MCCAC TAME BUILDINGS INITIATIVE BONUS FUNDING AGREEMENT

THIS AGREEMENT	(the "Agreement") dated the day of, 2011.		
BETWEEN:	ALBERTA URBAN MUNICIPALITIES ASSOCIATION, a society duly created under the laws of Alberta		
	(the "AUMA")		
AND:	**, a municipal corporation, duly incorporated according to the laws of Alberta	of	
	(the "Municipality")		

WHEREAS:

- A. Her Majesty the Queen in right of the Province of Alberta (the "Government of Alberta"), as represented by the Minister of the Environment, and the AUMA entered into an agreement, dated November 25, 2009 (the "MCCAC Agreement"), whereby the Government of Alberta agreed to provide the AUMA with a grant (the "Grant") to create a project called the Municipal Climate Change Action Centre (the "MCCAC"), to facilitate energy efficiency and the reduction in greenhouse gas emissions by municipalities;
- B. Based on the terms of the MCCAC Agreement, the unused balance of the Grant for the MCCAC as of April 30, 2013 (or such later date as may be agreed upon) is to be returned by the AUMA to the Government of Alberta;
- C. In the course of its mandate, the MCCAC has developed the "Taking Action to Manage Energy" TAME Buildings Initiative Program (the "TAME Buildings Initiative") to encourage municipalities to obtain detailed energy efficiency assessments with the objective that municipalities will implement the energy efficiency recommendations provided in said assessments and adopt a more strategic focus towards energy management;
- D. The AUMA, through the MCCAC, has implemented the TAME Buildings Initiative which includes, in addition to the implementation funding initiative set forth in a separate funding agreement, a bonus funding initiative in the event of a reduction in GHG Emissions; and
- E. The Municipality is agreeable to being a participating municipality for the purposes of the bonus funding initiative;

NOW THEREFORE, IN CONSIDERATION OF THE COVENANTS AND AGREEMENTS CONTAINED HEREIN, THE PARTIES HERETO AGREE AS FOLLOWS:

1. **DEFINITIONS**

1.1. In this Agreement, the following terms shall have the following meanings:

- a. "Agreement" means this MCCAC TAME Buildings Initiative Bonus Funding Agreement;
- b. "Assessment Period" shall mean the twelve month period after completion of the implementation of the energy efficiency recommendations set forth in the Detailed Energy Assessment that were chosen by the Municipality for a particular building;
- c. "AUMA" means the Alberta Urban Municipalities Association;
- d. "Bonus" means an amount equal to SIXTY (\$60.00) DOLLARS per tonne of reductions in GHG Emissions of a building owned by the Municipality up to a maximum of TWENTY THOUSAND (\$20,000.00) DOLLARS;
- e. "Detailed Energy Assessment" means a comprehensive energy assessment performed by a qualified consultant which provides a detailed assessment of the energy efficiency of the particular building in question and that otherwise meets the requirements of the MCCAC;
- f. "EOI Form" is the Expression of Interest Form created by the MCCAC, as amended from time to time by the MCCAC;
- g. "GHG Emissions" means emissions of gases into the atmosphere that can absorb and emit infrared radiation including carbon dioxide;
- h. "Government of Alberta" has the meaning set forth in recital A. above;
- i. "Grant" has the meaning set forth in recital A. above;
- j. "MCCAC" has the meaning set forth in recital A. above;
- k. "Municipality" means the contracting party defined as "Municipality" on page 1 hereof;
- 1. "TAME Buildings Initiative" has the meaning set forth in recital A. above;
- m. "Term" has the meaning set forth in Section 3.1 hereof.

2. BONUS FUNDING INITIATIVE

2.1. In the event:

- a. The Municipality has submitted to the MCCAC a completed EOI Form in relation to a building prior to the implementation of any energy efficiency recommendations; and
- b. The Municipality implements in the building any of the energy efficiency recommendations arising out of the Detailed Energy Assessment obtained by the Municipality in relation to such building and provides notice to the AUMA within sixty (60) days of completion of such recommendations; and
- c. Such improvements result in a reduction in the GHG Emissions generated by the building over the Assessment Period calculated in accordance with section 2.2 hereof;

then the AUMA hereby agrees to pay the Bonus to the Municipality. If a Municipality satisfies the requirements set forth in a. to c. above in relation to three or more buildings, then the maximum Bonus to which the Municipality shall be entitled shall be increased to an aggregate maximum of FORTY THOUSAND (\$40,000.00) DOLLARS, but provided that the Municipality shall not receive more than TWENTY THOUSAND (\$20,000.00) DOLLARS in relation to any one building.

- 2.2. The determination as to whether there is a reduction in GHG Emissions shall be based on comparing actual consumption data over the Assessment Period with the consumption data that was set out in the initial EOI Form provided by the Municipality to the AUMA prior to obtaining the Detailed Energy Assessment. It is the responsibility of the Municipality to provide to the AUMA all relevant data necessary to make the Bonus calculations.
- 2.3. The payment referred to in section 2.1 above shall be payable by the AUMA within sixty (60) days of determination of the amount of the Bonus by the AUMA, except where there are three or more buildings involved, in which case the payment shall be made within a reasonable time of the AUMA determining the aggregate Bonus entitlement of the Municipality.

3. TERM OF AGREEMENT

3.1. The term of this Agreement shall commence on the date hereof and shall end on April 13, 2013, which coincides with the date the remainder of the Grant has to be returned by AUMA to the Government of Alberta, or such earlier date in the event the entire amount of the Grant has been distributed by the AUMA (the "Term"). In the event the Government of Alberta is agreeable to extending the Term of the MCCAC Agreement further, then upon written direction of the AUMA, in its sole discretion, the herein Term shall be extended to the date set forth in the applicable written notice.

4. CONDITIONS OF PAYMENT AND DISCLAIMER OF LIABILITY

- 4.1. Notwithstanding anything contained herein, all funding and payment obligations of the AUMA contained herein are subject to, and conditional upon, there being a sufficient amount of the Grant available for such distribution and payment. If there are no further amounts of the Grant available for distribution, then the AUMA shall not be required to make its payment obligations stated herein. The Municipality acknowledges its understanding that there are limited funds available which may affect its compensation entitlements and that time is of the essence in light of the finite period for distribution and utilization of the Grant by the AUMA.
- 4.2. Notwithstanding anything contained herein, the AUMA hereby expressly disclaims liability to the Municipality except as specifically contracted for herein and for greater clarity, the AUMA cannot guarantee the reliability or comprehensiveness of any information provided by MCCAC or the AUMA in relation to energy efficiency and management pursuant to the terms of this Agreement or otherwise.

5. **GENERAL PROVISIONS**

5.1. Notices. Any notice, demand or request required or permitted to be given hereunder shall be in writing and shall be deemed effective one (1) Business Day after having been faxed, or four (4) Business Days after having been mailed by prepaid, registered or certified mail, return receipt requested, to the following addresses:

AUMA:	c/o MCCAC	Municipality:	

- 5.2. MCCAC Not A Separate Entity. For clarity, all references and entitlements to, and obligations of the MCCAC herein are the entitlements and obligations of AUMA, since the MCCAC is not a separate legal entity. However, the MCCAC is specifically referred to herein in light of its specific operational mandate and for clarity to the Municipality as to the point of contact.
- 5.3. <u>Independent Contractors.</u> It is expressly agreed between the parties hereto that the AUMA and the Municipality are contracting as separate entities and neither are agents or legal representatives of any other for any purpose whatsoever nor shall either one of them represent itself as having any power to any way bind or obligate the other party or to assume or create any expressed or implied obligation or responsibility on behalf of the other party.
- 5.4. <u>Currency.</u> All dollar amounts in this Agreement are expressed in Canadian funds.
- 5.5. <u>Time of Essence.</u> Time shall be of the essence of this Agreement.
- 5.6. Entire Agreement. This Agreement contains the entire understanding and agreement of the parties with respect to the subject matter contained herein and supersedes all prior representations, understandings and agreements, written or oral. However, the parties acknowledge that the funding agreement pertaining to the implementation of energy efficiency recommendations remains in full force and effect.
- 5.7. <u>Counterparts.</u> This Agreement may be executed in counterparts and a facsimile or portable document format signature shall be deemed an original, and all counterparts shall be construed together as one agreement.
- 5.8. Successors and Permitted Assigns. This Agreement shall not be assignable by any party without the prior written consent of the other parties. This Agreement shall enure to the benefit of and shall be binding on and enforceable by the parties and, where the context so permits, their respective successors (including any successor by reason of the amalgamation of any party) and permitted assigns.
- 5.9. Severability. Each provision of this Agreement is hereby declared to be separate, severable and distinct. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the remainder of this Agreement shall not be affected thereby and shall be applied and construed as if such invalid, illegal or unenforceable provision had been omitted unless such provision or provisions are so material that its or their invalidity, illegality or unenforceability would materially change the transactions contemplated hereby so as to make them unreasonable and contrary to the intentions of the parties.
- 5.10. Amendments and Waivers. No amendment or waiver of any provision of this Agreement shall be binding on either party unless consented to in writing by such party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver constitute a continuing waiver unless otherwise provided.
- 5.11. Governing Law. This Agreement shall be governed by the laws of the Province of Alberta and the

laws of Canada applicable therein.

ALBERTA URBAN MUNICIPALITIES

IN WITNESS WHEREOF the parties have executed this Agreement as of the date hereinabove written.

Per:

Name:

Title:

** [INSERT NAME OF MUNICIPALITY] ASSOCIATION Per: Per: Name: Name: Title: Title:

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Per:

Name:

Title: