	\$927,655
STANDARD	408	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
STARLAND COUNTY	2,321	\$40,015	\$40,015	\$53,377	\$66,739	\$133,477	\$333,624
STAVELY	473	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
STETTLER, TOWN OF	5,435	\$93,723	\$93,723	\$125,019	\$156,314	\$312,629	\$781,408
STETTLER, COUNTY OF	5,625	\$96,996	\$96,996	\$129,385	\$161,773	\$323,547	\$808,698
STIRLING	921	\$15,879	\$15,879	\$21,182	\$26,484	\$52,968	\$132,393
STONY PLAIN	11,335	\$195,460	\$195,460	\$260,727	\$325,994	\$651,989	\$1,629,631
STRATHCONA COUNTY	81,645	\$1,407,909	\$1,407,909	\$1,878,032	\$2,348,156	\$4,696,311	\$11,738,317
STRATHMORE	9,480	\$163,468	\$163,468	\$218,053	\$272,638	\$545,276	\$1,362,904
STROME	287	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
STURGEON COUNTY	20,325	\$350,496	\$350,496	\$467,532	\$584,568	\$1,169,136	\$2,922,226
SUNBREAKER COVE	90	\$2,510	\$2,510	\$3,349	\$4,187	\$8,374	\$20,931
SUNDANCE BEACH	42	\$1,671	\$1,671	\$2,229	\$2,787	\$5,574	\$13,933
SUNDRE	2,380	\$41,047	\$41,047	\$54,754	\$68,460	\$136,920	\$342,228
SUNRISE BEACH	100	\$2,673	\$2,673	\$3,566	\$4,459	\$8,918	\$22,290
SUNSET BEACH	53	\$1,859	\$1,859	\$2,479	\$3,100	\$6,200	\$15,496
SUNSET POINT	185	\$4,140	\$4,140	\$5,523	\$6,905	\$13,810	\$34,518
SWAN HILLS	1,897	\$32,718	\$32,718	\$43,644	\$54,569	\$109,137	\$272,786
SYLVAN LAKE	8,674	\$149,578	\$149,578	\$199,524	\$249,471	\$498,942	\$1,247,093
TABER, TOWN OF	8,055	\$138,895	\$138,895	\$185,274	\$231,653	\$463,306	\$1,158,021
TABER, M.D. OF	6,313	\$108,856	\$108,856	\$145,205	\$181,554	\$363,107	\$907,577
THORHILD, VILLAGE OF	497	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
THORHILD, COUNTY OF	3,276	\$56,492	\$56,492	\$75,356	\$94,219	\$188,439	\$470,998
THORSBY	899	\$15,500	\$15,500	\$20,676	\$25,852	\$51,704	\$129,233
THREE HILLS	3,625	\$62,512	\$62,512	\$83,385	\$104,259	\$208,518	\$521,186
TILLEY	443	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
TOFIELD	1,909	\$32,918	\$32,918	\$43,909	\$54,901	\$109,802	\$274,447
TROCHU	1,085	\$18,704	\$18,704	\$24,950	\$31,195	\$62,390	\$155,943
TURNER VALLEY	1,688	\$29,115	\$29,115	\$38,837	\$48,559	\$97,118	\$242,745
TWO HILLS, TOWN OF	1,146	\$19,754	\$19,754	\$26,350	\$32,947	\$65,893	\$164,698
TWO HILLS, COUNTY OF	2,745	\$47,330	\$47,330	\$63,135	\$78,939	\$157,878	\$394,612

VAL QUENTIN	150	\$3,543	\$3,543	\$4,725	\$5,908	\$11,817	\$29,536
VALLEYVIEW	1,949	\$33,606	\$33,606	\$44,827	\$56,048	\$112,097	\$280,184
VAUXHALL	1,168	\$20,134	\$20,134	\$26,858	\$33,581	\$67,162	\$167,869
VEGREVILLE	5,645	\$97,340	\$97,340	\$129,844	\$162,347	\$324,694	\$811,566
VERMILION	4,612	\$79,537	\$79,537	\$106,096	\$132,655	\$265,310	\$663,135
VERMILION RIVER, COUNTY OF	7,900	\$136,233	\$136,233	\$181,723	\$227,214	\$454,427	\$1,135,830
VETERAN	307	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
VIKING	1,105	\$19,048	\$19,048	\$25,408	\$31,769	\$63,538	\$158,811
VILNA	282	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
VULCAN, TOWN OF	1,850	\$31,904	\$31,904	\$42,557	\$53,210	\$106,420	\$265,993
VULCAN COUNTY	3,967	\$68,406	\$68,406	\$91,248	\$114,090	\$228,180	\$570,330
WABAMUN	676	\$11,659	\$11,659	\$15,552	\$19,446	\$38,891	\$97,208
WAINWRIGHT, TOWN OF	5,338	\$92,058	\$92,058	\$122,798	\$153,538	\$307,075	\$767,527
WAINWRIGHT, M.D. OF	4,443	\$76,608	\$76,608	\$102,189	\$127,770	\$255,540	\$638,716
WAIPAROUS	58	\$1,949	\$1,949	\$2,600	\$3,251	\$6,502	\$16,251
WARBURG	630	\$10,864	\$10,864	\$14,491	\$18,119	\$36,238	\$90,577
WARNER, TOWN OF	398	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
WARNER, COUNTY OF	3,988	\$68,768	\$68,768	\$91,731	\$114,694	\$229,388	\$573,350
WASKATENAU	265	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
WEMBLEY	1,619	\$27,920	\$27,920	\$37,243	\$46,566	\$93,132	\$232,782
WEST BAPTISTE	48	\$1,786	\$1,786	\$2,383	\$2,979	\$5,958	\$14,893
WEST COVE	110	\$2,855	\$2,855	\$3,808	\$4,761	\$9,522	\$23,799
WESTLOCK, TOWN OF	4,965	\$85,611	\$85,611	\$114,198	\$142,784	\$285,569	\$713,772
WESTLOCK COUNTY	7,202	\$124,192	\$124,192	\$165,662	\$207,132	\$414,263	\$1,035,441
WETASKIWIN, CITY OF	12,269	\$211,576	\$211,576	\$282,225	\$352,874	\$705,748	\$1,764,000
WETASKIWIN, COUNTY OF	11,765	\$202,870	\$202,870	\$270,611	\$338,353	\$676,706	\$1,691,410
WHEATLAND COUNTY	8,283	\$142,842	\$142,842	\$190,539	\$238,236	\$476,472	\$1,190,931
WHISPERING HILLS	124	\$3,090	\$3,090	\$4,122	\$5,153	\$10,307	\$25,762
WHITE SANDS	77	\$2,275	\$2,275	\$3,035	\$3,795	\$7,589	\$18,969
WHITECOURT	8,922	\$153,852	\$153,852	\$205,226	\$256,599	\$513,199	\$1,282,728
WILLINGDON	301	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
WILLOW CREEK, M.D. OF	5,683	\$97,992	\$97,992	\$130,713	\$163,434	\$326,869	\$817,001
WOOD BUFFALO, REG MUN OF	70,460	\$1,215,033	\$1,215,033	\$1,620,752	\$2,026,472	\$4,052,943	\$10,130,234
WOODLANDS COUNTY	4,009	\$69,130	\$69,130	\$92,214	\$115,298	\$230,596	\$576,369
YELLOWHEAD COUNTY	10,869	\$187,429	\$187,429	\$250,015	\$312,601	\$625,201	\$1,562,676
YELLOWSTONE	103	\$2,728	\$2,728	\$3,639	\$4,549	\$9,099	\$22,743
YOUNGSTOWN	193	\$9,533	\$9,533	\$12,717	\$15,900	\$31,800	\$79,484
<b>TOTALS</b>	<b>3,292,768</b>	<b>\$57,200,000</b>	<b>\$57,200,000</b>	<b>\$76,300,000</b>	<b>\$95,400,000</b>	<b>\$190,800,000</b>	<b>\$476,900,000</b>

## **SCHEDULE 2**

### **ENVIRONMENTALLY SUSTAINABLE MUNICIPAL INFRASTRUCTURE**

#### **ELIGIBLE PROJECT CATEGORIES**

##### **1) ESMI Projects include the following:**

###### a) Public transit, e.g.:

- i) Rapid Transit: tangible capital assets and rolling stock (includes light rail, heavy rail additions, subways, ferries, transit stations, park and ride facilities, grade separated bus lanes and rail lines);
- ii) Transit Buses: bus rolling stock, transit bus stations;
- iii) Intelligent Transport System (ITS) and Transit Priority Capital Investments;
- iv) ITS technologies to improve transit priority signalling, passenger and traffic information and transit operations;
- v) Capital investments, such as transit queue-jumpers and High Occupancy Vehicle (HOV) lanes.

###### b) Water, e.g.:

Drinking water supply; drinking water purification and treatment systems; drinking water distribution systems; water metering systems.

###### c) Wastewater, e.g.:

Wastewater systems including sanitary and combined sewer systems; and separate storm water systems.

###### d) Solid waste, e.g.:

Waste diversion; material recovery facilities; organics management; collection depots; waste disposal landfills; thermal treatment and landfill gas recuperation.

###### e) Community Energy Systems, e.g.:

- i) Cogeneration or combined heat and power projects (where heat and power are produced through a single process);
- ii) District heating and cooling projects where heat (or cooling) is distributed to more than one building.

- f) Active transportation infrastructure (e.g, bike lanes), local roads, bridges and tunnels for Municipalities that are not Large Municipalities, that enhance sustainability outcomes.
- 2) Large Municipalities, as defined below, can use gas tax funding for two (2) Eligible Project Categories. Calgary and Edmonton have indicated that the majority of their gas tax funding will be used for public transit.
- 3) Capacity Building includes the following activities:
- i) Collaboration: building partnerships and strategic alliances; participation; and consultation and outreach;
  - ii) Knowledge: use of new technology; research; and monitoring and evaluation;
  - iii) Integration: planning, policy development and implementation (e.g., environmental management systems, life cycle assessment).

**Large Municipalities** means Calgary and Edmonton

## **SCHEDULE 3**

### **ELIGIBLE COSTS**

#### **Eligible Costs**

##### 1. Eligible Project Costs

Eligible costs, as specified in each Memorandum of Agreement, will be all direct costs which are in Canada's opinion properly and reasonably incurred and paid by an Eligible Recipient under a contract for goods and services necessary for the implementation of an Eligible Project. Eligible costs may include only the following:

- a) the capital costs of acquiring, constructing or renovating a tangible capital asset and any debt financing charges specifically identified with that asset;
- b) the fees paid to professionals, technical personnel, consultants and contractors specifically engaged to undertake the surveying, design, engineering, manufacturing or construction of a project infrastructure asset and related facilities and structures;
- c) the costs of environmental assessments, monitoring, and follow-up programs as required by the *Canadian Environmental Assessment Act*; or a provincial equivalent; and
- d) the costs related to strengthening the ability of Local Governments to develop Integrated Community Sustainability Plans.

##### 1.1 Employee and Equipment Costs

In the case of remote Municipalities the out of pocket costs (not overhead) related to employees or equipment may be included in its eligible costs under the following conditions.

- a) the Municipality has determined that it is not economically feasible to tender a contract;
- b) employees or equipment are employed directly in respect of the work that would have been the subject of the contract; and
- c) the arrangement is approved in advance and in writing by Alberta.

##### 1.2 Administration Costs

Interest earned by the Municipality on the Funds, if any, may be used to pay for the Municipality's administration costs related to the Eligible Projects.

## **Ineligible Costs**

Costs related to the following items are ineligible costs:

- a) Eligible Project costs incurred before April 1, 2005;
- b) services or works that, in the opinion of Alberta, are normally provided by the Municipality or a related party;
- c) salaries and other employment benefits of any employees of the Municipality except as indicated in section 1.1;
- d) a Municipality's overhead costs, its direct or indirect operating or administrative costs, and more specifically its costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by its applicant's staff;
- e) costs of feasibility and planning studies for individual Eligible Projects;
- f) taxes for which the Municipality is eligible for a tax rebate and all other costs eligible for rebates;
- g) costs of land or any interest therein, and related costs;
- h) cost of leasing of equipment by the Municipality except as indicated in section 1.1 above;
- i) routine repair and maintenance costs;
- j) legal fees;
- k) administrative costs incurred as a result of implementing this Agreement, subject to 1.2 above; and
- l) audit and evaluation costs.

## **SCHEDULE 4**

### **ANNUAL EXPENDITURE REPORT**

The Annual Expenditure Report will contain:

- The amounts received from Canada under this Agreement;
- The amounts paid to each Municipality;
- The amounts received from Canada for future payments to Municipalities;
- The amounts paid by Municipalities in aggregate for Eligible Projects;
- The amounts held at year end by Municipalities in aggregate to be paid to be paid for Eligible Projects;
- The progress Alberta has made, in narrative, in support of its commitments under this Agreement; and,
- A listing of all Eligible Projects that have been approved for funding, indicating the location, investment category, total costs, total Eligible Costs, amount of federal contribution, source and amount of contributions by others, nature of the investment and expected outcomes.

#### **Audit Report**

The Audit Report, is an attestation that provides an opinion by the auditor as to whether the financial information contained in the Annual Expenditure Report is complete and accurate and whether Alberta has complied with all applicable terms of this Agreement.

Alberta will ensure that each Municipality provides the required financial and project information to Alberta that is required to satisfy the foregoing.

#### **Outcome Report**

Deliver to Canada and make available to Albertans no later than September 30, 2009, an Outcomes Report. The Parties, in collaboration with Alberta's municipalities, will agree to the form and content of this report, including indicators to measure results and outcomes, before December 31, 2005 but will include, in any event, information on the degree to which these investments have actually contributed to the achievement of the objectives of cleaner air, cleaner water and reduced GHG emissions.

## **SCHEDULE 5**

### **COMMUNICATIONS PROTOCOL**

Canada and Alberta agree that Canadians have a right to transparency and public accountability, which is best served by full information about the benefits of the New Deal for Cities and Communities.

This Communications Protocol establishes the principles and practices that will guide all announcements and events related to this Agreement, funding to municipalities under this Agreement and the New Deal. Communications activities may include, without limitation, major public events or announcements, or communications products such as speeches, press releases, websites, advertising, promotional material or signage.

#### **The Parties agree that:**

1. A public event will mark the signing of this Agreement. This event will be developed by communications officials from Canada and Alberta, and will provide for municipal involvement and media participation.
2. They will make periodic announcements, through public events, press releases and/or other mechanisms, of the transfer of federal gas tax revenues to Alberta for allocation to municipalities within its jurisdiction.
3. They will make regular announcements, on a city or regional basis, of projects that have benefited from federal gas tax investments. Key milestones may be marked by public events, press releases and/or other mechanisms.
4. At the invitation of the province, they will work cooperatively with Municipalities and/or their municipal association(s) in developing these communications materials and events, which will allow for the communication of the results and outcomes of investments, as well as the importance of working in partnership.
5. In addition to joint communications activities, Canada and Alberta may include messaging in their own communications products and activities, around their commitment to the New Deal and other initiatives and investments in cities and communities.
6. Canada and Alberta will keep each other informed on a regular basis and in a timely fashion of any possible communications activity related to the Agreement.
7. Canada and Alberta will work together with Municipalities to ensure clear and consistent messages and information are available to the public.

**The Government of Canada agrees that:**

1. It will report regularly to the public on the outcomes of the investments entered into under this Agreement, including through the Treasury Board Secretariat, Canada's Annual Performance Report, and through the National Evaluation described in Section 7 of this Agreement.

**The Province agrees that:**

1. All communications referring to projects funded under this Agreement will clearly acknowledge the contributions made by Canada.
2. All communications materials referring to the sharing of federal gas tax revenues with municipalities will recognize that this initiative forms part of the New Deal through the use of the Canada wordmark and of a tagline.
3. Alberta Funding Agreements with Municipalities will include the provisions included in this Protocol, particularly that:
  - a. All communications by the Municipality referring to projects funded under this Agreement will clearly recognize Canada's investments.
  - b. Municipalities will ensure permanent signage at the location of projects receiving investments under this Agreement, prominently identifying the Government of Canada's investment and including the Canada wordmark. Where there is no fixed location for signage, such as a transit vehicle, a prominent marker will recognize the Government of Canada's contribution. All signage/plaques will be located in such a way as to be clearly visible to users, visitors and/or passersby.

**General**

1. The timing of public events shall be sufficient to allow for all orders of government to plan their involvement. Either Party shall provide a minimum of 21 days notice of an event or announcement.
2. The Parties agree that they and Municipalities and/or their Municipal Association(s) will each receive appropriate recognition in joint communications materials.
3. Joint communications material and signage will reflect Government of Canada communications policy and federal-provincial/territorial identity graphics guidelines. Costs related to announcements and signage in the French language will be the responsibility of the Government of Canada.

**Assessment**

Communication results will be assessed as part of the evaluation process set out in Section 7.3.2 of the Agreement.

**SCHEDULE 6**

**MEMORANDUM OF AGREEMENT**

**BETWEEN**

**ALBERTA INFRASTRUCTURE AND TRANSPORTATION**

**AND**

**THE MUNICIPALITY OF \_\_\_\_\_**

MEMORANDUM OF AGREEMENT made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2005

**BETWEEN:**

**HER MAJESTY THE QUEEN**, in right of Alberta, as represented by the Minister of Infrastructure and Transportation (“Minister”)

**OF THE FIRST PART**

- and -

**THE MUNICIPALITY OF \_\_\_\_\_**, in the Province of Alberta (“Municipality”)

**OF THE SECOND PART**

**WHEREAS** Canada and Alberta wish, in partnership, to address the need of municipalities for stable, predictable, long-term funding for Environmentally Sustainable Infrastructure; and

**WHEREAS** Canada and Alberta have decided, under separate agreement, to allocate a portion of federal gas tax revenues to Alberta municipalities; and

**WHEREAS** the Minister recognizes the need to develop municipal infrastructure to maintain or enhance economic, social and cultural opportunity and well being, while protecting and improving the quality of our environment upon which the people and economies of Alberta depend; and,

**WHEREAS** the Minister agrees to conditionally grant to the Municipality a portion of federal gas tax revenues required for Projects meeting the criteria upon the terms and conditions contained herein; and

**WHEREAS** under *Government Organization Act*, RSA 2000 c. G-10, the *Designation and Transfer of Responsibility Regulation* 44/2001 and the *Transportation Grants Administration Regulation* 79/2003 the Minister is authorized to make grants and to enter into an agreement with respect to any matters relating to the payment of a grant; and

**WHEREAS** the Minister agrees to conditionally provide such funds, as approved annually, to the Municipality upon receipt of funds from the Government of Canada as agreed to under Canada-Alberta Agreement On The Transfer Of Federal Gas Tax Revenues Under The New Deal For Cities And Communities; and

**WHEREAS** these funds are to be used by the Municipality for eligible expenditures incurred for Environmentally Sustainable Infrastructure Projects accepted by the Minister; and

**WHEREAS** the Municipality has agreed to accept these funds upon the terms and conditions contained herein.

**NOW THEREFORE** in consideration of the mutual terms and conditions hereinafter specified, the parties agree as follows:

1. The preamble is incorporated as an integral part of this Agreement.
2. In this agreement, unless the context requires otherwise
  - I) **“Memorandum of Agreement”** means this agreement between Alberta Infrastructure and Transportation and the Municipality for the Transfer of the Federal Gasoline Tax.
  - II) **“Integrated Community Sustainability Plan”** means any existing or new long-term plan developed in consultation with community members, for the community to realize sustainability it has for the environmental, cultural, social and economic dimensions of its identity.
  - III) **“Fiscal Year”** means the period beginning April 1 of a year and ending March 31 of the following year.
  - IV) **“Funds”** means the federal gas tax revenues made available pursuant to this Agreement.

- V) **“Environmentally Sustainable Infrastructure”** means municipal roads, bridges, public transit, water and wastewater systems, storm drainage systems, community energy systems, solid waste management. Annex 2 provides a more detailed description.
  - VI) **“Multi-Year Capital Infrastructure Plan”** means a document created through a public process, with approval from locally elected officials, providing a detailed understanding of anticipated investments into tangible capital assets, including environmentally sustainable infrastructure, that are considered “priorities”.
  - VII) **“Municipality”** means a community that is a city, town, village, summer village, municipal district, specialized municipality, improvement district, special area, or Metis settlement. First Nations communities other than Metis Settlements do not fall within this Agreement.
  - VIII) **“Parties”** means Alberta and the Municipality.
  - IX) **“Project”** means any undertaking by a Municipality that results in the purchase, rehabilitation, upgrading, or construction of Environmentally Sustainable Infrastructure as defined above in clause I and in Annex 2).
3. The Minister and the Municipality shall execute this Agreement prior to the Minister transferring any funds to the Municipality under this Agreement.
  4. The Minister agrees to provide funds to the Municipality in trust over the term of this Agreement in incremental payments generally in accordance with Annex 1 subject to the following:
    - I) Receipt of funds from the Government of Canada as agreed to in the Canada-Alberta Agreement On The Transfer Of Federal Gas Revenues Under The New Deal For Cities And Communities;
    - II) Commencing in 2006, receipt of the Municipality’s Statement of Funding and Expenditures for the previous calendar year;
    - III) Receipt of the Municipality’s annual Application for Program Acceptance;
    - IV) The Municipality’s continued investment in capital municipal infrastructure projects in addition to this and other grants;

Revised amounts and payment schedules may be determined for the second and subsequent five-year periods subject to funding allocations being provided by the Government of Canada to Alberta and changes in the Municipality’s population.
  5. The Municipality agrees to provide to the Minister for each Fiscal Year of this Agreement:

- I) An annual list of projects that the Municipality wishes to undertake that year (an Application for Program Acceptance);
  - II) A Multi-Year Capital Plan including all grant supported municipal projects;
  - III) Assurance prior to the expiry of this Agreement that the Municipality is able to successfully integrate the preparation of the Multi-Year Capital Infrastructure Plans with an Integrated Community Sustainability Plan;
  - IV) An annual summary of the actual grant expenditures on each project undertaken in that year and the year-end grant balance on hand (Statement of Funding and Expenditures), including certification by the Municipality that it is in compliance with the terms and conditions of this Agreement;
  - V) A description and data in respect to the outcomes achieved through the investment of federal gas tax revenues.
6. The Municipality hereby agrees to accept the funds provided by the Minister in accordance with Section 4 on the following additional terms and conditions:
- I) the Municipality shall maintain a separate accounting for the funds provided;
  - II) the Municipality may invest the funds provided, or unutilized portions thereof, in accordance with the terms of Section 250 of the Municipal Government Act;
  - III) the Municipality shall determine and report the “actual income earned” on the unexpended funds invested as in Section 6. II) and all such income shall be reported on the annual Statement of Funding and Expenditures as outlined in Section 5. II);
  - IV) the Municipality shall ensure that expenditures accounted for against the principal amount of the funds provided, the income earned thereon, and other credits to the fund are only for Eligible Costs of Projects accepted by the Minister on the Municipality’s Application for Program Acceptance under this Agreement;
  - V) all funds provided and income earned, not expended prior to December 31 in any calendar year may be retained by the Municipality and expended in accordance with the Municipality’s Application for Program Acceptance under this Agreement in the following years;
  - VI) on any accepted Project the work shall be carried out in accordance with the rules, regulations and laws governing such works and in accordance with the best general practices then current at the time of construction of the project;
  - VII) agree that no funds will be committed to a Project until all required environmental assessment requirements have been satisfied and implement all mitigation measures identified in any environmental assessment of the Project;

- VIII) on any Project accepted for cost-sharing under another Alberta program where that project may also be eligible for funding under this Agreement, funding under this Agreement may be used to supplement the funding under the other program, and it may be used to replace any municipal contribution required under the other program unless the other program specifically excludes such practices, or unless specifically approved by the Minister in writing prior to commencement of the project;
- IX) Retain title to, and ownership of, the Environmentally Sustainable Infrastructure resulting from the Project for at least ten (10) years after Project completion. If, at any time within ten (10) years from the date of completion of the Project, the Municipality sells, leases, encumbers or otherwise disposes of, directly or indirectly, any asset constructed, rehabilitated or improved, in whole or in part, with funds contributed under the terms of this Agreement, other than to Canada, Alberta or a Crown corporation of Alberta, the Municipality shall repay Alberta on demand, a proportionate amount of the funds contributed under this Agreement, as follows:

Where Project asset is sold, leased, encumbered or disposed of:	Repayment of contribution (in current dollars)
Within 2 Years after Project completion	100%
Between 2 and 5 Years after Project completion	55%
Between 5 and 10 Years after Project completion	10%

7. The Municipality agrees to notify Alberta in the case of any disposition described above.
8. The Municipality agrees to allow Alberta and its agents, including but not limited to, the Auditor General of Alberta, and representatives of Alberta Infrastructure and Transportation, access to the Project site; any engineering drawings or documents; any books of accounts relating to funding, earnings, and expenditures claimed under this agreement; and any other such Project related documents as deemed necessary by the Minister in performing an audit of the Projects undertaken under this agreement. All Project-related documents shall be kept by the Municipality for a minimum of three years following completion of the Project.
9. The Municipality agrees to hold harmless the Minister, his servants, agents and employees, from and against any and all third party claims, demands, or actions for which the Municipality is legally responsible, including those arising out of negligence or wilful acts by the Contractor or the Contractor's employees or agents. This hold harmless clause shall survive this Agreement.
10. The Municipality shall ensure the funds will result in net incremental capital spending on Environmentally Sustainable Infrastructure.
11. The Municipality acknowledges that it may use the funds to pay up to 100% of the Eligible Costs of a Project provided that to the extent it is receiving money under a Government of Canada Infrastructure Program in respect of a Project to which the Municipality wishes to apply the funds, the maximum federal contribution limitation set out in any Government of Canada Infrastructure Program contribution agreement made in respect of that Project shall continue to apply and the funds paid to the Municipality shall be deemed to be a federal contribution under the said contribution agreement.

12. The Municipality agrees that the funding provided under this Agreement is for capital expenditures on the general types of capital Infrastructure Projects listed in I), subject to II) eligible costs, III) the credit items, and IV) the award of contract criteria.

I) ELIGIBLE PROJECTS

Annex 2 contains a listing of Environmentally Sustainable Projects eligible under this Agreement.

II) ELIGIBLE COSTS

Annex 3 contains a listing of Eligible Costs as defined under this Agreement.

III) CREDIT ITEMS

Annex 4 contains a list of credit items that shall be applied to any Project accepted under this Agreement:

IV) AWARD OF CONTRACTS AND USE OF MUNICIPAL FORCES

Annex 5 contains guidelines related to the Award of Contracts, and Use of Municipal.

13. The parties agree to give this Agreement a fair and reasonable interpretation and, when required, to negotiate with fairness and candor any modifications or alteration thereof for the purpose of carrying out the intent of this Agreement and or rectifying any omission in any of these provisions.
14. This Agreement shall continue in effect until March 31, 2010 and may be renewed thereafter in five- year increments if mutually agreed in writing. To facilitate efficient planning, any such renewal should be implemented before the expiry date. If this Agreement is not extended in writing beyond the termination date, all uncommitted funds as of the termination date shall be returned to the Minister by March 31 following the date of termination.
15. The Province will enforce penalties if the Municipality does not comply with the terms and conditions of this agreement. Penalties may include withholding of payment, reduction of payment, return of payment and /or non-renewal of this Agreement.
16. The Municipality will undertake any communication activities related to a Project funded by the Government of Canada gas tax funds in compliance with the communications protocol agreed to by Canada and Alberta contained in Schedule 5 of the Agreement and subject to the approval of Alberta.
17. Any notice, demand or other document required or permitted to be given under the terms of this Agreement shall be sufficiently given to the party to whom it is addressed if personally

delivered, sent by prepaid registered mail, sent by facsimile transmission, or emailed to the Minister at:

Legislature Building  
10800 – 97 Avenue  
Edmonton, Alberta  
T5K 2B6

or to the Municipality at:

Municipal Hall  
\_\_\_\_\_  
\_\_\_\_\_, Alberta  
\_\_\_\_\_

or to such address as either party may furnish to the other from time to time.

18. Any dispute between the Minister and the Municipality or any question of law or fact arising out of this Agreement shall be submitted to and determined by the Court having jurisdiction over this Agreement.
19. The rights, remedies and privileges of the Minister under this Agreement are cumulative and any one or more may be exercised.
20. If any portion of this Agreement is deemed to be illegal or invalid, then that portion of the Agreement shall be deemed to have been severed from the remainder of the Agreement and the remainder of the Agreement shall be enforceable.
21. This Agreement is binding upon the parties and their successors.
22. The Parties agree that the laws of the Province of Alberta will govern this Agreement.

The parties have therefore executed this Agreement, each by its duly authorized representative(s), on the respective dates shown below.

**HER MAJESTY THE QUEEN** in right of the  
Province of Alberta as Represented by  
the Minister of Infrastructure and  
Transportation

**The Municipality** as Represented by  
the Chief Elected Official

---

Dr. Lyle Oberg  
Minister

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Date

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Date

# **ANNEX 1**

## **FUNDS TO BE TRANSFERRED**

This page contains an outline of the proposed maximum grant eligibility for the Municipality.

Payment of any grant under this program is subject to:

1. The availability of funding for this program.
2. Sufficient accepted eligible Municipal Infrastructure Projects.
3. Completion of financial reports for previous years grants.
4. Compliance with all other terms of the Agreement

This proposed schedule may change from time to time. A change in this schedule does not alter any other term of this agreement.

In 2005/06, \_\_\_\_\_

In 2006/07, \_\_\_\_\_

In 2007/08, \_\_\_\_\_

In 2008/09, \_\_\_\_\_

In 2009/10, \_\_\_\_\_

## ANNEX 2

Sections 1. through 9. of this Schedule contain a listing of the general types of capital Infrastructure Projects that may be funded under the Canada-Alberta Agreement on the Transfer of Federal Gas Tax Revenues under the New Deal for Cities and Communities Agreement. The lists are not intended to be all inclusive. However, all projects must respect eligible project categories listed in Schedule 2 of the Canada-Alberta Agreement

### **1. ROADWAYS AND BRIDGES (Except Edmonton and Calgary) that enhance sustainability outcomes for municipalities.**

- Reconstruction and rehabilitation of roadways.
- Reconstruction and rehabilitation of road structures.
- Construction, reconstruction and rehabilitation of railway other grade separations.
- Construction, reconstruction and rehabilitation of bridges.
- Other ancillary works such as sidewalks, commuter bikeways, lighting, traffic control signals, pedestrian signals, storm drainage and utility relocations.
- Construction or implementation of major transportation systems management projects such as major intersection improvements, major traffic signal coordination, etc.
- Construction of noise attenuation devices as a part of an eligible project, and rehabilitation of existing noise attenuation devices on an eligible roadway or transitway, consistent with the municipality's approved noise attenuation policy.

### **2. PUBLIC TRANSIT**

- Construction and major rehabilitation of Light Rail Transit (L.R.T.) Lines, station structures, park and ride facilities, and L.R.T. Maintenance facilities. L.R.T. Lines must be designated in the municipality's transportation system bylaw.
- Construction, reconstruction and rehabilitation of L.R.T. grade separations.
- Construction and rehabilitation of major public transit terminals and transit garages.
- Purchase of L.R.T. vehicles, "low-floor" standard 40-foot buses, "low-floor" articulated buses, and accessible community public transit vehicles as well as specialized transit vehicles for seniors and/or persons with disabilities.
- Major rehabilitation of public transit vehicles.
- Major comprehensive transit-stop retrofit programs to achieve a "barrier free path of travel" to accessible transit services.
- System-wide capital improvement or upgrading projects.
- Purchase, development, and rehabilitation of major capital security devices, communication equipment, and other public safety enhancements.

- Implementation of Municipal Infrastructure Management Systems including software and the collection of Core Infrastructure data to the limits outlined in the program guidelines.
- Significant enhancements or improvements for the safety of users of the transportation systems.

### **3. WATER SUPPLY AND TREATMENT SYSTEMS**

- Raw-water supply lines to storage facilities.
- Raw-water storage facilities.
- Raw-water supply lines from storage facilities to treatment facilities.
- Water treatment facilities.
- Water pumping facilities.
- Treated-water supply lines.
- Treated-water storage facilities and related works.
- Distribution system upgrades and replacements, including individual services to the property line.
- Implementation of Water Infrastructure Management Systems, including the purchase of software and collection of data to the limits outlined in the program guidelines.

### **4. WASTEWATER TREATMENT SYSTEMS**

- Outfall sewer from the collection system to the wastewater treatment facilities.
- Wastewater treatment facilities.
- Wastewater pumping facilities.
- Outfall sewers from the wastewater treatment facilities to the point of discharge or disposal and related works.
- Sewage collection system upgrades and replacements, including service mains to the property line.
- Implementation of Wastewater Infrastructure Management Systems, including the purchase of software and collection of data to the limits outlined in the program guidelines.

### **5. WASTEWATER (STORM SEWER DRAINAGE SYSTEMS AND FACILITIES)**

- Storm sewer line replacement or rehabilitation.
- Construction of new storm sewer retention ponds.
- Construction of new storm sewer treatment facilities.
- Replacement or rehabilitation of storm sewer collection lines including service lines, and catch basins.

- Outfall storm sewers to the point of discharge or disposal and related works.
- Implementation of Storm Sewer Infrastructure Management Systems, including the purchase of software and collection of data to the limits outlined in the program guidelines.

## **6. COMMUNITY ENERGY SYSTEMS**

- Retrofits of local government-owned buildings.
- Energy systems such as renewable energy, combined heat and power (CHP), cogeneration and district energy.
- Street lighting retrofits.
- Other capital energy Projects as may be deemed appropriate by the Minister.

## **7. SOLID WASTE MANAGEMENT**

- Waste diversion - Material Recovery Facilities.
- Organics management.
- Collection depots.
- Waste disposal landfills.
- Thermal treatment.

## **8. CAPACITY BUILDING**

Funds can be used to undertake the following:

- Develop and implement a Integrated Community Sustainability Plan
- Collaboration: building partnerships and strategic alliances; participation; and consultation and outreach;
- Knowledge: use of technology; research; and monitoring and evaluation;
- Integration: planning, policy development and implementation.
- Municipality-wide or regional transportation planning studies and major systems planning reviews.
- Transportation studies to address specific environmental and/or safety concerns including environmental impact assessments.

## **9. GENERAL**

This section includes items that may be stand-alone projects or may be an integral part of a project eligible under sections 1 through 8.

- System-wide reviews where such reviews will have an impact on capital Infrastructure expenditures.
- Relocation & adjustment of associated utilities.

## ANNEX 3

### ELIGIBLE AND INELIGIBLE COSTS

#### Eligible Costs

##### 1. Eligible Project Costs

Eligible costs, as specified in each Memorandum of Agreement, will be all direct costs which are in Canada's opinion properly and reasonably incurred and paid by an Eligible Recipient under a contract for goods and services necessary for the implementation of an Eligible Project. Eligible costs may include only the following:

- a) the capital costs of acquiring, constructing or renovating a tangible capital asset and any debt financing charges specifically identified with that asset;
- b) the fees paid to professionals, technical personnel, consultants and contractors specifically engaged to undertake the surveying, design, engineering, manufacturing or construction of a project infrastructure asset and related facilities and structures;
- c) the costs of environmental assessments, monitoring, and follow-up programs as required by the *Canadian Environmental Assessment Act*; or a provincial equivalent; and
- d) the costs related to strengthening the ability of Local Governments to develop Integrated Community Sustainability Plans.

##### 1.1 Employee and Equipment Costs

In the case of remote Municipalities the out of pocket costs (not overhead) related to employees or equipment may be included in its eligible costs under the following conditions:

- a) the Municipality has determined that it is not economically feasible to tender a contract;
- b) employees or equipment are employed directly in respect of the work that would have been the subject of the contract; and
- c) the arrangement is approved in advance and in writing by Alberta.

##### 1.2 Administration Costs

Interest earned by the Municipality on the Funds, if any, may be used to pay for the Municipality's administration costs related to the Eligible Projects.

## **Ineligible Costs**

Costs related to the following items are ineligible costs:

- a) Eligible Project costs incurred before April 1, 2005;
- b) services or works that, in the opinion of Alberta, are normally provided by the Municipality or a related party;
- c) salaries and other employment benefits of any employees of the Municipality except as indicated in section 1.1;
- d) a Municipality's overhead costs, its direct or indirect operating or administrative costs, and more specifically its costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by its applicant's staff;
- e) costs of feasibility and planning studies for individual Eligible Projects;
- f) taxes for which the Municipality is eligible for a tax rebate and all other costs eligible for rebates;
- g) costs of land or any interest therein, and related costs;
- h) cost of leasing of equipment by the Municipality except as indicated in section 1.1 above;
- i) routine repair and maintenance costs;
- j) legal fees;
- k) administrative costs incurred as a result of implementing this Agreement, subject to 1.2 above; and
- l) audit and evaluation costs.

## **ANNEX 4**

This Schedule contains a listing of the credit items that are to be applied to any Project accepted under the Canada-Alberta Agreement on the Transfer of Federal Gas Tax Revenues under the New Deal for Cities and Communities Agreement:

### **CREDIT ITEMS**

- I) The salvage value of any material obtained from removal or demolition of any structure or any part of the facility or goods required for construction and not used.
- II) The actual sale price of any residual lands and improvements and, if sold prior to construction, the accrued interest at rates earned by the Municipality.
- III) The appraised value, at the time of Project construction, of any residual land and improvements purchased but not sold prior to construction.
- IV) The net income from all land purchased until sale of the land or time of construction, whichever comes first.
- V) The income from the sale of buses or other capital items that previously received a financial contribution from the Province.
- VI) The funding from other sources such as developers, railway companies, private organizations, and other government agencies (including other provincial government departments) where such funding has been designated to a Project funded under the Canada-Alberta Agreement on the Transfer of Federal Gas Tax Revenues under the New Deal for Cities and Communities Agreement.
- VII) The Goods and Services Tax.

## **ANNEX 5**

This Schedule contains guidelines for the award of contracts and use of municipal forces on any Project accepted under the Canada-Alberta Agreement on the Transfer of Federal Gas Tax Revenues under the New Deal for Cities and Communities Agreement:

### **AWARD OF CONTRACTS AND USE OF MUNICIPAL FORCES**

- Where projects are undertaken by the Municipality and those projects are accepted by Alberta Infrastructure and Transportation as qualifying for provincial funding, the projects should be carried out by the private sector.
- All calls for proposals or tenders for Projects to be funded under this program must be advertised consistent with the guidelines in the Agreement on Internal Trade.
- The Municipality may award contracts for planning, design, engineering, and architectural services for a municipal capital infrastructure project based on best overall value consistent with the Municipality's policies.
- The Municipality may award contracts for construction, or purchase of a municipal capital infrastructure project by public tender based on either unit prices, or lump sum amounts.
- Where the Municipality recommends that any tender other than the low tender be accepted, the Municipality must submit its recommendation respecting such awarding, together with details of all tenders received to Alberta Infrastructure and Transportation for written approval.
- In some cases where highly specialized services or equipment are required, or where generally available alternatives would create compatibility issues with existing infrastructure, a Municipality may request the approval of Alberta Infrastructure and Transportation to sole-source the project or use own forces in accordance with Annex 3. The request must include an evaluation documenting the reasons and justifications for following this procedure.