

RECEIVED SEP 09 2014

Deputy Minister
18th floor, Commerce Place
10155 - 102 Street
Edmonton, Alberta T5J 4L4
Canada
Telephone 780-427-4826
Fax 780-422-9561

AR74198

September 5, 2014

Ms. Sheila Kitz, Chief Administrative Officer
County of St. Paul
5015 - 49 Avenue
St. Paul, AB T0A 3A4

Dear Ms. Kitz:

On behalf of the Honourable Greg Weadick, Minister of Municipal Affairs, I am pleased to announce that the Gas Tax Fund (GTF) program guidelines are now available on the GTF website at www.municipalaffairs.alberta.ca/gastaxfund.cfm. The guidelines are effective April 1, 2014 and reflect the recently signed 2014 - 2024 GTF agreement between Canada and Alberta.

Under the new GTF program, you have additional funding flexibility through an expanded range of eligible project categories which now include recreational and cultural infrastructure, broadband connectivity, disaster mitigation infrastructure, and brownfield redevelopment. Applications for new GTF projects should be submitted through the Municipal Grants Management Application. To facilitate a smoother transition to the new 2014 - 2024 GTF program, you will not be required to re-submit GTF projects approved by Alberta Transportation under the previous GTF program. For questions regarding your project submissions, please contact Alberta Transportation regional offices which will continue to provide program support to municipalities during the transition of the GTF administration from Transportation to Municipal Affairs.

In order to access the new GTF funding, municipalities will be required to enter into a new agreement with the Government of Alberta. The provincial-municipal agreement will cover the 2014 - 2024 period and will also govern unspent funding accumulated under the previous GTF agreement.

Attached are two copies of the provincial-municipal GTF agreement. Please have your chief elected official and a duly authorized signing officer sign both copies, retain one for your records, and return the other copy to:

Attn: Grant Compliance and Payments
Grants and Education Property Tax Branch
Alberta Municipal Affairs
17th Floor, Commerce Place
10155 - 102 Street
Edmonton AB T5J 4L4

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Alberta ■

Ms. Sheila Kitz

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Payments of 2014 GTF funding are expected to commence in the fall of 2014. Please note that in order to receive your payment, you must return the signed provincial-municipal GTF agreement, have sufficient projects commitments, and complete all reporting requirements from the previous year.

Should you have any questions regarding the agreement, please contact a Compliance Advisor in the Grants and Education Property Tax Branch, toll-free at 310-0000, then 780-427-2225.

Sincerely,

A handwritten signature in black ink, appearing to read "Andre Corbould". The signature is fluid and cursive, with a long horizontal stroke at the end.

Andre Corbould
Deputy Minister

**GAS TAX FUND
MEMORANDUM OF AGREEMENT**

HER MAJESTY THE QUEEN, in right of the Province of Alberta, as represented by the Minister of Municipal Affairs

(hereinafter called "the Minister")

- and -

the **County of St. Paul No. 19** in the Province of Alberta

(hereinafter called "the Grant Recipient")

WHEREAS Her Majesty the Queen, in right of Canada, Department of Infrastructure, Communities and Intergovernmental Affairs ("Canada") and the Minister, have, under separate agreement, agreed to administer the Gas Tax Fund ("GTF") program for local governments in Alberta to help communities build and revitalize their public infrastructure; and

WHEREAS Canada and the Minister recognize the need to help communities build and revitalize their public infrastructure that supports national objectives of productivity and economic growth, a clean environment and strong communities; and

WHEREAS the Minister agrees to conditionally grant to the Grant Recipient a portion of GTF Funding received from Canada, upon the terms and conditions contained herein; and

WHEREAS under the Government Organization Act, RSA 2000 and the Municipal Affairs Grants Regulation (AR123/2000), 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 GTF Funding and the Unspent Funds are to be used by the Grant Recipient for eligible expenditures incurred on projects accepted by the Minister.

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. Unless defined elsewhere in this Agreement, capitalized words used throughout this Agreement are defined in Schedule A (Definitions).
3. Any Unspent Funds, and any income earned thereon, will be subject to the terms and conditions of this Agreement and will no longer be governed by the terms and conditions of the First Agreement.
4. The Minister and the Grant Recipient shall execute this Agreement and the Grant Recipient shall return an executed Agreement to the Minister prior to the Minister transferring any GTF Funding to the Grant Recipient under this Agreement.
5. The Minister agrees to provide GTF Funding to the Grant Recipient over the term of this Agreement in annual payments, subject to the following:
 - (i) Receipt of an annual letter from Canada confirming the GTF Funding amount for the Province of Alberta;
 - (ii) Alberta Treasury Board and Finance approval of cash-flow of funds;
 - (iii) Sufficient submitted eligible projects as defined in the Program Guidelines;
 - (iv) Completion of reporting requirements as outlined in the Program Guidelines;
 - (v) Adherence to the communication and signage requirements as outlined in the Program Guidelines; and
 - (vi) Compliance with all other terms of this Agreement and the Program Guidelines.
6. GTF Funding will be allocated among municipalities on the basis of a formula as outlined in the Program Guidelines.
7. The Grant Recipient agrees to provide to the Minister, in a format as prescribed in the Program Guidelines:
 - (i) A project application for each project to be initiated under this program; and

- (ii) 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 Grant Recipient that it is in compliance with the terms and conditions of this Agreement.
8. The Grant Recipient agrees to accept the funds provided by the Minister in accordance with the following additional terms and conditions:
- (i) the Grant Recipient shall be responsible for the completion of each project in accordance with the Program Guidelines;
 - (ii) the Grant Recipient shall comply with all communications requirements outlined in the Program Guidelines;
 - (iii) the Grant Recipient shall develop, within the timeframe established in the Program Guidelines, an Asset Management Plan, which will, at minimum, include a multi-year capital plan containing projects funded through the GTF;
 - (iv) the Grant Recipient shall maintain a separate accounting for the GTF Funding provided;
 - (v) the Grant Recipient may invest, in a distinct account, GTF Funding it receives from the Minister in advance of it paying project expenditures, in accordance with the terms of Section 250 of the *Municipal Government Act*;
 - (vi) the Grant Recipient shall ensure that expenditures accounted for against the principal amount of the GTF Funding provided, Unspent Funds, and income earned, are applied only to projects accepted by the Minister;
 - (vii) the Grant Recipient shall invest into GTF projects any revenue that is generated from the sale, lease, encumbrance or other disposal of an asset resulting from a GTF project where such disposal takes place within five (5) years of the date of completion of the project;
 - (viii) the Grant Recipient shall report as part of the reporting requirements the "actual income earned" on the unexpended funds invested and all such income including other credit adjustments as outlined in the Program Guidelines;
 - (ix) all projects under this Agreement 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 the construction of the project;

- (x) the Grant Recipient shall award and manage Contracts in accordance with their relevant policies and procedures and, if applicable, in accordance with the Agreement on Internal Trade and applicable trade agreements, and all other applicable laws;
- (xi) the Grant Recipient agrees to allow the Minister and/or his agents, including but not limited to, the Auditor General of Alberta, and representatives of the Province of Alberta reasonable and timely access to all of its documentation, records and accounts and those of their respective agents or Third Parties related to the use of GTF Funding and Unspent Funds, and any income earned thereon, and all other relevant information and documentation requested by the Minister or Canada via the Minister or its designated representatives for the purposes of audit, evaluation, and ensuring compliance with this Agreement;
- (xii) the Grant Recipient shall keep proper and accurate accounts and records in respect of all projects for at least six (6) years after completion of the project and, upon reasonable notice, make them available to the Minister;
- (xiii) on any project accepted for cost-sharing under another provincial government 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;
- (xiv) on any project accepted for cost-sharing under another federal government program where that project may also be eligible for funding under this Agreement, funding under this Agreement may not be used to supplement the funding under the other program and it may not be used to replace any municipal or provincial contribution required under the other program unless the other program specifically permits such practices;
- (xv) all GTF Funding provided and income earned, not expended prior to December 31 in the year that funding is allocated, may be retained by the Grant Recipient and shall be expended in accordance with the Grant Recipient's project application under this Agreement during the subsequent five years. Thereafter, all unexpended funds shall be returned to the Minister;
- (xvi) all Unspent Funds may be retained by the Grant Recipient and shall be expended in accordance with the Grant Recipient's project application under this Agreement by December 31, 2019. Thereafter, all unexpended funds shall be returned to the Government of Alberta; and

- (xvii) this Agreement does not replace, supersede, or alter the terms of any other existing funding agreement between the Minister and the Grant Recipient.
9. The Grant Recipient shall adhere to all project and expenditure eligibility criteria, project credits, project tendering requirements, and other items or directions as outlined in the Program Guidelines.
 10. Nothing in this Agreement is to be construed as creating an agency, partnership, joint venture, or employment relationship between the Grant Recipient and Canada or between the Grant Recipient and the Minister.
 11. The Grant Recipient shall not represent itself as an agent, partner or employee of Canada or of the Minister for any purpose, including in any contract with a Third Party.
 12. The Grant Recipient shall ensure that no current or former public servant or public office holder to whom any post-employment, ethics and conflict of interest legislation, guidelines, codes or policies of Canada applies will derive direct benefit from GTF Funding or Unspent Funds, unless the provision or receipt of such benefits is in compliance with such legislation, guidelines, policies or codes.
 13. The Grant Recipient acknowledges that this Agreement and all reports and other records submitted to the Minister will be subject to the access and disclosure provisions of the *Freedom of Information and Protection of Privacy Act (Alberta)*, as amended from time to time.
 14. The Grant Recipient agrees to indemnify and hold harmless the Minister, his employees and agents, from any and all actions, claims, demands and costs whatsoever, arising directly or indirectly, out of any act or omission of the Grant Recipient or its employees or agents, with respect to carrying out the purposes of this Agreement.
 15. The Grant Recipient agrees to indemnify and hold harmless the Government of Canada, its officers, servants, employees or agents responsible for any claims or losses of any kind that the Grant Recipient, Third Parties or any other person or entity may suffer in relation to any matter related to GTF Funding or a GTF funded project and that the Grant Recipient will, at all times, compensate the Government of Canada, its officers, servants, employees and agents for any claims or losses of any kind that any of them may suffer in relation to any matter related to GTF Funding or a GTF funded project.
 16. The Grant Recipient agrees that it is not entitled to compensation for its costs, expenses, inconvenience or time expended in relation to the administration of the funds provided under this Agreement nor in respect to this Agreement.

17. 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.
18. The parties agree that the requirements of this Agreement which, by their nature, should extend beyond the expiration or termination of this Agreement, will extend beyond such expiration or termination.
19. This Agreement will be effective as of April 1, 2014 and will be in effect until March 31, 2024, and may be renewed thereafter if mutually agreed in writing. In the event where this Agreement is not renewed, any GTF Funding and Unspent Funds held by the Grant Recipient, that have not been expended on projects as of March 31, 2024 will nevertheless continue to be subject to this Agreement until March 31, 2029. Thereafter, all unexpended funds shall be returned to the Minister.
20. Termination of this Agreement unilaterally by either of the Parties will require a minimum notice of two (2) years. If this Agreement is terminated, any GTF Funding and Unspent Funds held by the Grant Recipient as of the termination date shall be returned to the Minister within 180 days following the date of termination.
21. 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 e-mailed to the addresses as follows:

The Minister:

Municipal Affairs
17th Floor, Commerce Place
10155 – 102 Street
Edmonton, Alberta T5J 4L4

Attention:
Director, Grant Accountability
Grants and Education Property Tax Branch

Telephone: (780) 427-2225
Fax: (780) 422-9133
E-mail: ma.gtfgrants@gov.ab.ca

The Grant Recipient: County of St. Paul No. 19
5015 - 49 Avenue
St. Paul, AB T0A 3A4

Attention:
Chief Administrative Officer

Telephone: 780-645-3301
Fax: 780-645-3104
E-mail: countysp@county.stpaul.ab.ca

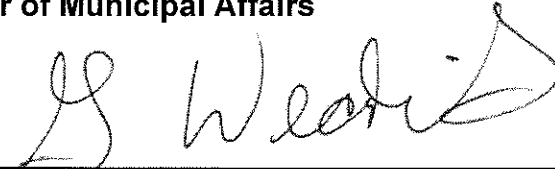
or to such address as either party may furnish to the other from time to time.

22. This Agreement shall be governed by and interpreted in accordance with the laws of Alberta, and by the courts within the Province of Alberta. The terms and conditions of this Agreement are severable to the extent that any one which may be contrary to the laws of Alberta will be deemed to be modified to comply with those laws, but every other term and condition will remain valid.
23. The rights, remedies and privileges of the Minister under this Agreement are cumulative and any one or more may be exercised.
24. This Agreement is binding upon the parties' respective successors and permitted assignees.
25. The parties may amend this Agreement only by mutual written agreement signed by the parties.

This space left intentionally blank.

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 Municipal Affairs**

Per: 

MINISTER, MUNICIPAL AFFAIRS

Date: July 22, 2014

COUNTY OF ST. PAUL No. 19

Witness (or Seal)

Per: _____
CHIEF ELECTED OFFICIAL

Date: _____

Witness (or Seal)

Per: _____
DULY AUTHORIZED SIGNING OFFICER

Date: _____

SCHEDULE A DEFINITIONS

“Asset Management Plan” means a document that supports integrated, lifecycle approaches to effective stewardship of infrastructure assets in order to maximize benefits, and manage risk.

The plan can include:

- a multi-year capital plan;
- an inventory of assets;
- the condition of infrastructure;
- level of service or risk assessment;
- a cost analysis;
- community priority setting;
- capital or financial planning.

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

“GTF” means the Gas Tax Fund, a program established by the Government of Canada setting out the terms and conditions for the administration of funding that may be provided by Canada to recipients under section 161 of the *Keeping Canada’s Economy and Jobs Growing Act*, S.C. 2011, c. 24 as amended by section 233 of the *Economic Action Plan 2013 Act, No. 1*, S.C. 2013, c. 33, or any other source of funding as determined by Canada.

“GTF Funding” means funding received by the Minister from Canada under the GTF but does not include Unspent Funds.

“Program Guidelines” means the guidelines for actions, events, criteria, report formats, and other directions applicable to the GTF program as may be prescribed or determined by the Minister and as may be amended from time to time by the Minister.

“Third Party” means any person or legal entity, other than Canada, the Government of Alberta or a Grant Recipient, who participates in the implementation of an eligible project by means of a Contract.

“Unspent Funds” means the Net Amount Carried Forward to 2014, as reported by the Grant Recipient on the Grant Recipient’s 2013 Gas Tax Fund Statement of Funding and Expenditures.