

CANADA – BRITISH COLUMBIA

INTEGRATED BILATERAL AGREEMENT FOR THE

INVESTING IN CANADA INFRASTRUCTURE PROGRAM

This Agreement is made as of the date of last signature

BETWEEN: **HER MAJESTY THE QUEEN IN RIGHT OF CANADA**, as represented by the Minister of Infrastructure, Communities and Intergovernmental Affairs (“Canada”)

AND: **HER MAJESTY THE QUEEN IN RIGHT OF BRITISH COLUMBIA**, as represented by the Minister of Transportation and Infrastructure and the Minister of Municipal Affairs & Housing (“British Columbia”)

individually referred to as a “Party” and collectively referred to as the “Parties”.

WHEREAS the Government of Canada announced in *Budget 2016* and *Budget 2017* over \$180 billion for the Investing in Canada Plan to support sustainable and inclusive communities, while driving economic growth.

WHEREAS the Minister of Infrastructure, Communities and Intergovernmental Affairs is responsible for the Investing in Canada Infrastructure Program and wishes to provide financial support to British Columbia for Projects under this Agreement.

WHEREAS the Government of Canada proposes to deliver up to a maximum of \$3,917,380,161 to British Columbia in four key areas: public transit; green infrastructure; community, culture and recreation infrastructure; and rural and northern communities infrastructure.

WHEREAS each Party will make best efforts to keep the other informed of individual communications regarding aspects of this Agreement.

AND WHEREAS the Government of Canada has made a commitment to renewing the relationship between Canada and Indigenous peoples based on recognition of rights, respect, co-operation and partnership, where all mandate letters from the Prime Minister highlight the Government of Canada’s commitment to a renewed, nation-to-nation relationship with Indigenous peoples.

NOW THEREFORE, the Parties agree as follows:

1. INTERPRETATION

1.1 DEFINITIONS

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

“Administrative Expenses” means costs Incurred by British Columbia related to implementing this Agreement, including costs for incremental staff needed to deliver the Program, conduct Program intakes, review project applications, announce Projects, develop the British Columbia infrastructure plan, develop information technology systems and undertake reporting.

“Agreement” means this integrated bilateral agreement and all its schedules, as may be amended from time to time.

“Agreement End Date” means March 31st, 2028.

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

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

“Communications Activity” or “Communications Activities” means, but is not limited to, public or media events or ceremonies including key milestone events, news releases, reports, web and social media products or postings, blogs, news conferences, public notices, physical and digital signs, publications, success stories and vignettes, photos, videos, multi-media content, advertising campaigns, awareness campaigns, editorials, multi-media products and all related communication materials under this Agreement.

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

“Eligible Expenditures” mean those costs Incurred and eligible for payment by Canada as set out in section A.1 c) (Eligible Expenditures).

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

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

“Infrastructure Recipient Information System” (“IRIS”) means an online portal and case management tool developed by Canada to support section 17 (Information Management).

“Joint Communications” means events, news releases, and signage that relate to this Agreement and are collaboratively developed and approved by Canada, British Columbia and, where applicable, the Ultimate Recipient, and are not operational in nature.

“Oversight Committee” means the committee(s) established in accordance with section 7 (Oversight Committee).

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

“Program” means the Investing in Canada Infrastructure Program as set out in this Agreement.

“Project(s)” means one or more projects submitted by British Columbia and approved by Canada pursuant to section 9 (Project Submission, Approval and Changes) and governed by this Agreement.

“Rural Households” means individual dwellings located in communities with a population of under 30,000 people as defined by the 2016 Census.

“Substantial Completion” or “Substantially Completed” means, when referring to a Project, that the Project can be used for the purpose for which it was intended.

“Third Party” means any person or legal entity, other than a Party or Ultimate Recipient, who participates in the implementation of a Project by means of a Contract.

“Total Financial Assistance” means total Project funding from all sources including, but not limited to, funding from federal, provincial, territorial, municipal, regional, band council, and Indigenous government sources; private sources; and in-kind contributions.

“Ultimate Recipient” means an entity identified under section A.1 a) (Ultimate Recipients) that is eligible to receive contribution funding for a Project under this Agreement.

“Ultimate Recipient Agreement” means an agreement between British Columbia and an Ultimate Recipient for a Project under this Agreement.

1.2 ENTIRE AGREEMENT

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

1.3 DURATION OF AGREEMENT

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

1.4 SCHEDULES

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

Schedule A – Program Details

Schedule B – Communications Protocol

Schedule C – Targets

2. PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to establish the terms and conditions whereby Canada will provide contribution funding to British Columbia for Projects and Administrative Expenses.

3. COMMITMENTS BY CANADA

- a) Canada agrees to provide contribution funding to British Columbia under the public transit stream of the Program in a total amount not to exceed two billion six hundred ninety-one million one hundred and one thousand eight hundred ninety-four dollars (\$2,691,101,894) to be paid in accordance with Sections A.1 (General Program Requirements) and A.2 (Public Transit) of Schedule A.
- b) Canada agrees to provide contribution funding to British Columbia under the green infrastructure stream of the Program in a total amount not to exceed nine hundred and three million, one hundred ninety-four thousand, seven hundred twenty-one dollars (\$903,194,721) to be paid in accordance with Sections A.1 (General Program Requirements) and A.3 (Green Infrastructure) of Schedule A.
- c) Canada agrees to provide contribution funding to British Columbia under the community, culture and recreation infrastructure stream of the Program in a total amount not to exceed one hundred fifty-seven million, eighty-one thousand, seven hundred nineteen dollars (\$157,081,719) to be paid in accordance with Sections A.1 (General Program Requirements) and A.4 (Community, Culture and Recreation Infrastructure) of Schedule A.
- d) Canada agrees to provide contribution funding to British Columbia under the rural and northern communities infrastructure stream of the Program in a total amount not to exceed one hundred sixty-six million one thousand eight hundred twenty-seven dollars (\$166,001,827) to be paid in accordance with Sections A.1 (General Program Requirements) and A.5 (Rural and Northern Communities Infrastructure) of Schedule A.
- e) Canada agrees to provide a portion of Canada’s total contribution funding identified in paragraphs a) through d) of this section to British Columbia for Administrative Expenses to be paid in accordance with section 16 (Administrative Expenses).
- f) The Parties acknowledge that Canada’s role in a Project is limited to making a financial contribution to British Columbia for that Project and that Canada will have no involvement in the implementation of that Project or its operation. Canada is

neither a decision-maker nor an administrator of a Project. When Canada's approval is required, Canada acknowledges that time is of the essence.

4. COMMITMENTS BY BRITISH COLUMBIA

- a) British Columbia will be responsible for the complete, diligent, and timely implementation of this Agreement, within the funding limits and deadlines specified in this Agreement and in accordance with the terms and conditions of this Agreement.
- b) Unless British Columbia is the Ultimate Recipient, British Columbia will enter into an Ultimate Recipient Agreement with each Ultimate Recipient and ensure that Ultimate Recipient Agreements are consistent with, but are no less favourable to Canada than the relevant provisions of this Agreement. Where British Columbia is an Ultimate Recipient, British Columbia will be subject to all terms and conditions set out in this Agreement.
- c) British Columbia will secure assurances that all Projects are Substantially Completed by October 31st, 2027.
- d) British Columbia acknowledges that Canada will not be financially responsible for any ineligible expenditures or cost overruns for a Project.
- e) When British Columbia is an Ultimate Recipient, British Columbia will be responsible for any costs associated with a withdrawn or cancelled Project, and will repay to Canada any and all disallowed costs, surpluses, unexpended contributions, and overpayments made under and according to the terms and conditions of this Agreement. For cancelled Projects where British Columbia has entered into an Ultimate Recipient Agreement, British Columbia will require Ultimate Recipients to repay to British Columbia any and all disallowed costs, surpluses, unexpended contributions, and overpayments made under and according to the terms and conditions of this Agreement. British Columbia will repay this amount to Canada.
- f) British Columbia will inform Canada immediately of any fact or event, of which British Columbia is aware, that will compromise wholly, or in part, a Project.
- g) British Columbia will ensure that the following climate lens assessments are completed to both Parties' satisfaction and submitted to Canada prior to Canada's approval of a Project, unless otherwise required by Canada:
 - i. A greenhouse gas emissions assessment that includes a cost-per-tonne calculation as required by Canada:
 - a) for all projects that seek funding under the climate change mitigation sub-stream in Section A.3 (Green Infrastructure) of Schedule A; and
 - b) for all other projects with total estimated Eligible Expenditures of ten million dollars (\$10,000,000) or more.
 - ii. A climate change resilience assessment
 - a) for all projects that seek funding under the adaptation, resilience, and disaster mitigation sub-stream in Section A.3 (Green Infrastructure) of Schedule A; and
 - b) for all other projects with total estimated Eligible Expenditures of ten million dollars (\$10,000,000) or more.
- h) British Columbia will ensure that all Projects with total estimated Eligible Expenditures of twenty-five million dollars (\$25,000,000) or more, will report on community employment benefits provided to at least three (3) federal target groups (apprentices, Indigenous peoples, women, persons with disabilities, veterans, youth, new Canadians, or small- medium-sized enterprises and social enterprises). Canada will waive the community employment benefits reporting requirement at the discretion of British Columbia. British Columbia will provide Canada a rationale for not reporting on community employment benefits as described in this section, which will be made public by Canada.
- i) British Columbia agrees to contribute a minimum of 33.33% of Eligible Expenditures for each Project where the Ultimate Recipient is a local or a regional government as described in paragraph ii. a) of section A.1 a) of Schedule A (Ultimate Recipients).
- j) British Columbia will allocate a minimum of twenty-two million five hundred sixty-four thousand two hundred sixty-nine dollars (\$22,564,269) from the community, culture

and recreation infrastructure contribution funding allocation under paragraph c) of section 3 (Commitments by Canada) to Projects for the benefit of Indigenous peoples not living on reserve.

- k) Over the term of this Agreement, British Columbia will ensure that contribution funding received under this Agreement does not displace British Columbia infrastructure spending on each of the asset classes funded through the Program.
- l) British Columbia will secure assurances that contribution funding received under this Agreement does not displace local government spending on public transit.
- m) British Columbia will ensure that projects submitted for Canada's approval represent, to both Parties' satisfaction, a fair balance of local government and provincial projects.
- n) British Columbia will ensure projects benefitting Indigenous peoples are considered for contribution funding under this Agreement.
- o) British Columbia will submit for Canada's review and approval all projects to be considered for contribution funding under this Agreement by March 31st, 2025.

5. APPROPRIATIONS

- a) Notwithstanding Canada's obligation to make any payment under this Agreement, this obligation does not arise if, at the time when a payment under this Agreement becomes due, the Parliament of Canada has not passed an appropriation that is sufficient and constitutes lawful authority for making the payment. Canada may reduce or terminate any payment under this Agreement in response to the reduction of appropriations or departmental funding levels in respect of transfer payments, the Program under which this Agreement was made or otherwise, as evidenced by any appropriation act or the federal Crown's main or supplementary estimates expenditures. Canada will not be liable for any direct, indirect, consequential, exemplary or punitive damages, regardless of the form of action, whether in contract, tort or otherwise, arising from any such reduction or termination of funding.
- b) Canada acknowledges that any contribution to a Project by British Columbia is subject to:
 - i. There being sufficient monies available in an appropriation, as defined in the British Columbia *Financial Administration Act* (the "FAA"), to enable British Columbia to make the payment in the fiscal year when the payment is due; and
 - ii. British Columbia Treasury Board, as defined in the FAA, not having controlled or limited pursuant to the FAA any expenditure under any appropriation referred to in subparagraph (i) of this part.

6. FISCAL YEAR BUDGETING

- a) The amount of contribution funding payable by Canada each Fiscal Year is set out in sections A.2 b) i, A.3 b) i, A.4 b) i and A.5 b) i of Schedule A (Program Details).
- b) If the actual amount payable by Canada in respect of any Fiscal Year is less than the estimated maximum amounts in sections A.2 b) i, A.3 b) i, A.4 b) i and A.5 b) i of Schedule A (Program Details), British Columbia may request that Canada re-allocate the difference between the two amounts to a subsequent Fiscal Year. Subject to section 5 (Appropriations), Canada agrees to make reasonable efforts to accommodate British Columbia's request. British Columbia acknowledges that requests for re-allocation of Canada's contribution funding to a Project will require appropriation adjustments or federal Crown approvals.
- c) In the event that any requested re-allocation of Canada's contribution funding to a Project is not approved, the amount of Canada's contribution payable in accordance with section 3 (Commitments by Canada) may be reduced by the amount of the requested re-allocation. If the contribution payable by Canada in accordance with section 3 (Commitments by Canada) is so reduced, the Parties agree to review the effects of such reduction on the overall implementation of the Project and to adjust the terms and conditions of this Agreement as appropriate.

7. OVERSIGHT COMMITTEE

- a) Within sixty (60) business days of the date of last signature of this Agreement, the

Parties will establish one or more Oversight Committee(s) co-chaired by representatives of Canada and British Columbia. In addition, either Party may nominate additional representatives who will participate in the Oversight Committee as observers. The Oversight Committee(s), which will meet semi-annually at a minimum, will:

- i. monitor compliance of the implementation of this Agreement with the terms and conditions of this Agreement;
 - ii. act as a forum to resolve potential issues and address concerns;
 - iii. review and, as necessary, recommend to the Parties amendments to the Agreement;
 - iv. monitor the implementation of Schedule B (Communications Protocol);
 - v. approve and ensure audit plans are carried out as per this Agreement, including but not limited to section 18 (Audit);
 - vi. monitor the implementation of the British Columbia infrastructure plan described in section 8 (British Columbia Investing in Canada Infrastructure Program Infrastructure Plan) and progress towards achieving the targets outlined in Schedule C (Targets);
 - vii. Discuss and establish baselines for targets, as applicable, to the satisfaction of both Parties;
 - viii. monitor Project risk and mitigation measures; and
 - ix. attend to any other function required by this Agreement or as mutually directed by the Parties.
- b) British Columbia will communicate to Ultimate Recipients any deficiencies and/or corrective actions identified by Canada or by the Oversight Committee.

8. BRITISH COLUMBIA INVESTING IN CANADA INFRASTRUCTURE PROGRAM INFRASTRUCTURE PLAN

- a) British Columbia will submit to Canada by September 30th, 2018 and will update and re-submit to Canada annually by May 31st an infrastructure plan, to the satisfaction of both Parties, that includes:
- i. A section that describes British Columbia's approach and priorities for the Program, including but not limited to British Columbia's plans for achieving the targets outlined in of Schedule C (Targets), British Columbia's approach for meeting the commitments in paragraphs m) and n) of section 4 (Commitments by British Columbia) to ensure that a fair balance of local government and provincial projects are submitted for Canada's approval and that projects supporting Indigenous peoples are considered for contribution funding under this Agreement, and British Columbia's aspirational targets for community employment benefits provided to federal target groups (apprentices, Indigenous peoples, women, persons with disabilities, veterans, youth, new Canadians, or small-medium-sized enterprises and social enterprises);
 - ii. A section identifying projects that British Columbia intends to submit for approval by Canada for contribution funding under this Agreement, including projects that are ready to be submitted to Canada or that British Columbia may submit to Canada in the future; and
 - iii. For all updated infrastructure plans, information on accomplishments in the previous Fiscal Year.
- b) British Columbia may update the information required under paragraph a) ii. in this section at any time.
- c) All infrastructure plans submitted to Canada will cover a minimum period of the current Fiscal Year and the next two (2) Fiscal Years, up to the Agreement End Date.
- d) All infrastructure plans will include an attestation in a format acceptable to both Parties from a delegated official from British Columbia that contribution funding received from Canada under this Agreement will not displace approved or planned infrastructure spending in accordance with paragraphs k) and l) in section 4 (Commitments by British Columbia).

- e) British Columbia will provide, at Canada's request and to both Parties' satisfaction, additional information related to any British Columbia infrastructure plan to fulfill the requirements under paragraphs a), b), c) and d) in this section.
- f) The submission of any British Columbia infrastructure plan to both Parties' satisfaction does not constitute approval of projects by Canada under this Agreement and does not prohibit British Columbia from submitting projects for approval by Canada in accordance with section 9.1 (Project Submission and Approval) that are not included on a submitted infrastructure plan.

9. PROJECT SUBMISSION, APPROVAL AND CHANGES

9.1 PROJECT SUBMISSION AND APPROVAL

- a) British Columbia will be responsible for identifying and prioritizing eligible projects, and will engage with local and regional governments, public sector bodies and Indigenous peoples as described in section A.1 a) of Schedule A (Ultimate Recipients), and submitting eligible projects to Canada for approval.
- b) British Columbia will prioritize, to the satisfaction of both Parties, the submission of eligible projects for Canada's approval that support the key actions that are identified as part of British Columbia's commitments under the *Pan-Canadian Framework on Clean Growth and Climate Change*.
- c) British Columbia will provide all information required by Canada, to the satisfaction of both Parties, for each project submitted by British Columbia for contribution funding under this Agreement, including but not limited to:
 - i. when applicable, as determined by Canada, the target to which the project is aligned as outlined in Schedule C (Targets);
 - ii. expected results for community employment benefits for all projects to which the community employment benefit reporting requirement outlined in paragraph h) of section 4 (Commitments by British Columbia) applies; and
 - iii. when applicable in accordance with section 4 g), climate lens assessments.
- d) British Columbia will provide, at Canada's request and to both Parties' satisfaction, additional information related to projects submitted for approval.
- e) British Columbia's submission of a project to Canada for approval is British Columbia's agreement that, once the Project is approved by Canada for contribution funding, the Project is governed by this Agreement.
- f) Canada's approval of a Project for contribution funding under this Agreement is Canada's agreement that the Project is governed by this Agreement.
- g) Canada will promptly inform British Columbia in writing once Projects have been approved or rejected.
- h) For every Project, Canada will set a maximum on Canada's contribution funding in dollars and as a percentage of total Eligible Expenditures.
- i) British Columbia will promptly inform Canada of any cancelled or withdrawn Projects.

9.2 CHANGES TO A PROJECT

- a) British Columbia agrees that changes to a Project will require Canada's approval, which may be subject to the terms and conditions of this Agreement. When seeking to make a change to a Project, British Columbia will promptly submit updated Project information to both Parties' satisfaction.
- b) British Columbia will provide, at Canada's request and to both Parties' satisfaction, additional information related to changes to a Project.

10. FEDERAL REQUIREMENTS FOR PROJECTS

In addition to the requirements for eligible Projects as set out in Schedule A (Program Details) eligible Projects must also meet the following requirements:

- a) A Project must meet or exceed any applicable energy efficiency standards for buildings outlined in the *Pan-Canadian Framework on Clean Growth and Climate Change*.

- b) A Project must meet or exceed the requirement of the highest published accessibility standard in a jurisdiction, in addition to applicable provincial building codes and relevant local government by-laws.

11. ENVIRONMENTAL ASSESSMENT

No site preparation, vegetation removal or construction will occur for a Project and Canada has no obligation to pay any Eligible Expenditures that are capital costs, as determined by Canada, until Canada is satisfied that the federal requirements under the *Canadian Environmental Assessment Act, 2012* (CEAA, 2012), other applicable federal environmental assessment legislation that is or may come into force during the term of this Agreement, and other applicable agreements between Canada and Aboriginal groups are met and continue to be met.

12. ABORIGINAL CONSULTATION

No site preparation, vegetation removal or construction will occur for a Project and Canada has no obligation to pay any Eligible Expenditures that are capital costs, as determined by Canada, until Canada is satisfied that any legal duty to consult, and where appropriate, to accommodate Aboriginal groups or other federal consultation requirement, has been met and continues to be met. If required, Canada must be satisfied that for each Project:

- a) Aboriginal groups have been notified and, if applicable, consulted;
- b) If applicable, a summary of consultation or engagement activities has been provided, including a list of Aboriginal groups consulted, concerns raised, and how each of the concerns have been addressed, or if not addressed, an explanation as to why not;
- c) Accommodation measures, where appropriate, are being carried out by British Columbia or the Ultimate Recipient, and these costs may be considered Eligible Expenditures; and
- d) Any other information has been provided that Canada may deem appropriate.

13. AWARDING OF CONTRACTS

- a) British Columbia will ensure that Contracts will be awarded in a way that is fair, transparent, competitive and consistent with value-for-money principles, or in a manner otherwise acceptable to Canada, and if applicable, in accordance with the *Canadian Free Trade Agreement* and international trade agreements.
- b) If Canada determines that a Contract is awarded in a manner that is not in compliance with the foregoing, upon notification to British Columbia, Canada may consider the expenditures associated with the Contract to be ineligible.

14. REPORTING

- a) British Columbia will submit to Canada, no later than May 31st and November 30th each Fiscal Year, a Project progress report to both Parties' satisfaction that includes all Projects except:
 - i. Projects where an Ultimate Recipient is a community with a population of less than five thousand (5,000) people, which will be included in the Project progress report submitted to Canada, no later than November 30th each Fiscal Year.
- b) Each Project progress report will include an attestation in a format acceptable to both Parties, from a delegated official, that the information in the report is accurate. The Project progress report will include the following updated information for each Project:
 - i. Canada's contribution funding to the Project by Fiscal Year;
 - ii. Construction start and end dates (forecasted/actual);
 - iii. Progress tracker (e.g. percent completed);
 - iv. Risks and mitigation strategies, as required;

- v. Confirmation that the Project is on-track to achieve expected results, including results related to targets as per Schedule C (Targets), or if Substantially Completed, confirmation of actual results; and
 - vi. Confirmation of installed Project signage, if applicable.
- c) British Columbia will report annually, no later than November 30th, through the Project progress report, or through existing provincial reporting frameworks, on expected and actual results related to community employment benefits for applicable Projects.
 - d) British Columbia will complete all reporting requirements as defined under paragraphs a), b) and c) in this section for all Projects to both Parties' satisfaction no later than December 31st, 2027.
 - e) British Columbia agrees and will ensure that Canada may use the information submitted by British Columbia under this section to publicly report on Program results.

15. CLAIMS AND PAYMENTS

15.1 CLAIMS AND PAYMENTS

- a) British Columbia will submit to Canada, no later than April 20th each Fiscal Year, the total amount of Eligible Expenditures Incurred by Ultimate Recipients on Projects in the previous Fiscal Year.
- b) British Columbia will submit a claim to Canada covering Eligible Expenditures on a semi-annual basis at a minimum, to both Parties' satisfaction. Each claim will include an attestation in a format acceptable to both Parties, from a delegated official, that Eligible Expenditures have been Incurred in accordance with this Agreement and British Columbia is in compliance with progress reporting requirements as described in section 14 (Reporting).
- c) British Columbia will submit a final claim to Canada covering Eligible Expenditures no later than December 31st, 2027 to both Parties' satisfaction.
- d) Canada will make a payment to British Columbia promptly upon review and acceptance of a claim, subject to the terms and conditions of this Agreement.

15.2 PAYMENT CONDITIONS

Canada will not:

- a) pay interest for failing to make a payment under this Agreement;
- b) pay capital costs for a Project until the requirements under section 11 (Environmental Assessment) and section 12 (Aboriginal Consultation), if applicable, are, in Canada's opinion, satisfied to the extent possible at the date the claim is submitted to Canada; and
- c) pay any claims until all requirements under section 8 (British Columbia Investing in Canada Infrastructure Program Infrastructure Plan) and section 14 (Reporting) are received and accepted by Canada, and any audit requirements in section 18 (Audit) and any requirements outlined in Schedule B (Communications Protocol) are met.

15.3 PAYMENT DEADLINE

- a) Canada will make payments no later than March 31st of the year following the Fiscal Year in which the Eligible Expenditures were Incurred.
- b) Canada will make the final payment no later than March 31st, 2028.

15.4 RETENTION OF CONTRIBUTION

Canada will retain a maximum of five percent (5%) of its contribution funding under this Agreement. The amount retained by Canada will be released by Canada when:

- a) British Columbia fulfils all of its obligations under this Agreement;
- b) British Columbia submits an attestation, from a delegated official and in a format acceptable to both Parties', that all Projects have been Substantially Completed and contribution funding under this Agreement has been spent on Eligible Expenditures; and
- c) the Parties jointly carry out a final reconciliation of all claims and payments in respect of this Agreement and make any required adjustments.

16. ADMINISTRATIVE EXPENSES

- a) British Columbia may apply part of its allocation under this Agreement to Administrative Expenses as outlined in section A.1 c) (Eligible Expenditures).
- b) Approved Administrative Expenses will be determined by Canada based on the review and approval by Canada of a detailed business case, which must be submitted by British Columbia by May 31, 2018, or a revised business case, where required, which must be submitted by May 31 every third Fiscal Year thereafter.
- c) British Columbia will apply an equal percentage of contribution funding, as approved by Canada, from each stream as identified in paragraphs a) through d) of section 3 (Commitments by Canada) to total Administrative Expenses.

17. INFORMATION MANAGEMENT

- a) British Columbia will use IRIS, or another process designated by Canada, to fulfill the obligations of British Columbia under this Agreement, including but not limited to following:
 - i. section 8 (British Columbia Investing in Canada Infrastructure Program Infrastructure Plan);
 - ii. section 9 (Project Submission, Approval and Changes);
 - iii. section 14 (Reporting); and
 - iv. section 15 (Claims and Payments).

18. AUDIT

- a) British Columbia agrees to inform Canada of any audit that has been conducted on the use of contribution funding under this Agreement at the Project or Program level, provide Canada with all relevant audit reports, and ensure that prompt and timely corrective action is taken in response to any audit findings and recommendations. British Columbia will submit to Canada in writing as soon as possible, but no later than sixty (60) days following receiving it, a report on follow-up actions taken to address recommendations and results of the audit.
- b) Canada will develop an audit plan, as approved by the Oversight Committee that, will include, at minimum, two (2) audits conducted by Canada over the term of this Agreement. Canada may undertake, at any time, any other audit in relation to this Agreement. All audits conducted by Canada will be at Canada's expense.
- c) British Columbia will ensure proper and accurate financial accounts and records are kept, including but not limited to its Contracts, invoices, statements, receipts, and vouchers in respect of all Projects for at least six (6) years after the Agreement End Date.

19. EVALUATION

- a) British Columbia agrees to participate in a review of the Program, to be completed by March 31st, 2023, to assess Project achievements in comparison with the targets identified in Schedule C (Targets).
- b) In addition, British Columbia agrees to provide Project-related information to Canada over the term of this Agreement and up to six (6) years after the Agreement End Date in order for Canada to conduct an evaluation of the performance of the Program. All evaluation results will be made available to the public, subject to all applicable laws and policy requirements.

20. ACCESS

British Columbia will ensure Canada and its designated representatives are provided with reasonable and timely access to Project sites, facilities, and any records, documentation or information for the purposes of audit, inspection, monitoring, evaluation, and ensuring compliance with this Agreement.

21. DISPUTE RESOLUTION

- a) The Parties will keep each other informed of any issue that could be contentious.
- b) If a contentious issue arises, the Oversight Committee will examine it and will, in good faith, attempt to resolve the contentious issue as soon as possible, and, in any event, within thirty (30) business days from the receipt of notice of such contentious issue. Where the Oversight Committee cannot agree on a resolution, the matter will be referred to the Parties for resolution. The Parties will provide a decision within ninety (90) business days from the date of referral to the Parties.
- c) Where the Parties cannot agree on a resolution, the Parties may explore any alternative dispute resolution mechanisms available to them to resolve the contentious issue.
- d) Any payments related to any contentious issue raised by either Party may be suspended by Canada together with the obligations related to such issue, pending resolution.
- e) The Parties agree that nothing in this section will affect, alter or modify the rights of Canada to terminate this Agreement.

22. DEFAULT

22.1 EVENTS OF DEFAULT

The following event constitutes the “Event of Default” under this Agreement:

- a) British Columbia has not complied with one or more of the terms and conditions of this Agreement.

22.2 DECLARATION OF DEFAULT

Canada may declare default if:

- a) The Event of Default occurs;
- b) Canada gives notice to British Columbia of the event, which in Canada’s opinion constitutes an Event of Default; and
- c) British Columbia has failed, within thirty (30) business days of receipt of the notice, either to remedy the Event of Default or to notify and demonstrate to the satisfaction of Canada that it has taken such steps as are necessary to remedy the Event of Default.

22.3 REMEDIES ON DEFAULT

In the event that Canada declares default under section 22.2 (Declaration of Default), Canada may exercise one or more of the following remedies, without limiting any remedy available to it by law:

- a) Suspend or terminate any obligation by Canada to contribute or continue to contribute funding to one or more Projects or Administrative Expenses, including any obligation to pay an amount owing prior to the date of such suspension or termination;
- b) Suspend or terminate the approval of Projects;
- c) Require British Columbia to reimburse Canada all or part of the contribution paid by Canada to British Columbia; or
- d) Terminate this Agreement.

23. LIMITATION OF LIABILITY AND INDEMNIFICATION

23.1 LIMITATION OF LIABILITY

In no event will Canada, its officers, servants, employees or agents be held liable for any damages in contract, tort (including negligence) or otherwise, for:

- a) any injury to any Person, including, but not limited to, death, economic loss or infringement of rights;

- b) any damage to or loss or destruction of property of any Person; or
- c) any obligation of any Person, including, but not limited to, any obligation arising from a loan, capital lease or other long term obligation.

in relation to this Agreement or each of the Projects.

23.2 INDEMNIFICATION

British Columbia will at all times indemnify and save harmless Canada, its officers, servants, employees or agents, from and against all actions, claims, demands, losses, costs, damages, suits or other proceedings, whether in contract, tort (including negligence) or otherwise, by whomsoever brought or prosecuted in any manner based upon or occasioned by:

- a) any injury to any Person, including, but not limited to, death, economic loss or any infringement of rights;
- b) any damage to or loss or destruction of property of any Person; or
- c) any obligation of any Person, including, but not limited to, any obligation arising from a loan, capital lease or other long term obligation

in relation to this Agreement or any Project, except to the extent to which such actions, claims, demands, losses, costs, damages, suits or other proceedings are caused by the negligence or breach of the Agreement by an officer, servant, employee or agent of Canada in the performance of his or her duties.

24. ASSETS

24.1 DISPOSAL OF ASSETS

- a) Unless otherwise agreed to by the Parties, British Columbia will require that the Ultimate Recipient will maintain ongoing operations and will retain title to and ownership of an Asset for the Asset Disposal Period.
- b) If at any time within the Asset Disposal Period, an Ultimate Recipient sells, leases, or otherwise disposes of, directly or indirectly, any Asset purchased, acquired, constructed, rehabilitated or renovated, in whole or in part, under this Agreement, other than to Canada, British Columbia, a local or a regional government as outlined in paragraph ii. a) of section A.1 a) (Ultimate Recipients), or with Canada's consent, British Columbia may be required to reimburse Canada, any federal funding received for the Project.

24.2 REVENUE FROM ASSETS

The Parties acknowledge that Canada's contribution to a Project is meant to accrue to the public benefit. British Columbia will notify Canada in writing within ninety (90) business days of the end of a Fiscal Year if any Asset owned by a for-profit Ultimate Recipient as defined in paragraph ii. d) of section A.1 a) (Ultimate Recipients) is used in such a way that in the Fiscal Year, revenues are generated from it that exceed its operating expenses. Canada may require British Columbia to immediately pay to Canada a portion of the excess in the same proportion as the total cost of the Asset. This obligation will only apply during the Asset Disposal Period.

24.3 REPAYABLE CONTRIBUTIONS

At Canada's request, where applicable, ultimate recipients, by way of British Columbia, shall repay any contribution funding provided by Canada under this agreement that is intended for an ultimate recipient that is a for-profit private sector body where such funding is for the purpose of that ultimate recipient generating profits or increasing the value of its business. Any repayment will be made by the ultimate recipient, by way of British Columbia to Canada, and will be made in accordance with terms and conditions of repayment as determined by Canada and British Columbia at the time Canada approves a project.

25. GENERAL

25.1 ACCOUNTING PRINCIPLES

All accounting terms will have the meanings assigned to them, all calculations will be made and all financial data to be submitted will be prepared, in accordance with the public sector accounting standards in effect in Canada.

25.2 SURVIVAL

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

25.3 CONFLICT OF INTEREST

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

25.4 NO AGENCY, PARTNERSHIP, JOINT VENTURE, ETC.

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

25.5 NO AUTHORITY TO REPRESENT

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

25.6 LOBBYIST

British Columbia has not made and will not make a payment or other compensation to any individual required to be registered under the federal *Lobbying Act* that is, in whole or in part, contingent on the outcome of arranging a meeting between a public office holder and any other person, or communicating with a public office holder in the awarding of any contribution funding or other financial benefit under this Agreement or negotiating, in whole or in part, any of the terms and conditions of this Agreement by or on behalf of Her Majesty in Right of Canada.

25.7 COUNTERPART SIGNATURE

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

25.8 SEVERABILITY

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

25.9 ASSIGNMENT

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

25.10 AMENDMENTS

This Agreement may be amended from time to time on written agreement of the Parties.

25.11 WAIVER

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

25.12 NOTICE

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

for Canada:

Assistant Deputy Minister
Program Operations Branch
Infrastructure Canada
1100 - 180 Kent Street
Ottawa, Ontario
K1P 0B6

or to such other address, email or facsimile number, or addressed to such other person as Canada may, from time to time, designate in writing to British Columbia; and

for British Columbia:

Assistant Deputy Minister
Infrastructure And Major Projects Division
Ministry Of Transportation And Infrastructure
5th Floor, 940 Blanshard Street
Victoria, British Columbia
V8W 9N3

or such other address, email or facsimile number, or addressed to such other person as British Columbia may, from time to time, designate in writing to Canada.

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

25.13 COMPLIANCE WITH LAWS

British Columbia will comply with and ensure that each Project complies with all statutes, regulations, and other applicable laws governing British Columbia, the Ultimate Recipient and all Projects under this Agreement, including all requirements of, and conditions imposed by, regulatory bodies having jurisdiction over the subject matter.

25.14 GOVERNING LAW

This Agreement is governed by the laws applicable in the Province of British Columbia.

25.15 SUCCESSORS AND ASSIGNS

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

SIGNATURES

This Agreement has been executed on behalf of Canada by the Minister of Infrastructure, Communities and Intergovernmental Affairs and on behalf of Her Majesty the Queen in right of the Province of British Columbia by the Minister of Transportation and Infrastructure and the Minister of Municipal Affairs & Housing.

CANADA

HER MAJESTY THE QUEEN IN
RIGHT OF THE PROVINCE OF BRITISH
COLUMBIA

The Honourable Amarjeet Sohi
Minister of Infrastructure,
Communities and
Intergovernmental Affairs

The Honourable Claire Trevena,
Minister of Transportation and
Infrastructure

Date

Date

HER MAJESTY THE QUEEN IN
RIGHT OF THE PROVINCE OF BRITISH
COLUMBIA

The Honourable Selina Robinson,
Minister of Municipal Affairs & Housing

SCHEDULE A – PROGRAM DETAILS

A.1 General Program Requirements

a) Ultimate Recipients

- i. British Columbia may be an Ultimate Recipient and may distribute Canada's contribution funding to its own Projects and subject to the terms and conditions of this Agreement.
- ii. British Columbia may further distribute Canada's contribution funding to the following Ultimate Recipients for Projects and subject to the terms and conditions of this Agreement:
 - a) A local or a regional government established by or under provincial statute;
 - b) A public sector body that is established by or under provincial statute or by regulation or is wholly-owned by British Columbia, or a local or regional government;
 - c) When working in collaboration with a local government, a public or not-for-profit institution that is directly or indirectly authorized, under the terms of provincial or federal statute, or royal charter, to deliver post-secondary courses or programs that lead to recognized and transferable post-secondary credentials;
 - d) A private sector body, including for-profit organizations and not-for-profit organizations. In the case of for-profit organizations, they will need to work in collaboration with one or more of the entities referred to above or an Indigenous government listed below; and
 - e) The following Indigenous Ultimate Recipients:
 - i. A band council within the meaning of section 2 of the *Indian Act*;
 - ii. A First Nation, Inuit or Métis government or authority established pursuant to a self-government agreement or a comprehensive land claim agreement between Her Majesty the Queen in Right of Canada and an Indigenous people of Canada, that has been approved, given effect and declared valid by federal legislation;
 - iii. A First Nation, Inuit or Métis government that is established by or under legislation whether federal or provincial that incorporates a governance structure; and
 - iv. A not-for-profit organization whose central mandate is to improve Indigenous outcomes, working in collaboration with one or more of the Indigenous entities referred to above, a local government, or British Columbia.

b) Eligible Projects

Eligible Projects will support public infrastructure, defined as tangible capital assets primarily for public use and/or benefit.

c) Eligible Expenditures

Eligible Expenditures will include the following:

- i. All costs considered by Canada to be direct and necessary for the successful implementation of an eligible Project, excluding those explicitly identified in section A.1 e) (Ineligible Expenditures) of this Schedule, and which may include capital costs, design and planning, and costs related to meeting specific Program requirements, including completing climate lens assessments as outlined in paragraph g) of section 4 (Commitments by British Columbia) of this Agreement and creating community employment benefit plans;
- ii. British Columbia's Administrative Expenses as approved by Canada under section 16 (Administrative Expenses) of this Agreement;

- iii. The incremental costs of employees of an Ultimate Recipient may be included as Eligible Expenditures for a Project under the following conditions:
 - a) The Ultimate Recipient is able to demonstrate that it is not economically feasible to tender a Contract; and
 - b) The arrangement is approved in advance and in writing by Canada.
- iv. Costs will only be eligible as of Project approval, except for costs associated with completing climate lens assessments as outlined in paragraph g) of section 4 (Commitments by British Columbia) of this Agreement, which are eligible before Project approval, but can only be paid if and when a Project is approved by Canada for contribution funding under this Agreement.

d) Ineligible Projects

Investments in health and education facilities are not eligible for contribution funding under this Agreement, except as otherwise specified in section d) (Ineligible Projects) of Schedule A.4 (Community, Culture and Recreation Infrastructure) and sections c) (Eligible Project Outcomes) and d) (Ineligible Projects) of Schedule A.5 (Rural and Northern Communities Infrastructure).

e) Ineligible Expenditures

Ineligible expenditures for Projects will include the following:

- i. Costs Incurred before Project approval and any and all expenditures related to contracts signed prior to Project approval, except for expenditures associated with completing climate lens assessments as required under paragraph g) of section 4 (Commitments by British Columbia);
- ii. Costs Incurred for cancelled Projects;
- iii. Costs of relocating entire communities;
- iv. Land acquisition;
- v. Leasing land, buildings and other facilities; leasing equipment other than equipment directly related to the construction of the Project; real estate fees and related costs;
- vi. Any overhead costs, including salaries and other employment benefits of any employees of the Ultimate Recipient, any direct or indirect operating or administrative costs of Ultimate Recipients, and more specifically any costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by the Ultimate Recipient's staff, except in accordance with paragraph iii. of section A.1 c) (Eligible Expenditures) of this Schedule;
- vii. Financing charges, legal fees, and loan interest payments, including those related to easements (e.g. surveys);
- viii. Any goods and services costs which are received through donations or in kind;
- ix. Provincial sales tax, goods and services tax, or harmonized sales tax for which the Ultimate Recipient is eligible for a rebate, and any other costs eligible for rebates;
- x. Costs associated with operating expenses and regularly scheduled maintenance work;
- xi. Cost related to furnishing and non-fixed assets which are not essential for the operation of the Asset/Project; and
- xii. All capital costs, including site preparation and construction costs, until Canada has confirmed that environmental assessment and Aboriginal consultation obligations as required under sections 11 (Environmental Assessment) and 12 (Aboriginal Consultation) have been met and continue to be met.

A.2 Public Transit

a) Objective

The public transit stream will primarily build new urban transit networks and service extensions that will transform the way that Canadians live, move and work.

b) Canada's Contribution

i. Fiscal Year Breakdown

Canada's total contribution funding for all Projects under the public transit stream will be allocated in accordance with the estimated maximum amounts in the Public Transit Fiscal Year Breakdown Table, as amended through administrative processes:

Public Transit Fiscal Year Breakdown Table

| | Canada |
|--|-----------------|
| 2018/19 | \$21,500,000 |
| 2019/20 | \$149,000,000 |
| 2020/21 | \$407,500,000 |
| 2021/22 | \$540,300,000 |
| 2022/23 | \$351,600,000 |
| 2023/24 | \$356,200,000 |
| 2024/25 | \$349,500,000 |
| 2025/26 | \$193,700,000 |
| 2026/27 | \$230,600,000 |
| 2027/28 | \$91,201,894 |
| TOTAL | \$2,691,101,894 |
| *Figures included in the Fiscal Year Breakdown Table are notional and will be updated to reflect funding allocations approved for Projects under this agreement. | |

ii. Allocation to Transit System

- a) British Columbia agrees to allocate Canada's public transit stream contribution funding to each transit system based solely on ridership as set out in the Public Transit Sub-Allocation Table:

Public Transit Sub-Allocation Table

| Transit System | Ridership |
|----------------|-------------|
| BC Transit | 50,422,115 |
| Translink | 239,061,135 |

- b) Subject to approval by Canada, and British Columbia confirming to Canada the agreement of the affected transit systems, the Parties may amend the Public Transit Sub-Allocation Table in paragraph a) in this section, following the review described in paragraph a) of section 19 (Evaluation). British Columbia will re-allocate contribution funding to each transit system, as determined by Canada, in accordance with the amended Public Transit Sub-Allocation Table. British Columbia will ensure that any applicable Ultimate Recipient Agreements are amended to reflect these funding allocation changes.
- c) British Columbia agrees that a maximum of 15% of Canada's public transit allocation amount under paragraph a) of section 3 (Commitments by Canada) may be paid to public transit rehabilitation Projects, unless otherwise approved by Canada.
- d) Subject to approval by Canada and British Columbia confirming to Canada the agreement of the affected transit systems, British Columbia may combine the

allocations of transit systems based on the Public Transit Sub-Allocation Table, as amended, to facilitate the integration of these public transit systems.

c) Eligible Project Outcomes

Projects eligible for public transit stream contribution funding under this Agreement must meet at least one of the outcomes in the Public Transit Outcomes Table.

Public Transit Outcomes Table

| |
|--|
| Improved capacity of public transit infrastructure |
| Improved quality and/or safety of existing or future transit systems |
| Improved access to a public transit system |

d) Ineligible Projects

When a project meets an outcome in the Public Transit Outcomes Table, it is not eligible for contribution funding under this Agreement if it involves inter-city bus, rail, port or ferry infrastructure that is not part of a public transit system. Public transit is considered to be a distinct mode of transportation conveyance that generally refers to the movement of passengers only within an urban or municipal setting.

e) Stacking and Cost-Sharing

- i. The maximum funding from all federal sources to a Project that is approved for public transit stream contribution funding under this Agreement will not exceed:
 - a) Forty percent (40%) of Eligible Expenditures in British Columbia for new construction and expansion of public transit and active transportation that connects citizens to their public transit systems;
 - b) Fifty percent (50%) of Eligible Expenditures in British Columbia for public transit rehabilitation Projects; or
 - c) Twenty-five percent (25%) of Eligible Expenditures for any for-profit private sector Ultimate Recipients notwithstanding a) or b) in this section.
- ii. If the federal Crown's total funding towards a Project under the public transit stream exceeds the federal funding limits set out in paragraph i) of this section or if the Total Financial Assistance received or due in respect of the total Project costs exceeds one hundred percent (100%) thereof, Canada may recover the excess from British Columbia or reduce its contribution by an amount equal to the excess.
- iii. Canada's contribution to all Projects under the public transit stream will not exceed the amount as set out in paragraph a) of section 3 (Commitments by Canada).

f) Federal Requirements

All Projects that meet an outcome in the Public Transit Outcomes Table must meet the following stream-specific requirement:

- i. British Columbia will ensure that public transit Projects and active transportation Projects that connect citizens to a public transit system are consistent with a land-use or transportation plan or strategy, and where applicable, that Projects are consistent with the approved plans of regional transportation bodies.

A.3 Green Infrastructure

a) Objective:

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

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

b) Canada’s Contribution

i. Fiscal Year Breakdown

Canada’s total contribution funding for all Projects under the green infrastructure stream will be allocated in accordance with the estimated maximum amounts in the Green Infrastructure Fiscal Year Breakdown Table, as amended through administrative processes:

Green Infrastructure Fiscal Year Breakdown Table

| | Canada |
|--|---------------|
| 2018/19 | \$6,203,195 |
| 2019/20 | \$35,294,839 |
| 2020/21 | \$99,437,752 |
| 2021/22 | \$237,488,827 |
| 2022/23 | \$181,250,517 |
| 2023/24 | \$130,684,112 |
| 2024/25 | \$97,953,352 |
| 2025/26 | \$78,978,720 |
| 2026/27 | \$35,000,212 |
| 2027/28 | \$903,195 |
| TOTAL | \$903,194,721 |
| *Figures included in the Fiscal Year Breakdown Table are notional and will be updated to reflect funding allocations approved for Projects under this agreement. | |

ii. Allocation to Sub-Streams

- a) British Columbia agrees to allocate an amount of four hundred six million, four hundred thirty seven thousand, six hundred twenty-four dollars (\$406,437,624) of Canada’s allocation amount under paragraph b) of section 3 (Commitments by Canada) to Projects under the climate change mitigation sub-stream, subject to the provisions in section 16 (Administrative Expenses).

c) Eligible Project Outcomes

Projects eligible for green infrastructure stream contribution funding under this Agreement must meet at least one of the outcomes in the Green Infrastructure Outcomes Table.

Green Infrastructure Outcomes Table

| |
|--|
| Climate Change Mitigation Outcomes: |
| Increased capacity to manage more renewable energy |

| |
|---|
| Increased access to clean energy transportation |
| Increased energy efficiency of buildings |
| Increased generation of clean energy |
| Adaptation, Resilience and Disaster Mitigation Outcomes: |
| Increased structural capacity and/or increased natural capacity to adapt to climate change impacts, natural disasters and/or extreme weather events |
| Environmental Quality Outcomes: |
| Increased capacity to treat and/or manage wastewater and stormwater |
| Increased access to potable water |
| Increased capacity to reduce and/or remediate soil and/or air pollutants |

d) Ineligible Projects

- i. When a project meets a climate change mitigation outcome in the Green Infrastructure Outcomes Table, it is not eligible for contribution funding under this Agreement if it:
 - a) involves inter-city bus, rail, port and ferry infrastructure that is not part of a public transit system. Public transit is considered to be a distinct mode of transportation conveyance that generally refers to the movement of passengers only within an urban or municipal setting;
 - b) is eligible under the Low Carbon Economy Leadership Fund's three priority areas, unless and until the relevant provincial allocation under the Low Carbon Economy Leadership Fund envelope has been fully committed;
 - c) is an energy retrofit project, unless the energy retrofit project is on an asset that would be considered eligible for funding under this Agreement or under the National Housing Strategy; or
 - d) involves emergency services infrastructure.
- ii. When a project meets an adaptation, resilience and climate change outcome in the Green Infrastructure Outcomes Table, it is not eligible for contribution funding under this Agreement if it:
 - a) relocates whole communities;
 - b) involves emergency services infrastructure; or
 - c) addresses seismic risks.

e) Stacking and Cost-Sharing

- i. The maximum funding from all federal sources to a Project that is approved for green infrastructure stream contribution funding under this Agreement will not exceed:
 - a) Fifty percent (50%) of Eligible Expenditures for British Columbia
 - b) Forty percent (40%) of Eligible Expenditures for local government, regional governments and not-for-profit organizations;
 - c) Seventy-five percent (75%) of Eligible Expenditures for Indigenous Ultimate Recipients; or
 - d) Twenty-five percent (25%) of Eligible Expenditures for any for-profit, private sector Ultimate Recipients, notwithstanding paragraphs a), b) or c) in this section.
- ii. The maximum funding to a Project under the green infrastructure stream from all federal sources will not exceed the limits set out in paragraph i) of this section, except for Indigenous Ultimate Recipients, which may access additional funding for a Project up to a maximum of one hundred percent (100%) of Eligible Expenditures from all federal sources subject to approval by Canada.
- iii. If the federal Crown's total funding towards a Project under the green infrastructure stream exceeds the federal funding limits set out in paragraphs i) and ii) of this section, or if the Total Financial Assistance received or due in respect of the total Project costs

exceeds one hundred percent (100%) thereof, Canada may recover the excess from British Columbia or reduce its contribution by an amount equal to the excess.

- iv. Canada's contribution to all Projects under the green infrastructure stream will not exceed the amount as set out in paragraph b) of section 3 (Commitments by Canada).

f) Federal Requirements

- i. All Projects that meet a climate change mitigation outcome in the Green Infrastructure Outcomes Table must meet the following requirement:
 - a) For Projects involving higher order rapid transit, the adoption of vehicles that use a renewable fuel source in a public transit fleet, or active transportation Projects, British Columbia will confirm that such Projects are consistent with a land-use or transportation development plan or strategy, and where applicable, that Projects are consistent with the approved plans of regional transportation bodies.
- ii. All Projects that meet an environmental quality outcome in the Green Infrastructure Outcomes Table must meet the following requirements:
 - a) Wastewater Projects must result in wastewater effluent that meets the *Wastewater Systems Effluent Regulations*, or provincial regulations where there is a federal equivalency agreement in place.
 - b) Drinking water quality following completion of a drinking water Project must meet or exceed provincial standards.
 - c) Solid waste diversion Projects must result in a measurable increase in the quantity of material diverted from disposal as measured against a baseline using the *Generally Accepted Principles for Calculating Municipal Solid Waste System Flow*.
 - d) Projects that reduce or remediate soil pollutants must be undertaken on properties that are contaminated, as confirmed by a Phase II Environmental Site Assessment.

A.4 Community, Culture and Recreation Infrastructure

a) Objective:

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

b) Canada’s Contribution

i. Fiscal Year Breakdown

Canada’s total contribution funding for all Projects under the community, culture and recreation infrastructure stream will be allocated in accordance with the estimated maximum amounts in the Community, Culture and Recreation Infrastructure Fiscal Year Breakdown Table, as amended through administrative processes:

Community, Culture and Recreation Infrastructure Fiscal Year Breakdown Table

| | Canada |
|--|---------------|
| 2018/19 | \$157,082 |
| 2019/20 | \$5,923,722 |
| 2020/21 | \$23,223,642 |
| 2021/22 | \$40,523,562 |
| 2022/23 | \$40,523,562 |
| 2023/24 | \$31,781,335 |
| 2024/25 | \$14,477,570 |
| 2025/26 | \$157,082 |
| 2026/27 | \$157,082 |
| 2027/28 | \$157,080 |
| TOTAL | \$157,081,719 |
| *Figures included in the Fiscal Year Breakdown Table are notional and will be updated to reflect funding allocations approved for Projects under this agreement. | |

c) Eligible Project Outcomes

Projects eligible for community, culture and recreation infrastructure stream contribution funding under this Agreement must meet the outcome in the Community, Culture and Recreation Infrastructure Outcomes Table.

Community, Culture and Recreation Infrastructure Outcomes Table

| |
|--|
| Improved access to and/or increased quality of cultural, recreational and/or community infrastructure for Canadians, including Indigenous peoples and vulnerable populations |
|--|

d) Ineligible Projects

- i. When a project meets an outcome in the Community, Culture and Recreation Infrastructure Outcomes Table, it is not eligible for contribution funding under this Agreement if it:
 - a) has a private sector, for-profit Ultimate Recipient;
 - b) is a stand-alone daycare facility, for-profit daycare facility, daycare facility associated with a school board, or a daycare facility funded under Canada’s Early Learning and Child Care initiative;
 - c) is a religious site that serves as a place of assembly for religious purposes, which includes among others, a site, church, mosque, synagogue, temple, chapel (e.g., within a convent or seminary), shrine or meeting house; or
 - d) is a professional or semi-professional sport facility that is primarily a commercial operation, such as those that serve major junior hockey leagues.

- ii. Within Community Infrastructure Projects that meet an outcome in the Community, Culture and Recreation Infrastructure Outcomes Table, elements of the Project that include dedicated spaces for healthcare, education or tourism purposes, provincial or local government services, or for-profit uses are ineligible for contribution funding under this Agreement, except for dedicated healthcare or education spaces that benefit Indigenous people by advancing the Truth and Reconciliation Commission's *Calls to Action* as approved by Canada.

e) Stacking and Cost-Sharing

- i. The maximum funding from all federal sources to a Project approved for community, culture and recreation infrastructure stream contribution funding under this Agreement will not exceed:
 - a) Fifty percent (50%) of Eligible Expenditures for British Columbia,
 - b) Forty percent (40%) of Eligible Expenditures for local governments, regional governments and not-for-profit organizations, or
 - c) Seventy-five percent (75%) of Eligible Expenditures for Indigenous Ultimate Recipients notwithstanding a) and b) in this section.
- ii. The maximum funding to a Project under the community, culture and recreation infrastructure stream from all federal sources will not exceed the limits set out in paragraph i) of this section, except for Indigenous Ultimate Recipients, which may access additional funding for a Project up to a maximum of one hundred percent (100%) of Eligible Expenditures from all federal sources subject to approval by Canada.
- iii. If the federal Crown's total funding towards a Project under the community, culture and recreation infrastructure stream exceeds the federal funding limits set out in paragraphs i) and ii) of this section, or if the Total Financial Assistance received or due in respect of the total Project costs exceeds one hundred percent (100%) thereof, Canada may recover the excess from British Columbia or reduce its contribution by an amount equal to the excess.
- iv. Canada's contribution to all Projects under the community, culture and recreation infrastructure stream will not exceed the amount as set out in paragraph c) of section 3 (Commitments by Canada).

f) Federal Requirements

All Projects that meet an outcome in the Community, Culture and Recreation Infrastructure Outcomes Table must meet the following requirements:

- i. Community, culture and recreation Projects must be community-oriented, non-commercial in nature and open for use to the public and not limited to a private membership.
- ii. British Columbia will prioritize assets that serve vulnerable populations.
- iii. "Community Infrastructure" is defined as community hubs and community centres. These are publicly accessible, multi-purpose spaces that bring together a variety of different services, programs and/or social and cultural activities to reflect local community needs.
- iv. British Columbia must confirm that the primary rationale for undertaking a sport infrastructure Project is not to serve as a home facility for professional or semi-professional sports teams.
- v. Health and education facilities must benefit Indigenous population by advancing the Truth and Reconciliation Commission's *Calls to Action* as approved by Canada.

A.5 Rural and Northern Communities Infrastructure

a) Objective:

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

b) Canada’s Contribution

i. Fiscal Year Breakdown

- a) Canada’s total contribution funding for all Projects under the rural and northern communities infrastructure stream will be allocated in accordance with the estimated maximum amounts in the Rural and Northern Communities Infrastructure Fiscal Year Breakdown Table, as amended through administrative processes:

Rural and Northern Communities Infrastructure Fiscal Year Breakdown Table

| | Canada |
|--|----------------------|
| 2018/19 | \$166,002 |
| 2019/20 | \$3,050,617 |
| 2020/21 | \$14,589,077 |
| 2021/22 | \$31,896,767 |
| 2022/23 | \$43,406,381 |
| 2023/24 | \$40,521,766 |
| 2024/25 | \$23,214,076 |
| 2025/26 | \$8,825,139 |
| 2026/27 | \$166,002 |
| 2027/28 | \$166,000 |
| TOTAL | \$166,001,827 |
| *Figures included in the Fiscal Year Breakdown Table are notional and will be updated to reflect funding allocations approved for Projects under this agreement. | |

c) Eligible Project Outcomes

- i. Projects eligible for rural and northern communities infrastructure stream contribution funding under this Agreement:

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

Rural and Northern Communities Infrastructure Outcomes Table

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

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

d) Ineligible Projects

When a project meets an outcome in the Rural and Northern Communities Infrastructure Outcomes Table, it is not eligible for contribution funding under this Agreement if it:

- i. is housing;
- ii. is an early learning and childcare facility;
- iii. is a health facility, or an education facility, except to benefit Indigenous peoples by advancing the Truth and Reconciliation Commission's *Calls to Action* as approved by Canada;
- iv. is a highway or trade corridor infrastructure, except for portions that connect communities that do not already have year round road access; or
- v. is resource development infrastructure, notably industrial resource development access roads.

e) Stacking and Cost-Sharing

- i. The maximum funding from all federal sources to a Project that is approved for rural and northern communities infrastructure stream contribution funding under this Agreement will not exceed:
 - a) Fifty percent (50%) of Eligible Expenditures for British Columbia, local governments and regional governments with a population of five thousand (5,000) or more and not-for-profit Ultimate Recipients;
 - b) Sixty percent (60%) of Eligible Expenditures for local governments and regional governments with a population of less than five thousand (5,000);
 - c) Seventy-five percent (75%) of Eligible Expenditures for Indigenous Ultimate Recipients; or
 - d) Twenty-five percent (25%) of Eligible Expenditures for for-profit, private sector Ultimate Recipients, notwithstanding a) or b) in this section.
- ii. The maximum funding to a Project under the rural and northern community infrastructure stream from all federal sources will not exceed the limits set out in paragraph i) of this section, except for Indigenous Ultimate Recipients, which may access additional funding for a Project up to a maximum of one hundred percent (100%) of Eligible Expenditures from all federal sources, subject to approval by Canada.
- iii. If the federal Crown's total funding towards a Project under the rural and northern communities infrastructure stream exceeds the federal funding limits set out in paragraphs i) and ii) of this section, or if the Total Financial Assistance received or due in respect of the total Project costs exceeds one hundred percent (100%) thereof, Canada may recover the excess from British Columbia or reduce its contribution by an amount equal to the excess.
- iv. Canada's contribution to all Projects under the rural and northern communities infrastructure stream will not exceed the amounts as set out in paragraph d) of section 3 (Commitments by Canada).

f) Federal Requirements

- i. All Projects that meet an outcome in the Rural and Northern Communities Infrastructure Outcomes Table must meet the following requirements:
 - a) Projects will be restricted to those situated within, and that are for the direct benefit of, rural and northern communities with a population of 25,000 or less based on 2016 Statistics Canada Census data.
 - b) British Columbia will respect the unique and wide-ranging infrastructure needs of rural and northern communities, including by considering projects that would advance reconciliation with Indigenous Peoples as per the Truth and Reconciliation Commission's *Calls to Action* and the United Nations' *Declaration on the Rights of Indigenous Peoples*, as well as capacity building needs of rural and northern communities.

SCHEDULE B – COMMUNICATIONS PROTOCOL

B.1 Purpose

- a) This Communications Protocol outlines the roles and responsibilities of each of the Parties to this Agreement, as well as those of the Ultimate Recipient, with respect to Communications Activities related to this Agreement and the Projects funded through it.
- b) This Communications Protocol will guide the planning, development and implementation of all Communications Activities to ensure clear, consistent and coordinated communications to the Canadian public.
- c) The provisions of this Communications Protocol apply to all Communications Activities related to this Agreement and any Projects funded under this Agreement.

B.2 Guiding Principles

- a) Communications Activities undertaken in accordance with this Communications Protocol should ensure that Canadians are informed of infrastructure investments made to help improve their quality of life and that they receive consistent information about funded Projects and their benefits.
- b) British Columbia is responsible for communicating the requirements and responsibilities outlined in this Communications Protocol to Ultimate Recipients.

B.3 Governance

- a) The Parties will designate communications contacts that will be responsible for overseeing this Protocol's implementation and reporting on its results to the Oversight Committee.

B.4 Joint Communications

- a) Canada, British Columbia and the Ultimate Recipient will have Joint Communications about the funding of the Project(s).
- b) Joint Communications under this Agreement should not occur without the prior knowledge and agreement of all Parties as well as the Ultimate Recipient, where applicable.
- c) All Joint Communications material will be approved by Canada and British Columbia prior to release, and will recognize the funding of all parties.
- d) Each of the Parties or the Ultimate Recipient may request Joint Communications to communicate to Canadians about the progress or completion of the Project(s). The requestor will provide at least 15 business days' notice to the other Parties or the Ultimate Recipient. If the Communications Activity is an event, it will take place at a mutually agreed date and location.
- e) The requestor of the Joint Communications will provide an equal opportunity for the other Parties or the Ultimate Recipient to participate and choose their own designated representative (in the case of an event).
- f) British Columbia or the Ultimate Recipient will be responsible for providing onsite communications and logistics support. Any related costs are eligible for cost-sharing in accordance with the formula outlined in the funding agreement.
- g) Canada has an obligation to communicate in English and French. Joint communications products must be bilingual and include the Canada word mark and other Parties' logos. Canada will provide the translation services and final approval on products.
- h) The conduct of all Joint Communications will follow the *Table of Precedence for Canada*.

B.5 Individual Communications

- a) Notwithstanding section B.4 of this Communications Protocol (Joint Communications), Canada and British Columbia retain the right to meet their obligations to communicate information to Canadians about the Agreement and the use of funds through their own Communications Activities.
- b) Canada will post a copy of this agreement on its website, in addition to information on any of the Projects funded through it.
- c) Canada, British Columbia and the Ultimate Recipient may each include general Program messaging and examples of Projects funded through the Agreement in their own Communications Activities. The authoring Party will not unreasonably restrict the use of such products or messaging by the other Parties; and if web or social-media based, from linking to it.

- d) Canada, British Columbia or the Ultimate Recipient may issue digital communications to communicate progress of the Project(s).
- e) Where a Party establishes a web site or web page is created to promote or communicate progress on a funded Project or Projects, that Party must ensure that the site or page recognizes federal funding through the use of a digital sign or through the use of the Canada wordmark and the following wording, "This project is funded in part by the Government of Canada." The Canada wordmark or digital sign must link to Infrastructure Canada's website, at www.infrastructure.gc.ca. Canada will provide and publish guidelines for how this recognition is to appear.
- f) The Ultimate Recipient will be required to send a minimum of one photograph to each of the Parties of the construction in progress, or of the completed project, for use in social media and other digital individual communications activities. Sending the photos will constitute permission to use and transfer of copyright. Photographs are to be sent to INFC.photos@canada.ca along with Project name and location.

B.6 Operational Communications

- a) The Ultimate Recipient is solely responsible for operational communications with respect to Projects, including but not limited to: calls for tender, or construction and public safety notices. Operational communications as described above are not subject to the federal official language policy.
- b) Canada does not need to be informed on operational communications. However, such products should include, where appropriate, the following statement, "This project is funded in part by the Government of Canada." As appropriate, operational communications will also recognize the funding of British Columbia in a similar manner.

B.7 Media Relations

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

B.8 Signage

- a) Canada, the Ultimate Recipient and other funding contributors may request a sign recognizing their funding contribution to a Project.
- b) Where a physical sign is to be installed, unless otherwise agreed upon by Canada, it will be the Ultimate Recipient who will produce and install, a joint physical sign that recognizes funding of each Party at each Project site in accordance with current federal signage guidelines.
- c) The joint sign design, content, and installation guidelines will be provided by Canada.
- d) The recognition of funding contributions of each Party and the Ultimate Recipient will be of equal prominence and visibility.
- e) Digital signage may also be used in addition or in place of a physical sign in cases where a physical would not be appropriate due to project type, scope, location or duration.
- f) Where the Ultimate Recipient decides to install a permanent plaque or other suitable marker with respect to a Project, it must recognize the federal contribution and be approved by Canada.
- g) British Columbia agrees to inform Canada of sign installations through the Project progress reports referenced in section 14 (Reporting) of this Agreement.
- h) Where a physical sign is being installed, signage should be installed at each Project site one (1) month prior to the start of construction, be visible for the duration of that Project, and remain in place until one (1) month after construction is completed and the infrastructure is fully operational or opened for public use.
- i) Signage should be installed in a prominent and visible location that takes into consideration pedestrian and traffic safety and visibility.

B.9 Communicating With Ultimate Recipients

- a) British Columbia agrees to facilitate, as required, communications between Canada and the Ultimate Recipient for Communications Activities.

B.10 Advertising Campaigns

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

SCHEDULE C – TARGETS

- a) British Columbia will report to Canada as outlined in this Agreement on Canada's aspirational long term targets for British Columbia as outlined below. Canada will not suspend or terminate any of its obligations to contribute to one or more Projects or Administrative Expenses in the event these targets are not achieved:
- i. Increase by at least twenty five percent (25%) the modal share for public transit and active transportation. This target will be reviewed by both Parties, and if necessary, adjusted, following the submission of British Columbia's Infrastructure Plan as described in section 8 (British Columbia Investing in Canada Infrastructure Program Infrastructure Plan).
 - ii. Maintain 97% of people in a municipality with a public transit system live within the service area of their transit system.
 - iii. Contribute to a national ten mega-tonne (10 mT) reduction of greenhouse gas emissions.
 - iv. Reduce by forty percent (40%) the number of long-term drinking water advisories in non-reserve communities.
 - v. Increase the number of wastewater systems achieving compliance with federal effluent regulations: from ninety-eight percent (98%) to one hundred percent (100%) for high-risk wastewater systems, and from ninety percent (90%) to one hundred percent (100%) for medium-risk wastewater systems.
 - vi. Ensure one hundred percent (100%) of federally-funded public-facing infrastructure meets the highest published applicable accessibility standard in a respective jurisdiction.
 - vii. Increase by at least five percent (5%) the number of Rural Households that have access to the highest broadband speed range available in British Columbia based on 2015 Canadian Radio-Television and Telecommunications Commission data.
- b) The Parties agree, following the review described in paragraph a) of section 19 (Evaluation), to assess project achievements in comparison to the established targets listed in paragraph a) of Schedule C (Targets). Consequently, the Parties agree that existing targets may be adjusted or new targets established, in accordance with section 25. 10 (Amendments).