

MEMORANDUM OF AGREEMENT

BETWEEN

ALBERTA TRANSPORTATION

AND

THE TOWN, VILLAGE, SUMMER VILLAGE OF

«MunicipalityName»

FOR THE

STREETS IMPROVEMENT PROGRAM

2. The Municipality hereby agrees to accept the funds granted by the Minister on the following terms and conditions:
 - a) The Municipality shall provide annually to the Minister a listing of proposed work for the year, or a proposed future program, consistent with the guidelines for eligible projects under the Streets Improvement Program. These "Administrative Guidelines", which are attached as Appendix "A", may be amended from time to time by the Minister without altering the intent of this agreement.
 - b) The Municipality shall maintain a separate accounting for the funds received and shall invest the funds to maximize the income, including interest, on such monies. The Municipality shall not invest such monies in its own municipal securities nor those of any other municipality in the Province of Alberta.
 - c) Any income earned on the advanced grant funds shall be applied and expended only to reduce the total cost of projects accepted by the Minister.
 - d) Any funds advanced in trust and accumulated income not expended prior to the end of the fiscal year shall be retained by the Municipality and applied to future eligible projects, or be returned to the Minister, upon the request of the Minister.
 - e) The Municipality agrees to provide to the Minister an annual Statement of Funding and Expenditures, including a summary of grant funds received, and a summary report of the details of the work approved and completed in the calendar year. Such statement is to be certified by the Chief Administrative Officer, Municipal Manager or Administrator of the Municipality and shall be forwarded to the Minister on or before March 31 of the following year, commencing for the calendar year 2000.
 - f) The Municipality will carry out work in accordance with the rules, regulations and laws governing such work, and in accordance with the best general practice, appropriate engineering standards, and in a manner agreeable to the Minister.
3. The Municipality agrees to indemnify and save harmless the Minister, its servants, agents and employees, from and against all actions, claims and demands arising directly or indirectly from the preparation for, or implementation of, the program, whether or not the damage arose as a result of the actions or omissions of third parties.
4. The Municipality agrees to allow the Minister and/or his agents, including but not limited to, the Auditor General of Alberta, and representatives of Alberta Transportation, access to the project site; any engineering drawings or documents; any books of accounts relating to expenditures claimed under this agreement, and any other such project related documents as deemed necessary by the Minister in performing an audit of the projects undertaken under this

agreement. All project related documents shall be kept by the Municipality for a minimum of three years following completion of the project.

5. The Minister may terminate this agreement at any time, consistent with the intent of the preamble of this agreement.
6. The parties agree to give this agreement a fair and liberal interpretation and, when required, to negotiate with fairness and candor, any modification or alteration hereof for the purpose of carrying out the intent of this agreement and of rectifying any omission in any of these provisions.
7. This agreement shall enure to the benefit of and be binding upon the parties hereto and their successors and assigns.

IN WITNESS WHEREOF this agreement has been duly executed by the parties hereto.

SIGNED AND DELIVERED

On behalf of the Minister,
in the presence of:

Witness

Regional Director
Alberta Transportation

SIGNED, SEALED AND DELIVERED

by the Municipality in the presence of:

«Mayor»

«Administrator»

Appendix “A”

ADMINISTRATIVE GUIDELINES

Streets Improvement Program

ADMINISTRATIVE GUIDELINES FOR THE STREETS IMPROVEMENT PROGRAM TO TOWNS, VILLAGES, SUMMER VILLAGES AND HAMLETS

Introduction

The purpose of these guidelines is to provide an outline of the administrative procedures and eligibility criteria for this program.

OBJECTIVE

This program is designed to provide financial assistance to Alberta towns, villages, summer villages and eligible hamlets for the construction of lasting capital improvements to transportation systems and related projects.

TIME FRAME

This is intended to be an on-going municipal support program to commence April 1, 2000, this program may be amended or discontinued at the discretion of the Minister.

ELIGIBILITY CRITERIA

The program allows eligible municipalities the flexibility to select their projects within general guidelines. Approved projects are eligible for 75 percent provincial funding for all cost-shareable construction and engineering costs, up to the maximum grant available.

Capital works that qualify for assistance are:

- Construction of roadways including grading and gravelling
- Base course pavement and final paving
- Sidewalk curb and gutter
- Roadway storm sewer and drainage systems
- Construction of bridges and culverts
- Installation of street illumination
- Installation of traffic control devices including regulatory and directional signing
- Right-of-way acquisition
- Engineering costs
- Relocation and adjustment of associated utilities
- Reconstruction and/or rehabilitation of streets including pavement overlays
- Dust control treatments using approved materials
- Reconstruction and/or replacement of existing municipal water distribution and sewage collection pipes within the roadway, in conjunction with the reconstruction of streets
- Acquisition of accessible public transportation vehicles

- Safety related enhancement projects:
 - traffic control devices and pedestrian signals
 - emergency bay construction on roadways (may include emergency telephones)
 - construction of pedestrian overpasses, protection areas and other improvements
 - traffic control devices and channelizing barriers
 - bicycle route development in hazardous areas
 - illumination of safety fences and barriers
 - warning sign and other pedestrian safety installations
 - improvements to existing railway crossings
 - other projects as approved by the department.

NOTE: All construction and related services are to be obtained from the private sector.

EXCLUSIONS

The following are **NOT ELIGIBLE** for cost-sharing:

- a) Municipal labour and equipment. All construction and related services are to be obtained from the private sector.
- b) Administration costs (i.e. all municipal employee salaries or council member salaries, office administration costs, etc.).
- c) Goods and Services Tax
- d) Maintenance Projects

FUNDING AVAILABILITY

The Premier's Task Force on Infrastructure (September 7, 1999) identified an amount of \$30/capita/year for the years 2000 and 2001. This supplemental grant allocation will be based on the population figures published by Alberta Municipal Affairs for 1999 and 2000 respectively.

Commencing in 2002 and shortly after annual budget approval, the municipality will be formally advised of their grant allocation for each year.

PROCEDURES

The municipality shall provide to Alberta Transportation a listing of proposed work (application) for the upcoming and/or future years, for review and acceptance by the Regional Director. The listing may be in the form of a letter outlining the proposed program, and should generally be forwarded on or before April 1 of the current year and should include the following:

- A description of the work and a proposed construction schedule.
- Detailed cost estimates and proposed funding sources.
- Copy of a location plan.

All projects must show that the levels of engineering, planning, design of construction supervision will ensure that appropriate standards are maintained.

The Municipality shall undertake construction of the project(s) on a contract basis and must publicly advertise for tenders. If the Municipality feels that there are exceptional circumstances where the low bid is unacceptable, the municipality must submit a written report requesting approval to award to other than the low bidder. The report must clearly substantiate the reasons for the recommendation and provide details of all tenders received. The municipality will await the decision of the department prior to proceeding. Authorization to undertake a specific project on an invitational tender or day-labour basis must be obtained from the department prior to proceeding with the project.

The Municipality shall provide to Alberta Transportation a Statement of Funding and Expenditures for the year (ending December 31). A typical statement is attached as Exhibit 1. The statement should be certified by an appropriate municipal official (such as the Chief Administrative Officer, Municipal Manager or Administrator) and should be forwarded to the Regional Director on or before March 31 of each year.

Following the approval of the department's annual budget for the Streets Improvement Program, and following acceptance of the municipality's outline of proposed work for the new grant funds and previous year's statement, the municipality's grant allocation for the current year will be forwarded to the municipality.

CREDIT ITEMS

Investment Revenue (Income)

Funds received from the department with respect to the project, in excess of current expenditures, must be invested in a separate account.

Income earned through the investment of these funds shall be deducted from the project costs before the grant calculation is made. Municipalities requiring more information on income policy should contact the Department.

REVISIONS

The municipality must notify the department of any changes to the project cost or scope as soon as possible.

The department will review the situation and may approve scope changes, or adjustments to grant payments, depending upon the circumstances of each case within the limits of eligibility.

Attachment

EXHIBIT 1

[SAMPLE – STATEMENT OF
FUNDING AND EXPENDITURES]