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ON THE ST. JOHN'S
URBAN REGION
CANADA/NEWFOUNDLAND



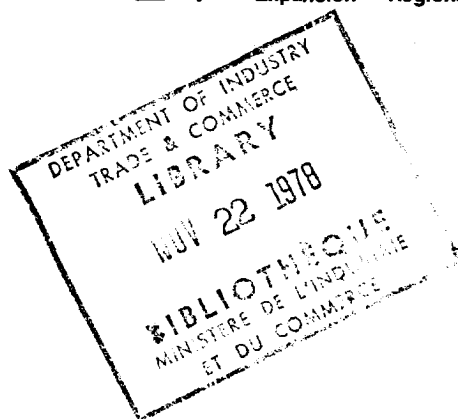
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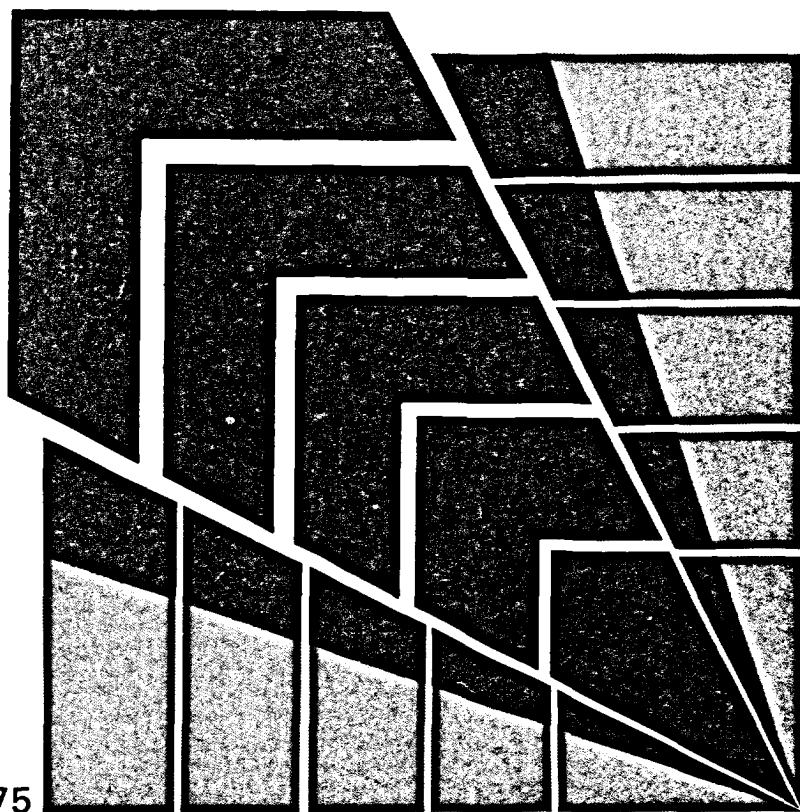


Regional
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ON THE ST. JOHN'S
URBAN REGION
CANADA/NEWFOUNDLAND



JULY 23, 1975

CANADA-NEWFOUNDLAND SUBSIDIARY AGREEMENT
ON THE ST. JOHN'S URBAN REGION

THIS AGREEMENT made this 23rd day of July, 1975

BETWEEN:

THE GOVERNMENT OF CANADA (hereinafter referred to as "Canada"), represented herein by the Minister of Regional Economic Expansion,

OF THE FIRST PART,

AND:

THE GOVERNMENT OF THE PROVINCE OF NEWFOUNDLAND (hereinafter referred to as "the Province"), represented herein by the Minister for Intergovernmental Affairs,

OF THE SECOND PART.

WHEREAS Canada and the Province signed a General Development Agreement dated the first day of February, 1974, (hereinafter referred to as "the GDA"), to achieve the objectives set forth in section 3 thereof;

AND WHEREAS Canada and the Province have agreed that, in the interest of the economic development of Newfoundland, the projects in the St. John's Urban Region, listed in Schedule "A" attached, will be constructed on the basis set out in this Agreement;

AND WHEREAS Canada and the Province have agreed that public investments will be required to assist in the pursuit of this strategy;

AND WHEREAS the Governor in Council by Order in Council P.C. 1915-17/1746 of the 22nd day of July, 1975, has authorized the Minister of Regional Economic Expansion to execute this Agreement on behalf of Canada;

AND WHEREAS the Lieutenant Governor in Council by Order in Council No. B57/75 of the 15th day of July, 1975, has authorized the Minister for Intergovernmental Affairs to execute this Agreement on behalf of the Province;

NOW THEREFORE the parties hereto mutually agree as follows:

DEFINITIONS

1. In this Agreement:
 - (a) "eligible costs" means those costs referred to in sections 5 and 6 of this Agreement;
 - (b) "Federal Minister" means the Minister of Regional Economic Expansion of Canada and includes anyone authorized to act on his behalf;
 - (c) "fiscal year" means the period commencing on April 1st of any year and terminating on March 31st of the immediately following year;
 - (d) "Management Committee" means the Committee referred to in section 8 of this Agreement;
 - (e) "Ministers" means the Federal Minister and the Provincial Minister;
 - (f) "program" means the subject matter as specified in Schedule "A";
 - (g) "project" means a specific activity forming a self-contained unit within a program; and
 - (h) "Provincial Minister" means the Minister for Intergovernmental Affairs of Newfoundland and includes anyone authorized to act on his behalf.

OBJECTIVE

2. The objective of this Agreement is to enable Canada and the Province to make investments in the St. John's urban region required to remove two major constraints to development, and thereby permit growth of the urban region consistent with its position as the major transportation, communications, and commercial centre of Newfoundland.

STRATEGY

3. The strategy to be followed in this Agreement shall be considered annually and may be revised from time to time by the Ministers. Essentially the strategy involves:
 - (a) The augmentation of the water supply for the St. John's urban region directed to the commercial and industrial sectors as well as residential, without which expansionary activities of the suburbs and central business district would be precluded.

- (b) Completion of the downtown link of the Harbour Arterial, thereby linking the Industrial Park at Donovans to the harbour and facilitating access to and from downtown offices by residents of the western suburban areas of the urban region.
- (c) To permit an enabling framework which recognizes the possibility, through amendment of the Agreement, of future additions which are in support of the objective as stated in section 2.

SUBJECT MATTER

- 4. Schedule "A", attached to and forming part of this Agreement, shall consist of a list of projects that the Province shall arrange to have carried out under this Agreement, and which shall consist of the following programs:
 - (i) St. John's Urban Region Water Supply, Packages 1, 2 and 3; and
 - (ii) St. John's Harbour Arterial, Phase II.

FINANCIAL PROVISIONS

- 5. Subject to section 6, the eligible costs to be shared under this Agreement by Canada and the Province in respect of the program items or portions thereof listed in Schedule "A" shall consist of:
 - all direct costs, including those relating to public information but excluding administration, survey, engineering and architecture costs, that in the opinion of the Management Committee have been reasonably and properly incurred for the implementation of the programs by the Province; plus ten per cent (10%) of these costs as an allowance towards the exclusions specified.
- 6.
 - (1) Unless otherwise agreed by the Ministers, the eligible cost of each program item shall be limited to the estimated costs specified in Schedule "A".
 - (2) The costs to be financed by Canada shall not include any costs relating to the acquisition of lands or interests in lands, or any costs arising from conditions of acquisition.
 - (3) If, at any stage of a program, it appears to the Province that the costs thereof will exceed the estimated costs specified for any project in Schedule "A", the Province shall promptly so inform the Management Committee and state the reasons for such increase.

- (4) Upon being informed, the Management Committee shall consider the circumstances which have contributed to the increase in the estimated costs and shall prepare and present a report and recommendations to the Ministers in respect of the action proposed to be taken.
 - (5) The Province shall take over, or arrange to be taken over, on completion, each capital project undertaken under this Agreement and shall accept full responsibility for its operation, maintenance and repair, except in cases where other federal-provincial arrangements may apply.
7. Notwithstanding anything in this Agreement, the total amount payable by Canada under this Agreement shall not exceed seventy-five per cent (75%) of the total eligible costs, or an amount not exceeding fifty-one million dollars (\$51 000 000).

ADMINISTRATION AND MANAGEMENT

8. Each of the Ministers shall designate one or more senior officials to be responsible for the administration of this Agreement. These officials shall constitute the Management Committee whose function it shall be to oversee the planning and implementation of the programs specified in section 4, and to fulfil responsibilities identified for the Management Committee elsewhere in this Agreement. The Federal Minister and the Provincial Minister shall respectively appoint one federal and one provincial official from the members of the Management Committee to act as Co-chairman.
9. Canada and the Province agree to provide the Management Committee with all information necessary for the performance of its function.

PAYMENT PROCEDURES

10. Subject to section 11, payments by Canada shall be promptly made to the Province on the basis of progress claims setting out the costs actually incurred and paid for the project, submitted in a form and verified in a manner satisfactory to the Federal Minister.
11. (1) In order to assist with the interim financing of projects, Canada may, if the Province so requests, make interim payments to the Province of one hundred per cent (100%) of Canada's share of claims submitted, based on estimates of costs actually incurred as certified by a senior officer of the Province.
- (2) The Province shall account for each interim payment by submitting to Canada, within 120 days after such payment by Canada, a detailed statement of the actual expenditures

incurred and paid, verified in a manner satisfactory to the Federal Minister. Any discrepancy between the amounts paid by Canada by way of interim payments and the amounts actually paid by the Province shall be promptly adjusted between Canada and the Province.

- (3) Payment of claims under section 10 and subsections 11(1) and (2) shall be augmented by ten per cent (10%) for the projects as provided for in section 5.

TENDERS AND CONTRACT AWARDS

12. (a) Unless the Management Committee otherwise agrees, all construction, purchase and other contracts shall be let pursuant to tenders invited by public advertisement;
- (b) opening of all tenders shall be public and the Management Committee shall be supplied with copies of each advertisement for tender, together with notice of the time and place for tender opening, in sufficient time to enable any member of the Management Committee or his representative to be present at all tender openings and to participate in the evaluation of tenders;
- (c) all contracts shall be awarded to the responsible and responsive tenderer who submitted the lowest evaluated bid, unless otherwise agreed by the Management Committee;
- (d) all contracts for professional services shall be supervised in accordance with procedures to be approved by the Management Committee, and reports produced by consultants or resulting from such contracts shall become the property of both parties; and
- (e) all announcements of contract awards shall be made jointly by Canada and the Province.

CONSTRUCTION AND IMPLEMENTATION

13. (a) All substantive amendments to contracts shall require the prior approval of the Management Committee;
- (b) any member of the Management Committee or his representative shall be permitted to inspect the project at all reasonable times for the purpose of verifying progress claims and obtaining any other information concerning the project which may be required by the Federal Minister or the Provincial Minister; and

- (c) the Province shall forward to the Management Committee a report as to the progress of the work, in such detail and at such time as may be required by the Management Committee.
14. Contracts and purchases made and work done prior to the date of this Agreement and after September 30, 1974, in respect of projects listed in Schedule "A", may be accepted as complying with the provisions of this Agreement if they are approved in writing by the Federal Minister on the recommendation of the Management Committee.

PUBLIC INFORMATION

15. Canada and the Province agree to cooperate in the development and implementation of a program of public information respecting implementation of projects under this Agreement, and further agree to supply, erect and maintain on the direction of the Management Committee:
- (a) during the course of construction of capital projects, a project sign or signs specifying that the relevant project is a Canada-Newfoundland Regional Development Project financed by contributions by the Department of Regional Economic Expansion of the Government of Canada (and any other federal agency, where relevant) and the Government of the Province of Newfoundland or such other wording to the like effect as may be agreed to by the Ministers; and
- (b) where relevant, upon completion of each project, a permanent sign or plaque to the effect set forth in (a).
16. Any public announcement of the measures covered by this Agreement, and any official opening ceremony for each project outlined in Schedule "A", shall be arranged jointly by the Ministers.

GENERAL

17. No project shall be approved after March 31, 1980, under this Agreement, and Canada shall not be responsible for any costs incurred after this date nor will it pay any claim which is not received by March 31, 1981.
18. The provisions of the Labour Standards Arrangement proposed by the Federal Department of Labour in 1970 shall be applicable to this Agreement, it being understood and agreed that, to the extent that there are higher provincial standards applicable to particular occupations or regions, these higher provincial standards shall apply. In the aforesaid Labour Standards Arrangement, the following provisions are regarded as minimum requirements:

- (a) rates of pay prevailing in the area of employment for each classification of work, subject to the minimum wage specified in provincial legislation;
 - (b) in road and heavy construction, time and one-half the specified prevailing rate of pay after the hours stipulated for purposes of overtime payment in the relevant provincial standards which shall in no case be more than 50 per week; and
 - (c) labour conditions to be specified in all tendering documents and to be posted conspicuously in the work place.
19. Recruitment of labour shall be conducted through the Canada Manpower Centres wherever practicable unless the Management Committee considers that the service cannot reasonably be provided.
20. The terms and conditions of the GDA shall apply to this Agreement.

EVALUATION

21. During this Agreement, Canada and the Province shall jointly effect a continuing assessment of the projects listed in Schedule "A" with regard to the stated objectives. A progress report shall be submitted by the Management Committee to the Ministers on or before the annual meeting of the Ministers as prescribed under subsection 9.1 and section 10 of the GDA.

AMENDMENTS

22. This Agreement, and Schedule "A" thereof, may be amended from time to time by the Ministers in writing. It is expressly understood and agreed, however, that any amendment to section 7 shall require the approval of the Governor in Council.

IN WITNESS WHEREOF this Agreement has been executed on behalf of Canada by the Minister of Regional Economic Expansion, and on behalf of the Province by the Minister for Intergovernmental Affairs.

In the Presence of:

GOVERNMENT OF CANADA

Witness

Minister of
Regional Economic Expansion

GOVERNMENT OF THE PROVINCE
OF NEWFOUNDLAND

Witness

Minister for
Intergovernmental Affairs

CANAQA-NEWFOUNDLAND SUBSIDIARY AGREEMENT
ON THE ST. JOHN'S URBAN REGION

SCHEDULE "A"

<u>Project Description</u>	<u>Estimated Total Cost (\$'000)</u>	<u>Federal Share Including a) direct cost b) 10% allowance (\$'000)</u>
1. <u>St. John's Urban Region Water Supply</u>	33 400	25 100
(a) Package I - Intake, treatment and pumping works at Bay Bulls Big Pond.		
(b) Package II - Transmission main Bay Bulls Big Pond to reservoir at New Town, including pumping station at Ruby Line bifurcation.		
(c) Package III - Transmission main Ruby Line bifurcation to Jensen's Camp Lane.		
2. <u>St. John's Harbour Arterial</u>	34 600	25 900
Construction of a four-lane, divided highway (UAO 40) from Kilbride connection to New Gower Street (approx. 3 miles) including grading, base courses, drainage, paving, and associated structures.		
TOTALS	68 000	51 000

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